

Building an Institution of Repute

Being a pioneer development bank, coupled with the recent business transformation, places SANASA Development Bank PLC in a unique position to play a vital role in the promotion and development of the small and medium industries sector. Funds to meet sustainable development goals are not plentiful and development banks can be instrumental in narrowing that gap. However, misusing development bank funds can lead to fiscal risks, and credit market distortions. To avoid these potential pitfalls, development banks need a well-defined mandate, operate without political influence, focus on addressing significant market failures, concentrate on areas where the private sector is not present, monitor and evaluate interventions and adjust as necessary to ensure impact and be transparent and accountable.

SANASA Development Bank's institutional capital consists of a broad spectrum of tangible and intangible components that are available for use by the Bank in conducting its business. They include, organisational knowledge, corporate culture and values, business ethics and integrity, systems and processes. This places SDB Bank in a pivotal position to assume that responsibility as a development bank and respond to the demands of that role.

Organisational knowledge

Since its inception in 1997, the Bank adopted, fostered, and maintained high ethical standards in the conduct of its business internally and in dealing with customers, stakeholders, and the banking industry.

Over these 21 years it has built up a storehouse of organisational and industry knowledge. It has recognised a niche in the marketplace where the smaller SMEs and those outside the main metropolitan areas lacked the resources to engender economic activity. SDB Bank filled that need with products that were tailored to suit its clientele and their businesses, and structured their offerings to make them attractive to customers. That customer base has been able to make use of the expertise that SDB Bank has made available to them and their appreciation in turn of the role the Bank has played is evident in the results achieved by the customers and consequently, the Bank.

The development of a comprehensive strategic plan from 2017 to 2020 has channelled this knowledge through an organisational realignment that is designed to transform the Bank into the apex co-operative Bank in Sri Lanka and achieve commercial banking status in the medium term.

Corporate culture and values

The organisational values adopted by the Bank espouse the "fostering and maintenance of the highest ethical standards at all levels of the Bank and its agencies and in dealing with customers, stakeholders, and competitors".

This is standard practice within the Bank as it is embedded in every aspect of its operations.

Business ethics and integrity

The Bank's commitment to practising the above value is borne out by the governance framework that has been put in place. It embodies comprehensive policies that subscribe to compliance with all regulatory and statutory requirements and strong business ethics which are disseminated throughout the organisation to set the tone for employee behaviour and practice.

The Bank's ability to attract international investors such as SBI-FMO Emerging Asia Financial Sector Fund Pte. Ltd., International Finance Corporation and Nederlandse Financierings – Maatschappij voor Ontwikkelingslanden N.V. has endorsed its sound record of good governance.

Systems, processes and IT

The Bank has moved forward in reviewing and improving the utility value of its systems and processes. The Bank's IT systems undergo continuous review to provide a safe, secure and stable environment for its customers and employees.

Digital dialogue is a way of the future and SDB Bank has kept up with developments in this area. The automation of the loan process has made it more convenient for customers to make their applications and also set in train a process that takes a much shorter time than previously experienced.

Internet banking is a way of life and SDB Bank has responded to the challenge with online transaction processing introduced to mainstream banking functions.

Management reporting whilst it must be accurate, must also be timely, especially within the banking industry. An information dashboard is now available to provide on-line, up to the minute data that can be accessed at branch level by staff and Management.

The Bank is also now able to collect deposits from customers in any location and issue receipts immediately by using their mobile devices.