



People Analytics webinar series

The Anatomy of People Analytics

Second module of the webinar series:
Becoming an Analytics Aware HR Leader

Thank you for joining us, today.
This webinar will start in a couple of minutes.



Housekeeping Rules



Use the **question box** to ask questions



You'll receive the **slides** via email



You'll receive the **recording** within 24 hours



Please tell us how we did at the **end**

About this webinar series

Welcome to the webinar series: *Becoming an analytics aware HR leader*, organized by Crunchr and KennedyFitch.

This is the second module ***The Anatomy of People Analytics***.

In the next 50 minutes, you will learn about:

- How to design the Workforce Reporting and People Analytics Strategy
- Building the roadmap
- Secure funding



Important dates to remember

1st of October - Delivering value on the Big People Analytics Question

Once you have the capabilities, data and technology in place, how do you create a culture for People Analytics? We will share the common roadblocks to grow at scale and show how to overcome these. Finally, we explore the role of HR leaders in relation to delivering real business value.

5th of October - People Analytics Simulation Game for Leaders in HR

In a realistic simulation game, you will get a hands-on experience to analyze leadership topics, diversity, equality & inclusion and structure cost reduction initiatives. With this experience, everything comes together. No analytical skills are required, just curiosity.

Don't miss this chance and sign up for free!



ken
notningspecial

Battle ends in:
2M 58s

Max: 8 001 000
2 308 234

Available Loot:

99 037

55 632

2 967

26

Max: 8 001 000
895 264

Max: 200 000
61 849

2 312

Defeat:

-22

Overall Damage
0%

SURRENDER

X0
[Giant Skeleton]
☆☆☆☆

X15
[Bomb]
☆☆☆☆☆☆

X5
[Giant Skeleton]
☆☆☆☆

X3
[Giant Skeleton]
☆☆☆☆

X2
[Giant Skeleton]
☆☆☆☆

X4
[Giant Skeleton]
☆☆☆☆

X0
[Shield]
☆☆☆☆

X1
[King]
40

X1
[Queen]
40

X1
[Potion]
☆☆☆☆

X2
[Potion]
☆☆☆☆

X2
[Potion]
☆☆☆☆

What is Analytics in HR?

The use of workforce related data and advanced analytics to improve business outcomes and employee experience.

HR Analytics focuses on analyzing the HR Function.

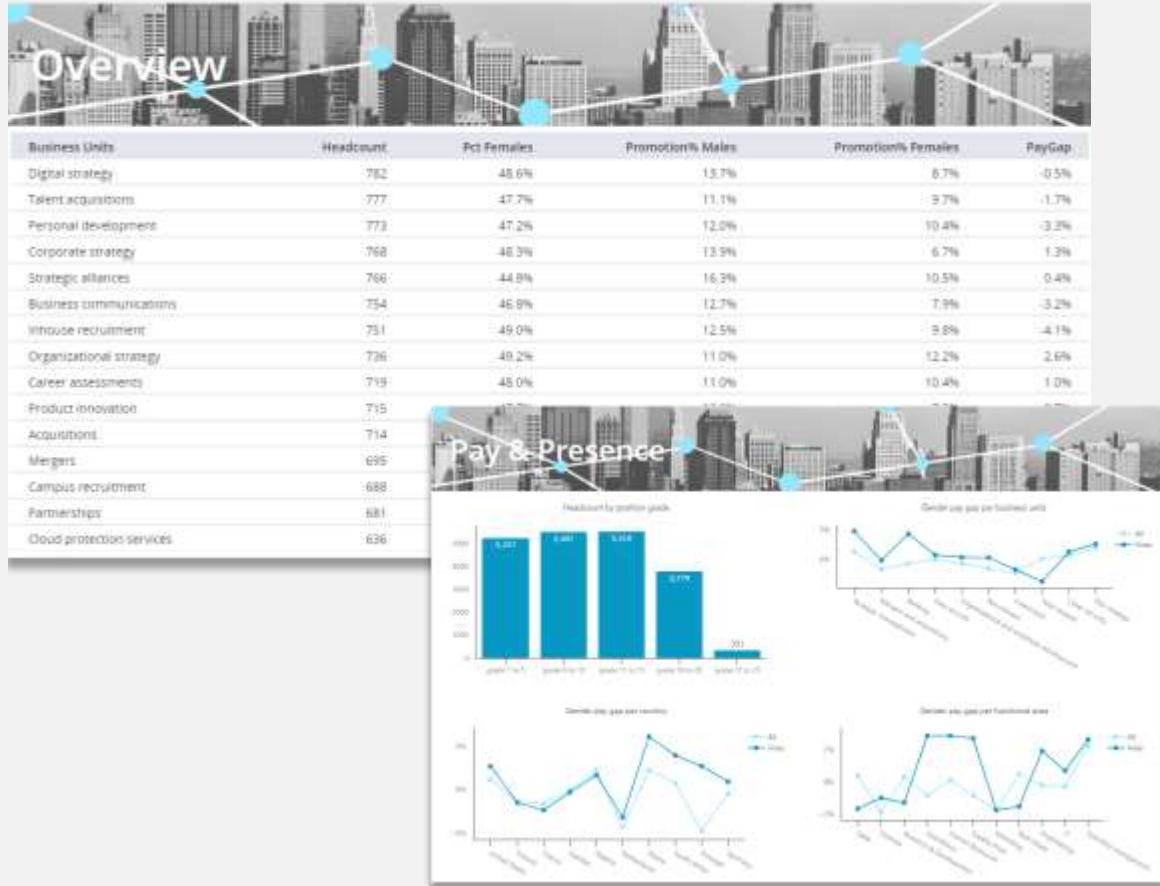
Workforce Analytics focuses on group dynamics and structures.

People Analytics focuses on behavioral aspects of people.

Whatever the analytics, always keep direct line of sight with business value. "What value are you chasing?"



Equality Dashboard for business leaders



Moving from advanced mathematics to a decomposition model to understand root causes for Diversity, Equality & Inclusion

Recruitment

- Gender distribution in hires by grade
- Number of failed hires by gender
- Gender distribution in headcount by grade
- Number of hires by hiring channel by gender
- Gender pay gap for new hires

Development

- Gender distribution in turnover by grade
- Gender distribution managers by grade

Promotion

- Show the promotion rate by grade by gender
- Performance and potential by distribution by gender

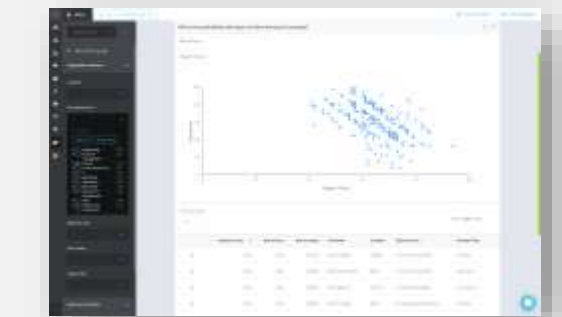
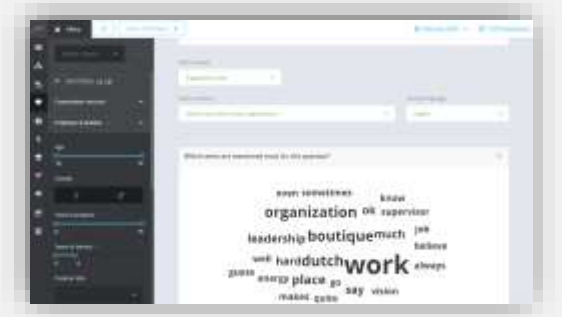
Pay and Presence

- FTE distribution by age by gender
- Headcount distribution by grade
- Gender pay gap by function/business/country

Strategic Planning Response during Covid19

It is showtime to lead boardroom discussions with HR Business relevant insights:

- Provide Operational Awareness & Understanding to show quickly by Business what's happening
- Measure and analyze wellbeing of employees (absenteeism, engagement, sentiment)
- Identify the 10 scenarios for cost savings opportunities (translate to GAAP impact for CFO)
- Mitigate business continuity risk (succession, flight risk, sell-make-deliver centers)



The Anatomy of People Analytics

The Journey from Reporting to Analytics

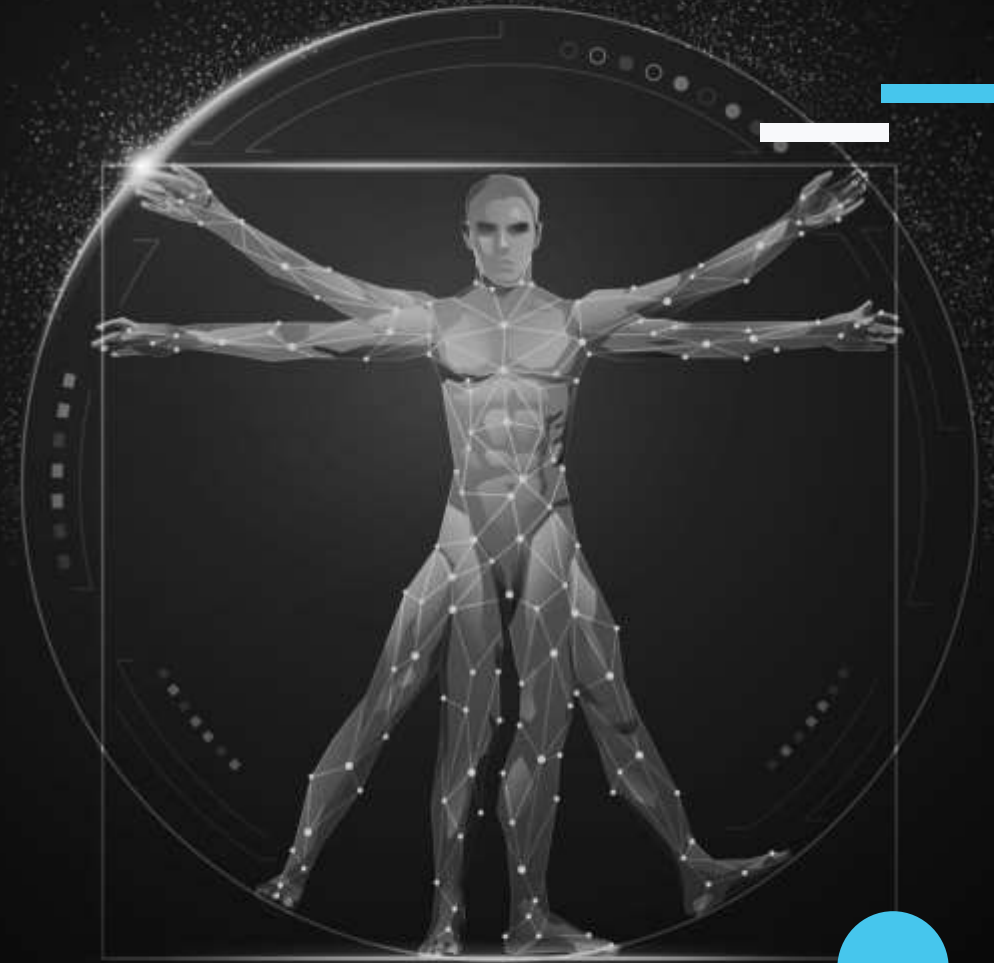
Growing everything in balance and at the right time.

Workforce Reporting & People Analytics Strategy

- Defining your ambitions with the North Star
- Building the roadmap
 - Data Governance
 - Technology
 - Organizational Capabilities
 - Culture and Adoption (next week)

Building the business case

- Workforce Reporting
- People Analytics & Beyond



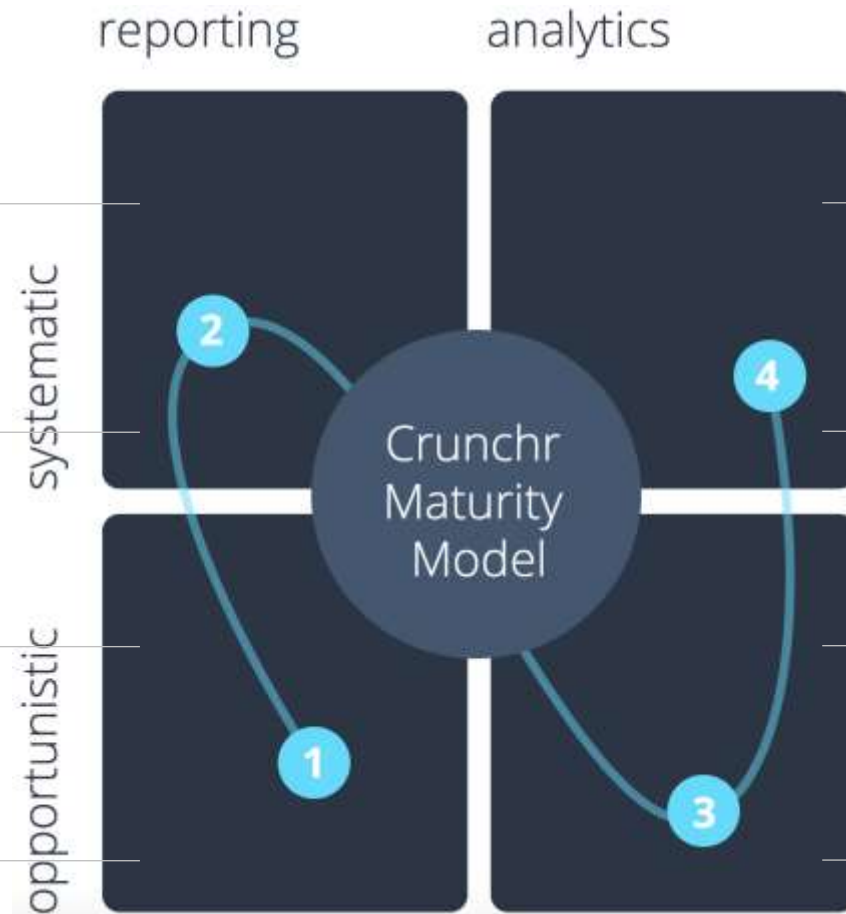
The Journey from Reporting to Analytics

Managers are empowered with actionable insights; technology matures and HR feeds “did you know” appetizers to the leadership.

Homegrown HR- dashboards are launched. Data gets democratized and governance improves.

Local systems are replaced with one global HR system. Processes harmonize and efficiency improves.

Everybody creates their own reports, data is all over the place, duplication of work.



Deep learning models go into production improving work! HR joins the business analytics community (and the exec board).

The analytics team grows and manages the projects with value strikes. Funding from business increases quickly.

Development of an advanced (cross functional) analytics strategy.

Introduction of AI / ML techniques.

Business starts to ask 'why' & 'now what'. Yeah, a pull! Data scientists join the team and datasets becomes richer.

Take away: there are no short-cuts



Poll Question

Where do you stand?

Phase 1: Opportunistic Reporting

Phase 2: Systematic Reporting

Phase 3: Opportunistic Analytics

Phase 4: Systematic Analytics



Define your North Star

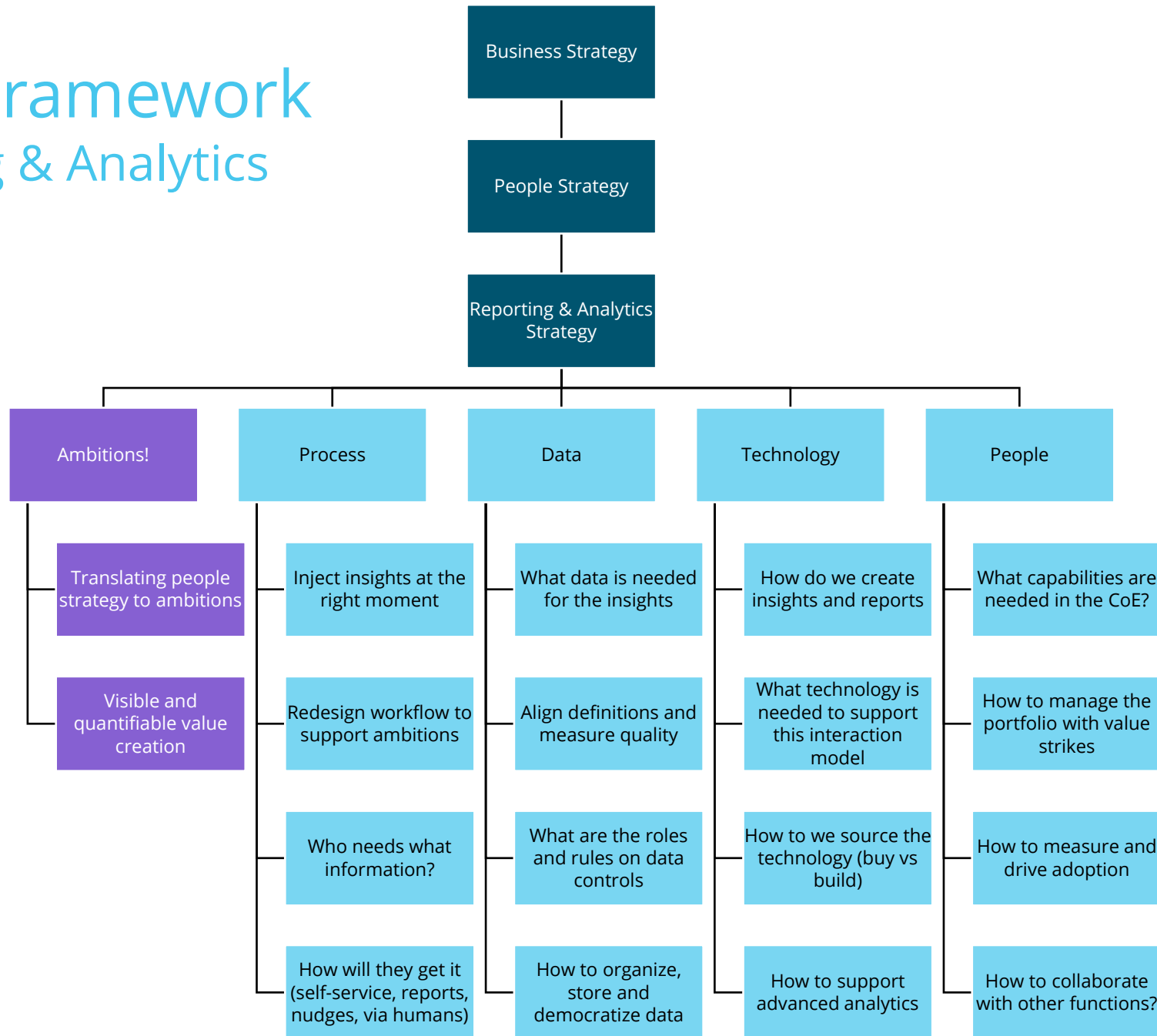
Digital transformation doesn't happen overnight because there are tons of factors and interdependencies. The secret to success is defining your **North Star**. Once your ambition is clear, the roadmap will follow naturally.

An example of your North Star can be to put your employees at the center of the business and that you empower everybody who makes people decisions with relevant insights. You can imagine what insights your candidates, employees and managers need. This determines your data requirements, delivery model, technology stack, etc.

Questions to ask during the design process are:

- What is our business strategy, how does this translate in our people strategy. And how can we enable this with the people analytics strategy?
- In an ideal world, how do people interact with insights?

Strategy Framework for Reporting & Analytics (example)



Interaction Model:
“The North Star”

Operating Model

Design Your Roadmap

An operating model is a document that helps HR Leadership to translate strategy into operational decisions. It will help you to think about you are going to setup the delivery.

Ideally, only start building the roadmap once you are clear on the ambitions.



Getting started:

- List the big chunks that you need to think (or worry) about. For example: data governance, technology, capabilities, processes, culture, funding, etc.
- Keep a list of all the decisions you need to make and link them to these chunks.
- You can play 'Scrum Poker' to get the requirements clear and have time estimates.
- Discuss interdependencies (what comes first, what comes next) and the prioritization follows! Trust me.



Data Governance

Working with loads of sensitive workforce data calls for strong data governance. This helps to minimize the risk of a data breach and be fully transparent on how data is used in analytics and for what purpose.

On the data side, you want to think about **rules** (which roles have access to certain information, (**roles** are authorized to make changes), and **tools** (what tools can you use for safe and reliable processing).

Tip:

Take the time to discuss data governance and document your decisions. This provides a clear framework which helps you to accelerate in maturity stages 3 and 4.



Data Strategy (cont.):

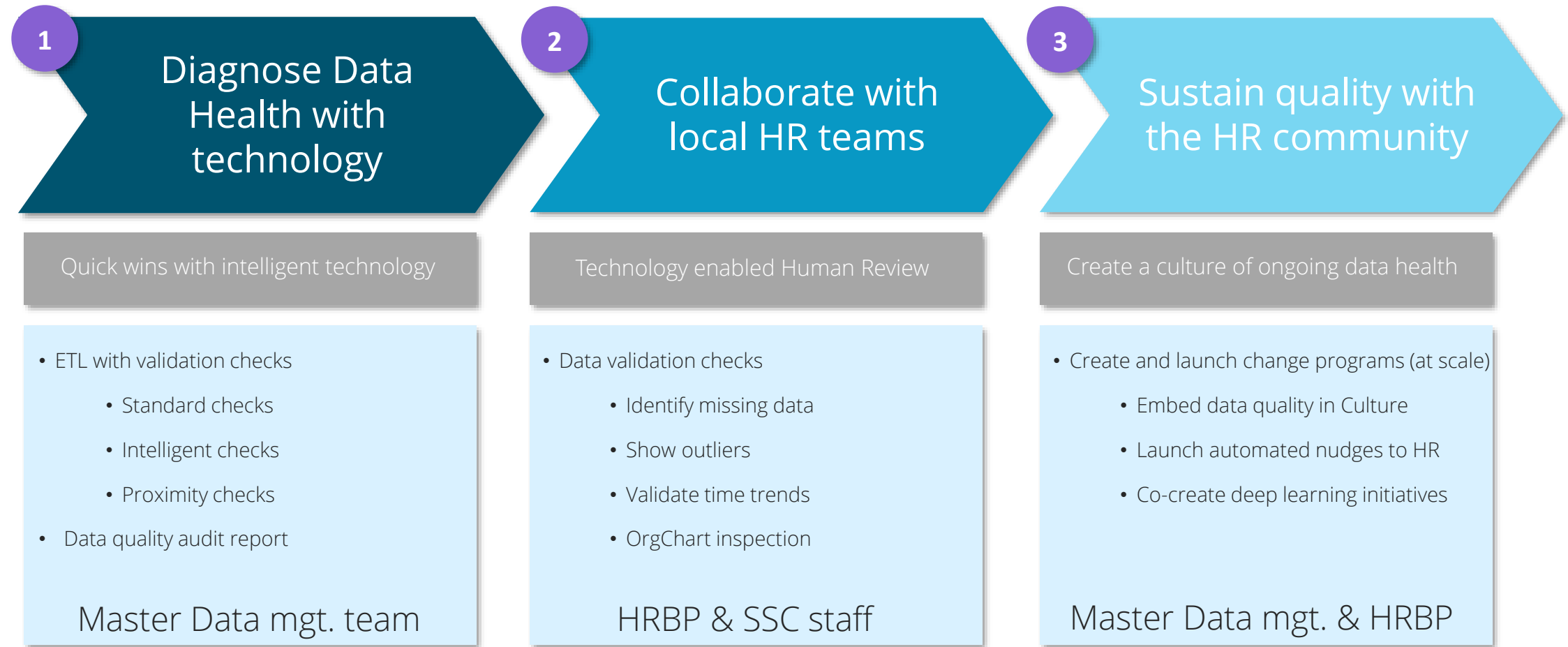
In addition, data security should be on your radar as well. Also if you are developing an homegrown solution. Auditors will knock on your door for an unexpected thorough review.

There are several opportunities for HR to get the right data strategy in place, by:

- Organize your data in one clean version of the truth.
- Decide which data you will keep, and the duration of storage.
- Decide for which legitimate purposes you can use this data.
- Manage data security by paying attention to **regulatory demands, strong-based authentication, role-based access control, single sign-on, and detailed audit logs** for individual accountability.

Improving Data Health in Three Stages

Crunchr developed unique technology to improving data quality



Examples of Quick Wins




4 Different level of checks	The user can generate a list (with filter selection) or cross-dimensional PowerReport
1. Show missing data	<i>Example:</i> "show all the senior leaders in the UK who have been in service for 1+ yrs. and who do not have a performance rating."
2. Show outliers	<i>Examples:</i> "show me a list of everyone in Germany who is older than 83 years old." "show me the grade distribution by reporting layer to see if there are SVPs in reporting layer 15." "show me the counts by performance rating to spot how the global definitions are enforced."
3. Validate time trends	<i>Example:</i> "show me the monthly development of salaries by cost center by country to spot outliers over time." "show me the employee turnover by reason over time."
4. OrgChart validation	<i>Example:</i> "in step 1 Crunchr has already validated the reporting lines for circular references, in this step, you can visualize org charts for inspection."

Organize Technology to Scale Your Ambitions

Technology has the power to streamline processes, reduce administrative burdens and compliance costs, as well as to provide real-time metrics that allow key actors to manage the workforce effectively.

The vision here should be to allow technology to enable HR to transition from being a cost center towards a value center.

Now the important decision remains:
do you buy or build the technology?

A black and white photograph of a man with dark hair and a mustache, smiling broadly. He is wearing a dark, long-sleeved button-down shirt. The image is partially overlaid by a light blue vertical bar on the left and a light blue circle containing text. There are also some light blue decorative elements in the top right corner of the overall image.

“It’s time for HR to move away from being a **cost center** and become a **value center.**”



From homegrown
project to scalable
product



The first HR Dashboard

For the upcoming Quarterly Business Review, you were asked to create a dashboard with the most important metrics. That's one click with the new HR System right?

Does nobody understand that the HR System cannot do this? With the pressure on your shoulders, you make a data extract from the HR System and combine it with all those other sources. With PowerBI you make some decent graphs and figures. It's midnight. Just in time.

The process of building your own technology has started. You might be able to create short-term results, but it might not be sustainable in the long run.

The ask from HR to you:

"Can you make an HR report for the Quarterly Business Review with the most important workforce metrics?"



...and then this happens

Your first HR Dashboard was well received – and looks nice to be fair. Soon the list of feature request start to grow. Can you add turnover by business unit? And we want to drill down to employee level. And can you also make this just for the finance function? Etc. etc.

With all additions, the dashboard becomes cluttered, slow and at some moment it feels like a plate of spaghetti. Not very soon after hell breaks lose: people question results and some can't access the dashboard anymore.

You lose sight. You lose control. You lose credibility.

Now what's next?



Building People Analytics Product is balancing esthetics and robustness



Productizing People Analytics - Checklist

Think end-state requirements (2022), evaluate your current operating model and reverse engineer the product roadmap.

Performance

- Is the solution fast enough to handle 10x more active users, whilst we keep adding more data?
- Is the infrastructure and data model ready to perform more advanced analytics and run AI models?

Operations

- Can we deliver on the growing list of feature requests and support tickets from the business?
- Do we have sufficient IT resource allocation to support our HR Product / Technology needs?

Compliance

- Can we take responsibility on data compliance and security to (internal / external) auditors?
- Do we ensure that the results in the reporting & analytics are accurate, also in edge cases?

Continuity

- If critical team members leave, is there continuity risk in delivery to the users?
- Do we have proper version control and back-ups in place as an operational safeguard?

Productizing People Analytics

How to get from Project to Product: data scientists are good in building models, but you need different skills and competencies to bring these models to production and get Return on Investment (ROI).

You need to add (or borrow) new skills & competencies:

Architect	Designing the security models and data structures.
Infrastructure	Developing and maintaining a scalable platform as code, backups, etc.
Dev Ops	Managing teams, ensuring frequent releases, and monitoring performance & availability.
Quality	Regression testing on accuracy, security, performance & visuals.
Engineers	Developing quality code, optimized for performance and maintainability.
UI / UX	Designing intuitive interfaces and monitoring usage.
Product Manager	Listening to users, doing research and managing the roadmap.

Productizing People Analytics

Tips & tricks from us: We developed a people analytics technology eco-system around our product. This didn't happen overnight: it took us 6 years. Below are tips that I wish I got:

Level 1: A structured start

Store your code in a [Git](#) repository and work together on the code (incl. code reviews) with [Bitbucket](#).

Use [Trello](#) or [Jira](#) to plan your sprints and document in [Confluence](#) your collective knowledge and product / business requirements.

Level 2: Measure, but don't reinvent the wheel

Automate code testing & integration with [CircleCI](#) and monitor production errors ([Sentry](#)) & performance ([Grafana](#)).

Continuously collect user feedback and manage a roadmap in [ProductBoard](#). Combine feedback with usage analytics (e.g. [Google Analytics](#)).

Level 3: Automation

Manage your infrastructure and deployments with [Ansible](#); increase stability & security with [Docker](#).

Work towards continuous deployments. Implement automated user onboarding, integrate a learning portal and consolidate support functionality with [Intercom](#).



Building the business case

(Advanced) people analytics require significant investments. Therefore build your business case in phases:

In maturity level 1-2 (reporting), the focus can be on realizing efficiencies through removing duplication of work.

Example: 20 people waste 8 hrs per week of reporting work that can be automated. $20 \times 8 \text{hrs} = 160 \text{hrs}$ per week (equals 4 headcount). If the fully loaded labor cost is 75k per headcount, your efficiencies amount to 300k per year.

In maturity level 3-4 (analytics), you can build the business case on creating business value. For example turnover reduction or improving spans of control.


Reach out to Crunchr, we have advanced business case scenario models available that translates value to cost.

Today's take-aways

Take time to define your North Star with ambitions. And reverse engineer the 24-month game plan, including budgets. Think future state.

List all decisions you have to make (backlog) and assign these to process, data, technology and people (epics).

Design your roadmap agile and proactively manage interdependencies.



Stay in control with
People Analytics and
lead the way
forward.



Poll Question

**Did this webinar help you to get started
with defining the North Star and Roadmap?**

- 1) Yes it did!
- 2) To some extend
- 3) Not yet..

Important dates to remember

1st of October - Delivering value on the Big People Analytics Question

Once you have the capabilities, data and technology in place, how do you create a culture for People Analytics? We will share the common roadblocks to grow at scale and show how to overcome these. Finally, we explore the role of HR leaders in relation to delivering real business value.

5th of October - People Analytics Simulation Game for Leaders in HR

In a realistic simulation game, you will get a hands-on experience to analyze leadership topics, diversity, equality & inclusion and structure cost reduction initiatives. With this experience, everything comes together. No analytical skills are required, just curiosity.

Don't miss this chance and sign up for free!

