

Governor's Message

The SBP-BSC since its creation in January 2002 has made significant progress towards transformation into an efficient and customer friendly institution. The Change initiatives, particularly those taken during the last couple of years under the leadership of its Ex MD, have started paying dividends in the form of improved institutional capacity to undertake its assigned functions. This is, however, just a beginning in the right direction and the new MD and his team will have to make concerted efforts to build upon the good work done by his predecessor to achieve the turnaround in the BSC.



I am of the view that BSC management should make a detailed review of its existing role and mandate to further improve its alignment with SBP strategic objectives. I am pleased that the Organizational Development Consultant hired last year to make an assessment of the BSC's functional direction and its institutional capacity, has since submitted its report, which may form the basis for enriching the BSC's existing job profile. The BSC management's plan to organize a strategic management conference during FY10 is also a step in the right direction that would enable it to have more clarity on BSC's future role and mandate as well as its capacity building needs.

I would like the BSC field offices to position themselves as the focal points in their respective regions for dissemination and implementation of all SBP policies and initiatives. They should keep an eye on the key developments in economic and business environment in their regions and prepare periodical briefs on all such developments, which may help SBP in better aligning its initiatives with the ground realities. I am pleased that the BSC is already complimenting the SBP efforts for broadening and deepening of the financial system through awareness programs, strengthening consultative mechanism at grassroots level and conducting market studies and surveys. However, the areas like exchange companies' monitoring and consumer protection also need to be evaluated for a possible BSC role in improving the SBP regulatory oversight of exchange companies as well as enabling the banking industry consumers to have fair deals from banks. Similarly, despite significant improvement in the currency management function during the last couple of years, there is a need to continuously monitor the quality of notes in circulation, particularly of smaller denomination, to ensure timely withdrawal of soiled notes and their replacement with fresh or good quality re-issuable currency notes. This would also help the BSC in further strengthening its drive to propagate and implement the Clean Note Policy.

The limited focus on training and development particularly during the initial 3-4 years and non-induction of fresh graduates and professionals has resulted into substantial gaps in the skills mix and competencies of BSC employees. While the management has formulated a comprehensive training and development strategy to bridge the skill gaps, the BSC Board has also approved the BSC management's proposal for hiring of fresh graduates under its Young Professionals Scheme. I am confident that the commencement of fresh inductions in

BSC would not only be instrumental in bridging the skill gaps but would also hasten the pace of change in BSC.

Lastly as the Chairman of the BSC Board of Directors I assure my full support and ownership of the change initiatives taken/being taken by the BSC management for bringing a turnaround in BSC.

Syed Salim Raza
Governor SBP