

ROUNDTABLE DISCUSSION SERIES

# BREAKING THE DEADLOCK

A PATHWAY TO ENHANCED ECONOMIC AND SOCIAL PERFORMANCE

New Perspective... and New Pathways for Action

ROUNDTABLE #2

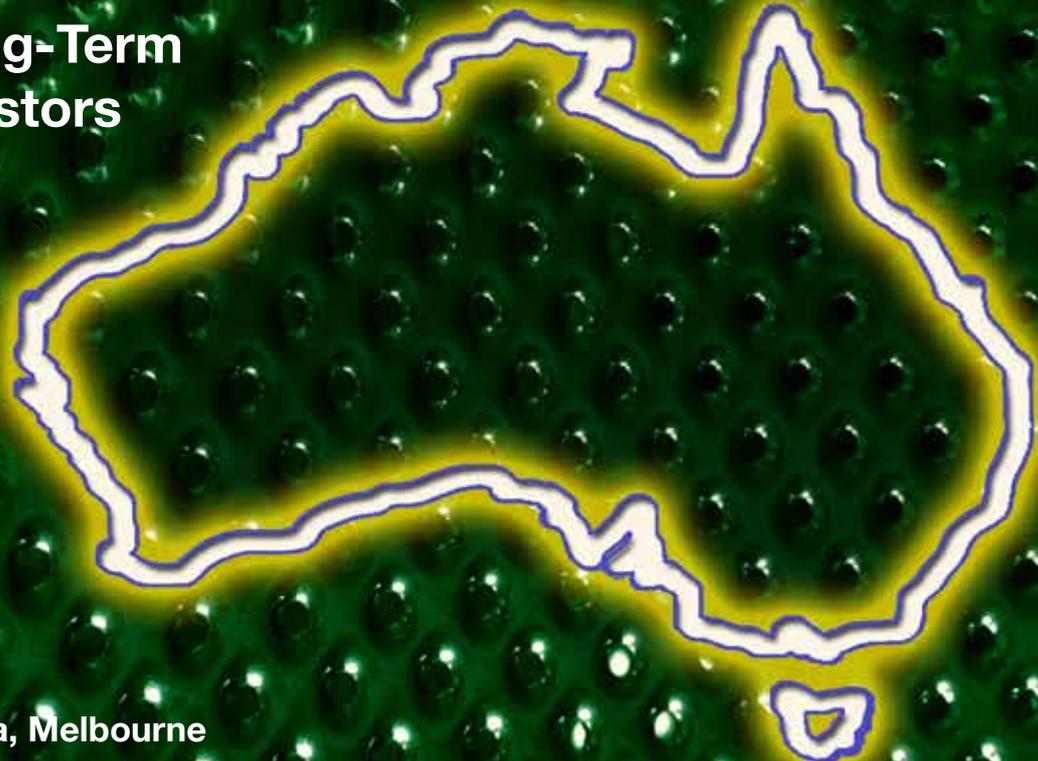
**Sustained High-Performance  
Value-Creation**

#2

ENHANCING  
CORPORATE  
PERFORMANCE

ASX50

**Engaging Long-Term  
Oriented Investors**



Parliament of Victoria, Melbourne

Date: 11 May 2018

Start: 8:30 - 11:30am

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**Australian Institute of  
Performance Sciences**

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# The Australian Institute of Performance Sciences is **BREAKING THE DEADLOCK**

The competent, well-intentioned and substantial effort of leaders across Australia's economy are not delivering transformative results. We are at a nexus. We need more than incremental performance to compete. However, our substantial committed effort across many virtuous 'Islands of Excellence' siloes is not lifting us to achieve integrated high-performance outcomes.

The Grattan Institute's 2017 'Stagnation Nation' suggested 'there are no magic bullets, only tough choices', and a realistic expectation 'that these choices will only produce incremental increases'. This deadlock in Policy options has been borne out across many competent contributions including the Heads of Treasuries' 'Intergovernmental Review of Business Investment', The Productivity Commission's '5 Year Productivity Review', and the 2018 '2030 Strategic Plan' from Innovation Science Australia.

In our elite highly-professional large-scale businesses, the deadlock is witnessed as flat-line investment and growth through a decade of unprecedented global opportunity and threat. We are under, not riding, the global wave of disruption. Meanwhile, large-scale investors discuss, but do not achieve the results called for in Blackrock's annual letter to CEOs.

Compounding this, all of us are operating at unsustainable overload. We experience ideas resistance, perverse incentives, frustrated value and career risk. This intensity of effort cannot be sustained... and it is producing little difference. We are deadlocked.

**Breakthrough Australian research identifies higher-order of organisation that breaks this deadlock.** Everything we see around us is the result of human organisation. We spotlight common practices faltering in the face of volatility, technology, disruption and complexity, and identify how to bring our Islands of Excellence through Integrated Maturity to Optimised Systemic Performance. **Governance of Value Creation describes a universally applicable model for achieving high-performance outcomes in large-scale, mature-stage Australian-cultured organisations and across our public networks.**

We observe that Australia's leading ASX10-scale exponent of this practice has outstripped the index by 350% in a decade of consistent out-performance.

**BREAKING THE DEADLOCK** engages Australia's most senior leadership in a series of events developing once-in-a-generation breakthrough ideas into cross-industry collaborative action. The **AUSTRALIAN INSTITUTE OF PERFORMANCE SCIENCES** serves as a vehicle for the ongoing development of leading-edge practices... and coaching for high-performance use by Australia's elite practitioners.

## AIPS - IDEA TO ACTION: BUILDING NATIONAL COLLABORATION



**DUE DECISION PROCESS - Individual Decisions to Collaborate** Engagement - One-on-one negotiation with interested Foundation Participants

The AIPS collaboration is formed through Australia's TOP500 corporate, government and investment organisations negotiating individual outcome-based heads-of-agreement contracts. Subscriptions fees are scaled to an organisation's size within the economy. Each party's decision to collaborate will arise from their own due process considering the value in their own custom agreement.

**LAUNCH CONFERENCE** Engagement - Foundation Participants

At launch, Foundation Participants will jointly execute individual agreements. In forming the collaboration, ideas become action to develop cross-sector engagement and common interest groups' development roadmaps. It puts Australia's economic transformation on the map.

## CORPORATE PERFORMANCE ROUNDTABLE DISCUSSION:

### A collaborative pathway to sustained high-performance value-creation.

Enhanced corporate performance in the era of global volatility, uncertainty, complexity, and ambiguity (VUCA) is not only desirable – it is necessary for survival. The prescription is not for radical risk-taking, but for advanced disciplines sufficient to the challenges we face.

**Global investors (BlackRock and others) are calling for more action on long-term sustainable growth taking in the interests of both shareholders and stakeholders.**

**New knowledge has emerged, giving new perspective and new pathways for action.** Preliminary research and engagement with Australia's preeminent leaders leaves the question: "Does Australia have the appetite for the necessary collaborative action? Will we rise to the challenge?"

The focus of the Roundtable will be to better understand the mechanics of highly-effective organisational and systemic performance (Governance of Value Creation)

- Better understand how enhanced insight can lead to better decision-making, cross-silo alignment and increased value from staff contribution (leading to sustainable wage growth).
- Better understand the interests of long-term oriented investors.
- Better understand what Australian companies can do to lead engagements with long-term investors.
- Explore how escape the pressures of short-term markets and focus on value-creation.
- Consider a potential vehicle for action in Australia.
- Consider the scope and feasibility of collaborative action.

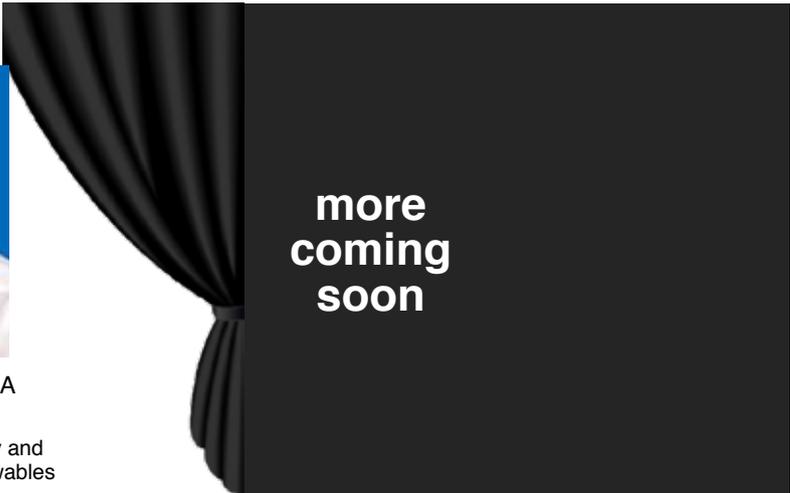
### Corporate Performance - Discussion Leaders



Danny Davis  
Executive Director,  
Australian Institute of  
Performance Sciences



David Southwick MLA  
Shadow Minister for  
Innovation, and Energy and  
Resources, and Renewables



more  
coming  
soon

### Roundtable Program:

VIP SESSION	8:30	Introduction, David Southwick MLA
MP / SENATORS	8:40	Research breakthrough and the AIPS, Danny Davis
	9:10	Australia's Corporate Economic Performance Commentary, TBA
INTERACTIVE	9:30	Panel Discussion
WORKING GROUPS	10:00	Round-table working groups. 'What if' based on new knowledge
(Chattham House)	11:10	Summary, reporting of conclusions. Facilitator, Danny Davis
	11:20	<b>Closing remarks for 11:30 departure</b>

This informal discussion forum is designed to be interactive and dynamic. It encourages exploration of the potential, interests and needs of participants and breakouts to discover and explore common issues and interest.

### Invited Attendees:

The audience for this roundtable will include attendees drawn from Chair, Director, CEO, CFO and Senior Executives from major Corporates and Asset Owners, relevant government Agencies, members of Federal and State Parliaments and selected economic thought leaders.

## In complexity, leadership must become both art and science.

Governance of Value Creation and the Australian Institute of Performance Sciences are presented as an alternative approach to economic development, enterprise productivity, public sector reform and the competitive transformation of the Australian economy.

### COLLABORATIVE PARTICIPATION FROM ASX200, INVESTORS AND GOVERNMENT WILL BUILD SUSTAINED HIGH-PERFORMANCE COMPETITIVE SUCCESS INTO THE AUSTRALIAN ECONOMY

## BOOK NOW AT: [www.aips.online](http://www.aips.online)

For security and logistical purposes, and to enable open collaborative participation from VIP participants, organisers may at their discretion restrict attendance to registered attendees.

**Secure your place at these important sessions now.**

Contact us for enquiries at:

EMAIL: [contact@aips.online](mailto:contact@aips.online)

PHONE: 1300 762 190

### Additional *Discussion* Starter Topics of Interest

#### Economic Benefits

- Stimulation of \$100Bn additional annual corporate investment in productivity, competitiveness, and export growth.
- Monetary policy is nearly exhausted. Economic policy is expensive. Neither has shown impact on recent corporate behaviour.
- In a decade of unprecedented global opportunity and threat, Australian corporate investment has stalled.
- Making investment in (currently anaemic) ASX a more attractive option is vital to economic sustainability.
- Creating capacity for sustained, affordable Wage Growth (trickle-up economics).

**If you are interested in further information, or to enquire about participation, please refer to [www.aips.online](http://www.aips.online), or contact us at: [contact@aips.online](mailto:contact@aips.online)**

#### AIPS Whitepapers: [www.aips.online/new-learn](http://www.aips.online/new-learn)

- Australian Prosperity (Jobs and Wage Growth)
- The Executive Epidemic (Unsustainable Overload)
- Active Value (Superannuation Performance)
- Sustained Value Creation (Organisational Performance)
- Enhanced Stewardship (Public and Social Performance)

#### Public Service Impacts

- Promotion of stewardship – focus on systemic value – in public service leadership practice.
- Empowering existing Management and Governance – Departmental, Secretaries Board, and Cabinet.
- Empowerment of cross-silo, cross-department, cross-sector collaboration (catalyst behaviours).
- Accountability for Value Creation.

#### Public Sector Impacts

- Active “3rd space” community reframing of public services.
- New language of Value Creation as enabler of community sector collaboration for long term outcomes.
- Increased Industry and community participation in public services.
- Effective communication of long term public challenge and benefit.

#### Characteristics of Approach

- By-industry for-industry.
- Government as a significant industry participant.
- No public funding of incentives or programs. No corporate welfare.
- No policy or legislative change.
- NFP. Independent. A-grade Board. Exemplar Governance.
- JORC demonstrates motivating potential of standardised disciplines.

#### Activating Latent Capacity

- Personal, professional and SME latent capacity in the economy.
- Increased ROI on existing investment. Productivity = increased rate of value creation.
- Activate professional and academic disciplines.
- Transform ‘ideas economy’ from a push model to a demand driven (pull) model.

#### Contextual reading: [www.aips.online/library](http://www.aips.online/library)

- Intergovernmental Review of Business Investment (Heads of Treasuries)
- 5 Year Productivity Review (Productivity Commission)
- Skills and capabilities for Australian enterprise innovation (ACOLA)
- Emerging themes of corporate governance and firm performance (AICD)
- Corporate Governance for a Changing World (Frank Bold, Cass)
- Value Creation in a Sustainable Manner (Mervyn King)
- Firms Investment Decisions and Interest Rates (RBA)
- Reckoning with the Pension Fund Revolution (Drucker)
- Stagnation Nation. Australian Investment in a Low-growth World (Grattan)
- The Global Innovation Index (INSEAD)