Better People Analytics:
How to Scale Your People Decisions
Data-driven talent decisions need to happen at scale

People analytics emerged in the 2000s as the focus of a few innovators chasing moonshot projects. But it is no longer a niche, exploratory practice: More than half of companies expect their people analytics technology investment to increase in the next 18 to 24 months, according to a 2020 Insight222 report.

When the global pandemic hit, organizations that already had this capability in place were better equipped to reshape and mobilize their workforces. Moving into recovery, data-driven people decisions will continue to be core to organizational health as more businesses pivot to new business models and seek to move the needle on diversity and inclusion.

Organizations that do not plan to accelerate—let alone start—their people analytics journey risk falling behind the pack. Adoption is expanding—not just to new organizations—but to new kinds of decision-makers within organizations.

People insights used to be reserved for senior HR and business leaders, but they are becoming more accessible to line managers who use the data to make better decisions about hiring, compensation, and employee development. Business impact does not come from a single leadership decision—it is the result of many day-to-day, evidence-based talent decisions.

As Visier’s customers have learned, achieving this kind of scale doesn’t have to be a painful process. In this paper, you will discover:

- The benefits of scaling people analytics to the right decision-makers and the technology traps to avoid
- How organizations are using Visier to execute simple problem-solving frameworks
- Criteria for selecting the right people analytics partner so you can accelerate your journey cost-effectively

The anatomy of informed people decisions

There are two critical enablers of evidence-based people decisions at scale:

Automation:
This is not about letting robots call the shots. It’s about automating processes that would typically be manual, delivering answers so that they are not “stuck” inside the reporting or data science teams. Automation plays a key role in enabling managers to self-serve for tasks that were taking time in the past, such as accessing headcount information, list of starts and exits, and understanding who deserves a pay change.

Scale:
Scale refers to the audience that people analytics will reach—who can make decisions with the data, and how often. Positive employee experiences are delivered through managers who can have conversations based on timely evidence, instead of gut feel. This means that line managers, in addition to HR and senior management, need access to the insights.
The business benefits of scaling people analytics

A properly-scaled people analytics implementation puts insights into the hands of all the right decision-makers:

- Since implementing Visier in 2016, Merck KGaA has grown its user base to a network of 3,500 users, which includes the entire management population of business and people leaders, plus the HR function. Line managers make up 3,000 of these users.

- At Pitney Bowes, over 400 HR, business leaders and line managers use Visier to make decisions based on a holistic, accurate view of the employee life cycle.

The thousands of decisions that business executives, HR leaders and line managers make every day have a cumulative impact on organizational performance. Consider how biased decisions can affect diversity numbers over time, putting an organization at higher risk of bad press—or even legal challenges. With new SEC disclosure rules for human capital measures, companies can now be sued by shareholders over people issues, such as pay inequity, that impact share price.

Or consider how, before using a people analytics solution, hospital units at a major healthcare provider would open requisitions based on gut feel. Now, with a people analytics solution in place, unit managers can only open a requisition if the data shows productivity is above a certain threshold, thus enabling cost-effective, quality patient care.

With the right approach, business leaders can feel secure knowing they are providing the right people with the best possible insights.
History of people analytics

First Wave
Pre-Analytics (Early 2000s):
With the exception of a few innovators, HR departments are not delivering true analytics at this stage. They are mainly using isolated metrics to tell a story about HR activity, asking questions like: How many people did we hire this month? How many people left this month? How many performance improvement plans did we close out this month?

Second Wave
Strategic People Analytics (2010-2019):
This is the time when organizations start to answer the business questions associated with the HR activity: Why are people leaving the organization? How is this impacting profitability? More systems are added to the HR function, and the data becomes more complex. HRBPs often use the insights to help manage the talent within their business units, but some early adopters are also scaling this approach to line managers.

Third Wave:
Strategic People Analytics at Scale (2020-):
Increasingly, organizations are equipping line managers with standardized insights—in the same way that all budget holders have access to financial insights—to run the people side of the business better. Understanding employee growth and productivity is central to keeping the business agile and thriving.
3 steps for decision-making with people analytics

Organizations are systems with many moving parts, and the human brain hasn’t evolved to understand complex systems intuitively. Talent issues, such as a lack of diversity or skills shortages, are particularly difficult to address using gut feel.

With people analytics, trends that can’t be seen with the naked eye become visible, and organizations can define and solve complex talent problems. There is also a process managers can follow to solve day-to-day talent issues that arise within their teams.

For one Visier customer, a technology organization, pay is a key factor in retaining the best people, meeting deadlines and building the business. However, when the organization let managers make their own decisions around pay increases, it led to inequity, dissatisfaction and churn among employees.

To address this issue, they implemented a framework that enabled managers to make more informed compensation decisions using the following steps:

1. **Ask**
   Using Visier, managers and HRBPs can ask: How does the pay of this individual (salary and benefits) compare to their peers—both within and outside their team?

2. **Align**
   With people analytics, managers and HRBPs make informed pay decisions that align to the market and internal compensation structures—without having to involve a large group of people and custom data work in every decision.

3. **Act**
   The managers can have better conversations with teams about compensation and regularly act with confidence. All the technical team had to do was make sure the data in the core data model was up to date and correct.
Simplify your path to people analytics

When determining how to get started with people analytics, many HR teams face a tough choice: build a people analytics platform to meet their data needs—or purchase one.

But ask any leader who has implemented a custom people analytics solution created in-house at previous employers, and you will hear about the pain it creates: the high cost of a bespoke solution and the demand this project would place on IT.

“By the time we would have had something almost comparable with Visier up and running, we would have been outdated already. Investing in a best-of-breed and very focused talent analytics solution will help us move quicker and deliver best practice in the long term.”

Ampie Swanepoel, Head of Reporting and Analytics – Human Capital at Standard Bank Group

“I’ve built BI and Decision Support Systems for over three decades, and the remarkable ease that it took in getting our data into Visier and into production—in a short amount of time—was quite remarkable for me.”

HR Technology and Analytics Leader

With a pre-built people analytics solution that comes with curated analytical content and defined workflows, hundreds of HR metrics are already modeled as best practices. When HR chooses to buy an analytics solution, not only is the setup time 18 months faster than a custom solution, but the HR team will quickly see the ROI through new insights and standardized tracking across the organization.

Why relying on a data warehouse prevents scale

Relying on a data warehouse for your analytics needs will only get in the way of getting insights into the hands of the right people. Here are the top reasons why:

• When building a people analytics capability in-house with BI tools, IT needs to create a data extraction tool, data storage system, analytic engine, report writer, a visualization tool, secure sharing system, and more. It typically takes over a year to build even a basic solution.

• There is so much work downstream from these data stores that they cannot support the delivery of analytics to every people manager in a reliable way. Ever-changing hierarchies, security requirements, and benchmarking data needs are not easily supported by a data warehouse or a data lake.

• Working with a generic data warehouse, HR analysts need to manually define how metrics are resolved and determine the information that is required. This prevents HR, business leaders, and managers from working with apples to apples comparisons.
How to select the right people analytics partner

Picture this: all of your key decision-makers are able to quickly answer their most pressing talent questions, have more meaningful conversations with teams and take evidence-based action. But getting to this point requires the right technology environment. When evaluating whether a particular vendor can meet your needs, ask the following:

**Does the solution provide standardized cross-company benchmark data?**
Visier can aggregate and deliver cross-company benchmark information, providing a layer of insight that is not possible to gain when only working with an organization’s internal data.

**Is the vendor testing, validating and constantly improving data predictions in the box?**
Data science skills remain in incredibly short supply. Visier can deliver predictive analytics leveraging advanced Artificial Intelligence techniques so you don’t have to overload your data scientists.

**Does the vendor provide tightly linked security based on existing HR knowledge?**
Unlike a classic data warehouse, the best people analytics vendors have connected their security to the position a user holds as an employee. This can simplify the security management and distribution of analytics to managers across the organization.

**Does the vendor provide topical and market-reactive content?**
Visier has its pulse on new regulations and changes to best practices across HR worldwide. We will deliver new and topical analysis and insight to keep your HR team ahead of these changes.

**Is the vendor conscientious about data governance and protection?**
With GDPR and CCA, the rules for governance are changing quickly. An informed partner can help ensure you remain compliant.

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**Data transparency**
Visier takes a holistic approach to protecting customer data, and our practices draw upon industry best practices, global regulations, and information security and data privacy frameworks. Our Information Security, Data Privacy, Legal, and Governance, Risk and Compliance (GRC) teams work closely together to ensure we always:

- Meet applicable legal and regulatory obligations,
- Maintain and enhance a robust internal control environment, and
- Fulfill the commitments we made to our customers.
People analytics at scale:
The acceleration of a shift

Shepherding teams of people through a post-pandemic world will not be an easy feat. Business leaders will need to maintain employee trust against the backdrop of social unrest, technological disruption, and shifting consumer habits. Data-driven decision-making—along with a focus on skills, transparency, and agile practices—is a core imperative for the future of HR.¹⁰

Real-time people insights enable organizations to stay agile and thrive, no matter what the future has in store. Every day, an increasing number of key decision-makers are getting the insights they need to make informed decisions about who to hire, who to reskill and who to promote. Visier is helping them.

The move towards people analytics at scale is not a passing fad, but the acceleration of a trend that has been building for nearly two decades.

Isn't it time your organization joined in?
Endnotes

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About Visier

Visier’s purpose is to help people see the truth and create a better future, now.

Visier was founded to focus on what matters to business people: answering the right questions, even the ones a person might not know to ask. Questions that shape business strategy, provide the impetus for taking action, and drive better business results.

Visier delivers fast, clear people insight by using all the available people data—regardless of source. With best-practice expertise built-in, decision-makers can confidently take action. Thanks to our amazing customers, Visier is the market leader in Workforce Analytics with 5,000 customers in 75 countries around the world.

For more information, visit visier.com