

# Watchdogs in need of sharper teeth

Noel Whittaker



**T**HE royal commission into the financial services industry continues, providing riveting viewing for those of us interested.

It has already taken some big scalps, including the chair and several board members of AMP. It has also highlighted unsavoury tactics employed by some of our biggest and best-known financial institutions, although I suspect some of these may be due more to archaic software systems and the institutions' inherent bureaucratic structure than to deliberate bad intentions by senior people.

Today, the winners are the lawyers, whose offices are working overtime to provide the torrent of information the commission is demanding. And the losers? Mostly shareholders in big financial institutions — especially AMP — which includes all of us who have money in super.

But this begs the question of whether it is all worth it.

Yes, the commission is highlighting a tiny minority of seriously incompetent financial advisers, but the only reason they weren't exposed much earlier is because their industry bodies were more concerned in protecting their reputation than acting on complaints.

Outcomes for aggrieved clients could have been much better if adviser industry bodies had taken more notice. There is a wonderful book, *The Gift of Pain*, by Paul Brand, which points out that discomfort, in any form, is a warning signal to the recipient

What country could countenance a system where a person who is struggling to meet their interest repayments is hit with an effective 50 per cent increase in their interest bill as soon as they get into trouble? To the best of my knowledge, the commission has been silent on this.

The big question is whether the leopards are going to change their spots. It has been four years since ABC's *Four Corners* publicised questionable practices in the Commonwealth Bank's financial planning division.

Has it reformed? No. Similarly, a report obtained by the Financial Services Commission reveals ASIC has been fighting with NAB for almost 15 years about NAB charging fees when no services were given.

Unless the regulators are given teeth — and then have the fortitude to use them — the commission will turn out to be a complete waste of time and money.

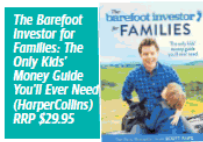
I see a real risk the main outcomes of the commission could be tighter lending conditions slowing down the economy, and more onerous compliance, slowing services and justifying higher fees.

If the banks continue to act in bad faith, the long-term costs of the commission may end up outweighing the short-term benefits.

Noel Whittaker is the author of *Making Money Made Simple* and other books on personal finance. His advice is general in nature and readers should seek their own professional advice before making any financial decisions.

You can do that by preparing well for your end-of-year review — by working hard and setting performance goals — and then asking for a raise. Or starting a side hustle. Being single gives you more flexibility to try some of these options. And one more thing, don't compare yourself to anyone else. The only person you're competing against is yourself.

**The kind stepmother**  
Tania asks: I have five beautiful new step-daughters. They all live nose-to-device, get cranky when offered advice of any kind, and have a massive hole in their hand.



All of them work, yet promptly spend it and are paying off maxed-out credit cards and bank loans. They think living in debt is just life — what everybody does. Which of your books is best for young people with zero attention span? How can we get them interested in making a positive change? Barefoot answers: A cynic would suggest I trawled

through thousands of emails to find one to plug my upcoming book.

I didn't, but maybe it's the universe sending some self-promotional vibes my way? In any event, I'd suggest you get my new book, *The Barefoot Investor for Families*, which is now available for pre-order.

If the girls are still living under your roof, you have more influence on them than you know. My new book sets out 10 special Barefoot Money Meals to give them experiences that will change the way they think about money. I'd suggest you go straight to chapter four — *Breaking the Brat*.

## WORKPLACE MATTERS

Gary Martin



**W**E have all felt a sense of dullness and boredom at work at some stage in our careers. It's a common aspect of both work and life.

It is usually just a reflection that we have lost our passion and drive, which have been replaced by an acceptance that our working week is simply a long journey through to the weekend.

But boredom is not necessarily a bad thing.

Without it we can miss out on the more fulfilling parts of our lives, because we need a little boredom as a warning

signal that we have become unproductive, unfulfilled or stagnant.

Too much boredom at work, however, can be damaging, not simply for you, but for your co-workers and your employer.

It is hardly a leap to conclude that more engaged employees are more fulfilled and productive.

Some workers become bored because they feel their

strengths are not being used. Others feel they are being left out of the loop by being excluded from important decisions.

And some feel trapped because they are not afforded opportunities to learn, grow and develop.

Workers are sometimes quick to point the finger at an employer as the reason for their boredom.

But more often than not an employer will not be able to read the warning signs that employees are bored.

That is why it is important for employees to take a proactive approach to

arresting the early signs of boredom — because being bored at work does not do you any favours.

Steps to remedy this can include meeting with your manager and explaining that you would like to take on some new responsibilities.

No need to tell your manager you are bored in your current role, simply suggest that you are up for some new challenges.

Or maybe offer to assist a co-worker who seems to be overburdened with work. Not only will the co-worker most likely appreciate your support, you will gain some

insight into a different work role.

Other employees address their boredom through appropriate professional development opportunities, such as seminars, short courses and conferences.

These types of activities can provide a much-needed fresh perspective and result in employees adopting a reinvigorated approach to their roles.

Think also about looking for new opportunities with your employer. For example, you might be aware that someone is about to take leave, which could provide an

opportunity for you to fill that role on a temporary basis.

If all else fails and you find yourself in a soul-crushing predicament, it might be time to take the plunge and look for a new job outside your current organisation.

Channel your boredom into new-found creativity to locate and secure a role that provides you with the challenge and stimulation you need to be engaged and successful in the workplace.

Professor Gary Martin is chief executive at the Australian Institute of Management WA

## ASK THE EXPERT

Send your questions to Noel Whittaker  
noelwhit@gmail.com or tweet @NoelWhittaker

**Q** I've nearly paid off my home loan, but I'm looking at renovations that would set it back 10 years. Should I pay off the loan first or invest more in the house now?

**A** If you do the renovations now you will pay for them at today's prices and also get to enjoy them for 10 years longer. Once you draw the money, try to raise your repayments on the increased loan to \$12 for every \$1000 (eg, \$2400 a month on a \$200,000 loan), which will see the whole loan paid off in 10 years with minimal interest.

# How to avoid becoming chairman of the bored