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**SUBJECT: HR IN PUBLIC SECTOR**

**INSTRUCTOR: SIR WAJAHAT GUL**

**MID TERM ASSIGNMENT**

**FAYSAL BANK LIMITED, PAKISTAN.**

**BANKING SECTOR IN PAKISTAN**

There are two types of Banks:

• State Bank of Pakistan

• Commercial Bank of Pakistan

There is only one Central Bank in the country; the bank controls the major operations of all the commercial banks. In Pakistan State Bank of Pakistan is the central bank and governs all the commercial banking activities by exercising all prudential regulations. But the money market structure in Pakistan comprises of the following:

• State Bank of Pakistan

• Commercial Bank of Pakistan

• Exchange Bank of Pakistan

• Cooperative Bank of Pakistan

• Saving Banks

• Specialized Credit Institutions

**HISTORY AND BACKGROUND OF FBL**

The idea of formation and majority ownership of Faysal Bank is associated with the Royal Family of Late King Faysal of Saudi Arabia and his successors. It was incorporated to achieve the objective of conducting Islamic Banking System all over Islamic countries resulting to boost-up of socio-economic conditions of Muslim Ummah. Faysal Bank Ltd. has volumetric capital base of Rs. 2.200 billion, the largest amongst foreign banks operating in Pakistan with equity investment of 60% by Daar-ul-Mi Al Islami (Switzerland), a trust established under the chairmanship of Prince Mohammad Al-Faysal Al Saud (Son of late King Faysal) through Faysal Islamic Bank of Bahrain and 40% by Pakistan public.

**INCORPORATION OF FBL AT PAKISTAN**

Faysal Islamic Bank of Bahrain (FIBB), one of the major companies within the Dar-ul-Maal Al-Islami Trust, headed by Prince Mohammad Al Faysal Al Saud, started its operations at Pakistan in 1987.

FIBB was granted a banking license by the Government of Pakistan in 1994.

The bank was incorporated on October 1994 in Pakistan as a limited company quoted on Karachi and Lahore Stock Exchanges. Faysal Bank commenced business operations effective January 1, 1995, taking over the 6 branches of Faysal Islamic Bank of Bahrain that had established its presence in Pakistan in 1987.

On January 1 2002, the two entities of then group in Pakistan, FBL and Al Faysal Investment Bank Ltd. Were merged into one and today only FBL, remains as a larger, stronger and much more versatile institutions amongst private banks in the country. In fact, it is amongst the three largest in terms of Equity, which after the merger stood over Rs. 4.0 billion.

**ROLE OF FBL IN BANKING SECTOR**

Faysal Bank is striving and leading to the prosperity. It is strengthening distinctive reputation through practicing high business management and professional standards. In addition, it is promoting innovative Islamic products instruments policies and practices. Also its encouraging savings by mobilization of deposits through attractive schemes conforming to Shariah and offering customers safe havens for investments of their funds in short, medium and long-term avenues.

It has prudent financing and investment policy with the emphasis on risk management. Along with all this, it has compliance by the terms and conditions prescribed by the government in its permission letter and laws applicable to the commercial banking sector including prudential and other regulations prescribed by the State Bank of Pakistan.

**BRANCH NETWORK**

Since the Banks are scattered at different Regional levels. Its branch network has been divided into three regions, Southern Region where Karachi, Hyderabad and Quetta come. In Central Region, Lahore, Bahawalpur, Faisalabad, Gujranwala, Jhang, Okara, Rahim Yar Khan, Sarghoda, Sialkot and Vehari. In Northern Region Islamabad, Rawalpindi, Peshawar, Gujar khan, Gujrat, Kharian and Mirpur. So far there are 67 branches all over the country, but it plans to increase its network more in coming future.

**Current Practices and Different Departments involved in day to day Business at Faysal Bank Limited**

1. Account Opening and Operations:

Basically deals in Opening ale’s, issuing statements, Balance inquiries, Cheque book issuance and General account information.

2. Remittances- Local and Foreign Currency:

Transferring funds in both currencies, Receipt of funds into accounts, issuance of Pay- Order’s and Demand Drafts.

3. Consumer Loans:

All kind of retail loans, Processing, Information and Documentation.

4. Credit:

Deals in Corporate Loans, Credit Analysis, Documentation, Disbursements and Follow-Up.

5. Documentation and Credit Department:

Letter of Credit, Letter of Guarantee etc.

6. Cash: (Deposit and Withdrawal)

Customer transactions with cash.

7. Customer Services Window:

Account Statements and other queries relating to their accounts.

Personnel management is the planning, organizing, directing and controlling of the development compensation, integration, maintenance and separation of human resources to the end that individual, organizational and societal objectives are accomplished. The starting point of personnel management, as of all management, must be a specification of objectives and determination of the sub-objectives of the personnel function. Every organization has personnel function whether or not a specific personnel manager has been so designated. Every organization must hire, train, pay, motivate and maintain employees.

**HUMAN RESOURCE POLICIES AND RULES:**

Human resource deals with the human aspects of an organization. No matter how well an organization is built, adequately and updated equipment with new machinery its human power remain to be the main asset of it. The employees need to be hired and recruited in a proper manner to make sure the efficient working of the organization.

**RECRUITMENT:**

The term recruitment has a limited and specific meaning. It is total process by which an organization gathers individuals to occupy its various positions or it is the process of finding prospective employees. Recruitment is an important operation in HRM, designed to maximize employee strength in order to meet the employer's strategic goals and objectives. Recruitment simply means hiring the right people for particular jobs and it may take the form of advertising for the groups of employees or tracking out a highly skilled individual for special work.

**RECRUITMENT PROCESS:**

Faysal Bank recruits both from internal and the external sources but internal recruitment is preferred keeping in mind their previous good record, to encourage and motivate their employees. As this process is less expensive compared to getting employees from outside.. According to their recruitment policy, following internal and external recruitment sources are used:

• Print Media: Faysal Bank advertises the vacancies in the leading newspapers, magazines etc.

• Website: They have also adopted online recruitment process. They advertise the job description and criteria on online job offering websites.

• Upgrading the present employees on the basis of performance

• Retired personals are also reemployed in case of shortage of qualified personnel or increase in load of work.

The employee selection procedure in FAYSAL Bank is similar like the other banks and organizations. They select the employees by the following way:

**RECRUITMENT AND SELECTION RULES AND CRITERIA:**

Recruitment and Selection is the process of sourcing, screening, shortlisting and selecting the right candidates for the filling the required vacant positions.

• Candidate must be a citizen of Pakistan.

• The applicant must be a business graduate.

• The job/post must be predicted in the budget of the bank.

• Internal selection would be given importance.

• No gender discrimination will be done.

• No external and internal influence will affect the selection process.

• The job already announced in the budget will be advertised in the leading newspaper.

• Human Resource Management will be responsible for the process of hiring throughout.

• After the advertisement process, the Human Resource Manager will receive the job applications.

• Initial screening will be done and short listing will be made based on designed criteria for the job.

• The candidates fulfilling the job requisites will be called for a short test.

• The short test will be of duration of two hours.

• The candidates failing to pass the test will be provided feedback in the form of regret letter.

• The interviewing panel will constitute of main position holders of the bank.

• The interviewee panel will be tested in all dimensions, personality, knowledge, abilities, aptitude etc.

• If required the interviewer will also ask the interviewee to give presentation on any particular issued or problem.

• Through a careful and thorough process of interviewing, three candidates will be selected.

• The candidate at top merit will be given the offered job. The other two would remain on waiting list.

• Negotiations will be done with selected applicant.

• If negotiation is successful, the candidate will be given contract copy with other requirements.

**REFERENCES**:

Wikipedia, <https://www.tutorialspoint.com/recruitment_and_selection/recruitment_and_selection_quick_guide.htm>

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