

An overview of the bank of maldives

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



On 23rd May 1982, Bank of Maldives was registered (Company Registry No. C-22/1982) with Ministry of Home Affairs as a company. On 10 November 1982 BML was registered at Maldives Monetary Authority and was given license to provide banking business in the Maldives.

Joint venture with IFICI

Bank of Maldives Plc was inaugurated on November 11, 1982 and started commercial operation as a joint venture bank with 60% shares held by the Government of the Maldives (including its Agencies and Maldivian Companies) and 40% shares owned by International Finance Investment Company Limited (later IFIC Bank Limited), Dhaka, Bangladesh.

Until 31st December 1992, the Bank was managed by the professionals of IFIC Bank Limited and they were paid 10% of the Bank's profit. During the tenth year of the Bank, the Government of Maldives decided to re-structure the Bank of Maldives as such requested the IFIC Bank Ltd to reduce the share holding and also the number of representation in the Board.

Consequently IFIC Bank Ltd decided to dispose off its entire shares in the Bank of Maldives and terminate its relations with the Bank with the expiry of the Management Contract on December 31, 1992.

Bank of Maldives Become Public Limited Company

On 14 November 1992, Government of Maldives purchased 40 per cent shares held by IFIC Bank Ltd. As a result, 80 per cent of the share capital of the Bank of Maldives was owned by the Government while the remaining 20 per cent of the share capital was sold equally to the State Trading Organization and Maldives Transport and Contracting Company respectively.

Company Shares

In December 1992, the Government decided, to sell Bank's shares to the general public, with a view to expand the Bank's capital. From January 1, 1993, Bank of Maldives Plc has become, and since then remained, a bank fully owned by the people and the Government of the Maldives.

The Bank of Maldives Plc issued shares during 1993, 1994, 1995, 1996, 1997, 1998 and 2007. In 2007, Memorandum and Articles of Association of the bank was revised, shares were split and bonus shares were given to the existing shareholders. As a result the authorised capital of the bank was increased from Rf 300 million to Rf 800 million. The face value of BML shares stand at Rf 50/-.

Bank of Maldives Branches

Presently the Bank of Maldives Plc has 25 branches. Three out of 25 branches are in Male', the capital, 01 in Male' International Airport (Hulhule' Island) and 01 each in both Villingili ward and Hulhumale'. The other branches are distributed amongst the atolls of the country, each with a designated command area. Hence, the Bank of Maldives Plc is able to serve the whole nation.

Strategies for businesses

The main business of the Bank is retail banking in addition to handling development banking activities in all the atolls of the Republic, Bank of Maldives PLC extends a variety of modern banking services online in a fully computerized environment and is proud to be serving the nation as the leading bank in the Maldives.

A business strategy is a pattern of decision and actions that are taken by the business to achieve its objectives. Business planning involves deciding what is to be done, setting objectives and developing policies to achieve them.

There is a number of stages involve in the planning process. These include

Identifying the objectives

Analysing the positions of the business

Deciding on suitable strategy

Implementing a suitable strategy

Evaluating its effectiveness

Strategic Planning Process

Mission

“ We will lead the way through quality of service and dedication of our staff. We will serve all our communities to the best of our ability, strive always to listen to your needs and so build total customer confidence and satisfaction”

Vision

To be the leader in the financial industry in Maldives, spreading its presence in all key economic geographies in Maldives

To be the leader in the financial industry in Maldives, inculcating a long term saving culture in the nation and promoting a cashless society

To be one of the most Efficient, Profitable and Respected financial institutions in Maldives.

Values

Strategic analysis

This is all about the analysing the strength of businesses' position and understanding the important external factors that may influence that position. The process of Strategic Analysis can be assisted by a number of tools, including:

SWOT Analysis: a useful summary technique for summarising the key issues arising from an assessment of a businesses " internal" position and " external" environmental influences.

PEST Analysis: a technique for understanding the " environment" in which a business operates

Scenario Planning: a technique that builds various plausible views of possible futures for a business

Five Forces Analysis: a technique for identifying the forces which affect the level of competition in an industry

Market Segmentation: a technique which seeks to identify similarities and differences between groups of customers or users

Directional Policy Matrix: a technique which summarises the competitive strength of a businesses operations in specific markets

Competitor Analysis: a wide range of techniques and analysis that seeks to summarise a businesses' overall competitive position

Critical Success Factor Analysis: a technique to identify those areas in which a business must outperform the competition in order to succeed

SWOT Analysis

A SWOT (Strengths, Weaknesses, Opportunities, and Threats) is a tool used to provide a general or detailed snapshot of a Companies health. Think of your SWOT as a tune-up that every business needs periodically to diagnose and fix what's a bit worn, what's on the verge of breaking down, or what's already broken and needs replacement-so that you can keep the business humming-even better than it has in the past.

Strength

Financial stability and bank is well capitalised and this has enabled it to perform relatively well

Highest market shares

Government helps since it has their share power

Most effective recruitment and selection process

Awarded for 3 years about their customer satisfaction methods.

Easy transections for its customers

Updated technology

Nations most trusted company with the highest transections

Oldest bank in the market and well branded in the country

Weakness

Less number of employees to deal with their daily transections and customers problems.

Limited dollar providing

Difficult to get loans compare to their competitors

Opportunities

Since they have got a good financial stability they can expand their business to other islands

Sell more shares to the public market. It will increase their customers and also will be able to have a better capital to provide a good service

To deal with their daily transections and to get experience from developed banks like Swiss bank they can ask from the government talk about it with them.

Threats

Recently have stopped providing any types of card to the customers

Economic crises

Competitors

The strengths of the company can be assessed as company's resources and also the company capabilities which can be used as a root to achieve its objectives and goals and also for developing a competitive advantage.

Maintain the strength and try to readuse the weakness such as

Forgn currency prob

PESTLE

It is very important that an organization considers its environment before beginning the marketing process. In fact, environmental analysis should be continuous and feed all aspects of planning.

Political

In Maldives government doesn't influence most of the business. But Bank of Maldives is a government company so they take decisions according to their political decisions. Most of the business in this country are private business. Government helps to their business to carry it with the highest level they can and to expend it. However they have recently announced that they will make new rules to the tertiary sector business.

Economical

After the tsunami the country is developing rapidly their business and starting new business. In the market they have got so many new competitors like HSBC and Bank of Ceylon. Most of the people still trusts Bank of Maldives because of being the oldest Bank in the country and also it's under the control of government. Most of the transection are done in the capital city. So economically they will face much troubles from their business. Because

HSBC can be a competitor who will be able to get market share. They have the best dollar providing service. When looking in to the people perspective, most of the people have bank accounts. And all most all the people are aware about the modern world.

Business cycle

Social

Maldives economy is based on about the social could be their spending is higher and less saving. This way happens mostly with the youngsters. Everything for them is fun and enjoying. And each every of them has their own bank account. That's why it increase the bank transection.

Technological

Business operates with new technology ...

Organizational hierarchy

Technology is vital to gain competitive advantage, and is a major driver of globalization. Changes in technology have also become mainly weighty in the post-millennium world. This is particularly true in terms of modern communication technologies. The creation of databases and electronic communications have enabled huge quantities of information to be shared and quickly distributed in a modern company enabling vast cost reductions, and often improvements in service and product. Organizations need to be aware of the latest relevant technologies for their business and due to high competition in the market.

The most important changes brought by the human in the 21st century were the Technology. The technology has brought the people together with the best, comfortable and convenient life. Also technology is one of the biggest issues in modern world.

Bank of Maldives use the latest technology to serve its customers

Porters Fives Forces

Supplier : Having a good pricing strategy and a good customer care will enhance Bank of Maldives to catch up the marker easily and maximize the profit.

BCG Matrix

Directional policy Matrix

GE Matrix

Market force and Bank of Maldives

Communication

Human Resource Of the organization

Hirchy of company