



The future trend of Machine Learning on strategic hiring and planning

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Digital Transformation

- A transition process in this new era
- Adoption to replace the traditional manual process or old existing technologies
- Increasing awareness of companies since 1980s
- Demand and need of digital transformation
- George Westerman describes the process of digital transformation like a caterpillar turning into a butterfly. (MIT Sloan Executive Education, 2014)
- Bring in 26% profit for success transformation

Digital transformation and Change Drivers



7 Key change drivers:

Machine Learning

Robotic

Big Data

Artificial Intelligence

Cognitive technology

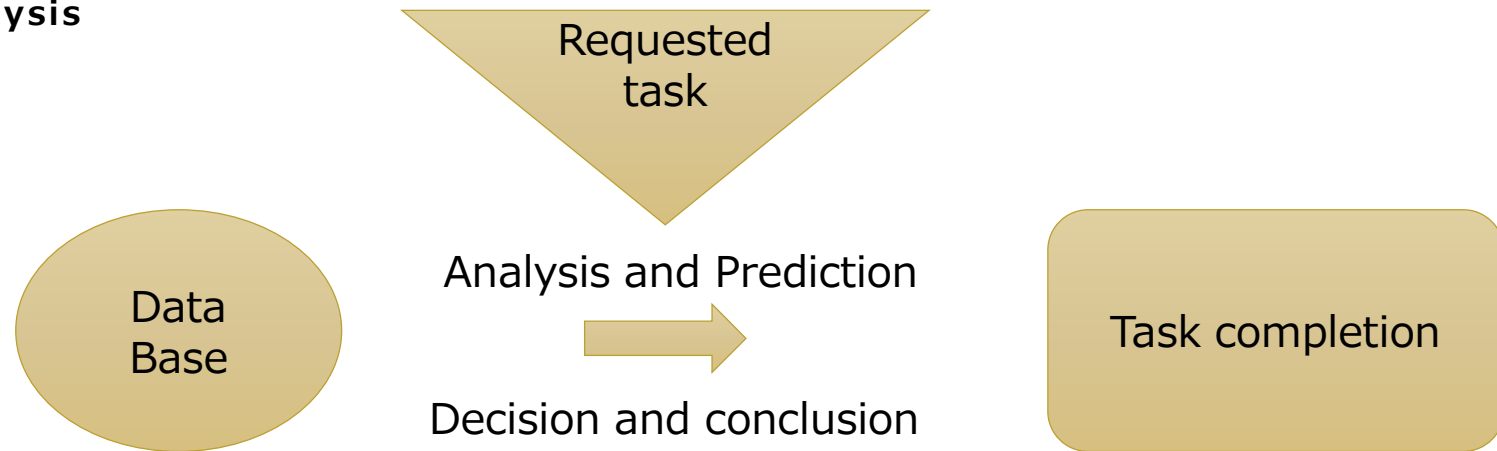
Block chain

Internet of Things (IoT)

What is Machine Learning ?

Machine learning: self-learning algorithms use statistics to draw models from huge amounts of data. (Campos, 2019).

- Rule based approach
- Predictive analysis



Machine learning Pros and Cons



PROS

- Large Data Base
- Fast and direct response
- Continuous improvement
- No human intervention and personal biases
- All rounded decision making



CONS

- Data quality – up to date?
- Resources and processing time
- Inaccurate interpretation
- Slow response to error

Adoption of Machine Learning in recruiting

- **Enhance recruiting experience**

- ➡ **Resume screening and Candidate sourcing**

- Efficient filtering of right candidate and eliminate the unqualified profile
 - View various candidate profile in short time, reduce administrative work

- ➡ **Hiring assessment**

- Personality test/ personality assessment
 - Understand the behavior of the candidate

- ➡ **Shorten hiring process**

- Online application reduce administrative work

Machine Learning in hiring planning

- **Reform hiring plan**

- ➡ Exit interview

- ➡ Performance tracking system

- development plan on existing employee or new hire?

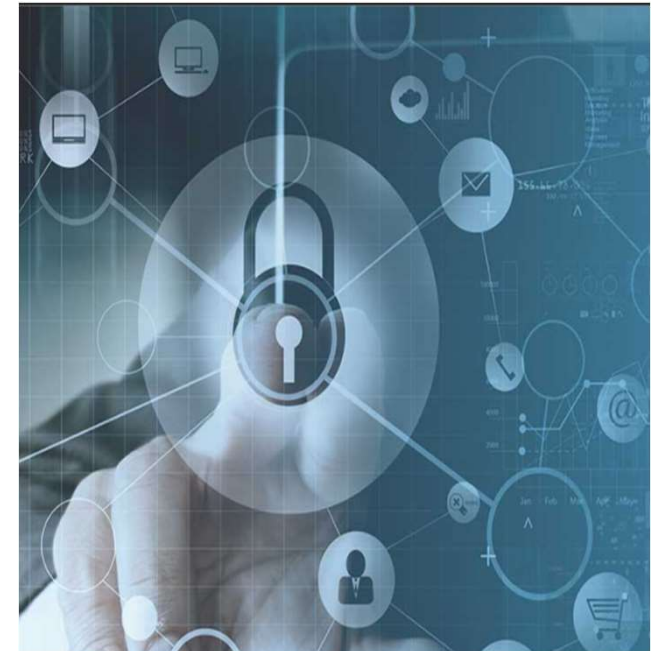
- **Predict future hiring needs**

- ➡ Market demand and supply trend

- **Talent pool**

- ➡ Building up future talent pipeline

- ➡ Connection with brilliant students, e.g. management nurturing program, scholarship, etc.



Constraints of machine learning on company

- **Size of organization**

- ➡ Outsourcing – recruitment agency firm

- **Recourses**

- ➡ New software and hardware equipment

- ➡ Specialist talent

- **Infrastructure of existing organization**

- ➡ Special training on narrow application

- ➡ Prepare for the changes for timely process



Consideration of machine learning on strategic hiring

- **Quality and quantity of data base**

- ➡ Build up strong good data base

- ➡ Type of application process

- **Relationship with candidate**

- ➡ Rigid and impersonal feeling on online recruiting application

- **Ethics problems on data storage – Cyber security and data privacy, e.g. use of personal data (GDPR in EU)**

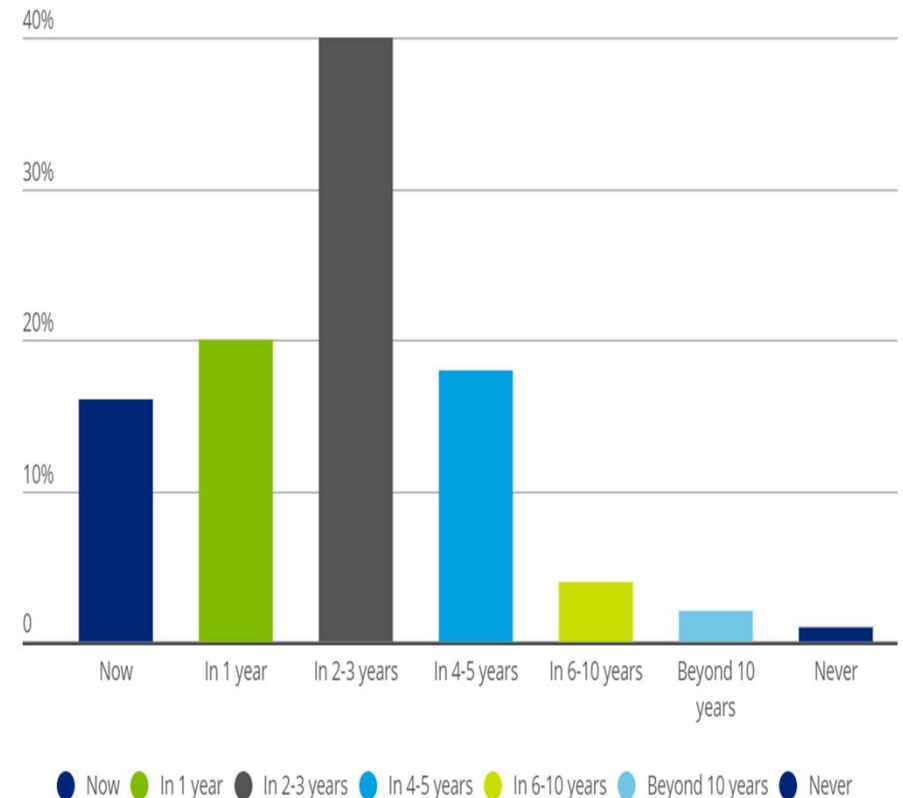
Preparation to overcome the challenges

- **Support from top management, i.e. C-level**

- ➔ Open minded management vs old fashion
- ➔ Executive training (bootcamp)
- ➔ Involvement in the process
- ➔ Goal of transformation

- **Define expect timeframe on implementation**

- ➔ Expect timeframe for transition
- ➔ Project timeframe and process timeframe
- ➔ Timely process assessment
- ➔ Process prioritization – locally and further extend to offshore business



Source: Deloitte (2020) Cognitive technologies survey

- **In-house support rather than outsourcing**

- ➔ Identified the process change
- ➔ Change management
- ➔ System/ platform upgrade
- ➔ Employee experience/ adoption ratio – 58% faster

- **Cultural change across organization**

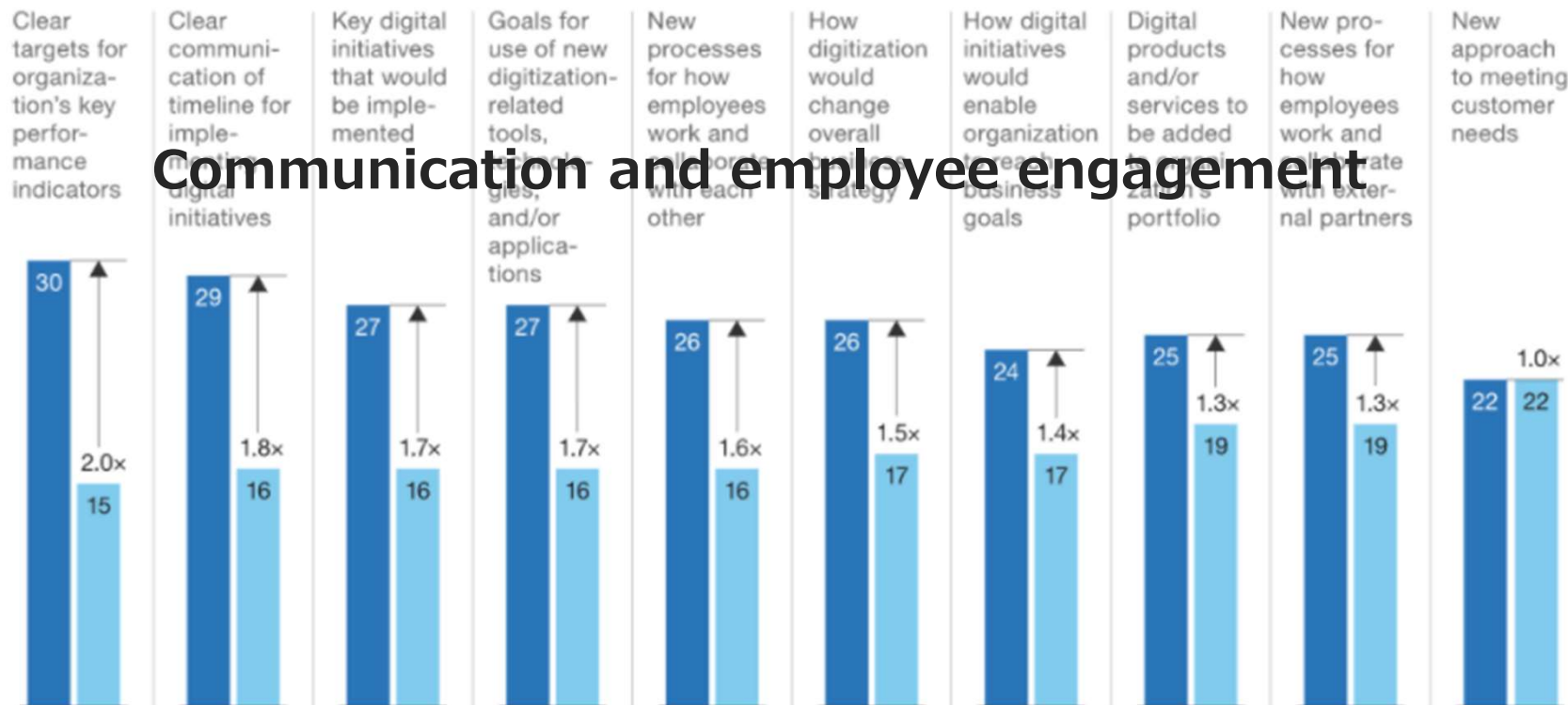
- ➔ Top down approach communication
- ➔ Encourage employee engagement
- ➔ Implementation with phase to increase acceptance and awareness



Survey from McKinsey showed the key of successful rate of digital transformation increased

Success rate of digital transformations,¹ by change-story elements communicated, % of respondents

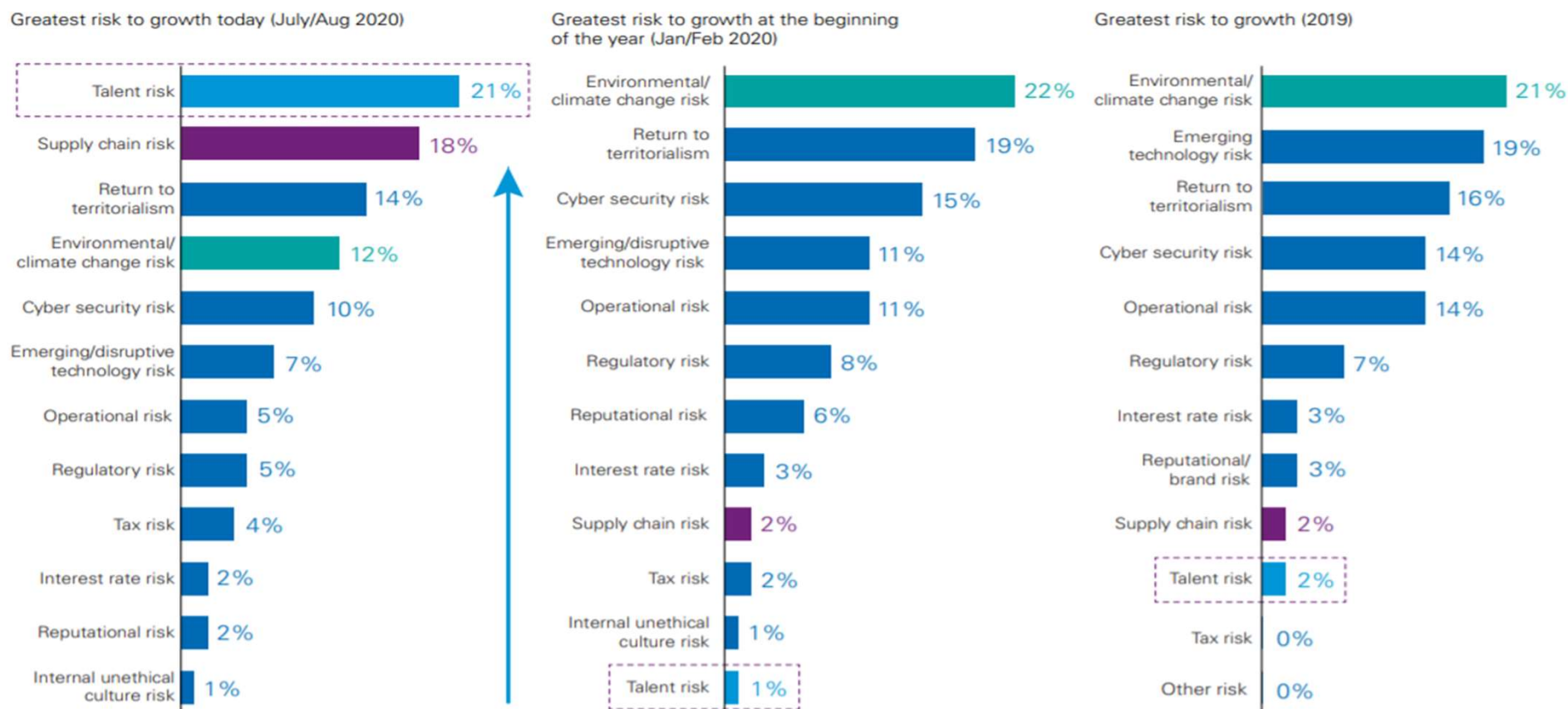
■ Element was communicated² ■ Element was not communicated³



Source: McKinsey & Company (2020) Unlocking success in digital transformation

- **Need of new digital talents/ specialists**

➡ Talent risk - Recent report from KPMG show the greatest risk of today



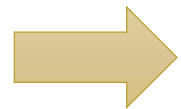
Impact of digital transformation on company

Gartner Inc. forecasted the artificial intelligence business value as below table:

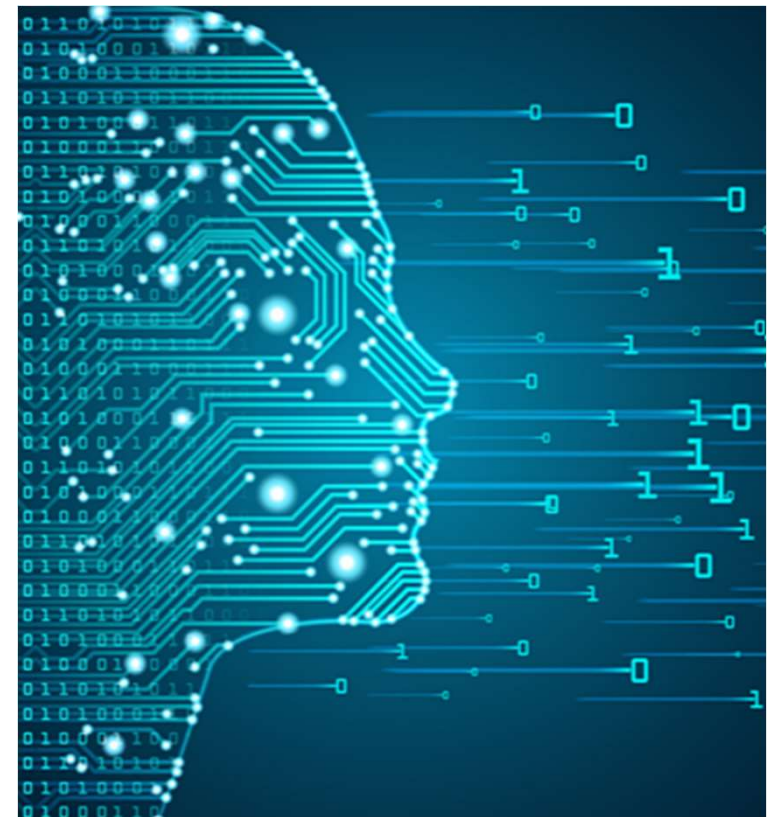
Table 1: Business value derived vs Global AI growth

	2017	2018	2019	2020	2021	2022
Business Value	692	1,175	1,901	2,649	3,346	3,923
Growth (%)		70	62	39	26	17

Source: Gartner (April 2018)



Not only an expense also a company asset



Recommendation for the future trend

Digital transformation is without a doubt the future trend in business:

- Especially under current situation of COVID-19 pandemics
- Survey from AI multiple, 89% of companies equipped or planning
- Worldwide Digital Transformation Spending Guide forecasts global spending on digital transformation grow up to 10.4% in 2020 and reach \$1.3 billion
- Report by Mckinsey & Company, automation of existing process can save around \$16 trillion in wages
- Well prepared for the changes
- Balance on decision making

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