

REPORT OF THE AD HOC COMMITTEE ON THE “VISION 2018”

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THIS IS THE PROPOSED VISION, MISSION AND OBJECTIVES

1. The VISION statement should be directive, not just descriptive; summoning FINEX to what it can become, rather than describing what it presently is (or what it thinks it is). The statement should therefore be inspirational, calling for something transformational. So –

VISION

To be the leading national organization of finance professionals and practitioners dedicated to the advancement of financial knowledge and expertise.

2. The MISSION statement describes the broad pathway by which the Vision is to be pursued, identifying the major sectors FINEX is dedicated to serve, and how it should be pursued. So –

MISSION

To promote the progressive and innovative application of financial knowledge and skills in beneficial service to business, government, the academic community and society as a whole, observing the highest standards of competence and ethical behavior at all times.

3. The OBJECTIVES detail the more specific pathways to pursue the Mission. The Objectives can be the Purposes to state or re-state in the Corporate Articles. These Objectives can be used to delineate the major activities FINEX might pursue, specifically with a view to how it wants to be by its 50th anniversary.

The Objectives can be used as guidelines to reviewing the By-laws, for congruence.

My recommendation, therefore:

OBJECTIVES of FINEX

To be stated as corporate purposes in the revised (proposed) Articles of Incorporation

- 3.1. To promote the professional development of its members, in their financial knowledge, skills and competence, as well as providing continuing opportunities for financial management education. (the word “competence” added)
- 3.2. To promote high standards of ethics, service and fairness in the practice of the financial executive’s profession. (same)
- 3.3. To help create and maintain an environment conducive to the development of progressive concepts of finance and financial practice, in support of sound management in the conduct of business, of government and of other undertakings requiring the participation of a financial manager. (“finance and financial practice” added in lieu of ‘financial management’.)
- 3.4. To initiate, promote and support advocacies and activities aimed at reforming and improving financial processes, practices, systems, structures and institutional arrangements, in and affecting business, government and non-government organizations, in order to enhance the exercise of the finance function in productive endeavors in a regime marked by free enterprise, fair regulation and social responsibility. (This is new.)

- 3.5. To promote and support the development of capital markets, domestic and regional, as a salutary condition to the application of financial expertise supportive of economic growth, national welfare and regional financial cooperation. (This is new.)
- 3.6. To seek and promote opportunities for useful synergies with other professionals in the exercise of the finance function. (This is new.)
- 3.7. To promote fellowship among members as a tool for professional development, and as a basis for reinforcing closer cooperation in the joint accomplishment of common objectives. (added: “as a tool for professional development”)

PROPOSED SIGNATURE PROJECTS LEADING TO THE 50TH ANNIVERSARY OF FINEX

1.) IAFEI Global Accreditation System for Financial Executives

This project involves the preparation for, establishment and maintenance of an accreditation system for financial executives and practitioners, tied up to a GLOBAL ACCREDITATION SYSTEM to be established by IAFEI. The purpose of this system is to support, from a global point of view, proficiency tests and qualification accreditation systems to be implemented by IAFEI member institutions.

It is envisioned that a set of international standards - practical standards and knowledge standards - will be established, with each country's qualification system cross-referenced to that of other countries. The intended result is to produce a corps of financial executives and practitioners through a "quality assurance" process recognized worldwide. This will elevate the standards of the finance profession on an internationally comparable basis.

It is proposed that the FINEX Professional Development Committee will take the lead in laying the groundwork for the accreditation system specific to the Philippines. The IAFEI Asian Summit (Hanoi, November 2009) has taken the initiatives in forming a Task Force of Experts (including FINEX), to develop a framework for the accreditation process following a "Minimum Quality Standard for Finance Officers" to be formulated. A follow through meeting was held in Hongkong on September 3, 2010.

It is also proposed that there will be an accompanying Continuing Professional Education system to renew accreditations.

This project will involve FINEX not only in the establishment of the accreditation system, but also in the conduct of training to prepare candidates for the initial and renewal accreditation tests, undertaken under the auspices of the FINEX Academy.

2.) A FINEX Academy

A FINEX Academy (or FINEX Learning Center) will consolidate under its ambit all the FINEX training, seminars and education – oriented activities, present and future, in the nature of professional development. There are advantages to this consolidation:

a.) a more centralized, coordinated, planning and delivery and management of trainings offered, avoiding unwanted overlaps in training topics and marketing efforts.

b.) a reorganization of training efforts so that knowledge acquisition and skills enhancement can be more rationally clustered by type of curriculum/course content more efficiently addressed to the specific needs of specific enrollees.

So, there can be an “SME Program” to include the training efforts initiated by the FINEX SME committee; and, as is proposed, an “LGU Program” to train LGU officials in financial management; and of course, an “ IAFEI Accreditations Program” to address the training needs of those preparing for accreditations in the proposed Global Accreditation Program of IAFEI. Other programs can be created with the minimum requirements that there are FINEX members committed to develop the course content and handle the training. This course program can be venue–hosted in selected school campuses willing and able to participate in partnership with FINEX. Venue-hosting will include providing the classroom for holding the training, and an adjoining “faculty lounges/office”. FINEX will provide the qualified teachers/trainors who will themselves develop the curriculum.

The professional development training seminars addressed to the special needs of FINEX members can be housed under then FINEX Academy, as part of the consolidation effort.

3.) Towards a more inclusive Social Security System

This project will undertake a survey of the needs of Filipino for a more inclusive system of social security or social protections in the widest generic sense, to encompass the whole spectrum of needs; and social services; medical,

hospitalizations and health maintenance services; disability benefits; retirements and pension funds.

The survey will include an assessment of the current institutional arrangements providing social security-type services and how these can be integrated for efficiency.

The survey will be the basis for a comprehensive Study Report recommending a POLICY FRAMEWORK FOR AN INCLUSIVE NATIONAL SOCIAL SECURITY / SOCIAL PROTECTION PROGRAM and RELATED REGULATORY STRUCTURE.

It is acknowledge that even while the SSS, GSIS and PHILHEALTH, serve a good number of constituents; still there are many more Filipinos outside the coverage of current mandatory social security systems and even then, the present level of benefits appear inadequate for the needs of covered member.

FINEX can initiate and accelerate the provision of a more inclusive set of mandatory social protection services. The FINEX study will identify options for financing the expanded services and pension / retirement schemes

4.) National Budget Reform Advocacy

Through the National Budget Study Group of the FINEX National Affairs Committee, budgetary reform should be pursued as a principal FINEX advocacy.

The national budget is the most significant financial legislation that is regularly produced by Congress. It directs the allocation of public spending and shapes how are economy will grow and how citizens are will be served. The successive budget deficits are of grave concern. FINEX must lend its reputational capital to do the right things right in budget reform.

5.) Capital Market Development

Projects aimed at developing capital market are a continuing central concern for FINEX.

No single project is being identified but FINEX should continue to keep formulate and support legislation and other government action which will develop the domestic capital market in every way , and to integrate with other financial markets in the region , to facilitate investment flows across national borders.

FINEX should be more aggressively use the Capital Markets Development Council (CMDC) as a platform to exercise leadership in capital market development initiatives.

These five Project Titles are broad-stroke bare bone descriptions of what the committee recommends should be pursued as SIGNATURE PROJECTS leading to our FINEX 50th Anniversary. The FINEX Boards in coming years can put the flesh and sinews to these ideas.

OTHER RECOMMENDATIONS:

1. Generally, funding for these projects should be raised separately through grants or in partnership with funding entities or business establishments who have the same advocacy. The Institute can allocate excess funds to these projects after reserving the equivalent of at least three (3) years of its annual operating cost or expenses, i.e., any amount in excess of such 3-year budgetary costs could be allocated or used for these signature projects.
2. The Institute should also rationalize its participation and involvement, directly or indirectly, with other organizations, new NGOs or foundations/entities, particularly when so invited to be an organizer, incorporators or investors.