Examining the strategic performance management of askari bank ltd

Askari Bank Limited is one of the successful banks operating in Pakistan. The bank was incorporated in Pakistan on October 9th, 1991, as a public limited company according to Company's Ordinance 1985 of Pakistan. It starts its operation on April 1st, 1992, and is majorly engaged in the business of banking, as defined in the Banking Companies Ordinance, 1962. The Bank is listed with Karachi, Lahore and Islamabad Stock Exchanges. The bank has concentrated on growth through improving service quality and better customer services, investment in updated technology and human resources, by utilizing its large branch network which includes Islamic as well as Agricultural banking.

The agriculture unit is focusing on developing business, and also achieved further refinement in back office processing including credit initiation, operations, risk management, in line with the business dynamics and regulatory framework. On the other side Islamic Banking unit opens the doors for Islamic banking solutions. With the objective to put in place an efficient banking system supportive to economic justice and welfare of society in line with Islamic standards (Corporate website of Askri Bank, 2011).

The bank is serving for both consumer and corporate sectors of Pakistan. Consumer Banking division is offering products and services mainly comprise personal finance, mortgage finance, smart cash, Askari Credit Cards (Master Card), auto finance, Corporate Credit Cards, Zarai Credit Cards and i-Net Banking (Internet Banking Service). And corporate division is offering different services to meet the unique business requirements and Investment

Banking Group (CIBG) strives to meet their expectations through provision of customized and relationship based banking approach (Corporate website of Askri Bank, 2011).

Corporate Social Responsibility is an integral part of the way we do business. In order to fulfill our CSR objectives, the bank attempt to promote public interest by encouraging community growth and development through sponsoring social service events, sports, supporting education and environment and also contribute in socio-cultural activities (Corporate website of Askri Bank, 2011).

Set Performance Targets of Team to Meet Strategic Objectives

Performance Management

Human is the major resource of any organization, and effective utilization of human resource and increase the performance and productivity of any organization. So if management wants to know about the growth and performance of the organization, they can analyze the effective utilization of its human resources (Riverside, 2011). And performance management is the method of analyzing the effectiveness of human resource utilization, where management analyzes how effectively the resources are allocated and utilized. And what will be future line of action to improve the performance so that organization can achieve the objectives.

Importance

Through an effective performance management system an organization can measure where it currently stand and if the goals and objectives of the organization are not achieving as planned, then they can modify the strategies for better and improved results. Weak areas can also be identified through performance management system and by improving them organization can also achieve the level where it wants to be. It also allow employees to know about their strengths and weaknesses, which leads to motivate employees to know about what management expect from them and what improvement should be made to achieve the desire level of satisfaction of management.

Business Process Reengineering

If an organization wants to make its system modernize and efficient, they can use business process reengineering which allows an organization to transform the organization to get better performance and output. The process includes redesigning of organization process and systems while using the existing resources (Price, 2007). By using the reengineering process management identifies different tools and methods to obtain the best results and productivity from the existing resources of the organization and with new processes and procedures. Business process reengineering is used to modify the existing process for better and higher output of the organization. This could be a technological change and this could be the change of exiting practices to maintain and operate different resources of the organization, this could also be for reduction of cost or reduction of time,

or for better organization output and productivity. Reengineering could be conducted by selecting the best practice of the industry and modify according to the requirement of the organization (Price, 2007).

The model was used by organization for reduction of cost of existing resources; the management decides to centralize all process of consumer banking division. Initial we had different departments to perfume different tasks for each consumer division's customers. Then management decide that only one employee will perform all task of each customer individual and all employee will have the excess to a single centralized system, this will reduce the cost of human resource and technology and also reduce the channels of interaction for customers.

Mckinsey 7s framework

Mckinsey 7s framework is can be used by management to analyze its current position and how well the resources are utilized to achieve the intending objectives and goals. Mckinsey had discussed his framework in two categories soft elements and hard elements.

Soft Elements

Staff

Shared Values

Style

Skills

Soft elements allow management to identify which resources are useful and which are not, and which resources are more important and need attention to achieve the desire level of successes.

Hard Elements

Structure

Systems

Strategy

Hard elements are in direct control of management and it allows employees to know about what management wants and expect from them and which areas have to be improve to meet the expectation of management. Effective mixture of the seven elements can lead any organization to achieve their objective. But this model cannot applied in my organization as many functions in my organization is outsources, and management has not have direct control.

Team Performance Target to Contribute to Meeting Strategic Objectives

Engaging Employee

Employee engagement is new technique for driving high performance of teams and has competitive advantages for organization for long term profitability and financial results. An engaged team comparatively seeks more opportunities for individual and team growth and generate more creative and productive ideas to improve the performance level of team and

organization as whole. For higher organizational performance the line managers of every team should be clear and aligned with the strategies of management, so that they can effectively utilize the human resource to higher team and individual performances. This is one of the primary duties of ever line manager to engaging each team member to the assigned project according to their expertise.

If employees are aware with the key cultural and environmental issues of the organization they act accordingly to insure to follow them while doing any task. If management engage employees in different activities other then the routine jobs, and allow them to work and brainstorm for cross-functional departments while offering different incentive, training and development programs, this will allow and motivate employees to keep more focus on work rather any other official or unofficial activity. Another way of engaging employees is to empower them for their day to day activities and decision, this will create a sense of ownership in employees and they will take more interest in work, and will develop the skills of better decision making to ensure the best output and productivity, on other hand management will have some very good future managers for their organization.

There must be some formal career development programs for employee which aligned with the development programs of the organization, this will develop sense of satisfaction in employees that they have good career path and sense of self assessment, parallel the organization fulfill its objectives through effective utilization of employees. Secondly if management allows employees to take part in strategic level decision, as well development of

strategies, development of new products or services, new action plans for improvements of products or services, or implementation of new plans of product or services, this will also encourage the engagement of employees in every area of organization from development to implementation of product or service. Employee engagement can also be promoted through some formal mediums where employees can share their feedback or innovative ideas or improvement plans for better results of organization.

My organization promotes all these ideas to ensure maximum employee engagement in day to day activity or long term planning for improvement of company. All employees have access to the management for suggestions and improvement requirements through electronic and print mediums. Tasks teams are build occasionally to deal with emergency or critical case with the purpose to resolve the problem as well as to promote the better interdepartmental relationships so that all functions of the organization operates smoothly and organization grows at higher pace.

It is important for every organization that all teams working in the organization are focused towards their work. Our management believes that the success of any organization is majorly dependent on strong coordination between different levels of departments, and for that our management had develop and maintain some strategies to develop interpersonal skills in employees so that employees have strong coordination at all level of departments and operations of organization runs smoothly and effectively. There are some polices develop to resolve and avoid conflict between different employee and different departments.

High Performance Team

For better organization growth and success it is equally important for the organization that the teams working in different functional areas of organization are clear about the goals, mission, vision and objectives of the organization and their work and objective are linked with objectives of the organization and they contribute equally to the successful run of the organization in both long and short term prospective. It is the duty of management to insure while selecting the team that the employees working in the teams are clear about the goals and they are ambitious enough to complete them. Management also ensure that teams are updated with the tools and technologies operating within the organization and they are flexible enough to adobe the changes for betterment of the organization and they have capabilities to adopt and face the different challenges with the passage of time. They also required accepting the challenge of improvement on continuous bases; team should understand the importance of tools and knowledge for improvement and improvement should be for the team and organization as a whole.

One of the major aspect of a high performance team is that took the responsibility collectively to ensure the best output of their skills and knowledge to achieve the common objectives of the team, and all members focus on the performance of the team as whole rather their own individual performance, and they support each other on mutual grounds so that the team fulfill the task on timely and planned fashion.

My organization are using the best practices and tools for ensure the better customer satisfaction, and there are different actives and training programs are planned to develop and promote the strong coordination between different departments and usage of new and updated tools and technologies. Team managers ensure that all members of teams are capable enough to adopt change and new challenges for better performance of the organization, and all members are contributing towards the success of team as well as the organization, and they conduct informal session with team members to ensure that every member is aligned with objectives of the teams and if any employee is under performing they took suggestions form the team to took those employees to the level where the all members contributes equally to the team success.

Influencing and Persuading Skills to the Dynamics and Politics of Personal Interactions

Motivation is the internal driving force of human being which activates the sense of doing or achieving to satisfy their different needs or goals, motivation also provide directions to achieve them. Motivating factors can vary from individual to individual and effective combination of these factors can lead an individual to achieve its goals.

Motivation Models

Motivated employees are the major driving force of any organization, the success and failure of any organization is dependent of how effectively management utilize the resources and these resources are motivated enough to drive the organization at continues pace.

There are many theories and frameworks available to understand the importance of motivation and through effective mixture of the theories management can identify the motivating factors of different classes of employee and develop strategies accordingly to ensure that employees are motivated.

One of the most commonly used frameworks to understand and identify the motivating factors for employees is the Maslow Hierarchy of needs, which provide bases to all motivation theories. Maslow defines five stages of needs for human and according to him every human fall in to each need class one by one (Richard, 2011). Once the human fulfill its early level need it moves to next level and so on till human reached to the highest level need.

The first stage is physiological need which in every human being to survive, like the need of basic necessity of food, water, sleeps, shelter and sex. Until this primary level need is not satisfied no other motivating factor can works. Once human have fulfill this need satisfied it moves to next level which is security need, where human seeks the safety and security from danger of losing the source of income and life. The next level need is social need, where the human wants to have good relationships with family, friends and belongings for so that human can satisfy the need for affection and love. Now the next two level needs are consider to be the higher level needs where he seeks high position in the society for healthily living and the last level need is where human forget fulfill its own all material needs and now moves to fulfill the spiritual need where he only think about other and help others to fulfill their needs.

In continuation of Maslow theory of need, Herzberg refined the theory of Maslow and presents the motivation and hygienic two factor theory by modifying the factors of Maslow's hierarchy. According to him there are some internist and extrinsic factors associated with the satisfaction and dissatisfaction of employees during their work. According to him if employers remove the dissatisfaction factors for the job, it is not nessarey that employees will be satisfied now. There certain factors if they absent that can cause de-motivation which are called hygienic factor and on the other hand the presence of certain factors can also case de-motivation.

Now it is the role of management of the organization to avoid the hygienic factors to avoid the dissatisfaction of employees as well as ensure the provision of factors that cause the motivation and satisfaction among employees. And also create the job enough challenging so that all employees can make use of their all potential and abilities.

It is not necessary that all needs are fully satisfied, so it is important for the managers to understand the level of employee's need so that he provide the opportunities to fulfill their needs for maximum satisfaction of their needs for maximum output and productivity for organization.

Monitor Actions and Activities defined to Improve Team Performance

Performance Appraisal

Performance appraisal is a process where management analysis the current performance of its resources to assure that the resources allocated are

enough to meets the objectives of organization and they are also competent enough that they will continue to perform for the organization to help the organization to be where the organization wants to be (King, 2011). A fair Performance appraisal process also give the employees the equal chance to know what are the exactions of management from them to meets the defined targets, and what are the areas which required attention to improve for better results in future for the organization as well as for their personal development and career ahead (Riverside, 2011).

On the other hand the process also includes rewarding employees according to their performance level. Rewards include the monitory rewards in shape of increments or bounces and also identify the employees who deserve the higher position and responsibility in the organization. Performance appraisal would be more effective when the management took major focus on positive aspects of performances, and reward should be equivalent to the productivity or contribution made by the employees.

Following are some major benefits an organization can take from an effective implementation of performance appraisal system.

Through performance appraisal management can identify the major weakness of the resources allocated and modify or planned some strategies for better output from employees in future. Through performance appraisal management and employees get changes to communicate with each other and get an idea that what is the current level of return and what are the actual expectations. Strengths, weaknesses, threats and opportunities can

be identified through appraisal system (King, 2011). And most important performance appraisal is a source of rewarding employees according to their performance and contribution.

In my organization the performance appraisal exercise is conducted at end of every year. Where managers of every team do the appraisal of each member of the team on pre-defined appraisal form and send the appraisal along with recommended increment of salary to the management. Then management reviews the appraisal of all teams and sends the approval to human resource department to further process. If management disagrees with the appraisal of line managers they send back the appraisal form to the line manager with recommendations, and managers will resend after review the forms again.

In my organization, line managers do not share the performance appraisal and recommended increments with employees, they treat this as a routine job which needs to be changed. To make this exercise more effective if they share and discuss the appraisal of employees with them, so that employee get chance to share their limitations and requirement to improve the performance of individual as well as team. This will also give employee motivation to make suggestion for improvement and believe in that management considers their recommendations for improvement. Moreover it also ensures the supervisory skills of managers how will they answer the quarries of employees regarding the performance appraisal.

Secondly if performance appraisal system is used to develop, reward, promote and punishment of employees it can increase the importance and value of system in the minds of employees. Furthermore there must be some formal discussion session with employees, where supervisors discuss the current performance and the expectation of management from them so that employees motivate to develop the skills to fulfill the requirements of management, and this should now be a onetime activity, supervisors should also ensure the continuous monitoring to measure the improvement and periodically suggests them the effective methods and tools for improvements, and appreciate the improvement of employees to keep them motivated.