



Artificial Intelligence

A New Way to Develop Workforce Culture

Workforce Intelligence Will Change The Way Companies Define and Build Their Culture

Dennis W. Koerner, Ph.D.

Introduction

Company culture, especially in a blue collar workforce, can make or break a business. Culture is incredibly important because it sets the tone for everything from how employees behave to how well they perform their job. A strong culture can bring benefits such as business focus, efficiency and improved performance along with employee engagement and satisfaction.

So how do you know what is the most effective culture? Numerous articles have been written on the steps to take in developing a winning corporate culture. Most companies emphasize major aspirations related to people and values. Classic examples of non-descript culture statements are:

- Deliver WOW through Service
- Do more with less
- Have fun and so on

The purpose of this article is to demonstrate a methodology for defining

and implementing a data-based culture that provides specific and actionable guidance.

Needs Analysis: Identify Your Workforce Culture Needs

The first step to defining a culture is to build an organization insight model. The organization model is used to identify key workforce insights that can be used to define your workforce culture needs. Building the model consists of three steps:

1. Measure the Job
2. Benchmark Current Employees
3. Create the AI Insights Model

Step 1 - The first step is to understand what employee success looks like in your company. This is accomplished by gathering data on key performance metrics related to a specific job. So, for example a sales manager might look at the number of unit sales per month while a transportation company would be interested in miles driven and safety record. Each company will have its own performance metrics

uniquely related to its workforce performance.

Step 2 - Step two gives a combination of tests and or assessments to a sample of the workforce population. Subject areas covered vary depending on the job but may include attributes such as behavior, motivators, thinking styles and job skills.

Step 3 – Once data is collected, both the key performance metrics and benchmark attributes are related through AI methods. The power of AI is its ability to find key patterns in large amounts of data. AI can tell us what employee attributes and needs contribute to performance and job satisfaction and which ones detract.

The Results

In the example below, a model was developed and used to predict the tenure and attendance points for employees of a manufacturing firm. Results of the study identified that three key attributes that were important for success:

1. **Steadiness** – the more successful employees liked consistency in the pace of their job and schedules. They do not like changes or surprises.
2. **Rule Following** – high performance employees follow the rules. They value tradition, order and proven methods.
3. **Attention to Detail** – Factory workers need to be detail oriented perfectionists. They understand how and why things work.

AI Model Application

Once the model is built it can now be used to define the culture. In our example of a factory workforce, elements of our culture might be expressed as follows:

- **Steadiness** - We are considerate of the employee's personal time demands.
- **Detail** - We invest in and develop a highly trained, expert workforce.
- **Rules** - We provide clear and easy to follow rules.

Workforce Culture Assessment

The next step in the process is to define how you want to measure the effectiveness of your culture. These are measure that can relate feedback from employees as to how they are being treated to achieve maximum performance. In the case of our manufacturing example, effectiveness of the workforce culture was measured by two survey questions that focused on Tenure and Productivity:

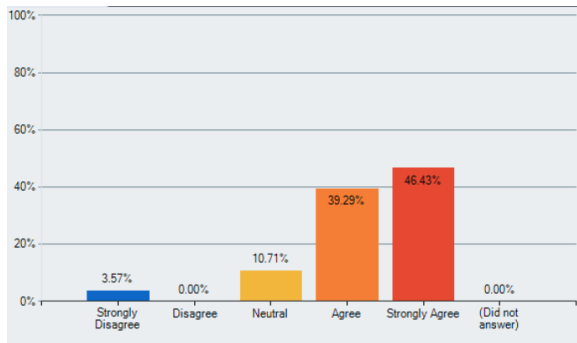
1. I see myself working for this company in two years' time.
2. I am motivated to contribute more than what is expected of me.

Each of these questions was rated on a 5-point scale ranging from strongly disagree to strongly agree.

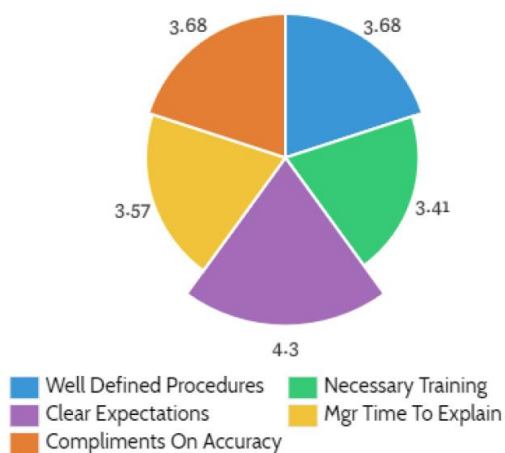
Subsequent questions and ratings were then made across several attributes directly related to job satisfaction and tenure.

Workforce Culture Assessment Results

Results of the workforce culture assessments are remarkable to say the least. In this study, we were able to identify that most all employees were satisfied with their job, were highly motivated to contribute and did not anticipate leaving the company.



Even though the overall results were good, the study found significant room for improvement. So for example, in developing a “Follow The Rules” culture, the rules were clear but the training and support to understand them was not.



The implication, more emphasis on developing a training-oriented culture is needed.

Actionable Insights

While each assessment section provides culture development insights and specific direction, the real power comes from relating the culture assessment scores back to Tenure and Productivity goals.

For example, factors most closely related to the likelihood of leaving were:

- Understanding of the employee’s time needs.
- Management being helpful when a problem occurs.
- Management showing appreciation for extra effort.

Looking at related attributes, these factors were especially critical for employees with tenure less than 2 years.

Conclusion

AI is a powerful new tool that can relate employee attributes to key performance metrics. It can also then measure management practices and behaviors against employee workplace needs for maximum performance. The result is the development of a culture that benefits both the employee and the company.

About the Author – Dennis W. Koerner, Ph.D. is President and CEO of ITN, LLC. ITN provides statistical services that create competitive advantages through better hiring and retention program practices. This is accomplished with the use of artificial intelligence programs that relate employee attribute data to organization performance metrics. For more

information, call Dr. Koerner at 901-568-3569 or send an email to dennis.koerner@itnanalytics.com. You can also learn more about ITN data services at www.itnanalytics.com and ITN applicant tracking software at www.itnhire.com.