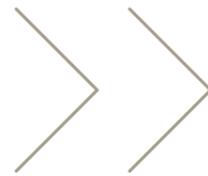
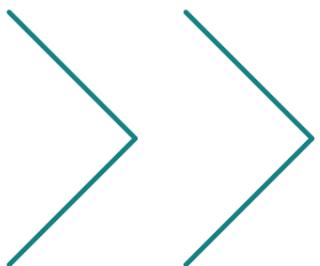
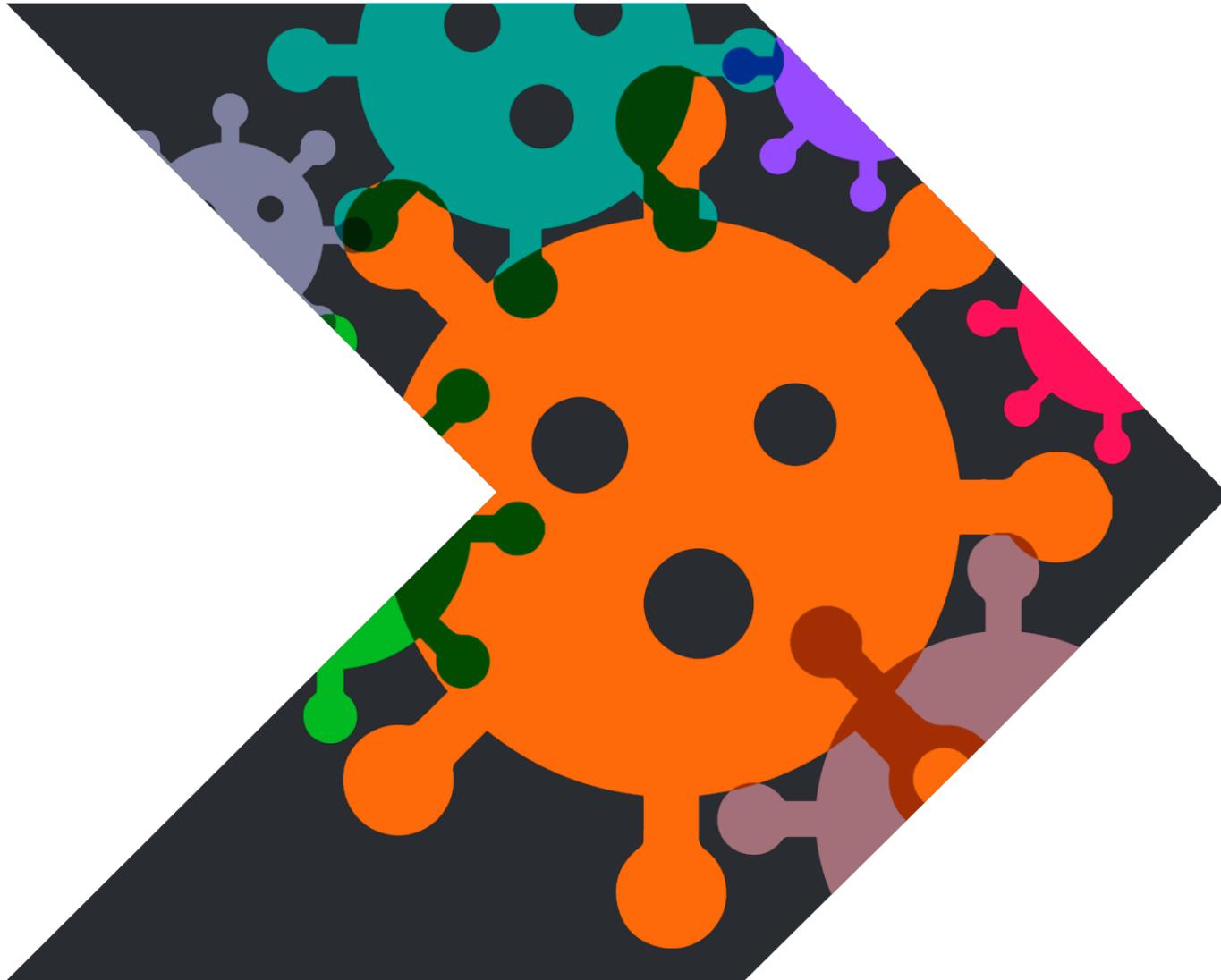


What's top of the 'permacrisis' priority list?





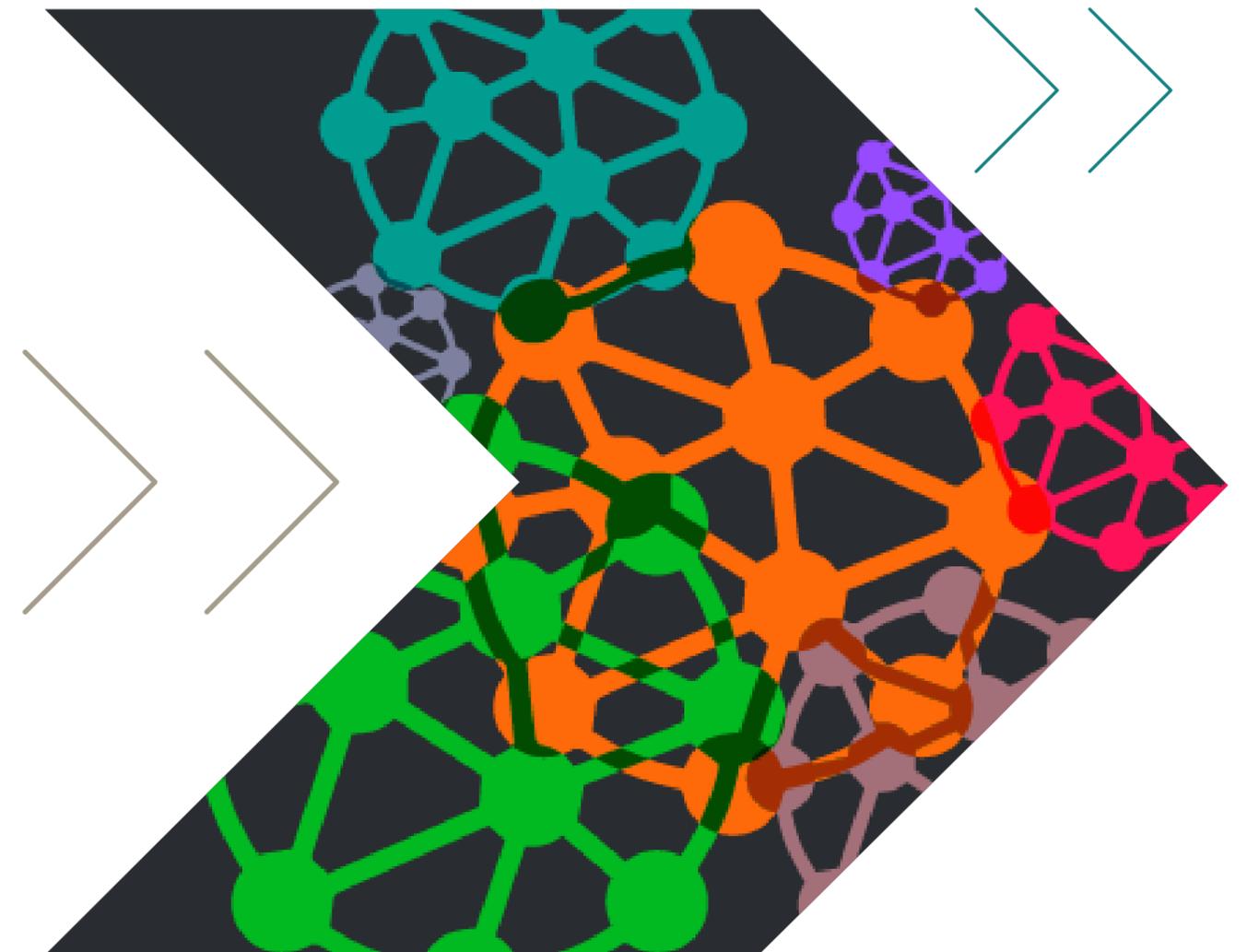
Over the past three years the world has faced an extraordinary level of uncertainty and change. From the sudden onset and impact of Covid, to war in Europe. From rapidly rising and record interest rates, to the ongoing possibility of global recession. No surprise then that the Collins Dictionary Word of the Year for 2022 was 'Permacrisis' - defined as 'an extended period of instability and insecurity, especially one resulting from a series of catastrophic events'





The financial services sector has been impacted more than most, with the acceleration in digital services caused by the pandemic. This forced many to face the fact that legacy infrastructure, and ways of adding value, must align with customer expectations. Especially, as new and disruptive competitors continue to emerge.

- >> *Rapidly evolving technology landscape*
- >> *Customer digital experience expectations*
- >> *Implementation of future-tech – AI/VR*
- >> *Operating model transformation*
- >> *Security and personal data management*
- >> *Balancing innovation, risk and regulation*





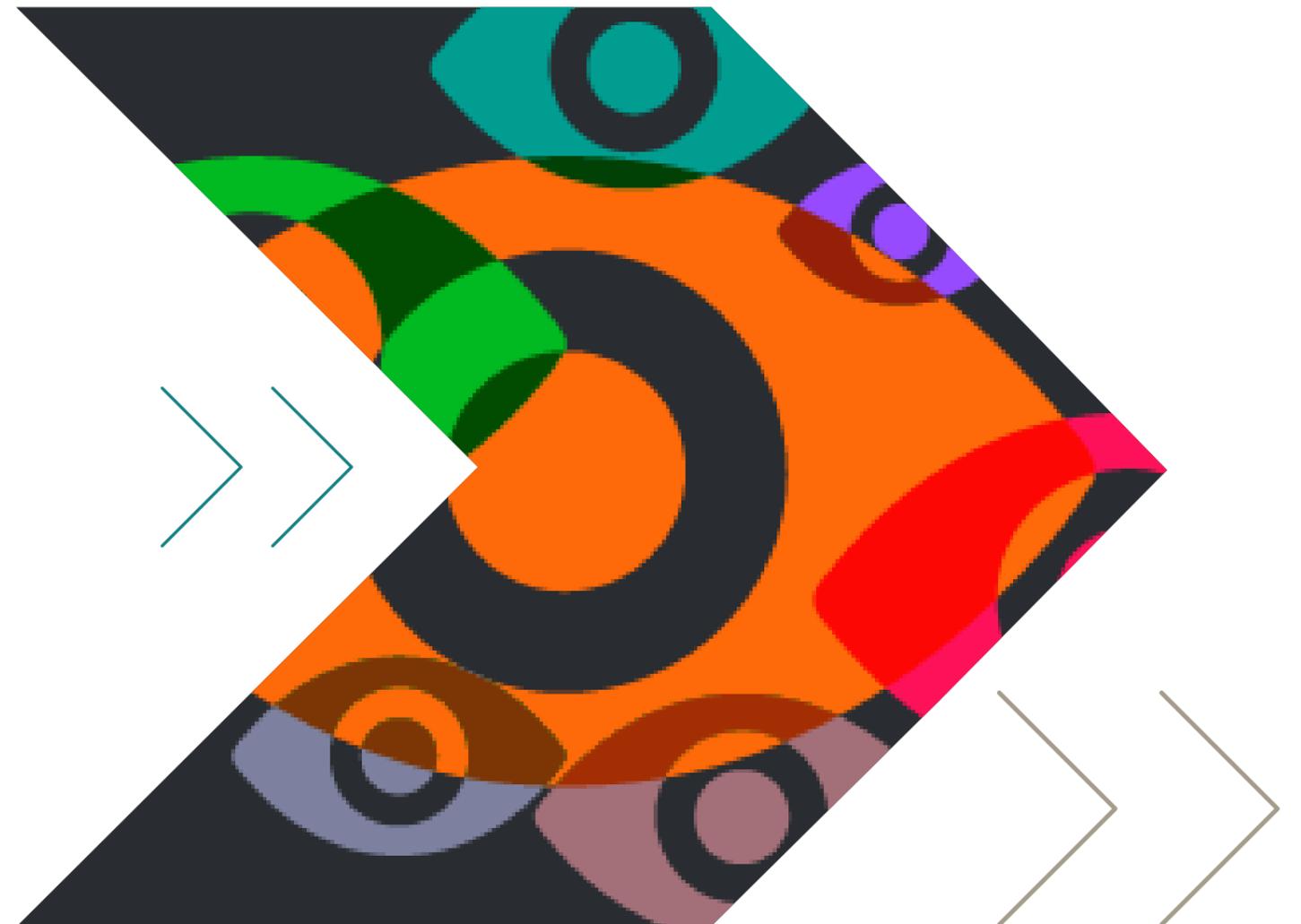
“Communications and engagement to create a culture focused on people and performance”

Meanwhile the world of work has fundamentally changed. New employee attitudes and hybrid working have changed when, where and why people work. Organisations need to build both stability and belonging across remote and frequently dispersed teams. Finding ways to connect and engage with this constantly shifting employee base is a major HR challenge. But at the same time, an area of opportunity, with new working models, technologies and processes to enable engaged and productive teams all up for play.



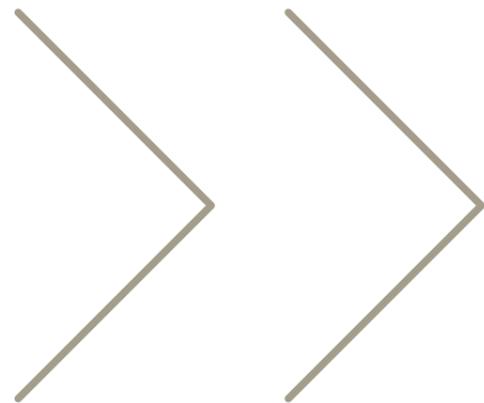
Seeing an emerging theme across C-Suite leadership and Board assignments in the Financial Services sector we decided to follow up the insights from our post pandemic study New Leadership Priorities for a New Future. Asking what CPO's of clients in this sector were prioritising to successfully adapt to this rapidly changing world and to take advantage of the opportunities being created.

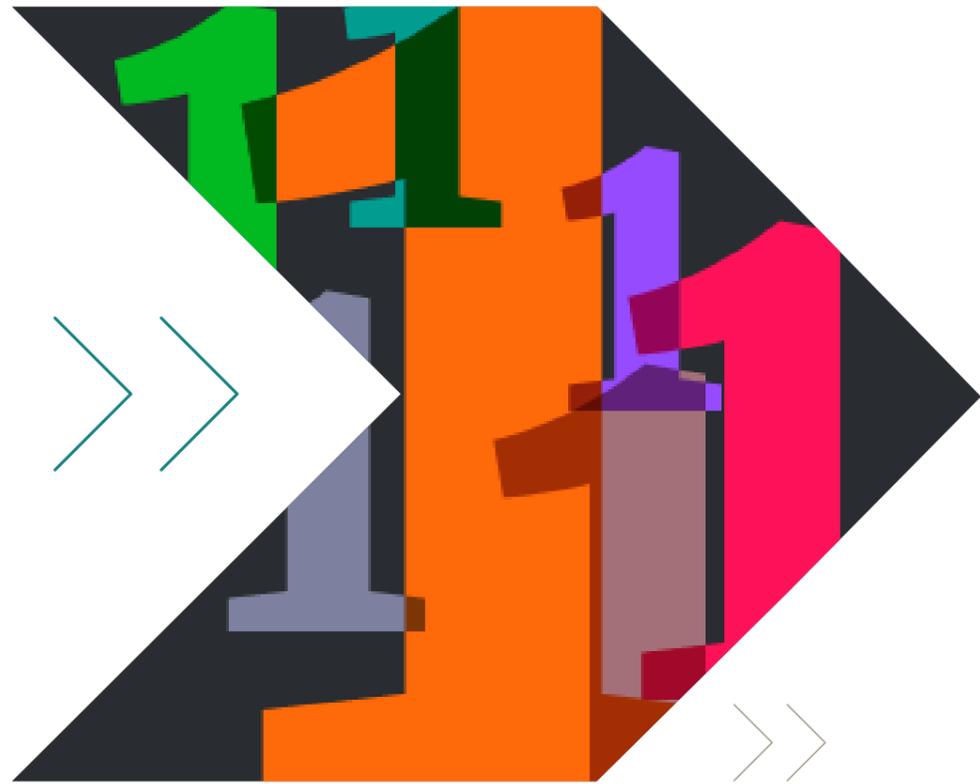
- >> *Hybrid working and the trust conundrum*
- >> *Performance versus welfare*
- >> *The technology people relationship*
- >> *The rise of the digital employee experience*
- >> *Culture and employment reputation*





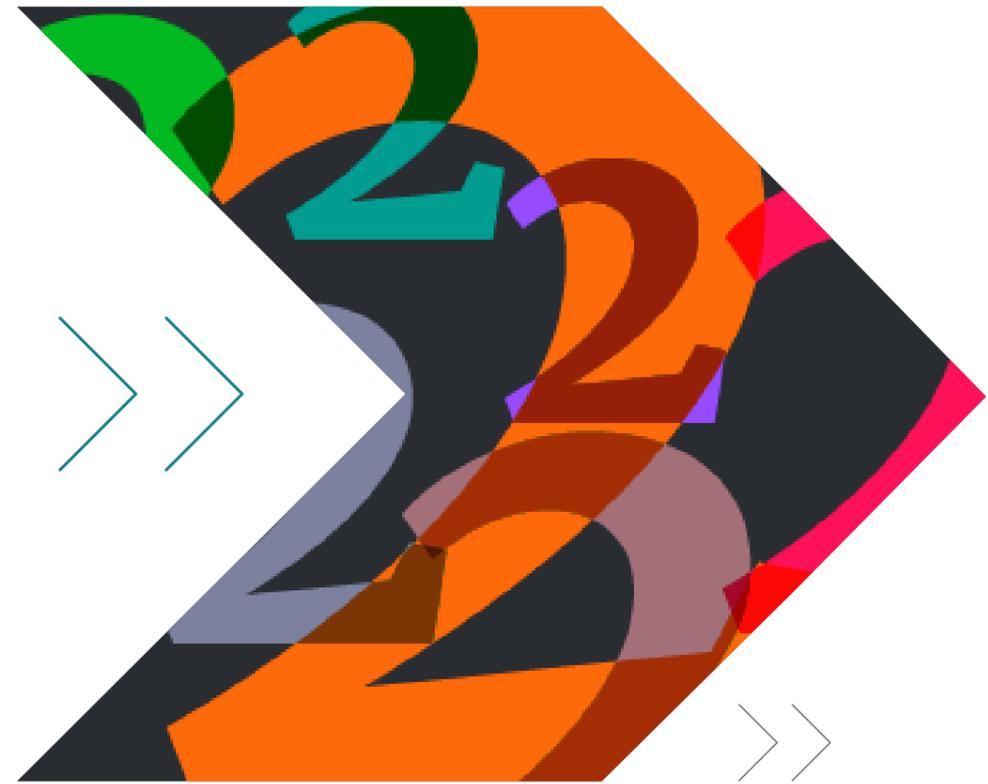
**Three clear
themes
emerged...**





Building leadership (and board) capability

>> This is about a specific focus on building 'change readiness' across the organisation. With a strong emphasis on cultural change to enable operational change. Within this also there is a pattern about the need to understand capabilities – both what exists now and what needs to exist to move to a desired future, and a strategy to attract the right talent with some skillsets in high demand and shorter supply. This refers specifically to what leadership needs to look like in a world where the role of employees, technology and customer are becoming ever more integrated. As regulatory scrutiny and Consumer Duty legislation increasingly focus on customer experience, organisations are currently focused on a rapid transformation of their operating model at the same time as a developing culture which enables better outcomes for the customer.



This priority is articulated in two distinct but inter-connected areas. The first was explained through the lens of modernisation. This is about dynamism, pace and agility and an ambition for simplification, empowerment and scalability, particularly relevant to the start up sector where funding is becoming more difficult. The second, whilst being an enabler for the first is based in a focus on a more robust approach to operations. Moving distinctly away from well-being and welfare and towards a more direct connection with performance and efficiency.

Organisation development



Alignment of people strategy

>> This area of focus is one that, on first thought, perhaps could be said to be a foundation that strategic priorities are built on rather than being a discrete objective in itself. However, when we look at the reasons driving these overall areas, there was significant percentage founded in the arrival of a new senior stakeholder. Goals for creating this stronger line of sight between the organisation strategy and the people priorities were about strengthening culture and building a stronger connectivity across the Board and ExCo toward people priorities. As well as creating more visibility for tangible value-add from the HR function.



Key outcomes sought...

- >> *Acceleration of digital agenda*
- >> *Agility and pace*
- >> *Higher performance*
- >> *More change ready*
- >> *Closer alignment to business strategy*
- >> *Increased tangible value add*
- >> *Improved colleague and customer experience*

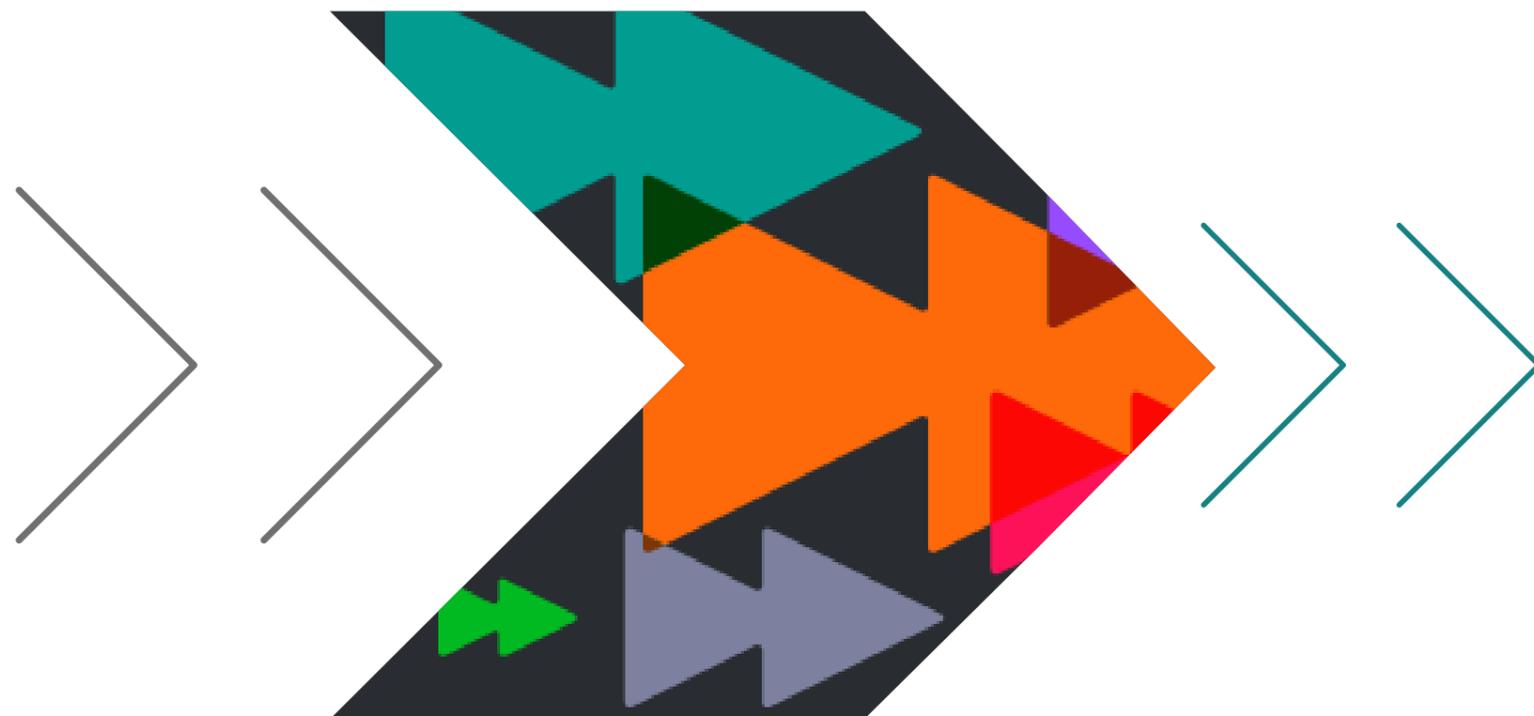
What has triggered the focus on these areas now?

- A. The complexity of the external environment and market conditions*
- A. Internal transformation*
- A. Underinvestment in tech and ops*
- A. Digitisation agenda*
- A. New in role senior influencer – CEO or Chair*





It's clear that there's no going back from the changes of the past few years. And the sector is clearly focused on developing strategies to respond to this rapidly evolving environment. We identify three strong areas of focus for HR as they support the organisation to navigate the path ahead. In ensuring a robust connection between an evolving organisation strategy and the talent strategy; in creating an organisation shape and structure to enable this and in building the leadership capability to describe and deliver the immediate people agenda priorities.





>> **How successful they are in successfully marrying these core programmes will be the key driver of success in the financial services sector for years ahead.**

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