

Asian Briefings: Bringing the Team with You: An Interview with Bob Santamaria, Retired Group General Counsel, ANZ Bank

Interviews and Profiles



Bob Santamaria would like to extend his thanks to the entire ANZ legal/CSO team for their support over the past 12 years. He would also like to thank the CEO, board of directors and ANZ leadership team. In retirement he looks forward to staying in touch with the law, seeing more of his family, and seeing the Australian Football League (AFL) Premiers flag return to Carlton.

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If not for the slightest shortfall in his final high school marks, Bob Santamaria would have pursued a career in medicine. And … as he offers jokingly, “There are probably hundreds of Melbournians alive and well today because I didn’t get into medicine.” It’s a story that’s emblematic of Santamaria’s humility and self-depreciating humour that has remained consistent across a 40-year law career. The last 12 years spent as group general counsel at ANZ Bank, during a period that included the global financial crisis, overseas expansion, and the high-profile Hayne Royal Commission, before going into the banking, superannuation, and financial services industry. Ahead of his retirement, Santamaria spoke to ACC Australia to reflect on some of the skills and lessons that he has applied to manage a high-profile and complex legal department during one of the most disruptive decades in the global finance industry.

In coming into the role of group general counsel at ANZ, you had a constant flow of challenges from day one. Looking back, what skills or abilities could you call upon?

I think there were four factors. First, I spent 20 years as a corporate partner at Allens Arthur Robinson (now Allens) and that gave me the privilege and experience of being involved in numerous significant corporate episodes for clients. Navigating through those, keeping calm, and trying to work out what's the law, what's the reputational impact, along with managing people under the stress of the competing issues certainly helped me with what I was faced with here at ANZ. The second factor is that I had advised numerous CEOs, CFOs, and boards on difficult governance issues and large corporate reconstruction projects, so I had that breadth of experience. Third, I was used to working under intense pressure and managing a whole range of stakeholders. When you lead a big M&A transaction, which was my life, you need to engage with different parts of the firm and constantly pause and consider, "how do I get everybody to come with me on this?" The fourth factor was that as the head of corporate at Allens, I was in charge of about 220 lawyers, including partners. And that helped me with the ANZ Legal and Company Secretary's Office (Legal/CSO) team, which today numbers 230 people.

Can you describe your reporting structure at ANZ, and how you've worked with the board of directors and the CEO?

I report to both the CEO and to the board, and I can only be removed with the approval of both, which I think is a very important arrangement for someone in my position. Because if the group general counsel is giving sound advice, which may not be welcomed by the CEO, the board needs to know that. I shouldn't be able to be removed on the basis of providing unpopular advice to a CEO who is doing the wrong thing. Fortunately, it has never been an issue for me at ANZ.

I should also add that I report directly to the CEO, but I am not a formal member of the CEO's Executive Committee. I attend all of their meetings and in many respects, I'm treated as a de facto member. I actually like that I'm not a formal member because I like maintaining that distance or independence from management.

Let me give you a little bit of background: I was counselled not to take this role unless I was going to be a member of the Executive Committee with a direct reporting line to the CEO. Yet when I was interviewed for the job, I learned that my predecessor reported to the CFO, not the CEO. When I put this to the CFO, he told me that the then ANZ CEO would not agree to direct reporting to him, and me being on his Executive Committee (ExCo) as he had a large ExCo already. Now, the then CEO was to retire a month after I joined. Plus, the CFO was a completely decent, trustworthy person, and I felt it was up to me to persuade the new CEO that it would be worth his while to have me on ExCo (and that eventuated soon after I started). So, I just backed myself to get a seat at the table. But I also trusted the CFO, when he said to me, "Bob, you'll have unfettered access, just tell me what you're telling the CEO." That's all I needed to know and fortunately it fell into place for me.

Would you have been able to do the job without that access?

No, I haven't worked at any other corporates, but banks are highly regulated animals, and the legal and regulatory issues are often complex. You have to be able to have that direct reporting line because you don't want someone else filtering your comments to the CEO. Equally, I want to hear

directly from the CEO and convey my concerns in the event that I disagree with a position they might take. Thankfully that has happened rarely while I've been here, but I want to be able to hear the CEO's take on issues.

What advice would you give other chief legal officers about building relationships, including other heads of departments in the business?

The advice I would give them is, it's crucial to the role to build relationships. You need to win their respect for which I think three things are essential. First, you have to give them and all others respect. Second, you have to be commercial, you can't be some ivory tower lawyer and survive as a general counsel in a corporation. And third, you build respect by delivering results. You might be very respectful, you might be good company, but if you're constantly making the wrong calls, no one's really going to respect you for it.

The other thing is, I think there's a personal side to this: I love finding out about people, their backgrounds, their family, what things really interest them. So, I would say to others, ask these other people about themselves, their career, their concerns, and ensure you are showing interest in them.

Here, in a big organisation like ours, people think the leaders and senior managers are highly accomplished, and have an answer for everything. They don't. And while they are at a top level, they have their own worries. One big plus for the CLO in building a relationship with the CEO, and with other senior executives is that you don't covet their role. It's very rare that the CLO is going to be made the CEO. You need to be candid, and not sycophantic in the way that you engage with them. I think it's a plus, the CEO knowing that because you don't covet their role, they should be able to rely on you to be a lot more forthright in the responses that you give to their questions.

What is the role of the CLO in terms of establishing ethical culture?

You're not just a lawyer earning an income; you're also an officer of the court. You're told that the day you're admitted to practice by the chief justice, and I've just never forgotten that. Of course, then the law talks of concepts such as unconscionability and fairness. Now, following the Royal Commission, there's "community standards and expectations." These are all just moving along the spectrum. It used to be just black letter law. Now there's an overlay of unconscionability and fairness. There's the expectation that the bank should engage with its customers in accordance with community standards and expectations. What does that even mean? And this is going to be one of the things that lawyers have to live out. So, my note here is you should not just talk about those concepts, you should live them out, and role model them as far as you can. Of course, having said that, we should never forget that nobody's perfect.

What stands out in terms of achievements during your time at ANZ?

I'm not sure I've achieved much at all, but if I did so it was because the one talent I have is to spot great people, especially in my team and surround myself with them. And in the case of the Royal Commission, I assembled a really outstanding group of people and built them into a team. Then I try to encourage team cohesion, to have some fun. The Royal Commission was pretty harrowing, pretty draining. Yet, the team spirt within the bank was phenomenal, and I wouldn't have missed what was an extraordinary experience. I'd never been through a Royal Commission before, so I sought out people I respected — people who knew about Royal Commissions, and I learned from them. Then I built our team, having identified the sorts of skills that were needed and then brought the right people

onto the team. And I think our team was brilliant through what was quite a harrowing experience. Another highlight was the opportunity to observe our extraordinary CEO at close range, closer than normal, over a 15-month period.

There are two other things of which I'm particularly proud. For two of the last three years, Legal/CSO has been given the highest end-of-year rating of any unit in the bank by the CEO. In the year we weren't top, we were second. And it's a nice piece of recognition from the CEO. And that all has to be approved by the board. Lawyers are often viewed as people to get around, and I was thrilled the team received that recognition for the work that they put in.

Secondly, in a 180-leadership survey conducted in 2019, the leadership team (my direct reports) in Legal/CSO received the highest ranking of any unit in the bank. They're things my team has delivered and I just feel really proud of them. Again, if I'm good at anything, it's picking good people and melding them into a team and building, as much as possible, a happy working environment. I know when people show appreciation for my efforts, it just makes me feel fantastic. So that's what I try to do with my team.

What skills did you have to develop in the role?

I'll tell you a funny anecdote. When I was appointed back in 2007, there was a small news item on the appointment. It said that as GGC, I would be supervising the bank's litigation around the world. And I thought to myself, I'm not going to be doing much of that. I've actually done little else, so I had to become a bush litigator. I've had to develop some skill there, though I don't pretend to have much in the way of real litigation expertise.

The other skill is to deal with the business much more closely than you do as an external lawyer. As an in-house lawyer, you're brought inside the tent at a much earlier stage in matters. Your views are sought early and often when matters are still embryonic. You have to manage expectations, which is a skill in itself. You are often put on the spot and asked for your view on a complex issue. You can often give an instinctive view, but as most matters are complex, it's important to say that the issue needs further thought, and you will revert with a more considered response. Then you need to ensure you are reliable in doing so promptly. And that dynamic of being put on the spot actually often occurs in board meetings. With no notice, a board member will suddenly throw a complex issue at you. The board has been very supportive to me, but there are moments where they naturally just ask questions that are on their minds about something. In those situations, I will typically say three things: first, let me give you my instinctive answer to that. Then unless I'm 100 percent certain of the answer, which is not often the case, I'll say, listen, that's actually quite a complex question you've asked, so I want to go and reflect on it some more and come back to you. There are three things: instinctive answer, complex issue, and make sure you come back. So that's a skill, if you can call it that. You got to have the courage to say you don't know all the answers.

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Of course, it's a bit easier when you come into the role at 54. And I'll be 66 when I finish. It's a lot easier when you've had, you know, 30 years of experience, and your kids are off your hands. And you feel a lot calmer and more sanguine about things — that if you lose your job, you probably won't starve!

Did you see your role as a CEO of a legal function? Were you still very much a lawyer?

I figure that as the group general counsel, who has to suddenly answer questions of a legal nature at no notice, you simply can't lose connection to the law. When the CEO walks into your office, you need to have that legal understanding, same with board meetings, same with meetings with third parties, same with regulators. While you will have enormous support from your team and panel firms, you can't let your legal skills become rusty. Having said that, you have to run a first-rate legal function, which means staying within your budget, keeping your people going. That includes the financial aspect, the team spirit, monitoring engagement levels, developing your young lawyers, bringing your people on, mentoring your senior team and some of the younger ones you get to work with.

I was previously the relationship partner for my old firm's blue-chip clients and what I had to do there was build strong relationships to seek to win as much of their work as possible. When I arrived here, I'm suddenly in at the corporate level; and I thought the most important thing I could do was ensure that ANZ was a company that all the best lawyers in the country wanted to do work for. What did that mean? Interesting work. That's no problem, we're always throwing off issues. Secondly, that we pay good rates. While we get good volume discounts, they can still make a good living out of us. Thirdly, that I don't make their lives miserable by playing a conflict card, so if a panel firm wants to do a deal that involves ANZ peripherally, some companies will say, "Sorry, if it has anything to do with us, you can't do it." I never take that position and always try to resolve conflicts, because if they lose a job, or one of the partners loses a job because of their relationship with ANZ, it can make them think badly about the organisation. Finally, there are about four firms that get the bulk of our spend and I say to them, over a rolling two- to three-year period, they'll all get an equal share. So, if they miss out on a big project this year, they know they'll get a good chunk of work next year, and when I have to say no to them, they know they will be treated in an even-handed manner, which allows me to look them in the eye.

How important is it to switch off when you leave work at the end of the day?

It's vital. You have to be able to switch off and take a break from work. Yes, you'll have late nights and out-of-hours phone calls, plus travel, but anybody in a high-pressure job needs to have a release of some sort that lets them get away from work every now and then. I wouldn't have survived 12 years here if not for a wonderful wife, five adult children, and several grandchildren. They are the main focus of my life. I also have many good friends who provide a valuable distraction, plus I have a summer sport and a winter sport. In summer I go body surfing with my best mate and during winter, I'm at the footy most weekends.

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