

## **Lawrence Williams: Leveraging central banks' IT investments for strategic advantage**

Opening remarks by Mr Lawrence Williams, Governor of the Bank of Guyana, at the conference of regional central banks' information systems specialists, Bank of Guyana, Georgetown, 4 June 2012.

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Chairman

Deputy Governor

Banking Manager

Deputy Programme Manager, Information and Communication Technology, CARICOM Secretariat

Conference Delegates

Directors and other Staff members of the Bank of Guyana

Invitees

I wish to join with the Chairman in welcoming you to this opening session of the Conference of Regional Central Banks' Information Systems Specialists. A warm welcome is extended to those of you visiting Guyana and more so to those of you visiting for the first time. A special welcome is also extended to Ms. Jennifer Britton who has taken time off her demanding schedule to present the Conference Keynote Address.

The Bank of Guyana deems it a privilege to be hosting the Conference of Regional Central Banks' Information Systems Specialists for the second time in the history of the Group. We are grateful for the fact that nine central banks accepted our invitation to participate in this conference. I thank you for graciously accepting our invitation. It is my fervent hope that the activities over the next five days will provide a good opportunity to engage in the sharing of ideas and experiences, as well as to gain new insights that would be beneficial to the wellbeing of your respective information technology functions in particular and, by extension, the institutions you represent.

The theme of this conference "Leveraging Central Banks' IT Investments for Strategic Advantage" is apt given the increasing reliance of central banks on information technology services to support their operations. Information Technology competes with other areas of the central bank's activities for the allocation of scarce resources. It is only proper, therefore, that the investments made in the domain of information technology must be able to deliver a return that meets or exceeds that which would have been provided by the other alternative avenues to which those resources could have been applied. In the final analysis, the information technology function is required to contribute to the organisation achieving specific outcomes in pursuit of its mission in an ever-changing local, regional and international landscape by connecting personnel, business processes and data. I believe that these expectations are shared by all our central banks in the region.

Putting together an information technology services organisation can be a considerable undertaking that requires the investment of significant levels of financial resources to procure the right people, processes and technology. For this reason, from a management perspective, it is imperative that the investment gives the organisation value through improved productivity and efficiency, enhanced customer experience, reduced costs, substantial risk mitigation, better compliance and business continuity.

At the Bank of Guyana, we have made considerable investments in the area of information technology over the years and continue to do so. Despite their cost magnitude, we persist

with these investments because we believe that once properly leveraged they will enable the organisation to do more with less by: (i) increasing staff efficiency and productivity; (ii) strengthening relationships with the organisation's customers; and (iii) fostering more effective collaboration with various business partners to quicken the speed at which data that is required for decision-making can be provided. In striving to achieve these goals, we are exposed to the likelihood of being affected by the major risks that are attendant with information technology use. Consequently, the institution continues to allocate resources to: (a) make its information systems and the supporting technical infrastructure more reliable and resilient; and (b) protect the integrity of the institution's data assets.

Achievement of the foregoing objectives is heavily dependent on all information technology-related activities and investments being channelled in a manner that is consistent with the organisation's goals and needs – the so called IT/business alignment challenge that appears to be so elusive in many cases. Here, from a management oversight perspective, one cannot overemphasise the necessity of embracing governance mechanisms that are fit for purpose. To remain relevant, the information technology function must continually evaluate and if necessary enhance its existing capability to ensure that it can meet the requirements of core business processes while being in tune with the current and envisaged directions of the organisation. As needs and roles change, the organisation must be able to customise its information environment and modify its processes in response. This practice forms a good base to pursue new information technology initiatives.

Allow me to share with you several prescriptive pointers which I am sure that you have heard several times before and are probably guided by these and similar practices in your respective central banks. Notwithstanding, the familiarity, I believe that it is appropriate for me to repeat them at a forum such as this. During the course of this week, as you deliberate on how to ensure that your organisation's information technology investments remain appropriate, I encourage you to be guided by the following pointers which are self-explanatory:

- Understand the value of your organisation's data and tie information technology investments to the value of that data.
- Tie information technology investments to factors that provide strategic value.
- Understand the business issues that affect the organisations you serve to the point that they become second nature.
- Develop expertise in areas of business so that you can better contribute to the enhancement of the various business functions in your organisation through the application of information technology.
- Remain in a continuous state of dialogue with various areas of the organisation to facilitate shared learning that can eventually translate in the deployment of information technology in a manner that is in line with the organisation's strategic directions.
- Capture the value of information technology-related projects, and adjust these projects wherever necessary, to ensure that they deliver promised value.
- Create a learning environment where the information technology function and other areas of the organisation provide feedback to each other which is then used to inform information technology action plans that are intended to provide strategic value.
- Consider the business implications of systems. How could the technology be used to execute/enable important business processes?

In closing, I wish to reiterate my expectation that the presentations, deliberations and workshop over the next five days would equip you with greater insights that will enable you to

contribute to your organisations making better use of their existing and future information technology investments. Best wishes for fruitful deliberations. May your stay here with us be a happy and memorable one! To our visitors I trust that you will use every opportunity to experience the warmth of Guyanese hospitality.

Welcome once again to all of you.

I now declare this 22nd Conference of Regional Central Banks' Information Systems Specialists open.