

## **Amando M Tetangco, Jr: Organizational performance review**

Closing remarks by Mr Amando M Tetangco, Jr, Governor of Bangko Sentral ng Pilipinas (the central bank of the Philippines), at the 2010 Mid-Year Organizational Performance Review Session, Manila, 8 July 2010.

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We may have missed the splendid view of the beaches of Cebu, or the pine-scented Baguio breeze, or the gentle winds of Tagaytay but I was captivated by your display of the same diligence and hard work during this past day and a half as we paused and pondered on what is essential to effectively deliver our mission. In 2007, we committed to regularly review our scorecard to ensure that we sustain BSP's credibility and relevance in the context of the new global, regional and domestic landscape.

### **Celebrating our successes**

#### ***Meeting our targets***

At this point, I wish to commend the hard work and dedication of the BSPers in meeting our performance targets. Evidently, we are on track. We have met and even surpassed some of our targets for the year. I extend my congratulations and thanks to the collective efforts of management and staff of the Monetary Stability Sector; the Supervision and Examination Sector; the Resource Management Sector; the Security Plant Complex; and the Executive Management Services.

On our institutional mandates, we are on course as actual inflation for the first semester is well within our target for 2010; and while actual values of our performance have yet to fully reflect our achievements, we continue to make progress in addressing operational gaps in our supervisory actions and examination related deliverables.

Our pursuit for operational excellence is driven by our continuing efforts to align our business processes with international standards and best practices. We have pushed for innovative approaches to managing and developing our people.

#### ***Receiving stakeholder affirmation***

We believe that our good performance eventually reached the minds of the public we serve. Our stakeholders have spoken and we are happy to be affirmed that we have their trust and confidence as evidenced by a high net approval index of 76.6% and a qualitative rating of "good" based on the 2009 BSP Public Perception Survey Report. Similarly, in a survey among our business partners we garnered a high net approval rating of 83%, which shows that BSP is a good business partner and our integrity is highly regarded by them.

#### ***Laying the groundwork in good governance and in organizational enhancement***

We have also focused on efforts to improve our enabling processes in strengthening good governance and enhancing our corporate culture. With our frameworks for governance, risk management and organizational enhancement in place, assessments on where we stand in these areas are nearly completed. We are finalizing our roadmaps toward a Bangko Sentral that exhibits governance principles which are highly integrated in our policies, systems, processes and practices; a Bangko Sentral that exemplifies a values-based culture, with men and women of inspiring leadership, dynamic, achievement-oriented, and acting as one team.

## **Revisiting the fundamentals – BSP’s mandate**

As the end of our strategic plan draws near, fundamental questions emerge as we respond to new challenges relating to our mandate. During this past day and a half, we also engaged in a strategic dialogue on how we would like to position BSP, the country’s lone monetary authority, in the next medium term.

Our engaging dialogue on the assessment of seventeen years of monetary policy at the BSP highlighted key issues such as the financial stability dimension of price stability, the operating environment and practice of inflation targeting in emerging market economies like the Philippines, and the approach in responding to asset price bubbles.

We also had a spirited discussion on the complexity, impact and requirements of pursuing financial stability in bank supervision, BSP’s relationships with other regulators, monetary policy and payments and settlements. In this connection, we also looked into the challenges in the payments and settlements system in the context of meeting our goals of monetary and financial stability, as well as in achieving economic efficiency.

## **Focusing on the homestretch**

We are on the final leg of the journey. Apart from the sense of urgency this evokes, this reality prompts us to heighten our teamwork and to collaborate more to guarantee our strategic success. Looking at our scorecard, the “reds” and “yellows” pointed out the areas of concern that need the attention of the entire organization – the Monetary Board, management and staff. We said that we are a strategy-focused and results-oriented organization, and we are determined to prove this true.

Let us focus our energy to the implementation of the strategic initiatives that will contribute to the attainment of our targets in the medium-term plan. Let us continue our efforts in closing the gaps and in addressing the overlaps to achieve the synergy we desire within the organization and in our relationships with external partners. We will deliver on our promise.

In staying true to our commitment for continuous improvement, let us keep in mind what our stakeholders have expressed in terms of areas that still fall short of their expectations. Let us draw up measures to effectively address these gaps in our roadmap.

## **Fortifying the BSP team for the next medium term**

As we set our minds on the immediate tasks at hand, let us not lose sight of the future, which we need to plan for strategically. We end our planning exercise today with a question: “Is the BSP poised to face the advent of a new period in central banking, both in the global and regional fronts?” With our ideals as an institution encapsulated in our new BSP logo, we usher the next medium-term with our continuing pursuit of becoming a world-class monetary authority, with high degree of professionalism and open mindedness to the changes that comes with the evolving demands for best practices in governance and service delivery.

On behalf of the Monetary Board, I affirm our support to management. Pursuing our mandate is not an easy task as it requires not only the high-level of competence the BSP is known for, but also strength of character and a courageous heart to protect and contribute to a better quality of life for Filipinos. We may have our share of disappointments and discouragements in the conduct of our work, but at the end of the day, we find fulfillment in the fact that we have served our stakeholders well. I urge everyone to continue to help one another in doing our task and with God’s blessing see it through its completion. I congratulate all of you and the organizers of this year’s performance review and planning event for a job well done.

Thank you and enjoy the rest of the weekend.