



The workplace of 2020

The latest FStech roundtable, sponsored by Fujitsu, explored how FIs are responding to the radical workplace changes of the next five years. It also examined predictions, user expectations

and employee requirements between now and 2020

During a period of unprecedented disruption for FIs, technology investments have largely been focused on customer-facing IT such as internet banking and mobile apps. Workplace technology has often been neglected on the basis that it's seen as a cost centre, not a value generator. But this cost-driven approach to workplace IT could actually be having the opposite of its intended effect – limiting employee productivity,

reducing the quality of customer experiences, hindering collaboration efforts and actually increasing overall costs. The purpose of this strategic debate was to explore how senior level financial executives are responding to the workplace changes of the next five years. The attendees argued that they are facing numerous challenges in the workplace but with challenge comes an opportunity for change; one which must merge alongside a change in culture. There is real value in taking an evergreening approach to workplace technology – for both the workforce and customers – but it requires IT decision-makers and major stakeholders to alter their way of thinking, agreed the attendees as they worked their way through the following key topics:

Attendees

Chairman:

Simon Barrows, Director, Archioptirix

Panellists:

Muhammad Butt, Audit Manager, GE Capital

Harish Khatri, Head of Operations and CTO, Axis Bank UK

Aaditya Rathod, Head of Retail Banking, Axis Bank UK

Birendra Agarwal, CIO Commercial Banking, Lloyds Banking Group

James Sandell, Group Delivery Director, Group Corporate Centre, RSA

Keith Bucknall, Head of Technology Architecture & Infrastructure, Technology Services, ERS Insurance Group

Peter McElwaine-Johnn, Chief Technology Officer, Aldermore

Simon Burrows, Director, PwC

Ian Bradbury, Associate Director Financial Services, Fujitsu

Simon Gray, Workplace Transformation Expert, Fujitsu

Anne MacRae, Head of Financial Services, Fujitsu

- The perspective on the workplace of 2020: How will technological changes boost or hinder the workplace in 2020, and how will it look for employees, IT departments and suppliers? With the technological advancement predicted what could the economic impact be to the enterprise audience?

- The technological advancements in place today: What are we already using in our everyday work and personal lives that are critical currently and how will this formulate a picture for future employment and productivity?

- Future advances: Looking at the changes in technology within the work place and IT systems, can we see a development plan within a five year time frame, and what could these advancements mean for the way in which we consume technology and integrate systems?

Simon Barrows: We'll start off by looking ahead to 2020. Will there be intelligent, sentient devices doing our work for us or will we still be battling with Windows XP?

Keith Bucknall: From a customer engagement POV the channels are changing. The era of the smartphone has meant that everyone has optimised their sites for mobile users. It's moving towards your TV in your room and you'll be able to touch and interact with it. For us, our Broker engagement strategy is key, looking into initiatives such as video conferencing or Skype to contact our operational centres, in order to have that virtual eye to eye contact.



SB: As an employee, what will we have? There's a laptop in my bag. Will we still have company issued laptops?

Birendra Agarwal: Laptops, at least at the executive level, are already a thing of the past.

James Sandell: It feels like the whole convergence issue is a must. You mentioned telephony; we've just consolidated our London offices and moved to Walkie Talkie. When we were planning for the move, we sat down with the futurologist team, who said it was probably 18 months too soon to start getting rid of desk phones – but it is coming. The benefit of removing desk phones is considerable, and there are some compelling business cases.

Simon Burrows: I think it's interesting to look at what will be switched off; with desk phones, for example, there are still advantages but cost is a significant factor. We decommissioned our BlackBerry estate so people had no choice, they had to give in their BlackBerry and use an iPhone instead. Some people weren't keen, some people loved it. That's an interesting dynamic, the extent to which people are forced down a particular route.

Ian Bradbury: With the cloud, do you actually need a device?

KB: Which is funny because that's taking us full circle to the old mainframe days.

IB: In terms of where we see ourselves in 2020, it's a question of, where could we be and where will we be?

SBarrows: We'll get to the nitty gritty in a little bit, but first, what is on your wishlist, if you had a magic wand?

JS: Gen Y make up about 50 per cent of our workforce and that

will be around 75 per cent in 2020. The tools we use are a huge dimension as they spend much of their lives on Facebook, Twitter (social media) etc.

SBarrows: Will this be something that is centrally mandated or will there be an upswell?

JS: We got a lot of input from the Yammer team in the States as to how to adopt the tool. Our comms people basically held our execs back from Yammer for six months. They told them, you can log on and have a look, but don't post anything as it will put people off. There was an upswell, employees started using it and it went from there. Our UK business has had a 30 per cent drop in email since we rolled this out.

SBarrows: Looking beyond that, what does it mean for the business? Obviously it's a change but have you determined to what extent it's a change for good?

JS: With Yammer you see the times when people are posting; there's a lot of extra discretionary stuff going on in there, people are posting at various times, Saturdays, evenings, early mornings, because it's so easy, it's accessible as it's on their phone. People are engaging with the business.

BA: Large corporations will get there. Tools like Yammer can be gamechangers.



The boundaries will blur by 2020, corporations will be connected to clients via these tools.

Anne MacRae: One of the major things here is that your iPhone is always on, whereas with a laptop you have to login. We use Salesforce and since I've downloaded the app onto my iPhone I'm on it in a way that I wasn't before. Which goes back to Gen Y and the fact that for them there's no such thing as a rhetorical question. They're always on and can check for answers.

BA: You still have to login to your iPhone, whereas I'm hoping by 2020 that will no longer be the case. Fingerprint, voice recognition technology. Passwords will hopefully be a thing of the past. Over the course of a bank holiday weekend, the number of password request calls our centres receive is amazing. Thirty per cent of our helpdesk calls are password resets.

Harish Khatri: There are also many layers at the back end that need to be integrated and hopefully that will happen by 2020.

SBarrows: That provides us with an interesting segue; what might this world look like from an IT department POV? Will there even be an IT department?

IB: There are so many choices in the marketplace, someone has to make those choices and evolve them. The IT department will evolve to take on more of a management role.

AM: IT does need to get technologies under control. Look at Shadow IT and the use of Dropbox, it's so easy to send a big file in that way, but it's unsecure and not monitored. IT needs to address that because the business won't.

KB: There will always be an IT department but it will become more consulting and business engagement or advisory services.

Muhammad Butt: Yes, it will definitely

be required. If the organisation adopts a new technology, for example, the IT department will be required to do the IT audit.

SBarrows: Moving onto the role of employees, how will the role of colleagues change and in turn the dynamics of the organisation? Is it a question of what comes first, the chicken or the egg? Does the business take the lead and then things evolve accordingly or is it driven by employees and their devices?

BA: It's a bit of both. Today we are all hierarchy and structure driven, but I see the boundaries and hierarchies blurring.

Simon Gray: Certainly for the older people in the organisation there is going to have to be a mindshift in the way they manage teams.

Peter McElwaine-Johnn: I'm quite excited at and possibly a little bit scared by the prospect of cognitive computing. I'm not sure it will be widespread five years from now but 2030 will be another thing. It's already happening, Siri and Cortana, for example. And Amelia, a really interesting software programme created by IPsoft.

KB: On the other side of things, when you apply that cognitive analysis to data mining will it then tell you what you need to know? Data mining will have moved on considerably.

MB: I think there are a few years to go before you have an artificial intelligence level of data mining. The acceleration of technology is great in many ways but there is the element of risk. Take cloud, for instance. My prediction is that in the next five or six years you will see some major crashes due to cloud computing; people don't know who they are outsourcing to or how their data is being managed.

SBarrows: In the FS sector the regulators are still grappling with that and getting their heads around what is acceptable in terms of delivery models etc.

MB: There has been a trend of everyone jumping on the bandwagon without necessarily thinking things through. There are risk mitigation measures but, where we are today, I think we will see a couple of big crashes before people step back and think again.

IB: One area we haven't covered is the Internet of Things, what will that do to the workplace?

BA: We talk about the workplace but I don't think there is such a thing; work is wherever you are. There is already working from home, more flexible arrangements. IoT will move that on.

PMJ: Will we all be using Skype for Business in five years' time?

BA: There won't be such a need to travel, so costs will come down in that respect.

SG: Global teams will be able to work more seamlessly.

IB: There is certainly a value in having local communities of groups of people from different industries and companies working together.

JS: Within companies we do need to be careful though. Ratio working can lead to a breakdown in communities; there's a lot of complicated human nature stuff going on there.

AM: That is changing with the younger generations; their sense of community is different.

IB: A new group of people are almost divorcing themselves from that via technology.

JS: I think we need a reality check; you can go too far with that, you can't beat human interaction.

SBarrows: I did some work for an Italian bank last year, people in the organisation were pulling in different directions. You need to look at 'workplace' holistically.

JS: I couldn't agree more. It needs to be done organisation wide.

IB: It's not just about the touchpoints; the real problem is dedication to task, you get that from sitting in a room, not necessarily from your various devices.

JS: It's a modern day disease, people can increasingly only do short, sharp tasks. We're all guilty of it.

“You need to look at workplace holistically”

SG: I spend a lot of time working at weekends, purely so I can have that focus away from the ping, ping, ping of my email. Younger people do have that ability, however, to consume data across various devices.

JS: But other skills must suffer. There is a really interesting human element to this.

SBarrows: With 2020 not that far away, where are we at the moment and what trajectory are we on?

KB: For larger organisations, legacy systems are an issue.

IB: Does the workplace follow the same pace as the business in terms of moving to digital? Customers I'm talking to have gone through a big move to Windows 7, essentially they have what they had before but it will work a little bit faster then drop down over the years. They've spent their money so how do they now evolve the





workplace? Does one disable the other from working? If you're supporting a world of mobile devices and you've got a device that takes seven minutes to boot up, for instance.

AM: The question I'd ask is, who is worrying about that? The business or the IT department?

JS: Sadly, in a lot of big companies it's the last thing they're worrying about. The only thing they can hang it on to make it necessary is the compliance angle.

SB: What would make it interesting for them? Increased productivity levels?

JS: There has to be some hard stuff around business justification. But more and more employees will be digging their heels in about this.

SBarrows: So in that context the HR director takes on an increasing importance... We've talked in terms of generalities, where do people think their own organisations will be in 2020?

JS: For our business, like many other mature large companies, tackling the legacy IT estate is the number one issue.

SBarrows: Is there an inherent coupling, you can't have whizzy things over there if you've got legacy systems over here?

JS: It's a case of unburdening people from the legacy issues.

IB: In terms of lessons to be learned from the FS sector, park the stuff that's not going to move, ringfence it and get on with the new stuff. Let the new world begin.

BA: Most FIs are doing that and moving ahead with transformation programmes but we have to look at the customer journey end to end. The new game in town is looking at every part of the customer journey, setting up the new processes and migrating your customers onto it.

KB: We will have replaced all of our legacy systems this year. The key principle is integration, when it is new do it properly so it's flexible and modular and easily integrated.

PMJ: We are fortunate to be on Windows 7 throughout the organisation. We've moved towards desktop virtualisation. When it works on planes and trains we'll take it to our mobile users as well. That's still a barrier at the moment.

SB: How about the guys at Axis Bank, are you feeling bullish?

HK: I wouldn't say we're bullish exactly, but there are two approaches: face it full on or define certain processes and determine which ones are right to be automated.

BA: One thing we haven't talked about is the increase in regulations in the FS sector. Where will the regulator be in 2020? It's not so much where we want to be in 2020 but how much can we achieve around regulation? So much money and time gets sucked in to that.

SBarrows: It becomes a Catch 22 situation, doesn't it?... We're getting close to the end of the roundtable. Wrapping up, what are your key takeaways from this discussion?

AM: We have around this table a number of futurists and dare I say optimists, but there is still a gap between where we are today and the challenges that the organisation faces in terms of embracing that future and putting in place the roadmap to get there. IT challenges, regulations, you shouldn't underestimate the change in business thinking and culture that needs to happen to take an organisation on that journey.

MB: My overall take is that we need to take some risks. It's taking those risks that has brought us to where we are today. If no one had tried building the first airplane we'd still be travelling by horse. Look at all the main corporate failures, Kodak, BlackBerry, classic cases of not getting it right in terms of technology.

SB: Is that a call to arms, then, to take calculated risks in the workplace or face being another Kodak or Blockbuster?

MB: Definitely take calculated risks, because if you don't someone else will.

IB: We're in a brave new world and when you bring it back to legacy issues it's very hard to see a way through. The opportunity is to take the money that's available (and there might not necessarily be a lot of it) and do things that tactically move towards that. It's a case of picking your battles.

