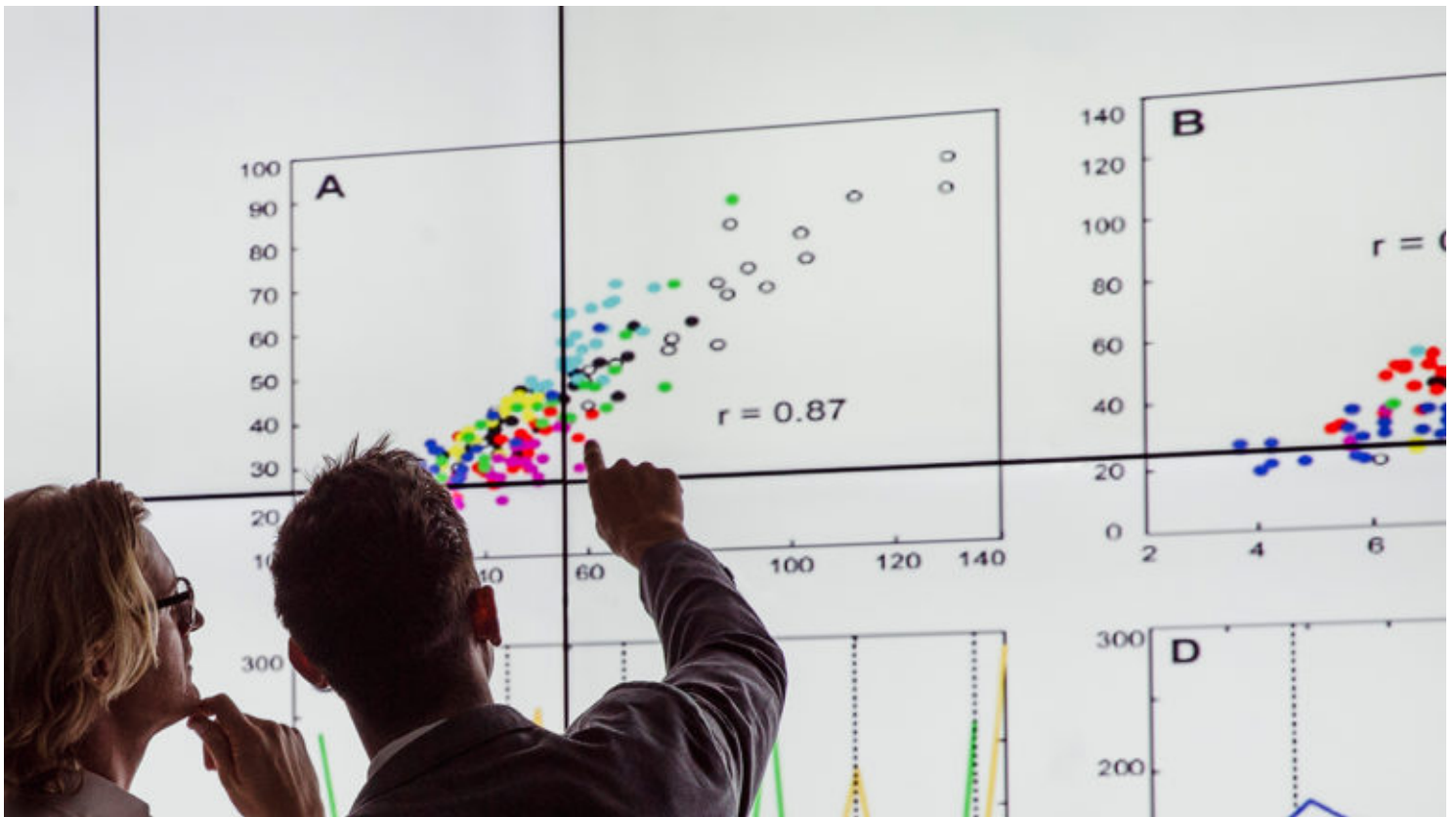


# How to Develop a Data-Savvy HR Department

by Nigel Guenole and Sheri L. Feinzig

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To create an analytical culture in your organization, you need to nurture the right mindset among your employees. And that starts with creating a culture of analytics in your HR department. How can senior leaders help HR develop a culture in which people think analytically? First, you need to understand the different levels of comfort with analytics in HR, and then you need to decide your approach to hiring and building expertise at each of the different levels.

## Understanding your current levels of HR analytics expertise

Our research for the book *The Power of People* showed that HR professionals can be broadly categorized into one of three groups with respect to their current analytical capability:

- **Analytically Savvy** – These are HR professionals who are formally trained in analytics techniques and are adept at working with data and interpreting analyses.
- **Analytically Willing** – These people are open-minded about analytics and are ready, able, and willing to learn, though they lack formal training in data analysis.
- **Analytically Resistant** – This group tends to be skeptical and dismissive of the value of a data-based approach, preferring instead to rely on intuition.

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You can gauge the levels of comfort with analytics in HR by checking for specific skills when hiring, and monitoring engagement with learning opportunities. Once you understand the different levels of analytical comfort and expertise that exist within your HR team, you can determine how to hire and develop each

type of HR professional.

### Hiring for analytical capability

Roles that require *producing* analytical information demand analytically-savvy workers, while roles that involve *interpreting and working with* analytical information require analytically-willing workers.

- You can assess whether workers are analytically savvy by examining formal qualifications, and by [administering well-designed psychometric tests that measure general mental ability](#). General mental ability is a good predictor of performance because high scores indicate workers can acquire job-related knowledge more quickly. You should also consider less traditional evidence of learning beyond formal education, such as massive open online courses (MOOCs) provided by companies such as [Coursera](#) or [edX](#).
- For analytically-willing workers, consider [personality tests that measure “investment” traits](#) like openness-to-experience. Investment traits describe the tendency to engage in complex thinking. Because analytical information can be complex, comfort with complexity enhances the chance that the analytically willing will be able to extract meaning from analytical information.

## Developing analytical capability

The key to developing capability among existing workers is to provide engaging learning opportunities to workers at all levels of expertise:

- *Analytically savvy.* Keep these workers' skills up-to-date by providing opportunities for advanced training; encourage participation in meet-ups, online user groups and forums; and support participation in professional groups and conferences. Assign them responsibility for analytics evangelism and reinforce this in performance objectives. Each evangelist should have an objective of mentoring one colleague who is less analytically capable. If you do not have analytically-savvy people in your team, hiring a few will help to establish an analytical culture.
- *Analytically willing.* A good starting point for these employees is to provide foundational education on HR analytics. This can be achieved by requiring all HR staff to complete an online course about the basics of workforce analytics, such as [Wharton's Coursera HR Analytics Module](#), which can be completed in just four weeks with a commitment of one to two hours per week. The analytically willing should then put their learning into practice by applying the techniques to their day-to-day work. These expectations can be incorporated as explicit goals in performance management systems.
- *Analytically resistant.* For these employees, focus on how analytics can enhance their personal effectiveness. Pair them with analytically-savvy colleagues to use data and analytics to solve a problem they are struggling with. If these opportunities are declined, it might be necessary to discuss why they are reluctant or what they are struggling with. The ultimate goal is not necessarily to transform the analytically resistant into data experts, but to have them see the value in analytics and, ideally, embrace it as a path to success.

## Personalize learning, and deliver it at scale

Analytically-related learning opportunities for all HR professionals can be managed with a Netflix-style, online learning system, such as IBM's Your Learning platform. With platforms like Your Learning, you can curate content targeted at each level of comfort with analytics. HR departments can set learning goals for workers to suggest how many hours of learning they're expected to complete in a given period. A good benchmark for this would be 60 hours per year, the average at IBM. Analytical skills should also be designated "hot skills" for HR professionals, and as people acquire more of these skills, their compensation should be increased to reflect their enhanced capabilities.

It is important to pay close attention to the feedback learners provide and modify the content based on what's most effective. For instance, learners can be encouraged to tag content, and tags should be visible to content designers and other learners. This enables social learning where new course participants learn from past participants' experiences, and allows designers to improve the content as they go. By monitoring and rewarding learner progress, firms can recompose the skills of their workforce. A good way to reward progress is via digital credentialing, with a system like Credly, that allows workers to share their learning success as badges on social platforms such as LinkedIn.

A more data-savvy HR function is entirely achievable. By understanding the levels of analytics capability in your HR team today, hiring for critical skills to fill gaps, and providing ongoing, targeted and engaging learning opportunities, organizations will be well positioned to realize the promise of analytics in HR.

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