The value of leadership

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CHECK AGAINST DELIVERY

Introduction

Good morning everyone. Thank you for this opportunity to speak about the value of leadership.

It’s great to be here at Melbourne University. It doesn’t seem all that long ago that I was here at Melbourne University studying commerce, even though a lot has changed in the world since then.

As the Chairman of ASIC, I know a bit about the financial sector and a bit about public service. But, at the end of the day, I am only one person. One person who needs to depend on a wide range of people with a wide range of skills.

I rely on a wide range of individuals every day in order to do my job as Chairman, whether they are a Commissioner, Executive Leader of a team, or a new graduate starting out in their career at ASIC.

Since joining ASIC from the private sector, I am continually amazed at the ingenuity, the passion and the dedication of our staff.

Making sure Australians have trust and confidence in our markets is at the heart of everything we do. It is what drives the 1,700 excellent men and women who work at ASIC, and who do so for good reason.

Now today is all about leaders. About creating and inspiring the leaders of the future. And why having strong leaders is so important to ASIC.

So today, I wanted to give you some insight into how I think about leadership – and its value to ASIC. To this end, I’d like to talk to you about:
• ASIC’s role and why we matter to Australians
• what qualities are important for a leader, and
• how I lead at ASIC.

ASIC’s role and why we matter to Australians

So what is ASIC’s role and why should you care?

You should care because what we do touches your life and the life of all Australians. This is because our fundamental objective is to allow markets to fund the real economy and in turn economic growth. This contributes to improved standards of living for all Australians.

On an individual level, you should care about ASIC because we probably affect your life – or will affect your life – in one way or another through:
• superannuation – one day each and every one of you will retire
• credit – many Australians have credit cards, mortgages or personal loans
• if you have a small business at any stage – ASIC provides support to small businesses, and
• because understanding finance and money is critical at any stage of life – we work to help Australians better understand finance and money.

All of the work we do aims to ensure that people can continue to have trust and confidence in financial institutions.

Qualities of leadership

The work we do at ASIC can be diverse and often challenging.

Since the global financial crisis, we have seen example after example of financial institutions behaving in a way where customers come off second best. This behaviour has led to an erosion of trust and confidence in our financial markets.

As a conduct regulator and law enforcement agency, ASIC keeps a close eye on financial institutions and their behaviour.

The leaders that I work with at ASIC bring both their skills and passion to work at ensuring trust and confidence in our financial system. But technical skill and passion is not sufficient by itself for a leader. Particularly for a leader who faces the challenge of ensuring trust and confidence in a complex system.

To meet this challenge head on, a leader must have a strong, authentic character. And, importantly, a leader needs to have four things:
• resilience – experiencing ‘failure’ and recovering from it
• personal discipline
• a strong sense of ‘team’ and teamwork, and
• an ability to communicate effectively.
Resilience

When we think about great leaders, we often focus on their big successes. However, very often great leaders also have a profound relationship with failure. They have experienced failure; and they are also not afraid of it.

As we discover throughout our professional lives, success is often not a smooth path. It is filled with many bumps and deviations along the way. Where others might stop or give up, those who achieve great success, those who are great leaders, move forward – retaining calm and poise through an experience of failure.

This is how they build resilience. Failing is what makes them stronger. Failure teaches us the key lessons we need in our career and helps us continue on our path as leaders. Good leaders learn from the experience and adapt accordingly.

Also, with the experience of failure comes the ability to empathise with those who we work with and lead. How we choose to respond to challenges is indicative of the strength of our leadership potential and development – whether this is in our professional or individual lives.

Personal discipline

Being a leader is not always easy or comfortable. Sometimes you have to make decisions you don’t want to. Sometimes in the face of challenging circumstances.

At ASIC, we continually face challenges. It is in the nature of the work we do. But how we view these challenges defines us as leaders. Do we choose to see the challenges as stepping-stones or as obstacles?

We can waste energy with a negative mindset, thinking ‘I can’t solve this issue’. Or – if we choose to see challenges as stepping-stones – we allow ourselves to grow with the challenge, and to realise our full potential as leaders.

To adopt this mindset takes discipline and effort. It likely won’t come naturally, at least at first. However, good leaders understand that they can do almost anything they put their mind to as long as they are prepared to do the work – to do the hard yards.

For the hard work to be successful, this requires personal discipline. It requires a clear strategy and objective, and a solid plan for how you are going to get there. And a ‘can-do’ mindset to follow through on the plan.

Teamwork

But most importantly as a leader, you don’t go it alone. You rely on a team of people.

The essence of a leader is that they do not work alone. They cannot work alone. A good leader also realises, and invests in, the value of teamwork.

A leader gets things done by using all the resources available to them. This means using their team. And this also means knowing how to get the best out of their team. They need to be able to communicate well with their team.
Good leaders see the talent and ability in their team members. And they continually find ways to help their team channel those abilities to achieve the goals of the organisation.

A leader can inspire and encourage their team to try new things and build new skills. Their confidence in their team provides a space where it is safe to make mistakes. But they also help their team to learn from their mistakes, and to grow from them.

Good leaders empower their staff to work independently and to make decisions about their work, while providing the right amount of guidance and questioning needed. They communicate openly and honestly with their team.

At ASIC, we are privileged to have many individuals who, apart from being very bright people, also have one thing in common – they believe in the public interest. And this sense of purpose means that we can guide people with a light touch and give them the independence to lead effectively and succeed at what they do.

How I lead at ASIC

As a regulator of the financial system, ASIC needs to be forward looking and proactive. ASIC needs to be courageous. This is like any leader.

Making sure Australians have trust and confidence in our markets is at the heart of everything we do. So I use these qualities of resilience, personal discipline, teamwork, and communication in my task of leading ASIC towards achieving our strategic priorities.

As the Chairman and a leader of ASIC, I believe that my personal ability to be an effective leader is driven by:

- clear strategy
- accountability
- communication
- empowerment, and
- values and culture.

Clear strategy

To lead effectively, I believe in having a clear strategy. This can be something that guides all our actions and decisions. Something we reflect upon on a daily basis.

This strategy, of course, must align with the strategic priorities of the organisation. We need a clear plan in place, and a measure of how we deliver on these priorities.

Communication

For any leader, communication is key. Maintaining an open dialogue with staff enables us to deliver outcomes.
We particularly need to value the diversity of views. There is increasing evidence that the diversity of people in groups paves the way for more creative thinking and better outcomes.

**Accountability**

In any organisation, there should be measures of accountability for any leader and their team. They should lead with the purpose and priorities of the organisation front-of-mind.

Having clear business plans and clear objectives in place facilitates this accountability for leaders. It also means that the people that work with them have a clear understanding of the direction and purpose of their work.

It is about working together towards our common goal.

**Empowerment**

As I mentioned earlier, a good leader makes staff independent, but accountable; and trusts them to deliver on their work.

Micromanaging staff does not make the most of their abilities. Instead, a leader should look for ways to give guidance to staff that will empower them to do their best work.

The more scope you give to someone to take ownership of their work, the more they will stretch their capabilities and rise to that challenge – and the more engaged they will feel with their work. And, ultimately, the more value they will place on what they do.

**Conclusion**

In the face of the challenges to trust and confidence in the financial system, ASIC relies on having the right leaders with not only the right technical skills but, importantly, the right values.

At ASIC, all our work is shaped by our values of accountability, professionalism and teamwork. We are fortunate to have passionate and talented individuals who embody these values.

To aspire to leadership in the public service makes for a fulfilling and valuable work life. It is about working together for a common good.

The people I am privileged to work with in my capacity as Chairman of ASIC truly believe in making a difference. I value the leaders we have who work hard in guiding ASIC’s efforts, and who continue to strive to meet our strategic priorities.

Obviously, ASIC is not perfect. We’ll keep working on that. But it is these opportunities that present themselves that allow us to continually improve. And that allow us to continue to grow as leaders.