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Organisational Design Review

Australian Securities and Investments Commission

20 May 2022

nous

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This proposal is provided on the basis of the Panel for the provision of Management Advisory Services to the Australian Government.

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Executive summary

The Australian Securities and Investments Commission (ASIC) has a once-in-a-decade opportunity to align its organisational design with its strategic priorities and vision to ensure a fair, strong and efficient financial system for all Australians. This project, to redesign ASIC's organisation and functions, is timely given the disruption arising from the COVID-19 pandemic, financial sector changes following the Hayne Royal Commission, ongoing financial innovations in the Australian and international markets, increasing public expectations, and tightening budget conditions.

Nous Group (Nous) is pleased to offer our services to ASIC for this important work. We understand that ASIC has already invested heavily to develop its strategic priorities to meet the challenges ahead; Nous offers our experience in similar projects to design organisations to match such strategies, and an expert, senior team who understands how to undertake these design engagements to meet these priorities in the complex Australian regulatory context.

Nous' relevant experience is extensive with over 100 organisational design and transformation projects in the past 20 years, including across all levels of government, comparably large and complex regulators, and financial services. We have deep familiarity with the nuances of the Australian regulatory environment and are one of the leading firms for regulatory reviews and regulatory practice, to ensure that any recommendations and options we provide ASIC will be appropriate to your situation and minimise risk.

Our proposed Client and Project Director, s 47F, is one of Australia's premier organisational design consultants. Our human resources expert advisor, s 47F, leads Nous' financial services practice and has previously advised ASIC on cultural assessments and change management, with over 30 years' experience including as a senior HR executive. s 47F, our regulation expert advisor, leads Nous' regulation practice with deep experience in regulatory practice and organisational alignment for Australian Commonwealth and state regulators.

These thought leaders can engage with ASIC's senior leadership on an equal basis to guide this sensitive and high-stakes project to a successful outcome. They lead a dedicated team of senior consultants who have the experience and skills to help ASIC redesign its organisation while maintaining operational cadence. This ensures that ASIC continues its important work ensuring that all companies – not just financial services – operate to the financial benefit of all Australians.

A summary of Nous' offer is provided in Table 1. Further details are provided in the rest of this proposal.

Table 1 | Summary of Nous' offer

Project outcome	ASIC will have a fit-for-purpose organisational design, processes, tools, and capabilities to ensure a fair, strong and efficient financial system for all Australians.	
Our team	**Client and Project Director**: s 47F **Project Manager**: s 47F **Consultant**: s 47F	**Expert Adviser (Regulation)**: s 47F **Expert Adviser (HR)**: s 47F **Consultant**: s 47F
Your investment and options	Phase 1: s 47(1)(b) excluding GST Phase 2: s 47(1)(b) excluding GST Total: s 47(1)(b) excluding GST, travel, and incidentals; including panel discounts	

1 We understand ASIC's context and opportunities

In this section we discuss our understanding of your requirements and relevant insights from similar challenges. We present the factors that we believe are crucial to project success.

1.2 ASIC's organisational design must enable it to fulfil current regulatory functions to ensure consumer protection

ASIC's vision is to ensure a fair, strong and efficient financial system for all Australians. The core of this vision for ASIC's organisational design is the consumer: every part of ASIC's structure and its functions needs to focus on protecting the consumer, beyond regulating businesses providing goods and services. This includes a wide range of entities that fall outside traditional definitions of financial services, including innovative products by companies that fall into regulatory grey areas, novel financial arrangements and emergent financial instruments such as cryptocurrencies, and new channels for financial advice.

The focus of ASIC's regulatory functions lies in enforcement: ensuring compliance through effective licensing processes, performing assessments, and enforcing the law through a range of channels ultimately escalating to litigation. These are supplemented through additional functions, including multiple avenues for engagement with businesses and consumers, providing input to law and policy reform, and a range of supervisory, surveillance and risk management activities for regulated entities and markets.

ASIC has made many iterative changes to its operations to better align to these functions in recent years. These include reviewing its capabilities in 2015 to clarify roles and strengthen its culture for cross-functional collaboration; implementing structural reforms between 2019-2021 that refocused Commissioners towards strategic decision-making and streamlined operations under line executives and a Chief Operating Officer; and transferring registry functions to the Australian Taxation Office.

However, ASIC has not conducted a whole-of-organisation review since 2008. It now seeks assistance to develop a systematic process for reviewing future changes to its organisational design. Industry best-practice for this work is based on principles established by Goold and Campbell[1], which looks both at how external strategic factors and internal design criteria intersect to arrive at an optimal design for each organisation. These could inform some of the factors that ASIC can consider for its new design, including:

- **Stakeholder Focus**: Does the design enable ASIC to ensure consumers are financially protected?
- **Strategic Alignment**: Does the design enable ASIC's strategic priorities to be effectively delivered?
- **Feasibility**: Is the design practical, given ASIC's legislative responsibilities, profile, and restrictions?
- **Collaboration**: Are there mechanisms to embed collaboration within ASIC and with other regulators, government, industry groups, and other external entities?
- **Accountabilities**: Are there clear roles and responsibilities within ASIC to enable efficient, effective decision-making and execution?
- **Redundant hierarchies**: Does the design remove duplication, replicated roles, and processes?

[1] Michael Goold and Andrew Campbell (2002) "Designing Effective Organisations: How to Create Structured Networks"

1.3 ASIC must sustain reforms and continue to adapt to its volatile regulatory and market environments

ASIC evolves and operates in an evolving environment. ASIC's role and profile have increased over the past 30 years and so have the expectations placed on it by government and the public. Since the Hayne Royal Commission recommendations of February 2019, ASIC has come under pressure to increase its litigation activities to enforce legislation and deter rogue actors. The public expects ASIC to investigate, litigate, and to clearly articulate when and why it chooses not to.

This enforcement aspect of ASIC's role is complicated by the Australian Government's desire for ASIC to increase support for the economy, a formal request since 2021 in the wake of COVID-19. ASIC is expected to help reduce regulatory burdens on businesses and consumers, promote innovation and competition in the market. These are in addition to, and sometimes in tension with, ASIC's core enforcement, engagement, and compliance functions.

The context for this delicate balance is complicated. COVID-19 disrupted the Australian economy unequally across sectors. Some businesses and consumers benefited from changes to consumption patterns, stimulus funding, and emergency government policies. Others were rendered effectively insolvent for months or years. Novel financial schemes – and scams – coupled with rising asset prices left more people vulnerable to financial overcommitment out of necessity or desire for high returns in a persistent low-yield environment. All these have made for a less resilient, more volatile situation.

This reduced resilience was exacerbated by the earlier bushfires of 2019-2020, and now by floods across eastern Australia. It has also been exacerbated by technology: buy-now pay-later schemes, blockchain assets, and social media. Such digital risks are becoming more prevalent as consumers continue to transition to electronic money, digital products become default, and cybercrime grows in frequency, sophistication, and impact. ASIC must also contend with volatile international factors, including the rise of state-level cybersecurity threats and changes to financial measures such as the phase-out of London Interbank Offer Rate (LIBOR).

ASIC's organisational design must be able to effectively address these and continue to adapt to future challenges without exceeding its remit or stifling economic progress. In recent years, ASIC has introduced several mechanisms to safely support innovation within boundaries, including the enhanced regulatory sandbox exemption and no-action letters. ASIC has also invested in its own technologies to streamline regulatory compliance for businesses, improve its operational efficiency, and strengthen ASIC's ability to leverage its data to guide regulatory practice.

To build on these reforms, ASIC's future organisational design can consider:

- **Flexibility**: Can the design withstand and adapt to changes to ASIC's situation, market conditions, and innovations by regulated entities?
- **Skills and Capabilities:** How can the design sustain the specialist skills and systems that ASIC has invested in and build upon them to meet increasing and evolving regulatory challenges?
- **Durability**: How can ASIC's organisation be designed so that it can endure through continuing changes to ASIC's remit and regulatory environment?
- **People and Capacity**: Does the design account for the capacity and distribution of ASIC's current staff, and how best they can be applied to meeting ASIC's strategic priorities?

1.4 ASIC's organisational design must be efficient to meet fiscal constraints yet remain effective to ensure compliance

ASIC's challenges come as its budget reduces: down 6% from the 20-21 financial year to $463m in 21-22 and projected to decrease further by 5% to $439m in 22-23. Further funding shortfalls may come, including from the government's deregulation agenda; removing company search fees from late 2023 alone will cost ASIC an estimated $65m over three years.

ASIC must build on its recent reforms and innovations to meet its growing responsibilities while remaining financially secure. We understand that ASIC's prior work to separate strategic and executive functions have delivered significant operational benefits. This project is intended to build upon this work in a systematic way, across all aspects of ASIC's organisation, to ensure that future operational changes – particularly those involving cost-reductions – do not lead to unintended consequences and unmanaged risks.

Enforcement will remain a focus. However, ASIC has also invested significantly to expand its range of 'soft' capabilities to complement litigation: data analytics to help match resources to risk; governance and processes refinements to help select the best cases to pursue; and engagement with businesses and consumers to shape community and policy responses that promote compliance to regulations, complementary to, and potentially avoiding the need for, legal action.

A critical part of this project will be to ensure that the resulting organisational design is not only efficient but takes these other initiatives and the volatile regulatory environment into account. ASIC must also act quickly: to realise benefits from these initiatives early; meet its budgetary constraints; and successfully effect a potentially significant and wide-ranging organisational transformation. It will be important for ASIC to build up the right capabilities in its People and Development teams to shepherd these reforms, and to embed the right culture to ensure these reforms endure.

2 Our team

Nous has assembled a highly capable team with the right experience to realise your target project outcome. In this section, we outline the design of our team, how we will work together and the contribution of each team member.

2.2 Team design

ASIC will continue to face increasing complexity. It is critical for the delivery of ASIC's vision that the organisation design is conducted with rigour and leading expertise.

Nous therefore proposes an expert team of senior advisors who have the skills, gravitas, and experience in the Australian financial services and regulatory context to safeguard the success of this project. s 47F, one of Australia's premier strategists and organisational design advisors, will lead this project and be ultimately accountable for its success. Our Expert Advisers, s 47F and s 47F, are respectively leaders in their fields and heads of practice at Nous; with s 47F they will ensure that this project meets the high standards required to meet ASIC's desired outcomes within the necessary timeframes.

They lead a team of dedicated, integrated, senior team of consultants who have the expertise in organisational design and options analysis to develop fit-for-purpose options for ASIC's future organisation with rigorous supporting evidence. All our consultants have experience in the Australian financial services sector and regulatory context; they will be able to navigate the complex strategic and policy agendas with ASIC's environment and conduct stakeholder interviews with the sensitivity and tact needed for organisational reviews under tight budget conditions.

Nous' team and its governance structure is illustrated in Figure 1 below.

Figure 1 | Our proposed team and governance structure

2.3 Team member contribution

Table 2 provides an overview of the Nous team members, their experience and how they will add value to the project. Their qualifications and relevant experience are provided in Appendix A.

Table 2 | Team member experience and contribution

s 47F Client and Project Director	**Relevant experience** s 47F is a Senior Principal at Nous Group. He co-leads Nous' s 47F [redacted] practices. His area of expertise is developing strategy to win, and then aligning the organisation's service and operating models, and organisation structure, to successfully execute the strategy. s 47F is a recognised expert in organisation design. He has published in the international s 47F [redacted] on the topic and teaches courses that include organisation design at s 47F [redacted]. He is a member of the global s 47F [redacted] Greg has an excellent understanding of ASIC and its role. He has led Nous projects with other regulators, including APRA, worked extensively in financial services, and was a s 47F [redacted] at s 47F [redacted] **Core contribution** As Client and Project Director, s 47F has overall accountability for this project. He will: • Lead the organisational design and provide insights from his deep experience • Ensure that the team works efficiently to deliver early, frequent outcomes for ASIC • Be the principal point of contact for ASIC
s 47F Expert Adviser	**Relevant experience** s 47F has extensive regulatory experience which extends across policy and legislation, regulatory theory and practice, strategic planning and service delivery reform across a number of portfolios. A former senior leader in several regulatory environments, including s 47F [redacted] and s 47F [redacted] has been instrumental in leading major reform programs in regulatory design and regulatory practice. s 47F has worked with many regulators to improve their regulatory practices to reduce burden on business and has redesigned operating models. She led the s 47F and other regulatory organisational review projects described in our track record section below. **Core contribution** s 47F will provide expert advice through the course of this project with particular emphasis on organisational design in regulators and senior stakeholder engagement.
s 47F Expert Adviser	**Relevant experience** s 47F is an organisational development professional with over 30 years operating at senior levels in industries undergoing significant change, including government, education, tourism, aviation, and banking/finance. s 47F career experience prior to Nous includes People Strategy Leadership, Capability, Diversity and Culture Change roles at s 47F [redacted] and s 47F [redacted]. s 47F led the cultural change work with ASIC described in our track record section below. **Core contribution** s 47F will provide expert advice with emphasis on organisational and functional design, capabilities development, and change management in similar sensitive contexts.

s 47F

Project Manager

Relevant experience

s 47F is an experienced executive specialising in organisational and digital transformation. He has advised federal and state governments and businesses to implement organisational restructures, process re-engineering, technology strategy, and change management. Prior to Nous, s 47F was a government s 47F and s 47F in the s 47F, where he oversaw multiple mergers, de-mergers, and restructures for regulatory agencies.

Core contribution

As Project Manager, s 47F is responsible for the daily operations of this project, ensuring it meets agreed milestones and performance metrics. He will:

- Manage the day-to-day operations of the Nous team for this project.
- Facilitate stakeholder consultations and co-design workshops
- Lead development of project outputs, including quality assurance of all reports, presentations, and analytical models.

s 47F

Consultant

Relevant experience

s 47F has worked on large scale transformation and strategy projects in the financial services sector. s 47F brings strong data and stakeholder engagement skills developed through projects and previous work experience to support organisational development and design, business cases, cost-benefit and market analysis, and operating model reviews.

Core contribution

s 47F will be responsible for desktop research, analysis and interpretation of data to generate insights. He will support stakeholder engagement activities and be a major contributor to project deliverables.

s 47F

Consultant

Relevant experience

s 47F is a consultant with demonstrated problem-solving, stakeholder engagement and critical thinking skills. He has experience working with financial services institutions to synthesise quantitative and qualitative data.

Core contribution

s 47F will assist in desktop research, analysis, and interpretation of data with particular emphasis on financial and scenario modelling. He will assist stakeholder engagement activities and be a major contributor to project deliverables.

Nous has over 500 staff, all equipped with the technology to provide seamless project continuity whenever public health measures restrict movement. We can provide alternative resources for key roles should COVID-19 impact the availability of any Nous team members. Should you have any questions regarding Nous' response to COVID-19 please contact our nominated Client and Project Director, s 47F.

3 Our approach

Our approach is specifically designed to meet the success factors for the project and comprises:

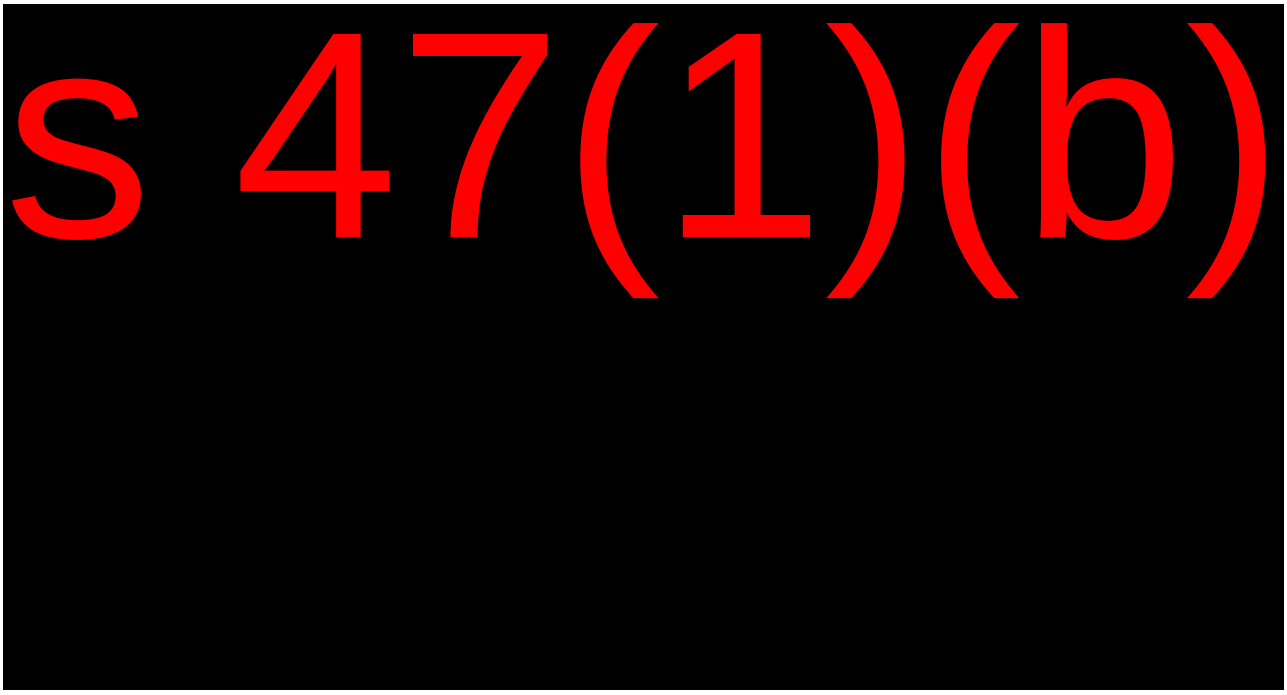
1. Conceptual approach – our guiding framework or lens for shaping a solution for this project.
2. Methodology – how we will apply the framework in practical terms, namely the steps we will take to deliver the solution.
3. Options – opportunities for further analysis and support, as and if required.

3.1 Conceptual approach

3.1.1 The s 47(1)(b) [redacted]

The [redacted] outlines the combination of organisational elements that will allow ASIC to deliver on its vision and strategic priorities. It is designed to help ASIC explore the Whole-of-Organisation implications of structural changes, minimising the possibility of unintended consequences later in the project. Our initial application of the NOAF to ASIC, for further refinement, is shown in Figure 2.

Figure 2 | s 47(1)(b) [redacted] applied to ASIC



We will systemically work through the [redacted] by asking relevant questions to form a quick but comprehensive initial assessment of ASIC's organisational design and structure. This will enable us to quickly identify s 47(1)(b) [redacted], and s 47(1)(b) [redacted] across the organisation. Importantly we are not seeking to rework all the elements of the framework but to understand how the organisation design aligns internally with other elements and to ASIC's strategic priorities.

3.1.2 Nous' s 47(1)(b) [redacted]

The Nous s 47(1)(b) [redacted] provides a structured and systemic way to create a fit-for-purpose organisation structure, shown in Figure 3. We will use this approach iteratively throughout the project to systematically review and design ASIC's overall organisation and each specified function.

Figure 3 | Nous' s 47(1)(b) [redacted] applied to ASIC

s 47(1)(b)

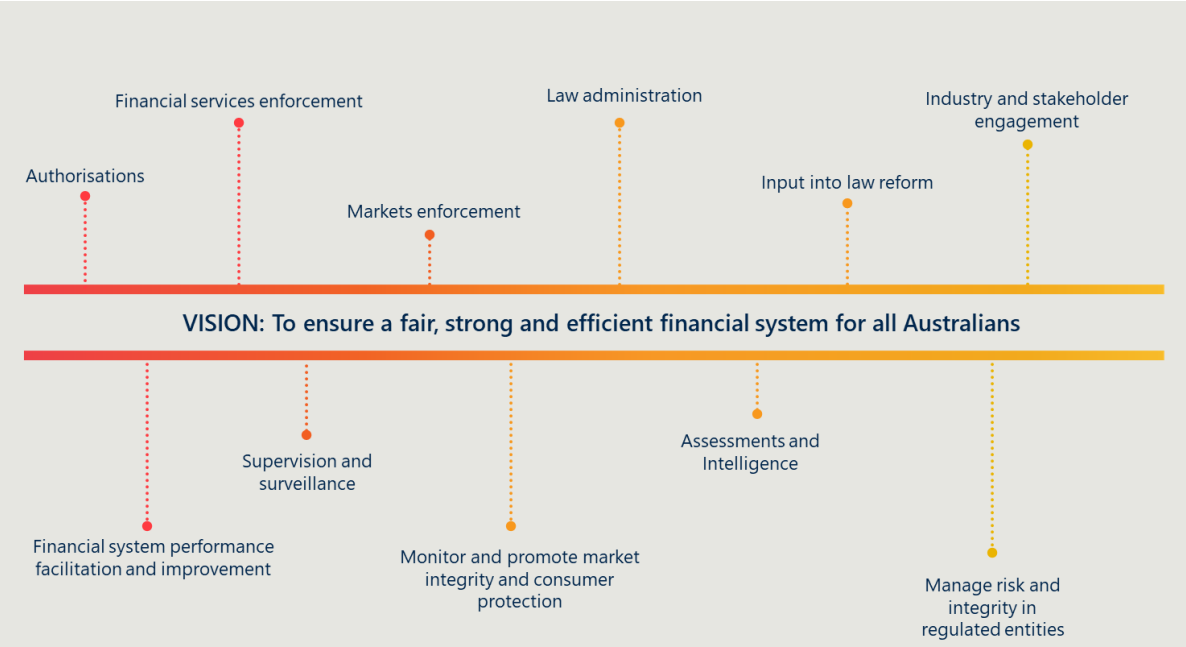
[redacted]

On the first pass, we will assess the overall ASIC organisational composition through the s 47(1)(b) [redacted] with inputs from recent relevant ASIC reviews, targeted stakeholder consultations, and drawing on Nous' experience and experts from similar engagements. This will result a maturity indicator for each element to inform later phases of the project; we may potentially recommend ASIC to defer this project to further develop other elements should this be necessary.

This initial assessment will be used to conduct later activities to understand current and future functions and their structural implications. We will develop design criteria and principles to inform the design of several ab-initio options – not necessarily based on the current structure – for how ASIC could operate. These design principles will ensure that insights from current state assessments are not lost during the design phase and ensure consistency for subsequent deep-dive functional reviews. We will then expand these principles into a design framework, building on the elements ASIC has noted in the RFQ, to guide detailed design of teams, roles, and accountabilities.

We further understand that these frameworks must be applied in the context of ASIC as a regulator. In undertaking the organisation design, we will therefore also bring our deep understanding of the functions that a regulator fulfils, and which we will tailor to ASIC's specific context early in the project. This will enable us to identify any misalignments between strategic priorities and organisational design early in the project. Our initial sense of these functions, to be tested during project initiation, are shown in Figure 4.

Figure 4 | Nous' initial conceptual understanding of ASIC's broad regulatory functions



These assessments will enable Nous to present ASIC with recommendations for the future organisational design and several options for how this could be realised. From this, we can draft a detailed implementation plan at the organisational level, incorporating the design principles and framework from earlier project phases, and giving ASIC robust guidance on the capabilities, capacity, and timelines to effect the necessary changes to ASIC's overall structure at the level of executive-led groups.

ASIC's RFQ requests that we conduct a systematic deep-dive into functional areas – groups – to be identified by ASIC during this project. We understand that the identification of these groups will depend on both the top-level organisational design from Phase 1, and on the composition of functions within each group rather than gross metrics such as headcount. We expect that these groups, with their roles encompassing both enforcement and technology areas, would give the most insight into whether the recommended organisational structure and design framework is fit-for-purpose. These groups will be confirmed with ASIC prior to functional reviews commencing.

For these reviews, we will re-apply the Nous frameworks for the overall ASIC organisation, with increased focus on s 47(1)(b) [redacted] and s 47(1)(b) [redacted] s 47(1)(b) and s 47(1)(b) [redacted] such as s 47(1)(b) [redacted], and s 47(1)(b) [redacted]

We propose to separate these reviews into two parts: a first part to test the s 47(1)(b) [redacted] and s 47(1)(b) [redacted] s 47(1)(b) [redacted] against the s 47(1)(b) [redacted]; then a second part to apply the framework to the s 47(1)(b) [redacted]. We suggest involving key members of ASIC's People and Development team during both functional review stages, to ensure consistency of approach with ASIC's practices, and to upskill these members for subsequent phases of the implementation. We believe this is the most efficient approach to upskilling these staff in organisational design principles and job design. We have further priced an option for a formal training workshop for selected staff, should ASIC require this.

Once these functional reviews are complete, we will develop an integrated implementation plan for the Whole-of-Organisation and functional area changes. This will include the final versions of the principles, framework, other artifacts such as the processes and templates to guide further organisational change decisions (e.g. for functions not reviewed).

The detailed methodology to apply this approach in this project for ASIC is described in the next section.

3.2 Methodology

Our proposed methodology will deliver this project over s 47(1)(b). Nous can commence this project from either s 47(1)(b), or s 47(1)(b). Based on the earlier start date, s 47(1)(b), this project will run to s 47(1)(b), with:

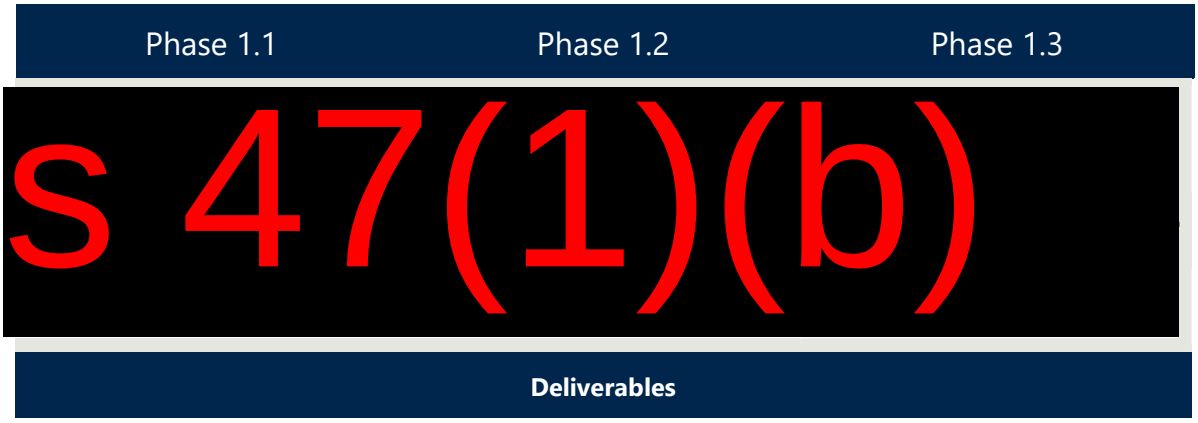
- Phase 1 – s 47(1)(b) (corresponding to Key Requirements Part 1 – Organisational Level) of the RFQ planned to complete after s 47(1)(b) on s 47(1)(b).
- Phase 2 – s 47(1)(b) (corresponding to RFQ Key Requirements Part 2 – Functional Level) planned for s 47(1)(b) from s 47(1)(b) to s 47(1)(b).

The specific activities and timelines to deliver each Phase are described further in this section.

3.2.1 Phase 1: s 47(1)(b)

Phase 1 will provide ASIC with a recommended target s 47(1)(b) organisational structure, design tools, and s 47(1)(b) for the overall organisational transformation; this will be supported by multiple intermediary documents to provide supporting evidence and build the case for change. It will be delivered within ASIC's requested 3-month timeframe to help ensure a quick and successful subsequent transformation.

Figure 5 | Summary of Phase 1 activities



Phase 1.1	Phase 1.2	Phase 1.3
s 47(1)(b)		

Activities
s 47(1)(b)

PHASE 1.1: s 47(1)(b)

s 47(1)(b)

In a comprehensive kick-off meeting, we will discuss key questions, challenges, opportunities, and scope; and confirm our approach to stakeholder consultation and data collection and analysis. We will also discuss project governance and how we can maintain a collaborative relationship with ASIC, articulate the level of input required so that we can get the most out of your time and expertise, and instil confidence in the robustness of the review process.

Nous' understanding is that this work will require sensitive, nuanced engagement with the ASIC senior leadership and executive committee. We also understand that this work is most efficiently undertaken in combination with a cross-functional ASIC project team, to form an integrated team with Nous.

Given ASIC's unique governance structure – and for discussion – we propose a project Steering Committee comprised of the s 47(1)(b) s 47(1)(b) and key s 47(1)(b) [redacted]. We also believe that regular joint briefings with the s 47(1)(b) and s 47(1)(b) would be valuable to maintain alignment and ensure decision-making support.

These governance and delivery consideration will be summarised in a draft project charter and draft stakeholder engagement plan, which the combined team (ASIC and Nous) will then iterate and finalise.

On confirmation of the stakeholder engagement plan, Nous will work with ASIC to organise stakeholder consultations for Phase 1.2 to ensure senior executive availability to minimise potential downstream delays to this project.

Assess current organisational composition across ASIC

Nous will apply the s 47(1)(b) [redacted] to systematically assess the maturity and co-alignment across ASIC's organisational design from Vision, Mission and Purpose through to operational capabilities and capacity. We will analyse the drivers for change, strategic direction, current state of the organisation structure and needs of the future design using the s 47(1)(b) asking relevant questions to understand the broader effects on the target organisational structure.

The inputs for this activity will come from a range of sources, including s 47(1)(b) [redacted], the s 47(1)(b) [redacted], s 47(1)(b) [redacted] with key s 47(1)(b) [redacted] and s 47(1)(b) [redacted] (to be confirmed with the CPO), and Nous' broader regulatory and financial services experience.

The output for this phase will be an organisational assessment that will identify s 47(1)(b) [redacted] and s 47(1)(b) [redacted] from top to bottom for ASIC's organisational design, the s 47(1)(b) [redacted] s 47(1)(b) [redacted], and any areas that may require additional investigation before proceeding further with this organisational design project.

Should Nous and ASIC confirm that additional preliminary work needs to be undertaken, Nous will in good faith suspend this project until such time as ASIC is ready to proceed further.

Phase 1.1 Deliverables

ASIC will receive the following deliverable from Nous at the end of Phase 1.1:

Organisational Assessment Report

This report will provide a high-level assessment of ASIC's current organisational design using the s 47(1)(b) It will contain:

- A summary assessment of each s 47(1)(b) element for ASIC as of May 2022, based on recent relevant s 47(1)(b) s 47(1)(b) [redacted], and s 47(1)(b) [redacted] s 47(1)(b) [redacted] from Nous' expert advisors and broad experience.
- Alignment assessment of ASIC's current organisational design from purpose, mission and values to s 47(1)(b) [redacted], to identify areas of focus for subsequent work.
- Recommendations for latter phases of this project relating to s 47(1)(b) [redacted], s 47(1)(b) [redacted] and whether this project should proceed or defer until other work is complete.

An indicative diagram for how Nous visualises these assessments, which will form part of this organisational assessment report, is shown in the diagram below.

s 47(1)(b)

PHASE 1.2: Stakeholder engagement and design top-level options

Assess ASIC current organisational structure and functions

Following the initial assessment and confirmation to proceed, Nous will begin applying the s 47(1)(b) s 47(1)(b) to the ASIC at the top-level structure: s 47(1)(b) .

This initial activity comprises s 47(1)(b) and s of the s 47(1)(b) process: s 47(1)(b) , s 47(1)(b) , and the s 47(1)(b) . The inputs for this activity will include exports from s 47(1)(b) – e.g. s 47(1)(b) – and s 47(1)(b) s 47(1)(b) , combined with assessment data from Phase 1.1.

s 47(1)(b)

Stakeholder interviews, develop design criteria and consolidate findings

To support our analysis, we will consult broadly with key ASIC stakeholders and conduct a desktop review of relevant documents. We anticipate this will include s 47(1)(b) s 47(1)(b) with the s 47(1)(b) and selected s 47(1)(b), detailed in Table 3 below. These will be combined with Nous' broader regulatory experience to develop design criteria for organisational options, as per s 47(1)(b) of the s 47(1)(b) process.

s 47(1)(b)

Following this, our team will consolidate our findings and liaise with key stakeholders to test our thinking. Reviewing these principles is important to ensure consistency in future decision-making. These criteria will inform the organisational options and trade-offs in later activities.

Recommendations and options for organisation design

Nous will develop a range of s 47(1)(b) options, with minimal bias from ASIC's current structure, for ASIC's future organisational design. These options will be assessed against the design criteria from and informed by quantitative and qualitative analysis based on the data collected in earlier steps.

s 47(1)(b)

Nous will facilitate a co-design workshop with P&D representatives and key stakeholders to test these options, select one, and further refine this preferred option against the design criteria, and anticipated s 47(1)(b) of this structure. Our findings, including an s 47(1)(b) to arrive at the recommended structure will be presented to the Steering Committee to confirm further development.

Phase 1.2 Deliverables

ASIC will receive the following deliverables from Nous at the end of Phase 1.2:

s 47(1)(b).

This report will provide an assessment of s 47(1)(b), its s 47(1)(b) and s 47(1)(b) s 47(1)(b) and the s 47(1)(b), including:

- A summary assessment of s 47(1)(b) and s 47(1)(b) as per step 1 of the s 47(1)(b) process.
- Articulation of ASIC's current s 47(1)(b) s 47(1)(b) and s 47(1)(b).
- Design criteria for ASIC's s 47(1)(b) to s 47(1)(b).

s 47(1)(b) [redacted]

This report will describe s 47(1)(b) [redacted] for s 47(1)(b) [redacted], including:

- s 47(1)(b) [redacted], the s 47(1)(b) [redacted], and s 47(1)(b) [redacted].
- s 47(1)(b) [redacted] and s 47(1)(b) [redacted], and s 47(1)(b) [redacted] with s 47(1)(b) [redacted].
- Next steps to further develop s 47(1)(b) [redacted].

An example s 47(1)(b) [redacted] from a Nous' prior project, with s 47(1)(b) [redacted] s 47(1)(b) [redacted] is shown in the figure below.

s 47(1)(b) [redacted]

Phase 1.2 s 47(1)(b) [redacted] and RACI matrix

We have drafted a s 47(1)(b) [redacted] (Table 3) and RACI matrix (Table 4), based on our current understanding and early assessment. We are happy to review and discuss this with ASIC.

Table 3 | Draft Phase 1.2 s 47(1)(b) [redacted]

s 47(1)(b) [redacted]

s 47(1)(b)

Table 4 | Draft Phase 1.2 RACI

s 47(1)(b)

PHASE 1.3: s 47(1)(b), and s 47(1)(b)

Develop s 47(1)(b) frameworks

After a preferred organisational level structure option is decided by the Steering Committee, Nous will develop c s 47(1)(b) specific to ASIC to consistently s 47(1)(b) of the organisation. These frameworks will cover: s 47(1)(b), s 47(1)(b) An example framework is shown in the Phase 2 section of this report.

s 47(1)(b) [redacted]

Nous will test and iterate our proposed frameworks in a workshop with the Steering Committee and key stakeholders to build consensus and guide future decision-making.

s 47(1)(b) [redacted]

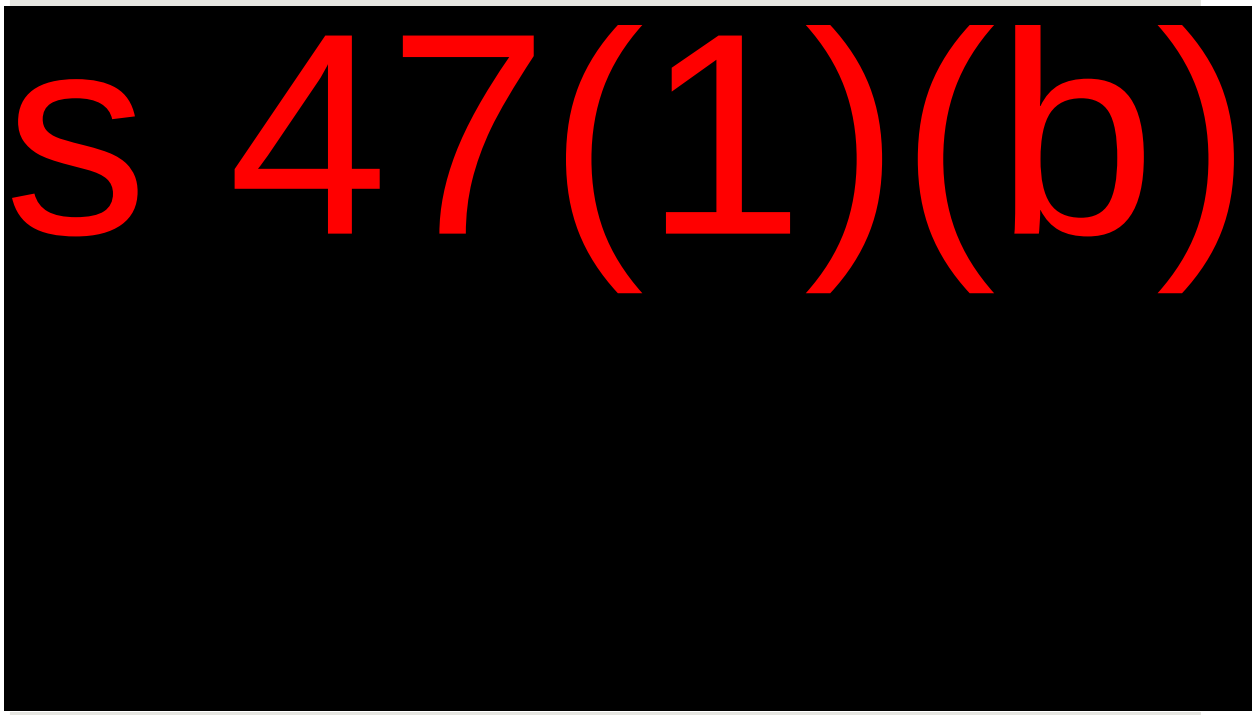
Nous will then develop supporting processes and templates to implement the recommended structure. We will test and refine these processes and templates with P&D representatives to ensure these can be consistently and efficiently applied in ASIC's context. Example annotated structures and process maps, outputs from these templates, are shown in the Phase 2 section of this report.

s 47(1)(b) [redacted]

Nous will consolidate our understanding and apply Nous' approach to change management (Phase 1.3: Deliverables

below) to develop a s 47(1)(b) [redacted] This will provide ASIC with a high-level roadmap at the group level to inform timeframes and milestones for completing the full ASIC organisational design and subsequent organisational restructure and associated change management.

Figure 6 | s 47(1)(b) [redacted]



This concludes Phase 1 of the project. At the end of this phase, ASIC will have a s 47(1)(b) [redacted] with the supporting frameworks, processes, templates, and implementation plan to proceed with detailed design through to groups, teams, and individual roles.

Phase 1.3: Deliverables

ASIC will receive the following deliverables from Nous at the end of Phase 1.3:

s 47(1)(b) [redacted]

This report will provide ASIC with the tools needed to conduct a detailed design of ASIC's recommended structure consistently and in alignment to the other elements of ASIC's organisational composition, including:

- An overarching framework for designing ASIC's organisational structure at the s 47(1)(b) [redacted] role level.
- Processes and templates for future design activities.
- Principles for structural details, including for s 47(1)(b) [redacted]

Organisation-level implementation plan

This report will articulate a roadmap for ASIC to implement the recommended structure, including:

- Sequence of activities for design, organisational restructures, and change management.
- Indicative timelines for design and implementation activities.
- Recommended approach, indicative implementation team composition, and governance.

Phase 1.3 Draft stakeholder engagement plan and RACI matrix

We have drafted a stakeholder engagement plan (Table 5) and RACI matrix (

Table 6), based on our current understanding and first assessment. We are happy to review and discuss this with ASIC.

Table 5 | Draft stakeholder engagement plan for Phase 1.3

Stakeholder	Objective	Timing
s 47(1)(b)		

Table 6 | Draft Phase 1.3 RACI

s 47(1)(b)

3.2.2 Phase 2: s 47(1)(b)

Phase 2 will provide ASIC with detailed designs for s 47(1)(b) functions of ASIC's choosing, e.g. s 47(1)(b) s 47(1)(b). We will apply the frameworks and tools developed in Phase 1 to a s 47(1)(b) s 47(1)(b)) and s 47(1)(b) functions to ensure that these tools are fit-for-purpose and to upskill key ASIC staff to continue this design work without Nous after this project; this ensures that ASIC is able to continue with in-house resources only if desired, while providing ASIC with flexibility to augment with external support as needed.

Figure 7 | Summary of Phase 2 activities

Phase 2.1	Phase 2.2
s 47(1)(b) [redacted]	s 47(1)(b) [redacted]
s 47(1)(b) [redacted]	s 47(1)(b) [redacted]

Deliverables

- s 47(1)(b) [redacted] current assessment, options, recommendations and implementation plan for s 47(1)(b) [redacted] function #1.
- s 47(1)(b) [redacted] options, design and implementation plan for function #2.
- s 47(1)(b) [redacted] options, design and implementation plan for function #3.
- Integrated implementation plan.

Activities

s 47(1)(b)

[redacted]

Phase 2 reapplies the methodology described in Phase 1 to the s 47(1)(b) [redacted] level. Detailed stakeholder engagement plans, and RACI tables will be developed during this project for this phase; Nous is happy to estimate further details if requested. For reference, we have included some indicative artifacts from previous clients which would guide the deliverables for this Phase.

s 47(1)(b)

[redacted]

s 47(1)(b)

[redacted]

3.2.3 Upskilling P&D and other key ASIC team members

We understand that upskilling of key P&D and other ASIC team members is imperative to support large-scale change and sustain it through the transformation and into long-term operations.

Nous' philosophy is to learn by doing, in line with the 70-20-10 model, for learning and development. Our recommended approach is to embed ASIC staff with Nous throughout the course of this project in an integrated project team, understanding that capacity constraints may pose challenges.

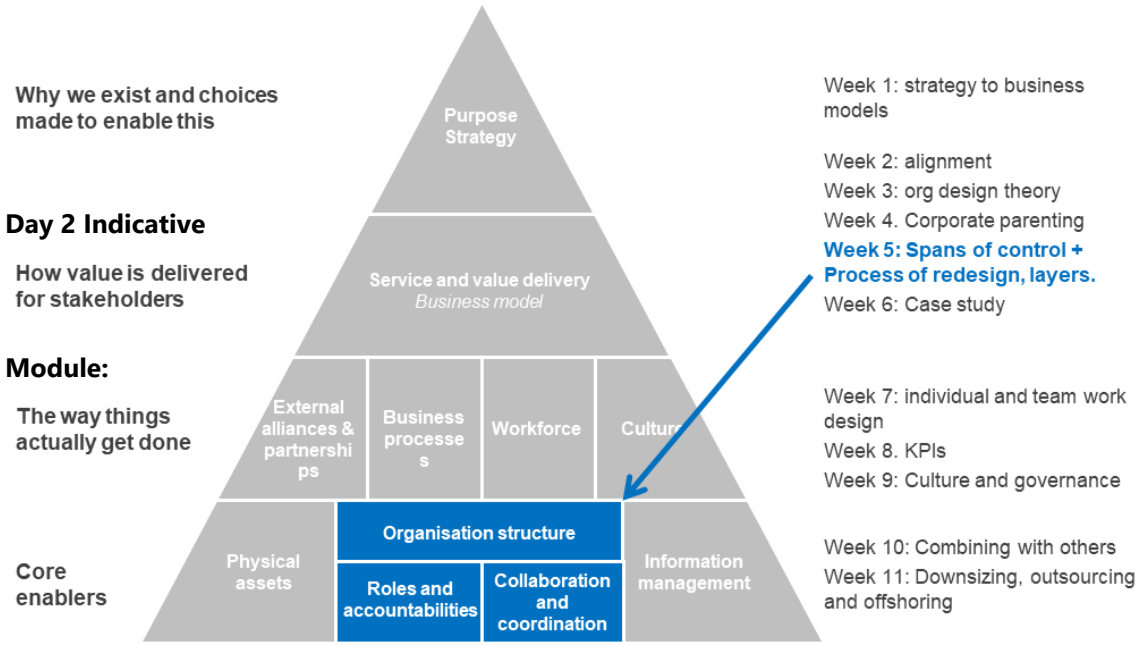
Should this not be possible, Nous will engage with P&D representatives and key ASIC staff throughout the organisational and functional level reviews, to ensure consistency of approach with ASIC's practices and to upskill these people for subsequent phases of implementation where possible.

We have further priced an option for a formal 3-day training course, should ASIC require this, to supplement on-project training for ASIC staff. We will develop the detailed agenda and content for this course based on the skills, capabilities, and development areas for the specific ASIC staff during Phase 2 in consultation with the CPO, key P&D representatives, and other stakeholders.

Indicative content for the training workshop based on Nous' previous workshops with Australian regulators, government departments, and s 47F [redacted] 10-week AGSM 'Operationalising Strategy' course is provided below.

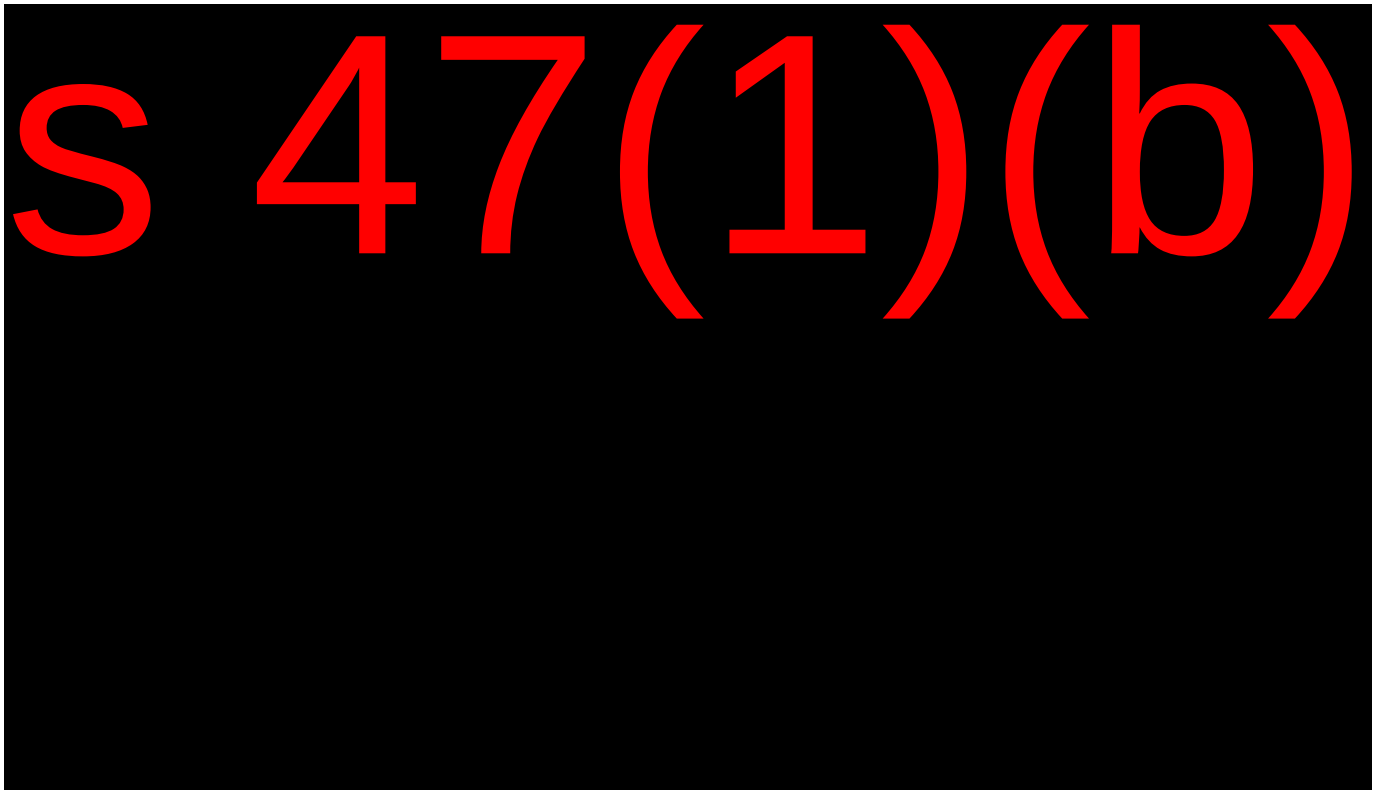
Day 1 Indicative Module: Using the Organisational Architecture Framework to assess structure

Nous suggests that the first module covers the theory, historical basis, and application of the organisational architecture model in the context of organisational design relevant to ASIC's current context for structure, roles and accountabilities, collaboration, and coordination. This module can include the use of the s 47(1)(b) [redacted] survey, conducting interviews, facilitating co-design workshops, building consensus, and systematic data analysis.



Applying the [redacted] organisation design process

Should module 1 focus on the [redacted] module 2 can focus on the practical application of the [redacted] design process articulated earlier in this proposal. This module could include [redacted] for example, [redacted] as per below figure.



Day 3 Indicative Module Content: s 47(1)(b) [redacted]

This final module can cover how to develop s 47(1)(b) [redacted] – minimally biased by current structures and processes – from the outputs of modules 1 and 2. This can include common models for delivering particular services, s 47(1)(b) [redacted]

s 47(1)(b) [redacted]

4 Our track record

Nous partners with leading organisations to shape effective government, world-class businesses and empowered communities. Below we outline a selection of projects that demonstrate our strong track record on similar challenges.

Nous offers insight from our extensive prior work in organisational design and related work, including:

- Over 100 projects in organisational strategy and operating model design, including work across all levels of government as well as comparably large and complex regulators to ASIC.
- Over 80 projects in culture and leadership assessment to equip and prepare leadership and workforce to support change and help clients maintain high quality service delivery in the process.
- Over 45 projects in workforce planning and capability development, including Nous' delivery of the major capability assessment and leadership development program for the NSW Government.

We understand the Australian regulatory context in which ASIC operates. Nous has conducted over 100 regulatory reviews across Commonwealth and state regulators, across all sectors, including financial services, market competition, and trade practices. We understand ASIC, having previously worked with you to diagnose and review ASIC's culture alongside supporting the delivery of its cultural change program, and in partnership on areas such as financial capability develop for students and new approaches to regulatory practice. Our key team members have existing relationships with ASIC's senior leadership team, and with counterparts at other regulatory bodies; these relationships mean we can ensure this project is completed appropriately, quickly, and well.

Some of our relevant experiences are summarised in Table 7. We have selected eight (8) of these, highlighted in bold, to describe further in the case studies forming the remainder of this section.

Table 7 | Summary of Nous experience case studies

Key	Organisation design and functional review	Regulatory practice and policies	Organisation change management	Upskilling people to support change	Stakeholder engagement in sensitive environments

#	Case study	■	■	■	■	■
1	Refreshed governance and organisational structure sets foundation for s 47(1)(b) [redacted]	✓	✓			✓
2	Organisational design and change management for an Australian economic regulator	✓	✓		✓	✓
3	Organisational structure and design for s 47(1)(b) [redacted]	✓		✓		✓
4	Rapid operating model redesign delivers a new customer focused model for s 47(1)(b) [redacted]	✓		✓	✓	✓
5	Functional and efficiency reviews of the Australian Government portfolios and departments	✓	✓			✓
6	Functional and efficiency review of the s 47(1)(b) [redacted]	✓	✓			✓
7	Culture diagnostic to align leaders and build organisational capability for s 47(1)(b) [redacted]	✓			✓	✓
8	Setting the path to revenue growth and efficiencies at a Big-4 bank	✓				✓
9	Organisational culture transformation for the s 47(1)(b) [redacted]			✓	✓	✓
10	Operating model implementation for the s 47(1)(b) [redacted] to ensure quality delivery	✓		✓		✓
11	Regulatory approach, organisational structure, culture and change for the s 47(1)(b) [redacted]	✓	✓	✓		✓
12	s 47(1)(b) [redacted] stakeholder communication and engagement, solution design and change management		✓	✓	✓	✓
13	Organisational transformation and workforce capability for s 47(1)(b) [redacted]	✓		✓	✓	✓

CASE STUDY 1: Refreshed governance and organisational structure sets foundation for s 47(1)(b) [redacted] s 47(1)(b) [redacted]

RELEVANCE TO ASIC

- ✓ Expertise in organisational design and functional review
- ✓ Experience advising on regulatory practice and policies
- ✓ Stakeholder engagement in sensitive environments

CHALLENGE

The s 47(1)(b) [redacted] faced an energy market undergoing sustained change due to technological developments and changing consumption patterns. Significant transformation was required to effectively manage competition and protect consumers. Under strong external pressures, s 47(1)(b) [redacted] engaged Nous to design s 47(1)(b) [redacted] new operating model.

APPROACH

Nous applied its regulatory frameworks and organisational design methods to improve strategic planning and align the s 47(1)(b) [redacted] operating model to its organisational vision. We engaged the market and stakeholders to understand the challenges facing s 47(1)(b) [redacted] and market participants alongside identifying improvement opportunities to support s 47(1)(b) [redacted] in adapting its regulatory practices to the shifting expectations of external stakeholders. We co-designed the future organisational structure with directors and obtained insights from staff of all levels on s 47(1)(b) [redacted] current structure, leadership practices, capability requirements and potential barriers to transforming s 47(1)(b) [redacted]

OUTCOME

Nous developed a roadmap to ensure s 47(1)(b) [redacted] effectively managed its competition amidst a evolving operating environment along with driving organisational and cultural change, both internally and externally. The roadmap included a new governance framework that realigned decision-making to s 47(1)(b) [redacted] strategic priorities along with a new organisational structure which empowered s 47(1)(b) [redacted] to guide policy debates, better engage stakeholders and deliver greater benefits to its customers. We also provided s 47(1)(b) [redacted] with specific workforce priorities to help s 47(1)(b) [redacted] transition towards a people-focused model.

CASE STUDY 2: Organisational design and change management support for an Australian economic regulator

RELEVANCE TO ASIC

- ✓ Expertise in organisational design and functional review
- ✓ Expertise in organisational change management
- ✓ Upskilling people to support change
- ✓ Stakeholder engagement in sensitive environments

CHALLENGE

Under changing legal and environmental circumstances, an Australian economics regulator, were given new enforcement responsibilities. The client engaged Nous to provide organisational design and change management support to ensure the alignment and delivery of its new enforcement responsibilities, functions and funding.

APPROACH

Nous collaborated with the client to create a set of organisational design principles and a capability framework to align changes to existing responsibilities and to integrate new enforcement responsibilities. We developed a clear process for testing and consulting on the proposed new organisational design with minimal disruptions to business as usual. We also led internal communication and engagement through various workshops and consultations to advise and upskill staff and senior leaders regarding proposed organisational changes. Nous then recommended actions and a detailed change implementation plan to operationalise the change.

OUTCOME

Nous worked closely with the client to drive change internally, boost the capabilities of senior leaders and implement an organisational design that fully supported its new responsibilities and changes to existing responsibilities. The client received a robust organisational design and set of principles that used to deliver improvements across recruitment and onboarding, workforce capability and culture. The client was upskilled to continue these change management activities in the long-term after this engagement.

CASE STUDY 3: Organisational Design for s 47(1)(b) s 47(1)(b)

RELEVANCE TO ASIC

- ✓ Expertise in organisational design and functional review
- ✓ Expertise in organisational change management
- ✓ Stakeholder engagement in sensitive environments

CHALLENGE

s 47(1)(b), s 47(1)(b)-person s 47(1)(b) utility company, developed a new customer-focused strategy and operating model. Significant restructuring was needed to refocus the utility to these new ways of working. The client engaged Nous to design and support the implementation of an new organisational design and structure that aligned to their new strategic priorities and operating model.

APPROACH

Nous and s 47(1)(b) formed a joint project team that was able to move quickly. We worked with the CEO to successfully implement a new divisional structure, reducing from 8 divisions to 6 divisions. The structure was informed by benchmarking information through interviews with comparable organisations, consultations with managers, and workshops with business units. The outcome was a clear organisation structure, a shift from decentralised functions to centralised functions, detailed information on the interfaces between different areas, an assessment of short-term savings and a plan for realising mid-term savings.

OUTCOME

The new organisation structure was implemented. The s 47(1)(b) was impressed with the quality of work that Nous was able to produce in a limited timeframe. This work put s 47(1)(b) s 47(1)(b) on track to realising its strategic plans and new operating model. Cost savings have already been achieved, and will continue to be achieved through implementation of the structure. Nous helped develop s 47(1)(b) capabilities to carry forward their own organisation design work in the future.

CASE STUDY 4: Rapid operating model redesign delivers a new customer focused model for s 47(1)(b) s 47(1)(b)

RELEVANCE TO ASIC

- ✓ Expertise in organisational design and functional review
- ✓ Expertise in organisational change management
- ✓ Upskilling people to support change
- ✓ Stakeholder engagement in sensitive environments

CHALLENGE

s 47(1)(b) is a large Government agency with s 47(1)(b) network assets which is approximately s 47(1)(b) of NSW Government infrastructure assets. s 47(1)(b) s 47(1)(b) engaged Nous to redesign their operating model to focus on accountability, customers, and value to citizen.

APPROACH

Nous worked closely with a s 47(1)(b) team, ensuring that our work effectively integrated with the broader implementation program. Detailed analysis was conducted on the current operating model to evaluate the scale of change required and identify the organisational components which would be unchanged or have minor adjustments. Subsequently, we developed the full organisational structure, governance arrangements, improved business processes, including prioritisation of large scale infrastructure spending and defined working interfaces with other NSW Government agencies. We advised client team leaders through the implementation of all elements of the new organisational structure. This included multi-layered engagement of managers and teams to improve their understanding of the new model and the implications for their roles.

OUTCOME

Nous worked closely with the client to drive change internally, boost the capabilities of senior leaders and implement an organisational design that fully supported its new responsibilities and changes to existing responsibilities. We provided the client with a robust organisational design and set of principles that would deliver change and improvements across recruitment and onboarding, workforce capability and culture. Nous has also enabled the client to effectively and efficiently deliver organisational change in the short and longer term.

- CEO, s 47(1)(b) s 47(1)(b) s 47(1)(b)

> *"The project led by Nous enabled us to design and implement a major organisational restructure in a timely way that has positively reset how s 47(1)(b) operates going forwards. The new operating model represents a significant shift in our way of working and enhances our ability to meet the needs of our customers and deliver value to the people of NSW."*

FOI 119-2023

CASE STUDY 5: Functional and efficiency reviews of the Australian Government portfolios and departments

RELEVANCE TO ASIC

- ✓ Expertise in organisational design and functional review
- ✓ Experience advising on regulatory practice and policies
- ✓ Stakeholder engagement in sensitive environments

CHALLENGE

The Australian Government introduced a rolling program of Functional and Efficiency Reviews (FERs) that covered a total of 22 portfolios and agencies. All were conducted by an independent lead reviewer, who engaged Nous to assist with 7. The FERs' purpose was to interrogate current effectiveness and performance of all functional areas within agencies, and make recommendations to drive improved performance, productivity and outcomes.

APPROACH

Our methodology combined a strategic and systems view with program-by-program analysis and adopted a Nous-designed and developed layered analysis tool. We applied this to conduct our assessment of the efficiency and effectiveness of each function, including exploring options for putting the function on a more contestable footing.

We worked with each agency to tailor this methodology to their strategic context and priorities. For many agencies the focus was on examining operational effectiveness and efficiency; including the organisation's structure and model, staff capability, business processes and technology. For others, a stronger emphasis of the strategic role of government was required.

OUTCOME

Each of Nous' final reports was considered by the relevant line minister and informed Budget decisions. A large proportion of our savings measures were adopted. The reviewed departments and agencies incorporated our findings into their corporate reform strategies, with changes made to internal resource allocation, structural arrangements and capability development. The feedback from the independent lead reviewers demonstrates Nous can work collaboratively, strategically and systematically drawing on our broad capabilities to ensure that recommendations are pragmatic, robust, supported and implementable at senior levels of government.

> *"Nous has built a strong public sector practice with a broad and deep understanding of the public service at both the Federal and State level. They were able to bring a strong team together that covered financial, operational, policy, organisational and digital skills. They performed strong functional and efficiency review and showed excellent dedication and commitment to the project."*

- Independent Lead Reviewer on the Functional and Efficiency Review

CASE STUDY 6 Functional and efficiency review of the s 47(1)(b) s 47(1)(b) s 47(1)(b)

RELEVANCE TO ASIC

- ✓ Expertise in organisational design and functional review
- ✓ Experience advising on regulatory practice and policies
- ✓ Stakeholder engagement in sensitive environments

CHALLENGE

The s 47(1)(b) [redacted] engaged Nous to conduct a functional and efficiency review of the organisation as a part of the Government's contestability program. The task of the review was to determine whether the s 47(1)(b) current resourcing and functions aligned with the Government's future priorities, including the smaller government agenda.

APPROACH

Nous employed a collaborative approach where a joint project team was formed with s 47(1)(b) staff. We applied a s 47(1)(b) criteria to assess s 47(1)(b) existing functions and activities in line with future Government priorities and identified opportunities for performance improvement. Against this criteria, the review comprehensively evaluated the efficiency and effectiveness of all aspects of the s 47(1)(b) operations, program and administration. This included detailed assessments into s 47(1)(b) expenditure, organisational structure, resourcing, functions, contract management and value for money in consultancies. Following, we adopted a market-driven lens to the assessing s 47(1)(b) functions through various contestability frameworks to evaluate the benefits that would arise from increased competition.

OUTCOME

Nous provided a series of recommendations based on our extensive review. These were well received by the s 47(1)(b) and informed the preparation of the mid-year economic and fiscal outlook and the following year's budget. It also contributed to the implementation of the s 47(1)(b) customer-focused strategy in their s 47(1)(b) [redacted] program.

FOI 119-2023

CASE STUDY 7: Culture diagnostic to align leaders and build capability for s 47(1)(b) [redacted]

RELEVANCE TO ASIC

- ✓ Expertise in organisational design and functional review
- ✓ Upskilling people to support change
- ✓ Stakeholder engagement in sensitive environments

CHALLENGE

The s 47(1)(b) [redacted] engaged Nous to undertake a culture diagnostic to support their ongoing culture change program and leverage its strengths to deliver on organisational priorities.

APPROACH

Nous actively engaged s 47(1)(b) [redacted] staff in the process to determine if there was an appetite to refresh the s 47(1)(b) [redacted] values and to identify sustainable actions for aligning core values with the s 47(1)(b) [redacted] strategic direction. We reviewed the s 47(1)(b) [redacted] strategic plan and other relevant documents to assess the external and internal risks, challenges and opportunities. We worked with s 47(1)(b) [redacted] to tailor the diagnostic tool to their context and to maximise staff participation. To test our emerging findings, we facilitated two highly engaging "Fusion Rooms" with a cross-section of staff to share insights on the findings and we engaged the senior leadership team to explore strategies to embed the desired values. Following the fusion rooms we engaged the senior leadership team to explore strategies to embed the desired values.

OUTCOME

Nous recommended pragmatic actions to progress the s 47(1)(b) [redacted] culture journey. The recommendations were well received by the client and included recommendations such as building leadership capability, agreeing a clear statement of desired culture, and clarifying the s 47(1)(b) [redacted] regulatory narrative. s 47(1)(b) [redacted] re-engaged Nous to support their senior leadership team to increase their collective and individual leadership impact when managing organisational change and embedding the existing values across the organisation.

CASE STUDY 8: Setting the path to revenue growth and efficiencies at a Big-4 Australian bank

RELEVANCE TO ASIC

- ✓ Expertise in organisational design and functional review
- ✓ Stakeholder engagement in sensitive environments

CHALLENGE

Despite several years of good results, the business banking division of one of Australia's four major banks, faced several considerable challenges, both from within the organisation and externally from the market and other industry players. The client engaged Nous to develop its mid-term strategy. We were tasked to deliver a clearly articulated and tested strategic outline that would set the priorities for the next three to five years, deliver financially sustainable results and satisfy the company's shareholders.

APPROACH

Nous used its organisational architecture framework to undertake a deep analysis of all aspects of the division's business. This included reviews of its markets, channels, products, customers, drivers of customer satisfaction, staff and its financial position. Extensive financial analysis was done to understand the current state, while modelling supported predictions about the future for key markets the bank was exploring. Our financial analysis was complemented with extensive engagement with the bank's staff to explore and validate opportunities.

OUTCOME

Nous provided recommendations that identified numerous opportunities for revenue growth and business efficiencies across the spectrum of the division's operations. This included identifying the potential for an additional +$100 million in revenues and a reduction in $7 million in costs annually. We also identified opportunities to generate a 50% reduction in turnaround times for customer requests and overall error rates for internal processes. The strategy was well received and endorsed by the head of the division and the bank's executive leadership team.

4.2 Referees

Below we provide the details of two referees who can speak to our project experience.

Referee 1

Name	s 47(1)(b) [redacted] .au
Title	CEO (former)
Organisation	s 47(1)(b) [redacted]
Brief description of past work	s 47(1)(b) [redacted] engaged Nous to undertake the strategic alignment and operating model design for the s 47(1)(b) [redacted] described in the Track Record section.

Referee 2

Name	s 47(1)(b) [redacted]
Title	Managing Director (former)
Organisation	s 47(1)(b) [redacted]
Brief description of past work	s 47(1)(b) [redacted] engaged Nous for the s 47(1)(b) [redacted] strategy, organisational design and operating model project described in the Track Record section.

5 Risk Management

Nous' disciplined project management methodology and supporting organisational processes and technology ensures a rigorous approach to managing project related risks. Our Client and Project Director, s 47F and Project Manager, s 47F are allocated the accountability and responsibility to ensure that each project is completed to a high standard, on time and on budget.

As every project is different, Nous applies its project risk management framework according to the specific needs and context, and appropriately tailor the project governance structure and risk management plan. Nous undertakes an assessment of key risks at the commencement of each project and maintains a risk register for high-risk projects.

We closely monitor risks and communicate their status in regular project status reports to ensure full project transparency, providing early opportunities to resolve issues.

Process for managing project risks

Upon project commencement Nous will capture risks through a risk management plan. Each risk will be aligned to a mitigation strategy and allocated to a person responsible to ensure Nous manages the risk appropriately with ASIC. Our initial risk assessment and management plan is provided below in Table 8.

Table 8 | Initial risk assessment and management plan for this project

Risk	Mitigation strategy	Person responsible
Organisational design does not meet ASIC's requirements	s 47(1)(b)	Client and Project Director
Key ASIC executives do not accept the organisational design		Client and Project Director
The organisational design does not align with operational reality		Client and Project Director

Risk	Mitigation strategy	Person responsible
	s 47(1)(b)	
The project is perceived to create excessive burden on the business	[redacted]	Client and Project Director
Failure to deliver the project on time and/or on budget	[redacted]	Project Manager
Lack of Nous staff continuity for the proje	[redacted]	Project Manager
Project fails to engage stakeholders, or ASIC staff change or are unavailable	[redacted]	Client and Project Director
Project lacks access to crucial data	[redacted]	Project Manager
Mismanagement of sensitive data	[redacted]	Client and Project Director

6 Value for money

Nous recognises the importance of your investment in this project. In this section we set out our professional fees, pricing assumptions and proposed payment schedule.

6.2 Professional fees

Nous is keen to partner with ASIC on this important, high-impact project. We recognise how pivotal this project will be for ASIC and for the wider regulatory environment in Australia.

We note ASIC's tightening budgetary position and the associated sensitivities. The projected reductions to ASIC's total budget of $24m in the 22-23 financial year, and potentially a similar magnitude of reduced fees in future years, are significant. For this project, Nous will therefore apply our panel rates which represent at least a [redacted] reduction compared to our standard rates, plus the [redacted] discount agreed under the panel for projects of this value. Our lower rates reflect our commitment to ASIC, our interest in your success, and our willingness to invest in the benefits this project.

Our reduced professional fee to deliver this project as described is s 47(1)(b) excluding GST, travel and incidental expenses: Phase 1 of s 47(1)(b) ex GST; Phase 2 of s 47(1)(b) ex GST. Table 9 provides detailed itemised costings for key activities within this proposal.

Table 9 | Detailed Itemised Costings for this Project

Item	Value (ex GST)	Value (inc GST)	Reduced Price (ex GST)	Reduced Price (inc GST)
Phase 1.1				
s 47(1)(b)				
Phase 1.2				
s 47(1)(b)				

Item	Value (ex GST)	Value (inc GST)	Reduced Price (ex GST)	Reduced Price (inc GST)
s 47(1)(b) [redacted]				
Phase 1.3				
s 47(1)(b) [redacted]				
Phase 2.1				
s 47(1)(b) [redacted]				
Phase 2.2				
s 47(1)(b) [redacted]				
Total s 47(1)(b) [redacted]	[redacted]	[redacted]	[redacted]	

Table 10 summarises the rates and budgeted allocations for the entire project. Please note that these numbers do not account for the reductions we have applied to our professional fee as described above; this is also a fixed price offer so these allocations are indicative only.

Table 10 | Team member rates and allocations

Name	Panel Level	Project Role	Daily Rate (GST exc.)	Allocation to Project (days)
s 47F [redacted]	Expert	Client and Project Director	s 47(1)(b) [redacted]	
	Expert	Expert Adviser		
	Expert	Expert Adviser		
	Level 5	Project Manager		
	Level 4	Consultant		
	Level 2	Consultant		

Nous is pleased to offer ASIC additional services as required based on the rates shown in Table 10. As noted in our methodology section, we anticipate there will be discrete pieces of work that ASIC may wish to engage Nous for. These services, their fees, and estimated effort to complete are shown in Table 11.

Table 11 | Options for additional services

Additional Service	Unit	Value (exc. GST)	Consultant Days
s 47(1)(b) [redacted]	1	s 47(1)(b) [redacted]	
	1		
	1		

6.3 Pricing assumptions

Our price assumes:

- Nous will deliver the work in accordance with the approach, methodology and deliverables set out in this proposal, and agreed in the project charter during the first week.
- Nous does not expect that travel will be required for this project as we can use technology to connect with employees outside of Sydney and as needed for COVID-19 social distancing. If ASIC requires Nous staff to travel, all travel will be in accordance with the agreed project plan, the conditions stipulated in the RFQ, and charged at cost. Estimates of travel and accommodation costs are less than AUD$5000 ex GST.
- Expenses reasonably incurred by Nous in relation to workshop materials and other incidental expenses will agreed with ASIC prior to work commencing, be on-charged at cost, and billed at each milestone.

- ASIC will provide adequate resources to work with the Nous project team over the duration of the project, will provide prompt feedback on all draft deliverables, and will support the coordination and reconciliation of differences in all final feedback from stakeholders.
- ASIC will provide contact information for stakeholders and arrange venues where required for consultations. Nous will lead responsibility for scheduling interactions in accordance with project plan.
- For virtual workshops, ASIC will ensure all participants have access to appropriate facilities (hardware and software) to fully participate in the workshops.
- Nous will be able to access relevant data and documentation in a timely fashion.

We are happy to accommodate alterations and to advise further about pricing implications of changing one or more of these assumptions.

6.4 Proposed payment schedule

We propose that payments be made according to the following schedule outlined in Table 12. Please note that the fees outlined here exclude travel and expenses, which will be charged at cost and will be added to the relevant milestone invoice if they are incurred.

Table 12 | Proposed payment schedule

Milestone	Percentage	Value (GST exc)	Value (GST inc)	Reduced Price (GST exc)	Reduced Price (GST inc)
[redacted]					
Total professional fees	[redacted]				

Appendix A Team member biographies

s 47F

Client and Project Director

Qualifications

s 47F

Summary

s 47F is a Senior Principal at Nous Group. He co-leads Nous' s 47F. His area of expertise is developing strategy to win, and then aligning the organisation's service and operating models, and organisation structure, to successfully execute the strategy.

s 47F is a recognised expert in organisation design. He has published in the international s 47F on the topic and teaches courses that include organisation design at the s 47F. He is a member of the global s 47F.

s 47F has an excellent understanding of ASIC and its role. He has led Nous projects with other regulators, including APRA, worked extensively in financial services, and was a corporate lawyer at s 47F

Relevant experience

- Worked closely with the Managing Director of s 47F to develop an organisation structure to deliver on s 47F strategy and enable the desired operating model.
- Led critical organisation structure work for s 47F, to position them for the next ten years of successful growth. Nous worked closely with the CEO, CIO and head of HR to determine key activities that would underpin success for the future and develop an aligned organisation structure. Nous also helped implement the very successful implementation of the changes including defining team and individual roles and supporting materials, as well as rollout communications and engagement.
- Led the successful operating model redesign to drive customer focus and accountability for a s 47F. The operating model redesign included detailed organisational structure, governance mechanisms (Executive and Program and Project Committees), key business processes, and a range of important interfaces with other transport agencies.
- Led a large-scale service improvement project for bases for the s 47F the work included an extensive diagnostic, followed by changes in organisation structure, processes, knowledge and information management, reporting and oversight, and culture to drive >17% improvements in CS.
- Led the review of corporate services at a large University, identifying over $15m of savings.
- Led a Nous project with a large financial services provider to return the organisation to commercial viability.
- Designed and facilitated the integration of two separate s 47F into one; identifying more than $50m p.a. of savings.

s 47F

Expert Adviser

Qualifications

s 47F

Summary

s 47F has extensive regulatory experience which extends across policy and legislation, regulatory theory and practice, strategic planning and service delivery reform across a number of portfolios. With senior leadership experience in several regulatory environments, including s 47F s 47F and the s 47F s 47F has been instrumental in leading major reform programs in regulatory design and regulatory practice. She has a deep understanding of the s 47F and supported the development of the s 47F over the past three years. Claire has a deep understanding of the project, having supported the s 47F for over three years in the foundational work is establish the s 47F.

Relevant experience

- Leading regulatory reform projects as part of the broader s 47F including s 47F program to improve the experience and efficiency of approvals.
- Appointed by the s 47F to lead the review of s 47F
- Appointment by the s 47F to lead the review of s 47F governance, compliance, and enforcement approach.
- Developed an integrated operating model for the s 47F
- New regulatory operating model for the s 47F.
- New strategic and compliance plan for s 47F.
- Strategic and operating model reform for s 47F.
- Capability framework and model for s 47F.
- Developed compliance framework and strategy documents for s 47F.
- Reviewed the organisational design for s 47F to effectively separate the contract management function from regulatory functions.
- Led a comprehensive policy and legislative research project to inform the review of the Building Act and related regulatory system.
- Supported s 47F in a comprehensive policy and legislative review of community services regulation arrangements including development of standards and advice, regulatory powers, and tools.
- Provided expert advice on regulatory options for the effective regulation of the waste management industry.
- Led policy and legislative reform research and engagement project to modernise the Australian and New Zealand food regulation system.
- Led a complex policy and legislative review of the Australian Consumer Law to consider whether an unfair conduct provision should be included in the ACL.

s 47F

Expert Adviser

Qualifications

s 47F

Summary

s 47F is a Principal in Nous' s 47F and leads Nous' financial services work. He is a deeply experienced organisational performance professional with over 30 years at senior levels in industries undergoing significant change, including banking and finance, education, tourism and aviation.

As an Expert Adviser, s 47F will provide expert advice with emphasis on organisational and functional design, capabilities development, and change management in similar sensitive contexts.

Relevant experience

- Led the culture assessment of s 47F and a subsequent 360 leadership assessment and debriefs for senior leaders including Commissioners.
- Led key programs of work for the s 47F and executive leadership team of the s 47F and subsequently the CEO of s 47F, on organisational redesign, operating model, workforce capability, and customer focused culture.
- Led the s 47F to support s 47F in his final review of s 47F practices across the s 47F sector.
- Led the design of an organisational capability framework for the s 47F for use across the sector.
- Led the organisation redesign of HR Centres of Excellence for a s 47F .
- Led the organisation redesign of the People and Culture function for a global investment fund.
- Led the development of a diversity and inclusion narrative for the s 47F for use across the sector.
- Led the development of a talent identification framework for the s 47F .
- Advised a s 47F on leadership development design to respond to findings from an external risk culture assessment.

Prior to Nous s 47F was s 47F for s 47F where he:

- Led development of People and Culture Strategy aligned with s 47F for s 47F over a three-year period.
- Led talent acquisition, learning, leadership development, diversity and inclusion, and executive (C-suite) succession planning for the s 47F
- Led executive team, CEO and direct reports, development for s 47F
- Led a number of organisational redesign programs both at business unit level and group wide.

s 47F

Director

Qualifications

s 47F

Certifications

s 47F

Summary

s 47F is an experienced executive specialising in organisational and digital transformation. He has advised federal and state governments, universities, and businesses to implement organisational restructures, process re-engineering, technology strategy, and change management.

Prior to Nous, s 47F was a government s 47F and s 47F in the s 47F, where he oversaw the merger of three separate agencies, ran the IT project directorate to merge three former departments, and served as a senior member of whole-of-government platform committees including those for shared services and front-line systems.

Relevant experience

- Organisational Restructures: IT Projects Exec for s 47F, line exec for s 47F, consultant then line exec for s 47F consultant for s 47F; consultant for s 47F Advisor for smaller restructures: MOGs, s 47F, etc.
- Built and led the IT delivery directorate for a major state government department tasked with an $80 million program to merge and modernise legacy systems across 30+ diverse agencies, including law enforcement, regulation, cultural assets, and front-line human services.
- Designed, built and led an IT department to support the formation of a government agency from the merger of three prior organisations, to deliver a $10 million program of cloud migration, business automation, data analytics and application refresh projects.
- Led the merger of legacy systems into the Government Data Centre, then the migration of workloads to hybrid DC-AWS-Azure to increase availability, scalability, flexibility, and cost control.
- Designed the IT investment pipeline prioritisation and governance framework to streamline project inception, delivery, and operations; projects assessed against strategic need, whole-of-government / cluster alignment, contestability, and operational feasibility.
- Advised on the demerger and following shared services arrangements for the s 47F, including creation of a hybrid model for their corporate services arms.
- Advised on the merger and process integration of firearms management systems across nine jurisdictions on behalf of s 47F
- Advised the s 47F on IT capital expenditure guidelines and governance for gas distribution companies across Victoria.

s 47F

Consultant

Qualifications

s 47F

Summary

s 47F is a s 47F in Nous' business and digital strategy practice group. At Nous, he has worked on large scale transformation and strategy projects in the private and public sectors, spanning across financial services, higher education, aged care, energy and more. s 47F brings strong data and stakeholder engagement skills developed through projects and previous work experience to support business cases, cost-benefit and market analysis, financial modelling, and organisational development. Prior to Nous, s 47F worked at s 47F and s 47F as a financial analyst, and as a consultant for a boutique firm focused on servicing private equity and large commercial clients.

Relevant experience

- Redefined the 'ways of working' approach for one of Australia's leading insurers. This involved extensive stakeholder consultations across the organisation to help refine the key gaps, overlaps and duplicates in functions across the organisation; and working closely with the executive team to implement the revised approach.
- Drove the strategy and implementation of a new regional university campus to significantly improve the future educational and socioeconomic outcomes of the local s 47F population. This involved financial and operational modelling, cost benefit analysis, extensive stakeholder engagement through meetings and workshops, and numerous detailed reports and business cases for the university executive and external stakeholders e.g., State and Federal Governments.
- Project managed and led the financial strategy development of a prominent faith-based organisation in Australia (~$1b in assets). This involved conducting several Board workshops to support with strategic planning, defining the updated governance of the organisation and rigorously analysing their financial data to explore potential alternate delivery options.
- Project managed and led the scenario and financial modelling of a prominent NSW Local Health District on the back of budget announcements and the Aged Care Royal Commission.
- Conducted a market analysis for one of Australia's leading energy providers. This involved reviewing extensive financial data and developing a financial model to capture future scenarios to ensure the financial sustainability of the client.
- Provided a market-entry strategy for an ASX20 client. This involved extensive primary and secondary research into the current operations of the business and competition through stakeholder consultations and quantitative market analysis.
- Streamlined the workflow of 27 team members locally and globally, allowing for easier business reporting and better allocation of resources within a global investment bank.

s 47F

Consultant

Qualifications

s 47F

Summary

s 47F is an avid problem solver with experience working alongside public, private and not-for-profit organisations. He has consulted and worked across the technology, education and energy industries.

Prior to joining Nous, he interned in s 47F division, working alongside large energy organisations. He was the s 47F of the s 47F, where he oversaw a team of 40 students and helped to deliver consulting services to local businesses. s 47F won the s 47F, where he developed and assisted in the implementation of a growth and product development strategy for a microfinance organisation.

Relevant experience

- Developed a human-centric growth and product strategy for one of Australia's largest Microfinance organisations.
- Designed a strategy to increase the development and funding of the NSW Data Science and AI industry by conducting market analysis and financial modelling.
- Worked with a State Government department to develop a large-scale project strategy. The project used a human-centred design approach, using extensive stakeholder mapping and engagement to develop recommended solutions.
- Developed an Azure-based solution to assist communities affected by the 2020 Australian Bushfire Crisis, work that was recognised as a s 47F.
- Implemented a marketing strategy for a technology business, producing an ROI of over 300%.

nous

ABOUT NOUS

Nous Group is an international management consultancy with over 500 people working across Australia, New Zealand, the United Kingdom, Ireland and Canada. With our broad consulting capability, we can solve your most complex strategic challenges and partner with you through transformational change.

bold
performance & influence
engaging

Australia | New Zealand | UK | Ireland | Canada

500 PEOPLE

60 PRINCIPALS

5 COUNTRIES

+82.4 **2021 NET PROMOTER SCORE**
– global consulting average: **+70.1**