March 2025

Strategic Transformation

Building a Data First, Digital-Native Organisation

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Agenda

1. Overview
2. Data Governance
3. Data Driven
4. Digital Operations

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The Vision – a 100% Digital Bank

Niche markets: Targets underserved, markets in Consumer and Small Business lending

Best-in-Class Technology / Distribution: Leverages modern technology, a lean operating structure, and a diversified distribution strategy to scale efficiently

Profitability Through Efficiency and Data-Driven Growth: Prioritises attaining low-cost data driven digital operations, straight-through processing, and risk-based data-driven decision-making, achieving profitability through fair interest margins and sustainable growth

Crawl, Walk, Run, Fly (Repeat)

First principles, focus on getting the basics right, reduce the noise, automate for scale, fly by wire.

Get

Identify opportunities build minimal to get product in market to meet demand and provide customer with superior experience.

get the basics right

Walk

Automate high value, low effort problems while Integrating solution to reduce the noise to focus on the work.

reduce the noise, focus on the work

Run

Automate and enact digital operations.

automate to scale

Fly

Add configurations and controls to enable fly enable wire / autonomous operations.

fly by wire

Technology principles

A cloud-based technology strategy has enabled Alex Bank to build a robust infrastructure that allows it to offer customers faster and more efficient services, as well as access to the latest technological advancements.

Straight Through

Straight through automated processing for customers from origination to service

Digital Only

Everything is viewed through a digital lens and executed with modern agile mentality. Fully integrated digital experience

Zero Trust

Authenticate and authorise based on available data points, including identity, location, device health, service, data classification, and anomalies

Born in the Cloud

Architecture designed and developed specifically to take advantage of the many benefits and resiliency of cloud computing

Automation

High levels of automation to enable scale and efficiency throughout the bank

Data Driven

Data driven processes and decisioning aggregated from multiple sources enabling a highly automated digital bank

Security

Robust security controls and application based multi-factor authentication to help protect assets, data and identity

The Journey

Using Inside Out to build best in class products and services and Outside In to deliver best in channel experiences with automated and efficient Digital Operations to orchestrate and connect customers to banking.

Website

2020

Simplified and Enhanced Direct Channel Customer Experience

Innovative Technology

Customer-Centric Approach

Restricted ADI
Wednesday 7 July

Partner Workbench

2021

Aggregators / Brokers

Dual Channel Distribution Strategy

ADI
Wednesday 21 December

Bolt

2022

Real Time Data Driven Digital Operations

Lean and Scalable Operating Model

Enhanced channel / product centric workflows & automations

Straight Through Processing

2023

Automation / Expansion of Digital Operations

Award-Winning Products

Referrals

Open Banking

2024

Partner Based Distribution Model

Platform Distribution Strategy

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Reviews 574 • 4.7

Data Governance

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Data Governance

Prudential Standard and Guidance drives data governance framework

- **confidentiality** refers to access being restricted only to those authorised;
- **integrity** refers to completeness, accuracy and freedom from unauthorised change or usage; and
- **availability** refers to accessibility and usability when required;

- **criticality** refers to the potential impact of a loss of availability;
- **sensitivity** means the potential impact of a loss of confidentiality or integrity.

- **information asset** means information and information technology, including software, hardware and data (both soft and hard copy);

The Board must ensure that the entity maintains information security in a manner commensurate with the size and extent of threats to its information assets, and which enables the continued sound operation of the entity.

An APRA-regulated entity **must** classify its information assets, including those managed by related parties and third parties, by **criticality** and **sensitivity**.

this **Prudential Standard** applies to all information assets managed by related parties and third parties, not only those captured under agreements with service providers of outsourced material business activities

identify and document the **processes** and resources needed to deliver **critical operations**, including **people**, **technology**, **information**, facilities and **service providers**, the interdependencies across them, and the associated risks, obligations, key data and controls;

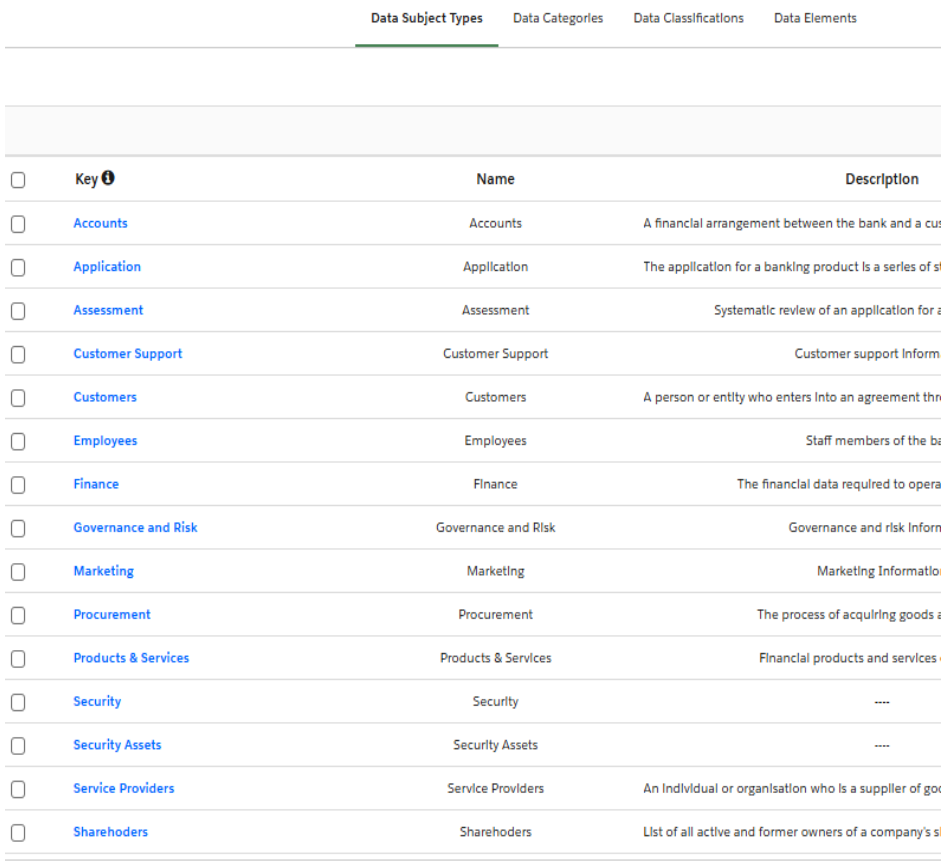
Data Governance

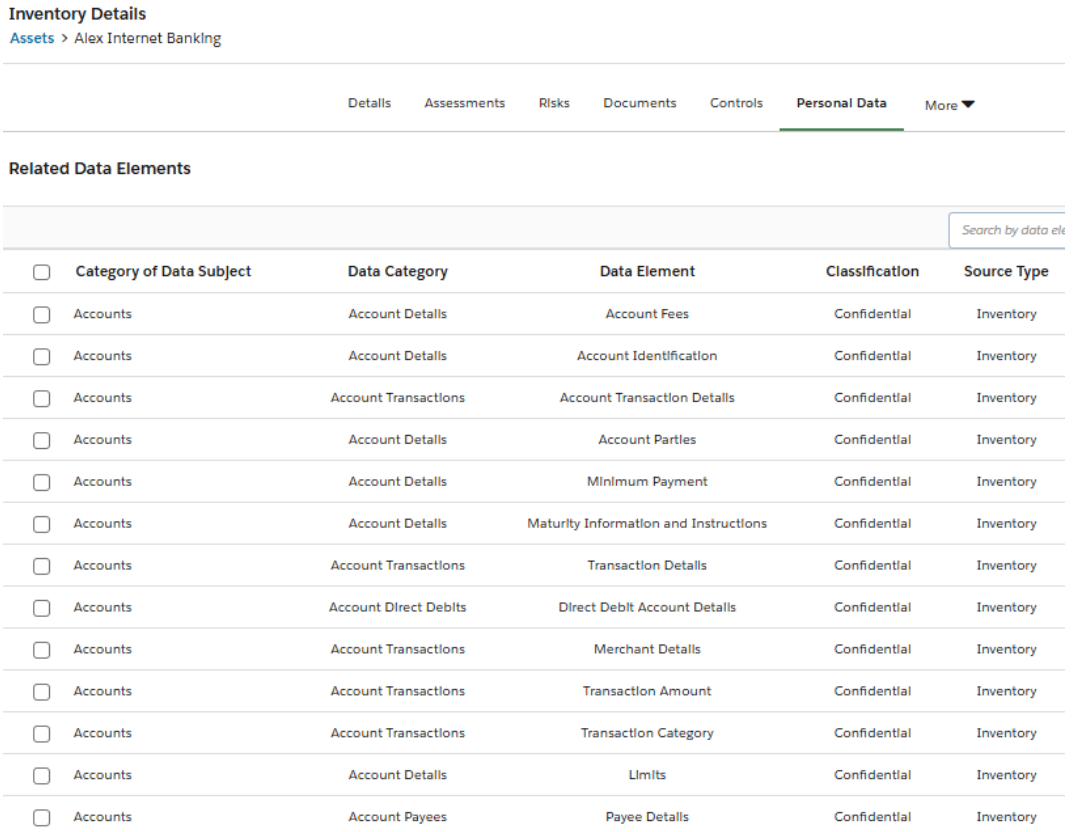
Data Governance embedded into key procurement and security processes.

Data Management and Governance is a matter of security, risk and critical operations and is managed through procurement, risk assessment and service provider onboarding process.

Data Catalogue

Core data is identified at the enterprise level and mapped into Assets, Processes and Service Providers.





Data Driven

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Data driven definition

✗ *A data-driven organization is one that relies on data to inform its decision-making processes, strategies, and operations. In such an organization, data is collected, analysed, and used systematically to drive business decisions, optimize performance, and gain insights into various aspects of the business, from customer behavior to operational efficiency.*

~ A digital operating model is a framework that integrates technology, data, processes, and agile practices to optimize an organization's operations, enhance customer experiences, and drive innovation in the digital age.

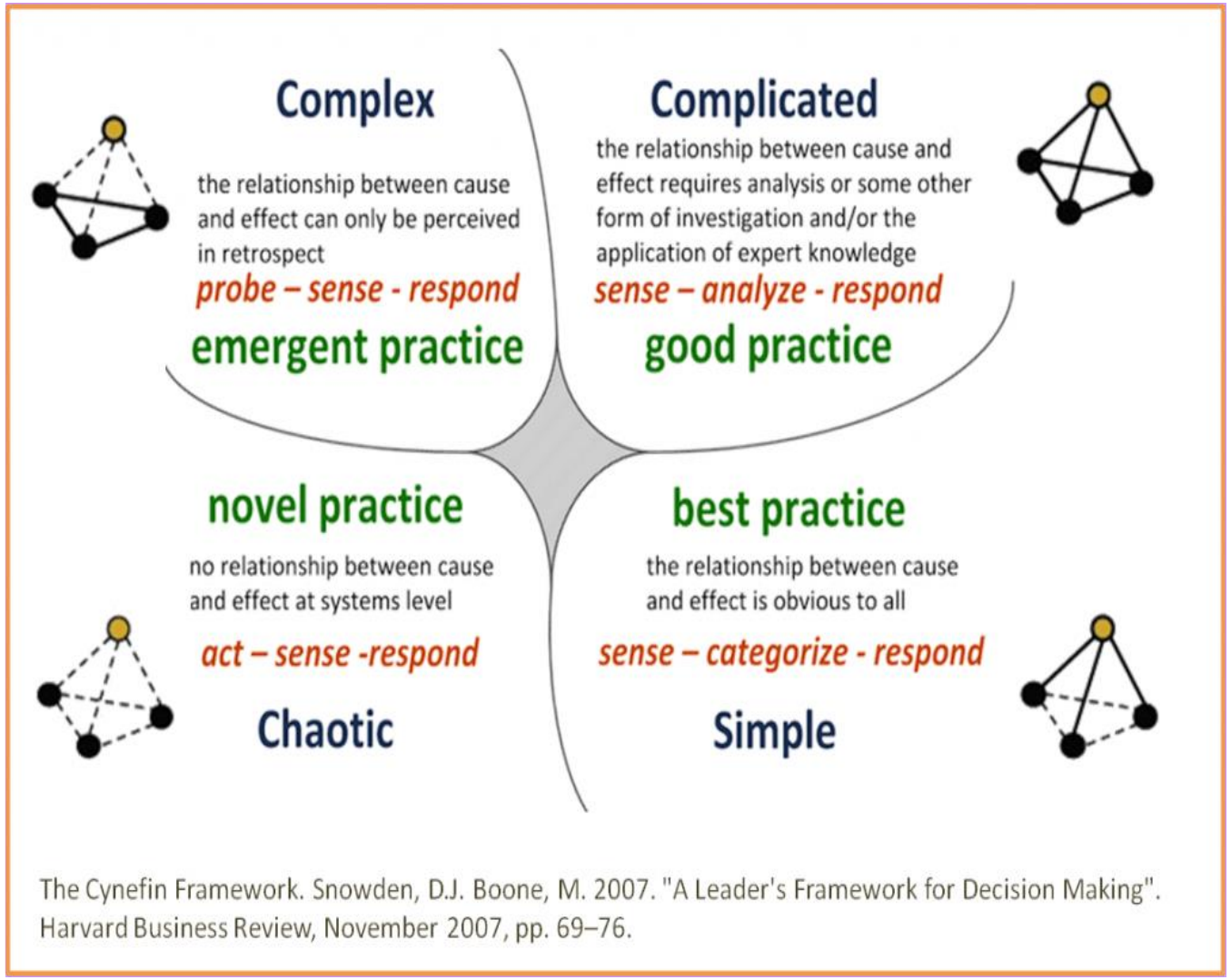
~ A digital autonomous organisation uses advanced technologies like AI and automation to run its operations and make decisions with minimal human involvement.

✓ A data-driven organisation identifies the key data needed to operate and make decisions, invests in technology to autonomously operate and manage its processes through a series of asynchronies events, while relying on staff for oversight. It is event-driven rather than process-driven, using real-time data and events to initiate actions and decisions while leveraging automation for efficient operations.

Data driven challenges

Different problems require different approaches.

Digital Operations
Event Based Services
Schema Drift / Migration
Security and Logging



Autonomous Decision Making
Workflows and Lifecycles
Data Schemas

Digital Adoption
Customer Journeys

Process Automation
Reporting and Analysis
Data Services
Oversight and Hindsight

Pronounced “kuh-nev-in”

Digital Operations

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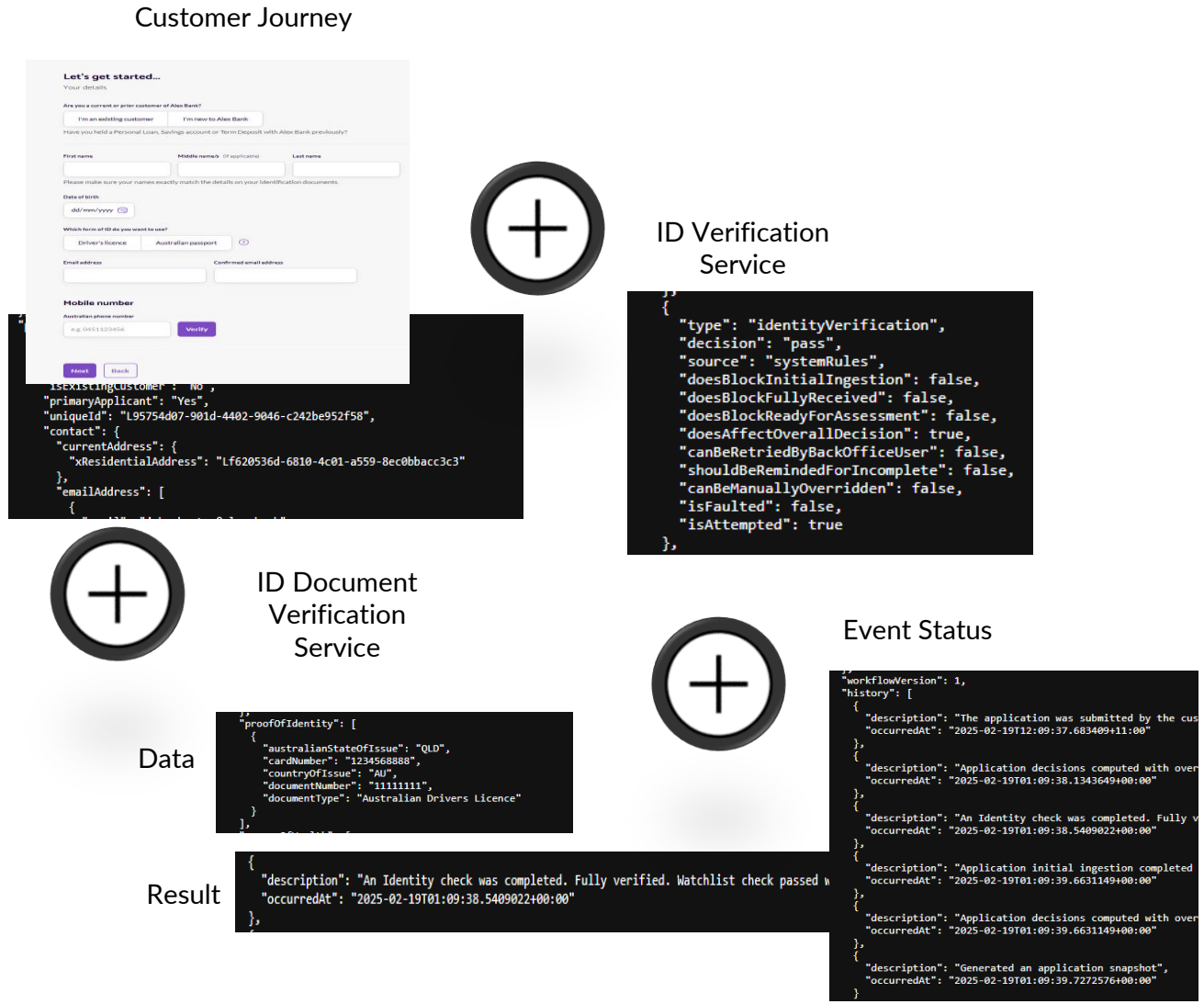
Data evolution / enrichment

Data progresses through multiple decentralised services supporting different functional processes

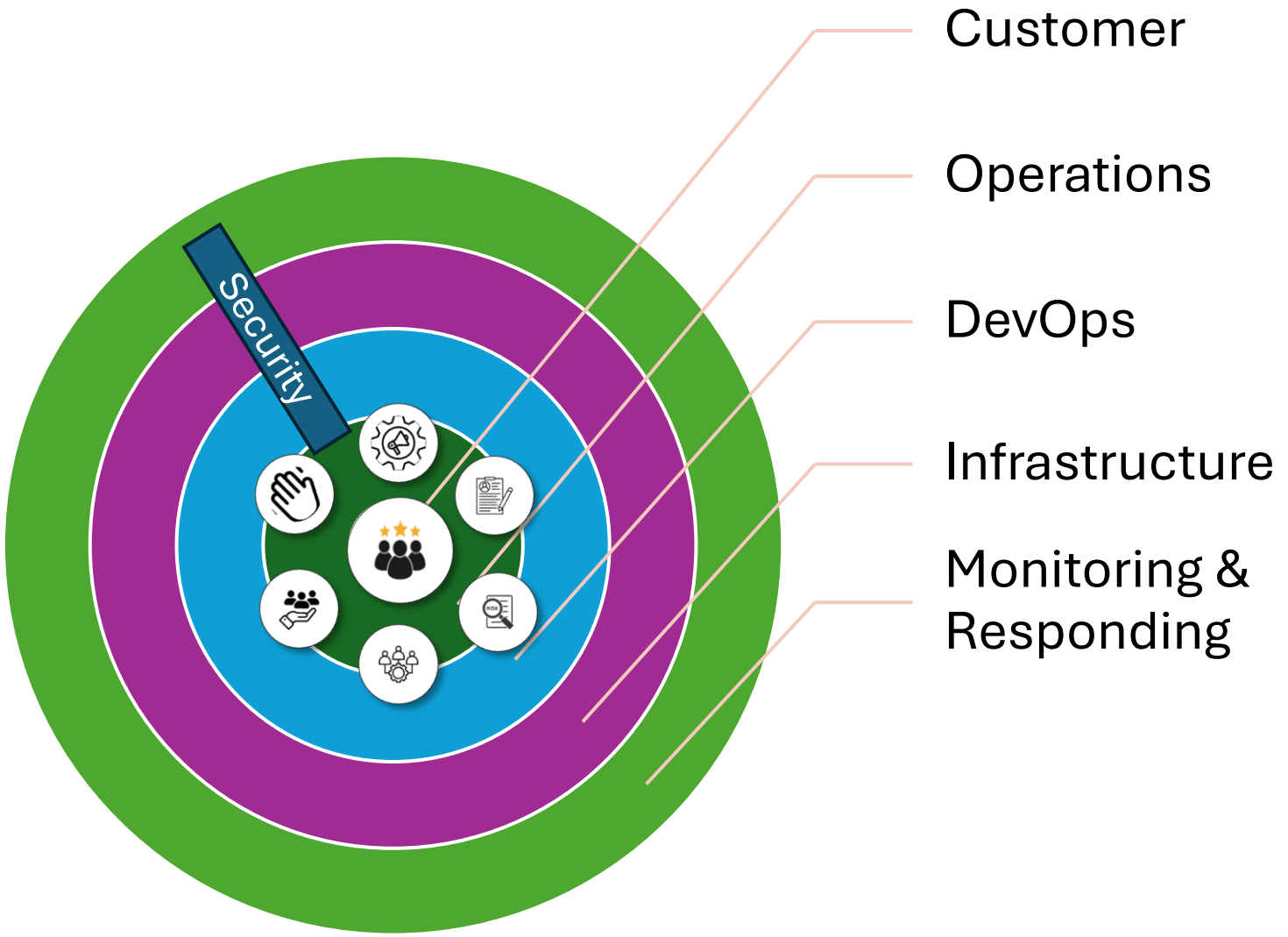
- Standards define the schema for the subject area.
- Schema evolution matches the complexity and maturity of the customer journey / product / service mix.
- Data evolves as it progresses through the different services and events.
- Quality is driven through the interface specification from the digital services.
- Consolidation of subject areas with service data and event results.
- Data is immutable and correlated as it occurs supporting tracing and tracking information from multiple services and events.



Digital Operations

Data driven goes beyond the customer journey

- Digital transformation is not a destination.
- Change is constant
- Digital native means everything involves technology making Enhanced Cyber and Security Skills, Controls, Monitoring and Incident Management Essential.
- First principles / incremental approach
- Build vs Buy & Integrate continually changes as technology evolves and matures.
- Continued uplift of skills to ensure focus remains on value added activities / exception processing.



Questions

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