

MoneyMail

National Bank Staff Newsletter

Special
Edition
12 Pages

NB

EDITORS' NOTE



Harry Mukaka



William Kaunda



Annie Magola

WE WISH YOU THE VERY BEST IN 2014, BE SAFE AND ENJOY!

The year 2013 has come to pass and it was another successful year for the bank as we saw a number of new products and innovations for the good of our customers.

We had a number of activities to fulfil in the year and some of the major ones were to work on our strategic action plans for the year. Indeed most of them were achieved and we moved on.

During the year we had to comply with Anti-Money Laundering, Proceeds of Serious Crime and Terrorist Financing Regulations which were published in a Gazette on 2nd September 2011, obliging banks to take reasonable measures to identify all existing customers with whom they established business relationships before the Money Laundering Act came into force in 2006.

To comply with this requirement, the Bank embarked on a Know Your Customer Exercise (KYC) where customers were being required to submit copies of their current information.

During the year, Service Centres were also requested to send their Mandates (all information submitted by customers when opening accounts) to Operations Division at the Head Office for scanning.

After the scanning, the documents were sent back to Service Centres for proper filling in cabinets. This is an on-going exercise and will enable the bank to have customer data stored at one place and easily accessible when in need.

As we enter 2014, let us all be prepared to do more for our bank so that we achieve the goals and targets that we have set for ourselves.

We thank you all our readers for supporting your newsletter as without you we could not have achieved our target of coming to you quarterly. The year 2013 was indeed a very successful year for our organization in all respects, let us make 2014 another memorable year.

We wish you the very best in 2014, be safe and enjoy!



Group photograph at the launch of the Nurse's Scholarships

CEO's MESSAGE



Mr George Partridge, Chief Executive Officer

I would like to thank each one of you for working very hard in 2013

Welcome to the last edition of MoneyMail Newsletter of 2013. I hope every one of you had a wonderful Christmas with your families.

I would like to thank each one of you for working very hard in 2013 and I want to appeal to you to continue with this spirit in 2014, let us not be complacent.

Let me just share with you a few major highlights of our business from various divisions and departments of the bank in 2013.

The Corporate Banking Division (CBD) developed the product profile to finance the production of tobacco among smallholder farmers who would not ordinarily qualify for the other financing products offered by the bank.

The facility involves three parties; the bank, the growers and the tobacco merchants.

National Bank of Malawi first participated in contract farming in 2010/11 season in conjunction with one tobacco merchant. The amount involved was US\$1.219 million supporting 152 grower clubs.

The amount disbursed has been exponentially growing over the past three

seasons to US\$18.5 million in 2012/13 season supporting over 9,000 grower clubs comprising 70,000 individual farmers who would otherwise have not accessed funding.

The number of merchants engaged with the bank increased from only one in 2010 to three in 2013. The figure is expected to grow to around US\$25.0 million in 2013/14 season as more merchants are showing interest to participate in conjunction with National Bank of Malawi.

Revenue from treasury operations was one of the major sources of income for the bank in 2013. Earnings from both foreign exchange and money markets have once again exceeded budget.

The equities desk being managed through our NBM Capital has also performed very well as we experienced price gains during the year in a number of stocks in our portfolio as the recovery of the Malawi Stock Exchange market continues.

The introduction of Pay Day loan, an innovative product has excited the market and received an overwhelming support.

The Invoice Proceeds Based Finance which is a product aimed at promoting SMEs was also another introduction.

Awareness of the product will be enhanced in the new year.

A number innovative changes have been implemented in Service Centres aiming at improving both efficiencies and effectiveness in product and service deliveries to customers and this includes expansion and upgrading of Delivery Channels such as ATMs, POS, MO626ice and BankNet Online.

Customer Complaints Officers for each division and service centre have been identified and trained to professionally manage complaints resolution for their respective teams.

The Project Finance and Public Sector Unit managed to grow its book by 173 % in 2013. The Unit has also done very well on interest and non interest income growth.

We continued refurbishing our Service Centres. During the year we relocated Mzimba and Nchalo Service Centres to new premises. We also built Mwanza Service Centre with the aim of bringing banking services closer to our customers.

On the social front, we launched a scholarship programme to help in the training of nurses and midwifery personal worth K33 million on November 29, 2013 at Nkhoma Nursing School where the Minister of Health Catharine Gotani Hara was present.

We are glad that through this programme, the bank will help in training nurses and midwifery personal thereby alleviating the shortage of health workers in the country.

National Bank of Malawi will be sending a representative to Brazil this year to watch the World Cup, all this through the Fiesta Save Promotion currently underway.

Despite these successes we have had some challenges but I am happy to say that we took them head on and we sailed on. Thanks to your fighting spirit that anything that come across us we made sure we achieved it.

On a sad note during the year we lost a number of our friends, including the former head of risk, Isaac Kanje. Lets us continue praying for their souls.

Lastly I want to thank all of you for working hard in 2013 and as I said earlier on, let us not be complacent, let us continue with the journey of success in 2014.

Happy New Year to you all.

I love this bank Yeeeah!

George Partridge
Chief Executive Officer

NBM ROLLS OUT UNIQUE SME PRODUCT

...the product is aimed at bridging the gap in short term financing for SMEs who most the times lack proper business structures



Mr Oswin Kasunda: Head of Personal & Business Banking

National Bank of Malawi (NBM) has rolled out a unique product that will help Small and Medium Enterprises (SMEs) have a strong capital base to boost their businesses.

The product is called Invoice Proceeds Based Finance Scheme and was rolled out in all NBM Service Centres across the country from November 13, 2013.

NBM Head of Personal & Business Banking, Mr Oswin Kasunda, said the product is aimed at bridging the gap in short term financing for SMEs who most of the times lack proper business structures and don't have proper security for financing of their businesses.

"That is why we thought of coming up with this product to help SMEs with short term financing where they will benefit

from their business dealings with corporate customers," said Mr Kasunda.

He said the scheme is a credit facility targeted at SMEs who have clean operating accounts with NBM and have invoices or issued certificates of completion of works with reputable organisations on NBM's pre-approved list of such institutions.

Mr Kasunda said acceptable invoices should have a maximum repayable period of 90 days, for which NBM will pay the SMEs up to 70 percent of the total invoiced amount, if it is a non-NBM invoice, and 80 percent for an NBM invoice while the SMEs is awaiting for full payment from the organisation.

"This will help the SMEs to continue operating instead of staying idle waiting for their payment," added Mr Kasunda.

He said NBM will enter into an

agreement with the SME which will have to be endorsed by the organization invoiced guaranteeing that the final payment for the SME will be paid directly to the account of the SME held at National Bank of Malawi.

"So this is a win-win situation where the SMEs have access to financing and can buy more goods to supply the organisation while awaiting their payment. The organisation too continues to get goods and supplies from the SMEs without any breaks," explained Mr Kasunda.

Further to that, Mr Kasunda said the facility would ease pressure on corporate organisations to fast track payments to SME suppliers for goods and services provided.

What SMEs should do to access the facility is to bring the invoice or certificates of completion of works which will have to be verified and confirmed by a corporate customer on the bank's pre-approved list.

"The SME will also have to bring a letter of introduction from the corporate customer to confirm the authenticity of the transaction," said Mr Kasunda.

He said Account Relationship Managers have a delegated authority to lend amounts of up to K10 million for non-NBM invoices or certificates of completion of works and K20 million for NBM invoices or certificates of completion of works provided that the request has met the set minimum acceptable criteria.

"Credit requests in excess of the amounts I have mentioned should be submitted to the Credit Management Division," said Mr Kasunda.

He emphasized that SMEs would have to execute the assignment of invoice proceeds agreement in favour of the bank and that the invoiced organisation should formally acknowledge it.

Mr Kasunda said the facility attracts the usual appraisal and arrangement fees in line with the bank's standard tariff and lending rates charged at base rate plus 8 percent.

He said NBM is happy to be contributing to the development of the SMEs through this unique corporate-SME supply chain relationship.

NBM DONATES K9.2M FURNITURE TO CHANCO

National Bank of Malawi (NBM) on November 22, 2013 handed over a donation of 300 tablet chairs and 120 set of desks and chairs worth K9.2 million to Chancellor College in Zomba, one of the constituent colleges of the University of Malawi.

Presenting the chairs, NBM Chief Executive Officer, Mr George Partridge – who is an alumnus of the college, said the donation follows a meeting he and NBM Chairman Dr Matthews Chikaonda had with President Joyce Banda who asked if the Press Group of Companies could assist with the problem of chairs and desks at the college.

He said although the bank had no budget for the chairs and desks, they brought up to the issue before the NBM Board of directors which felt the appeal had merit.

“As the oldest and biggest bank in the country, we feel we have a responsibility towards the community. As a business, universities are also banks of research, which, if harvested properly, can be used to run and turn fortunes of our businesses,” said Partridge.

NBM clocks exactly 120 years old this year having opened our doors to the public in 1894.

Mr Partridge appealed to students and staff at the college to take good care of the furniture and avoid vandalism of property whenever they have a disagreement over an issue.

“It is heart breaking to see the destruction of property and learning materials whenever there is a small disagreement amongst yourselves or with college administration. It is heart breaking to see students mount road blocks and stone vehicles of innocent people and by-standers whose taxes are funding the very same education that we yearn for,” said Mr Partridge.

“Our legitimate expectations are that when there are misunderstandings between you the students and your institution, it is your responsibility to negotiate with the rightful authorities. In fact you will be appreciated more as university students if you took a leading role in an intellectually oriented advocacy than resorting to physical violence of smashing and breaking of assets.”

“Everyone including government will appreciate you and your input more if you



Mr George Partridge (L) handing over some of the furniture to Prof Al Mtenje

engage intellectually. This will actually strengthen your position in a dispute and society will be sympathetic to whatever cause is being advocated,” added Mr Partridge.

He said students, the corporate world and the university have responsibilities towards one another.

“National Bank of Malawi and all corporate companies operating in the country have a responsibility towards our students here at the University of Malawi. The bank has always kept an ear to the ground on the gaps in your training. Bringing these chairs and desks today is just one small way of trying to fill in the gaps.”

He said the University of Malawi too has a responsibility towards its students, the corporate world and the community at large.

“The University has to make sure that it equips its students with appropriate skills commensurate with the productivity that the corporate world and the community expect,” said Mr Partridge.

“You students too also have to own up your responsibilities towards your own

education and usefulness to society. It is important that we all understand that you do not only come here to acquire your academic papers, but you also have to take responsibility towards society at large. Think about the students and generations that are coming after you. They too want good education. They too want a conducive learning environment. Your children and grandchildren will also need these facilities,” explained Mr Partridge.

He appealed to the students to ‘be your brothers’ keepers so that the tablet chairs and desks donated to the college remain on campus “and not to find their way into Chikanda”.

Speaking earlier, Chancellor College Students Union President Israel Masiyano thanked NBM for the donation and promised that students will take good care of the furniture.

Receiving the donation on behalf of Chancellor College, newly appointed University of Malawi Pro-Vice Chancellor, Professor Al Mtenje, thanked NBM for the gesture and appealed to the corporate world to emulate NBM’s example by supporting the university.

National Bank of Malawi (NBM) on November 29, 2013 launched a scholarships programme worth K33 million for nurses and midwifery students studying in Christian Health Association (CHAM) colleges.

The launching ceremony took place at Nkhoma Nursing School in Lilongwe.

Speaking at the ceremony, NBM Chief Executive Officer, Mr George Partridge, said NBM, in its mission to be a socially responsible corporate citizen, sets aside one percent of its net profit towards social sponsorships and investments which mainly target disadvantaged groups in the society.

He said the bank has put the health sector as its number one beneficiary of its Corporate Social Responsibility (CSR) policy.

"At the bank we believe that for any economy to prosper you need healthy people. Healthy people, including our own staff and our customers, are a productive lot; hence they are likely to participate in the process of building a healthy nation," said Mr Partridge.

Mr Partridge said the scholarships were NBM's own initiative after the bank noted through the media that some CHAM students were in dire need of scholarships especially in areas to do with nursing and midwifery technician training.

"The bank thought of responding positively to this plight faced by those students who desperately wanted to pursue these programmes but their means were insufficient. The scholarships we are awarding today will be made to students who are deemed to be needy because of their financial circumstances."

He said students to be selected should have demonstrated passion and commitment to work in the health Sector.

The scholarships have been designed to create pathways for students to gain a long term career with the Ministry of Health as well as to make a contribution towards alleviating the shortage of health care workers in Malawi, he said.

Mr Partridge said the Bank was motivated to sponsor the programme because it will, in the medium to long term, alleviate the challenges that the Ministry of Health is facing when it comes to providing quality health care services in the country's hospitals and meeting the recommended patient to nurse ratio in a hospital setting.

Mr Partridge said the scholarships are worth K11 million a year and will run for the next three years with an initial target of 20 students. The scholarship will cover school fees, uniform and other learning accessories for the students.

In her remarks, Minister of Health, Catherine Gotani Hara -- who officially launched the scholarships, said the Malawi

NBM LAUNCHES NURSES' SCHOLARSHIPS



The Principal from St Luke's Nursing College (L) receiving the students' fees from the Hon. Minister (R). Looking on are Rev Kamwendo (2L) representing CHAM and our Chief Executive Officer.



The beneficiaries of the scholarships

health sector faces the problem of shortage of professional health workers, saying the NBM scholarships will go a long way in the production of professional health workers for the country.

"Currently our nurse to patient ratio is 1: 2500 population. This ratio is not good enough if we are to reduce the death, especially of mothers and children. Therefore we need to train more nurses."

"I therefore commend and sincerely appreciate National Bank of Malawi for its generous contribution towards addressing this challenge," said Hara.

Speaking on behalf of the beneficiary students, Linda Moyo of St Joseph's College of Nursing and Midwifery at

Nguludi thanked NBM for the scholarships and promised that she and her fellow will work hard to achieve their goals.

"We promise to go back and serve the public after completing our studies. We will work hard in class or clinical areas so that you can also help others," said Moyo.

Reverend Brian Kamwendo -- representing CHAM, also thanked NBM for its initiative to help with the scholarships.

"We have a lot of challenges as CHAM and by coming to us on your own, we really appreciate this gesture. I appeal to the corporate world out there to emulate the example set by National Bank. You have really showed that you are indeed the Bank of the Nation," said Rev Kamwendo.



Group photograph at Mzuni Awards

NBM AWARDS BEST MZUNI STUDENTS

“Excellence only comes when the community has a well-educated and highly trained work force, and universities are its factories where all manner of excellence is manufactured.”

National Bank of Malawi (NBM) on November 30, 2013 awarded best students at Mzuzu University who have excelled in various disciplines.

NBM Chief Executive Officer, Mr George Partridge, congratulated the five students who qualified for the NBM Best Students Awards which the bank started giving out in 2011.

“At National Bank, we believe that a well-educated nation is a platform for a vibrant economy. Therefore by supporting education generally, the bank is contributing to the creation of a critical skills base for the economy,” said Mr Partridge.

He said NBM is committed to improving education standards in the country and promised that with resources permitting, the Bank will continue supporting education institutions, including Mzuzu University.

“National Bank of Malawi has been consistent in having a formidable

partnership with higher education in general and Mzuzu University in particular. Our motivation is simple: It is driven by the Bank’s appreciation for and commitment to excellence.”

“Excellence only comes when the community has a well-educated and highly trained work force, and universities are its factories where all manner of excellence is manufactured.”

He said as the oldest and biggest Bank in the country, which will turn exactly 120 years old this year having opened its doors to the public in 1894, NBM feels that it has a responsibility towards the community and local universities.

“Our universities are where our children and our prospective employees go to attain higher and tertiary education. As a business, universities are also banks of research which if harvested properly, can be used to run and turn the fortunes of our businesses,” added Mr Partridge.



One of the 5 recipients receiving her award and cheque



Dr Robert Ridley the Vice Chancellor of Mzuni (L) receiving a cheque from Mr George Partridge for fees for the awardees



The audience which included lecturers and students following the proceedings

DULIRA ANNOUNCES PROMOTIONS

Head of Human Resources Division at National Bank of Malawi (NBM) Charles Dulira has announced confirmations of promotions for 11 employees in various grades.

In the month of October 2013, seven employees had their promotion to Grade G confirmed. These were Frank Bandason and Victor Mwazangati from Customs Road Service Centre, Grace Chisale, James Chuma and Farai Mathanga from Capital City Service Centre and Doreen Kashoti and Cynthia Mathotho from Operations.

There were only two promotions in November 2013, that of Clara Nsapato from Operations who was promoted to Grade G and Margret Banda from Customer Service who was promoted to Grade F, according to Dulira.

Just like in November, there were also two promotions in December where Ella

Kabambe from Executive and Annemarie Mkwende from Corporate Banking were both promoted to Grade E.

Dulira also announced that two new members joined the NBM family in October and these were Florence Maziya at Victoria Avenue and Volles Banda at Treasury while in November there were three new members joining the bank namely Jacqueline Mlaliki at Victoria Avenue Service Centre, Chikumbutso Banda at Mzuzu Service Centre and Blessings Chavula at Karonga Service Centre.

In December 2013, two new members joined NBM and these are Chimwemwe Lipato in the Information Technology department and Andrew Nankapa at Zomba Service Centre.

Dulira also announced that Patrick Mpesi from Operations Division retired on November 30, 2013 while on Grade E.

The Human Resource head also announced



Mr Charles Dulira, Head of Human Resources

that Gilbert Chibesakunda from Executive, Joe Likubwe from Corporate Banking and Ruth Nyirongo from Lilongwe Service Centre retired on December 31, 2013.

On a sad note, Dulira announced the death of Humphrey Mopiwa from Zomba Service Centre who passed away on October 15, 2013. May His Soul Rest in Eternal Peace

PROMOTION ENERGIZES NSAPATO

Clara Hankie-Nsapato, Validator at National Bank of Malawi (NBM) Operations Division in Lilongwe, says her promotion to Grade G was something she always looked forward to.

She said she knew that she will get it one day, even though she had only worked for the bank for just three years.

She says the promotion has energized her and now wants to achieve even more for herself and for the bank and has already set her sights on where she wants to be in future in the bank.

"One day I want to be Head of Human Resources Division, not any other bank or organization, but for National Bank of Malawi, the Bank of the Nation. I will work hard to achieve this goal," said Nsapato.

"My aim is to join the bank's human resources division. I am very passionate about people's welfare and I believe that if people's welfare is looked after properly, service delivery will be good because staff

will be motivated and the bank will grow as will be attracting a lot of customers," said Nsapato.

"If there is anything which is exciting and challenging is human resource because people are very diverse and you have to have a skill to deal with that," added Nsapato.

This clearly explains why she is studying and is now in third year of a degree programme in Business and Human Resources at Malawi Institute of Management (MIM).

Nsapato joined the NBM family in 2010 at Customs Road Service Centre before moving to Lilongwe Service Centre and now she is at Capital City Service Centre.

"I want my career to progress here at National Bank because it has the right environment for one to achieve personal ambitions and goals," beamed Nsapato.

Nsapato is married to her longtime sweetheart, Limbani and the couple has



Mrs Clara Hankie-Nsapato

two boys – Lian, aged 4, and Luso who is just a year and eight months old.

She admits that juggling with parenting, family, school and work is not easy, but believes that if one remains focused, they can always achieve they want in life regardless of challenges to be encountered along the way.

BRIDGING THE EXPECTATION GAP — THE ROLE OF INTERNAL AUDIT

By Zondwayo Mafuleka

“What do internal auditors do?”

The question above has the potential of generating a whole array of answers, some very close to the truth and yet others literally tempting a chuckle or two. The question might look pretty trivial, but intertwined within the responses is a rather pertinent issue. Embedded in the answers are perceptions of staff towards audits, which may have a ripple effect on their attitudes to internal controls as well as other issues highlighted in audit reports. The divide between what Internal Audit actually does and what other employees expect or think they do is what is referred to as the Expectation gap.

“The Gap..”

The expectation gap is twofold. The first part is the difference between what society expects auditors to achieve and what they can reasonably be expected to accomplish (designated as the ‘reasonableness gap’); and the second part, which is the most contentious, is the difference between the responsibilities and activities that the society reasonably expects of auditors and the auditors’ actual work and performance (designated as the ‘performance gap’).

It is this performance gap that automatically poses a problem for Internal Auditors. When an auditor goes to a Division or Service Centre, it means that almost every member of staff has his/her own idea of what the auditor will be doing. But why is this so? The biggest culprit to this misconception associated with “Audit” is the history that audit as a profession has been enshrined in. For most employees, it is settled beyond reasonable doubt that auditors are fault finders and investigators, nothing short of corporate security guards with one agenda; blood hounds vying for the blood of those doing wrong. Perhaps that may have been true a century ago, but fortunately audit has significantly evolved over the years.

Now to tackle the elephant in the room....

“What Internal Auditors actually do?”

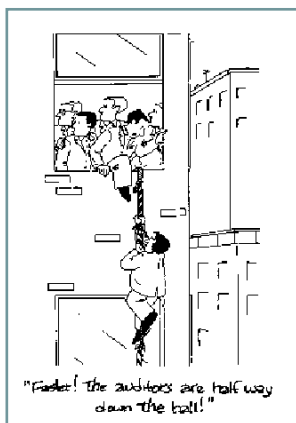
The Institute of Internal Auditors (IIA), as the global professional body of internal auditors provides the overall

guidance to Internal Audit work. The purpose of professional Internal Audit is described in the IIA’s 2009 definition as: “... an *independent objective assurance and consulting activity* designed to *add value and improve* an organization’s operations. It helps an organization accomplish its objectives by bringing a *systematic, disciplined approach to evaluate and improve* the effectiveness of *risk management, control, and governance processes*.” The definition carries with it the following noteworthy issues:

- Independence of the Internal Audit and its objectivity are critical for all dimensions of the role practiced by the internal auditor. This basically means if an auditor is to perform an objective review, he has to be free from all factors that have the potential of causing bias
- The principle aim of an audit is to continuously add value to the organization by pointing out exceptions and following up on agreed action plans to remedy the deficiencies identified.
- All its services require systematic and disciplined processes. Not only does this provide an objective approach, but it also helps management and other staff to understand the work of Internal Auditors.
- It requires a wide and deep knowledge and understanding of risk management, control and governance within the Bank, and with all its stakeholders. By consolidating their knowledge from various reviews, Internal Audit has a wider understanding of controls beyond divisions and departments.

The primary objective of Internal Audit is to provide *independent assurance* primarily to the Board Audit Committee to whom the Internal Audit function is accountable to and to all legitimate stakeholders including, amongst others, management at all levels including the Executive, members of staff and regulators regarding the adequacy and effectiveness of controls, risk management and governance processes. Internal Auditors express an opinion based on the evidence gathered. The audit is further aimed at helping management to run the affairs of the division in line with the overall objectives of the bank. The Internal Auditor, therefore, is concerned with any phase of business activity wherein he can be of service to management. The attainment of this overall objective of service to management involves such activities as:

- Assurance that the internal control framework is operating effectively.
- Assurance that major business risks are being managed appropriately.





Improving business performance by sharing knowledge of best practices.

- Identification of new business risks.
- Use of knowledge and experience to tackle urgent issues.
- Detection and prevention of fraud and other irregularities.

The last activity is an area of interest in National Bank, possibly because of the nature of the business and because of the traditional view of the audit function, which is to detect frauds and forgeries and prevent losses. It has to be appreciated that the Bank's Internal Audit Division has a separate department for handling investigations since audit and investigation are not one and the same thing. The Investigation Department is responsible for all investigations in the bank. The operations of the Investigation department could indeed be an ample discussion for another sunny day. However, this brings another controversial and contentious question:

“What is the role of Internal Auditors with regard to frauds?”

“How could this have happened?” is the usual response when fraud is discovered. “Where were the auditors?” is often the next question. These two responses raise the question of whose responsibility it is to prevent and detect fraud.

International Standard on Auditing (ISA) 240–“Auditor’s responsibilities in fraud detection and prevention” explicitly states that **the primary responsibility to preventing and detecting fraud rests with both those charged with governance of the entity and management**. The Institute of Internal Auditors’ (IIA) International Professional Practices Framework (IPPF) Standard 1210.A2 states that Internal Auditors must have sufficient knowledge to evaluate the risk of fraud and the manner in which it is managed by the organization. If we marry the IIA’s requirement and the activities of the Internal Audit function, it can be deduced that Internal Auditors could detect frauds whilst performing their reviews, however that is not their primary responsibility. The responsibility to prevent and detect fraud rests with all members of staff, management and ultimately the Board of directors.

In a nutshell, Internal Audit evaluates the efficiency and effectiveness of current controls and determines if those controls can truly mitigate the risks that threaten the Bank. Effective internal control is a built-in component to the management process and keeps the Bank on course toward its objectives and mission. Internal controls promote effective and efficient operations, reduces the risk of losses – be it financial or reputation risk, and both heighten the reliability of financial reporting and strengthen compliance with laws and regulations.



The primary objective of Internal Audit is to provide independent assurance primarily to the Board Audit Committee to whom the Internal Audit function is accountable to



Lean Thinking Forum (LTC)

With Wilkins Mijiga

CONVERSATIONS ON ORGANIZATIONS IN CRISIS

The dynamics of space and time in organisations are such that from time to time an entity goes through crisis or trauma. Such occurrences though unpalatable and distasteful do happen either as a result of events or developments in the environment or as a result of decisions or actions that were taken by actors in the organization, so called exogenous and endogenous dynamics, respectively

From academia Adaptive capacity refers to the ability of a system (social or ecological) to adapt to change and respond to disturbances, although a number of authors have expanded on this basic concept. For example, Walker et al (2002) defined adaptive capacity as an aspect of capability that reflects learning, flexibility to experiment and adopt novel solutions, and development of generalized responses to broad classes of challenges. Olsson et al (2004) described adaptive capacity as an attribute of socio-ecological systems that permits coping with disturbance and change while retaining critical functions, structures, and feedback mechanisms. Likewise, Adger (2003, p. 32) defined adaptive capacity as the "...ability of a system to evolve in order to accommodate perturbations or to expand the range of variability within which it can cope

How an organization survives and manages to come out of crisis and the trauma that is embedded in most crises is dependent on the level, depth and bread of resilience that the entity has. Simply defined resilience is the bounce backability of any entity, organic or inorganic, social or inanimate, individual or collective. At an individual level we tend to look at public figures and mostly from the political and business leadership space and how they manage to bounce back from situations and events

that would in most instances have ended their careers. In this regard one remembers of the term Teflon used to describe famous political figures such as Ronald Reagan, the late Iron Lady Thatcher and in recent times Bill Clinton with the Monica fiasco and his resounding bounce back from the scandal. C.

Further more some organisations whose crisis events affect the larger society or economy such as banks are heavily regulated and such highly prescriptive parameters or rules of engagement can be said to be resilience building regimes aimed at giving the financial players higher levels of adaptive capacity. In this regard we can also consider the whole package of Basel accords and regimes as part of resilience capacity building for bank. As we get into the year 2014 we have come into the Basel III space as from the 1st of January and it is imperative that with it will come some substantial levels of reorganization on how we as a bank in particular and the financial industry in general will go about doing our business. It is a fair expectation that we as financial service providers, in our individual capacities as staff and aggregately as a business must be thoroughly conversant with Basel III so that we can articulate its ethos in the way we do our work.

A lot of training has been conducted already on Basel III and most of our staff have been exposed to Basel III and as we go into the future most of our staff will continue being exposed to Basel III through various avenues including on the job experience, training and even self research and study. The beauty and satisfaction we can be proud of is that we as a bank came onto 2014 January 1 very Basel III ready thanks to the thorough preparation that we invested in the past five years or so.

From back page



your businesses which are making National Bank to remain the most successful Bank," said Mr Kawawa.

He said one of the reasons the bank sponsors the sport is that they can come together with the cricketers to relax and express the bank's gratitude.

He encouraged those cricketers who do not have accounts with NBM to go to any NBM Service Centre to open one so that they become part of the success story.

Mr Kawawa highlighted some developments in the bank like the Fiesta Save promotion where he said -- apart from the savings attracting premium interests, customers stand a chance to win various exciting prizes, including a lifetime trip to Brazil to watch the World Cup.

He also mentioned the newly introduced Pay Day loans where employees can have access to loans without going through a rigorous process of applying for a loan as long as their salary is paid through a National Bank account.

"NBM will remain strong, focused, steady, firm and innovative," said Mr Kawawa.



Annie Magola:
Corporate Affairs
Manager



In this edition we bid farewell to two senior managers at NBM namely Gilbert Chibesakunda who was Company Secretary and Joe Likubwe who was Business development manager in the Corporate Banking Division who have retired. Their last working day with the bank is December 31, 2013.

As we are bidding these two farewell, we will be welcoming Zunzo Mitole who has been promoted to the position of Company Secretary.

We are going to give you brief profile of these three distinguished individuals on this page.



Gilbert Konsekonse Chibesakunda

Gilbert comes from Karonga District and joined National Bank of Malawi as Head of Financial Management Services On 13th October 1994.

He went to St Mary's Boys Primary School and Mwenilondo L E A School from 1959 to 1969.

He also went to Livingstonia Secondary School and Chaminade Secondary School between 1970 – 1975 where he obtained his MSCE with 15 points.

Gilbert graduated with an Honours Degree in Bachelor of Laws in 1980 at Chanco.

He served in various capacities in the Civil Service - from Magistrate to Administrator General up until 1994 when he joined the Bank.

Between September 1986 and September 1987 he obtained a Certification in LLM in Commercial Law.

In November 1987, he graduated with a Masters Degree in Law.

Gilbert is married with four children, three girls and one boy.



Zunzo Esnat Mitole

Zunzo Esnat Mitole was born on 11th May 1973 and joined National Bank of Malawi on 8th February 2000 as a Legal Officer.

On 1st June 2006 she was appointed Compliance Manager (Legal and Anti-Money Laundering) a position she held until 1st January 2013 when she was appointed Company Secretary/ Legal Counsel.

Apart from her legal positions, Zunzo has held several positions including Basel II Steering Committee Member, Chairperson – Collateral Centralisation Project, Chairperson – KYC Project Committee, Chairperson – Bankers Association of Malawi Anti Money Laundering Subcommittee from 2010 to 2012.

Zunzo is married to Wellington Mitole and the couple has two children, both boys.

She comes from Nanthoka Village in Traditional Authority Machinjiri in Blantyre District.

She obtained O and A levels at Kamuzu Academy between 1989 and 1991.

Zunzo read law at Chancellor College from 1991 to 1995 and graduated with a Bachelor of Law Degree (Hons). She is currently pursuing a Master of Business Administration degree with ESAMI.

Her hobbies include following up in current affairs, swimming and reading.



Joe Likubwe

Joseph Vincent Likubwe was born on 3rd May 1953 and joined the NBM Family on 12th July 2005 as a Corporate Banking Manager in Corporate Banking Division (CBD) from Standard Bank.

On 1st July 2007 he was appointed the Service Centre Manager for Capital City

On 1st October 2009, he was transferred to CBD as Business Development Manager responsible for Government and Diplomatic Missions, the position he has served until his retirement.

He was appointed a member of the Change Management Committee on 1st November 2011.

Joe is married with four children, three boys and one girl and four grandchildren.

He comes from Mtsiliza Village, Traditional Authority Njelwa in Lilongwe District.

He went to St Kizito Seminary in Dedza where he obtained in MSCE and in 1982; he obtained a Diploma in Business Studies at University of Malawi (Polytechnic)

He started his banking career on 22nd October 1974.

During his spare time Joe likes to play golf and he is a Public Speaker and a member of Toastmaster International. Joe is a blood donor.

MPINGWE GOLD CLINCHES NBM CRICKET TROPHY



After a four year drought, Mpingwe Gold Fattani defeated habitual winners Mpingwe Orange to clinch the K3.5 million National Bank of Malawi (NBM) 25 Overs Cricket Trophy in a thrilling final match played at Mpingwe Sports Club on November 10, 2013.

To win the trophy, Mpingwe Gold Fattani made 156 runs in 22 overs compared to Mpingwe Orange which made 155 runs in 25-overs.

It was the first time in five seasons that Mpingwe Orange had lost in the final of the K3.5 million competition having won it four times in a row.

Mpingwe Gold Fattani skipper, Soheli Manjra, was voted Best Bowler with three wickets while team-mate Soheli Saleh and Orange's Irfan Wadia jointly won the Best Batsman award.

"Most teams were underrating us because we were struggling for form. We have demonstrated that with hard work everything is possible," said Manjra.

Malawi Cricket Union (MCU) president

Makbul Latif said the tournament was exciting and unpredictable.

"The standards of the game are developing steadily. We are happy with National Bank of Malawi's sponsorship and we urge the cricket scene to open up accounts with the bank," he said.

NBM General Manager, Mr Mac Fussy Kawawa, said the bank was impressed with the tournament which had no adverse media publicity.

"This was a well patronised and well organised tournament. We did not see any adverse comments in the media, so we are happy to be associated with this sport and players," said Mr Kawawa.

He said this was the reason why sponsorship money has been revised over the years.

"We started sponsoring the league in 2007 with K720, 000 but now the sponsorship is at K3, 495, 500," added Mr Kawawa.

He also said that the cricketers too should be happy to be associated with one of the most successful Bank in the country.

"We want to acknowledge and thank



Mr Mac Fussy Kawawa, NBM General Manager