



INSTITUTE OF BANKERS IN MALAWI

CERTIFICATE IN BANKING SYLLABUS

**(A qualification jointly awarded by the Institute of Bankers
in Malawi and the University of Malawi)**

JANUARY 2011

Promoting Professionalism in Banking

This document describes a qualification offered by the Institute of Bankers in Malawi (IOB Malawi). Every effort was taken to ensure that the document is accurate at the time of its publication but IOB Malawi is not liable for any errors or omissions in the document.

The IOB Malawi reserves the right at any time to vary the content of its courses and syllabuses, to cancel courses and syllabuses previously announced and to modify as it seems appropriate any such changes shall be communicated to students in order to provide them with sufficient time to prepare accordingly for examinations.

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1.0 INTRODUCTION

The Certificate in Banking is the first stage in the Institute of Bankers qualifications and is intended to provide a good foundation in Banking and Financial Services. The certificate in banking course is targeted at new entrants in the banking industry who had no opportunity for tertiary education and who may lack basic knowledge in banking and finance matters. The certificate should therefore serve as the basic requirement for entry at clerical and/or supervisory levels in a bank or financial Institution.

For an industry which is in pursuit of professional excellence, the certificate should be the basis for promotion to senior clerical and/or supervisory positions. The certificate should serve as the starting point for professional qualification in Banking.

To qualify for a Certificate in Banking a candidate must study and pass all eight subjects at certificate level unless they are granted exemptions. The subjects have been divided into two parts - Part I and Part II. Candidates must complete all subjects in Part I before attempting subjects in Part II.

There are no restrictions in the sequence in which subjects in each part may be taken. However, candidates can only take up to a maximum of four subjects at any one examination sitting except in rare circumstances where one may be allowed to sit for more than four examination papers. A candidate who passes a subject will be credited with a pass in that subject and will not be required to repeat regardless of the period one might take to complete certificate level studies. There is no time limit for completing any part of the examination, although it should be in the interest of candidates to complete them in a timely manner.

This syllabi handbook also contains a set of Rules and Regulations on admission and examinations.

2.0 AIMS OF STUDY

The Certificate in Banking program is a general foundation stage for professional studies in banking under the IOB Malawi study programmes and provides a general overview of the professional areas of study and introduce students to the basic concepts in the various areas of specialization.

After completing the certificate stage, candidates are expected to gain basic knowledge of the covered areas of study and be able to apply this knowledge in various operations at their work place.

3.0 AREAS OF STUDY

The following eight courses are offered at Certificate in Banking stage:

Course Code	Course Title
1. IOBM-C101	Introduction to Business Accounting
2. IOBM-C102	Customer service
3. IOBM-C103	Fundamentals of Business Statistics
4. IOBM-C104	Introduction to Banking
5. IOBM-C105	Introduction to Business Communication
6. IOBM-C106	Introduction to Economics
7. IOBM-C107	Management
8. IOBM-C108	Basic Principles of Law

The subjects are divided into two parts as detailed below.

Part A

Course Code	Course Title
IOBM–C101	Introduction to Business Accounting
IOBM–C104	Introduction to Banking
IOBM–C105	Introduction to Business Communication
IOBM–C108	Basic Principles of Law

Part B

Course Code	Course Title
IOBM–C102	Customer Service
IOBM–C103	Fundamentals of Business Statistics
IOBM–C106	Introduction to Economics
IOBM–C107	Management

Candidates are required to study and pass all eight subjects offered at this level to qualify for the award of Certificate in Banking.

4.0 RULES AND REGULATIONS

These Rules and Regulations apply to admission requirements and professional examinations set and administered by the Institute of Bankers in Malawi for the Certificate in Banking Program.

4.1 Entry Requirements

Candidates for the Certificate in Banking stage must satisfy the following entry requirements.

- 4.1.1 Must at least have Malawi School Certificate of Education (MSCE) with credits in English Language and Mathematics or an equivalent qualification.
- 4.1.2 Any other qualification approved by the Institute at the recommendation of the Academic and Quality Monitoring Committee.
- 3.1.2 Candidates wishing to register for examinations will be required to complete prescribed examination entrance forms which should be accompanied by prescribed registration fees.

3.2 Exemptions

- 3.2.1 Exemptions to any subject or level of study will be granted at the discretion of the Institute at the recommendation of the Academic and Quality Monitoring Committee.
- 3.2.2 Exemptions will be granted to students who possess academic and professional qualifications from recognized educational institutions which are acceptable by the Institute of Bankers in Malawi.

- 3.2.3 Applications for exemptions must be accompanied by documentary evidence of the qualification papers and exemption application fees.

3.3 Examinations

- 3.3.1 Examinations shall be conducted twice in every calendar year, in April and in October.
- 3.3.2 The Council will establish examination centres and will from time to time review these centre in light of distribution pattern of students.
- 3.3.3 The Institute will write all students advising them of established examinations centres and each student to indicate a centre he/she would like to sit for examinations, four weeks before the examination date.

3.4 Examination Fees

All examination fees are payable to the Institute of Bankers by end August for October examinations and by end February for April examinations.

3.5 Failure to sit for Examinations

- 3.5.1 If for any reason a student has failed to sit for examinations after paying examination fees, the fees will be carried forward and the student will be allowed to sit for the next examinations provided that notification for such change is received by the Institute two weeks prior to the examination date.
- 3.5.2 Fees will be forfeited in the event of failure to notify the Institute of Bankers of failure to sit for the examinations as stipulated in 5.5.1 above.

However, students whose examination fees are carried forward to the next examinations will be required to pay an equivalent of 20% of the fees already paid to meet administrative costs. In the event that examination fees have been increased, such students will also be required to pay the difference.

- 3.5.3 Similarly, if a student wants to withdraw from examinations after paying the fees, the Institute will deduct 20% from fees already paid as handling fee and reimburse the balance.
- 3.5.4 Students will only be allowed to defer examinations twice and any further deferments on other grounds other than due to illness or death of a close relative will not be allowed. In such cases, the examination fees will be forfeited.

3.6 Examination Results

- 3.6.1 Examination results will be ready within two months from the date on which the last examination paper is written.
- 3.6.2 All candidates will be notified of the examination results by mail. The results may be published in a manner to be determined by the Council from time to time. The results may be given to institutions and employers if requested.

3.7 Assessment

3.7.1 Examinations will be marked out of 100 percent and results will be reported as follows:

75 and above	Distinction
60-74	Credit
50-59	Pass
0-49	Fail

3.7.2 Candidates who fulfill the requirements for the Certificate in Banking will be issued with a certificate within reasonable time.

3.7.3 Examination irregularities of any kind will be dealt with by the Council at the recommendation of the Academic and Quality Monitoring Committee.

4.0 PENALTIES FOR IRREGULARITIES AND UNFAIR PRACTICES

The Council of the Institute of Bankers in Malawi will fully exercise its authority and impose penalties, at its discretion including disqualification from the Institute's examinations and/or membership, on any candidate who may have been found to have breached the Rules and Regulations of examinations or committed an act of misconduct in respect of any other matter affecting the Institute.

The irregularities students will be punished for may include but not limited to the following;

- 4.1 Smuggling of forbidden/foreign material in the examination room.
- 4.2 Copying answers from another candidate or referring to books, notes or any other unauthorized sources.
- 4.3 Communicating and/or colluding with others in the examination room in a manner as to suggest cheating or passing on or receiving information.
- 4.4 Impersonation i.e. sitting for the examination on behalf of another person by someone who is not registered as a candidate.
- 4.5 Attempting to procure assistance from or give the same to another candidate.
- 4.6 Where leakage and/or mass cheating has occurred.
- 4.7 Rudeness in the examination room, including verbal abuse or physical assault to invigilating and/or supervising staff.
- 4.8 Making unwarranted, irregular and/or abnormal appeals/requests to the examiner in the answer book.
- 4.9 Unauthorized change of sitting centre.
- 4.10 Escaping with examination scripts and other material.

- 4.11 Tearing of examination scripts in disgust/frustration/anger or for any other reason.
- 4.12 Committing of fraud/forgery/mutilation of the examination scripts and its abatement, collusion, etc
- 4.13 Disobedience/violation of orders of the invigilators/supervisory staff /centre superintendent.
- 4.14 Indulgence and involvement in disturbances, rioting, rowdyism, provocation, agitation, walkout, causing damage to furniture and property in or around the examination premises.
- 4.15 Possession of assault material such as firearms and such other weapons that can be used offensively.
- 4.16 Cell phones/mobile phones will not be allowed into the examination rooms.
- 4.17 Any other infringement of these rules, etc.

5.0 APPEALS PROCEDURES – ADHOC APPEALS COMMITTEE

- 5.1 There shall be an Adhoc Appeals Committee which will be constituted on a need basis and disbanded after resolving any specific issues referred to. The Adhoc Appeals Committee shall be constituted by the Chairman of the Academic and Quality Monitoring Committee.
- 5.2 Any student wishing to make an appeal will be required to direct his/her case to the Executive Director, Institute of Bankers who will in turn direct it to the Chairperson of the Academic and Quality Monitoring Committee.
- 5.3 Upon receiving an appeal, the Chairperson of the Academic and Quality Monitoring Committee will constitute an Adhoc appeals Committee which will consist of one Council Member who will chair the committee and three other individuals from IOB Malawi corporate members to handle the case.
- 5.4 A student making an appeal shall be heard on his/her appeal orally or in writing and he/she shall bear the cost of appealing for the purpose of being heard.
- 5.5 Any official of the Institute affected by the appeal or his nominee shall be invited as witnesses.
- 5.6 After hearing the case, the Adhoc Appeals Committee will make its recommendations to the Chairperson of the Academic and Quality Monitoring Committee who will forward the case to the IOB Malawi Council with comments for final decision. The Council's determination on any matter will be final.

6.0 AMENDMENT OF RULES

These rules and regulations may be revised, amended or modified by the Council at the recommendation of the Academic and Quality Monitoring Committee from time to time in order to meet the needs of the profession.

7.0 DETAILED COURSE SYLLABUSES

7.1 INTRODUCTION TO BUSINESS ACCOUNTING

IOBM-C101

Programme:	Certificate in Banking
Course title:	Business Accounting
Course code:	IOBM-C101
Level of study:	1
Presented to:	Faculty of Commerce, University Of Malawi
Presented by:	The Institute of Bankers in Malawi
Lecture hrs/ week:	3 x 1 hour
Tutorial hrs/ week:	1 x 1 hour
Assessment:	Final Examination 100%

7.1.1 Aim of the study

To introduce the students to fundamentals of accounting in business

7.1.2 Objectives of the study

By the end of the course students should be able to:

- Explain the need for accounting records.
- Identify the categories of information with which accounting deals;
- Apply the principles and concepts of accountancy ;
- Describe the significance and limitations of financial statements.

7.1.3 Topics of Study

(a) Introduction

- Accounting and its legal environment
- Purpose and users of accounts
- Principle concepts and conventions underlying accounting statements.

(b) The double entry system

- Accounting equation
- Double entry system for assets, liabilities and capital
- Effect of profit or loss on capital
- Double entry for expenses and revenue
- Balancing off of accounts
- The trial balance

(c) Final Accounts of sole traders

- The income statement
- Balance Sheet

(d) Books of Original Entry

- Books of original entry and ledgers
- The banking system
- Cash books
- Receivables journal and the receivables ledger
- Payables journal and the payables ledger
- The returns journal
- The analytical petty cash book and the imprest system

(e) Year-end Adjustments

- Accruals and prepayments
- Capital and revenue expenditure
- Depreciation
- Bad debts and provisions

(f) Routine Procedures and Adjustments

- Bank reconciliations
- Acquisition and disposal of fixed assets
- Location and correction of errors

(g) Control Procedures

- Trial balance and its limitations
- Control accounts
- Principles of internal control
- The technique of internal check

7.1.4 Recommended readings

Wood F, Sangster A, Business Accounting 1, 10th ED Prentice Hall London. 2005.

W B Meigs; RF Meigs, McGraw. Financial Accounting, Prentice-Hall International. 1997.

M Harvey; F Kee. Financial Accounting – Theory and Practice, Prentice Hall International. 1998
Business Accounting Course Manual, Institute of Bankers in Malawi, 2007

Programme	Certificate in Banking
Course Title	Customer Service
Course Code	IOBM-C02
Level of Study	1
Presented to	Faculty of Commerce, University of Malawi
Presented by	The Institute of Bankers
Lecture Hours / week	3 x1 hour
Tutorial hours	None
Assessment	100% Final examination

COURSE AIMS

Students should be able to:

- demonstrate a very good understanding of principles and concepts of customer service in the banking industry
- appreciate the need to adopt good practices of customer service
- develop good attributes towards customer service

COURSE OBJECTIVES

On completion of their studies, students should be able to:

- distinguish between customer care and customer service
- identify the customer's rights and duties
- recommend improvements to service delivery in order to achieve service excellence
- appreciate the role of organisational culture to customer service
- recognise the importance of good customer relationships
- develop skills for handling unhappy and irate customers
- appreciate the changes in customer service in the new millennium

TOPICS OF STUDY

- (a) Introduction
 - What is customer service
 - Who is a customer
 - Distinction between customer service and customer care
 - Increasing importance of customer service in the modern banking industry
- (b) The customer and the service
 - Rights and duties of a customer
 - Importance of knowing customer expectations
- (c) Models of customer service
 - Functions and theory of models
 - The two main theoretical perspectives of customer service
 - Quality management models
- (d) Service delivery processes and systems
 - Service delivery processes
 - Role of service delivery systems in service industry
 - Essential components of service delivery processes

- (e) Customer relationship management
 - Maintaining customer relations
 - Internal customers
 - External customers
 - Importance of building good customer relationships
 - Ways of building good customer relationships
 - Internal conflict management

- (f) Impact of organisational culture on customer service
 - Definition of organisational culture
 - Culture and customer service
 - Cultural diversity and its impact on customer service

- (g) Service standards and good quality service
 - Banker's rights and duties on customer service
 - Meaning and importance of customer service standards
 - Characteristics or features of good quality service
 - Creation of service standards
 - Aspects of organisations that require service standards
 - Physical factors of excellence

- (h) Dealing with difficult customers
 - A distinction between unhappy and irate customers
 - Why customers can be difficult
 - Techniques for handling irate customers
 - Techniques for handling unhappy customers
 - Importance of dealing effectively with difficult customer

- (i) Customer service and technology
 - Customer service challenges in the new "connected" millennium

7.2.4 Recommended readings

Knapp, D. A Guide to Customer Service Skills for the Help Desk Professional. Course Technology Publications. 1999.

Brown, S. A. Breakthrough Customer Service: Best Practices of Leaders in Customer Support. John Wiley & Sons Inc. 1998.

Lennon G. High Powered Customer Service Training Activities: 26 Fast-Moving Training Ideas for Customer Service Trainers and Managers. Independent Publications Group. 2001.
Customer Service Course, Institute of Bankers in Malawi, 2007

7.3 FUNDAMENTALS OF BUSINESS STATISTICS

IOBM-C103

Programme:	Certificate in Banking
Course title:	Fundamentals of Business Statistics
Course code:	IOBM-C103
Level of study :	1
Presented to:	Faculty of Commerce, University Of Malawi
Presented by:	The Institute Of Bankers in Malawi
Lecture hrs/wk:	3 x 1 hour
Tutorial hrs/wk:	1 x 1 hour
Assessment:	Final Examination 100%

7.3.1 Aim of the study

The general aim of this module is to give students, primarily those in the field of banking, business administration, management and economics, a conceptual introduction to the field of statistics and its applications.

7.3.2 Objectives of the study

By the end of the course students should be able to:

- distinguish between different types of data, sampling techniques and different data collection methods.
- present data effectively, compute and interpret a range of summary statistics
- construct and use graphs, charts and diagrams.
- use a computer to analyse statistical data.
- solve simple probability problems.
- establish linear relationships between two variables and assess the strength of the relationships.

7.3.3 Topics of study

1. Statistics in the World of Business and Management

- The Context of Statistics in Business and Management
- An Overview of Statistics
- Components of Statistics
- Statistics and Computers
- Statistical Applications in Business and Management

2. Data – Classification, Sources, Sampling and Collection Methods

- The Importance of Data
- Data Classification
- Data Sources
- Sampling and Sampling methods
- Data Collection Methods
- Data Preparation for Statistical Analysis

3. Data Presentation

- The Need for Data Presentation
- General Principles of Data Presentation
- Diagrammatic and Graphical Presentation of Data: Table Construction, Bar Diagrams, Histogram, Pie – Diagram, Frequency Polygons, Ogives, Lorenz curves.

4. Descriptive Statistics: Location Measures

- Central Location: Arithmetic Mean (Average), Mode and Median.
- Non-Central Location Measures: Quartiles
- Choosing a Valid Measure of Central Location
- Other Measures of Central Location: Geometric Mean, Weighted Arithmetic Mean

5. Descriptive Statistics: Dispersion and Skewness Measures

- Measures of Dispersion: Range, Inter-quartile range, Quartile Deviation, Variance, Standard Deviation, Coefficient of Variation
- Measure of Skewness: Types of Skewness, Pearson's Coefficient of Skewness

6. Introduction to Probability

- Objective versus Subjective Probability
- Properties of a Probability
- Basic Probability Concepts: Intersection and Union of Events, Mutually Exclusive Events, Collectively Exhaustive Events, Independent Events.
- Computation of Objective Probability: Marginal Probability, Joint Probability, Conditional Probability.
- Probability Rules: Multiplication and Addition Rules

7. Introduction to Regression Analysis

- Scatter graphs
- **Simple Least Squares Regression**
- **Correlation: Production Moment Correlation, Spearman's Rank Correlation.**
- **Coefficient** of Determination

7.3.4 Recommended readings

- Curwin, J. and Slater, R., Quantitative Methods for Business Decisions, Third Edition, (1991), Chapman & Hall.
- Francis, A., Business Mathematics and Statistics, 6th ed. (2004), Thomson Learning.
- Keller, G., Statistics for Management and Economics, 7th ed. (2005), Thomson Learning.
- Sweeney, D.J., Williams, T.A., & Anderson, D.R., Fundamentals of Business Statistics, (2006), Thomson Learning.
- Swift, L., Piff, S., Quantitative Methods for Business, Management and Finance, (2005), Pelgrave Macmillan.
- Fundamentals of Business Statistics Course Manual, Institute of Bankers in Malawi, 2011

7.4 INTRODUCTION TO BANKING

IOBM-C104

Programme:	Certificate in Banking
Course title:	Introduction to Banking
Course code:	IOBM-C104
Level of study:	1
Presented to:	Faculty of Commerce, University Of Malawi
Presented by:	The Institute Of Bankers in Malawi
Lecture hrs/ week:	4 x 1 hour
Tutorial hrs/ week:	None
Assessment:	Final Examination 100%

7.4.1 Aim of the study

To introduce to students basic principles and concepts of banking.

7.4.2 Topics of Study

OBJECTIVES OF THE MODULE

This module is intended to achieve the following objectives;

- To ensure that students understand the role of banking in a business environment.
- To create an awareness of the existence of dynamic and ever changing developments in a banking sector.
- To help students appreciate the relationships existing between the government and the banking sector and their implications on industry and commerce
- To enable students to understand the role of specialist financial institutions within the banking industry
- To understand basic rules and guidelines for bankers and prepare aspiring bankers to be good material for employment in the banking industry.

LEARNING OUTCOMES

After completing studying this module, students should be able to understand the basic principles and concepts of banking and the dynamics of banking operations in general.

In particular, students should be able to explain the procedures for opening accounts and reasons why banks go all the way asking for information and identifications. The topic on KYC has therefore been included and the steps to be followed before a customer are accepted to open a new account.

Successful Introduction to banking students should be in a position to understand how cheques and the clearing system operates. The module has outlined this subject in great detail just for this purpose.

a) INTRODUCTION TO BANKING

- Why study banking
- Definition of bank
- General functions of a bank
- Financial Intermediation
- Definition of a customer
- The relationship between a bank and its customers
- Functions of a commercial bank
- Other services of a commercial bank

b) HISTORY OF BANKING & MONEY

- History of banking
- Barter trade & the principle of comparative advantage
- History of money
- Characteristics of money
- Functions of money
- Types of Money

c) CHEQUES AND NEGOTIABLE INSTRUMENTS

- Historical background of cheques
- Attributes on of negotiable Instruments
- Bills of Exchange and cheques
- Crossings on cheques
- Endorsements on cheques

d) MONEY SUPPLY AND DEMAND AND THE PRICE MECHANISM

- The role of money
- Money supply
- Demand and supply

e) THE FINANCIAL SYSTEM

- The composition of a financial system
- Financial markets
- Classification of markets
- Financial market instruments
- Financial Intermediaries

f) COMMERCIAL BANKS AND THEIR FUNCTIONS

- Definition of commercial banking
- Commercial banks and currency issuance
- Importance of commercial banks
- Functions of commercial banks
- Sources of revenue in banks
- Credit creation process
- Changing patterns in banking
- Factors influencing change
- Characteristics of modern banking

g) THE ROLE OF CENTRAL BANKS

- Functions of central banks
- Monetary policy
- Relationship between open market operations and discount rate
- Relationship between open market and statutory reserve requirements
- Central bank independence and effectiveness in monetary policy
- Non independent central banks and effectiveness

h) THE FINANCIAL SYSTEM IN MALAWI

- Development to banking in Malawi
- Financial Institutions operating in Malawi
- Reserve Bank of Malawi
- The role of other financial institutions
- Malawi Stock exchange
- The stock brokers
- The Discount Houses
- Loan guarantees
- Call money
- Local registered stocks
- Negotiable certificate of deposits
- Micro-finance Institutions
- Pension funds
- Important legislation relating the financial sector in Malawi

i) MONEY LAUNDERING

- Definition of money laundering
- Activities that lead to money laundering
- Size of money laundering worldwide
- Indicators of money laundering
- Know Your Customer (KYC) principles
- Elements of KYC standards
- Effects of money laundering on banks and financial institutions
- Money laundering and economic development
- The role of banks in combating money laundering

- The role of government in combating money laundering
- Money laundering and banking

j) CUSTOMER SERVICE

- Background to customer service in the banking industry
- Customers' view point of banking
- Definitions of customer care
- Hints on good customer service
- Attitudes and customer service
- Seven signs of great attitude
- Meeting customer expectations
- Managing people
- Do's in customer service
- Internal and external customers
- Code of banking practice
- Bank statements

7.4.4 Recommended readings

Lewis M.K.A. and Davis, Domestic & International Banking, Philip Allan, London, 1987.

Mzumara Macleans, The Theory of Money & Money and Banking in modern times. Tate Publishing, LCC. 206

Bennett T. McCallum, Monetary Economics Theory and Policy. Macmillan Publishing Company. New York. 1989.

Mishkin Fredrick S., The Economics of Money, Banking, and Financial Markets (4th Ed.). Harper Collins Publishers. 1992.

Reserve Bank of Malawi Publication. Monthly economic Review.

Reserve Bank of Malawi Publication Quarterly Economic Review.

Introduction to Banking Course Manual, Institute of Bankers in Malawi, 2010

7.5 INTRODUCTION TO BUSINESS COMMUNICATION

IOBM-C105

Programme:	Certificate in Banking
Course title:	Introduction to Business Communication
Course code:	IOBM-C105
Level of study:	1
Presented to:	Faculty of Commerce, University Of Malawi
Presented by:	The Institute Of Bankers in Malawi
Lecture hrs/week:	3 x 1 hour
Tutorial hrs/ week:	None
Assessment:	Final Examination 100%

7.5.1 Aim of the study

To develop in students English language proficiency necessary for the communication of information both as students and as professional

7.5.2 Objectives of the study

By the end of the course students should be able to:

- (a) Explain techniques for learning in the most efficient way possible for their present and future academic needs
- (b) Write effective business letters and reports
- (c) Present ideas clearly and persuasively as a situation may demand
- (d) Communicate effectively

7.5.3 Topics of Study

(a) Introduction to Business Communication

- Defining Communication.
- The Communication Process.
- Key Elements in the Communication process.
- Barriers to effective Communication.
- Non-Verbal Communication.
- Levels of Communication.
- Formal and Informal Communication

(b) Creating Effective Messages

- The Message.
- Planning the message.
- Media and channels.
- Choice of the medium.

(c) Communication Skills

- Communication skills.
- Reading Skills.
- Evaluating Information.

- Listening Skills.
- Summarising.

(d) Written Business Communication

- Written Styles.
- Memorandum.
- Business Letters.
- Direct mail and e-mails.
- E-mails.
- Editorial articles and notices.
- Drafting Press Releases.
- Report writing.
- Notes
- Postcards and Reply Cards.
- Fax and Telex messages.
- Designing forms and Questionnaires.

(e) Oral and Face-to-face Communication

- Oral communication.
- Face-to-face Communication.
- Telephone.
- Telephone etiquette.
- Answering a phone call.
- Voicemail.
- Oral Business Presentations.
- Successful speeches.
- The Oral Report.
- Use of visual aids in presentations.
- Making Effective Meetings.

(f) Statistical and Graphic Information

- Collecting statistics.
- Sampling and sampling methods.
- Calculating statistical information.
- Presenting statistical information.
- Charts and graphs.

(g) Technology and Communication

- An introduction to technology.
- Computer Systems.
- Telephone systems.
- Technology and written communications.
- Working with graphics.
- Technology as a channel of communication.
- The Internet technology.
- Measuring effectiveness of online marketing.
- ICT applications in Business.
- Social and employment costs of e-commerce.

(h) Effective Study and Writing Skills

- Time management and strategies.
- Four steps of improving time management.
- Studying Strategies.
- Note taking.
- Writing skills.
- Sources of information and information gathering.
- Drafting.

7.5.4 Recommended readings

Brown L. Communicating and ideas in Business. Practice-Hall

Burton S.H, People and Communication, Longman.

Stanton N, The Business of communicating, Pan Breakthrough Books

Rosa A and Eschholz, The Writers Handbook,

Introduction to Business Communication Course Manual, Institute of Bankers in Malawi, 2007

Programme:	Certificate in Banking
Course title:	Introduction to Economics
Course code:	IOBM-C106
Level of study:	1
Presented to:	Faculty of Commerce, University Of Malawi
Presented by:	The Institute Of Bankers in Malawi
Lecture hrs/week:	3 x 1 hour
Tutorial hrs/ week:	None
Assessment:	Final Examination 100%

7.6.1 Aim of the study

To ensure that students understand the basic principles, concepts, theories and techniques of economics.

7.6.2 Objectives of the study

By the end of the course students should be able to:

- (a) Apply the skill of economic theory to current issues and practical situations
- (b) Analyse reports in the financial press about economic developments, financial markets and their implications for industry and commerce

7.6.3 Topics of study

(a) Nature and scope of economics

- Meaning, scope and subject matter of economics
- Elements of demand and supply
- Elasticity
- Utility analysis of demand and indifference curve analysis
- Costs, revenue and profits; profit maximizing output

(b) Market Structures

- Perfect competition
- Monopolistic competition
- Oligopoly
- Monopoly

(c) Financial environment

- Financial needs and government; the role of money and capital markets.
- Money and credit; the banking system and its institutions; central and commercial banking.
- Demand for and supply of money. Credit creation, interest rates and banking activity.

(d) Government and macroeconomic environment

- Fiscal policy; direct and indirect taxation, principles
- Monetary policy; supply of money and interest policy
- National income, employment and inflation, movement of inflation and price indices
- National income and its calculation; income, output and expenditure

(e) International environment

- Trade and balance of payments
- Foreign exchange; exchange rates; their nature, function and determination
- Trade and its determinants; prices, exchange rates and demand for imports and exports
- Exchange rates systems
- International economic institutions and corporations

7.6.4 Prescribed text

Lipsey, R.G. and K.A. Chrystal (LC). Principles of Economics. Tenth Edition, Oxford University Press, 2005

Lipsey, R.G., Positive Economics, (7th Ed).

Parkin, M., M. Powell and K Mathews (PPM). Economics. Fifth Edition, Addison Wesley, 2003.

Harvey J. Modern Economics. (7th Ed), 1998.

Livingstone & W Ord. Introduction to Economics for Eastern and Central Africa.

Introduction to Economics Course Manual, Institute of Bankers in Malawi, 2010

7.7 MANAGEMENT IOBM-C107

Programme: Certificate in Banking
Course title: Management
Course code: IOBM-C107

Level of study:	1
Presented to:	Faculty of Commerce, University Of Malawi
Presented by:	The Institute Of Bankers in Malawi
Lecture hrs/ week:	3 x 1hour
Tutorial hrs/week:	None
Assessment:	Final Examination 100%

7.7.1 Aim of the study

To ensure that students understand the basic principles, concepts, theories and techniques in management.

7.7.2 Objectives of the study

Upon completion of the course, students are expected to be able to:

- a) Discuss historical development, theoretical aspects and practice application of managerial process;
- b) Explain fundamental concepts and principles of management, including the basic roles, skills, and functions of management;
- b) Evaluate the need for an effective information system
- c) Analyse the need to manage diversity at the work place
- d) Outline the major activities in managing the human resource in an organization

7.7.3 Topics of Study

1: Introduction to Management

- Nature and Types of Organizations
- Managing the Manager's Job
- The Levels of Management
- The Roles and Skills of Management

2: The Development of Management Thought

- Early Views of Management
- Modern Approaches to Management

3: Planning

- Fundamentals of Planning
- Strategic Planning and Organizational Objectives
- Decision-making

4: Organizational Structure and Design

- Organizational Structure
- Organizational Design Decision

5: The Leading Process: Motivation

- Motivating Performance
- Historical Perspectives of Motivation
- Content Theories of Motivation
- Process Theories of Motivation
- Emerging Perspectives of Motivation

6: The Leading Process: Leadership

- Leadership and Influence Processes
- Early History of Leadership
- Power and Leadership
- Popular Leadership Styles
- Situational Approaches to Leadership
- New Perspectives on Leadership

7: Groups in an Organization

- Understanding Groups
- Work Group Behaviour
- Turning Groups into Effective Teams

8: Conflict Management

- Conflict Defined
- Stages and Signs of Conflict
- Advantages and Disadvantages of Conflict
- Causes of Conflict

9: The Controlling Process

- Control in Organizations
- Managing Control in Organizations

10: Managing Information Systems

- Information and the Manager
- Building Blocks of Information Systems
- Determinants of Information Technology Needs
- Basic Kinds of Information Systems
- Managing Information Systems
- The Impact of Information Systems on Organizations

11: Cultural Diversity

- The Nature of Cultural Diversity
- Dimensions of Diversity
- Impact of Diversity on Organizations
- Managing Diversity in Organizations

12: Human Resources Management

- Workforce Planning
- Recruitment
- Training

7.7.4 Recommended readings

- Management, Course Manual, Institute of Bankers in Malawi, 2007
- Griffin, R., Management, (4th ed.), Houghton Mifflin Company, Boston.
- Boone, L.E., and David, L.K., Management, (4th ed.), McGraw-Hill, Inc.
- Robbins, S.P, and Coulter M., Management, (9th ed.), Prentice Hall
- Mullins, L.J., Management and Organizational Behaviour, (5th ed.), Pitman
- Hill, J.G., Contemporary Management. (2nd ed.), Irwin McGraw-Hill

7.8 BASIC PRINCIPLES OF LAW IOBM-C108

Programme: Certificate in Banking
Course title: Basic Principles of Law
Course code: IOBM-C108
Level of study: 1

Presented to:	Faculty of Commerce, University Of Malawi
Presented by:	The Institute Of Bankers in Malawi
Lecture hrs/week:	3 x 1 hour
Tutorial hrs/week:	None
Assessment:	Final Examination 100%

7.8.1 Aim of Study

To provide students with an understanding of the basic principles and concepts of law in Malawi.

7.8.2 Objectives of the study

Upon completion of this Module, students should be able to:

- a) Identify the essential elements of the legal system, including the main sources of law and divisions of law in Malawi.
- b) Recognise and apply the appropriate legal rules relating to the law of obligations.
- c) Explain and apply the law relating to employment relationships.
- d) Distinguish between alternative forms and constitutions of business organizations.
- e) Explain and apply the principles and rules of Commercial Law.
- f) Demonstrate an understanding of governance and ethical issues relating to business.

7.8.3 Topics of study

A. ESSENTIAL ELEMENTS OF THE LEGAL SYSTEM IN MALAWI

a) Historical Background

- Definition of law and how it developed
- Basic legal concepts
- Types of law

b) Sources of Law

- Legislation
- Classification of Statutes
- Rules of Interpretation
- Judge Made Law
- Other Sources of Law
- Summary and Relevance to Banking

c) The Court System in Malawi

- The Supreme Court of Malawi
- The High Court of Malawi
- The Commercial Court

- The Industrial Relations Court
- The Constitutional Court
- The Magistrates Court
- Other Courts

d) Human Rights

- Definition of Human Rights
- Human Rights Law under the Constitution of Malawi.
- Summary and Relevance to Banking
- Self-Assessment Questions

B. BRANCHES OF THE LAW

Introduction

e) Criminal Law

- 7.1 What is Criminal Law?
- 7.2 Elements of a Crime
- 7.3 Theft and Conversion

f) Law of Torts

- 8.1 Introduction
- 8.2 Torts to the Person
- 8.3 Interference with Goods
- 8.4 Trespass to Land
- 8.5 Other Torts
- 8.6 Defenses

g) The Tort of Negligence

- What is Negligence?
- The General Duty of Care
- Elements of the Duty of Care
- Banks in Tort Law: Professional Negligence
- Cases

h) Law of Real Property

- Introduction
- Leaseholds Customary Land and other Interests
- Introduction to Law of Security
- Borrowing and Lending

i) Contract Law

- Definition
- Elements of a Contract
- Terms of a Contract
- Formation of a contract

- Breach of Contract and Remedies

j) Employment Law

- Nature of a Contract of Employment
- Rights and Duties of Employer
- Rights and Duties of Employee
- Dismissal and Redundancy
- Summary and Relevance to Banking
- Self-Assessment Questions

C. FORMATION AND CONSTITUTION OF BUSINESS ORGANISATIONS

k) Partnerships

- Nature of Partnerships
- Formation of Partnerships
- Management of Partnerships
- Duties and Rights of Partners
- Dissolution of Partnerships

l) Cooperative Societies

- Nature of Cooperative Societies
- Types of Cooperative Societies
- Formation of Cooperative Societies
- Management of Cooperative Societies
- Dissolution of Cooperative Societies

m) Companies

- What is a Company?
- Types of Companies
- Formation of Companies
- Management of Companies
- Corporate Finance
- Dissolution of Companies
- Summary and Relevance to Banking
- Self-Assessment Questions

D. COMMERCIAL LAW

n) Agency

- Definition and Role of Agents
- Creation of Agency
- Authority of Agents
- Position of Third Parties
- Rights and Duties of Agents
- Termination of Agency

o) Sale of Goods

- The Contract of Sale
- Performance of the Contract

- Responsibilities of Seller and Buyer
- Breach of Contract of Sale

p) Negotiable Instruments: Bills of Exchange

- Introduction
- Negotiability
- Definition and Form of a Bill
- Consideration for a Bill
- Negotiation of Bills
- General Duties of the Holder
- Liabilities of Parties
- Discharge of a Bill
- Acceptance and Payment for Honour

q) Cheques and Promissory Notes

- Cheques on a Banker
- Crossed Cheques
- Promissory Notes
- Summary and Relevance to Banking
- Self-Assessment Questions

E. GOVERNANCE AND ETHICAL ISSUES

r) Corporate Governance

Introduction
Corporate Governance Code

s) Money Laundering

- What is Money Laundering?
- Nature of Money Laundering
- Legal Control over Money Laundering

t) Corrupt Practices

- Introduction
- Offences under the Corrupt Practices Act
- Elements of the Offences
- Investigations
- Prosecution
- Summary and Relevance to Banking
- Self – Assessment Questions

Practice Questions

Model Answers

1. Prescribed Textbooks

Machika M, The Malawi Legal System: An Introduction (Zomba: University of Malawi, 1983)

Chilumpha C, Introduction to Company Law (Blantyre: Commercial Law Centre 1999)

Major W, Basic English Law, (London: Macmillan Education Ltd, latest edition)

Institute of Bankers in Malawi, Basic Principles of Law: Course Manual 2009

2. Recommended Reading Lists

Bills of Exchange Act Cap 48:02 of the Laws of Malawi

Companies Act 1984

Constitution of the Republic of Malawi

Cooperative Societies Act 1998

Courts Act 1958

Employment Act 2000

Partnership Act 1967

Sale of Goods Act Cap: 48:01 of the Laws of Malawi

Attiya, Sale of Goods (London: Longman 2005)

Harrison T et al, Business Law (London: Business Education Publishers Ltd 1994)

Lowe R, Commercial Law, (London: Sweet and Maxwell, Latest Edition)

Morse, Partnership Law, (Oxford: Oxford University Press, 2006)

Hooley Richard. Commercial Law. (2000) Butterworths, London.