

**Cybersecurity: What works, what doesn't
&
Offshoring: Pros and cons**

*A whitepaper from the MFAA Young
Professionals Panel*



The Mortgage and Finance Association of Australia's (MFAA) Young Professionals (YP) Panel recently met via Zoom, to examine two of the finance broking industry's most topical issues: 'Offshoring: Pros and cons' and 'Cybersecurity: What works, what doesn't'.

This whitepaper will cover the issues canvassed during the most recent YP Panel forum.

Offshoring: Pros and cons

As demand for broker services increases and the work of brokers becomes more complex, broking businesses continue to explore offshore staffing to reduce pressure and grow business sustainability.

According to the MFAA Young Professionals panel, as the back-office work of broker businesses becomes more demanding, and higher loan volumes encourages more specialised task handling, the value of offshoring has grown.

But, while the practice of offshoring promises clear benefits, it can also present challenges.

Getting started

The initial steps of sourcing offshore workers and setting them up can be approached in different ways.

According to the panel, there are organisations that assist in the onboarding of suitable offshore employees and setting up their workplaces as a full service, which also includes ongoing human resource and payroll.

Alternatively, locating and setting up workers directly is an option that would require more time and local knowledge.

Employee management

One issue that was discussed by the Young Professionals panel was maintaining oversight of offshore employees.

With workers located in separate offices, countries, and time zones, managerial control of those employees can prove challenging.

As the education gap continues to close between Australian employees and those outside of the country, such as the Philippines, which is a popular hub for offshore workers, cultural differences can require further on the job supervision and training.

"Cultural disparities do result in misunderstandings and confusion particularly when assumptions are made around workplace standards," explained a YP panellist.

"Some things that Australians implicitly understand may not be common sense for an overseas worker. One example is the knowledge that not all married women in Australia take their husband's surname.

"This may seem unusual for an overseas worker with different cultural and religious circumstances and lead to confusion and in some cases mistakes."

Regarding time spent at work, in Australia managers almost exclusively seek to ensure employees complete the minimum work hours required.

However, according to the YP panel, for offshore employees it can be just as important to ensure workers do not continue at their desks into the night without breaks or finishing at a reasonable hour.

This can lead to burnout and the eventual resignation of a diligent employee.

Providing clear guidance

The Young Professionals with experience in the management of offshore workforces felt that to best avoid misunderstandings and potential mistakes, boundaries clearly expressed with simple, well-defined instructions are important.

“You’ve got to give them their lanes.”

But having discussed some of the challenges most of the Young Professionals agreed that the positives of offshoring in most cases outweigh the negatives.

Pros of offshoring

“At the end of the day, it is hard to find good people here in Australia. We had one young staff member that would anticipate her sick days.

“She felt entitled to her days off and so would take them even if she wasn’t sick. Her thinking was she gets 10 sick days a year, so she has to use them,” said one YP panel member.

“We had another worker who was also going to university and they would call in sick because they had decided to study. So, it can definitely be difficult to find committed workers.

“At the same time, while they have their challenges, offshore employees really appreciate and value their employment, they work diligently, and in our experience have become valuable members of the team.”

Cybersecurity – What works, what doesn’t

Cybersecurity too has become a topical issue for the broking industry particularly in the past year as the shift to online work has accelerated due to COVID-19.

The Young Professionals panel discussed their concerns around maintaining secure systems and the unfair stigma attached to international workers.

The YPs in the majority felt that while a diligent approach to the issue was important, there was no anecdotal evidence pointing to a greater cybersecurity risk associated with offshoring.

Trust issues and unfair stigma

The panel felt that an increase in working-from-home had meant everyone including offshore teams were effectively working remotely without direct supervision.

“I think when you’ve had Bob working next to you doing applications, and now Bob’s working from home because of COVID-19, it still wouldn’t cross your mind that Bob would steal your data because you know him, he’s a great bloke.

“But, peoples’ perception of overseas workers is coloured by the fact that you can’t see them, they’re not next to you, and that’s not right.”

Cybersecurity methods – Virtual Private Networks (VPNs)

The Young Professionals agreed that cybersecurity was more of an issue now than ever, and that reasonable precautions were usually worth taking.

One such method discussed was the use of Virtual Private Networks or VPNs. A VPN connection establishes a secure connection between you and the internet.

Via the VPN, all your data traffic is routed through an encrypted virtual tunnel, which disguises your IP address when you use the internet, making its location invisible.

Remote desktop & password protection

Another option canvassed by the Young Professional's panel was a Remote Desktop, which is a type of software that allows users to remotely control a computer.

The YPs agreed that password protection is paramount and there are numerous accessible solutions in the market to protect your passwords and accounts.

Two-step authentication

Another method utilised to provide greater protection to sensitive data and information is having two-step authentication.

There are three types of authentication, something you know such as a password, something you own like a phone where a code can be sent, and something you are, such as a fingerprint or retina scan.

While fingerprint and retina scanning are becoming more common thanks to technological advancements in consumer items such as smartphones, usually two-step authentication refers to the other two methods, and provides a greater level of security.

About the MFAA Young Professionals Panel

The MFAA Young Professionals Panel is made up of a selection of the industry's bright young stars from across the country who are willing to provide their opinions on issues that affect them as young business people and to offer insightful guidance on current and future industry trends.

In attendance:

Joel Wyld	Peasy (NSW)
Bianca Patterson	Calculated Lending (WA)
Bernadette Christie-David	Atelier Wealth (NSW)
Michael Arbon	Your Mortgage Co (SA)
Jordan Morieson	Inovayt Finance (VIC & QLD)
Tommy Lim	SF Capital (NSW)
Iva Rasic	BorrowRight (NSW)

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