



JOHN MENDZELA focuses on making strategic change successful. His work integrates governance and strategic management to achieve focus, direction and sustainable benefits.

John brings deep experience and fresh insight to complex problems. As a director, adviser, consultant and facilitator, he achieves practical solutions that make strategic change a reality.

John's unique and world-leading work in central bank governance and management is globally recognised. In the Asia-Pacific region, he is known for his effective strategy and governance work with clients and the NZ Institute of Directors.

Central Bank Governance and Management Services

John Mendzela uniquely combines deep specialism in central banking and financial sector regulation with professional consultancy skills and extensive commercial experience. He brings independent insight to the institutional governance and management of central banks.

John customises institutional excellence goals to specific mandates and circumstances. He applies practical approaches to benchmark and optimise governance and management practices for each unique mix of statutory requirements, operating environment and national culture.

John is available as a confidential adviser to central banks and financial regulators through on-call telecommunications, interactive video discussions, Internet seminars and on-site visits.

Typical Engagements

- Confidential guidance, facilitation, assessment and training in institutional excellence
- Scoping, advice, planning and quality assurance for institutional change programmes including function/output review, restructuring, efficiency review and culture transformation
- Advice on governance and senior management structures, roles and capabilities
- Review of external and internal performance measurement, reporting and costing
- Integration and alignment of strategic and operational management systems, including risk management, project management, remuneration, staff appraisal and internal services
- Design and facilitation of strategic thinking, planning, measurement and monitoring to integrate technical, governance and management perspectives across all functions
- Advice on regulation of governance and management practice for the financial sector

Professional Background

John has 30 years' experience in central bank governance and management as an independent external adviser, in-house change leader, and consultant to the IMF. His practical expertise draws on work with 25 individual central banks and leadership of many multinational forums.

John's work outside central banks includes company chairmanship, directorship, project leadership and consulting. He is professionally qualified in governance, consultancy, accounting, finance, management, human resources, ICT and education. John operates effectively through interpreters and translators and has conversational skills in several languages.

Further Information

Please refer to <http://www.mendhurst.com/central-banking.html> for an explanatory video and copies of John's publications. Confidential references on specific engagements can be supplied.

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Work with Individual Central Banks

- **Sweden's Riksbank** applied INEX®, John's institutional excellence framework for central banks, to bring a stronger institutional perspective to its strategic planning. John worked with the Riksbank's Controller to identify target outcomes, assess current status and plan enhancements across all institutional dimensions. John also advised on specific aspects of institutional governance, structure, management and culture. (2013-14)
- The **Central Bank of Colombia** engaged John to suggest potential improvements to its strategic planning, performance measurement, risk management and project control. John subsequently advised on the business modernisation of administrative systems. Working with an independent specialist colleague, John reviewed plans to modernise the bank's Centralised Security Depository and developed a strong selection and implementation process. In 2017 John helped a new Governor and Board develop a functional-based management framework, prepare an integrated strategic plan and strengthen institutional governance (2014-17)
- John helped a **central bank implementing a new management structure** develop and improve the management systems and practices needed to make the new structure effective. He developed a simple but comprehensive framework to integrate strategic and operational planning with budgeting, performance measurement systems and formal delegations of authority. John's assistance included facilitation of strategic planning, definition of outputs, and quality assurance for job design, appointment processes and contractual issues. He also provided extensive advice on a wide range of institutional support services. (2013-2017)
- John led in-house organisation transformation to make the **Reserve Bank of New Zealand** a recognised world leader in central bank management. Huge improvements in effectiveness and efficiency were achieved and sustained, through customisation of business management concepts to central banking. His roles over five years included planning strategic and cultural change, design of external accountability mechanisms, developing new management systems, zero-based planning and budgeting, and management of accounting and banking. (1988-92)
- The **European Central Bank** engaged John to independently and directly advise the President and Vice-President during zero-based planning and budgeting. The "ZBB Project" comprehensively reviewed outputs, resources and management systems to improve the ECB's effectiveness and efficiency. John designed processes to evaluate managers' proposals and to generate change initiatives, made independent evaluations, and advised on final decisions. This governance project delivered net resource savings, structural changes, optimised staffing, and reliable output and cost analysis. (2004-05)
- John conducted a governance review for the new Governor of the **Bank of Papua New Guinea**, benchmarking Board structures and processes against commercial best practice and other central banks. He developed a Board charter to practically document governance responsibilities and practices. To complete the top-level framework, John advised on committees and information flows to support new management structures and to balance delegation of individual responsibilities with Bankwide oversight of key functions. (2011-2012)
- John designed, and helped implement, a multi-year change programme to increase accountability and build a performance-based culture at the **Reserve Bank of Fiji**. The overall program combined comprehensive restructuring with new management practices. Specific changes were made to structures, job roles, authorities, contracts, appointment processes, remuneration and performance management. Later, John helped the Board and management evaluate programme results and consolidate change. (1998-2000)
- A central bank **strengthening regulation of financial services** engaged John to assist with

design and implementation of proposed new prudential standards on governance. John reviewed draft standards, facilitated industry consultation processes and presented customised training to regulated institutions on practical good governance. (2011-2012)

- John provided specialist central bank expertise to PwC Kenya for projects to help modernise organisational structure and culture at the **Central Bank of Kenya**. He worked with the Governors and Board to identify the key change requirements, and developed an institutional function/output framework and a comprehensive new high-level structure. John also planned and facilitated key workshops and supplied advice on change management, implementation planning, business process linkage and top-level job definition and recruitment. (2012-2013)
- The **Central Bank of Azerbaijan** engaged John to help design comprehensive new management systems and develop a strategic plan. Practical linkage of the new strategic goals with traditional operational plans was a key priority. John was engaged again to advise on governance and top management structures that would optimise delegation, accountability, and control for both the overall institution and its specific functions. (2011)
- John independently advised a developing country central bank on **statutory amendments** to clarify its functions, strengthen its independence and **modernise the roles of the Governor and Board**. His proposals applied evolving best practice and made clear distinctions between policy decision-making and institutional governance. John helped present the proposals to the government and Prime Minister, financial institutions, managers and staff. (2009-2010)
- John comprehensively reviewed functions, structures, resources and management systems to help the **National Bank of Poland** advance efficiency and management while continuing its technical excellence. He assessed key issues and outlined a plan for institutional change. As a key initial step, John advised on reconfiguration of membership and role of the Management Board. Later John facilitated design of a strategic planning framework and advised on new governance and management processes to oversee and implement plans. (2007-2010)
- John designed an **enterprise risk management** framework for a developing country central bank. The framework includes traditional financial risk and audit controls, but emphasises active Board and management oversight of less tangible institutional risks such as reputation. Responsibilities and processes for risk management integrate fully with broader governance and management roles. Implementation then proceeded internally. (2009-2011)
- Working with an internal change team at an African central bank, John helped initiate and design a project to **realign organisational structure, job roles and staffing** to enhance institutional efficiency and productivity. John's advisory tasks were to study the status quo, identify key issues, review institutional functions, identify and confirm main outputs and processes, and design new top-level structures and roles. John also resolved related matters of governance practice and helped develop internal project processes and resources. (2012)
- Working with an internal change team and successive Governors of the **Bank of Papua New Guinea**, John prepared and helped implement a transformation plan for a new organisation structure and culture. John's key tasks included facilitation of staff consultations, design and implementation of new output-driven structures and jobs, and integration of staff performance management with contracts, remuneration and training. After restructuring was completed, John was engaged again to evaluate internal service functions and provide continuing quality assurance for job evaluation and remuneration policy. (1997-2001 and 2004-2006)
- Other individual central banks that John has worked with (in reverse date order) include:
 - **Monetary Authority of Brunei**, a new institution requiring a strategic plan to define its central banking functions and its role in developing the national financial system (2015)

- **Reserve Bank of Vanuatu**, a small central bank working to develop the national financial system, strengthen currency management and improve its own institutional funding and reporting (2014-2015)
- **Bank of Jamaica**, a central bank seeking to enhance its change management capability and develop its human capital through targeted training and “e-learning” methods (2013)
- **Central Bank of Lesotho**, an institution working to strengthen financial markets and governance and support economic activity within a larger regional framework (2012)
- **Bank of Italy**, a traditional central bank beginning structural and cultural change (2010)
- **Central Bank of Lebanon**, an organisation seeking to modernise its management systems and organisation culture while maintaining its technical success (2010)
- **Central Bank of Paraguay**, a central bank actively modernising its national economy while also needing to resolve difficult legacies from past management practices (2009)
- **Central Bank of Brazil**, an increasingly independent central bank with expanding responsibilities that is working to advance its capability and culture (2008-2009)
- **Bank Indonesia**, an extensively modernised central bank seeking advice and ideas for its strategic planning and leadership development (2007-2008)
- **European Central Bank**, an institution moving from intense project challenges and an effectiveness priority to more mature and integrated strategy and operations (2004)
- **Croatian National Bank**, a newly independent central bank requiring an independent assessment of its internal reorganisation plan (1994)
- **Reserve Bank of Malawi**, a traditionally administered central bank seeking to establish delegated management systems and better management accounting (1993-1994)
- **National Bank of Hungary**, a newly independent central bank requiring improved organisation design, new management systems and practical change plans (1993)
- **National Bank of Armenia**, a newly independent central bank seeking comprehensive advice on its functions, organisation, resourcing and management systems (1992)

Related Professional Work

- John was the **International Monetary Fund**'s full-time management consultant, with worldwide responsibilities for central bank management and accounting. In that role he worked with a wide range of central banks, technical advisers and topic areas. He particularly developed practical management structures and processes for newly independent central banks in formerly centralised economies. John's work included undisclosed assignments to resolve sensitive management or accounting issues for individual central banks. (1992-1994)
- John recently developed and led a Signature Seminar for **SEACEN** (South East Asian Central Banks) on “Strengthening Governance Arrangements for Institutional Excellence”. He also developed and chaired many independent conferences on central bank governance and management for **Central Banking Publications**. John has also contributed to other industry forums on governance and strategic management for **CEMLA** (Centre for Latin American Monetary Studies), the **Bank of England's Centre for Central Banking Studies** and **SADC** (Southern Africa Development Community). In these seminars and forums, John advised diverse participants on how to optimally adapt good governance and management practices to their particular national, economic and organisational circumstances. (2003-2017)
- Benchmarking central banks against other organisations, especially in the **financial sector and government**, helps identify how central banks can adapt good governance and management practices to their unique needs. John has personally directed or chaired a number of private companies. He has worked extensively with Boards, Chief Executives and senior managers to improve their understanding and oversight of strategic change plans. John

has advised **diverse commercial clients**, the **New Zealand Institute of Directors** and other organisations on governance, strategic change and management practices. (1995-2017)

Professional and Academic Qualifications

- Accredited Director and Chartered Member, Institute of Directors in New Zealand
- Certified Management Consultant, Int'l Council of Management Consulting Institutes
- Chartered Accountant, Institute of Chartered Accountants of New Zealand
- Associate Fellow, New Zealand Institute of Management
- Associate Member, New Zealand Computer Society
- Bachelor of Science (Honours) in Mathematics, University of Leeds, England
- Bachelor of Commerce in Finance, Accounting and Information Systems, University of Otago, New Zealand
- Graduate Certificate in Education, University of Leeds, England
- Certificate in the Teaching of English as a Second Language (Distinction), Massey University, New Zealand

Pertinent Videos and Publications

- "Institutional Excellence for Central Banks and Financial Regulators" (video with Dr Don Brash, former Governor RBNZ, at www.mendhurst.com/central-banking.html 2014)
- "Strategic Change – Think, Plan and Govern" (video, www.mendhurst.com/services/ 2016)
- Good FORM for Institutional Governance (Mendhurst 2017)
- Making Directorship Simple and Profound (Boardroom 2015)
- Directors versus Owners – When Views Collide (Boardroom 2014)
- Governing the Governors (Boardroom and Central Banking Journal 2012)
- OMIGOSH -- Integrating Strategy, Governance and Ownership (Boardroom 2012)
- Making Central Bank Governance Effective (Central Banking Journal 2011)
- Improving Institutional Governance in Central Banks (Central Banking Journal 2009)
- Book "Central Bank Management", Central Banking Publications 2009
 - Overall editor and professional adviser (in collaboration with Nick Carver)
 - Author of Managing Central Banks for Tomorrow (Chapter 1)
- Management Lessons for CBs from the 2007 Crisis (Central Banking Journal 2009)
- Value for money: Financial accountability for central banks (Central Banking Journal 2008)
- Managing the 21st Century Central Bank (Central Banking Journal 2006)
- Measuring Strategic Performance - SPIs not KPIs (Boardroom 2006)
- Why Change? (chapter in book "Central Bank Modernisation", Central Banking Publications 2005)
- Billion-Dollar Opportunity: Managing Government Better (The Independent, 2005)
- Develop and Deploy Strategy (Boardroom, 2004)
- Good Practice Accounting & Reporting (chapter in book "Accounting Standards for Central Banks", Central Banking Publications 2003)
- The Financial Services Decathlon (Financial Alert, 2003)
- Leadership in Central Banking (Central Banking Journal, 2002 & 2003)
- Making Change Projects Succeed (Chartered Accountants Journal, 2001)
- IMF Working Paper 1994/37: "Improving the Management of a Central Bank: A Case Study" (analysis of the transformation of the Reserve Bank of New Zealand)