

Talent Analytics Quarterly

Fourth Quarter 2017

A Magazine for Talent Analytics Leaders
and Data-Driven HR Professionals

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Talent Analytics Quarterly

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Fourth Quarter 2017

CEB Corporate Leadership Council™

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Letter from the Editors

As we look toward 2018, it's important to remember the lessons we've learned as a community this year, especially as the talent analytics space continues to see phenomenal growth. We begin this issue by reviewing the challenges many of you have faced this year and the solutions some of your peers have identified to take their teams to the next level. As you will see, many of these did not require large investments in technology or the acquisition of expensive skills. Instead, they focused on the relationships between talent analytics professionals and the people they work with throughout the business.

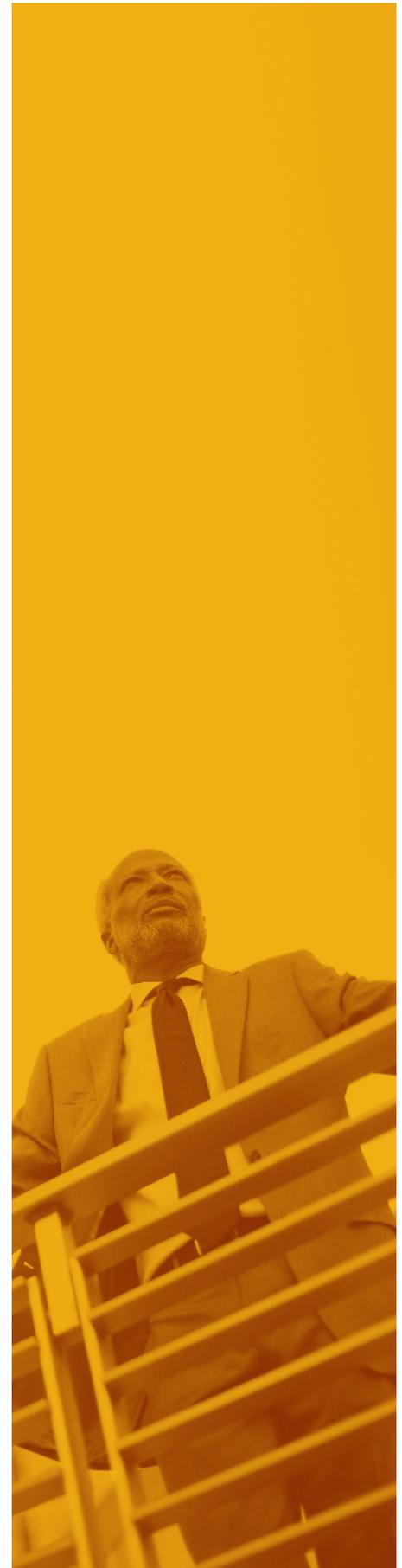
We also talk about a key stakeholder many talent analytics professionals rely on to deliver value to the business: the HR Business Partner (HRBP). In the following pages, you'll find our research on the five most common challenges HRBPs face when working with data and what talent analytics teams can do to ensure their insights have the intended effect on the business.

We then share perspectives from several insightful talent analytics leaders. This quarter, we spoke with Staff Vice President Joe Knytych and Senior Consultant Jason Lei at Anthem's Talent Insights team about how they were able to build a customer-centric talent analytics team. We also sat down with Greig Aitken, Group Head of People Strategy and Insight at the Royal Bank of Scotland, to discuss how he was able to embed analytics in the heart of the organization's people strategy.

Next, we share fascinating insights from one of our data scientists on how to apply sports analytics to solve workforce challenges. And finally, we end this issue with a lively LinkedIn debate—with contributors from throughout the talent analytics community—on who should lead talent analytics. We're glad to have been part of the discussion and will post the article on LinkedIn for those who would like to continue the conversation.

As always, we welcome your feedback and suggestions on how we can improve this publication for you and your teams. Should you want to reach us, send us a message at TalentAnalyticsHelp@cebglobal.com.

Brian Kropp, Blakeley Hartfelder, Marcus Chiu





A Year in Review:

Improving Talent Analytics Effectiveness in 2017



By Blakeley Hartfelder

It's been an exciting—and productive—year in the talent analytics community here at CEB, now part of Gartner. We've spoken with many of you through our research and advisory calls, at our live workshops, and in our virtual events. You've expressed your excitement and optimism for what talent analytics has to offer your organizations along with frustrations and worries about how you can turn that excitement into a reality that drives better business outcomes.

To close out the year and help with your strategic planning for 2018, let's look at the four key areas where you've been making talent analytics investments and some of the strategies your peers have found effective in each area:

1. Improving Data Quality

Data quality was the top priority for—and top barrier to—talent analytics teams' success in 2017. This challenge gave talent analytics leaders at our workshops the biggest headaches and the most gray hairs, and for good reason: your growth will always be limited and your value and credibility as a function will always have a cap if you fail to overcome the data quality barrier.

So is there an innovative solution to overcome your biggest pain point? Short answer: yes. Your peers who have been most effective at improving data quality have realized they are not alone in causing (and ultimately solving) data quality challenges. Think about the life cycle of a specific data point at your organization:

- An HR center of excellence (COE) staff member has to enter data into an HR system, following rules or regulations set by data owners or stewards.

- Someone else may need to update the information if an employee changes roles, locations, or managers.
- An HRBP might pull the data point as part of a report for line leaders.
- You, as a talent analytics professional, will use the data point as part of a project.

Each individual's actions affect overall data quality, so they should all be involved in managing data quality over time. This means the best talent analytics teams forge relationships with other data stakeholders at their organization in a system of influence (figure 1). Talent analytics teams must know who those other stakeholders are and what data challenges they face, and talent analytics teams must help stakeholders understand the importance of data quality and their role in managing good data.

Key Decisions for Improving Data Quality in 2018

- Based on business priorities and current data quality, which datasets should we prioritize fixing?
- How much data standardization is needed across regions or business units?

Figure 1: A Better Approach to Data Quality

	Current Data Quality Approach 	Ideal Data Quality Approach 
	Goal: Build Clean Datasets Talent analytics spends significant time cleaning datasets on a project-by-project basis.	Goal: Build a System of Influence Talent analytics strengthens relationships with other data stakeholders to influence and enable those stakeholders to enter and maintain clean data in systems.
Who is responsible for fixing data quality?	Talent analytics professionals	All talent data stakeholders
When does data quality become a concern?	When a new talent analytics project starts	As data is put into systems
What is the time spend for cleaning data?	Significant	Minimal

Source: CEB analysis.

- What methods can I use to influence data producers to input and maintain clean data in our systems (e.g., formal governance processes, informal practices)?
- How can we adjust existing HR processes to improve the quality of the data they generate?

2. Building a Talent Analytics Team

Do you feel like perpetual skill and capacity gaps make it hard to do talent analytics work? If so, you are not alone. As one talent analytics leader put it, “We keep getting stuck on people. It seems like no matter who I hire or how great they are, I still have types of work the team can’t do or not enough hands at all.” Unfortunately, we do not foresee this situation getting easier; teams are still small and have small budgets, and the demand for talent analytics is increasing due to the successes many of you have accomplished.

Instead of trying to hire or train their way out of the challenge, many successful talent analytics leaders first redefine what “team” means. They expand their thinking to include professionals within and outside HR who currently support or could support the analysis and communication of talent data rather than focusing on individuals in a centralized talent analytics group or those specifically dedicated to talent analytics.

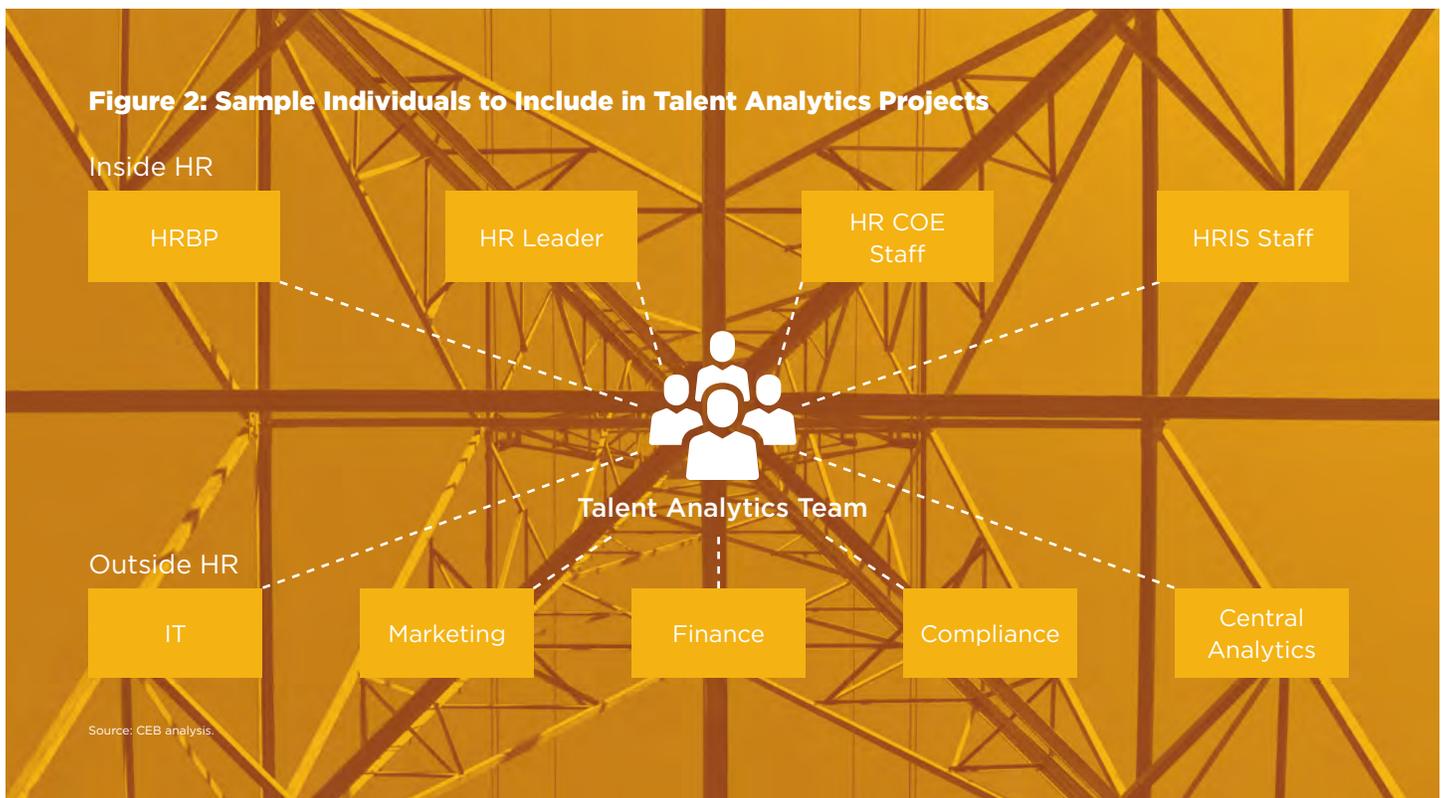
We’ve called this solution “maximizing skills across the organization for talent analytics.” Essentially, it boils down, again, to relationships (figure 2). To leverage these relationships, talent analytics teams must:

1. Identify potential partners inside and outside HR (e.g., HRBPs who have strong stakeholder communication skills to translate insights into recommendations for their business units, partners in Marketing who have experience generating insights from large datasets, Finance colleagues who are in tune with business strategy and processes), and
2. Find ways to formally or informally collaborate with these individuals on talent analytics work (e.g., finding projects with overlapping objectives, designing processes to involve them at key points).

To maximize skills across the organization, many talent analytics leaders have also been thinking about how they improve the analytics fluency of key partners in HR. If you want to partner with HRBPs, for instance, you must first understand their current capabilities and how to improve their talent analytics acumen and ability to support you.

Key Decisions for Building a Talent Analytics Team in 2018

- Given the current maturity of our team, what skills do we need to drive business impact?
- What skills are available to us through our network within and outside HR?
- How do we apply the different skills available to us to specific talent analytics work or projects?
- What resources are available to upskill the HR function so it is more data driven?



3. Prioritizing the Right Work

Discussions at our workshops often turn to the meaning of “talent analytics”; leaders wanted to know what talent analytics should mean at their organization and how to get others—especially clients—to understand the mission of the talent analytics team. Where is the line between reporting and analytics? What kind of work should we prioritize to have the biggest business impact? How do I get clients to come to me for work that matters?

These aren’t easy questions to answer—especially because misperceptions about talent analytics capabilities are often rooted in habits learned when talent analytics didn’t have a lot to offer. If you are new to talent analytics, your clients may not come to you or be receptive to analytics support, leading to a low volume of work and success. Or you might be overwhelmed by tactical data questions that take your team’s time away from more strategic work and perpetuate the idea that analytics is a reporting support function.

In either case, your peers have begun to recognize the importance of shaping, not just meeting, client demand. Ideally, you will shape your talent analytics project priorities based on what your team needs to achieve long-lasting business impact. This means:

- Thinking about your requestor’s influence and the likelihood that he or she will act before starting a project,
- Accepting or proposing projects that fit the specific capabilities and acumen your team has or is looking to develop, and
- Identifying work that will impact organizational talent process, not just individual talent decisions.

The hard work of shaping demand again relies on strong relationships. Strong relationships with your clients will help you explain why you are or are not completing a project for them or how to reshape a project so it answers their question while allowing your team to reach its full potential. Some organizations have also developed relationships with analytics champions who can help identify potential high-impact projects and spread the word about the talent analytics team’s capability or offerings.

Key Decisions for Prioritizing the Right Work in 2018

- How should we articulate talent analytics’ mission and objectives?
- What criteria should my team use to prioritize projects with the most business impact?
- How can my team proactively identify high-impact talent analytics projects?
- Who should be responsible for data-related questions outside the talent analytics domain (e.g., HRBPs, other HR COEs, a new team, a self-serve portal)?

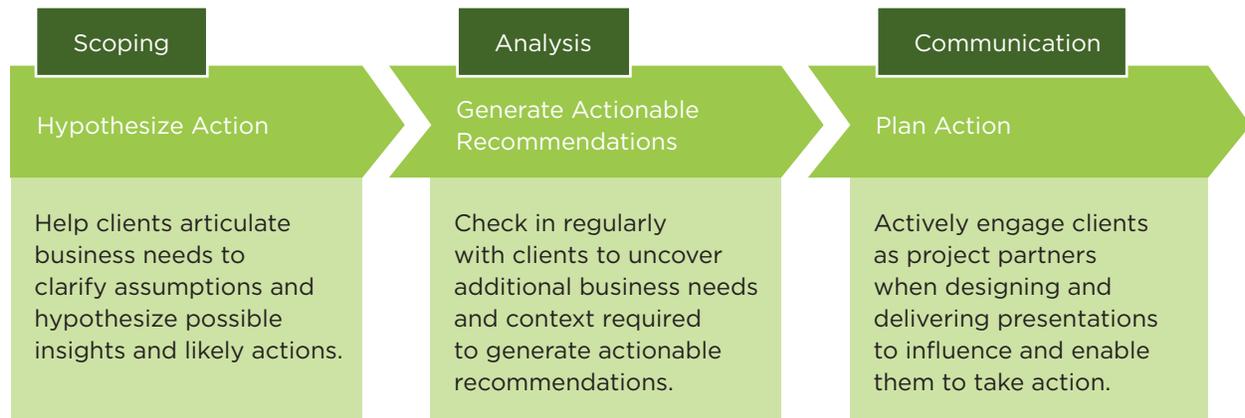
Who Are Analytics Champions?

Talent analytics champions are influential individuals in the business who can identify strategic problems and opportunities for talent analytics support, enable access to key stakeholders, and advocate through their network on the team’s behalf.

Examples of Champions

- Senior HR executive
- Well-connected chief of staff to a member of the HR leadership team
- Mid-level manager who is passionate about analytics and data-driven decisions
- Senior finance executive familiar with enterprise data

Figure 3: Building Relationships to Drive Action from Talent Analytics



Source: CEB analysis.

4. Driving Action from Talent Analytics

Here is an unfortunately common situation you have shared with us: your team completes a project with brilliant analysis and amazing insights, but no action is taken, no business decisions are affected, and no outcomes are impacted. This situation is not only frustrating but also costly. Your team has expended effort with little to no ROI, and your clients are missing out on potentially impactful changes or support.

The truth is that talent analytics' actual value is deeply codependent. You cannot be valuable if you have not motivated, inspired, and convinced your business partners to take up the insight and use it to change something for the better at your organization. Confronted with this reality, innovative talent analytics leaders have begun to rethink and reshape the way talent analytics work gets done at their organization. And the foundation of their new approach is—you guessed it—relationships (figure 3).

Your peers have succeeded by partnering with their clients to plan for action at every stage of the talent analytics project cycle:

- In the **scoping phase**, embedding action planning means not just identifying the client's need but also asking the client to hypothesize about possible root causes and what action they might take based on your work.
- For **analysis**, touch base with your clients when the data takes an unexpected turn or when the client's environment has changed to ensure you have the information you need to generate actionable recommendations, not just interesting insights.

- Finally, **communication** should focus on determining what actions should be taken in light of your analysis.

Key Decisions for Driving Action from Talent Analytics in 2018

- How should I shape my team's project scoping process to embed action throughout the project life cycle?
- When and how often should we involve clients to reinforce action across the talent analytics project cycle?
- What's the best way to communicate results and ensure action once analysis is complete?
- Who should own talent analytics interaction with line clients (e.g., talent analytics staff, HRBPs)?

Concluding Thoughts

You've made progress in 2017 on your talent analytics priorities, but we still have a lot of work to do and a lot of potential to fulfill. The good news is the investments you made in relationships this year will continue to be the foundation for growth and improvement moving forward, paying dividends in your ability to build analytics skills, use new technologies, develop better processes, and ultimately, drive business impact with talent analytics.

With this solid, relationship-powered foundation, you have a bright future ahead, and we look forward to working with you to realize that future and hear about your successes. Thank you to those who have been a part of this journey to date and contributed your insights, your questions, and your time in our meetings and teleconferences. Let's keep the conversations and progress going! Reach out to me at Blakely.Hartfelder@gartner.com to participate.

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Understanding the HRBP's Role in Talent Analytics

By Bethany Horstmann
and Marcus Chiu

In today's world, data is a part of nearly every employee's day. This is no surprise to talent analytics teams, but it can be challenging for employees who aren't accustomed to using analytics to do so effectively. As the liaison between HR and the line, HRBPs are often at the forefront of HR's ability to provide strategic value to the business.

Our recent study, [Relationship-Powered Talent Analytics](#), showed that HRBPs are the most common stakeholder for talent analytics teams to work for, and over 40% of teams rely on HRBPs to communicate talent analytics insights to business clients.¹ HRBPs are therefore expected to be comfortable working with talent analytics—to help generate insights from data and communicate these insights to the line. However, only 10% of HRBPs feel confident advising the line on metrics and analytics (figure 1, p. 11).

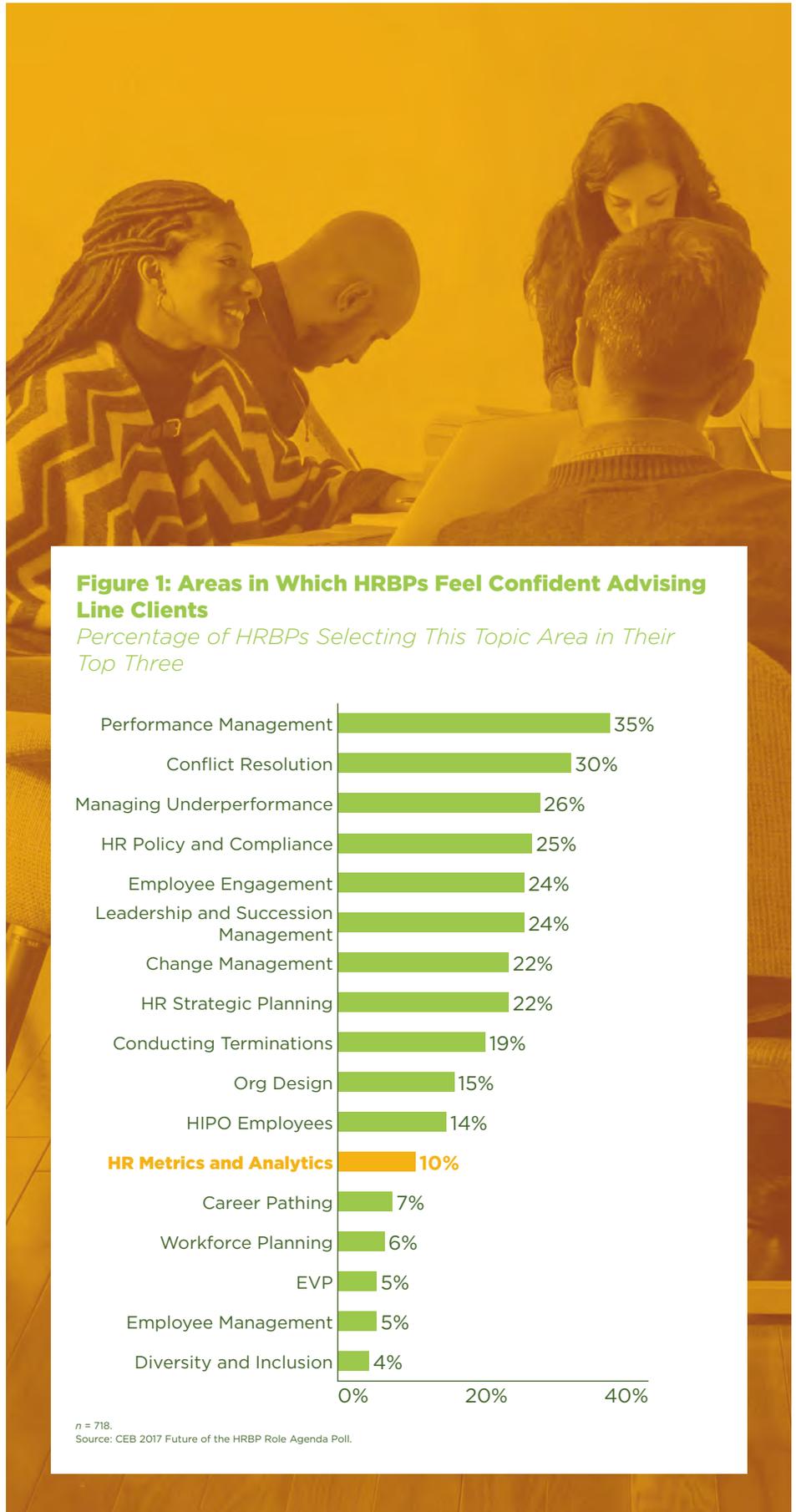
We know talent analytics as a whole does not currently provide the business impact that is needed. In fact, only 12% of organizations effectively use talent data to inform decisions, even as 70% of organizations are investing more in talent analytics. So how can we improve the connection between talent analytics and HRBPs to increase business impact?

While many HRBPs currently lack confidence on analytics or data-related issues, most acknowledge that they share the job of providing analytic impact with talent analytics teams. In fact, 89% of organizations have increased or are increasing HRBPs' ability to self-serve HR metrics and information because they also recognize HRBPs' important role in this process.

Experience and exposure to analytics is certainly one way for HRBPs to improve their analytic impact, but they face many other barriers both within and outside their control. When we spoke to HRBPs about why they lacked confidence in analytics, they most often cited the following five barriers:

- ① **“My organization doesn't have the data I need.”**
- ② **“I need help telling a story with the data so my clients will understand it.”**
- ③ **“The resources aren't present for me to do this well.”**
- ④ **“I lack analytical skills.”**
- ⑤ **“The data is too hard to find and use.”**

These barriers probably don't sound new to talent analytic teams. Struggles with resourcing, data quality, and how to use the data to effectively tell a story to the line are all things talent analytics teams deal with often.



However, for HRBPs, these barriers can feel insurmountable, especially since HRBPs usually don't come from an analytics background and tend to have several other priorities demanding their attention.

Talent analytics teams can help HRBPs realize that these barriers can be overcome by contextualizing them for HRBPs. Figure 2 explains how HRBPs perceive these challenges, the reality of the situation, and what steps talent analytics teams can take to help HRBPs overcome them.

Syngenta's HR analytics team, for example, realized it was unable to produce better business outcomes because its colleagues throughout HR were facing the same problems as those highlighted in figure 2. Instead of focusing on optimizing the insights it produced, the analytics team

invested in training its colleagues across HR to use analytics in their day-to-day work—that is how the analytics team ultimately created value for the business. You can learn more about what Syngenta did on p. 13.

Just as the relationship between talent analytics teams and the line is key to improving analytic impact, so is the relationship between analytics teams and HRBPs. This relationship does not start when talent analytics teams produce data and analytics, nor does it end when HRBPs deliver those insights to the business. Instead, the relationship should be ongoing and symbiotic. Partnering with HRBPs to help them build their confidence in analytics will help both talent analytics teams and the line and ultimately improve the entire HR function's ability to drive better business outcomes.

Figure 2: Strategies to Help HRBPs Overcome Perceived Challenges

Perceived Challenge	Reality	How Talent Analytics Teams Can Help HRBPs
1. My organization doesn't have the data I need.	No one has perfect data—not even Google!	<ul style="list-style-type: none"> • Provide data standards and quality guidelines for HRBPs to understand how and when to use incomplete or partial data effectively. • Work with HRBPs to fill in data gaps with their own expertise and qualitative knowledge.
2. I need help telling a story with the data so my clients will understand it.	HRBPs are excellent communicators but may not understand the analytics they are delivering. Talent analytics teams can leverage them to share effective stories with the line.	<ul style="list-style-type: none"> • Partner with HRBPs during project scoping and hypothesis generation so they understand the project from the beginning. • Work with HRBPs to apply simple and straightforward storytelling techniques to make more effectively communicate analyses. • As experts on data visualization, help HRBPs select the right charts, graphs, or other visuals to enhance their presentations.
3. We don't have the resources I need; our analytics team is small and doesn't have time to work with me.	HRBPs and talent analytics teams both play a critical role in providing value to the line.	<ul style="list-style-type: none"> • How your organization structures analytics doesn't matter; divide analytics work based on time, expertise, and ability to provide value.
4. I don't have analytical skills.	HRBPs don't need a statistics degree to use analytics effectively.	<ul style="list-style-type: none"> • Help HRBPs realize they are actually using data to make decisions all the time (e.g., through talent reviews, performance reviews, conversations with line leaders). • Teach HRBPs simple tricks for data analysis so they don't always need to come to you with projects.
5. The data is too hard to use and find.	All data is siloed.	<ul style="list-style-type: none"> • Establish organizational processes for how and where HRBPs should access talent data.

Source: CEB analysis.

¹ CEB 2017 Talent Analytics Effectiveness Survey.

How to Make Analytics an HR-Wide Capability

Lessons from Syngenta

By Nina Moreno and Blakeley Hartfelder

Instead of relying on a few individuals for analytics expertise, the best organizations develop analytics skills and accountability across all HR staff.

Talent analytics teams are small (the average organization dedicates four or fewer FTEs to talent analytics) and new (two-thirds of talent analytics staff have fewer than three years of tenure in role). As a result, teams often rely on partners throughout HR to augment their skills and experiences. For instance, only 23% of talent analytics teams are effective at motivating clients to act on findings from talent analytics insights, so almost half

“We wanted to build the relevant skill sets required for our HR colleagues to enable them to leverage HR analytics in making quality business decisions.”

Swati Chawla
Global Head, HR Analytics,
Strategy and Planning
Syngenta AG

Figure 1: Primary Causes of Low Talent Analytics Utilization



1. Skepticism About Analytics Impact

HR professionals are often doubtful of the **relevance and effectiveness** of using HR analytics in their day-to-day work.

“Is our data quality even good enough?”

“How does analytics relate to my day-to-day work?”

Source: Syngenta AG; CEB analysis.



2. Sporadic Analytics Capability

HR professionals display varied levels of **skills and knowledge** about analytics, meaning only pockets of HR professionals use HR analytics reports.

“How can I use data to make a meaningful analysis and story?”

“I don’t know how to find and access the data I need.”

of teams rely on HRBPs to some extent to deliver analyses to clients.

The challenge is that HR staff at most organizations are skeptical about analytics’ applicability to their day-to-day work and have varied levels of skill and knowledge in using it effectively (figure 1).

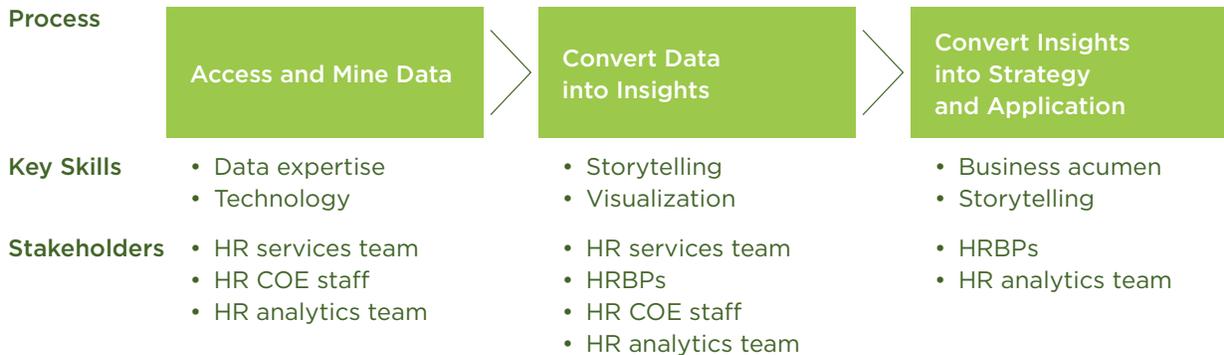
To overcome this challenge, the HR analytics team at Syngenta created targeted training that addresses HR professionals’ specific skill gaps in effectively using analytics. Syngenta then delivered the training when it was most

needed to ensure it resonated with HR staff. While the skill gaps and needed training may vary across organizations, three key aspects of Syngenta’s approach are applicable to any talent analytics team seeking to make analytics an HR-wide capability:

Key to Success #1: Design Specific Training Around HR Needs

Syngenta realized that professionals in various parts of HR (e.g., HRBPs, HR services, HR COEs) would be involved in different parts of the HR analytics process, which meant each

Figure 2: Map of Stakeholders Supporting the Analytics Process and Skills Required



Source: Syngenta AG; CEB analysis.

group would need different skills to use analytics in their day-to-day work. To determine what skills to target for each group, Syngenta mapped out the HR analytics process and listed the skills required and the individuals involved in each step (figure 2). The identified skill sets serve as the foundation for targeted interventions that support the entire analytics cycle, increasing the relevance and comprehensiveness of the training.

With the skill sets identified, the HR analytics team then engaged with each target audience to understand its current capability levels and what would enable that audience to use more data and analytics in their jobs. The analytics team asked representatives from each HR role questions like:

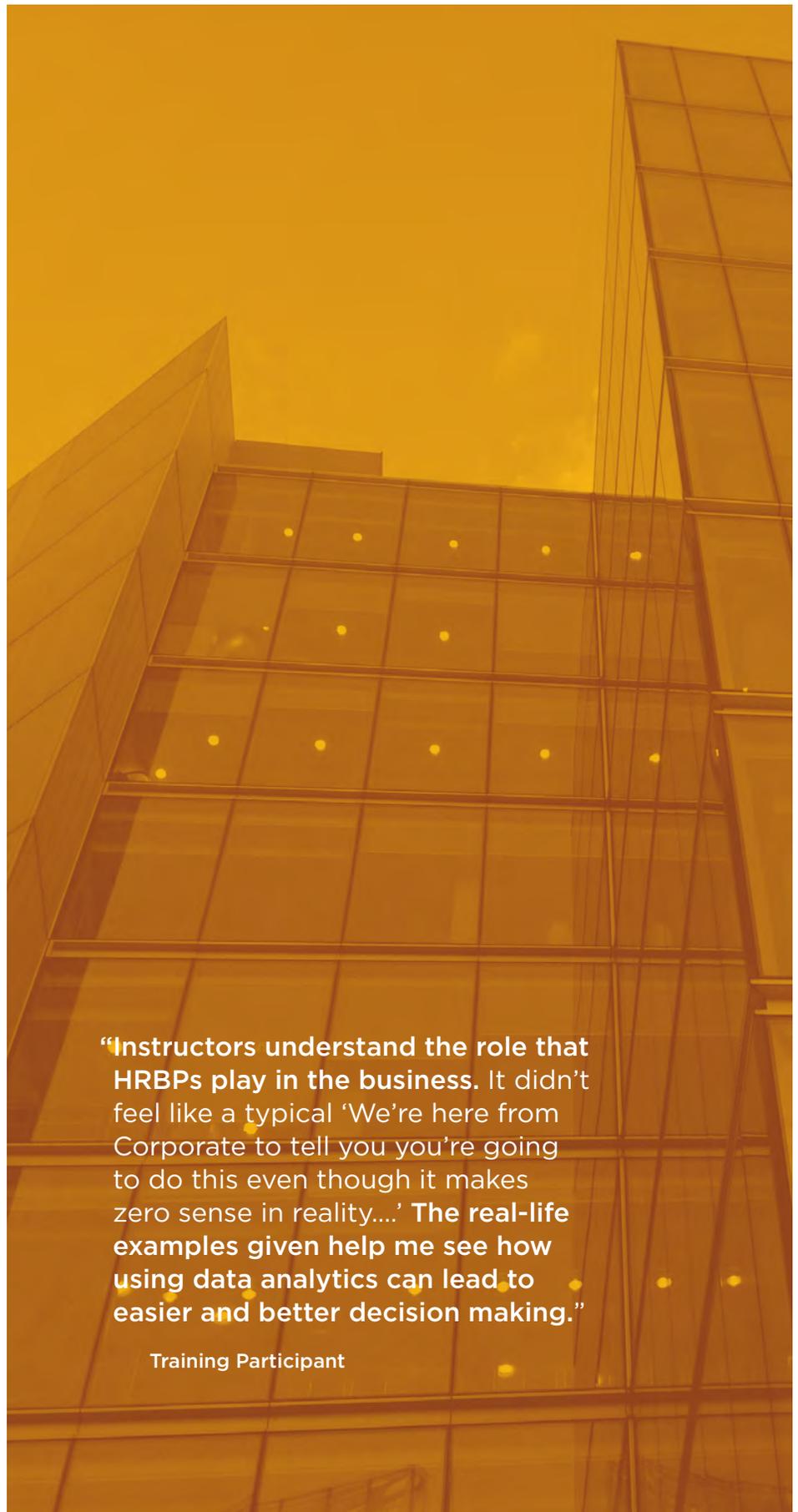
- What are some examples of issues you encounter in using HR reporting and analytics?
- How are you using your understanding of business strategy, people policies, and HR data to execute on the business strategy?

Based on the information gathered, Syngenta then prioritized the development and delivery of training most relevant to different HR roles' current needs.

Key to Success #2: Deliver Training Just in Time

Syngenta uses existing workflow, infrastructure, and processes to deliver analytics training in a timely and non-disruptive way. Training is aligned with the timing of people processes (e.g., increment cycle, mid-term, talent review) and participant workload to ensure applicability and adoption. For instance, training on dashboards and employee performance reports would be delivered during year-end calibration, and a webinar about creating visuals based on survey data would be delivered when employee engagement results are published.

This approach ensures participants get support when they need it most and can reinforce what they learn by applying their new skills to their current



“Instructors understand the role that HRBPs play in the business. It didn’t feel like a typical ‘We’re here from Corporate to tell you you’re going to do this even though it makes zero sense in reality....’ The real-life examples given help me see how using data analytics can lead to easier and better decision making.”

Training Participant

issues. The team also uses existing infrastructure, processes, and functional training (e.g., a hot-topic call regarding performance reviews) to ensure seamless integration into participants' day-to-day work.

Key to Success #3: Focus on Personal Performance Implications for Buy-In

The HR analytics team created buy-in for the training by focusing on how the training and analytics in general would improve HR staff's performance and their ability to drive business performance. This approach had two main components:

1. Pinpoint missed opportunities where HR analytics could have informed key business decisions. For instance, the analytics team might highlight that talent reviews would be more efficient and effective if HR staff used talent data consistently.

2. Articulate the personal benefits HR professionals can gain through analytics. In this case, the analytics team might showcase how HRBPs in other organizations use effective analysis on team performance to support their restructuring decisions.

Syngenta's Training Makes Analytics a Reality in HR

Participants in the analytics training are successfully upskilled and more engaged with using HR analytics to drive business outcomes. Participants have reported overall satisfaction with the training and feel it was an easy and helpful way to improve role performance. The HR analytics team has also seen increased demand for, and use of, HR analytics based on the training.

What You Should Take Away from Syngenta's Approach

1. Design Specific Training Around HR Needs

Using a segmented approach to identifying skill and knowledge requirements, design specific training that builds the necessary and relevant skills participants need to use analytics in their specific roles.

2. Deliver Training Just in Time

Ensure training is delivered in a timely and nondisruptive way using existing workflow, infrastructure, and processes, with immediate, short-term application in mind.

3. Focus on Performance Implications for Buy-In

Help HR professionals understand the impact analytics can have on their work and how training can enable them to use analytics.

Understanding Culture with Consumer Insight Techniques

Lessons from Unilever

By Katy Connealy Weber

One of the first challenges an organization faces when trying to assess its culture is how to measure it through data. Weighing heavily on leaders' minds are questions like, "What is the current state of our culture?" or "How can I gauge whether we have made any progress toward the culture we want?" Many organizations invest heavily in efforts to answer these questions by collecting culture feedback from a wide variety of stakeholders and sharing that information through the highest levels of the organization (figure 1).

Unfortunately, these investments are not paying off. Only 10% of HR leaders agree their organization understands all the important aspects of its culture.

Figure 1: Organizations Trying to Understand Culture

Percentage of Organizations



n = 190.
Source: CEB 2017 Cultural Benchmarking Survey.

Preserving Employee Trust

Unilever only accesses data publicly available on organization-wide or external channels and data that employees have given explicit permission for Unilever to use.

The way we typically gather culture data has major issues that ultimately prevent organizations from gaining a true understanding of their culture, including the following:

- **The data is insufficient.** The two most common measures of culture are engagement (used by 82% of organizations) and turnover (used by 62% of organizations), both of which indicate whether employees are satisfied with the culture. But to really understand the culture, organizations also need information on how the culture impacts employees' day-to-day work experiences.
- **The data is outdated.** Most organizations (85%) only collect culture data once a year or less. So by the time they analyze the data, many of the issues employees raise are no longer relevant, and it's certainly too late to intervene before the issues cause disruption.

However, organizations can invest in using talent analytics to overcome these issues relatively quickly.

Unilever's Cultural Listening Process

To remedy the shortcomings of traditional culture measurement, Unilever uses technology adapted from its Marketing department to get feedback from employees faster. Using data mining technology, HR leaders can monitor the culture and assess how broader societal trends may affect it. They look at factors such as:

- Public perception surrounding Unilever's talent management,
- Talent trends that affect or reference Unilever, and
- Cross-industry business and HR trends.

How It Works

Unilever's talent analytics team mines posts that employees share publicly on internal boards (e.g., Chatter, the company intranet) and through free-text pulse surveys. It also gathers public comments made about the company and key issues that could affect the firm from Twitter, Google News Alerts, and public web content found through keyword searches.

Once the team has collected the data, it enters the most important—and most technically challenging—portion of its process: text analysis. In this step, talent analysts conduct trend and sentiment analysis on open text, identify patterns

in the data, and draw connections between specific aspects of the employee experience and the emotions that arise in employees' day-to-day work.

Finally, the talent analytics team displays these identified trends and drivers on the Employee Insight Dashboard, which hangs in the CHRO's office (figure 2). Leaders use the data to drive their culture strategy and gain visibility into aspects of the employee experience they can't fully understand through surveys or other structured channels. This visibility has enabled leaders to identify opportunities for intervention right away; for example, focusing communication on employees' misperceptions about a new policy.

Opportunities to Deliver Greater Value

This initiative started as an experiment but has since led to several opportunities for Unilever's HR leadership and talent analytics teams:

- **Connect external trends to the employee experience.** By analyzing publicly posted employee feedback as well

Figure 2: Unilever's Employee Insight Dashboard



Source: Unilever.

“There will always remain a role for the survey. It is (literally) the tried-and-tested technique to gain insight. But how do you tackle the inherent problem of a survey in that it will always be retrospective? This is what we tried to solve.”

Ben Hawley
HR Director of Analytics and Employee Insights
Unilever

as external data from the news and Twitter, the talent analytics team can identify when broader concerns and hot topics in the media and in society at large cause employees' interest in certain topics to spike.

- **React in real time to significant events.** Unilever's HR team found it can react right away when employees respond strongly to a big event in the organization or in society at large, which elevates the role of HR in determining the company's brand value. The team can even determine whether employees in specific locations or functions have stronger reactions than others.
- **Monitor trends over time.** By monitoring this data over time, the talent analytics team can differentiate between issues that spike with key events and those that persist over time, which enables it to see which issues are systemic and which are short-term reactions.

What's Next?

2017: For the rest of 2017, Unilever will continue to expand its ongoing culture listening practice and improve its interventions, in particular adapting organizational communication to alleviate negative employee reactions. Unilever has also created a disclaimer for pulse surveys, explaining how the data will be used in culture listening and allowing employees to opt out.

2018: As it enters the second year of the practice, the talent analytics team will be able to identify recurring events and implement a predictive calendar to show when key issues will rise again. With this practice, the team will be able to launch forward-looking interventions, such as training and temporary staff reallocations. And, as it gains the ability to intervene more progressively, it will be better able to track the ROI of its culture listening investments.

Read our case study, [Unilever: Real-Time Culture Monitoring](#), to learn more about how to implement real-time culture listening in your organization. For further guidance, visit our new content hub, [Organizational Culture](#), on the CEB Corporate Leadership Council™ website.

Our Advice: Text Analytics

While the prospect of conducting advanced text analytics can seem intimidating, it is a crucial step in understanding employee feedback that is shared through open text. To get your first text analytics project off the ground, follow our [Beginner's Guide to Text Analytics for HR](#).

“We're not just talking about how culture's transforming the company; we're at the front end of grabbing these trends and making a difference.”

Leena Nair
CHRO
Unilever

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Building a Customer-Centric Talent Analytics Team

An Interview with Joe Knytych and Jason Lei

About Anthem, Inc.

[Anthem](#)[®]

Anthem, Inc., is working to transform health care with trusted and caring solutions. Our health plan companies deliver quality products and services that give their members access to the care they need. Anthem's Blue-licensed subsidiaries and their affiliates provide a comprehensive range of group and individual health benefit, life, and disability products. Anthem is a Fortune 30 company with \$84.1 billion in operating revenue and over 53,000 associates serving 74 million people.

About Joe Knytych and Jason Lei

As the Staff Vice President for Talent Insights, Joe drives the agenda related to people analytics, HR reporting, business intelligence, and the associate listening strategy. His group delivers executive-level insights connecting HR to business outcomes, such as predictive models, productivity studies, and internal labor maps.

Jason is a Senior Consultant for Talent Insights. His role includes translating workforce insights into business objectives and leading multiple analytics initiatives, such as the Human Capital Scorecard, Drivers for Turnover, and user-centric tools.



Every quarter, we interview talent analytics leaders to gain their perspectives on issues facing them and their teams. This quarter, we spoke with Joe Knytych and Jason Lei about their work at Anthem, Inc.

Anthem's talent analytics team has transformed rapidly over the past 14 months. To start, could you describe that transformation?

Joe: Over the past year, our team has become much more ambitious and focused. Our goal was to provide the business with insights that drive informed discussions, decisions, and investments, especially when it comes to our people.

We started with both business and cultural objectives in mind. After completing an assessment of our current state, we put forth a transformation plan to enhance our output, but we realized it wasn't as strategic, relevant, or efficient as it needed to be.

To address this, we set out to:

- 1. Optimize our infrastructure** by implementing tools, technology and processes that make our function more efficient and would enable both broad and deep capability.
- 2. Upskill our associates**—not only our team but also colleagues across HR—on this emerging critical competency for our field.
- 3. Refine and revitalize our portfolio** by focusing on those project and partnership opportunities with the greatest potential for impact and explicit value for Anthem.

I imagine an important first step was also getting buy-in for your transformation—how did you accomplish that?

Joe: To get leadership buy-in, we focused on how analytics could be used to optimize investment in our associates. Since we are a health and benefits company, we are accustomed to using data to inform business decisions. Our HR senior team recognized the need to match this level of analytics sophistication when it comes to people decisions. We ultimately presented our transformation as a proactive tactic to enhance our employment brand and demonstrate our commitment to improving the associate experience.

One thing that differentiated our business case was the recommendation to repurpose existing resources. Our first step was to reorganize; articulate a new vision; and equip the team with new tools, training, and resources. In the end, they rose to the challenge and over-delivered on transformation. After a series of quick wins, we began to experience a momentum that eventually made a case for additional investment.

In our previous conversation, you mentioned that one of the keys to success is your commitment to a simple, user-centric framework. How did you use this framework to inform talent discussions, decisions, and investments?

Joe: Being user centric is really important to us. Once we started generating enough material (e.g., different artifacts, deliverables, processes, scorecards), the next step was to provide a conceptual framework that helps people connect the dots. Our People Data approach (figure 1) answers multiple questions for different stakeholder groups:

- For the first level, we have the “**so what,**” where it's mostly dedicated to our officers and executive population. This connects our human capital data to business operations and financial outcomes.
- The second level, “**what's happening,**” enables day-to-day local workforce intelligence on all aspects of the employment life cycle from hire to retire. Branded as “People Data Central,” this state-of-the-art business intelligence infrastructure for HR allows HRBPs to access thousands of reports and visualizations in a self-service approach.
- The last level, “**what if,**” comprises project-based work where we test a series of hypotheses to deliver impactful insights that yield significant value. The analytics we get here have significant impact and can shift our people-related strategy.

How does the user-centric approach influence the way you prioritize projects?

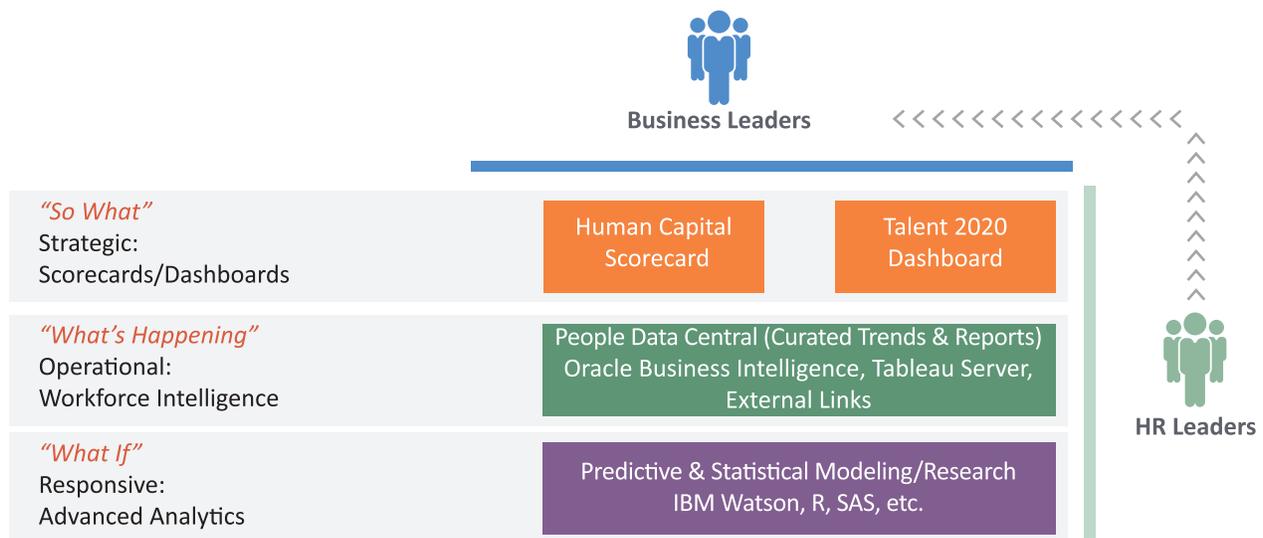
Joe: To remain adaptable to changing needs and the speed of business, we have to balance proactive planning with the ability to remain responsive to emerging critical requests. We consider three scenarios when we're prioritizing projects.

- **Value:** First, we assess the potential for explicit value as an outcome. We consider things like culture reinforcement, operational benefits, and cost savings for the organization.
- **Sponsorship:** We have to determine if there is a willing and enthusiastic sponsor who will ensure strong participation from start to finish. This will include forming hypotheses, paving the way for data collection, participating in iterative reviews, and most importantly, seriously considering recommendations for action.
- **Feasibility:** Even when value and sponsorship exist, not every problem or question can be answered with data and analytics.

Since you have had such a successful transformation, what advice would you give those who are starting their talent analytics journey? Where should they start?

Jason: For those starting their talent analytics journey, my first piece of advice is to understand the why. Define who you are and who you want to become. Ensure you have the right objectives and strategic plan in place. You can

Figure 1: Anthem's User-Centric Framework



Source: Anthem, Inc.

start with building scalable infrastructure and systems while working on sophisticated data analytics projects. It's all about relationships and delivery and being able to work with your stakeholders to figure out what they need and how it should be taught.

My second piece of advice is to diversify your talents. One-quarter of our talent insights associates were not born in the United States. Our team comprises individuals from various cultures and ethnic backgrounds with diverse mind-sets and a mix of professional and educational backgrounds. Our associates also vary in length of tenure, with individuals either at early stages or seasoned in their careers. We all look at data differently.

And finally, my last piece of advice is to set a clear scope and clear roles. Think about what processes and technologies are scalable and efficient. You need to be disciplined to apply people analytics to different areas of HR and talent in your organization.

Focusing on that idea of relationship and delivery, can you tell us how your relationships with the rest of HR drove better decisions and discussions in the business?

Jason: We have a team of 18 talent insights professionals who support 53,000 associates, so we try to make an impact for the whole company. One way to do that is to leverage "relentless partnership" by building a community of practice called the Talent Insights Network (TIN). It's available to any HR professionals who have diverse skill sets, roles, and experiences working with data and workforce

intelligence. Our vision is to nurture a data-driven decision-making culture as we strive to enable cross-departmental information sharing, aligned messaging around workforce trends, and informed decision making (figure 2).

This network of people gives us greater collective capability in the emerging data and analytics space, greater efficiency and frequency of information sharing across HR, and professional development and collegial networking opportunities. We have monthly calls and a portal to collect and share information, and we collaborate on projects on an ad hoc basis as well.

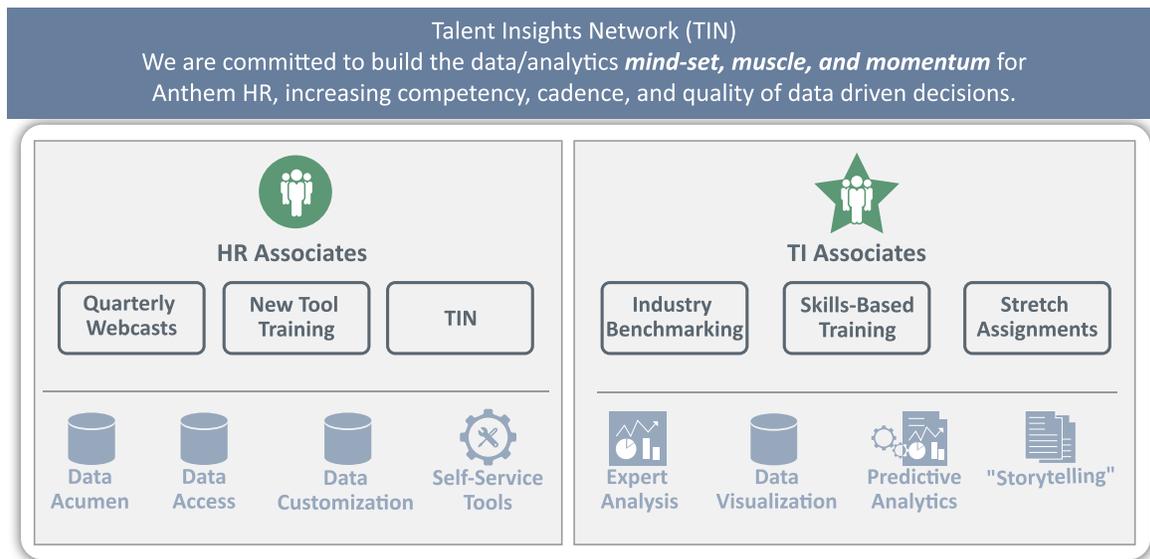
TIN has played a few roles:

1. We used the network to extend our reach and support to HR and L&D.
2. TIN members serve as an advisory committee with support from local analytics experts and SME for talent insights.
3. TIN members are thought partners in analytics projects and change management.

Where else have relationships been particularly successful in the projects you've worked on? Could you give us an example?

Jason: Of course. As mentioned earlier, we intend to provide the business with insights that drive informed discussions, decisions, and investments. An example would be the Human Capital Scorecard, which is essentially a holistic snapshot of the people in the company. We

Figure 2 : Anthem’s Talent Insights Network



Source: Anthem, Inc.

partnered cross-organizationally with Finance, Marketing, Compensation, Procurement, and other HR departments to collect, clarify, and approve the use of data. The scorecard answers questions such as “How productive is our workforce?” “What is the cost of turnover?” and “What are the drivers for growth and contraction of our workforce?”

One of the biggest challenges with producing an HR scorecard that goes beyond traditional metrics is credibility. We found that we have to be bold in vision but also willing to earn our partners’ trust. When we do something like this, there will be a lot of questions initially. But eventually, it will shift from an HR deliverable to an enterprise deliverable with multiple authors and stakeholders.

In addition to these relationships, it sounds like you have been thoughtful about your approach to tools and technology. What is your philosophy behind technology selection?

Joe: In the beginning, we had good data, but it was dispersed across multiple platforms, which resulted in low utilization. We set out to establish a single source of truth that can serve as a powerful business intelligence engine. So, like many organizations, our initial selection approach for tools and technology comprised sophistication, scalability, features, and price.

But when we look back now and think through some of the drivers that led us to make the decisions we did, we focused on a few questions:

- **Will they use it?** Adoption was paramount. The best system in the world adds no value at all if people are not using it. This reminds us to zero-in on pressing workforce questions and a highly visual user interface.
- **Is it simple and easy to use?** Most of our HR professionals are functional users, not technical. We want them to drive informed discussions and decisions related to our workforce, not worry about joining tables, running queries, or struggling with visualizations. The portal needed to automate and streamline technical aspects.
- **Is it a one-stop shop?** We had the foresight to know that even before we completed our initial implementation there would be new datasets and new questions to address. Our solution required efficient integration with major source systems as well as the flexibility to match up non-curated data and link to other relevant content. We named our solution People Data Central to reflect the design principle that virtually all workforce intelligence can be accessed directly or indirectly from the portal (see figure 3).

For those who perhaps don’t have the time or resources to commit to creating something like People Data Central, what would you suggest? Any advice?

Jason: More is not necessarily better. It’s better to be relevant than comprehensive. A well-designed, one-page briefing focused on the right level of details for the right audience is all you need to start.

Figure 3: Anthem's Integrated Analytics Portal



Source: Anthem, Inc.

It sounds like People Data Central has been a successful project. What other projects have you had success with?

Jason: For projects, we've looked at everything from advancement to retention to diversity and inclusion. One of the most interesting projects we took on was our Drivers for Turnover. We wanted to dig deeper into analytics and provide data-driven recommendations that would optimize attrition. In the first year, we noticed that the turnover rates exhibited abnormal patterns, so we generated a series of decision trees in IBM Watson Analytics to focus on a series of multiple linear regression analyses using SAS.

We wanted to test insights to support or debunk turnover myths. For example, one common misconception is that associates who work overtime will leave the company. This is not true. We found that associates who work overtime are actually more likely to stay. The additional compensation accompanying overtime likely enables retention rather than overtime causing burnout.

As a result of this project, we created an operational dashboard as a workforce planning tool using the turnover risk assessments and BLS data. This allowed us to focus on a couple of things:

1. Optimizing sourcing and retention in different geographic areas

2. Calling attention to areas with high turnover rates and how the turnover rates relate to state-level unemployment rates
3. Improving forecasting on turnover rates based on predictive modeling

The project allowed us to address retention opportunity in an even bigger business area and was well received. Our leaders paid more attention to data and made more data-driven decisions rather than "gut-based decisions."

What is your vision for talent analytics at Anthem?

Joe: We took about 14 months to successfully transform and get to where we are today; however, I don't consider the journey done. We still need to focus on sustainability, scale, and repeated success. As our stakeholders become more comfortable with data and more experienced with the power of analytics, expectations rise and demand increases. Five miles don't make a marathon. Our goal is to become a top company for people analytics by giving the potential value to our associates, our company, and our external shareholders.

Any last pieces of advice?

Joe: I can think of a couple:

- Learn and review the practices in the industry. Leverage your peers.
- Don't dabble. Develop a strategy with a clear roadmap.
- Be open to partnerships, and collaborate cross-functionally to make data-driven decisions. People analytics teams do not "own" workforce intelligence.
- Repurpose talents and technology. You may have more to work with than you think.

This interview was conducted by Fiona Lam.

Leading the Business with Talent Analytics

An Interview with Greig Aitken

About Royal Bank of Scotland Group (RBS)



RBS is a banking and financial services company headquartered in Edinburgh, United Kingdom, employing 77,000 staff across its operations.

RBS provides a wide range of products and services to personal, commercial, and large corporate and institutional customers through its two main subsidiaries, the Royal Bank of Scotland and NatWest, as well as through a number of well-known brands including Ulster Bank and Coutts.

About Greig Aitken

Group Head of People Strategy and Insight
Royal Bank of Scotland Group

Greig Aitken leads the People Strategy and Insight Group based in Edinburgh, United Kingdom, and has been with RBS for more than 30 years. His work focuses on helping business leaders understand the effectiveness of their employees, talent, leadership, and culture strategies.



Greig oversees human capital strategy across RBS's businesses and is highly skilled in organizational management and employee engagement. As a senior leader, his tenured experience heading various HR roles has contributed to the development of effective HR strategies across the organization globally.

A Chartered Banker, Aitken has an MBA, is a Fellow of the CIPD and has taught human capital case studies at Harvard, USC, and London Business School. He is also a member of the European Strategic Workforce Planning Council.

Every quarter, we interview talent analytics leaders to gain their perspectives on issues facing them and their teams. This quarter, we spoke with Greig Aitken about his work at Royal Bank of Scotland Group.

Could you tell us more about your role at RBS?

I lead the development of RBS's people strategy as well as our approach to employee listening, culture assessment, research, and the business impact of our people strategy. A key part of the role is working with leaders across our businesses to help them deeply understand the effectiveness of their people management and its tangible impact on service levels and business performance. This enables our leadership teams to make more informed people decisions, target their efforts, and ensure they know their role in building high-performing teams.

Housing these activities in one center of expertise ensures we have a "one bank" approach to human capital management, eliminating the risks of duplicate or fragmented work being undertaken. It also facilitates rapid development of tools and insight that can be deployed quickly to support our people throughout the bank.

My team and I rely on data analytics to support this evidence-based approach. Connecting insight from culture and engagement surveys, 360-degree assessments, and internal customer-service data enables us to deliver sophisticated linkage analysis that provides clear evidence that higher engagement coupled with effective leadership, culture, and line management builds stronger teams and productivity. Ultimately this delivers a better, more consistent customer experience and sustained business returns.

"When you start having conversations around these types of topics, business leaders get it. The challenge is how you are able to accommodate and provide resources on a larger scale."

You mention a key focus for you is enabling leaders to understand the impact of their people plans. What does that look like?

Over the past few years we put a lot of focus on identifying the key drivers to sustained high performance in leaders and their teams as well as what drives strong engagement and discretionary effort across our business. To do this, we looked at what differentiates great leaders, highly engaged staff, and effective line managers and what impact these attributes have on business performance and service.

Following this work, we designed a series of indices and tested their ability to predict and drive business performance. We found that a small set of core metrics (including a leadership index and engagement index) were highly correlated to movements in business results and customer service: where these measures were high, we saw sustained, differentiated business performance; where they were low, we saw correspondingly low business scores.

Together with 360-degree assessment results and other insight, these measures form a core part of our human capital approach, and each leader has desktop access to his or her own team's results. Over 4,000 separate teams across our businesses receive updated leadership and engagement index scores twice a year to support their action plan and assess the progress of their people plans. In addition, these measures feed into the performance discussion with leaders.

Can you take us a little deeper into the index measures?

We identified key measures that individually were effective but collectively proved to be an even more powerful suite of indicators and enabled every leader across the business to take tangible action. Two of the most predictive were the leadership index and the engagement index. (Both measures were designed with outside partners, including Harvard Business School and Willis Towers Watson.)

Each measure comprises a number of questions that add up to the overall index. In the case of the leadership index, staff managed by the leader are given the opportunity through our engagement surveys to anonymously and confidentially give feedback to their manager. A similar approach is taken in the engagement index, with both indices externally benchmarked against the global high-performing norm and an industry norm. These are integrated into our employee listening tools, together with a series of other measures. In addition, our human capital tools have been aligned to include these measures, and they are reported to each manager routinely as part of their survey results.

Starting with data collection, we looked at a number of models, but the one we decided to use in building our engagement and leadership indices was a single, multi-tiered survey that had various core metrics. For example,

on our leadership index, the questions were crafted to measure three areas: enterprise-wide leadership, franchise/function leadership, and line management. These questions allowed us to aggregate a single score for all leaders and point to the exact cause and related employee perceptions that would generate high or low values—and, through driver analysis, highlight good practice seen elsewhere that could be introduced to that business area.

If managers want to assess their scores, they might find that enterprise-wide leadership was strong but line management was weak. We have a series of best practice tools to support managers through the key stages, from results diagnosis and team discussion to identifying treatments and action planning. These tools ensure managers can move quickly to action.

Our core metrics had to be rigorous, robust, and predictive in terms of outcomes across different business units. But at the same time, I wanted to ensure the simplicity of our approach would enable leaders to make consistently high-quality decisions about their business and the people who work in it.

“I am passionate about partnering with leaders to help them deeply understand the effectiveness of their people plan and its impact on business performance.”

What makes the index a good measurement tool?

Through robust testing over a number of years, we have been able to shape a series of measures that have a demonstrable impact on business performance. I have a strong preference for an index as opposed to any individual measure because, by its very nature, the index will provide a broader, more reliable outcome. This, coupled with key driver analysis, enables us to pinpoint areas of focus.

The challenge is ensuring any index you use contains the most effective and predictive measures—and that took time for us to perfect.

In the end, companies need to identify their own key lead indicators and focus on them, then link them to the

business and customer outcomes to understand the relationship between colleague actions, customer service, and business results.

I would guide people to focus on outcome measures rather than measuring inputs. For example, the statement “we spend \$5,000 per person on training” is an ineffective measure; a better focus would be “our training spend of \$5,000 per person generated a 4% increase in customer service and a 3% increase on sales.” The latter statement is harder to achieve but significantly stronger in demonstrating impact. Similarly, an employee attrition measure may be misleading; perhaps a stronger focus on HIPO turnover (staff who are highly rated who choose to leave) or “short-term turnover” (staff who leave within the first year) would be more insightful.

What are some of your key findings?

In each business area we’ve engaged, we found that where you have strong engagement and strong leadership, you have significant outperformance in sales and service. Discussing important topics such as leadership and engagement with business leaders will get much more traction and sustained attention if they are linked to business outcomes and customer service.

A key learning for me over the years has been the difference between “data” and “insight”; translating a lot of data into insightful analysis that lands on a conclusion with recommendations of what to do next will move the discussion on the tangible actions that positively impact employees, customers, and ultimately, the bottom line.

How do you engage your clients with these findings?

Our people measures are well embedded in RBS now, including within the balanced scorecard of our leaders. Following each of our engagement surveys, I share the insight at our business board meetings. In addition, we share the results with each of the line managers (on average, 4,000 teams will receive their individual team analysis). This ensures everyone in the organization sees the results as quickly as possible to support their own action planning.

Parallel to this, we work across the organization, looking at team results, senior leaders scores, and various segmentation/demographic results to identify hot spots. We also partner with particular businesses to overlay business and customer insight and build out their scorecard.

That’s a great example of HR adopting a more data-driven approach, but how do you overcome the challenge of getting leaders to influence change?

HR often faces the challenge of trying to explain the totality of solutions and services it provides. What tends to happen is a new level of complexity is added when HR talks about employee engagement or management development. What we found to work was simplifying the process—

“We’ve seen clear evidence that higher engagement coupled with effective leadership and line management reliably builds stronger teams and higher productivity. Providing deep insight on employee engagement and its impact on business performance and service levels enabled our leadership teams to make more informed people decisions and ensures they know their role in building high-performing teams.”

explaining that our human capital approach clarifies rather than complicates.

It’s also fair to say that we engage with leaders throughout the organization, from heads of individual business units to members of the board, so the measurement tools are effectively embedded at all levels of operation. They buy in to this approach.

It helps that our tools are externally benchmarked and our dataset includes top-tier companies that our internal clients can use to draw comparisons on a relative and absolute basis.

Concerning transparency throughout the organization, what information can leaders access?

All surveys are independently administered and are anonymous and confidential. Staff know they can provide honest feedback on their department, leaders, and every aspect of the employee experience. We never have access to individual results—an important message to ensure staff feel comfortable sharing their honest views.

With respect to access to results: If I take our engagement surveys, for example, we provide desktop access for 4,000 line managers to see their teams’ survey findings. We have an interactive portal to allow them to view their team results through various lenses, including location, seniority, and tenure. All reports are kept at an aggregate level—never individual.

Although the results set the tone for business discussions, the real benefit is being able to listen to staff’s views on a plethora of topics. Companies benefit from asking not only customers but also staff about how they can make improvements internally. Importantly, how you respond to this feedback will contribute to the culture of your organization. If you ask your staff’s opinion on various topics but don’t do anything with their feedback, be prepared for your most important asset to completely ignore your next survey. Communicating the results with honesty and

responding to that feedback is absolutely essential if you value an open dialogue with your people.

Do you have any advice to help others in talent analytics?

When collecting data from business organizations, people will often have an automatic reaction that “the data is not in the right shape.” I would say that if you wait for the data to be in perfect shape, you’ll retire before you get to start your project. From my experience, our team made successful strides by moving quickly to have a single employee listening strategy and delivering insight at pace. I think 12 months of impact at 80% is more powerful than 12 months of nothing.

Are there any final thoughts you would like to share?

My whole passion is about taking an organization’s data and turning it into insight that impacts the business in a positive way—to be able to shape results around real outcomes of financial performance and customer service and help enterprise-wide business leaders navigate through talent management.

Anyone can give you a huge spreadsheet; that’s simple. The real challenge is creating the insight that tells you what is happening, what you need to do, and what you need to worry about. Look at people data through the eyes of our colleagues leading large teams. Join up the data. Turn it into insight they can act on. HR around the world has a huge opportunity in this space; we just need to grasp it.

This interview was conducted by Nina Moreno and Andrew Kim.

Applying Sports Analytics to the Workforce

Insights from a Data Scientist

By Andrea Kropp

At the 2016 MIT Sloan Sports Analytics conference, PhD candidate David Hunter and his advisors presented a method to consistently pick winning combinations in National Hockey League (NHL) and Major League Baseball (MLB) daily fantasy competitions.¹ They also donated all their winnings to charity, posted their computer code on Github, and listed many other selection problems across various disciplines that would benefit from this method. Any person in the world who wanted to pick a winning team from many possible choices now had an approach for doing so, and there are many parallels to workforce selection problems.

Every year, sources such as *Sports Illustrated* and ESPN publish a list of the top American college football draft picks, and over 4.5 million TV viewers tune in to see which players each team will select. With so much on the line, how do professional sports teams think about which players to select in the annual draft process? Teams must consider not only their draftee's individual skills but also the inventory of skills already available on the team. For example, if an American football team already has three players capable of starting at tight end, it might pass over a star player at that position to draft a badly needed kicker instead. In making their selections, team owners and managers must decide how much a specific player will enhance the team's performance using what they know about their existing team and the draftee's abilities.

This article will explore how these two concepts from sports analytics can be readily applied to common workforce problems:

- Beginning with Hunter and his advisors' fantasy sports paper, we will show how its ideas can be used to **assemble a diverse slate of qualified candidates** for hiring managers to interview, simultaneously achieving quality-of-hire goals and diversity goals. While the original paper requires substantial mathematical expertise to digest, our aim is to introduce the core concept through a simple example that HR leaders can appreciate and an HR analyst with intermediate technical skills can emulate.
- The second example will explore how sports draft thinking and strategy can be applied to **workforce skill mix management and recruiting** by taking up the case of an IT manager who must maintain minimum quantities of

hard skills on her team at all times. We believe this team-level thinking is a place where HRBPs can add substantial value as work itself becomes more collaborative.

Case 1: How Assembling a Diverse Slate of Interview Candidates is Similar to Picking Players for Fantasy Sports

In a nutshell, winning at daily fantasy sports competitions requires selecting a slate of players who jointly produce the most points while obeying all the contest rules. The **objective** is to maximize points; the **constraints** are the rules of contest.

Let's use baseball as an example: The rules of the contest require one pitcher, one catcher, one first baseman, one second baseman, one short stop, one third baseman and three outfielders. They also require that the nine players be from at least three different MLB teams, that there be no more than four players from the same team, and that the combined salaries are below the salary cap. Fantasy sports enthusiasts must also consider many contextual factors and interactions between players (e.g., the ballpark, the weather, the batting order), but we will omit these from our present discussion.

The problem of selecting the best fantasy team from the available players can be solved using a well-established technique from operations research: integer linear programming (ILP).

Many organizations have an explicit goal of increasing workforce diversity. An essential step in increasing diversity among new hires is assembling a diverse slate of qualified candidates for hiring managers to review. Using the language introduced above, the **objective** is to source the most qualified individuals; the **constraints** are to represent

MIT Admissions' Search for Diversity

"When we admit a class of students to MIT, it's as if we're choosing a 1,100-person team to climb a very interesting, fairly rugged mountain—together. We obviously want people who have the training, stamina, and passion for the climb. At the same time, we want each to add something useful or intriguing to the team, from a wonderful temperament or sense of humor to compelling personal experiences, to a wide range of individual gifts, talents, interests, and achievements. We are emphatically not looking for a batch of identical perfect climbers; we are looking for a richly varied team of capable people who will support, surprise, and inspire each other."

Source: Massachusetts Institute of Technology, "Prepare for MIT: What to Do in High School," <http://mitadmissions.org/apply/prepare/highschool>.

multiple ethnic groups, be gender inclusive, and diversify past experiences.

For example, an organization may wish to interview roughly five people for each open position. To achieve its diversity goals, it might stipulate that:

- No more than three of the five should be the same gender;
- No more than three of the five should be from the same ethnic group;
- At least two should be over age 40, and one should be under age 40; and
- At least one of the five should be a veteran.

These constraints would be applied only where more than five fully qualified applicants remain after removing individuals who do not meet the requirements for the position.

Let's further assume this organization uses some sort of quantitative scoring in the early rounds, based on an algorithmic résumé screen, an assessment, a video interview, or a phone screen. Therefore, each applicant who is fully qualified also has an associated "score."

The objective is to maximize the screening scores of the five people to be interviewed, subject to the four constraints listed above. Let's apply these criteria to the 12 fictitious applicants in figure 1.

Based purely on their scores, the organization would likely pass Abe, Barb, Cy, Dana, and Ed to the interview stage. But this group violates the ethnicity and age constraints because four are Caucasian and all are under 40 years of age. The

way to maximize the average score while satisfying all the constraints is by advancing Abe, Barb, Ed, Fran, and Gigi to the interview phase with the hiring manager.

This fictitious example with 12 applicants can be solved by hand with some trial and error. Figure 3 at the end of the article shows how you can solve this using ILP and a solver in a program such as R. Solving it programmatically allows you to consider hundreds of applicants and dozens of constraints.

For example, an organization might want to set additional constraints related to cognitive and experiential diversity. This will ensure that alternative perspectives enter the organization, thereby increasing its capacity for innovation and boosting its resilience in times of change. The additional constraints can be expressed in simple statements that are later translated into mathematical instructions. For example:

- No more than 70% have not attended college.
- No more than 70% have a business degree.
- No more than 75% are extroverts/introverts.
- No more than 90% have never worked in another country.
- No more than 70% have only worked in a single functional area.

Notice that all these examples are expressed as maximum levels of similarity rather than as minimum levels of difference. Psychologically, people tend to react more negatively when a constraint is expressed as a "minimum diversity required" as opposed to a "maximum similarity to be avoid." As a case in point, avoiding too much cognitive and experiential similarity

Figure 1: Applicant Pool for an Organization's Open Positions

Illustrative

	Abe	Barb	Cy	Dana	Ed	Fran	Gigi	Han	Ivy	Jen	Ken	Lee
Caucasian Ethnicity	N	Y	Y	Y	Y	N	N	N	Y	N	N	N
Gender	M	F	M	F	M	F	F	M	F	F	M	M
Over Age 40	N	N	N	N	N	Y	Y	Y	N	Y	Y	Y
Veteran	N	N	N	N	Y	N	N	N	N	N	Y	N
Score	94	90	85	82	80	75	72	71	67	64	61	60

Source: CEB analysis.

among otherwise fully qualified applicants is the way leading colleges think about assembling their entering class. It is a deliberate design principle that progressive talent acquisition teams should consider and debate.

Case 2: How Maintaining Hard Skills Across an IT Department is Similar to Drafting Athletes

Now consider the difficult job of an IT application development manager who needs to maintain a mixture of hard skills on her team at all times. To oversimplify, let’s say the needs of the business are such that for each of three main coding languages (SQL, Java, and Python) the team must have at least five people with intermediate-level proficiency and at least two people with expert-level proficiency. Furthermore, at least two people of intermediate-level or above in each language must be available in each of three global regions.

This setup is not unlike drafting a team of athletes based on position, specialty, handedness, and skill level. For example, a baseball manager may want to maintain a minimum of 3 players who can play catcher and 10 total pitchers, of whom 3 are left-handed and at least 5 can act as starters. At times, this may require passing over higher-rated talent to get exactly the skills the team needs.

The current IT team comprises the 10 individuals in figure 2 and meets all the business requirements.

The two most critical people in figure 2 are Ute and Yan. If either leaves the team, it won’t have enough SQL experts remaining. If Ute leaves, the Python coverage in Europe also falls below the minimum. If Yan leaves, the Java coverage in Asia also falls below the minimum. The manager would then be forced to find a replacement to fit those specific requirements.

Conversely, if Will leaves, the remaining nine still satisfy all the criteria. This would be an opportunity to add the best available utility player to the team, not necessarily a replica of Will. Specifically, it would be a chance to add team depth at a critical position that is only minimally covered: SQL expert.

Mathematically, this could also be formulated as an ILP problem, but that isn’t shown here. The constraints are the business needs listed above, while the objective could be defined as minimizing the number of constraints violated as a result of losing a single person. (This is practically the

Figure 2: IT Application Development Team Members
Illustrative

Name	Location	SQL	Java	Python
Pam	Americas	Intermediate	Beginner	Intermediate
Quinn	Europe	Intermediate	Expert	Expert
Ryan	Asia	Beginner	Intermediate	Intermediate
Sue	Americas	Beginner	Intermediate	Expert
Taz	Americas	Intermediate	Expert	Beginner
Ute	Europe	Expert	Beginner	Intermediate
Vern	Europe	Intermediate	Intermediate	Beginner
Will	Americas	Beginner	Intermediate	Intermediate
Yan	Asia	Expert	Expert	Intermediate
Zoe	Asia	Intermediate	Beginner	Expert

Source: CEB analysis.

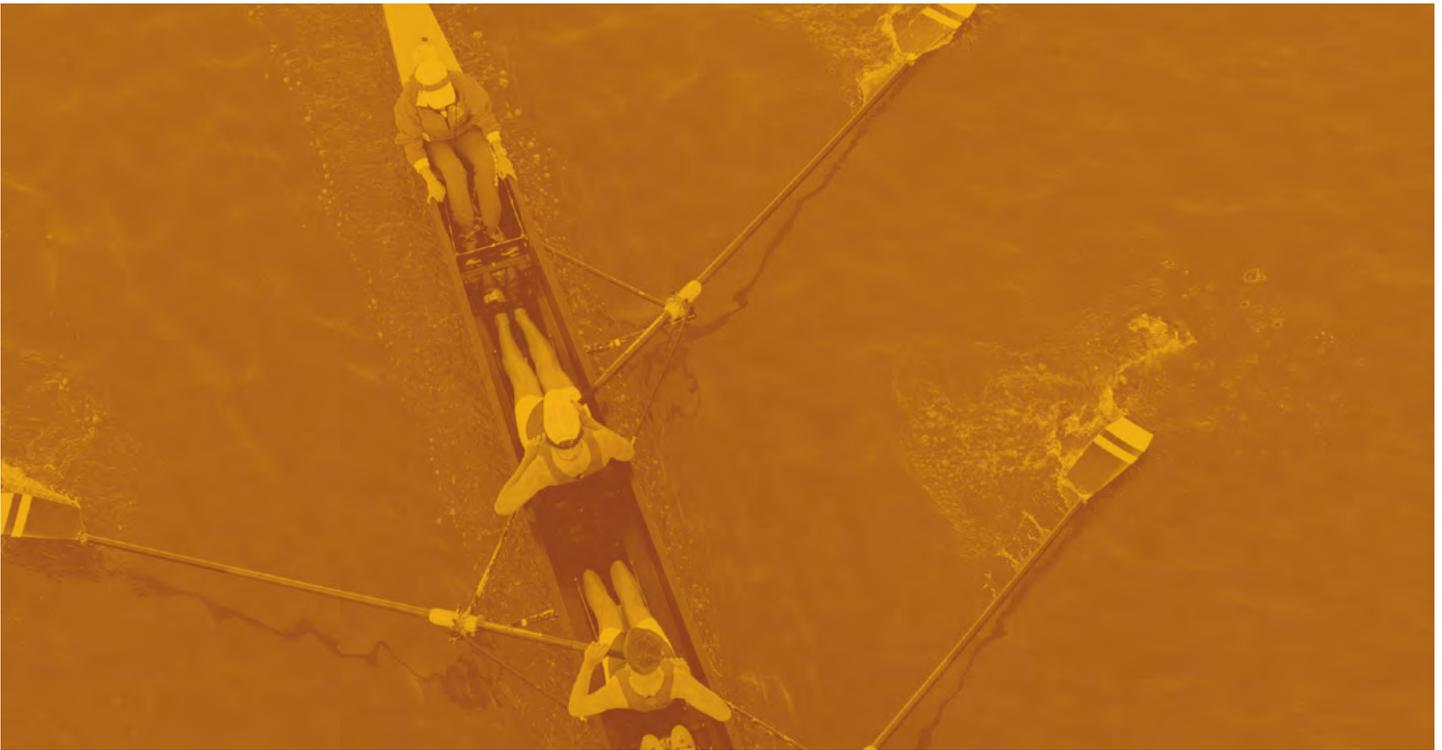
same as maximizing redundancy.) When a position on this team opens up, the minimum requirements for the new hire would be based largely on the composition of the team he or she will be joining.

We doubt many HRBPs currently work with IT managers in this way—defining minimum skills at a team level and adjusting new requisitions based on the composition of the team that is in place. However, we believe it is an area for innovation and deeper consultative service to the business, especially as more work is accomplished in teams.

ILP: Not New, Just Underappreciated

It may also be worth noting that ILP is foundational to many workforce scheduling systems. It’s not a new method in HR planning, but users of modern software often take it for granted. For example, to create personalized work schedules for a fast-food chain, you would need an objective statement such as “minimize the difference between all worker’s requested hours and the assigned hours” subject to constraints such as:

- “Full-time workers given 35 hours or more,”
- “Part-time workers capped at 20 hours,”



- “Each shift at least six continuous hours,” and
- “No back-to-back closing and opening shifts.”

Now that this article has primed you to look for it, you’ll start to see that many business problems can be formulated as an objective plus constraints. Solving such complex problems efficiently using computing power is one factor that makes modern factories and logistics networks so efficient compared to earlier times.

In closing, if you are a regular reader of *Talent Analytics Quarterly* but generally don’t browse analytics publications from other disciplines, we’d encourage you to expand your reading list. The more you explore, the more you’ll see parallels between clever analytics in other fields and the problems you are working on in talent management.

¹ David Scott Hunter, Juan Pablo Vielma, and Tauhid Zaman, “Picking Winners Using Integer Programming,” Massachusetts Institute of Technology, <http://www.mit.edu/~jvielma/publications/Picking-Winners.pdf>.

Figure 3: Using ILP to Apply Sports Analytics to Recruiting

```

library(lpSolve)

names <- c("Abe", "Barb", "Cy", "Dana", "Ed", "Fran",
           "Gigi", "Han", "Ivy", "Jen", "Ken", "Lee")

person <- rep(1,12)
male <- c(1,0,1,0,1,0,0,1,0,0,1,1)
female <- c(0,1,0,1,0,1,1,0,1,1,0,0)
cauc <- c(0,1,1,1,1,0,0,0,1,0,0,0)
other <- c(1,0,0,1,0,1,1,1,0,1,1,1)
under40 <- c(1,1,1,1,1,0,0,0,1,0,0,0)
over40 <- c(0,0,0,0,0,1,1,1,0,1,1,1)
vet <- c(0,0,0,0,1,0,0,0,0,0,1,0)

objective<- c(94,90,85,82,80,75,72,71,67,64,61,60)

constraints = rbind(person,male,female,
                    cauc,other,under40,over40,vet)

direction <- c("=", "<=", "<=", "<=", "<=", ">=", ">=", ">=")

limits <- c(5,3,3,3,3,1,2,1)

modelA <- lp(direction = "max",objective,
             constraints, direction, limits,
             all.bin = TRUE, compute.sens = 1)

my.solution <- modelA$solution
names[my.solution == 1]

## [1] "Abe" "Barb" "Ed" "Fran" "Gigi"

ave.score <- sum(objective[my.solution == 1])/5
ave.score

## [1] 82.2

```

Source: CEB analysis.

Enabling Action Begins with Project Scoping

By Becca Brown

This article is inspired by our recent talent analytics research: [Relationship-Powered Talent Analytics](#). Here, we dive deeper into how to drive action from talent analytics by embedding action planning into your scoping process. For more details, check out [Driving Action from Talent Analytics](#).

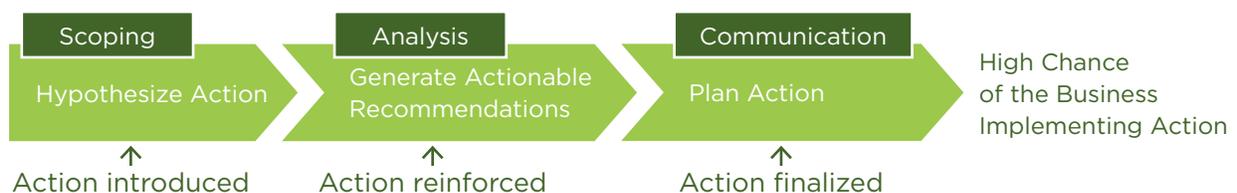
Only 19% of talent analytics leaders believe their organization is effective at driving action with talent analytics. Because many talent analytics clients are more focused on getting an answer to a question than on what they will do with the answer, they are often unprepared to act on an insight from the talent analytics team. At the same time, talent analytics

teams that seek to provide the best answers to their clients often focus more on generating smart insights than on making feasible recommendations.

With action so out of focus, it's no surprise that most organizations are not effective at actually acting on talent analytics insights.

Most talent analytics teams shape their project cycles to generate interesting insights they hope will lead to substantial and accurate data analysis that supports business decisions. As a result, action is not introduced until the last stage of the project cycle. Our research reveals that embedding action planning throughout the project life cycle prepares the client to act on and implement talent analytics' recommendations (figure 1).

Figure 1: What Your Analytics Project Cycle Should Look Like



Source: CEB analysis.

Figure 2: Spectrum of Clients' Degree of Data Familiarity



Source: CEB analysis.

Brainstorming possible actions during project scoping helps clients better articulate their business needs, clarify assumptions, and hypothesize possible insights. On the other hand, not including action planning in the scoping stage often leads to analytics projects that do not answer client questions or motivate clients to act on findings. That means the talent analytics team expends resources to create insights that are mismatched to the client's needs and the talent analytics team's capability.

The best organizations tailor their project scoping templates to each client's degree of data familiarity, which helps clients articulate their business objectives, desired insights, and likely actions. The spectrum in figure 2 helps you determine your clients' degree of data familiarity, and each level indicates which resource is most helpful for those clients:

- **DST's user story template** (figure 3) is useful for HR staff who are less familiar with data because it takes them through a step-by-step process and provides real world

Figure 3: DST's User Story Template

User Story Title

Template:
As a [type of user], I want [feature, functionality, type of data, etc.], so that I can [take an action, make a decision, conduct analysis, etc.], in order to achieve [goal, benefit, value, etc.].

Explanation:
User stories are a short narrative from the end-user's perspective. There can be several user stories for each want if multiple types of users have the same want or need. More specific user roles result in better user stories. In the simplest terms, the user story is "As *who*, I want *what* so that *why*."

Examples:

- As a customer that likes to be self-sufficient, I want self-checkout at the grocery store so that I can do the transaction on my own in order to save time.
- As a people manager, I need the percent turnover of high-performing team members and the training they completed in the past 12 months to see whether there is a correlation between the two data points so I can potentially adjust team training to achieve a higher retention rate.

Source: DST Systems; CEB analysis.

Figure 4: Project Intake Form

Requester (Name and title)	Business Sponsor (If requester is from within HR)
Talent Question What is the critical talent question for my business? <i>Consider which critical talent challenges could disrupt daily business, limit strategic potential, or hinder growth plans.</i>	
Business Problem Why is this important to the business? <i>Clarify the business impact of the challenge and whether something has changed.</i>	
Hypotheses What do I think is happening or will happen? <i>Use your experience to consider “why” the results look the way they do. Articulate them in the form of “if X, then Y.”</i>	
Proposed Actions What actions will I consider taking if my hypotheses are validated?	
Success Measures What will success look like? <i>Consider how you will measure the impact of your actions on business outcomes.</i>	

Identify Business Drivers

Understand whether business leaders want support for an urgent business problem.

Reflect on Turning Insights into Action

Ask HR and business clients to specify which actions they can take considering their context and priorities.

Prompt Reflection of the Impact of Desired Insights on Workflows

A project intake form can educate clients to shift to more insightful, actionable questions by focusing them on which actions they can reasonably take.

Source: CEB analysis.

- examples. It teaches HRBPs to frame questions in a narrative to capture the “who,” “what,” and “why.”
- **A project intake form like ours** (figure 4) can help clients shift to more insightful, actionable questions by focusing on actions the client can reasonably take. Talent analytics teams should ensure their clients have thought ahead to what they will do with analytics results to avoid an arbitrary exercise.

- **Ideas from the Omega¹ scoping form** on p. 38 (figure 5) are taken from members who participated in our talent analytics workshop series, Maximizing the Impact from Talent Analytics Investments. Omega presumes a greater degree of data familiarity among its clients; by asking them to create hypotheses and reflect on success measures, the talent analytics team shifts clients’ perspective from that of a requester to that of a full partner in the project.

Hypothesis-driven scoping makes it more likely your talent analytics projects will be acted on by helping you do the following:

- **Understand clients' goals and workflows.** Project scoping templates should ask for information about clients' roles and objectives so the talent analytics team can produce relevant, actionable recommendations.

- **Help clients clearly articulate a business case and hypotheses.** Project scoping templates should guide clients in articulating the reason behind their requests and in proposing initial hypotheses.
- **Outline potential actions based on analytics results.** Project scoping templates should prompt a discussion of how to use the results in order to define the goal of the project and build mutual agreement.

Figure 5: Scoping Form

Illustrative

Project Ownership			
Project Name	<i>Women in Leadership for Consumer Products BU</i>		
Business Owner	<i>Larry Cunningham</i>		
Projected Time Frame	<i>1 January-19 March 2018</i>		
Problem Statement			
Please briefly describe the problem you are trying to solve or questions you are trying to answer.			
<i>My unit is failing to meet the target we set for percentage of leadership roles filled with women, which is harming the inclusive culture we need to encourage innovation. What steps can we take to increase the number of women in our leadership positions?</i>			
Your Best Guess			
Let us know what you think the answer to your question might be. List one to three hypotheses we can try to validate.			
1. <i>Women are leaving leadership positions at a higher rate than we are can fill those positions from our female successor pipeline.</i>			
2.			
3.			
	Best Guess 1	2	3
Possible Actions If Hypothesis Is Correct	<i>Update succession plans, taking into account the career paths of successful women leaders across the entire organization.</i>		
Actors	<i>Business unit leadership team, HRBPs</i>		
Success Measures	<i>Increase in percentage of women in formal succession plans; engagement score improvement among mid-level female managers</i>		

Source: Omega; CEB analysis.

Identify a Project Owner

Having a project owner in the business ensures there is sufficient authority to act on recommendations and a focus on strategic impact.

Focus on Business Impact

Encourage reflection on the urgency and the importance of the request to talent and business priorities.

Articulate Hypotheses and Start Action Planning

Omega¹ asks its clients to form hypotheses and ensures an action plan is ready if they are validated. It's key to identify stakeholders and resources that could be affected in order to encourage action.

¹ CEB composite based on multiple organizations.

In the News

Our Take on What Others
Are Writing About Talent Analytics



Who Should Lead Talent Analytics?

By Marcus Chiu

In July, we published a Talent Daily article, “Do You Need a Data Scientist to Lead Talent Analytics,” citing an opinion piece posted on TLNT.¹ The post mentioned that while talent analytics leaders need to have an understanding of data science, a team led by data specialists could risk focusing on data problems rather than the issues that drive business impact. The author wrote:

“Here’s what can go wrong if you hire someone mainly for their data analysis skills:

- They’ll lead you down the path to making unnecessarily large investments in data and technology infrastructure—and postpone producing actionable results until that is in place.
- They’ll overlook simple solutions in favor of complex ones.
- They’ll spend months on interesting analysis that does not have a prominent business impact.”

In our own article, we emphasized a different issue to consider—how small and young talent analytics functions are. The average talent analytics team has four full-time-equivalent employees, almost 70% of whom have less than three years’ tenure in their role. Coupled with the high costs of attracting a suitable data scientist, this means analytics teams often do not have the capacity to tackle large data quality challenges or the skills and knowledge to drive action in the business.

Our latest research shows that the best path forward for talent analytics teams is building the right relationships throughout the organization to solve their most pressing challenges.² Data scientist or not, all talent analytics teams must rely on multiple stakeholders across the business to drive action on issues such as data quality or on specific analytics projects.

To our surprise, our article gained traction among the talent analytics community and was reposted by Carla Gentry, a thought leader and data scientist at Talent Analytics, Corp.³

Here is what she had to say:

Carla Gentry
Data Scientist at Talent Analytics, Corp.
2mo + Follow

As an experienced Data Person, I can honestly say, this statement is BS! But you decide lol "Here's what can go wrong if you hire someone mainly for their data analysis skills:"

data scientist to lead them. While a talent analytics leader needs an appreciation of data science, a team headed by a specialist runs the risk of focusing on the most interesting data problems rather than those with the greatest business impact:

Here's what can go wrong if you hire someone mainly for their data analysis skills:

- They'll lead you down the path to making unnecessarily large investments in data and technology infrastructure — and postpone producing actionable results until that is in place.
- They'll overlook simple solutions in favor of complex ones.
- They'll spend months on interesting analysis that does not have a prominent business impact.

Do You Need a Data Scientist to Lead Talent Analytics? | CEB Talent Da...
cebglobal.com

69 Likes • 48 Comments

Like Comment Share

Soon after, several other talent analytics professionals chimed in, discussing the importance of talent analytics team leaders understanding the needs of the business and the statistical approaches to investigate questions. Here’s one comment from Louis Frolio, channel technical evangelist at IBM:

Louis V. Frolio Carla, I agree. The post makes many assumptions about the role of a data professional. This particular string of words raised the alarm for me: "a team headed by a specialist runs the risk of focusing on the most interesting data problems rather than those with the greatest business impact:"
Any data scientist or analytics professional (worth their salt) WILL ALWAYS put the business first and address the most pressing business challenges.

Data science, in my opinion should not be about the data scientists' personal interests. The discipline of data science manifests its value in the practitioners ability to seek out and ask the right questions; questions that have an immediate and measurable impact to the business. Questions that can be answered by with data.

Cheers, Louis

Like Reply | 1 Like • 1 Reply

Assuming that data scientists lack the business acumen to lead a talent analytics function would be wrong, and many professionals voiced their opinion against such an assumption. However, the reality is that many talent analytics teams are unable and even unwilling to compete and pay for the data scientists who have this acumen. Brian Kropp, HR practice leader at CEB, now part of Gartner, was soon invited by Anand Chandarana to add our voice to the discussion:

Anand K. Chandarana Would love to hear what someone from [CEB, now Gartner](#), like [Brian Kropp](#) or one of his colleagues, might think of or add to this conversation. 2mo ...
Like Reply | 1 Like

Brian Kropp It is great to see the healthy debate here. While we would certainly agree that there are many data scientists that could lead an analytics team, is it a necessary condition for success? I think the answer to that is no. You can lead the team without the deep expertise that a data scientist might have. Then another way to frame the question: does a data scientist leading an analytics team guarantee success? No again. Not all data scientists are great leaders. 2mo ...

Then there is just a real numbers problem, there are not that many people out there that understand data well enough, have the imagination to understand the relationship between actionable talent data and business outcomes, and can lead a group. If you have all three, you are in short supply to lead talent analytics functions in a big company!

Given the demand for this role outpaces supply, CHROs are trying to figure out who could be leading these functions that is "good enough" on three items above and where can they compromise.
Like Reply | 9 Likes • 4 Replies

Data scientists with sufficient business acumen may perhaps be the best people to lead talent analytics teams, but given their relative lack of supply, many heads of HR must settle for "good enough" rather than the best. Other HR experts soon joined the lively, honest, and cordial discussion, including Bertrand Dussert, vice president of HCM transformation and thought leadership at Oracle, and Subhankar Roy Chowdhury, head of HR at Lenovo Asia Pacific (whom we interviewed for our [inaugural edition](#) of the *Talent Analytics Quarterly* in 2016). Chandarana also invited David Creelman, the original author of the TLNT blog post to expand his thoughts on the issue.

Bertrand Dussert I agree with [Brian Kropp](#) 100% on the comments above. I also think the original article goes too far. Having a data scientist leading the function can be a great outcome, but only if you can find one with the business skills to ask all the right question and encourage true self reflection on the part of top executives in the business. 2mo ...

Most top analytics leaders I see in F100 companies are not data scientists, but a few are and most have at least one data scientist on their teams.

Supply is the last issue at play here...Since great data scientists are difficult to find, some companies recruit them from outside of business and partner them with a head of analytics who's networked in the business and industry. This approach can work well.
Like Reply | 3 Likes

Anand K. Chandarana I completely understand the point of view from which Carla and others reactions to the original article came. However, I fully agree with and greatly appreciate Brian's response, especially the part about enjoying the healthy debate! 2mo ...
Like Reply | 3 Likes

Carla Gentry Healthy Debates ARE GOOD! 2mo ...
Like Reply | 1 Like

Subhankar Roy Chowdhury HR Analytics leadership roles need a combination of skills that include knowledge of HR domain , Data science, Visualization, Business, stakeholder management, etc. It's quite simplistic to conclude where the dominant competency should be to be leader of the function. As the function is evolving and new expertise are getting built we will see emergence of generalist and specialist skills in leadership roles. 2mo ...
Like Reply

David Creelman Thanks Anand. In a nutshell the idea is that you need someone with good business insight and that could easily be a data scientist; my concern was companies who think it's just a technical question of hiring someone with advanced math skills and few business skills. 2mo ...
Like Reply | 2 Likes

Anand K. Chandarana I've definitely seen that play out poorly. Specifically an instance with a small HRIS Database Mgmt/Reporting unit adding a true Data Scientist to their team thinking that hire was their silver-bullet solution to moving from basic HR Reporting to predictive People Analytics. Needless to say, adding a Data Scientist to a team that had very little in the way of real functional HR expertise, consulting experience/mindset, and data visualization skills (not to mention a whole host of other organizational challenges, their CHRO, HRBPs, lack of HR strategy, etc.) --- did not get them where they wanted to go. 2mo ...
Like Reply

Along with several other respondents, one specialist headhunter commented that employers are perhaps shooting themselves in the foot by "lumping all data professionals into the same category...shrink[ing] an already small pool of talent even further." This could lead organizations to jump to the conclusion that data scientists are either the silver bullet to solve all their woes or not enough to lead their talent analytics team.

Data scientists or not, the HR professionals in the discussion all acknowledged the breadth of expertise leaders of talent analytics teams must have in order to understand and prioritize the needs of the business. Many data scientists could be equipped with these skills, whether through experience working with the business or through training. Considering this, one commentator even posed the idea of studying "the impact of taking a data scientist or talent analytics head and making them the CHRO."

Finally, after much debate, Carla Gentry wrapped the discussion with some final thoughts that everyone could agree on:

Carla Gentry Thanks for all your opinions and comments, I think we've successfully debated this topic "ad nauseam" and I appreciate everyone's input!! 2mo ...
Like Reply | 2 Likes

This article will be soon posted on LinkedIn for those who would like to contribute their thoughts to the discussion. We thank all the talent analytics professionals who agreed to share their comments in this article and those who responded to Carla's blog post for their candid feedback.

The views expressed are each commenter's own and not that of his or her employer or other parties.

Google's People-Oriented Approach to People Analytics

Originally appearing on *Talent Daily*

By Peter Vail and Matt Dudek

In a recent, half-hour talk at re:Work,⁴ Google's VP of People Operations Prasad Setty discussed his experience leading the development of the search giant's talent analytics program. He also shared the key difference between having data make decisions for people and using data to improve the way people make decisions.

When Setty joined Google 10 years ago to build its people analytics team, he envisioned a workplace where all people-related decisions would be made by data and analytics. If algorithms were spitting out search terms, why couldn't Google use them to make decisions for and about their people?

Setty soon discovered this was the wrong approach. Despite the ability to use analytics to objectively predict outcomes with high accuracy, people were reluctant to rely solely on formulas when it came to making important decisions—especially decisions that involved people, such as promotions and high-potential employee development. So Setty shifted his vision for the people analytics team. Rather than using data and analytics to make all decisions at Google, the team's mission would be to educate Googlers on how they were making decisions and to help them make better decisions over time.

What really stands out about Google's approach is that its people analytics team chose not to use a quantitative focus despite already having the analytic sophistication to do so. Setty stated that HR was able to create a model that could accurately predict promotion decisions with an error rate of only 10% based on a few easily measurable attributes. But the engineers involved in the hiring process made it clear they did not want to outsource such an important task to an algorithm.

This is an important lesson in how organizations can effectively use data in managing talent issues, particularly during culture change. Google recognizes where data is helpful and where it is not and is honest about the fact that data will not solve every problem. Although Google could predict promotion outcomes pretty well, this was not aligned with how its leaders wanted to make promotion decisions.

This misalignment is a key reason many organizations struggle to use their current data to take actions related to their culture. Too often, we hear that organizations overextend their engagement and attrition data instead of recognizing the shortcomings of their current approach to measuring culture. Although attrition data is useful, it does not provide sufficient guidance on what leaders should keep or change to make their culture perform more effectively. That's partly why a key challenge for many talent analytics leaders is in aligning analytics to core business challenges and securing buy-in throughout the organization for their work.⁵

Seagate took a similar approach to data-driven decision making, and we examined its success in our 2013 case study, [Implication-Based Decision Support](#). Several years ago, Seagate faced the same challenge as Google: when HR starts conversations with prescriptive insights drawn from data, line managers often react immediately by taking a defensive position and criticizing the HR data, undermining HR's whole analysis. So instead, Seagate:

- Developed simplified data visualizations that helped leaders diagnose challenges themselves,
- Provided the implications of alternative leader decisions through decision scenarios, and
- Provided “action owners” with implementation guidance based on leaders' decisions.

It's important to remember that in this age of growing talent analytics, people may say they want predictive data, but they likely won't use it if it's perceived as being forced down their throats or if decisions are too sensitive and political to be removed from human decision making. No one likes a “know it all,” whether it's a person or a computer. Talent analytics teams would do well to take a page from Google and Seagate and give leaders more data-driven options instead of mandates.

¹ David Creelman, “Don't Hire a Data Scientist to Lead Your People Analytics,” TLNT, 20 July 2017, <https://www.tlnt.com/dont-hire-a-data-scientist-to-lead-your-people-analytics/>.

² For more information, see [Relationship-Powered Talent Analytics](#) on the CEB Corporate Leadership Council™ website.

³ Carla Gentry, LinkedIn post, July 2017, <https://www.linkedin.com/feed/update/urn:li:activity:6296808797969141760/>.

⁴ re:Work, “Google's Head of People Analytics Talks Making Work Better,” The Water Cooler, 18 September 2017, <https://rework.withgoogle.com/blog/google-people-analytics-making-work-better/>.

⁵ For more information, see “ReimagineHR: Key Challenges for Leaders in Talent Analytics” in our Talent Daily blog.

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