


CHALLENGES IN PEOPLE ANALYTICS IMPLEMENTATION

NOT ALL ORGANISATIONS CAN MAKE THE MOST OUT OF THEIR PA. FOLLOWING ARE SOME OF THE REASONS WHY.

LACK OF CONSULTATIVE CONVERSATIONS WITH THE RIGHT STAKEHOLDERS



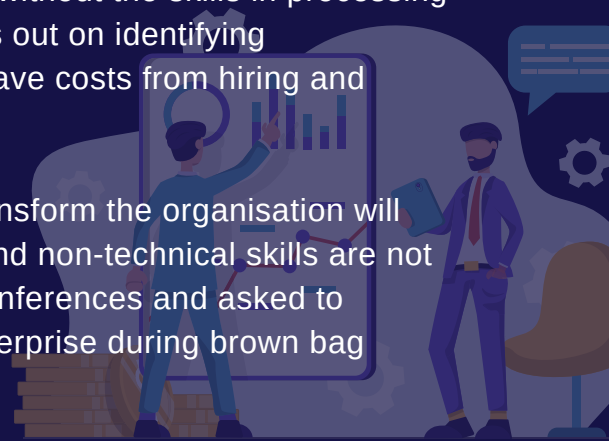
Achieving an evidence-based approach to people management can be a challenge for organisations that have yet to develop a business case for PA. For instance, a 2019 IBRS peer roundtable discussion found that many organisations possess the capabilities to invest in analytics, but are not yet clear on what business issues should be addressed in the first instance. However, by looking into audit and risk groups, the enterprise can better solicit specific use cases to support PA.

UNDERDEVELOPED ANALYTICS SKILLS

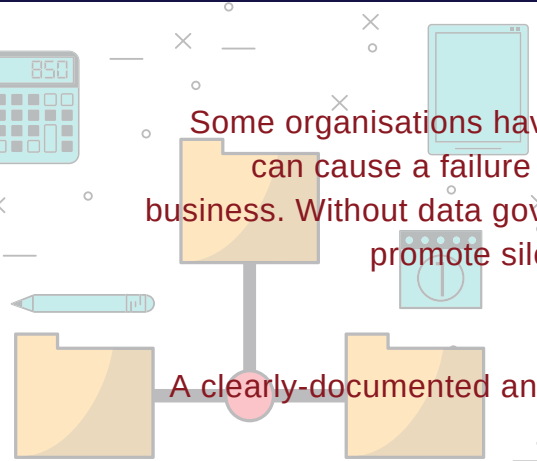
Many HR teams cannot optimise their use of PA because they lack training, or the enterprise does not have a data analyst dedicated to PA. As such, data is limited to descriptive analyses and cannot uncover counterintuitive insights that can drive motivation to work and eagerness to stay with the enterprise.

The transition to hybrid work, for instance, has raised employee expectations in terms of job satisfaction and non-monetary benefits. This can raise issues in managing attrition and retention when the organisation fails to adjust to its new setup. However, if the HR team is limited to gathering survey responses without the skills in processing and recommending solutions using PA tools, it can miss out on identifying opportunities to improve retention strategies and help save costs from hiring and training new employees.

A previous analysis by IBRS contends that efforts to transform the organisation will stagnate if programs to develop employees' technical and non-technical skills are not prioritised. Stakeholders should be allowed to attend conferences and asked to present what they have learned to their peers in the enterprise during brown bag luncheon events.



DATA SILOS



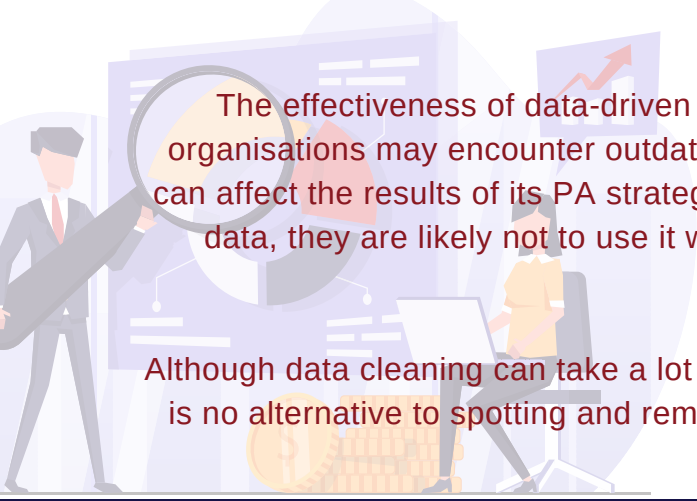
Some organisations have a departmental (siloes) view of their own processes. This can cause a failure in the communication of gathered data to other areas of the business. Without data governance policies, this can further lead to lower visibility and promote siloes and departmentally-isolated data, aside from ineffective communication practices.

A clearly-documented and implemented data governance framework will help ensure that the goals of adopting a PA strategy will be realised.

LIMITED PLATFORM FEATURES

Enterprises can also grow frustrated when they cannot connect disparate data using different collaboration, digital process, and HCM platforms. Vendors must expand their services based on users' needs that will improve their product's capabilities in addressing analytics solutions.

POOR DATA QUALITY



The effectiveness of data-driven decision-making relies on data quality. However, organisations may encounter outdated, incomplete, inconsistent, or unclear data that can affect the results of its PA strategy. When HR or top management do not trust the data, they are likely not to use it when drawing conclusions until the so-called dirty data is corrected or replaced.

Although data cleaning can take a lot of time and would cause a delay in results, there is no alternative to spotting and removing outliers, correcting for uniformity and fixing the source system for data issues.

LACK OF DATA CULTURE

When an organisation does not prioritise data-driven decision-making, it relies heavily on intuition and instinct when making decisions. This also constitutes a huge adjustment on the part of the workforce before participating in employee data collection, should the enterprise decide to introduce PA into the organisation.

For instance, it can be daunting for employees to understand that a PA tool can identify churn rates and predict the likelihood of employees taking a specific action within an estimated time frame. However, when data culture is built from the top, where executives support integrating data analysis with business operations and organisational development, then it can offer concrete benefits in its proposition to build data culture without compromising data confidentiality.

