



## Developing Cross-Cultural Competency in the Workforce

Developing a Human Resources culture that is anchored in HR data and analytics is a process. It is a journey over time that moves HR from reporting to analytics.

Data and analytics have been transforming industries for at least a decade, but it is the accelerating pace of big data generation that gets so much attention. If data and analytics can transform the banking, finance, marketing, insurance, healthcare, and sales industries, then it can transform talent management.

People analytics attempt to remove intuition, bias and hunches from workforce decision-making and replace them with evidence-based and data-driven decisions. It requires an HR culture that is anchored in the big data and analytics technologies, and once anchored the culture cascades throughout the organization. It is a process or journey and not an initiative with a beginning and end.

### [Making Big Data and Analytics Part of the HR Job.](#)

The Human Resources function has been notoriously slow to adopt people analytics, and that slows their adoption in the rest of the organization. That is rapidly changing as organizations come to the realization that people analytics are critical to long-term success in developing a future workforce that is resilient, agile and able to manage the technology-based work requiring technical skills.

Josh Bersin, principal and founder at Bersin by Deloitte, found a dramatic shift in the use of people analytics by HR departments that began in 2011 when predictive analytics entered the arena. Bersin is an industry analyst who found the HR generalist jobs requiring knowledge or use of big data tools increased by 22 percent quarter-over-quarter in 2014 and by 46 percent for training and development specialists or managers. Hundreds of compensation and benefits positions also mention big data in their job requirements.

Though data and analytics in HR are increasingly recognized as critical tools for talent management, Bersin said adoption of the tools takes more than recognition. For them to add value to HR, focus must be placed on how they can be utilized to run a better company.

The early adopters of the people analytics were pioneers in the use of the data and analytics in a strategic manner to improve talent management decisions. Since then, mathematicians, statisticians, and engineers are increasingly relied on to develop organization-specific integrated databases and analytics organizations need to run a better business.



### Moving From Reporting to Analytics

For the HR analytics function to operate successfully requires a culture change. HR specialists have typically focused on workforce metrics like headcounts, government compliance, compensation plan management, reporting, and training and development. Setting up an HR analytics department is outside the typical HR experience. People not comfortable using and relying on sophisticated advanced and predictive analytics will have difficulty extracting their full business value.

What is the process for moving from operational reporting to predictive analytics, and changing from a reactive function to a strategic planning function? Timothy Long, director of workforce analytics and systems at Micron Technology-MS Business Analytics, guided Micron Technology through the cultural transformation process by following multiple steps.

The first step was revising the HR strategy to enhance financial business value by improving the HR team and organizational capabilities; improving operations efficiency by developing the capability to deliver globally aligned and regionally optimized solutions; developing the capability to demand evidence and think critically; and developing a talent strategy that attracts and retains high performers, develops and engages all team members, and motivates and rewards performance.

The second step was incentivizing to motivate change, align managers globally, automate data collection, and standardize reports.

The third step was the initiation of a workforce information program that measures results against HR goals. The team must define HR data and metrics (KPIs), collect and stage data for analysis, and deploy solutions. HR professionals can initially respond to simple data requests like future payroll trends, promotions of staff by category, and so on to avoid overwhelming the organization with major projects.

The Micron Technology rollout strategy went like this: deploy technology, train HR analysts, train HR business partners, develop dashboards, and train business users. Once HR developed the capability to move beyond simple data reporting, professionals could respond to questions like: Will the recommended change to the base pay lead to higher attrition rates among engineers on a global basis?

Culture change requires support from the top and well-designed training. Micron Technology used the Visier Scenario-based training system. After implementation of the workforce systems and analytics team, the information produced is 85 percent strategic and 15 percent ad hoc reporting. Micron measured its progress along the four levels of the Bersin by Deloitte Talent Analytics Maturity Model. From 2011-2015, Micron moved from operational reporting to advanced reporting, to advanced analytics, to predictive analytics.



### Changing the HR Mind-set

Changing the HR culture and reaching the predictive analytics stage depends on the ability of HR to change its mind-set. Traditionally, HR tracks through metrics, benchmarks, scorecards and surveys. The new mind-set, described by USC Marshall School of Business Professor and Research Director John Boudreau, concentrates on linking the HR data to business data to find correlations and causation, and making predictions. Metrics and reporting (tracking), do not add full value because they fail to show the impact HR investments have on the organizations operations.

A successful process of developing an HR analytics culture has features like data transparency, strong collaboration between HR and key organizational leaders, and a good data management system. The HR team is focused on analytics that identify true performance drivers. This is quite different from reporting headcounts. However, initial HR analytics efforts can start small and grow organically as the organization's managers begin to appreciate the value analytics bring.

Patrick Coolen, manager workforce planning and HR analytics at the Amsterdam-based ABN-AMRO Bank, uses the "3 P's" of Pilot, Proof and Preach to describe the culture-building process. HR finds a relevant business question (Pilot), applies statistics to the integrated dataset (Proof), and shares results with senior stakeholders (Preach).

Creating a HR analytics culture is not simple but should not be made more difficult than necessary. Handled correctly, the organizational analytics culture will grow through proof and communication.