

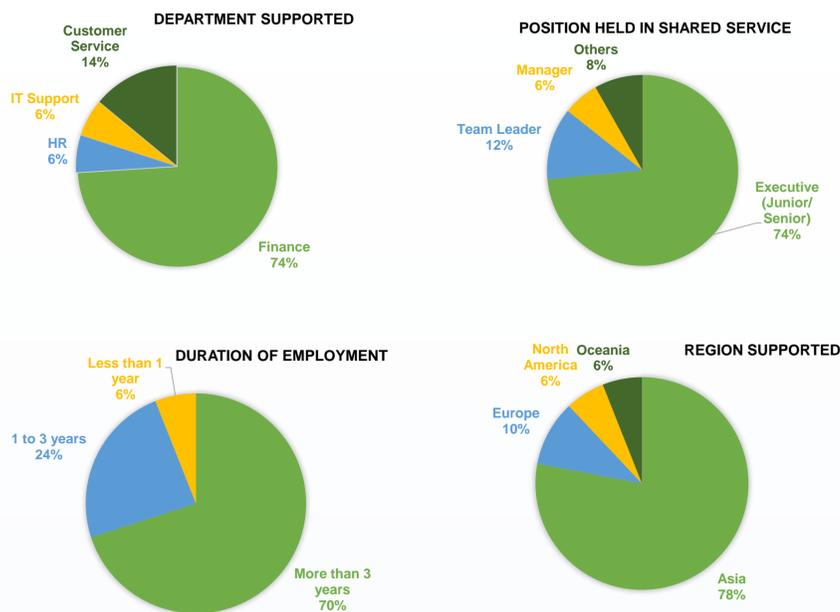
# A Critique on the Efficacy of the Implementation of Artificial Intelligence (AI) in Malaysian Shared Services

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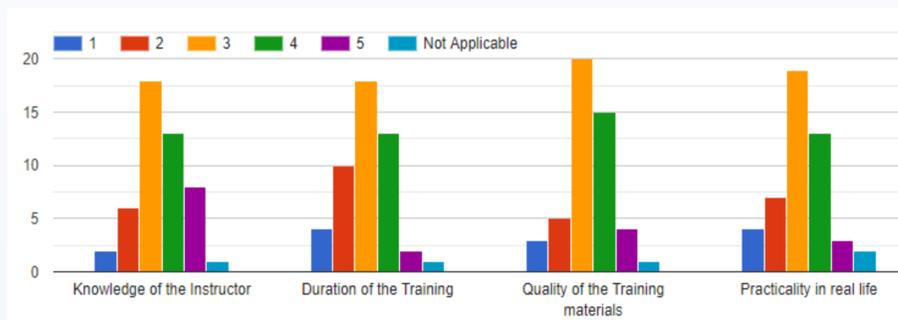
## An Overview on Malaysian Shared Services

Based on the survey feedback by 50 respondents who have an experience working in a Malaysian Shared Service



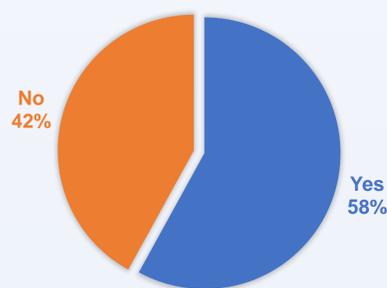
## The Implementation Process: A Perspective based on Survey Feedback

A Review on the Quality of the Training Received During AI Implementation

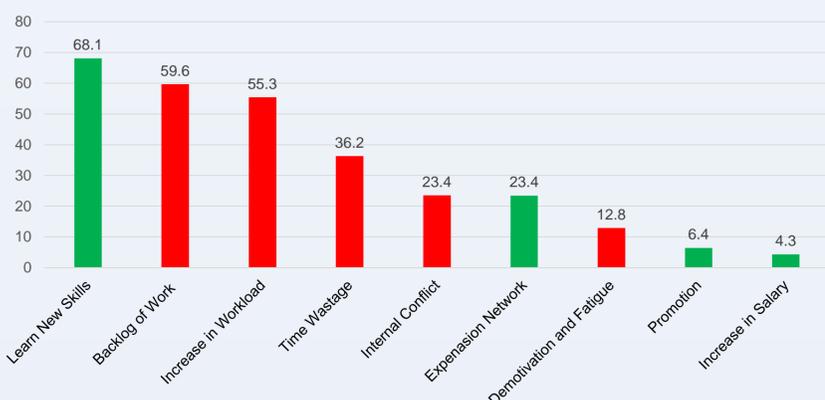


1 (Very Poor) to 5 (Excellent)

Did Automation Create a Fear on Loss of Employment?



Outcomes of Implementation(%)



The respondents viewed the outcomes of the implementation under a negative light (marked under red bars), which are against the intended purpose of automation

## Identified Issues from Survey: Underestimation of the Complexity

Automation solutions are complex because they tend to affect multiple processes with significant interdependencies across technologies, departments, and strategies (Jogani *et al.* 2018)

A few key issues have been identified from the survey:

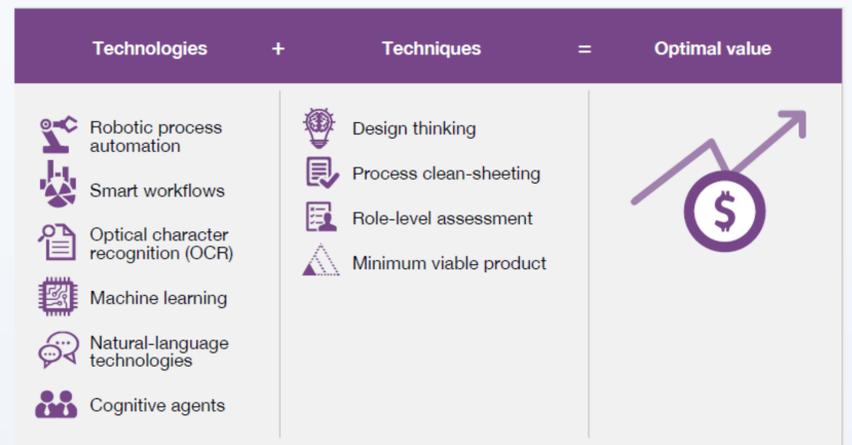
- Disruption on day-to-day workflow** : Important resources like time and workforce are being used inefficiently during the implementation- causing backlog of workload resulting in low morale in employees
- Poor Quality Training**: Survey shows that employees feel that the training provided are rudimentary in nature. It lacks depth and practicality- 2 elements which are essential to face the challenges of AI implementation.
- Fear of Loss of Employment**: 133 million new jobs are expected to be created by 2022 compared to 75 million that will be displaced from automation (Cann 2018). However, the job insecurity that AI entails can create distress and affect the productivity of the employee

## Strategies for Leaders to Improve the Implementation of IR4.0

A Thoughtful Redesign of Processes

Reconfiguring current processes as a precursor step before the implementation. This results in a cleaner handoffs between people and machines and simplifies maintenance activities. This increases the **efficiency** of the workflow and utilisation of resources

This can be achieved when shared services apply the 4 techniques together with the new technologies as shown below:



Source: Jogani *et al.* (2018)

## Establish an Immersive Training Module with Incentives

Trainings must be **practical and in-depth** to ensure employees are given complete exposure to the new automation. Survey respondents also feel the training should be done for a longer period of time. Workforce and time constraints may be a limitation, but leaders can incentivise the additional effort by their employees

Studies have shown that incentives have been resulting in **employees' increased interest in the job, enthusiasm and increased productivity** at work and absence of motivators has been the other way round (Chukwudumebi & A.A 2018)

## Reference

- Chukwuma Stephen Chukwudumebi & Kifordu A.A, (2018). The Significance of Fringe Benefits on Employee Morale and Productivity. *Romanian Economic Journal*, XXI(68), pp.78–92.
- Cann, O. (2018) *Machines Will Do More Tasks Than Humans by 2025 but Robot Revolution Will Still Create 58 Million Net New Jobs in Next Five Years*, Available at: <https://www.weforum.org/press/2018/09/machines-will-do-more-tasks-than-humans-by-2025-but-robot-revolution-will-still-create-58-million-net-new-jobs-in-next-five-years/> (Accessed: 12th March 2020).
- Jogani, R., Kaniyar, S., Koul, V., Yum, C. (2018) *How to avoid the three common execution pitfalls that derail automation programs*, Available at: <https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/how-to-avoid-the-three-common-execution-pitfalls-that-derail-automation-programs> (Accessed: 8th March 2020).