

## THE IMPACT OF AI ON STAFF TRAINING IN THE BANKING SECTOR

Technological change is causing unprecedented disruption and, in some instances, fear in the business world (IBM Global C-suite Study, 2019). Will machines take over our jobs? Questions for HR and training professionals are: What are you going to do about it? How can you ensure that employees stay up-to-speed so that banks remain competitive?

AI has increased the importance to the HR function and focused attention on revolutionising employee development through skills training. Business leaders are focusing on cognitive technology like AI to help enhance their workforce while offering current employees personalised career development (IBM Global C-suite Study, 2019). What is heartening is that businesses are now focusing on harnessing employee talent, not by past contributions and achievements but by what they can do in the future.

Changes in the economy have driven businesses towards a tipping point. Changes to business models, including more collaboration across enterprises and the pervasive application of artificial intelligence cognitive technologies in the workplace, have had a profound effect on the types of in-demand workforce skills and how people learn. Skills are fast becoming new competitive criteria as banks compete to secure top talent.

Training is needed to promote and sustain employee learning, competence and capabilities in the banking sector. By matching the delivery of employee learning opportunities with the evolving needs of the business, AI training can help individuals and teams respond to constant change with speed and agility.

While the need for continuous, personalised learning and training are essential, the reality is that technology falls short on this aspect. Personalised learning should be dynamic, continuously aligning and realigning with employee personal objectives, as well as employer needs. The same kind of analytics and technologies are required to uncover and understand individual customer needs and respond with precision, so banks would benefit from new partnerships with their Professional Training Institutions.

### SUCCESS STORIES

FNB and Capitec Bank have grabbed attention for their ability to integrate human and technology intelligence - reconstructing employees' work so that jobs can be saved and employment opportunities can be increased, capitalising on the strengths of AI and unique human intelligence that cannot be replaced by technology.

While other financial institutions are digitalising, shutting down physical branches and retrenching employees, Capitec is successfully increasing head count and the number of physical branches, investing in AI training and development, and capturing a large share of the market.

According to Raj Makanjee, CEO of FNB Retail, AI complements and enhances rather than replaces human capital as follows:

- The bank invests in its people to take advantage of technology and automation for a better service.
- Roles at FNB have increased significantly, with IT and IT-related positions accounting for close to 15% of the workforce.
- Automation provides significant improvement in areas where repetitive tasks can be performed optimally by machines that learn and self-improve.
- The introduction of automated credit decision models has resulted in less complex decisions being automated, freeing credit assessors to focus on more complex matters.

These banks have adopted the following approaches to sustain employees' jobs amidst the AI Fourth Industrial Revolution:

- Technology and AI applications are used to supplement human services, enhance quality and reduce time consuming tasks so that humans can redirect their energy.
- Where a human response is required, such as when a customer becomes irate and empathy and tact are needed, humans step in and respond to the need of organisation and customers.
- Striking a balance between AI and human interaction delivers optimal performance.

With the speedy entrance of sophisticated financial technology, or 'fintech', and the lack of skilled graduates to pilot AI into the financial institutions, the need for professional training to develop these skills is more critical than ever before.

Financial institutions need to partner with Education and Training Professional stakeholders to invest in AI training and development. Implemented responsibly, society can use AI to strengthen human existence and improve the quality of lives.

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BEE Procurement Recognition Level : 135%

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Empowering Supplier : Yes