From Analytics to Action

A step-by-step guide to making a difference with people data

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About this guide

People analytics tools and insights keep getting better. The next step is figuring out what to do with the insights and how to get from analytics to action.

No tool can tell you how to run your organization; that's what humans are for. What people analytics can give you is a clearer, more complete picture of what's happening, faster access to information and an understanding of what the insights are based on.

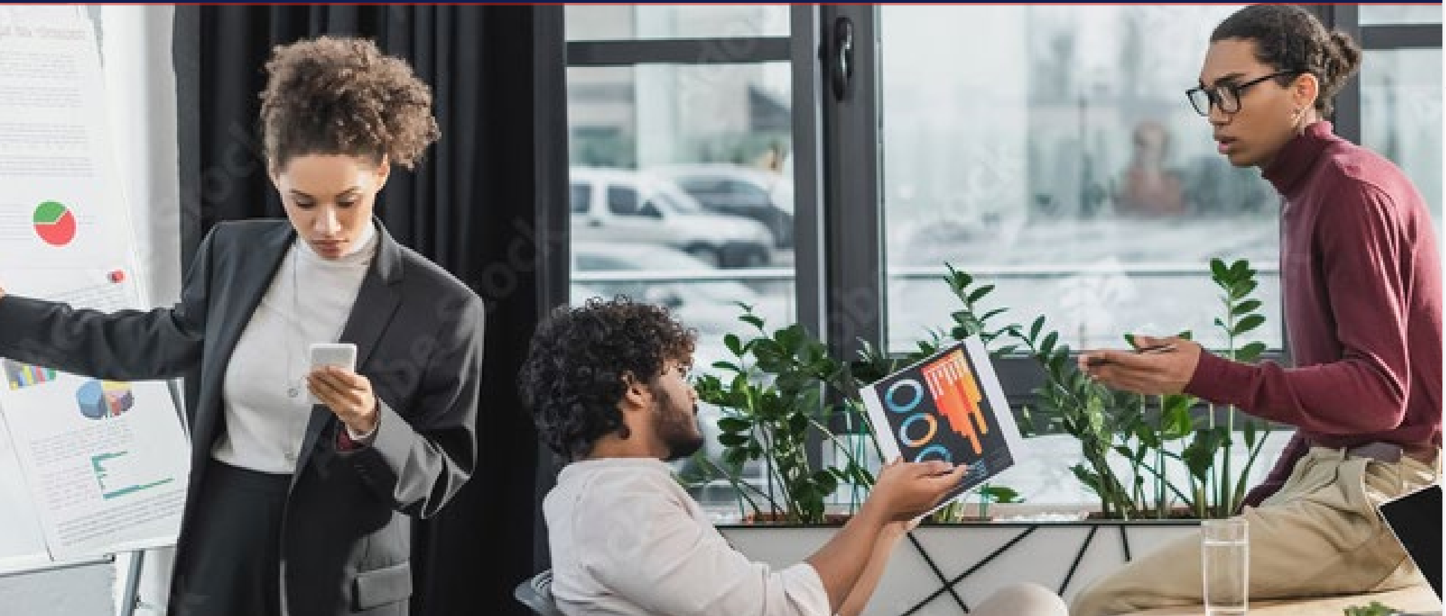
This guide is designed to help you take those insights, assess them, figure out if you need more information and, if so, how to find it. It also offers suggestions on using analytics to identify issues and challenges, inform strategy, make decisions and evaluate progress.

In the People Analytics Handbook, we introduced Assess, Plan, Act, Measure (APAM) as a programmatic approach to using people analytics. We applied the approach broadly to help you identify business challenges and objectives and establish your people analytics processes.

In this guide, we apply the approach to specific examples of common business challenges. The approach is the same, but it looks different at different levels.

This guide walks you through examples of how you can use people analytics to understand and manage turnover and diversity, equity and inclusion (DE&I).

We look at turnover first in detail to explain the process. Then, we'll show you an example of how to use people analytics to improve DE&I. This process is effective for almost any question you ask a people analytics system. The important thing is to stay curious and follow the clues and guideposts the data gives you.



APAM Programmatic Approach

	Broad Application	Specific Application
Assess	• Identify business challenges and objectives. • Identify the data you need • Check data quality. • Establish data governance.	• Ask good questions. • Evaluate your results against what you know. • Figure out if you need more data or information and how to find it.
Plan	• Build a task force. • Brainstorm ideas. • Prioritize.	• Determine if action is needed. • Brainstorm possible actions. • Consider whether the possible solutions will solve the problem. • Align your plan with the organization's goals and strategy. • Determine needed resources and responsibilities. • Get any needed approvals.
Act	• Obtain executive buy-in. • Develop change management and communications strategies. • Create list of to-dos. • Assign tasks and responsibilities. • Ensure data integrity. • Define and validate success metrics.	• Assign tasks and responsibilities. • Figure out how the project will be managed. • Obtain further information or insights.
Measure	• Select key performance indicators (KPIs). • Establish a monitoring cadence. • Determine how progress will be communicated.	• Define "good" and "done," so you know when to stop. • Track your KPIs and report results. • Assess what you learn. • Repeat.

Turnover

Assess: How to understand your insights

The answers you get from data always depend on what you ask it. While people analytics tools are designed to offer information on common questions and metrics, you can learn a lot by focusing on the problem you want to solve rather than the tool itself.

Voice of the client

One of the areas that we can look at with ADP DataCloud is turnover, which is a key metric for an organization — understanding who left and why. Often, we find that perhaps it's an issue with a particular department or supervisor that needs coaching. The opposite is also true — if there is a department or supervisor that isn't experiencing any turnover, what are they doing well that we can understand better? We can sift through that data a lot quicker using analytics than if we have to run a bunch of reports, put them into spreadsheets and then manually manipulate them.

— **Melanie Weigert,** HR director, Diamond Mowers

If you're concerned about turnover, it's easy to determine your overall turnover rate. You can also benchmark that against similar organizations in your industry or geographical area. Maybe your turnover rate is normal. But if you stop there and decide everything is fine, you may be missing important information that's available in the data.

It's like taking someone's temperature. You will get a reading and a number to a tenth of a degree. But it won't tell you much about whether or why someone is sick, or even how they feel. We often need more context or more detail to make the information useful.

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Ask yourself	For example
What do you want to know?	What is my turnover rate for the latest quarter?
Why do you want to know?	The vice president of sales says she's losing people and needs to add to her team.
Do you need more details?	What is the turnover rate for sales in the last quarter? What is our turnover by tenure for sales?
Has anything changed?	What is the average turnover rate for sales by quarter over the past three years? Is it increasing or decreasing?
Where are things changing?	What is the turnover rate for sales by location? What locations or divisions have the highest and lowest turnover rates?
What else can we learn from the data?	What is the turnover rate by manager in locations with the highest turnover? What is the turnover rate by demographics?

When you are curious and want to see an overview of what's happening, go broad. Look at overall averages and trends.

Once you have some top-level information, dig deeper and see where things are changing and what your trends are.

When something is changing quickly, not at all or seems odd, it's worth looking deeper for clues about why the change is happening.

Assess: How to know when you need more information

Data alone can't give you the full picture. It rarely tells you why something is happening or what's causing it. But data can lead you to these answers more quickly and help you confirm or clarify your theories.

Taking a detailed look

If your overall voluntary turnover rate looks okay, be sure to check the details. Look at turnover by tenure and age. It's common for new employees and younger employees to move around more. This usually has more to do with life stage and people figuring out what they want to do than with the organization they are working for.

> Next, look at turnover by demographics. Is turnover increasing for women, Black employees or other groups?
>
> If you see higher turnover for a specific group, evaluate pay equity, look at time to promotion and check for changes. A new manager, new policies, new processes and new people are all disruptive for a while. Sometimes, a spike in turnover is normal and will settle down after people get used to what has changed. It's okay to watch and wait, but not for long. If things don't improve soon, there's something else happening.

Pinpointing root causes

After you have dug into as much detail as the tools and data can provide, your next step should be to understand the causes. At this point, it's time to talk to people to learn more about what's going on.

If turnover in a department is higher than usual, talk to the leaders there and ask them what they think is happening. Sometimes, it's simple: A manager recently left, and most of their reports left with them. It's unfortunate, but there's not much you can do.

Sometimes, it's not simple: The leaders aren't sure why people are leaving, and no one is offering useful information in exit interviews. It may be worth checking with the team and contacting some of the former employees to learn more about why they left. If something is causing people to leave, you need to figure out the problem.

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Plan: How to plan strategy and action

You've looked at your data, asked more questions and talked to people. It turns out your turnover issue is related to your new policy of requiring people to go back to the office and that people are leaving for remote opportunities. You surveyed people and thought the issues through before enacting the new policy. But sometimes, what people say they are okay with doing is different than the reality of doing it.

Reviewing your approach

If the policy is causing the problem, the logical solution may be to change the policy. First, think this through. Changing the policy probably won't bring back the people who left, and the reasons employees prefer remote work can vary. This is where you need to slow down and come up with the right plan.

You had good reasons for wanting people back in the office. You don't want to fix turnover at the expense of creativity, productivity, community or any of the other potential benefits of people working together in person.

It may be that the people who were going to leave have mostly left. In that case, you may not need to change the policy. Instead, you need to recruit people who will be happy on site.

Considering your talent's needs

Maybe your offices are hard to get to. Maybe the commute is long and not particularly fun. You probably aren't going to pick up and open new offices. Is there another way to help people get to work? Is a shuttle possible? Would public transportation subsidies help?

Maybe it's worth considering a hybrid setup. What would that look like? Would people have assigned days so that certain people are together on site? What schedule would work best for getting the work done?

Maybe the change in policy caused women to leave at a high rate. Check your data and see. Maybe the real problem is childcare, not the policy. Is there childcare available near the office? Is it possible to set up a childcare program? Can you offer flexible schedules to make it easier to work around school and childcare drop-off and pick-up times?

Even when you can see the problem, the solution often takes creative thinking. Make sure you are solving the real problem and not just treating the symptoms of the problem.

Plan: How to figure out approvals, resources and steps

Once you know what you want to do, you will need approvals, resources and to figure out who is going to do what.

First, check to make sure that your plan fits in with what the organization is trying to do. Making a case for doing something the organization already wants is easier. Even if the connection to strategy is not direct, consider how your plan will change an existing strategy or goal.

If you are rethinking your return-to-office policy and plan to offer a hybrid model instead, how will this affect other strategies? If you are trying to improve DE&I, do your proposed improvements increase the number of people you could recruit and hire? If you want to improve belonging, does bringing in the same group on the same days promote connection and collaboration?

Determining next steps

Next, figure out the steps you need to take to implement your plan. This will help you understand what approvals and resources you need for each step. List it out, then have several people review it for things you may have missed and for ideas on how to present the plan for approval.

Make sure you know how long the plan will take, where it's likely to go off track and how much it will cost. Your leadership is going to ask, so be ready with the answers.

Next, incorporate accountability. What do you want to track and measure? Make your KPIs part of the approval process to assure leadership that the resources will be used well and that there is a way to know how things are going.

Voice of the client

We have an upcoming advisory board meeting and one of the things that we're going to look at is how our track record has been specifically in this local market, not the entire company, regarding new hires, terminations — voluntary and involuntary — and where we're doing well and where we can improve. It's really having knowledge versus not having knowledge. I say this all the time, but if I don't know something isn't working correctly, I can't correct it. And ADP DataCloud goes a long way in helping us do that.

— **David Minton,** president and CEO, Central Trust Bank

Act: How to act on your plan

Once you have approvals, steps, resources (including people to act on the plan) and a schedule for completion, expect adjustments along the way.

Planning and doing are usually a conversation rather than distinct action items that get checked off as they're completed. It's impossible to anticipate everything that could happen or go differently than expected. If you tried to think of everything, nothing would ever get done.

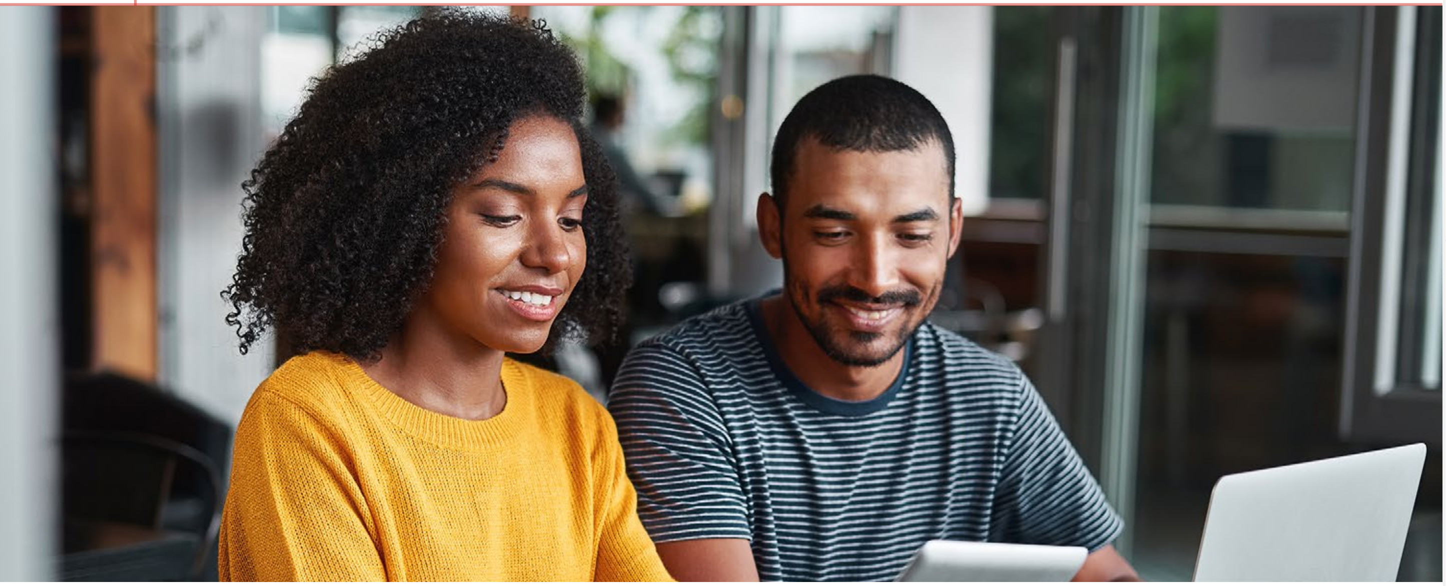
> As you get into action, expect to go back and reassess, shifting the plan as circumstances require.

Acting with analytics

Your people analytics tool can help with the action phase, too. If you decide to shift to a hybrid work policy, make sure you are tracking the analytics that you expect to change to see if things are working out as you thought. While trying to address turnover, you may also see changes in other metrics like time to fill, sources of hire, compensation, pay equity and workforce demographics.

Any time you make a significant change in policy, leadership or how things get done, there will be ripples throughout the organization. Learn to recognize and understand them as you try new things so you can get clearer on what to expect and manage for that, too.

Having a great project manager is also key to putting your plan into action. Find someone who understands the work, is good at helping people meet deadlines and can facilitate communications on the team to help eliminate obstacles along the way.



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Measure: Tracking how the plan is going

Before you start checking your KPIs, make sure you understand what good is, how you know if things are not good and when you should stop.

Defining "good" is more than just meeting your targets on KPIs. While it is true that you will get what you measure, it's also true that measuring can change what you get.

If good is reducing turnover, make sure that the organization is not filling up with people who will stay forever but don't have the skills, incentives or interest in doing the work. It's a little like measuring what you eat. You can't just count calories; you also need to make sure you are getting the right nutrients and energy for your body and goals.

Don't let the plan defeat the purpose or the metrics replace the meaning.

Tracking to adjust action

It's also important to track your analytics and know when you will pause or stop. If things are not going the way they should be, pause. Go back, assess and see if you need a different plan or to adjust the action.

If your voluntary turnover is not going down after you have been implementing your plan, figure out what's happening.

Start with your data. Look at turnover by age. Did you have more retirements than usual? Are the retirements related to incentives being offered, or are people deciding they're done?

Repeat your assessment to see where people are leaving. The high turnover may have an explanation that has nothing to do with your plan and actions.

If not, then figure out why the numbers aren't changing. Maybe the people who want to work remotely don't want to work hybrid, and the benefits to recruiting or diversity just aren't happening. Talk to your recruiters. Find out what they are seeing and hearing and what troubles they are having getting people in the door.

Adjusting for the future

When you adjust what you are doing, don't forget to adjust what you measure. Also, stay on top of what's possible with your analytics tools. As your data changes, so will the insights available. And as new analytics are rolled out, you will also have new views and perspectives on what is happening in your organization.

It's also important to figure out what works well and why it's working. We tend to notice the negative more than the positive. When things are working well or you meet a milestone or goal, it's time to celebrate and thank the people who made it all happen.

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Diversity, equity and inclusion

Diversity, equity and inclusion (DE&I) initiatives are essential to help us get past our assumptions about what an engineer looks like or who would make a great leader. We have condensed our Assess, Plan, Act, Measure (APAM) process into chart form and worked through an example of an initiative to improve overall diversity in an organization. The example involves diversity in hiring and tracking retention to make sure people stay, progress and succeed in the organization.

Assess

Business challenge and objective	To improve DE&I at the organization and make sure we don't just hire but that we have an environment where everyone can grow and succeed.
Questions to ask	• What are our demographics in all protected classes? • What departments and locations have the most and least diversity overall and by group?
What does the data say?	• For example, our Atlanta and New York City locations are diverse overall, but our Kansas City and Austin offices are very homogenous in race. • Our computer engineers have considerable diversity by race and veteran status, but we can improve this group's gender and disability diversity. • Our voluntary turnover for diverse new hires is much higher overall and for every location and department.
Questions or issues with the results	• What progress have we made with our women in science, technology, engineering and math (STEM) initiatives? • How are we measuring diversity globally? For example, do Chinese engineers in China and Indian engineers in India count toward our overall diversity? • Are we seeing diversity in who we promote, time to promote and leadership training programs? • How does the voluntary turnover of diverse employees compare to our overall voluntary turnover, and are there differences by age or other factors?
What else do we want or need to know?	• What are the obstacles to finding and hiring more diverse employees? • Why don't people stay after the first year or two?

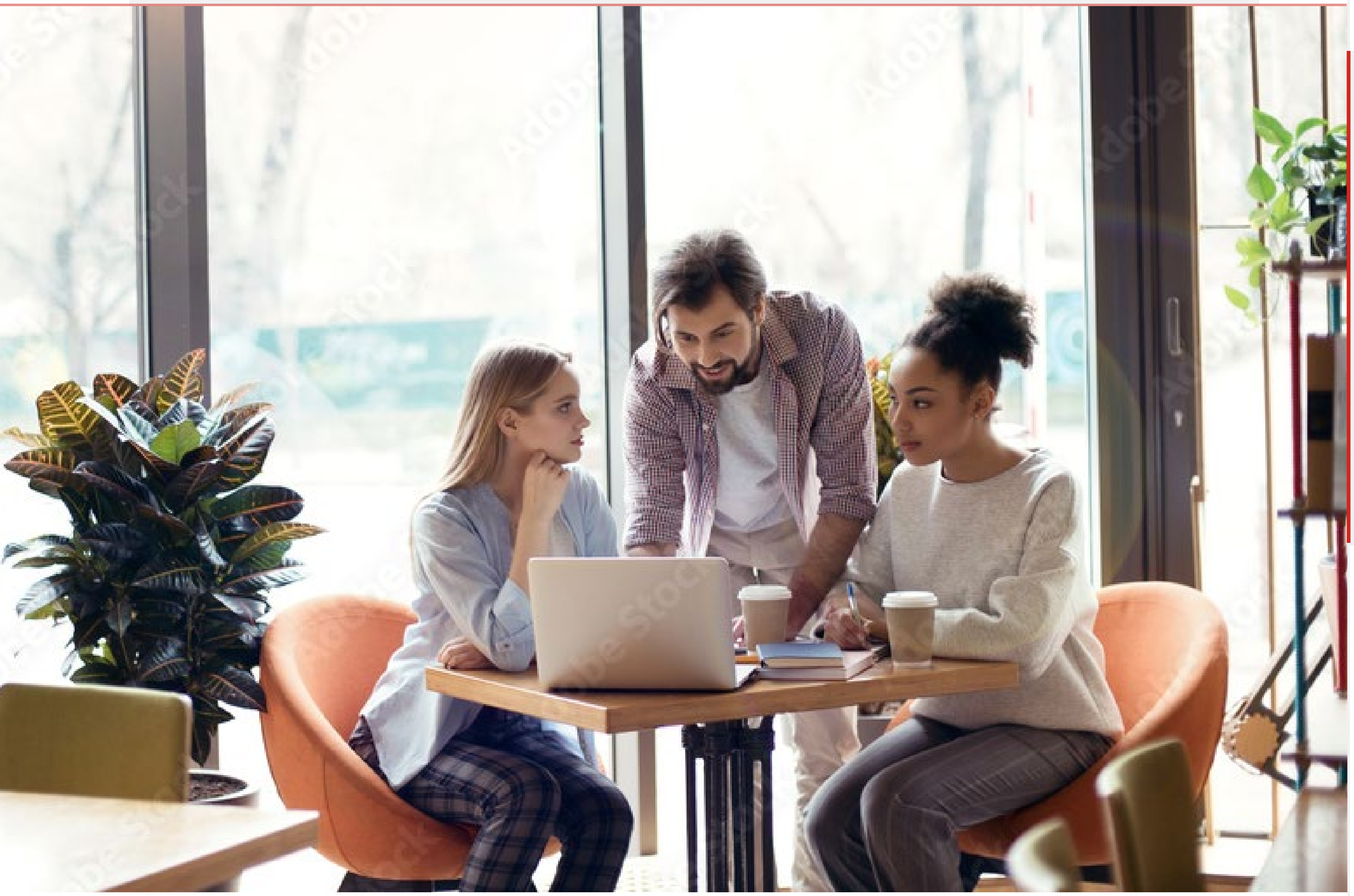
Don't rush to solutions. Think them through. Talk about them with people who understand what's involved. Feel free to go back and assess based on new information and knowledge.

Voice of the client

Part of our DE&I initiatives is centered around breaking the barriers to career growth. We are building career growth models designed to provide different certifications and opportunities for our employees to develop both professionally and personally. But to be most effective, we rely on metrics to help us identify where we need to focus more attention.

Using the reporting and benchmark features of ADP DataCloud has allowed us to identify locations where discrepancies in pay equity existed.

— **Alisa Clark,** VP of human resources and employee relations, Sinceri Senior Living



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Plan

Do we want to act on this?	Yes. Let's start by focusing on recruiting more women engineers and retaining diverse employees.
Brainstorm possible actions	• Ask our recruiters to source and include more qualified women for interviews. • Work with hiring managers on the benefits of diversity for the organization. • Evaluate potential career paths in the departments and locations where we have the most diversity to make sure there is room to grow and promotion opportunities. • Provide leadership training to improve leadership diversity. • Consider remote and flexible schedules to make the jobs more attractive to working parents and people who may have long or difficult commutes.
Will these actions solve our problem?	These initiatives should improve the diversity of the people we hire, but we should remember that unconscious biases can be hard to overcome. So, we need to track what happens and expect obstacles.
Does the solution align with the organization goals and strategy? How?	Yes. Diversity is a compliance issue and beneficial to the organization because it expands available experience, viewpoints and innovation ability.
What steps do we take and what resources do we need?	• Work with recruiting to set targets and track progress at each stage of the hiring process. • Find out the obstacles to recruiting more diverse candidates in Kansas City and Austin and look at remote work and other options. • Get leadership to talk about the importance and benefits of diversity at the next town hall. • Review our leadership training programs and improve the diversity of the people involved and the program itself. • Ask our people analytics solution provider for advice on finding current career paths through promotion and tenure data. Find out whether there is other data that would help us define and track career paths.

Plan

Who is responsible for what?	• Talk to the recruiting department. • Work with leadership on a diversity benefits presentation. Contact the solutions provider.
What approvals do we need?	• Make sure that everyone's supervisor understands that people will be working on this and the time requirements. • Budget and approvals will be determined when we have more feedback on recruiting obstacles and recommendations from our people analytics provider and team.

The plan is always where you start, but it's not always exactly what you do. Stay focused on solving the problem rather than following the plan.

Act

Assign tasks and responsibilities	To be completed when we have more details on a plan of action.
How will the project be managed?	Use a project management tool to track deadlines. The project manager will establish and follow up when needed.
Is there other information or insights we want or need?	• That depends on what we learn in this phase. • We will want to be able to see if increasing leadership training for diverse employees results in promotions and longer tenure.
Are there obstacles or issues that need to be addressed?	Not yet.

With long-term initiatives, make sure you have considered the people doing the work and what happens if someone is promoted or leaves. Make sure more than one person knows what's going on, what's next and when the work needs to be done.

Measure

What are our KPIs?	• Track demographics of new hires by department, manager, role, location and overall. Benchmark by industry and location. • Track retention and tenure by demographics for the above. Benchmark by industry and location. • Track time to promotion by demographics and benchmark against the rest of the organization, industry and location.
What is "good?"	• Increased diversity overall. • Increased number of women in engineering. • Increased tenure of our diverse employees. • Increased diversity in leadership.
When will we know if we're done?	This is an ongoing initiative. We should give each action item at least one to two years to make progress and see where we want to improve or change the approach.
How are we reporting our progress?	• Quarterly analytics report. • Quarterly narrative progress report.
What are we learning, and do we need to adjust?	Assess after six months.
How will we celebrate our progress and achieved goals?	• Talk to communications, public relations and talent acquisition about ideas down the line. • Definitely include pizza and chocolate!

Don't forget to celebrate progress even if things are not going as planned (things never go exactly as planned).

Using data effectively, ethically and empathetically

We're used to data and computers giving us answers. People analytics rarely give us answers or tell us what to do. Instead, they offer insights, quick information, the ability to effectively track what is happening and help us ask better questions. People analytics help us explore possibilities, try out scenarios and see when things are changing in real time.

But the data alone can't tell us when someone's caring for their child or dealing with an unexpected emergency or private matter.

The human touch

People analytics can give us important information but can never provide the full picture. When we use people analytics to answer questions about people's lives and careers and decide the best courses of action for the organization, we should also learn more about the context and the story behind the data.

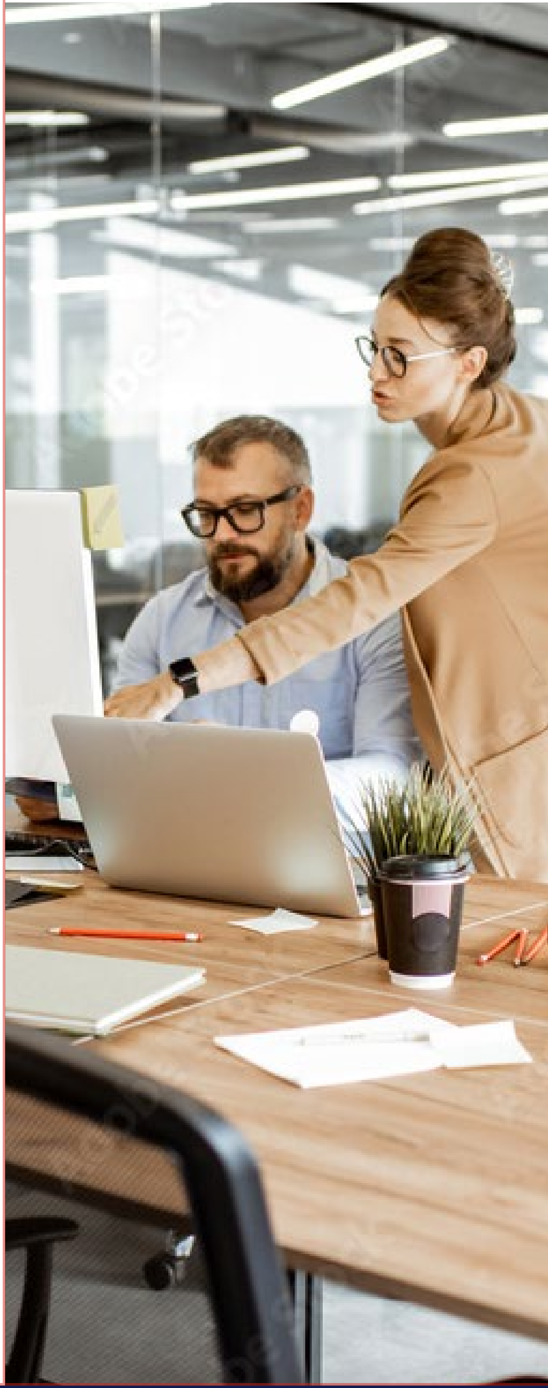
When decisions involve humans, humans need to be involved in the decisions because humans can bring empathy, compassion and care to the process. Humans can explore the right thing to do and what could go wrong.

People analytics are invaluable tools that help us see things more clearly, ask better questions and develop creative and effective solutions. But in the end, people are the ones who make decisions with care.

Expert insight

Humanizing data is essential. How you define metrics of consequence and the way you use them is not just important for the organization's success. It matters to people's careers and lives.

— **Amin Venjara,** general manager of data solutions, ADP



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