

The Rise of the Household CFO

How open banking is guiding Australians to financial clarity and control

Insights and stories from



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Foreword

As CEO of FinTech Australia, it is my pleasure to introduce this insightful white paper by PocketSmith, which explores the common pain points encountered by Australian households when managing their personal finances.

The responsibility of balancing budgets, tracking expenses and planning for the future typically falls on the shoulders of one individual within the household, who takes on the role of “Household CFO.”

It’s clear from the real-life stories shared in these pages by PocketSmith customers that the Household CFO faces a range of challenges. For example, having accounts with different banks, data inconsistency, complexity, lack of time and cognitive overload.

This makes it difficult for individuals to gain a comprehensive view of their financial situation, leading to stress and suboptimal decision-making. Moreover, the lack of real-time insights, and the manual burden of constantly having to update financial information, further complicate the task.

What stands out for me, is the clear value being delivered to Australians by streamlined, user-friendly personal financial management tools powered by innovative financial technology that is focused on delivering control, convenience and confidence to the consumer.

I would like to commend PocketSmith for publishing this report and highlighting the practical functionality of open banking, which is available to all Australian bank account holders as part of our federal Consumer Data Right. Open banking gives bank customers the right to control and share their financial data between service providers to get a better offer, or access a new service like the PocketSmith app.

This white paper delves into the transformative potential of open banking to enable instant aggregation of financial information in different formats from various sources into one single, cohesive platform, delivering real-time updates and insights that go beyond basic budgeting.

As the report shows, fintechs can democratise access to financial forecasting, scenario planning and wealth insights, so households can identify opportunities to build up savings, reduce debt and invest wisely.

As we embrace this new era of financial empowerment, we can look forward to a future where managing money is not a stressful burden but rather a seamless, intuitive experience.

Rehan D’Almeida
CEO, FinTech Australia

01 Who we are: About PocketSmith

PocketSmith champions the quiet yet transformative work of the Household CFO — the individuals who manage the financial heartbeat of their homes. Founded in 2008 in New Zealand, we are an independent, bootstrapped company built on the belief that financial tools should be as dynamic and adaptive as the lives they support.

Today, we proudly serve a global community of over 320,000 users across 190+ countries, with Australia as our largest audience. From meticulous planners striving for early retirement to wealth creators juggling multiple income streams, PocketSmith equips individuals and families with powerful forecasting, flexible planning and real-time insights to achieve their financial goals.

A world of experience with financial data

With over a decade of experience, PocketSmith connects users worldwide to their financial data, including through open banking in the UK, Europe, and Australia.

Data privacy is at the heart of our approach — data belongs to our customers. We have never sold or used data for advertising purposes, and never will.



Fun facts about our customers using open banking

Our Aussie customers are using open banking and seeing the benefits.

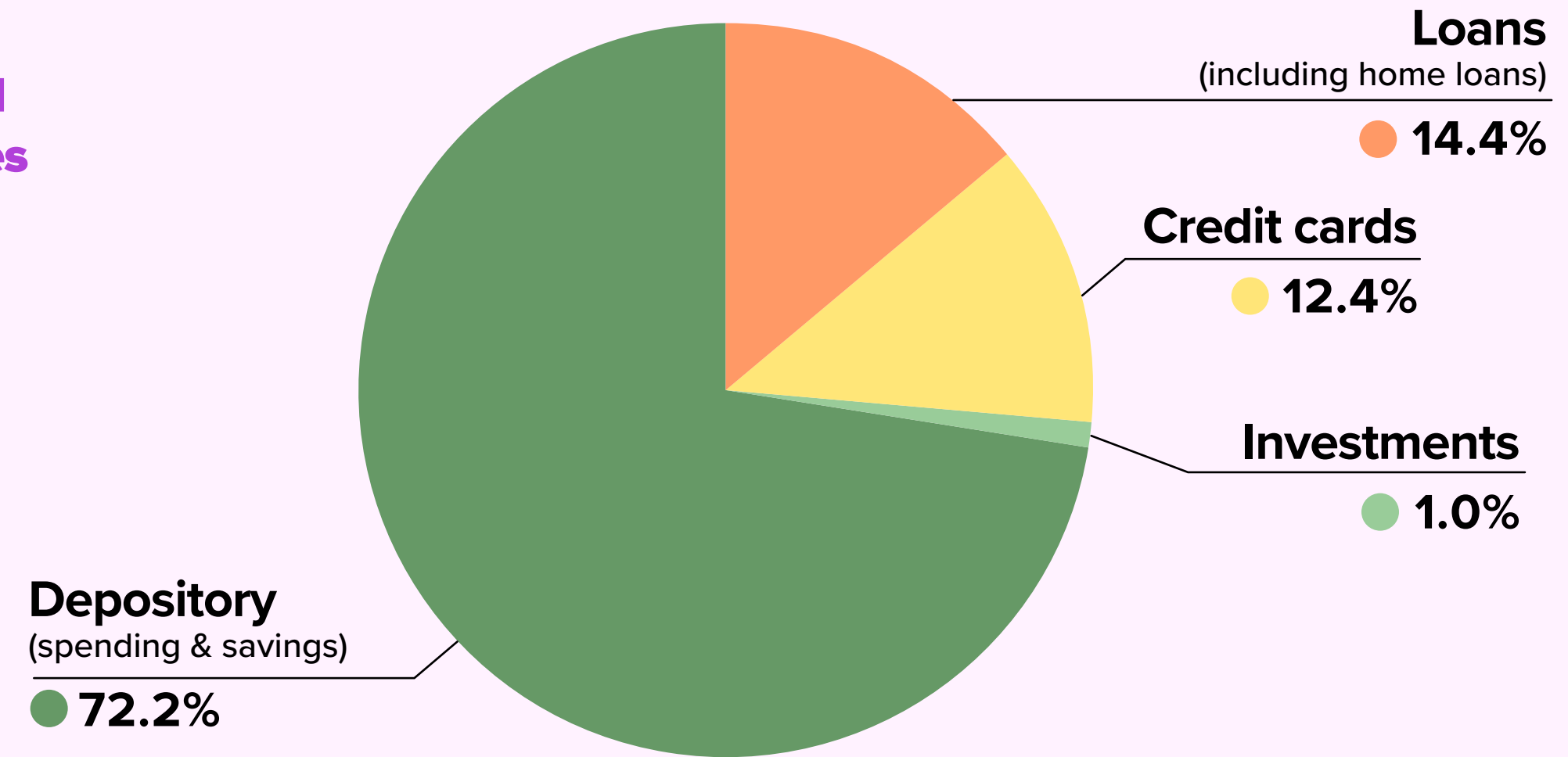
85%

of our Australian customers have at least one account connected via open banking, totalling

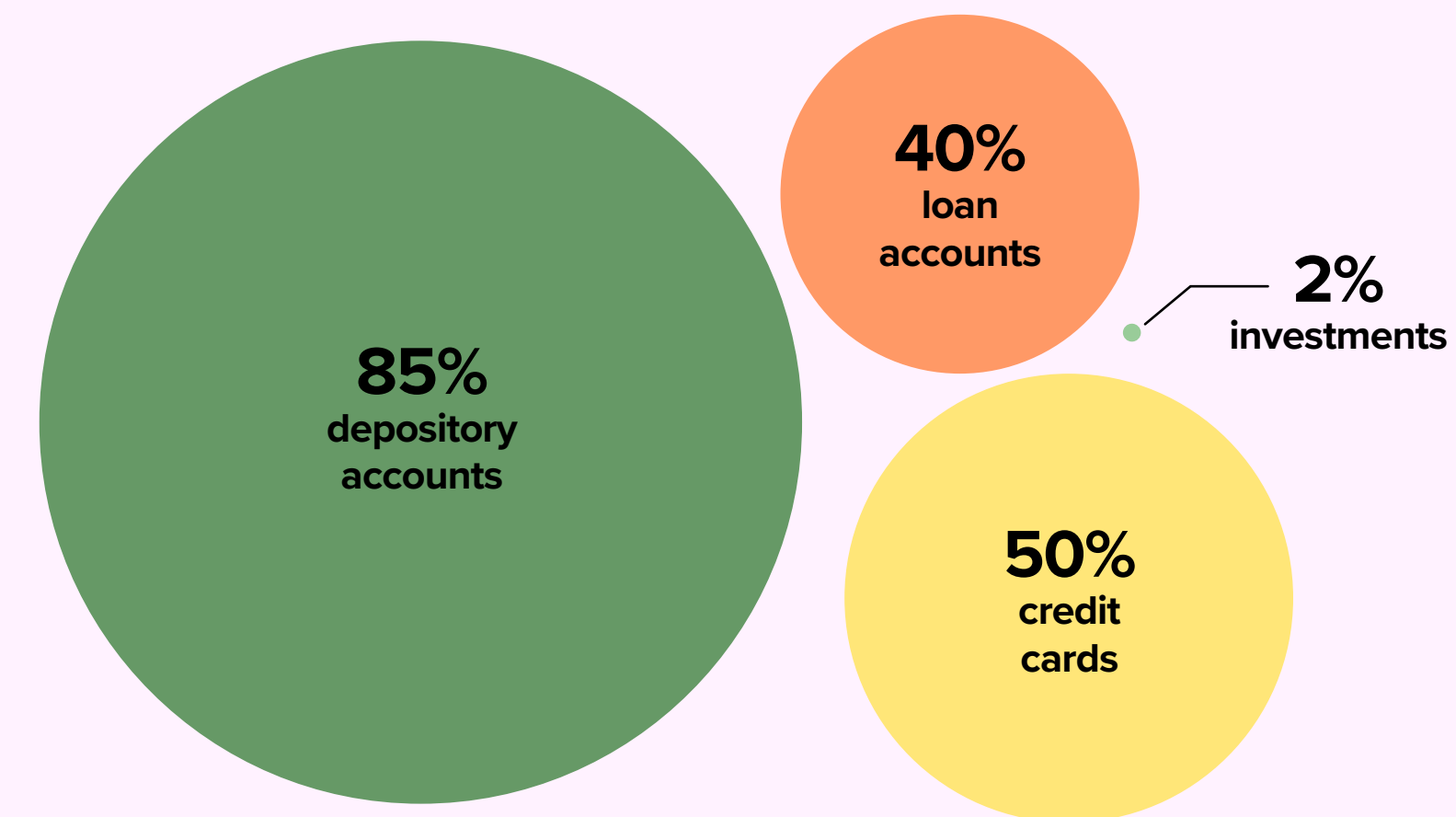
66,421

accounts

Breakdown of connected account types



Account types per customer



02 Executive summary

Managing personal finances can be challenging for many Australians, often leaving one person in the household to shoulder the responsibility (or burden) — the individual we affectionately call the “**Household CFO**”.

These quiet heroes take on the vital task of balancing monthly budgets, and wrestling with spreadsheets, receipts, and online statements, all while planning for the future. Their role is crucial, yet, gathering the right information and making sense of it can be daunting — even for the most capable Household CFO.

It's like building your own clock just to tell the time

PocketSmith Co-founder, Jason Leong, often likens the experience of obtaining answers about personal finances to asking for the time and being told to build the clock yourself.

Recently, he spent three frustrating hours helping his mum understand how much she spent each month. With her bank only providing PDF transaction records, sifting through half a year's data to find a simple answer was an arduous task.

As the co-creator of an app specifically designed to help people manage their money, Jason has the skills and knowledge to tackle complex financial tasks.

If it's difficult for someone with his level of experience, it's no wonder most people struggle to answer basic financial questions like:

- ▶ *Am I spending more than I earn?*
- ▶ *How much can I afford to spend on rent or a mortgage?*
- ▶ *If I lost my job tomorrow, how long could I cope?*

Financial information is scattered across multiple institutions, often presented in inconsistent formats, making it a daunting task to piece together accurate insights — sometimes requiring hundreds of hours each year. But it shouldn't have to be this hard.



A Household CFO's trusty sidekick: The Consumer Data Right

If the Household CFO is the hero, the [Consumer Data Right](#) (CDR) is their trusty sidekick. Paired with the right financial management tools, it gives Australians a streamlined way to access and use their data, empowering Household CFOs to profoundly transform the way they manage their money.

With banking and energy data already available through open banking, CDR will expand into non-bank lending in 2026, with more sectors to come.

One of the earliest and most impactful applications for open banking is account aggregation, which allows people to consolidate their financial information in one place, regardless of institution. This seemingly simple functionality has transformed previously cumbersome tasks like applying for a loan or managing personal finances.

Digital tools powered by open banking are reshaping traditional money management, offering a real-time, bird's-eye view of finances — from spending accounts and credit

cards to mortgages. For the Household CFO, this is invaluable. It enables them to spot opportunities to save, cut down on debt, and confidently make decisions to invest in their family's future.

In today's cost of living crisis, resources like these are more relevant than ever for improving the financial wellbeing of Australians. When people feel in control of their finances, they gain confidence and the financial resilience needed to navigate challenging times

This is why personal finance management (PFM) stands out as one of the most high-value CDR use cases. However, for it to reach its full potential, several challenges must be addressed, including:

- ▶ *Continuing the expansion of CDR across different financial sectors*
- ▶ *Raising consumer awareness and building trust*
- ▶ *Training bank staff and preventing misinformation*
- ▶ *Improving data quality and consistency*

Addressing these issues will unlock the true power of PFM, enabling it to deliver even greater value to consumers.

Putting the “consumer” back into the CDR

Despite the consumer being at the heart of the CDR and its goals, their voices are often absent from discussions about what's working and what's not. At PocketSmith, we hear the stories of Household CFOs every day — the people who are actively using open banking, some for years now.

Through this paper, we aim to share these stories, showcasing how CDR is already delivering value to consumers, and championing the vital role of the Household CFO.

We believe that by fostering collaboration between Government, industry, and consumers, we can continue improving the CDR, driving greater consumer adoption, and ultimately transforming the financial wellbeing of Australians — for good.



03 The rise of the Household CFO

The Household CFO is the family member who takes charge of balancing budgets, setting financial goals, and making tough money decisions. They wear many hats — planner, strategist, and problem-solver. Their contributions often go unnoticed, yet they're indispensable.

While the title might be the same, no two Household CFOs are alike. Their approaches, tools, and priorities vary widely depending on their circumstances, skills, and financial complexity. Some adopt a meticulous approach, armed with spreadsheets and budget trackers, while others rely on handwritten notes or simple cash-envelope systems.

Their goals are just as diverse. One Household CFO might be laser-focused on cutting expenses to save for a home deposit, while another juggles multiple income streams to build wealth or pay off debt. Whether it's achieving financial independence, preparing for retirement, or managing the day-to-day, each Household CFO has their unique story and mission.

Over the past 16 years, we've been privileged to learn from thousands of Household CFOs, and while their approaches differ, we've found they often fall into one or more of the following categories:

Budget Planners

- ▶ Track daily income and expenses closely
- ▶ Focus on goals like financial stability, debt repayment, or FIRE (financial independence and retiring early)
- ▶ Involve the whole household to stay committed to shared financial goals



Digital Nomads

- ▶ Manage finances across multiple countries, including bank accounts and assets
- ▶ Earn in stronger currencies while living in regions with lower costs of living (also known as geo-arbitrage)
- ▶ Balance practicality with a desire for freedom and personal fulfilment



Investors

- ▶ Prioritise building wealth through multiple income streams and investments
- ▶ Track key metrics like net worth instead of detailed budgeting
- ▶ Value time-saving tools and services for efficient financial management



Position vacant: Household CFO wanted!

Who takes on the role? Some step up because they have a natural affinity for numbers or a passion for financial planning. Others take it on out of necessity — because they have the time, the organisational skills, or simply because no one else will.

Outsourcing this role isn't always an option. Professional financial advice can be prohibitively expensive and focuses on big-picture goals like investments and insurance, leaving the nitty-gritty of everyday expenses and financial administration to the household.

And even when outsourcing is an option, trust is a major barrier. According to a [University of Melbourne survey](#), 27.7% of respondents cited distrust of financial institutions or advisors as the main reason for not improving their finances. For many, keeping their financial information private feels safer than seeking external help.

"I'm a 39-year-old single mum from Melbourne... I am the sole decision-maker in my household, however, my 9-year-old son often has ideas on how to spend my money! I'm hoping to teach him about financial literacy as he grows up, observing what I do on a day-to-day basis."

[Louise, Melbourne](#)



"I am the primary income earner... however, both my partner and I have side hobby businesses on Etsy that provide for some extra income to spend on fun things like dining out or a weekend away."

[Jadon, Brisbane](#)



Meet some of our Household CFOs



"My wife and I are both breadwinners and have reasonably demanding roles in professional and financial services. We contribute equally in most ways aside from cooking..."

[Nick, Melbourne](#)



"I am a self-funded retiree in my mid-60s. My wife and I spend quite a lot of time travelling around Australia and enjoying our grandchildren... I am the CFO and household manager."

[Chris, Perth](#)

"I do all the household budgeting and financing, manage my retirement income and monitor all transactions in our bank feeds, categorise everything to work out trends, and more."

[Dave, Perth](#)



"I'm the primary breadwinner in the household, working full-time. I'm the logical one who asks the question: "Yes, but how are we paying for this?""

[Andrew, Adelaide](#)



04 You can't manage what you can't measure: The value of data

An essential tool in the Household CFO's kit

The old saying rings true — if you can't measure it, you can't manage it. For the Household CFO, access to financial data is the foundation of their role — whether they're tracking daily expenses or planning for long-term savings.

Every interaction with digital products and services leaves a trail of valuable data, from online payments that reveal spending habits to utility bills that show energy usage and costs. While this information technically belongs to the user, accessing and organising it is far from straightforward.

For most people, gathering a complete picture of their finances — including expenses, income, debts, and investments — is a monumental task. The average person spends about 300 hours a year managing their money. It's time-consuming work squeezed into already hectic lives, often involving piles of paperwork and endless account juggling.



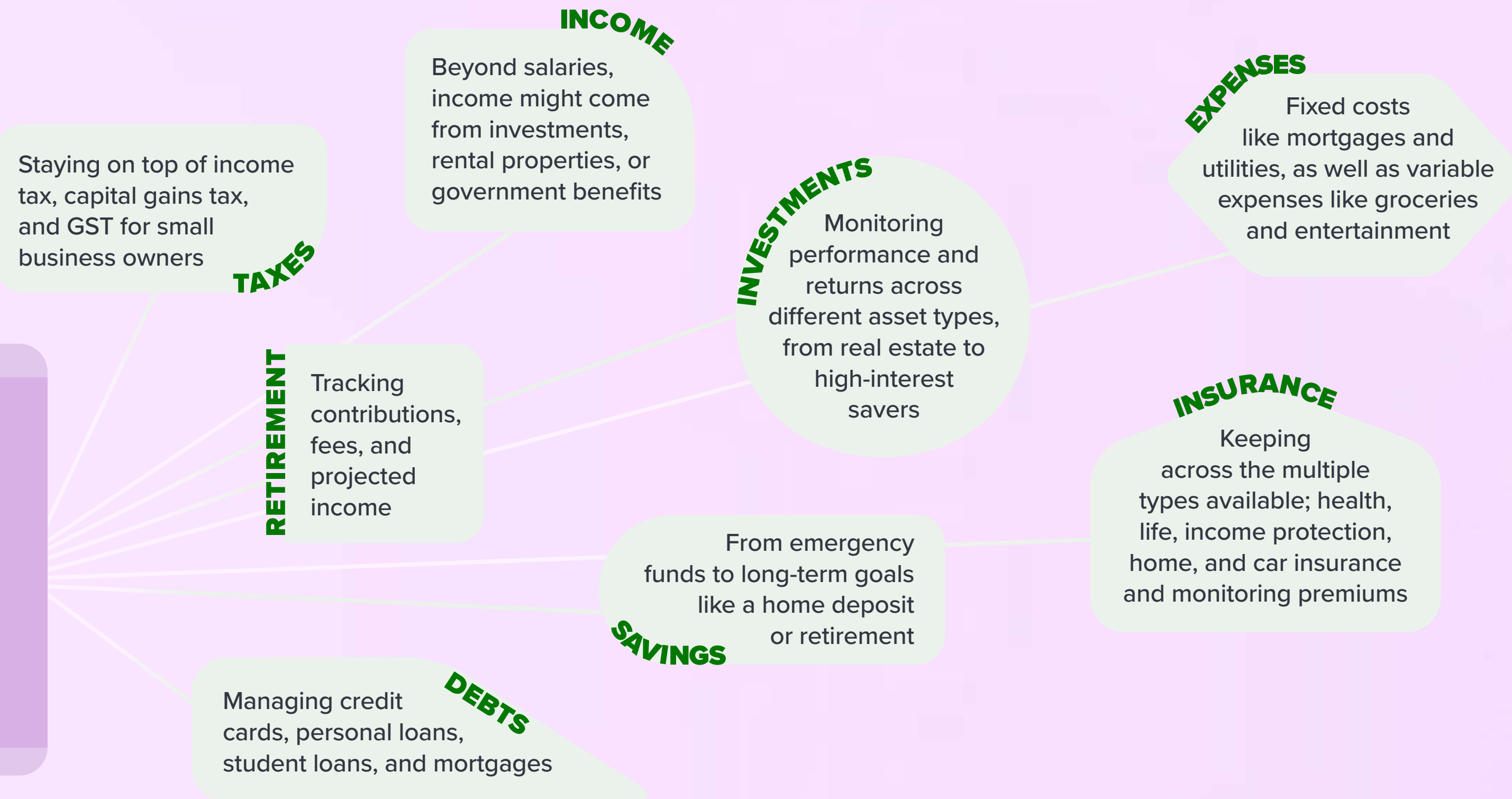
Why is it so hard to gather and use data?

CHALLENGE

It's scattered everywhere

Managing money feels like solving a jigsaw puzzle with pieces from different boxes.

Your income, expenses, savings, debts, and investments are all stored in separate places across different banks, apps, and service providers. This fragmentation makes it tough to pull everything together into a clear, complete financial picture.



CHALLENGE

It's hard to work with

Even if you manage to gather the data, it often comes in mismatched and confusing formats like PDFs or spreadsheets that don't play well together.

Turning it into something useful, like a clear budget or financial plan, requires hours of work to input, organise and standardise the information. For many, this process is not just time-consuming but also incredibly frustrating.

CHALLENGE

It's a never-ending job

Managing finances isn't a "set-and-forget" task. It requires constant updates to stay accurate. This can feel exhausting, especially when life is already packed with work, family, and countless other responsibilities.

Without time-saving automation, keeping finances up to date becomes an overwhelming chore. The more tedious it gets, the easier it is to lose motivation, leaving many people tempted to abandon financial management altogether.

CHALLENGE

Let's face it — managing money can be overwhelming

Mistakes happen, whether it's a math error, a missed bill, or incorrectly entered information. Combine that with the stress, fear of getting it wrong, or simply not knowing where to start, and it's no surprise that many people feel stuck.

Managing money can feel daunting, even for those with the best intentions.

Making life easier for the household CFO

Managing household finances doesn't have to be so hard. To make informed decisions, the Household CFO needs financial data that's clear, accurate, and easy to work with.

When the process becomes too complex, it's tempting to avoid, delay, or make decisions based on only part of the picture.

Now, imagine if Household CFOs had tools as intuitive and efficient as those used by businesses, like Xero or MYOB.

That's where the CDR comes in. By giving Australians better access to their financial data, the CDR is already helping to lighten the load of personal finance management — making it simpler, faster, and more empowering.



“Being good with computers and Excel I knew I could build a simple spreadsheet to manage it. I'd also used Microsoft Money a long time ago for a similar purpose. At the same time, building something would mean a lot of effort and time spent putting it all together and keeping it working.”

Andrew, Adelaide

“I had been a long-time user of MS Money and Quicken, but I became tired of entering each transaction from my monthly statements.”

Chris, Perth



“I needed some way of tracking my finances, that could also give me a clear visual picture of where I currently stand. I have a pretty extensive Excel spreadsheet, but it's static and doesn't have the ability to track expenses or categorise (it's good as a base to work off).”

Louise, Melbourne

What our Household CFOs have to say

05 CDR and the Household CFO: A perfect pairing

CDR and open banking: Putting data to work for Australians

The Australian Government introduced the CDR to make it easier for people to use their data to their advantage while driving innovation and competition.

At its core, the CDR aims to put consumers in control of their information, allowing them to securely share it with accredited providers to access benefits like better deals, personalised insights, and helpful tools.

The CDR is already live in banking (also known as open banking) and energy, with plans for expansion into other sectors like non-bank lending, telecommunications and superannuation.

Open banking is part of the CDR that deals specifically with banking data, like transaction history, account balances, and credit card details.

Turning data into real benefits

Enabling access to data is just the beginning — it's what happens next that truly matters. Innovative businesses, such as data aggregators and financial service providers, play a crucial role in transforming raw data into usable insights. These organisations create products and services that turn numbers into meaningful, actionable value.

The right combination of accessible data and smart financial tools can work seamlessly together to successfully support the Household CFO.



Personal finance management: The most high-value open banking use case

Last year, the Government announced a [“reset” of the CDR](#), prioritising consumer needs and focusing on ‘high-value’ use cases.

Personal finance management (PFM) stands out as one of the most valuable applications of open banking currently available. A recent global report from [Mastercard on the state of open banking](#) highlights this potential:

63%
of people said they'd be interested in using open banking to gain a clearer, more comprehensive picture of their finances

48%
said they'd use it for financial forecasting or scenario planning

These findings show that consumers recognise the transformative potential of open banking to simplify their financial lives and empower better decision-making.

PFM might seem like a “basic” or obvious use case, but its potential for lasting impact is immense. It's not just about handling one-off tasks like switching providers or choosing a loan — it's about empowering better financial decisions throughout an entire lifetime.

More than just budgeting

PFM is often mistakenly reduced to simple “budget management,” but it's so much more than that.

With the power of open banking, PFM tools now go far beyond day-to-day budgeting. They empower people with insights to help them learn from their past financial habits, tackle their current challenges, and confidently plan for a more secure future.



Getting Household CFOs the information they need

Open banking helps solve the data access and usage challenges faced by Household CFOs and, with the right tools, unlocks smarter, easier ways to manage their money:

Scattered data ►

Easily consolidated into one place

Open banking-enabled PFM tools dramatically reduce the time and effort needed to collate income, expenses, savings, debts and investment information into a real-time, singular view.

It's hard to work with ► Automatically formatted and ready to use

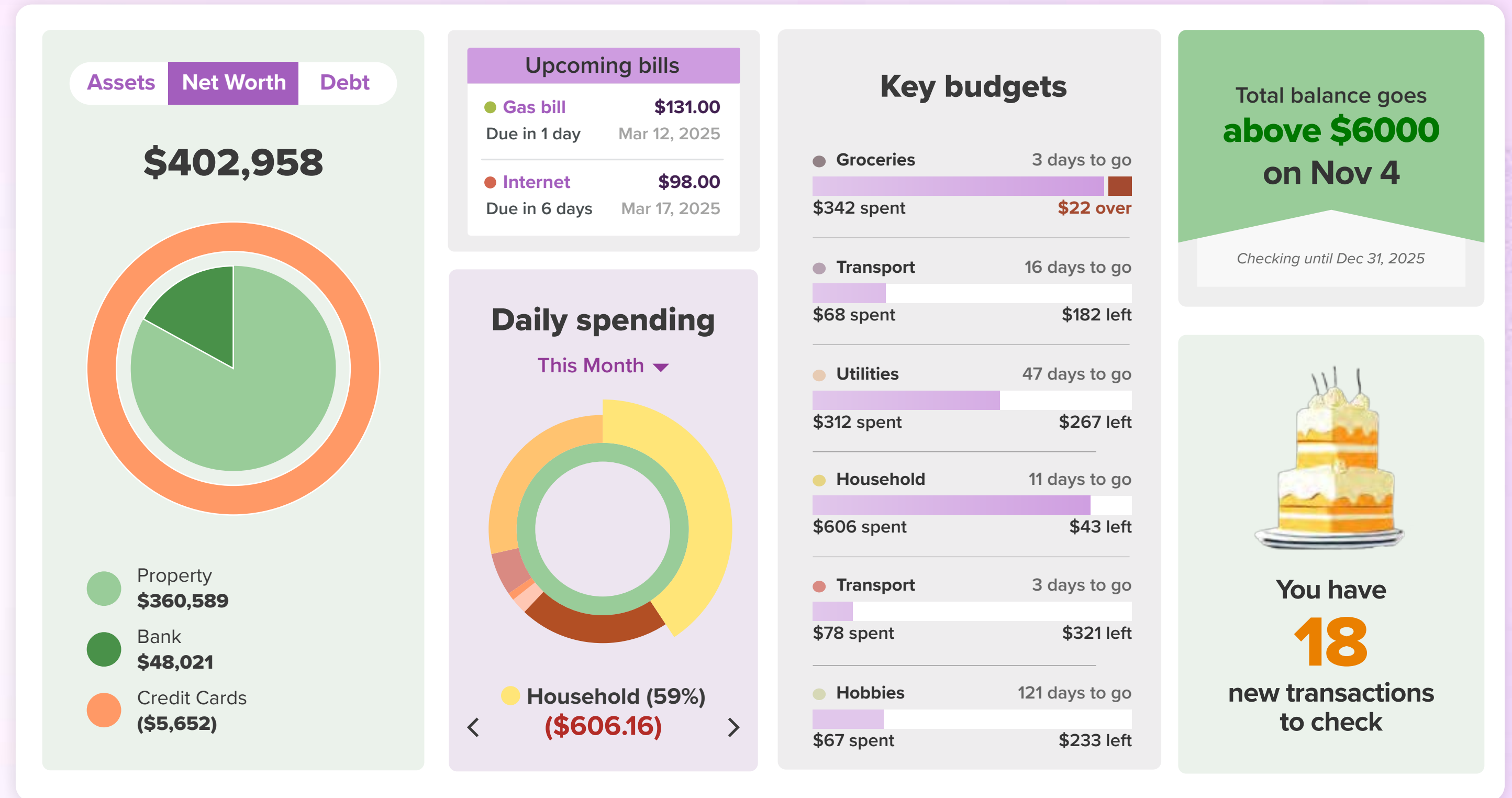
With open banking, the heavy lifting is done for you. Data is standardised and transformed into easy-to-understand dashboards, making it instantly usable.

It's a never-ending job ► Always ready to go

Open banking allows PFM tools to automate updates, keeping financial information current. This makes it easier for people to consistently stay on top of their money without the grind.

It's overwhelming ► Provides peace of mind

Open banking and PFM tools reduce errors and stress by minimising manual data entry and automating calculations. Plus, they offer educational resources to help users build financial confidence and improve money management skills.



But wait, there's more...

Beyond the practical benefits outlined above, there are more ways that CDR and open banking can provide value to consumers.

It can help build a strong foundation for overall financial wellbeing

PFM isn't just about quick fixes — it lays the groundwork for long-term financial health.

Paired with open banking, PFM tools help bridge knowledge gaps that make financial decision-making challenging. From determining borrowing capacity to spotting trends like rising premiums, these tools provide clear, actionable insights that keep people in control and making smarter choices.

They're also invaluable for those who were never taught how to manage or even talk about money. By helping people understand their financial situation and habits, these tools foster lifelong money management skills that build confidence and financial resilience.

Making financial management accessible to all Australians

PFM tools have the power to benefit every Australian. By combining intuitive financial tools with real-time data, they can break down barriers that once made financial support accessible only to those who could afford professional services.

CDR has the potential to change this — ensuring that every Australian, regardless of background or income, has the tools they need to take control of their finances.

“After looking at our insurance expenses more closely, I decided to refine our private health cover and reduce our premium by about 40% while still maintaining the coverage we need.”

[Jadon, Brisbane](#)



What our Household CFOs have to say

“It's a way to monitor my spending across various categories, but I also enjoy looking at the trends, especially as, at this point in time, the cost of living is getting quite high. So I'm conscious of wanting to know where my money is going on a regular basis so that I can make changes to my spending habits and redirect those savings into investments. I also like tracking my net worth as it provides a level of motivation over time to see where you have come from to where you are now.”

[Louise, Melbourne](#)



“The main thing that has changed is that it has made me take responsibility for my family's financial wellbeing. Before using PocketSmith I guess I was like anyone else, just dreading looking at credit card balances and hoping for the best. Now I know where everything is at. I know at a glance what I can and cannot realistically do money-wise by using a tool that enables me to be proactive, rather than reactive, to my financial health.”

[Andrei, Newcastle](#)



“It takes the speculation around where our money is going out of the conversation... we know what strings to pull if things need to change, and we know how to impact our net financial position.”

[Nick, Melbourne](#)



06 Human stories: Everyday Australians benefiting from open banking

The missing voice of the consumer

When it comes to the success of CDR and open banking, there's an irony — the consumer's voice is often missing. Discussions are dominated by financial institutions, data aggregators and businesses enabling open banking, yet the people who stand to benefit the most are rarely heard.

At PocketSmith, we are fortunate to hear firsthand from Household CFOs every day. Their stories reveal the real impact CDR is already having — and the potential it holds to transform the financial lives of many more Australians. It's time to amplify these voices and put the consumer back at the heart of the conversation.

Meet the Household CFOs using open banking data in PocketSmith

Clinton: Building a Future

Clinton uses PocketSmith to budget for an investment property. With the help of open banking, he effortlessly tracks his income and expenses, making informed decisions to achieve his long-term goal.

"We're gearing up to purchase an investment property and it's helped us to establish and track an actual and scenario-based budget to ultimately understand what property we can afford."



Dave: Flexibility in Budgeting

Dave relies on it for flexibility, adapting his budget as life changes. Open banking allows him to quickly incorporate new data, keeping his financial goals on track.

"(The best money decision I made in the last 12 months was) using a lump sum of my retirement income to clear our mortgage and set up a responsible fortnightly budget... I also set up my wife's two sons and showed them how to manage money as they are just starting out in the big wide world!"

Chris: Short, Medium, and Long-Term Goals

Chris uses it to organise his financial goals across timelines. Open banking simplifies his data access, allowing him to focus on building a stable financial future.

“I use it on a daily basis... to confirm transactions and check for upcoming bills. On a less frequent basis... (for) checking my cash flow forecasts to make sure that I have enough money in my cheque account and also have as much as possible in savings accounts to maximise interest... (and) analyse the impact of larger purchases on our forecasts. Longer term... (I use it to) analyse how much I need to draw from my pension fund based on our previous spending and forecast.”



Andrei: Granular Spending Oversight

Using the labels feature, Andrei refines his budget to an impressive level of detail. Open banking ensures accuracy, empowering him as a highly efficient Household CFO.

“The main thing that has changed is that it has made me take responsibility for my family’s financial wellbeing. Before, I guess I was like anyone else, just dreading looking at credit card balances and hoping for the best. Now I know where everything is at. I know at a glance what I can and cannot realistically do money-wise by using a tool that enables me to be proactive, rather than reactive, to my financial health.”



Louise: Tracking Categories with Ease

Louise depends on it to monitor spending across categories, maintaining control over her household budget. Open banking simplifies this process by providing real-time updates.

“It’s a way to monitor my spending across various categories, but I also enjoy looking at the trends, especially as, at this point in time, the cost of living is getting quite high. So I’m conscious of wanting to know where my money is going on a regular basis so that I can make changes to my spending habits and redirect those savings into investments. I also like tracking my net worth as it provides a level of motivation over time to see where you have come from to where you are now.”



Nicole: Conquering Her Taxes

Nicole uses it to make sure she stays in the black and keeps tax time as painless as possible.

“I pay for all my tax-deductible professional development/conferences/etc from one account, making it very easy to identify and work out my tax deductions. I can also identify my rental income and expenses from investment properties which makes tax time easier too.”



Nick: Transparency Brings Teamwork

For Nick and his wife, it fosters financial clarity and teamwork. Open banking makes their shared finances seamless, helping them achieve transparency and mutual trust.

“I use the dashboards and information captured... in conversation with my financial adviser. It means we are going into our annual review informed as to our cashflow position, can cover that off in a fraction of the time, then focus mainly on conversations around the future and retirement planning, which is obviously where the real value is.”

Jadon: Supporting Side Hustles

Jadon uses it to balance his primary income with side hustle earnings. Open banking makes it easier to consolidate and analyse finances, helping him achieve financial independence.

“It has given me the ability to easily see my financial position and anticipate expenses in the coming months... I can see how much my hobbies are costing me and how much my Etsy store is bringing in to cover those costs. This has given me greater control over where my money goes and when I should curb spending.”



Andrew: Digging Deeper into Finances

Andrew leverages it to gain granular insights into his spending patterns. Open banking's instant data access enables him to uncover opportunities for savings and smarter investments.

“A psychological benefit is also now that the whole family is aware that we are tracking our spending. We're all, as a family, more likely to snack on leftovers than order out. And I have so many things that I didn't expect to be so time-saving and awesome. With this new 'real-time banking' world we live in, I didn't even realise this could be done.”



07 The big picture: It's more than improving money management — it's about financial wellbeing

Financial wellbeing is sometimes dismissed as just another buzzword, but in reality, it affects every aspect of our lives. It's not just about managing money better — it's about feeling secure, in control, and confident about the future.

With household debt at record highs and financial literacy on the decline, the need for tools and education to support financial wellbeing has never been greater. The CDR presents a powerful opportunity to bridge this gap, providing Australians with the resources they need to take charge of their financial futures.

Financial wellbeing: More than just a buzzword

The [Centre for Social Impact](#) defines financial wellbeing based on three key factors:

- ▶ *The ability to cover everyday expenses with money left over*
- ▶ *A sense of personal control over one's financial situation*
- ▶ *Feeling financially secure — both now and in the future*



Why it matters

The benefits of financial wellbeing go far beyond individuals and their families — it has a ripple effect on society and the economy as a whole.

For individual Australians

Good financial wellbeing helps people avoid common pitfalls, like overpaying on loans or missing out on discounts, while making the most of every dollar they earn or save. It also builds the financial resilience needed to handle unexpected challenges, whether it's a medical bill, job loss or economic downturn.

For government and society

When people feel financially secure, they're more likely to support economic reforms and understand the value of short-term sacrifices for long-term benefits.

Higher financial wellbeing can also reduce reliance on government support systems. For example, when retirees better manage their retirement funds, they may require less government assistance, easing pressure on public resources.

What impacts financial wellbeing?

Many factors, but [research suggests](#) these four have the greatest influence:

| FACTOR | WHAT IT MEANS |
|--|--|
| 1 How you earn, save and spend Economic resources | ▶ The ability to manage daily expenses, save for emergencies, and handle debt. |
| 2 Financial know-how and skills Financial literacy | ▶ Knowing how to make smart financial decisions, like choosing the right products, budgeting, and planning for the future. |
| 3 Access to the right products and services Financial inclusion or exclusion | ▶ Access to basic banking, affordable credit, or insurance. |
| 4 A reliable support squad Social capital | ▶ Strong social networks to provide a safety net in tough times, in addition to community and government support. |

How do Australians stack up with financial wellbeing?

Sadly, the data suggests that many Australians are struggling with financial wellbeing.

Vulnerability to financial shocks

Despite solid earnings, [nearly half of Australians](#) (47%) could only cover basic expenses for a month or less if their income stopped, leaving them highly vulnerable to sudden financial shocks.

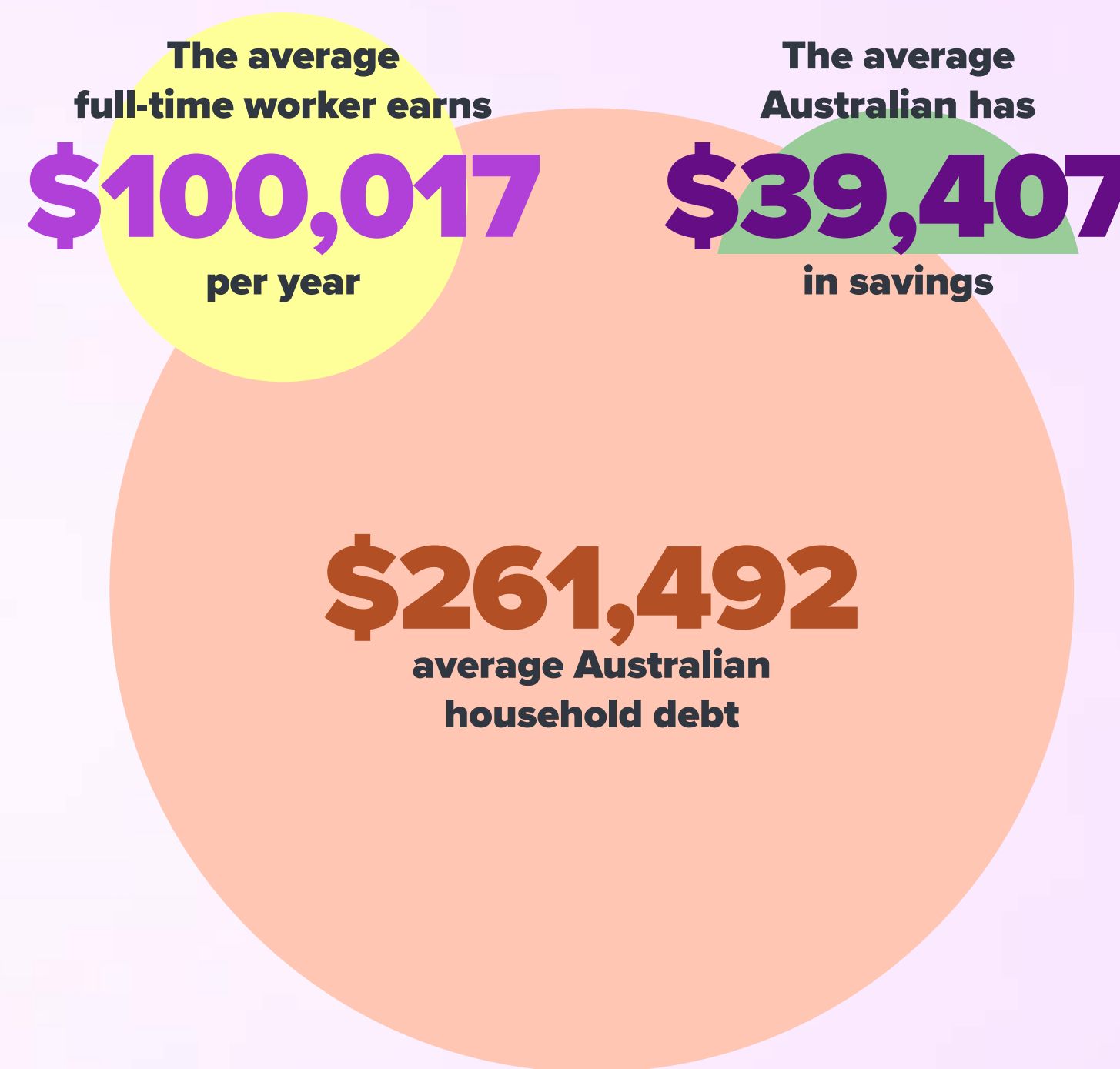
Rising household debt

Australia holds the [third-highest level of household debt](#) among OECD countries, driven by skyrocketing home ownership costs and a heavy reliance on credit cards and other borrowing options.

Declining financial literacy

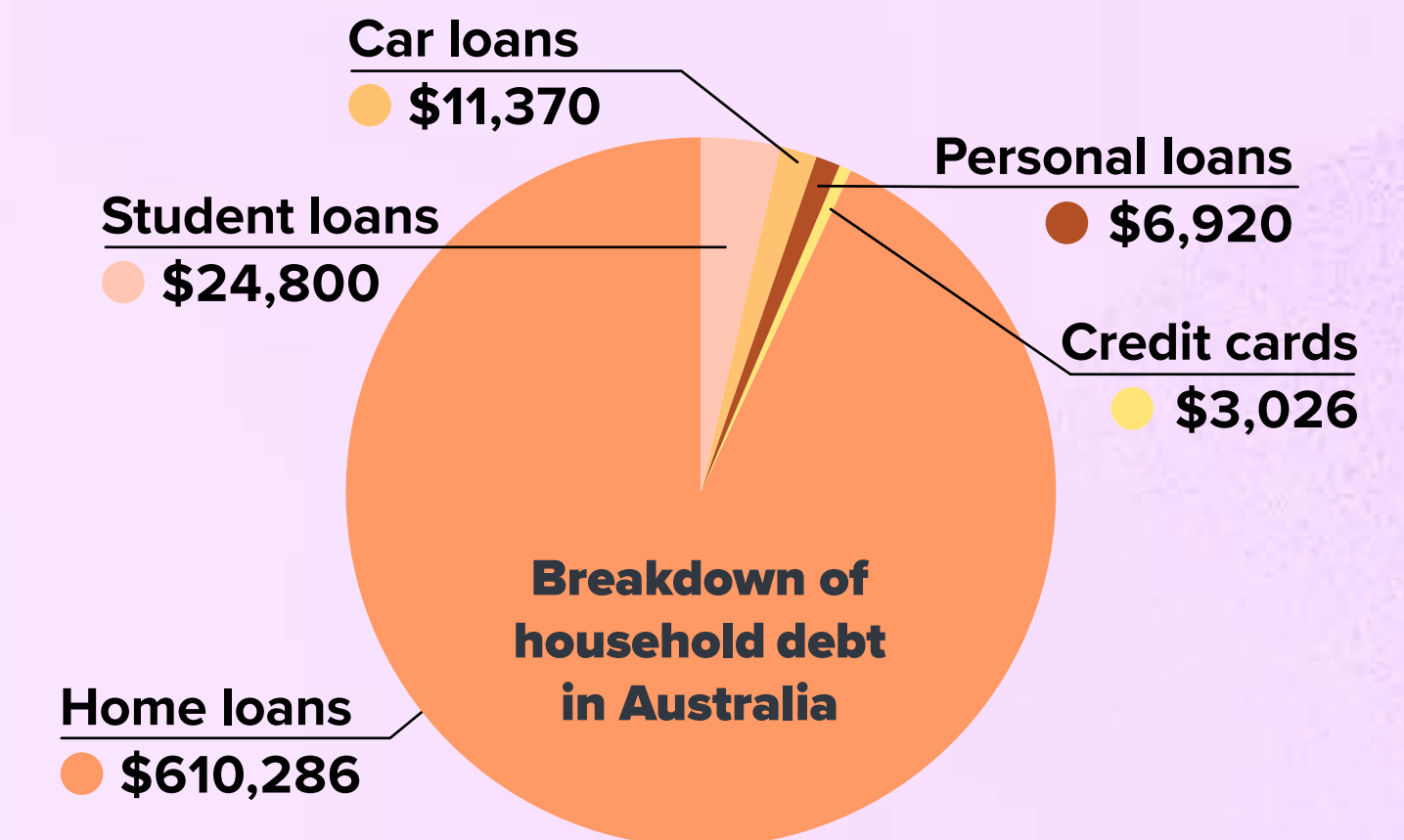
Financial know-how is also on the decline. Between 2016 and 2020, [financial literacy levels fell](#), particularly among Australians under 35. Further research shows that only two-thirds of Australians meet basic financial literacy criteria, underscoring the urgent need for better education and tools.

FINANCIAL WELLBEING AT A GLANCE



What's holding us back?

A [University of Melbourne survey](#) found that Australians feel overwhelmed by the thought of managing their money or believe they lack the necessary skills. Limited time and the complexity of finances were also cited as common barriers.



The Weight of Financial Regrets

Looking at financial regrets offers further insight into the consequences of not taking control sooner. The most common regrets included:

- ▶ *Not saving enough*
- ▶ *Not investing early or often enough*
- ▶ *Not budgeting effectively*

Many Australians also wish they had spent more time learning about finances in general, recognising, perhaps too late, that greater financial knowledge could have saved them stress and money in the long run.

Improving financial wellbeing using CDR and the right tools

By combining the CDR with innovative financial products, we can break down the barriers that prevent people from taking control of their finances — helping them seize opportunities, make informed decisions, and improve their financial wellbeing.

Financial wellbeing shouldn't be overlooked — it has a profound ripple effect on individuals and society as a whole. The CDR and PFM tools offer a powerful solution to improve financial wellbeing and should be taken seriously as a means to empower Australians.

FACTOR

1

How you earn, save and spend
Economic resources

- ▶ A complete picture helps people to easily monitor and manage what they earn, spend and save.

2

Financial know-how and skills
Financial literacy

- ▶ Access to a person's complete financial picture provides oversight that helps people make smarter financial decisions. Seeing the impact of decisions, good or bad, helps to build knowledge, skills and confidence.

3

Access to the right products and services
Financial inclusion or exclusion

- ▶ The right information combined with the right tools makes personal finance management more accessible.
- ▶ Consumer involvement in the future of CDR can provide them with opportunities to ask for and help develop new products and services that will better meet their needs.

4

A reliable support squad
Social capital

- ▶ Can encourage learning and more open discussions on the topic of money.
- ▶ It could also potentially reduce the number of people requiring financial assistance from government and community programs.

08 Making CDR more accessible to the Household CFO

The challenges with CDR and open banking aren't new, but they're still making it hard for people to fully embrace its potential. Here are four ways CDR could be improved to better support the amazing work of our Household CFOs:



1 Build trust through consumer awareness

A continuous, government-led awareness campaign could help people feel confident about the CDR by showing them how it works, why it's secure, and how it benefits them. Data security is a top concern for consumers, especially with increasing scams and data breaches. Many Australians are hesitant to share their information, even with trusted platforms.

2 Training bank staff to prevent misinformation

One of the biggest frustrations for consumers is conflicting or incorrect information when interacting with bank staff. When something goes wrong during the authorisation process, some customers are even told open banking doesn't exist — a disconnect that creates confusion and erodes trust. Banks must invest in training their staff to confidently explain CDR data sharing, ensuring consistent and accurate support for their customers.

3 Improve data quality and consistency

Consumers expect CDR data to match what they see in online banking, but inconsistencies like mismatched dates, missing transactions, or vague descriptions are a common problem. Fixing these issues and ensuring accurate, detailed data delivery is critical to maintaining trust and usability for users, particularly for ongoing use cases like PFM.

4 Continuing the expansion of CDR across the financial sector

The CDR currently focuses on banking, with non-bank lending anticipated for 2026. Other key financial areas like Superannuation are still excluded, preventing Household CFOs from getting a complete picture of their finances. Expanding the CDR to include the broader financial sector will make it a truly comprehensive tool for managing money.

09 Conclusion: Supporting the Household CFO through CDR

Open banking has the power to transform how Australians manage their finances. It gives the Household CFO secure access to their financial data through the CDR, simplifying complex tasks, providing greater clarity, and building confidence in financial decision-making. With a clearer picture of their finances, Australians can make informed choices and feel more in control of their financial future.

But this isn't just about convenience — it's about improving financial wellbeing at every level. From reducing stress around day-to-day budgeting to enabling smarter savings and investment decisions, open banking helps Australians tackle their financial goals with precision and ease.

The Household CFO plays an essential yet challenging role, and we've seen first-hand how CDR can enable them to do their job more effectively, efficiently, and confidently. However, addressing the issues with CDR is crucial to unlocking its full potential. We need to raise awareness among Household CFOs still using manual processes and show them that there's a better way.

Let's do better for our Household CFOs. PocketSmith will remain committed to championing their cause, advocating for continued CDR improvements, and delivering innovative tools that make personal finance management accessible, intuitive, and impactful for all.



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