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For the MEMBERS

At Local Government Super, CEO Peter Lambert and his dedicated team are committed advocates for their members' interests and needs.

Images courtesy of Local Government Super

In the complex superannuation industry, Local Government Super is determined to simplify the super process for its members. With a culture that focuses on collaboration and service, Local Government Super has been attracting and retaining loyal members, partners, and stakeholders for years.

Peter Lambert, CEO of Local Government Super, recently spoke to *The CEO Magazine* about the evolution of the fund over the past few years and where it's going in the future.

***The CEO Magazine:* What led you to your current position?**

Peter: I started in the industry in 1980, part way through a business degree, and more or less fell into superannuation. I joined at a time when the industry was on the cusp of some amazing growth. I worked for a number of life insurance companies and consulting firms, largely in the administration area. I would say my first significant role was in the mid 90s with MLC as a consultant in their corporate superannuation area, consulting to organisations that had an in-house super fund, which by and large have now been merged into master trusts or industry funds.

In 1993, I left MLC and joined Goodman Fielder as their superannuation manager, so for the first time I stepped inside an

organisation, rather than working as a supplier of services. I held that role for 10 years, and it was a very interesting period when they bought and sold a number of companies, each with superannuation implications.

However, realising that the era of companies running their own super fund was drawing to a close and many organisations were choosing to outsource that activity, I took the opportunity in 2003 to join Local Government Super, initially as their fund secretary. Five years later, I was offered the role of CEO, which I've held ever since.

Throughout your time with the organisation, what challenges have you faced?

Probably the biggest initial challenge was that we had a separate organisation that we jointly owned with the Energy Industries Scheme called FuturePlus, which provided an incredible number of services to the two funds. I found that a challenge, as there's a real conflict of interest when services are provided by an organisation that you own. I felt that there were a number of services we were better off running ourselves or outsourcing them to a different provider, rather than through that company.

It was a tough process. Ultimately, it resulted in us selling our ownership.

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- Peter Lambert

That really allowed us to get to where we are today. We now insource what we call the front-office functions, really the member-facing activities, and completely outsource our back-office functions.

This development of our front-office capability has allowed us to better control the member experience, so we know that when there's any communication between us and our members, we're the ones delivering it. In providing financial services, there needs to be a huge amount of trust from your members. They need to feel that you're there for them, particularly in an area like superannuation, which still seems quite complex to most people.

It's important that they understand that you're there to work with them and help provide them with a comfortable retirement. You're not there to make money from them; you're there to provide a service. Once that message is accepted by the members, I think they're far more comfortable with letting us help them on their journey.

From our perspective, it's allowed us to be quite successful in retaining our members. We have a very high retention rate when members leave local government, either to join another employer or to retire; they still want to retain their membership with Local Government Super. We like to think it validates that they do place a lot of confidence in us. >



As the super industry becomes increasingly competitive, how are you differentiating yourselves from the pack?

Two things come readily to mind. We are a super fund known for being very big on sustainable investing, and we're quite proud of our record in terms of screening out industries that we feel are not in our members' interest to hold. The other thing that we believe differentiates us is our deep understanding and commitment to servicing people within local government. People in most government organisations tend not to be particularly well paid compared to the private sector, so superannuation is an important part of their overall remuneration package. We are there to genuinely help them make the most of it. We have a very strong service culture, and it's modelled along the needs of the local councils and working collaboratively with them.

For us, it has to be about putting the members' interests first. I know that

our representatives and people on the front line are always going that extra mile for the member and they're strong advocates for them.

How does Local Government Super collaborate with suppliers, partners, and members to offer a more comprehensive service?

What we try to do is make sure our partners understand what we're all about and our strategic goals. I think the critical thing with any partnership is making sure that they're there for you when you really need them. As with staff, you don't want to micromanage your suppliers; you want to let them get on with what they're doing. However, there are times when you need them to step up and deal with a specific issue. The main thing that I want to see from a supplier is that they're committed to delivering, particularly when there is a problem that needs to be fixed.

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What does the future hold for Local Government Super?

At the moment, we're in a good place. We've spent a lot of time over the past couple of years ensuring, as a result of this disaggregation of our services, that we have a good structure in place and good relationships with our suppliers. The future for us will be focusing on how we can provide a better service to members in an age when traditional communication channels are changing.

People seemingly want less face-to-face contact. They certainly want less mail contact. These channels are being replaced by things that provide quite exciting opportunities to communicate to your members through webinars or Skype-like applications. These are the sorts of challenges that the industry should be embracing. It will allow us to be more cost effective and to personalise our communication in ways that our younger members in particular increasingly want. •



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