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CENTRAL BANK MARCHES FORWARD

By Mr. Ola Vincent,
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Following the acceptance, by the Board of Directors of the Bank, of the main recommendations of the McKinsey Report and approval of all the recommendations, except those relating to the adoption of a new salary structure, by the Federal Executive Council, in June, 1977, a number of changes have taken place in the Bank. The membership of the Board of Directors has been enlarged from 7 to 13 including three Executive Directors who are all now with us. The Bank has also been restructured into three main groups, each headed by an Executive Director; namely:

MONETARY AND BANKING POLICY GROUP

Consisting of Research and Banking Supervision Department;

OPERATIONS GROUP

Made up of Domestic Operations, Foreign Operations, Exchange Control and Agricultural Finance Departments and

MANAGEMENT AND STAFF SERVICES GROUP

Consisting of Financial Systems and Control, Personnel, and Administration Departments.

INTRODUCTION OF A COM- PUTER-BASED SYSTEM IN THE BANK

Following the recommendation of the Consultants, the Bank has gone into detailed negotiations regarding the installation of a medium-size computer with application covering Payroll, Research, Exchange Control, Ledgers and

possibly, Public Debt. Since the introduction of a computer involves heavy capital outlay, it is important that the cost/benefit position for the various applications should be clearly worked out. The negotiations have just been concluded and the final recommendations will shortly be submitted to the Board of Directors for consideration. Thereafter these will be submitted to the Federal Executive Council for approval since the total cost of the various contracts exceed N1 million. Moreover, the staff of the offices to be affected must be involved and re-oriented to accept the challenge of the computer and form a unique partnership "between man and machine". So far progress has been rather slow but with greater commitment to the idea by all concerned it is expected that a computer-based system will become operative in the Bank within the next two years.

CHANGES IN MANAGEMENT PRACTICES:

With effect from 5th June, 1978, the Governors' Morning meeting was replaced by two top-level management Committees, namely, the Executive Committee, comprising the Governor, Deputy Governor and the three Executive Directors; and the Governors' Committee, composed of members of the Executive Committee and all Departmental Directors. The Executive Committee meets daily while the Governor's Committee meets weekly on Monday. Heads of Departments in each Group meet every morning with their respective Executive Directors.

Apart from strengthening Management control through the Internal Audit and adopting Management by Objectives (MBO), efforts are being made, through Departmental Directors and front-line Managers, to ensure that duties are properly assigned and that the concept of individual accountability is inculcated in staff throughout the Bank.

STAFF DEVELOPMENT

(a) OBJECTIVE PERFORMANCE APPRAISAL:

A number of changes in Personnel procedures and pra-

ctices regarding establishment and manpower planning and performance evaluation has been introduced this year along the lines recommended by the Consultants. The changes are expected to improve objective and effective performance appraisal in order to establish the training needs of staff and plan their career paths and proper deployment.

All these changes are being organised through the Manpower Development Division in the Personnel Department. I wish to emphasise here that the Bank attaches great importance to Staff development and, in particular, the new concept of performance appraisal. Towards this, the Personnel Department held seminars at the Head Office and in all the branches in July, 1978 on the objectives of the appraisal exercise and on how to accomplish them. Preliminary reports indicate that the concept has been well received by all and that marked improvement (i.e. greater objectivity) in staff rating is expected this year compared with previous years. The aim is to ensure bank-wide uniformity of standard of appraisal. May I also take this opportunity to remind you and through you all reporting officers that Performance Appraisal is not something which takes place once a year. It is a continuous exercise. Staff should be commended for good work and have lapses and weaknesses pointed out to them at once to enable them make necessary corrections. Furthermore, example is the best teacher.

It should be noted however, that all the changes in the administrative structure and procedure already highlighted would be meaningless unless there is a fundamental change in the mental attitude of the staff towards work and individual accountability.

STAFFING

At the end of 1977, total staff strength of the Bank was 3,540. By mid-August, 1978, the figure had risen to 4,167, showing a net increase of 627. Nevertheless, we continue to have the problem of high labour turnover. While Management is intensifying its recruitment drive, line-man-

agers are required to make the best use of their existing staff complement through proper and effective supervision. Where necessary proposals for rearrangement of work or introduction of new procedures in the light of available staff should be put forward for consideration and approval.

TRAINING

The Bank places a great premium on training and continues to send staff of all grades on local and overseas courses. Staff from the Branches have not been left out from these courses and it is our intention to get them more involved in the training programme than hitherto. The Personnel Department has been requested to take a close and hard look at the current practice and design a new training programme based on clear-cut criteria, particularly relevance. Greater emphasis would from now on be placed on training in local institutions. Accordingly, the Staff Training School, which is already making impact in the areas of induction courses and those in basic banking and allied subjects and Supervisory and junior management, will be reinforced to cater for the training needs of all categories of staff. At this juncture, I should emphasise that there is no substitute for on-the-job training and that Managers should fully exploit this facility as an effective approach to staff development.

Arrangements are being made to build a well designed Staff Training School with hostel facilities in the Bank Staff Housing Estate No. 2 where the first phase comprising intermediate and junior staff flats is already under construction.

STAFF WELFARE

Efforts are being made not only to expand existing facilities and benefits, but also to provide new ones. For example, the standby hospital facility for use during emergencies and holidays and the bonus for higher qualifications have been restored. A bus service was launched in June, for junior staff working in the

Head Office. The first phase of this service will comprise 13 buses of which 2 will be kept as standby. Seven buses are already in use under the scheme and another two will shortly be added. This service should go a long way towards alleviating the hardship suffered by staff as a result of inadequate public transport service in Lagos. The Staff Housing Scheme is also being vigorously pursued. Work started in June, 1978, on the Staff Housing Estate No. 1 located near the Satellite Town along Lagos/Badagry Express Road. The Estate, which is expected to be completed in 78 week would contain 24 housing units for Senior Staff, 66 for Intermediate Staff and 124 for Junior Staff. In addition, work has also started in August 1978 on the first phase of Estate No. 2 also near the Satellite Town. This is scheduled to be completed in 70 weeks and will provide additional 72 housing units for intermediate staff and 216 units for junior staff. When fully completed the estate would have senior staff flats, Primary/Nursery Schools, Staff Clinic, Supermarket, Training School Complex, Club House, and Sporting Facilities, etc.

Additional housing units are also being planned for all categories of staff in the Branches. To this end the Branch Controllers have been requested to contact the State authorities for land. So far ten plots have been allocated to the Bank in Kano and a firm of Architects has already been commissioned to design flats for intermediate and junior staff working in that branch. Reports indicate that approaches have been made to State authorities in the other branches.

CONSTRUCTION OF NEW BRANCHES AND SUB-CENTRES AND EXTENSION OF OFFICE ACCOMMODATION AT THE HEAD OFFICE AND BRANCHES

The Ilorin and Calabar Branches were respectively on

the 14th September, and 31st August, 1978, formally declared open. Work has already started on the sub-centre building in each of the seven new State Capitals; Bauchi and Abeokuta sub-centres are expected to be ready by the beginning of next year. Extension work is also being planned for the Head Office to provide additional office accommodation and for Enugu, Ibadan, Kano and Port-Harcourt branches to enable them to undertake note counting and auditing and destruction of paid notes. Kano and Port-Harcourt branches are being equipped with shredding machines. Enugu and Ibadan branches are to have a new type of note destruction equipment. This would involve the building of a major extension to each branch.

Plans are in hand to introduce in next year notes of standard size and new designs to reflect not only the economic but also the cultural and historical aspects of the country. The success of the new notes issue programme would depend, among other factors, largely on the extent to which the existing notes are effectively withdrawn from circulation and destroyed within a reasonable time. The task is enormous when viewed in the light of the nearly 100,000 boxes of notes that would be counted/audited and destroyed and our limited strongroom space. To ensure the early phasing out of the existing notes, some branches have been selected for the installation of note counting and note shredding and pulverisation facilities.

AGRICULTURAL CREDIT GUARANTEE SCHEME

The scheme started operation in April this year. The agricultural credit officers, have been very active indeed. They have been very useful in getting the scheme properly launched and in prodding the banks to play their assigned role. The officers' observations on the performance of the banks during the first three months of the scheme

were discussed at the August meeting of the Bankers Committee. The Chief Executives of the commercial banks undertook to get their branches to be more attentive to the needs of the applicants under the scheme.

20TH ANNIVERSARY CELEBRATION IN JULY 1979

The Board has approved in principle proposals for marking the 20th Anniversary of the Bank in July, 1979. (28th June - 2nd July, 1979). The proposals include the publication of a book entitled "20 years of Central Banking in Nigeria" which is being prepared by the Research Department; an exhibition "Money through the Ages" to be staged under the aegis of the Nigerian Museum; a seminar to be attended by participants from within the country and abroad; donation of trophies for football and lawn tennis, the tournaments will be organised by the appropriate sports associations; a party for the staff at which the longest serving staff member will be presented with a souvenir, also at this party those who will have completed their fifteen years service by the 30th June 1979 will receive long service award, those who will be completing their fifteen years in subsequent months of 1979 will receive theirs at the end of the year party. Commemorative items are also being considered for issue on the occasion.

Branch Controllers will be invited to Lagos to represent their branches at the major events to be held at the Head Office. They would return to their stations immediately thereafter to preside over the token anniversary celebrations which will be held in the Branches. We welcome ideas from you all on this important subject.

Preliminary estimates of the costs of the various items are being prepared by the Committee on the 20th Anniversary Celebrations for submission to the Board of Directors for their consideration as they have requested.