

# Setting benchmarks in Afghanistan

**Afghanistan's Azizi Bank walked away with some big wins at IFM's Asia Pacific Awards held in Singapore's Marina Bay Sands Expo & Centre in December 2016. The company bagged Best Customer Service Bank & Best CEO awards at the ceremony. Market Insights editor Sindhuja Balaji spoke to CEO Mohammad Salem Omaid who discussed Azizi Bank's latest foray into Islamic banking and digitization among others**

## **What are your thoughts about Azizi Bank winning the IFM Award for Best Customer Service Bank?**

I am extremely pleased and excited upon winning this award. Azizi Bank has placed major emphasis on improving customer service levels at branches with initiatives starting from training of all category of staff on customer handling processes, dedicated customer care officers at branches, complaint handling methodologies and conducting surveys on customer experience through questionnaires. Going forward, we are planning to engage an external market research company to make an evaluation of our customer service. We strongly believe in customer satisfaction for the enhancement of business and relationships and are committed to taking steps to improve upon it.

## **Tell us a bit about your plans for Islamic Banking, which I believe was initiated early this year**

We are converting our 100% subsidiary bank – Bakhtar Bank into a full-fledged Islamic bank by Q1 2017. All the necessary training and software implementation has been done. This will be the first full Islamic Bank in the Islamic Republic of Afghanistan. We are also

changing the name of the bank from Bakhtar Bank to Islamic Bank of Afghanistan. The banking population in Afghanistan is approximately 12-13%, so such a strategic move will increase the banking population in the country, and more people can be inducted to enhance financial inclusion. Azizi Bank, however, will retain its status as a conventional bank.

## **Yours is among the few Afghani banks that emphasizes on a balanced workforce – how do you implement and retain this aspect in all your branches?**

Azizi Bank employs more than 1,500 employees with around 15% women employees. The bank is ensuring its contribution to woman empowerment and emancipation. We maintain a strong position on gender equality and every employee is provided with the opportunity to contribute and grow professionally. The branches are provided with professional or experienced branch managers. Employees are motivated to perform with regular appreciation, rewards or promotions. We have a professional internal training department, which regulates periodic training for all categories of staff. We also nominate employees for external training programmes – within the country and international. We even hire international trainers for various programmes. Our management board is quite professional – with an average experience of more than 20 years and expatriates from USA, India and other countries.

## **Can you tell us about the role you play in bolstering small and medium businesses in Afghanistan?**

Azizi Bank is the largest “banking group” in the country, with more than 145 branches across all provinces, and contributes to more than 32% of the commercial lending portfolio in Afghanistan. We have contributed not only in the major infrastructural development of the country, but also in financing SMEs and MSMEs. We are engaging ourselves with the relevant international agencies, government institutions and also the World Bank and ADB for such programmes.



**>> Please elaborate on your schemes like Green Channel and M-Paisa**

We already have the green channel facility in our branches where people can make withdrawals through POS services. We have M-Paisa integration for agents with a major telecom provider named Roshan as well as M-Commerce integration with another major telecom provider Etisalat. Azizi Bank is already into the mode of digitalization and has invested majorly on technology orientation as per international standards.

***The world is moving towards digital banking – is Afghanistan also seeing a shift in the same direction?***

Yes, banks are already inclined towards digitization. We are already heavily invested on technology-oriented products and intend to be perceived as a tech-savvy bank with a major emphasis on technology-oriented digital banking products by the stakeholders. Core banking solutions have already been implemented. From ATMs to mobile and net banking, Azizi Bank's prima facie task is to ensure customer effectiveness with modern banking

technologies. As part of the strategic digitalized implementation plan, the bank has decided to procure 200 new ATMs, cash dispensers, video and virtual kiosks, and has already strategized extensive coverage in the country.

***Can you share your thoughts on the introduction of housing finance?***

Commercial and household property business is moving slowly in Afghanistan for the past couple of years as a result of the economic slowdown and mass exodus. We are expecting this sector to improve in the coming couple of years, and then, we can evaluate housing sector finance schemes.

***Where do you see Azizi Bank five years from now?***

Five years from now, Azizi Bank will be the most favoured bank in Afghanistan, the bank with the best customized products in offering, a one-stop shop for all financial requirements. We will also have a strong international presence in neighbouring countries. ■