

FIRESIDE CHAT WITH QBE

Gurbaj Pawar

I'm Gurbaj Pawar and I'm part of the YSPN external affairs team. I've got a big smile on my face today, there's a very good reason for that, well let me get into that in a second. So just a bit of background, I spent a bit of time working in QBE I'm a former QBE employee and some time ago I was sitting there at my desk and I received an email, it was announcing our new group executive. So for those of you who don't know QBE is an air Sikhs company, one of the largest companies in Australia and it's a global top 20 insurer. So you get these standard emails there's been restructure changes and I'm expecting to open up and see if you names that are familiar with and the email comes through and I look at the email. Group CFO Inder Singh, Australia, New Zealand Pacific CEO Mr. Vivek Bhatia, group chief risk officer Mr. Peter Karev. There are 11 group executives in QBE three of them are Punjabi that was a moment for us in history. And the reason for the smile on my face is that when I was sitting there all I could do was think about it get excited and message all my friends about it, but today. I can get them all here on stage and two of those people are actually in this room and I'm going to join me on stage soon, so let's kick off with Inder. So, Inder, he spent most of his career in investment banking he's a ex-gorge bank, ex UBS he's been on Aviva and in 2015 he joined QBE in corporate development,. Since then he's held very senior roles head of corporate development CFO for Australia New Zealand business and recently group CFO for QBE. This is group CFO for a co for an organization in over 40 countries. Vivek Bhatia so for those of you that know insurance Vivek is one of the most is recognized widely recognized as one of the most influential executives in the insurance industry in Australia, he is the ex-CEO of I care, ex CEO of West Farmers Insurance and is also a next partner at McKinsey leading their transformation and restructuring practice in a pack , can I please get everyone put their hand together and welcome Vivek and Indo to the stage.

[Applause]

Firstly thank you so much on behalf of all of us myself individually YSPN as an organization and our community who is all here today. One to understand understanding and get inspired and two - thank you and celebrate the success we've had as a community because of people like you.

Inder Singh

Great and sorry for missing the memo on the dress code Gurvansh so you're gonna have to bear with us.

Gurbaj Pawar

I think I missed the memo I think I was supposed to wear a pink shirt. Just remember if you want to dress real sweet, you got to wear a pink shirt.

Vivek Bhatia

You should read your emails first thing in the morning, that's what we do.

Gurbaj Pawar

Okay so they're having you both here today and is a testament to the fact that we're doing something right as a community, case in point Vivek, three out of eleven executives at QBE are Punjabi. One, I wanted to ask your thoughts on the reflection on how we think we got there? And how do you think we continue that momentum?

Vivek Bhatia

I didn't recruit any of the three so I can't really take any big credit for that, but I think you know there was a great conversation and it was fantastic to hear everybody speak on the panel before and I certainly learned a lot you know from all the experiences that were shared but, but it is about making sure that we put our best foot forward and may the best person and when the best person is in the role you obviously need to encounter different conscious, unconscious biases that may come by the recruitment people so whether they are Chairmans of boards in these cases or global CEOs but at the end of the day if you are doing what you're supposed to do and you are presenting your best self forward then those opportunities do come. And you have to believe in it, if you don't believe in it then your own mind will stop you from going forward and putting us best foot forward. I think you know it's great to hear Saruv talk about his experience but also more importantly how you learned from it and you know that you control the controllables and you know there is when the course that I have hold you know the process is the biggest teaching from chronologies which is about conquering the mind is conquering the world, and if you conquer the mind then you definitely conquer the world. But if you let your mind play games with you then you're always going to make sure that you are second-guessing your own self and when you second-guess your own self you don't win.

Inder Singh

And I think I would just add just in terms of the environment it was good to hear the conversation earlier about biases etc. I sort of when I moved to Australia in 1989. I grew up in Melbourne and looking back you know over those years every five or six years you've seen a change in the environment right like having, I was in the UK for ten years and coming back in 2015 Sydney feels very different to what it did ten years ago before I left. I go back to Melbourne now and it feels very different you know that diversity is definitely increasing, yes there might be some barriers and they might still be more is needed in terms of pushing for that but you look at Macquarie Bank one of the finest companies in Australia now run by Samara you know who's of ethnic background, she's female and she's running one of the finest investment banks right it's seen as a bastion of the white male and she's running it. So you know it's the environment is changing and it's changing and and, and, and therefore thinking about what you can't control and what you can't control is important but also you've got more opportunities now and going forward and you know we did 20, 25 years ago as a community.

Vivek Bhatia

I also feel just to add on that is that one of the key elements that we always feel is that you can be what you can see, but if you don't see those people around then you sometimes second-guess yourself in terms of thinking is that really possible you know can, can us be on those lists? Can we be on the boards? Can we run these large organizations? And and when you don't see examples of those then you're not sure that is possible and I think you know if you look at, you know even going back ten years ago in 2008 I think nobody believed that it could be a black US president, but once Barack Obama took that place I think everybody believes that that is possible. And so there is a huge amount of catalyst

movements that happen when individuals take roles in senior organizations and then people believe in their ability to do the same

Gurbaj Pawar

Yeah, exactly and pretty much exactly living leading the point on Barack Obama, for us as a community great when you guys were coming through the ranks, back then we didn't have the privilege to have the people like you to look out and inspire and believe that it is possible, so it's great to see that today for all of us you've set a precedent for us to understand where that can go, but reflecting back in your time back in you when you would have been in the stages that we're at what was some of all some of the reflections on that?

Inder Singh

Yeah look I think part of it for me as you know was finding role models generally you know in the business community that you looked up to and in more recent years you know we've had some really fine examples in the U.S so RJ Bongo who runs MasterCard Sutton Adele ever runs Microsoft I spend a lot of time you know listening to you know what inspires them their leadership styles and it's just wonderful to hear you know how do they translate the external into what they you know what they then focus on. So I think having role models is really important whether it's within your particular industry or other industries or more from a sort of a personal ambitions point of view. So I think that's been really the guiding force for me at different you know stages of my life I've always had one or two role models that I've always listened to I've always thought about and that's really inspired me to continue to.. to learn and extend myself.

Vivek Bhatia

I think that I'm absolutely in the same boat as Inder so I came to Australia twenty years ago and you know when I came in and it was very difficult to see any non-Caucasian individuals in the local environment who were blazing the trail, and even though I've not had the opportunity to meet Saruv, but I'd heard about him so much before because he was the kind of the only bastion of somebody who had actually made it into senior sirens of upper Australia, and you look at those individual you think well it is possible so you have to make sure that you keep working hard and I have a strong belief that one of the things that our faith teaches us is perseverance and hard work and not relying only on talent and what's on the out, but bringing your inner humility, compassion your love, your respect to what you do on a day-to-day basis. And if you do that every day then you stand out and that's what you have to try and resist the temptation to conform, because that is so easy to do it is so easy to come into the organizations and then try to do what everybody else does because then you fit in you need to have to stand out and that's what we need to do.

Gurbaj Pawar

Brilliant so that that really occurs with me because I guess an example for me was that my time at QBE when you guys came on board the new group executive there was a marked change in the organization around our approach to diversity particularly on the organization there's a strong reputation around how you guys approach it and how we how QBE is known in the market for it what are your thoughts on diversity and to why do you think it's so important i the way you do your business.

Inder Singh

So the diversity is more than just a nice to have I mean it's you know from a commercial point of view it's a business essential right. So having a strong diversity of thought around the table challenging others so having people from different backgrounds be it ethnic backgrounds be it sexual orientation is really critical. So I kind of see it as obviously in my role as CFR got to think about things you know from a business case perspective and I think there's such a strong you case for diversity putting aside everything else so I think for us we have to be activists around diversity and that involves taking risks and taking risks on people. So what we've been trying to do particularly on the gender front which has been a real focus for us. You know women are chronically underrepresented in our industry chronically underrepresented in senior positions in our company so you know we've talked a bit about this and you know it's important for us to take risks and move people into roles because often especially on the on the gender front I think women are sometimes hesitant to take the risks that an equivalent male might do they sort of almost you know need a little bit of an extra encouragement to say ,hey listen we think you can do this role and and and that little bit of extra encouragement you know when given and when the opportunities opened up people flourish right and we've seen this over time.and I think so it's really incumbent on us to be activists around diversity

Vivek Bhatia

I think just to echo the point you know it's very documented that if men are kind of seventy(70) percent sure they can do the job they put up their hand. And women will wait until their Hundred (100) percent sure to put up their hand. And so it is incumbent on everybody to ensure that we do give level playing field and we do the give the encouragement that is required for people to come and step up the roles. We also know that when they do that they do a better job right and so it is definitely one of the really important aspects of ensuring that you do that. But you know to this point on diversity of thought I think what we try to do with symbols of diversity whether it is you know ethnicity, cultural background sexual orientation gender it is basically the core element of that is diversity of thought. And so if you can bring diversity of thought into boardroom tables into executive rooms then that starts to shape organizations differently to the way they have in the past. And then you look at the big organizations in the country you look at parliament you know the people who decide the policy for the country and you look at people making the decisions around the policy table and there is no diversity of thought there and then sometimes you wonder why people are not thinking through some of those ramifications of can you serve the community which looks so different to the people who are deciding how to serve them. And if you can't .. then we need to make sure that there is some positive change that needs to happen, it needs to be affirmative. It just can't be where we will wait for generations for that to happen. And in 50 years time or sure they will look different, well I don't think we should accept that. I think we should we should be really moving towards affirmative change on this aspect.

Inder Singh

Just one more point on you know when you look at the way you know we're seeing technology advances happening and the industries as a whole changing and how people play in different spaces changing significantly. We as an organization if we stand still and we don't change and we don't challenge the way we do things or how we do them or what sort of people we have done them we will not exist in 10, 15, 20 years times. So you know we really get the fact that we need to have different people challenging you know around the table around you know how do we change and evolve and how do we you know build a company for the future. And so diversity is just a big big part of that right because that the same people who look the same taking the same decisions, in the same way, will just

mean that we'll go out of existence as a company or will fail as an economy to really take advantage of the wonderful opportunities that you know these advances are providing us.

Gurbaj Pawar

And how is QBE going about that what are some of the practical ways that you as leadership at the top making sure diversity is recognized and basically highlighted through to the world?

Inder Singh

Look I think QBE been around for 130 years we mainly focus on commercial insurance it is you know it's been a tough industry in terms of you know the real lack of diversity that we started with you know 10, 20 years ago so it remains. You know hard yards and it's about being activist about it but also you know it's about making examples of small successes when you get them and being persistent about it you know so for us it's front and centre of the agenda, you know we are you know activists around it and we're going to celebrate successes as we go along I think in simple terms is, is the philosophy.

Vivek Bhatia

And and to the extent, you know we reintroduce the QBE DNA last year and one of the core elements of that is hashtag mix it up and that is all about really encouraging. You know in a further in a formative way for us to bring diversity and inclusion into what we do on a day to day basis. Because I've always had a strong belief that diversity is kind of your starting ticket right and then it is all about inclusion. And if you don't get inclusively ride then diversity is only for the name, its name sex symbol, as opposed to it, adds value and I always say that which is which i completely copied from somebody who I thought was great. But diversity is like being invited to a party whereas inclusion is being asked to dance so if you invited to a party in you're asked to dance then while it looks good from the outside you still don't feel part of the party.

Inder Singh

And as interesting there the point that was made in the earlier panel about you know them if you're not at the par board you're not at the boozy launch or you know so that's what culture historically has been somewhat prohibitive right. But that's changing even in our industry which you know if you go to London and the broking market and where commercial insurance started was very much business gets done in the pub and if you don't drink you're not at the table and you know part of the deal. Now it's very different right the becoming more data-driven it's more analytics you know you need smarter better people and it's a real fight for talent you know and so that the environment for us is also changing and what it takes to win is also changing and that really plays nicely into creating more opportunities for people from different backgrounds.

Gurbaj Pawar

So talking about industry so we're all in financial services recent times financial services as an industry has copped a bad rap there's a whole lot of discussions around ethical conduct royal commission and all that going on. Usually, that usually goes right to the top and it's usually the leadership that's usually blamed. When it comes to the going got going as future financial services leaders and current financial services leaders. How do you go about approaching that? And how does your culture your heritage your religious values come into play when you make some of those decisions

Inder Singh

Yeah good set of questions, When I first started my corporate career at Deutsche Bank I was covering financial institutions. And so for the last 20 years, I've been in around financial institutions whether it's in this country or in the UK. And you know my philosophical kind of view on this is I think the industry as a whole lost its way a bit. You know what started as an industry built around building societies where you know you're really part of the community people got together to help each other out to build for their future just evolved into an industry that lost touch with the community, built a lot of hubris around success some of you know the industry dynamics. So you know you had an environment for a long time where the monetary policy was very facilitative, so you made a lot of money just turning up to work every day and everyone thought they were actually doing a great job. And so the industry developed a huge amount of hubris around it and that was consistent here in the UK and in the US and I think the financial crisis you know has brought a bit of a day of reckoning and I think it's causing everybody to think that actually, we need to go back to our roots a bit and be really part of the community and and and think about the role that financial services play. So insurance really what we do in simple terms is everybody pulls their premiums so when there's an event you know the people that are impacted by that event we can use those premiums to help those people rebuild. If rebuild their lives right in simple terms that's so kind of you know at the heart of what we do is a very strong social purpose. We have lost that as an industry over time and the focus on that over time so you know for me when I think about how does that you know we need to really bring that front and centre and back to kind of how we do business. Secondly in terms of how does our culture and our values you know for me one of the big things about Sikhism about being Punjabi is it's a real sense of humility right and and I think when I think about what went wrong in wrong in the industry a bit to some extent it was just a lack of humility, right just a lack of humility which is thinking about you know your ability to learn and adapt to the changing environment which didn't happen. So those are my kind of reflections on the fact that we've got a lot of work to do to reset both how we do business but also that the community is understanding and our engagement with the community around that.

Vivek Bhatia

I couldn't agree more I think you know clearly the last twelve (12) months have been tough for the financial services sector in terms of public scrutiny, in terms of public hangings in terms of trial which to summit. So Nixon has been quite one-sided but at the same time can understand the genesis of why it came up in the first place. When you reflect on financial services it is one of those core pillars of the society because it fills the economy and the role of Financial services is to make sure that we can enable society to be better than it was yesterday and most of the work that happens around the Financial services is with that intent. So when you look at the people who work in the financial service industry and that is in Australia probably direct and indirect would be close to half a million people. They don't come to work to try and fleece the community or they don't try to come in to talk, to say well I am gonna get a bonus because I don't want to pay a claim or I want to drive somebody out of their home because they haven't paid their home loan and we don't understand their hardship. But the way it has traversed over a period of time as in the right-click pointed out is we lost away. And all of a sudden profits probably became the primary objective now driven by a society driven by shareholder activation and the balance between commercial reality and social purpose was somewhere lost and I think this is a great reminder, I think GFC was a great reminder in 2008. This is again a great reminder that the industry does operate on a social license and I know that what has been bandied around quite

a bit, but it does and we do need to make sure that we get up in the morning and we have that in the front central for minds. It doesn't mean that we don't make profit or profit is bad because if organizations don't make a profit then our soprano missions don't grow right and then we retire and then we depend on government money to be able to fund our retirement. And that's not okay either but there is a great balance to be made between what is a commercial imperative and what's a social purpose and it is not an either/or organizations have started to think about it as an either/or but I can do this and then on the side to look good I will do these four things. But we have to make sure that it is part and parcel of what we do as opposed to on the side and that's our I define sya not what you do on the side is what you do on a day to day basis right. And I think that we are well placed through the values that we have been fortunate to be given as our faith that humility truth compassion is part and parcel of who we are. And we can never forget that

Gurbaj Pawar

so just you touched on there on the social license. Its the concept of profit talking around social license and the fact that this you're providing a service to people you're contributing to society. What is the concept of server I mean to you guys on a day-to-day basis in your professional and personal life?

Vivek Bhatia

I think for me you know server is what you do on a day to day basis, it is wildly while you work, it's while you raise your family, it's what it's how you are there for your friends, for your parents. It is really important that on a day to day basis you are trying to do something that is possible to make tomorrow better than what yesterday was. And that is broader than just people around you but it starts with people around you can't be doing charity and then you know being a bit of an idiot with people around you. So it starts you, know there's a charity starts at home it really does, and you have to be true to yourself around the people who have raised you, who have been there and been your well-wishers on your life. And then it also extends to everybody that surrounds you whether it does that work in the environment ,you touch so many lives in every day you know if you can improve their lives by being kind, being compassionate you know being there for them to listen to what it is and in some meaningful way trying to help them then I believe that you are actually going a long way .

Inder Singh

Yeah look I think I agree with that and I was listening carefully to what ungood said earlier as well that you know we can all really aspire to do more server. I mean one of the things I think when you live in a Western society and you go back to India and you go back to your you're pinned and you have a look at how everybody's going about their way and there's a sense of community that you know we don't have in the west. And we've tried to recreate it in pockets but I think that's really important and at the heart of all of that is being selfless and being in and being thoughtful about you know how you're dealing with others and that to me is you know something I really miss I mean I only spent a few years of my life growing up in India. But when I go back to Punja and you go back into your you know communities you see that concept you know very much well and alive right how people go about their daily lives and I think in the broader sense we don't do enough of that here.

Gurbaj Pawar

I guess from my perspective whenever we're in a room here today and wherever the group of people who normally would never get access to people like you it's a privilege for us and it's a server from you

guys to give us your time. But at the same time now that when I was sitting there and I heard about the news about you guys coming on to QBE group executive for me it was a very exciting time, but this is the first time I've actually interacted with you what I want even though we're the same organization. All the people here they're all young aspiring leaders future I'm aspiring future leaders and would hope to emulate some of your success would be a single piece of advice you got you would give we give the groupie that they can take away that it can apply practically to their daily lives.

Inder Singh

Yeah good question up I might going to if that's ok but I think firstly I'd say to everybody who's sort of coming up through the ranks that you know the opportunity set you have today is enormous right. Like in every aspect you look at it the set of opportunities you have is amazing. On the other side, the number of distractions there are are also you know incredible so it's about focus is really important and that's something that I've sort of lived in breathe every day is having focused and having a set of priorities as you as you go along. But more importantly, you know as you think about you know what's really important as you go through your corporate career and it's your ability to learn and adapt. You know so having a learning mindset is really important and I again to sort of quote one of my favorite people Sutton Adela from Microsoft. He's really pushed this idea of the growth mindset which is to you know continuous learning every single day and pushing yourself is really important. In the third thing, I'm gonna add one more is taking risks right and I think you know have it have a view you know put your hand up. You know get your opinion out there even though there are some risks to that. But think about how you take risks even the smallest of risks and if there's a job that that that you know may not be perfect but it gives you something we think are gee you know it feels like a big jump into that pool go for it because you'll never regret it. And you know the worst thing that'll happen is you'll learn something you learn something new or you learn something about yourself. So those are the two or two or three things that you know it doesn't matter where you are in and I've sort of seen that over the last 20, 25 years for me have held pretty true.

Vivek Bhatia

I think can I said ditto I also had a couple of things as well I think for me one of the things I have always valued is perseverance and resilience. Life is not fair don't expect it to be if you go in with the mindset that it's going to be fair and you're going to get everything that you think you deserve then be ready for some disappointments but make sure that you come back fighting. Make sure that when things don't go according to plan you make sure that you give it another dog. And one of the most important things for me is that people rely too much on talent but talent hardly works when you don't work hard and so there is never ever a replacement or a substitution for hard work and so that's hopefully that's what I was taught. When I was growing up and that's what my aspiration is to teach my kids if there's only one thing I can teach them because they don't really want to learn anything from me. Anyway but you know there's only one thing is that sets work hard and make sure that you don't give up. And just one parting thought is don't wait for the destination to have fun, you know enjoy the journey and have fun along the way, because things are going to go up and down but make sure that that you're always celebrating your small milestones along that beautiful path that you take that life is.

Gurbaj Pawar

Inspiring words from I guess backed by a lot of experience. Vivek, Inder thank you so much for taking your time out today to come and help coming or join, I see tonight as a community we have a lot to be

proud of and it's these when you talk about the small moments. These are the kind of small things that make a community. And we're very proud of the edge of your successes in your careers and we're hoping that in ten years time when we come when you guys come back here there's another ten Indians and Vivek sitting in this room. But on behalf of everyone from the team thank you so much for taking time out today.

Vivek Bhatia

Thank you