EMBRACING TECH IN FINANCIAL SERVICES EPISODE: MODERN WORKPLACE (TRUST AND DATA)

TRANSCRIPT

Host: Tim Broome, Technology Advisory Practice Lead, ANZ
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Tim: Companies have inadvertently created a new digital divide between themselves and their workforce. As the norms around personal data and its use evolve, what does this mean for organisations wanting to recruit and retain the best talent? Well, let's find out.

Presenter: Welcome to Embracing Technology in Financial Services, a podcast brought to you by Accenture. In this 16-part series, we will hear from experts to uncover the latest in technology and trends in financial services. Now, here's your host, our practice lead, Tim Broome.

Tim: We're set for a fantastic conversation today. I'm delighted to be joined by Andrew Woolf as our global talent and organisation lead.

Andrew: Hey Tim, how're you doing?

Tim: I'm doing very well, thank you. And I believe the last time we were together, it was a pretty special anniversary.

Andrew: Sure was. So, 25 years at Accenture. It was a good party, though.

Tim: It was a good party and I believe a bit of a late one.

Andrew: It was a little shabby, don't you think? To be quite honest.

Tim: Look, it's a fantastic achievement. And also joining us today is Harshu Deshpande.

Harshu: Hey, Tim. How're you going? Good to be back again.

Tim: You had so much fun in the last podcast, you couldn't wait to come back.

Harshu: Absolutely, Tim. It was always a pleasure to talk to you, so, yes, I'm back again.

Tim: And you got so much to share. I'm really looking forward to talking. Okay, let's get cracking. What I want to focus on today is all around the employee and the employer experience, and what does the digital transformation or even the post-digital world mean about the employee? But let's start off with talent and organisation. So, you lead that bit of the business Andrew. What is it?

Andrew: So, really think about it as making sure we're focused on all the people aspects of any form of transformation. Three component parts that we work with our clients on. One around the future of work and the future workforce. So, what does digital disruption mean for different workforces in different industries? How should clients be thinking about reacting to those different disruptions? What does it mean from a workforce perspective in terms of re-skilling and re-tooling to prepare for the future? Second big chunk is related, but very specifically around the human resources function. And how does the human resources function need to morph in light of the way in which organisations are working and the experiences that employees want and demand to have in the organisations? And then the third area is all around change management and adoption. So, how do we make sure that whatever activity, whatever form of transformation - whether it be big or small - in an organisation lands well, people understand what it is, why they should be embracing it and hopefully making it - changing the behaviour of what they do day to day to deliver more value for their organisation.

Tim: Do you see in a focus on this area? Because I'm conscious, what I experienced is an awful lot of focus on the upgrades to the technology and landscape and not focus even very much outwards from the organisation rather than focusing inwards. And then thinking that your most valuable resource is your workforce. And do you think the balance is right?

Andrew: Well, I think there's sort of good news and bad news actually in this space. I find the good news is most people, most managers out there in organisations get the need for some form of change management adoption and some forward thinking around what their workforce needs are. The bad news is it's typically first thing that gets cut when transformation programs come under pressure, right? It's not viewed as a core and actually my perspective and some might say, of course you would say that it should be the other way around, right? You can always build the most beautiful technological product set in the world. But if nobody knows how to use it, what it's there for and you've got no adoption, then it's going to sit on the shelf.

Harshu: Andrew, I've kind of seen the same as well. We kind of saw the whole digital transformation permeating through the trends between like 2013 and 2015. Everyone was talking digital transformation. Then in 2016, we really saw this whole concept of human centred design starting to take place and people started to think about, well, yes, digital is great, but let's design with the employee experience first and the customer experience first. Do you find that in the last couple of years that's really kind of taking shape and taken hold and people starting to do that upfront?

Andrew: Definitely. It's front and centre in terms of, certainly, how we work with clients and our thinking and our methods very much embrace that. It doesn't mean, though, you do away with activity and preparation in terms of that change and adoption activity. So, in answer to your question, yes, absolutely. Everything that we're doing has a very human centred flavour and that's great, but it doesn't obviate the need for thinking around how whatever change it is that you're driving is going to land in a particular part of the organisation. From a digital perspective, if you can, if you can design and develop obviously with that end user in mind and you make it as user-friendly as possible, the effort that should be required to manage that adoption should shrink. But what we found most of all is actually the effort involved around adoption has shifted from being in advance of a launch-

Harshu: -Oh, to a post activity-

Andrew: -to post activity, okay, so there's been a real shift in where the effort takes place. And a lot of that then is really just, it's trying to give people a bit of a nudge, right? It's trying to change the behaviour, trying to get them to use things in a different way rather than what's a fairly old-fashioned approach these days in terms of instructor-led training and in advanced communications. People forget stuff.

Harshu: Yeah, and have you found that the training programs kind of change now to be more of an ongoing series of programs rather than kind of once off fire and forget kind of training initiatives?

Andrew: That's right. We get much stronger levels of adoption by hitting people up little and often. And little and often post a significant change. The science of neurology says, in order to change your behaviour, you need to repeat a activity or a task over at least a 30 day period in order for that to be embedded in your brain. And if you no longer have to do something consciously different.

Tim: Then that probably aligns with just the broader way that we roll out technology these days. We don't do the big bang because the big bang was very, very complicated, very, very hard. If we're consistently rolling out change, you need to consistently be having your employees understand what that change is. So, it's not a big one month program anymore. It's, it's an ongoing learning experience.

Harshu: And if you look at, kind of, all the literature now has changed from calling it disruptive innovation to incremental innovation. So, everyone's kind of started adapting to that whole terminology and it's not just, it's one big change, but it's lots of small series of changes and I think training in that case or employee training in that case also needs to adapt and shift in the same manner as you.

Andrew: Yeah. That actually raises an ƒinteresting question in terms of how you think about change at a whole of organisation level. Because actually, again, our research shows us that you don't necessarily have to experience a dip in performance in your organisation when introducing a change. Organisations that embrace, to your point, change as just a natural way of working, don't experience that dip in performance. They actually just carry on. And in fact, the level of ability to absorb change actually increases over time. So, organisations that are high-performing actually are far more successful, and you can do the extrapolation than through into the actual business case benefit, the hard dollar benefits, of becoming such an organisation.

Harshu: And how have you found the roll out of these programs? Because in the past, you know, when we did compliance programs, it was an online course, people just kind of clicked through the buttons and went through the motions. Is there a different mechanism that we now look to use to roll out these programs on an ongoing basis? And how do you keep people interested if you're doing this ongoing training?

Andrew: I think first and foremost you've got to make sure that these things are as interactive as possible. I mean, compliance training is a classic example. It's something that whether you're an organisation like Accenture or whether you're one of the big banks, right? We all have to do that and there's very good reasons why we need to make sure our staff members are au fait with doing that.The trick around it is acknowledging what people have done previously. So, don't just slavishly make them repeat what they might've done in a prior year. You can make it much more interesting. You can test them, right? You can start your training off by taking a test and then, actually, depending on how well that person does, you can hit down multiple different parts of this.

Harshu: Customised training parts. Yeah, absolutely.

Andrew: It's really not rocket science, actually. Right? But I think in the past people have just been wanting to sort of tick the proverbial box and that's led to quite a frustrating experience. And then obviously we've been doing a lot around gamification and really the next frontier is really how do we bring virtual reality and augmented reality very much into that whole experience, right? And just make it frankly damn sight more interesting and good fun.

Harshu: I found that whole augmented reality, virtual reality experience really helps drives engagement, but it also helps drive recruitment. Found a lot of the mining companies that we talked to at the moment, they're competing in the same marketplace as the likes of us, Accenture and Amazon, Google, and they're really struggling to attract the next set of candidates. And one of the interesting things they're doing is looking at how do they take things like augmented reality, virtual reality to bring these candidates in and show them what a day in the life of a miner might look like, or some of these critical, dangerous jobs. And I found that quite an interesting way to look at it - as not just the training mechanism, but also recruitment mechanism.

Andrew: Actually, that's great - sorry, Tim, just to keep going for one second on that thread - because actually I do think other industries outside of FS have frankly done a better job of adopting some of that new technology than we have. And although there's some more obvious use cases perhaps, I do think that's the next frontier for us in financial services, in terms of driving that level of engagement.

Tim: Yeah, and I was just going to reflect on that. Harshu, you mentioned mining. Now one of the things that I've seen in mining, and this was out of our Philippines technology centres, was that they were looking at how can they use IOT to help make employees more effective workers, and they're using that data to understand "when is somebody looking like they're more tired? The risk associated with what they do increases. How did you make a safer environment for your employees?" How do we make that applicable to the financial services industry?

Harshu: And if you look at the tech that they're using - so they're effectively using a camera that looks at pupil dilation and the work based on that. Where the stress level of that person is and whether they're falling asleep at the wheel of a big mining truck. But you could quite easily use that same tech to also monitor people that are in high stress jobs - like people on the trading floor - and work out whether someone is making decisions at a very high stress level and based on that provide advice or saying, "Hey, go off and take a break" or notify supervisor about that condition. I think that ability for you to take that tech that's being used in those highly volatile environments like a mining site, you could quite easily do that in the same high pressure jobs even if it's a desk job.

Tim: But then we hit that same issue we talk about every time into data and its trust, and how do we trust the use of what, in this case, is quite personal data. Andrew, you wrote a white paper and one of the key points in that that I picked out was 55% of the people would refuse to apply for a job where workplace data was not used responsibly. If we look at, especially for emerging technology and people who work in that space, there are so few people available. You cannot afford to lose out on 55% of the market.

Andrew: Absolutely. Related to that is the fact that actually when you're looking to recruit people more broadly, people want to join a company that's an ethical company, right? I mean data and how they use that data is one aspect. But increasingly you won't find people wanting to join organisations that don't have a good track record of behaving responsibly, whether that's towards their employees, towards their customers, or frankly to society as a whole. And in a world where we want to identify Andrew Woolf when he walks into a branch so that actually the facial recognition software tells the concierge person that Andrew's just walked in. Why don't you go and greet him and have all of his information ready to be able to answer whatever question he wants? For me, it's integral that the bank looks after that information and does so in a responsible fashion.

Harshu: But one of the interesting things I found, Andrew, was I wrote an article recently for The Australian where I was talking about, kind of, the use cases of AI in HR and some of the interesting stuff is around - exactly - gamification of the recruitment process, using things like AI to not just assess a past experience, but future potential. And some of the feedback I got after I wrote that article was particularly from people that have been in the workforce for a long period of time. They felt like it was removing the human element out of it. And they weren't sure around the things like transparency of the AI and the calculations that it was doing or the algorithm that was being built.

Andrew: Somewhat, I think. And I mean it certainly links back to that whole question of ethics and whether or not that person fundamentally trusts that organisation. On the plus side, I do think it's a good thing that people are asking these questions and are putting it out there. Just being blindly, sort of, trusting that whatever AI machine learning is going on in the background of whatever the application or process might be is not necessarily a good thing. So, I think it is a good thing that people are asking that question. That said, I do think increasingly it's just a part of the way we operate in our lives at the moment and I think it's going to become just a norm in society. People are very willing to share their information on other social media platforms. So, is this really any different?

Tim: I mean we touched, Harshu, on that last time. Societal norms haven't yet caught up with technology disruption and we're still trying to figure out what is okay and what isn't okay.

Harshu: Yeah, that's right. And I think it'll just be an evolving process. I think it's not something that will be set by regulation. It'll just be set by what people start to establish the new norm. And I think that would be quite interesting over the next few years, especially as the new generation comes through, who are used to providing a lot more information on social media than probably our generation was.

Tim: But if you look at technology systems, we're more than happy to monitor as many ways as we possibly can, purely from the view of "How can we get better performance?" There's no reason why we shouldn't be taking the same route with our employees. I know there's a trust issue, but we need to comprehend and understand, well, how do we get through that to focus on, well, what is the best thing for our employees? So, if we're looking at people working in a bank branch, do we understand if they're under stress? Everybody's got things going on in their lives, which changes who they are from one day to the next. And I think there's real potential value here in understanding, is somebody's stressed? Should their day be different from their normal day?

Harshu: Yeah. I think if you look at even something as simple as compliance, all the stuff that's come out of the Royal Commission. One of the interesting areas that most of the financial service companies are looking at is, can you do things like automated compliance? Because there's so many different roles that are constantly evolving and changing. It's hard for people that are providing things like financial advice to keep up with it. So, if you had some way of prompting people or advising them, "Hey, this is the latest regulation and here's how you should change your advice or here's where you're not meeting requirements." It would be nice if something in the background, like an AI, could prompt you to do that rather than you having to go off and work out every single time. And at the moment, all of that stuff is manual. You could quite easily do that, and take some of the pressure off these people and make it much easier in a prompted fashion.

Tim: Well yeah, I mean, it's not a huge leap to take to "The advice you gave there was outside the ordinary boundaries. Are you sure that was the right advice?"

Andrew: Me pulling on the thread you had going there, Tim. Is it going too far to be using machines to try and interpret how you're feeling and, with the best will in the world, then try and be - I'll use an Accenture expression here - truly human in the way in which we interact with that person based on how they're feeling today. What do you think, are we pushing the boundaries there, too much?

Tim: Testing from a behavioural perspective and using... there's this brainwave testing that looks at, what is people's inner reaction rather than the reaction that they give you? To understand, in this case, it was a banking transaction and the person going through the actual process of conducting the transaction on a phone-

Harshu: It was a testing process?

Tim: It was a testing process, but it was to understand was there a point where the person was confused? Was there interest held throughout the whole process? Which part of that transaction was the bit that they found difficult? Then, "Okay, well I can change that part of the process." Now, that's looking at less about the person than their experience. However, I think there's things that we could and probably should be doing to understand, is somebody's experience at work right? We say to people speak up if things aren't right, but we know that there's still stigmas around people speaking up. So, maybe there's things we can do to help that.

Harshu: Yeah, and if you look at the retail sector. The retail sector has really been trying out these sentiment analysis type of pieces of work where they just look at people's expressions as they walk in through the store, and then the expression as they walk out, and work out whether that person had a happy reaction. And yes, it's very basic, but I feel like, given the busy lives that we lead, if there's a way to identify patterns of behaviour with people over a period of time and then just prompt either a supervisor or someone else to look after someone, I think that actually works out quite well.

Andrew: The key is explaining to people what's in it for them as opposed to them just feeling a bit uncomfortable and like it's a bit creepy. There has to be some benefit for the individual as well as, in that particular example, the organisation-

Harshu: And where does that data get stored? Like, is it going to go back, and go back on the employee record? Does that get monitored? All those types of things really become difficult and important to solve as well.

Andrew: Do you think most HR functions are really only just even starting to get their heads around, what's the implication of using these sorts of technologies in terms of their workforce? So, I do think that's very nascent.

Tim: It's tricky territory when the rules and regulations around it haven't been figured out yet, so I can completely understand how you wouldn't want to be the first one to jump into fairly grey territory, not really sure what the potential outcomes could be. But you are 100% right in terms of, what's in it for me? If we can get through... there's a trust in data security issue, in data usage issue. I think that's got to work its way through.

Harshu: I think if you look at employees right now, they expect this to happen, in a way. Because one of the interesting things out of the survey we did around the tech region this year, the interesting data point for Australia was that 72% of employees locally expected that the digital workplace wasn't quite where they wanted it to be. So, they expected it to be much better and greater. So, you can kind of see companies, they expect certain things in their personal lives, and their experience is not quite following through when they start working. And therefore companies aren't able to attract the right talent and retain these people. So I think, yes, we're further behind but I feel like the employees are already demanding for some of this type of experience and help employees kind of feel the same way that their experience they're getting out their personal lives.

Andrew: That is spot on terms of a lot of work that we're doing with clients at the moment, which is really, how do you create a holistic employee experience? And there's a combination of your physical workplace and space as well as consumer grade tooling that you're giving people to perform their day to day jobs. And Tim, you were talking about recruitment earlier on. Well actually, work, space, place, and tooling is a very, very big factor in, certainly at graduate level, in terms of choosing an organisation that you want to be a part of.

Tim: Well, look, and I think broadly there's been good leaps made in that space. I can work on just about any device in just about any location these days and do my job. And that is something that probably even five years ago was, I was on a laptop or I was doing nothing. So, certainly good steps have been made in that space.

Andrew: They have, but not all organisations, I would suggest. I think the curve there, or rather the wave, still got a way to roll to facilitate that in more organisations. Some of the clients that I work with and I've just done, for example, a very recent strategy piece on exactly that, and a particular client has a way to go to make that a seamless experience of doing what you want, where you want it, at a time that is convenient for you.

Harshu: I think it's been the balance between security versus the flexibility and letting people work on any device. I mean, a lot of companies still don't have a BYOD policy, so bring your own device policy. So, we're still, yes, I agree with you. There's certain companies where you can do that. But then there's still certain sectors where that's impossible at the moment and still a long way to go. So, I definitely agree.

Andrew: Well, I think- and BYOD raises another interesting thread maybe around if you're accessing company networks on your own device, what's the data implications in terms of what the organisation then potentially has access to that's personal on your own device?

Tim: And again, that is that trade off. I get something better and I need to recognise that I'm giving something away at the same time.

Andrew: That's right. I'm not sure everybody is comfortable or got their heads around that one yet.

Tim: Absolutely, Andrew. And look, we could talk about this all day. We've not even touched on artificial intelligence and robotics and that connection with how we're automating a lot of the tasks in the workplace. So, maybe we'll re-visit that one next time. But for now - Andrew, thanks for all of your time. Really appreciate it.

Andrew: Great. Thanks, Tim. It's been a pleasure.

Tim: And Harshu, it's always a pleasure. Thank you very much.

Harshu: Thanks, Tim. We'd love to come back and talk about human plus worker and all the AI robotics work that we're doing across a number of different industries, as well.

Tim: Okay, great. Until next time, thank you. If you have any questions about today's podcast and want to get in touch with me, please email tim.broome@accenture.com. For information on all our podcasts, please visit accenture.com/embracingtech. See you next time.

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