# 5 Ways HR Pros Can Drive Business Value With People Analytics

# HR

**HR professionals pride themselves on their [empathy and emotional intelligence](#) — and these remain critical traits. However, these talents aren't scalable; HR pros simply cannot give every employee and every manager equal attention and focus. Technology is necessary to address this challenge, and allow HR teams to identify where they should focus their efforts.**

Historically, HR teams have been data-rich but insight poor because they lacked access to analytics that could help them. All of this is poised to change with the _rapid and widespread adoption of people analytics_ that will finally allow HR professionals to transform these piles of raw data into actionable insights. These insights can be used to support data-driven decisions around high-potential

talent, promotions or compensation, development and succession planning and, importantly, agile cross-functional team staffing.

Robust people analytics deliver insights from and insights about your workforce. They show you where you need to focus your efforts to drive business outcomes—to make the organization better, faster, and stronger. And they aren't just for HR; people analytics benefit the C-suite and management as well, which means your return on investment has the potential to grow exponentially.

The potential value of these analytical investments is extremely high; while the exact numbers for people analytics are still being determined, _research has found that general business analytics can generate $13 for every $1 invested._ Here are five key ways that HR departments get started with people analytics to drive value for the business.
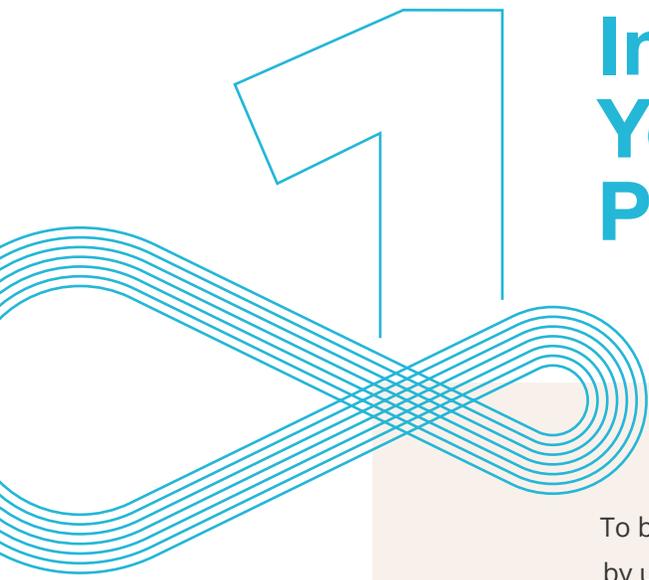
# Insights

## about
## your workforce:

- identification of top talent
- calibration
- succession planning
- leadership pipelines

## from
## your workforce:

- corporate priority progress
- individual/team goal completion
- cross-functional team participation
- feedback or recognition provided

# Improve and Evolve Your Continuous Performance Process

To be successful, a performance management program must be driven by unbiased insights into employee behavior and performance. You can only get that from a continuous process that generates timely and ongoing feedback, which can be distilled into insights that managers can use to provide constructive feedback and coaching that employees will benefit from and be receptive to.

Individuals need fact-based input to understand current performance and gauge development opportunities. The absence of relevant data often creates a vacuum, leaving individuals confused and organizations open to bias, subjectivity, and misinterpretation.

*Josh Bersin,*
president and founder
of Bersin & Associates

With *90% of employees* saying they don't trust their managers' evaluations provided during their traditional annual performance reviews, it's clear that organizations have room for improvement when it comes to providing 'fact-based input'.

Next-generation performance management technologies already enable this integration with data from other areas, like sales, marketing, or customer management. Machine learning and artificial intelligence can help turn this data into actionable insights around promotions, compensation, development opportunities, and career moves.

*Josh Bersin,*
president and founder
of Bersin & Associates

This ceases to be a problem for companies when they adopt a continuous performance process. A continuous process generates a lot of data, and people analytics helps you translate that data into insights that can be used for downstream talent management like calibration as well strategic workforce planning. Additionally, data about projects gleaned from productivity tools like Salesforce or Asana can be also be directly integrated into performance management, further enhancing insights about employee, team and department performance through benchmarking.

People analytics can also identify the sentiment data "trapped" within qualitative comments related to performance. This helps flush out and reduce biases, providing the impartial insights you need to more accurately evaluate manager and employee capabilities. By evaluating the sentiment of written manager conversations with their employees and understanding its benefit and impact to employees, you are now able to easily identify opportunities for coaching. Managers and employees can also benchmark their own and team behavior and performance against top talent.

People analytics also give HR insights about the performance program itself. User friendly dashboards can provide key visualizations that make mountains of data actionable. HR professionals can see participation analytics, as well as utilization data and demographic data that can be used to derive correlations that can inform program design.

# Ensure Organizational Alignment Around Key Business Goals
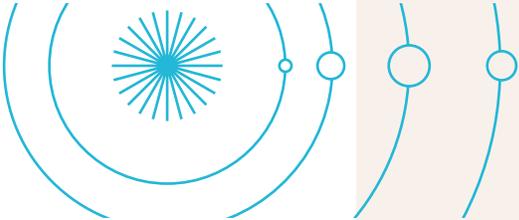
Nobody would argue that the entire company should be working toward the same business goals, but we all know that even the best teams can get off track. With insights from people analytics HR teams now have the ability to quickly identify when they do, and intervene immediately to steer them in the right direction.

Betterworks enables transparency into the progress of goals and gives our HR team the insights needed to ensure our managers are having these important conversations. The result has been a shift in attitude toward reviews from both managers and employees.

*Randal Vegter,*
Head of People Operations at NewsCred

People analytics provide the visibility HR and senior management require to gauge whether the workforce as a whole is moving in synch—and to identify where and when it's not. HR business partners can use these tools to flush out lack of alignment, and see where goals are may be misaligned  teams. The operational managers can help take action to coach teams and managers around where goals are falling short, how to improve collaboration, and how to realign individuals and teams to the companies' top priorities.

# Develop and Motivate an Agile Workforce
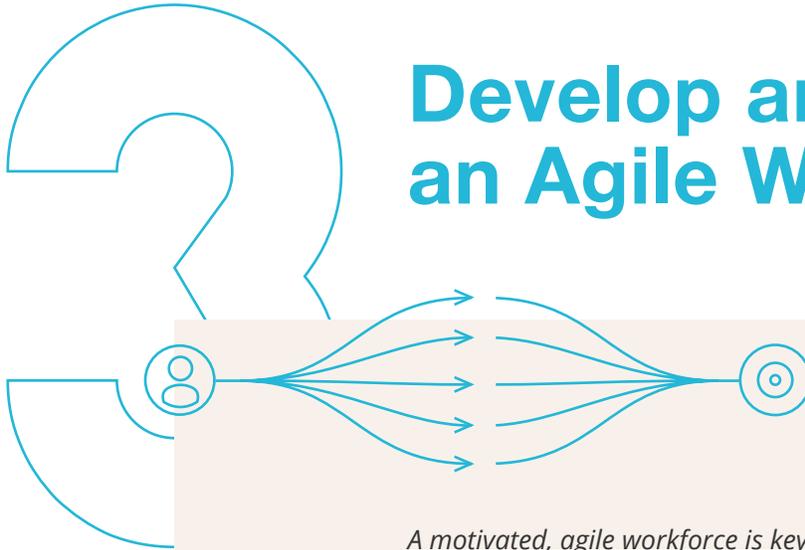
*A motivated, agile workforce is key to an organization's ability to compete and win in today's business environment.* In order to feel motivated, your workforce must understand how their work aligns to the company's top priorities. However, the fast pace of business makes it difficult to keep everyone informed and ensure ongoing alignment. For example, with people increasingly working in cross-functional teams rather than siloed departments, it can be difficult to track new skill acquisition, understand who is ready for a new challenge, and take advantage of the skills and experience what latent skills can be leveraged to the business' (and employees') benefit.

Similarly, employees need visibility into how their role impacts the mission and purpose of the organization as a whole. It can be too easy for employees to feel like a pawn that's moved around a chess board to meet a specific requirement and then moved again or even removed. Motivated, engaged employees need a sense of purpose, and this too can be difficult in the face of rapid change.

People analytics fueled from continuous performance programs provide HR teams the insights needed to ensure alignment. HR and business leaders need visibility into individual, team and departmental goal alignment and on-going performance in order feel comfortable about progress toward objectives and to see where their involvement may be needed to address obstacles or ensure continued alignment.

Continuous insights into top talent, the leadership pipeline, and workforce performance also improves workforce agility. When cross-functional teams are created to deliver on new initiatives, HR and managers have the most up-to-date insights about the workforce to know which employees are best suited to staff that team. It can also streamline succession planning by making it easier to identify who is best suited to take over for a manager or executive who is leaving.

# Help Managers Become Better Managers

No one wants to work for a bad manager—nor does anyone want to be a bad manager.
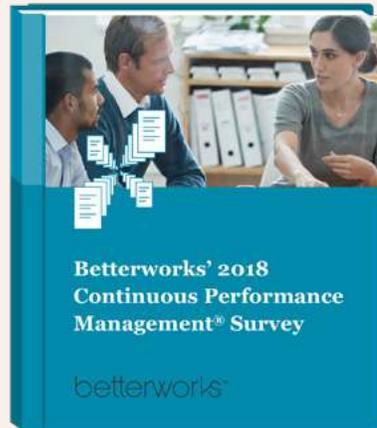
According to the _2018 Betterworks State of Performance Management Survey, 90% of managers reported wanting to become better managers, and they need the support, coaching, and resources from HR to help them._

Qualitative data from performance reviews can help HR identify the coaching and resources managers need to become better managers. It's traditionally difficult for HR to get actionable insights from qualitative data and, unfortunately, it can be rife with bias. But there's tremendous value in these comments, both to the employee and ultimately to the organization. People analytics can make this qualitative data actionable. Capturing, cataloging, and evaluating the data around managers' feedback that's generated as part of a continuous performance process shows HR the managers who need additional support and coaching. It also provides insights into the type of coaching and improvement programs managers can benefit from.

The majority of managers surveyed (61%) reported that they wished they knew the sentiment of their team better. People analytics grants managers this important insight so that they can see where they can benefit from training and what they're already doing well. As they undergo and apply their training, they can also gauge their own improvement.

Betterworks' 2018 Continuous Performance Management® Survey

betterworks

# Increase Employee Retention—Especially Top Talent
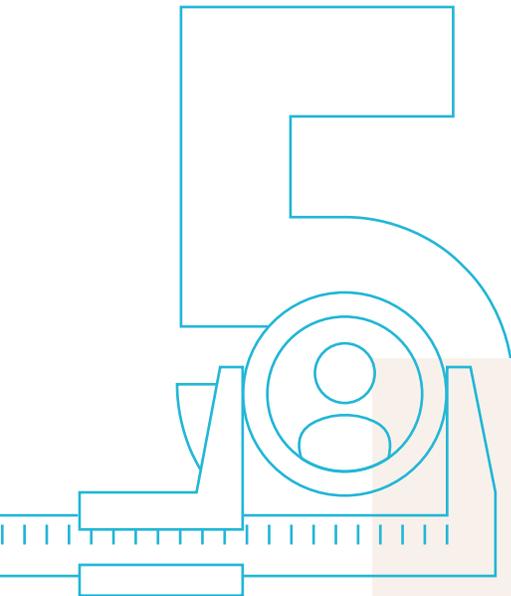
Employees leave their jobs for a lot of reasons: a bad manager, lack of engagement, lack of opportunity for growth, lack of recognition, and _a lack of purpose._ People analytics pinpoints where your organization's attrition lies so that you can focus your efforts appropriately. For example, HR can flag and analyze trends in feedback from teams with higher attrition to identify opportunities for improvement. This is generally 'low hanging fruit' to address in that it can have a broad impact across the organization.

People analytics can also take into account exit interview data to identify opportunities for improvement. Often, employees will disclose information in their exit interviews that they wouldn't otherwise, which HR can apply to gain insight into employee engagement, the corporate culture, workplace policies, and more. It might be too late to change any issues for the people who have already left, but it creates an opportunity to stop a problem that might not come to light any other way.

Keeping the right employees should be a key element of any employee retention effort. people analytics can help HR and management focus on retaining the right employees. Once you know what it is that defines a 'good' employee, scientific statistical methods can be _used to identify the factors that distinguish between low and high performers, and between employees who leave versus those who stay._

Finally, _a majority of performance management and succession planning systems ask managers to provide input on the flight risk of their employees_, but due to the confidentiality of the performance management and succession planning process, this data isn't typically aggregated or shared with the Talent Acquisition (TA) team. If you collect this data during that process, it can be a good proxy for predicting voluntary turnover. The TA group can then start building pipelines for critical roles where there is talent risk.

# Conclusion

From marketing and sales to engineering and finance, business units across the organization are using advanced analytics to drive data-based decisions that deliver proven results. Now it's finally HR's time. With people analytics, HR organizations have the technology they need to support data-driven decisions around high-potential talent, development and succession planning, and agile cross-functional team staffing.

people analytics is an investment in your company's greatest asset—your people. As such, they can have a tremendous impact on the business, enabling you to:

1.  Improve the continuous performance management process

2.  Ensure the entire company is working toward the same goals

3.  Develop a motivated and agile workforce

4.  Give managers the training they need to be better managers

5.  Increase employee retention

To learn more about deploying actionable people analytics in your organization, contact us for a demonstration.

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