



VISIER VALUE REPORT

THE AGE OF PEOPLE ANALYTICS 2021: PRACTICES LEADING TO VALUE FROM PEOPLE ANALYTICS MATURITY



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1.0 Executive summary

This survey was conducted from May to July 2021 to determine if Visier customers have continued to advance their people analytics practices, and to provide guidance so those newer to people analytics can learn from those that have more experience. The survey found that advanced organizations:

1. Utilize more people analytics solutions ranging from Visier to specialist statistical tools, employee experience and listening solutions, organizational network analysis, and more
2. Use a wider range of analytics topics and integrate more data sources, especially from outside HR systems
3. Extend usage to more stakeholders within the organization, and especially to people managers, and also have larger people analytics teams with more sophisticated roles
4. Foster a data-driven culture of decision-making through change management practices

These four basic maturity characteristics are examined throughout this report. Additionally, the following findings are highlighted:

Visier customers financially outperform their peers.

This outperformance occurs not simply because the organization has adopted people analytics, but rather because the organization has reached a high level of maturity in its people analytics solutions and practices. The ratio of people analytics team members to the entire business that they are serving has changed, meaning Visier customers are approximately twice as productive as organizations using other solutions, delivering as much or more value with a smaller (although growing) team size.

Adopting people analytics is related to better business outcomes. We show, through a value chain analysis, that the connection between adopting people analytics solutions and the aforementioned characteristics and practices is indirectly related to improved financial outcomes through improving human resources, talent outcomes, and business outcomes.

Serving people managers is the new focus of advanced organizations. While none of our customers rolled out to people managers first, more than half would do an “enablement 2.0” effort, a second rollout, which focused exclusively on people managers. Advanced organizations also more frequently serve people managers (50% versus 28%). Even emerging organizations are engaging with people managers as allies, which is a change from 2018.

Mature organizations use more people analytics solutions including Visier and others, more topics covered, more user types, and more data sources.

Additional characteristics of maturity include moving from operational reports towards on demand data delivered and used by a broad range of users. Advanced organizations also have a culture of change management surrounding implementation to instill a pervasive data-driven culture.

This report’s in-depth analysis of organizations with mature (advanced) people analytics will provide a blueprint for organizations who are just beginning their people analytics journey (emerging) to develop better practices. It provides an overview of the value organizations derive from people analytics to inspire organizations to make internal improvements and work toward maturity and the value it delivers. Reviewing the characteristics of the more advanced organizations offers a guide and inspiration to any organization just getting started on their people analytics journey.



2.0 Survey demographics and approach

Visier conducted a survey of its customers, achieving 80 responses from 62 unique organizations. Leaders with a range of people analytics responsibilities from a variety of industries responded to the survey to help explain what determines maturity and to demonstrate its value.

These organizations employ 2.7 million employees with an average employee size of 43,000. They range in size from ~1,000 to 600,000 employees. Industry cohorts range from financial services to retail as shown in Figure 1.

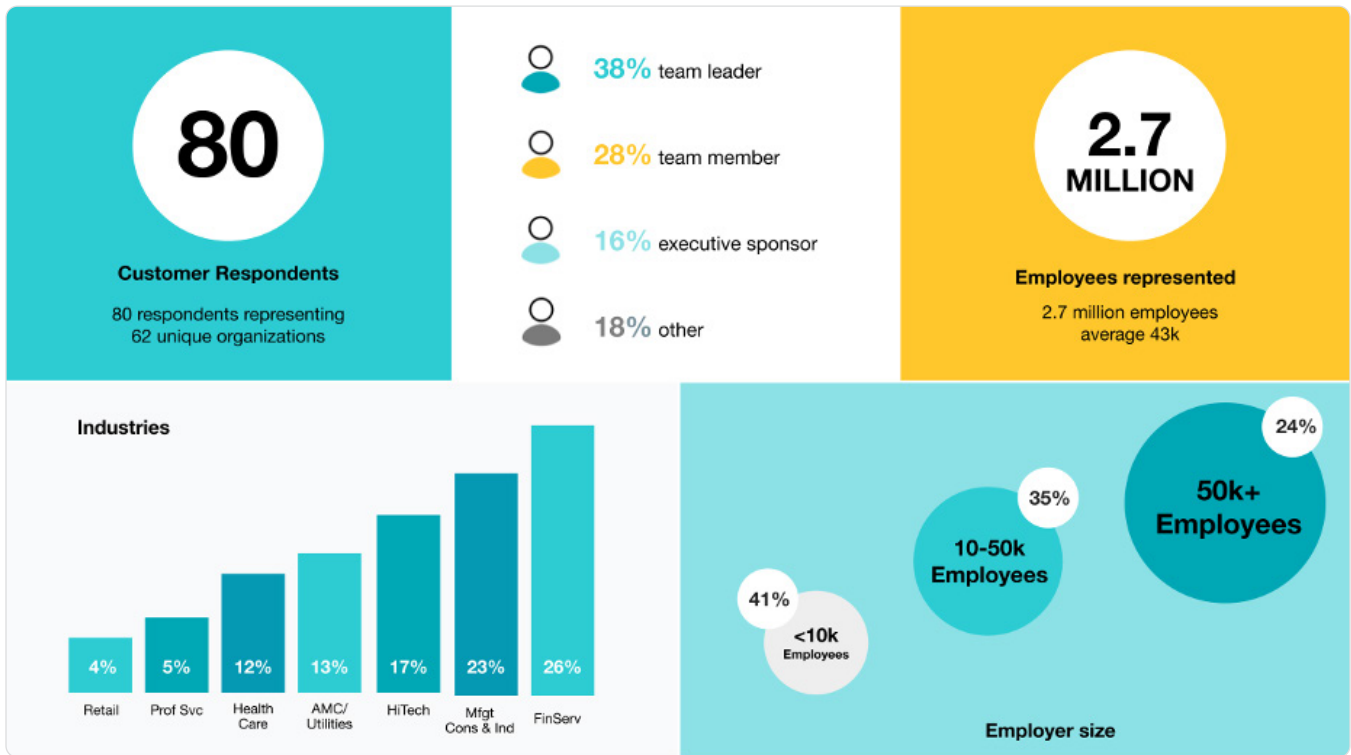


Figure 1: Demographics of survey respondents.

By looking at Visier customers’ adoption of people analytics from both 2018 and 2021, we can track their journey to greater maturity and the achievement of value. But first, let’s give an overview of some of the terms used.



2.1 Emerging versus advanced

A key part of this analysis was dividing the groups into two sets of respondents: those with mature people analytics processes—named as “advanced” organizations, and those beginning their journey to maturity which we call “emerging” organizations. The designations of advanced and emerging are based on a self-report of the people analytics process maturity of respondents:

Emerging

Manual: Paper or spreadsheet-based, non-standardized, and/or reactive

Effective: Transaction/report/dashboard-focused

Advanced

Effective: Strategically-focused beyond simple reports and metrics, aligned, best practice

Transformational: Unique, stands above others, contributes to competitive advantage financially and as an employer of choice

In 2018, over one-quarter of survey respondents reported their level of maturity as effective or transformational, with the remainder reporting their maturity as efficient and manual. Visier customers reporting their level of process maturity as effective or transformational rose to 43% in 2021, with 14% transformational, double that in 2018. The remaining 57% report their maturity as being efficient or manual.

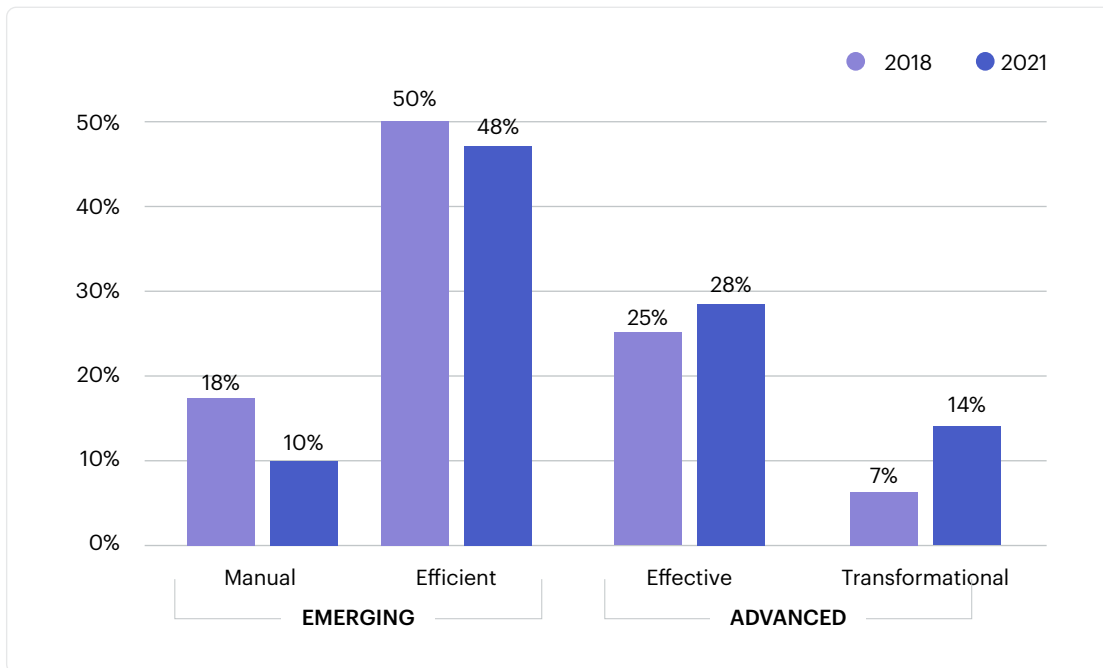


Figure 2: Visier customers continue to advance their people analytics process maturity.



2.2 Value chain analysis and the people analytics maturity index (PAMI)

An additional key approach to survey data analysis is a value chain analysis and establishment of a people analytics maturity index. The value chain analysis was started in 2014ⁱ and continued through numerous surveys, including the 2018 survey conducted by Visierⁱⁱ.

Many researchers can show that organizations adopting people analytics outperform those that have not when correlating those with and those without people analyticsⁱⁱⁱ. As shown later in Figure 6, Visier’s publicly-traded customers outperform benchmark financial metrics for all publicly-traded organizations.

This study proposes that it’s not just the adoption of people analytics solutions, but the combination of a set of

characteristics, which we call PAMI established in 2018, that enables organizations to improve key human resources, talent, and business outcomes. This, in turn, enables these organizations to achieve higher financial performance.

The HR and talent outcome most improved this year was HR’s ability to align with the business strategy. The most improved business outcome was HR cost efficiency.

While financial results in 2021 were strongly impacted by COVID, we still see some value chains that predict higher financial performance particularly for high-tech and manufacturing. The value chain analysis^{iv} provides an important causal analysis of the value from people analytics.

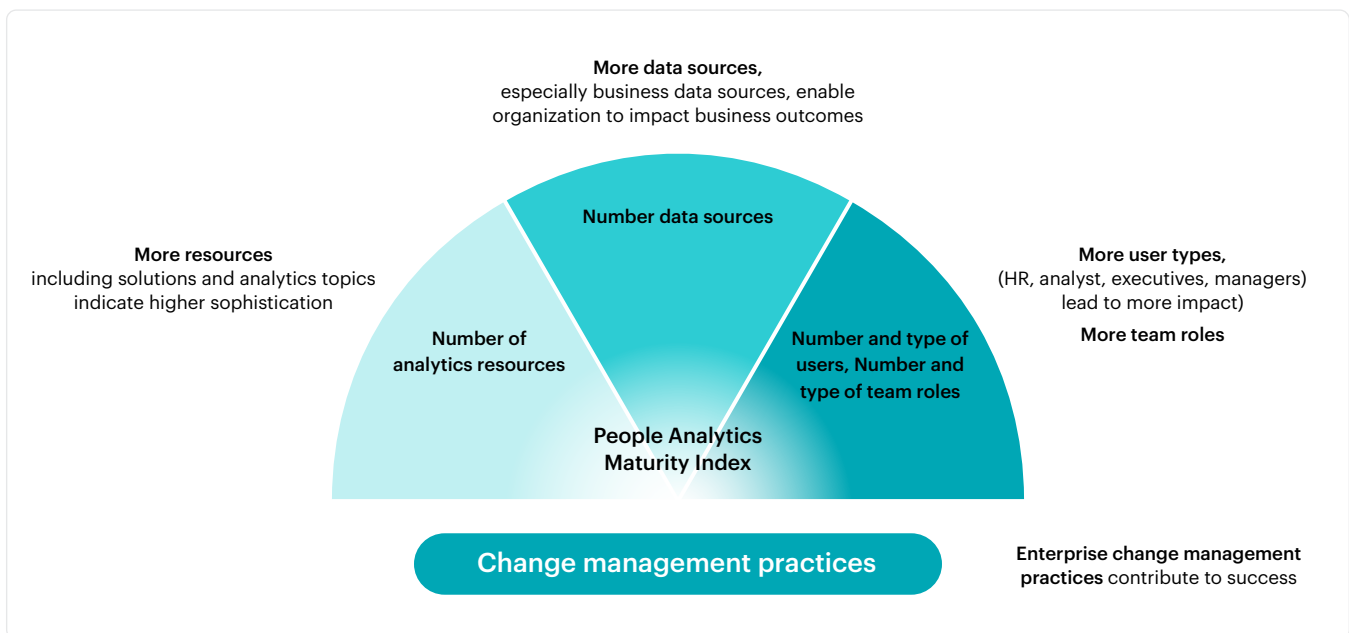


Figure 3: Visualization of people analytics maturity index.

The people analytics maturity index takes into account numerous factors to determine how mature an organization is. Simply adopting people analytics technologies is insufficient. PAMI looks at process maturity as self-reported by respondents, how data is used in making decisions, the solutions used, the

analysis topics, the audience (i.e. consumers or users), people resources allocated to the people analytics function, and change management approaches. The value chain analysis and the use of the people analytics maturity index offer a much deeper understanding of the value people analytics can contribute to an organization.



The pandemic was a disruptive event when it came to revenue and business results. This made it harder to find a strong causal link between people analytics maturity and financial performance. However, it was possible to prove two causal chains.

First, greater maturity, measured by PAMI, enabled HR to improve its alignment with business strategy over the past year. During COVID response, HR among mature organizations was aligned with the business around finding and retaining key talent, a key component of many organizations' business strategies during this time.

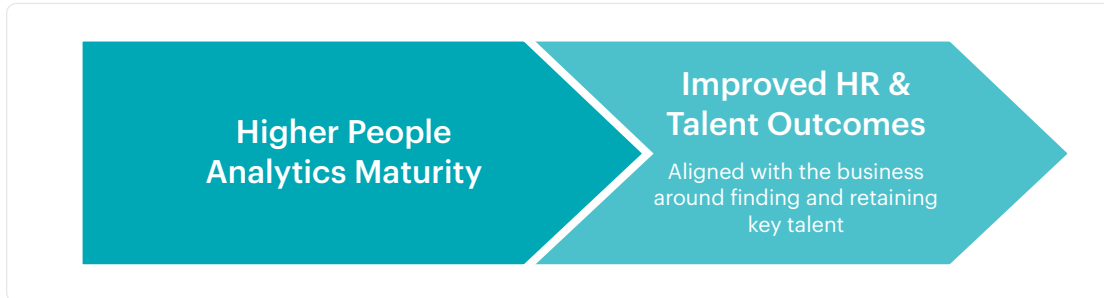


Figure 4: People analytics value chain analysis (1).

Second, for statistical certainty we wanted 30 organizations, but only had 28 publicly-traded organizations where we could get their financials to use in the value chain analysis. Nevertheless from the structural equation modeling work that takes into account industry variations, we see visual evidence that the value chain in Figure 5 fits the pattern for companies in the high-tech and consumer manufacturing industries.

Higher people analytics maturity that included the adoption of four key analytics topics predicts higher financial performance in these two industries. The four topics were turnover/retention, diversity and inclusion, employee engagement, and total cost of workforce. Organizations focused on improvement in these areas retained key talent, improved diversity and inclusion, maintained and improved employee engagement all while balancing cost efficiencies related to the total cost of the workforce.



Figure 5: People analytics value chain analysis (2).



3.0 Key findings

3.1 Visier customers outperform financial benchmarks

In this report, we compare the financial performance of publicly-traded Visier customers to benchmark data on all organizations on return on assets and profit margins. Return on assets is an indicator of how profitable a company is relative to its total assets. Profit margins measure how much out of every dollar of sales is kept as earnings.

In the case of financial services organizations, we compare Visier customers in that industry sector to return on equity—a measure of the profitability of a business in relation to the equity. In all cases, our publicly-traded customers outperform benchmarks from CSI^v and Stern^{vi}.

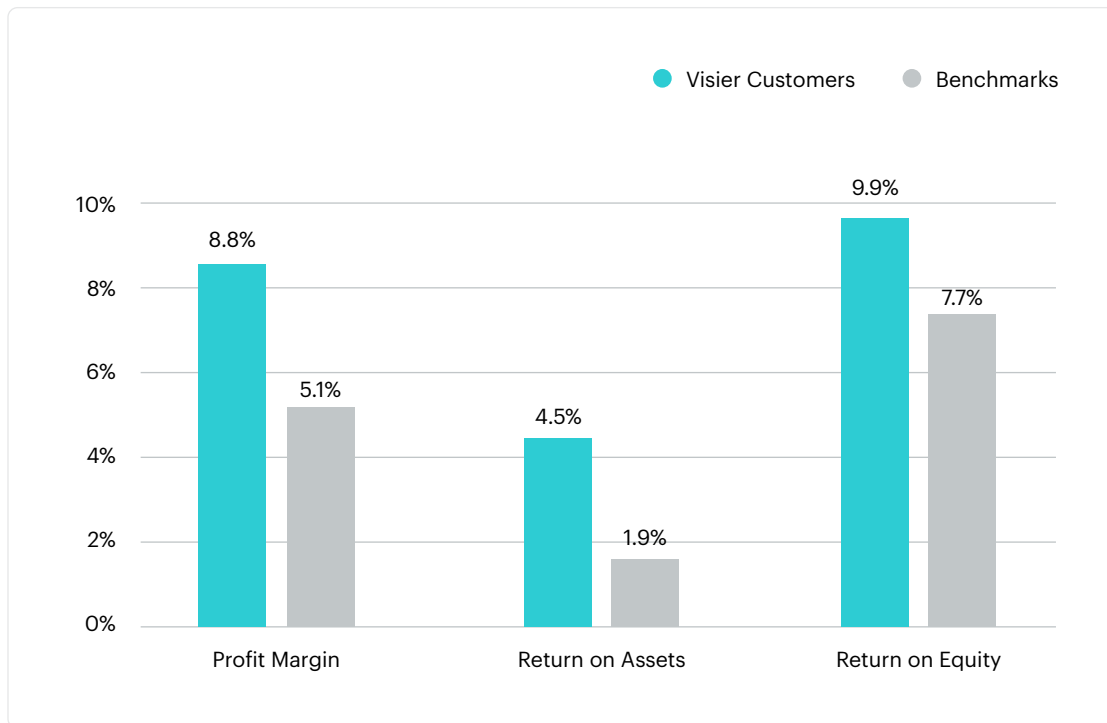


Figure 6: People analytics value achieved: advanced versus emerging organizations.



3.2 Working on diversity, equity, and inclusion (DEI) amplifies the financial impact

Publicly-traded Visier customers that are using people analytics to improve diversity and inclusion outperform even higher. From numerous other Visier research studies over the past five years looking at our aggregate customer data, we have seen our customers improve female leadership ratios^{vii} and promote more women managers at lower levels, indicating a potential further surge in women breaking the glass ceiling^{viii}.

People analytics is making a difference in these organizations at that aggregate level. There are also numerous studies indicating outperformance from McKinsey^{ix}, Catalyst^{*} and others, that improving women in leadership or improving diversity of teams or improving the diversity and inclusion of underrepresented employee groups are linked to financial improvement. We can now confirm DEI work amplifies financial impact as well.

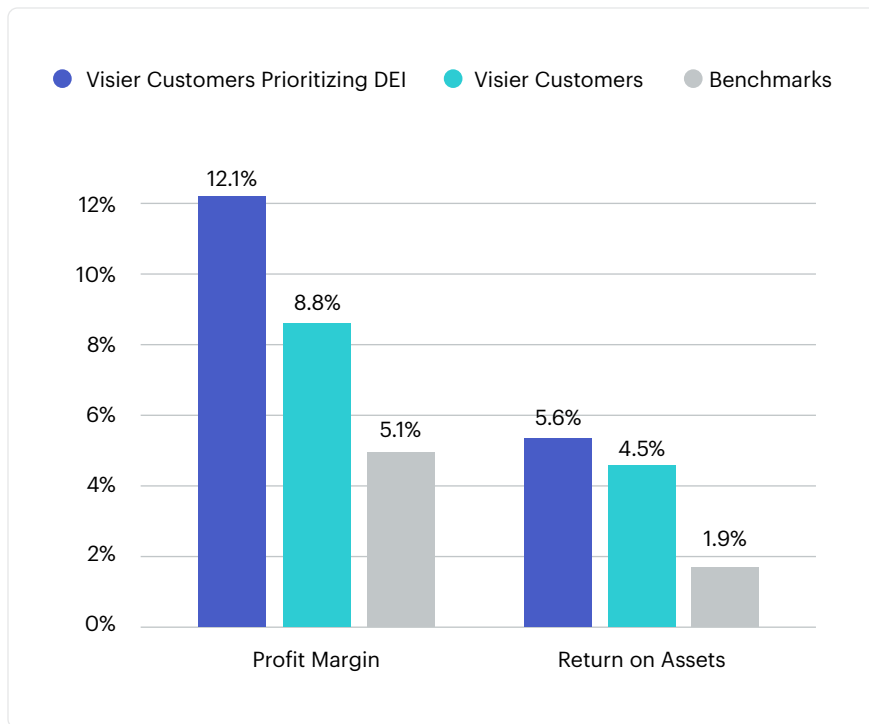


Figure 7: Working on DEI amplifies the financial impact.





3.3 People analytics is starting to alter business outcomes

Visier customers self-report higher levels of performance achieved and that the value is shifting towards achieving business outcomes. In a 2017 Visier report^{xi}, we showed organizations are on a journey to people analytics value that occurs in three stages. As organizations begin to adopt people analytics, they go through these stages:

1. Achieve technology and labor cost savings
2. Improve HR effectiveness
3. Achieve business outcomes that matter to the C-level such as increasing revenue, improving profits and profit margins, or impacting an industry-specific metric such as HCAHPS in healthcare

This 2021 survey report highlights that there is almost a 300% increase since 2018 among Visier customers in achieving the business outcome level. The majority (54%) use people analytics to improve HR effectiveness. Advanced organizations also more frequently report achieving labor cost savings, further indicating their attention to obtaining better financial outcomes through people analytics.

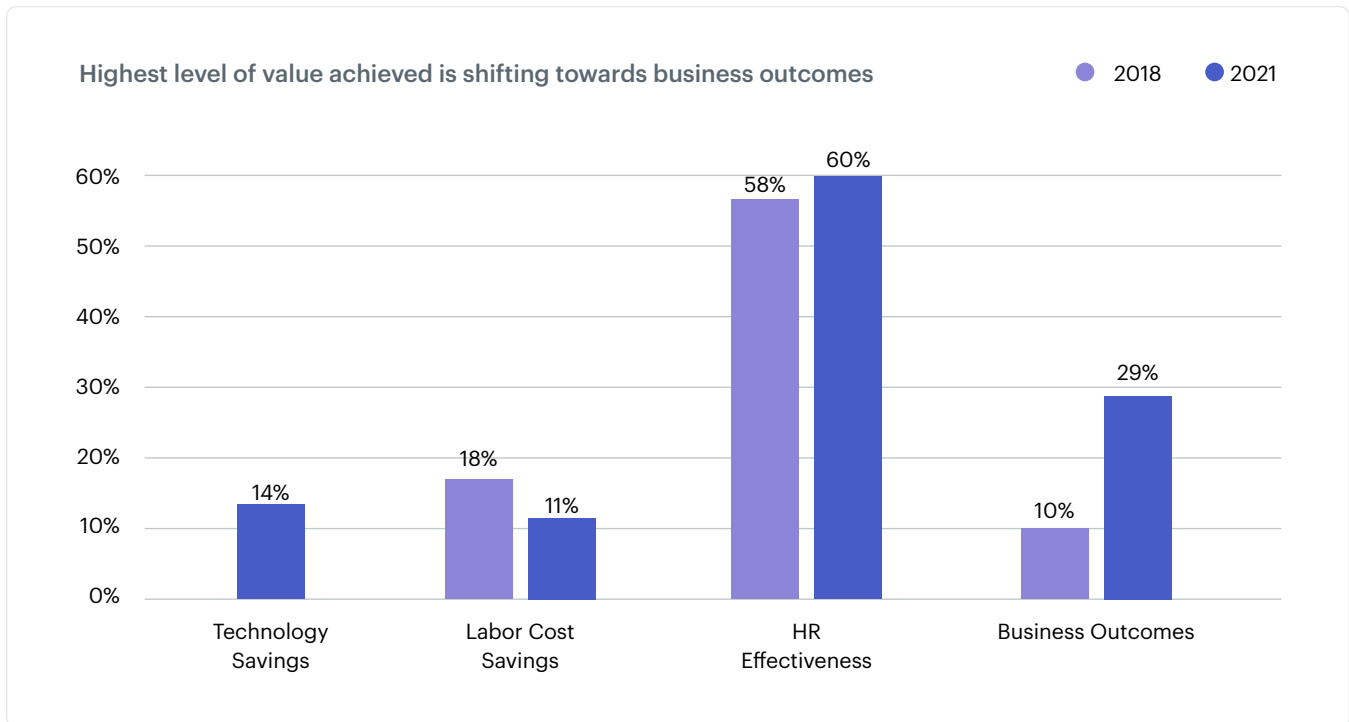


Figure 8: Value journey stages.



3.4 Advanced organizations have more PAMI components

PAMI is a sum of counts and scores from questions on process maturity (reviewed in section 2.2), the role of data in decision-making, how people analytics are performed (the resources), data sources integrated, types of users, partners for success, and the degree and extent of change management in an organization.

As discussed in Figure 3 and shown again in Figure 9, maturity comes from adopting people analytics solutions as well as more data sources, with more solutions indicating a higher sophistication and stronger ability to achieve business outcomes. Maturity also comes from more and broader user types, as well as a people analytics function with more sophisticated roles. A culture of change management and practices surrounding solutions, data, and usage maturity characteristics further contributes to the successful implementation of people analytics.

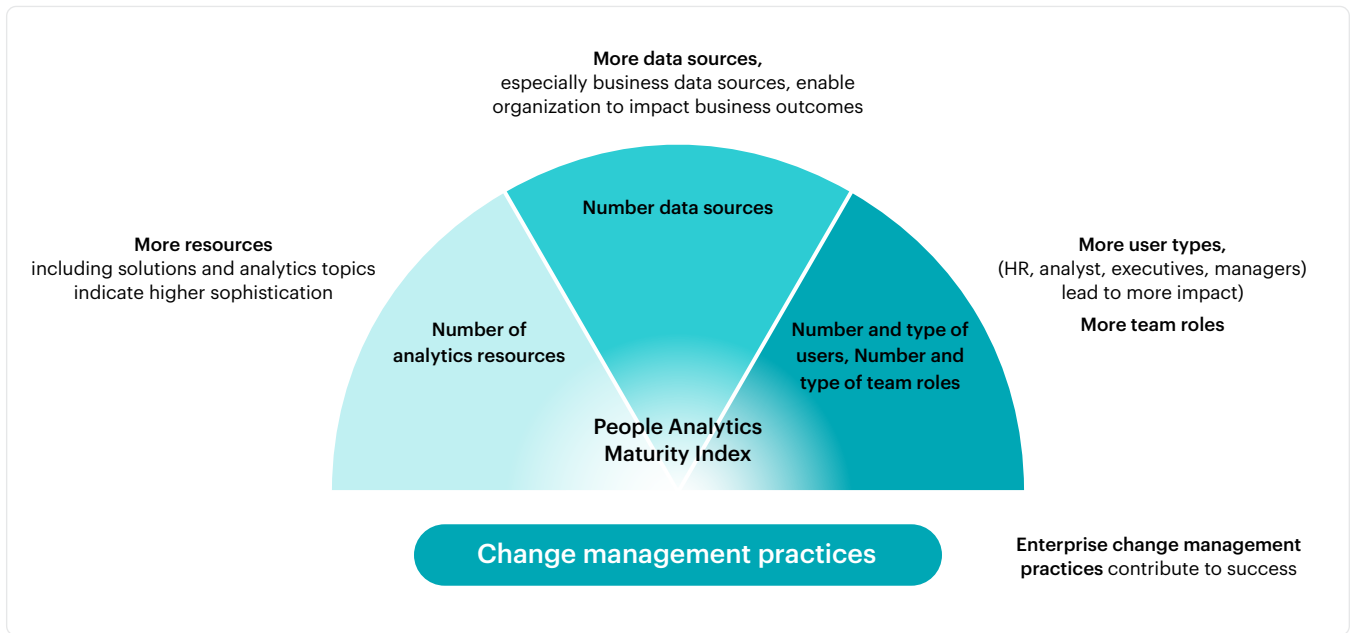


Figure 9: People analytics maturity index components.



3.5 Data-driven decision making is shifting to on demand

Since 2018, there is a shift from a focus on operational reporting to now more frequently being “on demand to analyze the workforce proactively” (46% in 2018 versus 56% in 2021). Advanced customers use data on

demand most strongly (74% versus 43% for emerging organizations), indicating a more pervasive use of people analytics within these organizations and, as we will see later, use by a broader set of consumers.

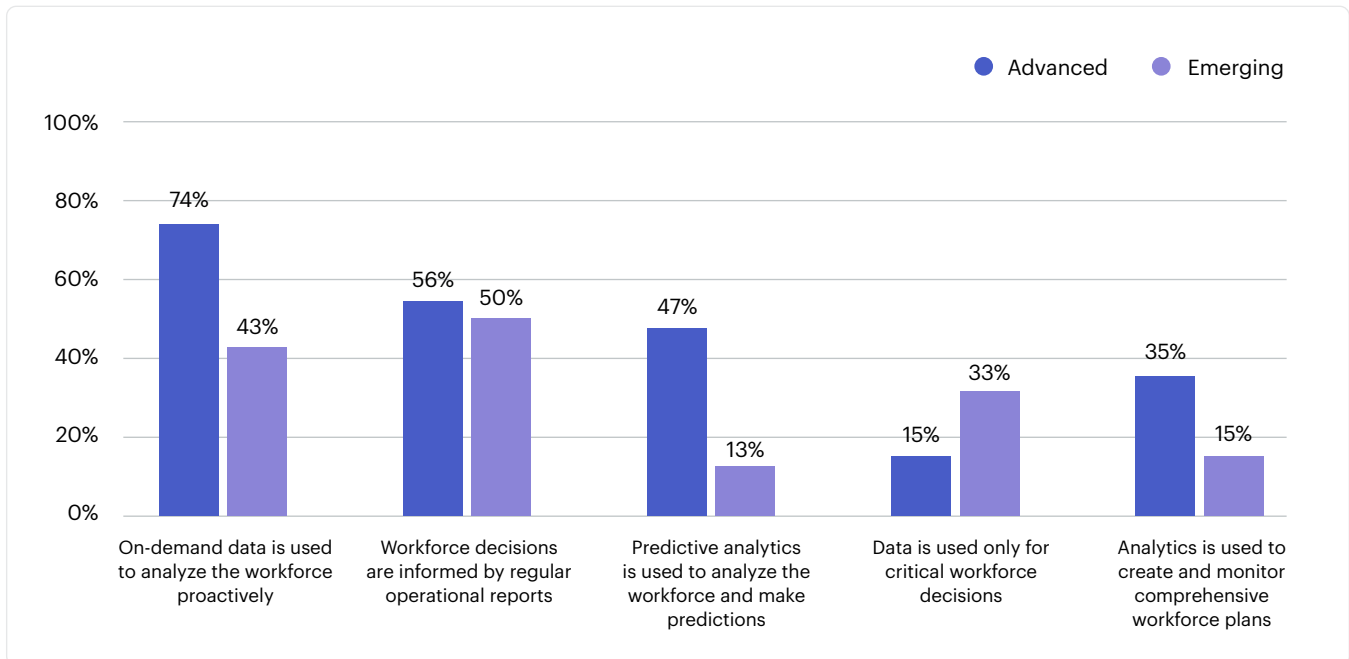


Figure 10: Role of data in decision making: advanced versus emerging organizations.

3.6 Emerging organizations use their existing HR systems for reporting and minimal analytics

Out of thirteen possible solutions, advanced organizations on average use more than emerging organizations (5.6 versus 4.4).

Organizations just getting started are more frequently using reporting and minimal analytics provided from their core HR or talent solutions and sometimes a visualization tool such as Tableau. It is a common starting place for emerging organizations to use the operational reports from their HCM or Talent Management solution and to augment with a dashboard initially. They soon move away

from these embedded solutions and dashboards in favor of an on demand capability from Visier.

The analytics portfolio of advanced organizations starts with Visier as a foundation and uses its visualization capabilities along with a myriad of focused technologies that deliver employee engagement, employee experience, learning and skills analysis, and more. Advanced organizations more frequently use statistical tools and emerging analytics solutions such as sentiment analysis, text analytics, organizational network analysis, machine learning, AI, and nudge analytics.



3.7 Advanced and emerging organizations investigate different topics

The 2021 customer maturity survey showed differences between advanced and emerging organizations in the type of questions each is seeking to answer with people analytics data. We provided a list of analytics topics/metrics that are in use and provide value.

Turnover and retention are the first topics of concern for emerging organizations beginning their people analytics journey and remain of high importance for most organizations. At the top of the list for both advanced and emerging organizations are turnover/retention analytics and diversity and inclusion used by over 75% of all customers. As we saw earlier, diversity and inclusion amplify financial performance. We have numerous case stories showing the impact of turnover/retention analysis^{xii}.

Once organizations address the challenges of turnover/retention and the need to improve diversity and inclusion, attention turns to using analytics to address a much broader set of challenges.

Advanced organizations explore more topics, an average of 11 versus eight. For these organizations, we note a significantly stronger focus on:

- Compensation
- Organizational design
- Pay equity
- Total cost of workforce
- Talent acquisition
- Learning
- Workforce planning

Many of these topics lead to cost optimization, such as compensation, spans and layers, and total cost of workforce (TCOW).

Advanced organizations more frequently (greater than 10%) use people analytics to help make decisions around pay equity (59% versus 46%), total cost of workforce (53% versus 35%), and productivity (29% versus 11%). This expanded focus indicates a more advanced depth of service, which is why these advanced organizations have larger team sizes as we show in section 3.11. This broader range of analytics topics enables these organizations to serve more stakeholders including finance and people managers. It further enables them to better answer key business questions, such as “Can we replace people fast enough to limit the impact of resignations?”



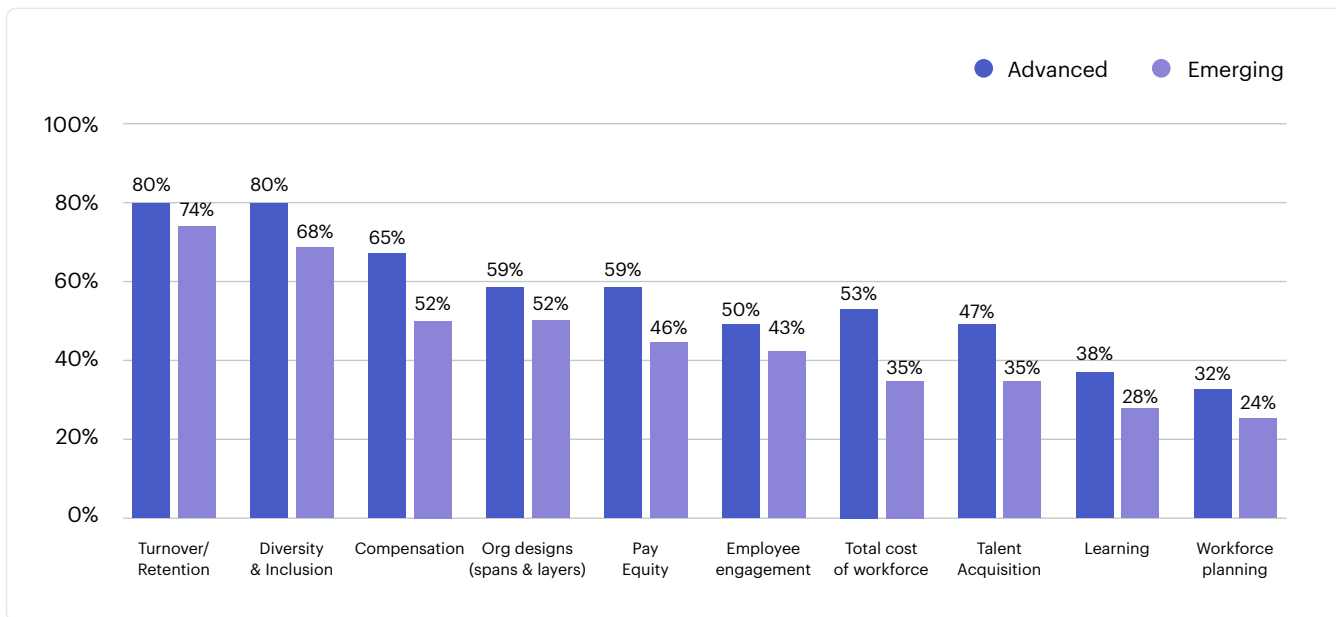


Figure 11: Top ten analytics topics in use.

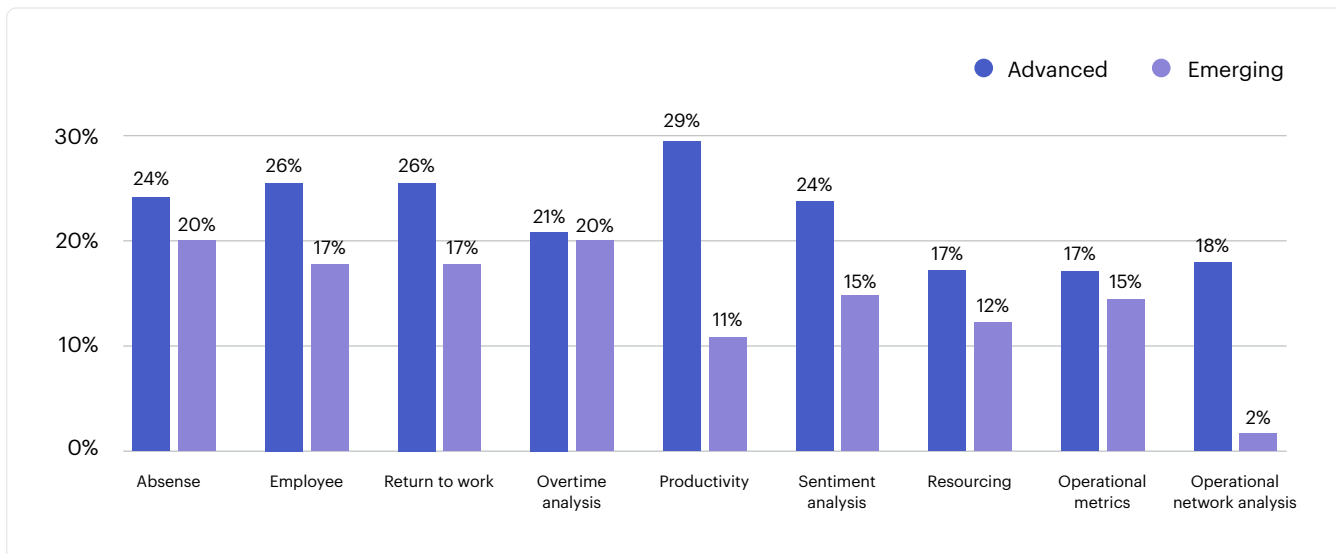


Figure 12: Other analytics topics in use

Customers with higher process maturity are stronger adopters of almost all these other topic areas (Figure 12). Some of these require integration of non-HR data sources, such as productivity and operational metrics with absence and overtime analysis also frequently qualifying as a required non-HR data source.



3.8 Advanced organizations pull from more data sources

From prior Sierra-Cedar research^{xiii}, we know that data-driven organizations that outperform more frequently integrate a higher number of data sources. Using more data sources makes the scope of analytics broader and more impactful. And as we saw above, advanced organizations integrate more data sources, especially non-HR data, to do their advanced analytics.

This survey examined whether different data sources or repositories are currently included in an organization's analytics solution. These sources include not only HR and talent management systems, but also data from workforce management, safety, financials, operational systems unique to the industry, employee engagement, marketing, sales, as well as from a data warehouse and external benchmark data.

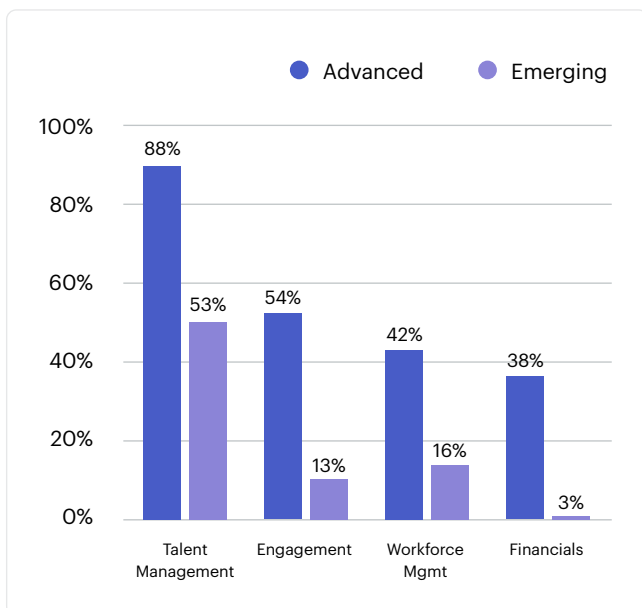
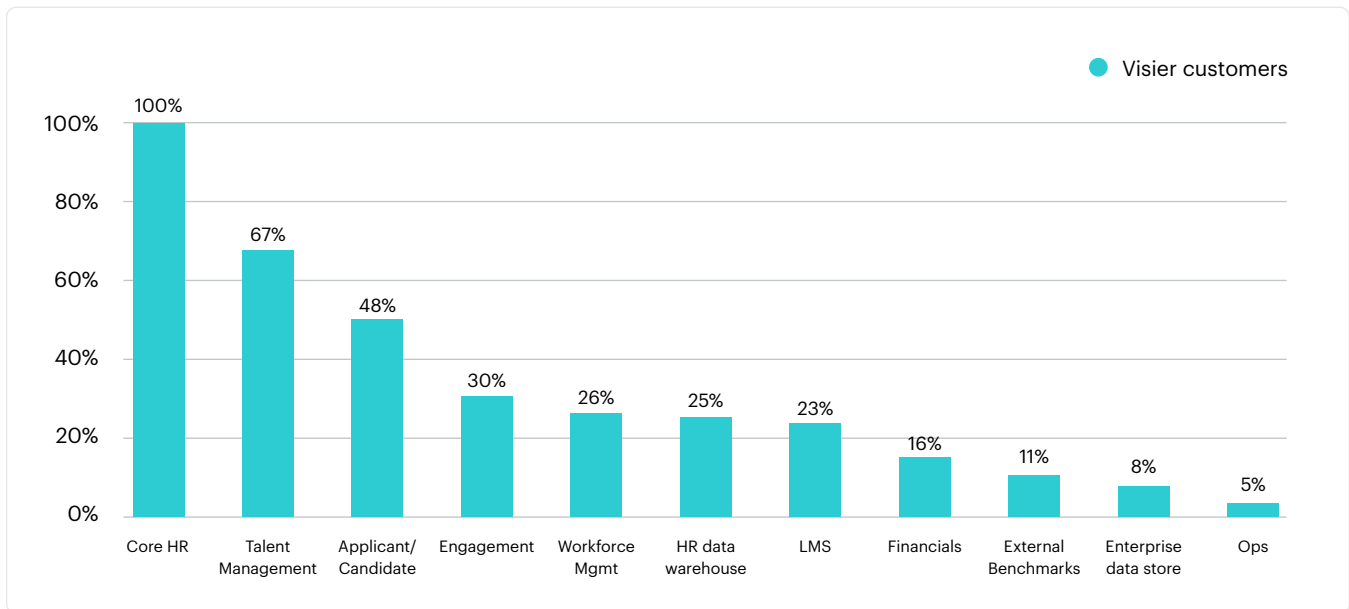


Figure 13: Number and type of data sources.



Obstacles to People Analytics Success

We've asked respondents to identify their obstacles to success, and saw a change in these since 2018. In 2018, the top obstacle for customers was not having a data-driven skill set within HR or among HR business partners (HRBPs). While this continues as a top obstacle of emerging customers (82%), in 2021, the top obstacle is connecting reporting and analytics from HR systems to business results, especially for advanced organizations (83%). This indicates that advanced organizations have a higher need to address challenges around return to work and to ensure productivity improvements and they require data outside the HR systems to analyze this topic.

“Data quality issues” has declined as a main concern since 2018. Advanced customers have mostly solved data issues by now, with only 21% reporting this as a barrier. In 2018, this issue was cited as one of the top three obstacles. Advanced customers have cleaned their data as they mature, putting that data to good use along the way.^{xiv}

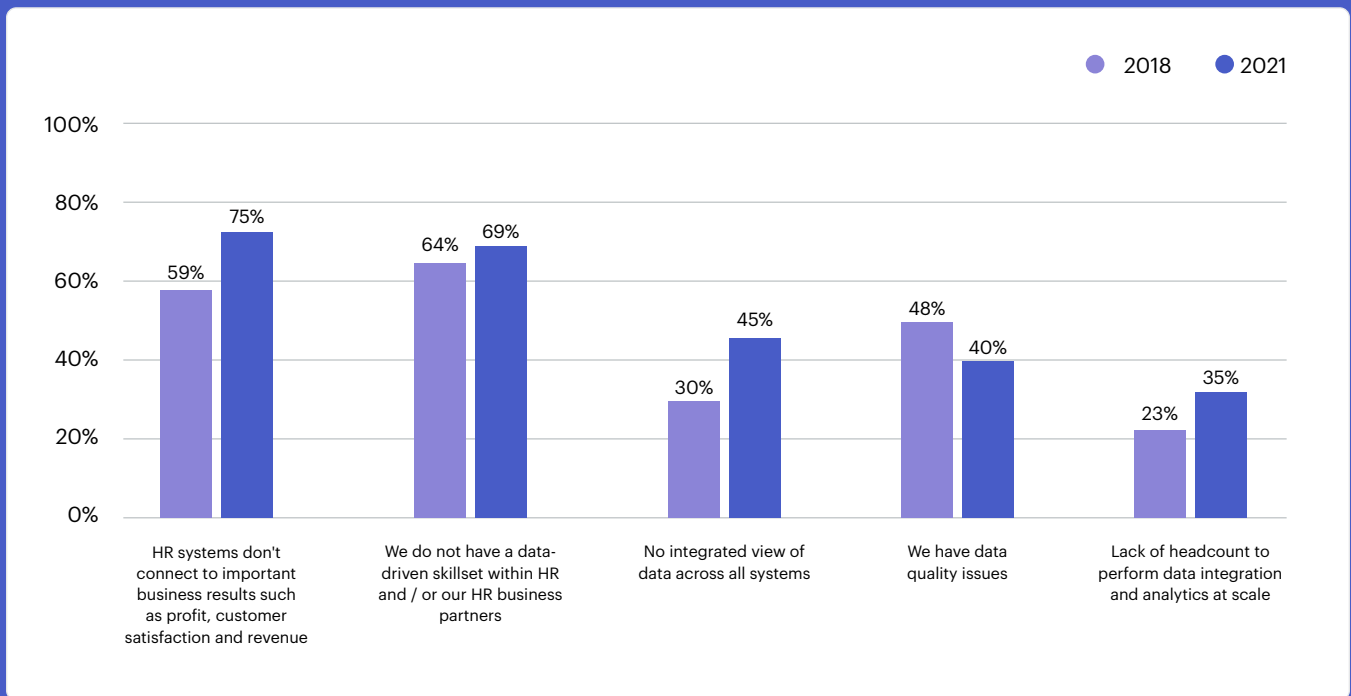


Figure 14: Change from 2018 to 2021 in obstacles to people analytics success



3.10 People analytics roles are expanding

Among advanced organizations, leaders utilize people analytics significantly more than in emerging organizations, reflecting the expanded role of people data in these organizations. Advanced organizations have begun to bridge the value of people data to inform decisions at a higher level, which ultimately leads to significantly better business outcomes.

The roles served are also expanding outside of HR, with advanced organizations serving Finance managers and people managers significantly more as highlighted in Figure 15 at the bottom. Advanced organizations serve the Finance team manager/member 59% versus 28% among emerging organizations. Finance team involvement vets the people data as valid and meaningful. Anecdotally, more advanced customers report a key success factor is “alignment with Finance” and this is a precursor for business leader and people manager trust in the data and the use of analytics^{xv}.

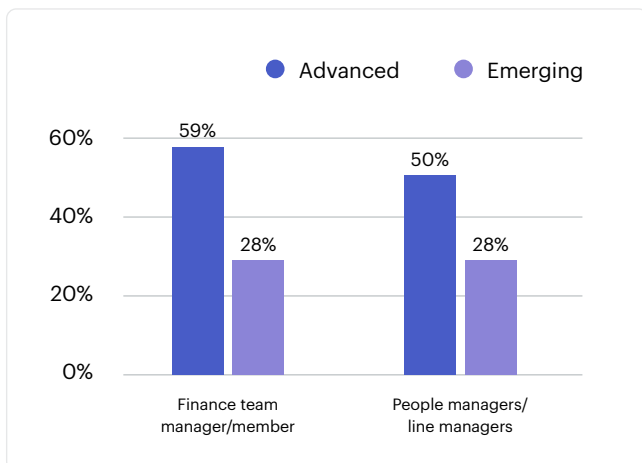
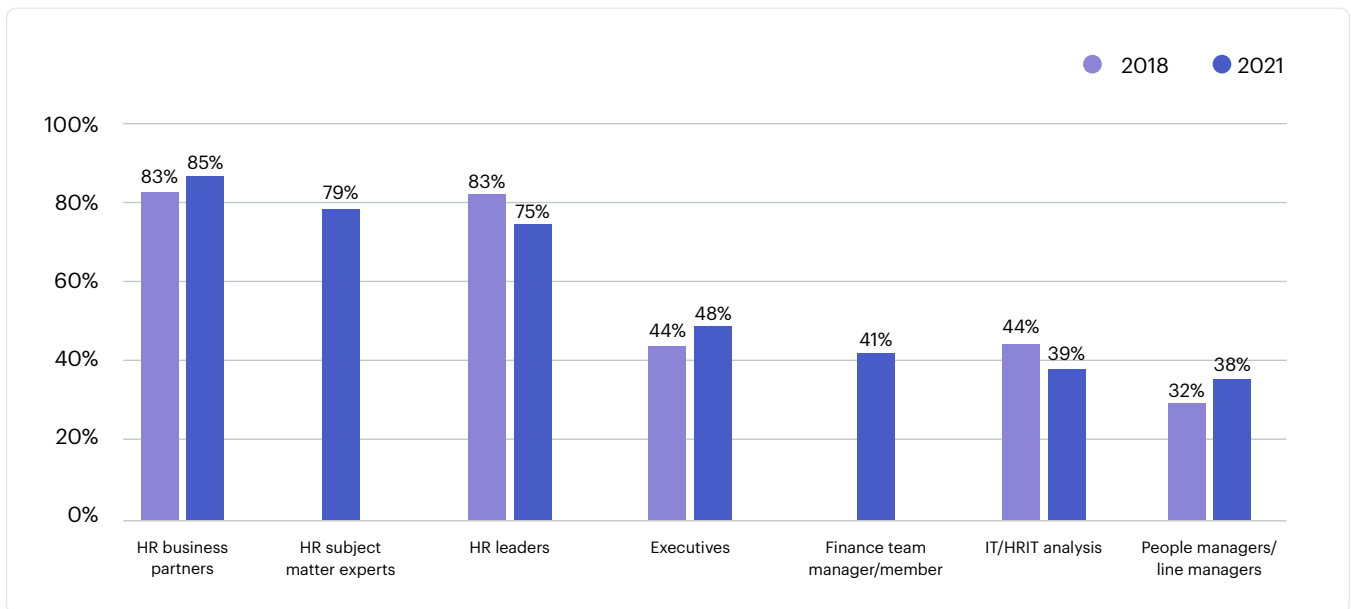


Figure 15: People analytics user types: Advanced versus emerging organizations.



3.11 Serving people managers is the new focus

Advanced organizations also more frequently serve people managers (50% versus 28%). This was such a significant difference that we dug deeper to see the implications of this key differentiator among our customers. They are exemplary for many reasons:

- 56% have achieved the business outcome level of value compared to 25% in emerging organizations
- 83% also serve business leaders
- 78% also serve the finance team or manager compared to 41% overall
- They use nine analytics topics, often ones focused on optimizing costs, such as span of control analysis, and some that provide specific support to people managers, such as compensation analytics, total cost of workforce, and pay equity

In terms of how they’ve rolled out people analytics, none of our customers to date rolled out to people managers first—always first to HRBPs. But we do see 61% of organizations in an “enablement 2.0” effort, doing a new rollout and this time focusing exclusively on people leaders. This pattern may escalate as even some emerging organizations have people managers as allies. Regardless, if for no other reason that over 50% are achieving that business outcome level, attending to rolling out to people managers makes sense!



Figure 16: Characteristics of organizations enabling people managers.



3.12 Teams are getting larger (and delivering more value)

People analytics team size has grown since 2018. The average team size is 6.2, up from 5.4 in 2018. Our customers are adding more people resources, especially in advanced organizations, which have larger teams on average (8.2 versus 5.1 for emerging organizations). With the growing team sizes, their analytics efforts can encompass more topics, more user roles served and better business outcomes.

The ratio of people analytics team members to the entire business that they are serving has also changed with fewer people supported as the breadth and quality and resulting value of services increases. We compare the average ratio of 1:6031 to the recent Insight 222^{xvi} white paper which reported a ratio of 1:2900. This means Visier customers are approximately twice as productive as organizations using other solutions, delivering as much or more value with a smaller team size. Even the larger teams of the advanced organizations, 1:4100 for advanced compared to 1:7200 for emerging, show greater productivity.

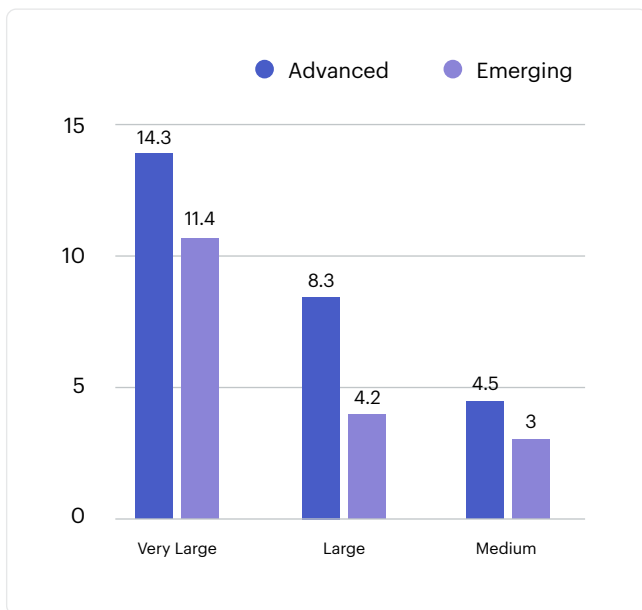


Figure 17: People analytics team size: Advanced versus emerging organizations.

Visier customers are able to support 1/6011 - essentially twice as efficient as organizations using other solutions

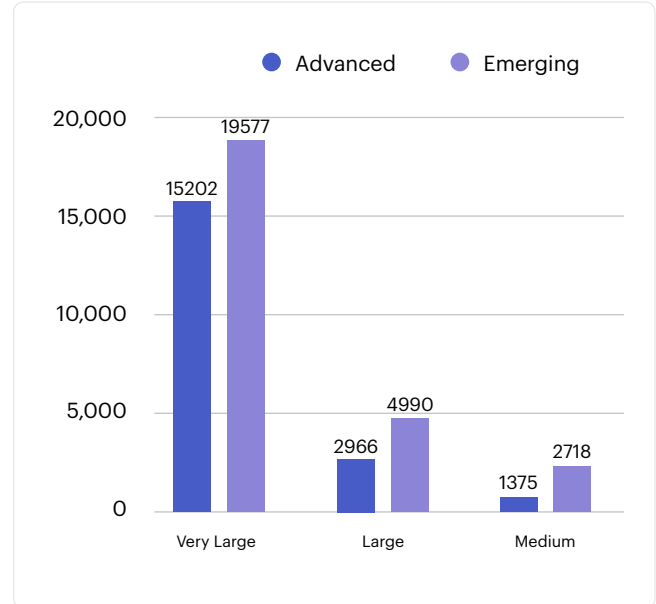


Figure 18: Visier enables support of more employees with fewer resources.



3.13 People analytics team roles are changing as the practice matures

There is a strong increase in the number and prevalence of various people analytics team roles between 2018 to 2021. Particularly in advanced organizations, we see more analytics trainers, storytellers, data scientists, HR people analytics business partners (not just the HR business partner, but this role focused on providing people analytics support and insights itself), and industrial or organizational (I/O) psychologists.

Those beginning their people analytics journey have more focus on data handling such as reporting, data extraction, and work with the database/data warehouse.

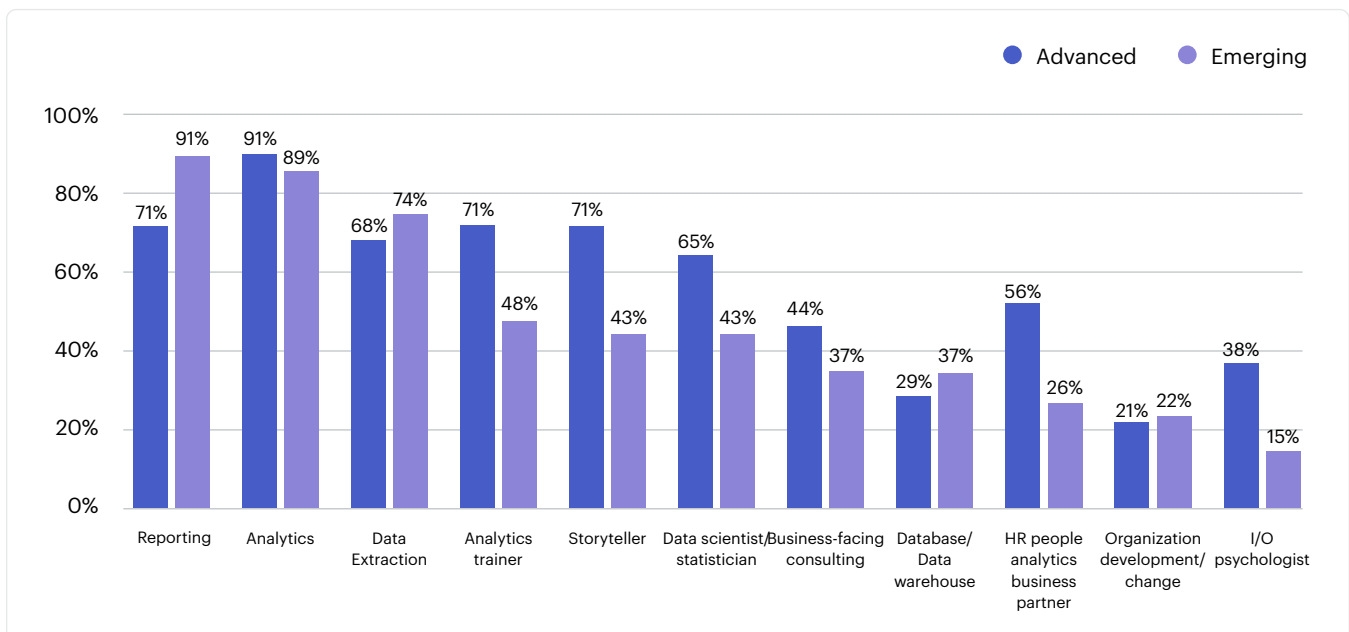


Figure 19: People analytics roles on team: Advanced versus emerging organizations.

Many survey responses around team roles included “other” with explanations of the wide variety and nuances of new roles created as organizations dive deeper into the power of people data including these examples:

- HRIT analysts responsible for data administration of talent suite for HCM and data integrity of people data in HRIS system of record
- Reporting and I/O psychologist as separate teams (but under same department)
- Survey design and administration
- Evangelist for how to get more value out of people analytics
- Reporting analyst
- People analytics project and product management
- Employee listening (surveys)
- Growing storytelling expertise
- Data visualization and data pipeline automation



4.0 Change management

While the technology (people analytics solutions and analytics topics), data sources integrated, and people (users and people analytics team members) are keys to the success of people analytics and enhancing business outcomes, change management is another critical key success factor. This refers to the foundation or set of practices that surround any successful technology effort, including people analytics.

4.1 Culture of change management

The survey asked respondents to report to what degree change management was used in creating a “data-driven” culture associated with their people analytics and/or workforce planning solution. In all cases, advanced organizations conduct more change management practices than emerging organizations.

Overall, the scope of change management practices is shifting. In 2018, 21% of customers reported a culture of change management. In 2021, almost double that among advanced organizations report a culture of change management with every technology change. Emerging organizations continue to report change management is sporadic, either occurring only on a few key projects or never.

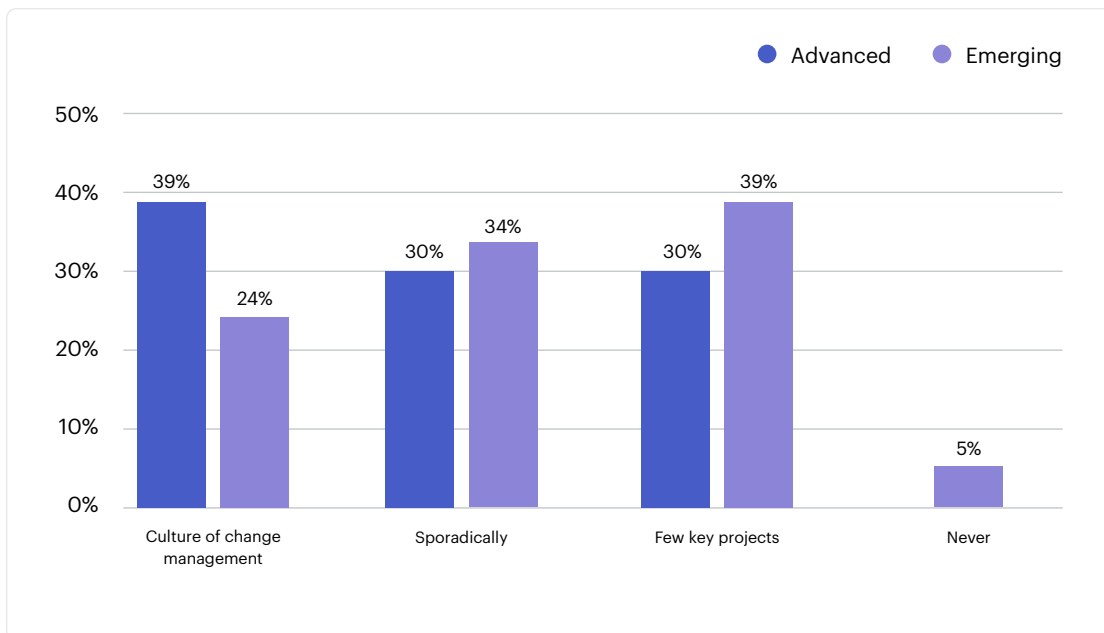


Figure 20: Culture of change management: Advanced versus emerging organizations.



4.2 Scope of change management practices

The supporting change management practices may include creating a company-wide vision for a data-driven culture, focusing more on communications and training, or creating people analytics centers of excellence.

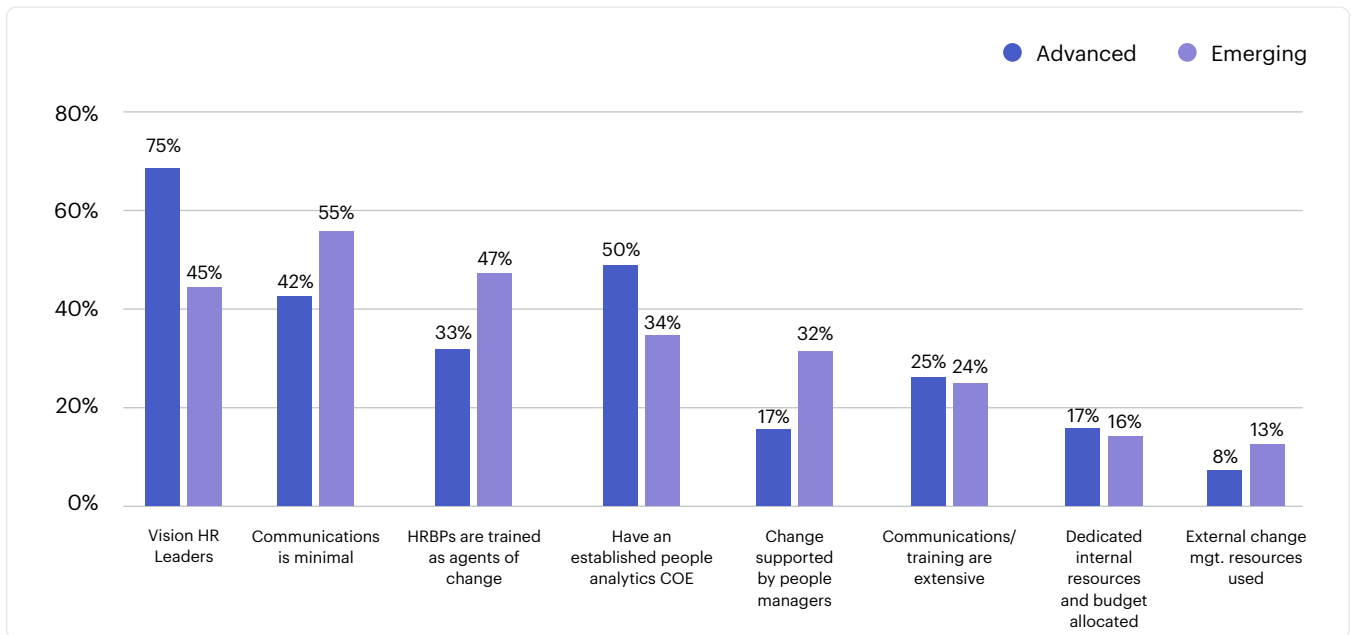


Figure 21: Scope of change management efforts in advanced versus emerging organizations.

Advanced organizations are more likely to have a defined vision and an established people analytics center of excellence. Emerging organizations are more likely to center people analytics within HR and see utilizing people data as an HR function, while at advanced organizations, senior business leaders, Finance, and people managers are more frequently allies (at least 10% difference). Advanced organizations are still aligned closely with HR, but they also have a deeper diversification of reach with business leaders, Finance, and people leaders. Emerging organizations appear to be much more reliant on HR as the distribution arm.



4.3 Advanced organizations work with more non-HR partners

Since 2018, all customers have been moving towards working more with partners outside of HR. Advanced organizations are leading this change, with an average of five as opposed to an average of four for emerging organizations. HR leaders or HRBPs are still the primary partners for people analytics across all organizations.

We see an expanding set of allies to support people analytics with a sea change from using HRBPs to provide support to become data driven, towards people managers now being a primary target to introduce and use people analytics more broadly^{viii}. We are starting to see emerging organizations as more likely to have people managers as supporters and allies than they were in 2018. In 2018, it was unusual for organizations to begin by rolling out people analytics tools to those in people manager roles.

Visier recommends partnering and aligning with IT and Finance groups to promote successful outcomes, and all organizations were more likely to form these partnerships than they were in 2018. IT partnerships support data integration efforts, and Finance partnerships are necessary to align on metrics and integrate financial information into the analytics solution. This makes it easier to show workforce performance and positively impact business outcomes. Advanced organizations are much more likely (59% versus 28%) to partner with IT and Finance. Advanced organizations also serve people managers more frequently (50% versus 28%).





4.4 HRBPs are becoming more skilled at using data and analytics

But HRBPs are still an integral part of the success of all organizations adopting people analytics. And HRBPs themselves are on a journey to understanding and using data and analytics. Across all organizations they most frequently manifest capabilities that they are strategic, but only in advanced organizations do they also manifest an understanding of data and its implications. In emerging organizations, 55% understand data definitions, but within advanced organizations, more than 70% do. Over 60% have an ability to choose interventions and specify actions steps. In a few organizations, HRBPs can build hypotheses and tell stories: advanced organization HRBPs are at 21% versus 0% at emerging organizations.

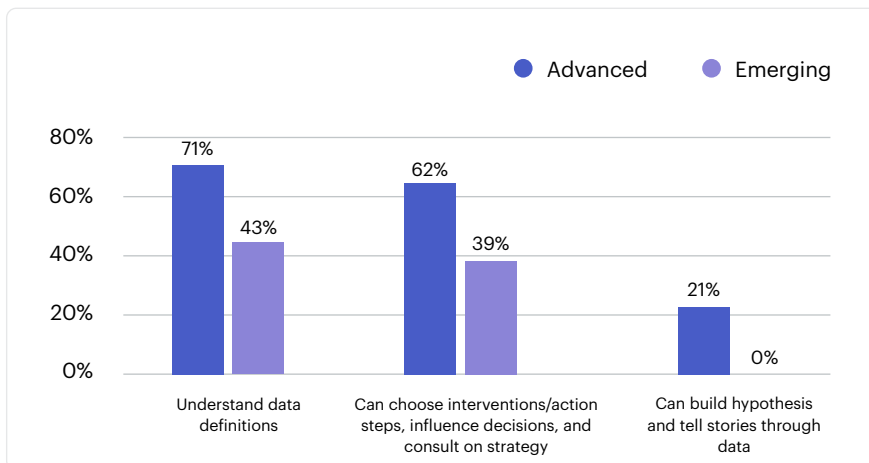
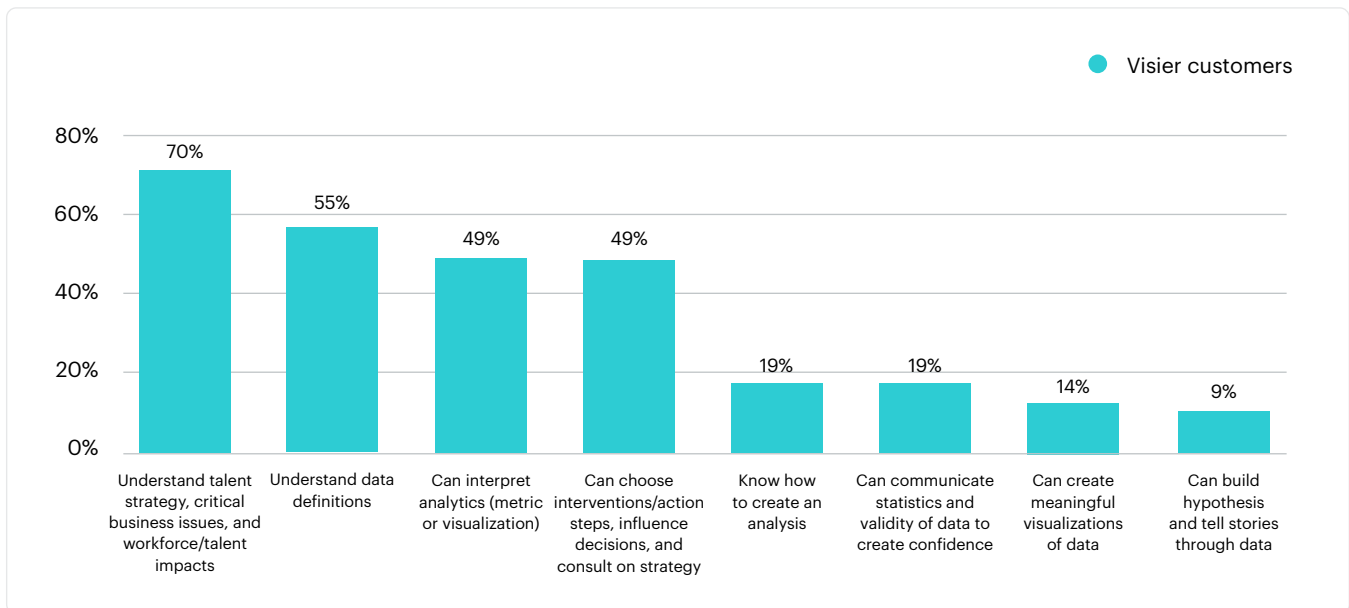


Figure 22: HRBP characteristics: Advanced versus emerging organizations.



4.5 Establishing a people analytics center of excellence

We asked respondents about the location of their analytics resources. While the most common approach for supporting HRBPs and business leaders is directly from the people analytics team members, one notable variation is that advanced organizations more frequently have support from a global center of expertise or center of excellence (COE). Support is more procedural, and may be both automated and offer features such as frequently asked questions (FAQ) and support from various experts for different types of users^{xviii}. For example, some have both a global centralized group and a network of regional champions designated to support HRBPs in local countries.

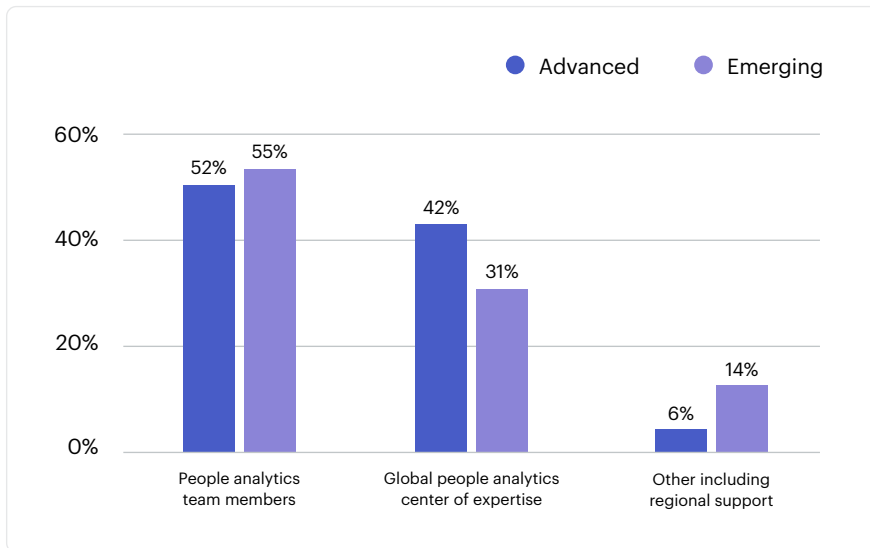


Figure 23: Location of resources to help HRBPs and leaders: Advanced versus emerging organizations.

In response to a question on whether internal or external resources are used, emerging organizations are much more likely to use external resources in addition to internal resources (63% versus 37% for advanced organizations.)





5.0 Lessons learned from advanced organizations

People analytics maturity and, ultimately, value for advanced organizations stem from:

1. Advancing the role of data in decision-making from operational reports towards on demand data delivered and used by a broad range of users
2. More people analytics solutions, including Visier and others, as more indicates higher maturity, stemming from confidence in delivering value from analytics
3. More analytics topics indicating organizations are measuring more of what matters and to a broad range of users. Topics that have stood out as creating value for some include:
 - a. Turnover/retention, diversity and inclusion, employee engagement, and total cost of workforce especially for high tech and manufacturing
 - b. Spans and layers and talent acquisition for optimizing costs
 - c. Compensation, total cost of workforce and pay equity for those rolling out to people managers
4. More user types, especially outside of HR and extending directly to people managers so they can better manage their people and use data-driven decisions for the new world of work
5. More data sources integrated, which enables workforce data to be juxtaposed with financial and operational data to deliver analysis on topics such as productivity or impact of the workforce on operations
6. Not just larger teams, but more roles that exemplify maturity both in delivery of data and analytic content, but also insight interpretation and suggested interventions
7. A culture of change management surrounding your implementation to instill a pervasive data-driven culture

As the value chain analysis has shown in the past, during more positive economic conditions, doing more in any of these areas predicts improved financial performance. By adopting a range of people analytics solutions, using more analytics topics, integrating a higher number of data sources, extending usage to multiple stakeholders within the organization, more team roles providing valuable services, and developing a culture of change management, chances of success in people analytics and achieving business outcomes through its use will increase.



5.1 People analytics maturity characteristics summary

	Emerging Organizations		Advanced Organizations	
	Emergent	Focused	Strategic	Transformational
Analytics Solutions	Excel predominantly	Adding in analytics in embedded solutions such as HRMS or talent management solutions. Creating and using dashboards to assess current state and monitor progress against goals.	Combinations of BI/ data warehouse, data discovery, statistical analysis tools, and a dedicated analytics solution	A comprehensive people analytics ecosystem embracing all solutions and enabling continued integration of additional solutions to support employee life cycle analytics
Role of Data in Decision Making	Decisions informed by operational reports	Data used primarily for critical workforce decisions	Data used on demand to support people decisions	Data used to make predictions and inform workforce plans
Users	Reporting team only	People analytics team and a few HR leaders and some HRBPs. Piloting with business leaders	Scaling more widely to business leaders and people managers plus all of HR	Self-service users that are business leaders and people managers and all of HR
Analytics Topics	Minimal, focused on reports	Basics such as headcount, turnover analysis, diversity metrics	More sophisticated analysis such as total cost of ownership, diversity intersectionality, sentiment analysis	Focused on improving business metrics including revenue, profits, organization and industry specific topics that contribute to growth and sustainability through people data analysis
Integration of Data Sources	Core HRIS	Adds Talent Management	Adds Workforce Management, Engagement, Benchmark	Adds Business Outcome sources such as Finance or Industry-specific sources
Change Management	Never or minimal	Sporadic	Major projects only	Continuous culture of change management
Value Achieved	Minimal - focused on supporting HR with headcount or turnover data	Focused on HR only but adding metrics and analysis such as time to fill improvement or regrettable attrition reduction	One-off analytics projects that deliver business value such as scenario-based planning or engagement measurement	Extensive and continual business value across HR processes and organization activities that drive business impact such as total cost of workforce or balancing productivity and employee wellness

Figure 24: People Analytics Maturity Characteristics Summary



Endnotes

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