

CHAPTER FOUR

TRAINING IN BANK NEGARA.MALAYSIA

4.1 Organisation of Bank Negara Malaysia

The organisational structure of the Bank is not unlike of most other central banks around the world. Basically, the administration of the Bank is organised to meet its principal objectives, with clear lines of responsibility. At the apex of the administration is the Board of Directors. The Governor of the Bank, assisted by the Deputy Governor, is the chief executive officer. The key module in the Bank is the Department, headed by a Manager responsible primarily in most cases to an Assistant Governor, who is assigned a major area of responsibility covering a number of Departments. The Assistant Governor is the highest career appointment in the Bank and it is directly responsible to the Governor and Deputy Governor of the discharge of his responsibility. The Bank currently comprises 25 departments and 12 Branches throughout Malaysia. There are 1,600 staff employed by the Bank.

Appendix 6 shows the current organisational structure of the Central Bank.

There are four main job levels in the Bank as follows:

- o Senior Managers
(usually the Head of Department and the Deputy Manager)
- o Middle Managers
(comprising the Senior Assistant Manager and Assistant Manager)
- o Executives
(the Senior Administrative Officer, the Administrative Officer and the Executive Officer)
- o Non-executives
(comprising the Clerical, Secretarial and Maintenance Personnel)

4.2 Mission, Vision and Core Values

As the Malaysian economy continues to move into the eighth consecutive year of rapid growth, the maintenance of a sound domestic financial market and the promotion of sustained economic growth in an environment of price and balance of payments stability continue to pose the biggest challenge to Bank Negara.

In the face of these challenges, Bank Negara's role and responsibility in promoting monetary stability and a sound financial structure for Malaysia have been severely tested. The Bank therefore needs to take stock of its role and responsibility to meet these challenges and to implement changes and adjustments to various aspects of its organisation, operations, culture and work practices in order to remain an effective central bank. It is for these reasons that Bank Negara formulated its mission, vision and core values.

4.2.1 Mission

The mission states that Bank Negara as the central bank, is committed to excellence in promoting monetary and financial system stability to achieve sustained growth for the benefit of the nation. This will be achieved through developing a committed and highly competent workforce and promoting a work culture which emphasize the highest standards of professionalism and integrity, prudence, teamwork and innovation.

4.2.2 Vision

As an organisation, Bank Negara will be a leading central bank, widely acknowledged for farsightedness, innovation and excellence and seen to be effectively discharging responsibilities in the public interest. Bank Negara will also be impartial, ethical and guided by a strong sense of public accountability and transparency. It will work in close consultation with all stakeholders in an atmosphere of mutual trust and respect.

The staff of Bank Negara will have the highest degree of integrity and be highly competent, resourceful, proactive and with intellectual depth. They will work together harmoniously as a team with mutual trust, committed to excellence and core values. Bank Negara will continue to have the necessary financial resources to effectively manage monetary stability.

There are eight core values on how the Bank and the people should behave. They are:

- o Development, Progress and Well-being of our People
- o Open and Honest Communication
- o Cooperation and Teamwork
- o Prudence and Integrity
- o Competence and Professionalism
- o Excellence in Customer Service
- o Operational Innovation
- o Independence and Impartiality

4.3 The Staff Training Centre (STC)

The Staff Training Centre of Bank Negara Malaysia was established in 1971 with the initial objective of providing in-house training to Bank staff. The STC is now responsible for all the training functions of Bank Negara Malaysia. The Centre offers various structured training options to the Bank staff through:

- o in-house training programmes
- o external training programmes (local and overseas); and
- o self directed learning

The Staff Training Centre is headed by a Manager who is assisted by a team of officers to co-ordinate and conduct all training programmes for the Bank staff. In-house programmes are either conducted at the STC or at the Head Office.

4.3.1 In-House Training Programmes

For in-house training, the Staff Training Centre offers primary skills courses in the following areas:

- o Management and Self Development Training
- o Banking, Financial and other Technical Training
- o Confirmation, Induction and Security Training
- o Computer Training

As an indication of training activity for in-house programmes conducted at the STC, a comparison is made for the period of January - December 1996 and January - December 1995 as summarised in the table below:

Key Indicators	1995 Jan - Dec	1996 Jan - Dec
• Number of courses	90	192
• Number of trainees	2,567	4,535
• Number of training days	479	671
• Total cost of training (RM'000)	995	2,446
• Average cost per trainee (RM)	388	539
• Average cost per training day (RM)	2,076	3,645

To upgrade the skills and enhance professionalism of the Bank's officers, officers are sent abroad for training. Overseas training opportunities are provided for the middle level officers to enable them to gain the necessary exposure. The types of overseas training covers central banking, general and life insurance, specialised banking areas, information technology and human resource management and development. Some of the overseas institutions that provide such training are the central banks (as in the Bank of England, Bank of Japan and Bank of Korea), other banking institutions and international bodies (as in the International Monetary Fund Institute). Apart from overseas training, the Bank staff are also sent for training conducted by local training consultancy firms.

With the emphasis on self-development, the STC is in the process of setting up a Self Learning Centre to complement formal training for the Bank staff. The Self Learning Centre is expected to be operational in April 1997. It will offer a variety of learning tools such as self study through video and computer-based educational

packages and other audio-visual facilities. The benefits of having the self directed learning facilities are that learning time is reduced as there will be less disruption to the Bank staff's work and they will be able to apply their new skills faster. All learners will be taught the same skills and knowledge ensuring that performance standards are improved consistently. Just-in-time training can be conducted as courses are available and can be installed on systems in a short time.

4.4 Development Needs Analysis (DNA)

4.4.1 Process of DNA

The STC jointly with the PA Consultants conducted a bank wide training needs analysis under the Development Needs Analysis Project in 1996. The DNA Project is one of the change-process projects under RS2000.* The objective of this project is to identify training needs and to develop a series of road maps in primary and technical skills training that will help staff to perform competently.

* RS2000 stands for Rancangan Strategik 2000 or Strategic Plan 2000. This is a 5-year strategic plan drawn up by Bank Negara Malaysia to achieve its Mission, Vision and Core Values.

These 3-year road maps are used as a guide for career development from 1997 for the non-executives, the executives, the middle management and the senior management groups. Staff are encouraged to initiate their own training and development using the road maps made available to them.

The process of DNA covers the following steps:-

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| Step 1 | - | Focus Group Interviews |
| Step 2 | - | Develop Questionnaire |
| Step 3 | - | Administer Questionnaire |
| Step 4 | - | Data Analysis |
| Step 5 | - | Translating Needs Into Courses |
| Step 6 | - | Develop Training Road Maps |

4.4.2 DNA Findings On Primary Skills

The questionnaire covered the knowledge and skills needed to achieve the 8 Shared Values of the Bank. The findings of the survey indicated the following:

Top 5 Training Needs of Staff

- . Job Knowledge
- . Leadership Skills
- . Motivating Staff
- . Assessing Staff Performance Objectively
- . Using New Technology

Top 5 Training Needs of Bosses

- . Motivating Staff
- . Developing Staff's Career
- . Assessing Staff Performance Objectively
- . Appraising Performance Effectively
- . Counselling Skills

Top 5 Training Needs of Subordinate

- . Written Communication
- . Leadership Skills
- . Presentation Skills
- . Handling Conflict
- . Handling Under-Performers

Based on the training road maps of primary skills, these skills can be linked to the shared values as shown below:

<u>Shared Value</u>	<u>Primary Skills</u>
Open and honest communication	Communication Skills
Development, progress and well being of our people	Management Skills Supervisory Skills
Co-operation and teamwork	Personal Effectiveness
Competence and professionalism	Computer Skills Central Banking

4.4.3 DNA Findings on Technical Skills

With regard to technical skills, a scaled down version of a training needs analysis was undertaken on a departmental basis as different departments have different specialised training needs. Twenty departments conducted their own DNA and came up with their own road maps of technical skills training for the different job levels. Each department has its own Training Manager who work in partnership with the Staff Training Centre to plan, implement and evaluate the technical training programme.