

Employee Capital

In the Bank's transformational journey, with customer centricity at its core, the availability of an engaged, empowered, and agile workforce is a prerequisite. In this context, during 2019 the Bank continued to prioritise on building a skilled and engaged talent pool focused on driving the business and strategic imperatives of the Bank. As a responsible employer, we also ensure the continual professional growth and well-being of our talent pool through various benefits and training and development opportunities. Moreover, we adhere to the highest ethical practices and human rights in dealing with our team by providing a diverse, safe, healthy and equal opportunity working environment.

In 2019, the total staff strength was recorded at 2,076 with 82% being in permanent cadre positions. The gender distribution of the workforce remained unchanged at 56:44 (male to female). Over 60% of employees are based within our branch network with island-wide representation. The following offer a detailed statistical representation of our workforce in 2019:

Workforce by gender

%



Workforce by grade and gender

Nos.

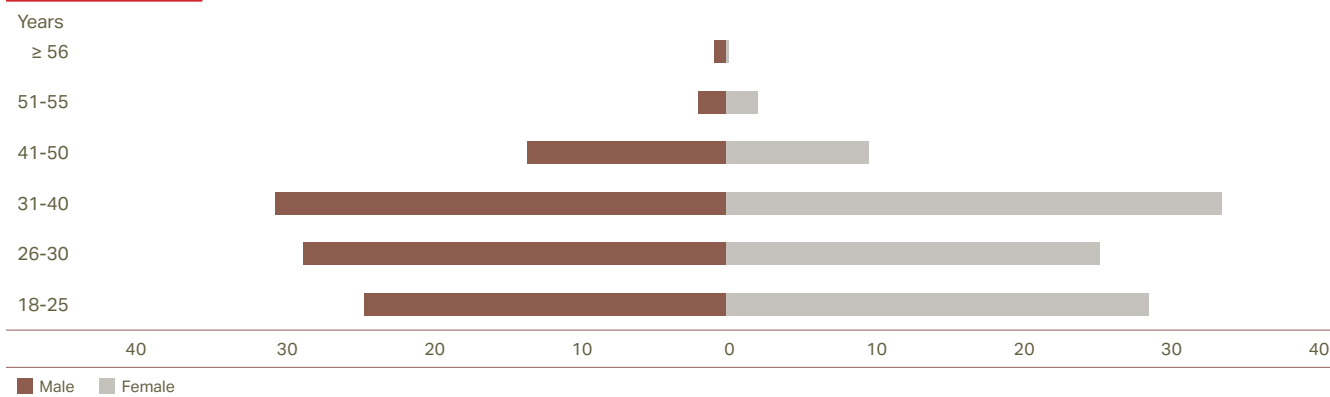


Workforce by province and gender

Province	Number of branches	Male	Female	Total
Central	16	97	59	156
Eastern	10	52	19	71
Northern	6	33	24	57
North-Central	9	59	25	84
North-Western	11	60	45	105
Sabaragamuwa	15	67	37	104
Southern	24	105	75	180
Uva	9	53	22	75
Western	41	234	209	443
Total	141	760	515	1,275

	Number of units	Male	Female	Total
Departments and other business units	88	411	390	801

Age pyramid



Resourcing

During the year a number of initiatives were undertaken with the objective of enhancing the Bank's positioning as an employer of choice. The Bank participated in several career fairs and provided career guidance at schools, universities, and educational institutes. Staff incentivised referral schemes were also initiated to encourage staff to actively source applicants to our talent pool. The resourcing process continued to prioritise on ensuring the selection of candidates with a good fit to our culture and work ethos.

Recruitments

In 2019, the Bank recruited 460 new employees of which 47% were for new positions. Recruitments were primarily focused on strengthening the branch network and sales while new business ventures and strategic initiatives also warranted enhanced resources. Out of the recruitments, 65.7% were at junior staff levels and 80% of recruitments were below the age category of 30 years.

In line with our social development priorities, the Bank continued to provide training opportunities for undergraduates and school leavers through multiple internship programmes.

Recruitments by age group and gender

	Age group				Gender		
	Less than 30 years	Between 30-50 years	Above 50 years	Total	Male	Female	Total
Management	0	3	0	3	3	0	3
Executive	51	43	0	94	73	21	94
Supervisory staff	37	25	1	63	53	10	63
Junior staff	284	16	0	300	162	138	300
Total	372	87	1	460	291	169	460

Recruitments by Province

Province	Total
Central	24
East	12
Northern	7
North-Central	11
North-Western	17
Sabaragamuwa	20
Southern	26
Uva	20
Western	323
Total	460

Learning and development

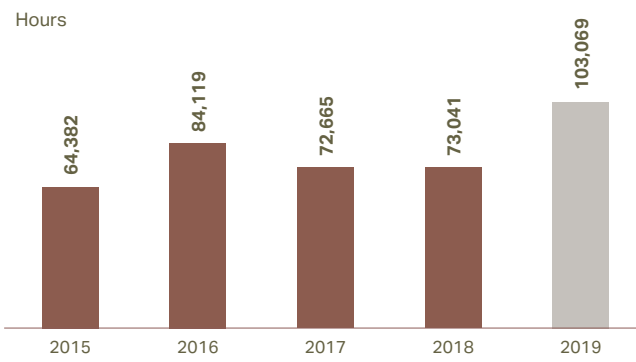
Fostering a learning culture continued to be a priority with a multi faceted approach to learning being adopted by the Bank, whereby varied opportunities for personal and professional growth were afforded to our employees. The learning methodologies adopted included on the job coaching, rotations, special assignments, classroom-based learning, overseas exposures, experiential learning as well as knowledge-sharing measures.

Training needs are identified at the beginning of every year, based on formulation of customised individual development plans of employees as well as based on the strategic business imperatives of the Bank. These formed the foundation to develop the annual training calendar of the Bank. During 2019, the Bank invested LKR 34.6 Mn in training and development which translated to over 103,000 hours of learning, an increase of 41% from 2018. The training hours afforded per average employee also recorded a significant increase at 6.5 days. The e-learning platform continued to grow from strength to strength reflecting an 18% growth in usage in comparison to the previous year. Ensuring value generation from training investment continued to be a priority with most technical, behavioural, and sales programmes being pegged to Return On Investment (ROI) measures.

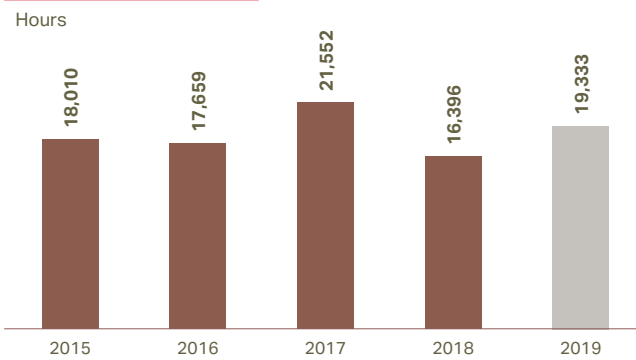


Fostering a learning culture continued to be a priority in 2019 with investments in training and development translating to over 103,000 hours of training, an increase of 41% from 2018.

Total training hours



E-learning hours



Certification programmes

Two certification programmes focusing on operations and credit were made available to eligible employees. The rigorous programmes include classroom and e-learning sessions, assessments and interviews. Opportunities were afforded to 87 employees to participate in these certification initiatives.

Ascension and rise

The Ascension programme focuses on developing a high potential talent pool and grooming employees to take on more enriched job roles. During the year, 48 employees were placed in the programme and provided focused attention through customised development plans, special assignments, enhanced job scopes, specialised training and other opportunities. The Rise programme, a voluntary initiative, is designed to give attention to employees with performance difficulties and assist them improve individual capacity and productivity. During the year 17 employees were assisted through this programme.

Further education and personal development

At DFCC, we consider professional development as a top priority and in this context we offer several grant and loan-based assistance schemes to encourage employees to obtain banking, professional, and post-graduate qualifications.

Career advancement and succession planning

In 2019, the promotion policy was reviewed and revamped. With the objective of enhancing clarity and transparency of the process, a scoring model was introduced. During the year 236 employees witnessed grade elevations with the gender distribution of such promotions at 52:48 (male to female) reflecting a positive alignment with the gender balance of the Bank.

Promotions by grade



Promotions by gender



Employee retention

Employee satisfaction and retention are significant aspects of the Bank's human capital strategy. The Bank has in place varied communication and grievance redressal mechanisms. In addition, we ensure that the human resource policies are reviewed annually and revised as appropriate to reflect the changing needs of our employees whilst also ensuring transparency and equality.

In 2019, the attrition rate exceeded 8%. Exit interviews are conducted for disengaging staff and remedial measures initiated where required.

Communication and grievance management

The Bank has robust grievance handling mechanisms in place. A formal grievance policy which is available to all staff, documents a clearly-defined process of grievance management. A Grievance Committee, comprising of cross functional staff across the network, is also available for staff to raise concerns and seek redress. Collectively, the 28 grievances raised during 2019 have been investigated and addressed, where applicable.

The Reachout Committee was established a few years back with the objective of providing a dedicated avenue for female employees to surface personal or professional issues they may be experiencing and seek advice or redress. During the year, five concerns were brought forward, investigated, addressed as appropriate and officially closed.

We understand and appreciate the continuous need for interactive communication with our employees and in this context offer varied avenues for employees to communicate, raise ideas, opinions and concerns with the Senior Management. The Bank has an open door policy which encourages all employees to have direct access to all levels of management. Open days are held periodically during the year where staff have the opportunity to approach Chairman, CEO, DCEO, or members of the Grievance and Reachout Committees. In addition, during 2019, the CEO initiated a series of Townhall meetings which all employees had the opportunity to attend. The meetings enabled sharing of relevant information with our staff, but more importantly provided an interactive platform for employees to directly engage with the CEO. The feedback received from these meetings in terms of new ideas, suggested process improvements, concerns were documented and either addressed or are in the process of being addressed.

During the year the Bank, in partnership with our strategy consultants, launched the “Listening Wall” an anonymous e-platform for employees to surface ideas, suggestions, and concerns. The Listening Wall is managed externally, and as such, employees have the comfort of knowing that they can communicate in complete anonymity should they so wish. This initiative has been very successful since its introduction in the last quarter of 2019, with over 70 interactions being recorded over a period of three months.

The HR Business Partner programme continued during the year with designated staff of the HR team being assigned as business partners to departments and regions with the objective of providing staff in these locations a designated point of contact to address any HR related concerns they may have. The HR team also continued with branch visits to ensure one-on-one engagement with our regional talent pool.

Happiness and well being

Health and safety

Health and safety of our employees continue to be a priority to the Bank and in line with this in 2019 – floor supervisors were appointed from staff volunteers at larger buildings to report health and safety hazards for readdress. Through this initiative, potential hazards were identified and were rectified within the year. Within the branch network, the branch managers are held accountable to uphold the stringent health and safety standards of the Bank and are required to review their respective premises and report on a monthly basis. Considering the proactive measures in place, there were no health and safety incidents reported during the year.

The Bank has also appointed selected volunteers as fire wardens, first-aid personnel, and evacuation officers. These officers are regularly trained in safety and rescue procedures to ensure effective crisis management.

Moreover, in 2019, the annual pedometer challenge was expanded to a virtual walk challenge with over 100 employees islandwide availing of the opportunity to participate and enhance their fitness levels. Employees interested in adventure, fitness, and nature were afforded opportunities to take part in several hiking trips organised during the year. In addition, zumba, aerobics, and yoga programmes were organised throughout the year. Employees also continued to be afforded access to the services of a doctor who visits the main buildings of the Bank on a weekly basis. In an effort to enhance employee awareness and ensure top of mind focus to health issues, regular e-bulletins were disseminated throughout the year covering a wide spectrum of topics.

#TogetherWeGrow

A new initiative, #TogetherWeGrow (#TWG), was launched in 2019. This concept was initiated with the intention of building a one-team mindset with the ambition to motivate our employees to make significant shift in thinking and action. The project is driven primarily by our millennial employees on a volunteer basis and many varied committees have been set up to carry out this programme across our network with a number of employees participating enthusiastically.

During 2019, under the #TWG banner, our employees launched a number of initiatives aimed at fostering a fun and team-oriented work atmosphere. These initiatives spanned across a broad spectrum and included activities to engage employees’ families such as a massive sports tournament with three other industry giants, the launch of “Bee Awards” a monthly staff recognition programme, an appreciation programme for retiring staff, introduction of communication platforms to share personal and professional achievements, inspirational messages and daily updates on strategic and business related matters etc.

Social event calendar in 2019

The Bank’s social activity calendar was heavy as usual and many memorable events were organised through the year including a Neon Party, Quiz Night, Dinner Dance, the Annual Trip, *Avurudu Pola*, Sports Day, and the year end Christmas Party. The Bank choir held two outstanding performances, *Bakthi Gee* and Christmas carols, which were widely appreciated. It is noteworthy that for many events families of employees were also included.

To break the monotony of daily routines and further build camaraderie, decorating competitions were held during Vesak and Halloween which witnessed enthusiastic and light-hearted participation across the network.

DFCC Reds, a long-standing initiative aimed at engaging our millennial employees, continued to be very active and organised a series of events throughout the year, primarily targeting the millennial staff which now constitute the largest percentage of our talent pool.

Contributing to the community

Our employees were given the opportunity to contribute to the larger community through events organised by the DFCC Community Projects Team, Sustainability Unit, the HR Department and also through other social responsibility initiatives organised by departments and branches.

The Annual Blood Drive 2019 held in collaboration with the National Blood Bank recorded one of the highest donor turnouts. Commemorating the World's Elders Day, an alms giving was held with care packages distributed to the residents of the *Gamini Matha* Elder's Home. To celebrate Christmas and the notion of giving, hampers were distributed among underprivileged families during the season. These initiatives were financed from donations from our employees. Moreover, through "Save Pages to Save Trees" initiative, used textbooks collected from our employees were donated to make new books to be distributed at academic institutions islandwide. Employees also actively participated in several tree planting projects initiated by the Sustainability Unit.

Equal opportunity, diversity, and inclusion

DFCC has consistently advocated and championed a diverse and inclusive environment. Opportunities are offered to employees based on their performance and aptitude without discrimination. Gender equality has consistently been a priority for the Bank as aptly illustrated by the promotion data as well as remuneration comparator data given below:

Grade	Basic salary ratio, Male/Female
Management	48:52
Executive	49:51
Supervisory staff	50:50
Junior staff	50:50
Total	49:51

Over the recent years, the Bank has actively celebrated Women's Day. This year's celebrations included motivating speeches to our staff by two inspirational role models, one of whom is an internal staff member who earned the title of Ironman at the 2019 Ironman competition in Colombo.

To further ensure a safe and equitable work environment, the "Reachout Committee", comprising cross functional female representatives, champions the concerns of our female staff and provides them advice and assistance in relation to personal and professional concerns.

In tandem with the importance placed on inclusivity, we provide both permanent and contractual employment opportunities to differently abled persons, who have been placed in varied job roles based on their capacities and competencies.

Collective bargaining

We provide multiple avenues for our employees to present their concerns and grievances which includes the Grievance Committee, Reachout Committee, the online Listening Wall, open days with CEO and Chairman and other representatives, visits by HR representatives across the branch network, skip level meetings, Townhall meetings, the HR Business Partner programme etc. Since we provide a number of opportunities to address any issues employees may have there has not been a need to have collective agreements.

Benefits

Benefits provided to full-time employees which are not provided to contract, temporary, or part-time employees.

Company	Employment type	Housing loan	Vehicle loan*	Exam*	Professional subscription*	Social Club Gymnasium*	Miscellaneous/ Staff loan	Festival advance**	MBA loan	Holiday grant***
DFCC	Permanent	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Contract	x	x	x	x	x	x	x	x	x

* Executive trainees and Management trainees on fixed term contracts will also be provided

** Only for non-executive staff

***Based on the offer of employment provided to the contract staff as well

Digital progression

In keeping with the Bank's 2025 strategy of digital leadership as well as our emphasis on reducing our carbon footprint, during the year under review, the HR Department initiated a complete overhaul and upgrade of the HR information system. Phase one of the project, covering all core operational areas, was completed in Q4 of 2019 and the system made accessible to users by 1 January 2020. Balance phases which will cover resourcing, performance management and training will be completed during the first half of 2020.

In addition, a sophisticated facial recognition system was introduced throughout the network. Over 90% of recruitment advertising was done on digital platforms while digital shortlisting of potential applicants was also initiated through the Bank's website.