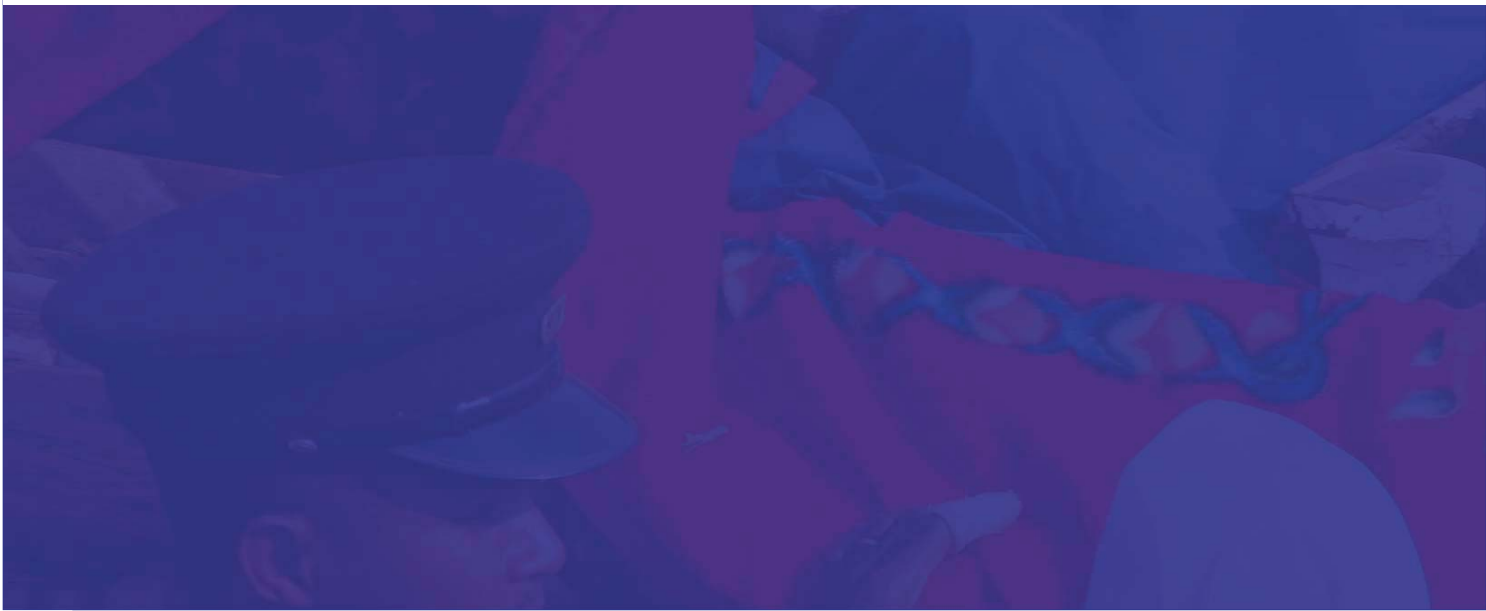




6.0 ADMINISTRATION AND SUPPORT SERVICES



**8.0 ADMINISTRATION AND SUPPORT SERVICES**
**8.1 HUMAN RESOURCE MANAGEMENT**
**8.1.1 Structure and Staffing**

In 2008, the Bank's approved establishment increased by 14 from 679 to 693 due to the expansion of the Financial Markets department from 33 to 47. The Economics department underwent re-organisation during the period under review, which resulted in the creation of a Research Division. However, the establishment for the Department remained at 49.

The total staff complement of the Bank was 584 against the establishment of 693. The gender composition of the 584 employees was 393 (or 67%) male and 191 (or 33%) female. This complement comprised 479 (82%) employees on Permanent and Pensionable Service and 105 (18%) on Fixed-Term Employment Contracts (see Tables 46 and 47).

**Table 46: Staffing Levels, 2006 - 2008**

No.	Functions	2006			2007			2008		
		Estab	Actual	Diff	Estab	Actual	Diff	Estab	Actual	Diff
1	<b>Executive</b>	10	9	-1	10	9	-1	10	11	1
	<b>Subtotal</b>	<b>10</b>	<b>9</b>	<b>-1</b>	<b>10</b>	<b>9</b>	<b>-1</b>	<b>10</b>	<b>11</b>	<b>1</b>
2	<b>Core Departments</b>									
	Economics	49	41	-8	49	42	-7	49	41	-8
	Bank Supervision	37	38	-2	37	34	-3	37	32	-5
	Non Banks Financial Institutions Supervision	34	28	-6	34	32	-2	34	30	-4
	Financial Markets	33	31	-2	33	31	-2	47	29	-18
	Banking, Currency & Payment Systems	93	81	-12	93	85	-8	93	84	-9
	Regional Office	120	117	-3	120	116	-4	120	112	-8
	<b>Subtotal</b>	<b>366</b>	<b>336</b>	<b>-33</b>	<b>366</b>	<b>340</b>	<b>-26</b>	<b>380</b>	<b>328</b>	<b>-52</b>
3	<b>Support Services</b>									
	Finance	44	39	-5	44	37	-7	44	36	-8
	Procurement & Maintenance Services	73	65	-8	73	67	-6	73	63	-10
	Human Resources	38	33	-5	38	32	-6	38	32	-6
	Information & Communications Technology	39	31	-8	39	33	-6	39	32	-7
	Bank Secretariat	19	15	-4	19	16	-3	19	16	-3
	Security	53	49	-4	53	48	-5	53	41	-12
	Internal Audit	26	21	-5	26	20	-6	26	20	-6
	Risk Management Department	11	4	-7	11	5	-6	11	5	-6
	<b>Subtotal</b>	<b>303</b>	<b>257</b>	<b>-46</b>	<b>303</b>	<b>258</b>	<b>-45</b>	<b>303</b>	<b>245</b>	<b>-58</b>
	<b>TOTAL</b>	<b>679</b>	<b>599</b>	<b>-80</b>	<b>679</b>	<b>607</b>	<b>-72</b>	<b>693</b>	<b>584</b>	<b>-109</b>

Source: Bank of Zambia

**Table 47: Distribution of Staff, 2008**

OFFICE	PERMANENT & PENSIONABLE			CONTRACT			Grand Total
	Male	Female	Subtotal	Male	Female	Subtotal	
Lusaka	260	118	<b>378</b>	58	35	<b>93</b>	<b>471</b>
Ndola	66	35	<b>101</b>	10	2	<b>12</b>	<b>113</b>
<b>Subtotal</b>	<b>326</b>	<b>153</b>	<b>479</b>	<b>68</b>	<b>37</b>	<b>105</b>	<b>584</b>

Source: Bank of Zambia

**8.1.2 Staff Movements**

During the year under review, the Bank hired a total of 16 new employees on three-year Fixed Term Contracts, while 37 separations were recorded, resulting in a net staff decrease of 21. The separations from the Bank were through Voluntary Early Separation Scheme, death, resignations, and statutory retirements. There were no dismissals recorded in the year (see Table 48).

Table 48: Staff Movements, 2008

MOVEMENT TYPE	MONTH												TOTALS
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Recruitments	1	4	0	0	3	0	5	0	2	1	0	0	16
Reinstatement	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Inward Staff Movements</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>16</b>
Dismissals	0	0	0	0	0	0	0	0	0	0	0	0	0
Resignations	0	1	0	0	0	0	0	0	0	0	0	0	1
Statutory Retirements	1	0	0	3	1	0	0	0	0	1	0	0	6
VESS	0	9	0	0	0	0	3	0	0	2	0	3	17
Death	1	0	1	3	1	0	0	2	1	2	2	0	13
<b>Total Outward Staff Movements</b>	<b>2</b>	<b>10</b>	<b>1</b>	<b>6</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>37</b>
<b>Net Staff Movements</b>	<b>-1</b>	<b>-6</b>	<b>-1</b>	<b>-6</b>	<b>+1</b>	<b>0</b>	<b>+2</b>	<b>-2</b>	<b>+1</b>	<b>-4</b>	<b>-2</b>	<b>-3</b>	<b>-21</b>

Source: Bank of Zambia

### 8.1.3 Capacity Building Programmes

#### 8.1.3.1 Staff Development

In its continued quest to ensure availability of skills and new knowledge, the Bank provided support to employees pursuing various study programmes on short and long term. The support was in form of paid study leave, full Bank scholarships and time-off to study part-time programmes. The training was undertaken at various training institutions as well as at the Bank's In-Service Training Centre (ISTC). A total of 11 employees completed various study programmes in the year under review (see Table 49).

Table 49: Study Programmes\*, 2003 - 2008

PROGRAMME	YEAR						TOTALS
	2003	2004	2005	2006	2007	2008	
PhD	1	0	1	2	3	0	7
Masters Qualifications; MBA, LLM, MSc etc	6	8	9	7	8	5	43
Bachelor's Degrees in Laws, Banking & Financial Services, Public Administration & Computing	2	4	2	1	3	3	15
Professional Qualifications; <i>Chartered Financial Analyst, Certified Internal Auditors &amp; Association of Certified Chartered Accountants</i>	4	1	0	1	1	2	9
Diplomas in Business Management, Public Administration, Treasury & International Banking, Computing, Banking, Purchasing & Supply & accounting	15	12	3	5	8	1	44
<b>TOTAL</b>	<b>28</b>	<b>25</b>	<b>15</b>	<b>16</b>	<b>23</b>	<b>11</b>	<b>118</b>

Source: Bank of Zambia

\* The figures in the table refer to the number of completed programmes in the respective years

#### 8.1.3.2 University Chairs

The Bank signed a Memorandum of Understanding (MoU) with the Copperbelt University (CBU) and the University of Zambia (UNZA) to continue providing support to the two state institutions. One of the key changes in the MoU was the shifting of sponsorship from undergraduate to postgraduate studies at UNZA.

#### 8.1.3.3 Library and Records Management

The Library re-stocking exercise continued during the year under review. Implementation of the Electronic Document Management System began in April 2008. The File Plan was developed and the Project charter was finalised to facilitate the system deployment by the vendors.

#### 8.1.4 Employee Relations

During the year, the Bank experienced a harmonious industrial climate. The Bargaining Unit successfully concluded negotiations for the revision of the Collective Agreement covering the period August 2008 to

August 2010. The Conditions of Service for Management and Bank Non-Unionised (BNU) employees were also revised.

**8.1.5 Staff Welfare**

**8.1.5.1 Employee Health**

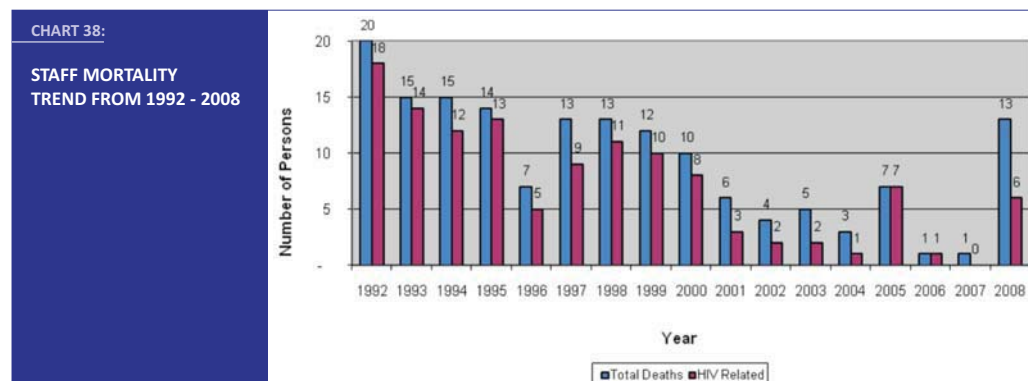
Building on the gains made in previous years, sensitisation campaigns on HIV/AIDS were intensified in 2008. The number of Staff and their dependants accessing Antiretroviral drugs (ARVs) increased to 164 from 163 in 2007 (see Table 50 and Chart 38).

Further, under the initiative of the 'Keep Zambia Clean and Healthy Campaign', the Bank organised nutrition talks and visits by opticians to conduct eye tests on staff.

**Table 50: Beneficiaries of VCT AND/OR ARTs, 2000 - 2008**

YEAR	Staff	Spouses	Children	TOTALS
2000	2	0	0	2
2001	11	2	3	16
2002	20	13	2	35
2003	7	6	2	15
2004	59	30	11	100
2005	78	38	14	130
2006	81	46	17	144
2007	94	51	18	163
2008	94	53	18	165

Source: Bank of Zambia



**8.1.6 Organisational Development**

During the period under review, the decision to relocate the Strategic Planning Monitoring Unit from the Organisation Development Division of the Human Resources Department to the Executive Department was crystallised.

**8.1.7 Projects**

**Performance Management System**

Following the commencement of the Performance Management System Project in 2006, the Bank executed the Performance Related Pay (PRP) to deserving employees in 2008. The system implemented is a four phased cycle which begins with the Planning Phase and ends with Rewarding Performance.

**Computerised Human Resources System:**

During the period under review, the Bank embarked on the implementation of an integrated computerised human resources system, which is scheduled to go live in March 2009.

**Development and Review of Policies**

The Bank formulated the Employee Resourcing and Retention Policy, which was subsequently approved by the Board. This was aimed at streamlining the recruitment process. The Training and Development Policy was under review to ensure that it was responsive to the Bank's needs.

## 8.2 INTERNAL AUDIT

In 2008, the Bank through its Internal Audit activities, continued to undertake audits and reviews of the Bank's operations in order to provide assurance to the Board of Directors and senior management on the effectiveness of internal controls. These controls were with respect to accounting, operational and administrative functions of the Bank. Further, internal audit activities aimed at assisting management meet the Bank's objectives through efforts to improve risk management and control assessment, and promotion of sound corporate governance practices.

## 8.3 BANK SECRETARIAT

During the period under review, the Board of Directors held four regular meetings and one special Board meeting at which numerous important decisions were made. These included the following:

- Resolution that Access Financial Services Limited and Access Leasing Limited be compulsorily liquidated;
- Approval of the Bank of Zambia Information and Communication Technology Governance Policy. This would form the basis for the development and implementation of procedures based on best industry practice;
- Approval of the codification of Management conditions of service and the Bank Non- Unionised Staff conditions of service; and
- Approval of the Risk Based Supervision Policy.

The law review exercise, under the Financial Sector Development Plan (FSDP), resulted in the completion of eleven (11) layman's drafts of financial sector laws. These were: the Banking and Financial Services Act; Companies Act; Insurance Act; the Money Lenders Act; Securities Act; Central Securities Depository Bill; Pensions Scheme Regulation Act; Exchange Bill; Registration of Business Names Act; Cheques Act and Building Societies Bill.

The Bank participated in the Southern African Development Community (SADC) Committee of Central Bank Governors' (CCBG) initiative to develop a model central bank law for the region. The draft model law was developed and approved by the Committee of Governors at their September 2008 meeting. The Bank intends to use this model law as a basis for initiating amendments to the Bank of Zambia Act once all stakeholders have been consulted.

During the year, the Bank continued to engage closely with the media and to keep them informed of pertinent economic developments in general and the Bank's operations in particular. During the period under review, the Bank continued to disseminate information to the public through several publications that included the Monetary Policy Statement, the Quarterly Financial and Statistical Review, and the ZAMBANKER. The dissemination was also done through quarterly media briefings and participation at the Zambia International Trade Fair, the Agricultural and Commercial Show of Zambia, the Copperbelt Mining, Agriculture and Commercial Show, the EUROMONEY Conference<sup>27</sup>, the Smart Partnership Dialogue and the Annual Meetings of the International Monetary Fund/ World Bank as well as those of the African Development Bank.

## 8.4 INFORMATION AND COMMUNICATIONS TECHNOLOGY

During 2008, the Bank of Zambia accomplished several objectives in the area of Information and Communications Technology (ICT) by undertaking a number of projects, including the following:

- **IT Governance Implementation:** Continued implementing the Control Objectives for Information and related Technologies (COBIT) as a framework for ICT Governance.
- **Implementation of the Oracle Human Resources Management System (HRMS):** The system implementation commenced, premised on a single integrated data model that provides an integrated view of human resources-related activities.
- **Bank Supervision Application (BSA) Upgrade:** Significant progress was made toward the deployment of the new version of BSA for the East and Southern Africa bank supervisors. The new version has enhanced security and reporting functionalities.
- **Network Infrastructure:** The Bank's core network infrastructure was upgraded in order to improve performance, security and management capabilities. During the same period, a dedicated link to the Internet through a VSAT link was acquired and installed in order to improve access to the internet.
- **ICT Service Continuity:** A second annual disaster recovery test was conducted as part of the overall Bank of Zambia business continuity management.

## 8.5 SECURITY ACTIVITIES

During 2008, a total of 188 security investigations were conducted compared with 248 the previous year. Of these, 172 cases were related to counterfeit bank notes, indicating a decline from 186 cases in 2007. This

<sup>27</sup>The EUROMONEY Conference was the first of its kind in SSA and very well attended

development was partly attributed to the sensitisation programmes the Bank conducted for various stakeholders.

**8.6 PROCUREMENT AND MAINTENANCE**

During the period under review, the Bank successfully completed refurbishment of parts of the Head Office and Regional Office buildings. The renovations included the replacement of ceilings, installation of air conditioning units and associated electrical works. The Bank also procured two high speed banknote processing machines and one banknote packing system as well as one bullion truck.

