

## Our community way

Why should companies have a social responsibility? Bendigo Bank Managing Director Rob Hunt examines the factors that determine the bank's success.

The question will be increasingly asked by Australian businesses: how do we build profits by promoting the success of customers and the communities in which they live?

I am confident Bendigo Bank knows how.

It is how we have prospered for 150 years.

The bank's anniversary has as much to do with the communities to which we have contributed, and which are thriving.

So why would a community-focussed strategy increasingly be in the thoughts of our competitors?

Well, I believe we will see recognition across business of the need to be relevant and contribute to the health of the markets in which they conduct business if they expect continuing support from customers in those markets.

We also understand that our success is inextricably linked to the success of our customers and communities and, of course, the success of our partners. So if we can assist the development and success of each community, we will secure our own future success.

Our research has shown that customers have felt the Australian banking system has been focused on its own



objectives rather than those of its customers .

We hope Bendigo Bank will be more valued than any other banks in each community because of the commitment and contribution we can make – beyond our own business.

By focussing on feeding into prosperity in each local market we will almost certainly build a stronger advocacy for our business – and if a market's prospects are improved this will inevitably lead to an improved future for our business within each of these communities.

Banks are still the most efficient way to deliver capital into the local and real economies, but are often spoken about only in the terms of product, price and access issues. Then why is it that those customers who lost access to the local bank have tended to see the value that a

bank contributes to their own local prosperity?

To return to the beginning, the building society that was to become Bendigo Bank grew out of a community need for housing. But its strengths went well beyond the products and services we provided. We always have been an integral institution and a contributor within the city of Bendigo. Our strong country values and country location enabled us to set ourselves apart from our competition and establish a good reputation since the community initiated and formed this great organisation.

The building society converted into a bank in 1995, at which point we decided we needed to become a bank that embodied those community attributes. It enabled us to create a bank with a very different style and focus in order to compete with larger and better-known banks.

So we decided to list the ingredients that make up sustainable communities and then set about finding a way to influence, activate and partner activities that create and enhance them.

The community engagement activities we have undertaken in the past decade include **Community Bank®** , Community Telco, Community Solutions, Lead On youth program,

Bendigo Stock Exchange, Community Sector Banking, the Regional Investment Framework and the Community Enterprise Foundation. We have worked with and contributed to many communities across Australia, and we are being rewarded by increased patronage and support from the customers in each of those markets.

In the process, we have shown we can better use Australia's resources to improve outcomes, that there is a clear availability of leaders in Australia and that even a bold plan – broken into small achievable tasks – can be successfully implemented.

Bendigo has challenged the traditional thinking about "a bank", but it has been doing this over its entire history. It helped house the population in Bendigo and in emerging towns and cities in this State, and now does this in all States. It now services businesses, investors, consumers and communities in all of its points of representation.

Bendigo's team has been innovative, adaptable and responsive to changed conditions and continues to work to ensure this is something its constituency can rely on.



## Our leader