



Leadership in Central Banking

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Central Banking Events

Windsor, UK

Content



- Winds of Change
- Where At is Leadership?
- Leadership and Teams
- Leadership and Change
- Leadership By Design not accident

Introduction



“An effective leader is one who can make ordinary people do extraordinary things, make common people do uncommon things. Leadership is a lifting of a man’s sights to a higher vision, the raising of a man’s standard to a higher performance, the building of a man’s performance beyond its normal limitations”

Peter Drucker

Winds of Change

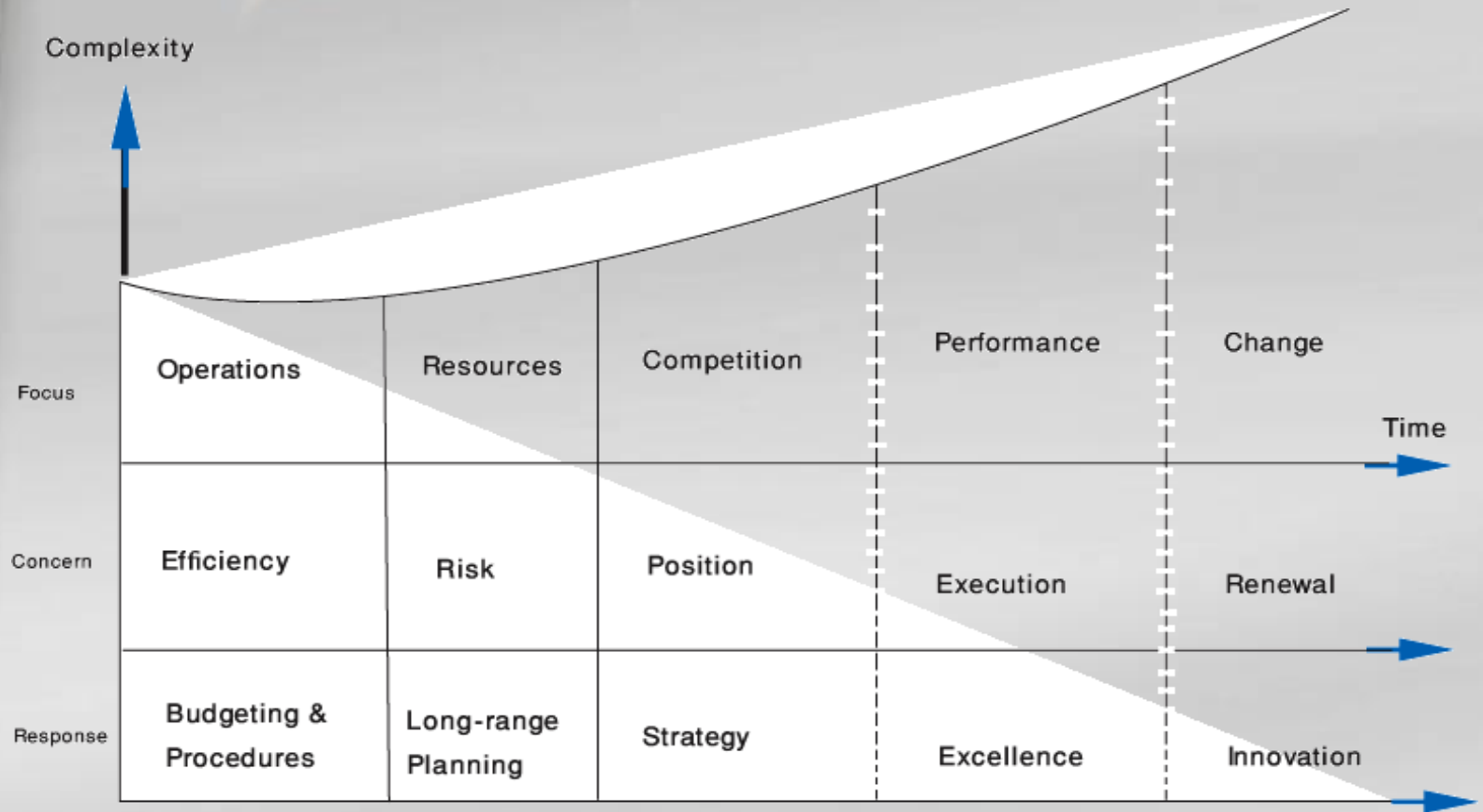


- **Financial Changes**
- **Economic Changes**
- **Political Changes**
- **Social Changes**
- **Changes in Technologies**
- **GloCalization**
- **Organizational Transformation**

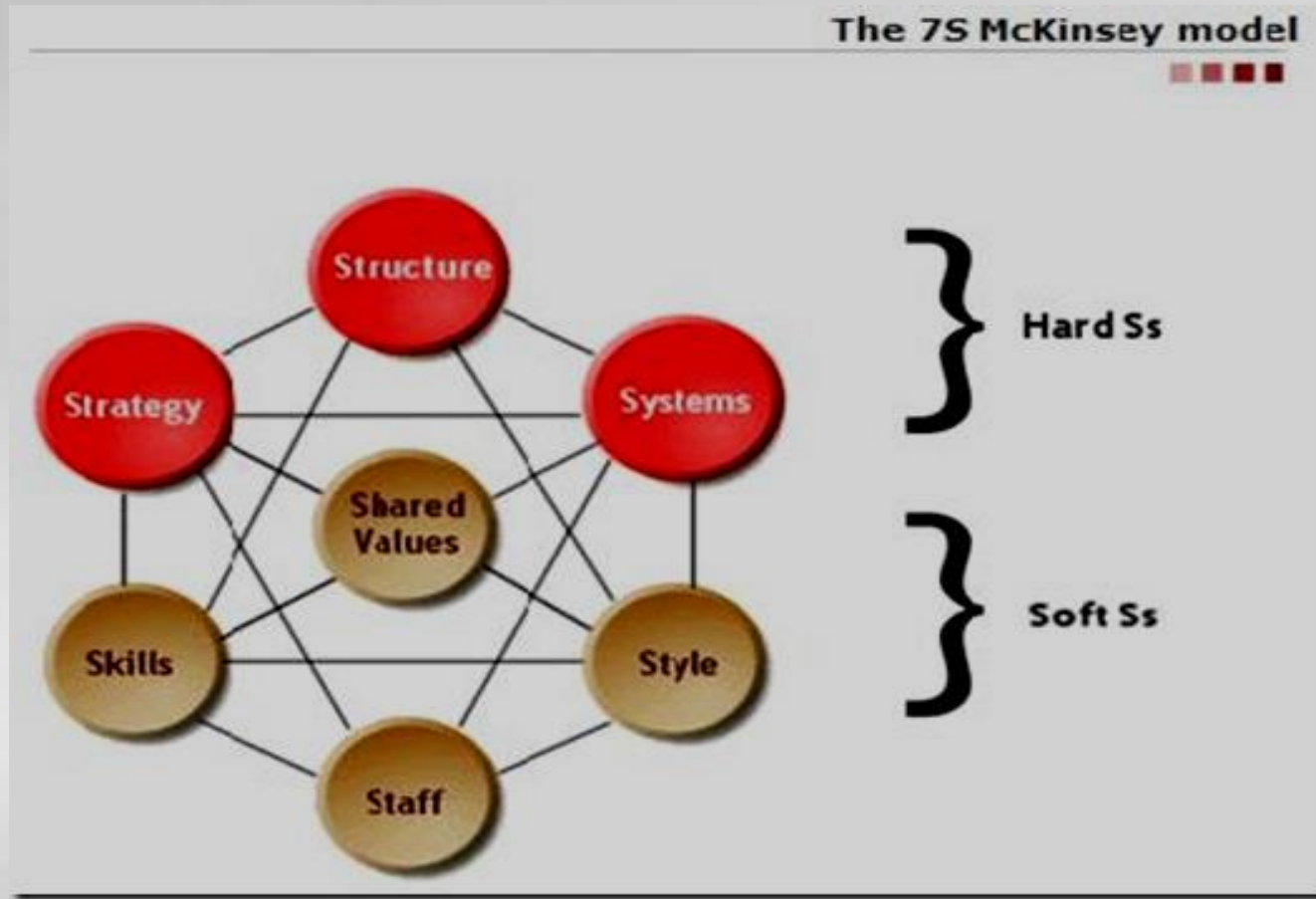
Is Leadership at Central Banks any Different than other Types of Organizations?



The Evolution of Executive Concerns



McKinsey's 7 -S Model



21st Century Leaders Competencies



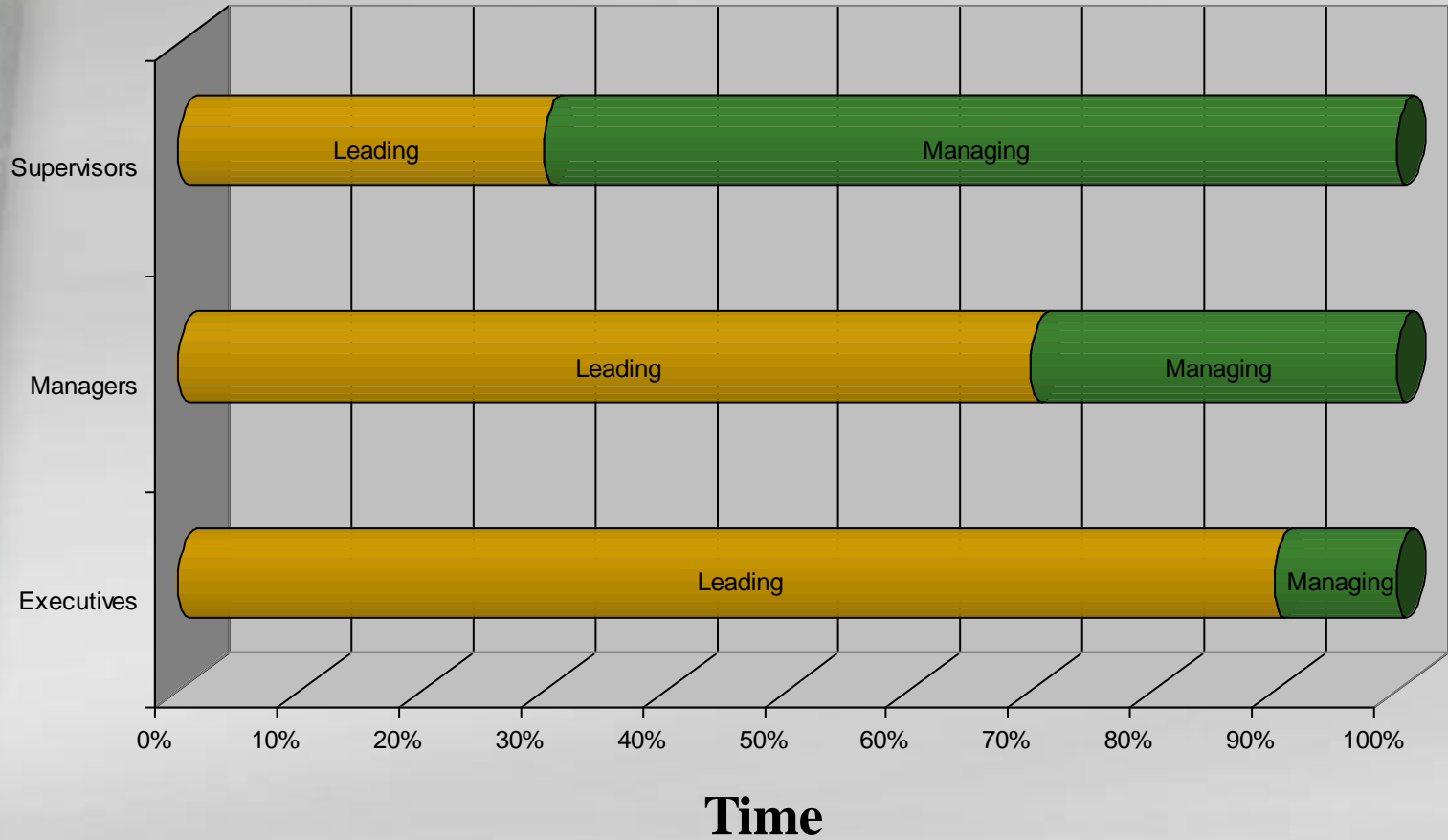
INFORMATION ORIENTED COMPETENCIES	TASK ORIENTED COMPETENCIES	PEOPLE MANAGEMENT COMPETENCIES	INTERPERSONAL COMPETENCIES	PERSONAL COMPETENCIES
Strategic thinking	Building the organisation	Providing leadership	Influencing	Breadth of awareness
Business understanding	Steering	Directing teams	Relationship building	Achieving objectives
Conceptualising	Organising	Building teams	Advising	Self awareness
Innovating	Deciding	Coaching/developing	Team orientation	Taking initiative
Integrating	Problem solving	Motivating	Service orientation	Showing drive
Analysing	Structuring work	Guiding people	Cultural awareness	Showing commitment
Processing	Performing tasks	Providing support	Communicating	Adaptability
Comprehending		Transferring knowledge	Openness	

Source: European Central Bank

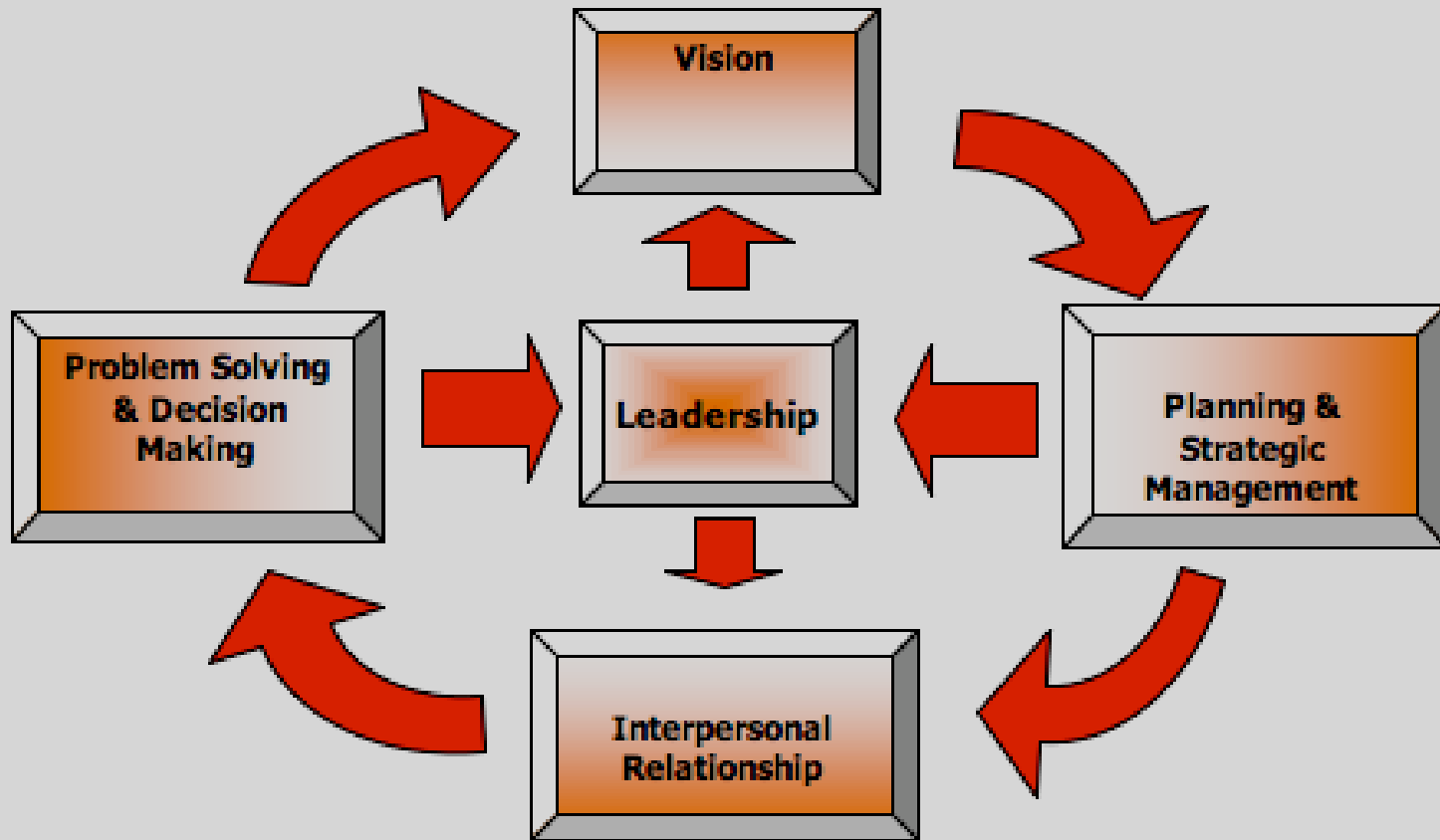
Where At Is Leadership? At Every Level



Role



Where Exactly Is It?



Source: Development of Future Leaders: A case study on the Bank of Thailand (BOT)

Level 5 Leadership

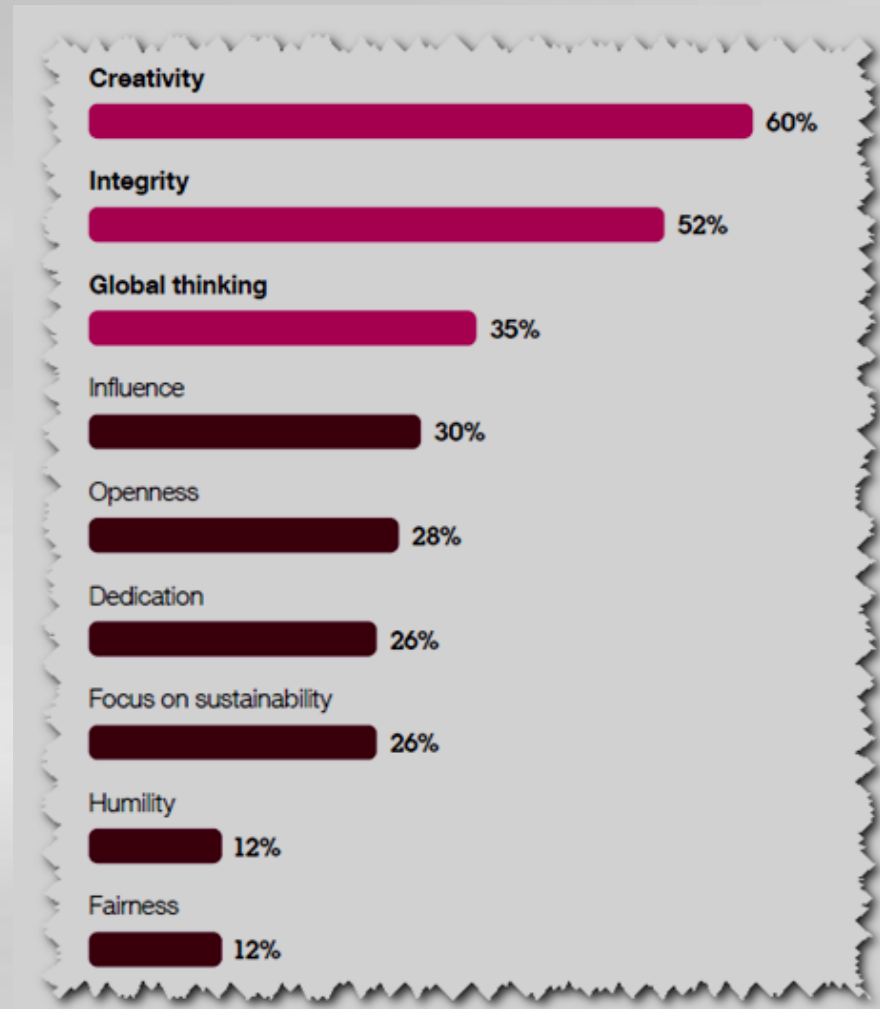


Level 5 Leadership



Level 5	Executive	Builds enduring greatness through a paradoxical combination of personal humility plus professional will.
Level 4	Effective Leader	Catalyzes commitment to and vigorous pursuit of a clear and compelling vision; stimulates the group to high performance standards.
Level 3	Competent Manager	Organizes people and resources towards the effective and efficient pursuit of predetermined objectives.
Level 2	Contributing Team Member	Contributes to the achievement of group objectives; works effectively with others in a group setting.
Level 1	Highly Capable Individual	Makes productive contributions through talent, knowledge, skills, and good work habits.

The Most Important Leadership Qualities



Source: The 2010 global IBM CEO Study: 60 countries – 33 industries

The Competency Framework

Self –Awareness

- Emotional Self-Awareness
- Accurate Self-Assessment
- Self-Confidence

Social Awareness

- Empathy
- Organizational Awareness
- Service Orientation



Self-Management

- Self-Control
- Trustworthiness
- Conscientiousness
- Adaptability
- Achievement Orientation
- Initiative

Social Skills

- Developing others
- Leadership
- Influence
- Communication
- Change Catalyst
- Conflict Management
- Building Bonds
- Teamwork & Collaboration

Understanding Human Emotional Needs

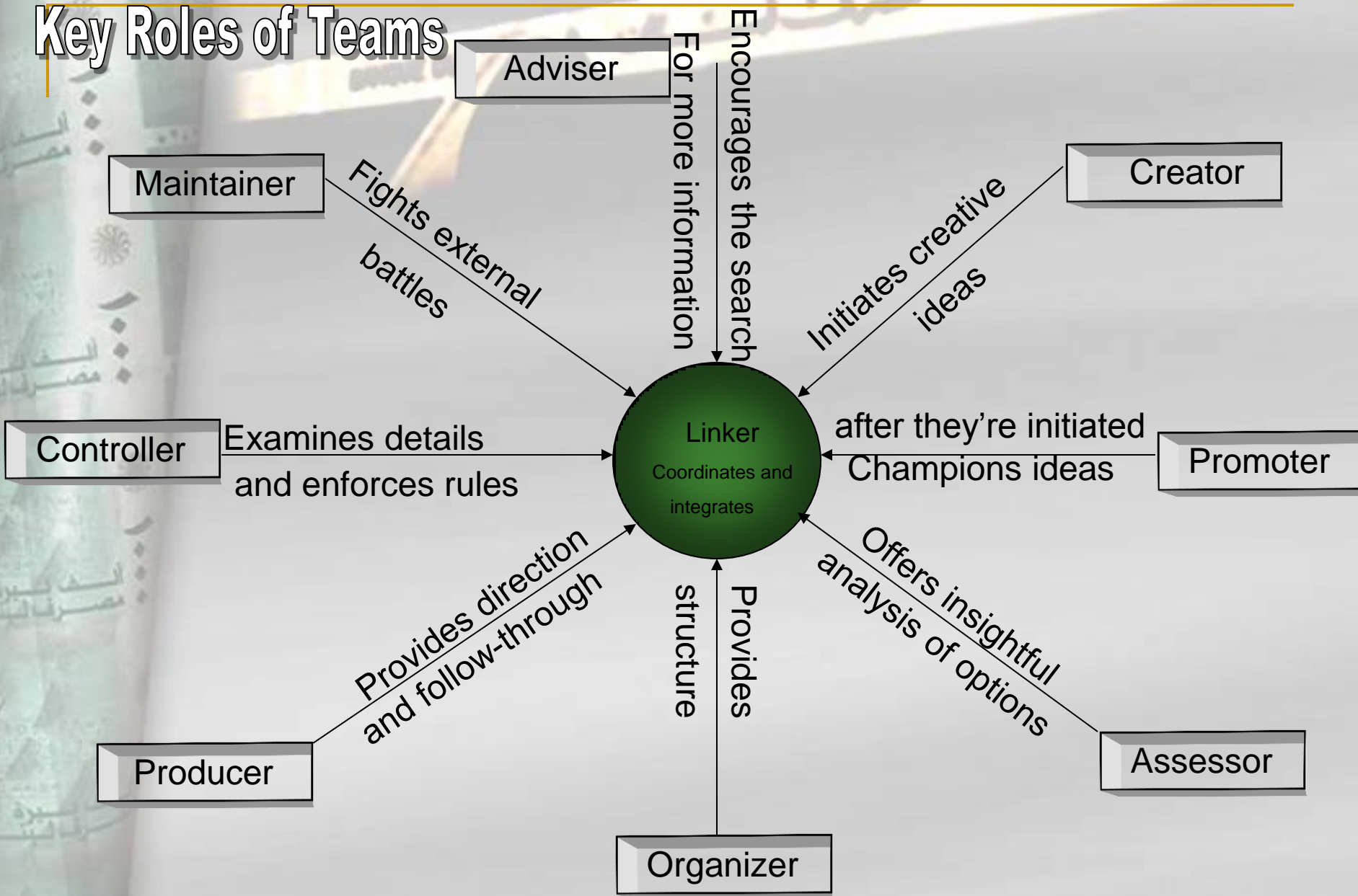
accepted
accomplished
acknowledged
admired
alive
amused
appreciated
approved of
attention
capable
challenged
clear (not confused)
competent
confident
developed

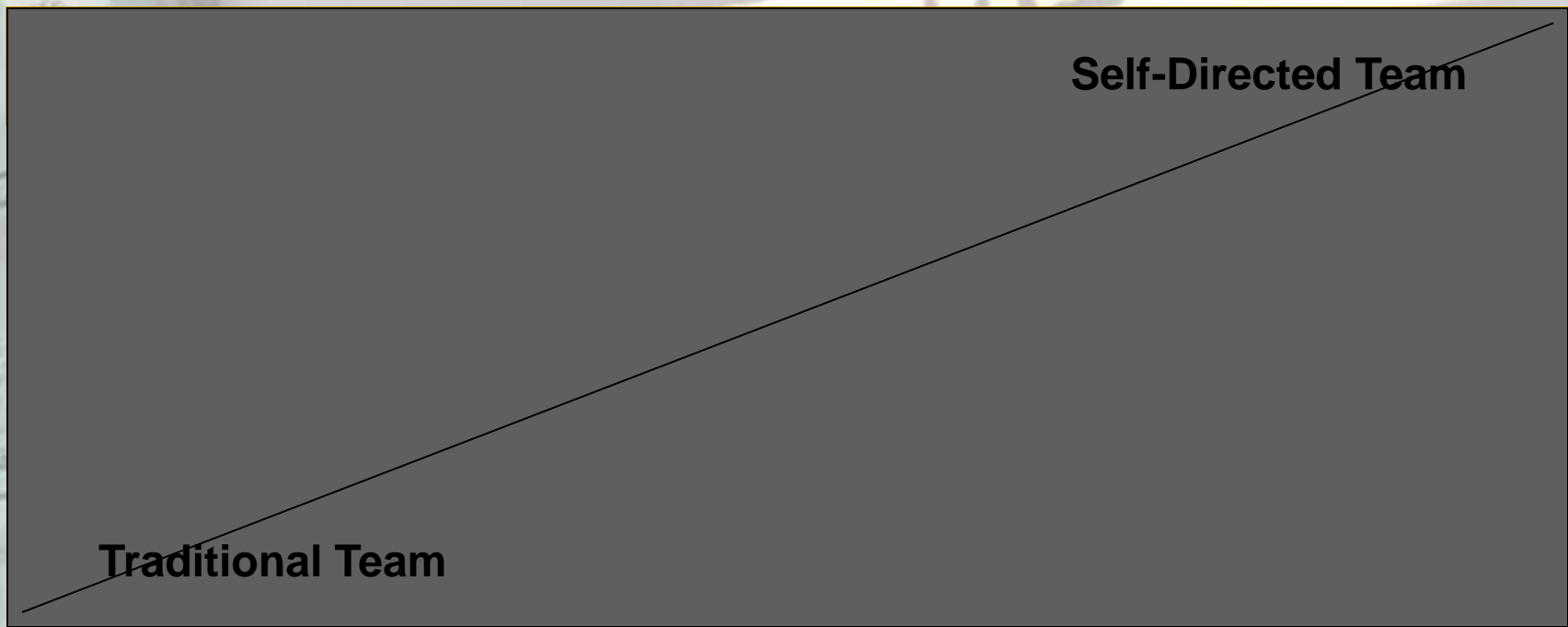
educated
empowered
focused
forgiven
fulfilled
growing
happy
heard
helped
important
in control
included
independent
interested
knowledgeable
listened to

needed
noticed
open
optimistic
powerful
privacy
productive
protected
proud
reassured
recognized
relaxed
respected
safe

satisfied
secure
significant
successful
supported
treated fairly
understanding
understood
useful
valued
worthy

Key Roles of Teams





<p>The leader is responsible for daily operations and makes most decisions that impact the team.</p>	<p>The leader is accountable for team output and quality but the team handles all regular work duties on its own.</p>	<p>The team is responsible both for daily outputs and for organizing and planning work.</p>	<p>The team is responsible for the behavior and productivity of its own members.</p>	<p>The team handles all of its own work duties along with many administrative and HR functions.</p>	<p>The team is fully self-managing: handling its own budget, work assignment, and some personnel functions</p>
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Moving in the direction of increasing self-management



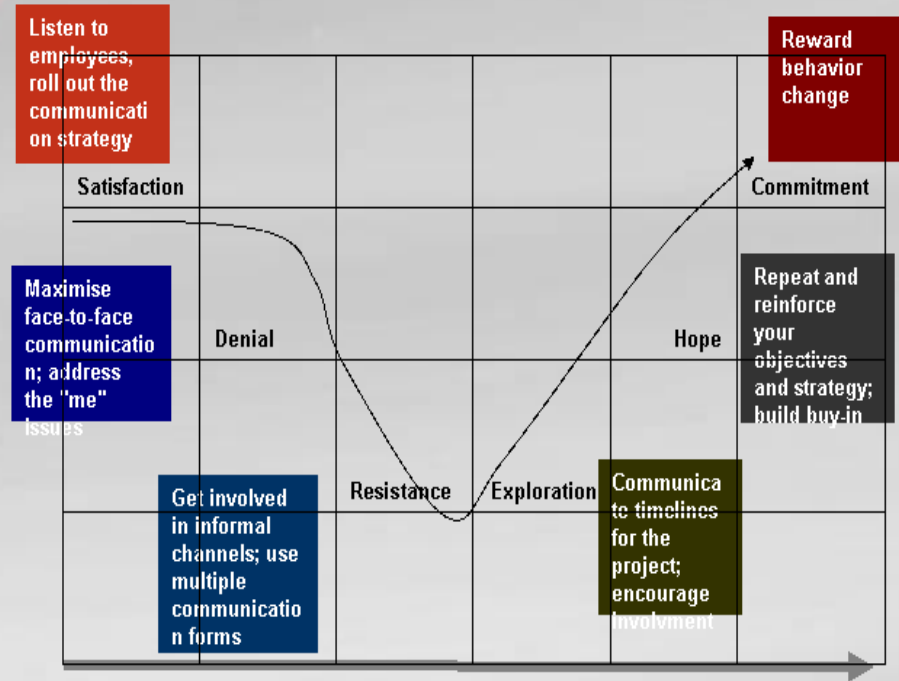
Implementing Change Powerfully and Successfully: Kotter's - 8 step Change Model



1. Create urgency
2. Form a powerful coalition
3. Create a vision for change
4. Communicate the vision
5. Remove obstacles
6. Create short term wins
7. Build on the change
8. Anchor the change in corporate culture



Communicating Change



Reaction to the change process

"I am happy as I am."

"I am not having this."

"Could this work for me."

"This works for me and my colleagues."

"This is not relevant to my work."

"I can see how I can make this work for me."

Signs of Leadership

- Ability to attract, and keep talented people
- Effectiveness in conducting its business globally
- Innovativeness
- Quality of management
- Quality of products and services
- Responsibility to the community and environment
- Soundness of financial position
- Value as a long-term investment
- Wise use of corporate assets

■ *The World's most admired companies - Fortune Magazine April 4, 2011*

Institutional Initiative



International Centre for Leadership in Finance

Bank Negara Malaysia

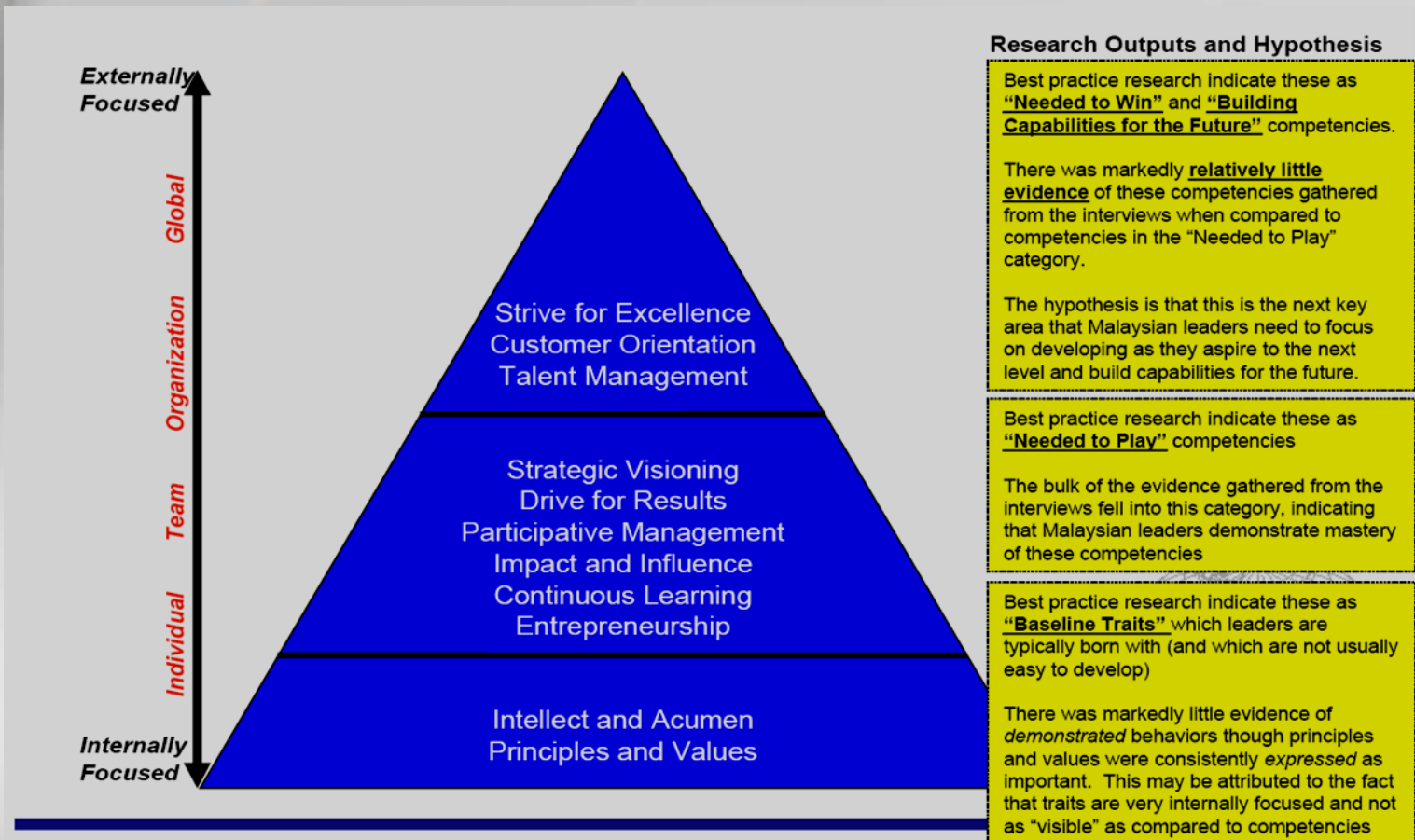
■ Objective:

Providing a focused and coordinated approach towards the development of world class leaders in the financial services sector.

■ Target:

To have leaders who are able to see the new emerging opportunities, deal with the high level of unpredictability and navigate through turbulent conditions.

The ICLIF Preliminary Leadership Competency Model



The ICLIF Leadership Approach



THE ICLIF LEADERSHIP APPROACH©

Institutional Initiative

Toronto Leadership Center

Government of Canada



■ Objective:

Enhancing the capacity of financial regulators from around the world to help improve their agency's crisis preparedness and to promote change that will lead to a more sound and inclusive financial system.

■ Target:

To enhance leadership skills in banking, insurance and securities regulatory agencies so that they can strengthen and adapt their organizations to face the constant changes and threats to financial markets.

■ Accomplishments:

The Toronto Centre has trained nearly 3,000 financial regulators from 170 countries around the world in leadership skills needed to make changes and improve the effectiveness of their agencies

Institutional Initiative



Mohammed Ben Rashid Center for Leadership Development

DIFC (Dubai International Financial Center)

■ Objective:

Ensuring a smooth transition from one generation of leaders to the next.

Enhancing the leadership acumen of Dubai's pool of future leaders.

■ Target:

To inspire and help equip future leaders with the necessary skills, knowledge and attitude to be successful in creative management skills.

Leadership by Design:



An architecture to build leaderships in organizations

The Deloitte Global Leadership Services Team

- *Leaders are made not born*
- *Absence of leadership creates risk*
- *Crises require someone to take control and provide an answer*
- *The organizations most likely to survive will be the ones that pursue leadership by design and not accident*
- *Building the connective tissue requires treating the entire leadership development process- from strategy to solution- as one system. It's the interaction between the elements that gives the system its vitality and robustness.*

Creating Connective Tissue



Leadership development process becomes focused, self sustaining and often more efficient

The Deloitte Global Leadership Services Team

Figure 1. Configure a complete system to build a pipeline of leaders



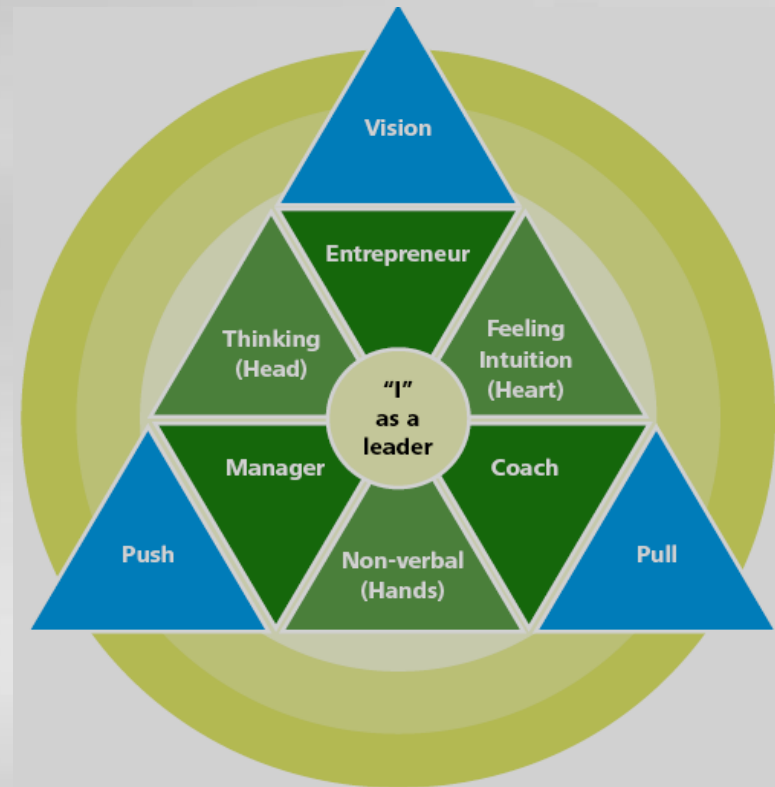
Future Vision



A framework for your leadership dialogue

The Deloitte Global Leadership Services Team

- *It all begins with a set of discussions and conversations.*
- *The first step is to be crisp about your business strategy, both for the next few years and for the long term.*
- *Set the capabilities your leaders need.*



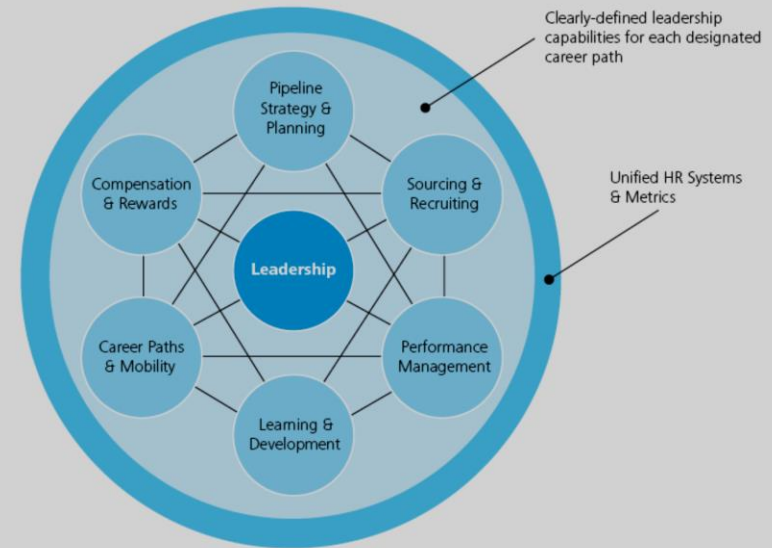
- Context in which we lead
- Sources of leadership
- Leadership roles
- Styles of leadership

Align your Programs for Success



The Deloitte Global Leadership Services Team

- *Each talent management process must be evaluated on its ability to support the strategy.*
- *Organizations most successful leadership have a much higher level of integration between leadership development and the various talent management components.*



Focus on stretch experiences to develop leaders



Thank You

**Questions?
Answers?
Comments?
Suggestions?**