

A photograph of three business professionals in an office setting. A man in a white shirt and tie stands in the center, pointing at a tablet held by a woman in a dark blazer. An older man in a suit sits to the left, looking at the tablet. The background shows a bright office with large windows.

# QUALIFICATION : PROJECT 1007

**All industries | Intermediary Distribution Strategy**

**May 2023 –Aug 2023**

# QUALIFICATION : PROJECT 1007 KEY WORD SEARCH: Consulting Project, Strategy, Intermediary distribution, Growth

**Summary: ICG to formulate a third-party (intermediary) distribution strategy with a focus on commission and value skew**

<b>Project description/approach</b>	<ul style="list-style-type: none"> <li>Interviews with key executives and third-party distribution team</li> <li>Review and baseline existing business</li> <li>Compare business to local and global best practices in third-party distribution strategy and operating model</li> <li>Recommend refined strategy, operating model changes and build business case</li> <li>Prepare compelling board presentation and support CEO</li> </ul>
<b>Why ICG was needed</b>	<ul style="list-style-type: none"> <li>Client's third-party share had plateaued, and they wanted to review the business</li> <li>The CEO commissioned ICG to review the business and make recommendations</li> </ul>
<b>Impact delivered by ICG</b>	<ul style="list-style-type: none"> <li>Identified several significant opportunities in broker commission model structures</li> <li>Identified and shared numerous opportunities to skew the business to value as well as volume</li> <li>Client has accepted all recommendations and can see obvious and accessible financial impact from the work</li> </ul>
<b>Critical insights/new ICG IP available to new clients</b>	<ul style="list-style-type: none"> <li>Developed new frameworks for optimising third-party distribution.</li> </ul>
<b>Client feedback "Would you use ICG again, and if differently, how?"</b>	<ul style="list-style-type: none"> <li>Yes, the client has used ICG several times in the past and this was seen as another very positive impact project</li> </ul>

## Client

<b>Industry</b>	<ul style="list-style-type: none"> <li>All</li> </ul>
<b>Sector/Function</b>	<ul style="list-style-type: none"> <li>Strategy</li> </ul>
<b>Geography</b>	<ul style="list-style-type: none"> <li>Australian-based and headquartered bank</li> </ul>

## Project period/duration

May 2023 – August 2023

## ICG Contact Partner for more information

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Project Scale	USD \$0-\$50K	USD \$50K-\$100K	USD \$100K-\$250K	USD \$250K-\$1M	USD \$1M Plus
ICG contribution			X		
Total scale					X

# This project was focused on business strategy

## ICG's Strategy Taxonomy

### CORPORATE

- Business Model and Org Design (SBUs), Corporate Centre/Shared Services
- Portfolio (Profit Pools & Industry Structure)/M&A/Joint Ventures/Portfolio Interfaces (See Horizontal Strategy)
- Governance
- EPMO/Investment Slate
- Culture/"Tone from the top"
- Transformation and Strategic Planning approach
- Strategy & Internal Consulting team design

### BUSINESS

- Sources of advantage/Positioning
- Business Scope of each SBU
- Customers/Segments/
- Product
- Channel
- Geography
- Customer Experience, Journeys, Brands
- Competitors/Game Theory/Wargaming
- Regulator Interface
- Detailed Business Modell/Structure
- Business Plans

### FUNCTIONAL

- Functions supported (Operations, Risk, Human Capital, Technology/Digital, Learning, etc.)
- Their role and alignment to strategy/shared services
- Nature of support and advantage they provide/gaps in support
- Functional Strategies
- Functional Plans

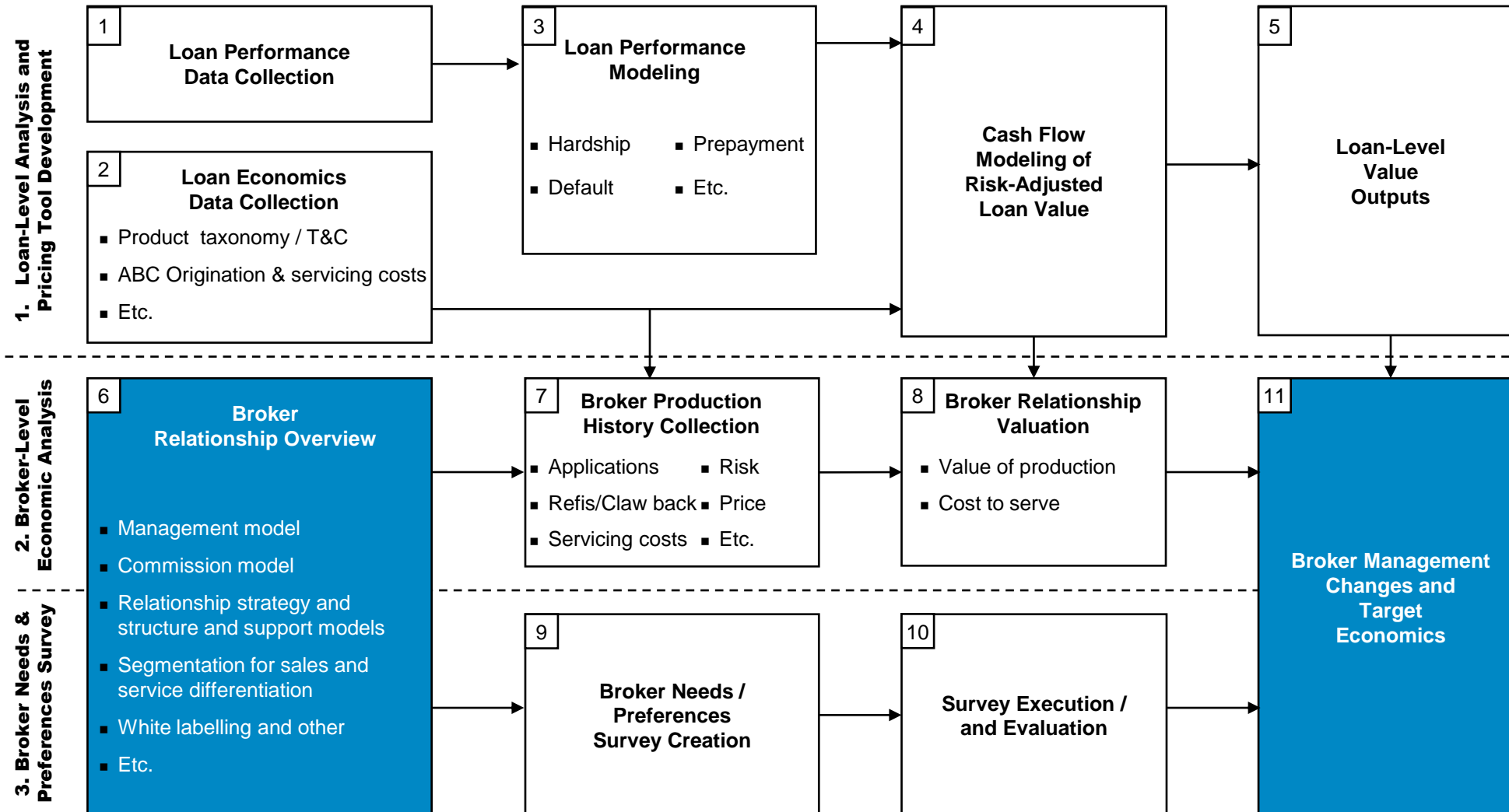
### HORIZONTAL

- |                                      |                           |                |                    |
|--------------------------------------|---------------------------|----------------|--------------------|
| • Recognised and harnessed synergies | • Customer Strategy       | • Supply Chain | • Data and Insight |
| • Coordination/capture processes     | • Innovation/Accelerators | • Org Dev      | • Change and Comms |

### PROCESSES, PEOPLE AND TECHNOLOGY

- Strategy formulation plans, tools, calendars and processes (Including Agile and Emergent Strategy)

# ICG's Structured Approach to Broker Channel Optimisation



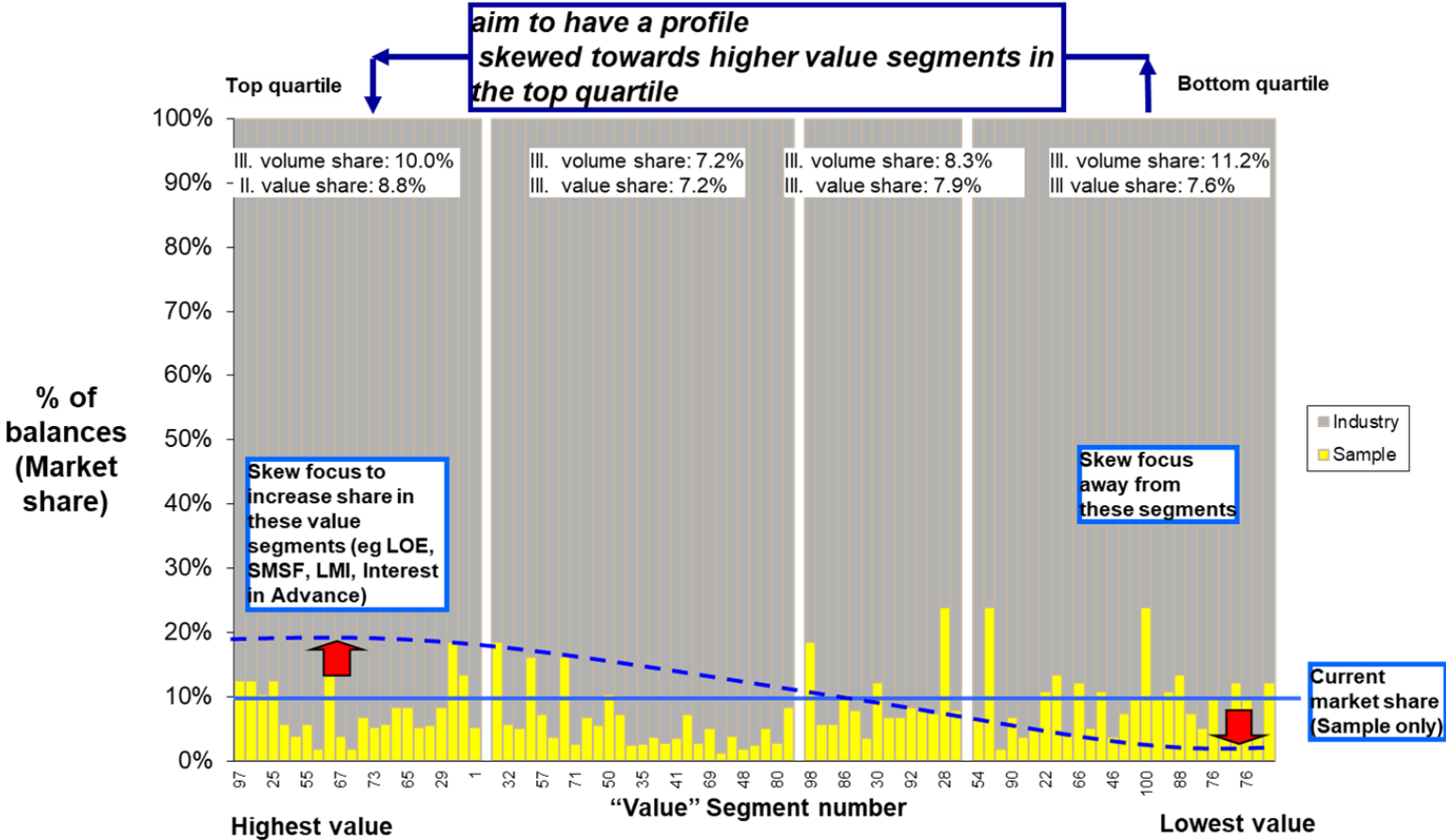
# Example analysis: the client's current business was skewed slightly AWAY from value (e.g., For 10% volume share of highest value loans delivering only 8% of available industry value)

## ICG Initial Diagnostic of the Third-Party Business (Mortgage product only, sanitised heavily)

### Loan value profile: Total Industry vs Illustrative TP Share

#### KEY POINTS

- Value volume modelling of third-party business showed a uniform to skew AWAY from value distribution
- A significant opportunity was identified to skew towards more value origination of loans even within current volume targets





Contact your Partner for more information

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