The Ultimate People Analytics Methodology

Designed for Enterprise

CONTENT

What is
Enterprise People Analytics?

Enterprise People Analytics is the discovery, interpretation and communication of meaningful patterns in workforce-related data to inform decision making and improve business performance.

Talent has never been more critical to business performance than today. Organizations now have the need to comprehend with precision what it takes to recruit, retain and motivate their workforce. Until recently, most businesses based their strategic workforce decisions purely on hunches and intuitions, setting them up for future disappointments.

The introduction of people analytics has brought insights by introducing a more data-driven approach to strategic decision-making. People Analytics offers a systematic process to drive business decisions about people.

At times, it can be challenging for enterprises to have immediate insights into their workforce, let alone have all data into one, secure place. However, People Analytics does not need to be complex. There are many analytical platforms dedicated to people analytics.

By collecting behavioral insights that can be correlated to already existing demographic and transactional data, People Analytics in turn empowers enterprises with improvement in organizational performance, a better understanding of employees and a quicker reaction to the agile work environment.

How does Enterprise People Analytics work?

An enterprise people analytics software brings your disparate data together, cleans it, and integrates it into your multidepartmental team. It visualizes your data, and is transparent about your employees' data. Lastly, it's GDPR-compliant.
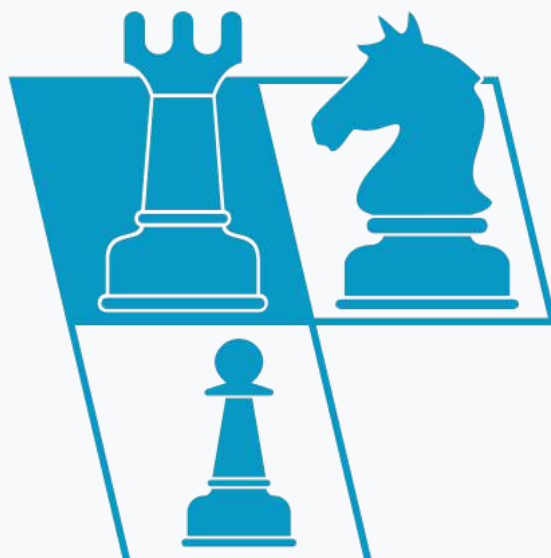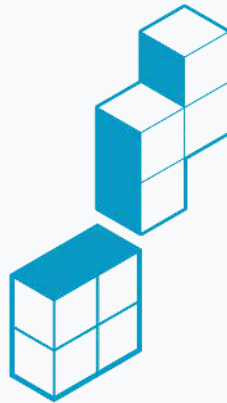
The 3Cs of People Analytics

Collect

Your HR data is the first building block of people analytics. With the use of API, people analytics collects your data from all your HR systems. Algorithms validate your data and improve its quality.

Connect

The second building block of your people analytics platform are complex mathematics, machine learning and advanced technology that will connect the dots for you and provide you with valuable insights.
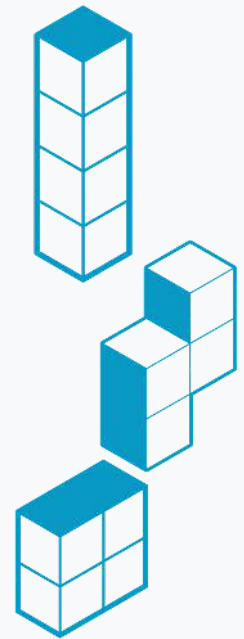
Create

Now that you have a solid foundation, it's time to create answers to big questions. Guided Workforce Reporting and Analytics will give you endless blocks to build data-driven stories to improve business performance.

Today's challenges in Enterprise People Analytics

Investing in people analytics technology and hiring data analysts does not automatically translate into results. Organizations are still facing challenges in adopting people analytics and reaping its full benefits. So, what is going on?

Today businesses are going through digital transformation at the speed of light. Digital technologies have promised to improve efficiency and organizational productivity, however, an important factor of this change process involves the adoption of technology by the workforce.

Privacy

GDPR-compliance

Identity Access Management

Quality Controls

Logging and Audit

Capacity & Performance Management

Policy Enforcement

Presentation Layers

Domain Knowledge

Misconceptions on Enterprise People Analytics

"We can build it ourselves"

The biggest misconception is that companies can develop a workforce reporting & analytics solution in-house. It often starts as a side-project from a data savvy colleague, who develops a nice-looking dashboard in PowerBI or Tableau. However, the development capacity is often limited. Meanwhile the enthusiasm for more insights is pushing the limits on the generic BI tooling. Work arounds are created, resulting in complex and non-reviewed code, inconsistent results and slow user experience. And at the end, the data savvy colleague moves on to a new role and nobody knows anymore how to maintain it.

"We don't need it"

Innovation lies at the heart of success for every company. This also means that change and moving forward are two important elements in remaining relevant for your customers. Digital transformation is inevitable, and in order for your company to peak - your people need to thrive. They can do so if you have actionable insights into your workforce that guides you to business impact.

"Our data is not perfect. We are not ready yet."

People Analytics is indeed a data-driven journey, but your data does not need to be perfect. It does needs to be clean and organized if you want to get started. In fact, cleaning and organizing your data helps to create insights into opportunities where you can actually improve your data. Simply put, you can start with people analytics, even if your data is not perfect.

Companies peak
when people thrive

Are you ready to take the next step?

As an HR leader, you have the opportunity to understand, harness and leverage the best insights from using People Analytics as part of your strategic toolkit. This change will not only solidify HR's status as a business partner but also guarantee its position as a strategic advisor to the business. But, where do you start? A good preparation is key to any kind of strategy, including people analytics.

If you are thinking about the next step, you might have thought about:

- Are we ready to improve our data quality and work on Return on Investment on our data?

- Are we ready to replace general HR practices by conscious strategic decisions driven by data?

- Are we ready to align our business strategy with accurate workforce scenarios to prepare for the Future of Work?

- Are we ready to organize our workforce data and quickly share insights with our business leaders?

- Are we ready to scale our analytics team to prepare for advanced research?

- Are we ready to make people analytics accessible at scale to improve employee experience and business performance?

The future of the enterprise starts with HR

"As an enterprise you have stringent rules about how your sensitive employee data should be handled and protected. Not only do you have to comply with regulatory demands, but also your security department has their own policies. You might want strong authentication before access is granted, role-based access control once you are in, single-sign on integration with your corporate directory, and detailed audit logs for individual accountability.

And that's just technology; you probably also need a system that has been designed from the ground up to emphasize purpose limitation, data minimization, and accuracy.

Finally you want the system monitored, kicking off a rapid incident response when e.g. backups fail or somebody downloads the full data set without a good reason. It's difficult to bring all of these technical and non-technical wishes together in a single system, especially when it's home grown and has been developed with primarily the analytics functionality in mind.

If you wish to move forward, you must be critical and select a High-Impact People Analytics software that combines all these wishes together into one, single system that helps you to achieve business priorities and create massive enterprise value, both for your organization and for your customers. This is exactly what we do at Crunchr."

Jan Joris Vereijken, Chief Architect at Crunchr

Taking back control with People Analytics

There is a big disconnect between the business and HR. Because of this disconnect, the business feels HR is not always in control. At times where companies are in a permanent state of change, HR needs to be on top on things.

Companies that have adopted advanced People Analytics capabilities experience on an average 25 percent increase in productivity, alongside a huge rise in recruitment efficiency and a drop in attrition rates. According to CIPD, using people data leads to improved business performance. True People Analytics encompass HR data, the entire workforce data and customer insights. It measures, analyses and knits together all this information to improve the decision-making process. Thus, using People Analytics can enable HR to take back control and create value that help their enterprises to drive sustainable business performance.

"Coming half year Crunchr will help me with failed hire reduction, a view on equal opportunities, cost savings opportunities, a workforce ageing scan, quantifying organizational fat, and understanding talent retention"

People Analytics can assist organizations to comprehend the changing workplace

People Analytics can assist organizations to comprehend the changing workplace. The introduction of industry 4.0 requires organizations to become more agile when it comes to their workforce. People Analytics has enabled organizations to collect behavioral insights that can be correlated to already existing demographic and transactional information. These insights have enabled organizations to manage workforce expectations across generations and continents, enabling them to predict the changing workplace.

People Analytics can help drive customer behavior and insights

Big businesses are beginning to use predictive People Analytics to gain powerful insights that enable them to attract and retain both their external as well as their internal customers – employees. Like customer experience, we can see an evolution in creating employee experience that has been developed through People Analytics. Prioritizing employee experience has enabled organizations to fuel their potential.

People Analytics can describe factors that contribute to an engaged workforce

An engaged workforce is 57 percent more effective and 87 percent less likely to leave. Employee engagement is considered one of the primary factors used to gauge organizational performance. People Analytics has enabled organizations to hone into the factors that garner employee engagement.

People Analytics positions HR as a fact based strategic partner of the business

People Analytics has made a huge impact in the predictions and credibility of the HR department. The insights obtained through People Analytics has enabled HR strategists to optimize key strategic areas such as health and safety, management skills, leadership development, engagement, culture alignment and succession planning. Enabling HR departments to provide strategic insights on the people side to the business.

"Great HR leaders source a specialized solution and focus on developing capabilities to work with people analytics, as they understand that technology can make their HR function smart, scalable and highly effective."

Dirk Jonker, Founder and CEO at Crunchr

It's all about humanizing a digital workplace

"Introducing excellent technology by itself will not get you where you need to be – it's all about the people that use the technology. Making sure that they use it in the right way and that they keep using it consistently and continuously in the future. For that you need a compelling change story, to convince them that it's worthwhile for them, and for the business. That means making sure that you have your key messages right, and that you can convince your employees that, in the moments that matter in the employee life cycle, the technology can make a difference for them.

For AkzoNobel being the reference in our industry also means it's essential to have clear insights into how we're performing. As an HR function we're continuously trying to improve our employee experience and to provide better support to our businesses in a scalable model. We want to make impact with better informed decisions, not only about our people, but also about AkzoNobel as an organization. It is important we do this in an aligned way and we were looking for an automated solution that could help us achieve this. More specifically, an intelligent layer on top of our global HR system that would utilize the data we have – and make this accessible in an easy way

The business case we created around our HR reporting and analytics solution was the trade-off between cost, time and effort. The cost it would take to further develop an HR dashboard in our BI solution including security for a worldwide roll out, the time it would take us to develop the dashboard and the support it would offer to our HR community.

Teaming up with Crunchr meant that we could leverage the collective intellectual capability of their experience with other Crunchr clients. Allowing us to scale up our HR business support at a higher speed and as the HR analytics team focus on the implementation, change management and upskilling of our HR community instead of the technical development of a tool. As Crunchr is a specific tool for HR reporting & analytics, most of the functionality that our users were asking for came right out-of-the-box."

Maaike van Beijnen, Manager HR Analytics at AkzoNobel

Scaling up your digital transformation

Developing a business case for People Analytics

The first step in scaling up HR's digital transformation is to create a business case that gets buy-in from all relevant stakeholders. It is important to ensure that people analytics becomes an initiative that is embraced by the whole organization. Other stakeholders want to know how their business line is being impacted in terms of ROI, costs and quality. It is therefore important for HR not only to develop an action plan that highlights the immediacy, but also to supplement intuitive business acumen with data-driven insights. This can be accomplished by starting with small experiments that answer specific business issues. Using the insights gained from such experiments, HR can now develop a concise business case that highlights the importance of a data-driven HR strategy and how it adds value to organizational objectives. Such actions, slowly but gradually, will convince business leaders to become part of the people analytics journey.

Integrating systems and becoming data-driven

People analytics is a journey, not a destination. Companies throughout the world are on this journey, which starts with basic workforce reporting. Modern people analytics technology has a solution for these problems. New cloud software applications enable the integration of all disparate systems into one platform. As a result, they are able to provide real-time HR insights and link them to business performance.

Building trust to work with HR data

Culture is established through trust. Building the trust of employees to collect and use their data has proven to be a challenge for many companies. Organizations need to be transparent, and they have to provide strong security and privacy around data collection. This includes complying with legislation such as General Data Protection Regulation (GDPR). Apart from trust, culture is a direct reflection of leadership. HR leadership needs to be ethically driven when it comes to data and analytics. They should not only monitor organizational data but also ensure that generated insights are accurate and unbiased. Digital technologies such as machine learning and cloud solutions can help them out. Again, taking a business perspective and starting small are the key ingredients to put the wheel in motion. This combination of business impact and ethics will accelerate trust and the adoption of people analytics

"If we want to increase the impact on our business, we need to move using our talent analytics in a sophisticate way. This starts with getting grip on our data and both simplifying and modernizing our internal reporting processes. Crunchr will help you with this first Reporting step that will ultimately lead to the Analytics step."

GrandVision

People Analytics is a journey, not a destination

Practical Applications

Companies that have adopted advanced People Analytics capabilities experience on an average 25 percent increase in productivity, alongside a huge rise in recruitment efficiency and a drop in attrition rates. Below are some applications on what you can do with people data.

Diversity

Diversity is about achieving an effective balance of unique people in the organization. Academic research shows that diverse organizations take better decisions and are more creative. Most organizations have diversity programs in place, but do these actually impact diversity?

With People Analytics, you can measure the effects and results of different diversity policies within your organization, such as a Gender Pay Gap analysis, and take strategic actions.

Talent analytics

Top performance of your company starts with attracting and retaining the right people. Building a diverse workforce with a perfect balance of competencies, skills, characters and experience.

To make these efforts worthwhile, you need to retain new hires by landing them in a team with a positive atmosphere, providing leadership that supports performance and encourages growth. If you fail to do that, you waste more than your effort in hiring, onboarding and training.

People Analytics can help you to get the right people in the right place at the right time, and equally important, also retain them.

Absenteeism

Absenteeism remains one of the biggest challenges for organizations, and at the same time it's very complex. It comes to no surprise that many organizations want to solve this challenge as fast as they can, especially long-term disabilities can be a bottle-neck for most organizations.

People Analytics helps to identify how the absence rate vary across different layers of the organization. In addition, a quick estimation of the absence cost can be presented in a simple metric, together with the average absence rate.

Organizational Structure

Many large enterprises have complex hierarchic structures with numerous organizational layers. At times, it can become difficult to gather insights quickly.

People Analytics easily provide these enterprises the opportunity to have a structure overview whereby all layers are shown, including the positions and individuals per layer. In addition, People Analytics can help to identify the span of control fast, and as well create insights into organizational fat, also known as organizational efficiencies that can be transformed into potential savings opportunties.

Getting started in five steps

You are ready to take the next step, but where do you start?
Here are five steps to embark on your people analytics journey.

1

Learn from available data
Use available data to identify the status quo. Remember that visualization is key.

2

Exploration
Data exploration will help you to develop a hypothesis, so you can dig deep into different layers of your data and start connecting the dots.

3

Determine the most burning issue
You want to start with the most important business issues. For instance, how do you retain talent in your company, or perhaps you want to attract top talent?

4

Design HR interventions
What HR interventions will help to tackle the issues? You want your interventions to be low on effort yet create high impact. Therefore, you need data-driven insights.

5

Track progress and measure effects
In order to show results fast, you want to use a visual dashboards that are tailored to your objective key results, and that also show the most important workforce metrics to inform important stakeholders within your organization.

"Since adopting Crunchr two years ago, we have steadily increased the amount of information we load into the platform. This has allowed it to become a powerful 'single source of truth' where it combines data from our HRIS, ATS, engagement data etc. to provide meaningful and insightful analytics. Thanks to Crunchr, the HR team has evolved from having conversations about numbers to having powerful data led conversations which result in actions and accountability."

Benefit from our knowledge

Stay connected for our future e-books, guides and case studies on Workforce Reporting and People Analytics and help your company peak and your people thrive.

Do you have any suggestions or would you like to read more about a specific topic? Let us know. We are happy to have a chat with you.

linkedin.com/company/crunchr/   https://twitter.com/crunchrapps

info@crunchrapps.com   +31 085 049 1504

Great companies invest in people analytics

Crunchr serves customers worldwide. Because people matter everywhere.

About Crunchr

Crunchr is a SaaS solution for workforce reporting, planning and analytics. We organize workforce data and transform it into strategic insights. With a wide range of pre-built metrics, graphs and other data visualizations, HR leaders are able to answer big talent questions in seconds. In addition, customizable dashboards bring the front-page news on workforce to managers, at the speed of light.

Step away from old-fashioned Excel dashboards, slow self-built models and other complex, and time-consuming systems. Instead, take a step towards easy and simple reporting on your people data. Especially designed to empower HR, Crunchr not only creates strategic insights in seconds, but also creates opportunities to let your company peak and your people thrive.

Learn more about our people analytics solutions at <u>crunchrapps.com</u>

crunchr