Leadership Interview Series:
Implications of Disruptive Technologies on Professional Services Organizations
Every industry is feeling the effect of disruptive technologies like artificial intelligence (AI), augmented reality and blockchain. Yet these effects reverberate particularly strongly in professional services organizations, which must strive to keep both their clients and their own organizations on the leading edge. According to Russell Reynolds Associates’ recent Digital Pulse survey, a full 70 percent of respondents from business and professional services organizations said they expect digital technology to disrupt their industry this year, 15 percent above the average across 28 industries. Professional services organizations are also 20 percent more likely than average to be creating new business models and services to keep pace with digital disruption.

Russell Reynolds Associates asked seven experts from leading professional services organizations around the world about their views on disruptive technologies, the impact those technologies have on both their clients and their own organizations and the implications for their talent requirements.

Vicki Huff Eckert is the global new business and innovation leader for the PwC network, leading the development of several strategic partnerships between PwC and some of today’s most visionary tech companies. She also fulfills the same role for PwC US, helping clients embrace emerging technologies to empower their business strategy.

Janet Foutty is the chairman and chief executive officer of Deloitte Consulting LLP. Over her 25-year career, Janet has worked closely with her clients to deliver insights and innovative solutions to address their toughest issues.

Weiwen Han is the managing partner of Bain & Company’s Greater China offices. He is also a leader in the firm’s private equity practice and a senior member of its digital, consumer products and retail practices.

As head of global advisory and client experience at Avanade, Ian Jordan is responsible for creating a unique approach for clients as Avanade works with them to realize results. As part of this role, he is driving the development of Avanade’s global advisory practice, centered on the agendas of IT modernization, business productivity and the transformation to cloud and digital technologies.

Sharon Marcil currently serves on The Boston Consulting Group’s Global Executive Committee and leads its public sector practice in North America. She is also a member of the BCG Henderson Institute’s Innovation Sounding Board, which is dedicated to supporting, inspiring and guiding upstream innovation at BCG. Previously, she led the firm’s consumer practice and women’s initiative.

Arjun Sethi is a partner with A.T. Kearney and the global and Americas lead for its digital transformation practice. Arjun focuses on developing strategies that transform clients’ front-, middle- and back-office functions and enhance revenue growth.

Sanjeev Vohra is the global technology officer, Accenture Technology. In this role, he focuses on integrating technology innovation and automation into how Accenture delivers technology services to their clients. He works on optimizing existing application services, driving new ideas and creating new skills and technology capabilities to the Accenture team.
For the next five years, what do you consider to be the most disruptive technologies?

Over the next five years, experts see artificial intelligence having the greatest impact, followed closely by extended/augmented reality, deep data sciences, Industry 4.0, Internet of Things and blockchain.

**Arjun Sethi**, global and Americas lead for A.T. Kearney’s digital transformation practice

“Five years is a long time in the technology world. Having said that, from our current standpoint, I see three: (1) artificial intelligence—a next wave around cognitive learning and predicting behavior, (2) augmented—distinct from virtual reality and (3) investment in deep data sciences/learning. Each of these three are interlinked, such as cognition’s dependence on data science.”

**Ian Jordan**, Head of global advisory and client experience at Avanade

“Artificial intelligence and cognitive computing are hugely disruptive. There are lots of theories about bots, chat bots and cognitive computing, but we are seeing our clients achieve unprecedented levels of productivity with these technologies and humans being freed up to perform more value-added tasks. The workforce must be fundamentally rethought because of the change in tasks and need for higher work value.”

**Weiwen Han**, managing partner of Bain & Company’s Greater China offices

“In addition to the confluence of robotics, mobility and artificial intelligence that will disrupt many industries, the ways in which we see and interact with the world will be transformed by the convergence of networks that collect massive amounts of data on themselves and the environment, faster connectivity and the computing power used to analyze immense amounts of unstructured data. Organizations will need entirely new ways of managing data lifecycles and new capabilities to drive insights.”

**Sharon Marcil**, senior partner at The Boston Consulting Group

“We feel that artificial intelligence will be the most disruptive and transformative technology for the public sector over the next five years. Through AI, governments have opportunities to reduce costs as well as improve the speed and quality of citizen services. AI can help governments seamlessly connect services across programs and even agencies, creating a single point of entry into the full spectrum of government programs. At the same time, governments will need to consider how these changes will impact the workforce, including the tasks workers execute and the skills they need to be successful. This will create a need for large-scale training and redeployment of workers (both inside and outside government). It’s worth mentioning blockchain technology, which will ‘privatize’ currency, having serious implications on governments’ ability to conduct monetary policy.”
Sanjeev Vohra, global technology officer, Accenture Technology

“I would consider the most important to be artificial intelligence, extended reality, blockchain and quantum computing. Most immediate is artificial intelligence, which is evolving rapidly and will be embedded in every organization process. It will be a new normal and will touch every human—customers and employees. For extended reality, we have reached an inflection point: For now it is used in training, customer experience, etc., but expect this to dramatically evolve. Blockchain: The impact will be more profound than simply payments. The whole distribution landscape will revolutionize, having a severe impact on the value chain and process landscape. Quantum computing is a few years out on the horizon and will take some time to get into commercial application. It is the new NEW.”

Janet Foutty, chairman and chief executive officer, Deloitte Consulting LLP

“Industry 4.0 is redefining how we work and live by marrying the physical world with digital technologies, the most disruptive being: cloud; machine learning/artificial intelligence; and virtual/augmented reality, along with integrative forces such as the Internet of Things (IoT). The primary impact has been the fast-accelerating digitization across multiple dimensions of every organization and the exponential growth in data—a critical resource that will fuel the growth of the future economy. Each of these disruptive forces is already highly visible (and impactful) today, but they are all growing in scale, speed and importance.”
How will these disruptive technologies affect your clients?

Disruptive technologies will have a profound effect on clients in most sectors, including, for instance, retail, banking and healthcare; core processes such as customer journey, pricing, supply chain and product development will change radically.

Sharon Marcil, senior partner at The Boston Consulting Group

“Artificial intelligence technologies create a new paradigm for public sector entities where computers and people will collaborate to solve problems and serve citizens. In the future, predictable, rules-based decision making will be handled by software, freeing human workers to focus on decisions and tasks that require creativity and empathy. Governments will have to think about the implication for their resourcing model, including training employees to work with these new technologies, while interacting with the public in a different way. At the same time, the continuing improvement of mobile and social technologies raises the bar for what citizens expect from their governments. Citizens expect the same ease of experience with the government as they do with a commercial app on their phone. Governments will need to ensure they continue improving ease of experience without inadvertently cutting off populations of citizens who struggle with access to these new technologies.”

Arjun Sethi, global and Americas lead for A.T. Kearney’s Digital Transformation practice

“We’re working with clients to transform the entire supply chain lifecycle—innovation, sourcing, planning and delivery—while the clients reinvent how they do business. Innovation is deeply impacted by artificial intelligence and 3D printing; sourcing is being impacted by augmented reality; planning is being impacted by data analytics; Internet of Things and deep analytics are impacting transportation and third-party logistics.

“In addition to these advancements, customer centricity—focused around customer impact and customer experience—is coming to the fore in every sector, and we see this with our work in retail of the future and banking segments.”

Janet Foutty, chairman and chief executive officer, Deloitte Consulting LLP

“For most of our clients these are profoundly important forces that will reshape some of the most fundamental questions every business must now keep front of mind. A recent Deloitte study of global C-level executives around their readiness to harness Industry 4.0 for their advantage found that the majority (87 percent) are optimistic that these disruptive forces will have a positive impact in terms of social and economic equality and stability. However, there’s still 14 percent who say their organization is not equipped yet to best leverage the opportunities presented by this disruption. So, there is still work to be done to align the right talent, processes and models to mitigate the risks and accelerate the opportunities.”
**Sanjeev Vohra, global technology officer, Accenture Technology**

“Number one is artificial intelligence: Being a horizontal technology, artificial intelligence will pervade everything, from integration into the development of any product/service to affecting the consumer segment. That’s why the huge investment is happening in this space, and we see more efforts into curation of the right data sets to draw meaningful outcomes. Number two is extended reality: Used case by case, virtual worlds will enable businesses to see the effect of planned changes before they happen. Number three is blockchain: Much innovation is still needed to reach maturity, but blockchain will have multiple use cases. Number four is quantum computing: Too early to comment on.”

**Weiwen Han, managing partner of Bain & Company’s Greater China offices**

“On the people side, these new technologies will cut costs but also strain workers as employment opportunities are reduced. However, we remain optimistic about the new fields that could open up as a result. For example, removing the physical labor from eldercare could transform care jobs into a more companionship and cognitively focused field. Not only would this be far more rewarding on both sides than the simple physical aspect of care today, but the social and emotional aspects will also matter more. In other fields, where artificial intelligence allows for mass data analysis and manipulation, asking the right normative question becomes a critical skill.”
What are the main opportunities and risks of these technologies for your own organization?

Professional services organizations will need to become increasingly agile and focused on quickly understanding the business implications of new technologies for their clients, on investing in the right technologies for themselves and on quickly recruiting the right talent to help clients with those business implications.

**Arjun Sethi**, global and Americas lead for A.T. Kearney’s Digital Transformation practice

“The biggest risk we have is from a scarce talent pool and the heightened demand for skills required to serve a highly dynamic and fast-paced set of market needs.”

**Ian Jordan**, head of global advisory and client experience at Avanade

“Our workforce will change as a result of these technologies: Today about 48 percent of our workforce comprises specialists in legacy technologies, but we are rapidly rotating the capabilities of our people to provide digital and cloud expertise aligned to the changing needs of our clients. We are also changing how we operate as a business to be more agile. Reaction must accompany action.”

**Weiwen Han**, managing partner of Bain & Company’s Greater China offices

“We as a firm also have to evolve with the technologies by adopting new business models for ourselves. New technologies force our people to stay even more focused on insights, and their business implications, in order to realize value quickly and generate early results for clients.”

**Janet Foutty**, chairman and chief executive officer, Deloitte Consulting LLP

“We have always been committed to helping our clients seize their greatest opportunities and address their most complex challenges. These technologies provide us with a very motivating opportunity to deepen and broaden our contribution to their sustained growth and success. We will do so by:

- Providing advice as they undertake their transformation journeys
- Helping them implement the most important and complex changes regarding their people, infrastructure, systems and operating models
- Operating a growing variety of their mission-critical systems, processes and functions to deliver superior outcomes with greater efficiency

“Cloud, machine learning/AI and digital reality technologies are essential not only for our clients, but also to our delivery of the next generation of consulting services—and we are making significant investments in these areas to build the capabilities required to help us create opportunity for our clients’ businesses—and achieve the same for ourselves.”
Sanjeev Vohra, global technology officer, Accenture Technology

“Opportunities are huge, and the risks are manageable only if you invest in people. No longer is simply knowing a technology sufficient to keep you competitive for the next 10 years—a culture of continuous learning is of paramount importance, pulling employees into learning opportunities rather than pushing them.”

Vicki Huff Eckert, global new business and innovation leader for PwC network and PwC US

“There is a big impact across our entire firm from disruptive technologies like blockchain, AI and robotic process automation. In our tax, assurance and risk assurance businesses, these technologies require us to think about best practices in our work, presenting opportunities for us to do our work more efficiently but also comprehensively, enabling us to provide greater value to clients. We’re also looking at how we can help clients leverage these technologies in their own organizations.”

Sharon Marcil, senior partner at The Boston Consulting Group

“Professional services organizations will need to become increasingly agile with the application of these technologies. Organizations like ours must blend our understanding of the technology with the accompanying policy, legal, ethical and workforce implications to help our clients truly realize the transformative potential. We are focused on embracing these new technologies within our own business operations. For example, increasing the efficiency of our analytical tools and capabilities will enable our teams to spend more time and energy driving to the customized insight we bring to our clients. And just like citizens have rising expectations from their governments in terms of usability, our employees have rising expectations for the ease of use of our internal processes and tools.”
What lessons has your organization learned about successful recruitment, integration and retention of such talent?

To keep up with disruptive technologies, professional services organizations are investing heavily and continually in developing the skills of current employees, as well as in recruiting and integrating next-generation top talent.

Sanjeev Vohra, global technology officer, Accenture Technology

“For the senior level, role fit and integration are key. If you don’t integrate in six months, you will never be integrated properly. A structure should include assigning the right counselor, creating a 100-day plan with networking opportunities and understanding what you want to deliver in the first three months. For the lower levels, it is all about an exciting world, workspace and vibrant culture, and an engaging first project to work on can make a real difference.”

Vicki Huff Eckert, global new business and innovation leader for PwC network and PwC US

“From a talent perspective, we see a lack of people with the right advanced artificial intelligence skills. We are focused on small and quick wins while simultaneously rolling out a digital knowledge platform to help our people maintain and build their skills. The platform provides our employees with a digital baseline and points to online and classroom training, TED talks and other actions they could take to improve their technological understanding.”

Arjun Sethi, global and Americas lead for A.T. Kearney’s Digital Transformation practice

“Culture is key to attract top talent—creating a nurturing environment with opportunities for continuous learning. Yet, importantly, we recognize that we don’t need to hire for everything and have built a strong ecosystem of partners.”

Sharon Marcil, senior partner at The Boston Consulting Group

“Good onboarding, continued training and sponsorship are the keys to success. When you come into BCG, you have a business plan, you have a sponsor who is a person, you have a sponsor which is a practice. You probably have a primary sponsor and a couple of secondary sponsors. We train on core systems and tools, then practice area training, regional training, softer skills training: we put enormous effort into developing our talent.”
Janet Foutty, chairman and chief executive officer, Deloitte Consulting LLP

“In today’s dynamic, fast-changing environment where disruptive tech is creating an ultra-savvy workforce, our focus as an organization is to connect with world-class talent, foster a culture of inclusion and provide opportunities for our people to grow.

“We put an emphasis on integration: the integration of people with market-leading products, tools and technologies and the integration of ‘fuzzies and techies’—to borrow a term from Scott Hartley. Also, recognizing the critical role disruptive technologies play, we are committed to democratizing tech-savvy skills for all practitioners and to creating an environment where every employee has a strong command of the technologies that are driving change and growth.

“Finally, we demonstrate unwavering commitment to this talent’s diverse career interests. Whether someone wants to research and develop products or sit side by side with our clients, we can provide a bespoke talent experience for them.”

Weiwen Han, managing partner of Bain & Company’s Greater China offices

“While the core tenets of our people strategy stay the same, we empower our people with the best and latest tools and technologies. As a firm, we are also expanding our talent pool, finding recruits with relevant technology backgrounds outside of the traditional MBA schools. We are patient and open-minded about what and who will be successful in our firm despite growing pains these changes bring. I found that top management’s commitment and actions really make a difference in propelling the firm forward during times of change.”
Russell Reynolds Associates is a global search and leadership advisory firm. Our 425+ consultants in 46 offices work with public, private and nonprofit organizations across all industries and regions. We help our clients build teams of transformational leaders who can meet today’s challenges and anticipate the digital, economic and political trends that are reshaping the global business environment. From helping boards with their structure, culture and effectiveness to identifying, assessing and defining the best leadership for organizations – our teams bring their decades of expertise to help clients solve their most complex leadership issues. www.russellreynolds.com. Follow us on Twitter: @RRAonLeadership

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