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Wayne Besant

A BIT OF A LEGEND

We need more authentic Kiwi leaders, says AIA's new group CEO, Wayne Besant. As he moves from banking to take a fresh perspective into insurance, Besant tells Brenda Ward the finance industry has to do more to help Kiwis understand money.

When Tuakau boy Wayne Besant was the first in his family to pass School Certificate, they saw him as "a bit of a legend", he laughs. When the bright-eyed young political science masters graduate flew for the first time at the age of 22, he admits he was excited. Best of all, when ANZ paid his airfare to Wellington for a job interview he was so impressed he took the job.

Besant is completely unembarrassed about his early naivety and his roots far from the private school privilege of many of his peers. Maybe that's why, now aged 46, there's still a sense of wonderment in the way he sees the world, a freshness and enthusiasm that he's brought to the banking industry as ANZ Bank's retail managing director and that he's about to take into the insurance industry as AIA Group Insurance's New Zealand CEO.

"Certainly banking was not something I thought of as a career," he admits. "I was interested in going into foreign affairs, but a chap from the bank flew me down to Wellington for a second interview."

That led to over two decades with ANZ and "a fantastic career", rocketing from ANZ's Panmure branch, to managing regional branches, to corporate banking and on to lead ANZ's branch network

and SME business. He then landed a key role, as managing director of ANZ Retail, as the bank merged with National Bank. "To be involved in helping set that up was an exciting time for me," he says. "We basically brought two large competing brands into the same family. For me that was a really fantastic opportunity."

In the banking world it's rare to have two brands working together, with the retail divisions still operating under ANZ

on what he calls a crowded market. "What the banks are trying to achieve, in such a competitive market, is differentiation," he says. "It's not a big population in this country, so you have to have a differentiated service proposition."

For example, Kiwibank is pushing its identity as a Kiwi-owned bank. "However, Kiwibank shouldn't be overplaying the anti-Aussie bank sentiment," he notes. "In my opinion the global financial crisis has

"THE BEST THING THAT CEOS CAN DO IS ROLE-MODEL THE BEHAVIOUR THAT YOU WANT WITHIN YOUR ORGANISATION."

Retail and National Bank Retail, but the merger created greater reach, with each bank appealing to different parts of the market – and it also created a goliath in banking terms. The new entity became New Zealand's biggest bank overtaking Westpac, which had earlier bought out the TrustBank group.

Having recently stepped outside banking, Besant looks back with affection

shown Australian banks have been good for banking here in New Zealand."

National Bank's black horse appeals to provincial and rural customers, says Besant, while ANZ has chosen the convenience space to play in, promoting its access to ATMs and branches. ASB plays the "one step ahead" card, with a progressive technology slant. "They're all trying to appeal to different parts of the

A portrait of Wayne Besant, a middle-aged man with short, light-colored hair, smiling slightly. He is wearing a light blue and white checkered button-down shirt. The background is a blurred outdoor setting with a body of water and distant hills under a clear sky.

Wayne Besant believes the global financial crisis has shown Australian banks have been good for banking in New Zealand.

Transparency will provide more confidence, says Wayne Besant.

market," he says. "That's the challenge for the banking industry – to win you have to truly differentiate yourself."

Already after three months in the insurance industry, Besant can see there's very little differentiation among insurance companies, in a similarly crowded market. That's where he sees he can make a difference with plans to create a "brand promise" in the market that makes AIA stand out from the crowd.

Another learning he made almost straight away was the discovery that Kiwis' uptake of insurance products is only half that of OECD countries. "It's almost a systemic thing. If you look at our school curriculums, there's very little work that we do with kids around budgeting or financial planning.

There's a real responsibility, particularly on those in the financial sector, to help New Zealanders with financial literacy.

"Retirement commissioner Diana Crossan's mandate is all about preparing Kiwis for retirement, but there's a real responsibility on corporates and the wider industry to do more to help.

"For me, that's what leadership in the finance industry should be striving to do more of."

New finance industry regulations should help, he believes. "There is a lot of regulation coming through the industry over the next 12 months. In my view, it's been a long time coming. The global financial crisis may have intensified the need for it, but New Zealanders have been looking for this regulation for some time."

The regulations are about increasing transparency, he says. "Transparency will provide more confidence. My vision is a positive circle. You will get more confidence because of the transparency, and it's more likely people will want to

learn about the industry and become better educated.”

This is an issue he has been worrying about for some time. He fits spending time with his four children around being a volunteer for a budgeting service. There he sees real Kiwis with real problems managing money. “We need to get New Zealanders thinking about budgeting, about retirement and about their insurance needs – and that’s got to be good for New Zealand. I’ve got a real passion to do more to help New Zealanders.”

He says there’s a lot corporates can do, getting alongside organisations like the Retirement Commission, running budgeting programmes with community groups and aligning to iwi groups to help people who would love assistance from businesses, he says.

In his new role, Besant is paying special attention to this country’s small businesses. With almost half a million of them, their sustainability is important for the whole economy. In the past few months he says AIA has launched a highly successful range of products specifically to help small businesses, including ‘key person’ insurance, so if an owner is the main person generating revenue, the company is protected against losing that person from the business. Businesses could equally protect against losing a head of sales or a key manufacturing role.

“If a key person falls ill in a small company, that could be your profit margin gone,” he says. “The policy is designed to get you back to business, covering recruitment costs and a percentage of the revenue of the business.”

Yes, the future of insurance is in differentiation, but Besant sees the future of banking and insurance as also about technology and the human touch. “Businesses are all about relationships. That’s not to say that technology, the internet, all

WAYNE’S HEROES

Wayne Besant says our future as a nation lies in what he refers to as an “authentic Kiwi leadership concept” and in this respect he has a lot of admiration for Rob Fyfe, Theresa Gattung and Stephen Tindall.

Rob Fyfe: “Look at the way Rob handled the recent tragedy in France. He showed up, led from the front and demonstrated compassion and vision. That’s what leadership across all industries should be aspiring to.”

Stephen Tindall: “Stephen invests in a lot of start-up businesses. People think that being socially responsible is not about profit, but the two can work together. He’s doing fantastic things and adding real value to New Zealand Inc.”

Theresa Gattung: “It’s not just about Telecom. Look at what she is striving to do for the wool industry. What I like about her is consistency. She’s very passionate about everything she does – and she has a real love of New Zealand.”

“To my mind, these are the three leaders who are working for New Zealand. They’ve got a long-term vision for this country and there are real lessons to be learned from them about authentic leadership.”

of these things aren’t vitally important for all industries, but communication is the key. People want more quality, authentic relationships with their banks and insurance companies.

“It’s also about simplicity. The future is about having less clutter in your life, keeping things as simple as possible, particularly in the financial industry. Products have to be delivered in a way that the customer understands. For AIA, we see that as a massive opportunity in the insurance sector in New Zealand.”

What is Besant’s view of where the economy is heading? “I think the property market is a good indication of the mood of the financial market at the moment too – it’s a bit more hesitant.

“Credit criteria is certainly a bit tougher than it was, but equally, Kiwis are now more circumspect at taking on debt, adopting a wait-and-see attitude.

“In this new environment, companies in all industries also have to be very efficient in managing the bottom line. This is what businesses should be doing when times are difficult – protecting the

revenue line and looking at costs.”

He’s positive the way to effect change is to make role models of inspiring leaders and be a role model within your own organisation.

“The best thing that CEOs can do is role-model the behaviour that you want within your organisation. My mantra is ‘Your staff have to feel first what you want your customers to feel’. It’s about trying to effect a better customer experience and a brand promise in the market that your organisation stands for. If the organisation doesn’t stand for anything, you won’t win. You should encourage your staff to talk about their successes, because it creates role models for the rest of the staff. If you talk about those great examples enough, that becomes the culture.

“People love listening to and sharing stories – particularly personal experiences and insights. If those stories are aligned to the sort of customer experience you want your business to represent – you have a wonderful opportunity to differentiate yourself with that brand promise. That’s exciting.” **M**