



# StructureIt & DealX

A story of evolution



Grow has helped us define our value proposition so we could align our team to see things through one lens. This eliminated external noise that could have diverted the company's focus

- Llewellyn Watson, founder of StructureIt and joint CEO of DealX

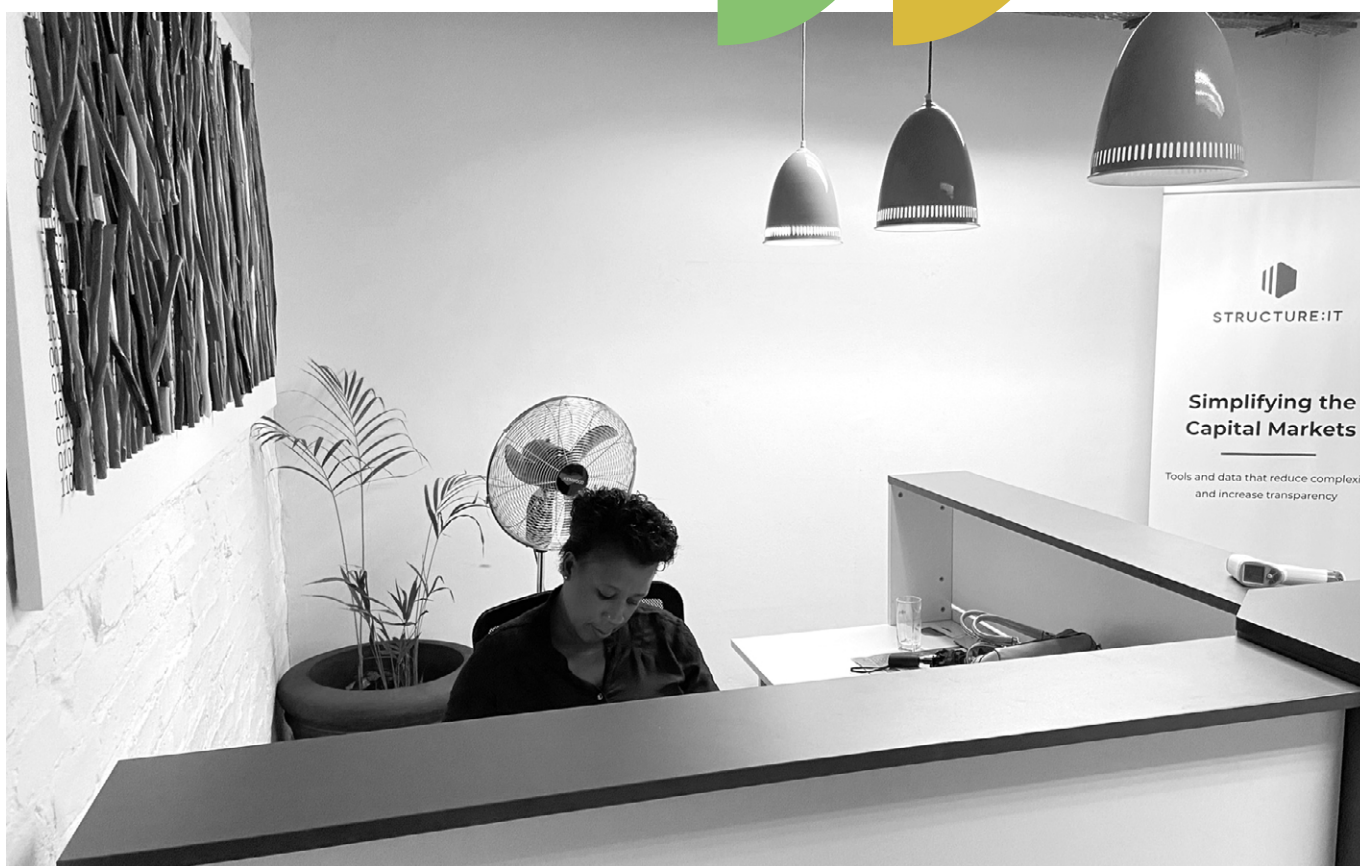
**Operating a sizable fintech firm often involves a complicated ecosystem with numerous moving pieces.** Getting them all to function in tandem may be difficult, but what if there was a formula that could deliver a narrative that perfectly exhibits your business's story, vision and roadmap?

With the assistance of their Grow coach, StructureIt has developed a comprehensive business strategy that has resulted in the completion of a Series A capital raise by Morningstar Credit Information and Analytics (MCIA).

The product side of StructureIt has been rebranded and redirected under the name DealX, separated out into its own legal structures.

DealX's long-term goal is to streamline the lifecycle of structured product and private asset transactions by providing a secure platform to easily receive, share, analyse and collaborate on deal information within that marketplace.

The creation of a product focused business under the DealX brand allows the consulting arm of the business to stay focused on growing the base of clients in the capital markets space who are looking for bespoke software development solutions – a unique offering that StructureIt has spent years perfecting.



## StructureIt's coaching journey

**It was always the plan for StructureIt to become a product-only entity. However, over the years, the company expanded its services to include consulting and bespoke software development.**

The result: consulting that was highly profitable but heavily reliant on two anchor clients to keep the business afloat, with product streams that were not as profitable and consuming more cash than they were generating.

“There was always this imminent risk that if one of StructureIt's clients terminated their services, not only would that consulting arm shut down, but it would also directly impact our business's product ambition, which relied on the consulting cash flow. We knew that we needed to tread very carefully and have a winning formula - we just didn't know where to start”, explained Llewellyn.

In May 2018, StructureIt partnered with Grow to support the company's client diversification and expansion objectives. Coaching provided the framework for the team to consider all factors that impacted the business and how to rethink and execute the organisation's plan to hire the right people and to forge them into a strong executive team. StructureIt was now substantially better positioned to design, develop and distribute fintech products in the United States.



## The goal to raise capital

The early part of 2020 was spent putting together a detailed business plan and trying to secure interested investors. However, a theme quickly developed: investors were only interested in the product side of the business. Software as a service-based product offering had the potential to return a far greater multiple for them at exit than consulting services, with consulting adding complexity to StructureIt's overall offering.

“Although we got to the term's stage with a large institutional investor, the investment conditions did not feel right and we also felt that they would not be a good fit for the business outside of the capital they were bringing in. So, in the short term, we put a halt on the raising process to give us time to refocus”, explained Llewellyn.



## A lightbulb moment

It was during a late December afternoon run that Llewellyn experienced a lightbulb moment in which it became absolutely clear that he needed to separate the businesses into two separate brands.

For a company such as StructureIt, comprised of two healthy but very different models from a growth and shareholder-return perspective, creating two separate entities just made sense.

“From the initial thinking that we should focus our energy and time on growing the product business and not try to grow the consultancy business, we recognized that consulting was a core business competency – one I knew we should leverage. I realised it would be far more beneficial to divide the business into two entities – one focused on product and the other on consulting. This would further enable an investor to come into only the product side of the business. It would also mean the consulting business could refocus on securing growth through finding more clients looking for bespoke solutions. So, we began the process of understanding what a divide would look like and how we could best deliver the news to the rest of the team.”



With input from their Grow coach, Llewellyn and Tim designed an approach to address all team members regarding the changes and new leadership roles now in the pipeline.

**While no single methodology fits every company, a set of guiding practices, tools and techniques can be adapted to help companies transform smoothly.**

Reflecting, their coach explained, “Announcements like these can be daunting and they go awry if they’re insufficiently planned or poorly delivered. Team leaders need to follow crucial steps and communicate the news in ways that will help recipients adjust well and be on board with the changes.”



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# Raising capital from Morningstar Credit Information and Analytics

**Around the same time that these changes were being floated with the senior leadership, Llewellyn received an unsolicited LinkedIn request from Morningstar Credit Information and Analytics (MCIA).**

Morningstar is an American financial services firm that focuses on empowering investor success. Brian Grow, the president of MCIA, said that Morningstar had launched MCIA in January 2021 with a mandate from the Morningstar board to grow a competitive offering that empowers credit market decision-makers with tools and information that lead to faster, insightful and more predictable outcomes.

“Morningstar had been tracking us for some time and saw great potential in a strategic investment whereby they could become an owner in our business, with an initial focus on our data feeds, thus removing the vendor reliance they currently had in place. They were exactly the investment partner we were looking for, and while we were both in the same space, we were complementary and not competitive”, said Llewellyn.

While conversations were unfolding with MCIA, the consulting arm of the business gathered pace. StructureIt would retain the consulting brand under the leadership of Itay Shwartz as CEO, with Llewellyn and Tim stepping away from the day-to-day operations, into non-executive advisory roles. This allowed them to focus, as joint CEOs, on the product-only brand, DealX.

StructureIt would benefit from Itay’s deep experience in the business. Over a 10-year period he had progressed from a developer role, through to eventually heading up one of the major business lines within StructureIt, to now taking over as CEO responsible for the overall business. The company is proud to have created this kind of opportunity for progression for the talent within the business.

DealX and MCIA agreed on a valuation and related Term Sheet. After a rigorous due diligence process, the companies entered into a share subscription agreement. The deal concluded on the 10th of December 2021 and the announcement was made public three days later.

## Growth to current day

Today, StructureIt is a separate brand and entity from DealX. StructureIt focuses on providing customised technical software solutions to the capital markets, whilst DealX focuses on products that will help streamline the same market, creating connectivity and collaboration. The two companies now work side-by-side to solve market problems with a healthy interplay between them.



# Llewellyn's praise of the process

With the guidance of his coach, and through implementing the Growth Formula, Llewellyn was able to stay focused on the initiatives essential to accelerating innovation, increasing performance, managing change and scaling the business.

## The four flywheel principles of the Growth Formula are:

### 1. You the Leader

This is about your effectiveness as a leader. The success of your business is directly proportional to your capabilities as a leader.

### 2. Setting Direction

This is about disciplined thinking and having clarity on where you are taking your business to, and ensuring everyone in the business is clear and aligned around this direction.

### 3. Winning Team

Your business is bigger than just you. To build a successful business, you need a talented and engaged team of people.

### 4. Operational Excellence

This is about disciplined action to ensure everything is working in your business to allow it to grow without drama.

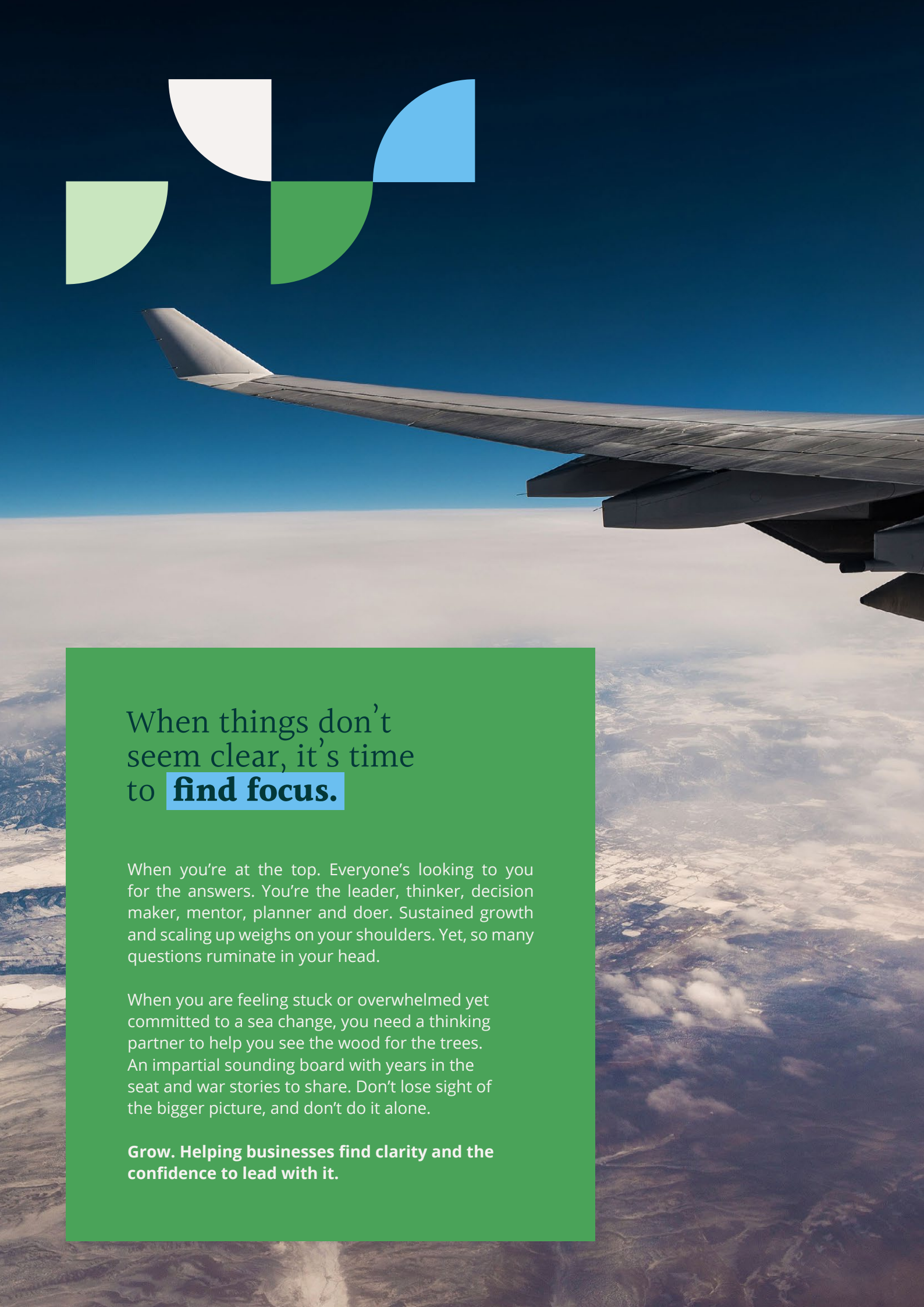

**Following their first Grow coaching session, Llewellyn and Tim began frequent, individual coaching sessions, followed by the rest of their leadership team. Grow now coaches the executive leadership team of both StructureIt and DealX which includes 13 executives across the two businesses.**

Upon implementing the Growth Formula, the StructureIt team felt they were now better positioned to design, manufacture and sell fintech products for the United States financial markets.

"When I first started the coaching process, I was so deep in the day-to-day operations that I couldn't see further than the next day. Coaching helped me build a leadership team that allowed me to create space to think beyond the next month and year and to think multiple years into the future. It enabled a major reorganisation and revision of the business's strategy and its implementation," said Llewellyn.

As change is inherently unsettling for individuals at all levels of an organisation, all eyes will turn to the CEO and the leadership team for strength, support and guidance.

"Putting the steps in place that our coach provided us with before partnering with Morningstar, enabled Tim and I to envision and then embrace the new opportunities."



## When things don't seem clear, it's time to **find focus.**

When you're at the top. Everyone's looking to you for the answers. You're the leader, thinker, decision maker, mentor, planner and doer. Sustained growth and scaling up weighs on your shoulders. Yet, so many questions ruminate in your head.

When you are feeling stuck or overwhelmed yet committed to a sea change, you need a thinking partner to help you see the wood for the trees. An impartial sounding board with years in the seat and war stories to share. Don't lose sight of the bigger picture, and don't do it alone.

**Grow. Helping businesses find clarity and the confidence to lead with it.**



Build your business with **clarity and confidence.**



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