

First Enterprise Risk Management Seminar



Institute of Actuaries of Australia

Beyond The Global Financial Crisis

How the Financial Services Industry Will Change

Tuesday, 29 September 2009

Business Impacts of the GFC and Risk Management Implications for Wealth Management

David Goodsall

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A Stakeholders view of the GFC

- Distribution
- Consumers
- Regulators
- Manufacturers

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Distribution

- Trust needs to be rebuilt
- Obligation to provide real advice
- Remuneration will change
- Responsibility for Boards

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Regulators

- Must take action
- Hold Boards more accountable for consumers
- Will determine viability of future products
- Need to consider the realities of consumers

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Consumers

- Looking for value and skin in the game
- Need to access capital guaranteed products.
- Share cost with manufacturer
- Need real information for them

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Manufacturers

- Opportunity for innovation
- Limited capacity of hedge market will encourage risk taking
- Manage consumer and adviser risk