

Managing Bank Negara Malaysia

People

Bank Negara Malaysia (BNM) continued to nurture and develop our people to ensure we deliver our mandates with high standards of excellence and professionalism.

Introduction

At BNM, we strive to create a conducive environment for high-performance. To that end, we continuously seek to explore new ways of working and adapt to evolving norms, while upholding our longstanding traditions of integrity, professionalism, and excellence. In 2023, our people management priorities were aimed at improving staff engagement and productivity in an increasingly digitalised world and aligning workplace culture for organisational effectiveness. We also placed strong emphasis on career development initiatives to secure a sustainable talent pipeline for the future. Throughout the year, enhancements were also made to strengthen our organisational agility through more optimal use of our resources.

Improving People's Engagement and Productivity in the Digital Era

During the year, we focused on improving engagements and creating an optimal working environment for our people as important strategies for staff recruitment and retention. We continued to adopt a flexible approach to working arrangements but with greater emphasis on encouraging more in-person interactions. While we

believe that face-to-face interactions are crucial to build trust and camaraderie among staff, we provide staff with the option to work remotely two days a week. In doing so, we also seek to realise the benefits from the use of technology, which enables greater collaboration and efficiency in certain areas of work.

Leveraging our internal social networking platform, we fostered engagement among staff and facilitated the formation of communities around various topics, extending beyond work-related matters to include lifestyle and charitable endeavours. Further, we continue to uphold our tradition of celebrating key festivals with all staff, sports events and the annual treasure hunt, in which we extend the invite to our retirees via the established Alumni society. Recognising their invaluable expertise, we actively encourage their return to BNM to share insights and experiences with current staff. In 2023, we invited former assistant governors and deputy directors to participate in our Sembang Alumni series. Additionally, we continue to disseminate key developments within BNM, empowering our retirees to serve as brand ambassadors, enhancing public education and awareness efforts.



Celebrating key festivals with BNM Alumni in 2023



BNM held numerous activities during Feel Good-Tober event in 2023

In 2023, we continued to invest in adopting technologies that facilitate more seamless real-time collaboration and drive process improvements across teams within BNM. Apart from the expansion of productivity tools available to our people, a few workstreams were established through our Innovation Lab to explore potential use cases of generative artificial intelligence that can help optimise the workflow and increase productivity across different functions in BNM.

Throughout 2023, the well-being of our people remained a key focus. We continued to provide access to counseling services, broadened our coverage of medical benefits for staff and stepped-up efforts to raise awareness on mental and physical health. Persatuan Kakitangan BNM remained an important channel for staff to raise welfare-related issues to improve their well-being. We also introduced more effective training programmes on stress management to help staff manage personal and work challenges.

Aligning Workplace Culture for Organisational Effectiveness

Organisational culture continued to be a core focus during the year. This builds on a concerted set of initiatives that were set in motion since 2021, aimed at

fostering and strengthening candour, collaboration, and accountability among our people – all of which are critical to enable us to discharge our mandates more effectively.

In 2023, we made inroads on several key fronts. Having established a common language for our desired culture (Diagram 1), bank-wide socialisation efforts were carried out to all our employees. This included incorporating it into our on-boarding programme for new hires and regular pulse checks with staff, including skip-level engagements led by Senior Management. Additionally, an internal Culture Portal was launched as a one-stop centre for staff to keep abreast with the ongoing culture transformation initiatives. The portal also provides access to a digital-focused recognition tool to encourage staff to actively show appreciation to others who have demonstrated the cultural beliefs in carrying out their responsibilities at work.

In discharging our mandates, we continued to ensure that our staff are familiar with and abide strictly by our Code of Conduct (COC) in performing their duties. One of the ways we do this is by requiring all staff to annually refresh themselves on the code through online education and assessment tools. This is to ensure that our staff embody the highest standards of excellence, integrity, and professionalism as established in our employee COC.

Diagram 1: Our Cultural Beliefs



Source: Bank Negara Malaysia

Talent and Career Development

At BNM, we seek to maintain a sustainable talent pipeline and timely interventions for mission critical positions. Central to our organisational philosophy is the cultivation of talent through strategic succession planning. Decentralised platforms via the Mini Talent Councils (mTCs) continue to be effective channels for the identification of emerging leaders at sectoral level, that feed into the broader pool of high potential talent across BNM. This decentralised approach complements our existing framework for handling Bank-wide critical functions and senior positions, which are deliberated at the Management Committee level.

Investing in emerging leaders is paramount for BNM's organisational sustainability. In 2023, we introduced the Future Leaders Development Programme (FUEL) to nurture emerging talent within BNM. FUEL has a strong focus on cultivating BNM's cultural beliefs for effective leadership skills. The programme aims to inculcate a habit of continuous learning, adaptability and forward thinking in dealing with scenarios and challenges that are unique to central banks. Ultimately, it reinforces critical leadership competencies, including stakeholder management and fostering a collaborative workplace culture.

In addition to FUEL, executive coaching plays a pivotal role in nurturing our emerging leaders. At BNM, we deploy a tailored approach to executive coaching that offers a supportive environment for emerging leaders to explore their strengths, address development areas, and refine their leadership style. Coaching sessions are conducted by seasoned professionals with extensive leadership experience, providing invaluable mentorship and guidance to our future leaders. This is further supplemented by mentoring sessions and skip level engagements with the board and senior management of BNM who provide practical insights in addressing leadership challenges. This multifaceted approach offers our emerging leaders unique opportunities for continuous learning throughout the organisation, with the goal of expediting their preparedness for future leadership positions.

Alongside the continuous investments in our people, our ability to attract and retain high-quality staff is crucial to our mission. To this end, we finalised a comprehensive rewards review during the year to ensure that our salary structure and benefits remain competitive relative to market trends. Our rewards philosophy is performance-based, and places emphasis on achieving the expected leadership and technical competencies.



Nor Emilia Ilyana binti Che Kamarudin
Senior Analyst, Jabatan Antarabangsa

In reflecting on my upbringing and values, I've found alignment with the inclusive culture at BNM over my 13-year tenure. Witnessing its commitment to fostering a safe, supportive, and value-driven workplace has been deeply gratifying. The emphasis on open communication and inclusivity has empowered staff, fostering a dynamic and responsive environment. Personally, having my input recognised by senior leadership has been invigorating, highlighting BNM's merit-based approach over traditional hierarchies. This shift has led to increased openness, humility, and collaboration, driving excellence across the organisation. Embracing the diversity of our workforce, BNM ensures that all voices are heard and valued, creating a culture of trust and collaboration that I am proud to be a part of.

During the year, we continued to encourage our staff to pursue professional certifications across a broad range of disciplines. Currently, 634 staff members hold memberships from various professional bodies and possess relevant credentials. Additionally, we continue to provide staff scholarships in emerging and future areas such as fintech and sustainability. This investment in professional development not only enhances individual competencies but also enriches our collective expertise, enabling us to meet the evolving demands of our dynamic environment and deliver our mandates effectively. While face-to-face learning for core programmes have regained momentum since the

pandemic, we continued to encourage virtual and self-paced learning initiatives.

As we embrace new ways of working and technology adoption, traditional roles especially administrative functions, continues to undergo redefinition. In dealing with this challenge, we are committed to upskilling and reskilling our administrative staff. Key training areas include digital fluency, office management, communication, and stakeholder relationships. So far, this has yielded tangible results with new process improvements introduced by our administrative staff, including spearheading the digitalisation of workflows.



Raja Mohamad Shahadan Raja Mohamed
Manager, Jabatan Audit Dalam


I express immense gratitude to BNM for granting me a scholarship over a decade ago, marking the beginning of a transformative journey. Having contributed to nation-building across diverse departments such as risk management, finance, and auditing, each experience has been profoundly rewarding. Moreover, participating in the inaugural Future Leaders Empowerment Programme (FUEL) has been a pivotal milestone. Through FUEL, I've gained invaluable insights and forged meaningful connections with colleagues, fostering a supportive network for future endeavors. Ultimately, the program has equipped me with enhanced self-awareness and strengthened leadership skills, positioning me to drive team performance and contribute to the success of BNM and our nation.

Diagram 2: Continuous Development for Staff, Through Various Channels

Total staff trained in 2023: 2463 staff


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

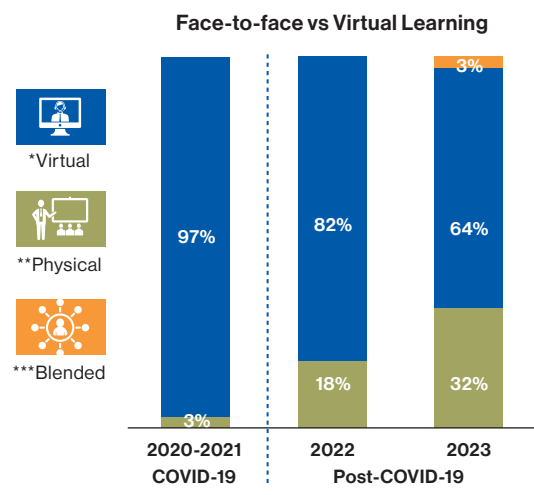
6.6%
 3-year average pre-pandemic (2017-2019): 6.9%



Average learning hours per executive:

2023: 56.3 hours
 2022: 50 hours





* Mix between instructor-led and self-paced learning.
 ** In class workshop and seminars.
 *** Incorporated both style throughout the duration of the program.

Source: Bank Negara Malaysia

Enhancing Organisational Agility

BNM continued to make our people operations and processes more efficient and effective throughout the year. This is to ensure that our staff can respond and adapt to issues and changes in the domestic and global environment.

One thrust was to further streamline department functions and institute clearer lines of oversight. In 2023, a strategy office was established in the People Department to better align people-related practices with BNM’s vision, mission, and strategic objectives. The functions within the Currency Department were also streamlined in step with the modernisation efforts for currency management and operations. We also continued to reap the benefits from adopting more agile resourcing approaches across BNM. With a talent marketplace approach, we are able to draw expertise from across departments to deliver key projects and policy initiatives. An example is the work on exploring use cases for AI and projects within the financial development sector. In 2023, the financial stability sector also made more concerted efforts to pilot this agile approach. This included introduction of short-term attachments for staff to learn and build their expertise in a complementary area within the sector.

Attracting the Right Talent

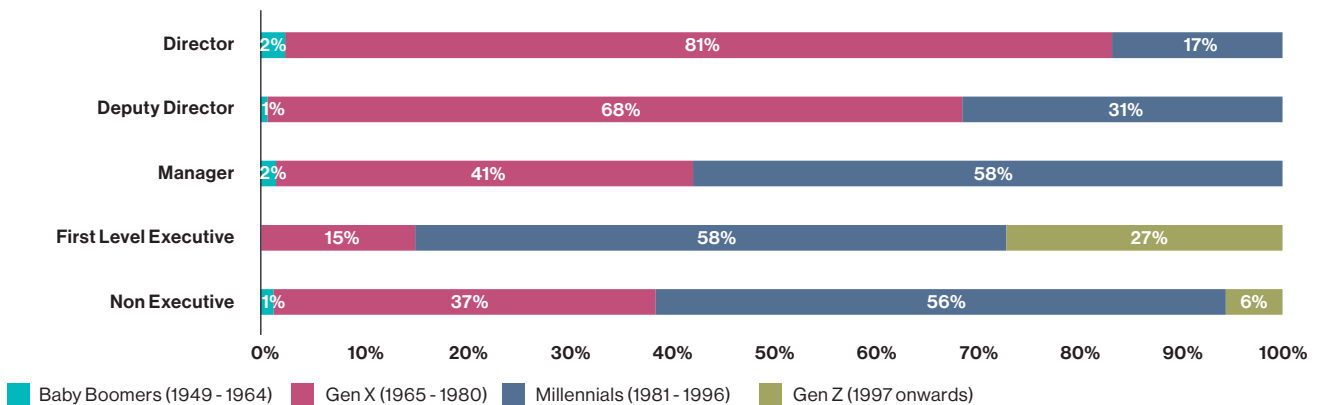
During the year, we directed our focus on attracting talent across diverse backgrounds. Our workforce cuts across a wide age group, with millennials making up more than half the workforce. With a staff strength of 3,352, we maintained a fairly balanced distribution between the genders across the different job levels (see Chart 1).

We also made further progress in diversifying our talent sourcing strategies (see Chart 2 on our sources of talent). In 2023, we recruited 117 young talents through our entry level Kijang Graduate Programme (KGP) that was recognised as one of Malaysia’s Top Management Programmes by GRADUAN. Rotational placements across monetary and financial stability, as well as the corporate management sectors, provided opportunities for these young talents to gain deeper understanding of the functions within BNM. The KGP complements our long-standing scholarship programme for high potential students. Currently, a total of 165 students are pursuing their studies in relevant subjects such as economics, accounting and finance.

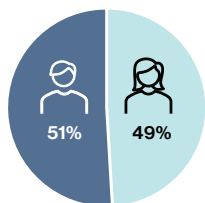
As part of our resource optimisation strategy, we also completed the manpower audit exercise for the

Chart 1: Gender Balanced and Multi-Generational Workforce

Millennials make up the largest segment, at 56% of the Bank Negara Malaysia’s workforce



Headcount 3352



Male Female

Job Level	Gender Composition
Senior Management	57% 43%
Managers	44% 56%
First Level Executive	46% 54%
Non-Executive	63% ¹ 37%

Note: Data as at 31 Dec 2023.

¹ Higher percentage of male non-executive staff is attributed to our Auxiliary Police.

Source: Bank Negara Malaysia

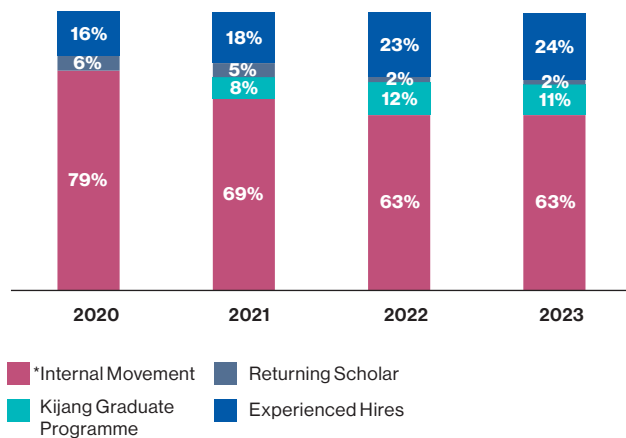


Teo Guan Aik

Associate Supervisor, Jabatan Penyeliaan Konglomerate Kewangan

Having joined BNM through the Kijang Graduate Programme in April 2022, I've gained invaluable experience and collaborated across various departments, honing technical and interpersonal skills while fostering friendships and diverse perspectives. Despite being relatively new to BNM, I've been impressed by the organisation's culture, characterised by a flat hierarchy, openness to ideas, and emphasis on teamwork and individual contributions. Departments actively promote cultural beliefs, such as 'Speaking Out' and 'Excel Together,' through inclusive practices like dedicating time for sharing opinions in meetings and tailoring team-building activities accordingly. Through my rotations, I've witnessed departments where teamwork thrives and individuals are empowered, reflecting BNM's commitment to cultural transformation. As we continue this journey, the positive impact of these efforts will undoubtedly contribute to creating a workplace that supports its employees while serving the nation effectively.

Chart 2: Our Source of Talent



Note: Data as of 31 Dec 2023.
 * Vacancies filled through promotion and transfer within departments.
 Source: Bank Negara Malaysia

financial stability and digital technology functions in BNM to reflect changes in demands on the bank and the way we work, while reiterating the need for continued process improvements.

Going Forward

The backbone of BNM is its people and we strive to ensure that our people can be at their best. This includes providing the necessary support in terms of resources and development. In this regard, one of the major priorities for 2024 is to finalise the manpower audit for the remaining departments to ensure optimal staffing levels. In addition, focus will also be directed to further digitalise our operations through the implementation of a digital operating platform. This will help BNM to make better use of our resources as our people can better leverage on data-driven insights for more informed decision-making.