Building the Foundations of a Data-Driven Organization

Grace Omo-Lamai
24 March 2022

Data: Why Important?

- **Data has now become a Key Factor** for helping organizations thrive in a post-digital transformation age

- **Organizations must rely on their own facts** to get a correct reflection of the reality of their business. The only way they can do this is through Data. Assumptions are no longer enough.

- **Data is now the new compass** organizations need to keep the ship on course during these VUCA times.

- **Data has now become a strategic asset**. How data is managed and used deserves the same attention as the other valuable assets within an organization.

A Data Driven Organization

A data-driven organization is
one that has established a framework and culture where data is prized and effectively utilized to make decisions across the organization

What Data-Driven Organizations Do

- Data-Driven organizations not only recognize the importance of collecting raw data but also understand that they shouldn't make business decisions using raw data alone.

- Instead, they collect, analyze and derive insights from data to address business problems, identify new growth opportunities, and drive profitability.

- Data-driven organizations can outperform their competitors by 6% in profitability and 5% in productivity.

Place data at the front and center of the work done

Utilize data effectively and generate insights

Drive change, innovate new products, acquire more customers

Examples of Data-Driven Organizations

NETFLIX

- Utilized the power of their data to run predictive analysis to learn what exactly their customers would be receptive and interested to watch.

- By analyzing over 30 million 'plays' a day as well as over 4 million subscriber ratings and 3 million searches, they were able to make winning bets on developing widely-acclaimed hits such as 'House of Cards' and 'Arrested Development'.

Google

- Google's people analytics teams dug deep into their data and analyzed employee performance reviews and feedback surveys amongst many data sources to better understand how to 'build a better boss'

- This helped to create a list of data-driven insights into what employees valued and helped to improve the manager quality of 75% of their lowest-performing managers.

Uber

- With predictive analytics, the company can analyze historical data and key metrics that include the number of ride requests and trips getting fulfilled in different parts of a city as well as the time and day where this is happening.

- This analysis helps UBER to gain insight into areas that have a supply crunch, allowing them to pre-emptively inform drivers to move to areas ahead of time in order to capitalize on the inevitable rise in demand.

Coca-Cola

- With over 105 million followers on Facebook and 2.7 million on Instagram, Coca-Cola cleverly leverages the power of image recognition technology and data analytics to target users based on the photos they share socially – giving them insights into the individuals drinking their products, where they are from and how (and why) their brand is being mentioned.

- The personalized ads served this way enjoyed a 4x greater click-through rate versus other methods of targeted advertising.

The Foundation Cornerstones
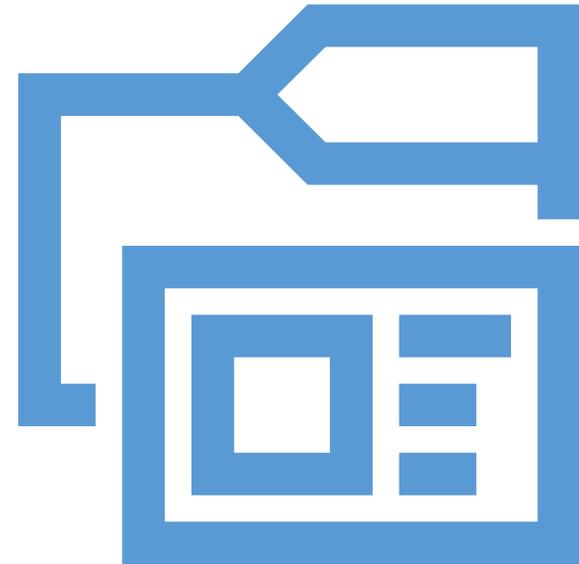
Data-Driven Foundations
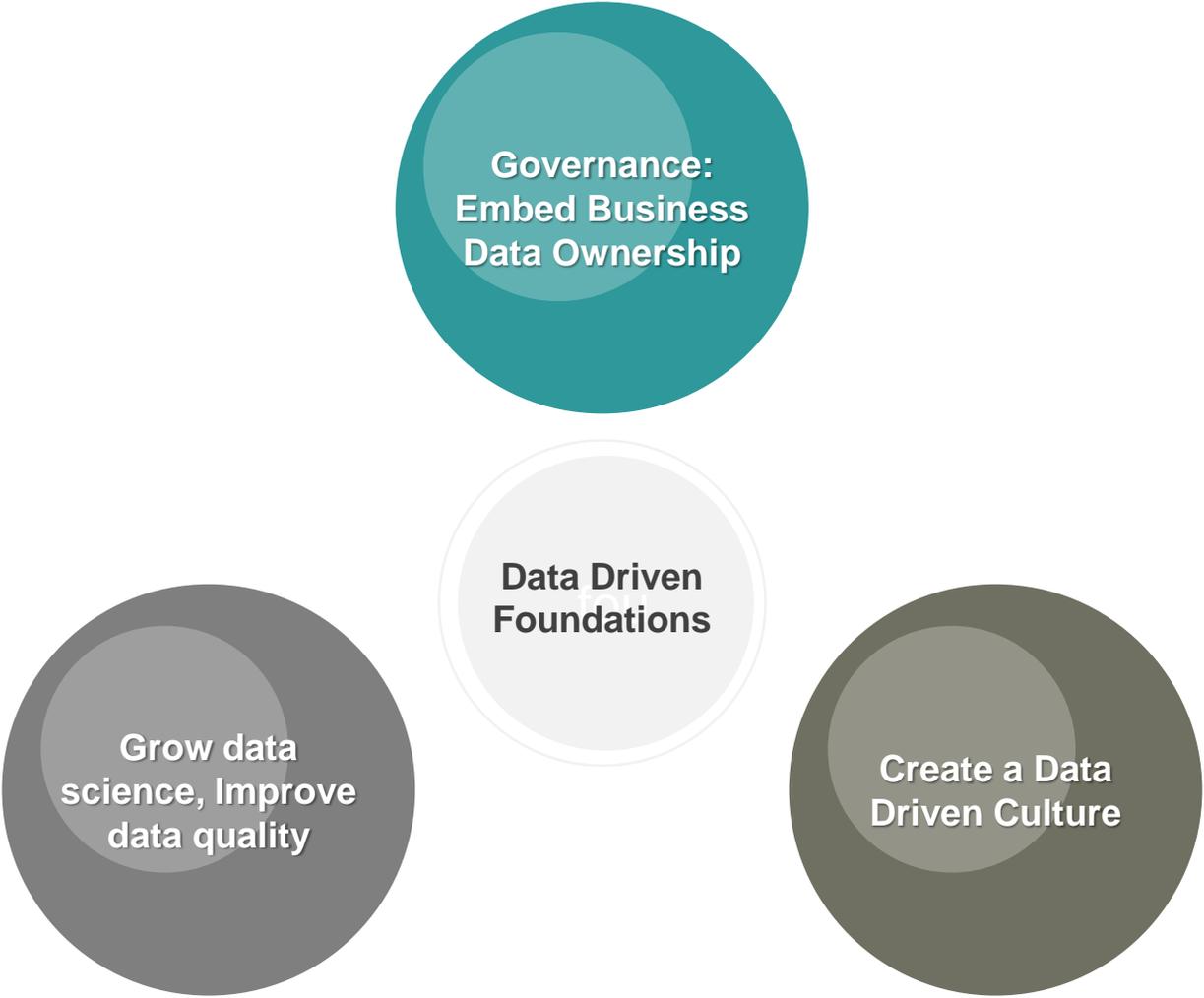
Governance: Embed Business Data Ownership

Business Data Ownership

Business Users Should Own Business Data
People who understand the data can validate it and utilize it to drive strategic decisions for the business

Data Quality & Accuracy
Make Data Owners accountable for data quality, accuracy and value

Data Standards & Policies
Make Data Owners responsible for data standards and policies that drive high quality and compliant data

Data Access
Grant access to data community

Create a Data-Driven Culture

01
Make Clear what it means to be data-driven
- Data driven culture starts from the **TOP**
- Don't treat data as just a by product of transactional systems
- Design your applications and technology around data that is required to make business decisions
- organize systems and applications to give the right people access to data so they can make decisions quickly

02
Build Data Literacy
- Building data literacy allows everyone in the company to speak in specific terms instead of generics about how to use data
- Specialized training to be offered just in time

03
Embrace new technology
- Invest in modern technologies for AI driven insight
- Adopt data Management suites for data quality and governance management
- Adopt Data Lakes and warehouses for big data management
- Make proofs of concept simple and robust not fancy and brittle

04
Democratize Data
- Make data findable
- Make data accessible
- Make data interoperable
- Make data reusable

05
Get Data Experts Onboard
- Involve experts having diversified skill sets to manage data lifecycle

Grow Data Science, Improve Data Quality

Improve Data Quality

Routine data quality checks and cleansings

Routine revision of Data quality rules and standards to foster better data integrity and quality

Grow Data Science Skills

Engage Data Scientists, Engineers and BI specialists working in liaison with data owners to deliver analytic solutions

Constant scan of evolving trends/tech for upskilling of Data Analytics team

Building a Data-Driven HR Function
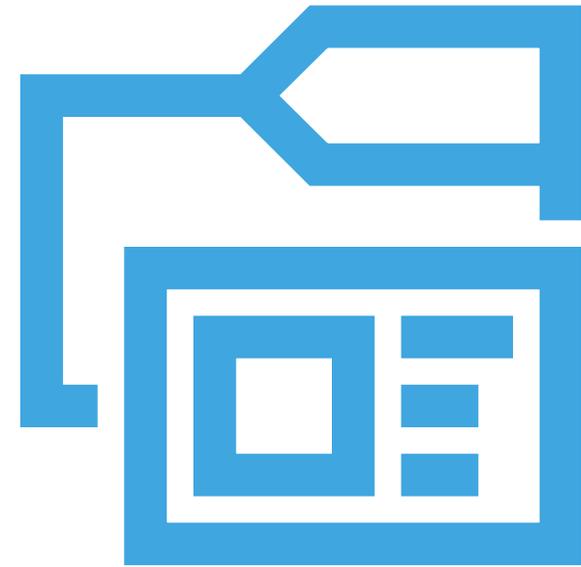
The Case for HR

It should come as no surprise that HR professionals are eager to upskill in order to ensure that the work they do delivers business value.

As the HR function continues to evolve, both technical and non-technical skills will be critical for HR professionals to master in order to stay relevant.

Building data-driven culture in HR

According to Deloitte's 2017 Global Human Capital Trends-"71 percent of companies see people analytics as a high priority in their organizations"

DATA
- Clean & Reliable data
- Data Ethics and Governance
- Data Integration

COLLABORATION
- Leadership Support
- Build trust and relationship
- Solving business problems

TECHNOLOGY
- AI & Machine Learning
- Investment in tech
- Advanced Statistical tools

TEAM SKILLS
- HR Business partner
- Data Scientist, Statistician
- Technology expert

The Case for HR

70% of HR executives say that HR is ripe for reinvention, according to Gartner's recent research 'Accelerating the journey to HR 3.0'.

HR is evolving into a more data-driven, digital function, driven not by intuition, but by evidence and actionable insights from AI and internal/ external data.

Forward-thinking HR professionals understand the subsequent need to upskill.

Critical Skills for a Data-Driven HR

Research from myHRfuture in 2019 looking at the HR skills of the future showcased that the most in demand skills amongst HR professionals are not just technical skills, like people analytics and strategic workforce planning.

Skills to manage relationships with key stakeholders, influence change and build credibility are also critical for a data-driven HR.

Future-ready HR Business Partner
Role and Responsibilities

Strengthening company culture and employee experience

Preparing for the future of work and HRM

Being a coach and a consultant

Using data to influence decisions

Putting business acumen to work

Empowering leaders

Building a competitive organization

AIHR | ACADEMY TO INNOVATE HR

Prioritizing Data-Driven HR Projects

One common concern HR professionals are often faced with is [how to prioritize people analytics projects](#) or challenges.

- Once you have compiled a list of burning business challenges, a great way to prioritize is by business impact and complexity.

Focus Areas for Building a Data-Driven HR

What are the knowledge areas that HR should focus on to prepare for the future?

People Analytics

Digital HR and HR Technology

Stakeholder Management

Strategic Workforce Planning

Design Thinking

Consulting and Influencing

Producing data-driven insights and creating agile organisations to drive business value
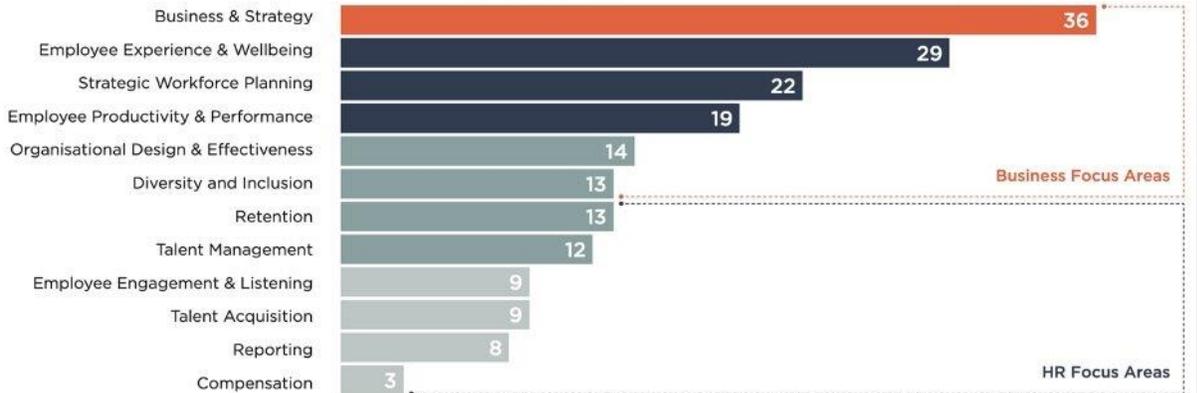
Understanding, selecting and implementing technology that takes a user-centred approach

Managing relationships with key stakeholders, influencing change, and building credibility

Instead of performing people analytics for HR's sake alone, insights from this work are delivering tangible outcomes against business challenges across organizations, like crisis management, diversity and inclusion and strategic workforce planning.

14 HR Metrics Examples

- 1. Time to hire
- 2. Cost per hire
- 3. Early turnover
- 4. Time since last promotion
- 5. Revenue per employee
- 6. Performance and potential
- 7. Billable hours per employee
- 8. Engagement rating
- 9. Cost of HR per employee
- 10. Ratio of HR professionals to employee
- 11. Ratio of HR business partners per employee
- 12. Turnover
- 13. Effectiveness of HR software
- 14. Absenteeism

AIHR | ACADEMY TO INNOVATE HR

THE TOP AREAS WHERE PEOPLE ANALYTICS ADDS VALUE

Area	Value
Business & Strategy	36
Employee Experience & Wellbeing	29
Strategic Workforce Planning	22
Employee Productivity & Performance	19
Organisational Design & Effectiveness	14
Diversity and Inclusion	13
Retention	13
Talent Management	12
Employee Engagement & Listening	9
Talent Acquisition	9
Reporting	8
Compensation	3

Business Focus Areas

HR Focus Areas
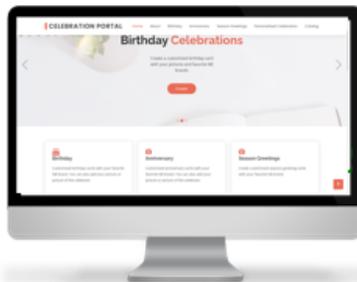
Some Results from Use Cases…

Medical Capitation

- Sprint 1 Product Release: Nov 2021
- Hyper care and Improvement phase: Dec 2021
- Sprint 2 planning and implementation: Jan & Feb 2022

MyAccomodation

- User survey and product increment: Nov 2021
- Sprint 2 rollout : Dec 2021
- 71% growth (vs. Prev. Qtr.) in application usage

Celebration Portal

- Sprint 2 product release: Dec 2021
- Customized Seasons Greeting

Outsourcing Automation Tool

- MVP ready: Oct 2021
- Product increment: Dec 2021
- Change Mgt and Stakeholder engagement –Jan 202
- Go live Feb 2022

I Am Alive

- Video Know Your Customer (KYC) protocol now in place
- Use of MS Teams for verification
- GO-Live- Nov 2021