

## **Amando M Tetangco, Jr: A job well done, all things considered**

Closing remarks by Mr Amando M Tetangco, Jr, Governor of the Central Bank of the Philippines (Bangko Sentral ng Pilipinas), at the BSP's Mid-year Organizational Performance Review Session, Manila, 23 August 2008.

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Members of the Monetary Board, fellow central bankers, good afternoon.

During last year's planning session in Baguio, we agreed to adopt the Scorecard as our means of setting targets and measuring performance. This is therefore our first mid-year organizational performance review using the commitments forged last year as basis for our assessment.

I trust that you find it a useful and effective gauge of where we stand relative to our mission, how our stakeholders perceive us, and how our business, learning and growth processes fared in terms of responding to our desired results.

The question is how exactly did we fare, over all? Well, I am sure everyone here has an answer to this question.

The way I look at it, we did well, all things considered.

If you recall, we set our commitments last year at a time when our economy was on its way to hitting its best GDP growth rate in 31 years and inflation eventually averaging out at 2.8%, the lowest annual rate in 21 years. At that time, we used the word benign to describe inflation.

How fast things changed: in July 2008, inflation rate hit 12.2%, the highest in 17 years. As Cyd described it, Asia is at the epicenter of the surge in inflation. Nevertheless, ours is far better than inflation rates of over 20% in other Asian countries. While we have our share of detractors, it is a fact that the Bangko Sentral continues to be recognized for its ability to temper inflation despite severe supply shocks.

In the field of banking, we continue to reap the benefits of remaining faithful to our reform agenda. In fact, Philippine banks have emerged stronger and better-capitalized, at a time when even global financial giants are crippled by severe losses from the continuing turmoil in the financial market. This is the result of political will on the part of the Monetary Board and the rest of the Bangko Sentral to ensure that our banks adhere to prudential standards. Comprehensive and thorough examination reports prepared by our examiners provide solid underpinnings for our decisions and actions and they are able to produce such, even when they are being subjected to pressures and threats.

Indeed, we are fortunate to have world-class and courageous central bankers – people of integrity.

I will say this again: while there are still many areas for improvement at the Bangko Sentral, our circles of excellence continue to expand and grow, at MSS, at SES, at RMS, at SPC and at the EMS. I hope this positive trend will continue at a more accelerated pace.

If we accomplish this, then we can serve our public better. Among others, the results of NSO's public perception survey on the BSP provide us useful guides on where we can further improve our services, using the regional breakdown as starting point. Indeed, continuously finding better ways of doing things is one attribute we should nurture at the Bangko Sentral.

The CPO is one such example. This year, it added a new dimension to our environmental assessment: a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis with a "twist" the Strategy Cafe. Helen characterized it as a series of "no holds barred"

conversations around specific questions that were formulated to generate fresh perspectives on where we are and the way we do things.

For me, there were two things that stood out from Helen's recounting of the highlights of the Strategy Café discussions.

First, the consensus among the participants that the best asset of the BSP is its people; and

Second, that we are making progress in addressing long-standing concerns including slow hiring and procurement. We should communicate these improvements to our people and stakeholders, so that perception and reality will be aligned.

Of course, even as we continue to make progress, our work never really ends as the environment where we operate is never static; rather, it is dynamic and constantly changing.

At times like this, "doing more of the same" does not cut it. We need to be strategy-focused and results-oriented. I know there is so much work we have to do. That you and your staff sometimes or many times forego family time because of work. We should be able to discern which process or strategy works and discard those that have become a burden. Nurture the spirit of teamwork and collaboration. Of solidarity. Together, set clear priorities. By doing so, we also protect the well-being of our people, our most important resource.

Let us foster a supportive working environment in the BSP that is based on trust and collegial respect, grounded on the conviction that everyone has something to contribute to the organization.

At the same time, let us always be mindful of protecting and strengthening our institution through risk based management and ensuring efficient resource management, among others. We should work on strengthening our financial position so we can pursue our mandate more effectively. The RMS sector under Andy Suratos has led the way by implementing a bankwide energy conservation program for which we have been awarded a five-star rating of 97%. Think BSP.

Fellow workers at the Bangko Sentral. You have within you, we have within us, the capacity to make things better for our institution and for our country. Our mandate empowers us to serve through responsive monetary and banking policies. Let us therefore remain united in working on our vision of a better life for all Filipinos.

Finally, on behalf of the Members of the Monetary Board, I thank all of you for a job well done in the first half of the year, all things considered. Let us also congratulate and thank CPO for organizing this insightful midyear organizational performance review session, and acknowledge all the other departments and offices that have provided support to this undertaking.

Mabuhay ang Bangko Sentral! Mabuhay ang ating bansang Pilipinas! Maraming salamat sa inyong lahat!

Let's enjoy the rest of the evening.