



# Leading the way in changing times



Paul Caputo

## *Paul Caputo* explains the importance of superior management

In times of change, the quality of leadership plays a pivotal role in determining how successful a new environment will be for an industry. We are experiencing such a time, as the global mortgage industry evolves, and consequently results in changes in our approach to licensing and regulation in Australia.

For Genworth Financial, Australia's largest lenders mortgage insurer, we believe leadership means being innovative and responsive to change. It also means having the courage to make tough decisions. In all instances, working closely with your customers and your industry peers is key.

In keeping with these values, Genworth was proud this year to support the Australian Mortgage Awards' highest honour, the Golden Morgie.

Each year, the award recognises an individual who is making an outstanding contribution to the Australian mortgage industry over the long term. The winner is selected based on their innovation, responsiveness to change and professionalism. All of these attributes are reflective of Genworth's own commitment to responsible lending practices and high industry standards.

The 2010 winner of this award, as covered in this issue of *MPA*, is Steve Weston, general manager for broker platforms for Advantedge. Genworth would like to take the opportunity to congratulate Weston on this accolade and for his contribution to the mortgage industry.

Having worked previously for St. George, Weston joined Advantedge (formerly Challenger) in 2005, and recently helped spearhead the introduction of a new licensing model to assist mortgage brokers transitioning to requirements under the National Consumer Credit Protection Act (NCCP). The Act introduced new national regulation of mortgage brokers, including a responsible lending obligation.

The new licensing model is designed to allow brokers to continue to operate responsibly and profitably under Advantedge's Australian credit licence (ACL) as credit representatives, or alternatively, brokers can decide to operate under their own ACL with access to support services from Advantedge.

Endeavours such as this show the vital role that strong leadership plays in a climate of industry-wide change. In particular, prompt and pro-active steps are required to adapt to changing regulatory environments.

In addition to responsiveness, good leadership requires that participants don't lose sight of the basics that have contributed to the stability of our industry. These practices include upholding sensible and responsible lending practices, maintaining close relationships with customers, and working together with other industry participants to produce favourable outcomes for our industry.

As a lenders mortgage insurer, we view our role as one of support for brokers, lenders and the end borrower, particularly first homebuyers. Genworth seeks to demonstrate its industry leadership by casting a fresh set of eyes over our customers' lending and operational processes, offering support and options to borrowers who face financial hardship, and as a facilitator of discussion between industry participants on issues impacting the mortgage and lending space.

As an industry, we have worked collaboratively to ensure the continued strength of the Australian mortgage industry, against the backdrop of lessons learned from the global financial crisis. However, it will require leadership on the part of all industry participants to safeguard our relative strength.

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