

# THE 17TH EAST AFRICAN BANKING SCHOOL

*"Changing Paradigms in Financial Services"*



*Host : The Kenya Institute of Bankers  
Venue: Kenya School of Monetary Studies  
Date : 3rd to 7th July 2017*

## INTRODUCTION

The East African Banking School is a Regional Conference organized jointly by Institutes of Bankers in Kenya, Tanzania and Uganda.

The banking school serves as a forum where bankers from the region, through presentation of researched papers by Top Bankers and other invited Speakers dialogue on a range of issues that impact on their careers and the financial services environment in general. The opportunity to be derived from such a forum for learning, interaction and networking with colleagues and experts from across the region and beyond is invaluable. It provides important, personal contacts and a rare opportunity for valuable exchange of views in both a professional and social perspective.

## THE SCHOOL'S OBJECTIVES

The major objective of the School is to raise the level of knowledge, competence, professionalism, integrity, trust and confidence among the participants by:

- (i) Bringing together employees, employers and experts within the financial services to bridge the communication gap, promote co-operation, interaction and networking, exchange ideas and seek solutions to similar challenges within respective economic and banking sectors in a regional context.
- (ii) Updating their knowledge on the principles and practice of modern banking and finance.
- (iii) Making them aware of and appreciate the wider issues with which they have to deal with and equip them with the knowledge and skills appropriate to cope with their increased responsibilities.
- (iv) Enhancing their confidence through taking part in case studies and discussion groups, with special reference to business strategy and personal development.
- (v) Helping them meet the current challenges facing banking and financial services.

- (vi) Contributing to the development of highly skilled, professional and competent bankers in the region.

## THEME

The chosen Theme for this year's School is “Changing Paradigms in Financial Services”. The Banking and Financial Services environment is changing rapidly. These changes are influenced by environmental – economic, human, social and political – factors. The changes are not only new, but evolving. There are new paradigms in business strategies, bank mergers and acquisitions, risk and regulations, technological innovations, human resources and management, retail and corporate banking and financial inclusion.

The pace of change and changing paradigms is putting a lot of pressure on financial services organizations. It requires them to be highly creative, innovative in their business strategies and operations.

## THE SCHOOL'S PROGRAMME CONTENT

Based on the above Central Theme, the following sub-themes have been identified as some of the key discussion points;

### 1. The proliferation of Financial Services Institutions in the region – challenges and prospects

In recent years, the East African Financial Market has witnessed tremendous growth and deepening of Financial Services Institutions ranging from commercial banks, non-bank financial institutions, mortgage finance companies and micro-finance banks, etc. This growth has been in the form of increasing branch networks from established institutions and new entrants at all levels.

While the growth and deepening of financial services has brought with it expanded financial services for the banking public and profitability for financial services providers, it has also brought with it numerous challenges.

This paper will try to examine the circumstances and/or reasons leading to the expansion of financial services institutions in the region, the economic, political paradigms, the opportunities available for banking business, the liberalization of financial markets, the regulatory factors and whether financial institutions per se can be a catalyst towards a common monetary union and/or regional integration.

## **2. The Impact of Technology on Banker/ Customer Relationships**

There is no doubt that Technology plays a critical role in the provision of financial services and banks/financial services organizations are increasingly using ICT in their business operations to gain competitive advantage. While ICT has tremendous benefits in financial services, it has also brought with it various challenges and apart from crime, it has almost totally disrupted the banker/customer relationship.

It is now common that a banking relationship can be executed without the customer even entering the bank premises. PCs, telephones and internet terminals, etc are in use, are faster and better alternatives. The readily available technology makes it even easier for non-bank institutions to enter the market, thus creating more challenges for established banks/financial services providers.

This paper will highlight the current trends in banker/customer relationships in the context of a changing and highly technological environment.

## **3. Managing Risk in Banking and Financial Services**

Banks and other types of Financial Services Organizations are in the business of providing a wide range of financial services and products that expose them to a variety of “Risks”. The nature of risks faced by these institutions are wide ranging and permeate not only individual institutions but the entire financial services sector, both national and global. Indeed the risks are not only a concern by individual institutions alone, but also

by Regulators, Governments and Supranational Institutions (World Bank, IMF, etc). The Basel Accord has now been upgraded to level III with increasing emphasis on an integrated approach to risk management. At its best and practical level, “Risk Management” has now been integrated as a “science” by most banks and financial institutions. “Risk Management” is no longer an adjunct to the business, it is central. Proper systems are no longer “nice to have,” they are mission critical.

This paper will discuss the broad area of Risk Management in Financial Services. The objective is to expose Participants to some of the current “best practices” being employed by progressive Banks/Financial Institutions, to mitigate against any potential losses in their businesses.

## **4. Emerging Trends and Prospects in Financial Inclusion**

Financial Inclusion is now a trend mostly associated with extending Financial Services to all segments of the population and in particular those segments that were considered excluded, unbanked or had no access to banking services. Faced with increasing competition and in order to expand their market share, a majority of Financial Services providers are now looking favourably at the unbanked population. Indeed some financial institutions have made it their niche market, investing heavily in this segment of the society and reaping huge profits.

This paper will discuss emerging trends and prospects in Financial Inclusion as a major strategic focus by most Financial Services providers to expand their market share.

## **5. Current Trends in Client Relationship Management**

Banking has traditionally operated in a relatively stable environment for decades. However, today the industry is facing a dramatically aggressive competition, not only among existing institutions, but also with new entrants in the sector. The net result of this increasing competition is that

traditional banks have lost a substantial proportion of their domestic business to essentially non-bank competition. In addition, today’s bank customers are quite knowledgeable and sophisticated. They know the market well and are very selective about the service they want and what it will cost them. Competition will undoubtedly continue to be a more significant factor. Thus it is imperative for banks to get useful feedback on their actual response time and customer service quality aspects of retail banking, which will in turn help them take positive steps to maintain a competitive edge. Collecting information about customers, who they are and their purchasing behavior is vital information for the bank/financial institution and will contribute to a better understanding of the customer and how to engage or relate to not only the existing customer, but also new/potential ones.

This paper will discuss the current trends in Client/Customer Relationship Management Strategies employed by successful banks in establishing productive relationships with both their internal and external clients. It will highlight the basic concepts, principles, tools, techniques and practical approaches to creating a solid Client Relationship Management infrastructure.

## **6. Combating Financial Crime**

One of the major risks faced by banks/financial institutions is theft of funds/resources perpetrated through both internal and external factors. For whatever reason, all forms of financial crime pose a serious threat to the very survival of banks and financial institutions. Criminals and Fraudsters are to be found both within and outside the Financial Services sector and have become increasingly sophisticated, employing very complex methods of operation, including cyber, internet and other IT based frauds and forgeries. In spite of enhanced and comprehensive compliance policies and procedures employed by modern banks/financial institutions, money laundering is still a major problem affecting a majority of these institutions on both the domestic and global stage.

This paper will discuss the current patterns, trends and developments in Financial Crime and the modern steps and risk mitigating strategies employed by successful institutions to combat and contain financial crime.

## **7. People as a Strategic Asset in Financial Services**

There is no doubt that “People” are the most critical factor in “organizational effectiveness.” For any modern organization to succeed, it requires a competent, well trained and flexible work force. This also requires a well thought-out and formulated strategy on “People Management.” Banking/Financial Services has always been about “People” both from within (Staff, Shareholders) and external (clients/customers and the general public). Therefore to meet their needs (both internal and external customers), the bank/financial institution must put in place policies and processes that ensure its workforce is well managed and strongly motivated.

This paper will discuss the importance of having a sound HR strategy in place and one that suits a modern bank or financial institution. It will highlight the current approaches to HR Management and in particular the role played by key staff (Supervisory and Management) in decisions affecting those working under them.

## **8. Leadership and Team Building**

A good HR Strategy must include leadership roles and team management. Ultimately all work, processes and systems in any organization (including automated ones) will be carried out by employed People (Staff). A dynamic organization such as a bank/financial institution is structured in specialized units, sections and departments to maximize performance and achieve desired goals/targets. Thus creating high performing teams - under group leaders - that will deliver high returns or exceptional results is a major strategic objective for every bank/financial institution.

This will be a highly practical presentation (with role plays) by experts in leadership roles and team building techniques that will give relevant insights into the behavioral factors required to institutionalize a “leadership and team building dynamic” in a bank or financial institution.

### **PARTICIPANTS’ PROFILE/ TARGET GROUP**

The East African Banking School is a learning, interactive and networking forum, intended to provide professional exposure to as many financial services’ employees as possible. All staff ranging from the level of officers to senior managers, etc are eligible to attend. Management trainees and other cadre of staff with high potential are also eligible participants.

The school is particularly useful - but not limited - to personnel with the following roles;

- Senior Managers
- Officers and Managerial Cadre in branches.
- Customer Service, Marketing and Selling, Business Development/Promotion and Corporate Affairs/Public Relations.
- Operations, Accounting and Finance.
- Audit Inspection and Internal Control.
- Credit, Risk and Relationship Management.
- Central Banking and Deposit Protection Fund Board.
- Sacco Operations, National Social Security Fund Operations, Retirement Benefits Authority Operations, etc.
- Agricultural/Rural Finance, Micro-Finance, etc.
- Taxation and Revenue Collection Operations, etc.
- Dealing and Treasury Management.
- Training and Human Resources.
- Compliance and Legal Officers.
- Management Trainees.

### **SCHOOL VENUE**

The 2017 East African Banking School will be held at the Kenya School of Monetary Studies.

### **PARTICIPATION FEE**

Participants shall pay U.S.\$800 (Dollars Eight Hundred Only, exclusive of VAT and bank charges/commission) to cover tuition, course material/notes, coffee/teas, lunches, farewell dinner and one day’s excursion during the Team Building Training.

### **ACCOMMODATION**

The School is residential for all participants. The Kenya School of Monetary Studies (KSMS) will provide accommodation Bed & Breakfast at U.S \$ 65 per day except for days when there is Group Dinner and during the outdoor programme on Tuesday 4th July 2017. However, Delegates who wish to stay outside the school may make their own arrangements.

Apart from accommodation, participants are responsible for their own transport to and from the school, personal/out of pocket expenses, etc. Airport pick up/drop will be arranged on request for Delegates from outside Kenya.

### **VISA REQUIREMENT**

There are no Visa requirements for people from East African Community member countries (Burundi, Rwanda, South Sudan, Tanzania and Uganda). However those from other Countries should check with the Kenya Embassy in their respective countries if they need Visa to enter Kenya. The Kenya Immigration Authorities allow Visa application at U.S \$ 50.00 only on arrival in the country.

# The 17th East African Banking School 3rd to 7th July 2017, NAIROBI, KENYA

## *“Changing Paradigms in Financial Services”*

### PROGRAMME

#### DAY ONE: 3RD JULY 2017

08.00 – 08.30	Registration , Kenya School of Monetary Studies (All Delegates, invited Guests/Speakers – Formal Attire, Dress Skirt/ Suit)		
Time	Session	Guest Speaker	Facilitator
08.30 – 09.00	Welcome and Briefing, Introductions.	<b>Mr. Stephen N. Anjichi</b> (Executive Director, Kenya Institute of Bankers)	
09.00 – 10.00	Official Opening.	<b>Dr. Patrick Njoroge</b> (Governor, Central Bank of Kenya)	<b>Mr. Reuben Mbindu</b> (Chairman, Kenya Institute of Bankers)
<b>GROUP PHOTOGRAPH</b>			
10.00 - 10.30	<b>HEALTH BREAK</b>		
10.30 – 11.30	The Proliferation of Financial Services Institutions in the Re- gion – Challenges and Prospects	Presenter from Kenya Commercial Bank (KCB)	Facilitator - Kenya Institute of Bankers (KIB)
11.30 – 12.30	Group Breakouts to discuss presentation/ lessons learnt and prepare questions	Team Leaders	Facilitator - KIB
12.30 – 01.30	Group Feedback and Speaker’s response in Plenary	Team Leaders	Facilitator - KIB
01.30 – 02.30	<b>LUNCH BREAK</b>		
02.30 – 03.30	The Impact of Technol- ogy on Banker/Cus- tomer Relationships	Presenter from Equity Bank	Facilitator - KIB
03.30 – 04.30	Group Breakouts, Lessons Learnt and Questionnaires	Team Leaders	Facilitator - KIB
04.30 – 05.30	Group Feedback and Speaker’s response	Team Leaders	Facilitator – KIB
05.30 – 06.00	<b>HEALTH BREAK</b>		
<b>END OF DAY ONE</b>			

**DAY TWO: 4TH JULY 2017**

07.00	All Delegates to assemble outside the Kenya School of Monetary Studies (KSMS) Hostel Reception
07.30	Buses depart for Naivasha through Muthaiga, Village Market, Tigoni, Limuru
08.30	Stop over at Rift Valley View Point
10.00	Arrival at Naivasha (Tea, Coffee, Juices and Snacks)
11.00 – 01.00	Leadership and Team Building
01.00 – 02.00	<b>LUNCH</b>
02.00 – 04.00	Team Building to continue
04.00 – 07.00	Rest and Relaxation
07.00 – 11.00	Dinner and Entertainment
<b>END OF DAY TWO</b>	

**DAY THREE: 5TH JULY 2017**

07.00 – 09.00	<b>BREAKFAST</b>
09.30 – 11.30	Education Tour – KPLC Geothermal Power Plant – Naivasha
11.30	Proceed to Nairobi through the Northern Bypass, Kikuyu, Karen
01.00	Lunch at the Tamambo (Tamarind) Karen
02.00	Proceed to KICC through Ngong Road
02.30 – 06.00	Stop over at KICC, Free Time, City Walk, Shopping (Foreign Delegates)
06.00	Buses Depart for KSMS
06.30	Arrival at KSMS – Dinner and Night Rest
<b>END OF DAY THREE</b>	

**DAY FOUR: 6TH JULY 2017**

Time	Session	Speaker	Facilitator
08.00 – 09.00	Managing Risk in Banking and Financial Services	Presenter from Tanzania Institute of Bankers (TIOB)	Facilitator - TIOB
09.00 – 10.00	Group Breakouts, Lessons Learnt and Questionnaires	Team Leaders	Facilitator - TIOB
10.00 – 10.30	<b>HEALTH BREAK</b>		
10.30 – 11.30	Group Feedback and Speaker's Response	Team Leaders	Facilitator - TIOB
11.30 – 12.30	Emerging Trends and Prospects in Financial Inclusion	Presenter from Kenya Women Micro Finance Bank (KWFT)	Facilitator - KIB
12.30 – 01.30	Group Breakouts, Lessons Learnt and Questionnaires	Team Leaders	Facilitator - KIB
01.30 – 02.30	<b>LUNCH BREAK</b>		

02.30 – 03.30	Group Feedback and Speaker's Response	Team Leaders	Facilitator - KIB
03.30 – 04.30	Current Trends in Client Relationship Management	Presenter from Uganda Institute of Banking and Financial Services (UIBFS)	Facilitator - UIBFS
04.30 – 05.00	<b>HEALTH BREAK</b>		
05.00 – 06.00	Group Breakouts, Lessons Learnt and Questionnaires	Team Leaders	Facilitator - UIBFS
06.00 – 07.00	Group Feedback and Speaker's Response	Team Leaders	Facilitator - UIBFS
<b>END OF DAY FOUR</b>			

#### DAY FIVE: 7TH JULY 2017

Time	Session	Speaker	Facilitator
08.00 – 09.00	Combating Financial Crime	Presenter from Central Bank of Kenya (CBK)	Facilitator - KIB
09.00 – 10.00	Group Breakouts, Lessons Learnt and Questionnaires	Team Leaders	Facilitator - KIB
10.00 – 10.30	<b>HEALTH BREAK</b>		
10.30 – 11.30	Group Feedback and Speaker's Response	Team Leaders	Facilitator - KIB
11.30 – 12.30	People as a Strategic Asset in Financial Services	Presenter from Institute of Human Resource Management (IHRM)	Facilitator - KIB
12.30 – 01.30	Group Breakouts, Lessons Learnt and Questionnaires	Team Leaders	Facilitator - KIB
01.30 – 02.30	<b>LUNCH BREAK</b>		
02.30 – 03.30	Group Feedback and Speaker's Response	Team Leaders	Facilitator - KIB
03.30 – 04.30	School's Evaluation by All Delegates	KIB	KIB
04.30 – 05.00	<b>HEALTH BREAK</b>		
05.00 – 06.00	Preparation of Communique by Group Leaders and Institute's CEOs	All Team Leaders and Institute CEOs	KIB
07.00 – 09.00	Farewell Dinner, Official Closing and Graduation	<b>Deputy Governor, CBK Chairman, KIB</b>	
09.00 – 11.00	<b>Dance and Entertainment – Pressman Band</b>		

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