



SPEECHES

Opening Address

Mr. Seongtae Lee
Deputy Governor, The Bank of Korea
3rd SEACEN EXCO Seminar and Meeting
28-31 March 2005, Seoul, Korea

Honored Guests and Participants,
 Ladies and gentlemen,

I am delighted that the Bank of Korea is today holding jointly with SEACEN Centre this seminar on *'Human Resource Management in Organizational Change.'* I owe a great debt of gratitude to *Dr. Subarjo Joyosumarto*, the Executive Director of SEACEN Centre, and all seminar participants who have travelled so far to be with us. On behalf of the Bank of Korea, I bid you a warm welcome.

We are all aware that our East-Asian central banks confront many challenges in today's rapidly changing environment. Many countries in this region were hit by a financial crisis back in 1997, as opening and globalization of the financial market had been pushed forward rapidly. Although it was overcome thanks to tremendous efforts, the volatility of the financial variables such as exchange rates, interest rates and stock prices has been heightened greatly as the scale of foreign capital in and out flows has continued to expand. This has negatively impacted the effectiveness of monetary policy, whose influence is transmitted to the economy through financial variables. Besides this, rapid changes in the economic environment are making it more difficult for central banks to analyse the state of the economy and prepare economic forecasts for drawing up monetary policy. In the face of these changes, it is essential that central banks improve their organization and nurture the human resources to perform their intrinsic duties.

From this point of view, the Bank of Korea is constantly improving the operation of its organization and human resources. In 1999, it introduced a team-based organization system aiming to heighten the flexibility of the running of the organization. In 2003, it also simplified the job classification system of the Bank, seeking to shorten the decision-making process. In addition, this March, in order to enhance the functions of medium- and long-term research, the Bank greatly expanded the organization of *Institute for Monetary & Economic Research* and recruited its Director General and the head of *Socioeconomics Studies Team* from outside the Bank. At the same time, it established a special organization responsible for education of the general public about the economy, with a view to encouraging people to make well thought-out economic decisions. In the meantime, it has made steady efforts to attract excellent people and nourish their lifetime education, for example by constantly improving the recruiting system and expanding overseas study and training programs.

I hope that this seminar will provide a valuable opportunity for all participants to share their experiences in *'Human Resource Management in Organizational Change'* and to gather insights for future development. I also believe that the warm relationship among East-Asian central banks will become much deeper through this seminar, both at a professional and a personal level.

I have heard that interest in Korean culture is running high in South East Asian countries, which have recently been experiencing the spread of what some have termed *'Korean Wave'* fever. Though your schedule may be tight, I do hope that, during your stay in Seoul, you will have the time to enjoy both the beauty of Korean culture and the mood of new spring.

Lastly, I would like to compliment the good work of the staff members of SEACEN Centre and those at the Bank of Korea involved in preparing this seminar. Once again I bid a hearty welcome to all participants.

Thank you.