



## IBM CEO Panel Shares How The Disrupted Will Become The Disruptors

On March 20, 2018 at the IBM THINK Global conference, directly after Chairman Ginni Rometty's keynote, we had a discussion with four thought leading CEOs about transformation in our digital world. The panel, which I moderated, consisted of:

- **Jo Ann Jenkins, CEO, AARP**, the world's largest nonprofit, nonpartisan membership organization dedicated to social change and helping people 50 and over to improve the quality of their lives. Jo Ann is also author of the best selling book, "Disrupt Aging"

- **Bruce Van Saun, CEO, Citizens Financial Group**, where the Citizens 2014 IPO was the largest banking IPO in history, and the IPO share price has since more than doubled.

- **Judy Marks, President, Otis Elevator Company**, founded in 1853 with 68,000 colleagues. Otis is the world leader in elevators and escalators, moving 2 billion people across the world every day.

- **Mike Beller, CEO, Thesys Technologies**, a capital markets technology leader, recognized for winning the bid to build the Securities and Exchange Commission-mandated Consolidated Audit Trail (CAT), which will become the largest financial database in the world.

The discussion was teed up by subject matter expert, Ismail Amla, Managing Partner, IBM Global Services, N.A., "What is being called by many, Industry 4.0, will usher in exponential growth and a transformation of business and society. According to McKinsey Global Institute, a large majority of jobs will be automated and more than 300 million people worldwide will have to learn new skill sets for jobs. There will be a need for continuous learning and retraining of workforces. Artificial Intelligence (AI) will be implemented in 70% of organizations by the end of 2018 and 93% of organizations will be on cloud by 2020 for IT agility and other reasons. However, Boston Consulting Group has said the chance of failure has increased from one in twenty to one in three, so the stakes are really, really high. In summary, this idea of man and machine is here-- and it's here now, and it's at scale.

Robert Reiss: What is your definition for transformation?

Judy Marks: Leading change through the combination of culture and technology.

Mike Beller: Bettering markets through technology.

Bruce Van Saun: An effort to maximize a company's potential.

Jo Ann Jenkins: Taking the strategic risks to make necessary changes that meet our customers where they are today, and more importantly, where they're going.

Reiss: How is digital changing your industry?

Beller: People talk about "big data", which, to my mind, is really just any amount of data too big for you to comprehend or process by yourself. Computers help us make big data into small data, and humans can use and comprehend small data.



CEO panel: Mike Beller, Judy Marks, Ismail Amla, Bruce Van Saun, Jo Ann Jenkins, Robert Reiss

The way people talk about Artificial Intelligence (AI) sometimes sounds magical but it's actually a very old concept, that goes back to the foundation of computing many decades ago. In recent years, the amount of data we have available to us has increased by a factor of many thousands, and a specific discipline with AI, called machine learning, has begun to produce results which have a real impact on our lives. Machine learning is about reducing the enormous amounts of data and recognizing patterns and scope, and providing that digested result to humans, so humans can comprehend and make a decision. This is key because we don't want to ignore a whole bunch of data just because it's too large an amount for us to wrap our heads around.

Where we've seen success largely in the application of machine learning technology is leaving the grunt work to the machine learning algorithm and leaving the creativity and the vision to the humans. So, for the capital markets, AI does not replace vision, it helps us make the best decisions possible, which brings us back to our mission at Thesys -- making better markets through the application of technology.

Jenkins: Digital will have tremendous impact, particularly the autonomous car, because isolation is one of the biggest areas that affecting deterioration of the brain and other organs. If in fact you are isolated or lonely, it is the equivalent of smoking fifteen cigarettes a day, and people who are lonely live eight years less than those who aren't. Another application is what we call Fifty Plus Banking. What has been so fascinating in this digital space is that what our members tell us they want is the same exact thing as people who are under the age of fifty tell us they want in terms of ease of use, connectivity, having family members being connected to or having access to bank accounts and making financial decisions. Banking can now detect when someone starts to pay the bill twice or three times in a month or when they start to take out large sums of money. That is often the first area where you see the brain deterioration or the loss of memory and dementia occurring. So it's important for us to be digitally connected.