



AUTOMATIC FOR THE PEOPLE: PwC'S SURPRISING TOOL IN THE BATTLE TO ATTAIN AND RETAIN TALENT

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ROBOTIC PROCESS AUTOMATION AND CITIZEN-LED STRATEGIES MAY UPEND TALENT MANAGEMENT FOR THE BETTER

Every consultancy and IT services vendor — along with many of their clients — faces challenges recruiting and retaining people. PwC may have found a surprising tool in the war for talent and battle against attrition: automation. Seriously. Combined with analytics and deployed with intensive change management, intelligent automation may be one of PwC's key methods for helping the firm and its clients attract and keep talent.

In late June, TBR met with Kevin Kroen and Kevin Schwartz, both PwC partners and leaders in the firm's Intelligent Automation practice. The following reflects that discussion as well as TBR's previous reporting on and ongoing analysis of PwC, particularly PwC Products.

Rethinking automation: Citizen-led, advanced and ubiquitous

Kroen began the discussion by explaining that in the early and mid-2010s, PwC tried to build a full automation practice as a premium brand in a nonpremium business. The firm's consulting around automation gained some traction, but clients were frequently reluctant to pay for substantial automation consulting engagements. In addition, PwC consistently came in as an expensive choice for implementation, particularly against India-centric IT services vendors.

When PwC assessed the market, a diverse set of competitors appeared to be delivering subpar value to clients. In many cases, automation software vendors and systems integrators (SIs) crammed technology solutions into business processes without a good fit. Clients failed to engage in the strategic thinking about their automation needs and goals prior to buying an automation solution.

Rather than being part of a larger technology or digital transformation strategy, automation was "single-threaded" and had minimal adoption. Most damaging to overall client value, the SIs and automation software vendors ignored the necessary change management.

So, in 2019 PwC did a rethink and came up with three key components to a new intelligent automation offering: citizen-led, advanced and fully wrapped into all of PwC's existing practices. As described by Kroen, citizen-led imagines enterprise professionals outside of IT being trained for and prepared to use automation, embracing the tools, and becoming users



and even innovators. For PwC, launching the Digital Fitness app in November 2017 started the firm on its journey to citizen-led digital upskilling and, nearly five years later, the firm's own success has become a use case it brings to the market: It worked for us; it can work for you too. (For a detailed description of PwC's citizen-led approach, [click here](#).)

The second component, broader and more advanced automation, emerged from the realization that the right automation tool kit — developed with PwC Alliances — had become table stakes across the market and PwC needed to build peripheral capabilities that allowed clients to apply automation solutions to their most challenging problems, not just simple processes.

According to PwC, the firm's technology investments and alliances allowed it to deliver on the promise of seamless, intelligent, advanced automation. And lastly, PwC pivoted from selling automation as a stand-alone service to wrapping automation into the firm's practices and offerings, including tax, audit, risk and consulting.

While this was not an overnight change — business model and cultural shifts never are — Schwartz said some practices embraced automation more quickly than others and, overall, PwC had substantially transitioned to bringing automation to clients through all practices. For example, PwC partners leading the Digital Value Creation offering within Fit for Growth now include automation in their proposals, fully baking the tools and value propositions into the offering's go-to-market approach.

Embracing the employee experience of working with, not being replaced by, automation

Kroen stepped back from discussing the specifics of PwC's automation practice today to describe automation's likely evolution, saying that relatively soon the low-hanging fruit would be consumed and automation would become part of innovation, helping enterprises disrupt themselves and change faster.

According to Kroen, the "end state will be digitally native" employees who use automation to grow the business, not simply to reduce costs by streamlining processes. From cost-cutting to growth through — and this is where PwC may be unlocking a tool in talent management — an improved employee experience. PwC's use of automation, for itself and its clients, revolves around people, not tools.

If enterprises embrace change management as critical to automation adoption, upskilled employees will not have to worry about losing their jobs to automation but instead will use intelligent tools to work faster and spend less time on repetitive tasks and can graduate from finding ways to cut costs to helping the enterprise grow. In the war for talent and the battle against attrition, automation becomes part of the solution.

For example, in TBR's *Spring 2022 Global Delivery Benchmark*, we noted the impact automation could have in overcoming the talent obstacles emerging from the war in Ukraine: "In addition to employee attrition, which remains the most immediate threat to vendors' performance and business models, the ongoing war in Ukraine is further disrupting vendors' resource management strategies.

While so far there has been a minimal impact on vendors' delivery models, the potential for the conflict to expand outside Ukraine's borders keeps vendors on edge and going back to the drawing board when it comes to their business continuity plans.

TBR sees two immediate solutions to the challenge: diversify global footprints beyond traditional delivery hubs such as India, and ramp up automation in service delivery ... we believe ramping up automation will allow vendors to decrease their reliance on India as a global delivery hub and possibly provide them with the necessary solution to combat the potential development of new clusters of state economies."



As a firm-related example, Schwartz said newly hired tax and audit professionals at PwC were being trained on automation tools using the support of the firm's Digital Labs professionals and the ProEdge learning platform. With clients, PwC partners have been able to demonstrate that the firm helped its own professionals build new skills and become better at and more engaged in their jobs, which makes work more enjoyable and challenging in a positive way.

Schwartz indicated that PwC understands, through its own internal experience and working with clients on automation, that upskilling an entire workforce is not the goal for any client. Instead, Schwartz said, the firm focuses on promoting the idea of "acumen and awareness for all" and training 20% to 30% of its employees to become power users. ProEdge, which TBR reported on previously, has become an important piece of PwC's value proposition around automation and a citizen-led approach.

Kroen noted that PwC initially expected ProEdge would be a "transformative solution" impacting the professional development of the firm's employees as well as a business model change as PwC embraced being a software vendor. ProEdge was initially going to be sold as a premier software offering, but in reality, consulting engagements around ProEdge have grown faster and more substantially than expected.

Clients understand the value of citizen-led innovation and expect PwC to provide the guidance and assistance needed to deploy ProEdge to its full extent. Kroen acknowledged the citizen-led approach remains a relatively new concept in the market and is not fully embraced by every industry or enterprise, which makes the prebuilt ProEdge solution, with proven outcomes based on PwC's internal use, an excellent tool for selling the citizen-led concept, both internally and externally.

Who knew RPA could be HR's best friend?

TBR did not anticipate coming away from a PwC automation briefing wondering if robotic process automation (RPA) — the dreaded job-killing RPA — held a secret to success in combating talent challenges, one of the most frequently discussed topics across IT services and management consulting.

While the discussion occasionally veered into technology details and PwC's insights into pricing, the competitive landscape and internal challenges, TBR kept returning to the effect a strategic, citizen-led and change management-embracing approach to automation could have on talent across an enterprise. Upskilled and empowered employees will contribute to cost-cutting by being more effective, revenue growth by engaging in innovation, and overall operational efficiency by staying longer.

If PwC can combine this approach to automation with the firm's overall approach to employee experience (see the upcoming special report on PwC My+), it may begin to separate itself from peers with respect to recruiting and retaining while simultaneously bringing added value to automation initiatives — and talent initiatives — at clients.

In the last few years, TBR has written extensively about both PwC and automation, including in the following special reports:

- PwC unleashed: A professional services firm adopts Netflix-like business models
- PwC Products: Not your father's PwC
- PwC's Industry Cloud strategy delivers on 3 major cloud trends



- PwC accelerates SaaS strategy as latest round of solutions aim to solve marketers' business challenges
- Evolving at a perfect pace: PwC EMEA Products
- SAP use case reveals big things for PwC
- PwC's The New Equation: Convening leadership to build trust and drive sustainable outcomes
- 'Get it right, be convincing and do it fast': PwC's Risk Proof upends risk assessments
- PwC's Saratoga, diversity and inclusion challenges amid the shifting landscape of HR management
- UiPath amplifies the RPA's value that comes from scale
- UiPath Forward Americas

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