



Welcome to ASFA 2017

Day one of 2017 ASFA Conference opened with an Acknowledgement of Country by Aboriginal Clarence Slockee performing a vocal solo and didgeridoo, before being joined by the Jannawi Dance Clan.

Premier of NSW, Gladys Berejiklian welcomed delegates to Sydney, acknowledging the ASFA Conference as indicative of an Australia-wide and global collaboration of businesses, coming together to better our retirement system and the 15 million Australians with superannuation.

ASFA independent chair Michael Easson AM followed, welcoming delegates to a thought-provoking and educational three days, revealing that technology, resilience, leadership and regulation were the Conference's key themes.

He said that superannuation, as a topic, inspires debate, and admitted one of the many challenges facing the industry is the threat of regulatory overload. While prudential standards must continue in order for us to focus on stability and excellence, he noted the necessary regulations by APRA, ASIC and the ATO are one of the reasons Australia's superannuation system ranks so highly. Australia has one of the top three systems in the world, based on sustainability, adequacy and integrity, Easson said, and we must continue to work on getting the balance right. 

Geopolitical power dynamics

In the opening keynote address, Gideon Rachman, Chief Foreign Affairs Commentator, Financial Times (UK) said "2016 was a year that people will be writing about in 100 years' time", making reference to the challenges surrounding Brexit and President Trump.

Rachman analysed the rising tensions in the Middle East, US and North Korea, the power balance between Europe and Asia, and the implications for Australian and global markets.

"We are at a historical inflection point", Rachman said, with the power of the western system being challenged and potentially coming to a close due to the rapid growth across Asia.

It is a "crisis of western confidence", he said, where leaders have been encouraging globalisation, but now President Trump is "rhetorically saying a global system isn't working".

"We are entering a radical new phase where the west is trying to find its place in the world. Consensus of globalisation is fraying."

The Hon Kim Beazley AC, Former Deputy Prime Minister of Australia and Australian Ambassador to the US said "we are now at the heart of economic enmeshment between the US and their relationship with Asia".

While the last 12 months have seen increasing tensions in the relationship between US President Trump, China and North Korea, Beazley explained one of the impending challenges we now face is new trade deals and partnerships, which he predicts will transpire over the next three years and will have a heavy impact on Australia. 



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Embracing adversity

Former UN peacekeeper Major Matina Jewell (retired) shared her insightful experiences from the battlefields of Lebanon and Israel, proving that out of change and adversity comes opportunity and hope.

Jewell revealed the countless hardships she faced while leading her team of 16 soldiers through wartorn areas, but admitted the most challenging moment was hearing about the deaths of some of her teammates via news media – not from her own leaders. She stressed that during times of crisis, it is more important than ever to communicate with your team. “Don’t ever forget your people.”

When she returned to Australia after breaking her back in five places, in addition to multiple other fractures and internal injuries, Jewell found herself in a dark place – medically discharged, experiencing survivor’s guilt, depression, and post-traumatic stress disorder, as well as coping with the loss of her teammates.

From this, however, she found strength through her family and helping others, and now works to make a positive change to Australian legislation and UN procedures to protect the lives of wounded veterans.

Jewell emphasised that from great adversity can come incredible opportunities, so long as we have the courage to pursue them. As leaders, we have to overcome challenges, adapt, assess the processes and options, and manage risk. In turn, if we want people to not be risk averse, it is up to us to support and empower each other and push on in the face of challenge.

She concluded that we should never underestimate the impact of the decisions we make on the lives of our people and our business, both domestically and abroad, nor should we underestimate the difference our words can make to someone in need. 🐦



HAVE YOU GOT THE APP YET?

The ASFA Conference app is now available to help you plan your days, learn about the speakers and join the discussion.

Search ‘2017 ASFA’ in the iOS and Android app stores. For all other devices, a web version can be accessed at

eventmobi.com/asfaconference

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The art of brand building

International consumer branding expert Martin Lindstrom said that if you want to develop a powerful brand then you need to see things through your customers’ eyes. Speaking from his experience living and observing people’s lives 365 days a year, facilitator Russel Howcroft from Gruen and PwC, said Lindstrom is always looking for the next brand opportunity to impact a whole generation.

Lindstrom says the fact we have all fallen in love with our mobile devices has removed the separation between work and private life. This means business-to-business and business-to-consumer is the now the same. There is opportunity to infuse emotion into business today, as most professionals are treated like robots, he said.

You cannot control customers via remote control, but rather should work among them, said Lindstrom. By reframing questions and asking them in different ways, we can find out more information about customers and speak to them more effectively.

Interestingly he also noted that people have two ages, their real age and the age they actually feel inside, which is much younger. As marketers, he says we should tap into the age people feel.

Lindstrom also spoke of ‘smashing a brand’, originating from when a 1950 Coca-Cola bottle smashed and broke into pieces and the brand was still recognisable on any piece.

He encourages us to make a difference; smash your brand whether it’s by the colour, the way you answer the phone or your website’s navigation. With everything so generic today, there is such opportunity to make your brand stand out, said Lindstrom. 🐦



The psychology of risk and reward

What percentage of mortality is accelerated or caused by bad decision making? Behavioural economist Dan Ariely reveals that 100 years ago it was 10 per cent, but now it is 40 per cent. So did we get more stupid, Ariely asked? No – but we have too many temptations that we can't resist. He believes super is a temptation-avoiding industry where people are not willing to wait for the reward. It is 'now' versus 'later'.

Ariely said we need to look at money as an opportunity cost and ask – is this the best possible way to use it? Money requires us to think of opportunity, but that in itself is difficult. So what do people do when it's hard to do the right thing, Ariely asks? "We do the wrong thing."

We don't think about money in absolute terms but in relative terms, added Ariely, speaking to the term 'the pain of paying' caused when we are aware of spending money because we see it leaving at the same time of consumption. "This is why we have a really serious issue getting people to save," he said.

To this point, Ariely then questioned – how can we realistically expect our members to know how to make the right decisions around saving, spending and risk appetite? There are a lot of biases, he added, but we assume that people are rational and will make the right decisions, but rather we need to ask people what lifestyle they want. We must think about the real needs of members, build a picture of those needs and how much they truly cost.

Ariely said the superannuation industry needs to become more paternalistic, identify the relationship between money and happiness, and help people avoid the hedonic treadmill. 🐦

Lessons in best practice

Key themes from a group study of 11 pension funds and four sovereign funds, commissioned by Australia's Future Fund, reveal that a best practice mandate includes culture, diversity, sustainability, stakeholders, strong boards, and long horizon thinking and investing.

Anne-Maree O'Connor, Head of Responsible Investment, NZ Super Fund said the biggest concerns emerging from the study are climate change and sustainability, inequality, and how well funds are aligned with sustainability and environmental, social and governance (ESG) goals.

Chris Hitchen, CEO, Railways Pension Trustee Company (UK) recognised the great value in talking to other funds, particularly those overseas, and learning from different approaches to best practice.

David Neal, CEO, Future Fund said they used the study to assess what they could improve on and do differently. He added that the Fund has a strong board that engages on the journey and the quality, rather than relying on performance.

Facilitator Roger Urwin, Global Head of Investment Content, Willis Towers Watson (UK) introduced a video address by the Hon Al Gore, Former Vice President USA and Co-Founder and Chairman, Generation Investment Management: Long Term Sustainability, said that a decade after his *An Inconvenient Truth* film, we are now facing the consequences of climate change. Although we are seeing positive changes, it is still not enough. Low carbon economy transitions are being made and for asset owners and super funds, these represent opportunities for investing differently. 🐦



TOP TWEETS



Georgina Lee
@GeorginaAtWork

Opening Welcome to country at #asfasyd. Who is the composer of this music @asfaAUST? Indigenous electronica? It is fantastic!



Ashton Jones @ashmobs87

Behavioural guru @danariely the high point of @asfaAUST Day 1 - "As the pain of paying decreases people spend more and save less." #asfasyd



Cecilia Storniolo @Cecilia_St

We're now in the H2H business (human to human) not b2b or b2c which have merged says @MartinLindstrom #asfasyd

Jonathan Steffanoni @jsteffanoni

Kim Beazley @ the @asfaAUST conference in near 100% humidity in #sydney "I'm glad this isn't really a fireside chat" #asfasyd #superannuation



OnePath

Live site

New to the Super Expo and introduced by popular demand, the ASFA Live site gives delegates and exhibitors the opportunity to see some of the Conference's most anticipated sessions streamed live throughout the Conference. The Live Site will also host a stream of the parallel sessions, pitch sessions and networking events. **Find the Live Site in the Super Expo.**

Visit the Conference bookseller



Our Dymocks pop-up has a number of books by our Conference speakers available for purchase. **Located at the Super Expo entrance.**

DYMOCKS



Airport check-in and bag drop services

OACIS and ICC Sydney have partnered to deliver a bag check-in service, offering a convenient world-first innovation available to all delegates travelling on Virgin Australia when they head home after the ASFA Conference.

OACIS will provide off-site airport check-in and bag drop services for Virgin Australia guests in the foyer of the ICC Sydney at the start of Conference day three.

Those who take up the OACIS service will then enjoy the last day of the Conference without the encumbrance of their luggage and will not need to undergo check-in at the airport at the end of the day.

To make a booking visit: <http://oacis.io/booking-conference-form>

