



How do I divest a financial planning business in the face of significant regulatory challenges?

01 THE PROBLEM

Within the Wealth Management division of a major Australian Bank, the employed financial planning arm was at a critical juncture, with compliance failures jeopardising the organisation's reputation.

The major Australian Bank had two requirements. To conduct immediate and transparent remediation and to implement systemic strategic and cultural changes that would rebuild the financial planning arm as a robust, compliant, and attractive asset for divestment.

02 THE SOLUTION

- We applied a holistic change management approach, focussing on people, processes, and technology to drive the division's transformation.
- We initiated an extensive stakeholder engagement program to rebuild trust and ensure clear communication regarding the remediation efforts and the strategic vision for the division. This included regular updates to clients, employees, regulators, and to acquiring parties.
- We conducted leadership workshops, setting the tone from the top to align the division's leaders around the new strategic direction and equip them with the skills needed for leading change.
- We embedded new values and behaviours that supported the division's strategic goals, fostering a culture of ownership and accountability.
- We managed the movement from existing processes to implementing a robust control framework to enhance operational efficiency and ensure lasting compliance. This included the adoption of cutting-edge technology to automate compliance monitoring and risk management processes.
- We developed a comprehensive change roadmap to not only address the present challenges but also to strategically position the financial planning arm for divestment. This included showcasing the successful transformation and highlighting the financial planning arms renewed focus on compliance, operational integrity, and growth potential.

03 THE RESULT

As a result of successful remediation and compliance uplift our client experienced:

- Transparent and effective remediation measures, coupled with a revamped control environment.
- Restored confidence among stakeholders and ensured compliance with regulatory standards.
- A profound shift in culture, with employees at all levels embracing the new values and contributing to the division's transformation.
- Operational processes were streamlined, leading to enhanced efficiency and profitability.
- The comprehensive change management efforts culminated in the successful positioning of the financial planning business as a viable asset, leading to its successful divestment to a reputable global insurer who understood its potential.