

The International Centre For Leadership In Finance

The financial sector has a vital role in promoting growth and economic transformation towards a more diversified economic structure. These aspirations on the financial sector formed the main thrusts of the Financial Sector Masterplan (FSMP), a ten-year plan that was launched in 2001 to develop a more resilient, competitive and dynamic financial sector with best practices that supports and contributes positively to the growth of the economy. In the first phase of the FSMP, efforts are focused on enhancing the capability and capacity of the domestic financial institutions to face the challenges in the changing and more demanding economic and financial environment. This is vital in ensuring that the domestic financial institutions become more innovative, technology-driven and strategically more focused, and able to compete effectively and efficiently, thereby remaining relevant and meeting the changing needs of the economy.

As the financial services sector becomes increasingly more complex and competitive, financial institutions need to make the necessary adjustments to become more productive and innovative in order to meet the greater demands from businesses and individuals and remain competitive. In this respect, the quality of human resource and leadership capability in the financial sector becomes increasingly crucial in defining the success of the institutions. The training needs of middle management and staff of financial institutions are well served by learning institutions such as Institut Bank-Bank Malaysia (IBBM) and Malaysian Insurance Institute (MII). To complement this, there is a critical need for avenues for leaders and senior management of financial institutions to pursue continuous training, particularly in strategic and leadership management, and thereby drive the strategic direction of the institutions and transform the institutions into high-performing organisations. For this, requisite leadership skills for the changed environment require continuous learning. This includes having the ability to create a culture of high performance within the organisation to drive the institution towards excellence and contribute towards the long-term growth of the institution and the financial sector as a whole. The leadership needs to be able to identify and capitalise on new emerging opportunities so that they can adapt rapidly to changes and maximise on the opportunities presented by the changing environment. This was the motivation for developing the infrastructure for high-level training for top management of organisations to create a high quality human resource pool of top management for the financial sector and corporations.

Bank Negara Malaysia established the International Centre for Leadership in Finance (ICLIF) with the objective of providing a focused and coordinated approach towards the development of world class leaders in the financial and business sectors in Malaysia and the region. ICLIF was officially launched on 28 October 2003 and is established as a company limited by guarantee with a trust fund of RM500 million (USD132 million), whereby the income generated from the fund will be utilised to finance the operations of ICLIF. The establishment of ICLIF represents one of Bank Negara Malaysia's contributions in providing an avenue for top management of financial institutions and corporations to seek continuous learning whilst having the opportunity to network, participate in shared learning experiences and able to form strong alumni contacts. In this connection, the mandate for ICLIF is to develop excellence in leaders with regional insights by providing learning opportunities and experience through effective development programmes. ICLIF also strives to serve the needs of the financial institutions in the region and thus, complements efforts in promoting Malaysia as a regional training centre of excellence for the financial services sector.

As ICLIF aims to accelerate the development of intellectual capital and managerial capabilities of senior management of financial institutions and corporations, it adopts a multi-disciplinary approach and offers programmes on strategic management as well as those that are relevant across the whole spectrum of the financial services industry, covering banking, insurance and Islamic financial industry. ICLIF aims to take a proactive approach in identifying the needs of the industry, which then serve as input in designing the programmes. ICLIF's planned programmes are divided into three broad categories:

- Structured executive management programmes, in the areas of strategic management, customer and marketing management, people management, business technology and knowledge management, and risk management;
- Seminars and workshops on topical issues, as well as providing a platform for the top management of financial industry and corporations, regulators and academicians to discuss current economic and financial issues; and
- Specialised programmes in Islamic financial services and other specialist areas.

A distinctive feature of ICLIF is the strategic alliances it has formed with renowned international business schools and learning institutions to provide programmes that are adapted to the regional context and to the needs of the financial industry and corporations. Through these partnerships, ICLIF has entered into arrangements with a number of international business schools to design and deliver structured executive management programmes at ICLIF. The strategic partners provide the resource persons for the programmes while ICLIF provides the necessary infrastructure and facilities. This approach will enable the participants to have access to high quality management programmes at reasonable cost and thereby provide greater opportunities for the leaders from the financial and corporate sectors to benefit from world-class knowledge sharing and networking.

As part of achieving these objectives, ICLIF has developed a unique leadership competency model to analyse and understand competencies that are necessary towards the development of excellent corporate leaders in the regional context. These skills and behaviours will form the foundation in the design and delivery of ICLIF's leadership development learning programmes. One of these programmes is the Global Leadership Development Program (GLDP), which is ICLIF's flagship programme. The GLDP represents ground-breaking design in terms of an executive education programme by drawing faculty from leading learning institutions and consultants, which enables ICLIF to combine the best ideas and thoughts on the various key leadership issues and concerns. These participating institutions and consultants are the Peter F. Drucker Graduate School of Management-Claremont Graduate University, Marshall School of Business-University of Southern California, Stanford Graduate School of Business and Tower Perrins. The GLDP primarily focuses efforts on developing the best leaders across industries by combining an optimal mix of theory and practical application in its leadership development techniques. The programme also provides an opportunity for the participants to strengthen their networking circle and participate in shared learning experiences and discussions with leaders of other organisations. The GLDP will be held twice a year and comprise three parts, with Part 1 and 2 conducted in Malaysia while Part 3 comprises a focused two-week study programme to the United States of America to provide a unique experience for the participants to be exposed to the best learning institutions and corporate organisations in the United States of America. The first GLDP was held from 9 to 13 February 2004 and attended by 20 top management of financial institutions and corporations in Malaysia and from the region.

ICLIF is governed by its own Board of Directors, with the Governor of Bank Negara Malaysia as its Chairman. In addition to the Board of Directors, ICLIF also has an Advisory Council, comprising eminent persons from Malaysia and abroad, to provide strategic direction on training matters and the development of high quality programmes. It evaluates the learning needs of the financial services and corporate sectors in the region in developing programmes that meet the objectives of ICLIF.

The establishment of ICLIF aims to reinforce the notion that investments in human capital, including the pursuit of leadership excellence, is a continuing process in this ever-changing environment. ICLIF will therefore be focused on making positive contributions towards developing excellent leaders and become a regional centre of excellence for leadership training in finance.

