Top 3 Reasons HR Needs a People Analytics Strategy in 2022!

Contents

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Introduction

As we exited 2020, business leaders were focusing on a return to "business as usual" in 2021 as restrictions were lifted and we adapted to cope with the new normal. Companies across the globe started to return to the office, with employees acclimating to a new work/life balance. Regardless, 2021 hasn't been without its fair share of challenges as Covid-19 continues to shape the future of work. Many companies are faced with substantial administrative transformation, and HR departments have had a lot to concentrate on as employees seek changes to their working practices. Unfamiliar circumstances have emerged, including labor deficits in some industries.

The year 2021, often called the year of "the great resignation," saw a higher than usual number of employees leaving their jobs or searching for other opportunities as they looked to improve their everyday circumstances, better working practices, and create a sense of wellbeing.

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Increased Workplace Regulations

Whether your workplace is beginning to restart operations or continuing to deliver vital services with some significant modifications, the future will undoubtedly involve changed workplace regulations. As Covid-19 continues to fluctuate, shifting policies will push workplaces to adjust and acclimate to ensure the safety of employees and others who enter the workplace. Building a secure workplace for all involves oversight into how employees, leaders, and others interact daily. Fortunately, people analytics is able to facilitate these processes to provide insights essential for businesses to continue to thrive and meet the new demands they are faced with.

People analytics provides a holistic view of your complete workforce to analyze key data points and automate the process of drilling into the details to understand any deviations from COVID-19 workforce regulations to help businesses enhance operations and drive better outcomes.

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Tight Labor Markets

To tackle tight labor markets, top organizations are shifting to people analytics. Businesses can assemble a precise picture of their people by compiling and analyzing employee data and delivering an employee experience specifically designed to meet their new expectations.

Today, top HR leaders are relying on people analytics to enhance their benefits strategy by looking into which benefits their people are seeking and providing flexible packages to attract and retain their key resource, their people. Businesses that use employee data to report on various elements of the company have higher employee engagement scores than those that don't. Workforce analytics has become a vital tool for HR leaders to prove, and improve, the effectiveness of their strategy in meeting their business objectives.

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The Great Resignation

We have all heard about the "Great Resignation" as employees decided to change roles as the effect of Covid-19 regulations shifted work expectations and the opportunities afforded therein.

40%
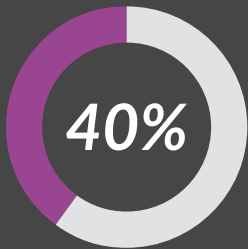
Reports from Microsoft (Microsoft Trend Index) suggested at least 40% of employees would change or leave their roles, and Bureau of Labor Statistics stated that 19 million worker's quit their jobs between March 2021 and July 2021, a surplus of 7 million from the previous year.

What our workforces enjoy and how the companies react boils down to one key thing - retention. Top reasons in 2021 for people leaving roles are cited as burnout, lack of career options, insufficient benefits and not feeling valued, and return to the workplace (flexibility). It is reasonable to conclude that organizations continue to be at risk of losing their top talent – **in the Limeade Report it stated that up to 28% of people who left their roles did not even have a new job to go to**.

People analytics enables organisations to have the key insights into the pulse of the company to better understand how to help your existing employees remain more engaged and create a greater sense of belonging, rather than feeling like they have to seek it elsewhere. As companies look to change it is an opportunity for the organizations that address these challenges head-on and with integrity to drive competitive advantage.

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Why you need People Analytics?

As businesses realize that using people analytics effectively is key to providing the best business outcomes, data and analytics enable HR to focus on the key areas that have the best impact. HR's use of analytics will play a critical role in the strategic shift in organizational cultures moving forward, helping define a corporate plan to foster talent and build value.

There is no single approach for this, but some considerations are:

Do we increase compensation?

Offer flexible work choices (home, office, hybrid) compatible with our business?

Can we make better hiring decisions?

How do we keep our current employees from leaving?

Can we get a holistic view of our workforce?

Is there a way to assess if our training, compensation, flexibility programs are practical?

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Priorities for 2022 and beyond!

COVID-19 has changed the business landscape, and its impact will continue to affect enterprises well into the future. This is the moment to welcome transformation and be ahead of the human capital trends that will influence 2022 and beyond. It's not just about salaries when it comes to enticing talent. It's also about concentrating on what employees want and supporting their development and retention.

Employers increasingly understand the significance of diversity, equality, and inclusion. Diversity and inclusion have boosted productivity, profitability, and resilience, particularly at the senior management level. When considering career options, employees increasingly desire an inclusive environment. Businesses must evaluate their recruiting methods and seek help enticing and retaining senior-level talent from diverse backgrounds.

Telecommuting has become a norm for many businesses. As a result, job satisfaction criteria has evolved, with far more importance on work/life balance. Employers have realized that remote working come with several efficiencies and cost savings as they understand how employees can operate just as well, if not better, remotely. Remote work is here to stay as organizations build systems and strategies that adapt to this new paradigm.

Improvements in AI are anticipated to push the boundaries of what is achievable during recruitment. Additional adoption of AI can boost higher efficiency across the hiring process and enable better alignment between applicant goals and employer resource needs. Automating essential administrative tasks may help ensure that job prospects and employees' recruiting and onboarding processes are consistent.

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Based on our observations, considerations for you to focus on for 2022 are:

Recruiting

Understanding the best candidate fit aligns with supporting your brand. Have you considered...?

- Sourcing – where are the people coming from who are making the biggest impact?
- Tenure – do we see any type of drop off over certain periods of time
- Skills – gaps and needs – skills based hiring and internal mobility
- Candidates – who are ones likely to succeed

Data can help uncover other meaningful insights and discover potential "roadblocks" – have you considered if there is any BIAS (Age, Gender, Ethnicity) in the process? Is this affecting our candidate pipeline? Without analysis of your processes, you will struggle to uncover areas that might need improving.

Retention and Turnover

If 40% (or more) of the workforce are prepared to look for new roles – how do we keep the people we have?

- Understand your skill set – and their make-up – do we know who is performing well?
- Can we measure how they are being compensated?
- Are we flexible enough in meeting their expectations – how can we improve?
- Are we seeing any trends in length of tenure – and are we able to capture reasons for leaving?
- And tying this back to recruiting – who are the best candidates likely to succeed
- How do we identify potential early resignations?

Skills

Focusing on skills creates a more equitable path to business and individual success by:

- Creating a standard expectation of what it takes to be successful within a role.
- Providing transparency on what can be learned or developed to perform a role well.
- Opening opportunities for redeployment from one role to another based on a common set of trainable expectations.
- Establishing flexibility to revisit and refresh role requirements on a regular basis.
- Offering employees a more understandable target to direct their learning, growth, and career path.

Benchmarking this data against current business needs will help provide a critical look at what skills are needed in the short, medium, and long term. There are critical questions to ask, such as: How will an employee's core responsibilities change? What technology will they need to know? What areas of the business can they contribute to with the skills they have?

Having this holistic view of where people in critical roles, and all roles, stand in terms of skills, and what will be needed in the future, is important for HR to keep resources and learning tools up to date and valuable.

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How can my data, combined with the right analytics approach, help me in 2022?

For any business, people analytics can be essential. Every issue has interlinked reasons, which are tough to pinpoint without proper proof and data. Hence, people analytics has an enormous role in the prosperity of your employees and company. Solutions such as SplashHR can access all the applicable data you require, from any (and multiple) data sources giving you the insights required to make evidence based decisions to ensure

you remain on track to meet any business target and objective. Understand how effective your hiring practices are, see how turnover is affecting your bottom line, or get insights into potential problem areas that might prevent you achieving your goals – data never lies.

Accessing your data and using our array of Visualisations and dashboards is effortless with SplashHR.
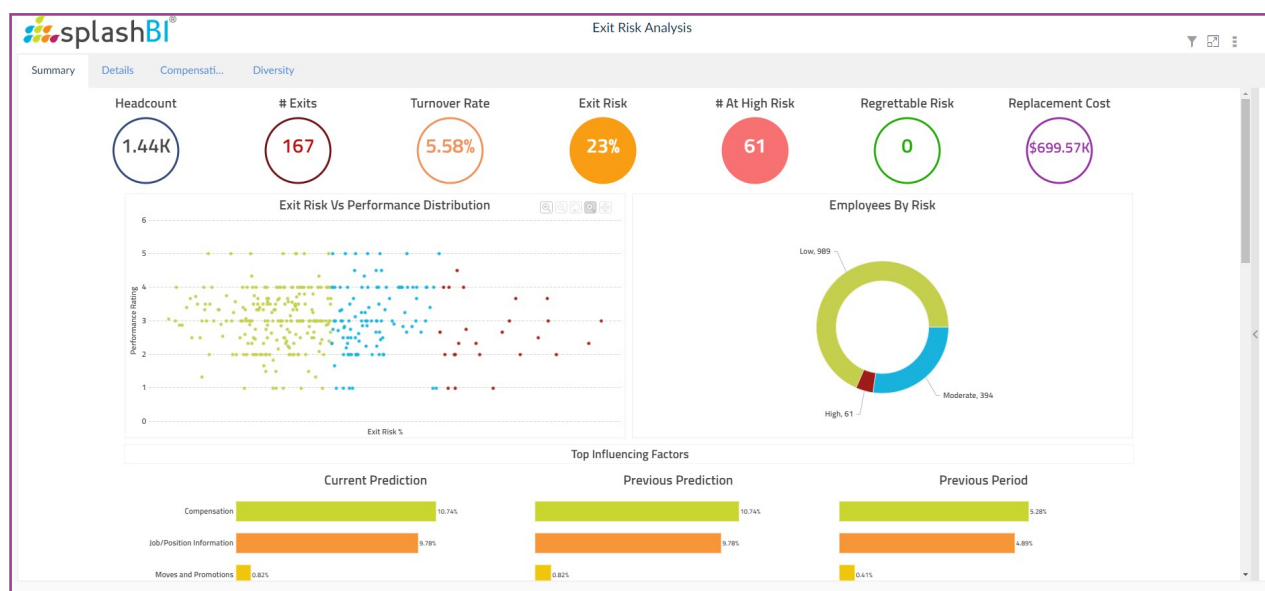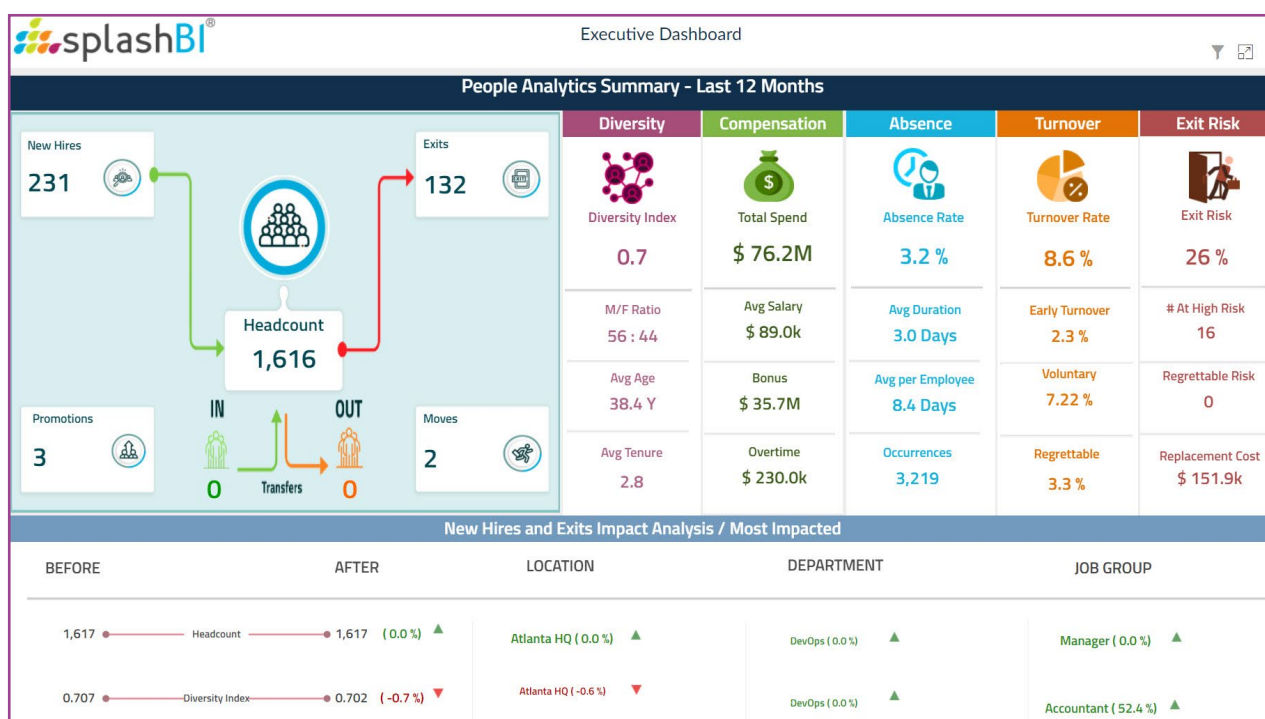
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Closing Thoughts!

With Covid-19 altering the working world, businesses need to become much more adaptable and flexible in meeting new demands - greater challenges to source, handle, inspire and retain talent while managing costs.

SplashHR can help you harness your employee agenda as part of an integrated business approach. This can translate into a competitive edge by helping you retaining or attracting the correct people, with the key abilities, in the best place, to meet your plans for growth – and improve cost efficiencies.
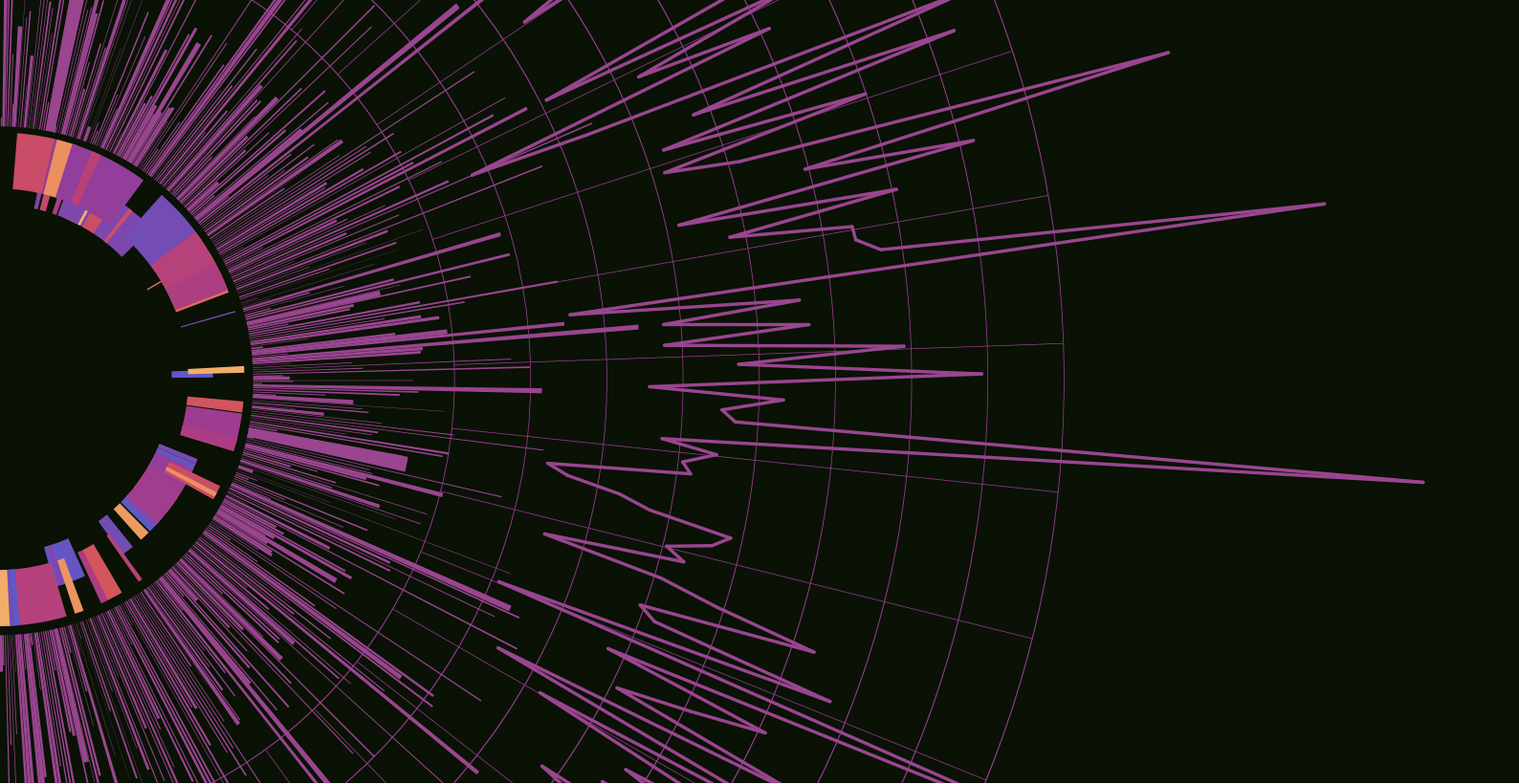
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About SplashBI

At SplashBI **our mission** is to deliver the power of data-driven decisions by providing instant access to data from disparate systems in the form of reports, visualizations, and trends.

Our philosophy is Data Never Lies and Data Never Dies. SplashBI offers insightful pre-built content, powerful ad-hoc reporting, and in-depth dashboards through our proprietary data models for faster implementations and quick ROI.

SplashHR is our ready to use People Analytics solution that enables businesses to be better **informed**, to make **intelligent** decisions touching all aspects across their recruiting strategies, employee engagement, talent management, DEI, and much more.

Our Vision is to create a truly meaningful people analytics capability, fully aligned with the goals of the business, to drive better outcomes.

Get Started　　**Contact Us**

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