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# People Analytics: HR's Most Important Asset

With Paul Harty, Chief Solutions Officer, Sevenstep

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The average HR team sits on a goldmine of data. From recruitment data to performance reviews, staff satisfaction data, productivity data, and training data, HR leaders measure every aspect of the employee experience throughout the duration of the entire lifecycle of an employee. And now, technology is helping the HR function go even further, integrating disparate systems to create data insights that propel business growth while making employees happier. Paul Harty, Chief Solutions Officer of Sevenstep, offers his perspective on the current and future uses of data and analytics in the HR function.

**Q: How are innovations in data science transforming HR's role in the organization?**

**A:** The availability of data surrounding prospective and current employees has never been richer. With robotic process automation (RPA) and artificial intelligence (AI) technologies, HR is automating transactional work and allowing senior HR leaders to focus on strategy. As a result, the HR function is becoming even more segmented, manifesting in the emergence of new departments and titles like "people officers" and "happiness officers" that focus on people-oriented outcomes. These are real jobs that aim to drive organizational change and solve people-related problems by leveraging data to understand how employees operate and what makes them successful.

**Q: What are some new ways that today's HR leaders are using data?**

**A:** Companies have become highly adept at integrating data from multiple systems across the organization, resulting in a more holistic view of the workforce that informs new recruitment practices. For example, mapping HRIS data with learning and development (L&D) metrics is enabling better workplace planning, revealing strengths and skill gaps within the existing workforce and giving HR leaders a clearer view of their talent pools.

Sometimes, the best candidates are the ones already in your organization. Companies that are truly utilizing HR to advance their businesses are integrating employee performance and L&D data with succession planning and skills development programs to retain and develop existing internal talent. Hiring managers are no longer only seeking external candidates—there

has been a massive emphasis on mobility, performance management, retention, and career development to better utilize internal resources.

The focus inward increases the retention and commitment of employees who now feel like the company is invested in their career development. This is especially true for the growing millennial population, for whom career development is ranked higher in importance than job security.

**Q: What are the most valuable metrics for HR teams to collect?**

**A:** Similar to 20 years ago, today's CHROs want to make more informed decisions. Only now, the metrics they are trying to collect are related to what make people successful within a company's specific ecosystem. Instead of looking at outside experience, they are gathering data from high performers within the organization, making determinations around key success factors, and using those factors to inform hiring decisions.

Most of this data exists in modern, large companies already. It can be found in CRM, ATS, HRIS, and L&D systems, for example. The key is tying it all together to map the full lifecycle of an employee's journey—from the first outreach to the exit—and then analyzing organizational trends to identify points of success or failure.

One of the biggest challenges is that many of these systems are "owned" by different business units, so HR leaders need to ensure that the departments that own these systems are unified in their understanding of the organization's data and analytics strategy. Each department should be aware of the C-suite's priorities and the different kind of data leadership needs in order to make better business decisions.

Three examples of insightful metrics:
**Retention Per Manager** - Managing turnover rates at the manager level provides insight into potential investment and development opportunities for managers and employees by department.

**Talent Turnover Rate -** Turnover is too broad. HR leaders need to measure turnover by high potential and lesser potential employees.

**Employee Productivity Index** - We need to track achievements and accomplishments. We live in a world where work days are split between the office, home, and travel and tracking performance by hours worked is outdated.

**Q: What is the future of data and analytics in HR?**

**A:** As "people data" continues to become more sophisticated, we'll see it used as a tool to make technology more intelligent. More and more of our daily tasks will be automated, providing us all with the opportunity to spend more time making decisions, managing people, and developing ourselves and our employees. We'll also see RPA and natural language processing continue to advance in supporting our efficiency efforts. I think true AI will emerge over time to support our decisions rather than completely supplant humans from the important decision making that is required to run a business. The prospect of having AI analyze data points to confirm the direction a human is intuitively heading in is both empowering and validating. I also think that as virtual reality becomes more cost effective, more companies will adopt it as a key training and development tool that will map perfectly with the next generation of employees who have never lived without the internet, gaming, or cell phones.