

IMPLEMENTATION TOOLKIT

MODULE 6: WORKFORCE ANALYTICS

WORKFORCE ANALYTICS

MAKING THE CASE FOR CHANGE

KNOWLEDGE-BASED ECONOMY



There is a shift in focus from property and equipment alone to a **knowledge-based economy** where the **most important assets are the people** in any organisation

MANAGING TALENT



With this shift in focus, organisations need to recognise their **workforce as an asset** rather than an expense. This entails the need to **manage that asset with the same rigour** as one would any investment

DATA DRIVEN DECISION MAKING



Organisations can no longer afford to manage their workforce without understanding its impact. **Changes must be justified with the same analytical depth and rigour** that leaders demand in other areas

FOR EMPLOYERS

War for Talent
Focusing on Human Capital Wellness

FOR EMPLOYEES

Greater Organisational Focus on Employees and Their Capabilities

FOR EMPLOYERS

Investing in the Right Talent
Managing Careers, not Jobs

FOR EMPLOYEES

Valued as an Asset to the Organisation
Greater Investment in Employees

FOR EMPLOYERS

Informed Talent Investment Decisions
Predictive Workforce Analytics

FOR EMPLOYEES

Organisation Having a Better Understanding of Employees' Needs

“HR should have 3T - High Tech, High Touch and High Trust.”

– Aileen Tan, Group Chief Human Resources Officer, Singapore Telecommunications Limited

WHAT IT IS

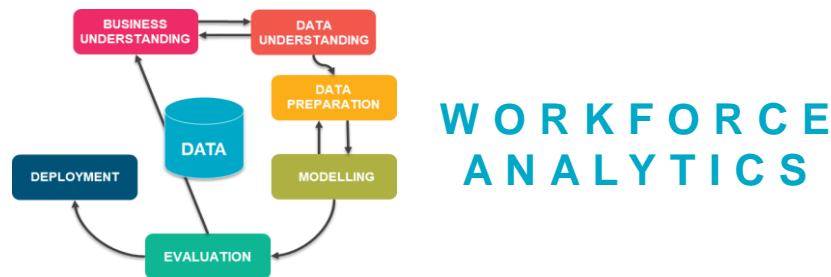
MAKING THE CASE FOR CHANGE

IMPLEMENTATION STEP-BY-STEP

SELF-ASSESSMENT

SUCCESS STORIES

WORKFORCE ANALYTICS IMPLEMENTATION PLAN



1

ESTABLISH THE BUSINESS CASE TO SOLVE FOR

- Determine the problem statement that is to be addressed (i.e. reducing attrition, diversity within the organisation)
- The power of workforce analytics is not as much in the “analytics” as it is in the “*problem identification*” on which analytics is applied

2

DESIGN YOUR ANALYSIS BEFORE COLLECTING DATA

- Identify the input (i.e. data sources) and processes (i.e. correlation, sentiment analysis) that needs to be run to provide the desired output
- Have clear vision of the end product and a logical approach to analytics before actually implementing it

3

DISTINGUISH INSIGHTS FROM ACTION

- Leverage insights obtained and review HC practices to achieve intended goal (i.e. more structured career progression to retain talents)
- The goal of analytics is to ultimately change behaviour and not just impress with analytical rigour and insight

WHAT IT IS

MAKING THE CASE
FOR CHANGE

IMPLEMENTATION
STEP-BY-STEP

SELF-ASSESSMENT

SUCCESS STORIES

WORKFORCE ANALYTICS

STEP 1: IDENTIFY THE BUSINESS OPPORTUNITY



ESTABLISH THE BUSINESS CASE

- The power of workforce analytics is not as much in the “analytics” as it is in the “problem identification” on which analytics is applied
- **Identification of the right business problems is the most important step in the workforce analytics process**
- HR leaders can leverage their functional expertise and engagement with business leaders to identify the right problems
- Examples of high-impact business problems:
 - What’s causing attrition of the top sales employees?
 - Are we promoting the right people into first-time-management roles?
 - How can we improve the quality of hiring for our critical roles?

3 GUIDING QUESTIONS TO UNCOVER HIGH-IMPACT BUSINESS PROBLEMS / OPPORTUNITIES



What are the organisation’s biggest source of revenue growth?

- Specific products or services?
- Specific geographies that the organisation operates in?



What are the key roles that will impact revenue growth based on the first answer?

- Sales
- Product development
- Supply chain
- Others



Who are the top-performers in these roles and what can we learn from them? This learning can be applied to improve talent in general.

- What are the characteristics of our top-performers (competencies, past experience, educational background, other factors?)
- What drives engagement and retention of our top-performers?
- What drives attrition among our top-performers?

SELECTING WORKFORCE ANALYTICS PROJECTS

GENERATE
a list of potential
problems



SHORTLIST
further based on the
potential business value (\$
saved or generated)



PRIORITISE
based on ease of
solving the project

WHAT IT IS

MAKING THE CASE
FOR CHANGE

IMPLEMENTATION
STEP-BY-STEP

SELF-ASSESSMENT

SUCCESS STORIES

WORKFORCE ANALYTICS

STEP 2: DESIGN THE ANALYSIS

DESIGN ANALYSIS ARCHITECTURE

- Just as an architect does not start building a house without a blueprint, you should have a “design of your analyses” to scope & envision your project before you dive into data collection & analysis
- Once the business problem has been identified, plan your analyses before actually doing it
- Without a clear vision for the end product and a logical approach to problem solving, the analytical activity will be inefficient and ineffective
- Examples of data sources
 - Internal: HRIS, Performance data, Training records, Hiring records, CRM database, Operations database, Finance database.
 - External: <https://data.gov.sg/>

5-steps to run HR-analytics projects effectively

1. Define the problem statement

Be precise about the problem you want to solve and the intended benefits it will generate.

2. Gather the stakeholders associated with the problem

Identify the stakeholders close to the problem to understand its causes and to build the social ownership for follow-up actions.

3. Generate potential hypotheses about causes of the problem

Get the stakeholders to share their perspective about potential cause of the problem. Draw a long list of potential causes

4. Build the logic to test these hypotheses through data

Get stakeholders to brainstorm the analyses that should be done to test the hypotheses and potential sources of data for the analyses.

5. Create a project plan to drive the analyses

Assign owners, timelines and check-points to gather, analyse and present recommendations.



APPLICATION EXAMPLE

ARE YOU BUILDING A STRONG SINGAPOREAN CORE?

DEFINE

and set targets for metrics that reflect a strong SG core for you –

- Target for %SG in the workforce
- Target for % of SG in leadership ranks

MEASURE

these metrics against your target, periodically.

Define actions that will correct for the variance between target and actual

BUILD

social ownership by generating awareness about these targets and holding managers accountable for delivering results

WHAT IT IS

MAKING THE CASE FOR CHANGE

IMPLEMENTATION STEP-BY-STEP

SELF-ASSESSMENT

SUCCESS STORIES

WORKFORCE ANALYTICS

STEP 3: DRIVE ACTIONS BASED ON “INSIGHTS” FROM DATA



DISTINGUISH INSIGHTS FROM ACTION

- The goal of analytics is to ultimately change behaviour and not just impress with analytical rigour and insight
- Most often analytics projects end with great excitement for the insights that have been uncovered

But

- these insights sometimes don't turn into results because the team often fails to evoke the emotional energy that is needed to create change within the organisation
- HR leaders should leverage their change management expertise to derive results through data-based insights

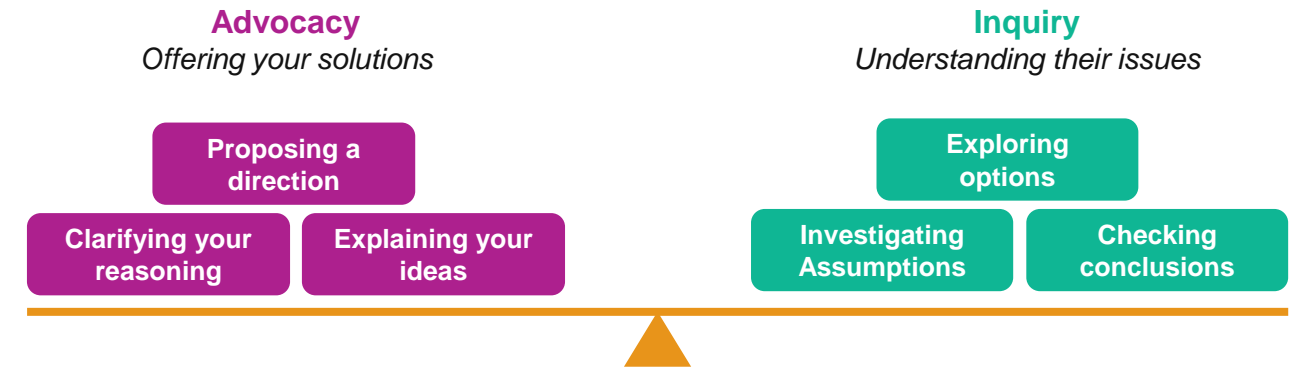
The “magic” is in the dialogue phase

How you transform your “data” to a story that evokes emotion and dialogue.



The key in the dialogue phase is Balance

Effective dialogue is a fine art in balancing between advocacy and inquiry



4 Steps to Generate Dialogue that Drives Results

1 Check for “goal-alignment”

“It seems to me that you are saying (...), did I get that right?”

2 Share or “seek” thinking process

“Here’s how I arrived at this conclusion.” OR “Can you share some of your thinking?”

3 Show support & learn more

“That sounds interesting. Tell me more..”

4 Gain commitment & support

“Great, so how do we add that to our analyses .. Do you think you could help with...”

WHAT IT IS

MAKING THE CASE
FOR CHANGE

IMPLEMENTATION
STEP-BY-STEP

SELF-ASSESSMENT

SUCCESS STORIES

SELF ASSESSMENT IMPLEMENTATION CHECKLIST

Have you...	If yes, move on to the next question! If no, refer to the following:
<ul style="list-style-type: none"> <input type="checkbox"/> Identified issues / opportunities which have significant business impact? <input type="checkbox"/> Shortlisted and prioritised the issues / opportunities based on potential value / savings they offer and difficulty of running the projects? 	<p>Step 1: Establish The Business Case to Solve for</p>
<ul style="list-style-type: none"> <input type="checkbox"/> Made a list of stakeholders associated with the issues / opportunities and gathered their insights? <input type="checkbox"/> Generated hypotheses of the projects? <input type="checkbox"/> Together with the stakeholders, planned the methodologies and identified potential source of data to test the hypotheses? <input type="checkbox"/> Created a project plan and established ownership? <input type="checkbox"/> Analyse the data and generated insights and recommendations? 	<p>Step 2: Design Your Analysis Before Collecting Data</p>
<ul style="list-style-type: none"> <input type="checkbox"/> Turned your insights into actions or commitments to make the necessary changes? 	<p>Step 3: Distinguish Insights from Action</p>

WORKFORCE ANALYTICS

SELF ASSESSMENT: WHERE ARE YOU & HOW YOU CAN GET TO THE NEXT LEVEL

WHERE IS YOUR ORGANISATION AT?

BUDDING	ASPIRING	GROWING	MATURING	THRIVING
<ul style="list-style-type: none"> • Intuition and personal experiences are favoured over fact-based analysis • HR does not use data to solve people related questions 	<ul style="list-style-type: none"> • Starting to use data and analytical processes to inform people related decisions • Reporting basic static metrics on a reactive basis 	<ul style="list-style-type: none"> • Leaders recognise the value of data-driven decisions • HR uses data to identify people related questions • HR generates standardised, ongoing workforce reports 	<ul style="list-style-type: none"> • Leaders rely on data to make business decisions and are investing in building analytical capabilities in the organisation • HR uses data to prioritise people related questions 	<ul style="list-style-type: none"> • Leaders are driving an analytical culture to improve decision making • HR uses data to resolve people related questions • HR conducts a variety of predictive techniques to pre-empt future events

WHAT DO YOU CAN CONSIDER DOING...

<ul style="list-style-type: none"> • Collecting and using data to solve people related questions • Leveraging on analytics to report basic static metrics 	<ul style="list-style-type: none"> • Proving to leaders the value of making data-driven decisions and investing in analytical capabilities • Using data to identify people related questions • Leveraging on analytics to generate standardised, ongoing reports 	<ul style="list-style-type: none"> • Convincing leaders to rely on data analytics to make business decisions • Using data to prioritise efforts in resolving people related questions • Leveraging on analytics to conduct segmentation and correlation analysis 	<ul style="list-style-type: none"> • Encouraging leaders to drive an analytical culture to improve decision making • Using data to resolve people related questions • Leveraging on analytics to conduct predictive techniques to pre-empt future events 	<ul style="list-style-type: none"> • Supporting leaders to drive an analytical culture • Tracking returns on investment from resolved people related questions • Constantly testing and improving HR's predictive analytical capabilities
---	---	---	---	--

ADDITIONAL RESOURCES FOR YOU

- What do we mean by 'HR analytics'?
 - <https://select.mercer.com/blurb/333853/>
- Moving towards predictive analytics in HR
 - <https://select.mercer.com/blurb/361980/>

WHAT IT IS

MAKING THE CASE FOR CHANGE

IMPLEMENTATION STEP-BY-STEP

SELF-ASSESSMENT

SUCCESS STORIES



COMPANY BACKGROUND

INDUSTRY	EMPLOYMENT PROFILE	FEATURED PRACTICES	TRIPLE STRONG FACTORS
Financial and Insurance Activities 	<ul style="list-style-type: none"> Average Tenure: 8.5 years Average Age: 38 year old % Female: 59% % Foreign Worker: 7.8% 	<ul style="list-style-type: none"> Workforce Analytics Performance Management Career Development 	<ul style="list-style-type: none"> Provides Flexible Work Arrangements Develops Local Leaders Encourages Skills Upgrading Reskills at-risk Employees

HUMAN CAPITAL PRACTICES AND BUSINESS RESULTS

	CHALLENGES	KEY CHANGES	RESULTS
<p>Workforce Analytics</p> <p>Utilisation of predictive analytics to reduce employee attrition rate</p>	<p><u>Industry Dynamics</u></p> <ul style="list-style-type: none"> Group employee voluntary attrition at ~13% average per year and cost the Bank \$47.5m average per year. 	<p><u>Implemented Predictive Analytics for Employee Attrition</u></p> <p>Implemented HR predictive model to generate insights on what a typical employee who have resigned look like. This in turn provides a deeper understanding on the possible profiles of employee at risk.</p> <ul style="list-style-type: none"> The predictive model runs on a monthly basis to flag out employees who are at a higher risk of leaving for managerial intervention. 	<ul style="list-style-type: none"> Provides a proactive nudge to managers to have a “check-in” conversation with flagged employees at the right time. With predictive analytics, we are able to pick up 60% more attriters; and with manager’s proactive intervention, we are able to achieve a lower attrition rate by 20%.

WHAT IT IS

MAKING THE CASE FOR CHANGE

IMPLEMENTATION STEP-BY-STEP

SELF-ASSESSMENT

SUCCESS STORIES

SUCCESS STORIES – HOPE TECHNIK



COMPANY BACKGROUND

INDUSTRY	EMPLOYMENT PROFILE	FEATURED PRACTICES	TRIPLE STRONG FACTORS
Professional, Scientific and Technical Activities 	<ul style="list-style-type: none"> Data is not provided 	<ul style="list-style-type: none"> Workforce Analytics Performance Management Career Development 	<ul style="list-style-type: none"> Redesigns Jobs for Older Workers Provides Flexible Work Arrangements Encourages Skills Upgrading Reskills at-risk Employees

HUMAN CAPITAL PRACTICES AND BUSINESS RESULTS

	CHALLENGES	KEY CHANGES	RESULTS
<p>Workforce Analytics</p> <p>Utilisation of predictive analytics to increase business profitability</p>	<p><u>Company Dynamics</u></p> <ul style="list-style-type: none"> As a project-based organisation, each project would have its own set of requirements in terms of manpower quantity and their skillsets. Therefore, the challenge Hope Technik constantly faces is balancing manpower and utilisation across projects 	<p><u>Installed Work Bench System</u></p> <ul style="list-style-type: none"> Installed a Work Bench System to track projects that their employees are working on and the hours they spend on each project including their competencies and skillsets Hope Technik utilises the data extracted from Work Bench to gain insights on business development, company revenue, employee availability and employee productivity. The company also developed macros-enabled excel spreadsheets to provide management live updates of these metrics 	<ul style="list-style-type: none"> Greater accuracy in costing for projects, giving the company an edge when bidding for clients Enabled leadership to make agile business decisions on manpower as necessary

WHAT IT IS

MAKING THE CASE FOR CHANGE

IMPLEMENTATION STEP-BY-STEP

SELF-ASSESSMENT

SUCCESS STORIES