EVALUESERVE

Re-Imagine the Role of Technology to Drive Time-Critical Insights

Summary of key points from Evalueserve Panel Discussion

22nd Oct 2020

Evalueserve hosted a panel discussion on the topic of "Reimagine the Role of Technology to Drive Time-Critical Insights", with industry leaders Sebastian Hartmann (Global Technology Strategy, KPMG), Arsh Maini (CEO, Candela Labs), and Marc Vollenweider (Co-Founder and Chief Strategist, Evalueserve). Below is a summary of the discussion and key takeaways. For further details, please contact us at ps@evalueserve.com.

The Transforming Role of Technology

In a transforming digital landscape, businesses are armed with plenty of smart tools and technology solutions that rationalize investments. Technology is emerging as a **clear revenue driver** in creating value, enhancing customer experience, and contributing to top-line initiatives.

Technology is now perceived as a **competitive differentiator** based on its **capacity to add new capabilities** (such as digital sales, cloud-based CRM systems, Energy-as-a-Service, blockchain based audit, enterprise-wide data integration, AI-enabled end-end solutions for insurance claims process, legal compilation, and insights generation), and not just improve productivity.

Firms are still **scratching the surface in combining "mind and machine"** successfully to deliver holistic solutions. Technology-driven nonlinear growth witnessed in other sectors has not taken off for most Professional Services (PS) firms, mainly due to over reliance on the **traditional "time and material"** business model.

Theme 1: Usability of Technology & Key Success Factors of Tech-led Programs

Any insights generation program must be **led by business, not technology**. The right technology should fit into a firm's vision, not vice-versa. Any solution or program built around technology must be **simple to deploy, adopt, use, and scale** driving user adoption.

A **holistic UX-UI strategy** is important for a tech-enabled knowledge management program. Deep understanding of user journey, personas, and decision-cycles must precede any solution design and prototype. Successful integration of knowledge solutions into a **client's decision-making** process is critical for **enabling timely call to action**.

For a tech-led journey, PS firms need to fundamentally re-think the **"partnership-based"** model. A **"product-centric"** approach demands that PS firms change how they are managed, along with the way their products are developed and marketed.

Theme 2: Technology Levers that Drive Impact & RoI

The full value of new technology inclusive business models can be realized through **scalable and subscription-based models** seen in corporates such as Adobe and Microsoft.

An effective program integrates all levers (workflow engines, analytics engines, RPA/productivity engines UX/UI) to create an **end-to-end intelligent workflow or solution**, without any process breaks. Over time, integrated workflows generate enough data that enables a more sophisticated AI-based engine, capable of **capturing productivity gains and RoI**.

Traditional technology reporting metrics need to be supplemented by **alternate, hard-to-quantify, and outcome-based metrics**, such as new client wins, sales efficiency, fixed cost/process replacement, risks reduction, talent productivity and retention, enhanced customer experience, and data integrity.

Most clients **prioritize four key outcomes** from any tech-led solutions across business functions:

a. Productivity
b. Quality & data governance, with backward audit trails, and authentication
c. Reduced time to market
d. New capabilities

A true technology-centric approach must aid **new capabilities and lead to client wins by a factor of 10x**, helping achieve outcomes not possible earlier. PS firms need to **translate technology cost** into how it rolls up into infrastructure and applications and business services.

Theme 3: Digital Centers of Excellence (DCOEs) & AI/ML use cases

PS firms are gradually moving away from individual qualifications towards more holistic solutions. However, reliance on a **single digital center of excellence (DCOE)** may not be the best implementation approach **as it is internal facing and risky**.

As technology permeates every business function, PS firms must establish specialized DCOEs to combine **internal capabilities, talent, external vendor ecosystems, and technology alliances** collaboratively for scalable projects.

In KPMG's annual CIO survey with responses from nearly 900 corporates and PS firms, only **4% of the firms claimed to have firm-wide AI implementation**. Lack of support for a firmwide strategy and internal shortcomings are the biggest hurdles to largescale AI implementation.

Technology, by itself and its adoption by competitors, is causing disruption. New business models call for a reduction in headcount using technology. For example, Globality has built AI-driven services for procurement, and the law firm EDD is using machine learning for legal compilation.

Key Recommendations

New technology implementations should be considered as a **scalable and collaborative change management** programs. Alongside success factors, leaders need to factor in downside risks of maintaining status quo, competition from challenger firms, etc.

Product-led services will require investments in up-skilling the existing workforce, laterally hiring from product companies, training for **solution-based selling**, and organically growing an **innovation-driven culture**.

The best approach is to start small, define firm journey, take a careful approach to data and technology, and gradually scale up. Having a '**Human wrapper**' around data, tools, and technology is critical for generating insights even for the most sophisticated technology implementations

To provide the best returns, technology needs to fit in a firm's culture, vision, processes, and business model, based on a deep understanding of **what it means for employees, clients, partners, and stakeholders.**

Disclaimer: This summary contains excerpts from the panel discussion. And should not be treated as a researched document. All points discussed are personal views of the panelists.