

Banking in oman: bank muskat essay sample

[Finance](#), [Banks](#)



The Omani banking sector mainly the product of a November 1974 banking rule set by the Central Bank of Oman (CBO) enforced by April 1974 . The law also helped the entry of foreign - owned banks and to allow growth in the number of local banks in the Sultanate . As of September 1992 there were twenty - one commercial banks in comparison with three registered banks in 1972. In addition there were three expert development banks: the Oman Development Bank (1977) the Oman Housing Bank (1977) and the Oman Bank for Agriculture and Fisheries (1981). However the Omani ba-nk market is the smallest in the GCC . Of the twenty -one commercial banks eleven are foreign owned and dealing mainly on financing trade. Ten are local banks working a very active market. Because of competition the government suggested to merges to strengthen them. The presumption is that five or six local banks will appear as the core with those facing financial problem controlling transaction or merging with more profitable institution. A similar method may apply to foreign banks of which only five or six would continue to perform important business.

The CBO took over the Oman Currency Board which was establish in 1972 to issue currency control government accounts and fulfill banking transaction with commercial banks and international organization . The board's job includes taking care of the government s odd assets. The CBO is authorized to give loans to the government to cover short term shortages in currency incomes to buy government treasury notes and guarantees with long term maturities ten years to give loans to commercial banks and to buy sell discount and rediscount commercial paper. In 1991 the banking order was changed to help allow the CBO to cancel the license or arrest the movement

of banks under its control allowing the CBO to close review control a bank directly.

BANK MUSCAT

Bank Muscat is the leading financial services provider in Oman with assets worth over USD 18 billion, having strong presence in Corporate Banking, Retail Banking, Investment Banking, Treasury, Private Banking and Asset Management. The Bank has the largest network of 126 branches and 362 Automated Teller Machines (ATM), 112 Cash Dispensing Machines (CDM) and 4500 Point of Sale (POS) terminals. Bank Muscat's international operations consist of a branch each in Riyadh (KSA) and Kuwait, a Representative Office in Dubai (UAE) and strategic stakes of 49% in BMI Bank in Bahrain and 43% in Mangal Kershav Holdings in India, besides Silk bank Limited in Pakistan.

Bank Muscat holds the rare distinction of being voted the (Best Bank in Oman) by The Banker, Global Finance and Euromoney. Bank Muscat is also the winner of the prestigious Hewitt recognition as the Middle East's Best Employer, and was awarded (The Strongest Bank in Oman) at the Asian Banker Leadership Achievement Awards 2010. BankMuscat holds the rare distinction of being voted the ' Best Bank in Oman' for seven years by The Banker, FT London; nine years in a row by Global Finance and Euromoney. BankMuscat is the recipient of the prestigious Hewitt recognition as the Middle East's Best Employer 2009. The Bank was declared an Investor in People (IIP) organisation in January 2007, becoming the first banking organisation in the MENA region to be awarded the prestigious global recognition. In 2004, BankMuscat became the first bank in the Middle East to

be completely ISO 9000: 2000 certified BankMuscat's financial statements are prepared in accordance with International Financial Reporting Standards and these ratings are the highest assigned to any Omani bank. | L / Term | S / Term | Financial Strength/Outlook | Moody's Investor's Service | A1| Prime-1| C-/Stable|

Fitch Rating| A-| F2| Stable|

Capital Intelligence| A| A1| A-/Stable|

Standard and Poor's | A-| A2| Stable|

Board of Directors

568

41237

Board of Directors

1) Sheikh Khalid bin Mustahail Al Mashani

Chairman

2) Sulaiman bin Mohammed bin Hamed Al Yahyai

Vice Chairman

3) Brigadier General Nasser bin Mohamed Al Harthy

Director

4) Hamoud bin Ibrahim Soomar Al Zadjali

Director

5) K. K. Abdul Razak

Director

6) Salim bin Taman Musallam Al Mashani

Director

7) Abdul Salam bin Mohamed Al Murshidi

Director

8) Sheikh Said bin Mohamed Al Harthy

Director

Consumer Banking

Bank Muscat offers a full range of retail and individual banking products and services through its network of branches all around Oman. A thorough realizing of customer needs has assisted Bank Muscat to successfully evolve flexible and customized products to meet them.

Accounts and Deposit

At Bank Muscat we provide you a large system of deposit products to help you keep money and get good returns. Choose from options ranging from attractive gifts or interest. Savings Account: With Al Mazyona Scheme

Al Mazyona Saving Scheme is Bank Muscat's flagship consumer banking product, and has controlled the savings scheme arena for about 20 years. The scheme has created an impression, expanded its scope and come to offer high-value cash prizes throughout the year. Interest Bearing Saving Account

While opening an Interest Bearing Saving Account at Bank Muscat, you can get much more than just the regular interest. When you get interest, you have the liberty to use the account for your daily banking transactions

through our various electronic channels and all switch Oman and Visa Electron ATMs across the globe. Al Mazyona Children's Account

When you have an Al Mazyona Account with the basic deposit only Rial 50, the usefulness accruing to your child include interest free education loan for higher studies; assured schooling with Rial 100 per month till the age of 18 in the event of accidental death of income earning parent, free Super Card with wonderful offers and discount twofold chance to win al Mazyona gifts; chance to join monthly children's draw; and electronic cash deposit facility. Al Mazyona Salary Plus Account

This account gives you and your work partners a host of benefits that are a new practice in itself including; no minimum balance required, on monthly services charges, attractive offers on annual credit card subscription, Hayatuna Family Protection at a special price, free SMS is received on your mobile phone when your salary is credited to your account, international debits card, free interest banking facility, free utility bill payment,..... etc.

Saving Account with Double-your-Salary Scheme

The bank offers a ' Double-You-Salary' scheme wherein customers get the chance to win a gift equivalent to their salary. Current Account

As a Current Account holder at Bank Muscat you enjoy unlimited ease and comfort. Buy opening the account, you get a debit card that gives you 24 hours ATM access at all Bank Muscat ATMs, Switch Oman and Visa Electron ATMs across the globe; overdraft facility; and a cheque book. For a minimum credit balance, of Rial 200 you can enjoy a host of unique privileges. Fixed Deposit Account

If you are a short /medium /long term investor and want your money to work harder than you do, Bank Muscat Fixed Deposits are made just for you. You can open a Fixed Deposits with a minimum amount of Rial 1000 for a period ranging from 1 month to 3 years. Recurring Deposit Account

Open a Recurring Deposit Account with Bank Muscat and start making plans for your future from today. Save your money, with small amount every month and see your savings grow year after year. Choose the amount which you can save every month or choose the target amount that you are aiming at. LOANS AND MORTGAGES

To cater the financial demand of our customers Bank Muscat offers a wide range of land products. 1. BAITUNA HOME FINANCE

2. EDUCATIONAL LOAN

3. CONSUMER AND PERSONAL LOANS

4. OVERDRAFT FACILITY

5. SAYYARATI CAR LOANS

INSURANCE

A range of assurance products from Bank Muscat help you provide security for yourself , your family and your belongings. 1. HAYATUNA FAMILY

PROTECTON

2. HAYATUNA MEDICAL CARE PLAN

3. HAYATUNA HOME CONTENTS INSURANCE

4. MOTOR INSURANCE

CARD SERVICE

Whether you demand a debit, credit or prepaid card for personal or business

-related use , in order to make payment at various stores government offices., Bank Muscat has the card to meet your want conveniently securely.

1. DEBIT CARDOS

Debit Card facilitate direct access to your account and easy to withdrawing cash at anytime and anywhere. 1-BANK MUSCAT VISA ELECTRON DEDIT CARD 2-BANK MUSCAT VISA PLATINUM DEDIT CARD 2. CREDIT CARDS

Credit Cards are safer and easier than carrying cash. They can be used to buy goods services all over the world at different merchant outlets as well as through mail, telephone order and even on the Internet. 1-BANK VISA CLASSIC CREDIT CARD 2-BANK MUSCAT VISA CLASSIC CREDIT CARD WITH PICTURE

3-BANK MUSCAT MINISTRY OF EDUCATION VISA CLASSIC CREIT CARD 4-BANK MUSCAT GOLD CREDIT CARD 5-BANK MASTER CARD PLATINUM CREDIT CARD 6-BANK MUSCAT VISA INFINITE CREDIT 7-ZEINAH CAEDIT CARD

3. PREPAID CARDS 1BANK MUSCAT MY MONEY PREPAID CARD 2MUSCAT E-PAYMENT PREPAID CARD 4. E-PURSE 1BANK MUSCAT E-CASH INDIVIDUAL AND CORPORATE PERPAID CARD

Banking Channels

Bank Muscat electronic channels permit customers to access their accounts and perform various financial transactions. These channels comprise automated teller machines (ATM) , call centre , cash deposit machines (CDM) , internet and mobile banking. ATMs

ATMs Access your account round the clock . Bank Muscat has Omanis biffest ATM network . The bank's ATM are situated in commercial and residential area , petrol filling station , airport , and other areas , which are conveniently accessible. Cash Deposits

A deposit mechanism accept money. It counts the notes, gives you admission for depositing cash in your account or any other customer account in Bank Muscat. Bank Muscat customers can use this channel to give their usefulness bills and for mobiles top up as well. Call Centre

Conduct banking behavior over the phone from anyplace and at anytime via a 24-hour user-friendly automatic service menu, or speak to individual bankers 24-7 as well as holidays. Internet Banking

Bank Muscat offers you with the means to carry out various banking transactions at the press of mouse. Available on 24 basis internet banking permits do the following 1-view accounts, balances, statements

2-Pay utility bills, credit card bills and education fees

3-Mobile top up

4-Transfer funds between own accounts

5-Transfer money to India - Speed Transfer

6-Make cheque book / demand draft requests

8-Report lost ATM cards

9-Correspond with

MOBILE BANKING

Bank Muscat provides customers a means mobile travelliy to do banking through mobile banking channel. 1-Salary credit

2-ATMWithdrawal: Rial 50/-and above

3-Point of sale transaction: 75/-and above

4-Cash deposit through Cash Deposit Machine: OMR 100/- and above 6-Loan overdue

7-Cheque Bounced

Examples of cards in Bank Muscat

Expat services:

Bank Muscat Expat Services presents world of financial result in Oman and in your home country . We offer an easy solution for all your financial requirements at one counter. MONEY TRANSACTION AND REMITTANCEN

Dial -a-Draft

Bank Muscat gives yet another suitable service for customers by a tie-up with Oman and UAE Exchange Centre Co. LLC . This service is provided by our Call Centre . The customer can ask for a demand draft (DD) from the Call Centre and the request is changed to get the DD sent to the beneficiary in about 4 days time Demand Draft in foreign currency is This a basic and low cost outgoing payment . DD is a cheaper to transfer money abroad . This service is also very safe TTs (Telegraphic transfer) to another account

Fast, reliable payment to global destination, Telegraphic Transfer is one of the fastest secure channels for transferring money abroad Traveller's Cheques

Bank Muscat releases and gets American Express Travellers Cheques (TCs) through all branches in USD, EUR and GBP currencies and in many

denominations. TCs are secure, convenient way to keep safe your travel money while travel around the world or around the country Money Transfer

Now you do not have to look for exchange houses when you have to transfer money to India. Bank Muscat offers you Speed Transfer, the first remittance services of its type in Oman. Payment Facilities

Bill Payment and Facilities

Easy Deposit Bill payments can help us make payment for electricity, water, telephone, etc . Through the different delivery mode such us Bank Muscat drenches . call Canter, Internet banking, ATMS-there by providing easy to the customer. Safe Deposit lockers

Quality Policy

Our Quality Policy is to achieve and sustain a reputation for quality in the national and international markets by offering products and services that exceed the requirements of our customers. We strive to remain the bank of first choice in all our product and services.

Towards this policy, our objectives are:

| Establishing and maintaining a quality management system in the Bank, based on international quality standards. | | Continually reviewing our products and services, feedback from employees (internal customers) and our customers to ensure that there is continual improvement. | | Offering our clients excellent service, innovative products and value-added banking while developing with them a mutually beneficial association. | | Demonstrating

vision, professionalism transparency and integrity in the conduct of our business and service. | | Achieving disciplined growth and reasonable profitability while operating on a sound financial base. | | Creating value for our shareholders.|

| Encouraging, motivating and developing our human resources our most valuable asset and the cornerstone of the Bank. | | Working towards the successful implementation of government objectives applicable to us. | | Striving towards and maintaining a pre-eminent position in the bank |

Interview

Interview with Ms: Najia Saif Harib ALShaili (Deputy Director) of Bank Muscat -AL Hamra Branch on: 20/9/2012 at: 12: 30 Amani : How many branches do you have in Oman ?

Najia : About 134 branches .

Amani : Do you have any branches abroad ?

Najia : Yes we have in Saudi Arabia Kuwait India and Bahrain Amani : In which city of Oman do you have the most concentration of branches ? Najia : At capital area (Muscat)

Amani : What is the ratio of males to female employees in your area? Najia: 45% male -% 55 female

Amani : which department have the most number of Expatriates working?

Najia : Information Technology Department

Amani : Which area of banking gives you the maximum profit ? Najia : Loans and saving

Amani : Do you give loans to students for higher studies within Oman and

abroad ? What are the criteria for these loans?

Najia : Yes we give students loans to complete their higher educations

Criteria: 1) The students must bring citation of studies from the university or college .

2) Must his or her father salary transfer to the bank because he will be a guarantee for the loan . Amani: Do you give loans for cars? What are the criteria?

Najia : Yes, the customer can apply for a car loan (sayyarati) at any of bank Muscat branches or car dealerships The bank will need the following documentation to be enclosed with the loan application : NID/Resident card copy , passport copy with visa page in case of expatrials only , salary certificate/salary assignment letter as applicable (mentioning your salary , end of service benefit and your date of employment), quotation from the dealer . You can avail of up to 80%of the invoice value of new car. The maximum loan tenor offered is up to 72 months (6 years) Amani : How quickly do you respond to customer complaint ?

Najia: As soon as possible, we assure the customer that his /her problem will be solved as soon as possible. Some customer complaints can be resolved with one visit or one phone call. Lengthy issues should be tracked and reviewed to ensure that progress is being made and keep the customer informed about the progress and problem solution. Amani : What is your procedure of handling a customer complaint ? Najia : Through call center centre (24795555)and through FMS which are send the customer complain to the branch . Amani: Do you have a call centre? How does it operate?

Najia : Yes the customer can call the call centre at anytime and from anywhere on (24795555)and follow the instruction after content the call centre staff will answer all the queries such as information on banks products , services and any other enquiries related to account balance , loans details , issued cheques status , fixed deposit interest rates , currency exchange rates and etc. Amani : Is your customer service staff bilingual ? How do you improve their language skills if need? Najia : Yes they must be . The bank always sends the staff courses to train them about the best ways of communication skills.

Conclusion

The general continuous growth in Oman has been consistent until 2012 and credit expansion is to speed up in this year. The equity market which was optimistic was damaged before has shown good improvement so far . The equity markets in Oman are ready for the issue of IPOs or right issue. We can talk about Oman tel Telecommunications Company Volt amp MSN Power and so on in this respect. Furthermore many banks are expected to take a part soon in the primary market to increase funds in the near future for example: Bank Nizwa , Allzz International Bank and so on . These plans are at different levels of completion which the Capital Market Authority.

The correct time and amount to be issued are being worked out. Contribution to these issues is been expected to be made mostly by the Omanis (households and institutions) Other than some contribution from citizens of the GCC countries other non -resident subscription may by every little as the global recovery continues to be show . Appetite for each issue would rely on

the pricing of each issue . Same cases may be controlled by commercial banks . At the time of subscription there is strong possibilities of withdrawal of bank funds to an important Economic Research and statistics Dept six banks might be called to give loans to probable subscribers. If many cases are put together there might be some forces on the domestic liquidity at least for a period of time till the proceeds come back to the banking system . The CMA can spread the issue once all the time to keep away from the frictional liquidity problem in bank .

Reference list

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Bank Muscat product & service

Insure your domestic helper and smile your worries away

Zeinah for today's women

The fastest way to own your dream car

Everything from furniture to toys protected