

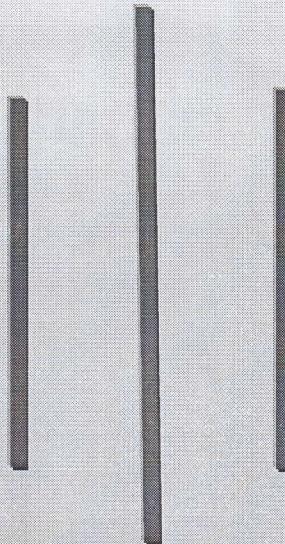


**NCC Bank**

नेपाल क्रेडिट एंड कमर्चर बङ्क लि  
Nepal Credit & Commerce Bank Ltd

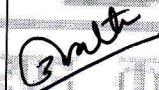
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# **Knowledge Evaluation & Enhancement Program (KEEP) Guidelines-2018**



**Nepal Credit And Commerce Bank Ltd  
Bagbazar, Kathmandu**

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## Knowledge Evaluation and Enhancement Program (KEEP) Guidelines - 2018

### 1. Introduction

With the growth in the bank's size, number of employee, number of branches, banking industry and other governing factor, complexities and risks are also emerging in banking sector simultaneously. In order to address such complexities and risk by enhancing the learning behavior as well as employee education and training, it is deemed necessary to conduct a self-assessment test of the staff members of the Bank. Introduction of the test modality would enhance employee's knowledge levels and familiarize the employees with internal and external provisions and practices relating to banking business and also promote a learning culture.

The meeting of Risk Management Sub-Committee dated 12<sup>th</sup> June 2018 decided to initiate an examination culture in the bank for different levels of employees and accordingly an Online Test Committee comprising 5 members, each from different departments was formed and entrusted the responsibility to design modality for the Test. Composition of the committee shall be as under:

S.N.	Department	Designation
1	Head - Human Resource Department	Coordinator
2	Head – Compliance Department	Member
3	Representative, Credit Risk Management Department	Member
4	Representative, Internal Audit Department	Member
5	Representative, Information Technology (System) Department	Member
6	Representative, Operation, Market & Liquidity Risk Management Department	Member Secretary

Composition of the Committee may be changed as per decision of Management.




## 2. Short Title & Commencement

The modality has been named as “Knowledge Evaluation & Enhancement Program (KEEP)”. The Guideline shall come into force immediately and be followed for implementation of the KEEP.

## 3. Objectives of KEEP

The main objective for the implementation of the KEEP is to enhance the knowledge and skills of the staff members. Some of the specific objectives are as under:

- To assess the knowledge and skills of staffs of the bank so that better human resource development strategy can be formulated.
- To enhance learning culture and create a better and scientific learning environment in the Bank.
- To enhance knowledge on Bank's internal policies, procedures, guidelines, product papers, framework, annual plan, strategy etc.
- To enhance knowledge on regulatory and other external provisions and other related banking provisions so that staff members can function properly without confusion.
- To mitigate the risk arising from the lack of knowledge in specific job function thereby ensuring efficient and timely services to customers from knowledge manpower.
- To provide knowledge and skills regarding development in banking industry, associated risks and their mitigating strategy.
- Assist in effective implementation of the compliance to internal and external / regulatory provisions as directed vide various acts, policies, procedures, manuals, circulars, internal memo etc.
- To support and have clear mindset for the performance appraisal of the staff members.

## 4. Functions, Duties and Powers of the Online Test Committee

The Online Test Committee (OTC) shall be an autonomous committee to conduct the KEEP. It shall have following functions, duties and powers.

- a. Assist to develop an online test module in Web.
- b. Test the module to ensure its operating effectiveness.

- c. Amend necessary features in the Module to make it more user friendly.
- d. Continuously monitor the Module.
- e. Prepare a logo for the Module.
- f. Prepare Annual Test Plan and implement the Plan.
- g. Prepare questions for the Test, review and update those when deemed necessary.
- h. Maintain confidentiality of the questions and other related matters.
- i. Recommend need for training and development program after reviewing the test results.
- j. Obtain necessary assistance on technical matters from the other staff members of the bank, experts and consultants outside, wherever deemed necessary.

## 5. Meetings of the Committee

The Committee shall meet at least once a month. Members may meet more than once a month on a need basis. Meeting decisions shall be held valid in presence of at least 3 out of 5 members. In the absence of the designated Coordinator, senior-most meeting participant shall be considered the Coordinator of the meeting.

## 6. Role of Other Departments / Branches

In implementing the KEEP, all Departments / Branches shall have a crucial role, explained as:

### 6.1 Information Technology (IT) Department

The Test Committee shall ask for support from IT Department for implementation of the online module of the test. IT Department shall extend full cooperation to the Committee on the regard. IT Department shall have following specific functions in this regard:

- a. Depute a focal person to coordinate with the Test Committee.
- b. Develop the online test module as decided and advised by the Test Committee that enables conduction of online examination over the Intranet, along with reporting module.
- c. Test the module for its operating effectiveness before launching it.
- d. Ensure that the test is conducted smoothly based on the IT platform.
- e. Create Intranet User ID and Password for access to the Online Test Module.
- f. Advise the committee on the number of staffs that can appear exam at the same time.

- g. Remain alert during examination days for any possible problems and address them.
- h. Make changes to the online module from time to time, as requested by the Committee.
- i. Any other related activities as requested by the Committee.

The IT Department shall, for the day of tests, depute a staff member as technical focal person who shall have responsibility to ensure that the online system (Intranet) supports conduction of examination. S/he shall be contacted by examinees getting technical problems to appear in the examination.

## **6.2 Human Resource Department (HRD)**

HRD shall have following functions in relation to implementation of the test module:

- a. Provide examination notices / circulars to all staffs.
- b. Inform all staffs about postponed exams, if any.
- c. On successful completion of exam with "Good or "Excellent" grade, update the Personnel Profile of concerned staffs with their results.
- d. Provide summary of tests to the meeting of Test Committee for review of status.
- e. Use the test results to identify areas requiring staff trainings.
- f. Incorporate the test results for performance appraisal of staffs.
- g. Perform any other function as per direction of the Committee relating to the test.

## **6.3 Other Departments / Branches**

Heads of other Departments (HOD) and Branch Managers (BM) shall encourage and ensure that staff members appear in the Test and shall ensure that staff members perform on their own while appearing in the examination. HOD and BM shall ensure conduction of examination in a fair environment.

## **7. Examinees**

Staffs of the following levels shall be subject to examination:

- a. Assistant Levels

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

- b. Officer Levels
- c. Manager Levels

The Committee shall decide which level(s) shall appear in upcoming Tests. The decision shall be based on factors such as:

- Regulator's focus areas / staffs on particular issues [Eg. AML / CFT/ KYC]
- Market expectation of knowledge levels of bank staffs
- Level of questions set prepared [Beginner / Intermediary / Advance]
- Functional area of staffs in the Bank
- Gravity of the issues covered in the question set etc.

## 8. Subjects for Exam

Exams shall be taken on following different areas relating to the Banking industry:

- a. Anti - Money Laundering (AML), Combating the Financing of Terrorism (CFT) and Know Your Customer (KYC).
- b. Staffs Service Bylaw and related internal circulars.
- c. General knowledge on Banking [Operations / Credit / Others].
- d. Internal Policies, Procedures, Guidelines, Product Papers, Framework, Modality and Circulars of NCC Bank.
- e. NRB Directive and related Acts [BAFIA, NRB Act, Companies Act etc.]
- f. Recent banking developments [Innovations / Risks].
- g. Banking news and events.
- h. Any other relevant subject as the Committee may decide from time to time.

## 9. Design of Question Sets

The Committee shall form different sets of questions for the online exam on the topics mentioned under **Clause# 8** severally or in combination. Each set shall comprise at least 80 multiple choice questions (MCQ). The Committee shall review each set and then finalize the set. Any changes necessary in designed set or their option answers shall be done before finalizing the set.

The Committee shall regularly involve in fine tuning of question set already designed as well as develop new set of questions continuously and finalize those.

## 10. Passing criteria and question pattern

The Committee shall provide the finalized question set to Human Resource Department (HRD) and HRD shall be supported by IT Department for uploading new question set into the Test Module. The Test shall be so designed that 40 out of at least 80 questions are randomly provided to a staff appearing on the Test. Random design implies that staffs appearing exam at the same time together shall not get same questions serially.

Full marks of a question set shall be 40 Marks and pass marks shall be 30 Marks. Examinees obtaining less than 30 shall have to re-appear until pass marks are obtained. The online test module shall not have any negative marking. Staffs shall be required to answer all the questions. Validation module shall be incorporated into the Test to ensure that all questions are attempted and only then final answers get submitted.

## 11. Timing, frequency & minimum number of Tests

### 11.1 Timing of Test

New subject Test shall be introduced on Friday between 15:00 Hours to 18:00 Hours. Time allowed for solving a set per staff shall be 45 Minutes.

### 11.2 Frequency of Test

Once a new set of question is kept open for Test, it shall be made available in the Intranet for 4 weeks. Every staff members targeted by the Guideline shall appear each unique question set and also pass the set on any office day within the 4 weeks provided. Staff members can appear in the Test of one unique question set for maximum 4 attempts within the 4 weeks provided. Staff members are encouraged to utilize the time after office hours and not hamper their regular official work.

If a staff fails on a unique question set, (s)he shall utilize the remaining attempts out of the 4 attempts made available for passing the same test. Since the test results are linked to staffs performance appraisal, staffs shall try to secure good marks or even if failed, utilize next available attempts to pass as soon as possible within the 4 week period.

### 11.3 Minimum number of Tests to appear

There shall be at least 12 unique tests in a year and 1 in a month. All targeted staffs must have appeared and passed each unique test.

Sometimes the examination committee may grant waiver for examinations to particular staff where reasons appear reasonable. In such situation, supplementary tests may also be arranged specifically for the concerned staff(s) against the missed examination set.

Where reasonable justification is not found for omitting designated Tests, it shall be considered an act of misconduct to be treated as per Staff Service Bylaw.

### 11.4 Quick Test

The Committee may sometimes make provision of quick tests. Such tests shall normally be taken in the following situations where staffs are deemed to be knowledgeable at the earliest possible:

- When regulator prescribes some relatively important banking provision(s).
- When an important internal policy, manual, product paper or circular is designed.
- When the top management wants the Committee to conduct quick test specifying some topics to be included specifically.

Normally such tests shall be conducted with some prior notice of reference document(s) from where question shall be set for the Quick Test. Standard procedures for such tests shall be notified to staff members along with the Test date via email.

### 11.5 Surprise Test

The Committee may decide for surprise tests to be conducted at any time. Other matters relating to the surprise test shall be communicated to the staff members as decided by the Test Committee.

## 12. Test Notification

The subject of upcoming test shall be notified to all the staffs via email by HRD at least 2 weeks prior to the examination date. The notice of test may also be published on Intranet. The notification shall include the reference documents from which the staffs can prepare for the upcoming test. However, related topics could be asked from recent market scenario, recent banking updates etc. as well.

Matters relating to Quick Test and Surprise Test shall be governed by provisions in **Clause# 11.4** and **Clause# 11.5** respectively.

### 13. Exam Environment

Staff members shall not involve in any activities treated as misconduct as per Clause# 15 while appearing the Tests. Since it is a knowledge enhancement mechanism and also linked to appraisals, staffs shall take the examination seriously and focus only on their own part. Staffs shall perceive the examination positively and participate proactively. Online supervision of the Test shall be done to ensure its fair conduction.

### 14. Examination Result

On completion of all 40 questions in a Test, total marks secured shall be displayed along with correct answers for all the questions attempted and answer selected by the examinee.

Examination module in the Intranet shall be designed such that on completion of examination with "Good" or "Excellent" grade, an online certificate shall be auto generated. Concerned examinee may download a copy of the same and keep it in their personal records. Results shall gradually be updated into personal profile of the concerned staffs by HRD. Personnel responsible for making appraisal of staff members under them shall consider the results of the Test as well while appraising staff performances. HRD shall then review the same.

HRD shall consider the Test performances of staffs while making appraisals. The passing grade and number of attempts in which the examinees have passed shall also be considered in making appraisals by the appraiser. Result of staffs shall be treated a confidential information and accordingly maintained with safety by HRD.

The Certificate shall list grade of the Staff in the examination. One who obtains 30 marks shall be considered passed. Within passed category, following grades shall appear in the Certificate based on the marks secured:

SN	Marks Range	Grade
1	35 – 40	Excellent
2	30 – 35	Good
3	Below 30	Poor

One who doesn't obtain 30 marks in a Test shall have to re-appear next attempts made available until securing "Good" or "Excellent" grade.

Test shall be considered withheld if all questions are not completed and submitted within allocated 45 minutes period. No results shall appear for the case and it shall be considered as use of 1 attempt out of 4 available attempts for a unique Test. Hence, all staffs shall give due attention to the allocated time and remaining time while appearing for the Test.

Where Test is withheld due to technical circumstances beyond control of the concerned examinee, such staffs shall send an email concerned Branch Manager or Department Head mentioning the technical reason due to which examination was withheld. Branch Manager shall then forward the same to the focal person of IT Department by analyzing the genuineness of the reason mentioned by the examinee. On receiving such email, the focal person of IT Department shall add one attempt to the examinee and information thereof shall be provided to the Test Committee in the next Committee meeting.

If a staff member secures "Excellent" grade in at least 8 out of 12 unique Tests conducted in a year on the very first day the question set ~~was~~ introduced, the Committee shall recommend names of such staff member(s) to the CEO for special reward / appreciation. Such reward might be the nomination for International Training.

## 15. Act of Misconduct

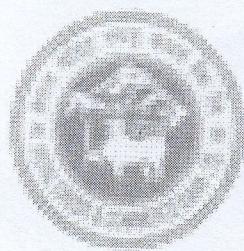
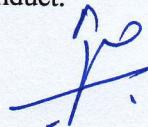
Following activities shall be considered an act of misconduct in relation to the online test system being promoted by the Bank:

- a. Cheating or facilitating others to cheat while answering.
- b. Intentionally avoiding examination and provoking others to avoid examination.
- c. Not appearing the examination without any justifiable reasons.
- d. Disturbing other participants by creating noisy situation.
- e. Involving in activities to cause system disruption to avoid examination.
- f. Involving in activities to cause intentional power failure or any other activities to avoid examination.
- g. Use of internet or any other resources while answering.
- h. Any other activity considered misconduct in general conduct of examinations.

Any activity considered as misconduct shall be treated as per Staff Service Bylaw.

## 16. Confidentiality

Questions prepared for the Test shall be kept strictly private and confidential by all the staffs, question setters and anyone else involved directly or indirectly in the setting and posting of questions in the Intranet. The Online Test Committee members shall strictly adhere to the confidentiality clause, failing which shall be considered an act of Misconduct.



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