

Marco Santos:

Embrace the challenge, the uncertainty, and focus on learning and getting, look at for innovation based on digital technologies. We will prevail, right? Those ones who can make that.

James Robert Lay:

Greetings and hello, I am James Robert Lay and welcome to episode 258 of the Banking on Digital Growth Podcast. Today's episode is part of the Exponential Insight series and I'm excited to welcome Marco Santos to the show. Marco is the CEO of USA and Latin America for GFT who is shaping the future of digital businesses for financial brands. Today, Marco and I are going to peer into a future full of exponential growth opportunities to empower you, the dear listener, to level up your future growth potential at your bank, at your credit union, and at your FinTech. Welcome to the show, Marco. It is good to share time with you today.

Marco Santos:

Thank you very much James for the opportunity to be here with you.

James Robert Lay:

Before we get into talking about a future full of exponential growth potential for financial brands, I always like to start off on a positive note. What has been going well for you this year, personally or professionally? It's always your pick to get started.

Marco Santos:

Thanks for asking, James. So firstly, the year has been an amazing year for us at GFT Technologies US. We've been growing a lot exponentially, and we are going to deliver this year an impressive 55% of growth in our business. So this is for us, a great, and we have won, we just delivered a double fold growth as well over the last two years. So it is a remarkable achievement for us. We are very happy with that. Also, working strongly with key companies, key clients, key brands that are quite recognized around the innovation space, and very important, reinforce our partnership with top players like AWS, like Google Cloud, Microsoft Salesforce, Thought Machine, and so forth. So it's been great on the business side.

On the people side, I really like a lot to talk about people. I think that talent is key for this digital transformation era that we are living on. We also were awarded as a Great Place to Work Company in US. So it's very good news for us. And on the personal family, I've been trying my best to have a balanced life with business and family. I celebrated my second year here in US and the second Thanksgiving, which for me was great.

James Robert Lay:

Yes, well it is a lot to be thankful for. There's a lot to be celebrating as we reflect on this year. We look ahead to an entirely new year full of exponential growth opportunities. I want to go back in time just a bit to set the stage, to get some context for the dear listener. As I know that you have been introducing financial brands to new technologies since the early days of the internet, I too go back to early 2000, 2001, 2002, started to build bank websites. At that time, I saw a tremendous amount of exponential growth opportunity that the internet would bring through digitization, democratization, demonetization, part of Peter Diamandis' The 6D's model. Many different areas including banking would be impacted by this. I want to use 1994 as a horizon line because that is when I say that the internet first achieved mass consciousness. When you look back to 1994 to today, what have been the biggest changes, the biggest

transformations that have surprised you most when it comes to digitization, democratization, and demonetization within banking?

Marco Santos:

I would say that that's the advance of the mobile apps together with the launch of iPhone. I think that brought a new concept: leveraging the internet which was there right at that time. Leveraging the internet and really, I'd say, democratizing, bringing to all the world the capability to create apps, digital apps for consumers, for clients, for end companies. To us a massive shift on the thought process of the companies, of the consumers. From there, we've been enjoying another exponential wave. Because we are always looking on that exponential wave based on technology, internet, and then dot coms, et cetera. But then we enter to a really hyper growth, another exponential wave. And now you see those concepts of open services, of customer experiences, and those digital transformation journeys that the companies and the consumers are facing. So this is for me and this for me is something that resonates strongly.

James Robert Lay:

That's a great point about the idea of thought and mindset, and we're going to expand upon that here in just a moment. I want to get a little bit more closer in to just your journey, thinking about where you've led GFT literally through exponential growth. I mean, when you go back to 2011, you have led the team in Brazil growing from 80 people to 1,800 people. That's not just 10X growth, that's 20X growth. Then in Latin America you had the expansion into Mexico and into Costa Rica. Now you're moving into the US financial market. Think about this journey through South America, Latin America, and now moving into the US. What have been the biggest lessons that you've learned along the way when it comes to leading and guiding digital transformation for financial brands?

Marco Santos:

The main message, the main experience so far, it's been helping the financial service organizations, our clients, our key clients, to bring visions, digital vision to digital reality, to materialize the vision. So I think that we, Marco, as a leader in GFT as a company, in all my team, because I do that together with the team, we deliver that as a team, we've been very focused to help the financial service organizations, fintechs, and traditional banks insurance to design the vision, the new vision based through digital environments, and help them implement and execute products and digital projects that are going to materialize that. I think that that's been our focus and what that we've been, say, mastering over the last years. And that's happened a lot on this exponential journey. We are always with an exponential demand. I

James Robert Lay:

Like the idea of what you were sharing before, you were talking about collaboration with partners but also with clients, and you're helping people to see things differently than how they saw things before. That's the idea of vision and you're bringing clarity. I want to dive deeper into the role of mindset here. Because when you think about 1994 to now 2024, that's a 30-year horizon line. You mentioned 2007, the launch of the iPhone in how much things have transformed since then. As we look ahead towards the future, we've got web 3.0, automation, AI, machine learning, it's really hard to consider all of the possibilities that we are going to experience over the next 10 even 20 years, just like it was hard to consider the possibilities if we go back to 1994, 2000, 2007. What role does mindset play even more deeply, exponential mindset, when it comes to visioning a future that could look different than where we're at today?

Marco Santos:

I strongly believe that everything starts with the mindset. The mindset that we have is the one that really enables us to really create things, create exponential things. I've been telling that as a leader to my team: we need to have an exponential mindset. We need to think big, we need to think 10X, we need to find ways to surpass the crisis, the challenge that we see in the markets, and we need to think exponential. That's the number one. We also bring that to our clients. So this is internal thing, and then to our clients. So with our clients, we bring also that approach and incentivize the clients to think different, to think digitally, to think exponentially, and to design new products, solutions, digital products, and implement them in a way that we are going to really create an impact. I am recognized as the guy that I'm always talking about exponential. That's the start with our team starts with what we bring to our clients, with our partners, in the whole ecosystem.

James Robert Lay:

Yes, and I want to dive deeper into this even more. Dr. Benjamin Hardy is writing another book with Dan Sullivan who's a strategic coach and he's been working with entrepreneurs for 40 years. Dan is good friends with Peter Diamandis and the book that they're writing is 10X Is Easier Than 2X. And so, as you think about growth and transformation, one of the things that I teach is transformation must begin within. It must begin within the self, then the team, then the organization. And I think historically we have thought about transformation moving from the organization to the team to the individual, and that's where the confusion and complexity begins. And so, if we reverse engineer this, put people at the center of our thinking and doing, we can transform the self within the team, then the organization. I think about risk-adverse verticals like financial services where I've been for over 20 years.

The idea of an exponential future can both excite and terrify financial brand leaders, sometimes at the exact same time. So think about Marco, the individual. And I liked how you mentioned that you're not doing this yourself. This is also about your team, this is about the organization that you're leading. But then that also expands externally to the partners you're collaborating and the clients that you're working and collaborating with together there as well. How do you confidently navigate the complexities of change yourself while at the same time empowering others within your team, other leaders within the organization, to do the same? What's your take on that?

Marco Santos:

I mentioned to you, so I think it's all about people at the very end. The people, we human beings, we deliver the impact. We deliver the project, we create the value, and it's our people internally. I love that your construction that you put in a super organized way. I love that, James, is we need to do as individuals, we need to think exponentially, we need to think digital, we need to keep learning. Then we move to the teams, and then we move to the organization, to the clients, to the partners. It's all about us. We should make all our individuals, all the people that we work with, inspired and get it, believe in it, live it. The same thing we bring to our clients, the same thing we're going to bring to our partners, to the ecosystem. So that's been my journey as a leader: to really bring to the people the exponential mindsets and then we can leverage over digital.

And then digital plays an important role on this because we must have the exponential mindsets. But I am a digital technology guy and I work in a digital technology company with digital technology projects. And I strongly believe that the information technology capability, the digital capability to create exponential journeys, double performance, and reduced double price right year-over-year. Then you can create an exponential journey that allows us to do everything that we are doing. So that, I think, it comes

together, the exponential mindset with the digital. The digital is the baseline. The information technology is the real true baseline that is supporting all this journey that we see. Then comes AI and then comes other technologies. AI is going to create an even stronger double folding exponential curve on top of the digital.

James Robert Lay:

Well, that's one of the things that I was talking about at the financial brand forum in Las Vegas a couple of weeks ago, was the impact that AI and ML machine learning is going to have going forward into the future. You've been touching a lot on the point about people and I appreciate that. I respect that because yes, you have the technology and you have the digital tools, those are capability upgrades. But if the people don't have the perspective or the vision to see how to apply the technology, some conflict might arise. I hear many financial brand leaders complaining and lamenting about a talent gap in the industry. I believe the problem is more deeply rooted not just in a talent gap but a knowledge gap, an education gap, a training gap. In fact, ongoing education, and I would say, even more importantly, the ability to unlearn and then to relearn will become vital skill sets going forward into a future of exponential growth.

What's your take on this? What's your recommendation for financial brand leaders who feel stuck? They feel busy just doing in the present moment while struggling to create space and time to pause, to review, to learn, and then think about how they could do even better. I think that's the key. How to do even better going forward into the future. How can they escape this complexity of just doing so that they do have time to learn and to think?

Marco Santos:

First, it's a matter of, I think it's mindset as well. It's a matter of belief, it's mindset. So in our mindset, connected with the exponential growth, we must have the mindset of keep learning, the continuous learning. And let's say that it's continuous scale learning. Even more sophisticated, right? Because we need continuous learning, keep learning; and scale because we need to learn with everyone. We need to know how to learn with the trainee that is coming with a new capabilities, with a new way to see the customer experience. And you need to learn with novice level, so we need to scale away. And continuous, we need to implement a continuous learning, continuous skill learning culture, embrace the new. Be capable to embrace the new. This is with our teams, with the management level, with deceptive level, with all the levels. And this strong sense, the company, it's also the partners, again, the other ecosystem.

So this is a matter of understanding that the future, we are going to thrive in the future if we be open to learn everything and learn the new. I see that in my career. 10 years ago, 15 years ago, when I look at the new information technology and then those waves took four years, five years. Now what the new that comes, it takes one year. 18 months and it's not new anymore. Then there is something, an extra, a new generation, a next generation technology that is coming that is impacting the business. So financial subsidization is actually some financial organization, they need to implement the concept of continuous learning on their own organizations, teams, areas that will transcend with the ecosystem of partners and that will even go to the clients.

James Robert Lay:

There's an old quote from Alvin Toffler who shares, "The illiterate of the 21st century will not be those who cannot read and write, but will be those who cannot learn, unlearn, and relearn." For the dear

listener, there's an article that I highly recommend, go Google this, it's from McKinsey. The article title is a question, Are you a "team of learners," or do you learn as a team? I know this is something that the Microsoft CEO has shared. We want to transform our perspective from being a team and an organization of know-it-alls to learn-it-alls. I often say that the desire to change, to transform, to grow from good to great must be stronger than the desire to remain the same. And when it comes to transforming behaviors and more deeply transforming mindsets, transforming belief systems and structures, we know loss aversion theory states that people are more likely to change, they're more likely to make a transformation to avoid a loss than they are to achieve again.

I want to get your take. What are some big potential losses or risk that you see from your point of view that might help motivate the dear listener to take some actions moving forward into the future? Particularly when looking out at uncertain economic times? Because when things get tough, it's like, we're going to contract into what we know when the opportunity is to expand and grow when everyone else is contracting. So what are some potential roadblocks or risk that we need to be aware of looking out towards the future if we fail to take action?

Marco Santos:

This all comes to help us to better. To help the companies, the markets, the economy and the individuals, the talents to professionals, to do better. And everything again based on digital, because the digital helps to do more with less, faster, and cheaper. And so, I firmly believe that on these uncertainty times, that is the time that you can take the best advantage and leverage over a digital approach, digital product, a new digital initiative using the next generation technologies. That comes together with the continuous learning theme. It comes together with that.

So I also believe those times that's the best time for people and for organizations to get to know the new, to understand the innovation that can be deployed, and learn and utilize the time to do better, faster, cheaper, and improve efficiency. So I think that's the the right time. The ones that can see that, that see the opportunity, I'm talking about professionals, talents and executives, the companies, the clients, financial service organizations, the consumers and the IT partners, so I see that those ones that do not stuck with the fear and froze with the fear, those are ones that definitely, definitely were going to embrace the challenge, the uncertainty, and focus on learning and look at for innovation based on digital technologies. We will prevail, right? Those ones who can make that.

James Robert Lay:

You talk about fear and that's one of the things I wrote about in my first book, Banking on Digital Growth. I talk about the three, really the four fears. Fear number one is fear of the unknown, fear number two is fear of change, fear number three is fear of failure, and fear number four, a lot of us don't think about it, it's fear of success. It's like, what if this is successful? Are we prepared for this type of exponential growth? And so, let's roll this back. Fear of the unknown can be overcome, back to your point, by establishing a culture of exponential learning within an organization. That comes back to what you were talking about to begin our conversation, which is vision. Helping people see different, perceive things different than how they perceived them before.

What is perception? I mean it really, it's about our life experiences leading us up to this point, and then collaborating with others to see things differently than how we saw them before, and then having the courage to commit to take action. I think that right there, I want to get your take because we're talking this future reality that we have the potential to create new growth models, new revenue models, new

business models in a world of cloud-based open banking. What is a potential opportunity that some might not be thinking about today when it comes to new growth models, when it comes to new revenue models through cloud-based open banking? What's your take?

Marco Santos:

There are so many opportunities. James, I was last week in a important events and I was talked with the team. I said, "Look, there's so many opportunities that we can take. You need to prioritize because you're not capable enough to take all the opportunities that we see." So I see lots of opportunities, firmly believe that the road is going open and keep open. So the open service is a concept that is there and it's going to move forward. You mentioned about the clouds. Cloud is super, it's a fundamental element for the cloud automation journey because it will allow the companies to scale up, scale down, and really follow this, I'd say, this VUCA world and be faster, more nimble and more cost efficient, to follow these VUCA world and demand that it's coming. That's only with clouds that you can do that.

It's fundamental elements and they're on top of that, the data. We are getting to the points that you're going to have recommendation roles. So everything that we do, that we listen, that touch us, we are going to have a touch of a recommendation brought by an efficient intelligence elements based upon lots of knowledge, lots of information. There might be new business models for financial service organizations, for banking, for fintech insurance and whatever data, AI. The fundamental element of cloud, the open banking, open assurance, open service, that also will allow the organizations to be closer with the life moments of the customers.

Because at the very end, what matters for the end customer is the life moments that the individual is there. He's talking about getting married. He's talking about back car. He's talking about to you an old rental house. And that is the need. To get closer to that, to have the open service concept and everything, and then data to understand all of that, all of those behaviors, conversations, integrative social media. Also for me, lots of opportunities, and we need to be smart to prioritize; otherwise, we will not have enough resources to deliver what you need.

James Robert Lay:

Absolutely. Exponential opportunities, for sure. But I appreciate your perspective about prioritizing what is going to create the greatest value. I think if we always put people, their pains, their problems, their questions, their concerns. At the center of our thinking, we can use technologies, exponential technologies, exponential capabilities, to solve those problems at scale. Then come back to your point about recommendations, provide them with recommendations, provide them with guidance, provide them even with coaching. That's a big transformational shift when you think about financial services. It's been a very reactive business model. We wait for people to raise their hand a lot of times, but now we can come back and we can look at big data sets, and based upon AI and ML say, "According to your unique situation, here are one or two or three possible paths that you could take." And so, this idea of the recommendations, and coaching even, is something that I've been thinking a lot about since writing Banking on Digital Growth.

I think another opportunity that many people don't think about when it comes to maximizing digital growth is everything that we do digitally creates more CO2 emissions. The good news is that ... I know you were at the Amazon Web Services Reinvent, spreading the word about GFT's GreenCoding methodology. I want to get your take on this. What is this GreenCoding methodology and why? Why is it important to be thinking about this as another opportunity when thinking about the future and digital?

Marco Santos:

We are human beings and in our economism society we are hungry for energy. We exponentially grow the demand for energy over the last century. It's predicted that over the next 10, 20 years, we are going to grow again the demand for energy. So energy is a really important resource. It's another layer that supports the digital transformation. The digital transformation, the digital itself, digital is hungry for energy. Because we must have the cloud data centers that are growing exponentially to support the cloud transformation, and this needs energy. You need energy to recharge your mobile. With more apps and then you feel that your battery is not enough. Because it's the digital thrust, look at this, the new customer experiences and the new digital products. They're hungry for energy because they consume more data, more information, and provide more functionalities for us.

All these things, always energy. So energy I'd say is the other fundamental element even underneath the data. All that I said is simple. So with such a hungry for energy on the consumers, on the companies, on the partners, we need to be smarter on the way that we are going to design, organize, implements and develop and codes our digital solutions that they can be more efficient. Because if they're not efficient, they can consume 10 times. One mobile app for a consumer can consume 10 times more energy than another one if it is done based upon GreenCoding concepts.

The same thing with the infrastructure, the digital infrastructure. We can create a digital infrastructure that is X times more efficient than another one depending upon the way that you code it, that you design and organize it. GreenCoding and green clouds and green digital is something really important for all of us because it will help us to service the demand the demand of energy that we have and have a better roads. To not destroy our roads. Because we are moving into a scenario in terms of climate change, that it's quite challenging for the human means, and you see, sets a demands of more hungry for energy which is going to push more these, say, challenging situation that we have. So it should be smarter. That's when it comes, the GreenCoding part.

James Robert Lay:

Well, I greatly appreciate that perspective because once again I don't think a lot of people think about that. As you increase demand for technology, whether you're a consumer or a brand or a financial brand or a manufacturer, the demand for energy is also going to increase as well. But it's being wise, it's being mindful of how to build code and systems and methodologies that are more efficient. It is going to make the world an even better place going forward as energy demand continues to increase. So I really appreciate the perspective there. As we start to wrap up, what are you feeling most hopeful and excited for about the future as you continue to lead exponential growth here within the US financial services space? Because I do truly believe that banking has the potential to transform lives in very many positive ways. Some ways that we're probably not even perceiving or thinking about right now, but what are you feeling most hopeful and excited for about the future?

Marco Santos:

Again, I'm a very optimistic person. I'm very excited about the future. I think that for banks, I think that the traditional banks ... so let's talk about the traditional banks first. The traditional banks, they are in my point of view, in such a good position right now because they have tapped up, they have gravity. They can utilize that gravity in terms of a large base of consumers, et cetera, et cetera. They can take advantage of the innovation or the new digital, the next generation technologies, and create new business models and creates exponential growth in new areas or even on the areas that they are

running. So number one, so I strongly believe it's a big opportunity, big time, good time for the traditional banks.

On the other side, there are challengers. They challenge bankings, the challenging banks in the fintech, et cetera. They are obviously under pressure with the market today. But on the other sides, they have lean organizations and they have next generation technologies already there in place, which can be leveraged with, again, new digital products within business models, and they can innovate faster. So you see there, so you see both sides have amazing opportunities to create exponential growth. I see, I think you will love that, to depend upon this, the growth, the exponential mindsets of the leaders. That they will, some will fear and then maybe stop or may take too much time to take this important decision to transform or innovate. Some will be bold and nimble. So I think exponential mindset, be nimble, be agile, embrace the new, and incentivize your organization to keep learning, continuous learning, scale learning. And then you can make it right. Finally, you can find a new business model, a competitive advantage that comes from, who knows, anyone in your organization. So you need to incentivize the innovation.

James Robert Lay:

What you're talking, it really, our conversation has come full circle as we're wrapping up here. It comes back to perception. It comes back to vision. It comes back to clarity. I always like to wrap up and send the dear listener off with something practical that they can apply. Something small, because I do believe that all transformation that leads to future exponential growth begins with a very small, simple step for today. In that, you have a doubling and an exponential effect where that one step becomes two, that two doesn't become three, it actually becomes four then 8, 16, 32, et cetera. What is your recommendation that the dear listener can take to either develop, continue to develop or expand their exponential thinking going forward into the future? One small thing that they can do today practically.


Marco Santos:

Embrace the new. I would say be practical. [inaudible 00:39:04] If you are stuck with a project or if an activity, initiative or a technology, invest your time. Find something out of the box that can really change completely well the way that you are thinking. Take advantage that you are in a comfort zone. And again, look at the new. Look at some new technologies. Something that you can look at that and say, "Ah, in future, these thing can be a game changer for me as individual, for my company, for my project, for my clients." So in nutshell, think out of the box. If you are in a comfort zone, better take advantage of that. And if you need that because you're not challenging time, you know it then, know it, simply embrace it. Embrace the new. Embrace the new.

James Robert Lay:

As you're going through, you said something that I want to come back to, which I think is so important to wrap up on here. You said invest your time. Another mental model that the dear listener can take back, you can take back, and the question that we can all ask ourselves every morning when we wake up is, have we had our morning tea? You might not be a tea drinker, I'm not a tea drinker. Actually, I have my coffee right here. But we all need to make sure that we have our morning tea, and ask ourselves, how are we investing our time? Because time in the age of AI is an investment because time can become exponential. An hour today that we invest today can create exponential impact going forward for weeks, months, years, perhaps decades to come.

So, how do we invest our time? How are we spending our energy? So time, energy, because energy is finite, back to your point here. Then most importantly, attention. What are we paying attention to? I



think if we just ask ourselves those questions and create some mental awareness of time, energy, and attention, we will be able to continue to move forward into a future full of exponential growth opportunity. Marco, this has been a fantastic conversation. Thank you for sharing your knowledge. Thank you for sharing your wisdom. What is the best way for someone to connect with you to say hello and perhaps even continue the discussion that we've started here today?

Marco Santos:

My mail is Marco.Santos@GFT.com, number one. Number two, my LinkedIn page, I'm very active on LinkedIn, can be easily find there. So it's MarcoSantosGFT, and then you can reach me out there.

James Robert Lay:

Yes, connect with Marco, learn with Marco, grow with Marco. Marco, thank you so much for joining me for another episode of Banking on Digital Growth. This has been a lot of fun today.

Marco Santos:

Thanks very much, James. Thanks for the time and opportunity.

James Robert Lay:

As always, and until next time, be well, do good, and make your bed.