Our TM1 Transformation
IBM Finance Forum 2014

Presented by

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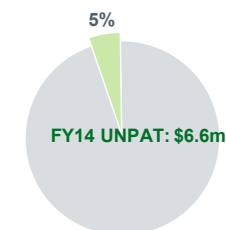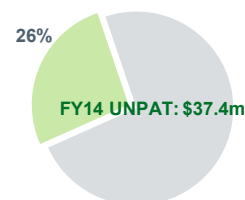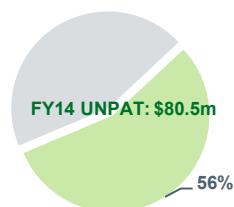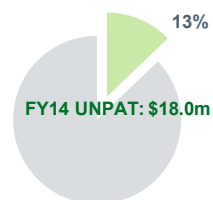
17 September, 2014

About us

Financial Advice and Distribution	Platform Management and Administration	Investment Management	Trustee Services

▪ Provides financial planning advice supported by investment research, training, marketing and compliance support services
 	
▪ Approximately 1,120 advisers aligned to IOOF
 	
▪ Need for financial advice increasing
 	
▪ Aligned groups retain independence but can leverage off the IOOF brand and resources where required.
	▪ Administers investment and superannuation funds, administrations and services provided to financial advisers and clients
	
	▪ IOOF's platforms are highly regarded – top four position in Wealth Insights adviser survey all years bar one since 2010.
		▪ Multi-manager capabilities through MultiMix
		
		▪ Sells investment bonds via WealthBuilder
		
		▪ Active asset management capabilities through Perennial
		   ○ 1st and 2nd quartile performance in Multi-Manager funds YTD
		   ○ Award winning boutique based fund manager
			▪ Offers estate planning, estate administration and fiduciary services
			
			▪ Corporate trust business provides custodian, security trustee and agency services as well as acting in structured finance and staff equity transactions
			
			▪ Leading participant in a consolidating industry
			
			▪ Well positioned to participate in small super industry.

FUAd^2 : $32.6bn	**FUA^2 : $31.9bn**	**FUM^2 : $31.4bn**	**FUS^2 : $26.0bn**

Contribution to 1H2014 UNPAT[1]

13%

FY14 UNPAT: $18.0m

56%

FY14 UNPAT: $80.5m

26%

FY14 UNPAT: $37.4m

5%

FY14 UNPAT: $6.6m

Budgeting and forecasting

Disclosure

Accuracy

Inputs

Governance

Resource allocation

Frequency

Budgeting and forecasting
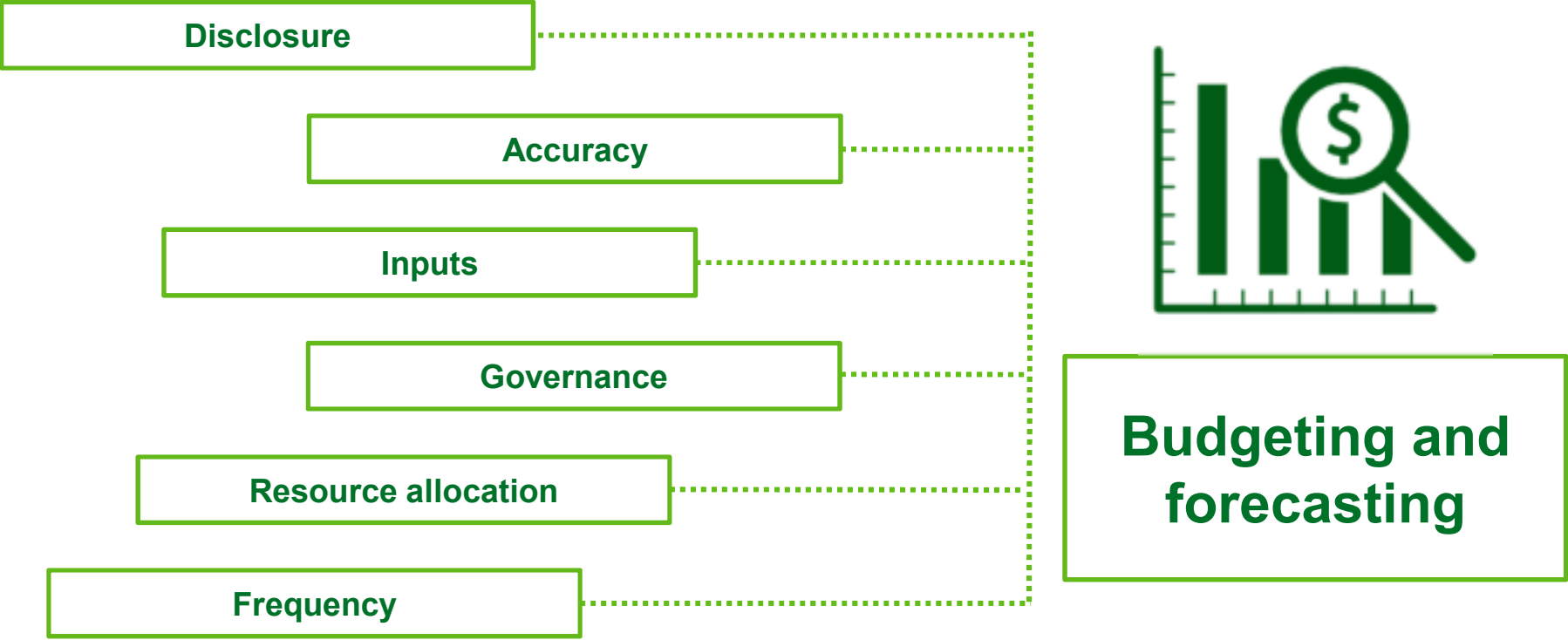
Old process

Spreadsheet

Inconsistent drivers

Multiple approaches post M&A activity

Benefits of automation

Shorter turnaround time

Less support costs

Robust model

Our false start – why?

Focus on cost minimisation

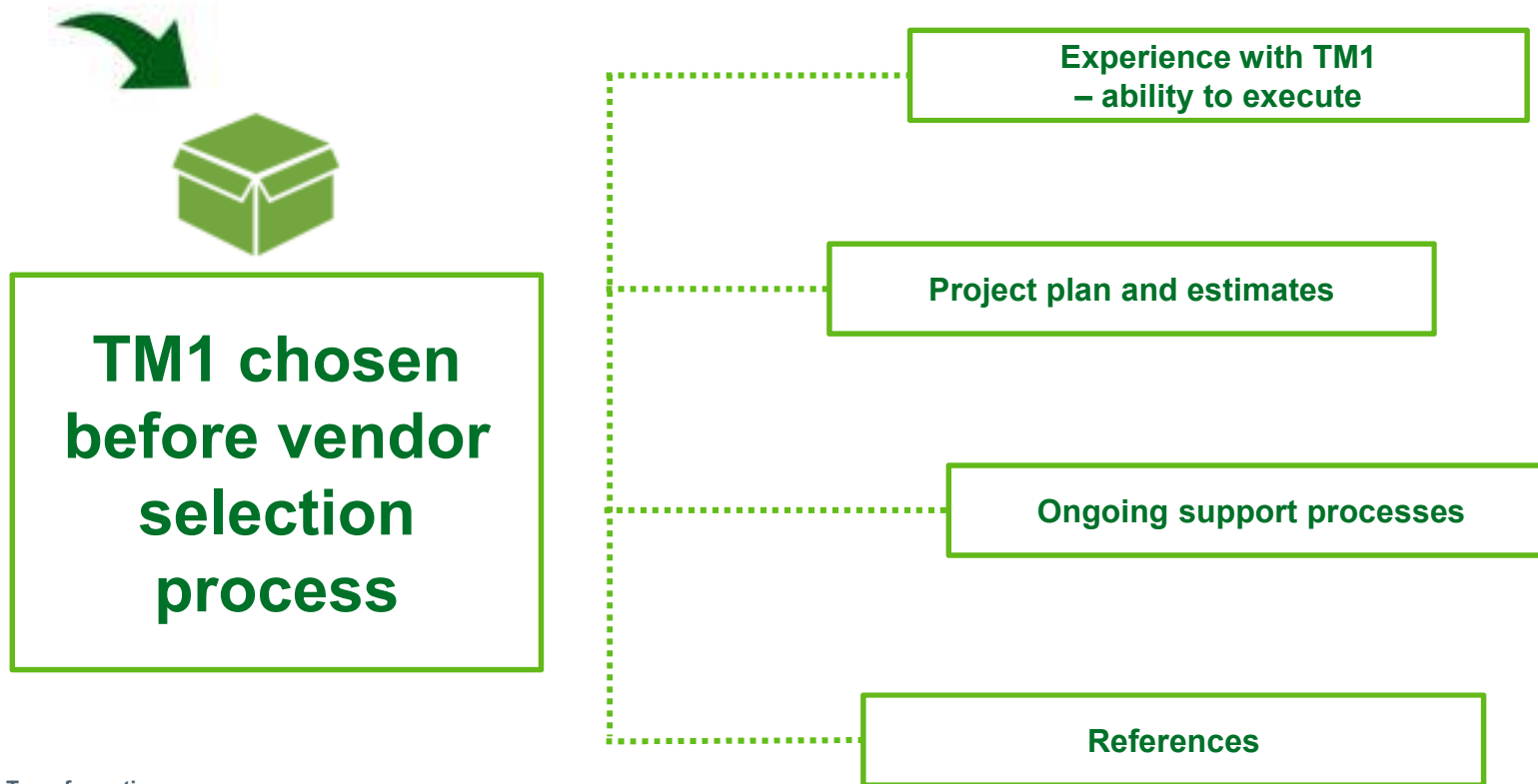**Unsupported technology** – in development as we proceeded

Heavy support on third party consulting

Long turnaround times

Extensions difficult

Better to have gone for best available **at** reasonable cost

The solution and approach

TM1 chosen before vendor selection process

Experience with TM1 – ability to execute

Project plan and estimates

Ongoing support processes

References

Implementation with TRIDANT

Implementation, training and support by IBM partner

Project managed internally

Three month development time

Transition ownership to an internal team with second level support provided by partner

Later addition for three year forecasts

Use growth estimates for asset classes to predict FUM growth based on underlying asset allocation.

Features

Why it works so well

✔	✔	✔	✔
Changed assumptions can be instantly seen in entire model	Less support costs – No external support for last FY	Data integrity	Ad-hoc (out of cycle) regeneration with one person driving

What's next?

Integrating acquisitions

Predictive Analytics

Integration with Cognos BI
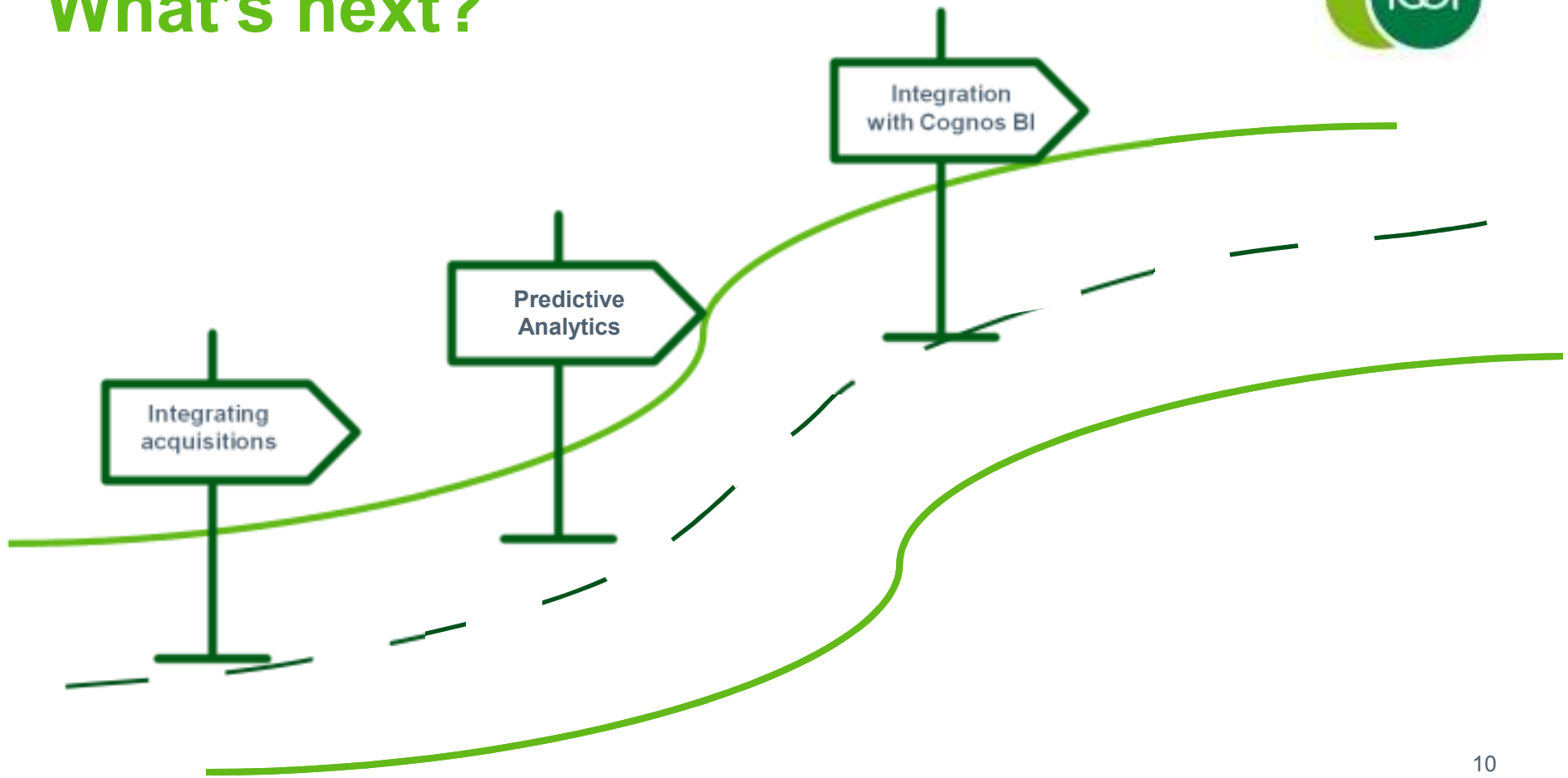
? Questions

Creating financial independence since 1846