

Georges Elhedery on the future of HSBC and AI

**Speakers: Georges Elhedery, Group CEO, HSBC
Francine Lacqua, Journalist, Bloomberg**

[Francine]

Talk to me about in simple terms, right, how you see the bank in five years.

[Georges]

The world is moving fast. We need to move fast. Our customers are moving fast, we need to move fast. Their needs today will be different tomorrow.

Their goals today will be different tomorrow, and we need to be continuously adapting to their evolving needs and their evolving goals, right?

There are a few key components that can achieve this. Most importantly, the first component is the human touch. We're still very much a believer in the model where there'll always be a person to talk to. So, we invest in our relationship management, we invest in our people skills and capabilities. We invest in our people simply.

[Francine]

So, we're not being replaced by AI?

[Georges]

So, that's the second component, is we absolutely need to be innovation ready and embrace it and enable our capabilities and be able to embrace a number... emerging payments through blockchain or tokenized deposit, all of which we launched, by the way. But, you know, that's an evolving world.

But also, being GenAI-ready in particular. I mean, AI has been with us for 15 years, but GenAI is clearly bringing something new to the equation.

Now, we have more than 100 cases, of which about half of them are already live in production that are transformational and they're going to change the way we as humans operate.

And while we as humans will not be replaced by AI, if we don't know how to embrace it and upskill ourselves using it, we will become obsolete.

So, this is why my call to our colleagues has been to bring all of them along the journey of how can we best use GenAI opportunities?

Because for those who don't use them, there is a real risk that they will be displaced, but those who will use them are going to be part of the future.

[Francine]

But if you're a young kid today and you want to get into banking, what do you study?

[Georges]

Let me try to answer it with a two-pronged approach.

The first one, GenAI specific, right? We now rolled to 170,000 of our colleagues internal productivity tools that can materially improve their capabilities of reading documents, reading emails, writing documents, emails, querying, challenging ...

[Francine]

A dream!

[Georges]

... thought processes. 170,000 of our employees, I mean soon, all the way to the 200,000+ employees. Of course, I will be monitoring usage, I'll be monitoring super usage. Those will be the most, you know, kind of influencing among their colleagues to drive the utilisation. But utilisation is not optional because that's how people remain very relevant in the future workforce five years down the road.

But we're using GenAI in wealth. We're using GenAI in markets. We're using GenAI in contact centres. We're using GenAI, of course, in technology. Now, 30,000 of our technologist engineers are enabled with GenAI. The speed at which we're able to patch for say, code weaknesses, or kind of vulnerabilities, is 10 times faster already now than it was the case last year. Ten times. And we're not talking ...

[Francine]

In 12 months?

[Georges]

In 12 months. We're not talking some productivity in five years. We're talking productivity already here. This is hugely transformational. So, you can imagine how important it is.

Now, I go back to the first part of your question, Francine, is what are the skills that are needed for banks? I would say there is no one particular skill that's going to be critical, but it is going to be the ability to learn.

Because you can come in the bank coming from an engineering background, from a technology background, from an accounting background, but once you're in the bank, your career, the customer's expectation, are such that you're going to have to continue to learn. And if you think you know it all, then there is no place for those in an evolving landscape. Today, the most important learning capability is how to best embrace GenAI and innovation in general.