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A RADICALLY HUMAN APPROACH TO TECHNOLOGY

VIDEO TRANSCRIPT

Speakers:
•Paul Daugherty, Group Chief Executive-Technology and CTO, Accenture
•Jim Wilson, Global Managing Director of Thought Leadership & Technology Research, Accenture

Overview:
Digital technologies from the blockchain to the metaverse are rapidly advancing at a time when enterprises face more pressure than ever. In this era of compressed transformation, human behaviors and intelligence are informing the design of new machines, and everything we knew about innovation and strategy is being turned upside down. Two-time authors, Accenture Technology leaders Paul Daugherty and H. James Wilson, will breakdown their new book Radically Human and how business leaders can flip the script on basic business assumptions and use an actionable IDEAS framework to approach innovation in a completely new way.

>> Hello, everyone. Welcome to theCUBE's coverage here at AWS re:Invent 2022. This is the Executive Summit with Accenture. I'm John Furrier, your host of theCUBE with two great guests coming on today, really talking about the future, the role of humans. Radically human is going to be the topic. Paul Daugherty, the group Chief Executive Technology and CTO at Accenture. And Jim Wilson, Global Managing Director of Thought Leadership and Technology Research, Accenture. Gentlemen, thank you for coming on theCUBE for this conversation around your new hit book, "Radically Human."
>> Thanks, John. It's great to be with you and great to be present at re:Invent.
>> We've been following you guys for many, many years now, over a decade. You always have the finger on the pulse. I mean, and as these waves come in, it's really important to understand impact. And more than ever, we're in this, I call it the systems thinking, revolution is going on now where things have consequences and machines are now accelerating their role. Developers are becoming the front lines of running companies, seeing a massive shift. This new technology is transforming the business and shaping our future as as humans. And so I love the book, very, very strong content, really right on point. What was the motivation for the book? And congratulations, but I noticed you got the structure, part one and part two, this book seems to be packing a big punch. What was the motivation, and what was some of the background in putting the book together?
>> That's a great question, John. And I'll start, and then, Jim, my co-author and colleague and partner on the book can join in too. If you step back from the book itself, we'd written a first book called "Human + Machine", which focused a lot on artificial intelligence and talked about the potential and future of artificial intelligence to create a more human future for us with the human plus machine pairing. And then when we started working on the next book, it was the COVID era. COVID came on line as we were writing the book. And that was causing really an interesting time in technology for a lot of companies. I mean, think back to what you were

doing. Once COVID hit, every company became more dependent on technology.
Technology was the lifeline. And so Jim and I got interested in what the impacts of that were on companies, and what was different from the first research we had done around our first book. And what we found, which was super interesting, is that pre-pandemic, the leading companies, the digital leaders that were applying cloud data, AI, and related technologies faster, we're outperforming others by a factor of 2x. And that was before the pandemic. After the pandemic, we redid the research and the gap widened into 5x. And I think that's played a lot into our book. And we talk about that in the opening of our book. And the message there is exactly what you said is technology is not just the lifeline from the pandemic, but now technology is the heart and soul of how companies are driving innovation, how they're responding to global crises around inflation, energy, supply chain crisis because of the war in Ukraine, et cetera. And companies need the technology more than ever. And that's what we're writing about in "Radically Human." And we're taking a step beyond our previous book to talk about what we believe is next. And it's really cloud, data and AI, and the metaverse that signal out as three trends that are really driving transformative change for companies. In the first part of the book, to your question on the structure, talks about the roadmap to that. We talked about the ideas framework, five areas where you need to change your thinking, flip your assumptions on how to apply technology. And then the second part of the book talks about the differentiators that we believe are going to set companies apart as they look to implement this technology and transform their companies for the future.
>> Jim, weigh in on this flipping the script, flipping the assumptions.
>> You used a really important word there and that is systems. I think when we think about artificial intelligence, and when Paul and I have now talking to companies, a lot of executives think of AI as a point solution. They don't think about AI in terms of taking a systems approach. So we were trying to address that. All right, if you're going to build a roadmap, a technology roadmap for applying intelligent technologies like artificial intelligence, how do you take a holistic systematic view? And that's really the focus of the first section of the book. And then as Paul mentioned, how do you take those systems and really differentiate it using your talent, focusing on trust, experiences and sustainability?
>> I like how it reads. It's almost like a masterclass book because you set the table. It's like, 'cause people right now are like in the mode of what's going on around me? I've been living through three years of COVID. We're coming out the other side. The world looks radically different. Humans are much more important. Automation's great, but people are finding out that the human's key, but people are trying to figure out where am I today. So I think the first part really to me hits home. Like, here's the current situation and then part two is here's how you can get better. And it's not just about machines, machines, machines and automation, automation, automation. We're seeing examples where the role of the human, the person in society, whether it's individually or as part of a group, are really now key assets in that kind of this new workforce or this new production system or society.
>> Yeah. And just to take a couple examples from the book and highlight that, I think you're exactly right. And that's where "Radically Human", the title came from. And what's happening with technology is that technology itself is becoming more human like in its capability. When you think about the power of the transformer technologies and other things that we're reading about a lot. And the whole hypothesis or premise of the book I should say, is that the more human like the technology is, the more radically human or the more radical the human potential improvement is, the bigger the opportunity. It's pairing the two together rather than, as you said, just looking at the automation or the machine side of it. That's really the radical leap. And one thing Jim and I talked about in context of the book is companies really often haven't been radical enough in applying technology to really get to dramatic gains that they can get.
Just a couple examples from the ideas

framework, the I in IDEAS. The ideas framework is the first part of the book. The five areas to flip your assumptions. The I stands for intelligence and we're talking about more human and less artificial in terms of the intelligence techniques. Things like common sense learning and other techniques that allow you to develop more powerful ways of engaging people, engaging humans in the systems that we build using the kind of systems thinking that Jim mentioned. And things like emotional AI, common sense AI, new techniques in addition to machine, the big data driven machine learning techniques, which are essential to vision and solving big problems like that. So that's just an example of how you bring it together and enable that human potential.
>> I love the idea, go ahead Jim.
>> I was going to say we've been used to adapting to technology, and contorting our fingers to keyboards and so on for a long time. And now we're starting to see that technology is in fact beginning to adapt to us and become more natural in many instances. One point that we make is now in the human technology nexus, in fact, the human is in the ascended. That's one of the big ideas that we try to put out there in this book.
>> I love the idea of flipping the script, flipping the assumptions, but ideas framework is interesting. I for intelligence, D for data, E for expertise, A for architecture, S for strategy. Notice the strategies last. Normally in the old school days, it's like, hey, strategy first and execution. Really interesting how you guys put that together. It feels like business is becoming agile and iterative and how it's going to be forming. Can you guys, I mean that's my opinion, but I think observing how developers becoming much more part of the app. I mean, if you take digital transformation to its conclusion, the application is the company, It's not a department serving the business, it is the business, therefore developers are running the business, so to speak. This is really radical. I mean, this is how I'm seeing it. What's your reaction to that? Do you see similar parallels to this transformation if you take it down to a conclusion and strategy is just what you do after you get the outcomes you need? What's your reaction to that?
>> Yeah, I think one of the most lasting elements of the book might be that chapter on strategy in my opinion, because you need to think about it differently. The old way of doing strategy is dead. You can't do it the way you used to do it. And that's what we tried to lay out with the S in IDEAS, the strategy. The subtitle that chapter is we're all technology companies now. And if you're a technology driven company, the way you need to think about and every company is becoming, that's what I hear when I talk to these suites and CEOs and boards, is everybody's recognizing the essential role that technology plays and therefore they need to master technology. Well, you need to think about strategy differently then because of the pace of technology innovation. And so you need to throw out the old way of doing it. We suggest three new archetypes of how to do strategy that I think are really important.
It's about continuous strategy in all cases. An example is one of the techniques we talk about, forever beta, which is, think about a Tesla or companies that it's never quite done. They're always improving and the product is designed to be connected and improving. So it changes along the product and the strategy along how you deploy it to consumers changes as you go. And that's an example of a very different approach to strategy that we believe is essential to consider as you look at the future. Yeah, those multi-month strategy sessions might play out over two or three quarters of going away. And strategy and execution are becoming almost simultaneous these days as Paul was saying.
>> It's interesting because that's the trend you're seeing with more data, more automation, but the human plays a much critical role. And just aside on the Tesla example, is well documented. I think I wrote about in a post just this week that during the model three, Elon wanted full automation and had to actually go off scripts and get to humans back in charge 'cause it wasn't working properly. Now they have a balance. But that brings up to part two, which I like, which is this human piece of it. We always talk about skills gaps, there's not enough people to do this, that and the other thing. And talent was a big

part of that second half, trust, talent, experiences. That's more of the person's role, either individually as part of a collective group. Is talent the scarce resource now where that's the goal, that's the key 'cause it all could point to that in a way.
Skills gap points to, hey, humans are valuable. In fact the value's going up if it's properly architected. What's your reaction to that, guys? Because I think that's something that is not, kind of nuanced point, but it's a feature, not a bug maybe, I don't know. What's your thoughts?
>> Yeah, go ahead Jim.
>> I was going to say it, we're dramatically underestimating the amount of focus we need to put on talent. That's why we start off that second part of the book, really zooming in on talent. I think you might think that for every hundred dollars that you put into a technology initiative, you might put 50 or 75 into re-skilling initiatives to really compliment that. But what we're seeing is companies need to be much more revolutionary in their focus on talent. We saw economic analysis recently that pointed out that for every $1 you spend on technology, you are likely going to need to spend about $9 on intangible human capital. That means on talent, on getting the best talent, on re-skilling and on changing processes and work tasks.
So there's a lot of work that needs to be done. Really that's human focus. It's not just about adopting the technology. Certainly the technology's critical, but we're underestimating the amount of focus that needs to go into the talent factors.
>> That's a huge point.
>> And I think some of the elements of talent that become really critical that we talked about in the book are becoming a talent creator. We believe the successful companies of the future are going to be able not just to post a job opening and hire people in because there's not going to be enough. And a lot of the jobs that companies are creating don't exist 'cause the technology changing so fast. So the companies that succeed are going to know how to create talent, bring in people, apprentices and such, and shape to tale as they go. We're doing a significant amount of that in our own company. They're going to be learning based organizations where you'll differentiate, you'll get the best employees if you provide better learning environments because that's what employees want. And then democratizing access to technology. Things like Amazon's Honeycode is an example, low-code/no-code development to spread development to wider pools of people. Those types of things are really critical going forward to really unlock the talent potential. And really what you end up with is, yeah, the human talent's important, but it's magnified and multiplied by the power of people, giving them in essence superpowers in using technology in new ways.
>> I think you nailed it, that's super important. That point about the force multiplier when you put things in combination, whether it's group constructs, two pizza teams flexing, leveraging the talent. I mean, this is a new configuration. You guys are nailing it there. I love that piece. And I think groups and collectives you're going to start to see a lot more of that. But again, with talent comes trust when you start to have these ephemeral and or forming groups that are forming production systems or experiences. So trust comes up a lot. You guys see the metaverse as an important part there. Obviously metaverse is a pretext to the virtual world where we're going to start to create these group experiences and create new force multipliers. How does the metaverse play into this new radically human world, and what does it mean for the future of business?
>> Yeah, I think the metaverse is radically misunderstood to use the word title when we're not with the title of our book. And we believe that the metaverse does have real big potential, massive potential, and I think it'll transform the way we think about digital more so than we've changed our thinking on digital in the last 10 years. So that's the potential of the metaverse. And it's not just about the consumer things, it's about metaverse and the enterprise. It's about the new products you create using distributed ledger and other technologies. And it's about the industrial metaverse of how you bring digital

twins and augmented workers online in different ways. And so I believe that it has tremendous potential. We write about that in the book and it really takes radically human to another level. And one way to think about this is cloud is really becoming the operating system of business. You have to build your enterprise around the cloud as you go forward. That's going to shape the way you do business. AI becomes the insight and intelligence in how you work, infused with the human talent and such as we said. And the metaverse then reshapes the experience layers. So you have cloud, AI building on top of this metaverse providing a new way to generate experiences for employees, citizens, consumers, et cetera. And that's the way it unfolds, but trust becomes more important because just as AI raises new questions around trust, every technology raises new questions around trust. The metaverse raises a whole new set of questions. And in the book we outline a five-part framework or five essential parts of the framework around how you establish trust as you implement these new technologies.

>> Yeah, we're seeing that about three quarters of companies are really trying to figure out trust, certainly with issues like the metaverse more broadly across their IT so they're focusing on security and privacy, transparency, especially when you're talking about AI systems, explainability. One of the more surprising things that we learned when doing the book, when we were doing the research is that we saw that increasingly consumers and employees want systems to be informed by a sense of humanity. So one company that we've been looking at that's been developing autonomous vehicles, self-driving car systems, they're actually training the system by emulating human behavior. So turning the cameras on test drivers to see how they learn and then training the AI using that sense of humanity 'cause other drivers on the road find human behavior more trustworthy. And similarly, that system is also using explainable AI to actually show which human behaviors that AI system is learning from. Some really interesting innovations happening in that trust space. John.

>> Jim, I think you bring up a great point that's worth talking more about. Because you're talking about how human behaviors are being put into the design of new things like machines or software. And we're living in this era of cloud scale, which is compressing this transformation timeline and we've been calling it supercloud, some call it multi-cloud, but it's really a new thing happening where you're seeing an acceleration of the transformation. We think it's going to happen much faster in the next five to 10 years. And so that means these new things are emerging, not just, hey, I'm running a virtual event with chat and some video. It's group behavior, it's groups convening, talking, getting things done, debating, doing things differently. And so this idea of humans informing design decisions or software with low-code/no-code, this completely changes strategy. I mean this is a big point of the book.

>> Yeah, no, I go back to one of the, the E in the IDEAS framework is expertise. And we talk about from machine learning to machine teaching, which is exactly that. Machine learning is maybe humans tag data and stuff and feed into algorithms. Machine teaching is how do you really leverage the human expertise in the systems that you develop with AI. One of the examples we give is one of the large consumer platforms that uses human designers to give the system a sense of aesthetic design and product design. A very difficult thing, especially with changing fashion interest and everything else to encode in algorithms and to even have AI do, even if you have fast amounts of data, but with the right human insight and human expertise injected in, you can create amazing new capability that responds to consumers in a much more powerful way. And that's an example of what you just said, John, bringing the two together.

>> Well, yeah, it's interesting. I want to to get your thoughts as we get wrap up here soon. How do you apply all these human-centric technologies to the future of business? As you guys talk to leaders in the enterprise of their businesses, as they look at the horizon, they see the the future. They got to start thinking about

things like generative AI and how they can bring some of these technologies to the table. We were talking about if open source continues to grow the way it's going, there might not be any code to write, it just writes itself at some point. So you got supply chain issues with security. These are new things you guys are hitting in the book where these are new dynamics, new power dynamics in how things get built. So if you're a business owner and leader, this is a new opportunity, a challenge certainly that is an opportunity. How do you apply all this stuff for business?
>> I'll go first then Jim can add in. But the first thing I think starts with recognizing the role that technology does play and investing accordingly in it. So the right technology talent, rethinking the way you do strategy as we talked about earlier and recognizing how you need to build a foundation. That's why the fact you're at re:Invent is so important because companies are, again, rebuilding that operating system of their business in the cloud. And you need that as the foundation to go forward, to do, to build the other types of capabilities. And then I think it's developing those talent systems as well. Do you have the right talent brand? Are you attracting the right employees? Are you developing them in the right way so that you have the right future talent going forward? And then you marry the two together and that's what gives you the radically human formula.
>> Yeah. When we were developing that first part of the book, Paul and I did quite a bit of research, and Paul kind of alluded to that research earlier, but one of the things that we saw in really the first year of the pandemic was that there was a lot of first time adoption of intelligent technologies like artificial intelligence. One statistic is that 70% of companies that had never tried AI before went ahead and tried it during the pandemic. So first time adoption rates were way up, but the thing is companies were not trying to do it themselves and to necessarily build an AI department.
They were partnering and it's really important to find a partner, often a cloud partner as a way to get started, start small scale, and then scale up doing experiments. So that was one of the key insights that we had. You don't need to do it all yourself.
>> If you see the transformation of just AWS, we're here at re:Invent, since we've been covering the events since 2013, every year there's been a thematic thing. It was startups, enterprise, now builders, and now change your company. This year it's continuing that same thing where you're starting to see new things happen. It's not just lift and shift and running a SaaS application on the cloud. People are are changing and refactoring and replatforming categorical applications in for this new era. And we're calling it supercloud, superservices, superapps, 'cause they're different. They're doing different things in leveraging large scale CapEx, large scale talent pools, or talent pools in certain ways. So this is real, something's happening here and we've been talking about it a lot lately. So I have to ask you guys, how does a company know if they're radical enough? Like what is radical? How can I put a pin in that? It's like take a temperature or we like radical enough, what some tell signs can you guys share for companies that are really leaning into this new next inflection point because there are new things happening? How do you know if you're you're pushing the envelope radical enough to take advantage?
>> Yeah, I think one.
>> You can go ahead, Paul.
>> Yeah, I was going to say one of the tests is the impact on your business. You have to start by looking at all this in the context of your business, and is it really taking you to another level? You said it perfectly, John, it used to be we used to talk about migration and workloads to the cloud and things like that. That's still something you need to do. But now our focus with a lot of our customers is on how do you innovate and grow your business in the cloud? What's the platform that you're using for your new digital products and services you're offering to your consumers. I mean it is the business and I think that's the test whether you're being radical enough is on the one hand, are you really using the technology to drive differentiation and real

growth and change in your business? And are you equipping people, your human talent with the capabilities they need to perform in very different ways? And those are the two tests that I would give.
>> Totally agree.
>> Interesting enough, we love this topic and you guys, again, the book is spot on. Very packs of big punch on content, but very relevant in today. And I think one of the things we're looking at is that people who do things differently take advantage of some of these radical approaches like IDEAS, your framework, and understand where they are and what's available and what's coming around the corner. They stand out in the pack or create new business opportunities because the CapEx is taken care of. Now you got your cloud, I mean you're building clouds on top of clouds or something's happening. I think you see it, look at like companies like Snowflake, it's a data warehouse on the cloud. What does that mean? They didn't build a cloud, they used Amazon. So you're starting to see these new things pop up.
>> Yeah and that's a good example. And it sounds like a simple thing, data warehouse in the cloud, but the new business capability that a technology like that allows and the portability of being able to connect and use data across cloud environments and such is tremendously powerful. And I think that's why, you talk about companies doing things differently, that's why it's great, again, that you're at re:Invent. If you look at the index of our book, you'll see AWS mentioned a number of times 'cause we tell a lot of customer company stories about how they're leveraging AWS capabilities in cloud and AI to really do transformative things in their business. And I think that's what it's all about.
>> Yeah, and one of the things too in the book, it's great 'cause it has the systems thinking, it's got really relevant information, but you guys have seen the movie before. I think one of the wild cards in this era is global. We're global economy, you've got regions, you've got data sovereignty, you're seeing all kinds of new things emerging. Thoughts on the global impact 'cause you take your book and you overlay that to business, like you got to operate all over the world as a human issue, as a geography issue. What's your guys take on the global impact?
>> Well that's why you got to think about cloud as one technology. We talked about in the book and cloud is, I think a lot of people think, well, clouds, it's almost old news. Maybe it's been around for a while. As you said, you've been going to re:Invent since 2013. Cloud is really just getting started. And it's 'cause the reasons you said, when you look at what you need to do around sovereign cloud capability if you're in Europe. For many companies it's about multi-cloud capabilities that you need to deploy differently in different regions. And they need to, in some cases for good reason, they have hybrid cloud capability that they match on their own. And then there's the edge capability which comes into play in different ways. And so the architecture becomes very complex and we talk the A in IDEAS is architecture.
We talk about all this and how you need to move from the old conception of architecture, which was more static and just modularity was the key thing you thought about. It's more the idea of a living system, of living architecture that's expanding and is what's much more dynamic. And I think that's the way you need to think about it as you manage in a global environment today with the pace of technology advancement.
>> Yeah, the innovation is here. It's not stopping. How do you create some defacto standards while not stunting the innovation is going to be a big discussion as these new flipped assumptions start to generate more activity. It's going to be very interesting to watch. Gentlemen, thank you so much for spending the time here on theCUBE as we break down your new book, "Radically Human" and how business leads can flip the script on their business assumptions and put ideas and access to work. This is a big part of the cloud show at re:Invent. Thanks so much for sharing and congratulations on a great book.
>> Thanks, John. And just one point I'd add is that one of the things we do talk about in talent is the need to reskill talent. People who need to be relevant in the rapidly changing future. And that's one area where I think we all as institutions, as

communities and individuals need to do more is to help those that need to reskilling. And the final point I mentioned is that we've mentioned at the end of the book that all proceeds from the book are being donated to NGOs and nonprofits that are focused on reskilling those who need a skill refresh in light of the radically human change in technology that's happening.
>> Great. Buy the book. Proceeds go to a great cause and it's a very relevant book. If you're in the middle of this big wave that's coming. this is a great book. There's a guidepost and also give you some great ideas to reset, reflip the scripts, refactor, replatform. Guys, thanks for coming on and sharing. I really appreciate it. Again, congratulations.
>> Thanks, John.
>> Thanks, John. Great discussion.
>> You're watching theCUBE here covering the executive forum here at AWS re:Invent '22. I'm John Furrier, you're host with Accenture. Thanks for watching. (gentle music)