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Assessment and
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How are Organisations *really* using Talent Analytics?

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Introduction

The increasing importance of data in driving HR has been well-reported, with Bersin¹ predicting in October 2015 that growth in the area is likely to increase exponentially over the next few years. Recent publications, such as Mercer's 2016 HR Trends Study², and Deloitte's Global Human Capital Trends Report 2016³, have highlighted predictive analytics as critical to the development and future of HR.

Despite the recognition of its importance, it is clear that many HR teams are struggling with the challenges of this new area, in terms of accessing data and expertise to answer the questions that need to be answered (CIPD⁴).

To gain further insight into the current status of talent analytics, **a&dc** initiated a survey, which was distributed to HR Directors and 'Heads of' HR functions/departments in March 2016.



Respondent Profile

Sectors

Survey respondents came from a range of sectors, shown in Figure 1 below:

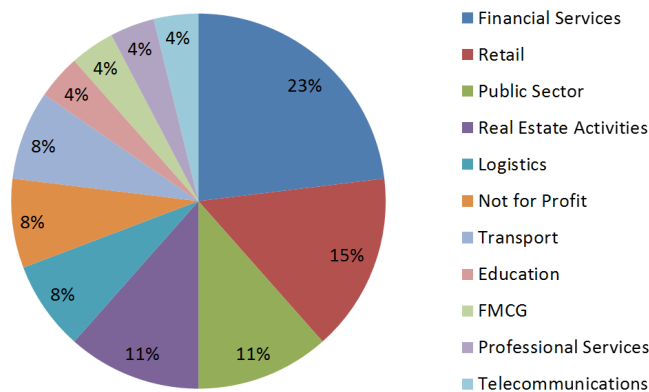


Figure 1: Survey respondents by Sector

Job Roles

41% of respondents were HR Directors or Heads of HR. The remaining respondents had a variety of relevant roles including: Head of People Development & Engagement; Head of HR Analytics; HR Business Partner; Resourcing Development Manager; Global Head of Talent Analytics and Workforce Information Manager.

Data Currently held on Employees

Respondents were asked to indicate what data they currently hold on their employees. They could select as many options as applied from the list provided. The proportion of respondents selecting each option is shown in Figure 2 below.

A wide range of data was held on employees, with some (such as salary information, performance appraisal, turnover and role level/grade) being held in nearly all cases, and others held less commonly (eg promotion data, psychometric, development centre data).

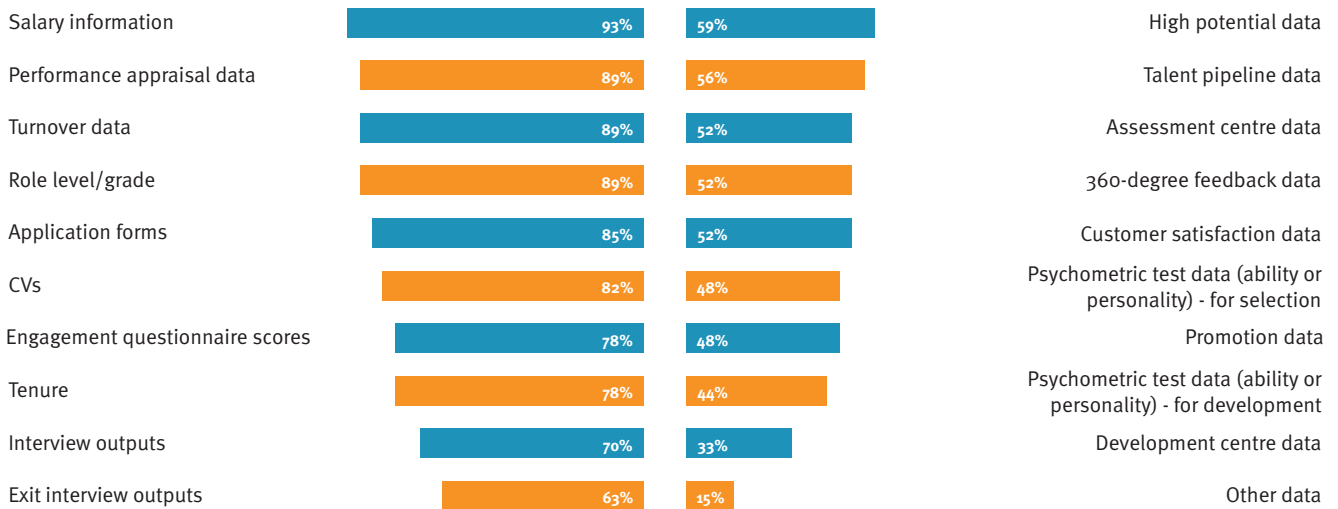


Figure 2: What data does your organisation currently hold on its employees?

Respondents were asked to indicate whether their people data was held in one system. The responses to this question are shown in Figure 3 below:

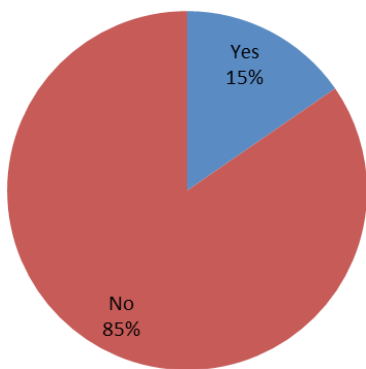


Figure 3: Is all of your organisation's people data held in one system?



The vast majority (85%) of respondents indicated that their organisation’s people data was not held in one system. Those who responded to this effect were then asked to indicate how useful it would be to hold all of their people data online in one system. Their responses are shown in Figure 4 below. Although the option ‘Not at all valuable’ was also presented, this was not selected by any of the respondents and hence does not appear below – ie *all* of the respondents to whom this question applied indicated that this would be useful *to some degree*:

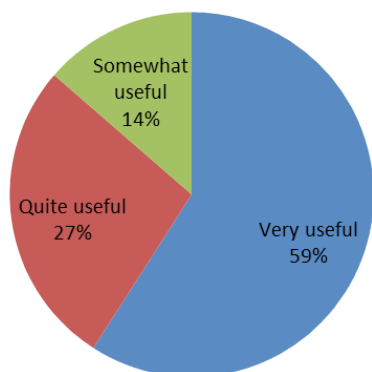


Figure 4: How useful would it be to hold all of this [people] data online in one system?

Respondents whose data was not held in one system were also asked how valuable it would be if an online system that held people data also allowed for the analysis of this data and key business metrics. Their responses are shown below. Although the options ‘Somewhat valuable’ and ‘Not at all valuable’ were also available, these were not selected by any respondents. Therefore all respondents to this question indicated that this would be at least quite valuable, with the vast majority (81%) indicating that this would be very valuable:

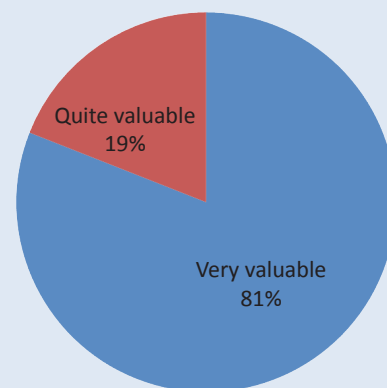


Figure 5: How valuable would it be if this system also allowed you to analyse relationships between your people data and key business metrics?



Value of Different Levels of Analytics

Respondents were asked how valuable the ability to conduct different levels of analysis of employee data would be. The levels presented were based on Bersin’s model of talent analytics maturity⁵. Their responses are shown in Figure 6 below. In each case the majority of respondents indicated that this would be ‘quite’ or ‘very valuable.’ The least valuable was seen to be ‘Reactive’ analysis.

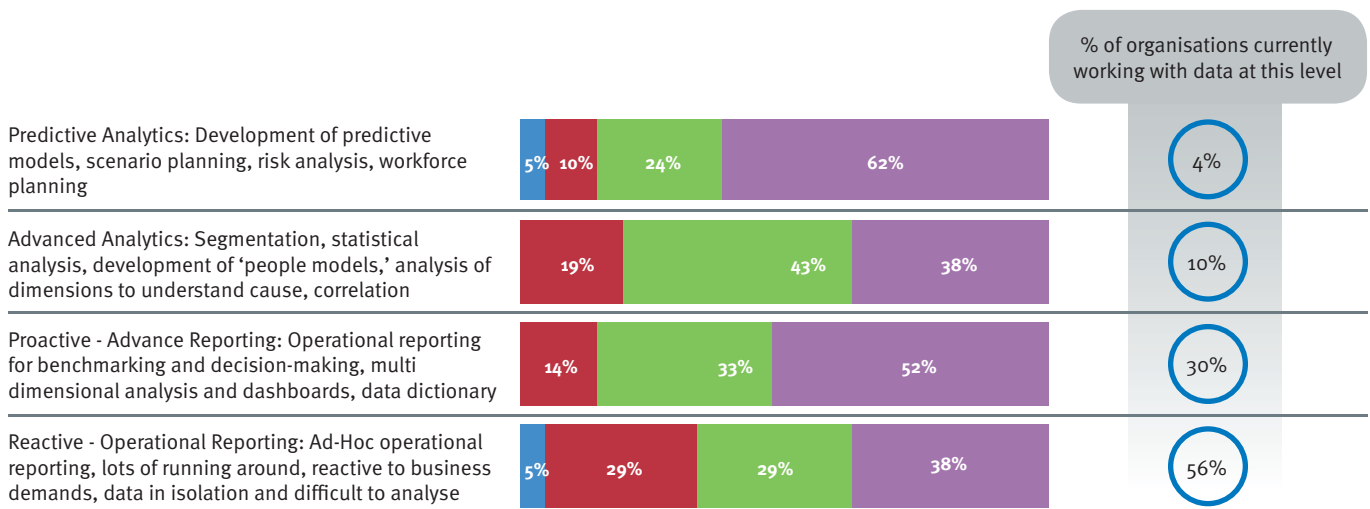


Figure 6: How valuable would the capability to conduct analysis of your employee data, at each of the following levels, be to your organisation?

- Not at all valuable
- Somewhat valuable
- Quite valuable
- Very valuable

These findings are particularly notable in light of the Bersin research regarding the extent to which the four levels are used, shown in the grey column. Whilst it is clear from our own research that significant value is seen in all four levels of analysis, Bersin’s findings show that the majority of organisations are, in practice, currently focused only on analysis at a reactive level, with very few engaging with the higher levels of analytics covered in the model. This again suggests there are barriers that exist for organisations around maximising the value of the people data that they hold.

References

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Mission: Providing the greatest certainty about talent in an uncertain world

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