

David: Welcome to the Microsoft Industry Experiences Team Podcast. I'm your host David Starr. In this series you'll hear from leaders across various industries discussing the impact of digital disruption and innovation, sharing how they've used Azure to transform their business. You can find our team online at [Aka dot. M S slash I N D S P](https://aka.ms/INDSP), or on Twitter at [industry XP](https://twitter.com/industryXP).

Mike Silverman is the Global Head of Enterprise Technology Strategy for FIS, a global leader in financial services technology. FIS focuses on retail and institutional banking, payments, asset and wealth management, risk and compliance and outsourcing solutions. Mike, welcome to the show.

Mike: Thank you for having me. Great.

David: And we are also joined by Howard Bush, who is a Principal Industry Lead for Azure for banking and capital markets at Microsoft. He advocates for Microsoft Azure within the banking and capital markets industry. Welcome Howard.

Howard: Thank you. It's great to be on the podcast.

David: And then we have actually had the third guest. This time is first time we've ever done this. So Paul Maier is the General Manager of the Industry Experiences Team, of which I'm a part, and as part of the cloud and AI Engineering Organization at Microsoft. Paul, welcome to the show.

Paul: Thank you David. Great to be here.

David: Now I know you guys have a lot to talk about and Howard, I'm going to hand it over to you to get started.

Howard: That sounds great. So first of all, this podcast is to focus on InnovateIN48. It's an annual global competition hosted by FIS focused on emerging technologies, used to solve business, market, social, humanitarian, scientific and philanthropic challenges. So Mike, FIS has been successfully hosting the InnovateIN48 events over the past several years. Could you tell us what themes of innovation have resulted from either build on platforms like blockchain or AI, ML, and how have some of those solutions impacted FIS or just society in general?

Mike: Well, I mean I could take the whole podcast in trying to answer that question alone, right? A lot of the new technologies that we've seen come through this have been around machine learning, artificial intelligence, blockchain, and how to make that more of an institutional thing rather than a niche product, if you will. We've seen big data or dashboard type applications come through here. We've seen just process improvements on our own, just how to automate or get things done quicker than before.

Howard: Is that because of the availability of data at your fingertips?

Mike: Data, new tools, new techniques, new platforms like containers or serverless or functions, just you name it, anything is game for InnovateIN48. The whole idea of it is yes, there is the goal of doing good for FIS and for the world at large and for the community and the financial services industry, but it primarily started as an employee engagement tool. How do we help our employees learn new techniques, grow their careers, and help FIS and the world in the process?

Howard: Can you tell us a little bit about InnovateIN48?

Mike: Yeah, it's been a wildly successful program. We started seven years ago. It's two tiered. There's a regional round and then the global round. So the regional round is in five regions, open invite across the whole globe. Last year we had 1400 employees sign up and compete. They self-form teams of three to five and have 48 hours to go do something innovative. The end of the 48 hours they get judged and the winners from those competitions then get flown to a global location later in the year. Last year we had 67 people on 14 teams and they all competed to be the global FIS InnovateIN48 champion.

Paul: So Mike, can I just kind to jump in a little bit? So obviously, thank you. I had the opportunity to be on the judging panel last year.

Mike: And you were fabulous.

Paul: Thank you so much. It's good to be called fabulous. We'll drill a little bit about when I was there and what we saw. But if we sort of looked over the last seven years and I just want us to drill a little bit cause obviously we have similarities with our matching up that we drive at Microsoft and looking to partner with students and look to them for new innovation and creativity and so on, so forth, which is super successful. It was interesting when you reached out and approached me to be on the judging panel.

I actually hadn't heard of InnovateIN48 and when I did, it was, that's a really great idea and drilling in on it and obviously that from a staff perspective, it's great to give them the opportunity and how big is the company now? Today you're global, you have how many employees?

Mike: Over 47,000.

Paul: That's a lot of employees. So you know, and geographically dispersed around the world. So the opportunity to bring people together and connect with a common cause I think is a good one. So I think that that's excellent in itself, that sort of allowing, you know, kind of employees that aren't necessarily on a daily basis working on similar projects come together in commonality. And I think that that's awesome. Many more companies should do that.

But the second piece which I think is great, I spent a little bit time in financial services prior to coming back to Microsoft. The second part, which I really liked, is thinking about driving new innovation from within and whether that's addressing point of mind

changes that the financial services customers that your hearing and looking to address with the great insights of your very, very clever and small employees as I saw. But the other is just looking for driving and moving in the market and thinking about new innovations. So perhaps opportunities that can be solved through technology that the customers haven't thought about themselves and using your knowledge and your kind of pedigree to be able to do that. So could you talk a little bit about about that, the customer and the innovation that's being driven over the last seven years?

Sort of your perspective of how, beyond helping, obviously the internal kind of focus. If you think about the end customers, how InnovateIN48 has done that, I think it'd be great to share some of those insights.

Mike: Great question, Paul. Any company has to be customer obsessed, right? We all have to be. I think it's funny. When we start thinking about products, if we're not careful, we could get stuck in just incrementing our products through just listening to the customer requests, which is a good thing and we do that. But competitions like InnovateIN48 give us a chance to think outside of that proverbial box. What is really going on in even disparate industries or complimentary industries or what are the big picture trends going on that we can then take that our customers didn't even know they needed?

And it's proof of concept times like this that can really ... it's something to read a word or a document on the web or see a short video, but to actually spend 48 hours, go get your hands dirty, show it off to people. That picture's worth a thousand words kind of thing. And that A-ha moment happens with a lot of our product managers when they see some of the things. Now to be fair, a lot of the work in InnovateIN48 itself doesn't go to market directly. What we do is, we'll demo it, of course. But what happened is now that team has learned that technology, those tools, those tricks, whatever, that then gets fed back and sparks other innovation within the product line itself. But that said, yes, we have had a few InnovateIN48 projects actually do go all the way from the concept to product.

Yeah. So we help our customers in many different ways and our employees in many different ways with this competition.

Paul: That's awesome. And just kind of drilling on a couple more. So bringing it back to this year, and again, thank you for the invitation to InnovateIN48. Kudos to all the teams involved. I mean, you know, just to sort of set the scene, it was great to see the energy and the passion. A lot of these people I saw there were lots of Red Bull cans around the people trying to, looking very sleepless and so on. Number one, just the passion and the drive that the company got behind this was great to see. I spent a lot of time with the contestants. The theme this year was, I'll pass it over to you.

Do you want to go through sort of the goals and then I'll share some of the perspectives that I had?

Mike: Yeah. So 28 teams theme was giving back, doing good. Giving back to the world as a large. I can't reveal 2019's theme just yet.

Paul: Oh, it's a surprise? Right, okay.

Mike: But it was the 50th anniversary of FIS and we took that as an opportunity to try to just give back and we said, don't look at financial services, just look at scientific, philanthropic, anything you want to do. Some of the ideas that came out were just wildly creative. Something that people that are doing cold bowl or day to data analytics or stock portfolio analysis. For them, the one team that won did a project which helps the caretakers of people with neuro cognitive diseases like Alzheimer's, other sorts of things. So the caretakers get overwhelmed in those cases because the person forgets who they are, what they're doing and they need to constantly call that caretaker and it's overwhelming for the caretaker.

This team used augmented reality and some other tools to help that person navigate around the town, recognize who friends were, et cetera, without having to overwhelm that caretaker. It was such a wildly creative idea. The second place team helped responses to natural disasters, get people with let's say boats to people in rivers that were overwhelmed or get medical supplies to where they're needed, this matching sort of algorithm, which again really doesn't exist in financial services as a whole. So for everyone to take a step out of not only their products but the industry and to think to the world as a large was just fantastic.

Paul: I mean, I think credit to FIS as well, sort of thinking outside of the box. It could be very easy to just be very focused on driving opportunities back that directly impact of the business and to attain customers.

So I think know really taking that opportunity to give back and leverage the smarts of FIS to do better. Thinking really broad pitch was great to see.

Mike: If I may though, you touched on one other point, which is the passion and the energy from our employees. I'm going to publicly give this to all the employees, all the 1400 that competed in the regional round. The amount of caffeine that is consumed, the late hours. I mean, when I first started doing this, I never expected people to really work through the nights on these projects. I expected a nine to five thing and people were breaking the rules of the office buildings. They'd found out when the AC goes off in the building, it was midnight. In some cases the lights went off and they're finding all these things.

They were literally working through the nights to make that 48 hour goal. That passion around this innovation is, I was just so surprised the first year it's happened. And the fact that we've kept this going for this seven years, it's just ... I'm mind blown by it.

Paul: Yeah. Shout out for any companies out that are listening in who are thinking about team building exercises and how do they create a team building exercises that are going to motivate their employees. I think anyone that could take good learnings from what Mike and the FIS team have done. So let me kind of pull it in a little bit. As I think about my team a little bit at Microsoft and the partnership and what we've been doing and my team specifically, industry experiences, is focused on helping partners and customers

with their move to the cloud. So a lot of the innovation driven in InnovateIN48 this year was around the theme of cloud.

And Microsoft is y'all. I'd be curious, we talked a little bit about some of the trends, but you know, just a little bit of a pitch for our platform. I mean a lot of these engineers were coming in cold. They hadn't necessarily used cloud. I'd be curious, what was good to hear? What was the experience of being able to build on the cloud? Being able to kind of consume knowledge quickly, being able to develop solutions and they only have 48 hours. They obviously had an an solutions. So I'm hoping there's a relatively good story there.

Mike: Every year we've noticed the Azure platform just get better and better. This year I didn't have to raise a signal technical issue or additional question to the staff at Microsoft. The teams were able to find all of the information that they needed at already notice on blogs or other sorts of things, so kudos to the Microsoft and the Azure team for just the documentation, the wealth of documentation that is there. The platform itself was rock solid. There were no technical glitches of this isn't starting up or that's not working. We've experienced none of that and every year we've just noticed it getting better and better and better. Just hats off to Microsoft for really just a rock solid platform for this event.

Howard: Great to hear.

Mike: With regards to Azure, I think a mutual interest between Microsoft and FIS is a premium focus on security and making sure that there is no attacks on that platform, specifically around financial services.

Security is paramount to everything we do and giving a trust to our customers that we're going to do the right things with their data and it's going to be managed securely. And Azure absolutely helps us in that regard. But I think one of the beautiful things of using Azure is that it allows us to do these innovative concepts completely isolated from our production environment. We're not worried about, will this propagate somewhere else? We can isolate everything very easily within the Azure environment. The Azure platform is a vehicle or a vessel, if you will, of the newest technologies, the untested technologies within FIS. And that allows us to experiment with those safe, practical place, learn from those with the event, and then help bring those back into mainline development processes. So as this competition evolves over the next few years, that's what I'm hoping to get out of it.

Just the continued pace of innovation that's going on. We can do it with Microsoft as our partner.

Howard: And this is a way for a big organization to avoid innovator's dilemma, right? Where some upstart is going to take your customer base with a new product.

Mike: Yeah, I was hinting at innovator's dilemma earlier. I didn't want to say it, but it absolutely is. We're constantly challenged with the innovator's dilemma. So those that

don't know, the innovator's dilemma is when you have a product and you want to keep getting similar revenues or increasing revenues by listening to your customers and incrementing that product all along. The risk with the innovator's dilemma is if you're only listening to the customers, you're not looking external to what might be coming. You might miss a big disruptive change and all of a sudden your product is obsolete and you didn't know it, but you were doing the right things by listening to your customers. So yes. So the events like this, the tools on Azure, the partnership with Microsoft and the industry knowledge, et cetera, helps us identify those trends so we can feed that back into mainline product development before they become a real dilemma for us, if you will. We're embracing those much earlier on. For sure.

Howard: Yeah. So Mike, I'm not sure if you knew this, but my Microsoft Southeast services team, I ran the consulting practice for the southeast region supported FIS for two years. So I got very familiar with it's forward thinking, driving and enabling your customers and I remember we were updating some windows servers and you guys were really focused on modernizing your technology. And I see that now, being away for a while, that you guys have continued that momentum. I think it's great to see.

Mike: Well, thank you Howard. One of the founding principles or guiding principles of FIS is innovating in everything that we do, whether it be internal processes, products, new products, automation, the industry as a whole, giving back to it, you know, innovation is a foundational thing of FIS and events like this and the passion that comes out after seven years. Still seeing people up at all hours of the night, really trying to do right by the company, the customers and their peers. Again, it's just so phenomenal and I can't thank of Microsoft enough and their sponsorship and support in this event through the years.

Paul: So I was kind to have a closing question Mike and if we thought about our joint customers listening in on this podcast from thinking about how forward thinking FIS had been to really taking the internal smarts to drive innovation, whether that be to, as we talked about before, solving existing problems, to thinking about the all possible new innovation. So as we close out, as we look at talking to our joint customers here, what would be some of the messaging here in terms of your progressive forward thinking if you think about FIS is a global company addressing everything from banking and capital markets to insurance. But if you had to spend a minute just to sort of addressing your customers, as you think about how innovative FIS is and we talked a little earlier on about being customer obsessed, which clearly is the case with what you're trying to do here and what I've experienced working with FIS. So any closing remarks to your and our joint customers?

Mike: I'm gonna do one story if I may, which may or may not be used on the edit later. David, I'll give you editorial license here. So

David: All right, thank you.

Mike: So back when I was a consultant, well before I joined, Sungard FIS, I was a management consultant. I remember hearing a story of trench coat manufacturer that brought in consultants to try to look at the line and optimize their manufacturing. They said 80% of

people buy black, tan or gray trench coats. No one buys green trench coats, or very little, you know, 80, 20 pareto rule. So why are we spending time building the color? We just build the colors that everyone wants and then optimize your flows. That's what they did. They went to the fashion show the next year and they unveiled their line. You know, trench coats haven't changed in design much throughout the years.

It's a pretty staid and the line completely failed in front of the buyers. Concern. What went wrong. Right? And they said, "You didn't have any green trench coats."

"Yes, we know. No one buys them."

"But we need them in the window. We need them to make it look like we're fashion forward and that there is that in the brand that we sell. When they walk into this store, yes, we know they pick the traditional staid colors because that's what you need in the functionality of a trench coat." InnovateIN48 is like that, in that the work that we do for this event itself again, is those green trench coats. It's those possible things that are out there that may or may not ever see the light of day. But what I guess the message to our customers, and an aside, you know, for those that don't know FIS, we run behind the scenes of almost every facet of financial services from pricing, ETFs and mutual funds and stock markets to actuarial portfolio analysis.

Stress test of banks, credit card processing, money flows. We move 9 trillion a year in money across the world. You name it, right? The products that you see today have some of this thinking from this event baked into it in that we're not stopping that innovation. What you see today could look very different in a few months to a few years from now based on the concepts and trends that we are monitoring and learning to use through this event. So I guess the message to all the customers is, know that we are being conscious of this and stay tuned because I can't even imagine what we're going to do next with some of this stuff.

Paul: That's awesome. I'd probably be amiss if I didn't put a pitcher and for obviously you've alluded to, you're thinking about and you can't share it at the moment. The theme for the next InnovateIN48 so I won't push you or maybe I'll push you when we switch the microphone off, on what that is. But if you were to address obviously the FIS employees listening in, any messaging you'd like to give them, by way of thanks and sort of get them excited about what's coming up?

Mike: For my employees, the regional round is April 10th through 12th. So yeah, definitely sign up. It's open registration right now as we speak. Definitely participate. It's funny, I didn't mention it earlier. This is not just for developers. We've had teams of product designers, UX specialists, we've had people from our people office, legal, anyone with great ideas can join the teams with developers.

Paul: That's awesome.

Mike: And be part of it. So it's not just a tech or development thing. Form a team. Try it out. We're investing in our employees by just giving them 48 hours. The leashes are off. Just

go off and learn and do something cool for yourself and for the company. So have fun with it. Again, thank you to all the employees who have made this the event it has become seven years ago when I started this, there's no way I would have envisioned sitting here in front of you, Paul, doing a podcast about this.

That just was not in the realm of possibilities and my vision, so thank you to everyone who has given it their all. Even at the finals, they've been flown from around the globe, from Christchurch, New Zealand to China to wherever we hold it that year, and they still spend 48 hours overnights giving it their all. They really, the competitive nature of our employees really comes out in this event and it's so wonderful to see their passion. I should add, a constructive competition and there's been no downside to it, which is great. So thank you again as well. So I'd say just keep at it FIS, keep the energy up and I just can't wait to see what may come in the regional round and then of course in the global round as well.

Paul: Cool. So FIS team, you've had the rally charge. Go sign up. I had the experience of being involved. Maybe I'll get invited back one day. It was super exciting.

Mike: We would love to have you again in 2019.

Paul: That would be awesome. Super exciting. Hopefully everyone signs up and I'll hand over to David to close things off.

David: Thank you Paul, Mike and Howard for being on the show today. This has been an excellent conversation about how people can innovate from within their own companies. One thing to know is that we will post the show notes on the podcast episode page and links to appropriate materials that support InnovateIN48 and I would encourage you to, to consider holding a hackathon at your company.

Paul: So Mike, in closing any call to actions? Any call outs?

Mike: Yeah. So one, I want to say thank you to the employees who are listening. Thank you to our customers. Thank you to our industry peers and thank you to just Microsoft's customers who are listening in, you know, from outside of this industry, getting knowledge of what it is that we're doing at FIS and with the InnovateIN48 event. Keep tabs on the event through our social media feeds or FIS global.com or Rise with FIS, our industry blog and, and whatnot. Thank you to everyone who makes this event what it is and thinking of Microsoft for the partnership through the years. And again, I can't wait to see what's gonna come up within the next year or years to come.

Paul: That's awesome. Thanks, Mike.

Howard: Thanks, Mike.

Mike: Yeah, thank you, Howard.

David:

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