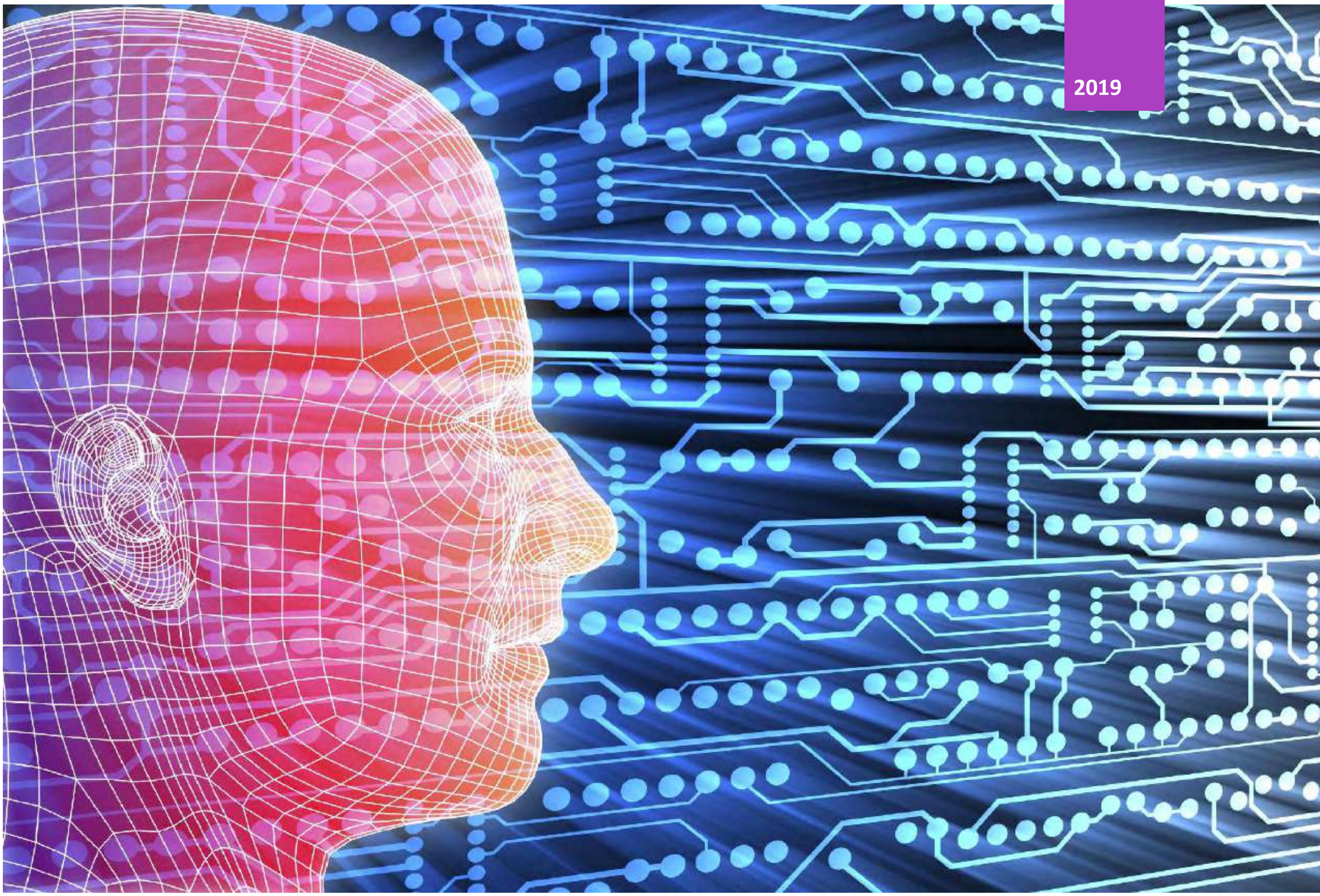
2019



The State of Human Capital Analytics in the Middle East

MIDDLE EAST atd 2019 CONFERENCE & EXHIBITION

atd Association for Talent Development

ROI INSTITUTE®

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EXECUTIVE SUMMARY

The Middle East holds great promise for human capital analytics. Organizations are willing to invest in people, programs, and technology in order to make it work. And while human capital analytics, overall, is still in its infancy in the region, organizations are positioned to make progress quickly.

This report summarizes findings from a survey research project launched in September 2018 by HR Summit and Expo, Association for Talent Development (ATD), and ROI Institute, Inc. While other research on the evolution of human capital analytics in the Middle East has been conducted, we believe that this study sheds new light on the progress with, and promise for, human capital analytics. Five key areas were considered in this study: investment, maturity, projects, skills, and technology. It closes with a look at the greatest barriers to making progress and offers suggestions for overcoming those barriers. Here are the highlights:

INVESTMENT

More than half of our respondents indicate that their organizations dedicate resources specifically to human capital analytics. Of the organizations that do not, approximately half plan to do so in the future. The majority of the organizations that do dedicate resources specifically to human capital analytics employ anywhere from 1 to 4 full-time equivalents to do analytics work. In terms of actual funding, half of the respondents indicate that their organizations invest anywhere from less than 2% to almost 5% of their HR budget on analytics, with a portion of the HR budget dedicated to technology. Resource investment is expected to continue, and even grow, in 2019.

MATURITY

While investments are being made in human capital analytics, the practice is still maturing. Fifty-six percent of respondents are either in the very beginning stages of using human capital analytics, or they are using it but lack an understanding of how to leverage it to generate business value.

PROJECTS

Organizations in the Middle East are aligned with many organizations in the US in terms of the types of projects they are pursuing. Demonstrating the relationship between variables in an attempt to connect to business outcomes and measuring impact and ROI are the two most frequently selected types of projects. While much work is underway, even more work is planned for the future, including a focus on forecasting ROI prior to investing in HR initiatives.

SKILLS

Business operations is an area that respondents believe is most important to their human capital analytics practice. This is followed closely by human resource management systems and change management. While there was no big standout in terms of actual gaps in capability in these most important competencies, the two that surfaced as being the most lacking are qualitative methodologies and psychometrics. That said, opportunities exist to develop across all competencies. How do organizations plan to address this development opportunity? Training.

Technology

Three-quarters of respondents perceive technology to be important or very important; and, organizations are willing to invest. Currently, Excel rules as the tool that most supports Middle East organizations with their human capital analytics needs. While this is not necessarily bad news, it will likely not last. Organizations are moving toward other solutions that offer even greater opportunity to link data across programs and platforms. This link will lead toward seamless integration between human capital analytics, business data, and organizational processes. When asking respondents where they stand now in terms of seamless integration (data, workflow, personnel), they seem to be doing well given they are in the early stages of analytics. The function for which there is the greatest integration with analytics is finance – not a bad partner when work needs to get done. Investment in technology will further this integration, leading toward analytics ubiquity.

In the end, Middle East organizations recognize that human capital analytics is about driving impact — and to do so requires that the analytics practice generate actionable insights. Yet, as with all organizations just getting started, barriers exist. The five greatest barriers to turning human capital data into action insights are:

1. Decision-making processes
2. Capability of the team
3. Data quality
4. HR and business data integration
5. Agreement between data and organization outcomes

The report concludes with suggestions for overcoming these barriers including:

- Clarify the why
- Determine what is feasible
- Set clear objectives
- Make it matter
- Make it stick
- Measure, monitor, and optimize

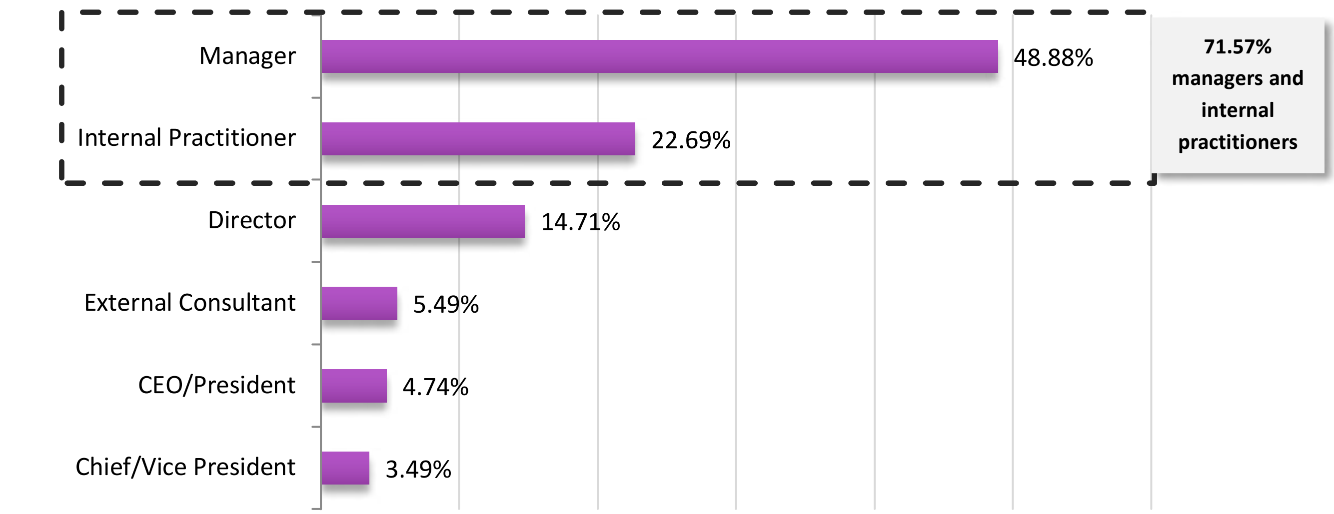
ABOUT THE RESEARCH

Research indicates that the Middle East is poised to become the leader in the use of people analytics to drive organization strategy. The 2018 Top HR Trends Report, produced by HR Summit Expo, The Talent Enterprise, and The HR Observer, identifies technology and analytics as two of the top trends. A 2015 CIPD study found that many organizations in the Middle East are *already using HR analytics to tackle some of their most pressing HR issues, including talent pipeline planning, organisational development, engagement and learning and development*. It also found that 71% of its survey respondents feel that *HR analytics is helping their organisation to understand their business culture* and 76% said analytics *was helping them to understand business performance*. In an effort to add to this research and other similar research focusing on Middle East practices with people analytics, HR Summit partnered with ATD and ROI Institute, Inc. In September 2018, they fielded a study to describe the current state of human capital analytics in the Middle East. The study replicated, in part, an annual study conducted by ROI Institute in collaboration with the Institute for Corporate Productivity (i4cp) , the most recent reported titled *Four Ways to Advance Your People Analytics*. Changes to the survey included modifications to, additions, and deletions of questions based on input from the project team. They also included omission of i4cp proprietary questions used to correlate responses to market performance. To learn more about i4cp, visit i4cp.com.

This 21-item survey was administered to members of ATD Middle East Conference and Exhibition, ATD, and ROI Institute databases who represent practitioners and leaders in organizations located in the Middle East. The survey was developed in Qualtrics. Each partnering organization disseminated the survey via personal email to their database members. Potential respondents were told that survey responses would remain anonymous, therefore, demographic data collection was limited to position and industry. The survey resulted in data from 457 respondents.

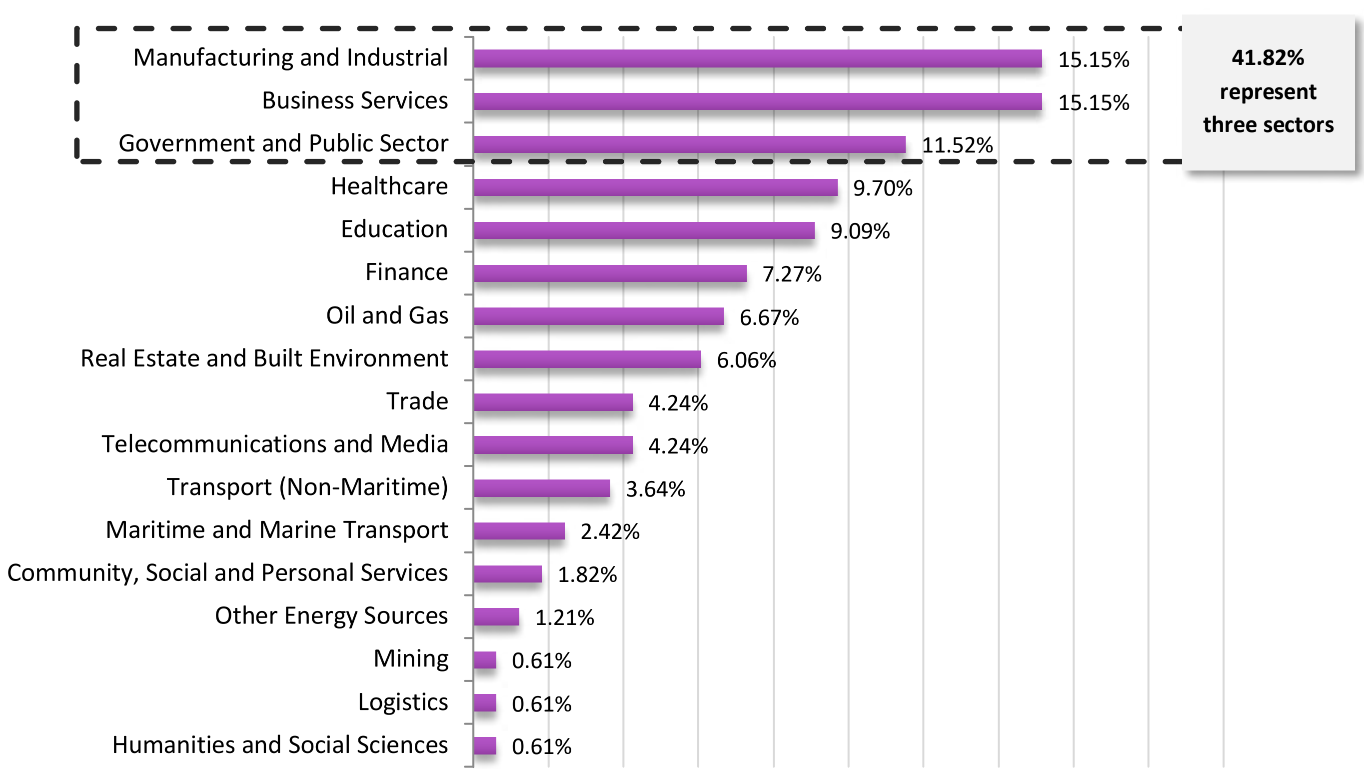
Respondents represent primarily managers and internal practitioners, with 71.57% of respondents identifying these job titles most reflecting their positions, as shown in *Figure 1*.

Figure 1. *Job titles most reflective of respondents' positions.*



The industries most represented are manufacturing and industrial, business services, and government and public sector, with 41.82% respondents representing these three sectors. *Figure 2* provides the distribution of responses across all sectors listed in the survey.

Figure 2. *Industries represented by respondents.*

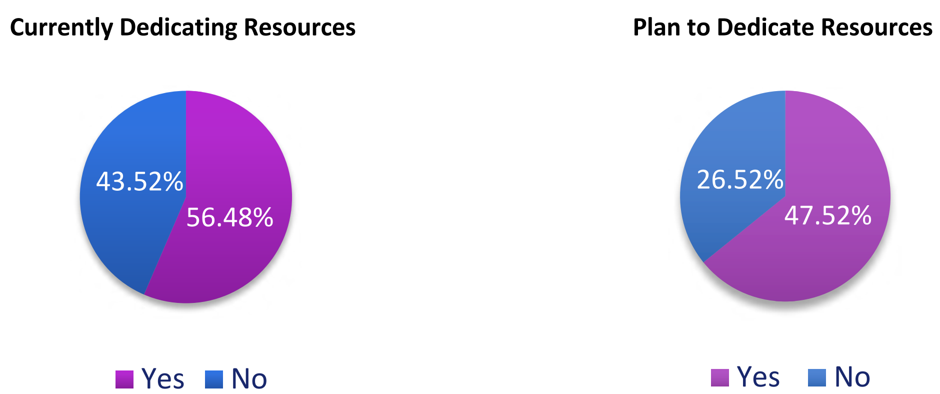


WHAT THE RESEARCH TELLS US

ORGANIZATIONS INVEST, AND THAT INVESTMENT WILL INCREASE

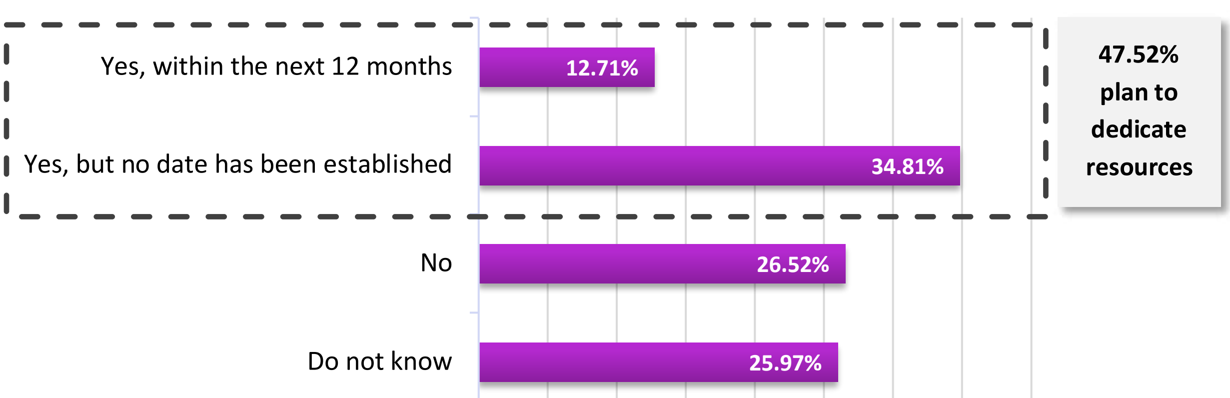
Analytics is the process of drawing insights from data using logical analysis, usually involving math, statistics, modeling, and, today, machine learning. Human capital analytics uses people-related data as part of the analysis. The intent is to influence decisions that lead to action. Respondents to our survey indicate that investment in human capital analytics is well underway in the Middle East and it will likely increase. Currently, 56.48% of respondents tell us that their organizations dedicate resources specifically to human capital analytics. While this leaves 43.52% of respondents without dedicated resources, 47.52% of those respondents believe that their organizations have plans to commit resources. *Figure 3* compares the number of organizations dedicating resources specifically to human capital analytics to those who do not, but plan to in the future.

Figure 3. *Organizations dedicating resources specifically to human capital analytics compared to those indicating that they plan to do so sometime in the future.*



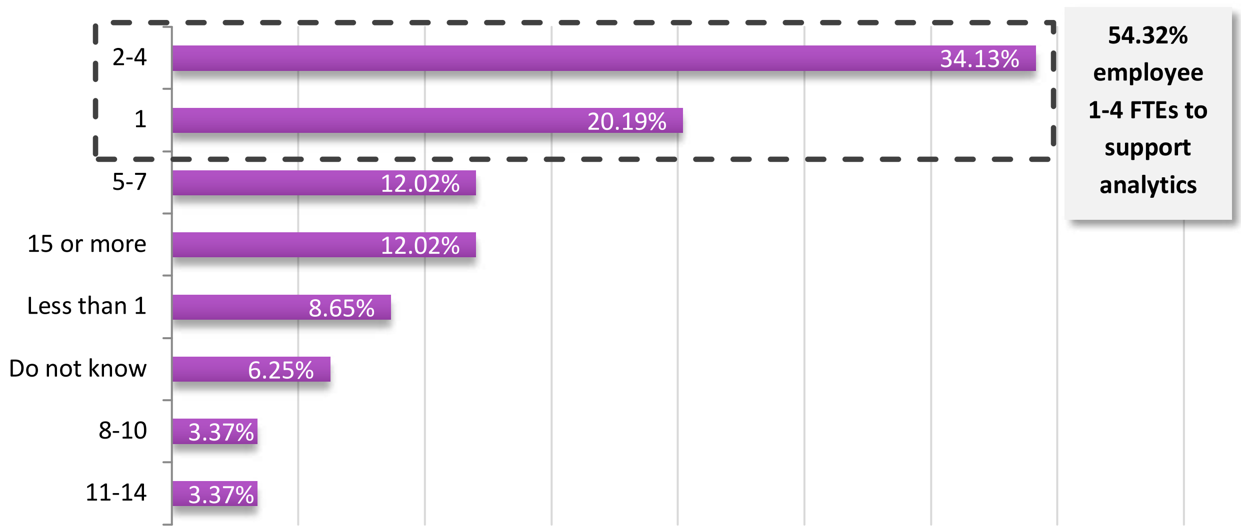
Of the 43.52% who indicate their organizations do not dedicate resources specifically to human capital analytics, 12.71% indicate they will in the next 12 months. Approximately 34% expect it will happen sometime in the future. *Figure 4* displays the distribution of all responses regarding planned investment in dedicated resources.

Figure 4. *Organizations planning to dedicate resources specifically to human capital analytics.*



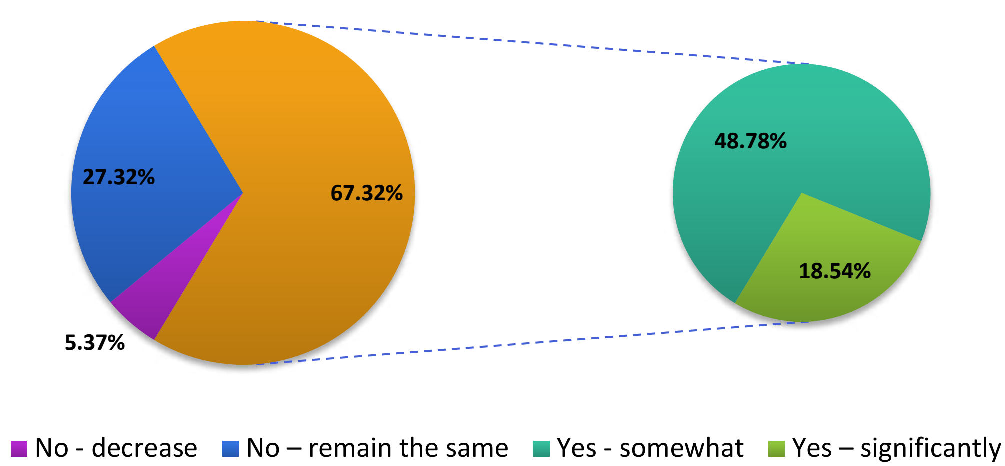
More than 54% of respondents who indicate that their organization commits resources to human capital analytics tell us that their organization employs 1 to 4 full-time equivalents (FTE). As shown in *Figure 5*, the remaining 45.68% report that their organizations dedicate 5 or more FTEs to human capital analytics.

Figure 5. *Number of full-time equivalents dedicated to human capital analytics.*



As a percentage of budget, 30.24% of respondents tell us that the investment represents less than 2% of their overall budget; 21.5% indicate the investment represents 2-4.99% of their overall budget. When comparing this investment to that in 2017, 43.63% of respondents tell us it is about the same, while 40.20% tell their current funding level represents an increase. Only 16.18% indicate 2018 funding represents a decrease from 2017. In terms of future funding, 67.32% of survey respondents expect their human capital analytics budget to increase somewhat to significantly in 2019, as shown in *Figure 6*.

Figure 6. *Percentage of respondents expecting the human capital analytics budget to increase in 2019.*



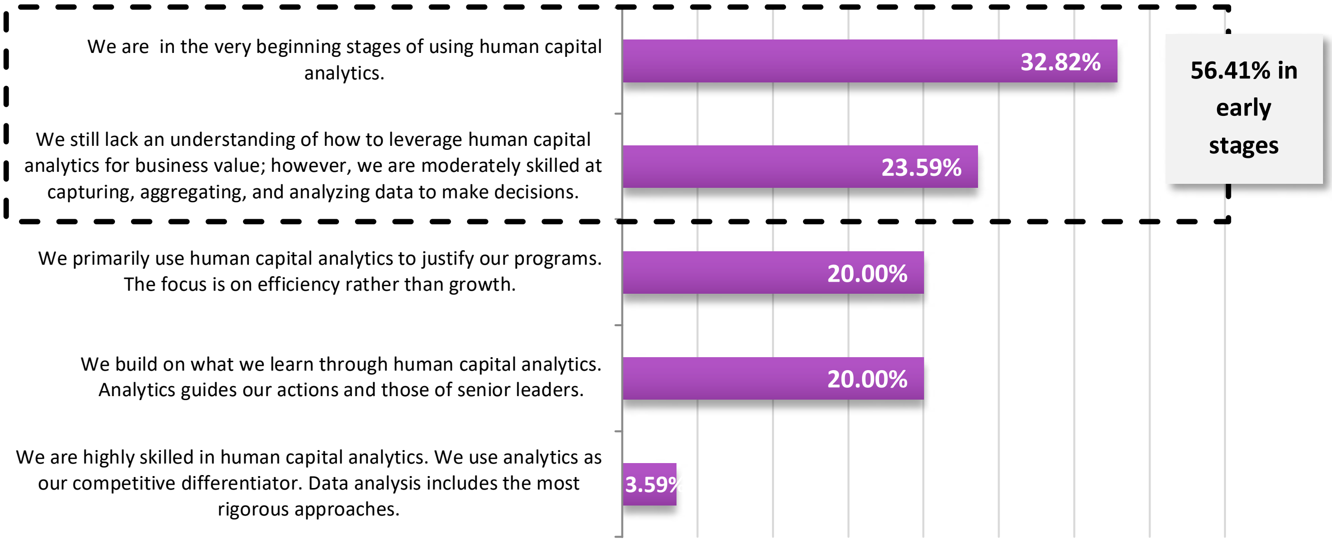
The future of the workforce is changing. Investing in human capital analytics is a way of unlocking the potential and power of data to help us plan the future of our organizations rather than reacting to change.

—Fawaz Abdullah Al Omran
Director, Head of People
KPMG Al Fozan & Partners

THE HUMAN CAPITAL ANALYTICS PRACTICE IS STILL MATURING

Figure 7 show that 32.82% of respondents describe their practices as just beginning and 23.59% indicate they still lack an understanding of how to leverage analytics for business value. This suggests that 56.41% of organizations are still in the early stages of growth. The good news is that if funding continues as planned, these organizations will have the resources behind them to mature quickly.

Figure 7. *Respondents' perception of their analytics practice*.



Adapted from Ransbotham, S.; Kiron, D.; and Prentice, P. K. (2016) *Beyond the Hype: The Hard Work Behind Analytics Success*. MIT Sloan Management Review Research Report.

DISTINGUISHING HR REPORTING FROM ANALYTICS

For organizations just getting started with analytics, it is important to note that true analytics projects, as opposed to standard reporting, help organizations answer critical questions that ultimately inform strategy. Yet, many organizations do not separate reporting from analytics. In the study, *Four Ways to Advance Your People Analytics,* conducted by i4cp and ROI Institute, researchers found that 66% of organizations do not distinguish HR reporting from human capital analytics. Results from the Middle East study indicate similar findings. Approximately 64% of respondents whose organizations dedicate resources to human capital analytics tell us that they do not separate reporting from analytics, as compared to 36% who do. While this does not mean to suggest moving people analytics outside the HR function (although 25% of respondents to the US study thinks it should), it does mean separating the two activities so they each accomplish their intended purpose.

As noted by Alexis Fink, Senior Director, Talent Management at Intel, in the i4cp/ROI Institute study, reporting and analytics are different. *Reporting is often focused on metrics and dashboards, which generally won't trigger action unless things are getting out of control. In contrast, a true analytics research project is designed to inform an unclear or complex decision. Reporting can tell you what has happened, and analytics can tell you what to do.*

Relationships, Impact, and ROI are Top of Mind

Results of the study tell us that human capital analytics projects in the Middle East focus on developing statistical relationships between variables, as reported by 40.45% of respondents. This is followed by measuring impact and ROI on key HR initiatives; 35.52% of respondents identify this type of project as currently underway. These results reflect similar findings in the i4cp/ROI Institute study. In fact, i4cp/ROI Institute conducted similar studies in 2015, 2016, and 2017. Results of these studies showed that developing relationships between variables and measuring impact and ROI are consistently the top two types of projects pursued across all organizations.

These findings are not too surprising. As described in the book *Making Human Capital Analytics Work*, and other similar publications, developing relationships using correlation analysis helps identify opportunities for HR and business solutions. And, while not necessarily a demonstration of cause and effect, this type of analysis informs the answer to senior executives' question about the link between HR investments and business measures. Correlation analysis also serves as the foundation for advanced analytics.

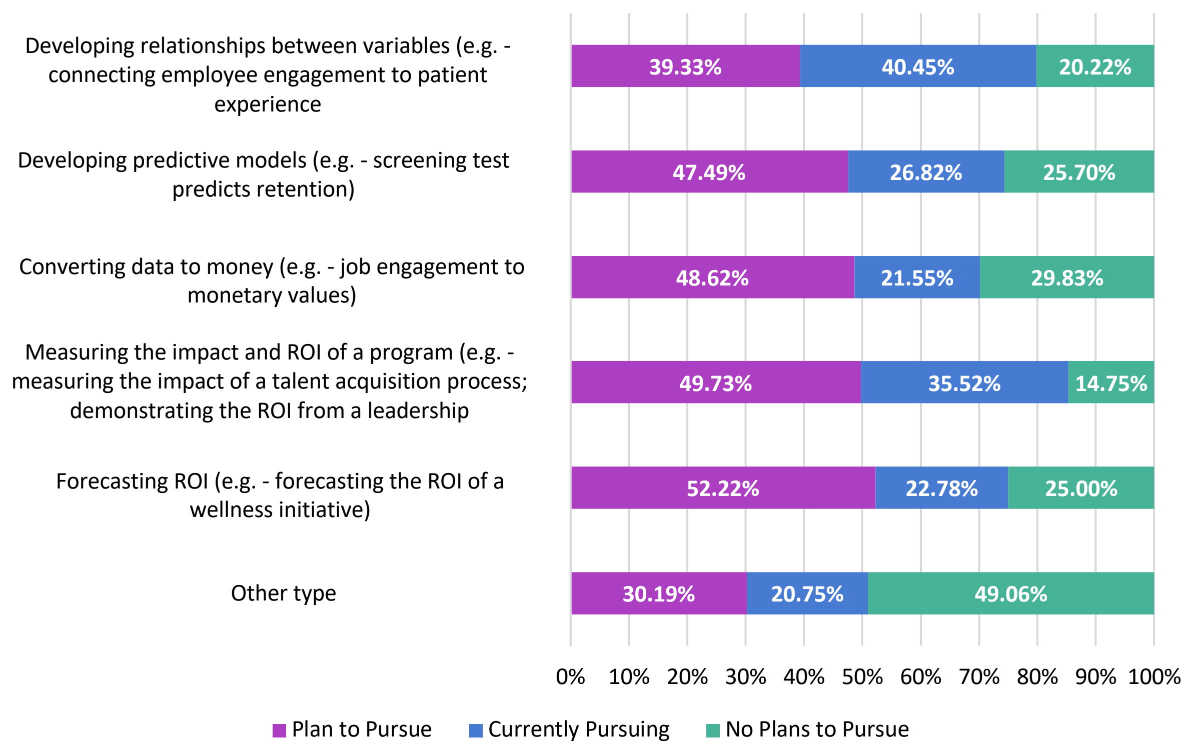
Impact and ROI studies leverage a variety of analytics techniques, including experimental design, trend line analysis, correlation analysis, and others. An example is the Emirates Integrated Telecommunication Company's Enterprise Sales Account Manager Development Program. Mumtaz Hussain (Senior Director, Head of du University and School of Leadership), Abdullah Al Naqbi (Senior Manager, School of Technology), and Mustafa Naisah (Senior Manager, Enterprise Sales Academy, Marketing Academy, and Contact Center Academy) employed a variety of techniques to demonstrate the impact and ROI of this program. Using experimental design coupled with trend line analysis, they made a direct connection between the program and improvement in sales, customer satisfaction, and standardization of a common language across sales channels. Analytics projects like these answer questions such as, *Is the HR initiative worth it* and, if not, *what can we do about it?*

While much work is taking place in these areas here in the Middle East, even more work is planned for the future. In addition to current and future work of developing relationships between measures and measuring impact and ROI, 52.22% of respondents indicate forecasting ROI is part of their future work, as shown in *Figure 8*. Given the number of solutions available to address business problems and opportunities, determining the potential payoff of investments in people is becoming ever more important.

Impact and ROI are top of mind in the Middle East. More than 85% of survey respondents are currently or are planning to measure impact and ROI of their human capital investments.

Other projects underway in the Middle East include developing soft skills to drive career performance; getting buy-in from the C-suite; leadership development ROI; introducing new tools, focusing on HR more broadly; developing key performance indicators (KPIs); and team building.

Figure 8. *Human capital analytics projects currently underway, planned, and for which respondents have no plans.*



EVALUATING ANALYTICS PROJECTS

Tom Davenport and Jeanne Harris, authors of *Competing on Analytics: The New Science of Winning*, offer the following questions to consider when evaluating new analytical initiatives.

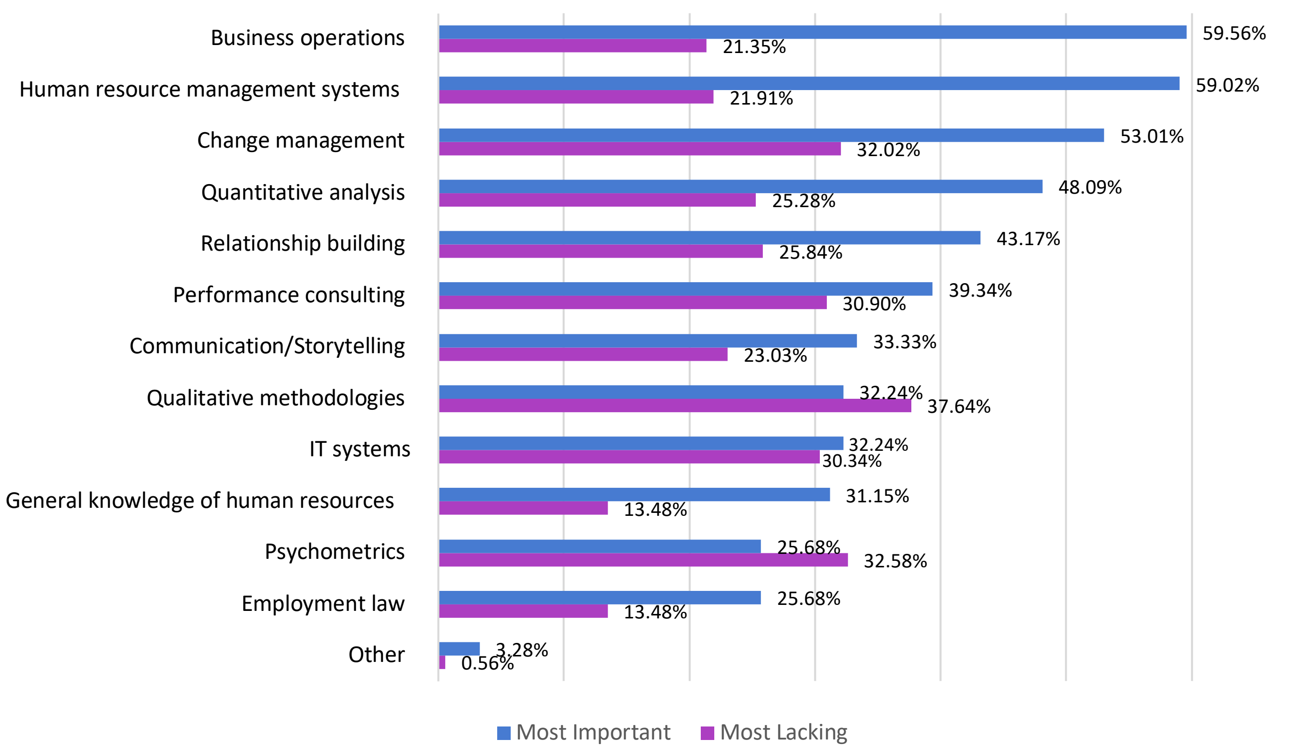
- How will this investment make us more competitive?
- To what extent will this investment make us more agile to respond to changing market conditions?
- How does this initiative improve our enterprise-wide analytical capabilities?
- How will the investment foster greater innovation and growth opportunities?
- What complementary changes need to be made in order to take full advantage of new capabilities, such as developing new or enhanced skills; improving IT, training, and processes; or re-design jobs?
- Does the right data exist? If not, can we get it or create it? Is the data timely, consistent, accurate, and complete?
- Is the technology reliable? Is it cost-effective? Is it scalable? Is this the right approach or tool for the right job?

Business Operations Is The Most Important Competency

While business operations is the most important competency in respondents' human capital analytics practices according to 59.56% of respondents, human resource management systems is a close second (59.02%) and change management is a close third (53.01%). Business acumen and one's ability to think like the business is key to an organization's success. HR leaders and practitioners need to build capability in business operations, so they can better align HR investments with the organization's needs. Additionally, knowing what the HR systems can and cannot deliver is important. Connecting the dots between HR systems and business operations is a first step toward seamlessly integrating analytics, which is critical if adding real value is the goal. And, of course to make it all work, requires change management.

Interestingly, when asked to identify the competencies for which their organizations are most lacking, respondents indicate that they are not overly lacking in any one competency; rather their perception of the skill gap is evenly dispersed across competencies. The biggest gaps in capability are with qualitative methodologies and psychometrics, as shown below. While respondents do not identify either as highly important, as analytics practices mature, the importance of both will become more evident. For example, Michael Arena, Chief Talent Officer of General Motors and author of *Adaptive Space: How GM and Other Companies are Positively Disrupting Themselves and Transforming into Agile Organizations*, complements quantitative techniques with qualitative methodologies such as ethnography. As he described during an interview for the publication, *Human Capital Analytics @ Work, Volume 2*, developed by The Conference Board, Inc., while statistical data can lead one down a path, by combining statistics with observational data, his team gets a clearer picture. As he put it: *At some point, you have to go out there and see what is going on.* Below, *Figure 9* compares the competencies most important to human capital analytics to the competencies most lacking.

Figure 9. *Most important competencies as compared to those perceived as most lacking*.

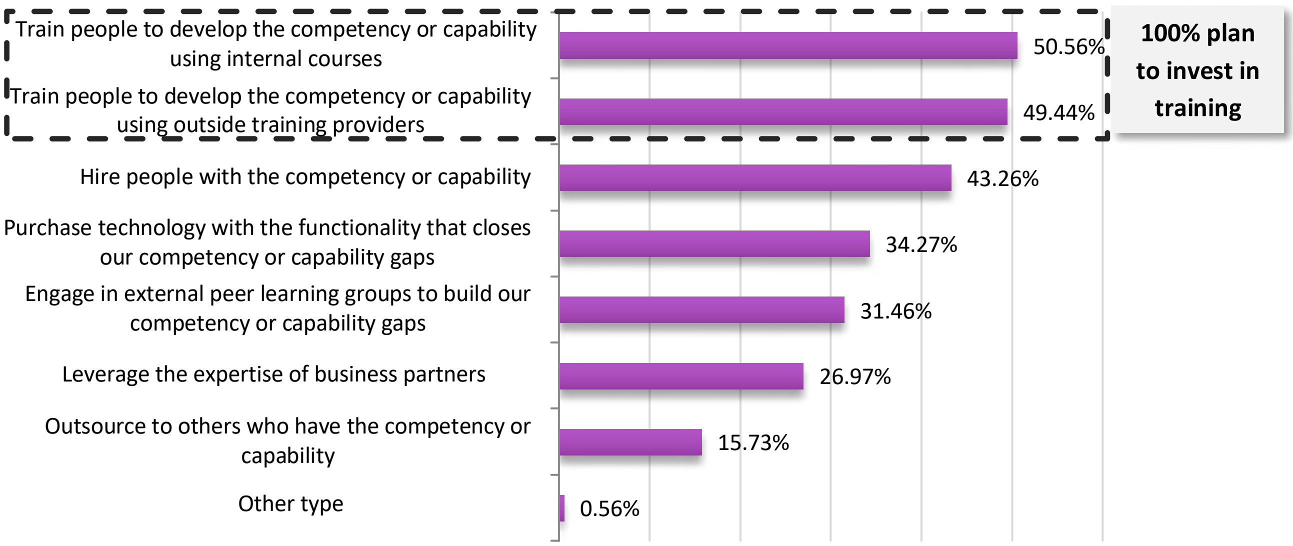


When asking respondents how they intend to address the competency gaps in their human capital analytics practice during the next 12 months, 100% of the respondents identify training as the solution, as shown in *Figure 10*. Half report that they plan to use internal courses. Another half report they plan to use external training suppliers. Forty-three percent indicate they plan to hire people who can get the work done; and 34% plan to use technology to close the skill gap.

TRAINING = INVESTMENT #1!

—Tom Peters, author and management-thought leader
The Excellence Dividend: Meeting the Tech Tide with Work That Wows and Jobs that Last

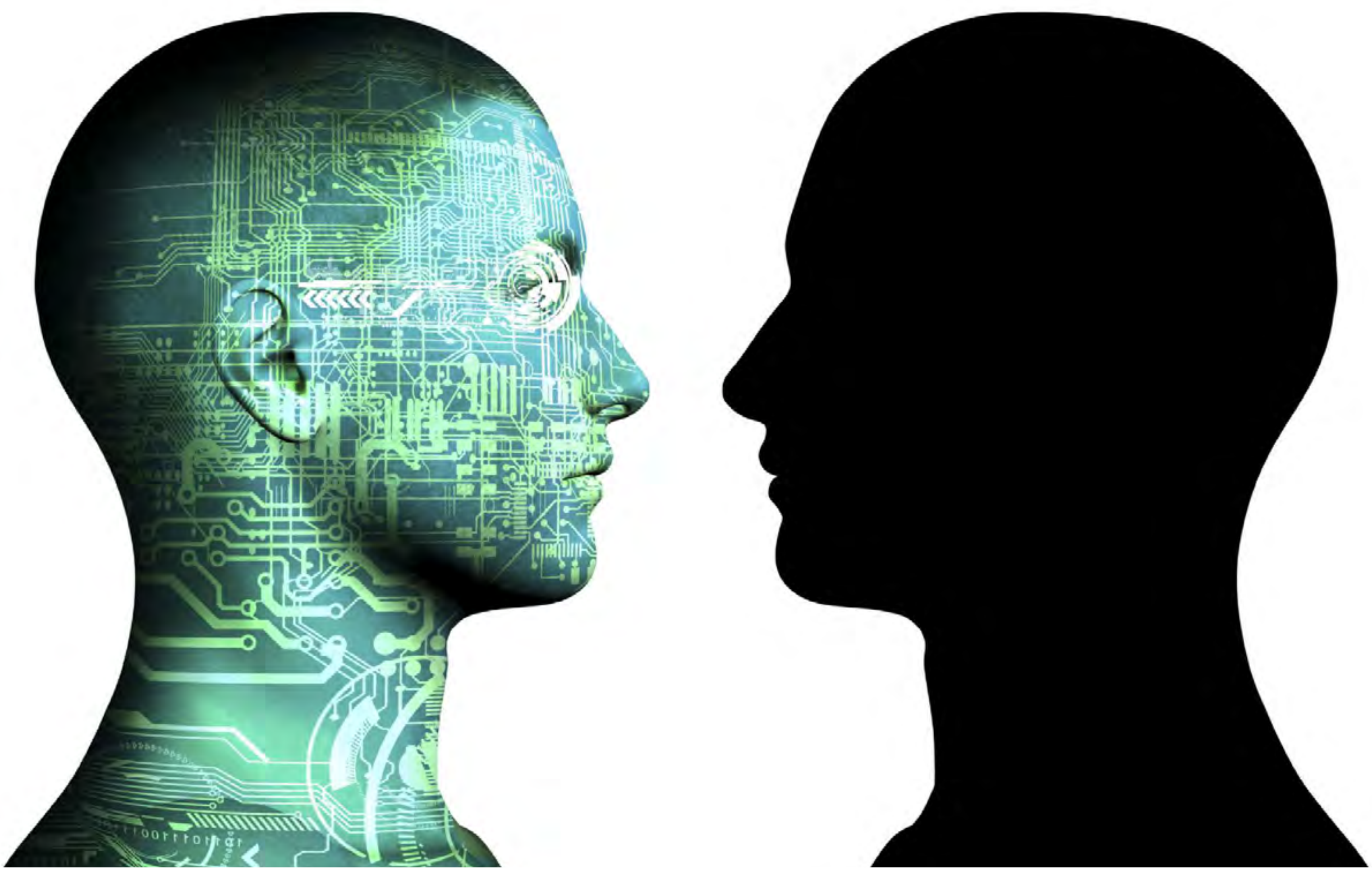
Figure 10. *Approaches to address the people analytics competency gap in the next 12 months.*



LEARNING TODAY IS PERSONAL

Regardless of the type of developmental need, training will always be part of the solution. Today's training, however, is not the same as that of yesterday. Today, closing competency gaps requires customization. According to the Association of Talent Development (ATD), 83% of organizations personalize at least some learning assets. The reason? *To drive greater speed and agility by enabling employees to focus on learning most critical to their performance and to build workforces with the continuous-learning and growth mindsets that innovation, competitive advantage, and sustained business excellence demand*. And, while adaptive learning (defined as technology-enabled personalized learning that uses algorithms and artificial intelligence to modify content to learners' responses in real time) is much less used, organizations are exploring the advantages of new technologies. Based on its research, the use of artificial intelligence in adaptive learning will nearly triple in the next two years.

Learning modalities must keep up with the needs of the business – and they must pay off. Organizations such as Emirates NBD are leaders in leveraging various learning modalities and using analytics to demonstrate the business impact of their investments in these learning processes. Their efforts to drive business outcomes through learning are routinely recognized by ATD. Emirates NBD has been awarded ATD's Excellence in Practice Award multiple years running and was an ATD Best Award winner in 2017.

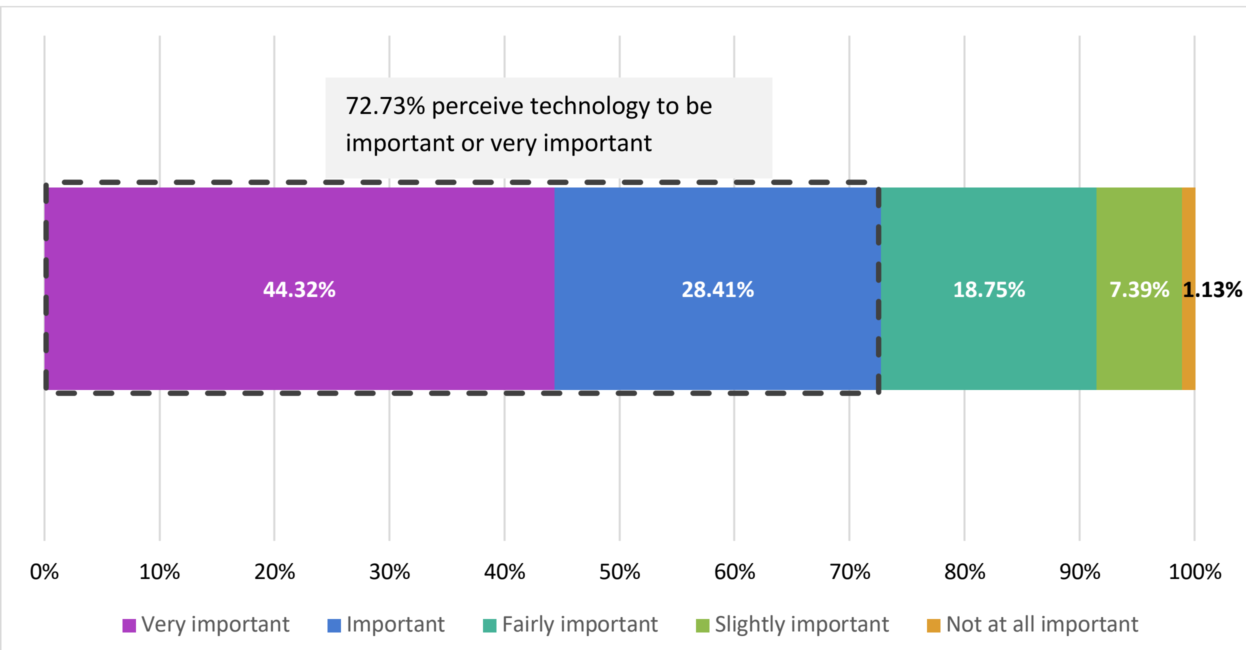


TECHNOLOGY IS KEY TO ANALYTICS UBIQUITY

Next to talent management, technology is the biggest trend in HR according to the *2018 HR Trends Report* developed by HR Summit and Expo, The Talent Enterprise, and The HR Observer. As shown in *Figure 11*, approximately 73% of our respondents view technology as important or very important in addressing the human capital analytics skills gap. Just how important is technology? On average, organizations spend 21% of their HR budget on technology. While not strong, there a significant, and most certainly logical, relationship between technology investment and analytics maturity. Those who are just in the beginning stages spend approximately 17% of their budget on technology; those making progress spend 26%.

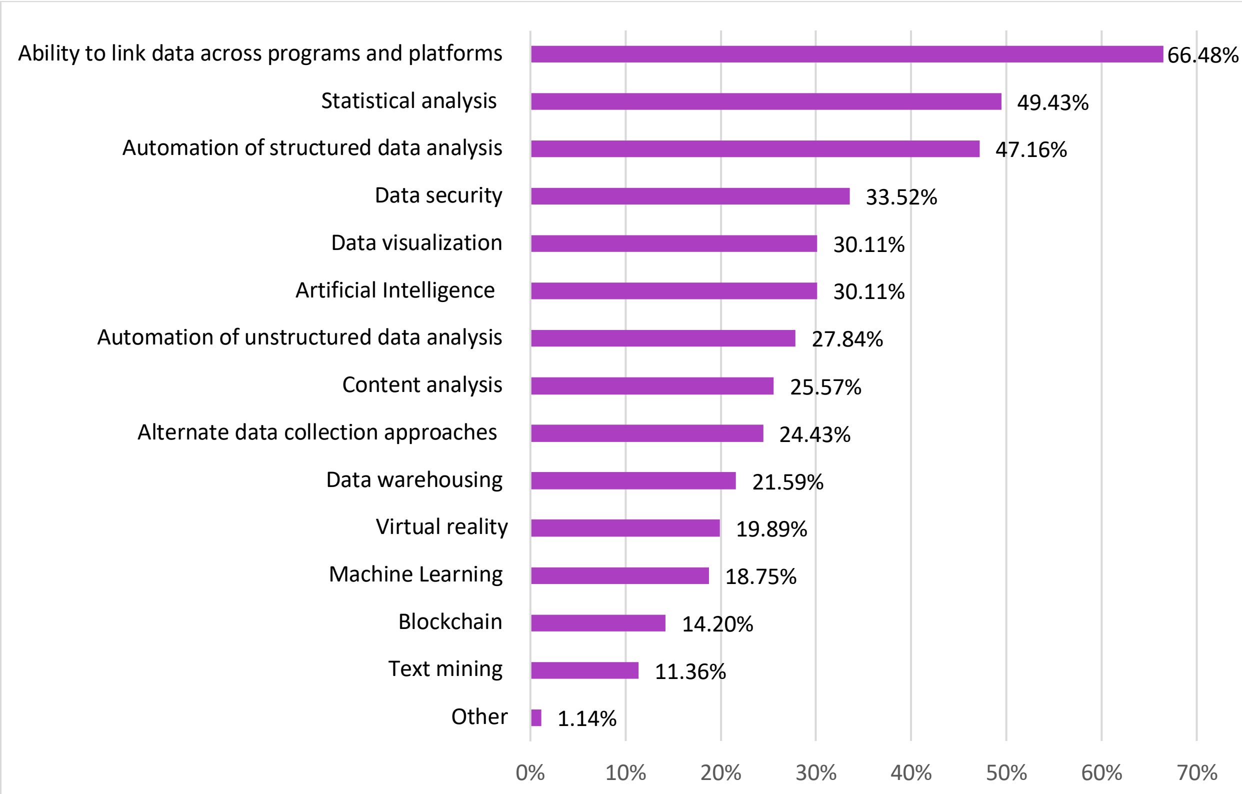
Spending on technology is expected to increase in 2019. Respondents tell us they expect spending will grow to 31% of HR's budget, a 48% increase. Those respondents just beginning their practice project spending to be approximately 28%, or a 65% increase over 2018. Respondents whose practices are currently underway plan to see an investment in technology of 34% of the HR budget, a 31% increase. This tells us that while spending will increase across the board, organizations just beginning their analytics journey should see a big boost in progress with the help of technology.

Figure 11*. Importance of technology in addressing human capital analytics skills gaps.*



As the Jumeirah Group describes in the CIPD research on the *Evolution of HR in the Middle East*, a barrier to realizing the full potential for people analytics is the use of different IT systems across the organization. This is evident in the research. According to 66.48% of respondents, one of the greatest human capital analytics technology needs is the ability to link data across programs and platforms, shown in *Figure 12*. Seamless integration of people data with business data via technology is the key to analytics ubiquity – offering analytics exchanges that enable collaboration across the organization.

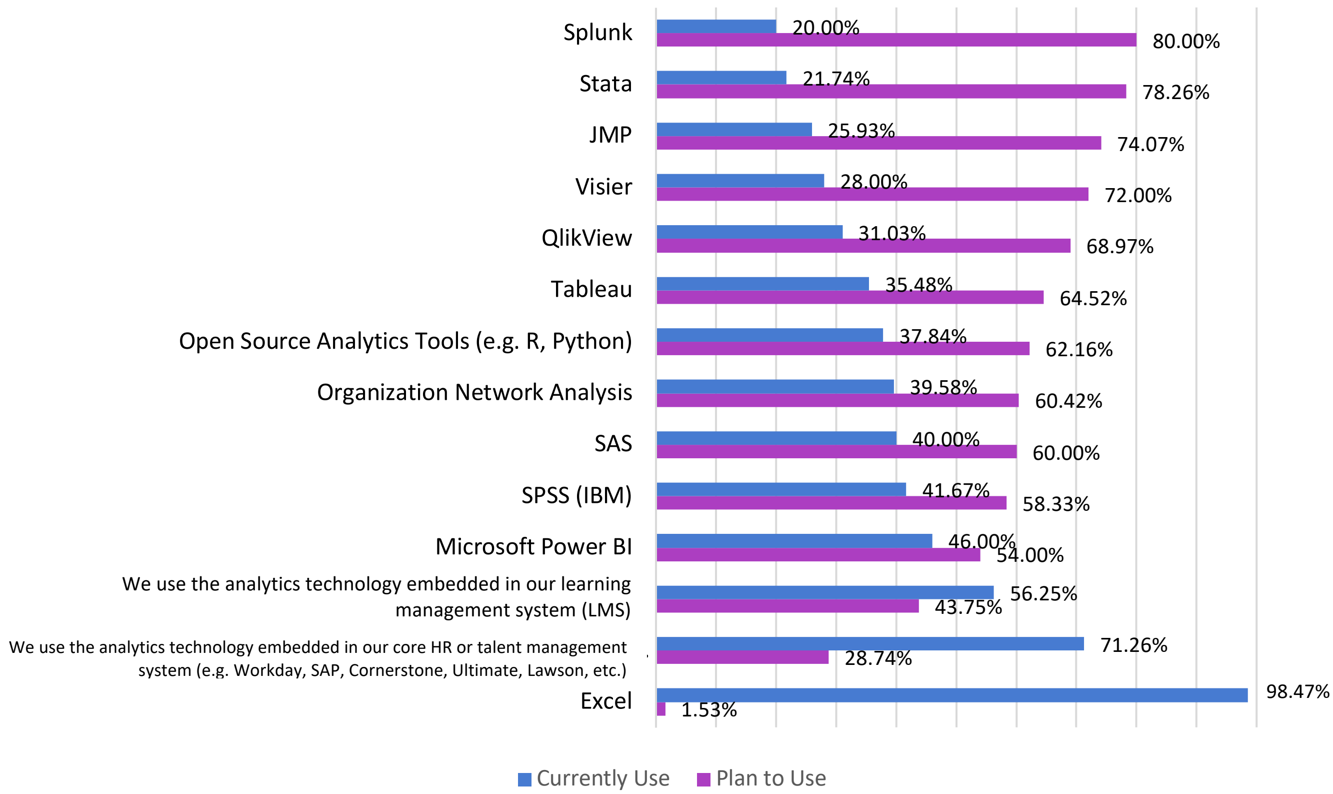
Figure 12. *Greatest human capital analytics technology needs.*



The tool currently supporting Middle East organizations with their human capital analytics efforts is Excel (98.47%), along with the tools integrated into core HR information systems (71.26%) and learning management systems (56.25%), as shown in *Figure 13*. Their use will likely change as the needs of analytics practitioners change. Mature practices call for more robust analysis in shorter periods of time than Excel can offer and greater flexibility than all-inclusive HR and learning systems currently offer. With the need for linkage of data across platforms, robust statistical analysis, balanced with the need for secure systems, tools like Splunk, STATA, and JMP are on the radar of more than 70% of respondents to this question.

Regardless of the technology, data integrity should remain at the forefront as organizations mature with their people analytics. A recent study published in the *Journal of Business and Management* points out the challenges of data accuracy and the impact it has on decision making. As described in the CIPD study, HR leadership from FRHI Hotels & Resorts Middle East, Africa, and India recognized the importance of data integrity and the potential gap in capability of line managers to accurately upload their data and complete basic analysis while respecting the nuances inherent in a global organization. So, they implemented a program to support managers and to ensure human error and misinterpretation or confusion did not taint the data that was so important in their decision making.

Figure 13. *Tools used to support human capital analytics*.



Over the past decade, there has been a very noticeable and positive trend of MENA companies investing in HR technology, nationalization programs, and the capability of their HR people. With the rise of HR analytics, the potential strategic "value" of HR practices has expanded significantly. HR Analytics provides an entry for HR to obtain the much-vaunted "seat at the table" and to be seen within the organization as transformational function rather than transactional function.

— Nader Bechini
Director, ROI Institute-MENA

Analytics Integration is Key to Agility

Technology is one key to seamless integration of human capital analytics throughout the organization. Using data routinely and in real time will allow decision makers to make investment decisions based on performance, risk, and opportunity quickly and with confidence. This ability to pivot is a critical success factor in developing an agile workforce and work processes. To be truly agile takes more than technology; it takes an organization designed to make the most of analytics. It requires integration of data, people, and processes.

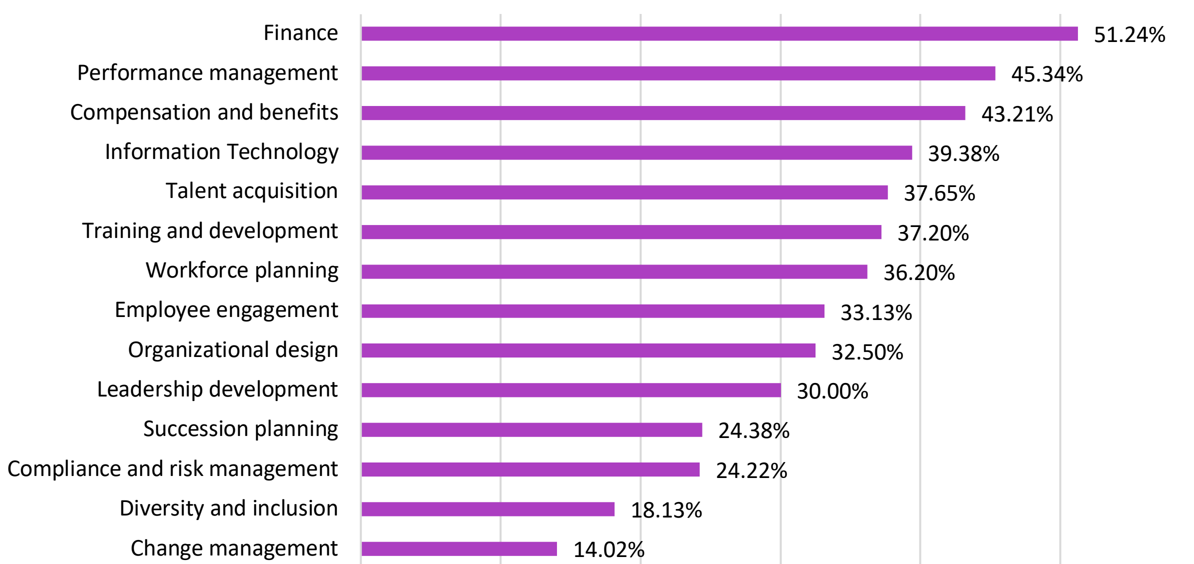
Using a five-point scale ranging from *not at all integrated* to *extremely integrated*, we asked survey respondents to indicate how tightly integrated (data, workflow, personnel) their human capital analytics is with a variety of functions. *Figure 14* shows the results for very integrated and extremely integrated responses choices. As shown, finance is more integrated than the other functions listed, with 51.24% of respondents selecting very or extremely integrated response choices. This is followed by performance management (45.34%) and compensation and benefits (43.21%). The functions for which there is the least integration are diversity and inclusion and change management, with 18.13% and 14.02% of respondents ranking these items as very or extremely integrated.

When comparing the high and low median scores, finance scored a 4 (very integrated), while change management scored a 2 (slightly integrated). The overall median score for integration of human capital analytics and the 14 items is 3, while the grand mean score is 2.95. These scores reinforce that, overall, respondents perceive their people analytics practice to be somewhat integrated with other key systems in the organizations, leaving opportunity for improvement.

When comparing these rankings to the similar question asked in the i4cp/ROI Institute study, *Four Ways to Advance Your People Analytics Practice*, the difference between the US and Middle East is evident. In the US, talent acquisition (39%), workforce planning (38%), and compensation and benefits (38%) have the strongest integration with human capital analytics. The least integration is with compliance and risk management (12%), similar to the Middle East, followed by information technology (15%), and organization design (17%).

One function omitted from the list in *Figure 14* is marketing. Hearing Kathryn Austin, Chief People and Marketing Officer at Pizza Hut UK, speak at the 2018 HR Symposium and Expo in Dubai, makes one wonder why. Since her takeover of the two areas and the complete merger of employee data and customer data, Pizza Hut in the UK has re-emerged and is thriving. It is this kind of integration of data, workflow, and people that enable leaders to make rapid-fire decisions that lead to organization success.

Figure 14. *Functions perceived as being very or extremely integrated with human capital analytics*.



Making Analytics Work

In summary, the Middle East holds great promise for people analytics. Organizations are investing in people, processes, and technology. While 56.48% of the 457 respondents report their organizations have dedicated resources specifically to human capital analytics, 47.52% of those who do not, plan to do so sometime in the future. Half (54%) of those dedicating resources to human capital analytics employ 1 to 4 full-time employees to do the job. This commitment translates to as much as 4.99% of the HR budget for 51.70% of respondents.

While investments are being made, organizations are still maturing. Approximately, 56% of respondents are just in the beginning stages. Other organizations are well underway. Projects undertaken are representative of those undertaken in the US, providing senior executives the information they want – connections between HR investment and business outcomes, along with demonstrable impact and ROI. What is exciting about the Middle East is that organizations recognize their need to build capability with business operations. Combined with building skills with HR management systems and change management, these three competencies represent a winning trifecta. But there is still a lot to learn, and organizations are ready to invest in training and other resources to help develop their capability.

Respondents to the survey are also ready to invest more in technology. While technology alone is not the solution, it is one solution and a big one. Approximately 73% of respondents view technology as important or very important in addressing the analytics skills gap – and they are willing to invest. This investment will, hopefully, address their most important need: the ability to link data across programs and platforms. This linkage will further their progress toward seamless analytics integration.

Along with technology, organizations in the Middle East recognize that they need partners and they are partnering with the right people. Fifty percent of respondents dedicating resources specifically to human capital analytics report that finance and analytics are very or extremely integrated.

In the end, analytics is about action – action taken based on insights garnered through thoughtful analysis and reliable data. So, what do respondents perceive as the greatest barrier to turning human capital data into actionable insights? *Figure 15* summarizes the responses, the top five barriers being:

1. Decision-making processes
2. Capability of the team
3. Data quality
4. HR and business data integration
5. Agreement between data and organization outcomes

Figure 15. *Greatest barriers to turning human capital data into actionable insights.*

Frequency	Barriers to Actionable Insights
46.15%	Decision-making processes
44.38%	Capability of team to turn data into usable insights
42.60%	Data quality
39.05%	HR and business data integration
36.09%	Agreement between data and organization outcomes
33.73%	Access to data
32.54%	Technology
30.77%	Adequate funding
28.40%	Transparency in how data will be used
27.22%	Management support
26.04%	Sustained commitment by leadership
25.44%	Organization structure
23.08%	Governance policies
21.30%	Systematic methodology
20.71%	Common data definitions
18.93%	Timely projects
0.59%	Other

How does an organization get around these barriers and make people analytics work?

Clarify the Why

Organizations invest in analytics because it makes good business sense, not because they can. The same is true when turning data into insights. Questions to reflect on are: 1) *What opportunities exist for our organization to make money, save money, avoid cost, and do some greater good;* and 2) *Are the opportunities worth pursuing?* Defining the business measures that can improve by acting on information derived from data is a major first step in aligning human capital analytics with business outcomes, integrating HR and business data, and influencing the decision-making process.

Determine What is Feasible

Consider what information is needed to address the organization’s opportunities. Data for data’s sake is activity – activity represents cost, costs get cut. How can data be best leveraged to inform decisions quickly and effectively? Consider what would need to change in terms of processes, programs, and people to get to the right information. How can HR and business data be more seamlessly integrated without risking data quality? Create a people analytics enablement team partnering with IT, business analytics, finance, legal, and others to ensure all the right people are at the table when developing strategy that supports data integrity, integration, and governance.

Set Clear Objectives

Objectives are your blueprint for designing your analytics practice and the information that comes from it. Be clear in what you want to target, how best to target it, and what indicators will show success.

Make it Matter

Using data to drive actionable insights begins with buy-in that the data are relevant, important, and credible. Making your case by presenting compelling information in a logical way is among the first steps into getting that buy-in. Help your audience understand what you are telling them and how (and why) they should act on it.

Make it Stick

While some analytics leaders suggest it is up to the recipient to use the data, nothing could be further from the truth. Success of your analytics practice depends on stakeholder use of the information your practice generates. Do your part to ensure that systems and relationships are in place to support the transfer of information into action. Partner, partner, partner. Build your support team by, first, identifying a human capital analytics champion. Consider human resources business partners as your frontline, and give them the tools they need to help them do their job.

Measure, Monitor, and Optimize

All roads lead to ROI. If you are generating dashboards, scorecards, and taking on new projects, yet nothing changes, the investment in human capital analytics will yield no return. Human capital analytics is an investment, not an activity. Investments drive results. By routinely demonstrating the value of the human capital analytics practice and the changes that occur as a result of information generated through that practice, you will get buy-in, funding, and support for your projects. More importantly, your analytics practice will be doing the job it was intended to do – help your organization make money, save money, avoid cost, and do some greater good.

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