

Increasing the visibility of HR data: people must see data to use it

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Leaders must see HR data for it to influence their decisions. Unfortunately, a lot of HR data is kept in reports, databases and systems that are not easily accessible by business leaders. Often this data is not even easily accessible by HR professionals! If someone wants to see this data they must find and get access to the right system or ask someone from HR or IT to run a report. It may take several days to get HR data reports back from HR/IT. And when the data finally arrives, it may not be presented in an easily interpretable format. Given how hard it is to even see a lot of HR data, it is not surprising that this data is rarely used to guide decisions.

Advances in technology are rapidly increasing accessibility and interpretability of HR data. Modern cloud and mobile HCM technology solutions have functions that can pull data out of complex reports and present it on dashboards and charts using easy-to-interpret tables, graphs and charts. The following are examples of three ways this technology is increasing the visibility and utilization of HR data.

Displaying relevant HR data at the time when leaders are making decisions. The best time to show leaders HR data is at the point in time when they are making decisions relevant to that data. SAP has developed two products that exemplify this concept. The Business Beyond Bias functionality found in SAP SuccessFactors displays HR data in a manner designed to create more accurate, inclusive and equitable compensation, staffing and promotion decisions. Bias is a result of making decisions based on employee characteristic such as gender or physical appearance that are not relevant to actual job performance. The best way to reduce bias is to focus leaders on job relevant data when they are making decisions. This enables companies to prevent bias before it happens. The Business Beyond Bias functionality does this by embedding data into tools used for talent management decisions that a) focuses leaders on criteria relevant to the decision to decrease the influence of implicit biases, and b) provides immediate feedback showing whether their decisions are showing evidence of potential bias.

SAP's Digital Boardroom focuses on displaying HR data to enable more effective "C-level" organizational decisions. The Digital Boardroom consolidates HR data across the entire enterprise and displays it alongside other enterprise data such as finance, operations, sales and marketing. It also enables leaders to easily drill down to look at data based on regions, functions, or demographic groups. Having HR data displayed alongside other operations data provides executives with a more comprehensive picture of the organization overall. It also changes the nature of leadership meetings. Historically the agenda for many executive level meetings was split based on function. Finance would talk first, followed by sales, followed by HR, and so forth. And each functional leader would come equipped with their own set of data. By consolidating all this data into one interactive display, the Digital Boardroom enables leaders to move away from talking about each function in isolation and instead talk about how the functions can collaborate to address broader business issues. For example, instead of HR leaders talking about decreasing turnover, Finance leaders talking about increasing revenue, and Sales leaders talking about growing account opportunities, all three leaders can jointly discuss the impact of turnover on account opportunities and its subsequent impact on revenue.

Christian Schmeichel, the COO for Global HR at SAP shared another interesting and unexpected positive outcome of the Digital Boardroom – it accelerated leadership decision making. When different functions each had their own data reports, inevitably certain data would not align and time would be

spent debating over whose data was more accurate. The Digital Boardroom immediately surfaced data irregularities so they were addressed prior to starting senior executive meetings. When the meetings start, different functional executives all operate from one single source of truth. This means time is spent talking about what to do based on the data instead of debating the accuracy of the data.

Making HR data readily accessible when leaders are interested in it. Few business leaders have an inherent interest in HR data, but they are interested in HR data when it impacts the things they do care about (i.e. profit and growth). The best time to show a leader HR data is when they are talking about a business topic relevant to that data. The challenge is how to get this HR data in front of leaders at the right time. Mobile technology is helping to address this challenge.

The value of having readily accessible HR data is illustrated by the following story shared by a customer who had recently moved to a cloud based, mobile enabled HR reporting system. During a meeting, a regional sales leader complained that “we are at risk of missing our revenue targets because our sales people are quitting. The company is not paying our reps enough and we are losing them”. The HR leader asked what made him say this. The sales leader replied, “I just lost two reps this quarter so we clearly have a turnover problem”. The HR leader suggested they look at turnover data for the region accessing the reports on his smart phone. After a few minutes looking at the data, the sales leader realized that turnover in the region had in fact decreased over the past year and that the two reps leaving was an anomaly. This prompted the sales leader to rethink how to solve his revenue challenges. The ability to present HR data in real time during the moment of the conversation quickly redirected the sales leaders thinking. Imagine how this might have played out if the HR leader had said “let me file a request to HR/IT for a report with turnover data in your region and we can schedule a meeting a week from now to review it”. Or even worse, if the HR leader had no way to access the turnover data at all.

Calling attention to changes in HR data that may affect leadership actions. Even though many business leaders have little interest in HR data by itself, there are times when it makes sense to use HR data to call attention to issues that could impact the organization. For example, significant increases in turnover, substantial decreases in employee engagement, or growing signs of pay inequity. In the past, HR departments would analyze HR data to spot these sorts of changes and then schedule meetings with leaders to discuss the data. While this method can be effective, it is time consuming. It also increases the risk of failing to identify changes in data that should be addressed since it depends on human vigilance.

Technology is helping companies address the challenge of keeping business leaders informed of relevant changes in HR data, without overwhelming them with HR data reports. For example, the “Headlines” feature in SAP SuccessFactors enables companies to set triggers that automatically inform managers if HR data reaches certain levels. For example, a notice might pop up on a leader’s mobile phone if workforce turnover increased by more than 3% in their region. The notice can also include links so leaders can dive deeper into the data if desired. These features automatically call attention to relevant HR data without forcing leaders to sift through lengthy reports.

Technology is enabling companies to collect vast amounts of HR data. This creates the challenge of enabling business leaders to leverage HR data without being overwhelmed by it. Happily, the same technology that enables us to collect massive amount of HR data also enables us to display the data at the right time to the right leader.