

The G20-Y Association

Impact Business Case Description

On July of 2017, I was informed that PwC's CEO, Bob Moritz, had nominated me to attend the G20-Y Association's 2017 summit. Upon learning more about the fascinating topics and challenges that the G20-Y was tackling, I submitted my application to serve as the Vice Annual Chair for Jobs creation committee. I was very honored to be selected to serve as the Vice Annual Chair and work on a topic that I have been always interested throughout my life: how to best create sustainable and fulfilling jobs.

In recent years and as part of my work as economic advisor to MNCs, I saw firsthand, how technology innovation and automation massively disrupted entire industries and sectors. Interestingly, 2017 coincided with the beginning of the 4th Industrial Revolution driven by cloud computing, big data, AI and superfast networks. Naturally, most automation is focused on maximizing efficiency which almost by definition is designed to eliminate jobs. As I have learned more and more about technology over the years, I become more and more aware of the enormous potential disruption that is accelerating in the coming years. Thus, I became intensely interested in understanding technological innovations, its impact on employment and more importantly, learn what individuals, NGOs, governments and MNCs can do to foster sustainable business models that can survive and indeed, benefit from this innovation.

My hope and intent as a Vice Annual Chair of the Creating Jobs Committee was to encourage, review and discuss the interests of other G-20Y participants in this broad topic and seek to formulate a practical and actionable platform or framework that could result in ongoing collaboration that would maximize the impact that this G-20Y committee can produce over time.

Specially, I proposed the following 4 steps:

1. Present and review the background and current trends in technology disruption and employment across countries and industries.
2. Present and review a forward-looking analysis of estimated benefits and costs by country, industry and job classifications.
3. Explore the possibility of formulating, constructing and disseminating a practical and useful ***PwC Employment Disruption Index (PwC WDI)*** that could serve to guide policy makers, international organizations, NGOs and private enterprises. This index would serve as an ordinal ranking of the type of jobs and industries that would be most vulnerable to technological disruption. At the same time, the index would highlight the most promising industries, sectors and jobs that are more likely to resist and indeed benefit from technological innovation.
4. Formulate public policy recommendations for governments based on their level of economic development and exposure to benefits and costs; as well as actionable recommendations for interested MNCs and NGOs.

The G20-Y summit in October 2017 was highly engaging and thought provoking. The outcome of the summit was summarized in the 2017 Job Creations Perspectives. Amongst its key take away points, the Perspective presented the following eight points:

1. **Investment in infrastructure.** The need for national, state and local governments to invest in basic infrastructure such as water, electricity, internet connectivity and cloud computing capabilities. This would be essential to reduce or eliminate the gross digital divide that currently exist in the world.
2. **Fostering of open society.** The need for national governments to promote an open economy and society that enables knowledge sharing and incubates micro entrepreneurs that can launch family and private businesses which will create the majority of jobs in the next decade.
3. **Purpose.** The critical role that purpose plays in inspiring employment engagement, retention and performance.
4. **Employee engagement.** The need to match jobs and tasks with the individual's attention and imagination. It will not guarantee happiness, activity fulfillment and success but it will greatly improve the chances of fostering sustainable and productive employment.
5. **Productivity.** The critical need of generating job productivity which in turn will lead to the creation of new sustainable and highly rewarding jobs.
6. **Learning and development redesign and digital upskilling.** The urgent need for policy makers, education institutions and the private sector to radically design early, elementary, intermediary and University education programs to teach the right content, the right way in a digital and radically more cost-efficient way. It will be imperative to ensure flexible, agile, continuous life-long learning, starting with childhood early education. This will help people adapt to different changing roles and positions in a wide range of occupations.
7. **Whole life.** The need for employers to integrate whole life considerations such as physical, spiritual and mind wellness, including organized sports, cultural and artistic events, as well as continuous learning including social inclusions.
8. **Trust, transparency and continuous feedback.** Trust, appreciation and continuous feedback will be an essential component of all interactions in all employer/employee relationships.

I was so fascinated by the outcome of the G20-Y summit that upon returning to my office in New York, I immediately met with my reporting partner and began discussions about changing my role in the Firm. On January 1, 2018 I assumed the newly created position of PwC's Innovation & Digitization Leader for Tax Consulting. This new role led to a series brainstorming workshop sessions with many of my partners, which ultimately led to the vision, design and implementation of a new global platform that we now call "Your Tomorrow".

Your Tomorrow is our strategy to disrupt ourselves and secure and power our future. This is not a "nice to have" it's a must have and an opportunity to invest in ourselves and to help change our firm for the future. Your tomorrow is a program that focus on Digital Upskilling on our people and our businesses by using it as a source of innovation and competitive advantage with our clients.

Your Tomorrow has two main pillars:

- Citizen-led innovation: it's a movement to empower our people by focusing on our values and delivering on the things that matter to us like Digital Upskilling, Digital Hub, Digital Academies, Digital Fitness App, Digital Acumen knowledge badge, Digital Accelerators, *Be well, work well*, and Digital Story.
- Business-led innovation: our enterprise wide innovations involve digitalize all of our services by adding automation, AI, blockchain and embedding usage of other emerging technologies in our product and services.

Through our Digital Lab we incorporate elements of both Citizen-led and business-led innovations. Ideas that are generated from our Citizen-led innovation and our business-led innovation drives scale and everything is put together in our Digital Lab, to power our future.

Be well, work well is PwC's investment in well-being. The goal is helping our people perform their best, at work, at home and everywhere in between. It is a key component of our People strategy, marking the firm's commitment to create an environment where we can be our best selves. Be well, work well is all about putting the power of the firm's resources behind our people and helping support their journey to greater well-being with science-backed concepts, practices and tools.

How did it come together from idea to reality? It started from the top with our Senior Partner supporting idea discussion forums such as the G20-Y where more than 16 PwC partners have participated. Our Chief Digital Officer Joe Atkinson lead the design of our program. Importantly, our lines of service leaders and many hundreds of PwC partners and professionals working together made this a reality. For me it all started in 2017 after I joined the G20-Y 2017 summit. Here is the chronology of my individual journey:

- Summer 2017: Began to prepare for the G20-Y summit and conduct research on labor trends.
- October 2017: I attended G20-Y session in Evian which culminated in our Perspectives and the creation of our *PwC Workforce Disruption Index*.
- January 2018: I assumed new role as PwC's Innovation & Digitization Leader. The concept phase of the project began, and we started working on the design of our AI COEs and Digital Lab.
- Spring 2018: We worked on defining total, labor and digital productivity and setting out our short term and medium-term digitization and automation roadmaps. We identified "digital target zones" for all of our businesses over \$100 million. We launched a portfolio of 75 R&D digitization projects and tools and completed our very first fully operational AI and blockchain solutions for our Tax lines of service.
- July 2018: The Your Tomorrow Strategy is launched across our three lines of services of Tax, Advisory and Assurance. PwC launched its Digital Fitness app and academies to start upskilling our workforce. PwC's Digital Lab (1.0) and Project 5 Million (P5M) was launched. Digital Lab contained over 700 automation tools and digital assets. The

P5M's objective was to digitize one third of our U.S. Tax Consulting business (i.e., eliminate 5 million human hours in 20 months).

- August 2018: we conceived the “digital twin” vision and I assumed the role of PwC’s global relationship partner for UiPath, the fastest growing robotics process automation company in the world.
 - November 2018: PwC signed the biggest joint business relationship with UiPath and acquires 44,000 bots with the aim of ultimately providing a bot for every PwC employee.
 - June 2019: PwC’s Digital Lab (2.0) was completed. Over 2,000 automations were stored in our Digital Lab. Our Tax line of services eliminated three million hours in one year while creating capacity for upskilling and value-added consulting. This resulted in the creation of 2,000 new PwC jobs in the U.S. alone. PwC developed a customized version of its Digital Fitness app to K-12 educators to teach their students tech skills needed in today’s workforce.
 - July 2019: We quadrupled our investments in our AI, Tax Technology Development and Digital Lab acceleration centers.
 - On October 2019 our PwC’s CEO announced a \$3.0 billion-dollar investment in digital upskilling over the next four years. This investment will be primarily in training PwC people but also in developing and sharing technologies to support clients and communities. We are launching a new program ‘New world, new skills. *“The skills gap is an issue that goes to the heart of our purpose and we have the scale and experience to make a measurable impact. That’s why today we are launching ‘New world, New skills’ - a commitment to tackle this important problem for our people, our clients and the communities in which we operate,” said Bob Moritz.*
- ‘New world, new skills’ program focuses on 4 key areas:
1. Upskilling all PwC employees: different programs to meet their needs. A proportion of our workforce will develop specialist skills in areas including data analytics, robotics process automation and artificial intelligence for use in their work.
 2. We are also advising our clients on the challenges posed by rapid technological change and automation. This includes identifying skills gaps and mismatches against likely future needs, workforce planning, upskilling programs and cultural change.
 3. We will work with governments and institutions to reach a much broader group of people. For example, PwC in Luxembourg helped develop the Luxembourg Skills Bridge which brings together trade unions, associations and businesses to build digital industries and develop digital skills, including among those populations most ‘at risk’.
 4. We will help millions of people improve their skills and knowledge for the digital world by making upskilling a focus of our not-for-profit initiatives.

G20-Y Perspectives:		PwC executed actions:
1.Purpose		Doubled down on our purpose of solving complex problems and building public trust. Specific: 'Lead digital upskilling of all PwC employees (none will be left behind), our clients and our communities, especially focusing on early education.
2. Employee engagement		Citizen led innovation, Distinctive Experiences
3. Productivity		Your tomorrow: Digital Fitness App, Digital Lab, digital academies, infinite learning, digital accelerators
4. Learning and development	a. redesign	Digital academies, Infinite learning Digital fitness app, Digital Fitness App for teachers and learners
	b. digital upskilling	Upskilling in data science, Altryx, Power BI, RPA, data analytics, data science, decoding, ML, OCR and AI
	c. for our clients	Your tomorrow: Digital Fitness App, AI and Digital Lab
	d. for our communities	Your Tomorrow: invest in schools to upskill their teachers (Digital Fitness App for K-12 educators)
5. Whole life		Work well, be well Citizen led innovation
6. Trust, transparency & continuous feedback		Continuous physical and virtual town hall meetings and <i>Snapshots</i>

We are working on digital upskilling our people in order to face the rapid technological changes and groom our actual and future workforce. As we transform our firm through Your Tomorrow, our teams are increasingly identifying new ways to drive even better quality, efficiency and value for our clients – with less toil for our teams. We have already begun to turn this innovation into new products.