

AI and Talent Management: the Story of Margaret



Margaret is the VP of talent management at her company. She is a respected leader at her company. **But her industry is changing. More quickly than ever.**

A couple of years ago, the CEO laid out a plan for moving forward. It was going to be a big new phase of growth.

The capabilities the enterprise was going to need weren't what it needed a few years prior. The CEO wanted to make sure the company was prepared for the future, talent included. "Do we need to reengineer our workforce?" the CEO would ask. "Where are our skills gaps? Should we buy, build, or borrow?"

Margaret wanted to make sure the company stayed competitive too.

Plus, she wanted to make sure people were promoted, and hired, based on capabilities. Not on who they knew, or who had the time to network over Zoom happy hours, meet for golf, and so on. She wanted to make sure there was equity.

She couldn't quite get the answers she needed from her current systems, including the ATS and HR systems. She ended up turning to AI. To a Talent Intelligence Platform to supplement the existing systems.

Everything changed for Margaret.

Margaret did think about things like skills and capabilities before. But she had used a basic skills library, with a very limited repository. Nothing like the advanced deep learning she had now. This AI looked at identifying and highlighting people's capabilities. Forecasting their potential. A real-time, dynamic, and constantly updated reflection of the market and where it's moving.

It was technology she hadn't seen before. She was using lessons and patterns learned from more than a billion people's careers. And 1.4 million skills. It went way beyond what could be learned from just analyzing her own workforce. Now, the platform showed her what the capabilities of every employee in the company were. And it was equitable – with bias-prevention called Equal Opportunity Algorithms embedded throughout.

Margaret is reinventing Talent Management.

Jobs and roles were siloed within the organization last year, partly from a previous acquisition. Top performers lacked growth opportunities. Diverse staff were not promoted or transferred to new roles. Diversity stats weren't moving. There were high attrition rates and recruiting costs.

Margaret has led a remarkable turnaround. She's using deep learning AI. She has a handle on what everyone can do, what they're capable of, their potential. She's able to advise the company on what skills the workforce has and how competitors compare. What the skill deficit or skill surplus vis-a-vis "future skills" and "sunset skills" is.

And when the CEO asked for a report showing the company's diversity, Margaret had analytics showing that the company had almost reached gender parity among leadership roles. The CEO was elated. Her CEO started to see her as a bit of a talent hero, a business hero.

That was just the tip of the iceberg.

Margaret is redeploying talent.

It used to be that laid-off employees had almost no options to remain at the company. Severance costs were high. Morale of the people who stayed was impacted. The loss of institutional knowledge was huge.

Now she knows the skills of every employee. The platform shows her what everyone is capable of doing. She has the ability to match every employee against every open job requirement automatically. She saved \$40 million by redeploying 1,700 employees scheduled for a layoff. Her Net Promoter Score doubled.

Now she's working on upskilling and reskilling.

Employees weren't learning skills outside their day jobs before. And, they were feeling like some of the skills they did have were going to waste. No wonder they left for new challenges. Turnover was 25 percent. 30 percent among top performers!

Things are different now.

Employees all use a portal called a "career hub." Every employee has a profile on their career hub. Profiles get populated automatically, so it's really easy for employees to use them. The profiles allow them to see what capabilities they need to add in order to move internally. And, who in-house can mentor them. And, what courses they should take to add new skills.

Plus, the profiles link them to the company's "Project Marketplace." Employees get matched to internal projects. The AI knows what projects are a good fit for them. Margaret and her team, and procurement, are saving money. There's 20 percent less contingent-firm spending.

Managers take a look at their employees' profiles every day. They can see what development is needed. The talent team has a dashboard that combines all the profiles so Margaret can see the capabilities of every team in the enterprise.

She's creating internal mobility.

Seventy percent of employees at the company were unhappy in their roles in 2018. That wasn't OK with Margaret. They couldn't apply for internal roles. Managers didn't want to let go of people. People would leave right as they became productive! The ability to innovate suffered.

Now employees search internally first for their next role, easily. Or rather, AI does this for them. It acts as their ally – nudging them, whenever a role that matches their skills opens up in the organization. They can see how to best use their skills, even in a different department or location.

Everyone's got an equal shot. Capabilities and potential have replaced informal networking. Every employee can see how to improve their career, what they need to do. No one's left out. Instead of quitting, people are finding new roles internally.

Turnover has gone down to 15 percent. Recruiting costs are under control. Employee satisfaction has turned around – with 70 percent happy. Profit growth is ahead of competitors due to the productivity gains.

Margaret's got more visibility now. She can see how her workforce's capabilities overall compare to competitors. The company is where it needs to be. It wasn't a year ago.

The CEO is impressed that Margaret didn't have to add any headcount to manage the technology. The CEO is looking at adding the same AI for the talent-acquisition department. Recruiting costs are already down, as more jobs are filled internally.

Margaret and her company were featured in the *Wall Street Journal* today and described as "the ultimate talent machine." She is a talent advisor now. When asked, she knew the answers to questions about skills gaps, and about buying, building, or borrowing. And she was confident answering questions using the metrics.

She has transformed talent management at the company.

