

Preparing for an ever-changing future of work

Case Study: Bank of New Zealand

For Bank of New Zealand, preparing for the future of work is an evolving challenge.

They're constantly translating how their sector is being disrupted globally, how expectations of customers are rising and how the right blend of digital technologies and human interaction can enable great customer and employee experience.

Despite constant change, their goals remain the same – create a workforce with the right mix of skills, capabilities and attributes that can respond to these external drivers and create a point of difference in the market.

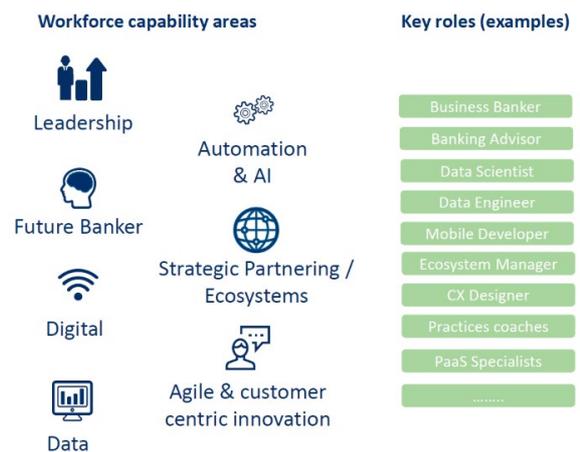
It's a task that hasn't just fallen to HR, it's a core part of their transformation programme which flows across the entire business.

Fit for the future attributes and capabilities

BNZ's focus on the Future of Work began in 2016/17 as part of a fundamental review of their business strategy and customer value proposition. At that time, the focus was on defining the critical workforce

capabilities, roles and attributes that would ensure BNZ was 'fit for future'.

The growing importance of digital skills, cloud technologies and data science combined with modern ways of working triggered the need to shift the role and skill mix across the business - achieved through a blend of internal skill building and talent acquisition. The key workforce capabilities and some of the critical roles needed over a three-year horizon are shown below:



As part of this work, BNZ also identified the key attributes needed in the workforce and changed their recruitment approach to put greater focus into these elements.

“The long-term success of any business depends on building a workforce that can adapt and learn. Attributes like curiosity, grit, customer-first thinking, problem solving, growth mindset and social intelligence to embrace an evolving world of work,” says Martyn Watts – BNZ’s GM, Future of Work & Enterprise Change.

Planning for the future of work

In 2018 BNZ embarked on an enterprise wide effort to create a 3-5-year workforce strategy that would answer key questions including:

- What work will we do in the future?
- What capabilities will be required to deliver this work?
- How will we obtain these capabilities?
- What new roles will be required?
- What will the changing nature of work mean for our leaders and how we learn?
- How will we transition the workforce?

Engaging widely

In developing their workforce strategy, BNZ examined future of work and banking trends as well as ensuring a direct response to their business strategy.



However, it was the process bringing everyone on the journey that was key to the success of the initiative. A core design team

involving leaders and subject matter experts from customer facing teams, as well as the property, digital, leadership development and talent teams was set-up. This was supplemented by an enterprise-wide engagement panel of SMEs as well as employee groups including those from different demographic and ethnic backgrounds to act as a sounding board and garner input on areas such as future leadership style and ways of working. An iterative, sprint-based, agile approach was used to create transparency, drive engagement and keep focus on critical outcomes.

“The co-design approach was so important for building a robust outcome and creating support for the conclusions from the Workforce strategy.”

Martyn Watts, BNZ

Examining the impact of Work, Worker, Workplace:

During this period, Deloitte was engaged to help facilitate the process and apply their research and tools to scenario plan the potential impact of future of work trends on work done (e.g. impacts of automation and digital technologies); worker types (including contract, gig, permanent) and workplace (e.g. need for co-location and opportunities for distributed working). The application of data science and modelling and leading practice case studies has helped BNZ to accelerate decision making through the development of the strategy.

With 1,500 unique job titles in the business of ~5,000 people, the decision was made to segment the workforce and focus more



analysis towards roles types that are critical to enabling their business strategy.

“We looked at which roles were fundamental to enabling strategy as well as where we could achieve significant productivity or customer experience benefits. In the end we placed our focus on around 18 roles that account for half of the workforce. Like any strategy process it’s all about creating focus to help target our investments in the right place,” says Martyn.

Martyn says the analysis has also helped BNZ identify capability gaps.

“We identified that there were gaps in knowledge across the business in digital and data skills and a need to open our minds more to partnering with others to create better outcomes for our customers and our people. It also became clear where we needed to grow our capacity in new and emerging technologies.” Martyn Watts, BNZ

The outcomes of the BNZ Workforce Strategy were signed off at Board level in February 2019 and have helped shape and target investments in skill build, new capabilities/roles needed and where digitisation and automation should be applied to drive improved performance and customer outcomes. Developing workforce strategy in this collaborative and data driven way has created a clear path forward for the business.

As Martyn puts it – “This is not a ‘once and done’ initiative. Although we have a clear direction, we retain the right to get smarter as we go. We must continue to respond to what is happening in the environment around us.”



Advice for others

Martyn’s advice for others considering transforming their workforce is making sure you have clarity around your strategy as a business and the likely disruptors in your industry. Preparing for the Future of Work in your organisation is not a theoretical exercise responding to general trends. Asking key questions (outlined on page 2) about what a fit for the future workplace means for your organisation is a good place to start. Be targeted, look at the segments in your workforce that are key to your strategy and understand your customers’ evolving expectations. And of course, engage widely to make sure all of your staff from the Board down are invested in the journey.

About Bank of New Zealand

Bank of New Zealand has been helping its customers make their goals a reality for more than 150 years and is now working with them to redesign banking for the future.

About the Sustainable Business Council

SBC is a membership organisation, with a long-term aim to make sustainability mainstream within New Zealand businesses. They do this by inspiring businesses by creating a community of positive change, supporting members to go further and celebrating their leadership and success. SBC is part of the BusinessNZ family and is the New Zealand Global Network partner to the World Business Council for Sustainable Development.

