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Train for Employment

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Introduction

The certificate provides participants with an overview of banking with an introduction to the financial and banking sector through an explanation of the roles and services provided by banks; also, they will gain knowledge about the code of ethics, which affects the banking sector. In the meantime, the certificate will enable participants to write professional curriculum vitae and to know the professional attire. Finally, it will provide participants with some basic skills in sales, customer services, marketing skills and HR.

Course Outline

Module 1: Development of the Banking Sector

- The influence of the Central bank
 - Macro level
 - Micro level
- Reserve requirements
 - The role of Central Bank
 - The role of commercial banks
 - The difference between investment bank and commercial bank.
 - Structure of commercial bank

Module 2: Bank Accounts and Deposits

- Definition of a bank
- What is the bank account?
- Responsibilities of the customer
- Types of banks
- Specialized banks
- Types of accounts
- Power of attorney
- SWIFT
- Incoming & outgoing transfers
- Foreign exchange “FOREX”

Module 3: Retail Banking Operations

- Introduction to retail banking
- Retail banking products
- Retail business activities
- Retail risk activities

Module 4: Basic Communication Skills

- **The Meaning of Communication**
 - What is communication
 - What is Effective Communication
 - Communication process
 - Communication barriers
- **Basics of effective communication**
 - Communication Elements
 - Verbal communication
 - Nonverbal communication and body language
 - Vocal and voice communication
- **Listening for power**
 - Difference between hearing and listening
 - Listening levels
 - Effective listening techniques

Module 5: Team Work Concepts

- Introduction
 - Definition of team
 - Difference between groups and teams

- Team Building
 - Constructing teams
 - Problems of teams
 - Building teams
- Team Development
 - Stages of team development
- Effective Teams
 - Tips for having effective team work

Module 6: Concepts of SME Banking and Tools of Finance

- The most significant economic indicators supporting SMEs financing
- Different concepts and characteristics of SMEs and entrepreneurship
- Diversity of banking services and the profitability of SME banking
- SMEs' different financing tools

Module 7: Foreign Trade Finance Operations

- Definition of terms of payment in foreign trade
- Letters of credit (L/Cs)
 - Definition
 - Types of letters of credit
- Letters of guarantee (L/Gs)
- Foreign trade instruments

Module 8: Credit and Financial Analysis

- Role of banks
- Financial statements
- Elements affecting credit
- Overview of loans and credit facilities
- Types of loans and credit facilities
- Types of collateral
- Steps to credit implementation
- Evaluating projects and feasibility studies

Module 9: Capital Market Structure and Operations and Basics of Investment

- Capital market structure and operations
- The portfolio management process
- Investment characteristics of Assets

Module 10: Written Communication, Professional Writing through CV and Interview Skills

- Definition and importance of CV
- Content of the CV
 -
- Professional CV writing tips
 - Grammar and spelling check
 - CV appearance and format
 - Mistakes at CV
- Applying for jobs and submitting CV

- Cover letters
- e-mails
- Interviewing skills
 - How to prepare yourself for an Interview
 - Ice breaking and Body language at interview
 - Interview questions and it's professional answers

Module 11: Treasury Operation and Structure

- The foreign exchange market
- Money markets and yield curves
- Options
- Forward contracts

Module 12: Business Awareness: Etiquette at Workplace, Behavior and Attitude

- **Introduction**
 - What Is The Difference Between Etiquette and Ethics?
 - Concepts of ethics, etiquette and perception
 - Factors affecting perception
- **Professional Image at Work**
 - Professional dress code
- **Professional Business Etiquette**
 - First steps at work place (Breaking the Ice)
 - Internal office etiquette
- **Dealing Professionally with Others**
 - Business meetings
 - Group conversations
 - Dealing with boss and peers
 - Phone etiquette at work place
 - Dealing with customers
 - Business meetings outside the office
- **Business Ethics & Conclusion**
 - Basic business ethics

Module 13: The Art of Selling

- The importance of sales to bankers
- The difference between sales indoor and outdoor
- What is:
 - target
 - Prospecting
 - Potential customers
 - Existing customers
 - in actives
- How to create and identify needs
- How to create database using the Tree theory
- Problem solving methods
- Handling complains
- Sales cycle opening ----> closing
- The difference between call center and tele-sales
- How to make a successful phone call

Module 14: HR for Non-HR**Part 1: The Role of Human Resources**

- What Is Human Resources
- Skills Needed for HRM
- The Role of HRM

Part 2: Designing Jobs and Conducting Job Analysis

- Job Analysis
- Job Descriptions

Part 3: Workforces Staffing

- The Recruitment Process
- Recruitment Strategies
- The Selection Process
- Criteria Development and Résumé Review
- Interviewing
- Testing and Selecting

Part 4: Compensation and Benefits

- Goals of a Compensation Plan
- Developing a Compensation Package

Part 5: Remaining Functions of Human Resources Management

- Retention and Motivation
- Training and Development
- Successful Employee Communication
- Managing Employee Performance
- Employee Assessment
- Working with HR related Laws
- Safety and Health at Work

Module 15: Customer Service for Beginners**Part 1: Customer Care Fundamentals and Concepts**

- Definition of Quality customer service
- The importance of customer service:
 - Reasons for caring about customer service
 - Indication of various statistics
 - Why do customers leave
 - Reasons and impact of poor service
- Service quality measures

Part 2: The Customer Care Process

- The excellent customer service equation
 - Greeting the customer
- Dealing with customer challenges
 - Identifying his needs
 - Meeting his needs
 - Achieving a memorable meeting
 - Leaving the door open

Module 16: Basic Marketing Skills

Part 1: The Role of Marketing

- Marketing definition and scope
- Marketing philosophy
- Marketing and society
- Marketing data base

Part 2: Marketing Tools and Activities

- Marketing Research
- Market Segmentation Targeting and Positioning
- The Marketing Mix
- The Product
- The Price
- The Place Distribution Channels
- The Promotion

Module 1:
Development of the Banking Sector

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Train for Employment

Module 1: Development of the Banking Sector

Importance

The Central Bank of Egypt has played a very big role in boosting the Egyptian economy and improving the bank performance throughout the last few years which resulted into better status and sound banking structure where other economies have suffered from lesser role of their central banks. We need to understand the way it performs.

Learning Objectives

- Explain the Influence of the Central bank on the macro and micro levels
- Define the role of the Central Bank of Egypt
- Differentiate between Investment Bank and Commercial Bank.
- Describe the commercial bank structure

How the Central Bank Influences an Economy?

A central bank can be said to have two main kinds of functions: (1) macroeconomic when regulating inflation and price stability and (2) microeconomic when functioning as a lender of last resort.

Macroeconomic Influences

As it is responsible for price stability, the central bank must regulate the level of inflation by controlling money supplies by means of monetary policy. The central bank performs open market transactions that either inject the market with liquidity or absorb extra funds, directly affecting the level of inflation. To increase the amount of money in circulation and decrease the interest rate (cost) for borrowing, the central bank can buy government bonds, bills, or other government-issued notes. This buying can, however, also lead to higher inflation. When it needs to absorb money to reduce inflation, the central bank will sell government bonds on the open market, which increases the interest rate and discourages borrowing. Open market operations are the key means by which a central bank controls inflation, money supply, and price stability.

Microeconomic Influences

The establishment of central banks as lender of last resort has pushed the need for their freedom from commercial banking. A commercial bank offers funds to clients on a first come, first serve basis. If the commercial bank does not have enough liquidity to meet its clients' demands (commercial banks typically do not hold reserves equal to the needs of the entire market), the commercial bank can turn to the central bank to borrow additional funds. This provides the system with stability in an objective way; central banks cannot favor any particular commercial bank. As such, many central banks will hold commercial-bank reserves that are based on a ratio of each commercial bank's deposits.

Reserve requirements

- The reserve requirement is percentage of a bank's total deposits. This amount can be held either in cash on hand or in the bank's reserve account with the Central bank. To see how this affects the economy, think about it like this. When a bank gets a deposit of EGP100, assuming a reserve requirement of 10 percent, the bank can then lend out EGP90. That EGP90 goes back into the economy, purchasing goods or services, and usually ends up deposited in another bank.
- That bank can then lend out EGP81 being 10% of that EGP90 deposit, while that EGP 81 goes into the economy to purchase goods or services and ultimately is deposited into another bank that proceeds to lend out a percentage of it.

Role of Central Bank of Egypt

The Rise of the Central Bank

Today the central bank is government owned but separate from the country's ministry of finance. Although the central bank is frequently termed as the "government's bank" because of handling buying and selling of government bonds and other instruments; political decisions should not influence central bank operations. Of course, the nature of the relationship between the central bank and the ruling regime varies from country to country and continues to evolve with time. To ensure the stability of a country's currency, the central bank should be the regulator and authority in the banking and monetary systems.

Central bank has a wide range of responsibilities - from overseeing monetary policy to implementing specific goals such as currency stability and low inflation. Moreover, it is a government agency that performs a number of key functions:

- Function as the bank of the Government .
- Issues the nation's currency.
- Regulates the supply of credit in the economy;
- Holds deposits representing reserves of other banks and other central banks;
- Acts as Fiscal Agent for the central government, when the government sells new issues of securities to finance its operations;
- Attempts to maintain an orderly market in these securities by actively participating in the government securities market.
- Oversee commercial banks
- Act as a lender of last resort

Commercial Banks

In the most basic terms, commercial banks take deposits from individual and institutional customers, which they then use to extend credit to other customers. They make money by earning more in interest from borrowers than they pay in interest to depositors.

Most of us maintain demand deposit or Current accounts at commercial banks and use their ATMs. The money we deposit in our bank supports economic activity through business loans, mortgages, auto loans, and other loans. Commercial Banks also provide loans in the form of credit cards

Banks have been undergoing rapid change over the past decade or so. Most large banks now offer banking services over the Web.

Many commercial banks have gone into nontraditional commercial banking businesses such as selling insurance products and securities. Commercial banks facilitate the flow of funds from surplus spending units (savers) to deficit spending units (borrowers).

They;

- Offer a broad range of core deposits such as demand deposits, checking, savings, time deposits and certificate of deposits.
- Extend loans to individuals and businesses.

Banks make profit through interest differential and Charges

- Interest rate on their assets (securities and loans) that is higher than the expenses on their liabilities (deposits and due to banks)
- Commissions and fees for the performing services for their customers

Commercial Banks provide:

Loans to:

- Businesses who have productive investment opportunity
- Individuals to help them to purchasing new car or home and to finance school and university educations

Services such as:

- Saving & Deposits,
- Trade finance,
- Transfers and checks collection.

Commercial Banks and Investment Banks

Traditionally, commercial banks and investment banks perform completely different functions. When a customer needs a loan to buy a car, he visits a commercial bank, but when a company needs cash to fund an acquisition or build its chain network, it visits an investment bank.

Commercial banks are contrasted with investment banks which perform a variety of services that generally include:

- Corporate Finance.
- Asset Management.
- Underwriting, a primary market process by which a newly issued security is sold and distributed directly from the issuing corporations to their original purchasers (investors),
- Selling, and Trading Securities (stocks and bonds)
- Financial Advisory Services, such as mergers and acquisition advice to facilitate that complicated process.

Investment banks offer these services to companies, governments, nonprofit institutions, and individuals.

Although we are focusing on commercial banks because they are the most important intermediaries, many of same principals are equally applicable to the other types of banking institutions such as investment banks.

The Role of Commercial Banks in the Economy

Commercial banks play an important role in facilitating economic growth and assuring that the financial system and the economy run smoothly and efficiently.

On a macroeconomic level, they represent the primary channel of Central Banks monetary policy. Bank deposits represent the most liquid form of money such that the Central Bank efforts to control the nation's money supply and level of aggregate economic activity are accomplished by changing the availability of credit at banks.

Whereas, on microeconomic level, commercial banks represent the primary source of credit to most small businesses and individuals.

Prototype of Commercial Bank Structure

Commercial Banks

- Main Functions
- Support Functions

Main Functions

- Documentary Credit
- Letter of Guarantee
- Credit
- Treasury
- Retail Banking
- Investment
- SME

Support Functions

- Audit
- Compliance
- Operations
- Transfers
- Cash Department
- Information
- Legal Affaires
- H/R
- Risk Management
- Security
- IT

Exercise:

Complete the missing words:

1. The Central Bank has two main functions:
 - A. On the level, when regulating inflation and price stability and
 - B. On thelevel, when functioning as a lender of last resort.
2. The primary goal of central banks is to provide their currencies with price by controlling inflation.
3. The Central Bank and is the sole provider and printer of..... and in circulation
4. The commercial banks makes profit on their assets by charging &

Mention two functions of the Investment Banks:

- 1.....
- 2.....

Summary

In this module, you learned how:

- Explain the Influence of the Central bank on the macro and micro levels
- Define the role of the Central Bank of Egypt
- Differentiate between Investment Bank and Commercial Bank.
- Describe the commercial bank structure