

Strategic Commentary

Why people analytics is the HR professional's secret weapon

Laura Timms

You are the gatekeeper of your organisation, responsible for the safety and well-being of your employees and making decisions for the greater good of your organisation – even when it is tough. But we know that this is not a Bond movie, and life as an HR professional is not all martinis and private jets.

The truth is, having the weight of making decisions that impact your organisation at scale, right down to the individual level can be challenging.

To do your job effectively, good intuition simply will not do. You need a different type of secret weapon, something that allows you to make decisions based on the hard facts and enables you to understand the different factors that cause things to happen the way they do in your organisation.

This secret weapon we speak of is called *people analytics* and it is shaking up the HR function for good. Here is why:

“Inside knowledge” about the skills you need

It is no surprise that Gartner's Human Resources trends for 2019 found that 66 per cent of HR leaders agreed that building critical skills and competencies for their organisation was a key priority.

After all, the capabilities your organisation possesses are directly

related to your ability to meet your strategic goals. The better you are able to understand the skills you need to achieve your goals and the clearer your knowledge of how to acquire them, the better stead you will be in to make a real difference to your organisation.

People analytics works to highlight the capabilities that will support your growth plan, and can even help you identify emerging skills, that if harnessed early, could give you the edge against your competitors.

Once you understand this, people analytics works as your very own inside system to help you to bridge the skills gap by highlighting where you currently are compared to where you want to be. It also monitors how effectively you are developing and obtaining new skills so you can understand how long it will realistically take you to reach your goals.

Optimise your people costs

People are your biggest cost, and managing this cost-effectively may be your biggest challenge yet.

Even small organisations have a network of complex people costs that can be difficult to keep on top of.

You set your monthly budget, but what if Grace suddenly needs a new laptop, or Abdul's ten-year anniversary is approaching which sees him due for a bonus?

MHR Analytics, Nottingham, UK.

Of course, even the smallest deviations in your organisation can have a huge impact on your people costs, and it is impossible to monitor this effectively without some form of higher intelligence.

People analytics work to give you a full organisational view of your workforce so that you always know where you stand. It breaks down your people costs down to the granular level so you understand where resources are being spent and how much you have to play with.

It helps you to understand the ROI that each employee brings to the table so you can provide more fair reward systems and give additional training to those who may not be performing as well.

Spy out the right people first time

Recruiting is expensive and getting the wrong candidate can have a draining effect on both your time and resources.

Analytics can be used to make this process much easier. Using your existing employee data it can help you to understand the qualities, traits and skills that make up your high-performing employees.

For instance, when trying to fill your new marketing role, you may find that employees with a professional qualification and who have a tendency to take risks are generally more successful than their low-risk taking peers.

Then, in your screening process, you can filter candidates by whether they possess a professional qualification and those that make it through to interviews can be further shortlisted through questions and tasks that measure their appetite for taking risks.

Not only does this optimise your recruitment process but it can also work to drive better performance across your organisation.

Drive digital transformation

Did you know that 67 per cent of HR professionals agree that if their organisation does not become significantly more digitalised by 2020, they would no longer be competitive?

Digital transformation is all about leveraging technology to empower employees and reach business goals.

Adopting people analytics is a prime example of how technology can work to encourage digital transformation across your organisation.

Advancements in people analytics mean that you no longer have to be a data scientist to get insights.

Through self-service platforms, all users across the business are empowered to get value out of the data they create. Capabilities such as natural-language generation and search integrated into software can transform the typically complex process of decoding data into an easy, user-friendly one.

It also works to promote collaboration across your organisation by allowing you to ditch the multiple spreadsheets and instead benefit from a centralised system that holds all of your people data in one place.

Live and let admin die

Despite the cheesy title, we can all agree that admin is no fun. But not only that, relying on manually inputting data into spreadsheets to keep on top of your people processes will never give you the depth of knowledge needed to make a real difference.

The HR function is increasingly being expected to evolve from acting as the business' administrative side-kick to the hero responsible for its success.

People analytics automates many of the time-consuming tasks that can often leave you buried in paperwork so that you can instead turn your attention to more high-value activities

that have a direct impact on the value you can add as a department.

This works to optimise your operations to bring greater accuracy to your data, more efficiency in your function and consequently better business results.

Keep your people

Finding good people is not easy and once you have hired, you probably do not want to hear the news that your new recruit is already packing their bags for new pastures.

People analytics can be used to prevent people from unnecessarily leaving your organisation.

A perfect example of this can be demonstrated by Hewlett-Packard (HP). After being faced with the issue of high management turnover, they turned to people analytics to understand why this was happening.

Taking this approach, they were able to identify 'risk-factors' that made it more likely for an employee to leave and among these, they found that factors such as low pay, lack of promotions and poor performance scores have a big influence on employee attrition.

This, in turn, equipped them with the insights they needed to develop strategies to retain their employees, which resulted in them saving approximately \$300m that would have otherwise been lost.

To discover more about people analytics, read MHR Analytics' whitepaper which discusses how it is transforming the HR function as we know it.

Ends.

About MHR analytics

MHR Analytics is a specialist provider of business intelligence, analytics and financial performance management.

The MHR Analytics team enables businesses to capitalise on the data

available to them, to identify opportunities and prepare for the future – whatever stage of the data journey they are on.

With an end-to-end-suite of quality solutions from IBM, SAP, Tagetik and Microsoft, MHR Analytics supports

customers to go beyond intuition and act based on real evidence.

The growing business has been established for 10 years and has a presence in eight countries and more than 20 different private and public sectors, with a proven track record of

over 750 successful implementations. Customers include Admiral Group, Rotherham Metropolitan Borough Council, Edinburgh Napier University and Loughborough University.

mhranalytics.com

Reproduced with permission of copyright owner. Further reproduction prohibited without permission.