

ACCENTURE AWS BUSINESS GROUP (AABG) BUSINESS VISION

VIDEO TRANSCRIPT

SPEAKER: From around the globe, it's TheCUBE with digital coverage of AWS re:Invent Executive Summit 2020, sponsored by Accenture and AWS.

JOHN FURRIER: Welcome back to TheCUBE's coverage of AWS re:Invent 2020 Virtual Accenture Executive Summit. We have two great guests here to breakdown the analysis of the relationship with cloud and the Accenture, Brian Bohan, Director, Head of Accenture AWS Business Group at Amazon Web Services and Andy Tay, AABG, Accenture Amazon Business Group Lead, Managing Director at Accenture.

I'm sure you're super busy, Andy, with all the action. Brian, great to see you. Thanks for coming on.

ANDY TAY: Thanks for having us.

BRIAN BOHAN: Thank you.

JOHN FURRIER: Accenture's been in the spotlight this week and all through the conference around this whole digital transformation. Accenture Business Group is celebrating it's fifth anniversary. What's new? Obviously, the emphasis of next gen post-Covid generation, highly accelerated digital transformation. A lot happening. You've got your five-year anniversary. What's new?

BRIAN BOHAN: Yeah, as you just said, if you look back, it's exciting. So it was five years ago, it was actually in October, when we launched the Accenture AWS Business Group and if we think back five years, I think we were still at the point where a lot of customers were making that transition from should I move to cloud to how do I move to cloud? And so, that was one of the reasons why we launched the Business Group. And since then, certainly we've seen that transition.

Our conversations today are very much around how do I move to cloud? Help me move. Help me figure out the business case and then pull together all the different pieces, so I can move more quickly, with less risk and really achieve my business outcomes. And I would say, one of the things too, that's really changed over the five years and what we're seeing now is when we started, we were focused on migration, data and IoT as the big three pillars that we launch with and those are still incredibly important to us. But just the breadth of capability and, frankly, the breadth of need that we're seeing from customers.

And, obviously, as AWS has matured over the years and launched our new capabilities or even with Accenture, and in the Business Group, we broadened our capabilities and deepened our capabilities over the last five years as well. For instance, this year with Covid especially, it's really forced our customers to think differently about their own customers or their citizens and how do they service those citizens.

So we've seen a huge acceleration around customer engagements. And we've powered that with Accenture customer engagement platform powered by Amazon Connect. And so, that's been a really big trend this year and then, that broadens our capability from just a technical discussion to one where we're now really reaching out and helping transform and modernize that customer and citizen experience as well, which has been exciting to see.

JOHN FURRIER: Andy, I want to get your thoughts here, we've been reporting and covering Accenture for years, it's not like it's new to you guys. I mean five years is a great anniversary. You know, check is good relationship, but you guys are doing the work. You've been on the trend line and then this hits and Andy said in his keynote and I thought he said it beautifully and he even said it to me in my one-on-one interview with him was it's on full display right now, the whole digital transformation. Everything about it is on full display. And you either were prepared for it or you kind of weren't. And you can see who's there. You guys have been prepared. This is not new. So give us the update from your perspective how you're taking advantage of this massive shift, highly accelerated digital transformation?

ANDY TAY: Well, I think you can be prepared, but you've also got to be prepared to always sort of - and I think what we're seeing in recent times and particularly in 2020. I think what it is, I think today there are 4% of the enterprise workloads sit at the cloud. That leaves 96% out there on prem. And I think over the next four to five years, we're going to see that sort of acceleration to the cloud pick up. This year, as Andy touched on, I think on Tuesday in his talk, I think the pandemic is a forcing function for companies to really pause and think about everything, from how they manage their technology, their infrastructure, to just security and to where their data sits, to what insights and intelligence they're getting from that data and then eventually, even to the talent. The talent they have in the organization and how they can be competitive, their culture, their culture of innovation, of invention and reinvention.

And so, I think when you think of companies out there faced with these challenges, it forces us, it forces AWS, it forces AABG to come together and think through how can we help create value for them? How can we help them move from sort of just pausing and rethinking to having real plans and action and then, taking them into implementation. And so, that's what we're working on. I think over the next five years, we're looking to just continue to come together and help these companies get to cloud and get the value from the cloud because it's beyond just getting to the cloud. It's actually then living in the cloud and getting value from it.

JOHN FURRIER: It's interesting. Andy was saying, don't just put your toe in the water, you got to go beyond the toe in the water kind of approach. I want to get to that large scale because that's the big pick-up this week that I kind of walked away with was it's large scale accelerations, not just toe in the water experimentation. Can you guys share what's causing this large scale end-to-end enterprise transformation and what are some of the success criterias have you seen for the folks who have done that?

BRIAN BOHAN: Yeah, I'll start and Andy can pile on. So it's interesting, if I look back a year ago at re:Invent and when I did TheCUBE interview then, we were talking about how AABG we're starting to see this shift of customers. We've been working with customers for years on kind of what I'll call single threaded programs. We can do a migration. We can do SAP. We can do a data program. And then even last year, we were really starting to see customers ask the question, it's like what kind of synergies and what kind of economies of scale do I get when I start bringing these different threads together? And also realizing that to innovate for the business and build new applications, new capabilities, well, that then is going to inform what data you need to hydrate those applications, which then informs your data strategy. Well, a lot of that data is then also embedded in your underlying applications that sit on premises. So you should be thinking through how do you get those applications into the cloud.

So you need to draw that line through all those layers and that was already starting last year. And so, last year, we launched the joint transformation program with AABG and then, so we were ready when this year happened and then, it was just an acceleration. So things have been happening faster than we anticipated, but we knew this was going to be happening. And luckily, we've been in a really good position to help some of our customers really think through all those different layers of kind of the pyramid as we've been calling it, along with the talent and change pieces, which are also so important as you make this transformation to cloud.

JOHN FURRIER: Andy, what's the success factors? Andy Jassy came on stage during the Partner Day, surprise fireside chat with Doug Yeum, talking about this is really an opportunity for partners to change the business landscape with enablement from Amazon. You guys are in a pole position to do that in the marketplace. What's the success factors that you see?

ANDY TAY: Really from three fronts I'd say. One is the people and, again, I think Andy touched on sort of success factors earlier in the week. And for me, it's these three areas that sort of boils down into these three areas. One is the people. From the leaders, it's really important to set those big bold visions, point the way and then, set top down goals about how we're going to measure because you almost do get what you measure.

To beyond the leaders to the right people in the right position across the company. We're finding a key success factor for these end-to-end transformations is not just the leaders, but who you have in post across the company, working in a collaborative shared success model and people who are not afraid to invent and fail.

To beyond the leaders to the right people in the right position across the company. We're finding a key success factor for these end-to-end transformations is not just the leaders, but who you have in post across the company, working in a collaborative shared success model and people who are not afraid to invent and fail.

And then the third part, I'd maybe touch on is partners. I think as we move forward over the next five years, we're going to see an increasing number of players in the ecosystem, in the enterprise estate. You're going to see more and more SaaS providers. And so, it's important for companies and our joint clients out there, to pick partners like AWS or Accenture or others, but to pick partners who have all worked together and have built solutions together and that allows them to get speed to value quicker, it allows them to bring in preassembled solutions and really just drive that transformation in a quicker iterative manner.

JOHN FURRIER: Yeah, that's a great point, worth calling out, having that partnership model that's additive and has synergy in the cloud. Because one of the things that came out of this vear's re:Invent is there's new things going on in the public cloud. Even though hybrid is an operating model Outpost and super relevant. there are benefits for being in the cloud. And you've got partners, APIs, for instance and have microservices working together. This is all new. But I've got to ask that on that tread. Andv. where do you see your customers going? Because I think as you work backwards from the customers, you guys do, what's their needs? How do you see them – where's the puck going? Where can they skate to where the puck's going because you almost look forward and say, okay, I got to build modern apps, I got to do a digital transformation, everything is a service, I get that. But what solutions are you building for them right now to get there?

ANDY TAY: Yeah, and, of course, with industries blurring and multiple companies, it's always hard to blow down to the exact solutions, but you could probably look at it from a sort of thematic lens. And what we're seeing is as the cloud transformation journey picks up, from our perspective, we've seen a material shift in the solutions and problems that we're trying to address with clients that they are asking for us to help address. It's no longer just the back office, where you're sort of looking at cost and efficiency and driving gains from that perspective. It's beyond that. It's now materially the top line. It's how do you get them driving to the speed to insights? How did you get them decomposing their application set in order to drive those insights?

How did you get them to sort of adopt the leading-edge industry solutions that give them that jump start and that accelerant to winning the customers, winning the (inaudible)? And then how do you help drive the customer experience?

We're seeing a lot of push from clients who ask for help on how do I optimize my customer experience in order to retain my (inaudible)? And then how do I make sure I've got a sort of self-learning ecosystem at play where it's not just a stacked-up experience. I can sort of keep learning and iterating how I treat my customers. And a lot of that as for the self-learning, that comes from putting in intelligence into your systems, getting AI and ML in there. And so, as a result of that, we're seeing a lot of push and a lot of what we're doing is pouring investment into those areas.

And then, finally, maybe beyond the bottom line and the top line, it's how do you harden that and protect that with security and resilience and (inaudible). So I'd probably say those are the three areas, John.

JOHN FURRIER: Brian, on the business model side, obviously, the enablement is what Amazon has. We see things like satisfactory coming onboard in the partner network. Obviously, Accenture is a big huge partner of you guys. The business model's there. You've got laaS is doing great with chips. You have this data modeling. This data opportunity to enable these modern apps. We heard about the partner strategy from Andy, talking sort of now about how partners with even Accenture. What's the business model side on your side that you're enabling this? Can you just share your thoughts on that?

BRIAN BOHAN: Yeah, and so, it's interesting. And again, I'm going to build a little bit on some of the things that Andy really talked about there, right. And that we, if you think about it from the partnership, we are absolutely helping our customers with kind of the IT modernization piece and we're investing a lot. And there's hard work that needs to get done there and we're investing a lot as a partnership around the tools, the assets and the methodology. So when AWS and Accenture show up together as AABG, we are executing off a single blueprint, with a single set of assets, so we can move fast.

So we're going to continue to do that with all the hybrid announcements from this past week, those get baked into that, that migration, modernization theme. But the other really important piece here as we go up the stack, Andy mentioned it. The data piece, like so much of what we're talking about here is around data and insights. I did a CUBE interview last week with Karl Hick, who's the CDIO from Takeda. And if you hear Christophe Weber from Takeda talk, he talks about Takeda being a data company and a data and an insights company.

So how do we as a partnership, again, build that capabilities and the platforms like with Accenture's Applied Insights Platform, so that we can bootstrap and really accelerate our client's journey?

And then, finally, on the innovation on the business front and Andy was touching on some of these. We are investing in industry solutions and accelerators, because we know that at the end of the day, a lot of these are very similar. So we're talking about ingesting data, using machine learning to provide insights and then taking action. So, for instance, the Cognitive Insurance Platform that we're working together on with Accenture, if you think about property and casualty claims and think about how do we enable touchless claims using machine learning and computer vision that can assess based on an image damage and then, be able to triage that and process it accordingly, using all the latest machine learning capabilities from AWS, with that deep AI, machine learning, data science capability from Accenture, who knows all those algorithms that need to get built and build that library.

By doing that, we can really help these insurance companies accelerate their transformation around how they think about claims and how they can speed those claims on behalf of their policyholders.

So that was an example of a kind like a bottom to top view of what we're doing in the partnership to address these new needs.

JOHN FURRIER: That's awesome. Andy, I want to get back to your point about culture. You mentioned it twice now. Talent is a big part of the game here. Andy Jassy referenced Lambda, next generation developed will be using Lambda. He talked about CIO stories around they didn't move fast enough, they lost three years. A new person came in and made it go faster. This is a time for a certain kind of professional and individual to be part of this next generation. What's the talent strategy? You guys have to attract and retain the best people, how do you do it?

ANDY TAY: You know, it's an interesting one. It's often times a significant point and often overlooked. People really matter and getting the right people in not just in AWS, but on our customers is super important. We often find that much of our discussions with our clients is centered around that and it's really a key ingredient as you touched on.

You need people who are willing to embrace change, but also people who are willing to create new, to invent new, to reinvent and to keep it very simple. We're seeing increasingly that you need people who have a sort of deep learning and a deep desire to keep learning and to be very curious as they go along.

And most of all though, I find that having people who are not afraid to fail is critical, absolutely critical and I think that that's a necessary ingredient that we're seeing our clients needing more of because if you can't start and you can't iterate for fear of failure, you're in trouble. And I think Andy touched on that, with that CIO that you referred to lost three years. And so, you really do need people who are willing to start, not afraid to start and not afraid to lead.

JOHN FURRIER: Yeah, takes a gut check there. You just said, you guys have a great team over there. Everyone at Accenture, I've interviewed is strong, talented and not afraid to lean into the trends. I got to ask on that front, Cloud First was something that was a big strategic focus for Accenture. How does that fit into your business group, that's Amazon focus is obviously to their cloud and now, hybrid everywhere, as I say. How's that all working out?

ANDY TAY: We're super excited about our Cloud First initiative. And I think it fits in really perfectly. It's what we need and it's another accelerant. If you think of Cloud First, what we're doing is we're putting together a capability set that will help enable end-to-end transformations, as Brian touched on, you know, help companies move from just migrating to modernizing, to driving insights, to bringing in change and helping on that talent side. So that's sort of component number one is how does Accenture bring the best end-to-end transformation capabilities to our clients?

Number two is perhaps, how do we bring together preassembled, as Brian touched on, preassembled industry offerings to help as an accelerant for our customers? Three years, as we touched on earlier, is that sort of partnership with the ecosystem. We're going to see an increasing number of SaaS providers in an estate, in the enterprise estates out there. And so, part of our Cloud First and our AABG strategy is to increase our touchpoints and our integrations and our solutions and our offerings with the ecosystem partners out there, the ISV partners out there and the SaaS providers out there.

And then, number four, is really about how do we extend the definition of the cloud? I think often times, people thought of the cloud just as sort of on prem and prem, but as Andy touched on earlier this week, you've got this concept of hybrid cloud and that in itself is being redefined as well, where you've the intelligent edge and you've got various forms of the edge, so that's the fourth part of our Cloud First strategy. And for us, we're super excited because all of that is highly relevant for AABG as we look to build those capabilities as industry solutions and others and as we look to enable our customers. but also as we look to extend how we go to market and sort of couple up our joint IPs in our respective SKUs and products.

JOHN FURRIER: Well, what's clear now is that people now realize that when you contain that complexity, the upside is massive and that's a great opportunity for you guys.

We got to get to the final question for you guys to weigh in on as we wrap up. Next five years, Brian and Andy, weigh in, how do you see that playing out? What do you see that's exciting for the partnership and the Cloud First, cloud everywhere, cloud opportunities, share some perspective?

BRIAN BOHAN: Yeah, I think just kind of building on that Cloud First. With Cloud First, and we were super excited when Cloud First was announced and it signals to the market and what we're seeing in our customers which is cloud really permeates everything that we're doing now. And so, all aspects of the business will get infused with cloud. In some ways, it touches on all pieces. And I think what we're going to see is just a continued acceleration and getting much more efficient about pulling together the disparate - what had been disparate pieces of these transformations and then using automation, using machine learning to go faster. And so, as we start thinking about the stack, we're going to get, I know we are, as a partnership is already investing there and getting better and more efficient every day, is the migration pieces and the moving the assets to cloud are just going to continue to get more automated, more efficient and those will become the economic engines that allow us to fund the differentiated, innovative activities up the stack.

So I'm excited to see us kind of invest to make those get accelerated for customers, so we can free up capital and resources to invest where it's going to drive the most outcome for their end customers. And I think that's going to be a big focus and that's going to have industry focus, it's going to be making sure that we can consume the latest and greatest of AWS's capabilities in the areas of machine learning and analytics. But then, Andy's also touched on it, bringing in ecosystem partners.

I mean one of the most exciting wins we had this year, in this year of Covid, is looking at Massachusetts, the Covid Track and Trace Solution that we put in place is a partnership between Accenture, AWS and Salesforce. So, again, bringing together three really leading partners who can deliver value for our customers. I think we're going to see a lot more of that as customers look to partnerships like this to help them figure out how to bring together the best of the ecosystem to drive solutions. So I think we're going to see more of that as well.

JOHN FURRIER: Alright, Andy, final word? Your take?

ANDY TAY: Pace of innovation is picking up, things are just going faster and faster. I'm just super excited and looking forward to the next five years as the technology invention comes out and continues to sort of set new standards for AWS and as we, as Accenture, bring in our industry capabilities. We marry the two, we go and help our customers. Super exciting times.

JOHN FURRIER: Well, congratulations on partnership. I want to say thank you to you guys 'cause I've reported a few times some stories around real successes around this Covid pandemic that you've guys worked together on with Amazon that really changed people's lives. So congratulations on that too as well and I want to call that out. Thanks for coming out.

BRIAN BOHAN: Thank you. We're super proud.

ANDY TAY: Thank you.

JOHN FURRIER: Thanks for coming on. Okay, this is TheCUBE's coverage Accenture AWS partnership, part of Accenture's Executive Summit at AWS re:invent 2020. I'm John Furrier, your host. Thanks for watching.

Copyright © 2020 Accenture All rights reserved.

Accenture and its logo are registered trademarks of Accenture.