

NURTURING THE
**future
OF WORK**

HOW ORGANIZATIONS EMPOWER TALENT

Quarterly review
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FOR TOMORROW



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UNLOCKING THE POWER OF PURPOSE TO OFFER MORE MEANINGFUL WORK



Kathryn van der Merwe joined ANZ as Group Executive of Talent and Culture in May 2017. Her current role involves strengthening organizational culture and capability and developing and delivering on change strategies to improve performance and facilitate sustainable growth. Kathryn holds a PhD in Psychology from the University of New South Wales.

The Capgemini Research Institute spoke to Kathryn about building organizational culture, attracting and retaining diverse talent in a competitive landscape, balancing a hybrid workforce, and how automation is impacting work.

**WE ARE COMMITTED TO
THREE CORE BEHAVIORS:
CREATE OPPORTUNITIES,
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DRIVING CULTURE CHANGE

What prompted ANZ to initiate a new culture and behavior framework in 2021?

— Over the years, we have put in place many frameworks around culture and expected behavior of our people, creating an unnecessarily complex landscape for them to navigate. Also, while these frameworks successfully emphasized our values, instilled aspirational cultural behaviors, and suggested new ways of leading, they didn't have sufficient focus on delivery. We had to simplify the exhaustive list of expectations into the essential few behaviors required to deliver on our purpose and strategy.



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We are committed to three core behaviors: create opportunities; create opportunities, deliver what matters, and succeed together while working in a hybrid, flexible manner. We worked with senior leaders from across the bank to develop the new framework, and tested it widely, and we are pleased that people are now embracing the change.

What are the pillars of this transformation and how does the organization measure its progress?

— We drove curiosity and awareness around the new behaviors through storytelling, social media campaigns, and a fun video-game-based animation. We made a tough decision halfway through a financial year to change our performance framework to align to our new behaviors, and although a little disruptive, we knew we couldn't set new expectations of employee performance while judging that performance using a misaligned framework.



Executive Conversations

We have now baked the new behaviors into our recruitment process as well and launched a new recognition framework, and they form the basis of our new leadership program. We are moving now to build skills and embed habits this year by offering tools, training, encouragement, and experiences to support our people to make the required shifts. We measure progress through reviews, surveys, cultural evaluation, and other lenses. We have been really pleased with the level of take up and impact to date.



"Automation is creating new roles [...] It creates more time for our people to concentrate on more interesting, value-adding activities."

AUTOMATION AS A FORCE FOR GOOD

How has automation transformed job roles and the nature of work at ANZ?

— Our people apply automation broadly across the bank continuously improving the efficiency and effectiveness of processes, creating space and time to spend on value-adding work, which, ideally for us, is time with customers. Automation can also facilitate large-scale strategic transformation when we take a more holistic look at our processes end-to-end. In this capacity automation is creating new roles as we navigate new systems in cloud, data, process automation, robotics, etc. But it also impacts more broadly improvements to engagement and enjoyment of work. The micro changes help to eliminate repetitive work and create more time for our people to concentrate on more interesting, value-adding activities.

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We take pride in and celebrate the women who have left ANZ and seized exciting opportunities.”



THE REPRESENTATION OF WOMEN IN LEADERSHIP INCREASED TO 35.3%, EXCEEDING ANZ'S TARGET OF 34.4% BY THE END OF 2021.



ADVANCING DIVERSITY, TRANSPARENCY, AND EQUALITY

Which positive actions are you taking to encourage female talent and improve leadership diversity at ANZ?

— The representation of women in leadership increased to 35.3%, exceeding ANZ's target of 34.4% by the end of 2021. Although progress has been slower this year, we remain committed to our goals and are still moving in the right direction. Our leaders are committed to advancing diversity, transparency, and equality. We have embedded this into our core people processes – for example, ensuring we have gender-balanced shortlists and diverse selection panels in recruiting. ANZ has also recently reinvested in specific programs to help our female leaders build confidence and develop a social presence while remaining authentic in terms of their own values and ideals.

We recognize that meaningful shifts require a sustained focus over time, and we are making longer-term investments to build pipelines of future leaders. We also take pride in and celebrate the women who have left ANZ and seized exciting opportunities. We understand that we may be just one phase of their careers, but we want it to have been a fulfilling experience and one that makes their CVs stand out to prospective employers.

How can organizations respond to challenges in attracting and retaining talent amid the “Great Resignation” and “quiet quitting” trends?

— At ANZ, we know our purpose, our ability to provide opportunities for growth and development, and our inclusive environment all help us to attract and retain talent in a competitive talent market. This year we have been particularly focused on our attrition hot spots. By focusing our effort, we have been able to understand drivers and put in place targeted interventions, which have helped us improve retention for these in-demand areas. Our learning has been that organizations need to analyze exit data, understand the drivers of attrition, and then take meaningful action, rather than a vague, broad-brush approach.

BUILDING A DIGITAL-READY HR

If you had a magic wand, what would you change in the HR function?

— We are in the middle of a technology transformation that is focused on enhancing the employee experience and automating activities that don't add value to the customer. If I could wave a magic wand, I would get this transformation done. It's challenging and resource-intensive to unwind the legacy systems and processes, downstream and upstream connections, across 32 geographies. I am also excited about our ability to leverage data and analytics to better support the development and transformation of our workforce, and I'm impatient to access that new capability.

The business is demanding more from the talent and culture function and we need to use data and insights to evolve the organizational capability and culture to successfully deliver on our purpose and strategy. We need to evolve our capabilities, both technology and people, to ensure we can continue to deliver value for all stakeholders.



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