

## Message from Governor, SBP – Chairman, Board of Directors of SBP BSC

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SBP Banking Services Corporation was created under an Ordinance in 2001 as an operational arm of the State Bank of Pakistan, but its governance structure remained under close supervision of SBP. However, I strongly believe that there should be a balance between independence of a subsidiary, based on its operational and functional responsibilities, and supervision by the parent company. Accordingly, I have made concerted efforts to enrich SBP BSC's governance framework through independent Board meetings with exclusive focus on improvement of policy framework and systems, suited to its requirements, thereby allowing enhanced operational efficiency to the subsidiary. Moreover, the meetings of Corporate Management Team (CMT) are being held on a regular basis, which provide a principal forum in critical policy formulation and resolution of operational issues of both SBP and SBP BSC. We have also started to inculcate a system of professional decision making, transparency and accountability in both the organizations through effective delegation of responsibilities and clearly defined limits of authority at all levels. This system will further strengthen the motivation and commitment of the employees for achieving our overall strategic goals.



I am happy to note that during the year under review, SBP BSC has been able to develop a framework of critical policies that include Promotion Policy, Training and Development Policy, Higher Education Policy, Professional Development Incentives, Contractual Employees Hiring Policy and Absorption Policy along with amendments in the existing Deputation Policy. Further, management of SBP BSC steered the promotion process across the organization in a smooth and transparent manner that provided career development opportunities to its officers and staff. Moreover, continued emphasis on automation, particularly in General Banking, Currency and Exchange Management through use of technological innovations, has further strengthened these areas of operation.

I am pleased that SBP BSC, in addition to its core responsibilities, has been complementing the efforts of SBP for broadening and deepening of the financial system. However, this is just a beginning in the right direction. The Managing Director (MD) SBP BSC and his team should continue to make concerted efforts to build upon the good work and raise the bar further so as to meet the expectations of all the stakeholders. As part of its initiatives, SBP BSC should adopt critical plans to strengthen Human Resource (HR) base, improve motivation and enhance efficiencies through rationalization of HR capital. I am of the view that with these initiatives, the subsidiary would be able to carry out its functions with new zeal, commitment and optimum efficiency.

With the recent launch of SBP's Strategic Vision 2020, SBP BSC would need to remain continuously engaged towards alignment of its services with SBP's strategic goals and tactical objectives. I expect that the strategic planning exercise of SBP BSC would deliver positive results. The new Strategic Plan is likely to help the management to develop a road map with clear milestones and bring about more clarity on SBP BSC's future role, so as to expand its mandate in line with SBP's strategic goals.

I would like to express my gratitude to SBP BSC's Board of Directors for the support and cooperation in further aligning the role of SBP BSC as per its mandate. While appreciating the efforts of the management and staff of SBP BSC, I would urge upon all of them to make best endeavors towards achieving common goals of SBP and SBP BSC.

**ASHRAF MAHMOOD WATHRA**

Governor, SBP

Chairman, Board of Directors of SBP BSC