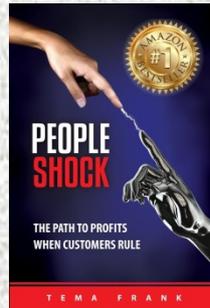# People Power

Presented by

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Tema Frank

- Tema (name rhymes with Emma) Frank has worked in marketing, communications, banking, & business/government relations for 30+ years

- Put up 1st website in 1995, & launched usability testing firm, **Web Mystery Shoppers**, in 2001. Built a 75,000 person global database of testers

- Her new, bestselling book, [PeopleShock: The Path to Profits When Customers Rule](), is about the increasing importance of the human side as automation leaves less and less to human interaction
    - Customer & employee experience are crucial

- Consults, teaches & speaks internationally about how to improve customer experience in the digital era

How Tech is Changing Jobs

- The Internet and technological advancements = more competition, harder for businesses to differentiate
- That's why customer experience (CX) becomes critical
- Good CX depends on *people*
- Many jobs being replaced by AI enabled tech
  - Accenture replaced ~ 24,000 full-time equivalent jobs with "virtual robots"
  - Baxter robot – easily trained to do any job on assembly line; costs $25K
  - insurance company in Netherlands in 2015 already had 80% of the incoming customer service chats handled by a robot. Now maybe 100%
  - By 2018, 30% of administrative jobs will have been replaced by robots (Accenture).
  - by 2023 about 1/3 of doctors, lawyers and professors will be replaced

So what about the PEOPLE?

- Still years away from being great at mimicking human empathy; a human will calm the irate customer or pull the hidden truth out of a reluctant patient, while a robot will solve the problem or diagnose the disease

- The key is using the tech to support the humans in doing what they can do best: creating memorable, valuable personal experiences
  - e.g. Frank & Oak – provide style advice, ship (at no charge) new batch of clothes each month; customers can ship back what don't want, also free.
  - How affordable? Sophisticated analytics to help them predict what each customer is most likely to want and look good in
  - They've also started opening stores, so they can get to know customers better; but even there, make it a special experience – e.g. barber shop designed to create a prohibition era style experience

What gets in the way of using technology to its full potential?

- FEAR
  - Political pressures, based on fears of workers (e.g. all automated fast food chain is possible, coming soon)
  - Businesses (especially SME) overwhelmed by the complexity; how to choose – pace of change

- Systems integration challenges

- Desire for human contact
  - Why do we pay to go to concerts with lousy sound quality?

How have organizations overcome these barriers?

- **Transparency** with employees: Have to demonstrate that automation can lead to them doing more interesting work
- **Re-examine** your systems and processes to figure out what can sensibly be automated and what should be done by humans; **how the automation can help the humans do the H2H (human to human) part better**
- **Partner** with vendors so they are forced to help you make it work. Push for contracts that have satisfactory performance built in before payment
- **Pilot projects**

Key Takeaways for Leaders

- Recognize that the human element is the only way you can stand out in a sea of sameness.

- You have to become a leader in people skills and in the systems that support people.

- Dig deeper in your listening to and understanding of people – employees, customers, suppliers, distributors, lenders, public...

- Focus on the 3Ps of Promise, People & Process (learn more in [PeopleShock: The Path to Profits When Customers Rule](#))

Simon Raby

- Visiting Professor at Hunter Centre for Entrepreneurship and Innovation, University of Calgary's Haskayne School of Business

- Focused on the understanding how small and medium enterprises achieve growth

- Much talk about start-up, less about scale-up

- I'm from industry – started in recovery & transformation in manufacturing. Saw firsthand the factors involved in how firms overcome growth pains

- Moved into research Then, from this research, built a range of development tools and growth programs for C-suite professionals – helping them become strategic leaders

Research Findings

- In a period like this there will be some who will say "it's the economy" "we need to wait it out" "we need others to make changes" (e.g. policy makers)
  - The economy was the largest reason reported for limited growth – 1/3 of all businesses
- Others say "do you know what, we didn't get our strategy quite right", "the way we deal with our customers, we can improve that!"
  - There are less of these types of people

Findings (cont'd)

- Firms are more likely to grow if there is:
  - A commitment to growth
  - A strategy
  - Some skills
- What do you notice…it's the power of people! The human element…
- But what does technology have to do with this?
- Our research reveals that technology is essential to executing your strategy and achieving higher revenues

Key Barriers?

- At a C-suite level we find that many people see technology as a black art. IT experts are effectively magicians. We value what they do when we see the outcome, we may even applaud! …but we cannot always envisage what the outcome is, or needs to be, and certainly do not (always) understand the process!

- This means we can disengage from the strategic role technology plays within the business, and this can influence the way we contract IT services and procure IT systems

Successful Examples?

- What was once out of reach for many smaller firms, is now within reach. Costs have come down. Smaller firms can now proactively lay the foundations for growth. To achieve this need to look beyond today's business model.

- We need to think beyond individual outcomes for each application/piece of software…

- CRM system – can be used to deal more efficiently with a larger number of customers (operational efficiency - bottom line) and can also be used to add value to the customer experience – products, services, processes (top line).
  - Do we introduce applications into our business for these reasons? Do we consider this duality?

- Beyond revenue and profit, we also need to think about…our portfolio? Every business has a technology portfolio. This is why some would say that every business is a technology business
  - Do we think about our technology as a portfolio?

- In building on portfolio, we need to move beyond a "narrow bucket". Just CRM, or just finance. How can you integrate these together to deliver a winning customer experience?

- Bear in mind through all of this…business valuation is higher where a company has a duality to their technology strategy, and they create a system or portfolio that is hard to imitate. It is embedded to the business model. The more intertwined systems become the harder they are to imitate
  - Do we invest in IT just in plentiful times, and cut in downturns? What impact do our investment decisions have on today and tomorrow's business value?

Key Takeaways

- Think about our definition of technology – what's included?
- Analyze our current technology portfolio – what do we have? How do we currently use it?
- Think over the long term as to how the needs of your customers and consumers are changing, how your business model is changing, and how technology can deliver your strategy…
- People are at the core. This has to happen at the C-suite, and it has to be meeting the needs of today and tomorrow's customers and consumers. It's about people.

People Power

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