

Technology Can't Replace Vital Human Skills in Financial Services

Toronto, April 3, 2018 -- Investing in employees and developing future skills need to be strategic priorities if financial institutions (FIs) wish to reap the benefits of technology now and in the future. This is just one of the findings uncovered in a new report by the Toronto Financial Services Alliance (TFSA) published today.

The report, [*Unlocking the human opportunity: Future-proof skills to move financial services forward*](#), examines the employee skills that will be increasingly in demand, given rapid advancements in technology, and how FI employers can plan and prepare for the future, now.

"The launch of this report comes at a pivotal time in the financial services sector," said Jennifer Reynolds, President and CEO, TFSA. "Technology is rapidly changing the way we do business and it is important that with this change, we recognize the value of human skills and the need to develop, inspire and prepare our employees for the future of work."

Innovative technologies are reshaping financial services. Customer expectations are shifting rapidly and many FIs are investing in technology to offer a valuable customer experience. According to the report, 54 per cent of executives believe 20 per cent or more of tasks will be automated in their organization in the next three to five years. Robotic process automation (RPA), artificial intelligence (AI), the internet of things (IoT), and blockchain are providing new ways to serve customers, elevating the customer experience, creating new customer value, and improving efficiency and productivity.

Despite the impact of technology on roles and skills, there are also a number of fundamental skills that are unique to humans such as critical thinking, empathy and creativity. Combined, they enhance the organization's understanding of the customer journey and ability to address complex needs more effectively.

"Financial institutions continue to perform well because they have built long-lasting, trusting relationships with their customers. This relationship isn't based on technology but the human interactions and skills that technology cannot reproduce," says Reynolds.

"Diverse teams comprising different skills bring new ways to solve problems that technology would not be able to do," adds Karen Forward, Partner, PwC Canada. "Technology might help us identify the problem quickly but it's up to employees to work with their teams and leadership to solve it. By doing so, FIs can only build stronger relationships and trust with their customers."

The report highlights four key skills that will help FIs to prepare employees for the future:

1. **Human experience skills:** Emotional intelligence, empathy, communications, and influencing skills will help individuals drive more fulfilling human-centric experiences for both customers and employees.
2. **Reimagination skills:** Curiosity, creativity, critical thinking, problem solving, and business acumen will help individuals reimagine the future and develop new solutions to meaningful business problems that have commercial value.
3. **Pivoting skills:** The willingness to change, the capacity to learn and adopt new skills quickly, and the ability to lead people through change and build resilience will help them to adapt in an environment of volatility and uncertainty.
4. **Future currency skills – digital and data acumen:** Developing and staying current on key technical skills will be a baseline requirement for people as the digital and information age continues to evolve. Today, the key skills are digital and data acumen. However, the level of knowledge and abilities required will likely shift over time.

According to the report, 87 per cent of executives say that at least 20 per cent of roles will change in the next three to five years. FIs are adding new roles to their existing roster including: data scientists, visual analysts, scrum masters and developers.

“We can’t think of financial institutions as a place only for financial analysts anymore. It’s a space where diverse technical backgrounds are enhancing the customer and employee experience,” adds Forward.

The full report can be accessed [here](#).

About Toronto Financial Services Alliance

TFSA is a public-private partnership between three levels of government, the financial services sector and academia. TFSA’s mission is to lead collective action that drives the competitiveness and growth of Toronto’s financial sector and establishes its prominence as a leading international financial centre. For more information, please visit tfsa.ca.

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