The Rise of Analytics in HR

An Era of Talent Intelligence

in Talent Solutions

About this report

The need for high-performing talent has never been greater. It's clear that by leveraging data analytics, HR leaders are in a better position to hire, retain and grow their workforce.

But building a data-driven function across every dimension of the HR function – from talent acquisition to performance, to workforce planning and policies, and to employee engagement and retention – can be complex and challenging.

By using LinkedIn's insights and interviews with HR leaders across Asia-Pacific, we've addressed many of the concerns around implementing talent analytics:

• What do HR leaders think about the role of analytics in the evolution of the function?

• What areas are organisations focusing on?

• What skills do leaders and teams need to leverage the true value of analytics?

• How can the HR function move from analytics to insights, and use them to drive outcomes?

Finally, we explore LinkedIn's own vision for talent intelligence – the use of data and insights to make people a competitive advantage.

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Analytics is on the Rise in HR

70%

increase in specialised HR analytics professionals in APAC over the past 5 years

The conversation about the application of data analytics in human resource management is not new. Organisations have been talking about this for over a decade - but that doesn't mean every organisation is at the same level or having the same conversation. There are different maturity levels when it comes to the adoption of data analytics, ranging from simple reporting to sophisticated predictive analytics. Objectives also vary by industry, from the need to justify investments to predicting risks to making workforce planning business decisions.

Although companies look to use data analysis for different means, what's striking is that many organisations are now part of the conversation. The 2017 Deloitte Human Capital Trends report states that 85% of HR leaders in Asia and 81% in Oceania see analytics as a high priority in their organisations.[1]

When we looked at LinkedIn data for Asia Pacific, we found there has been a 70% increase in specialised analytics professionals in HR in the last five years.

These are professionals who focus solely on analytics in HR and can have a variety of job titles, including 'Data Scientist', 'Talent Analytics Director' and even 'Diversity Analytics Specialist'.

This clearly shows that several enterprise companies have already established analytics teams, although they can go by different names such as 'talent analytics' or 'people analytics'.

In the next section, discover how DBS – the largest financial institution in Singapore – has worked to invest in technology, processes and people to implement a specialised analytics function. Also, discover how LinkedIn's internal analytics team services the HR function.

[1] Deloitte Report: 2017 Global Human Capital Trends People Analytics: Recalculating the route

Relying on instinct alone is not enough

Sylvia Lai
HR COO
DBS

We spoke with Sylvia Lai, HR COO at DBS Bank, about its Human Capital Analytics journey and becoming a data-first organisation.

In the face of digital disruption, DBS, the largest bank in Southeast Asia, has been at the forefront of reimagining and innovating banking. To do this, the bank needed to build a culture of change and agility, and create a data-driven mindset. Early experiments in journey thinking provided the foundation to leverage data and define the issues the business had to address.

The DBS data journey started by building a well-managed infrastructure that ensured complete data capture, connected to multiple systems. They also established a Human Capital Analytics (HCA) team to cover the entire spectrum of people analytics, from reporting, to predictive modelling, and providing insights focused on recruitment, retention and productivity.

As an example, the bank launched Project Marvel to determine what drives early attrition in their retail salesforce. Through analysis, they learned they needed to provide more reasonable sales targets to drive the right outcomes, and review the probation period so new hires had adequate time to settle into their roles. Changes were made to the hiring process and managers intervened earlier through coaching. In the area of productivity, a combination of statistical modelling and qualitative observations were used to find out more about high performers and what sets them apart from the rest of the workforce. The HCA team built a profile of DBS' high performers and used this to guide hiring and develop existing staff to have the right skills, tools and mindset.

Relying on instinct alone is no longer enough to solve talent issues, but changing this mindset takes time. The HR function works closely with line managers to help them understand the insights, and once they see value in the tools, they are on board. At the end of the day, the role of HR is to add value to the business. When people see positive impact, change management becomes a way of life.

LinkedIn's view on talent analytics

David White
Senior Director, Talent Insights
LinkedIn

We spoke with David White, Senior Director and Leader of LinkedIn's analytics function in the HR department, to learn about the company's structure, goals and operations.

LinkedIn's HR department has a specialised analytics team whose mission is 'better, faster talent decisions'. Led by David White, the objective of this team is to turn talent data into insights that drive action – ensuring the outcomes can be measured, actioned upon, and improved. LinkedIn's analytics function is comprised of 16 people skilled in data, consulting, and research, and the team reports directly to the CHRO.

The team has a range of technical and functional skills, including statistics, machine learning, R, Presto, Hadoop, consulting, survey research and organisational psychology. Keeping a balance of skills is important, as applying talent analytics effectively relies on numerous people's abilities. To further help this, the talent analytics team has a single point of contact with the HR Business Partners and the business, keeping them embedded so they fully understand the objectives and strategies to drive action – and ensuring the team doesn't operate in a silo.

Regarding what business issues the talent analytics team solves, the main focal areas are workforce effectiveness, workforce planning, talent acquisition, and diversity. More recently, the team has partnered with engineering to create a geo-location strategy for new products and markets, allowing LinkedIn to better understand its competitive landscape. By doing this, business leaders are better able to identify several aligned geo-location strategies to grow the business.

What is driving the rise of analytics?

One major question surrounding data analytics is why its growth is happening now, and what – or who – the drivers of talent analytics are. As it happens, the main drivers are pretty hard to ignore: the CEO, technology, and a growing competitive landscape.

• The CEO's relationship with the CHRO

According to the 2017 PWC CEO survey, 77% of CEOs see a lack of availability of key skills as the biggest threat to their business.[2] With talent issues taking up a lot of the CEO's time, it has become imperative for the CHRO to be a trusted partner in building the workforce of the future. To achieve that seat at the table, HR leaders need to use analytics to answer critical talent questions around workforce diversity, skills gaps, performance management, employee engagement, retention, workforce planning, and more.

• The growth in HR technology & innovation

Over the last five years, the adoption of technology has moved from static HR management solutions to more dynamic, social, real-time, cloud and mobile-based tools and platforms. These are being integrated in the areas of recruitment, collaboration, productivity, learning, wellness and performance management. Sierra-Cedar research shows that 45% of large companies and 51% of mid-sized companies are increasing their spending on HR technology.[3] This trend is not restricted to only within organisations; today, technology innovation has massively opened the market for talent. The vast majority of candidates can now be found online. Candidates have access to an abundance of information on companies and about opportunities, allowing them to engage with recruiters, companies and other employees before they are hired.

• An increasingly competitive landscape

Beyond basic consumer-facing competition, organisations are fighting a constant war for talent, which can best be addressed through workforce analytics and planning. This includes identifying what a company is going to need in terms of its size, structure, type of talent, experience, skills, industry knowledge, and the assurance that they will have access to a pipeline of the right people to remain competitive. Many businesses might know where they need to be in the next 2-5 years, but what about 10-15 years down the track? This predictive form of analytics is becoming irreplaceable to manage effective teams, maximise profits and ensure success in the long-term in various markets.

[2] 20th PWC CEO Survey
[3] Sierra-Cedar 2016–2017 HR Systems Survey White Paper, 19th Annual Edition

" How do we identify and predict who are going to be the next batch of successful leaders in our organisation? "

Regan Taikitsadaporn
Chief Human Resources Officer
Marriott International

" How do we make informed decisions around labour mix, talent attraction and development – even at the end of our life cycle around attrition or turnover? What is the supply of talent in the external marketplace? "

Paul Stratford
Director of Global Talent
Telstra

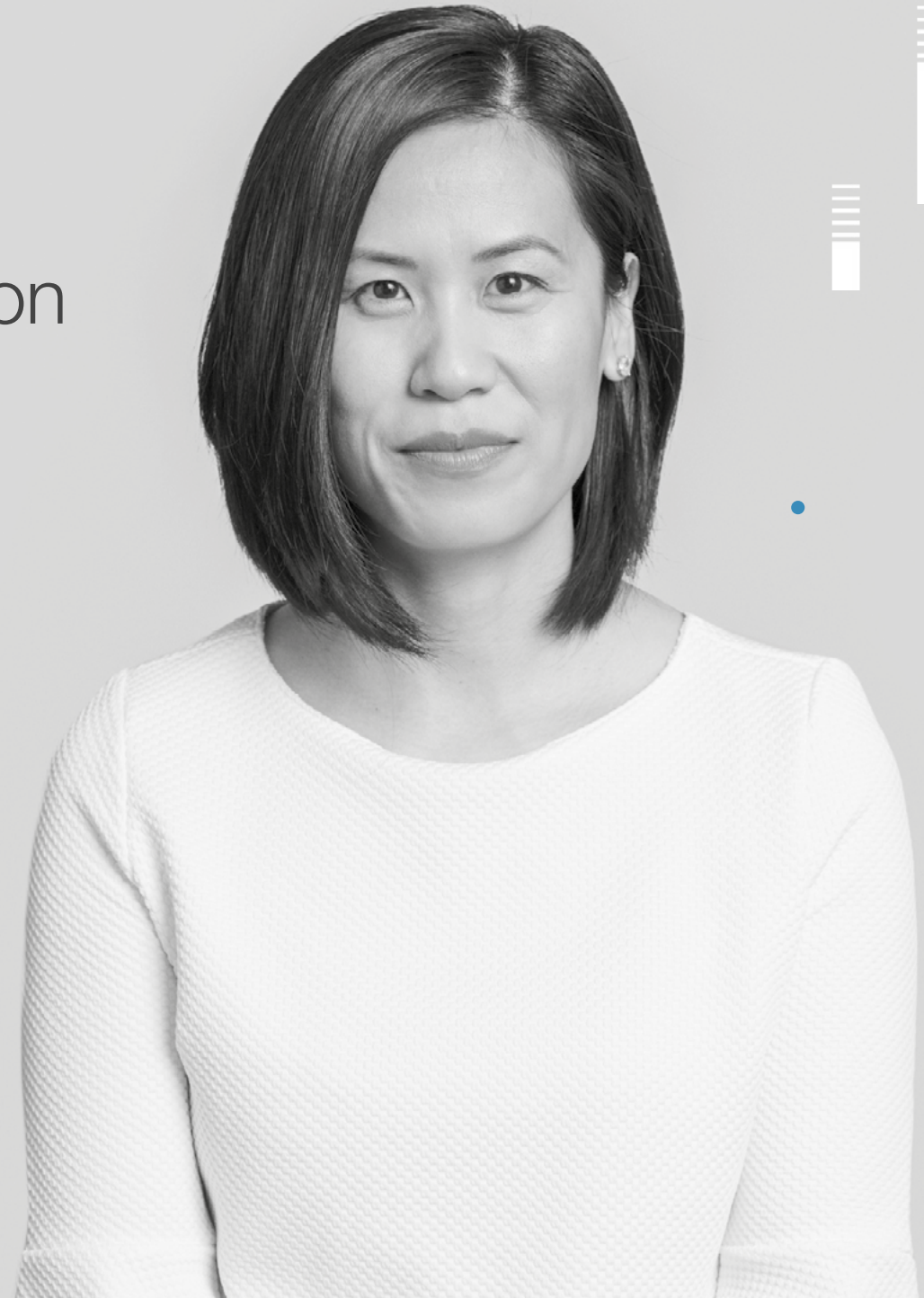" How impactful is our leadership, the way we work, and our processes? How strong is our culture, and do we have the right people? "

Helen Russell
Chief People Officer
Atlassian

HR Leaders' Perspectives on the Role of Talent Analytics

How HR leaders view the role of analytics

While the data in this report supports the rise of analytics across APAC, its growing importance is corroborated by some of the region's leading HR professionals.

We interviewed HR and TA leaders from 7 multi-national companies – AIA, Atlassian, Agoda, Marriott, Schneider Electric, Telstra, and HTC – to ask their thoughts and opinions on the role of analytics in the evolving HR function. Here's what they said.

Jeff Lee
VP People and Organization Development
Agoda

" If you think about a support function like the people function – and if you want relevancy with your customer but you do not speak their language – you are by definition not relevant. **If you want to be business relevant, then you need to understand the business.**

You have to understand where they're coming from, and bring in data-driven insights to help shape the course of their human capital decisions. We are on a journey to build an analytical people function – one that uses data to measure the impact of managerial choices and decisions regarding talent. Everybody on the team has a role to play in deriving insights, looking for patterns and changing trends, and helping managers understand what is going on in their talent marketplace – this isn't just the domain of the HR analytics team. "

Annie Lee
Director of Resourcing, Leadership Development, Culture and Engagement
AIA Hong Kong & Macau

" HR is currently undergoing the same digital transformation that marketing experienced a few years ago – i.e., digitisation of the HR function. There's a lot of cool HR technology that's coming out, whether it's gamification or 15-minute virtual assessments that can gauge sales and marketing competencies, human resources is experiencing a technological revolution.

I think the expectation from CEOs today is that HR departments will take the lead on implementing these new tech tools in an organisation. In the past, HR analytics used to be in the form of Excel spreadsheets and we did not know what to do with them, so they weren't particularly effective. Because of this data gap, we're now assembling a team to look into the situation; the question we have to ask is, "how do we leverage and optimise the data to make better decisions?"

In my opinion, in order for HR to move forward, **a massive mindset change is needed**. We need to be more than just a tactical, operational function and be receptive to feedback and new ideas. "

Helen Russell
Chief People Officer
Atlassian

Rob Allen
Global Talent Leader
Atlassian

" The HR function has shifted drastically – certainly since I stepped into HR – to be far more about predicting and looking around corners as opposed to reacting and responding to the fire of the day. I do think that the demands around analytics have certainly increased over the last 10 years: **You cannot be all about gut and instinct. You have to use both qualitative and quantitative data to be able to talk to the business.**

We're still early days on that journey, but that will prove to be invaluable because it's about just knowing the questions to ask, knowing how to think about data, and knowing how to make data visually interesting.

One piece of data and analytics that I think HR teams are already good at is, 'Show me what's going on today'. This includes everything from, 'What's my attrition rate?' to 'How many people did we hire this month?' to 'What was the feedback that's come out of the employee survey?'.

The pieces that are still under development are all of the predictive types of data. For example, if we are 2,500 people today and we're going to be 5,000 people tomorrow, what are we doing today that may not scale when we have twice the number of people, more geographies and more complexity?

If this system becomes more complicated, what are some of the things that we predict may start to fall over? We're getting better at that, but I think it's an area for development. "

" Human Resources has some catching up to do when it comes to embracing and leveraging technology. **HR relies on legacy technology, which prevents us from exploring opportunities in data analytics.** While the discipline has advanced on a macro level, there's room for improvement in terms of effectively utilising data analytics to our advantage and exploring novel technological concepts.

For example, in talent acquisition we currently use data to defend our choice of candidates rather than using it to pave new ways of attracting talent. Our teams need to be trained in how to use data to their advantage, so they are able to make informed decisions.

In turn, our technological partners need to be educated on specific HR-related issues so they can better fit into our strategies. "

Crystal Liu
Vice President, HR
HTC

Regan Taikitsadaporn
Chief Human Resources Officer
Marriott International

" **If we want to create change, it's imperative that the HR team plays a central role in helping people develop** and grow in order to really drive the business.

To achieve that, it's very important that both the business and HR leverage our internal data, which comes from sources like employee performance management, training development requirements and engagement.

Within my team, our data focus has extended beyond looking at HR core functions like retention and engagement, and we now think a lot about business metrics and deep dive into the data, which can impact productivity, workforce, high potential retention and key leaders. My team analyses these data points to determine how they can help the organisation solve problems and predict future trends. We look behind the scenes and work with team and business leaders to leverage what the data is telling us and apply it in order to solve problems, even before they come up. "

" We need to be able to answer questions like, 'How do we ensure we have a pipeline of leaders?', 'How do we identify leaders who will be successful?', and, 'What does it take to be successful in that leadership position?'

Right now, the conversation consists of, 'I think this person could be a good leader,' and backing those opinions with the assessments that we use. But I think **more predictive data surrounding employee skills and characteristics will help answer these questions.**

We also need to stake our place at the executive table by using data-driven insights to support our business decisions. "

Charise Le
SVP for HR Services
Schneider Electric

Paul Stratford
Director of Global Talent
Telstra

" Due to digital disruptions in the talent market, scarcer candidates, and universal democratisation of data, HR has had to become a strategic business partner that provides better digital technologies to unite the people, better data-driven insights for decision making, and better talent management strategy fostering empowerment, agility and creativity.

Because HR is not traditionally a mature area when it comes to analytics, **we have to make a conscious effort to really adopt an analytical mindset.** We have to understand how to ask the right questions, identify the right techniques and know how to interpret the insights and take action with the available data. In today's environment of increasing competition and disruption, gut feeling decision making is not an effective nor sustainable approach anymore. "

" I think **HR is getting serious about data analytics for the first time.** We're no longer willing to accept bespoke, discrete data sources where integration and the value of aggregation is not possible. The interoperability of our function has increased, and thinking about connected data sources to make data-driven decisions is a big change.

Fundamentally, we use people-centered data and analytics to achieve our goals. First, we're looking to empower our leaders to make informed decisions around their strategy across the entire workforce life cycle. We want them to have access to data that will assist them in decision making around labour mix and attraction and development, and around attrition or turnover.

Secondly, we're seeking to measure the impact of the strategies, programs and interventions that our HR function directly drives, whether that's leadership training, D&I interventions, or learning interventions. All of these require a measurement strategy that underpins their execution and tracks their value so we can ensure we're being diligent with our investments. They must provide the right value to the organisation. "

Building a Data-Driven HR Function
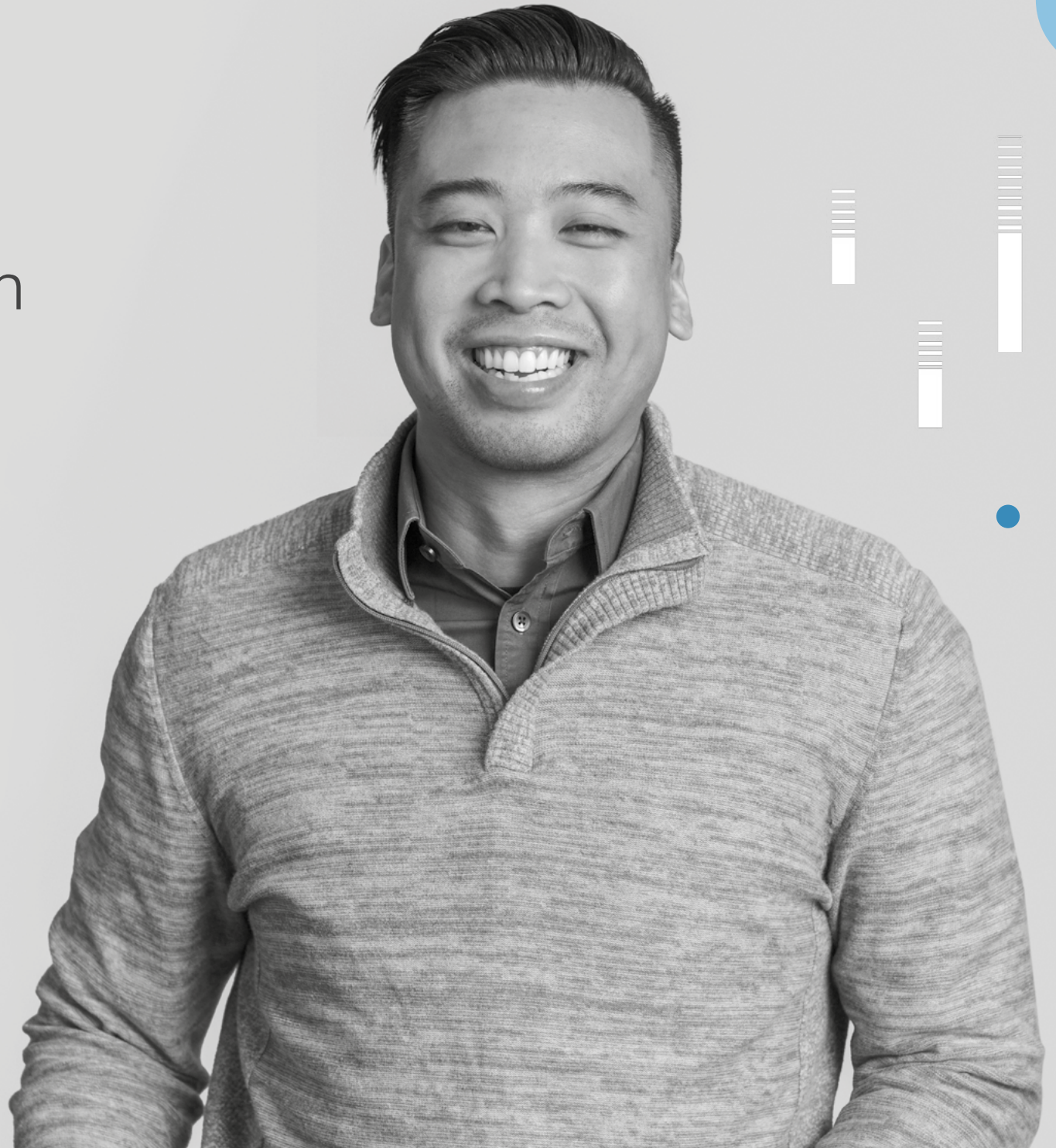
Prioritise your focus areas

If you are new to adopting analytics into your HR function, you can explore where to start by identifying the established and emerging areas of focus for your business. **Established** areas can be your starting point to apply talent analytics to – moving onto **emerging** areas once the function and business leaders are more comfortable with the shift.

Typically for HR professionals in APAC, established areas are those where utilisation of analytics is more common. Emerging areas are those where utilisation of analytics is less common, but has grown rapidly in the past five years.

Established areas of focus include **compensation and benefits, talent acquisition, talent development** and **productivity.**

Emerging areas of focus include **employer branding, workforce planning** and **culture and diversity.**

Once you have identified your focus areas, you can turn your attention to the skills you need within the business to ensure your analytics function works effectively.

Emerging and established focus areas for analytics in HR
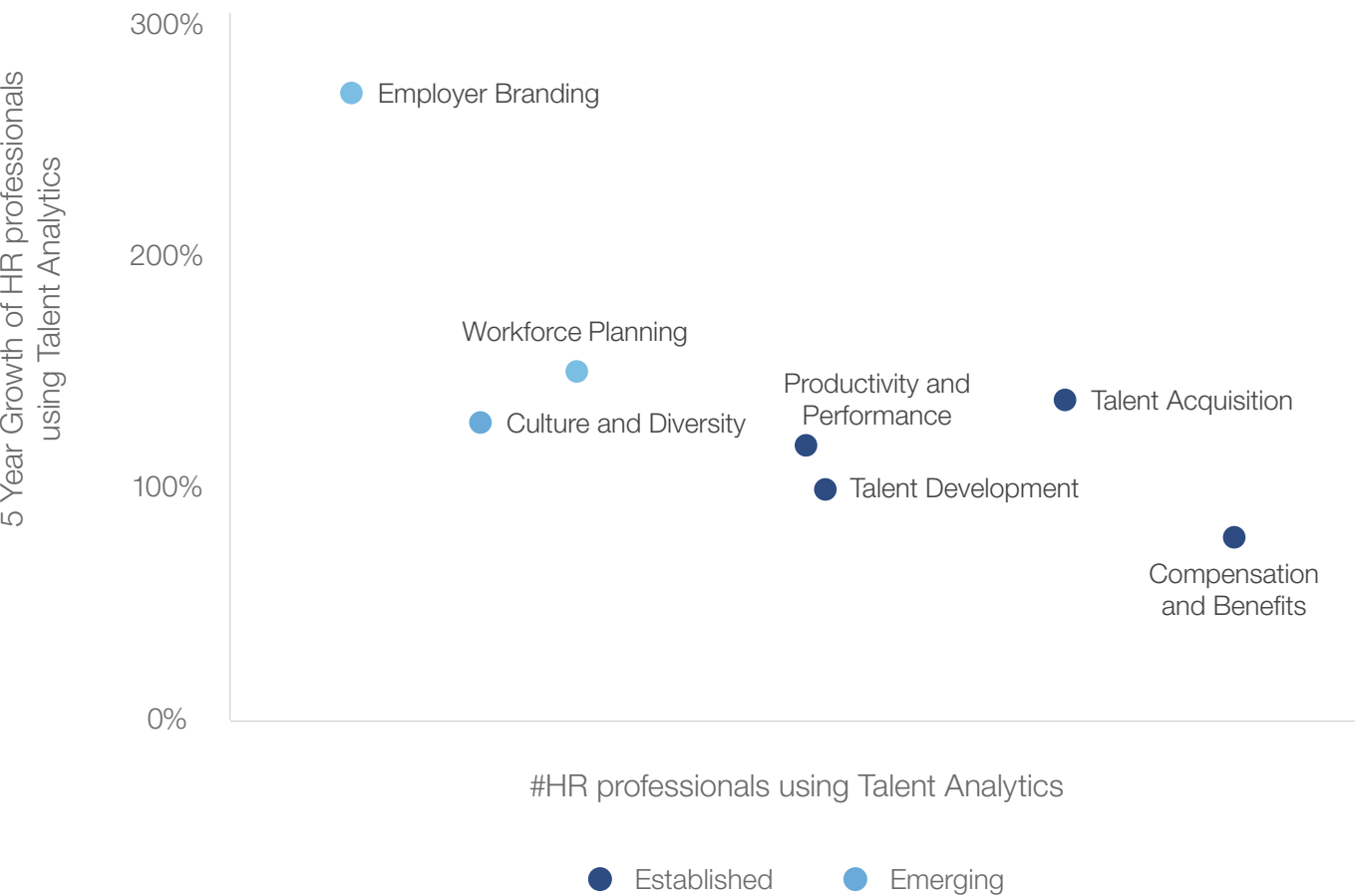
Note: Horizontal axis represents professionals in APAC who work on analytics in HR. Vertical axis represents the 5-year growth in such professionals.

When we look at priority areas in different APAC regions, we can see how these vary as per the different business realities in each market. For example, in India and China where people change jobs often, talent acquisition is a high priority. However, in Southeast Asia and Australia where attrition is less of an issue, the focus is on talent development and workforce planning respectively.

Refer to Appendix page 35 for more insights.

Identify the skills you need

To build analytics capabilities in your team, there are three areas that you should focus on: HR Domain Knowledge, Business & Strategic Thinking, and Data & Analytics.

Having skills across these three categories will allow your teams to apply analytics effectively on HR matters strategically, and push for necessary changes in the organisation.

While not everyone will have the same set of skills, it is beneficial to have a diversified team with analytics capabilities ranging from market research to big data and machine learning.

HR Domain Knowledge

- **Recruiting and Placement**
  Sourcing

- **Compensation and Benefits**
  Payroll, Benefits negotiation

- **Other HR Domain Skills**
  Talent Management, Employee Engagement, Employer Branding, Workforce Planning, Employee Training, Organisational Development

Across the HR function, domain knowledge is key to applying statistics and analytics to ensure we're solving the right problems with the right approach.

Business & Strategic Thinking

- **Business Development and Relationship Management**

- **Strategy and Strategic Planning**

- **Business Analysis**

- **Management and Leadership**

This includes talent with business development and relationship management skills, as well as somewhat intangible qualities like leadership skills. The ability to understand how to build hypothesis, convert data into actionable insights, communicate insights articulately, and to make data-driven recommendations is crucial.

Data & Analytics

- **Statistical Analysis & Data Mining**
  HR Analytics, Data Analytics, Data Management Statistics, Data Mining, Predictive Analysis SAS, R, Python

- **Business Intelligence**
  SAP Business Objects, Tableau

- **Big Data & Machine Learning**

- **Market Research & Insights**
  Quantitative and Qualitative Research, Market Research

- **HR Software**
  SAP products, SAP ERP, ATS, Taleo, HRIS Database Management, Workday, Peoplesoft

- **Data Engineering and Data Warehousing**
  Data Marts, Data Integration, Data Governance

- **Database Management & Software**
  SQL, Databases

This consists of everything from HR software and statistical analysis to data mining, big data & machine learning. Experts must understand data and know the right tools and skills to clean, extract, combine, analyse and visualise datasets. These skills are more relevant for the analytics specialists.
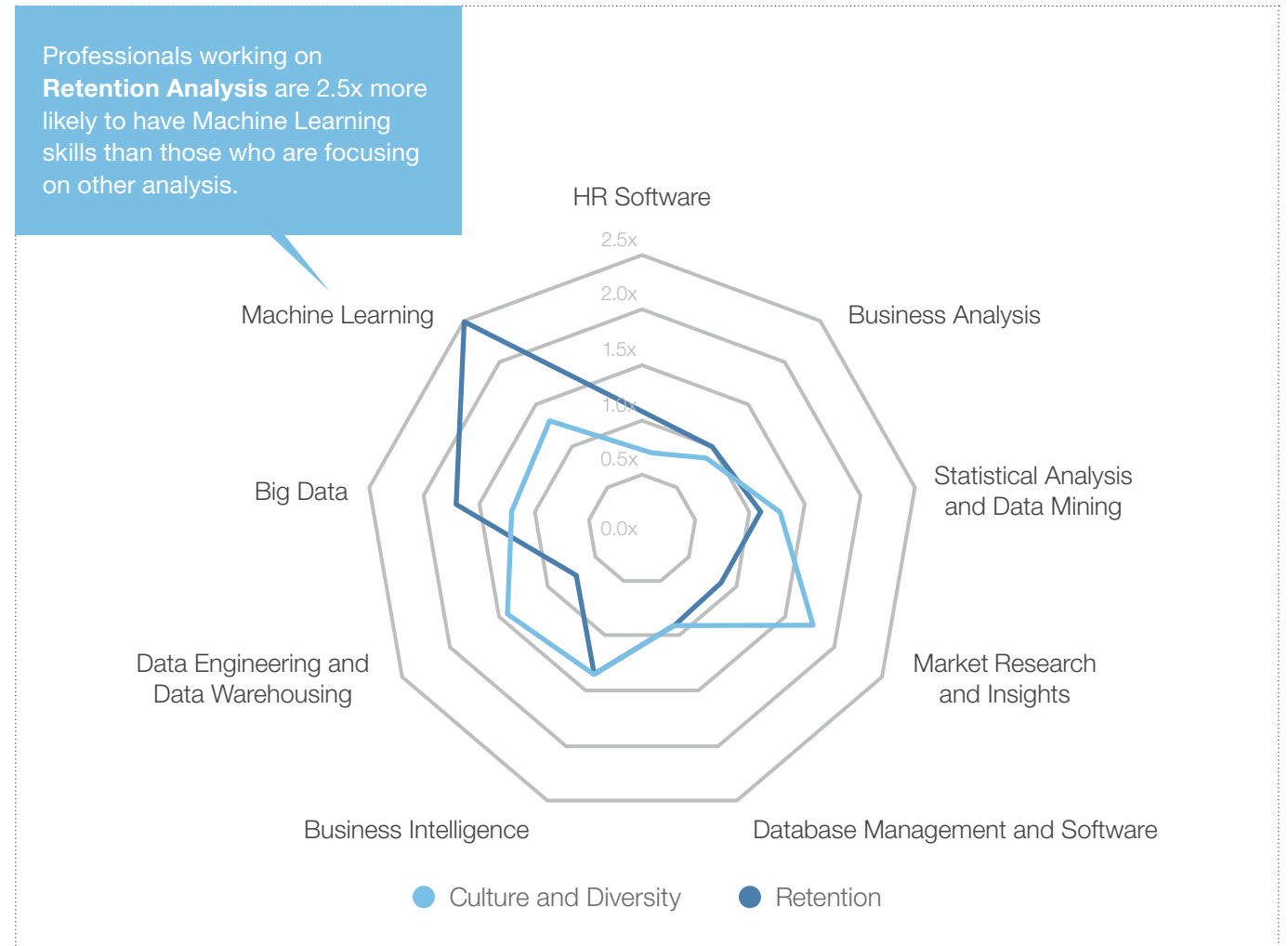
Align these skills to your needs

The skill requirements for analytics will differ depending on the type of business issues you are tackling – and it's important to note a one-size-fits-all approach won't work.

For example, more advanced analytics skills such as big data and machine learning are increasingly used for employee retention. On the other hand, professionals who worked on talent analytics related to culture and diversity are more likely to have market research skills.

Not all business needs require the same analytics skills

Example: Application of skills for retention analytics vs. culture & diversity analytics

Professionals working on **Retention Analysis** are 2.5x more likely to have Machine Learning skills than those who are focusing on other analysis.

Radar chart axes: HR Software, Business Analysis, Statistical Analysis and Data Mining, Market Research and Insights, Database Management and Software, Business Intelligence, Data Engineering and Data Warehousing, Big Data, Machine Learning. Scale: 0.0x, 0.5x, 1.0x, 1.5x, 2.0x, 2.5x

Legend: ● Culture and Diversity   ● Retention

So how are HR leaders applying analytics and insights every day? The next section looks at how LinkedIn is helping businesses at each stage of the employee lifecycle.

04

Applying Analytics to Answer Critical Talent Questions
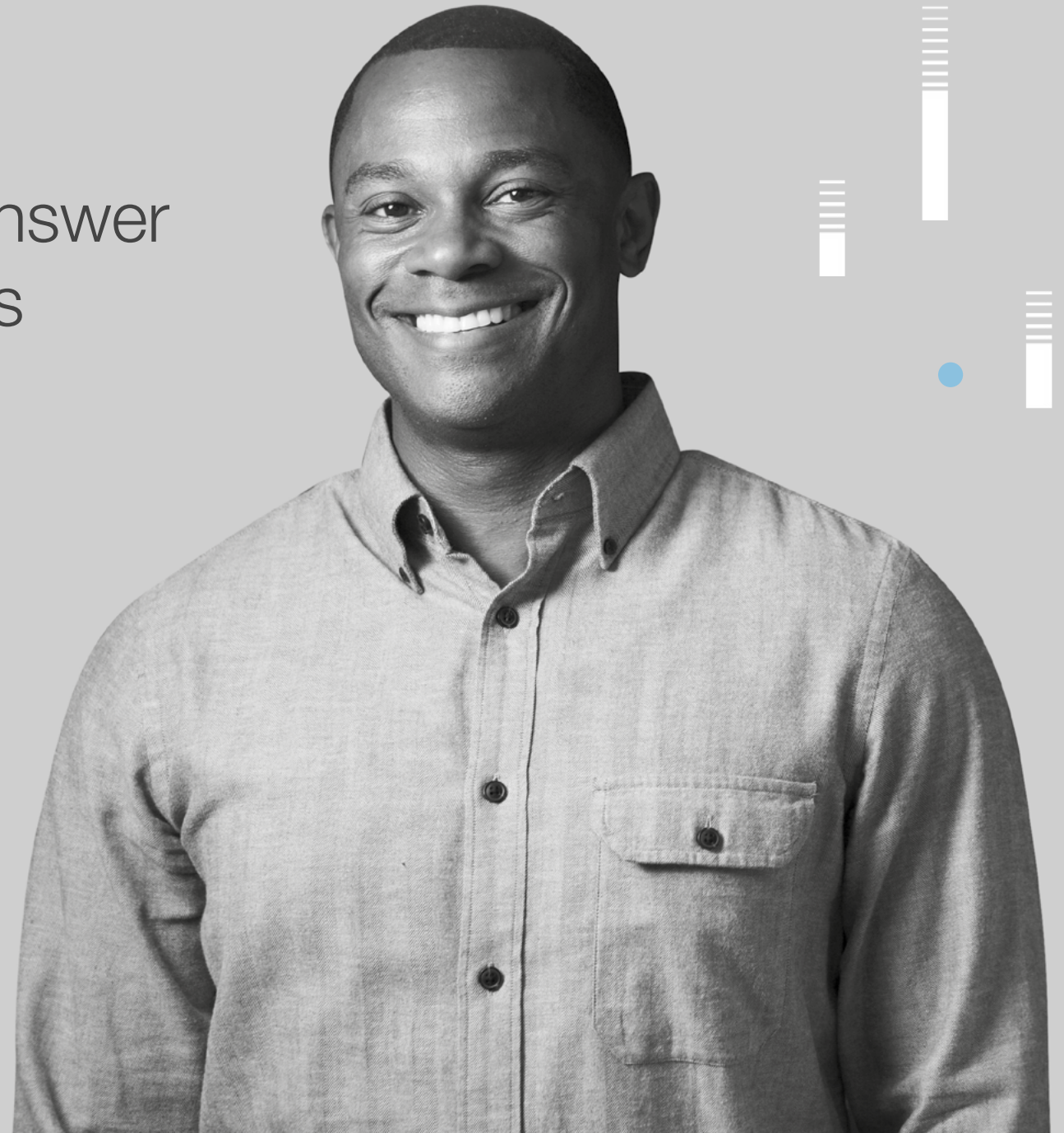
Successful analytics adoption depends on how you apply it

Introducing an analytics function into your HR team goes beyond simply investing in talent with the right skills and identifying key business focus areas – you need to understand where and how to apply it in a practical sense.

The key to success in utilising data is understanding how to apply it to your business, your needs and your organisational goals. Whether it's the recruiter, HR business partner, VP HR or the L&D consultant, it's HR professionals who are using data and insights to make a business case, highlight gaps and have a strategic conversation with senior leadership. Thus, access to analytics makes HR professionals more efficient in their jobs and provides them with the tools to elevate their position in the organisation.

The vision should be to make analytics available in a digestible format that is simple to access, so the general HR practitioner can easily reference and use it.

In fact, many organisations already provide – or plan to provide – a majority of HR data to HR business partners. By sharing data, the analytics and respective insights won't be wasted by sitting in a siloed, specialised team, and are instead available for the entire HR function.

The next section talks about LinkedIn's vision for the application of analytics.

" My department uses analytics to solve HR challenges such as organisation health, market competitiveness, talent development and recruitment data. These data sets provide us with decision-making information, so we can continue to work towards our goal of a digital company. "

Mildred Auyeung
Group Director, Human Resources
South China Morning Post

Talent Intelligence

LinkedIn's vision is to create economic opportunity for every member of the global workforce. Executing on that vision begins with mapping the digital economy - or creating the world's first economic graph.

LinkedIn's Economic Graph is a digital representation of the global economy based on data generated from 562 million members, 50,000 skills, 18 million employers, more than 11 million open jobs, and 29,000 educational institutions.
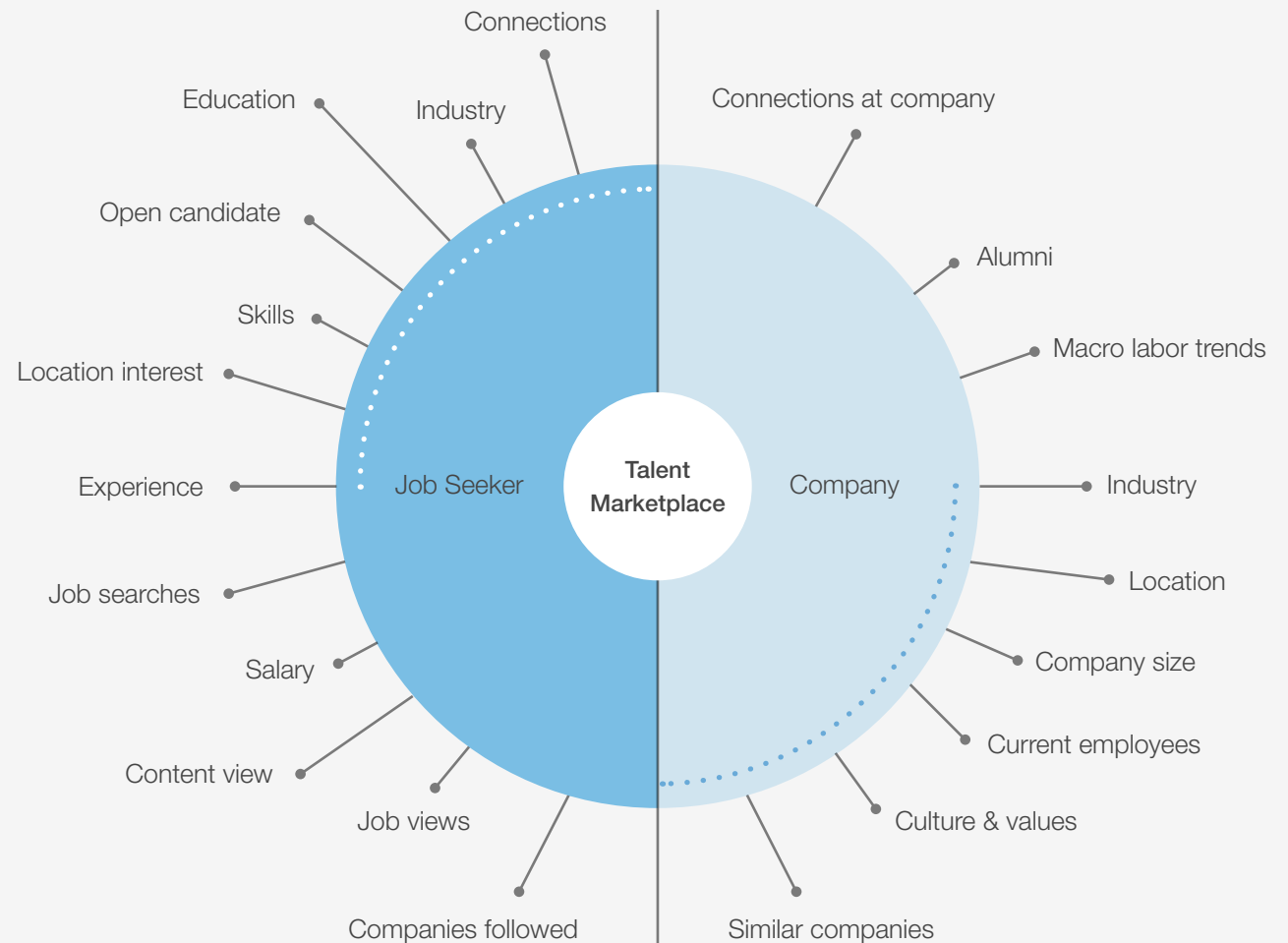
LinkedIn has created the world's largest talent marketplace where candidates and companies are interacting every single day. While 10 years ago we had a relatively small collection of profiles and some engagement, we now have a robust community where billions of interactions are taking place every day.

The insights generated from these billions of interactions can enable today's HR leaders to answer some of the most deep and complex questions raised by the CEO and senior business leaders.

This ammunition adds a data-driven foundation to your point of view, your experience, and your decisions. It can enable your team to marry their instincts with these insights to make the right decisions or elevate their position in the organisation, while also ensuring people are a competitive advantage for the business.

In the next few pages, find out how organisations can use insights from LinkedIn to answer critical questions across the employee lifecycle.

LINKEDIN HAS CREATED THE WORLD'S LARGEST TALENT MARKETPLACE WHERE CANDIDATES AND COMPANIES INTERACT EVERY DAY

Talent Marketplace

Job Seeker
- Connections
- Education
- Industry
- Open candidate
- Skills
- Location interest
- Experience
- Job searches
- Salary
- Content view
- Job views
- Companies followed

Company
- Connections at company
- Alumni
- Macro labor trends
- Industry
- Location
- Company size
- Current employees
- Culture & values
- Similar companies

Talent Pool Analysis

SUPPLY AND DEMAND OF TALENT
TALENT DEMOGRAPHIC AND COMPETITION

This shows supply and demand of talent for a job profile or skill set. This includes talent pool competition in different cities, which can help you make decisions on pipelining, talent acquisition strategy, employer branding investment and geo-location strategy.

Overview

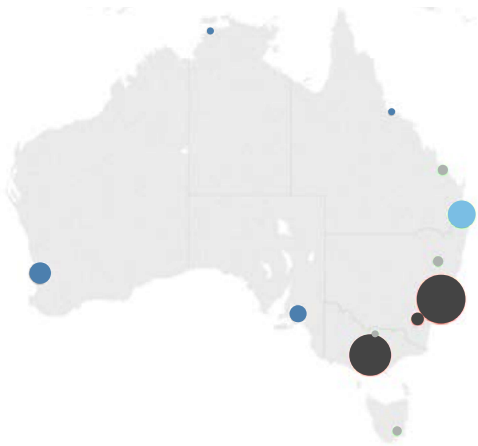**Professionals on LinkedIn**

8.9K

Competition for Talent

Low	Moderate	High

Level of competition is in the top 50% compared to other talent pools

Competition Trend

▲ 1.8%

change in avg. InMails per member last 12 months vs. prior 12 months

Supply and Demand Region

Size of Bubble: Indicates the total # of LI professionals in region
Colour: Indicates the competition for talent, derived from Recruiter InMail messages received

● High Competition ● Moderate ● Low ● Hidden Gem

		Supply	Competition for Talent		
	Location	Professionals	Demand	Trend	Top Industry
1	Sydney, AU	3.5K	Higher	↑	Software & IT Service
2	Melbourne, AU	2.4K	Higher	↑	Software & IT Service
3	Brisbane, AU	982	Hidden Gem	-	Finance

Workforce Planning:

- Why do I find it difficult to hire talent with certain skill sets?

- Where should I open my new R&D centre or my new office?

- Do I need to evaluate and increase my employer branding investment?

This analysis shows competition for the talent pool in different cities, which helps an organisation make decisions on pipelining, competitive talent acquisition strategy, employer branding investment and geo-location strategy.

Case Study: Novartis

How talent data helped Novartis choose a strategic location for its new office

For months, Novartis debated internally whether its new India office should be in Mumbai or Bangalore, as each city had strategic appeal. By leveraging insights from LinkedIn, the recruiting team was able to compare each city's talent pool on factors such as mobility and employers. Career level was also a key point of comparison, as Novatis successfully recruits most employees at mid-career. In the talent report, Mumbai was the clear winner over Bangalore with its much larger population of mid-career talent. Once the data was shared with all stakeholders, it only took three weeks to reach consensus on Mumbai.

The Impact

Faster decision-making

Time is money, and like most companies Novartis is constantly trying to move faster. So to rely solely on its ATS and application flow to choose an office location would not have been practical, and would have taken too long. The talent pool reports accelerated the company's ability to get alignment and take action.

Access to passive talent

The report also exposed Novartis to new pools of talent. To meet its demand for clinical talent, for example, the team had to look beyond pharma. Talent pool reports highlight the best alternate industries and companies to target, such as healthcare or insurance.

Ability to educate the business

Novartis has an internal team that does talent mapping, but to get a very detailed view of the full picture, the third-party data helps. Especially when the hiring team is from different parts of the world, it's a good way to communicate the local landscape.

> " We knew Mumbai had a good population and Bangalore had a good population, but without more insight into their differences in talent, it was hard to make a decision. But once the data came in, it was rather easy. "
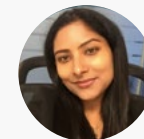
Priyanka Thatoi
Assistant Manager, Leadership &
Campus Hiring
Novartis
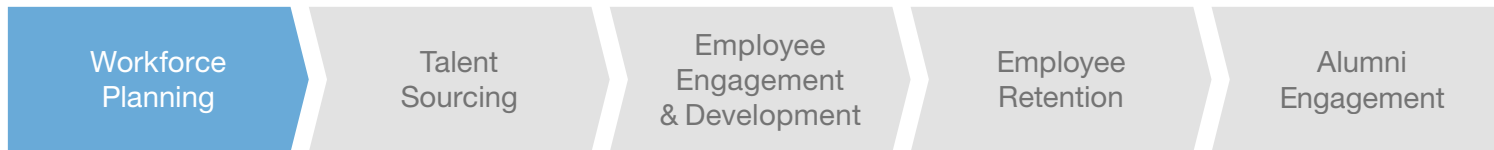
Gender Diversity

HOW WELL ARE YOU ATTRACTING FEMALE TALENT

ATTRACTING FEMALE TALENT

40%

Attracting Female Talent

of members who engaged with you on LinkedIn are women.

Engagement includes members who follow/view your LinkedIn page or view your jobs.
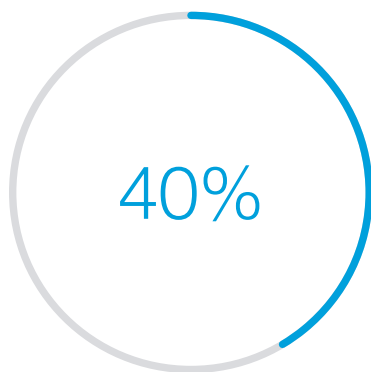
Gender Diversity:

- How do I build a gender diverse workforce?

- Why do I find it difficult to engage and hire women leaders?

- How does my organisation compare to competitors with respect to diversity?

This type of analysis shows how female talent engages with your organisation compared to industry and peer averages across functions and seniority levels. It can be used for benchmarking, as well as reveal areas of opportunities for you, which can lead to decisions on diversity initiatives and employer branding.

…As compared to your industry over time

% of engaged members that are women

Your Company — Peer Average — Industry Average
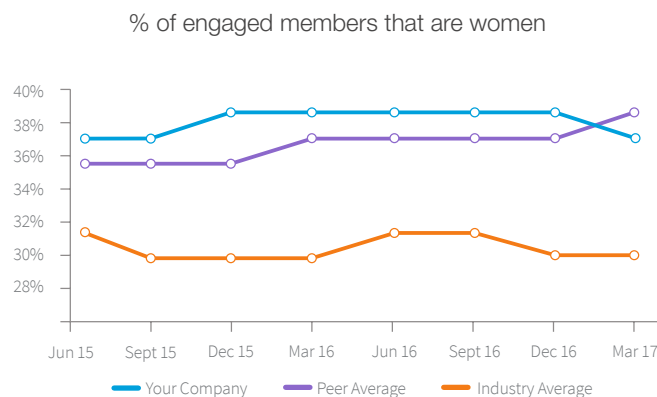
…Across business functions

		Your Company	Peer Average	Industry Average
	Comms	53%	54%	30%
	Engineering	20%	22%	22%
	Finance	39%	43%	34%
	Human Resources	61%	58%	52%
	IT	32%	31%	22%

◦ Workforce Skills Density

COMPARING SKILLS DENSITY TO IDENTIFY STRENGTHS & GAPS

● Engineers in your company   ● Engineers in peer company
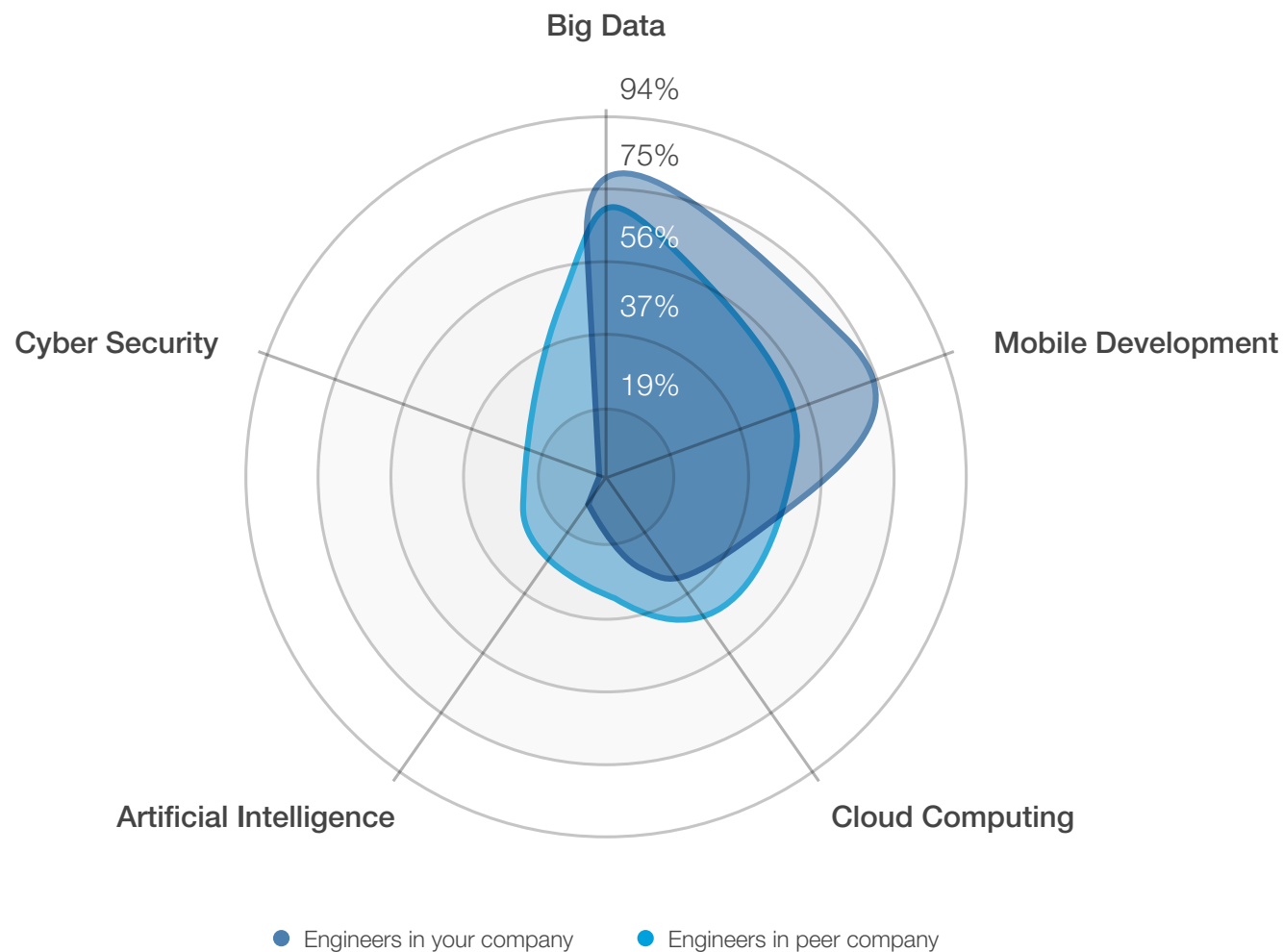
Skills Analysis:

- How does the skills profile of my workforce compare to my competitors?

- What competencies are my competitors investing in?

- Where should I focus in reskilling and upskilling my workforce?

This type of analysis shows how your organisation compares to your competitors in the penetration and adoption of certain skills. It can be used for various purposes such as analysing skills gaps, understanding competitors' investment in capabilities, and building out the upskilling and reskilling strategy for your workforce.

Brand Audit

MEASURING THE STRENGTH OF A COMPANY'S EMPLOYER BRAND

YOUR COMPANY'S TALENT BRAND RANKS 3RD OF 8 COMPETITORS

The employer of choice has a brand which is 1.6x stronger than yours!

AVG TBI: 11.8%

Chart values: 18%, 16%, 11%, 10%, 10%, 9%, 9%, 7%

Employer of choice ← → **Weaker talent brand**
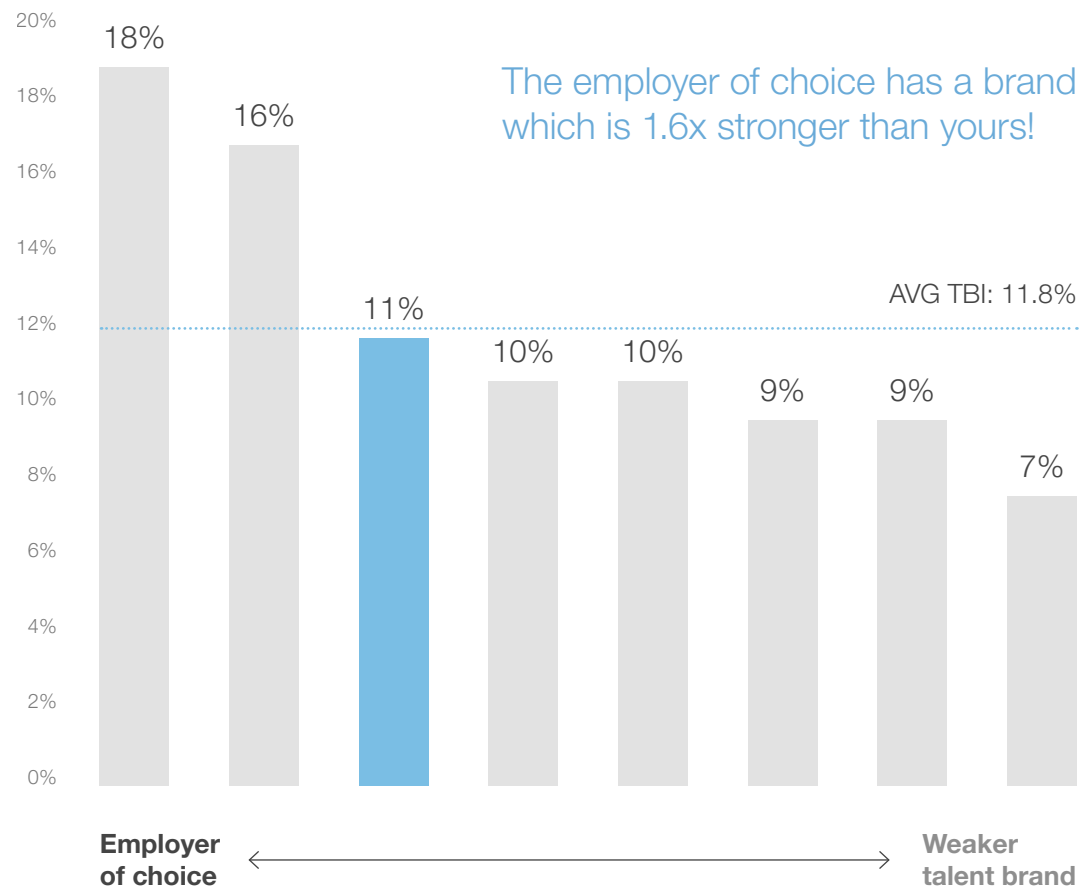
3 of 8

Peers

- Peers A
- Peers B
- Peers C
- Peers D
- Peers E
- Peers F
- Peers G

Talent Sourcing:

- How strong is my employer brand compared to my competitors?

- Is my employer brand growing stronger or weaker over time?

- How can I grow my employer brand?

This type of analysis shows how your organisation compares with peers with respect to the **Talent Brand Index** (TBI). The Talent Brand Index is calculated based on engagement of LinkedIn members with your jobs and career page on LinkedIn.

Internal Mobility

UNDERSTAND INTERNAL MOVEMENTS BETWEEN DEPARTMENTS

WHICH ARE THE MOST COMMON INTERNAL CROSS-FUNCTIONAL MOVEMENTS AMONGST YOUR EMPLOYEES?
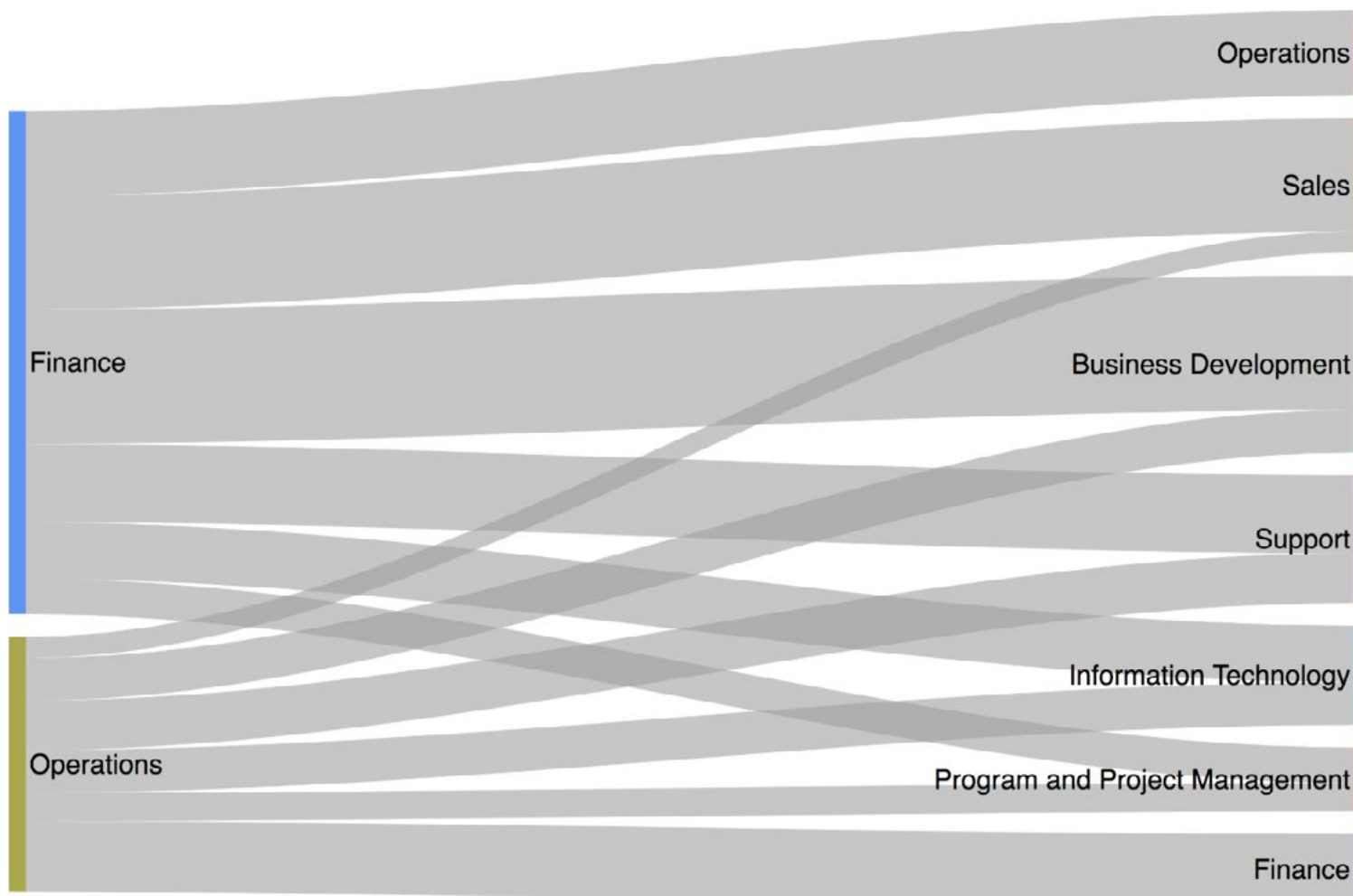
Employee Engagement & Development:

- Where are the most common internal movements?

- Which internal mobility paths lead to higher retention?

This type of analysis shows the most common internal career paths for your employees. You can benchmark this against your peers and industry to build career growth plans for high potential talent, which will help to prevent attrition of top talent.

Case Study: Nielsen

Using data to identify internal mobility as a key to retention

One of Nielsen's businesses engaged its People Analytics team to understand why the company was losing talent. Starting with five years of people data in a (big) spreadsheet and some hypotheses, they identified the factors most highly correlated with attrition.

The biggest finding was that employees with a change in job responsibilities due to promotion or lateral movement within the past two years were much less likely to leave. This insight prompted Nielsen's leadership to focus on making it easier for employees to learn about and pursue jobs internally and identifying "at-risk" high performers and proactively putting opportunities in front of them.

The Impact

More opportunities for employees

There was an 8x increase in internal mobility in the initiative's first year.

Increased employee retention

Most groups achieved a 5-10% increase in annual retention of their at-risk employees.

Immediate credibility for talent analytics

The analysis caught the attention of other business leaders and has since been replicated for other Nielsen units.

> " This was the furthest thing from an academic exercise. This directly impacted the business. Everybody feels retention. The data let us make solid recommendations that the company could take action on immediately. "

Chris Louie
SVP, People Analytics and Talent Acquisition
Nielsen

COMPARE ATTRITION RATES AND TENURE WITH INDUSTRY PEERS

YOUR COMPANY'S ATTRITION IS HIGHEST BETWEEN 3 AND 6 MONTHS OF JOINING, COMPARABLE TO INDUSTRY PEERS

Attrition % vs. Peers

● Your company ● Peer 1 ● Peer 2 ● Peer 3

- 23%
- 26%
- 25%
- 24%

Attrition by Tenure

● Your company ● Peer 1 ● Peer 2 ● Peer 3

< 3 months
- 10%
- 10%
- 9%
- 7%

3-6 months
- 38%
- 39%
- 37%
- 37%

7-9 months
- 19%
- 19%
- 15%
- 18%

10-12 months
- 13%
- 11%
- 9%
- 13%

>12 months
- 20%
- 20%
- 30%
- 26%
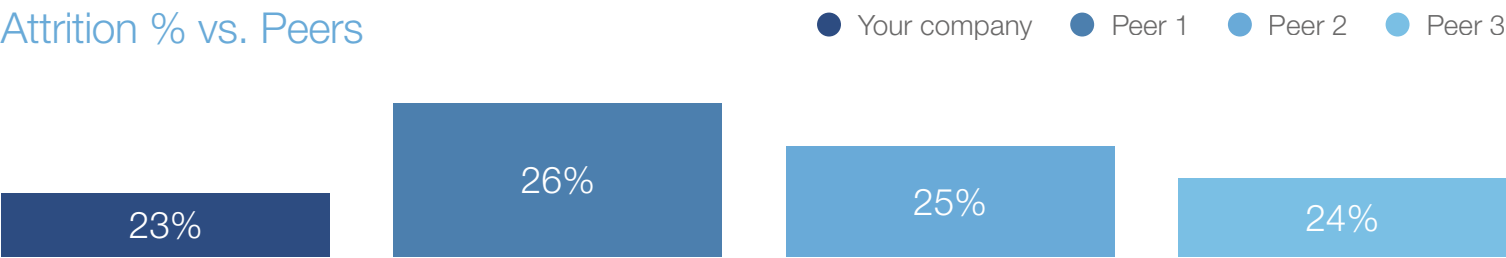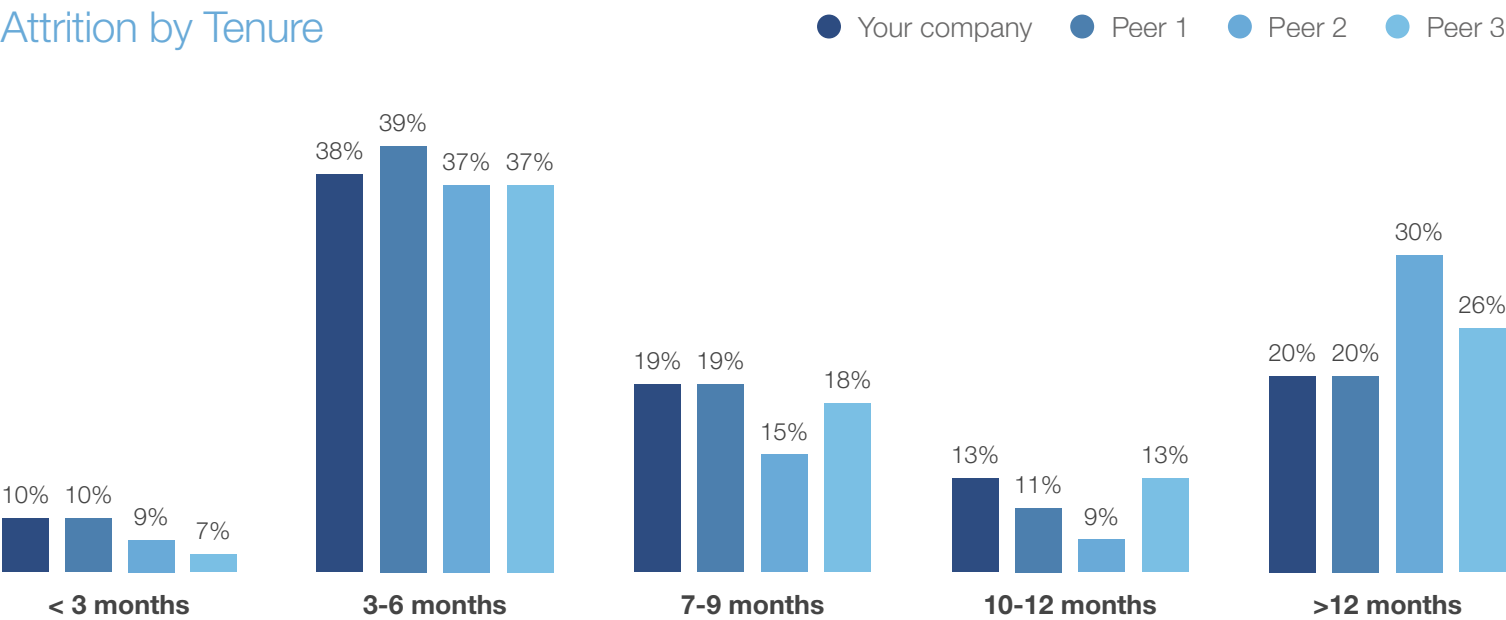
Employee Retention:

- What types of roles have the highest attrition rate?

- What is the typical tenure of your employees?

This analysis shows the tenure of your employees, and when they are most likely to leave.

Alumni Engagement

FIND OUT WHAT ALUMNI MEMBERS ARE DOING TODAY

YOUR COMPANY HAS 2,000 ALUMNI MEMBERS IN SINGAPORE, MOSTLY WORKING IN COMPETITOR BANKS

ABC alumni

2,000

ABC alumni in current job for more than one year

1,700

ABC alumni in current job for more than two years

1,300
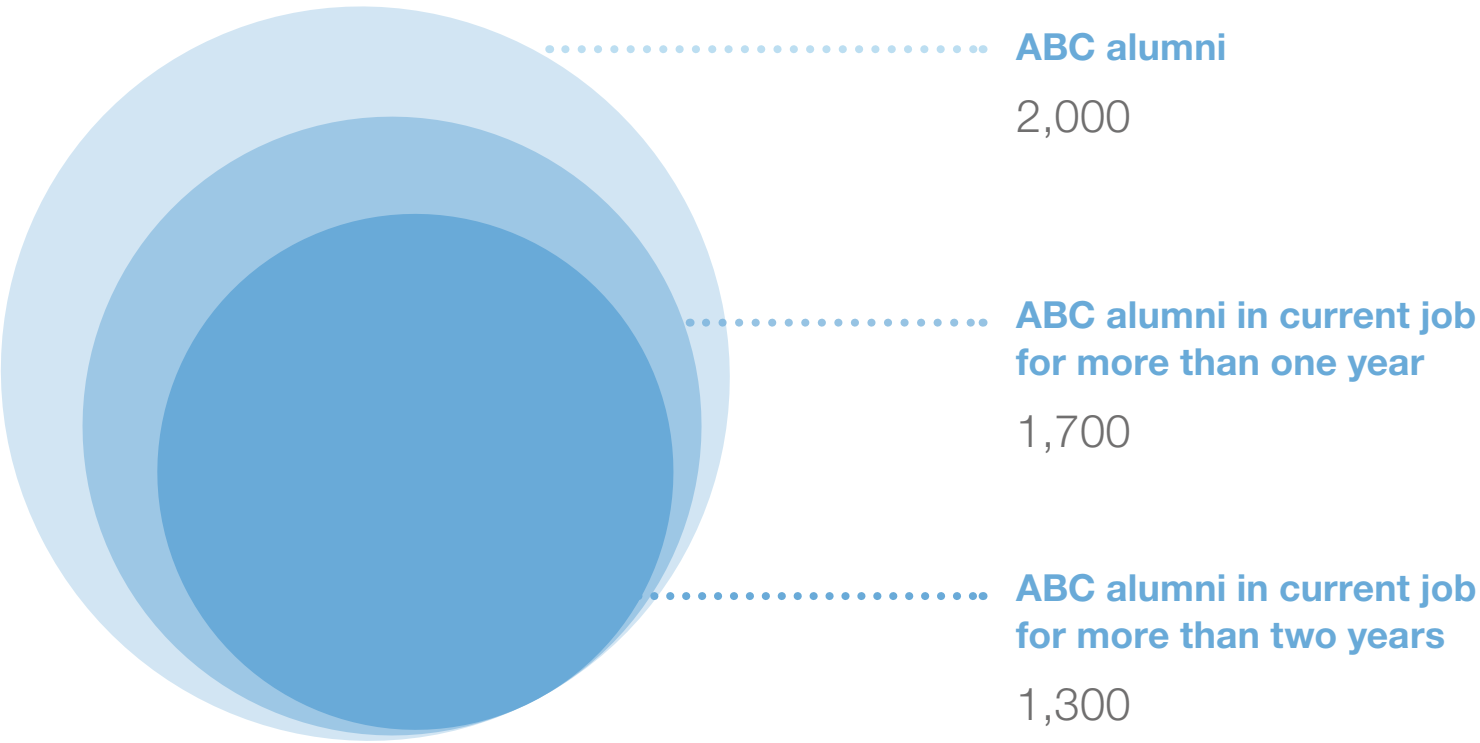
Alumni Engagement:

- How can I keep alumni talent engaged for future career opportunities?

- How many alumni members on LinkedIn are interested in our career opportunities?

This type of analysis shows the career trajectory of your alumni at an aggregate level after they moved out from your organisation. This can help you think through your alumni engagement opportunities and open up strategies to pipeline alumni as boomerang hires.

Conclusion

As you evaluate where your team stands on your journey to adopt analytics and using it to build a data-driven function, here are the top three things you can start thinking about:

1. Prioritise key areas of the business for analytics application

When applying analytics to the HR function, it's important to assess which areas to focus on first. Utilising an analytical approach to address business issues in key areas will have a much stronger outcome than attempting to apply analytics across the board – especially in companies where introducing data analytics is a larger cultural shift.

2. Invest in data and analytics literacy

Overall, only 30% of HR professionals in APAC have analytics-related skills. We found that penetration of analytics skills increases with seniority in the HR function.

Data Analytics Skills Penetration by Seniority in HR

Entry	27%
Senior	30%
Manager	36%
Director+	38%

Thus, there is a pressing need to drive data literacy and training to upskill your HR staff. This can be achieved through offline formal training programs or through online platforms such as LinkedIn Learning Solutions. For example, LinkedIn has an internal program called Data Driven University to train managers on storytelling through the power of data.

3. Change the mindset of your people to be data-first

Building a data-driven organisation that functions within an analytics space begins with changing your corporate culture. Driven from the top, the culture needs to be one where data-driven thinking and action is rewarded and appreciated.

Appendix:
Country Views on the State of Analytics in HR

Country Workbook:
Southeast Asia

Southeast Asia may have been known to be slow to adopt big data, but appetite for people analytics has been nothing but robust.

Q. Are companies trying to arm their HR function with analytical capability?

(✓) Yes   ☐ No

> Companies are actively looking to ramp up their HR function with analytics capability!

16%
of HR jobs require analytics skills or experience

Q. What are the top industries utilising talent analytics?

Indonesia	Malaysia	Philippines
• FinServ • Aero/Auto/Transport • Healthcare & Pharma	• Telco • FinServ • Oil & Energy	• Software • FinServ • Professional Services

Singapore	Thailand	Vietnam
• FinServ • Healthcare & Pharma • Software	• Telco • FinServ • Oil & Energy	• Software • FinServ • Hardware

Data: Only countries with sufficient sample sizes have been included in this analysis

Q. What HR problems are SEA companies prioritising?

Comp & Ben
Employer Brand
Performance
Workforce Planning
Talent Development
Diversity
Employee Engagement
Retention   Recruiting

Q. Which clusters of skills are most commonly used in talent analytics?

Database Management & Software
Business Analysis
Business Intelligence
HR Software
Market Research
Big Data
Machine Learning
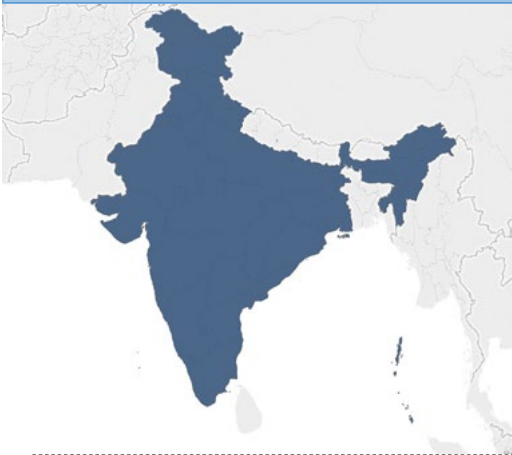Statistical Analysis and Software
Data Engineering & Warehouse

Companies with at least 500 employees or more have been included in this analysis.
Data current as at March 2018. Southeast Asian countries include Indonesia, Malaysia, Singapore, the Philippines, Thailand and Vietnam.

Appendix:
Country Views on the State of Analytics in HR

Country Workbook:
India

India is known as the tech hub in the region and globally, but is their HR function equally tech savvy?

Q. Are companies trying to arm their HR function with analytical capability?

☑ Yes ☐ No

Companies are actively looking to ramp up their HR function with analytics capability!

14%
of HR jobs require analytics skills or experience

Q. What are the top industries utilising talent analytics?

- FinServ
- Software
- Professional Services
- Telco
- Hardware

Q. What HR problems are companies in India prioritising?

Comp & Ben

Employer Brand

Performance

Workforce Planning

Diversity

Talent Development

Employee Engagement

Retention   Recruiting

Q. Which clusters of skills are most commonly used in talent analytics?

Database Management & Software

Business Analysis

Business Intelligence

HR Software

Market Research

Big Data

Machine Learning

Statistical Analysis and Software

Data Engineering & Warehouse

Companies with at least 500 employees or more have been included in this analysis.
Data current as at March 2018.

Appendix:
Country Views on the state of analytics in HR

Country Workbook:
China

China has an abundance of tech talent with advanced skills. But does that capability extend to the HR function?

Q. Are companies trying to arm their HR function with analytical capability?

◯ **Yes** ☐ **No**

> Companies may be looking inward for building their analytics capability for the HR function

12%
of HR jobs require analytics skills or experience

Q. What are the top industries utilising talent analytics?

- Software
- FinServ
- Media & Entertainment
- Professional Services
- Healthcare & Pharma

Q. What HR problems are companies in China prioritising?

Comp & Ben

Employer Brand

Performance

Workforce Planning

Talent Development

Diversity

Employee Engagement

Retention   Recruiting

Q. Which clusters of skills are most commonly used in talent analytics?

Database Management & Software

Business Analysis

Business Intelligence

HR Software

Market Research

Big Data   Machine Learning

Statistical Analysis and Software

Data Engineering & Warehouse

Companies with at least 500 employees or more have been included in this analysis.
Data current as at March 2018.

Appendix:
Country Views on the State of Analytics in HR

Country Workbook:
Australia

Known locally as a more mature market when it comes to HR and TA strategy, is Australia living up to its reputation?

Q. Are companies trying to arm their HR function with analytical capability?

◯ Yes   ☐ No

Companies are actively looking to ramp up their HR function with analytics capability!

15%
of HR jobs require analytics skills or experience

Q. What are the top industries utilising talent analytics?

- FinServ
- Oil & Energy
- Software
- Healthcare & Pharma
- Telco

Q. What HR problems are companies in Australia prioritising?

Comp & Ben

Employer Brand

Performance

Workforce Planning

Talent Development

Diversity

Employee Engagement

Retention   Recruiting

Q. Which clusters of skills are most commonly used in talent analytics?

Database Management & Software

Business Analysis

Business Intelligence

HR Software

Market Research

Big Data   Machine Learning

Statistical Analysis and Software

Data Engineering & Warehouse

Companies with at least 500 employees or more have been included in this analysis.
Data current as at March 2018.

Appendix:

Top 3 industries with adoption of talent analytics

Financial services and software sectors are consistently among the top adopters of analytics across Asia-Pacific.

Seeing which sectors are adopting analytics into their HR teams in each country can help you understand how your competitors are doing, which in turn can guide your strategy to ramp up your own talent analytics capabilities.

Australia
- Financial Services & Insurance
- Oil & Energy
- Technology - Software

China
- Technology – Software
- Financial Services & Insurance
- Media & Entertainment

Hong Kong
- Financial Services & Insurance
- Retail & Consumer Products
- Technology - Software

India
- Financial Services & Insurance
- Technology-Software
- Professional Services

Indonesia
- Financial Services & Insurance
- Aero / Auto / Transport
- Healthcare & Pharmaceutical

Japan
- Technology – Software
- Manufacturing / Industrial
- Financial Services & Insurance

Korea
- Technology – Software
- Retail & Consumer Products
- Professional Services

Malaysia
- Telecommunications
- Financial Services & Insurance
- Oil & Energy

New Zealand
- Financial Services & Insurance
- Healthcare & Pharmaceutical
- Oil & Energy

Philippines
- Technology – Software
- Financial Services & Insurance
- Professional Services

Singapore
- Financial Services & Insurance
- Healthcare & Pharmaceutical
- Technology - Software

Taiwan
- Financial Services & Insurance
- Technology – Hardware
- Technology - Software

Thailand
- Telecommunications
- Financial Services & Insurance
- Oil & Energy

Vietnam
- Technology – Software
- Financial Services & Insurance
- Technology - Hardware

This presents an opportunity for you to move fast and begin to build the capabilities necessary to build a data-driven function.

Appendix:

Different country priorities for talent analytics

India sees a higher emphasis on *Retention*, while *Workforce Planning* is a priority in Australia.

While *Compensation & Benefits and Talent Acquisition* occupy the top spots for most of APAC, there are significant differences in talent analytics focus for some of the other topics. *Retention* ranks the highest (4th) in India, compared with its rank of 8th in Southeast Asia and 9th in Australia. This could be attributed to differing attrition landscape in various economies, which is amongst the highest in India today.

Workforce planning - an emerging theme across HR - seems to be gaining traction fast in Australia, ranking second after Compensation & Benefits. While workforce planning does comprise of elements within the other topics, the focus on this overall theme does reflect the shift from tactical to strategic planning in HR organisations in a developed market like Australia.

Understanding the unique challenges of the market you operate in can help determine the focus areas for you and your organisation.

Priority	India	China	South East Asia	Australia
1	Compensation & Benefits	Compensation & Benefits	Compensation & Benefits	Compensation & Benefits
2	Talent Acquisition	Talent Acquisition	Talent Development	Workforce Planning
3	Productivity & Performance	Productivity & Performance	Productivity & Performance	Productivity & Performance
4	Retention	Talent Development	Talent Acquisition	Culture & Diversity
5	Talent Development	Workforce Planning	Workforce Planning	Talent Development
6	Workforce Planning	Culture & Diversity	Employee Engagement	Talent Acquisition
7	Culture & Diversity	Employee Engagement	Culture & Diversity	Employee Engagement
8	Employee Engagement	Retention	Retention	Employer Branding
9	Employer Branding	Employer Branding	Employer Branding	Retention

* We looked at the frequency of talent analytics focus by region and ranked them accordingly

About LinkedIn's economic graph

LinkedIn's Economic Graph is a digital representation of the global economy based on data generated from 562 million members, 50,000 skills, 18 million employers, more than 11 million open jobs, and 29,000 educational institutions. In short: it's all the data on LinkedIn.

Through mapping every member, company, job and school, we're able to spot trends like talent migration, hiring rates and in-demand skills by region. These insights help us connect people to economic opportunity in new ways.

By partnering with governments and organisations around the world we help them better connect people to opportunities.

See full article

Methodology

The result of this analysis represents the world seen through the lens of LinkedIn data. As such, it is influenced by how members choose to use the site, which can vary based on professional, social, and regional culture, as well as overall site availability and accessibility. These variances were not accounted for in the analysis.

We looked at all members who list dated work experience on their profile and grouped the millions of unique, user-input job titles based on common job roles (which have many permutations). For example, the "HR analytics" job title includes user input titles such as "people analytics" and "workforce analytics." We also looked at members whose functions are listed as HR, which is determined through either member input or LinkedIn's standardisation algorithm based on member position, occupation and/or the industry segment of the employing company.

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The LinkedIn Economic Graph

562M members

50K skills

18M employers

11M open jobs

29K educational institutions