



News release

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Pages 2 pages

PwC Survey: Banking CEOs concerned about skills shortages to maximize digital transformation opportunities

90% believe AI will significantly change how they do business in 5 years

Hamilton, Bermuda - Nearly 80% of banking CEOs see skills shortages supporting digital transformation as a threat to growth prospects. Their ability to innovate effectively and provide a winning customer experience is suffering as a result. These are the findings of **PwC's Annual Global CEO Survey: Banking and capital markets trends 2019.**

Matthew Clarke, PwC Bermuda partner, said: “A significant portion of the 235 bank and capital markets CEOs taking part in PwC’s Survey believe that this vital human element of transformation is falling short. What comes through strongly in our survey and PwC’s work with clients is the importance of putting people at the heart of transformation. Digital transformation within BCM is gathering pace and creating opportunities for innovation and differentiation. However, ultimately banks are run by people, for people and so tech savvy humanists are critical for such transformation.”

Nearly three-quarters of respondents say that deploying emerging technologies will separate high-performing firms from average (or worse) performers three years from now. **And more than 90% believe that artificial intelligence (AI) will significantly change how they do business over the next five years.**

More than just lowering costs, CEOs are counting on technology to deliver more seamless interactions with customers, valuable new insights about their brands and markets, and more tailored and targeted products and services.

“For banking organisations, the overriding challenge is how to keep pace with the expectations of retail, business and capital markets customers,” Clarke said. “Increasingly, these customers expect the same ease, speed and intuition from their bank that they’ve become accustomed to in other areas of their lives.”

Some of these expectations are basic —for example, ‘Why should I wait weeks for approval on a loan or have to start the inquiry from scratch when I switch from mobile to branch?’ Others are more complex and provide opportunities for BCM firms to stand out in the market: ‘If my bank has all this data on me, how can it help me meet the changing needs in my life —buying a new home for my expanding family or managing the risks facing my business in a time of market uncertainty and volatility?’

Meeting these more exacting expectations requires human collaboration with (rather than replacement by) machines. People —not systems —drive innovation and help realise its full commercial potential.



For instance, millennials working in fintech are drawing on their personal experiences —such as difficulties in saving enough for a deposit on a home or attracting funding for new business ideas when they have little or no credit record — to develop new banking capabilities that include spending tracking and analysis apps to help individuals reach specific financial goals.

Our report outlines five ways organisations can put people at the heart of digital transformation. **Read the full report here:** www.pwc.com/Bermuda or pwc.com/BCM

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