

Culture is the turning point

Learnings from re-energising organisations through rebuilding trust, performance and pride



Who am I?

Three successful turnarounds and transformations:



icare™

(2021-2024)

- \$5.5B revenue, \$40B assets, 1,800 employees
- Employee engagement: 40% → 64%

 **TOWER**

(2015-2020)

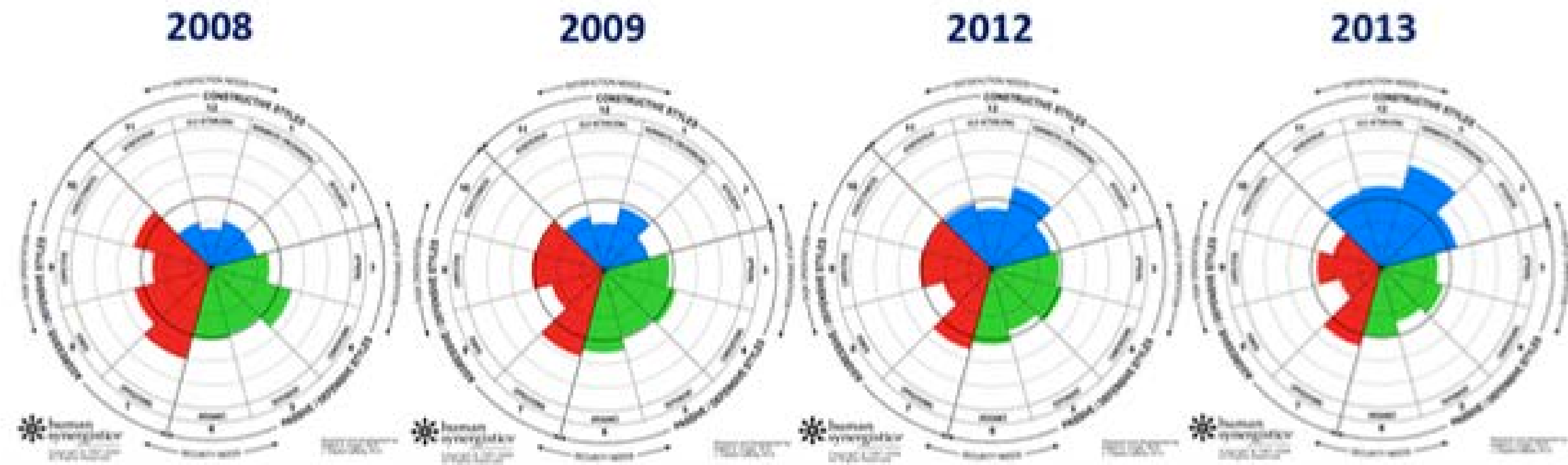
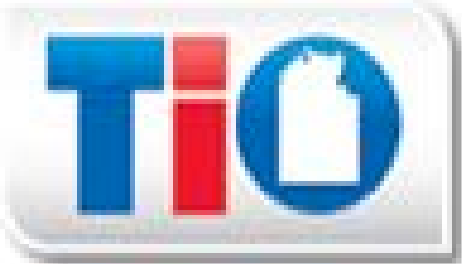
- \$600M revenue /ASX listed, 600 employees,
- 15% annual growth, 60% digital channel adoption
- Employee engagement: 37% → 60%

 **TIO**

(2008-2014)

- Led comprehensive business transformation
- Employee engagement 36% - 75%

Territory Insurance Office

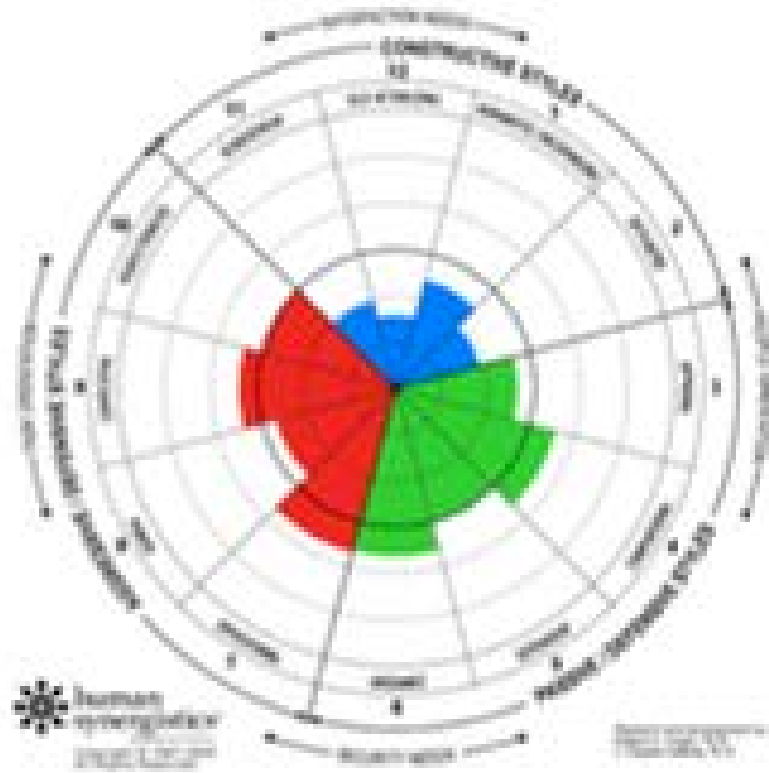


	2008	2009	2012	2013
Engagement:		36%	67%	70%
Fin Year		2008/2009	2011/2012	2012/2013
Profit		(\$53M)	\$8M	\$99M

Tower Insurance



2011



2016

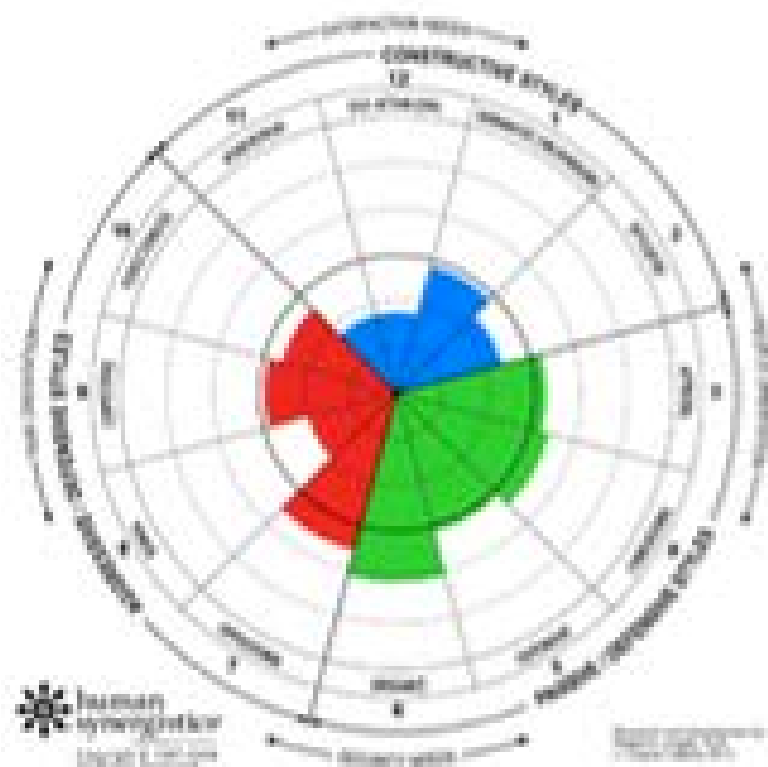


2018

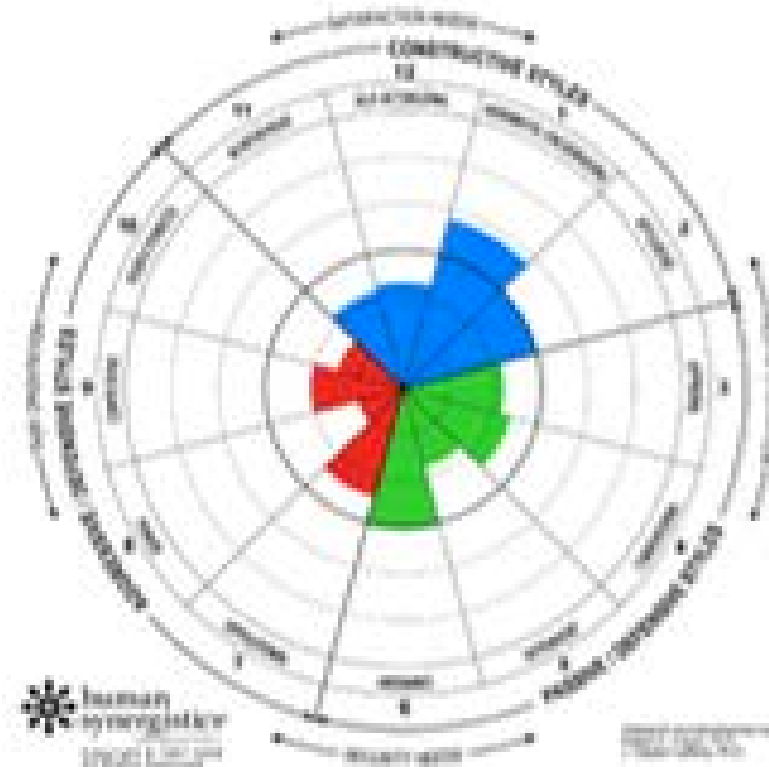


	2016	2017	2018	2019
Engagement:	35%			60%
Growth / Digital	(0.8%) / <5%	3% / <10%	5.8% / 30%	11.9% / 51%
Profit	(\$21.5M)	(\$8M)	(\$6.7M)	\$16.8M

2021



2023



	2021	2022	2023
Engagement:	40%		62%

Why Culture Matters

CEO's and leadership teams face challenges:

- Strategic stagnation despite clear plans
- Disengaged teams resisting change
- War for talent, attracting and retaining the right people
- Silos and misaligned behaviors undermining strategy.

Boards increasingly held accountable for Culture

- Culture seen as a key indicator of risk
- APRA's GCRA strategy heighten Boards focus
- Hayne Royal Commission FS
- Clear link to conduct and community expectations

Changing Employee expectations

- Changing expectations of employees regarding cultural norms
- Increased mental health challenges
- Resilience to change

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The Challenge: Why 70% of Transformations Fail

- Culture enables strategy execution
- Culture enables change agility
- Culture enables discretionary effort

"Culture eats strategy for breakfast."

"companies that take the time to identify and shift deep-seated mindsets were 4x more likely to see successful sustainable change"



What I learnt:

1. Create Belonging
2. Invest in leadership
3. Common language
4. Redefine Performance
5. A coaching organization
6. Everyone can make a difference



Create Belonging

- Clarity of purpose
- Moral basis (heroic, altruism, excellence, discovery)
- Integrate culture into strategy
- Connect business to community
- Beyond financial returns



Invest in Leadership

- Top team alignment
- Role of the middle layers
- Define what good leadership looks like through training
- Culture as the major outcome of leadership development

Common Language

- Values aligned to constructive behaviours
- Consistent use of values in decisions
- Clear communication strategy to always communicate decision in values context



Redefine Performance

- The How is as important as the What
- Set goals around the how (values / behaviors) and the what
- Create opportunities for feedback conversations on the how
- Act quickly where the 'how' isn't fitting



Coaching Organisation

- Create safety for feedback
- Growth orientation
- Leadership role modelling – seeking feedback
- Regular measurement through 360 (LSI)



Everyone can make a difference

- The socials matter
- Inclusion
- Engagement
- Recognition

Conclusion

- Integrate Culture into strategy
- Create freedom within the framework
- Be patient it takes time