

Managing the Bank

People

Our people are our most important asset. It is through them that the Bank is able to deliver on our mandates. The Bank therefore seeks to attract the nation's best and foster an environment that brings out the best in them.

The pandemic posed challenges to our people in adapting to new ways of working. Collaborating effectively, communicating and keeping engaged with one another in the absence of physical interaction required some adaptation, and accelerated the use of virtual meeting technologies. Our people were able to remain nimble and adjusted well to

this new norm. Particular attention was paid to putting in place working arrangements that would continue to support the safe and timely flow of critical information for risk assessments and decision making. We also emphasised protecting the personal well-being of our staff in these exceptional times. This also entailed providing a supportive environment for staff to continue to achieve a high level of productivity and employee engagement.

Keeping our people safe and sound during challenging times

The Bank established a cross-functional taskforce to comprehensively address all aspects of staff safety and well-being and ensure business continuity. This included reviewing work arrangements to comply with physical distancing requirements and minimise infection risk. We regularly reminded staff of their responsibilities, and we distributed personal health kits to all staff early on. Emphasis was also placed on supporting and promoting mental health, supported by our Worklife Assistance Programme.

Assistant Governor Fraziali Ismail briefing the media virtually on BNM's Targeted Repayment Assistance (TRA) programme.



As much as possible, we encouraged staff to work remotely, with only 20% coming into office. The work from home (WFH) arrangements posed particular challenges in assimilating new hires, maintaining engagement levels and fostering an environment for quality interaction among team members. To address this, we extensively leveraged on virtual learning platforms to ensure our people remained engaged and were clear on the Bank's priorities in managing the crisis. Through multiple pulse-checks, deployed to understand issues faced by our people, we learned that a majority of our people were coping well under extended WFH arrangements. While concerns were raised on decreased social interaction with colleagues, our people adapted quickly to greater use of digital tools for more efficient decision-making and collaboration. These insights will continue to help us support our people effectively as we make the most out of technology to optimise new working norms in the longer-term.

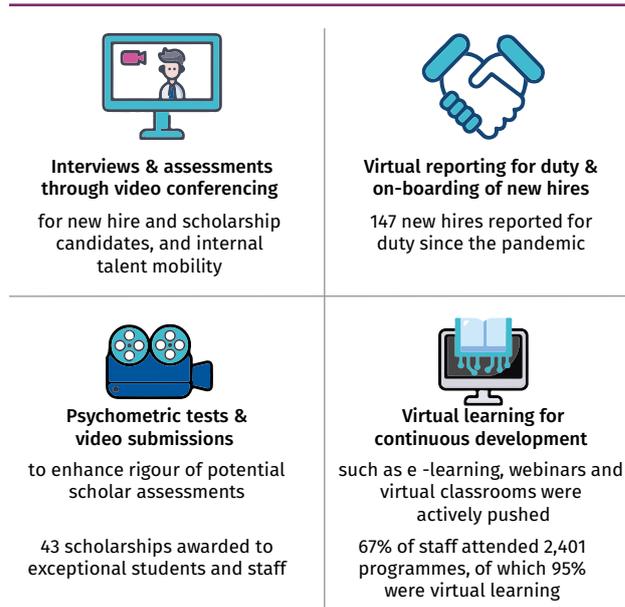
Pivoting the way we work

We progressively equipped all staff with the necessary tools to enable them to work remotely in a secure and efficient manner. This complemented ongoing efforts to enhance the Bank's digital infrastructure, especially to enhance work processes and increase cyber resilience. We also adapted the way we collaborated to improve our effectiveness in managing and speed in responding to the crisis. We established multiple cross-functional teams comprising all the relevant functional expertise to focus on addressing specific issues. These teams not only focused on our policy responses to the crisis, but also issues regarding our internal organisation. Concurrently, we remobilised staff to higher priority areas.

In tandem with equipping staff with the necessary tools, we adapted our talent management processes - from awarding scholarships, recruitment and talent mobility, to learning and development. In 2020, a total of 43 scholarships were awarded to exceptional students to pursue pre-university, first degree and post-graduate programmes. We also provided just-in-time upskilling on usage of digital tools and resources. Many of these changes will increase the Bank's agility going forward amid new norms of working and changes in employee expectations.

We also adjusted and simplified our performance review process to reflect the special circumstances

Diagram 1: Adapting talent management process to the pandemic



Source: Bank Negara Malaysia

of 2020. Performance categories and descriptors were revised, while still ensuring sufficient data points on individuals for critical talent management processes and preserving the culture of a performance-based organisation. The simplified approach takes into account changes in the Bank's operating environment which required changes in organisational priorities and staff having to adjust to new normal working arrangements.

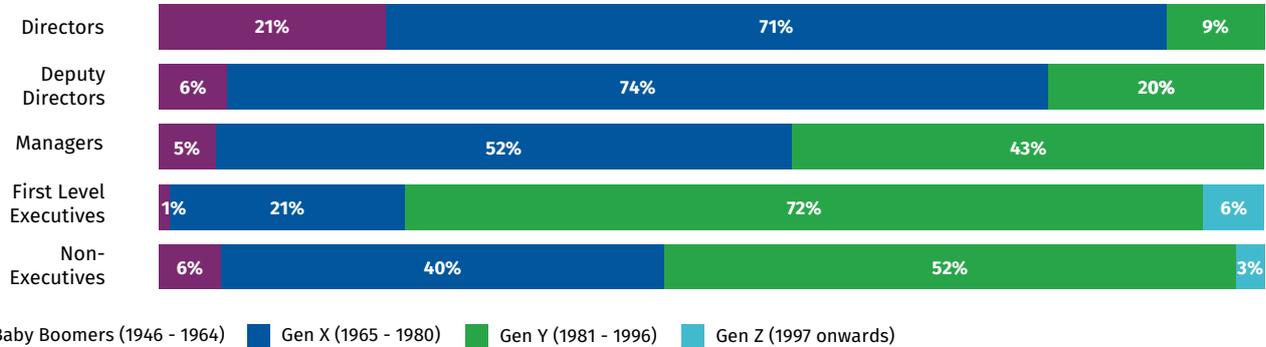
We also focused on planning ahead to ensure that the Bank's human capital strategies remain relevant in the post-pandemic environment. The more rapid adoption of remote technology, shift to remote working and increased emphasis on cross-functional teams highlighted the need to redesign functions and upskill certain groups of our people for them to remain effective. This includes targeted development in digital fluency, and professional office and administrative management for our administrative support group. We also continued to provide support for employees to pursue professional qualifications and studies in areas related to our mandates.

Continued strengthening of talent management

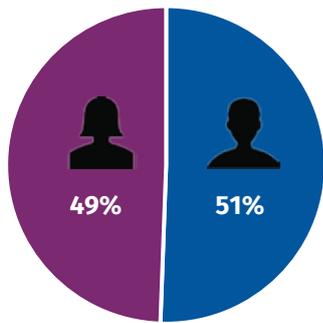
We continued to promote greater alignment between our people, mandates and organisational priorities.

Diagram 2: Talent Demographic

Millennials make up the largest segment, at 56% of the Bank's workforce



Note: Millennials (or Gen Y) are defined as persons who were born between the years 1981 to 1996.



Headcount: 3,096

Job level	Gender composition	
Senior Management	43%	57%
Managers	58%	42%
First Level Executives	57%	43%
Non Executives	37%	63%

Source: Bank Negara Malaysia

This reflects the need for the Bank to increase its agility as an organisation in order to remain effective amid fast-changing conditions. We have begun a review of our organisational structure, with the aim to strengthen our culture of collaboration and accountability, better harness the collective intellectual capacity and experience of our people, and optimise our resources. Additionally, a review was initiated to evaluate and optimise manpower needs across the Bank and encourage and enhance talent interchangeability and mobility. We also realigned various functions within our corporate services, and re-activated a high-level governance committee to focus on oversight of operational matters such as facilities management and organisational security. This committee includes external members comprising industry experts with a wealth of professional perspectives. These enhancements to our corporate services is aimed at ensuring operational matters in the Bank are run more efficiently.

We recently established an Ethics & Integrity Office. The purpose of this office is to reinforce and sustain a strong culture of integrity in the Bank by providing greater advocacy of the desired ethical standards and conduct. These functions will also provide staff with an independent avenue to obtain impartial advice and support on matters relating to conduct rules, formal processes or other ethical concerns.

We continued to ensure our people grow professionally by providing them the opportunities to enhance their skill sets for expanded roles, accelerate time-to-competence and build capabilities for the future of work. These capabilities include data science and analytics, climate-risk related technical areas, digital fluency and agility and resilience. We also focused on building new capabilities to improve operational excellence in targeted areas, such as greater adoption of technology, robotics and automation to modernise the minting, secure storage

and logistical distribution of coins and currency. In order to sustain a healthy talent pipeline, our succession planning continues to be a key priority,

with further process improvements undertaken to identify and nurture the Bank's future leaders through targeted, individualised development plans.

Diagram 3: Learning and Development



Learning and development (L&D) investment over gross salary: 4.12%

[3-year average (2017-2019): 6.92%]

Notes:

- L&D investment comprising learning programmes, international meetings for on-the-job exposure to new insights and networks, staff postgraduate scholarships, leadership profiling and L&D staff costs.
- Lower investment due to pandemic restrictions on face-to-face learning and international meetings.



Average learning hours per executive: 30 hours

[3-year average (2017-2019): 56 hours]

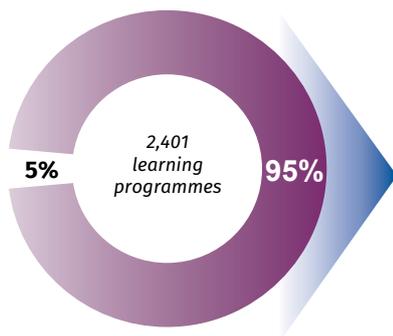
Note:

- Despite lower learning hours, number of programmes was higher at 2,401 (3-year average: 1,343), where majority were virtual learning. These virtual sessions were shorter but with higher learning interactions and engagements.

Ratio of virtual to face-to-face learning - 95:5

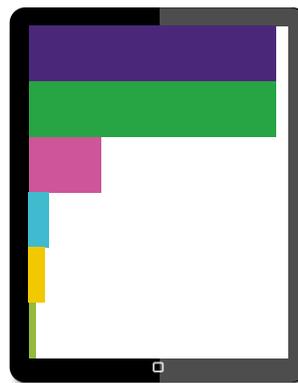
[(3-year average (2017-2019) - 1:99)]

Face-to-face learning



Virtual learning

- 39% Online webinars
- 39% E-learning
- 11% Virtual classrooms
- 3% Podcasts
- 2% Online engagements
- 1% Online certifications



Source: Bank Negara Malaysia