

## NBP - a glorious journey of service of the nation

### RECORDER REPORT

National Bank of Pakistan, the largest banking institution of the country has completed sixty two years of service to the nation. It was established through an ordinance on November 09, 1949 and started its operation with an issued capital of Rs 15 Million and 100 employees.

#### **Following is a comparison of NBP's journey from its 1st year of operations in 1950 to 2010:**

NBP is at service to the nation from its inception and pioneered number of new schemes of financing and took number of bold initiatives in the banking history of Pakistan. It is the first bank which started agriculture loan under Supervised Agriculture Credit Program and still the only bank which finances against Gold. NBP is also the first bank which started Peoples Credit Scheme for small traders.

During its corporate voyage NBP won number of international and national awards from different platforms. These include, Bank of the year Award, Global Finance Award, The Banker, Euro money, Kissan Time Awards and Asian Banker awards. The bank has grown to the level of largest lender to agriculture and the industrial sectors, making it the largest lender in the banking industry of Pakistan. According to the "TOP 1000 World Banks 2010" announced by The Banker magazine of UK, NBP has outperformed all the banks in Pakistan. Every year The Banker publishes a list of TOP 1000 banks based on Strength, Size, Soundness, Profit and Performance. Based on Tier 1 Capital Strength, NBP has been awarded as the Top Bank in Pakistan. Among the global leading banks NBP is the only bank that has made to the list of top 500 from Pakistan. Another landmark achievement for the Bank came in June, 2010 when NBP became the first ever bank of the country to cross the 'One Trillion Rupee' bench mark.

From Corporate and Retail Banking to Agriculture and Islamic Banking, NBP is offering valuable services in almost all the areas of banking. Apart from this NBP has taken major steps in the areas of risk management, information technology, operations and human resources. The bank strongly believes in hiring young energetic employees and also attracting, developing and retaining good quality professionals. The Bank also strongly believes in equal opportunity employment and pays special attention to encourage women to take part in organisational development which in return allows their career progression. This is proved by recent conferences and seminars held specifically for women managers/officers of NBP by Human Resources Department. NBP has always looked after its existing and retired employees. The pay packages and benefits offered by the Bank are considered as the best in the corporate sector. Some of the initiatives taken by the management in the recent past are mentioned below:

Description	(1st year of Operations 1950) Rupees in million	(62nd year of Operations - 2010) Rupees in million
Total Assets	120	1,035,025
Deposits	56	832,152
Advances	49	477,507
Investments	49	301,324
Pre-Tax Profit	0.3	24,415
No. of Branches	17	1,289
No. of employees	390	16,457

Induction of about 3,000 temporary and foundation staff in regular cadre of the Bank in pursuant to the stated policy of the Government to provide employment opportunities in the country. In addition, more than 1000 fresh MBAs have been hired on merit to provide jobs to the educated youths.

Unprecedented promotions in the recent past. Almost every employee has received either one or two promotions and in some cases three promotions. This step was taken to address the genuine aspirations of the employees after a long period of time.

- Pay raise by over 200% of all employees since 2002.
- Payment of record bonuses to the employees.
- Introduction of various new benefits and extension of existing benefits to the employees in the areas of medical and other allowances.
- Record increase in house building and car loans in last two years.
- Employment to children of retired and deceased employees.
- Payment of highest incentives and awards to the committed employees.
- Opening of new avenues for the existing employees based on merit for key internal and overseas postings.
- Regular increase in the pension of retired employees to give them a feeling that NBP cares for them even after their departure from the Bank.

-- Female empowerment program, employee communication, birthday greetings, tremendous boost to sports & cultural activities are some of the other tools adopted to motivate the employees.

Due to above mentioned steps every employee of the Bank is appreciative of management's compassionate, caring and positive approach. In return NBP workforce has reciprocated by their sincere contribution in making this Bank strongest ever and most commercially viable institution in the country.

**National Bank of Pakistan is taking number of steps in order to enhance its image, few of the initiatives are mentioned below:**

- Branch renovations
- Branch Branding
- Introducing Customer Facilitation Centers
- Introducing New Products
- Setting higher standards of service and quality
- Special services to Senior Citizens

Our standalone AAA rating (the highest in the industry), the highest RoE in the Asian banking Industry and our comfortable capital adequacy ratios, position us well in front of our competitors for future growth. The bank has also fulfilled its commitment towards the community and has been one of the major contributors in the times of need for the nation. NBP heavily contributed in Earthquake 2005, Earthquake in Balochistan in 2008 and NWFP floods in 2008.

On regular basis NBP contributes and donates to reputed organisations, educational institutions, hospitals, NGOs, Institutions supporting disabled persons and other CSR activities for educational and public welfare purposes. Recently the Bank participated in a number of Donations/Contributions from 2008 to 2010.

**Some of the important donations and contributions are mentioned below:**

#### **Quaid-e-Azam Academy**

- Earthquake relief and rehabilitation efforts in Kashmir and Northern Pakistan
- Poor Patients Aid Society, Civil Hospital Karachi
- Institute of Business Administration, Karachi
- Armed Forces Institute of Cardiology, NIHD
- Marie Adelaide Leprosy Centre
- Agha Khan Hospital and Medical College Foundation
- Chief Minister (NWFP) Fund for Internally Displaced Persons
- Ali Hassan Mangi Memorial Trust
- Establishment of Central Library at NAB Headquarter Islamabad
- Fund Raising Campaign for Earthquake victims of Peoples Republic of China
- Chief Minister (NWFP) Flood Relief Fund
- Balochistan Chief Minister Earthquake Relief Fund
- Home Department, Government of Sindh Police
- Afzaal Memorial Thalassemia Foundation
- Civil Hospital, Karachi
- Medical Assistance to Islamabad Police

Apart from above mentioned CSR activities, NBP played a major role for the relief and rehabilitation of flood affectees of 2010. The Bank opened account for Prime Minister's Flood Relief Fund 2010 for rehabilitation of affected families. NBP also contributed Rs 50 million to the Prime Minister's Flood Relief Fund 2010 and one day's salary by all its employees. Another significant contribution of Rs 10 million was made in the Bakhtawar Flood Relief Fund. In addition to monetary contributions NBP provided Rs 60 million worth of food items to 240,000 flood affected people along with Medical Relief Camps at Razzakabad, District Malir and Pipri in Karachi. NBP in collaboration with People's Doctors Forum arranged medical camps in other affected areas of Pakistan as well.

Apart from supporting public welfare projects, the Bank regularly participates in sports, educational, health and art & culture related activities.

The focus in less pressing times has been on the promotion of sporting activities in the country. Patronage is being given for the promotion of the national game of hockey. Apart from hockey, special attention is given to cricket. To promote sports activities, NBP has built a state-of-the-art sports complex in Karachi where world class facilities are available.

The decade of 2000 is considered as the most progressive in the history of NBP, during which the bank went public with IPO of 23.2% shares and listing in all domestic stock exchanges (2001). NBP underwent major brand revitalisation, redesign of logo, modern standardised branch outlook, HR restructuring and reorganisation to reduce management tiers, induction of qualified personnel, continued with gender equality and comprehensive training programs launched to meet the changing needs. Due to all these radical changes, NBP gained market recognition and received over 30 international awards.

In 2002 NBP signed agreement with western Union and the Bank's wholly owned subsidiary NBP Exchange Company started operation in 2003. Recently the Bank also signed an agreement with Xpress Money to facilitate expats in sending precious foreign exchange to Pakistan. The Bank developed NBP e-Remittances and core banking application was initiated with other capacity building projects. Today NBP has 22 overseas and 1,265 domestic branches with ten million accounts and serves as a progressive, efficient and customer focused institution.

With a strong brand, customer base, branch network, largest array of products and services, NBP is truly the nation's bank providing selfless service to the people of Pakistan for the last sixty three years.

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