



Dangers of losing touch with the community

CHRISTOPHER NIESCHE

Australia's major institutions and particularly the banks have lost touch with the community and skewed their activities too much towards the interest of shareholders, says ANZ chief financial officer Michelle Jablko.

Jablko told the 10th annual Women in Banking & Finance Forum, sponsored by Deutsche Bank, that there has been an undercurrent of dissatisfaction with banks even before the events that triggered the financial services royal commission.

"The big institutions — the banks in particular, but big institutions — whether it's big business,

government, sort of lost touch with the community. I think there's always a balance between shareholders and customers because you need both to have a sustainable business, but it probably skewed too much towards the interest of shareholders over customers," Jablko told the Sydney forum.

"We sort of followed what the law said and we're highly regulated, so we took comfort in that, but that wasn't what customers and the community wanted."

Responding to a comment that some activities by some banks — such as charging dead people financial-advice fees — clearly fell outside the law, Jablko agrees.

"There were some things that happened in the industry that should not have happened and that is what I think tipped it over the edge; but there was an undercurrent before of business not listening to community".

Corporate affairs adviser Sue Cato, of Cato & Clegg, says reputation is "what people expect of you — whether you're an individual, you're a corporation, you're a sports team".

"When community and society get shocked is when you don't behave in a manner that they expect you to, and that can be for good or for bad. If somebody has got a par-

ticularly bad rep and, all of a sudden, they start behaving really well, people are surprised and that's in a good way," she adds.

Cato says in the past, companies and individuals could apologise and move on, but expectations have grown exponentially. "In some ways, there's almost not enough that you can do that's good enough to fix the problems right now," she says. In a crisis, Cato adds, it is important to think calmly and pause before giving a sensible and rational response.

Despite being a public-affairs adviser, Cato describes herself as a "media minimalist", saying that not everyone needs a profile on social media, and the more a person publishes about themselves the more there is for people to scrutinise and pull apart: "You do it if there's a reason to do it; you don't just spray yourself around."

What they said

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SUE CATO
CATO & CLEGG

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MICHELLE JABLKO
ANZ

My number one piece of advice for when you're in a fight-or-flight situation with your reputation, or there's a crisis, is just to chill out and have a think about it

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TOUCH CREATIVE



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The Women in Banking & Finance panel discussed the value of reputation to businesses, and concluded that the public's expectations had grown. From left: Adam Spencer, Michelle Jablko, Mitchell Starc, Sue Cato and Edwina McCann