

Transamerica Financial Advisors, Inc.

Lessons Learned from
Organization Change: Creating
Growth Opportunities in Dynamic
Business Environments

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Today's Agenda

- TFA: Who Are We? What Do We Do?
- Our Past
- Our Present
- Lessons Learned from an Environment of Change

A Little Trivia For You Today...

True or False?

Florida has the longest coastline in the United States?

FALSE. Alaska is first. Florida is second.

St. Pete/Clearwater has the highest rate of lightning strikes per capita?

TRUE. Florida also has the highest number of deaths due to lightning.

There are more alligators in Florida than humans?

FALSE. Though there are nearly 1.3 million alligators.

A Little More Trivia... about TFA

TFA has a charitable organization, made up of top producers, that provides scholarships to TFA Home Office employees' children?

TRUE. The Circle of Honor Society began in 1964 as part of Western Reserve Life and has paid out over \$38,000 in scholarships over the past 11 years.

TFA sponsors a female financial professionals network?

TRUE. Women's Initiative Network was started by females, for females and participants are actively involved in the Women in Insurance and Financial Services National Conference annually. TFA is the #2 Independent BD in number of female advisors.*

TFA: Within The Industry

- Approx. 5,200 Registered Representatives & IARs working in all 50 states
- 173 Transamerica Employees (St. Petersburg, FL/Johns Creek, GA/Remote)
- # 2 in Total Number of Women Advisors*
- # 6 in Total Number of Advisors*
- #21 in Total Client Assets*
- #25 Based on Total Revenue*
- Peers & Competitors: AIG, NPH, Raymond James, LPL

* Rankings based on Investment News 2013 data

TFA: Our Past

Previously Four Separate Broker-Dealer Firms

- InterSecurities, Inc. (ISI) – St. Petersburg, FL
- Transamerica Financial Advisors, Inc. (TFA) – Los Angeles, CA
- Investment Advisors International, Inc. (IAI) – Johns Creek, GA
- World Group Securities, Inc. (WGS) – Johns Creek, GA

Combined into One Broker-Dealer, Transamerica Financial Advisors, Inc

- ISI Transition – 2009-2010
- IAI/WGS Transitions – 2012

Results of These Mergers:

- Leveraging Human Capital
- Sharing Legacy Firm Best Practices Across Platform

TFA: Our Present

- COE for SMA Product Manufacturing
- COE for Retail Broker-Dealer Expertise
- “Lab School” for Transamerica Units Distributing within Independent BD/RIA Channel
- Unusual Structure in Functionally-Aligned Organization (Operations, Supervision, Compliance, Sales & Marketing, Product)

Lessons Learned from an Environment of Change: CULTURE

- Geography, time zone and history matter
- Human Capital: Retaining SME's
- In a virtual world, travel and presence matter (“Coffee at 7”)
- Disagreements healthy, but Leadership Team needs to be aligned

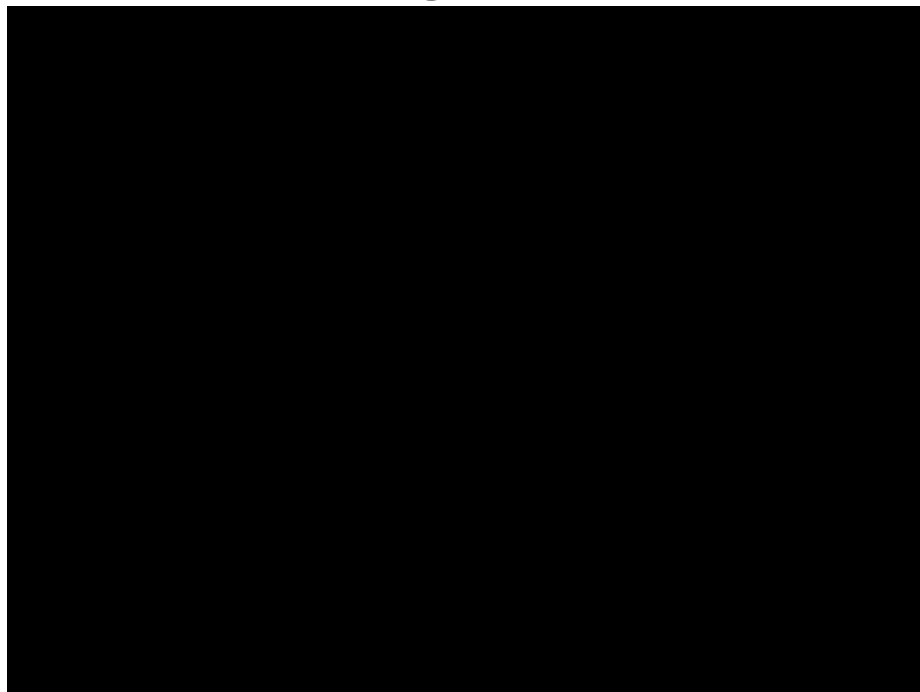
Lessons Learned from an Environment of Change:

COMMUNICATION

- Downstream, midstream, upstream (e.g. Monthly “Check In” Calls)
- Recognition, Recognition, Recognition!
- Consistent message from leadership
- It was ok to say “We are evaluating”: Active project
- Working notice: Lessons learned

Lessons Learned from an Environment of Change: EXECUTION

- Project Manager: Critical to drive FOCUS on Change Project (“night job”) throughout leadership team (“day job”)
- Human Resources: Expertise and Collaboration



Our Changing HR/Leadership Development Culture

- 2013-Present: HR as a business partner
- Performance Review
- Talent Management
- 9 box assessment

“Culture Eats Strategy for Lunch”

- CPR: Caring, Precise, Responsive
- Office Environment Change (2014)
- Environment of Caring for Team Members: Sometimes the little things make a big difference!

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Thank You!