



# Is the importance of the Human Factor in Banking declining?

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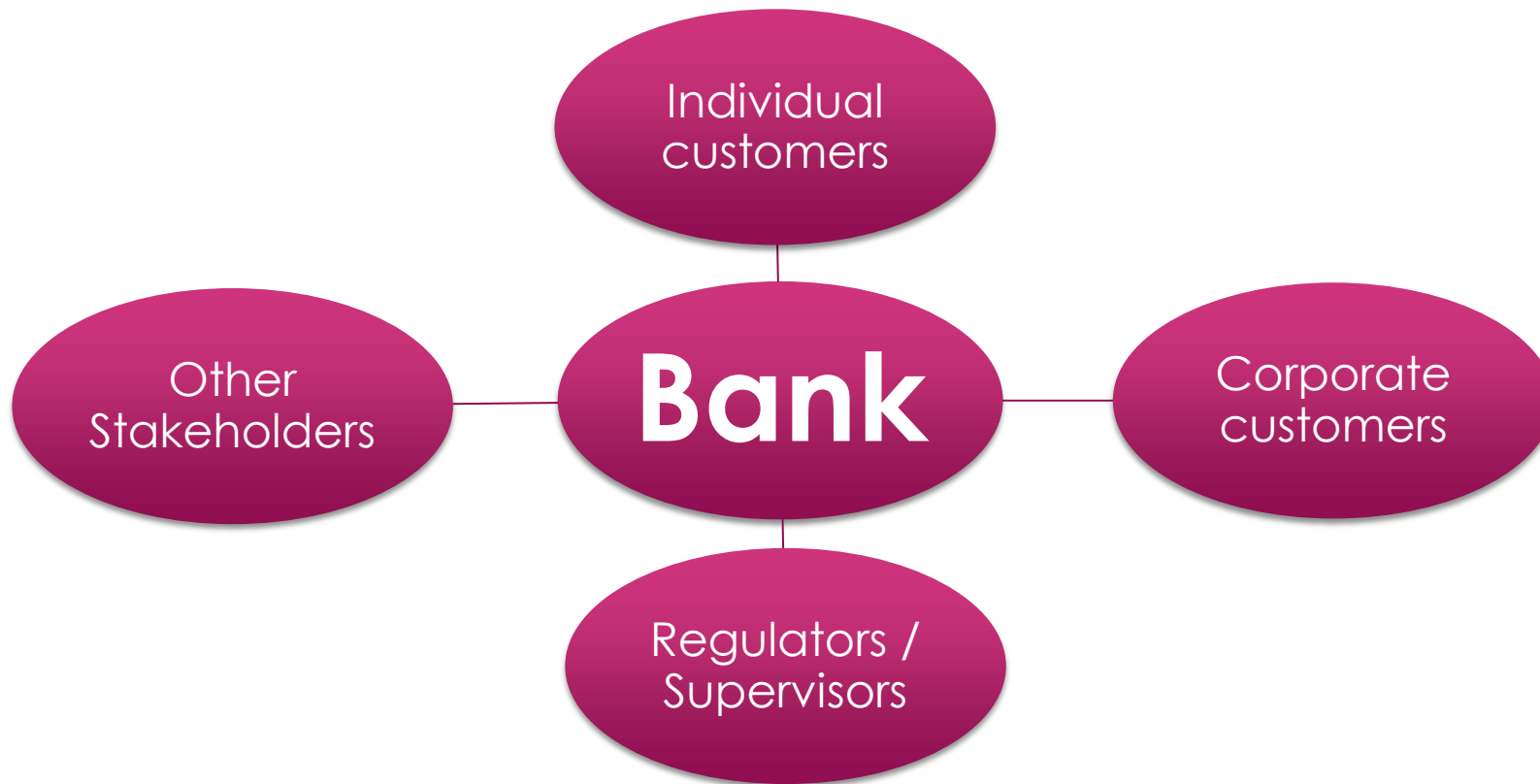
# Human factor in banking will not decline, however it will change shape

- ▶ Main Drivers for change: Technology, Regulation, New Challenges, New Competitors
- ▶ External interactions
  - ▶ In its interactions with stakeholders, most importantly with **clients**, the human factor will change shape, but customers continue to require human interactions
- ▶ Internal interactions
  - ▶ The way banks operate is constantly evolving, and new areas emerge (compliance, new risks, etc) where the human factor will also dramatically change shape and **evolve**

# Main drivers for change of the human factor

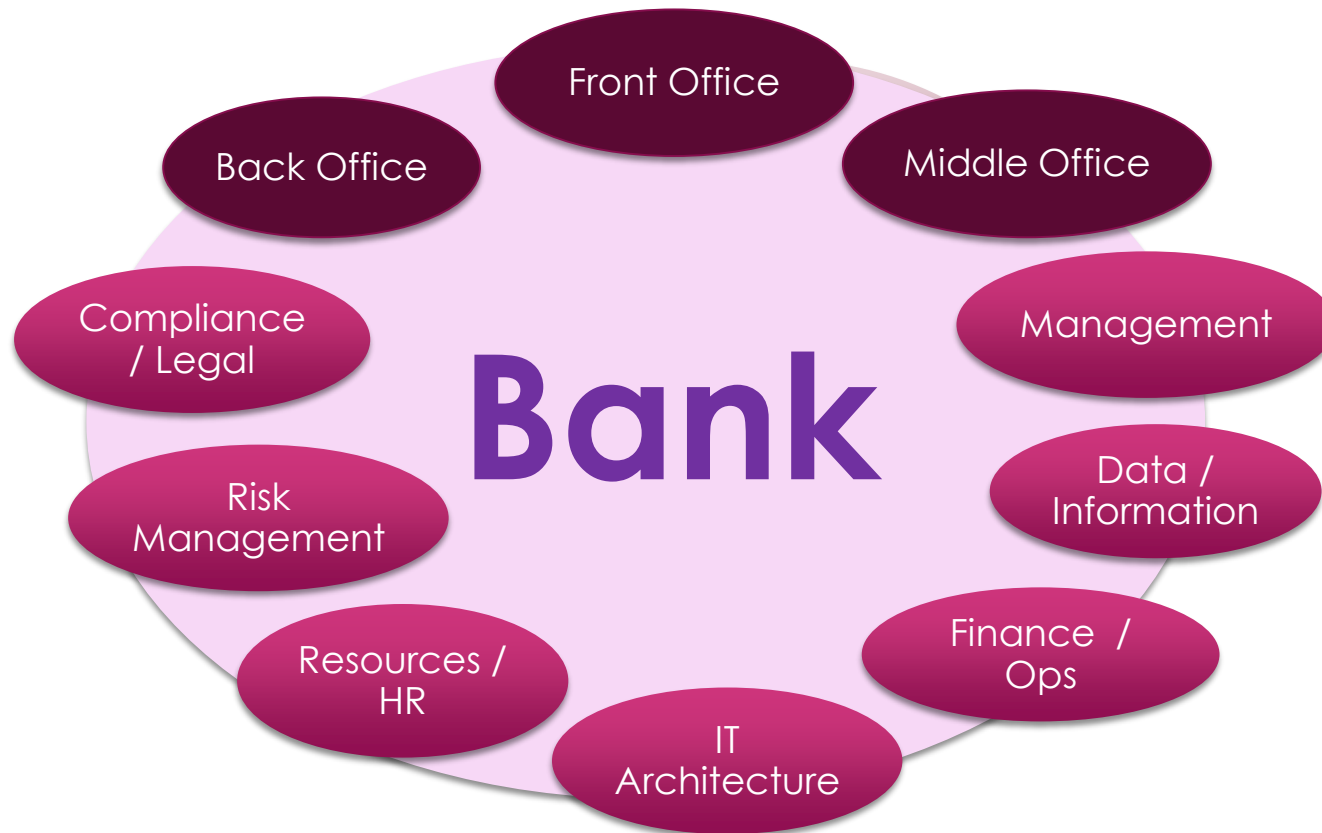
- ▶ **Technology**
  - ▶ Faster, more powerful computing power
  - ▶ Better interfaces and hardware
  - ▶ AI; DLT, Blockchain...
  - ▶ Better connectivity
- ▶ **Regulation**
  - ▶ Data privacy
  - ▶ Compliance
  - ▶ Risk management etc.
- ▶ **New challenges**
  - ▶ Cyber security
  - ▶ Theft of identity
  - ▶ Inclusion of the whole population
- ▶ **New Competitors** (Google, Amazon, Facebook, Telecoms, Fintech ...)

# External interactions will still require the human factor



- Enable and support customers towards digital transactions
- Route customers back to conversation with staff
- Provide “financial wellbeing” – understand your customer

# Internally, human factor remains critical and evolves



**Empower** employees to do what people do best:

- Be empathetic,
- Solve problems,
- Provide human interaction,
- Organise and network,
- Set strategy

# Customer interactions – some insights into the future

- ▶ **87%** of U.S. consumers see themselves using branches in the future, and they want human interactions when they go there\*
- ▶ Banks invest into the “phygital” channels, by re-creating the personal connection with the customers
  - ▶ example ING

\* Source: Accenture “Bank Technology Vision 2017”

# Go digital, but don't forget the human factor in banking...

“If you build your bank's future on the idea that **digital banking will solve everything**, you are looking in the **wrong direction**.

Instead of asking how you can digitize banking, you should ask how your bank can be **relevant to the everyday life of your customers**.

Spend more time and resources understanding **what financial wellbeing really means to your customers**. What are their goals and aspirations, and what are their pain points”

*From “American Banker”*

## ... As it will pay off in the future

Artificial intelligence and new technologies will help banks, but it still **to humans to make the big strategic decisions** and set course to help deliver profitable growth.

It is the right combination of people and technology that will truly create the **competitive advantage in the financial services industry** in the future.



*Thank you*