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PeopleReign Announces Public Availability of AI-first System of Intelligence for IT and HR Employee Service



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CEOCFO Magazine

CEOCFO: *Mr. Turchin, what is PeopleReign?*

Mr. Turchin: PeopleReign is an AI first system of intelligence that automates the delivery of IT and HR service from employees at large enterprises.

CEOCFO: *How does that work?*

Mr. Turchin: In the past if you were an employee at a company, let us say McDonald's or Boeing or Walmart and you had an issue with your technology or a question about your payroll or benefits, or you needed to take time off, you would traditionally call the help-desk and usually wait on-hold and usually they would create a ticket for you. Oftentimes it would require multiple interactions in order to get your relatively basic requests resolved. With the benefit of new AI and machine learning technologies, PeopleReign is able to fully automate the resolution of that request or get the question answered. The things that should be routine but often are not, now are routine again.

At PeopleReign, what we believe is if you extract the friction out of work and the things you do not like doing, it means you have more time back to do the things you love doing. What we have done at PeopleReign is create cultures where more employees are getting back an hour or so a week of their time back to do what they love. Maybe even to get out of work an hour earlier and spend more time with family and be better parents, better spouses, colleagues, friends, and siblings.

We think that if you multiply that times the billion employees on the planet that will be using systems like PeopleReign to make work life better, we really have provided a benefit. That is why PeopleReign exists, because people reign. We are using automation technologies to make people better.

CEOCFO: *What are some of the challenges in putting together an AI offering covering HR and employee benefits?*

Mr. Turchin: The hard thing is delivering an automated experience that is better than the traditional experience of calling a help-desk or sending an email. The traditional experience of calling a help-desk or sending an email is pretty abominable. The bar is actually quite low and that is why through a combination of having developed what we have referred to as domain ontologies, which speak the language of employee service, we have actually trained AI models on about a billion historical cases and tickets and we have developed these structured vocabularies to understand about five million work concepts.

What is hard is replicating the experience that employees are used to having but it turns out that by becoming experts in these domains, the domains of IT and HR, you can actually create an experience with a virtual agent with automation technologies that if you listen to our customers and you read some of what they say about PeopleReign, ten times out of ten they will tell you it is a lot better than having to wait on-hold or deal with a live agent because it is so accurate at detecting what they want to do, diagnosing the issue and then most importantly taking the action to resolve the issue to reduce the amount of time that they cannot get back to work.

CEO CFO: Are people comfortable talking to a machine? Has it become mainstream?

Mr. Turchin: Five years ago we were very uncomfortable and we would always press zero to talk to a live operator whenever that was an option. Since then, a lot has changed so in our personal lives and our lives as consumers we are getting comfortable with automated technologies and sometimes the entry point is something simple like Netflix recommending movies or Google being able to answer a question using natural language in a Google search.



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We are getting comfortable with the idea that machines are pretty good at understanding who we are and what we want. Combine with that the fact that unlike five years ago, today if you call your credit card company, your cable company or your airline, you do not want to wait for a live agent. If you just need to get the status of your travel rewards program or you want to find your bank balance or where is the nearest branch or figure out if your flight is delayed, the last thing in the world you want to do is wait on-hold for a live agent to give you information that is much easier for a machine to give you.

“We did an announcement a few weeks ago and told the story of a gentleman named Henry Grimm who was responsible for deploying PeopleReign in his organization, a reinsurance company in Zurich called Swiss Re. Swiss Re has 15,000 employees in 25 countries, using PeopleReign to deliver a better employee experience.” Dan Turchin

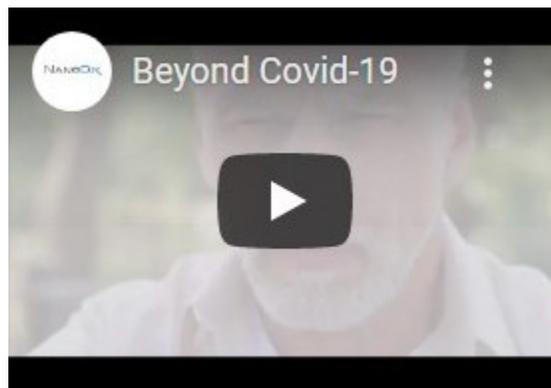
We enter the workplace now with these heightened sensibilities about what are good activities or some kind of virtual agent or automated interaction and which are not. What People Reign has done is built on these experiences that we have in our personal lives as consumers and essentially modernized the experience that we have as employees with our employers, which is bringing the level of support as an employee up to the level of support that people expect as consumers.

CEOCFO: *Are people more likely to argue with AI? Customer service often seems to involve some kind of friction, are people less likely to be frustrated with AI? Can AI detect when someone is really upset and needs to be treated with kid gloves?*

Mr. Turchin: We surveyed 250 CIOs recently. We actually published the results of what they said. We asked them a similar question, "How do your employees perceive interactions with a virtual agent and do they still expect to speak to a live agent?" It turned out they said about 70% of the employees cited that they would prefer to speak with a virtual agent as long as they had a live agent fallback.

One of the strengths of the PeopleReign platform is the ability to understand what it knows but also understand known unknowns. If it is a common request, something like provisioning an application or being locked out of a system or needed a password reset or having a question about your benefits or payroll, these are common requests that come up millions of times daily and the nice thing about using AI machine learning to solve this kind of problem is that PeopleReign is essentially the definitive repository of how the world delivers IT and HR service. Millions of these requests are going through PeopleReign every day so it is constantly getting better at how these questions are asked and how these issues get resolved.

Every employee using PeopleReign benefits from the fact that PeopleReign is listening to maybe ten thousand times more conversations than one live agent could possibly listen in on. This means it is the most conversationally fluent way to get your common employee questions answered. It is much better than working with a live agent but the nice thing is there is always the option to have that safe landing of a live agent if for any reason you feel like the virtual agent is not doing a good job addressing your question.



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CEOCFO: *What are some of the challenges with idioms, regional differences, heavy accents? How does AI get around all of those things?*

Mr. Turchin: Thankfully PeopleReign is omnichannel, so if voice is not the best channel because of things you mentioned, loud noise in the background, employee speaking in a quiet tone or with a strong accent, there is always an omnichannel alternative voice including SMS, including chat like in Microsoft Teams or something like that, there is always a channel that makes it easy for the employee to communicate. With respect to accents or when English is not the first language, the real benefit of the virtual agent from PeopleReign is it speaks 27 languages fluently. The employee will always just speak or type in their native language and if it is one of the 27 supported languages, unlike alternatives, PeopleReign will detect a speakers' native language and can automatically adjust the whole dialogue.

The virtual agent is on-demand speaking the language of the employee. Technically that is a big achievement and we are proud of the technical capability but we are more proud of the fact that makes every employee around the globe feel like a first-class citizen. That is a lot different from feeling like you only have a one-hour window of time when you can speak

to someone in your language or more often than not, nobody speaks your language. You are always feeling like if you do not speak English as your native tongue, then somehow you are not going to get high-quality customer support.

With PeopleReign, that goes away. Everyone feels like they are valued, their time is valued and wherever it is that they work, their language and time zone is equally attractive from the perspective of their ability to get help. I mentioned that it is important to deliver an experience, that is as good or better, well that is one way we are using a virtual agent from PeopleReign that is significantly better than what any employee has experienced in the past.

CEOCFO: *What type of companies, industries, locations, are using your service and how are you reaching out to let people know PeopleReign exists?*

Mr. Turchin: The customers that are most successful using the PeopleReign platform are ones that tend to be globally distributed for obvious reasons with the support for 27 languages. It is very hard if you are a service provider for a large company to be able to provide what we call the follow-the-sun coverage, so follow-the-sun is every time zone has its dedicated call-center. That is expensive and hard to do so organizations that are not adequately staffed or funded to be able to follow-the-sun with live agents speaking 27 languages, are much better off using PeopleReign.

The second category is that organizations that are investing in better employee experiences, can be the ones that have a better experience with PeopleReign. These days you practically cannot open a blog or read anything online without hearing about the great resignation. In the face of record low unemployment and record high inflation, a lot of employees are thinking that maybe there is higher ground somewhere and maybe they are getting a little bit destabilized. A couple years into the pandemic, they are valuing their home life, they are thinking about all the friction between them and their employer and they are starting to get a wandering eye. A lot of those organizations that place the most value on employee experience are the ones that are thinking about a way to make every employee feel like a first-class citizen and those are the ones that tend to be the first ones turning to automation platforms like PeopleReign that put the employee first and deliver on the promise of what it means to remove all the friction from the workplace so that just the stuff that employees love remains. That is who is adopting PeopleReign.

The way we get the message out is by sharing stories. The best way for new organizations to discover PeopleReign is by hearing from some of our amazing customers. We did an announcement a few weeks ago and told the story of a gentleman named Henry Grimm who was responsible for deploying PeopleReign in his organization, a reinsurance company in Zurich called Swiss Re. Swiss Re has 15,000 employees in 25 countries, using PeopleReign to deliver a better employee experience. The more other global organizations like Swiss Re hear about the benefits like AI first systems of intelligence for IT and HR employee service, the more they realize this is not just the future of work, this is the present of work and the sooner they can offer options like PeopleReign to their employees, the sooner they can stem the tide or combat the great resignation and make every employee really feel like they are the best versions of themselves at work.

CEOCFO: *How are you able to get across the ROI for a company and how are you able to position it so that prospective customers recognize the value of PeopleReign?*

Mr. Turchin: I have been talking a lot about the value of employee experience which can be a soft ROI, as it is sometimes hard to quantify the value of an engaged employee. The things you can quantify are five key performance indicators. One is your mean time to resolve issues, PeopleReign customers report that their mean time to resolve issues goes down by about 45%. Another way that is easy to quantify the value of PeopleReign is they report that on average they have about 65% fewer calls and less call volume than before PeopleReign.

Typically, people are spending between \$22 and \$25 every time a phone rings. With PeopleReign, that goes down to between \$3 and \$5. It is a massive cost savings when you figure that a typical enterprise processes about 750,000 tickets per year. That is a significant ROI easy to quantify. Other key metrics are self-service adoption, so employees that can resolve their issues via a portal or something like PeopleReign, it means that they are productive a lot more of the time and you can certainly quantify what an employee costs you and if you are giving them back an hour a week, what that costs you.

Another metric that is soft but also very impactful for an organization is improvement in customer satisfaction. As consumers, we would often be asked to fill out an NPS (Net Promotor Score) survey, whereas employees are asked to fill out a customer satisfaction survey. Organizations using PeopleReign report on average two-thirds higher customer

satisfaction than those who have not yet deployed PeopleReign. There are a variety of ways that are quite easy to quantify the return on the investment with PeopleReign.

CEOCFO: *What is involved in implementation, and how do you help people feel confident will go through without a glitch or if there is a glitch it will be taken care of quickly?*

Mr. Turchin: There are two ways that PeopleReign de-risks the process of deploying a system like ours. One is by doing what we call risk sharing with a customer. We have a three-step process that helps us understand the potential benefits to the customer and as soon as we understand the benefits, we will make a commitment in writing to the customer that they do not have to pay unless they achieve benefits that we both agree they can achieve.

The first step in our process is called an AI data analysis. We run their data through AI tasks and we tell them what the benefits are. If those benefits are meaningful to the organization, we will guarantee that within thirty days we will deliver these benefits. Let us say for example an organization might have a target of achieving 10% reduction in a mean-time to resolve an issue or the MTTR. If the data says it is likely that PeopleReign will reduce your MTTR 30% which would be low, I mentioned most customers achieve at least 45%, then we may be willing to risk share and say, "Maybe you do not achieve the full 30% that the data analysis says but you were targeting 10%, how about if we target at least 20% in thirty days."

We will commit to the thirty days and we will commit to the 20% and if we do you are getting a ton of value, and in that case maybe you will make the commitment to PeopleReign." That is how the structure of conversation is. It is not a negotiation and it never feels like selling because we are aligned and unless we can deliver value that is meaningful for the organization, we do not feel like it is a good fit and instead we will find an organization that is a good fit. We assure every customer is successful by doing that.

CEOCFO: *PeopleReign is a fairly new company. What have you learned as more and more organizations are using PeopleReign? What may has changed in how the systems works and potential additional uses?*

Mr. Turchin: One of the primary themes that has driven interest in PeopleReign recently is this recommitment to the employee experience. One of the things we have learned is that while 2.5 years ago or even further beyond that when we first were prototyping the technology, there was not as big an organizational commitment to making investments in better employee experiences.

A key learning has been those five key KPIs that I mentioned, things like lowering your mean time to resolve issues, lowering your cost per ticket, reducing your call volume, improving your customer sat, and improving your self-service adoption. Those are not just metrics that are used to measure the quality of service that the service provider provides and that the employer provides. It turns out they are highly correlated with the end-customer experience. Happier employees deliver outside returns for their shareholder and for their customers.

One of the things we have learned is that employers appreciate investing in better employee experiences, it is the most effective way to deliver better customer outcomes. Whether it is coincidental or a happy accident, the world is focused more on the employee experience than ever but that learning and that ability to influence these better employee experiences is what customers are investing in and that is really taught us a lot about where to invest in our roadmap and what we can do to deliver more value faster. That is the confluence of trends that has accelerated the growth.