

Jason Harwood, CEO



Lifewealth
Group

Lifewealth's digital transformation





No meetings today

Business improvement

- Growth
- Efficiency
- Staff satisfaction and retention
- Client experience
- Profit
- Shareholder returns

Challenging | daunting

- 70% of all digital transformation (DT) initiatives do not reach their goals
- Of the \$1.3 trillion that was spent on DT last year, it was estimated that \$900 billion went to waste.

Challenging | daunting

- Why do some DT efforts succeed and others fail?
 - most digital technologies provide *possibilities* for efficiency gains and customer intimacy
 - If lack the right mindset to change and the current organizational practices are flawed, DT will simply magnify those flaws

So why undertake digital transformation?

Technology is nothing. What's important is that you have a faith in people, that they're basically good and smart, and if you give them tools, they'll do wonderful things with them.

- Steve Jobs

So why undertake digital transformation?

- Start with Why
 - Why are you in business?
 - What is your strategy, your mission and vision?

Lifewealth – Mission:

Lifewealth exists to achieve peace of mind and happiness for its clients, people and communities by understanding what matters most to them.

Lifewealth – Vision:

We have created positive change for our Clients' experience through our willingness to innovate.

When clients find us, they find solutions and they tell their family and friends.

We are a loved employer across the country and people are lining up to join us.

You've heard of us; we're Lifewealth.



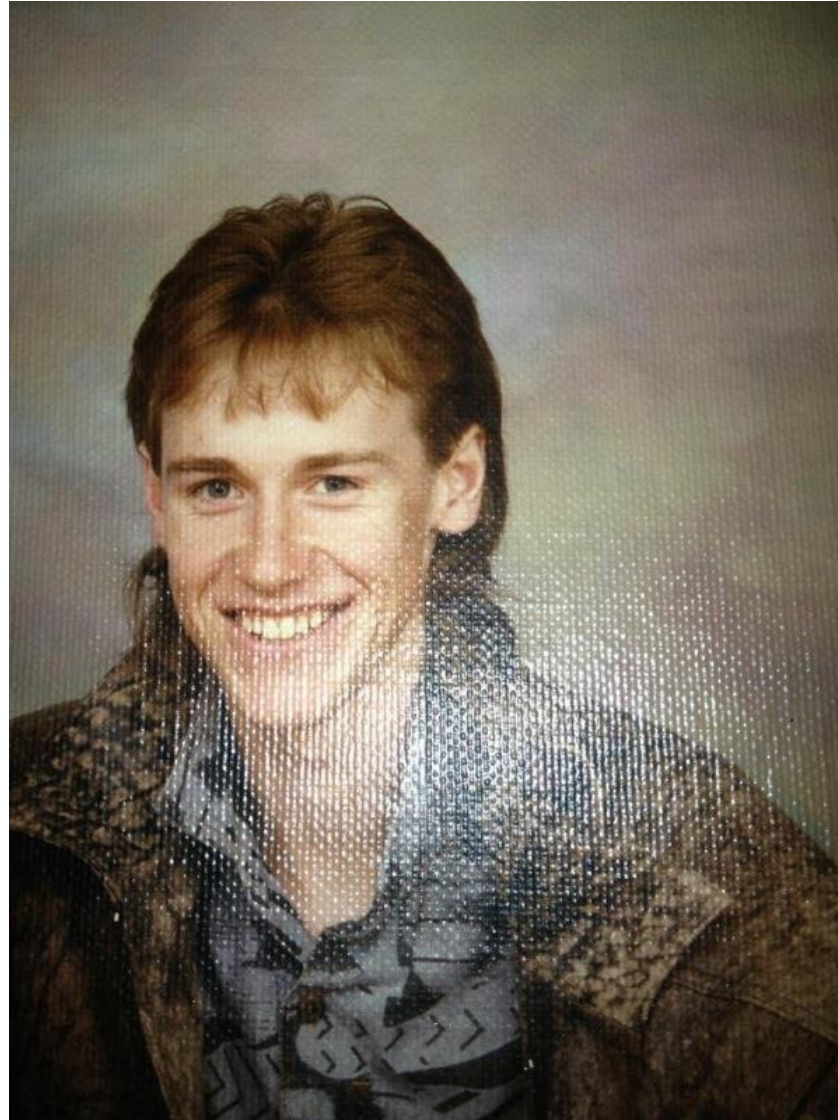
Lifewealth

- Proud of our culture
- No voluntary turnover in more than three years
- Operating margin significantly strengthened
- Operations and processes vastly improved
- Fully digital - no paper-based files across accounting and advice
- Scalable for growth
- Almost fully integrated ecosystem



Lifewealth transformation - culture

- Key to this was enhancing our internal communication and sharing hub
- Facebook Workplace
- It has brought us closer together as a group and has helped us deliver on our why, our mission



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Linking DT to business strategy

1. Are our current systems and processes capable in supporting the pursuit of our business strategy and vision?
2. Are we prepared to give up on *our why* in favour of the status quo?

Linking DT to business strategy

1. What is the real cost to the business of your current software and systems?
2. Once we understand the current *real cost*, can we afford not to digitally transform?

Disengaged staff:

- 60% more errors
- 18% lower productivity
- 16% lower profitability
- 65% lower share price over time
- 50% increase in voluntary turnover ¹.
- Replacing a single employee costs approximately 20% of that employee's salary ².

Sources: 1. Queens School of Business and by the Gallup Organization |

2. Centre for American Progress



Understanding the current real cost

Example firm:

- \$1m profit per annum
- Staff turnover 15% | 2 staff
- Average salary package \$70K pa
- Average OAF \$7.5K pa | two clients lost per year
- 5-year outlook

Understanding the current real cost

\$415,000 over five years

Understanding the current real cost

- Client loss – \$75K
- Staff turnover - \$140K
- Lower profitability* - \$200K

*assumed at only a quarter of Queens School of Business research

Lifewealth transformation - operations

Dexterous

- Central system | tool that brings everything together
- CRM system and mobile app
- Centralised document storage across accounting and financial advice
- Workflow and task management across the divisions
- Sales management
- Client portal capability
- External stakeholder portal
- Solution builder - Ontoma

What will it cost?

- Dexterous as SaaS example
- \$25K - \$40K configuration cost
- \$15K - \$25K annual cost

What will it cost?

- Distraction?
- Collaborate

Key points

- Digital transformation must:
 - Be linked to your strategy
 - Underpin delivery of your mission
 - Drive your business to its vision
- Identifying a trusted tech partner who can reflect what we do as advisers:
 - Understand your needs and goals
 - Deliver solutions
 - Regular review
- The status quo in your business is costing you far more than you realise

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