

SHARING OF BEST PRACTICES *“An Inspiration to all Rural Banks”*

A Presentation to the members of the RBAP

May 21, 2019

Baguio Country Club, Baguio City

By: Elizabeth Carlos-Timbol



GRBANK

EMPOWERING MSMES. ENRICHING PINOY LIVES.

WHERE WE ARE TODAY



TRUSTED SINCE 1954

House Speaker Gloria Macapagal-Arroyo's Speech during GRBank's 65th Anniversary



“In the year 1989-1992, the purge of rural banks continued but GRBank remained stable, prosperous and iconic through all that difficulty”

“GRBank weathered unscaled many national and international financial crises:

- 1980s – Latin American Debt Crisis
- 1997 – Asian Crisis
- 2000 – Fiscal and Financial Crisis”

“As mentioned by the Asst. Gov., Resty Cruz, GRBank has outstanding financial ratios compared to the rest of the rural banking system”

THE PHILIPPINE STAR **Business**

B4 **banking&finance**

E-mail all press releases to: business@philstarmedia.com/business19862000@yahoo.com

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In the rural and cooperative bank category, BDO's One Network Bank topped the list in terms of assets with P27.15 billion followed by East West Rural Bank with P19.06 billion, Card Bank Inc. with P13.51 billion, **Guagua Rural Bank with P4.85 billion**, and First

Metropolitan Bank and Trust Co. of

On the other hand, BPI Family Savings Bank emerged as the biggest thrift bank in terms of assets with P264 billion followed by Metrobank's Philippine Savings Bank with P232.86 billion, RCBC Savings Bank with P123.07 billion, Philippine Business Bank with P93.12 billion, China Bank Savings with P91.55 billion, and PNB Savings Bank with P56.51 billion.

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1	BPI FAMILY SAVINGS BANK INC	2,005.82
2	PHIL SAVINGS BANK	232,859.65
3	RCBC SAVINGS BANK	123,068.22
4	PHILIPPINE BUSINESS BANK INC A SAVINGS	98,120.95
5	CHINA BANK SAVINGS INC	91,549.68
6	PNB SAVINGS BANK	56,514.10
7	STERLING BANK OF ASIA INC (A SAVINGS	38,267.85
8	BANK OF MAKATI (A SAVINGS BANK) INC	32,997.05
9	UCPB SAVINGS BANK	18,186.51
10	FIRST CONSOLIDATED BANK INC (A PQB)	17,928.39

Isabela Coop Bank.

Latest data from the BSP showed the total assets of Philippine banks reached P16.05 trillion in end-June this year, 10.1 percent higher than the P14.58 trillion recorded in end-June last year.

Total resources of big banks or universal and commercial banks rose 10.6 percent P14.55 trillion from P13.15 trillion, while that of mid-sized banks or thrift banks climbed 5.1 percent to P1.24 trillion from P1.18 trillion.

PhotoGrid

business!

GRBank, BSP unite for advocacy programs



Letter from APRACA for GRBank to host Delegates

02/05 2017 14:54 FAX

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**Asia-Pacific Rural and Agricultural Credit Association
Center for Training and Research in Agricultural Banking, Inc.**

25th Floor LandBank Plaza
1598 M. H. Del Pilar St. corner Dr. J. Quintos St.
Malate 1004, Manila, Philippines
Website: www.apraca-centrab.org

Tel. No.: (63-2) 567 2021
Telefax No. (63-2) 405 7132
Email: centrabmanila@apraca-centrab.org
apraca.centrab@gmail.com

02/05 2017 14:55 FAX

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We asked the assistance of BSP as to where we will bring our delegates for the field exposure to show the country's best practices in SME and rural financing and they have recommended the Guagua Rural Bank, Inc.




LECIRA V. JUAREZ
Managing Director

GRBANK

Empowering SMEs. Empowering Busy Lives.

GRBank's hosting of Delegates from Sri Lanka on Best Banking Practices with APRACA-CENTRAB



TRUSTED SINCE 1954

“I learned that the true heroes of the whole financial system are the Rural Banks.”

“In the year 2000 crisis, the main bright spot in the whole financial landscape are the rural banks”

We just have to learn to take advantage of all the support and opportunities that are given to us.

So we will share how we do it!



Our presentation aims to show you that...

- ✓ Things don't happen overnight
- ✓ We should always keep an open mind and listen to suggestions
- ✓ We should learn from our past
- ✓ We have the ability to think out of the box
- ✓ Change is inevitable



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The Heart and Art of Rural Banking



TRUSTED SINCE 1954

1954-1990

- **GRBank had four (4) branches**
- **Was not even among the top 100 Rural Banks in the Philippines;**

BUT WE HAVE ALWAYS LIVED UP TO THE VALUES HANDED DOWN TO US BY OUR FOUNDERS:

STABILITY OVER PROFITABILITY

**TO BE A BANK OF VALUE, NOT
JUST A BANK OF SUCCESS**



1993-1995

- ☐ Be a Visionary
- ☐ Go out of your comfort zone -
Opening of our FIRST BRANCH
(San Fernando) outside the
municipality of GUAGUA
- ☐ Be Resilient - Provide loans even
after Lahar
- ☐ One of the First Rural Banks to Offer Checking Account
via KB as conduit.....PCHC and PhilPass MEMBER



RE-INVENTION

- ☐ Creativity in new products and services
- ☐ Opening of Angeles Branches
- ☐ Improve branch banking operations through installation of unified CASA System
- ☐ Review and enhancement of existing products on a regular basis



1996

Professionalism

Culture Change

- ☐ Harvesting and Nurturing Good People – Home-grown (starting from the ranks)
- ☐ Introducing a new Corporate Culture
- ☐ Personalized Service – Where Service is Best
- ☐ GRBank for Name Recall - Branding



INNOVATION/RE-INVENTION - CREATIVITY

- ❑ GeRBie was born together with the GRBank Jingle to introduce a happy tune



GOOD GOVERNANCE

- ☐ Formalize plans thru Corporate Planning
- ☐ Revitalize Vision and Mission Statement
- ☐ Improve Standard Operating Procedures
- ☐ Shift to Technology based Operations (Y2K)
- ☐ Prudence
 - ☐ Setting of Approving Authorities, creating Transparency (“Respect is Earned, it is not given”)
 - ☐ Setting of Limits (now known as Risk Appetite) and others



GOOD GOVERNANCE

- ☐ Let your Financial Statements (FS) be your guide, “so *decisions are based on facts and not merely on guts*”.
- ☐ “*Create a story*” from your FS just like when reading a *Novel*
- ☐ **Being Aggressive but still Conservative**



For Example:

Ratios	BSP STANDARD	GRBANK 'S APPETITE
LIQUIDITY RATIO	20%	35%
PAST DUE RATIO	25%	8%
CAR	10%	20%



2000 RE-ORGANIZATION

- ❑ Lean Organization to streamline operations of 9 Branches operating in Central Luzon (Top Executives have no secretaries- HANDS ON)
- ❑ Internal Control is a must
- ❑ Bridging the Gap (young & old)
- ❑ Overcoming Resistance to Change
- ❑ Continuous Education/Training
- ❑ Became among the Top 20 RBs Nationwide



2004

- ☐ 50th Anniversary
- ☐ Total Resources of P1.0 Billion
- ☐ Blessing of the new building (Corporate Center)
- ☐ **Among the Top 10 Rural Banks in the country, in terms of Assets, Loans, Net Income, Total Deposits and Total Capital**



2009



- ❑ 55th Anniversary
- ❑ Overcome Adversities (closing of RBs)
- ❑ 15 Branches in Central Luzon including 1 branch in Q.C.
- ❑ Offered **Cash Deposit Only** Account to reach to the unbanked (now known as Financial Inclusion)
- ❑ **Total Resources – P2.0B**

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2009 onwards... more Innovations



- ❑ **BSP as our Partner – enhancing policies and procedures aligned with BSP circulars**
- ❑ **Brand Image – Aggressive in improving our buildings and create a uniform look**

TRUSTED SINCE 1954

2009 onwards... more Innovations

- ☐ On-line Banking Operations
- ☐ Being abreast with One Day Clearing
- ☐ Foreign Currency Deposits
- ☐ Diversification of Loans – spreading your exposure, creating limits



- ❑ 60th Anniversary
- ❑ Creating your own Niche
- ❑ **Formally Launched**
Empowering MSMEs, Enriching
Pinoy Lives Program which we
started in 2012...now they are
the focus of Financial Inclusion
- ❑ 17 Branches in Central Luzon
including 1 branch in Q.C.

SERVICE TO COMMUNITY

- ☐ Financial Literacy Campaign
(headed by the President)
- ☐ Medical Mission
- ☐ Feeding Program
- ☐ Relief Operations
- ☐ Community
Involvement



**THANK YOU FOR LISTENING
and WE HOPE YOU HAVE
LEARNED SOMETHING FROM
US.**

