



WINNING IN A

# Disruptive Environment

HERE'S HOW >>

Introduction

Setting the scene

Current reality

Exponential forces

Exponential journey

Exponential muscle


Taking stock

Closing

# Hello, everyone!

We're **Risto** and **Dhesen**. Whilst we've been known to be quite entertaining, we're actually here to talk about how Momentum Metropolitan believes we will outperform in a highly disruptive environment.


Let's get started!



**Risto Ketola** - *The finance guy*

Creative arts

Financial skills



**Dhesen Ramsamy** - *The tech guy*

Modern dance

Futuristic ideas



# Why's the FD here?

Business transformation is not just a **technology** and **innovation** thing.

It requires a **compatible environment** of:



Corporate culture



Operating model



Senior leadership support



Aligned company strategy



Financial capital

Introduction

Setting the scene

**Current reality**

Exponential forces

Exponential journey

Exponential muscle

Taking stock

Closing

# Corporates failing to disrupt...

🔍 Reasons corporates fail... ✕

- 🔍 Internal focus
- 🔍 Change fatigue
- 🔍 Inability to partner
- 🔍 Ineffective decision-making
- 🔍 Load +10,000 more...



# Corporates are failing to disrupt...

🔍 Reasons corporates fail... ×

🔍 **Internal focus**

🔍 Change fatigue

🔍 Inability to partner

🔍 Ineffective decision-making

🔍 Load +10,000 more...



Search results: Reasons corporates fail...



Internal focus



## The causes :



**Business as usual (BAU) optimisation** is considered "**safe**"



Leaders are still **managers**



Delivery is measured to **budget**, not to **potential**

## Our solution :



Exposure to **cutting-edge fintech**



Install a **competitive culture** within the group e.g. "Dragons Den"



Aspects of our **strategy** force an **external focus**



Search results: Reasons corporates fail...



Change fatigue



## The causes :



**Lack of buy-in** from employees



Management creates **anxiety** instead of **excitement**



**Past failures**, lack of **current progress**

## Our solution :



Share **business case for change** as broadly as possible



**Simplify strategy message** and be **realistic** in proposed actions



Plan to generate **steady stream of wins** across planning horizon






Search results: Reasons corporates fail...

 **Inability to partner** 

## The causes :

---

-  Excessive desire for **control**
-  Misalignment on **urgency** and **way of work**
-  Difficulty in **embedding/enabling** the partner in our business

## Our solution :

---

-  Active participant in **SA fintech ecosystem** since **2016**
-  Leveraging of **partnership experts** (Guardrisk, Exponential) in the group
-  Dedicated resources experienced in **integrating 3rd parties** into MMH





Search results: Reasons corporates fail...

 **Ineffective decision-making** 

## The causes :

---



Decision-makers **too far removed from businesses**



Decision-making bodies **lack correct skillset**



Excessive upward delegation **slows down decision-making**

## Our solution :

---



**Federal business model** empowers business units



**Specialist Exco sub-committees** with SMEs as members



Culture that **rewards** (rather than discourages) **quick decision-makers**



# Closing thoughts...

how to win in disruptive environments



Introduction

Setting the scene

Current reality

**Exponential forces**

Exponential journey

Exponential muscle

Taking stock

Closing



THE POWER OF

# Exponential forces

"We overestimate the effects of a technology in the short term but underestimate it in the long term." - **Roy Amara**



Exponential change can easily **creep up on you**, be ready to **respond effectively**.



Exponential forces are powerful in both **scale** and **velocity** but inherently **start slowly**.





# What this means for us

We need to respond to these powerful exponential forces through **developing new capabilities.**

## To-do list: |

---

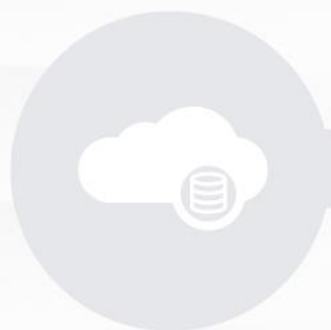
- Stability, predictability and incremental change are all part of **yesterday's game.**
- To thrive when opportunities are presented, **build great sensing capabilities.**
- Continuously **exercise the muscle** to ensure that we get better at **integrating on what we identify.**





# How it all started...

Key changes we saw in **2014** that made us take action



Technology  
advances



New customer  
demands



Vast  
ecosystems



Scenario  
analysis





# How it all started...

Key changes we saw in **2014** that made us take action



**Technology  
advances**



New client  
demands



Vast  
ecosystems



Scenario  
analysis





# How it all started...

Key changes we saw in **2014** that made us take action



**Technology  
advances**



**New client  
demands**



**Vast  
ecosystems**



**Scenario  
analysis**





# How it all started...

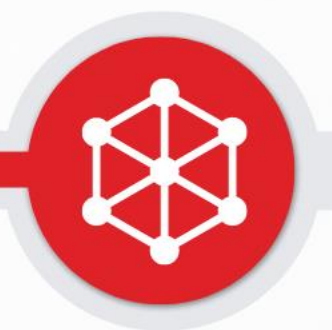
Key changes we saw in **2014** that made us take action



**Technology  
advances**



**New client  
demands**



**Vast  
ecosystems**



**Scenario  
analysis**

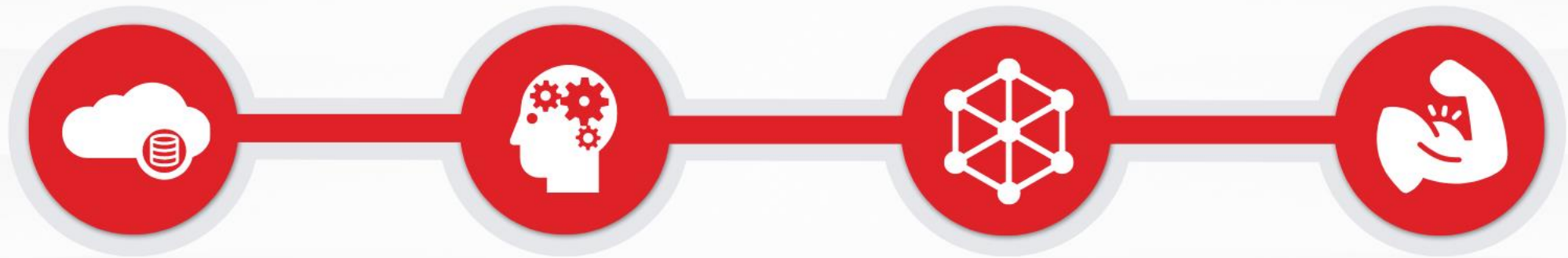






# How it all started...

Key changes we saw in **2014** that made us take action



**Technology  
advances**

**New client  
demands**

**Vast  
ecosystems**

**Scenario  
analysis**





Powerful and disruptive  
**new business models** emerge



**Weak growth,**  
intense competition  
for growth

**Abundant growth,**  
less competition for  
growth



**Traditional business model**  
remains intact

THE ACTUAL 2014  
**scenario analysis**





# The Exponential muscle...



Investment into

## VC Funds

- Investment commitment of **R700M**
- Insur/FinTech fund with **10-12y lifetime**
- Partnered with **Anthemis** (UK-based) and **4Di Capital** (SA-based)



Investment into

## Partnerships

- Leverage presence in **start-up ecosystem**
- Match attractive **start-up assets**
- Create internal **start-up capabilities** and **scale across the Group**



# VC fund requirements

What we **wanted to get out** of our investments...

Visibility of latest **technologies** and **industry successes & failures.**

Understand start-up and incumbent **assets & weaknesses & timelines.**

Insights into successes & failures of **MMH strategic thesis.** Key input to general **MMI strategic processes.**

Strong brand in the **start-up ecosystem** and **scaling opportunities** across the Group.

Develop valuable insights on **local & global startups** and open up potential **partnership doors.**

**R700M**  
invested since 2016

**R2.6B**  
F2022 gross valuation



# VC fund exposure

## Anthemis Exponential Ventures Fund

## 4Di Exponential Technology Fund





# Partnerships/Capabilities

Partnerships that have had an impact on our business...



Lead Generation

E-Fica Verification

Optical Character Recognition (OCR)

Co-planning

Lead conversion is **30%**, which is **3x higher** than traditional channels

**Digitally enabled** product houses, using **digital data** for onboarding

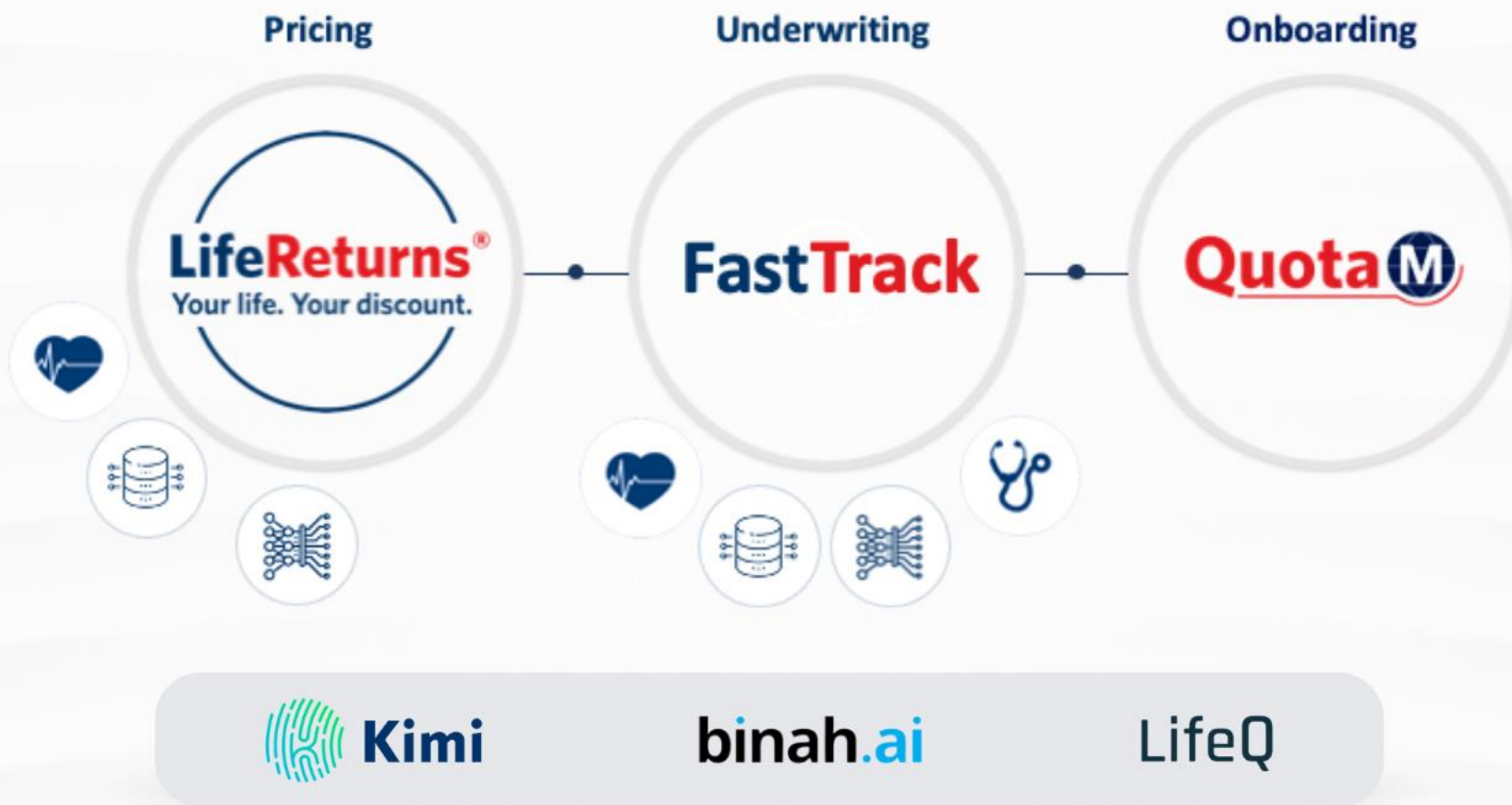
**99% efficacy rates**, leading to **higher STP**

**Saving 10x time** (for advisers & clients) of the financial planning process



# Partnerships/Capabilities

Partnerships that disrupt value chains...



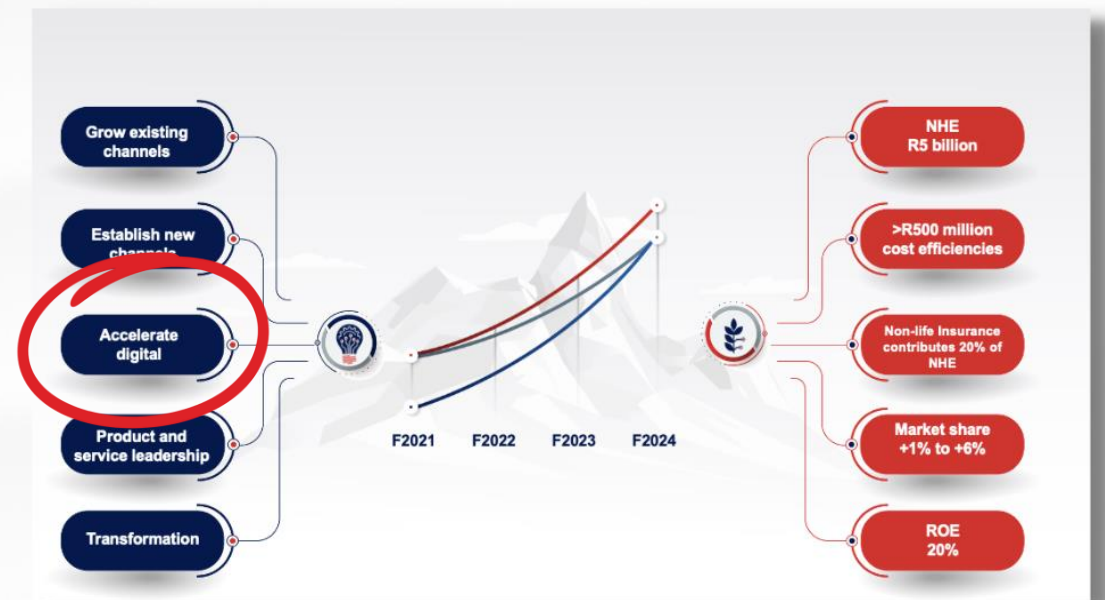


# Taking stock...

## What we foresaw in 2014:

- ↓ Changing **customer needs**
- ↓ Power of **innovation ecosystems**
- ↓ Importance of **environmental sensing**
- ↓ Capitalising on **opportunities**

## Reinvent & Grow strategy:







# What's next?



More of this in our **current lines of business**



Leverage capabilities like **Launchpad**



Build businesses of tomorrow in **10x fashion**



# What's next?



Strengthen the  
**core business**  
of today



Leverage  
existing assets to  
build **new market**  
entrants



Industrialise  
capability to build  
**new ventures**

 **Continuous sensing** to keep looking around the next corners...



Everyone takes the **limits of their own vision** for the **limits of the world.**

Ray Kurzweil

## Closing thoughts...

---

1. Be **paranoid** and **pragmatic**.
2. "**Sense fast**" and execute deliberately, paced to deliver **material results**.
3. Harness **exponential and disruptive forces** to outperform.



## Closing thoughts...



Everyone takes the **limits**  
**of their own vision** for the  
**limits of the world.**

Ray Kurzweil



### Session completed!

Thank you for your attention.  
Any questions?

No

Yes

be **paranoid** and **pragmatic.**

**"Sense fast"** and execute  
deliberately, paced to deliver  
**material results.**

3.

Harness **exponential and  
disruptive forces** to outperform.