

Table 10 Re-engin

Month/Year

*1997

*July 1997

*April 1998

*June 1998

*August 1998

*October 1998

*End of 1998

*January 1999

*March 1999

*September 1999

*November 1999

*February 2000

*April 4, 2000

*April 2000

*October 2000

*March 2001

*July 2001

Sources: (1) *Phu Cha*
(2) *Phu Chatkan Rai*
(3) Thai Farmers Bank
(4) Thai Farmers Bank
(5) Interview research
in September 2001 at

neering Process of the Thai Farmers Bank Public Co.,Ltd. (TFB) : 1997-2001

Items/Remarks
<p>TFB employs American consulting company, Booz Allen & Hamilton, to formulate a re-engineering plan. Currency crisis occurred TFB increases equity capital by mainly inviting foreign investors. TFB newly sets up the Audit Committee (3 persons) in accordance with the SET guidance on good corporate governance in January 1998.</p>
<p>Two key internally-promoted directors (Narong Srisa-ang and Chana Runsaeng) who had devoted to the late Bancha Lamsam (father of Banthun; TFB president in 1962-76 and its chairman in 1976-92) retired. Start of renewals of the Board members. TFB employs McKinsey & Company as a consulting company for six months to gear for its institutional reform. TFB itself organizes a special team to examine problems to be solved.</p>
<p>TFB increases equity capital by mainly inviting local investors. TFB announces the outline of overall reform to the public.</p>
<p>Thonburi Asset Management Company (TFB 100% owned company) is incorporated to handle NPLs independently. This is the first AMC among local commercial banks. Consolidated financial statements are prepared in accordance with the regulation of the Stock Exchange of Thailand. TFB newly sets up the Nomination Committee to follow the SET guidance on good corporate governance.</p>
<p>TFB newly sets up the Compensation Committee, and the Advisory Board to the Management Board. TFB starts drastic reorganization of the Board of Directors. Phairot Lamsam, an uncle of Banthun, retired. Five new professionals out of 13 Directors are invited from the outside to occupy the Board members. They include: Dr. Suchada Kirananda (Professor of Chulalongkorn University, Commerce & Accounting); Dr.Yonyut Yuthawong (Director of National Science and Technology Committee); Dr.Aphijai Chantharasen (law advisor); Charles L. Coltman (Vice President of the First Union Corp.); and William M. Evans (former Regional Manager of Goldman Sachs Co.,Ltd.in Asia).</p>
<p>TFB announces "Eight Strategic Programs" aimed at making the Bank more responsive to the dynamic change in financial markets.</p> <ol style="list-style-type: none"> 1) Centralized back office reconfiguration 2) Credit transformation 3) Free-based business development 4) Customer relationship management 5) IT infrastructure development 6) Value-based management 7) Human resource management development 8) e-business development
<ol style="list-style-type: none"> 1) TFB appoints William John Fontana (former City Bank) as a Vice President and Executive Director who is responsible for human resources development and new performance appraisal programs. He becomes the first management Board member invited from foreigners among big local commercial banks. 2) TFB also appoints Ronald Strike (former advisor of Booz Allen & Hamilton Inc.) as the special advisor to the overall strategic plan for the TFB.
<p>TFB appoints David Hendrix (former City Bank, Bank of Asia) as a Vice President and Executive Director who is responsible for retail business.</p>

MDT Table 10.xls

tkan Rai-duan , Vol. 17, No.197, February, 2000;

-duan , Vol.19, No.215, August 2001,

κ PLC, 56/1 Form Report, as the End of the Year of 1999, March 2000 (in Thai).

κ PLC, Annual Report 2000 (in Thai)

1 by the author with Mr. Banthun Lamsam, TFB's President and Chairman of the Management Board
t the head office of the TFB.