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People Analytics allows organisations the ability to leverage data in order to make informed people decisions amid today’s dynamic environment. With the help of predictive and prescriptive analytics capabilities, organisations can enhance people experience and optimise every stage of the employment lifecycle; whether it’s through improving the quality of talent acquisition and retention through data-driven profiling, maximising people engagement and collaboration, personalising L&D and reward schemes or optimising workforce productivity. Yet for that to materialise, organisations need to consider five key questions related to their People Analytics journeys.

Five key considerations that can help make your People Analytics journey more successful

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Do we have a well-articulated and clearly defined People Analytics strategy?

In order to introduce, embed and sustain a high-impact People Analytics practice within organisations, HR leaders need to ensure that they have a clear and coherent People Analytics strategy that is aligned to the overall organisational strategy. In doing so, leaders need to ensure the clarity and comprehensiveness of five key dimensions:

**Vision & strategic direction**
Articulating the vision and purpose not only from an HR lens but also from a wider organisational lens while defining SMART objectives and impact metrics that link directly to the organisational aspirations.

**Operating Model**
Defining the delivery model including the governance, operational processes, team composition and focus areas and how People Analytics will act as an ‘enabler’ to further strengthen the HR value proposition.

**Offerings**
Providing stakeholders with measurable means to showcase how the People Analytics service offering will help resolve organisational issues, enhance people experience and create value for all concerned stakeholder.

**Technology**
Determining and selecting the most suitable technologies and applications while ensuring proper integration of systems and databases in order to maximise people collaboration and help realise the desired impact.

**Capabilities**
Defining the ‘new world competencies’ needed for the HR workforce to achieve the desired strategic outcomes and identifying related L&D activities and staffing strategies to close any capability gaps.
Data that resides across different HR systems and is in different forms (electronic data such as Excel spreadsheets and other hard-copy documents) is very difficult to use and derive insights from. A successful People Analytics journey heavily relies on whether there is a Master Data Management System to provide a unified source of reliable, accurate and up-to-date people data. The integrity of the data is key to deriving insights that can support decision making.

Technology is a key enabler to People Analytics and should align to the People Analytics strategy and desired outcomes. HR leaders should define whether they are investing in the right technologies at the right time or not. The ‘right’ technology ensures that the solution is chosen to resolve identified organisational problems and creates a ‘wow’ factor for end-users whereas the ‘right’ time is driven by viability and feasibility considerations. Leaders should also bear in mind the importance of effective digital data governance, quality and availability in selecting the right technologies to deploy.
Having the right capabilities is as important as adopting the right technology. Hence, HR leaders need to upskill their HR workforce to augment their digital and analytics skills while bearing in mind that HR professionals also need to have deep sectoral knowledge, commercial acumen and HR expertise to ensure that the HR function can become a true ‘Strategic Business Partner’. To upskill HR professionals’ digital and analytics capabilities, organisations can invest in L&D initiatives and platforms that offer continuous, adaptive and agile learning experiences. Organisations can also establish ‘SME Exchange’ programmes and share expert resources amongst them to help transfer knowledge and build know-how. Lastly, as People Analytics teams start to shape up, organisations can recruit talent with specialised data science and analytics capabilities to drive the People Analytics agenda forward. Regardless of the L&D strategy and capability growth mechanism, organisations should focus on new critical competencies – such as communication and storytelling, adaptability, evidence-based decision making, design thinking, agile learning, innovation and employee experience to name a few – while developing their HR workforce.

HR leaders should play an important role in brokering and facilitating change relating to the adoption of technology and data analytics applications. Indeed, they need to effectively communicate and demonstrate the value People Analytics creates to the wider organisation and not only focus on its impact on HR or employees. Technology disruption is continuous and, therefore, the change management process is also continuous. An organisation’s ability to keep up with change is today’s competitive advantage. In order to drive successful change management, HR needs to reposition itself to a ‘Change Driver’ and should aim to adopt an agile approach to change and mindset management. Piloting small initiatives across the organisation, engaging end-users, experimenting with solutions and then scaling up as opposed to embarking on large-scale transformation programmes is advantageous. This will also pave the way for continuous learning and increased buy-in as impact is established faster.

Addressing these five questions will allow organisations to establish a roadmap for the journey, define key gaps to focus on and improve their overall competitive advantage. To support organisations’ decision making, growth and value maximisation, future HR operating models will need to be underpinned by a data-driven mindset. This is the future of people management.
The five questions we’ve highlighted above first appeared in the PwC Middle East whitepaper ‘The power of data’ published in October 2020. Find out more here.

If you would like to know more about how we can help, visit us at www.pwc.com/me or get in touch.

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