

V. STRATEGIC DIRECTION OF THE SEACEN CENTRE

Motivation

Since its establishment in 1982, The SEACEN Centre had undergone significant changes in its membership and activities. The membership has grown from eight member central banks to sixteen members stretching across the Asia-Pacific region. The increasing number of members at different levels of economic development and with different needs, together with the changing regional and global environment, has presented several challenges to The SEACEN Centre as it performs its functions and continues to be useful and relevant to all member central banks and the region.

To address these challenges, several reviews had been conducted on The SEACEN Centre's operations, performance and direction. The most significant review was conducted in 2001. The outcomes of this strategic review were discussed at the 20th SEACEN Board of Governors (BOG) Meeting in Singapore in June 2001, resulting in, among others, major changes in direction and focus of the SEACEN activities. The BOG decided that training should be the principal activity of The SEACEN Centre, and should focus on areas that have practical applications in central banking, i.e., monetary policy, banking supervision and payment and settlement systems. For research, The SEACEN Centre should act as network provider or clearing house, rather than originator of research.

To reflect the above SEACEN BOG policy, the vision and mission statements were formulated to provide overall guidance for future operations of The SEACEN Centre. The Board of Governors at its 24th Meeting on 2 June 2005 in Nadi, Fiji approved the vision, mission, shared values and key performance indicators. The Vision Statement states that The SEACEN Centre will be the premier training centre for central banks in the Asia-Pacific region. The Mission Statement states that as a provider of excellent training, The SEACEN Centre is committed to provide (i) comprehensive and high quality training for central bankers to develop their skills, knowledge and expertise in the conduct of central banking, and (ii) high quality research on issues of regional importance to central banks which are of relevance to training activities.

The SEACEN Board of Governors (BOG) at its 25th Meeting in Brunei Darussalam in 2006 approved the Implementation of Strategic Direction of The SEACEN Centre, which outlined the implementation plan including the Five-Year Plan (FYP) to conduct activities as identified in the Strategic Direction. As the implementation of the strategic direction is a dynamic process that requires constant reviews and adjustments, the BOG empowered the EXCO to conduct a review of the implementation plan annually and report the results to the BOG.

Implementation of the Strategic Plan

◆ SEACEN's Three Phase Journey

Operating Year 2006/07 marked the first year of implementation of the Five Year Plan (FYP) in the Centre's journey to become a premier regional training centre in the Asia-Pacific region. Based on the Strategy Map, this journey is marked in 3 phases, starting with the reorientation of focus, continuing with quality improvement, and moving on with institutionalisation of the improvements made. This journey is envisaged to transform The SEACEN Centre from being a training coordinator to learning consultant. Details of the Strategy Map and SEACEN Three Phase Journey Map are provided in Chart 6 and 7.

◆ Final Year of Strategic Direction

The Operating Year 2010/11 sees The SEACEN Centre enter into the fifth and final year of its first Five-Year Plan (FYP). For all intents and purposes the Centre has put into concrete action all the plans in the FYP and has additionally taken new initiatives to ascertain it is on the right path to becoming a training centre of choice for the Asia-Pacific region.

As the Centre prepares to come out with the next medium-term strategic plan, it will take stock of all the experience that have been garnered in its journey thus far so that it will be better equipped and prepared for increasing its regional relevance and institutional growth.

For the last year in the FYP, The SEACEN Centre has continued to focus its strategic initiatives in fulfilling the stakeholders' expectations. In this regard, efforts have been enhanced in six critical areas: high quality learning solutions; high quality research and case studies; close networking and alliances among central banks; strategic

collaboration for quality, branding and resource leverage; measurement on impact to business needs; and human capital management and development. These initiatives are undertaken in addition to the 28 training events, 5 research projects, 9 case studies and 6 meetings covering the core central banking functions.

In OY 2010/11, key initiatives that will be undertaken by The SEACEN Centre include the following:

High Quality Learning Solutions

◆ Continuous Refinement of Curriculum Approach to Provide Structured Learning

To deliver its learning solutions, the Centre adopts a curriculum approach to provide structured learning via key knowledge blocks for core central banking areas, to better reflect a sequential pedagogical approach, creating better linkages for learning programmes offered by the Centre. The knowledge blocks are refined continuously to enable a better and more guided learning plan to ensure relevancy.

◆ Align Learning Strategies with Business Needs

To create an effective learning strategy, The SEACEN Centre must understand what senior leadership of member banks are trying to achieve, and the alignment with member banks' business goals is a critical success factor. This necessitates a robust learning needs assessment and analysis process.

The SEACEN Centre will enhance the learning needs assessment and analysis (LNA) process by improving the steps, approach and methods involved in the process. To facilitate the process, The SEACEN Centre will be introducing additional data collection methods, including the use of questionnaire, surveys, interviews, focus groups, observations and other methods appropriate to SEACEN member banks. The SEACEN Centre will continue to seek the collaboration from member banks in providing the necessary resources and in supporting the new initiatives in aligning the learning strategies to member banks' performance needs.

◆ Refining Roles of SEACEN Advisory Groups (SEAG), Visiting Research Economists (VRE) and Subject Matter Experts (SME)

In advancing SEACEN's vision and mission to be a provider of excellent training with high quality training and research, The SEACEN Centre has been leveraging on member banks' expertise and experience to analyse learning needs of member banks as well as to design, develop and deliver learning programmes to meet the performance needs of member banks. To further support the SEACEN strategy in achieving high quality learning solutions and high quality research and case studies, the Centre plans to define and streamline the roles of SEACEN Advisory Groups (SEAG), Visiting Research Economists (VRE) and Subject Matter Experts (SME).

SEACEN Advisory Groups (SEAG)

The concept of SEAG was first discussed at the DORT Meeting in 2008 and followed up at the 2009 Meeting. Briefly, the SEAG's roles and responsibilities are to align learning needs (both training and research) to support member central banks' performance requirements and to review the results of learning programmes and research projects. As each SEAG comprises a small group of senior directors/heads of departments, its operations will be more effective, efficient and flexible. The formal meetings will ride on the Directors' Meetings held annually. It is envisaged that the SEAG will be set up for each block of core knowledge, namely MMPM, FSS, PSS, and HR.

Visiting Research Economists (VRE)

To further enhance the critical role of the VREs in providing research support to training, the roles of VREs will be refined and streamlined. In addition to conducting research projects and modifying the research output as case studies and learning materials for SEACEN learning programme, the VREs may provide assistance in developing and designing the learning programme, as well as facilitating in the relevant learning events and research workshops as speakers or facilitators of case studies.

Subject Matter Experts (SME)

Another key strategy to support high quality learning, research and case studies is to engage the SMEs, who will play a key role in developing specific case studies as identified by the Department of Learning, Design and Development (DLDD). The SMEs may also assist in designing and developing learning and research programmes, developing curriculum, serving as speakers/module director/case facilitator, and conducting programmes based on training needs leading to improvement of learning solutions and capacity building of SEACEN staff.

✦ Leverage on Technology in Implementing Blended Learning Approach

For greater effectiveness, The SEACEN Centre has been adopting blended learning to create a dynamic learning environment to achieve greater impact in learning. In OY 2010/11, The SEACEN Centre will continue to use the blended learning approach in the learning programmes, where appropriate. Blended learning programmes will leverage on pre-course engagements, interactive face-to-face learning sessions and post-course follow-up on goals achievement and progress of action plans. In OY 2010/11, The SEACEN Centre will further leverage on e-learning modules from the FSI Connect for learning programmes in the areas of financial stability and banking supervision as well as payment and settlement systems.

✦ Initiatives to Provide On-line Learning

In view of the pressing needs to train new recruits of member central banks, especially those that currently require high intake of new staff, the EXCO suggested that The SEACEN Centre initiate an on-line central bank orientation programme. It is hoped that such a programme could reach greater number of participants at lower cost to member banks.

✦ Leverage on Sasana Kijang's Facilities

In addition, the future relocation of The SEACEN Centre to Sasana Kijang, which is well equipped with in-built technological and audio-visual capabilities in its training labs and Knowledge Management Centre, will enhance the Centre's capacity to further leverage on technology and enable the Centre to adopt new approaches to create learning solutions that are more impactful. In addition, on-line facilities and reading resources at the Knowledge Management Centre will enable SEACEN staff, country researchers and participants to gain access to critical information and knowledge assets. The Centre also plans to capitalise on Sasana Kijang's conference facilities in conducting collaborative research workshops and high-level conferences.

High Quality Research and Case Studies

✦ Enhancement of the Research Process

To further enhance the quality of research projects and case studies, the Department of Research and Learning Contents (DRLC) will undertake more in-house research for better focus. With the formalisation of the SEAG to assist the Centre in aligning SEACEN activities to business needs of member banks, the Centre would be given greater flexibility to decide on research topics which are relevant to training and also to introduce the "just-in-time" research project to meet the demands of the rapidly changing regional and global environment.

✦ Knowledge Partnership with SMEs in Case Study Development

To capitalise on the rich experience of member banks, the Centre plans to engage SMEs including retired and ex-central bank officials to develop specific case studies relevant to learning programmes. The pool of SMEs will be widened to include other non-central banks such as the academia as necessary and appropriate.

◆ Enhancement of Linkages to Training

Research activities will continue to be strategically linked to training with a view to enhancing the effectiveness of training activities as required in the Five-Year Plan (FYP). In this regard, the Centre plans to enhance coordination of the research and learning departments in identifying topics on research and case studies. The research staff will also be more involved in the designing and delivery of learning events.

Close Networking & Alliances among Central Banks

◆ Publication of Member Bank Papers

To further widen dissemination of SEACEN research output and facilitate the sharing of knowledge among SEACEN member central banks and the public, researchers from member banks will be invited to submit research papers to The SEACEN Centre to be posted as working papers at the SEACEN Website. This initiative will provide a conduit for researchers in the member central banks to publish and share their research papers with the SEACEN community and beyond.

◆ Increasing Leverage on High-level Meetings

The Centre will continue to use the high-level meetings to promote the sharing of information, experiences and ideas, as well as networking among member central banks. The practice to organise a seminar back-to-back with a high-level meeting, and the use of high-level meetings for suggestions and feedback on SEACEN activities will continue with further refinements on the processes. The Centre also plans to increasingly use the high-level seminars and meetings to share the key findings of its research projects.

Strategic Collaboration for Quality, Branding and Resource Leverage

◆ Wider Dissemination of Seacen Research Output

To widen dissemination of SEACEN research output, and to build the SEACEN brand as the Centre producing high quality research on issues of regional importance to central banks, the Centre has formulated a publication strategy to be implemented in OY 2010/11. In this regard, The SEACEN Centre proposes to approach a few reputable external publishers for joint publications of selected research papers that are of high quality. This initiative will not only facilitate global marketing, but also motivate the project leader (VRE) and country researchers to produce quality research reports. The stringent review process of the external publishers will also serve as another layer of external review. In addition, the Centre plans to list its research publications in the public-access database for wider public access. In this regard, the Centre will list its research publications in RePEc (Research Papers in Economics), which is a volunteer-driven public-access database that promotes scholarly communication in economics and related disciplines.

◆ Knowledge Management Initiatives

In a dynamic and ever-changing environment, The SEACEN Centre recognises that free and open knowledge sharing is critical to the achievement of its vision and mission to becoming a premier regional centre for central banking. In this light, knowledge management is envisaged to play a key role in strategic collaboration for resource leverage, as well as SEACEN branding. The main objectives of KM initiatives going forward in OY 2010/11 would be to (i) create a working environment where knowledge and experience can easily be shared; and, (ii) enable information and knowledge to emerge and flow to the right people at the right time so they can act more efficiently and effectively.

To leverage on Bank Negara Malaysia's Sasana Kijang (SK) and Knowledge Management Centre (KMC) technology for critical on-line business processes, information and knowledge assets, proper integration of ICT applications with SK and KMC is required. Thus, the Centre has embarked on an IT assessment exercise with technical assistance from the IT Department of Bank Negara Malaysia. The exercise also aims at formulating an ICT Strategy Plan for The SEACEN Centre.

Table 6 FIVE YEAR PLAN

	1st Year OY 2006/07	2nd Year OY 2007/08	3rd Year OY 2008/09	4th Year OY 2009/10	5th Year OY 2010/11
I. TRAINING					
1. Leadership	<ul style="list-style-type: none"> • TC Seminar • Flagship - CBMP II 	<ul style="list-style-type: none"> • TC Seminar • Flagship - CBMP I - CBMP II 	<ul style="list-style-type: none"> • Flagship - CBMP II - CBMP III 	<ul style="list-style-type: none"> • Flagship - CBMP I - CBMP II - CBMP III 	<ul style="list-style-type: none"> • Flagship - CBMP I - CBMP II - CBMP III
2. Central Bank Functions					
a. Macroeconomic /Monetary policy	<ul style="list-style-type: none"> • Modular - MPM I • Regular (3) 	<ul style="list-style-type: none"> • Modular - MPM I - MPM II • Regular 	<ul style="list-style-type: none"> • Modular - MPM II - MPM III • Regular 	<ul style="list-style-type: none"> • Modular - MPM I - MPM II - MPM III • Regular 	<ul style="list-style-type: none"> • Modular - MPM I - MPM II - MPM III • Regular
b. Bank Supervision /Financial Stability	<ul style="list-style-type: none"> • Regular (4) 	<ul style="list-style-type: none"> • Modular - BSup I • Train trainers • Regular 	<ul style="list-style-type: none"> • Modular - BSup I - BSup II • Train trainers • Regular 	<ul style="list-style-type: none"> • Modular - BSup II - BSup III • Train trainers • Regular 	<ul style="list-style-type: none"> • Modular - BSup I - BSup II - BSup III • Train trainers • Regular
c. Payment and Settlement System	<ul style="list-style-type: none"> • Modular - PSS I - PSS II 	<ul style="list-style-type: none"> • Modular - PSS I - PSS II 	<ul style="list-style-type: none"> • Modular - PSS I - PSS II 	<ul style="list-style-type: none"> • Modular - PSS I - PSS II 	<ul style="list-style-type: none"> • Modular - PSS I - PSS II
d. Central Bank Governance	<ul style="list-style-type: none"> • Regular (3) 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Regular
3. Topical Issues	<ul style="list-style-type: none"> • Regular (5) 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Regular
4. Meetings	<ul style="list-style-type: none"> • Regular (5) 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Regular
Total Events	Total Events = 25	Total Events ≥ 23	Total Events ≥ 23	Total Events ≥ 23	Total Events ≥ 23

	1st Year OY 2006/07	2nd Year OY 2007/08	3rd Year OY 2008/09	4th Year OY 2009/10	5th Year OY 2010/11
II. RESEARCH					
1. Research Projects	<ul style="list-style-type: none"> Regular (≥ 4) 	<ul style="list-style-type: none"> Regular (≥ 4) 	<ul style="list-style-type: none"> Regular (≥ 4) 	<ul style="list-style-type: none"> Regular (≥ 4) 	<ul style="list-style-type: none"> Regular (≥ 4)
2. Case Studies	<ul style="list-style-type: none"> MMPM (1) BSup (1) 	<ul style="list-style-type: none"> MP (2) BSup (2) PSS (1) 	<ul style="list-style-type: none"> MP (2) BSup (2) PSS (1) CBG (1) 	<ul style="list-style-type: none"> MP (2) BSup (2) PSS (1) CBG (1) 	<ul style="list-style-type: none"> MP (2) BSup (2) PSS (1) CBG (1)
III. SUPPORTING UNITS					
1. Human Resource	<ul style="list-style-type: none"> Review of organisation structure, job description and remuneration 	<ul style="list-style-type: none"> Implementation of new organisation structure, job description and remuneration 	<ul style="list-style-type: none"> Implementation of new organisation structure, job description and remuneration 	<ul style="list-style-type: none"> Review of the organisation structure, job description and remuneration, and modify, if necessary. 	<ul style="list-style-type: none"> Implementation of new organisation structure, job description and remuneration
2. Technology	<ul style="list-style-type: none"> Preparation for upgrading IT infrastructure in support of training activities (both human resources and hardware and software 	<ul style="list-style-type: none"> Upgrading hardware and software Producing on-line training and basic course materials on BSup 	<ul style="list-style-type: none"> Upgrading hardware and software producing on-line training and basic course materials on MP and PSS 	<ul style="list-style-type: none"> Upgrading hardware and software Updating and enhancing on-line training and basic course materials on MP, BSup and PSS 	<ul style="list-style-type: none"> Upgrading hardware and software Updating and enhancing on-line training and basic course materials on MP, BSup and PSS
IV. REVIEW OF THE IMPLEMENTATIO OF					
1. Five Year Plan	<ul style="list-style-type: none"> by SEACEN EXCO and BOG 	<ul style="list-style-type: none"> by SEACEN EXCO and BOG 	<ul style="list-style-type: none"> by SEACEN EXCO and BOG 	<ul style="list-style-type: none"> by SEACEN EXCO and BOG 	<ul style="list-style-type: none"> by SEACEN EXCO and BOG
2. Flagship Course	<ul style="list-style-type: none"> by Training Experts 	<ul style="list-style-type: none"> by Training Experts 	<ul style="list-style-type: none"> by Training Experts 	<ul style="list-style-type: none"> by Training Experts 	<ul style="list-style-type: none"> by Training Experts

✦ Expansion of Strategic Partnerships

Leveraging external resources has been one of the key strategies of the Centre to implement excellent learning programmes at effective cost. To this end, the Centre has built a vast network of strategic partners to collaborate on learning in the core knowledge blocks of MMPM, FSBS, PSS, and LDG. For OY 2010/11, the Centre proposes to collaborate with the International Association of Deposit Insurers (IADI) and Consultative Group to Assist the Poor (CGAP), in addition to the existing strategic partners:

✦ Invitation to Non-Central Bank (NCB) Institutions in Member Countries

The invitation to participate in the SEACEN learning programmes is normally extended to the 16 SEACEN member central banks, 2 observers and 17 invitee central banks, with a suggestion that member central banks may wish to invite NCB institutions in their countries if the topics are relevant to them. Participation from these NCB institutions has enriched the discussion in and outside the class. It also widens perspectives, fosters understanding across functional lines, and promotes networking among member central banks and other financial statutory bodies. Participation of NCB institutions also helps to position The SEACEN Centre as a premier regional training centre.

Measurement on Impact to Business Needs

✦ Provide Complete Learning Experience and Drive Follow-through Process

The success of learning programmes requires both learning and learning transfer. Thus, the design of learning programmes should include the complete learning experience, i.e. the process prior to and after the programme, in addition to the programme itself. The SEACEN Centre will be taking a holistic approach to maximise the impact of learning programmes to its member banks by adopting a 3-phase learning process (Preparatory, Course, Follow-Through) involving various stakeholders or learning partners (learners, supervisors, facilitators).

**Chart 6 STRATEGY MAP OF THE SEACEN CENTRE (OY2006/07 – OY2010/11)
SEACEN IS ENVISIONED TO BE A PREMIER REGIONAL TRAINING CENTRE
IN LINE WITH ITS 5-YEAR PLAN**

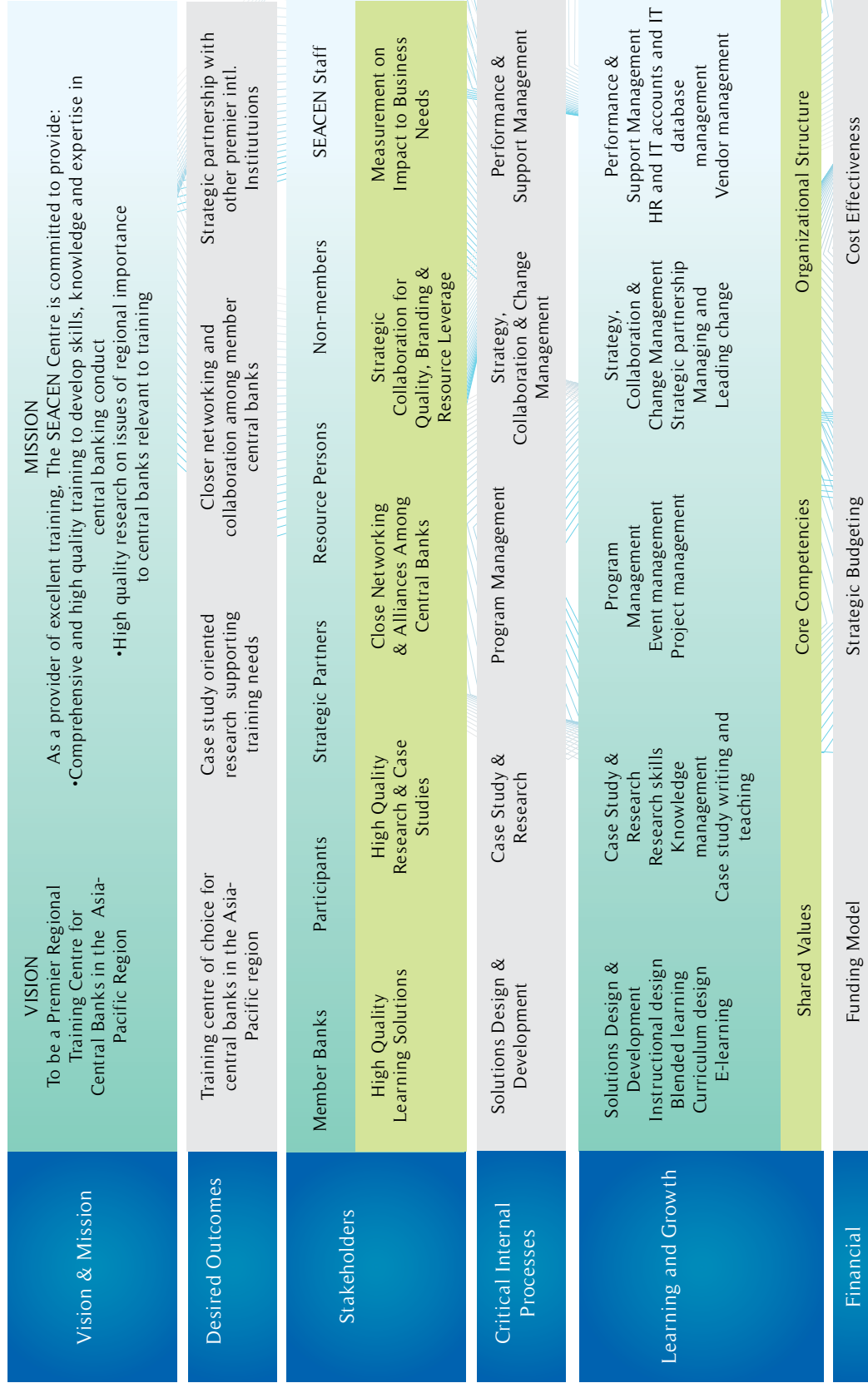


Chart 7 SEACEN TRANSFORMATION – ROADMAP TO BE A PREMIER REGIONAL TRAINING CENTRE



Chart 8 CENTRAL BANKING KNOWLEDGE – COMPRISES BLOCKS OF KNOWLEDGE UNDER VARIOUS PILLARS – BASIS FOR IDENTIFICATION AND DESIGN OF LEARNING PROGRAMMES

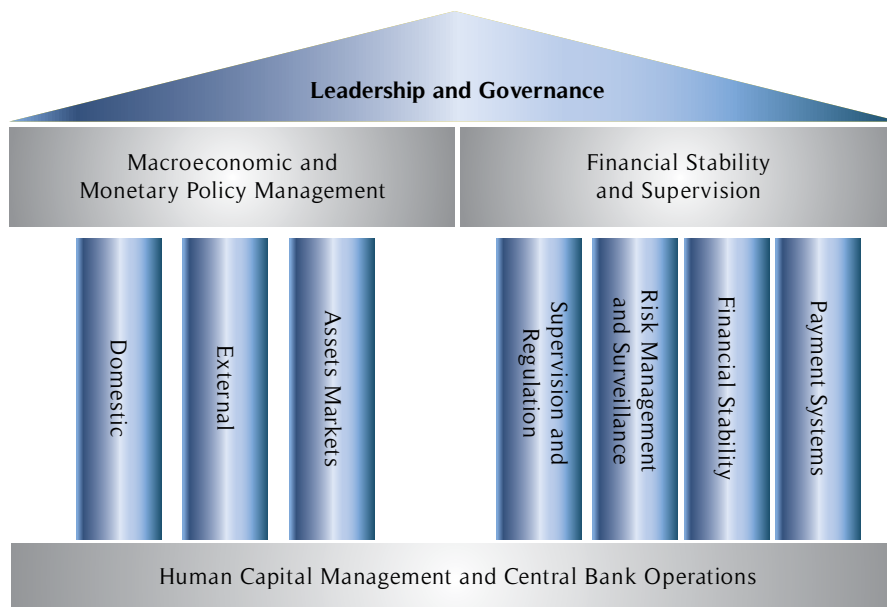


Chart 9: Macroeconomic and Monetary Policy Management - Blocks of Knowledge

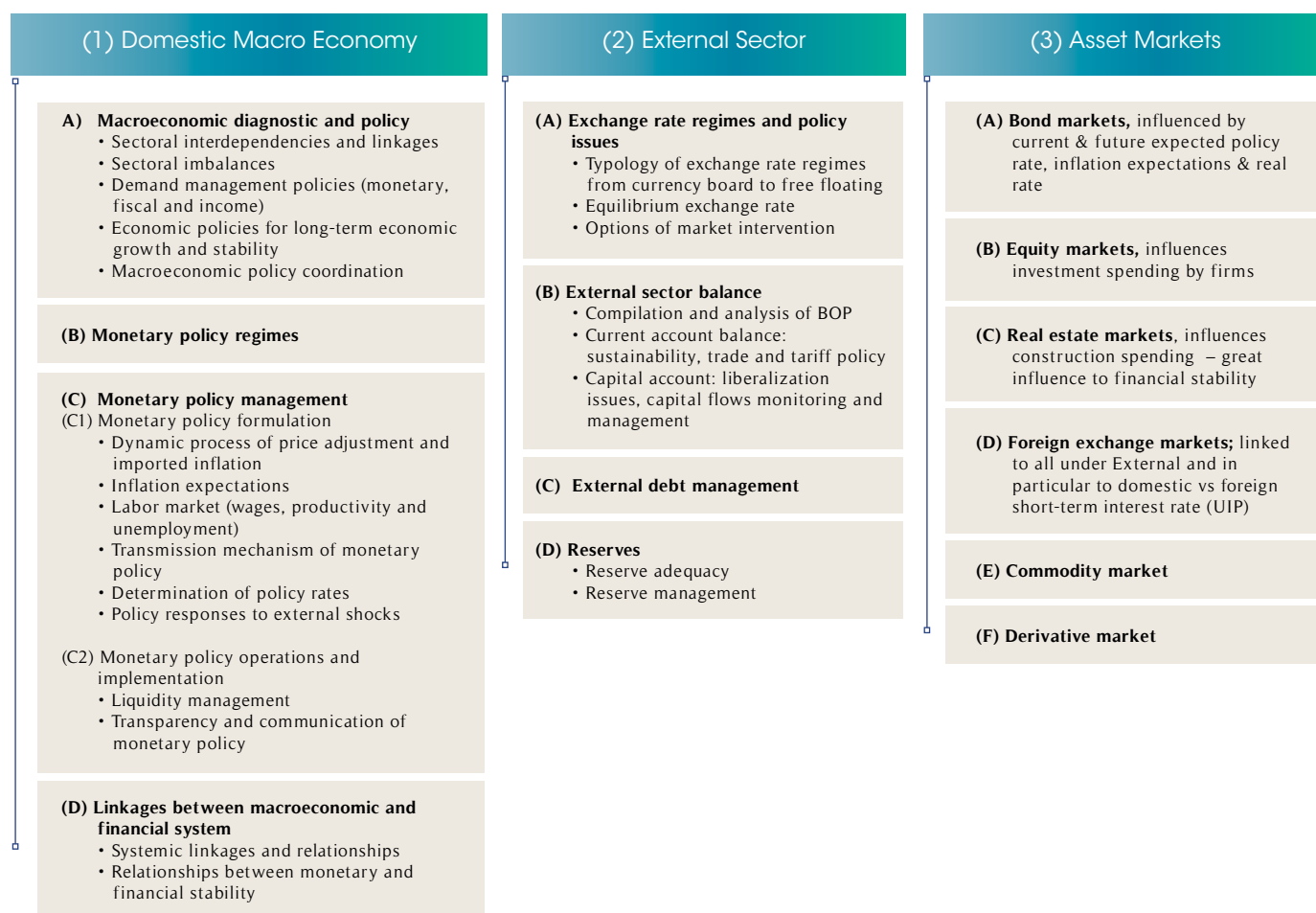


Chart 10: Financial Stability and Supervision – Blocks of Knowledge

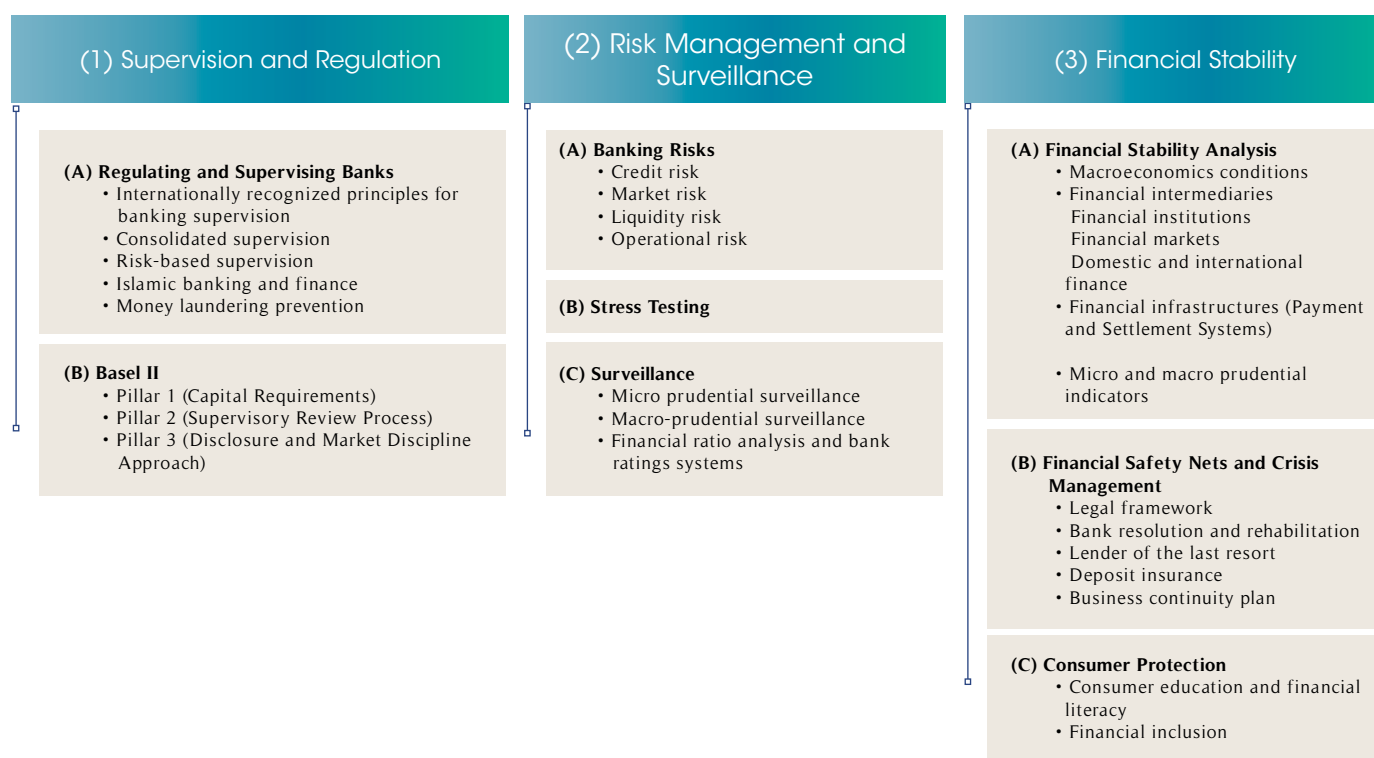


Chart 11: PAYMENT AND SETTLEMENT SYSTEMS - BLOCKS OF KNOWLEDGE

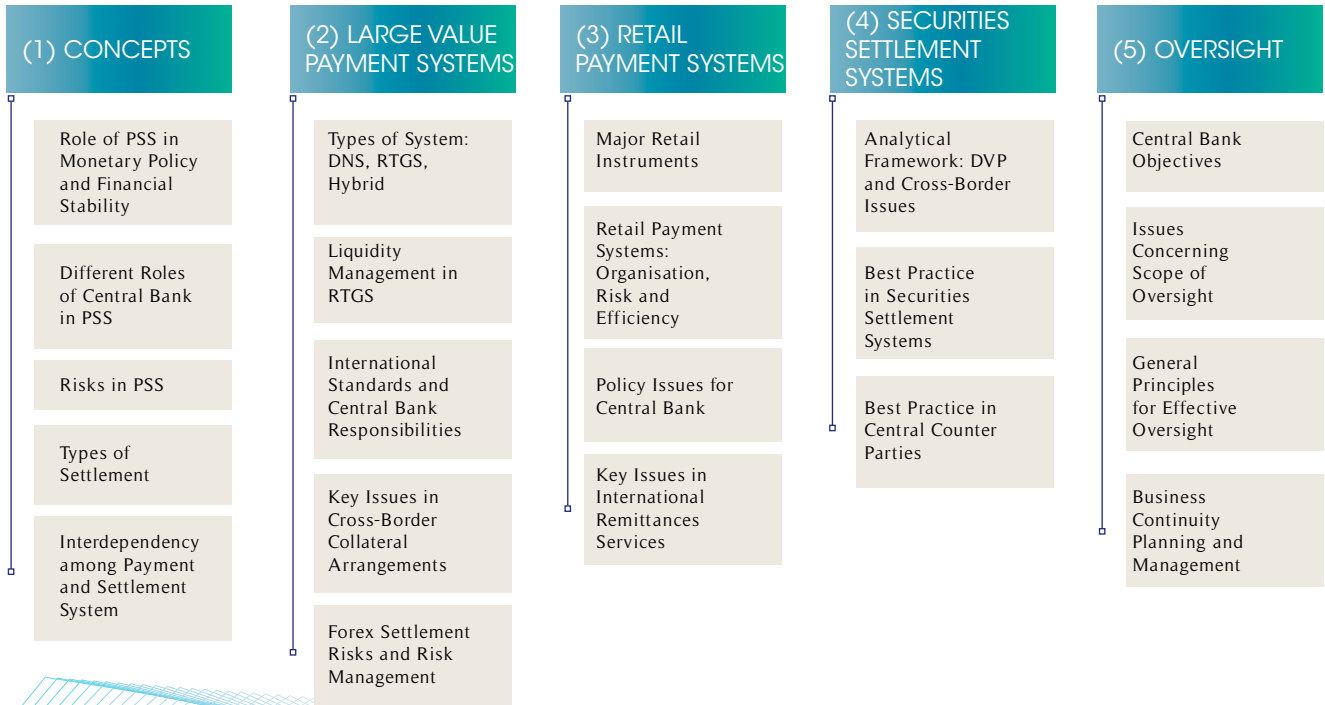


Chart 12 SEACEN LEADERSHIP COMPETENCIES (BASED ON A LEADERSHIP COMPETENCY SURVEY OF 16 MEMBER BANKS)

