

Joan Fitzpatrick - Transforming ANZIIF, a professional membership association



In 13 years as CEO of ANZIIF, Joan Fitzpatrick has taken the organisation from an annual loss of \$500,000 to profits of more than \$1 million p.a.

Joan Fitzpatrick worked in heavy manufacturing and the insurance industry in Europe and Asia prior to her appointment as Chief Executive Officer of what is now the Australian and New Zealand Institute of Insurance and Finance (ANZIIF) in 1997. The immediate challenge she faced was the crisis of deciding the future of a struggling organisation and to begin the process of rebuilding.

What is the Australian and New Zealand Institute of Insurance and Finance (ANZIIF)?

ANZIIF is the leading provider of insurance education, training and professional membership services to the insurance industry. As the leading insurance professional body and education provider ANZIIF partners with the insurance industry including regulators, governing bodies, companies, specialist groups and individuals, to maintain the highest standards of professionalism and education provision for the insurance and financial services industries in Australia, New Zealand and Asia. We have members and students in more than thirty countries, serviced by offices in Australia, New Zealand, Hong Kong and Shanghai.

The CEO is responsible for the leadership and direction of ANZIIF's business, both locally and overseas. Working closely with staff the CEO is highly influential in setting the tone and focus of ANZIIF's endeavours. As a team, of course we also work closely with the ANZIIF Board and Representative Councils to ensure that our efforts remain aligned to our strategic and business plans. Our planning and review regime is focused on the identified interests of the organisation, the industry and our members.

Ms Fitzpatrick was appointed as CEO of what is now the ANZIIF in 1997. Under her leadership the organisation went from an annual loss of \$500k to profits of more than \$1 million p.a.

On arrival, I found that the Australian Insurance Institute (All) was in a seriously weakened state with its survival in grave doubt.

At this perilous stage the "not-for-profit" label was being used as justification for a break-even business attitude and the reserves on hand would only have seen us through about three months.

What are the changes to systems and processes that you implemented to address this after becoming CEO?

When I started with the organisation such internal financial and operational information as was available was critically inadequate. Business planning was effectively nonexistent and so any insight into strategic business issues, especially into the operating environment and industry needs was at best poorly perceived.

Obviously, the organisation needed quickly to develop a sound understanding of its business environment, resolve staffing issues, design and implement effective and efficient business systems and processes, refocus and rebuild its products and services, all while trying to avoid the demise of the All. The critical financial position meant that the association needed both to fund the cost of change and at the same time generate revenue growth at a multiple of the then rate.

Of immediate need was a strategic plan and a significant overhaul of processes and policies - data for focused decision making had to be systematically and reliably available, including financial, customer, project management, student and membership records, product quality and strategic information. Gradually, over some years ANZIIF was able to build its investment in technology and people to analyse the business and increase the rate of its infrastructure redevelopment.

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It was through these transformations to business systems, and the significant time invested in growing and developing industry support behind the changes, that we were able to establish a much more sustainable business and realise a significant turnaround to consistent profit.

How did the process of merger between the Australian Insurance Institute and its New Zealand counterpart association come about?

In 1999 I began negotiations with the Insurance Institute of New Zealand (IINZ) which was facing the same issues that we had in previous years. We broached the possibility of a merger between the two organisations and talks continued for several months.

At the close of 2000 I was very pleased to announce the successful merger between the All and IINZ to create the Australian and New Zealand Institute of Insurance and Finance (ANZIIF).

The benefits of the restructure, the research and investigation and redevelopment of products and services were paying dividends and the Institute recorded a profit of \$307k. This strong result after just three years was representative of the new found confidence that the industry placed in the Institute and the growing relevance of our new products and services.

How did you manage to merge the separate state entities of the All into one single body?

Another pressing issue was to unify the separate state and territory bodies of the Institute. At that time we had nine separately incorporated entities each with annual audits and reports, not to mention the lack of a unifying strategic approach. Successful unification of a federated organisation is exceptionally rare but I felt that this was a very important step for the Institute and the insurance industry to take.

After a great deal of discussion, consultation and hard work over three years, finally in 2001 the organisation went through the most fundamental change it had experienced since its inception in 1884, unifying the Australian State and Territory Institutes into a single trans-Tasman body with branches across Australia and New Zealand. For the first time, we were able to operate as one organisation with a single unified voice, strategic direction, business plan, customer focus and employment policies to name a few of the much needed characteristics of the revitalized and refocused Institute. That year also saw a profit of \$1.3 million, a significant turnaround from the half million dollar loss of four years prior.

In 2008 you announced that you were working towards a merger between ANZIIF and its British counterpart the Chartered Insurance Institute (CII) but it did not eventuate – what happened?

The principle behind the merger between our two organisations was to create a strong, unified global voice for the insurance industry. One that could set standards and really drive the industry's progress towards being truly recognised as a profession. This remains an important focus for us and I still believe that we must continue to strive for that scale and strength of our voice and level of recognition.

In late 2008, when the merger was deferred, the global financial environment was undergoing unprecedented upheaval and it was the opinion of both organisations that progressing with the significant work required to initiate a merger in those market conditions could have distracted from serving the needs of members and clients in the industry.

I still believe strongly that a global professional organisation is in the best interests of the insurance and financial services industry. However it is a valuable lesson that merger deals as complex as these often require not only a lot of hard work and strategic thinking, but also good timing and the right external factors must be properly aligned.

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What does the future look like for ANZIIF?

My focus has been and remains to establish and maintain ANZIIF as a member-focused, profitable organisation. Our effort has been driven by continuously understanding our members and customers and their needs and creating the best possible products and services to meet the industry's requirements. This work has delivered significant outcomes and strengthened ANZIIF dramatically over the last several years and is our greatest contribution to our members and the industry.

All of the resources ANZIIF generates are used to improve our products, to promote the interests of members and to strengthen the industry. We ensure that our clients understand that money invested in educating staff through ANZIIF, or in ANZIIF membership, will further benefit their organisation through supplementing better professional development programs and hundreds of training and networking events every year. That same investment benefits our industry through ANZIIF careers programs, insurance and financial literacy education programs and promotion of the good work that the insurance industry performs in the community.

My Board and I strongly hold that the long term business goals for ANZIIF are to continue to grow and expand our offerings by working closely with the industry and in promoting the incredible community of hard working professionals that we represent.

Most importantly of all, our vision of success is that the insurance industry will enjoy the respect of the community generally. That respect will be generated by the professional and highly ethical performance of our members and all industry practitioners and by a better understanding and knowledge of insurance. That should lead to a growing appreciation by our community of the insurance industry's critical contribution to the socio-economic fabric of our nation.

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