

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

19 – 20 October 2011

Question No: SBT 817

Topic: The McKinsey Review

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Senator Cormann asked:

Senator CORMANN: Are you aware of the McKinsey review?

Mr Medcraft: Yes.

Senator CORMANN: What were the recommendations that came out of that review?

Mr Medcraft: The McKinsey review was done before I joined ASIC.

Senator CORMANN: But under the current government—2008 I think it was.

Mr Medcraft: Yes, it was 2008, before I joined ASIC. It was the basis upon which the reorganisation of ASIC occurred to create stakeholder groups. If there is something in relation to deterrence in that report, again I would have to take that on notice.

Answer:

In summary there were two key sets of changes that arose from the McKinsey review. The first was to set a clear forward looking, market based agenda and the second was to reorganise ASIC, appoint leaders and build internal capabilities.

The first change involved setting a clear vision for ASIC, developing a forward agenda and set of priorities, communicating those priorities, tracking progress and continuously prioritising and acting against emerging and forward looking risks.

The second involved creating a culture driven by values, building leadership skills and credentials, improving the quality of support services, reorganising teams into the new stakeholder focused structure, improving the balance between national and local initiatives and ensuring flexibility and responsiveness to new issues.