PEOPLE ANALYTICS MATURITY SURVEY 2023

Visier Customers Financially Outperform Benchmarks, Achieve Business Outcomes

visier

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1.0 Executive summary

This survey was conducted from June to July 2023 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 who have more experience. The survey found that

1. Those organizations belonging to the **Advanced** levels of maturity (those consisting of *Effective* and *Transformational* categories (page 5)) increased from 43% to 50% since 2021, the date of the last survey.[1]

2. In 2023, we see a 32% increase in those achieving the business outcome level of value (Fig. 1).

3. In all cases, publicly traded Visier customers financially outperform benchmarks for profit margin and return on assets.

4. Finance Managers as people analytics users significantly increased especially among **Advanced** organizations.

Our work with customers over the past five-plus years shows they're on a journey to ever-increasing value[2 3], starting with labor cost savings and progressing toward business outcomes—the ultimate destination in which people analytics impacts the business at scale.
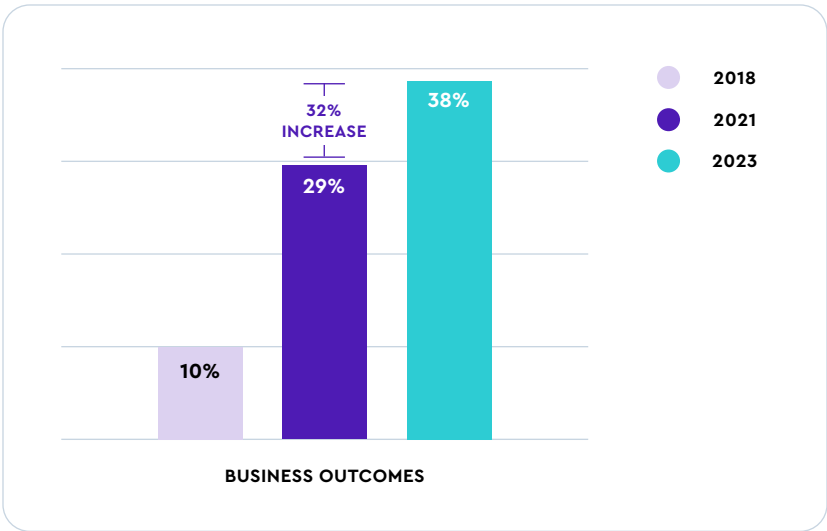
Figure 1. Increase in the Business Outcome level of value achieved. 220% increase between 2018 and 2023.

LEVELS OF VALUE ACHIEVED FROM APPLYING PEOPLE ANALYTICS:

1. **Labor cost savings** just from adopting Visier.

2. Moving to **HR effectiveness** through working to improve HR-related issues/metrics such as turnover, performance, compensation, or HR program effectiveness.

3. Yielding **business outcomes** such as increased revenue, cutting costs and thereby improving profit margins, improving customer satisfaction, and reporting on terms and metrics that are of keen importance to the C-level.

2.0 Survey demographics and approach

Visier conducted a survey of its customers, achieving 115 responses from 83 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 demonstrate its value.

These organizations employ 3.4 million employees with an average employee size of 39,770. They range in size from ~1,000 to 600,000 employees. Industry cohorts range from financial services to retail as shown in Figure 2.

115
CUSTOMER RESPONDENTS

115 respondents representing
83 unique organizations

45% team leader

32% team member

11% executive sponsor

11% other

3.4M
EMPLOYEES REPRESENTED

3.4 million employees (average 39,770)

INDUSTRIES

Industry	Count	Percent
ALL OTHER	7	6%
OTHER SERVICES	7	6%
RETAIL	7	6%
HEALTHCARE	10	9%
MFGT IND	12	10%
MFCT CONS	23	20%
FINSERV	24	21%
HITECH	25	22%

EMPLOYER SIZE

- 32% <10K EMPLOYEES
- 38% 10–50K EMPLOYEES
- 30% 50K+ EMPLOYEES

Figure 2: Demographics of survey respondents.

By looking at Visier customers' adoption of people analytics from 2021 to 2023, 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** maturity groups

A key part of this analysis was dividing the groups into two sets of respondents: those with mature people analytics processes—named **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
EFFICIENT: 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 2023, customers continue to progress towards *Effective* or *Transformational*, now with 50% joining the **Advanced** level vs. 43% in 2021.[4]
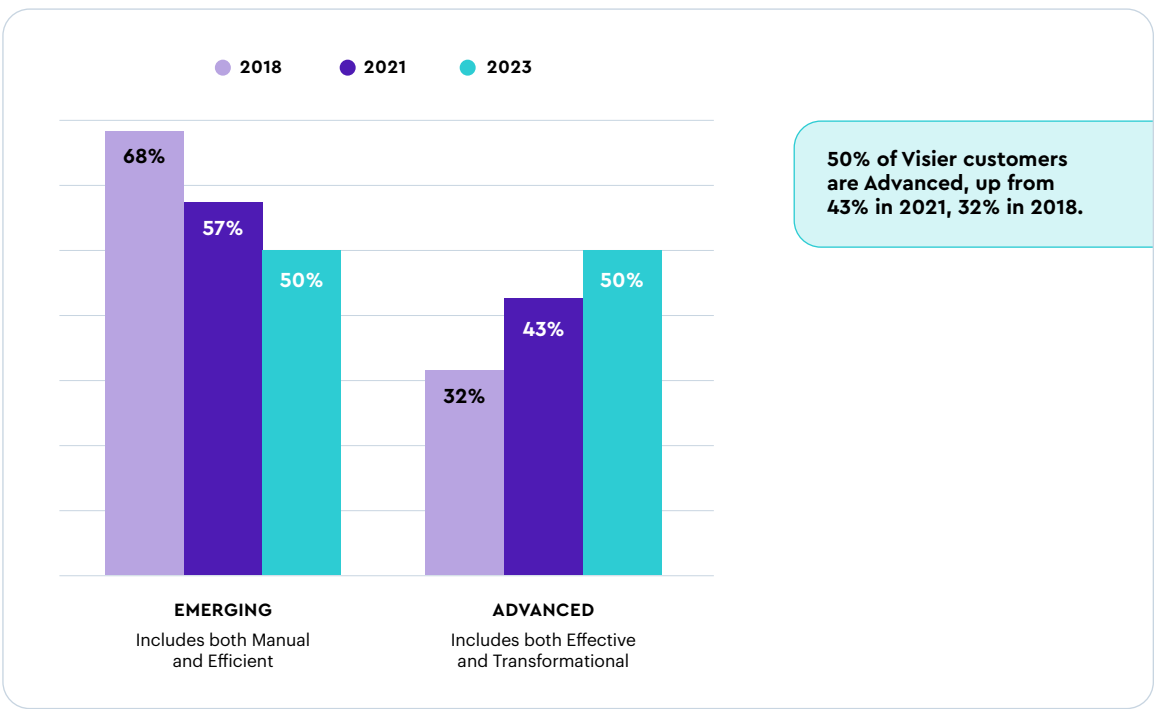
Visier customers continue to advance their people analytics process maturity, 2018 to 2023.

2.2 Value chain analysis and the People Analytics Maturity Index (PAMI)

We go beyond just doing correlations on financial outperformance with our value chain analysis.[5] The key components of our value chain analysis are captured in the People Analytics Maturity Index (PAMI, Figure 3) which is a sum of counts and scores from various questions.

People Analytics Maturity Index
KEY COMPONENTS

More user types
(HR, analyst, executives, managers especially
outside of HR) lead to more impact

More sophisticated team roles deliver more value

More resources
(solutions and analytics topics)
indicate higher sophistication

Number and types of users
Number and team roles

Number of
analytics resources

Number of
data sources

More data sources,
especially business sources
enable organizations to impact
business outcomes

**PEOPLE ANALYTICS
MATURITY INDEX**

CHANGE MANAGEMENT PRACTICES

**Enterprise change management
practices** contribute to success

Figure 3: PAMI components.

Maturity comes from:

1. The role of data in decision-making

2. Adoption of resources such as more PA solutions (Visier, plus others) with more indicating higher maturity

3. More analytics topics analyzed indicating higher maturity

4. More and broader user types—extending the reach and impact of people analytics

5. More people analytics team roles, enabling a broader set of services delivered

6. More data sources integrated which allows the organizations to analyze people data in juxtaposition to other data sources, all of which can result in or impact business outcomes

7. A foundation of a culture of change management and practices that contribute to a successful implementation of a data-driven culture

LOW MATURITY

- Do not have high utilization of analytics topics such as analytics solutions or analytics topics (specifically employee engagement or employee experience)

- Their people analytics team is the primary user of any analytics and mostly directly serves HR or business leaders only but not programmatically

- Their people analytics team is small and does not have advanced roles

- Their change management, if any, is not applied to people analytics implementations

HIGH MATURITY

- Extensive use of analytics topics and solutions

- Have rolled out to people managers and finance managers

- Achieve the business outcome level of value

- Have advanced team roles such as data scientists, business consultants that are expert in people analytics and HR, storytellers

- Apply change management more consistently and apply it to achieve a data-driven culture at all levels

3.0 Key findings

3.1 Visier customers continue to outperform financial benchmarks

Adoption of people analytics correlates with higher financial performance

● **VISIER CUSTOMERS**   ● **BENCHMARKS**

10.5%
18% HIGHER
8.9%

3.7%
28% HIGHER
2.9%

PROFIT MARGIN   **RETURN ON ASSETS**

> **All customer respondents outperform on Profit Margin and Return on Assets**
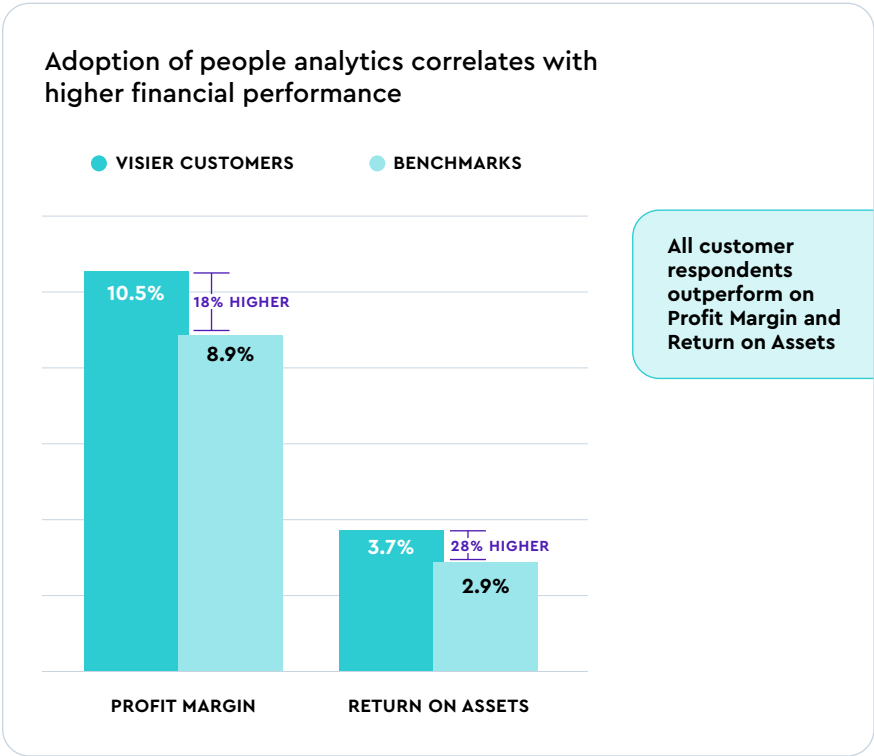
One way researchers often look at value achieved is through simple correlations comparing a set of organizations with technology adoption (such as people analytics) with a benchmark group. In this case, we compared the financial performance of our publicly traded customers that responded to the survey to benchmark data on all organizations for Return on Assets (ROA), an indicator of how profitable a company is relative to its total assets, i.e. how efficient is a company in using its assets to generate earnings; and for Profit Margins, a measure of how much out of every dollar of sales is kept as earnings.

In all cases, our customers that are publicly traded outperform benchmarks[6][7].

3.2 People analytics alters business outcomes

Customers self-report on a journey to ever-increasing value through adopting and applying people analytics[8][9], starting with labor cost savings and progressing toward business outcomes—the ultimate destination in which people analytics impacts the business at scale.
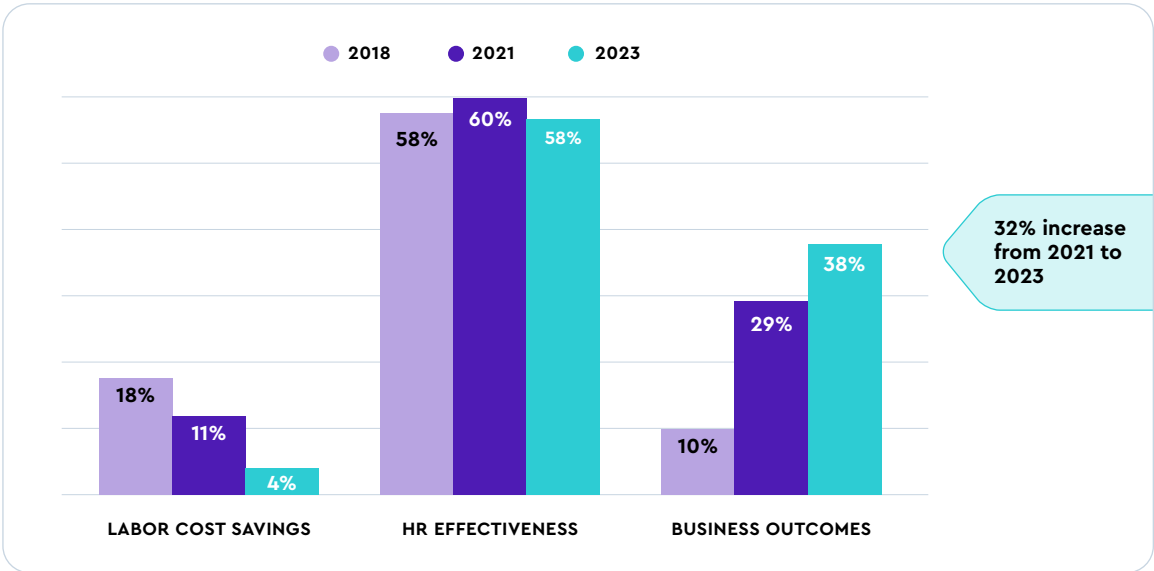
Looking at the **highest value achieved**, 29% of Visier customers in 2021 reported the highest level achieved was the business outcome level, up from just 10% in 2018, an increase of 220% between 2018 and 2023.

In 2023, we see a 32% increase since 2021 in those achieving the business outcome level of value.

Levels of value achieved by Visier customers:

1

Labor cost savings just from adopting Visier.

2

Moving to **HR effectiveness** through working to improve HR-related issues/metrics such as turnover, performance, compensation, or HR program effectiveness.

3

Yielding **business outcomes** such as increased revenue, cutting costs and thereby improving profit margins, improving customer satisfaction, and reporting on terms and metrics that are of keen importance to the C-level.

3.3 **Advanced** organizations analyze more topics

**Advanced** organizations adopt 11 of the 30 topics we track. Of the topics, **Emerging** organizations adopt 10 topics and typically start with the important basics like Turnover, Diversity and Inclusion, and most recently, Talent Acquisition—these are reflective of the continued focus on acquiring the right talent.

Advanced organizations are focusing on more complex topics such as Employee Engagement, Total Cost of Workforce, Talent Mobility, and Career Planning. One of the characteristics of more mature organizations is that they use data more strategically and apply it to business outcomes. Given the sophisticated topics that **Advanced** organizations focus on, there may be a greater emphasis on improving employee performance while also creating greater efficiencies to support organizational and business outcomes.
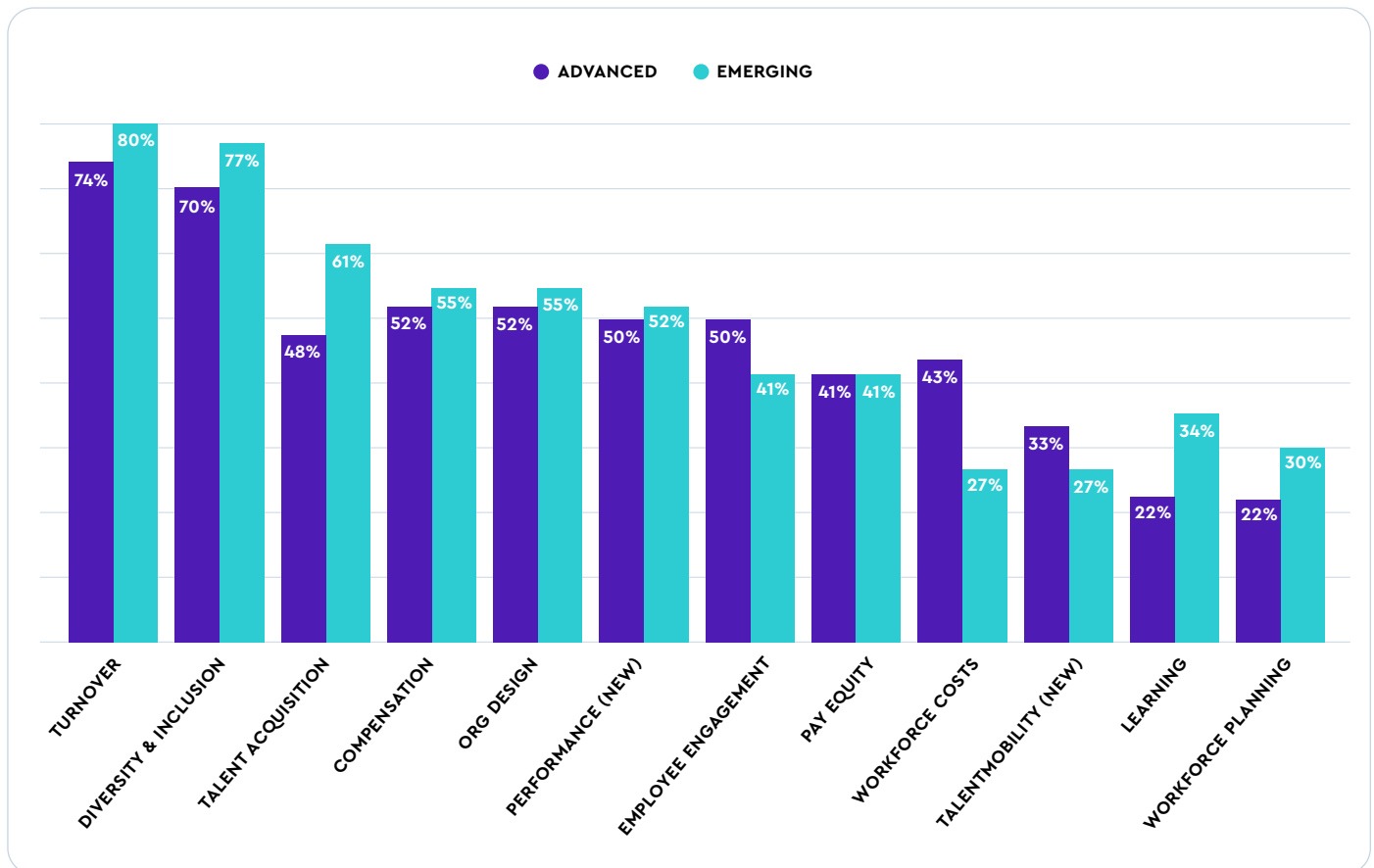
Talent Acquisition is strongly up from 2021 (54% from 40%), especially among **Emerging** organizations (61% vs. 48%), while apps focused on costs are down from 2021.

Beyond the top 10 to 12 topics we're seeing our customers with higher process maturity—the **Advanced** organizations are stronger adopters of almost all these topic areas.

Advanced customers are at a stage of focusing on employee engagement and Total Cost of Workforce (TCOW) and, for the first time, starting to integrate data from beyond core HR. They also more frequently are adopting career planning.
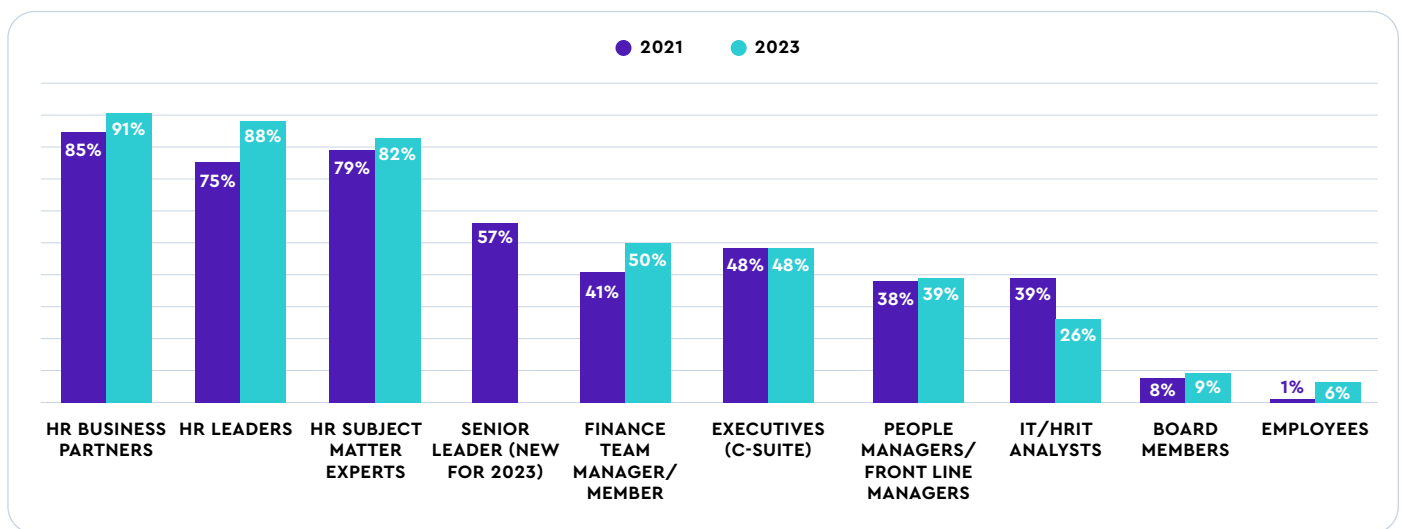
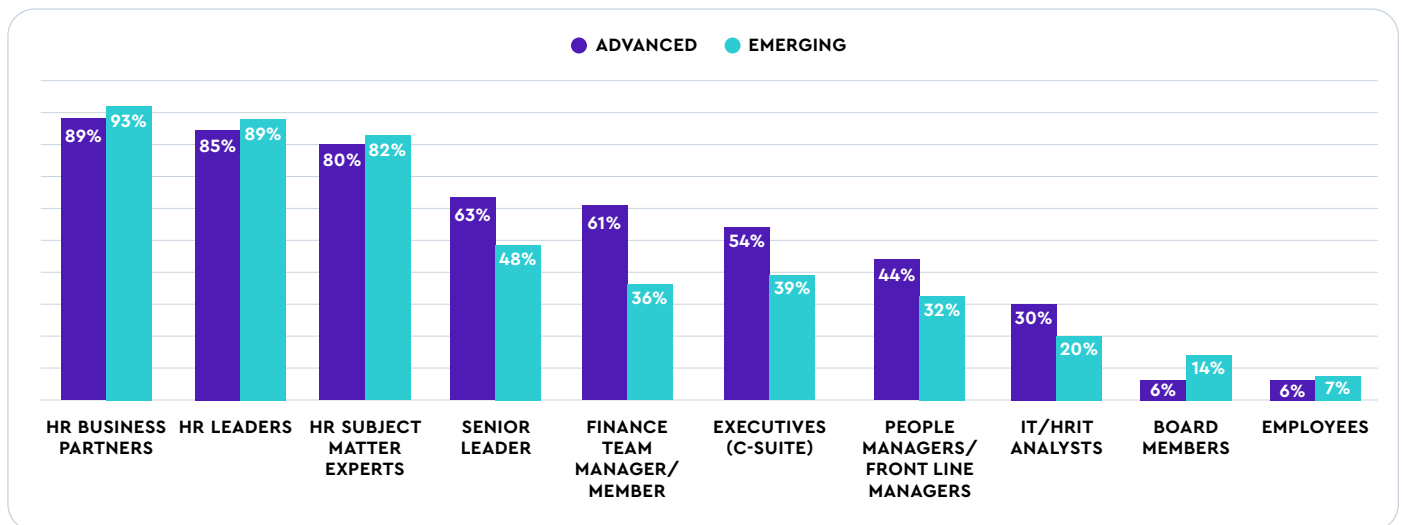# 3.4 Usage expands among HR and especially finance managers in 2023

In 2023, we saw that HR users significantly increased especially for HRBPs and HR Leaders. Additionally, the use by Finance Managers significantly increased—especially among the **Advanced** organizations. People analytics teams have definitely ensured that most of HR is now using people data.

Finance team involvement and usage vets the people data as valid and meaningful. Anecdotally, more advanced customer organizations report a key success factor is alignment with Finance and that this is a precursor for business leader and people manager trust in the data and use of the data. Rollout to people managers significantly increased in the last survey period (2018 to 2021) and has remained strong, however the sharp rise in use among the finance persona in 2023 indicates that more organizations are focusing on the finance manager persona. Now that finance managers are using people data, we expect to see people managers as users increase even more.

● 2021   ● 2023

Role	2021	2023
HR BUSINESS PARTNERS	85%	91%
HR LEADERS	75%	88%
HR SUBJECT MATTER EXPERTS	79%	82%
SENIOR LEADER (NEW FOR 2023)	57%	
FINANCE TEAM MANAGER/ MEMBER	41%	50%
EXECUTIVES (C-SUITE)	48%	48%
PEOPLE MANAGERS/ FRONT LINE MANAGERS	38%	39%
IT/HRIT ANALYSTS	39%	26%
BOARD MEMBERS	8%	9%
EMPLOYEES	1%	6%

Change in roles served 2021-2023 for all orgs: We see stronger usage among HR, especially HRBPs and leaders. Finance managers as users significantly increased.

● ADVANCED   ● EMERGING

Role	ADVANCED	EMERGING
HR BUSINESS PARTNERS	89%	93%
HR LEADERS	85%	89%
HR SUBJECT MATTER EXPERTS	80%	82%
SENIOR LEADER	63%	48%
FINANCE TEAM MANAGER/ MEMBER	61%	36%
EXECUTIVES (C-SUITE)	54%	39%
PEOPLE MANAGERS/ FRONT LINE MANAGERS	44%	32%
IT/HRIT ANALYSTS	30%	20%
BOARD MEMBERS	6%	14%
EMPLOYEES	6%	7%

Roles served in 2023 by maturity level: Strong usage in HR is consistent for both **Advanced** and **Emerging** organizations, with Advanced orgs more likely to serve business roles beyond HR including senior leaders, finance, the C-suite, front-line managers, and IT.
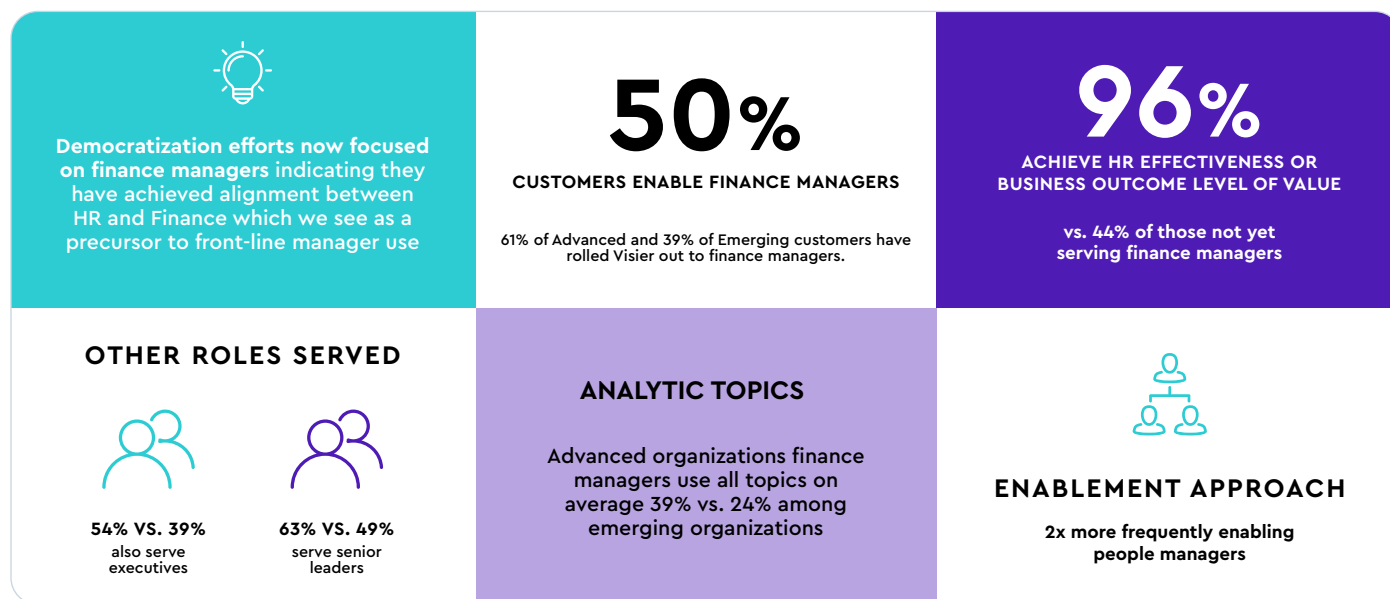
3.5 Democratization efforts now focus on the finance manager

Serving the Finance Manager has become a key differentiator among our **Advanced** customers. In the past, it has been a precursor to expanded success with democratization throughout the organization as Finance's use of people data insights lends a level of validity and fosters trust within other lines of business.

In 2023, the most significant increase in terms of roles served by people analytics was the Finance Manager role with 50% of customers enabling the role. 61% of **Advanced** and 39% of **Emerging** customers responded that they rolled Visier out to this role.

Furthermore, of those 50%, nearly all (96%) relayed that they achieved the value levels of either HR effectiveness or business outcomes. Conversely, just 44% of organizations that did not serve Finance Managers achieved these levels.

These results indicate that an alignment between HR and Finance results in two significant events: the first, increased business outcomes level of achievement as cited above, and second, as a precursor to broadening front-line manager use with those that have deployed to Finance Managers being two times more frequent in enabling People Managers.

Democratization efforts now focused on finance managers indicating they have achieved alignment between HR and Finance which we see as a precursor to front-line manager use

50%
CUSTOMERS ENABLE FINANCE MANAGERS

61% of Advanced and 39% of Emerging customers have rolled Visier out to finance managers.

96%
ACHIEVE HR EFFECTIVENESS OR BUSINESS OUTCOME LEVEL OF VALUE

vs. 44% of those not yet serving finance managers

OTHER ROLES SERVED

54% VS. 39%
also serve executives

63% VS. 49%
serve senior leaders

ANALYTIC TOPICS

Advanced organizations finance managers use all topics on average 39% vs. 24% among emerging organizations

ENABLEMENT APPROACH

2x more frequently enabling people managers

Characteristics of organizations enabling Finance Managers.

Advanced customers who serve Finance Managers are further exemplary in that:

⭐ They more frequently serve executives and senior leaders (by 15% and 25% respectively)

⭐ Finance managers show a stronger use of all topics than people managers with the exception of Diversity and Inclusion with the latter being something hiring managers focus on more frequently. Their top three analytics topics are:

1. Employee Engagement (exploration of how engagement impacts business results or retention as a function of pay)

2. Turnover

3. Talent Mobility[10]

3.6 **Advanced** organizations free up time for more sophisticated analytics tool use
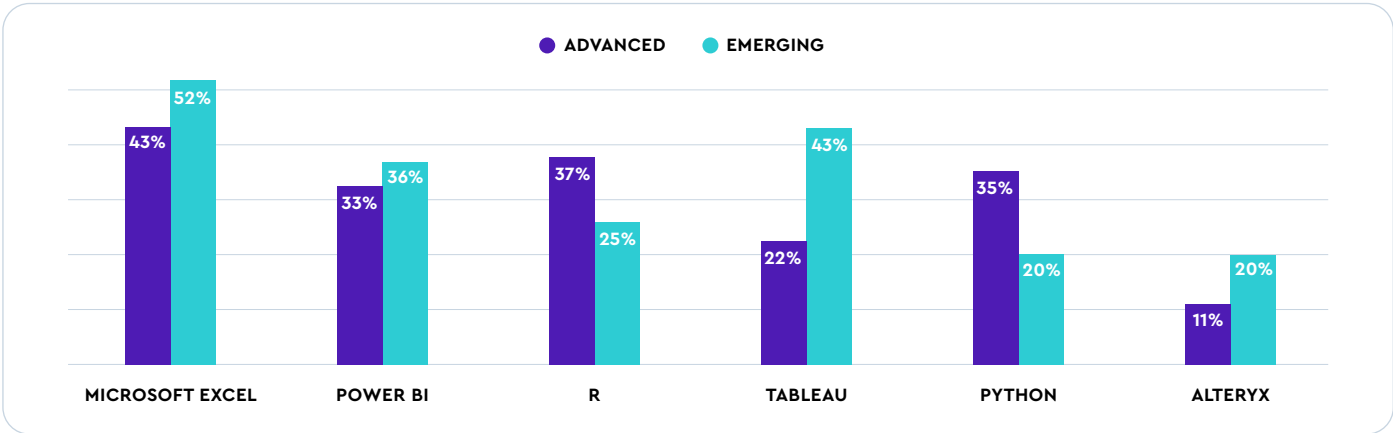
Customers reported on tooling[11] for the first time in 2023 with a clear separation between **Advanced** and **Emerging** organizations. Many of our newer customers among the **Emerging** orgs category come in using Excel, Tableau, Power BI, or Alteryx—solutions that have not supported the democratization that Visier can support.

Advanced organizations more frequently use R and Python, indicating they are doing more advanced analytics as they free themselves by providing self-service through enabling other roles with Visier.

3.7 **Advanced** organizations integrate more data sources to analyze

In 2023, Advanced organizations integrated more data sources with an average of one more data source added.

● **ALL CUSTOMERS**　● **ADVANCED**　● **EMERGING**
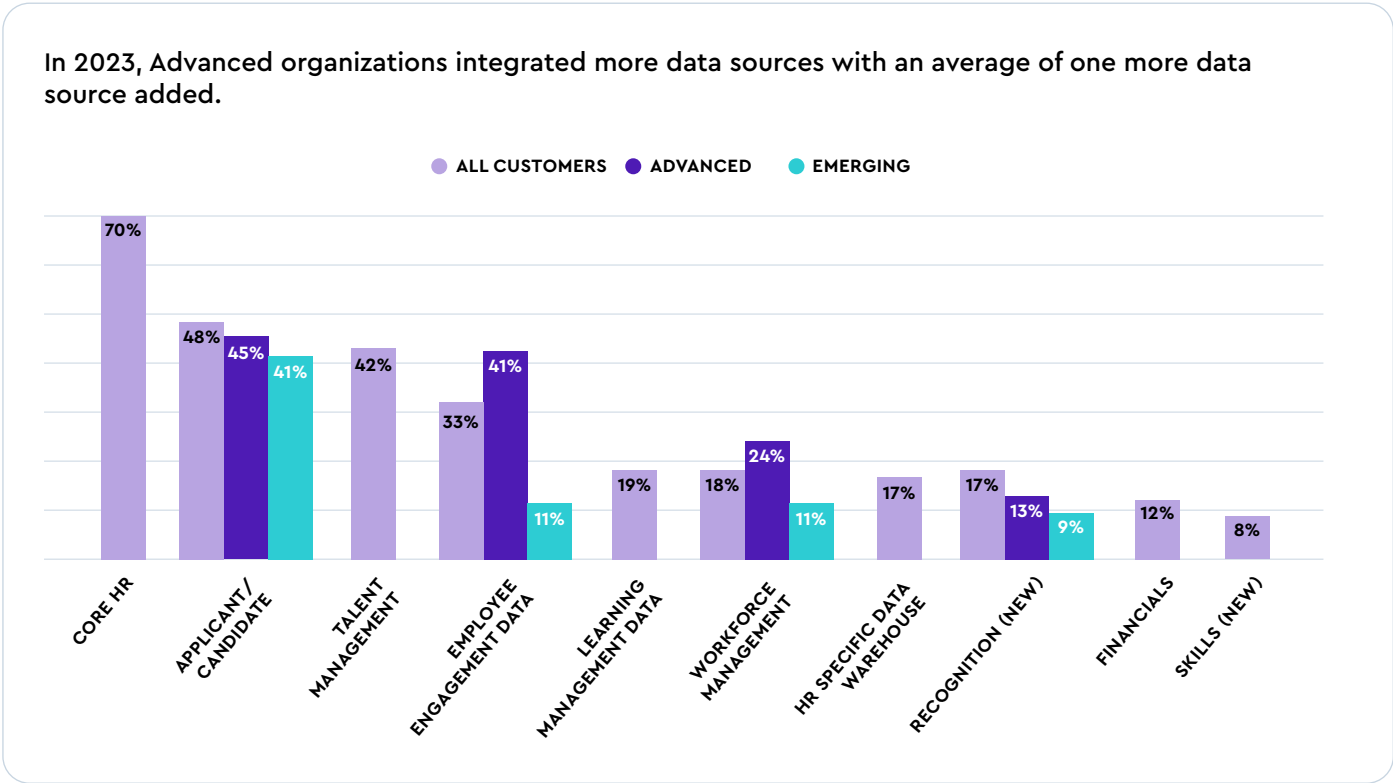
Customers are integrating more data sources in 2023 than in 2021, enabling workforce data to be juxtaposed with financial and operational data to deliver analysis on topics such as productivity, the impact of the workforce on operations, and the efficacy of L&D programs on business outcomes.

Across all organizations, the average number of sources was 3.5 in 2021, increasing to 4.3 in 2023. **Advanced** organizations integrate almost five sources compared to 3.7 sources for **Emerging**. Advanced organizations more frequently integrate applicant/candidate, employee engagement, workforce management, and recognition data.

New for 2023, recognition data and skills data sources are being integrated.

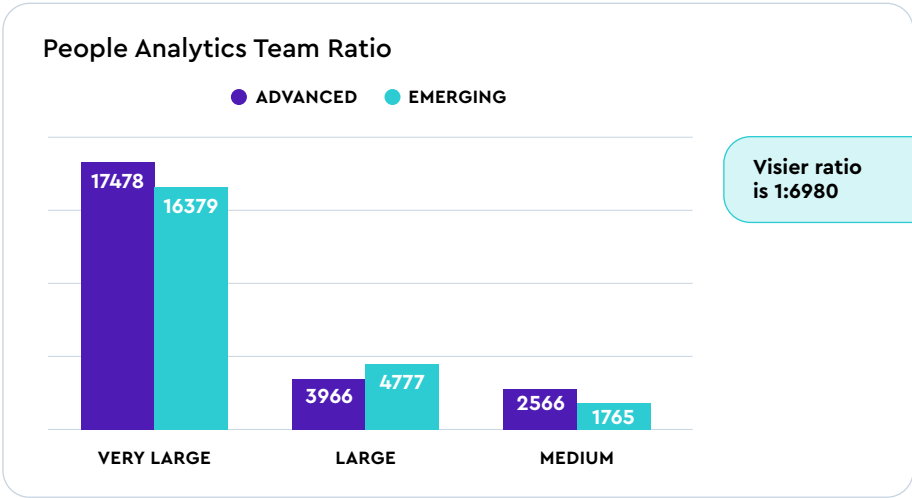## 3.8 Teams are larger, serving a higher ratio of employees

People analytics team size has grown in 2023. The average team size is 7.2, up from 6.2 in 2021. Our customers are adding more people resources at about an equal rate at both **Advanced** and **Emerging** organizations (7.1 and 7.2 respectively). With the growing team sizes, their analytics efforts can encompass more topics, more user roles served and more data integrations thereby achieving better business outcomes.

VISIER CUSTOMERS ARE ABLE TO SUPPORT 1/6980, MORE THAN 2X AS EFFICIENT AS ORGANIZATIONS USING OTHER SOLUTIONS

People Analytics Team Size

● ADVANCED ● EMERGING

	VERY LARGE	LARGE	MEDIUM
ADVANCED	14%	8%	3%
EMERGING	15%	6%	4%
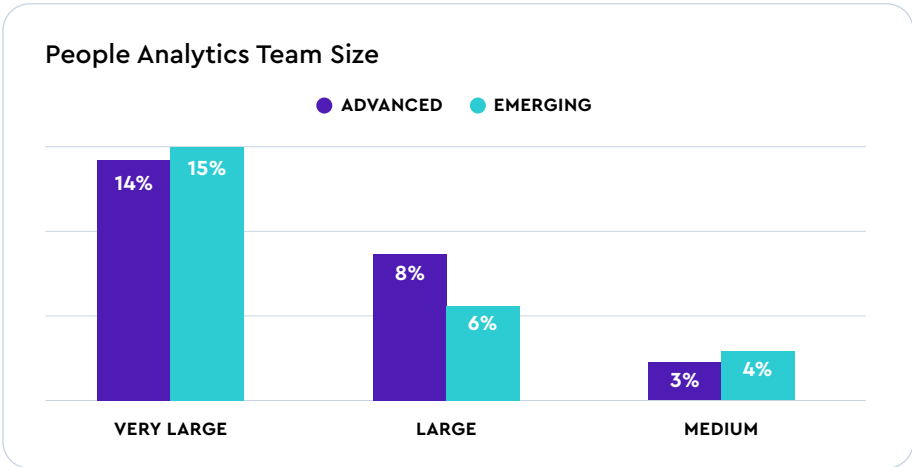
The ratio of people analytics team members to the entire business that they are serving has also changed with more people supported even as the breadth and quality and resulting value of services increases. We compare the average Visier customer ratio of 1:6980 (up from 1:6031 in 2021) to Insight222's 2023 research on people analytics teams which reports a ratio of 1:2800 (down slightly from 1:2900 in 2021).[12] This means Visier customers are more than twice as productive as organizations using other solutions, delivering as much or more value with a smaller team size. For **Advanced** organizations, the value increases with a ratio of 1:7459.

People Analytics Team Ratio

● ADVANCED ● EMERGING

	VERY LARGE	LARGE	MEDIUM
ADVANCED	17478	3966	2566
EMERGING	16379	4777	1765

Visier ratio is 1:6980

The top obstacle to success is connecting people data to business results

We asked respondents to identify their obstacles to success and 50% cited a desire to connect important business results to their people data in 2023. While a top obstacle for half of all organizations, this represents a significant improvement from 2021 when 75% of all orgs cited the same.

ADVANCED ● **EMERGING** ●

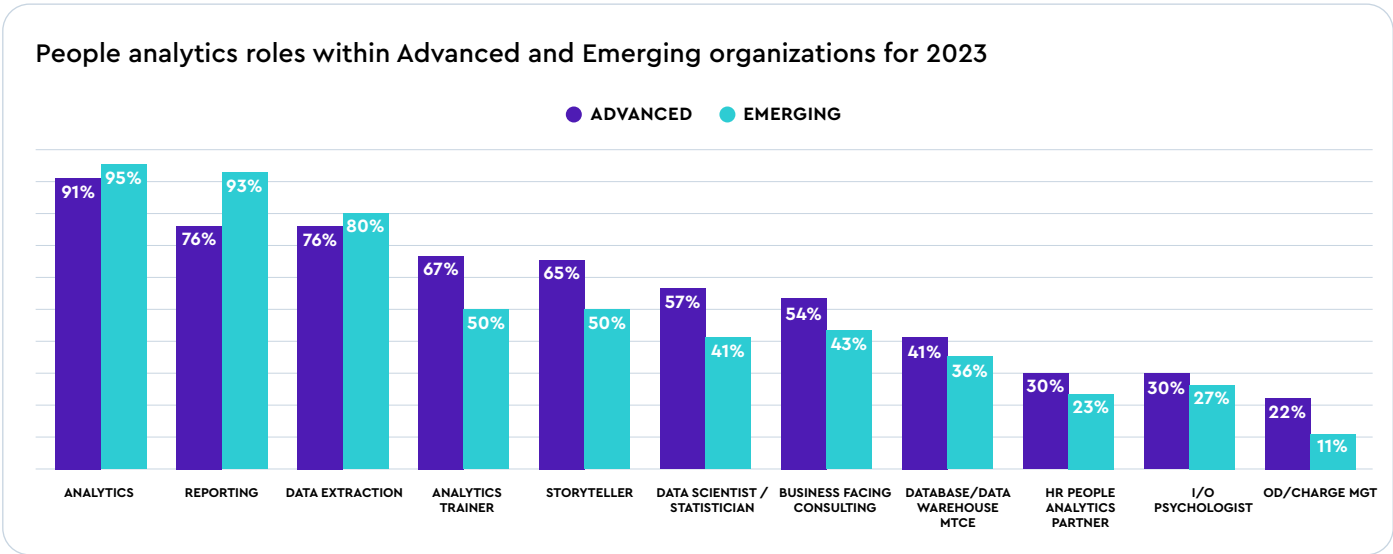| Obstacle	ADVANCED	EMERGING
The reports or analytics provided by our HR systems don't connect to important business results, such as profit, customer satisfaction and revenue	50%	50%
We do not have a "data-driven" skill set within HR and / or our HR business partners	43%	52%
We have data quality issues	28%	43%
We don't have an integrated view of data across the various HR systems we use	24%	43%
The reports or analytics provided by our HR system only report on the data included in that system	17%	34%
New: Constant change of systems / organization restructuring	11%	32%
Our HR metrics are not standard across all our systems	9%	30%
We lack the headcount needed to perform data integration and analysis at scale	7%	30%
We have infrastructure or security limitations getting to the data we need	9%	18%
We are too dependent on IT for analytics and reporting	7%	5%

All other obstacles are more strongly felt by **Emerging** organizations, with a lack of data-driven skill sets reported to be the strongest obstacle for them although, this too, is an improvement from the 69% of all organizations who pointed out this obstacle in 2021 (compared to a 47.5% aggregate in 2023).

A new obstacle was reported for 2023 with **Emerging** orgs citing that 34% felt that a constant change of systems and/or organization restructuring was a hindrance to their people analytics success, while just 7% of **Advanced** organizations said the same implying that organizations with more mature people analytics practices are able to withstand change better than their less-mature counterparts.

The remaining obstacles primarily point to the difficulty of achieving people analytics success before standardized systems are put into place establishing a single source of truth, a complication that **Advanced** organizations have moved beyond.
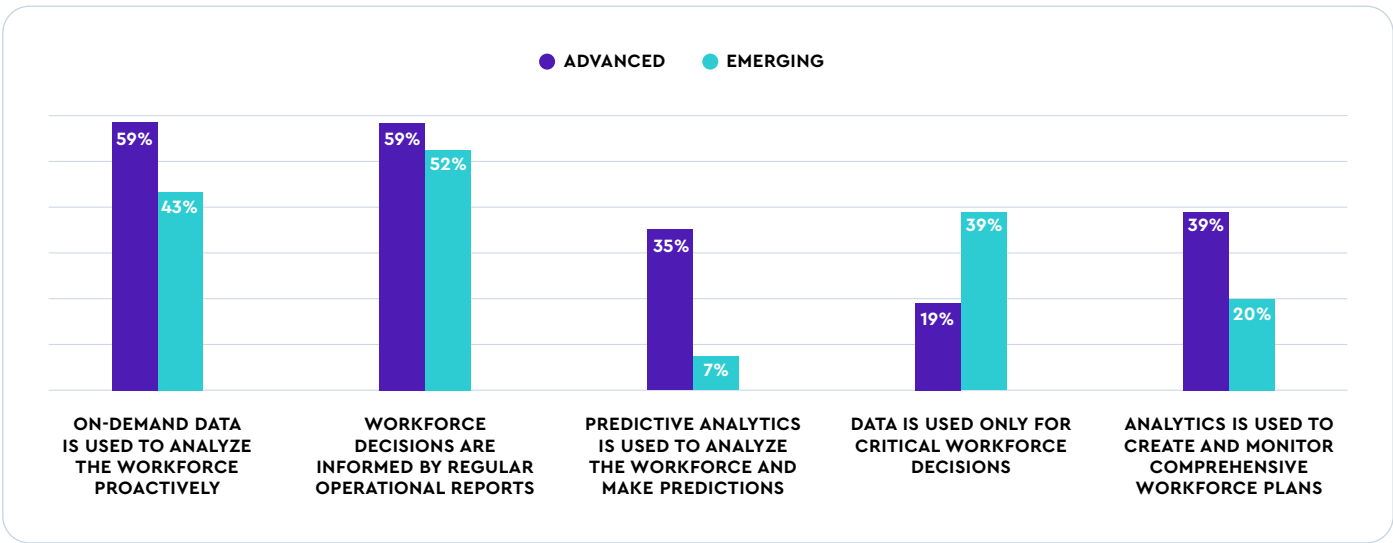
3.9 People analytics roles focus on democratizing insights in more mature organizations

People analytics roles within Advanced and Emerging organizations for 2023

● **ADVANCED**   ● **EMERGING**

	ADVANCED	EMERGING
ANALYTICS	91%	95%
REPORTING	76%	93%
DATA EXTRACTION	76%	80%
ANALYTICS TRAINER	67%	50%
STORYTELLER	65%	50%
DATA SCIENTIST / STATISTICIAN	57%	41%
BUSINESS FACING CONSULTING	54%	43%
DATABASE/DATA WAREHOUSE MTCE	41%	36%
HR PEOPLE ANALYTICS PARTNER	30%	23%
I/O PSYCHOLOGIST	30%	27%
OD/CHARGE MGT	22%	11%

The focus of the roles performed within a people analytics team differ according to maturity level. Roles within **Emerging** organizations tended to focus more on "getting started" types of tasks such as data handling, data extraction, and reporting.

With **Advanced** organizations, however, the types of roles were greatly expanded to include analytics trainer, storyteller, data scientist, HR people analytics business partner, and even industrial/organizational or behavioral psychologist—all roles focused first on building a data-driven culture throughout the business, with some working to ensure democratization of insights throughout the business to create business impact.

3.10 **Advanced** orgs use data proactively

● **ADVANCED**   ● **EMERGING**

	ADVANCED	EMERGING
ON-DEMAND DATA IS USED TO ANALYZE THE WORKFORCE PROACTIVELY	59%	43%
WORKFORCE DECISIONS ARE INFORMED BY REGULAR OPERATIONAL REPORTS	59%	52%
PREDICTIVE ANALYTICS IS USED TO ANALYZE THE WORKFORCE AND MAKE PREDICTIONS	35%	7%
DATA IS USED ONLY FOR CRITICAL WORKFORCE DECISIONS	19%	39%
ANALYTICS IS USED TO CREATE AND MONITOR COMPREHENSIVE WORKFORCE PLANS	39%	20%

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 the critical key success factor. This refers to the foundation or set of practices that surround any successful technology effort, including people analytics.

4.1 **Advanced** organizations trend more toward a culture of change management

The survey asked to what degree is change management used in creating a data-driven culture associated with their people analytics and/or workforce planning solutions. In 2021, at the aggregate level, organizations were split evenly among the three options—Sporadically, Few Key Projects, and Never.

Advanced organizations are trending toward a culture of change management

Legend: ● ADVANCED ● EMERGING

	ADVANCED	EMERGING
CULTURE OF CHANGE MANAGEMENT	46%	26%
SPORADICALLY	22%	49%
FEW KEY PROJECTS	30%	23%
NEVER		3%

In 2023, **Emerging** organizations continue to report change management is done sporadically or on a few key projects. **Advanced** organizations, on the other hand, are trending towards a culture of change management (from 39% in 2021 to almost 50% (46%) in 2023)—this has also increased, although slightly, for **Emerging** orgs over the last two years from 24% in 2021 to 26% in 2023.
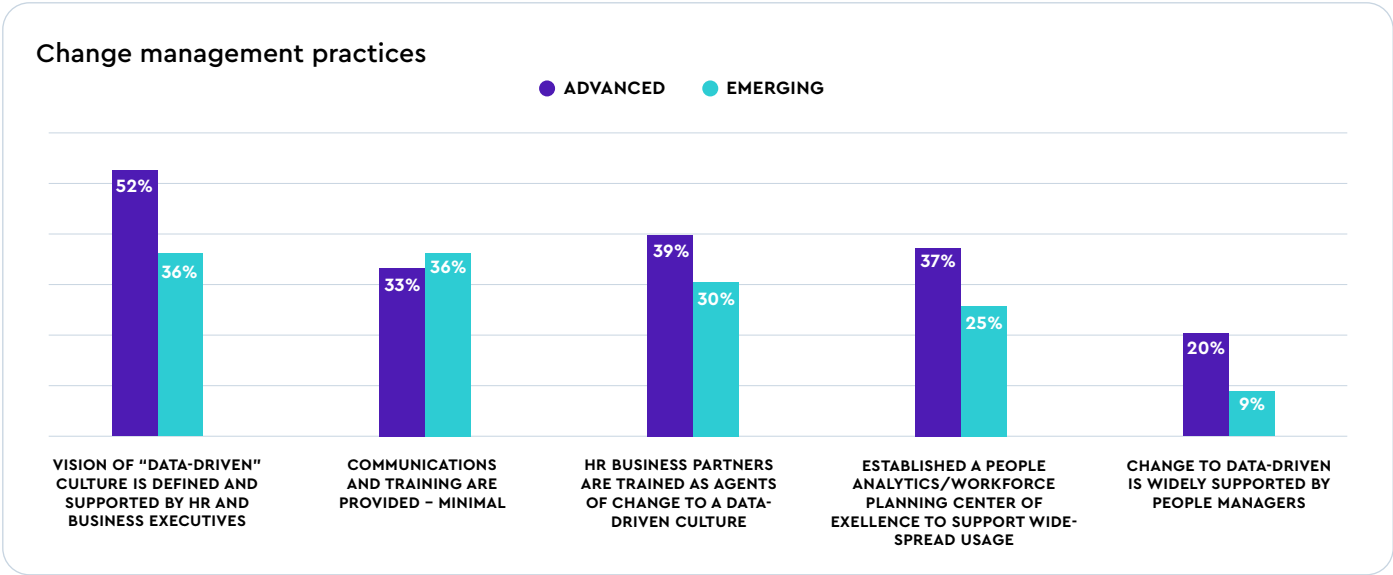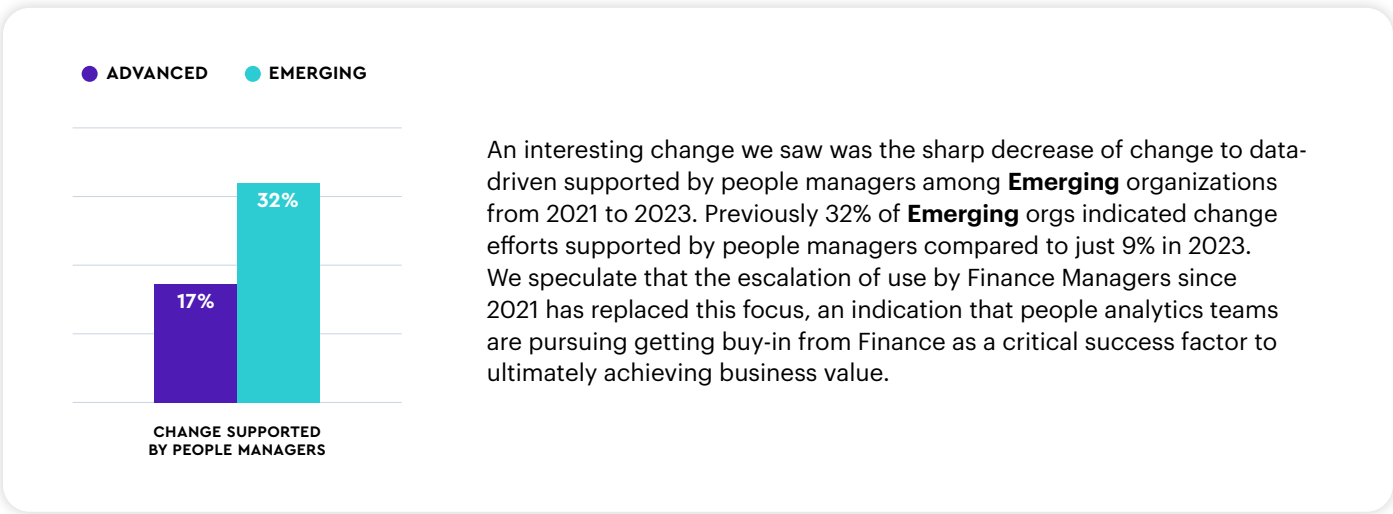
4.2 Change management practices

We asked the surveyed customers about the scope of the change management efforts associated with creating a data-driven culture. Of the five practices we inquired about, three stood out as hallmarks of **Advanced** organizations:

1. Defining a vision of "data-driven culture" agreed upon by both HR and business executives.

2. Training HR Business Partners as agents of change within the data-driven culture.

3. Establishing a people analytics "Center of Excellence" to support widespread usage.

Change management practices

● ADVANCED ● EMERGING

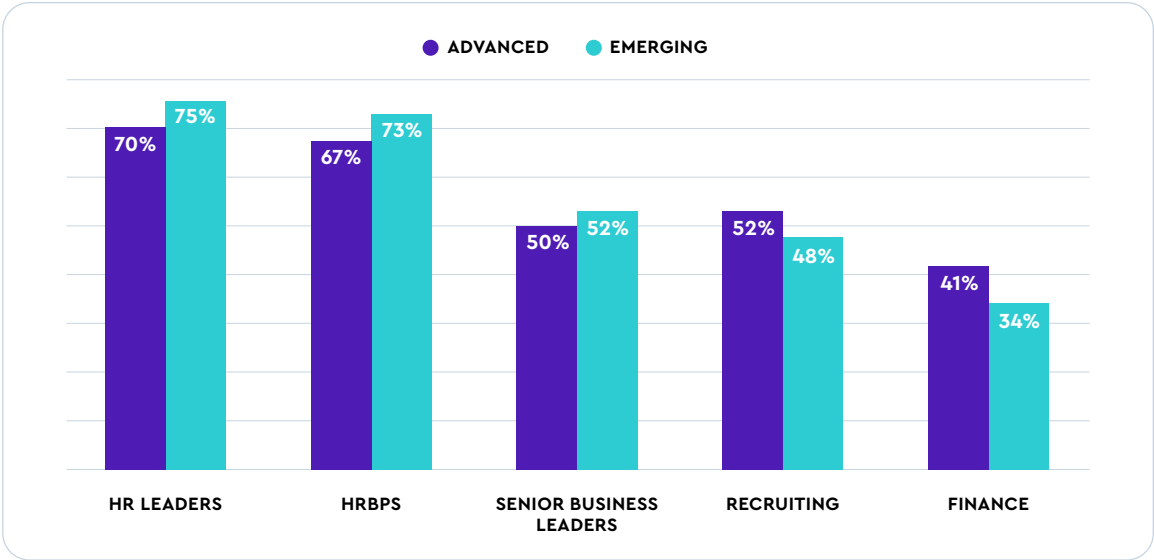|	ADVANCED	EMERGING
VISION OF "DATA-DRIVEN" CULTURE IS DEFINED AND SUPPORTED BY HR AND BUSINESS EXECUTIVES	52%	36%
COMMUNICATIONS AND TRAINING ARE PROVIDED – MINIMAL	33%	36%
HR BUSINESS PARTNERS ARE TRAINED AS AGENTS OF CHANGE TO A DATA-DRIVEN CULTURE	39%	30%
ESTABLISHED A PEOPLE ANALYTICS/WORKFORCE PLANNING CENTER OF EXELLENCE TO SUPPORT WIDE-SPREAD USAGE	37%	25%
CHANGE TO DATA-DRIVEN IS WIDELY SUPPORTED BY PEOPLE MANAGERS	20%	9%

Compared to 2021, we saw less attention on change management among our customers than we have seen in the past, possibly indicating their efforts have already been successful. We encourage, however, a continuation of change management practices (especially as organizations move to higher levels of maturity) such as working to democratize—spreading the use of data and insights to front-line managers.

● ADVANCED ● EMERGING

CHANGE SUPPORTED BY PEOPLE MANAGERS	
17%	32%

An interesting change we saw was the sharp decrease of change to data-driven supported by people managers among **Emerging** organizations from 2021 to 2023. Previously 32% of **Emerging** orgs indicated change efforts supported by people managers compared to just 9% in 2023. We speculate that the escalation of use by Finance Managers since 2021 has replaced this focus, an indication that people analytics teams are pursuing getting buy-in from Finance as a critical success factor to ultimately achieving business value.

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. Both **Advanced** and **Emerging** organizations work with an average of five—the same since 2021 for the former and one additional for the latter.

● **ADVANCED**   ● **EMERGING**

	HR LEADERS	HRBPS	SENIOR BUSINESS LEADERS	RECRUITING	FINANCE
Advanced	70%	67%	50%	52%	41%
Emerging	75%	73%	52%	48%	34%

Top 5 internal partners for success in 2023.

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 Senior Business Leaders, Recruiting, and Finance rounding out the top five—with the latter two being new additions for 2023, indicating that acquiring the right talent and working to drive business outcomes with their support are top priorities.
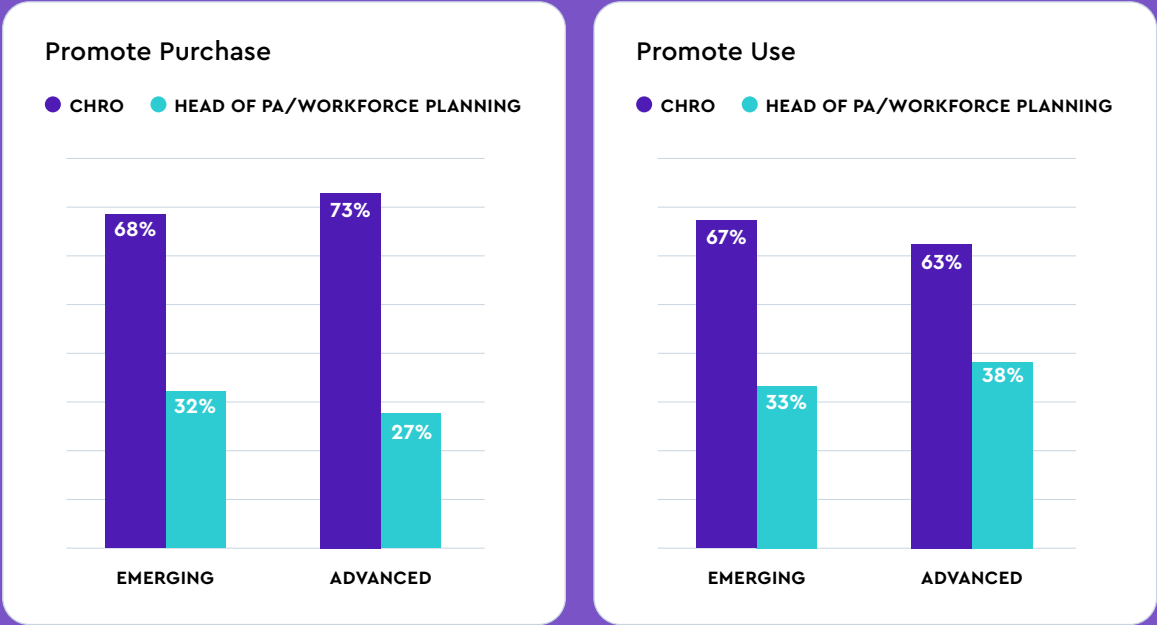
The CHRO emerges as top promoter of purchase and use

We asked which of the C-level executives and other business leaders were the most effective partners to HR when it came to promoting the purchase and use of people analytics? While we gave options for the CEO, CIO/CTO, and people managers, the number and percentages that responded to those options were less than 5%, so we are showing just the top two here: the CHRO/CPO and the Head of PA/Workforce Planning.

For both purchase and use, the CHRO leads and has grown slightly in strength since 2021 as the promoter of purchase, especially in **Advanced** organizations (73% vs. 68%).
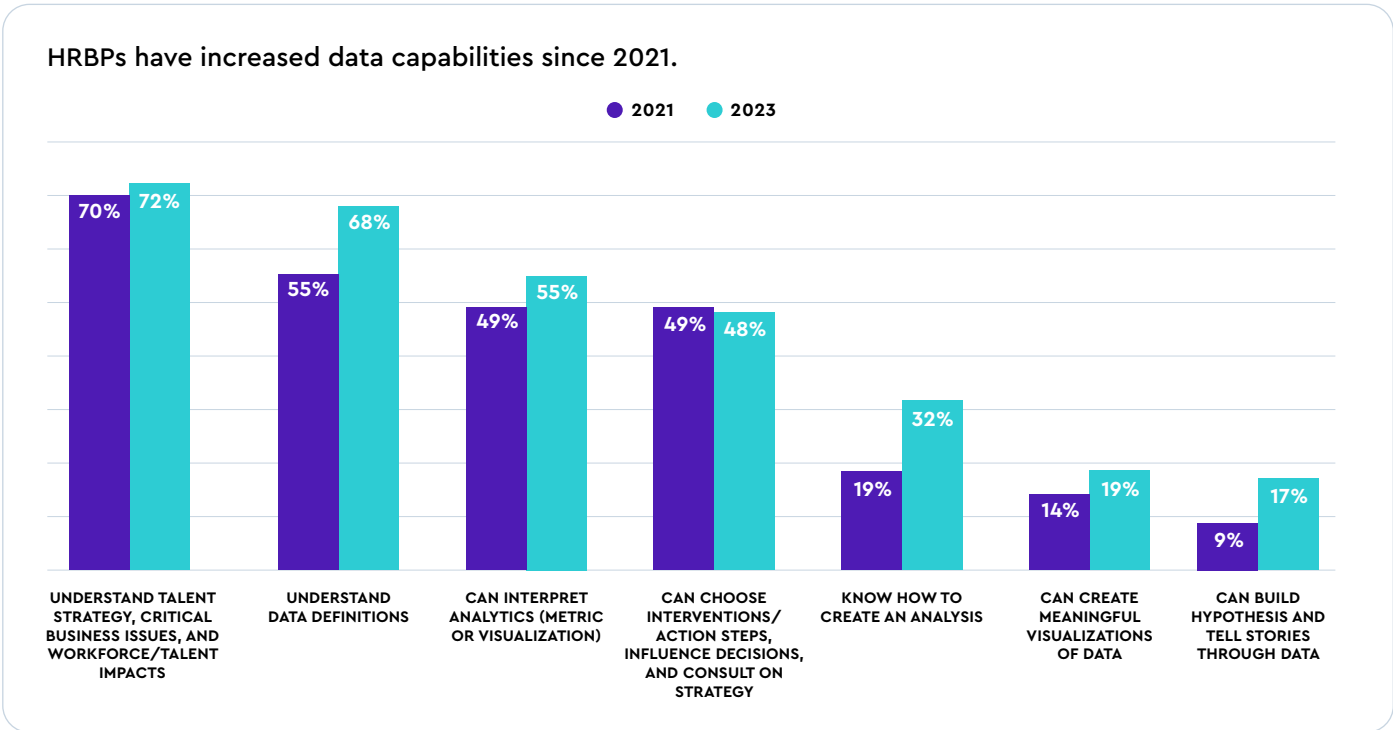
The most effective champion to promote use is also the CHRO, up strongly from 50% in 2021 to 63% in **Advanced** orgs, and slightly more among **Emerging** organizations (67%). This is consistent with other findings showing that HR is still the strongest people analytics user.

Promote Purchase

● CHRO   ● HEAD OF PA/WORKFORCE PLANNING

	EMERGING	ADVANCED
CHRO	68%	73%
HEAD OF PA/WORKFORCE PLANNING	32%	27%

Promote Use

● CHRO   ● HEAD OF PA/WORKFORCE PLANNING

	EMERGING	ADVANCED
CHRO	67%	63%
HEAD OF PA/WORKFORCE PLANNING	33%	38%

4.4 HRBPs are (mostly) increasing data handling capabilities

HR Business Partners play a crucial role in the adoption and usage of people analytics. Their work with frontline managers on everyday people-related business issues like compensation, promotions, and performance is elucidated by the insights from people analytics, so it is encouraging to see that HRBPs continue to increase their capabilities in accessing, interpreting, and applying people data in 2023.

HRBPs have increased data capabilities since 2021.

● 2021   ● 2023

	2021	2023
UNDERSTAND TALENT STRATEGY, CRITICAL BUSINESS ISSUES, AND WORKFORCE/TALENT IMPACTS	70%	72%
UNDERSTAND DATA DEFINITIONS	55%	68%
CAN INTERPRET ANALYTICS (METRIC OR VISUALIZATION)	49%	55%
CAN CHOOSE INTERVENTIONS/ ACTION STEPS, INFLUENCE DECISIONS, AND CONSULT ON STRATEGY	49%	48%
KNOW HOW TO CREATE AN ANALYSIS	19%	32%
CAN CREATE MEANINGFUL VISUALIZATIONS OF DATA	14%	19%
CAN BUILD HYPOTHESIS AND TELL STORIES THROUGH DATA	9%	17%

At the aggregate, HRBPs are more data savvy than in 2021. They understand data definitions better in 2023, can better interpret analytics, can more frequently create meaningful visualizations, and tell stories through data.

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 and business outcomes from operational reports towards on-demand data delivered and used by a broad range of users, especially frontline managers.

2. More analytics topics indicating organizations are measuring more of what matters for their broad range of users. Topics that have stood out as creating value include: Employee Engagement, Total Cost of Workforce, Talent Mobility, and Career Planning.

3. More user types, especially outside of HR and specifically in Finance which will ultimately enable direct impact on business outcomes.

4. More usage of advanced analytics tools which is made possible by freeing up time by providing self-service to Visier to other roles.

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, impact of the workforce on operations, and business outcomes.

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 their implementation to instill a pervasive data-driven culture.

As the value chain analysis has shown in the past 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, 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

Endnotes

1. Martin, L. (n.d.). *The age of people analytics 2021: Practices leading to value from people analytics maturity*. Visier. visier.com/lp/people-analytics-maturity-value-report/

2. Note: The "journey to value" was first documented in our Financial Impact of People Analytics report.

3. Visier. (2020, June). *The financial impact of people analytics*. visier.com/lp/financial-impact-people-analytics/

4. A note on self-sorting into maturity level category: To explain the decline in those designating transformational, those that are *Transformational* most likely no longer respond to the survey. Additionally, our customers often underestimate their progress as we discovered doing benchmarks last year.

5. A hallmark of how Visier research defines maturity is that we don't only cover technologies. Our research approach, in place since 2014, goes beyond to reflect how data is used to make decisions, users and team members, change management, and most importantly value achieved. Our maturity components also go into a value chain methodology that enables us to show "causal" results of using people analytics and a set of maturity practices.

6. *Total market benchmarks: management effectiveness information and trends*. CSIMarket. (n.d.). csimarket.com/Industry/industry_ManagementEffectiveness.php

7. *Margins by sector* (US). Operating and Net Margins. (n.d.). pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/margin.html

8. Note: The "journey to value" was first documented in The Financial Impact of People Analytics.

9. Visier. (2020, June). *The financial impact of people analytics*. visier.com/lp/financial-impact-people-analytics/

10. Re: talent mobility, for finance (FP&A), it isn't a question of "adding" resources, it's about placing the right resources in the right place at the right time or reallocating headcount from one group to another based on where the company needs to invest.

11. Additional tools with less than 5% use are not reported on this graph. These include Shiny, Cognos, Databricks, Domo, Spotfire, Microstrategy, Dataiku, Datarobot, and SplashBI.

12. Jonathan Ferrar, V., Verghese, N., & Binder-Matsuo, H. (2023, November 2). *Investing to deliver value: A new model for people analytics*. myHRfuture. myhrfuture.com/blog/investing-to-deliver-value-a-new-model-for-people-analytics

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