

OROMIA BANK E-ZINE
ISSUE: 005
2023





Forward

This E-zine is one among Electronic communication tools of Oromia Bank. It is a quarterly publication with various contents. The major contents of the E-zine Issued: 005 are: Company Profile, Success Story, Our Brand Identity, Partnership, Corporate Social Responsibility, Updates on Corporate Awards of Oromia Bank, Performance Based Rewards and Their Benefits, as well as Strategic Communication. Hence, you are thoughtfully invited to read and remember what you may forget in business or business related concepts.

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Company Profile



Establishment

Oromia Bank has come a long way since its humble beginnings in September 18, 2008 by more than 5,000 founding shareholders. At the time of its establishment, our Bank's authorized capital was Birr 1.5 Billion, whereas its subscribed capital was Birr 279.2 Million, and its paidup capital was Birr 91.2 Million. As a Bank, we began operation on October 25, 2008 by opening our first branch at Dembel City Center, named Bole Branch. Along the way, 26 new branches were added within eight months of its establishment. Among them 21 of them were out of Finfinne. This achievement was new in the history of the banking industry. Currently, the Oromia Bank branches reached more than 475 as well as it has beyond 147 networks of ATMs and 358 Agents across the breadth and width of the country. Apart from the physical network, OB is accessible through internet and mobile banking.

Mission

We are committed in providing full-fledged and best quality commercial banking services within the pertinent regulatory requirement with due diligence to sustainable business while empowering the missing middle and discharging social responsibility by engaging highly qualified, skilled, motivated and disciplined employees and state of the art information technology, adding real value to the shareholders' interest and win the public trust.

Vision

To Become the Bank of Your First Choice

Core Values

Corporate values of OB reflect the deeply pursued philosophy of operational excellence, believes, ground of typical sparkling culture of identity for reputation through which the Bank is well known by others. The Bank is committed to the following values in conducting its day to day business:

- *We value persistence, endurance, and tenacity*
- *We value customer satisfaction*
- *We value transparency, integrity, and confidentiality*
- *We uphold team spirit and grooming potential successor*
- *We value total respect to customers, and employees*
- *We value competitive and motivated human resource with ever growing skills*
- *We promote a learning and innovative organization*
- *We value belongingness*
- *We uphold corporate citizenship.*

Our Brand Identity

Symbolism and Meaning



This majestic symbol embodies power, courage, and personal drive that motivate individuals to move forward in life to achieve and accelerate your life and career.

Our visual system is dynamic, futuristic and forward thinking creating a brand that feels like part of your life. Our visual identity is not just a logo, it encompasses all aspects of the visual elements we use to express the personality and positioning of our brand. Our reaching and leaping horse in a globe is looking ahead, leads forward and upward.

It is a sign of wisdom, progress, devotion, power, victory, glory, freedom, nobleness, endurance, trust, confidence, heroism, competition, courage, wealth, new beginning and growth.

The eight stripes on the horse also represent the Geda System in which our core values are guided. Our logo celebrates the pride tradition of our society in both contemporary and optimistic ways.

The reaching or leaping horse in a globe mark represents the clarity and strength of our clear path forward, with confidence and optimism, always looking to the future.

Our logotype is custom drawn and unique, using bold lowercase letter forms and a spiral “O” with excellence sign.

This open “o” shows our openness and builds on the heritage of our logo in a fresh, new way, reinforcing our team approach and our dedication to building relationships with our customers.

oromia Bank[®]

Brand Vision

Our brand vision is in an environment of choice, we seek to establish ourselves as a Bank of your first choice. To realize this vision, we must shift our mind set from what we sell to why it matters. This demands that we focus our brand on credibility and, most importantly, relevance. We need to deliver on what matters most to our customers. At our bank we strive to:

Serve: the experience of our customers through best quality commercial banking services coupled with convenience, simplicity and transparency

Empower: the missing middle to maximize their benefits and it's vital for the betterment of society. We uphold corporate citizenship and engage highly qualified, skilled, motivated, and disciplined employees.

Inspire: people to grow with greater confidence, persistence, endurance, tenacity, and control.



Lime Green: is the color growth, fertility, abundance, nature and sustainability, Promotes problem solving, and creativity.



Blue: signals friendliness and peacefulness, well-being it fosters openness and creativity, and promotes aspirational thinking.

Messaging principles

**To Become the Bank of Your First Choice
By Serving to Empower You**

Success Story

OB is historically known for awaking the banking industry to aggressively expand branch network not only in the then forgotten Oromia region, but also throughout the country especially in areas where basic infrastructure development is very low. Unusual to the industry, OB embarked its operation by aggressively opening 26 branches in 8 months of its first year operation and all other banks followed its footsteps. The number of commercial bank branches in the country has reached more than 8,000 today. We believe that OB is a game changer for this paradigm shift. Despite its aggressive outlet expansion and its huge start-up expenditures, OB has also been able to break even within its first year of operations.

OB has made correspondent banking relationship with internationally acclaimed financial institutions and money transfer agents soon after it commenced operations. It is now working in full gear introducing new bank products and reaching the unbanked society.

Currently, OB owns a G+13 Building Head Office on the Bole road, around Olympia immediately adjacent Getu Commercial Centre. Besides, after acquiring a plot of land to build its headquarters, the Bank has commenced the construction of the 29-storey headquarters complex at the premises of the future financial Hub.

OB, before all state owned and private banks in Ethiopia, has begun Interest Free Banking with an objective of accessing banking services for the society which remained unbanked for years. The bank began the IFB service which currently called "Oro Baraka" with a window service modality in almost all its branches throughout the country. The Bank has played an exemplary role for the domestic banking industry in the IFB banking service and almost all banks are now providing the services. Currently, the bank is providing the service both in interest-free dedicated branches and in a separate window-based modality. The Bank has now opened more than 20 interest free dedicated branches to serve our esteemed customers. This number will grow in triple in the coming year.

Stressing the financial and human capital of OB, its total asset reached Birr 65.85 billion, total Capital Birr 9.13, and the total deposit is more than Birr 53.87 billion as of June 30, 2023. From the corner of man power, the Bank has beyond 6,000 permanent employees. Among them more than 1,500 are women as of the same period.

Corporate Social Responsibility

For OB, corporate social responsibility is about creating sustainable value for clients, shareholders, and other stakeholders. Our initiative also reflects our commitment to protect the well-being of the society. To this end, the Bank has responded to different natural and manmade disasters, Covid 19 pandemic, and supporting different local charity organizations working on Education, school feeding, donation of educational materials, Autism, humanitarian aid, and many more. Besides, OB is actively participating in the national development projects in which its contribution for the Great Renaissance Dam, Gebeta lehager, and Gebeta le Sheger projects are among the major ones. Very recently Oromia Bank donated 20 million Birr for drought affected Borena Zone pastoralists.

Partnership

Partners of Oromia Bank



Updates on Corporate Awards of Oromia Bank

Oromia Bank won back to back International Diamond Prize for Excellence in Quality 2023. Our Bank is delighted to announce that it has been awarded the prestigious International Diamond Prize for Excellence in Quality in this fiscal year. The esteemed award, organized by the European Society for Quality Research (ESQR), took place in Brussels, Belgium, on Sunday July 9, 2023.

The European Society for Quality and Research has been giving such an award to internationally renowned organizations, universities, Banks, and many more others among which the African biggest airline 'Ethiopian Airlines' is worth mentioning. Therefore, it is truly a remarkable achievement for Oromia Bank to join the ranks of such distinguished companies.

It is worth noting that our bank received the prestigious 2022 Quality Choice Award offered by this organization in the previous year. These kinds of high-status award motivate our Bank to redouble efforts in contributing to the financial industry with unparalleled service excellence. Our dedicated employees, armed with knowledge, skills, and unwavering motivation, will continue driving our bank towards new heights.

On behalf of the entire Company, Chief Executive Officer of Oromia Bank Obbo Teferi Mekonnen graciously received the award. While delivering a speech on the occasion, he noted, we are deeply honoured to receive the International Diamond Prize for Excellence in Quality 2023. Stressing more, this esteemed recognition underscores our commitment as a customer centric financial institution to deliver exceptional services and products that exceed our customer's expectations.

This international recognition serves as a testament to Oromia Bank transformational journey and its unwavering determination to provide banking services of the highest calibre. The honoured award reinforces our position as a leading player in the banking industry and fills us with national pride. It also highlights the progress Ethiopia is making on the global stage and significantly contributes to the country's reputation as a hub for excellence and innovation.

The Oromia Bank's Chief Executive Officer little bit highlighted that, the success behind this global recognition is the result of the concerted efforts of Board of Directors, Management, Employees, and other Stakeholders of our Bank. For him, by leveraging their expertise and collaborative spirit, the Bank has consistently strived for excellence that can enable to exceed customer expectations.

Of course, Oromia Bank has long experience to won such international and national awards and recognitions of various entities though it is young and aged 15 years alone. Summarizing some of the major ones:

- **African Interest Free Banking and Financial Award of 2019**
- **Outstanding Performance in ATM Transaction from ETSWICH of 2020**
- **Platinum Tax Payer Award of 2020**
- **Gold Level Tax Payer Award of 2021**
- **European Society for Quality and Research Award of 2022**
- **European Society for Quality and Research Award of 2023.**



Congratulations!

Performance Based Rewards and Their Benefits

Essence of Performance Based Rewards and Their Importance

The literature reveals that in most financial institutions employees' performance based reward and benefits are becoming popular. Literally performance based rewards are an incentive that the employees receive based on their work related contributions to the company rather than their time with the company. Likewise, performance based employee recognition is the process of identifying, recognizing, and rewarding behaviors that are aligned with the achievement of measurable business outcome. Furthermore, performance based pay plans involve compensating employees for a specific outcomes or work that goes above and beyond the typical call of duty. When designing a performance based compensation system, common criteria are job category and length of service or nature of activities. Performance based pay can offer several advantages for both organizations and workers such as:

- *Aligning individual and organizational objectives*
- *Enhancing employee engagement and satisfaction*
- *Attracting and retaining top talented employees*
- *Improves productivity, quality, and innovation*
- *Reduce labor cost*
- *Improve work focus and boom morale of the employees*
- *Build strong bond between the company and the employees*
- *And many more others.*

According to some sources, usually performance based reward is most effective when rewarding employees on an individual basis for effort and not for group performance. So its primary objective is to create a real sense of competition among employees. Hence, the performance based reward system is a way of motivating and recognizing the employees for achieving specific goal, behavior, or competences that align with organizational vision as well as corporate strategy. It can help the company foster a culture of excellence, innovation, and engagement. But, most of the time, how do you successfully achieve this matter? Thus, the key to having well all rounded performance based reward is confining to basic performance objectives recommended by scholars of the area. These are:

- *Work quality*
- *Work speed*
- *Dependability*
- *Flexibility*
- *Cost Effectiveness and many more.*

Components of Performance Based Reward

As depicted in the sources there are wide varieties of performance based reward systems. Some of the major are:

- *Financial reward*
- *Non-financial reward*
- *Reward policies*
- *Psychological satisfaction*
- *Pay structures*
- *Base pay*
- *Job evaluation*
- *Contingent pay*
- *Psychological satisfaction and many more others.*

Performance Based Rewards and Benefits of Human Resource Strategic Initiatives of Oromia Bank

As the financial institution Oromia Bank is one among companies who offer performance based rewards and benefits. The major performance based rewards and benefits of human resource strategic initiatives of Oromia Bank are health benefits including: medical, gymnasium, group personal accident insurance, hardship allowance and top up, and car cleaning allowance. There are also variable total rewards like: commission, performance based share options, exceptional five employees reward, reward for achieving economic profitability, year-end bonus, project accomplishment reward, cultural change initiative, recognitions, variable loans, reward for innovation, and loan redemption. In the same manner, there are also benefits related to development and career opportunities such as: tuition reimbursement, certification, on the job learning, attendance of seminars and conferences, virtual learning, podcast and webinars, self-development tool, advancement opportunities, successor practice period, experience sharing session, and sharing life experience. Besides, other rewards and benefits of Oromia Bank is work life balance that may incorporate: flex line for permanent employees, alternative work sites, job sharing, part time employee, contract employee, and parking space. To understand them more, let us illustrate them in detail.

Health Benefits of Oromia Bank



The healthy benefits of Oromia Bank hold medical cost coverage areas offered to its employees like:

- **Medical:** Total percent coverage of medical cost with few exceptions
- **Gymnasium:** Offering gymnasium facility and encouraging concerned group to retain their healthy
- **Group Person Accident:** Oromia Bank offer insurance to its employees as per the contractual agreement with the insurer
- **Hardship Allowance:** Our Bank pays a hardship allowance to employees in outlying offices that are located 50 kilometers away from Finfinne City
- **Top-up and Car Cleaning Allowance:** This allowance is paid to drivers assigned to executive management team only
- **Canteen:** The Bank may facilitate canteen service based on availability of space.

Variable Total Reward of Oromia

Variable total Rewards of Oromia Bank may have so many entities. To highlight little bit some of the major ones:

- **Commission:** Commissions can be paid to employees at branch offices who have exceeded the yearly target set to generate foreign currency from remittance through money transfer agents
- **Performance Based Share Options:** This scheme gives the right to buy our Bank's share by the employee
- **Exceptional Five Employees Reward:** It is reward to be made to non-managerial employees at head office, district, and branch offices whose performance and overall contribution to our Bank at an individual level is very significant and have achieved a higher score than other in their performance evaluation
- **Reward for Achieving Economic Profitability:** This reward is to be paid to district employees mainly depends on their proper coordination and support made to their respective branch offices that can achieve economic profitability within a specified time period
- **Year End Bonus:** year-end bonus is offered at the end of the year to appreciate good performance as well as encourage employees to perform better in the next fiscal year
- **Project Accomplishment Reward:** For an undertaking to be considered a project, it must require the collaboration of at least two units to accomplish the task or employment of an external part
- **Culture Change Initiative:** Culture change initiative are applied in order to enhance acceptable level of new ways of doing things, practices, or mode of behaviors
- **Recognition:** Employees receive a certificate of recognition indicating their rank during any ceremonial events of our Bank

- **Loan Redemption:** *If an employee's service year to our Bank is greater than 7 years and died of natural causes or accident, the remaining outstanding amount of mortgage loan given to the employee shall be redeemed by our bank either partially or fully.*

Benefits Related to Development and Career Opportunities of Oromia Bank

As our Bank's main intention is to grow within by applying various forms of learning and development programs, this is one of the critical areas that employees are expected to utilize to grow their potential and contribute to the overall Human resource capital. Some of such benefits are:

- **Tuition Reimbursement:** *Oromia Bank covers tuition reimbursements partially or fully for its employees for programs that can contribute to the success of strategic objective*
- **Certifications:** *Internally or locally recognized certification programs shall be covered for the staff under taking the certification by considering the alignment of the certification with our Bank's strategic initiatives*
- **On the Job Learning:** *This is mainly done by senior staff that are at managerial or professional level who shares their expert service or advice to their junior staffs by providing guidance and support in every day operations*
- **Attendance of Seminars and Conferences:** *This is another form of acquiring knowledge that enhances employees to grow their professional circles by offering an opportunity to attend and participate in such occasions*
- **Virtual Learning, Podcast, and Webinars:** *Participation in virtual learning, podcast, and webinars is mainly allowed out of office hours in collaboration with concerned IT team*
- **Self-Development Tool:** *Engaging employees and controlling their various efforts in different learning programs*
- **Advancement Opportunities:** *Our Bank gives full emphases on competences based on advancement opportunities*
- **Successor Practice Period:** *This is mainly governed by succession planning procedure. Moreover, managerial employees who leave office shall be replaced by identified potential successor in consultation with human resource*
- **Experience Sharing Session:** *If employees have experience that cannot be shared through the normal training program, and that experience is found to be beneficial for other employees, the staff with such experience can prepare a document and provide it to the Human Resource Directorate. Then, shared in a way it educate others*
- **Sharing Life Experience:** *This is made by an executive management team only to a large number of audiences using different communication platforms.*

Work Life Balance Benefits of Oromia

Oromia Bank provides different schemes to its employees to maintain their health by reducing stressful situations as well as providing different options where jobs can be done with ease without compromising quality of work. These can include:

- **Flex Time for Permanent Employees:** *For job positions where the nature of the job condition allows, the work time can be arranged by the employee and the manager*
- **Alternative Work Sites:** *For job position where the nature of the job allows it, the workplace can be arranged by the Bank*
- **Job Sharing:** *At the time when a job becomes demanding but burdensome to an employee or a group of employees, the task can be shared to another work unit if the situation allows it*
- **Part Time Employee:** *If the job under consideration cannot be shared to any other person or work unit and is still difficult to deliver as required, the work unit can look for part time employees or contract employees who can share the burden for short period of time*

- **Contact Employee:** This option may be used if the task at hand is to take a fixed time or an employee may need to be substituted for maternity leave, when our bank wants to utilize the service of senior staffs who have retired for a defined period of time
- **Parking Space:** As much as possible, our Bank makes an effort to provide a parking space to its employees. But, if situation cannot allow it, priority will be given to Bank's vehicles
- **Tax:** All applicable tax shall be applied by each paying work unit following the prevailing tax law set by the relevant government organ.

To sum up, Oromia Bank provides wide varieties of rewards and benefits for its employees depending on the employee's performance and significant contribution for the Bank. Hence, it is healthier to be continued objectively in measurement to rewards.

Strategic Communication

Meaning and Essence of Strategic Communication

Strategic communication is a specialized approach to send, receive, and beyond that create interaction either to inform or educate the targeted specific group. It is communicating the best message through the right and relevant channel of communication with any platform to the right people, at the right time and collecting feedback from these processes to stay focused on the company goal. In another expression, Strategic Communication is the practice of using communication to achieve specific strategic goal and objectives. It involves developing communication plan that is aligned with an organization's overall strategic goal and objectives. Thus, it is the execution of that plan to achieve desired outcomes. This may include internal communication, external communication, as well as crisis communication when needed. Strategic Communication is used in a variety of fields including business, government, and nonprofit organizations. Hence, it may have various genres including:

- Internal Communication
- External Communication
- Crisis Communication
- Community Relations
- Marketing Communication
- Community Engagement
- Government Relations
- Investor Relations
- Employee Engagement
- Social Media Communication
- Media Relations and
- Many more.



Importance of Strategic Communication

In today's workplace the practice of using communication in a strategic way to achieve strategic goal and objectives are being used for both internal and external communication in almost all corporations across the globe depending on their company interest. Words are nothing without planning and actions so they need to be aligned. Many business companies invest in planning their Public Relations or marketing Communication however they are usually objective measures that are why they failed to bring into line their plans with a goal. For different sources building strategic communication is essential for companies because of several reasons. Some of the major are:

- It aligns communication efforts with organizational goal
- Increases effectiveness
- Enhances reputation
- Improves decision making
- Facilitate crisis management

- **Facilitate crisis management**
- **Promotes transparency**
- **Builds trust with key stakeholders**
- **Increase corporate efficiency**
- **Empower the companies to adapt and stay competitive.**

Successful Strategic Communication

Successful Strategic communication is well organized and structured communication directed at a set of customers or specific customer in which there are typically the primary customers, secondary customers, and so on depending on their importance for the company. These customers likely have different expectations and experiences with the corporate. Accordingly, successful strategic business communication has its own basic elements. As Rick Schell (Ph.D.) it is responsive strategic communication that holds:

- **Customer:** Strategic Communication is directed at specific customer or set of customers with that there are typically primary, secondary and other customers with different expectation and experience with your company
- **Context:** Having identified the customers for the strategic communication, define the context in which it would be implemented. In doing so, Recognize key situations and social relations that are substantial to the customers you may address
- **Out Comes:** Every business communication has a set of specific purposes to achieve. That purpose can be information transfer, education, instruction, persuasion, or transformation. May be it can also be combination of some of them
- **Channel:** The content of your message usually determines to use the most relevant media. The channel choice range from: intimate, personal contact, mass email, team meeting, conferences, and mass media communication
- **Messenger:** For corporate business communication it is better to consider whether the identified person is the most effective messenger. The primary consideration in choosing the messenger is “Ethos”, the credibility of the messenger with the customer. For sources, the factors that affect the selection of messenger include: status and power, Expertise, and social relationship
- **Measurement:** For precarious communication cogitate how to measure your corporate effective-ness. The basic question for this is having you achieved the outcomes? These outcomes may be knowledge, beliefs, or action that you defined as your strategic purpose. As Winston Churchill once remarked, “However, beautiful the strategy, you should occasionally look at the result.”

In nutshell, by utilizing these elements, it is preferable for companies to create agile strategic communication to make corporate goal successful.

Strategic Communication in Bank Context

As any other business entities, specifically financial institutions the bank must have clear strategic communication to effectively address the message both internally and externally. In Banks strategic communication can be seen as internal banking communications and strategic client communication. Though the primary focus of strategic communication in bank situations is internal communication since strategy largely focuses on internally making the work flow smooth to increase corporate overall profit. In another angle, strategic client communication is mainly informing the customer about the bank products and services. So it may have either marketing or sales contents. For the sources common methods of bank communication includes:

- **Sending alerts**
- **Sending notification**
- **Email**

- Letters
- Social media
- Engagement with contacenter
- Media statements
- Website contents.

Internal Communication in Bank

Banks are often large and complex corporations. That is so, for internal communicators there can be a lot of challenges thrown by the very nature of these companies. For banks internal communication that can be used most of the time interchangeable with strategic communication is essential because it helps to ensure an organization is kept informed about critical corporate initiatives, directives, procedures, and policies that may contribute to reduce risk of errors. Besides, sharing knowledge as strategy or means of doing and how to do something helps to break down internal information silos and boost engagement and morale. Banks with good internal communications are more productive and profitable as some research reveals. For this reason, the banks are ought to improve their internal communications. Some of the key ways to improve internal communication of the bank are:

- Improving employee engagement
- Aware and update employees in information technology
- Survey employees to improve satisfaction
- Avoid email overloads
- Communicating new or revised procedures and polices
- Communicating emergency issues
- Training and onboarding employees consistently.



Internal Communication

**Oromia Bank
People's Bank!**