

Outline

- FOCUS: Managerial Challenges of DL-enabled Systems
 - ...as enabled by Artificial Neural Networks
 - · ...as supported by IT infrastructures at scale
- Imagine... You are an IT manager who has been assigned responsibility for an analytic system enabled by deep learning. How do you prepare?
- New Paradigms Thinking differently about analytics
- New Values Evaluating analytic systems differently
- Suggestions for DL Preparation

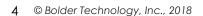
New Paradigms Generalizing Beyond Known Data SALES FORECAST Versus... Describing known data 6 Consider the trend line Analytics = Generalizing beyond 2 known data Known Data • Infer (smartly guess) dynamics of complex business systems • Why did it happened? ... to infer causality from correlations • What will happened? ... to infer aspects of future events • What should happen? ... to optimize plan for desirable objectives 3 © Bolder Technology, Inc., 2018 BizSmartAnalytics.com

Teaching by Example

New Paradiams

- Machines learn by example
 - Humans teach the machine!
- An analogy...
 Teaching a grade school class
- Be responsible for teaching with good examples

Good examples → Smart Guesses





Exceeding Human-Level Performance Portagions

We humans have created tools smart enough to out-smart ourselves!

- ...for specific tasks requiring 5-10 seconds of human thought
- ...if there is lots of examples performing the task correctly

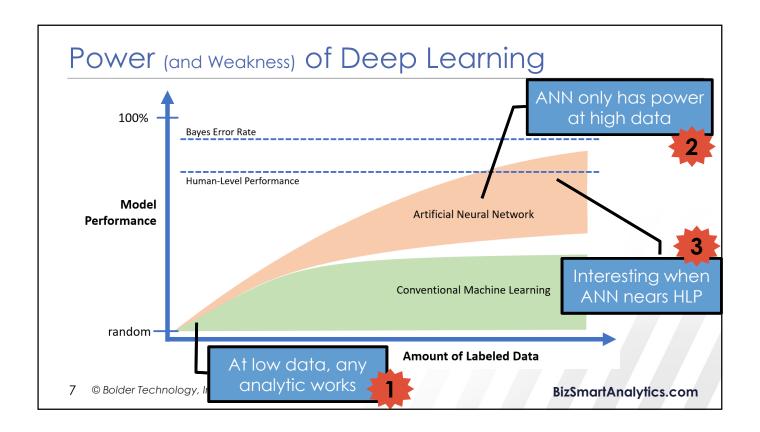




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New Paradiams Data Drives Performance Whoever owns lots of data wins ...with DL! 100% Bayes Error Rate **Human-Level Performance** Model **Artificial Neural Network** ImageNet has 14 million Performance examples with 20 thousand categories Conventional Machine Learning billion hundred thousand million random **Amount of Labeled Data** © Bolder Technology, Inc., 2018 BizSmartAnalytics.com



Human Intuition ⇔ Machine Intelligence Paradions

• The Challenge is...

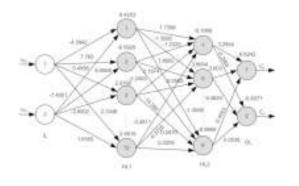
Balancing/Blending Human Intuition & Machine Intelligence

- Options...
 - 1. Rely on human intuition & forget the machine
 - 2. Automate with machine & eliminate the human
 - 3. Augment the human with machine intelligence
 - 4. Augment the machine with human intuition
 - 5. Digital Double as a symbiosis of both
- Take-Away: Carefully design the Human-in-The-Loop points
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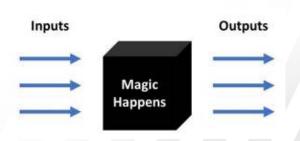
Coping with the Blackbox

New Paradigms

- Magic happens inside those neural networks!
- · Hence, BIG problem with interpretability!



- Manage to the blackbox by...
- Focus on outputs and then inputs



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New Paradigms

Cultivating a Farm

- Not building a house! Not usual IT 'project'!
- Continual effort is required to mature DL models

• Invest slowly in DL efforts for the long-term



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Intelligent Effectiveness



Efficiency is doing things right; Effectiveness is doing the right things by Peter Drucker

- Cost Efficiency is performing a specified task faster, cheaper and reliably
- Intelligent Effectiveness is customizing that task to match the needs of the specific situation
- Customizing procedures for unique situations for a "Unique Thing"

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Million-Unique-Things (or MUT)



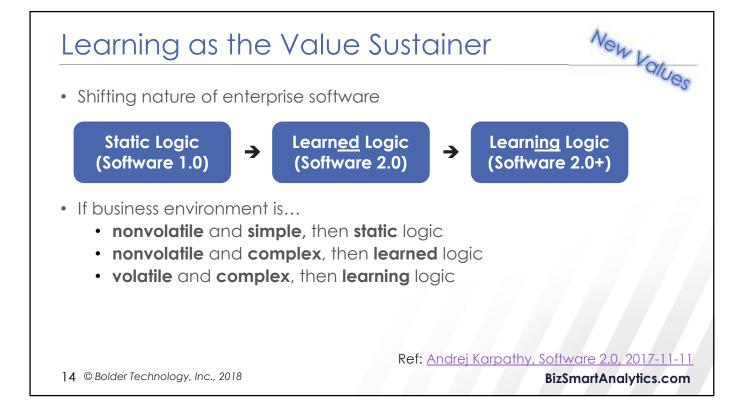
...where human intuition loses its mojo!

Around a million-unique-things, human intuition to generalize beyond known data become unreliable

- Managing a MUT requires lots of bits!
 - Volume-Velocity-Variety
 - ...which multiples by velocity and variety of MUT data
- Information content All about the bits!
- Examples with Features plus Labels
 - Future corporate IP...

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New Volues **Analytic Value Chain** From end-to-end, starting with data and ending with actions Molding the behavior of the organization ...affecting customers whose responses change the data Data Data Action Data Generalize Acquire & Select & Analyze & Deploy & **Action** Data ^{Data} Curate Transform Explore & Infer Govern Action Data Action ...driving the Learning Logic BizSmartAnalytics.com 13 © Bolder Technology, Inc., 2018



Suggestions for Short-Term DL Preparation

- 1. Assess the potential business value
 - Catalog opportunities for intelligent effectiveness
 - Document specific use cases to operationalize
 - Sketch the business financials across these use cases
- 2. Evaluate the ability to utilize DL techniques
 - Got the data? Owe it? Enough of it? Is it labeled?
 - Is this data well organized and governed?
 - Acquire and develop internally the required skills
- 3. Conduct prototyping to discover what you don't know
 - DL Innovation team: cross-functional, skill-building
 - Cataloging potential uses cases

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Own the Responsibility

- New Paradigms
- Monitoring/balancing benefits/costs for the organization and society
- The ultimate challenge is...

Managing Super-Intelligence

- Exceeding Human-Level Performance for specific tasks
- Reinserting the human-into-the-loop
- Augmenting human intuition to augment machine intelligence

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