

What's Ahead for Talent Analytics

A Look into 2018

ABOUT THE FUTURE OF TALENT ANALYTICS SURVEY

Our 2018 Future of Talent Analytics Survey

We surveyed over 80 talent analytics leaders from organizations around the globe to understand their priorities and expected challenges in 2018.

Key Statistics

80+ participating talent analytics leaders

320+ data points collected per participant

All major industries and regions represented

Major Areas of Focus

- Key talent analytics priorities and trends for 2018
- Trending talent analytics innovations
- Talent analytics staffing and structure
- Role of talent analytics in digital transformation
- Analytics capability of the HR function

Companion Resource

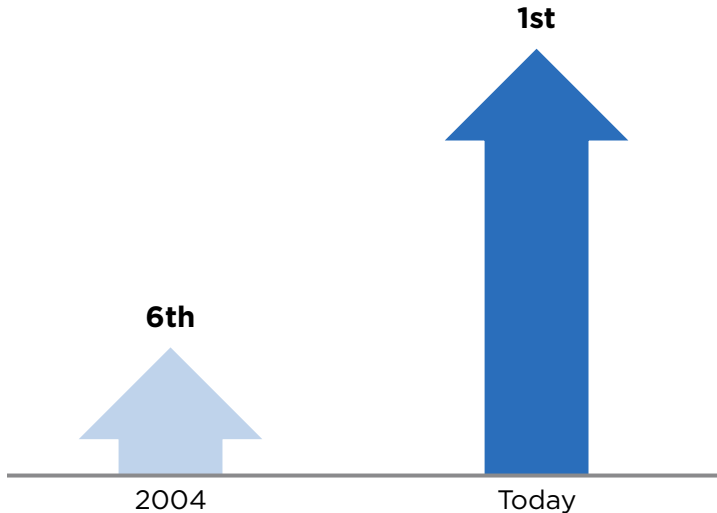
The perspectives shared in this survey will also inform the creation of a companion resource to this webinar. In January, you will have access to a State of Talent Analytics, 2018 report for peer benchmarks on frequently asked questions related to talent analytics, including the following:

- What skills do Heads of Talent Analytics want to develop?
- What initiatives are talent analytics professionals pursuing?
- What analyses and activities are talent analytics professionals performing?

ALL COMPANIES BECOMING DIGITAL COMPANIES

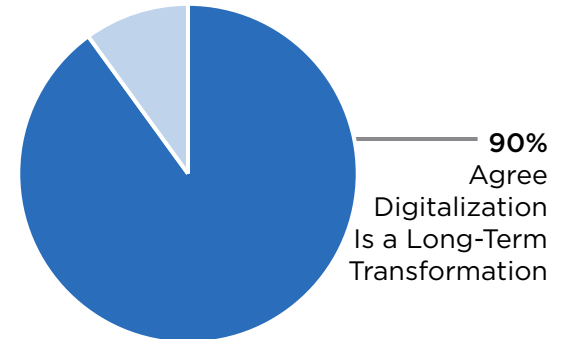
Digitalization Defined: How your organization uses evolving technologies and the ecosystems emerging around them to transform its products/services, channels, and operations to achieve its strategic objectives

CEO Ranking of Digital as a Business Driver



Source: IBM, Redefining Competition Insights from the Global C-Suite Study: The CEO Perspective, January 2016, <http://ibm.co/297VxqG>.

Staying Power of Digitalization *Percentage of Senior Business Leaders*



$n = 578$ business leaders.
Source: CEB Digital Enterprise 2020 Survey.

DIGITAL HR SUCCESS HINGES ON TALENT ANALYTICS

CHROs rank digitalizing HR as their top 2018 priority, and leaders recognize that talent analytics can either advance or hinder HR digitalization efforts.

Most Important Initiatives for 2018 as Ranked by CHROs

- 1 Digitalizing HR
- 2 Providing continuous performance management
- 3 Creating a strategic people analytics team

Digitalizing HR includes a variety of activities like:

- Scanning external social networks to manage the employer brand,
- Continuously tracking employee sentiment to respond to engagement challenges, and
- Enabling employees to receive and act on business intelligence in real-time.

$n = 107$.

Source: CEB 2018 Future of HR Agenda Poll.

CEOs' Challenges in Meeting Their Digital Talent Priorities



41% of CEOs cite **“Data and Talent Analytics Capabilities”** as the top challenge in meeting their digital talent priorities.

$n = 27$ CEOs.

Source: CEB 2017 CEO 20 Pulse.

Note: Respondents were asked to select up to two out of eight challenges.

SIX DIGITAL SHIFTS INFLUENCING YOUR PRIORITIES



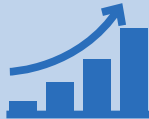
**1. Products Become
Information-Rich
Services**



**2. Internal
and External
Boundaries Blur**



**3. Data Reliance
Deepens**



**4. Everything
Accelerates (Except
Large Companies)**



**5. Demand Grows
More Personal**



**6. Work Adapts to
Broader Role for
Machines**

Source: CEB analysis.

1. PRODUCTS BECOME INFORMATION-RICH SERVICES

Shift 1: Products Become Information-Rich Services



What the Digital Shift Is:

Value creation shifts toward information-rich services.

What It Means:

Enhancing existing products with data-rich services becomes a critical differentiator.

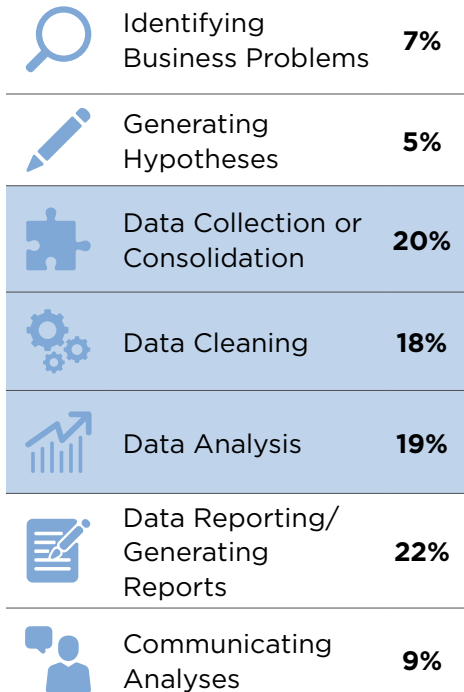
Questions to Examine New Ways to Deliver Value to Clients
With Nike as Example of a Digital Company

Value Creation Questioning	Nike's Answer	Talent Analytics' Answer
What Product Have We Been Providing?	Shoes	Data, dashboards, reports, insights
Why Do Our Customers Buy Our Product? What's their Goal?	To get fit	To solve talent challenges or make key decisions
What Services Can We Provide to Further Support that Goal?	Fitness and wellbeing apps	Our Question to Answer

Source: CEB analysis.

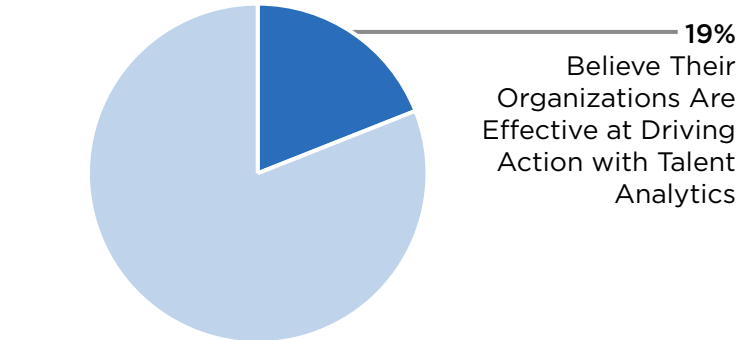
MORE DATA DOESN'T DRIVE BETTER SERVICE

Talent Analytics Team Time Spend on Typical Activities



Talent analytics are focused on **providing more, better data.**

Current Level of Talent Analytics Service to Clients *Percentage of Talent Analytics Leaders*



Clients struggle to act on data to achieve goals.

n = 132.

Source: CEB 2017 Talent Analytics Effectiveness Survey.

n = 132.

Source: CEB 2017 Talent Analytics Effectiveness Survey.

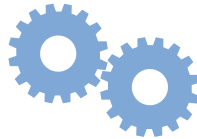
MORE IMPLEMENTATION SUPPORT, NOT MORE DATA



Talent Analytics Priority for 2018: Increase the Implementation Support, not Just the Data, You Offer

Deliver better service by providing implementation support, not just more data, to clients within existing projects and with existing data.

Two Ways Talent Analytics Teams Can Provide Better Service



1. Embed Analytics to Improve Talent Processes

- How is the data we are providing used in current talent processes?
- What processes could benefit from increased use of analytics?
- What can we do to make it easy for our clients to use data in their workflows?



2. Ensure Clients Know How to Take Action

- For each project we are working on, do we know how our clients plan to act?
- How can we provide concrete recommendations to help clients act on data?
- What is the best way to communicate our data to ensure clients act?

Source: CEB analysis.

2. INTERNAL AND EXTERNAL BOUNDARIES BLUR

Shift 2: Internal and External Boundaries Blur



What the Digital Shift Is:

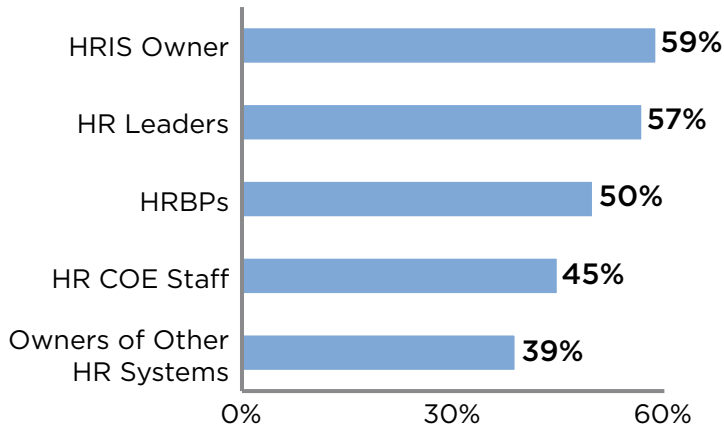
The boundaries between and within functions and companies give way to fast changing matrices.

What It Means:

More employees will need cross-functional skills to support new digital ways of doing business.

Ways Boundaries and Skill Needs Are Blurring Across HR

Percentage of Talent Analytics Professionals That Rely on the Following Stakeholders



n = 132.

Source: CEB 2017 Talent Analytics Effectiveness Survey.

HRBPs' Top Development Areas in 2018

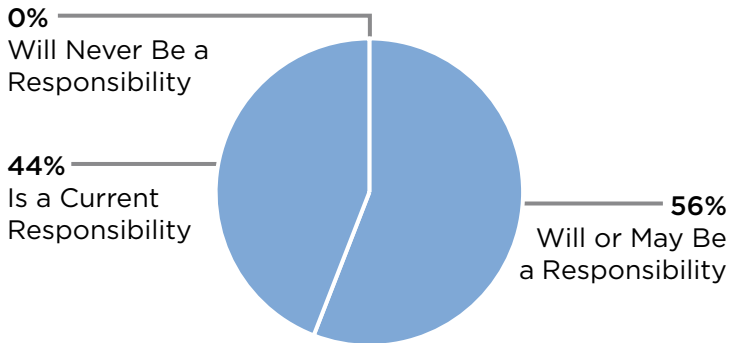
- 1 Business Acumen
- 2 **Talent Analytics and Data Judgment**
- 3 Change Agility

n = 1,188.

Source: CEB 2018 Future of the HRBP Role Survey.

TALENT ANALYTICS TRYING TO UPSKILL HR

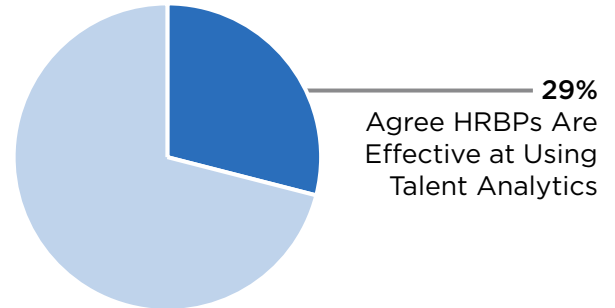
Training HR as a Formal Talent Analytics Responsibility
Percentage of Talent Analytics Teams



n = 86.

Source: CEB 2018 Future of Talent Analytics Survey.

Current HR Proficiency with Analytics
Percentage of Talent Analytics Leaders



Current training interventions have limited success.

n = 86.

Source: CEB 2018 Future of Talent Analytics Survey.

Sample Analytics Training Interventions



- ✓ Developing an analytics community to facilitate best practice sharing
- ✓ Leading trainings to teach basic data interpretation skills
- ✓ Informally partnering with HRBPs during projects to prepare for data presentation

Source: CEB 2018 Future of Talent Analytics Survey.

TRAINING ONLY FOCUSES ON HALF OF THE EQUATION



Talent Analytics Priority for 2018: Upskill HR, and Upskill Yourself on HR

Create training that focuses on HR's analytics skills gaps, but also spend time learning about HR workflows.

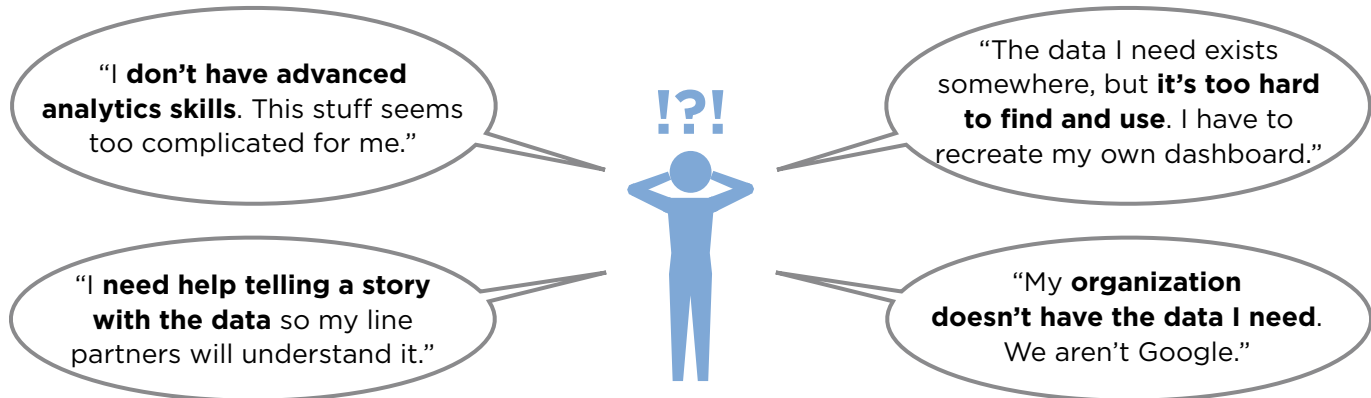
HR Professionals' Challenges When Trying to Use Talent Analytics

Training can address HR skills gaps in analytics...

Only **31%** of HRBPs feel very confident using talent analytics and data to make decisions.

...But enabling HR staff to use analytics also requires filling your skill gap.

Only **47%** of talent analytics leaders believe their teams fully possess HR acumen.



n = 1,188.

Source: CEB 2018 Future of the HRBP Role Survey.

n = 86.

Source: CEB 2018 Future of Talent Analytics Survey.

3. DATA RELIANCE DEEPENS

Shift 3: Data Reliance Deepens



What the Digital Shift Is:

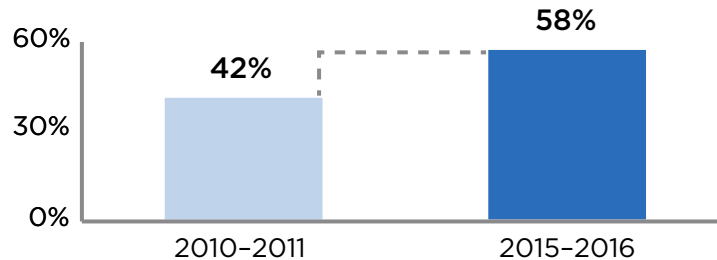
Managers, employees, and customers use data for virtually every decision.

What It Means:

Organizations need to keep up with their customers' information expectations.

Examples of Complex Decisions Leaders Want to Make Using HR Data

Conducting Continuous Workforce Planning
Hiring Volume Volatility

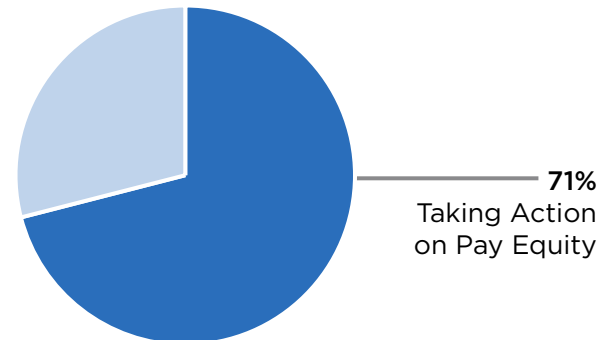


Since 2010 to 2011, average S&P 100 hiring volume volatility has increased by **38%**.^a

Source: CEB analysis.

^a To calculate S&P 100 average hiring volume volatility, we calculated the average percent change in hiring volume from month to month for each organization in the S&P 100. Then, for each two-year period, we averaged a measure of standard deviation to assess how different the percent change for the month was from the average.

Assessing Pay Equity
Percentage of Organizations

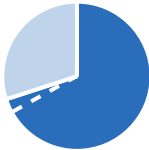


n = 78.

Source: CEB 2017 Pay Equity Benchmarking Survey.

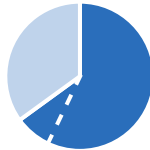
MORE COMPLEX TALENT QUESTIONS, NEW DATA

New Data Sources Used to Address Complex Talent Questions



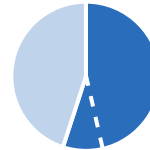
65%–70% of organizations will or may use:

- Employee organizational network data
- Publicly available social media data
- Work computer usage data
- Publicly available professional data
- Past employee experiences



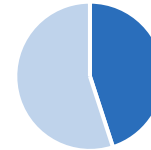
55%–65% of organizations will or may use:

- Microsoft Outlook/Calendar usage data
- Work computer location data
- Work phone usage data
- Work phone location data
- Employee fitness data
- Employee movement data



45%–55% of organizations will or may use:

- Employee consumer data
- Text in organization social media transcripts
- Text in internal messaging systems
- Text in employee



Less than 45% of organizations will or may use:

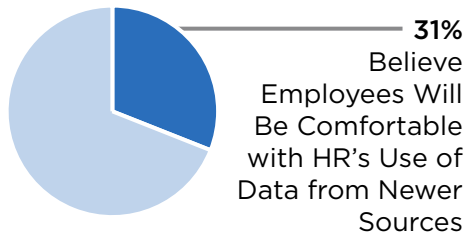
- Workspace usage data
- Employee biometric data
- Employee medical data
- Employee genetic data

$n = 86$.

Source: CEB 2018 Future of Talent Analytics Survey.

WHY IS IT HARD TO GET DATA FROM EMPLOYEES?

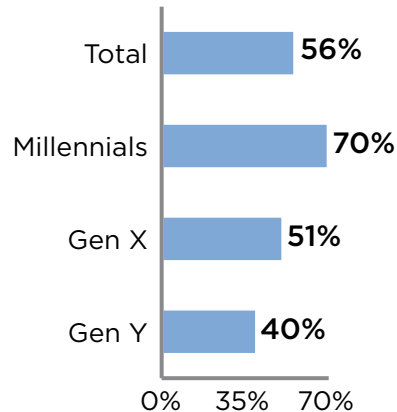
Predicted Employee Comfort Level with Data Use
Percentage of Talent Analytics Leaders



n = 86.

Source: CEB 2018 Future of Talent Analytics Survey.

Employee Willingness to Share Data for Workplace Benefit^a
Percentage of Employees

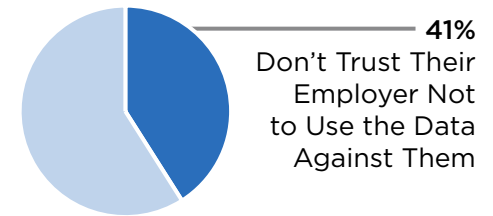


n = 2,023.

Source: PWC, "Half of people would use a workplace smartwatch," http://pwc.blogs.com/press_room/2015/04/half-of-people-would-use-a-workplace-smartwatch-pwc-research.html, 10 April 2015.

^a Percentage based on employees willing to use wearable technology from their employer if they knew the information would be used to improve their well-being at work.

Level of Employee Trust Around Employer's Data Use^b
Percentage of Unwilling Employees



n = 2,023.

Source: PWC, "Half of people would use a workplace smartwatch," http://pwc.blogs.com/press_room/2015/04/half-of-people-would-use-a-workplace-smartwatch-pwc-research.html, 10 April 2015.

^b Percent based on employees who opted for none of the benefits on offer in exchange for their data.

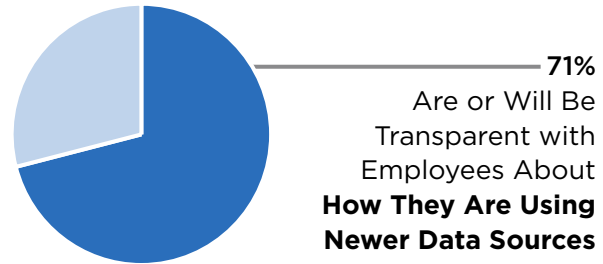
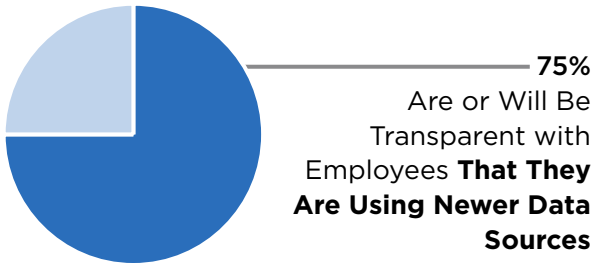
BE TRANSPARENT TO BUILD TRUST



Talent Analytics Priority for 2018: Increase Transparency about HR Data Use

Start talking with employees about the data you have about them and how you use it.

Transparency About Data Use to Build Trust *Percentage of Organizations*



n = 86.

Source: CEB 2018 Future of Talent Analytics Survey.

Methods Organizations Use to Build Trust Through Transparency and Communication *Ordered By Importance as Assessed by Talent Analytics Leaders*

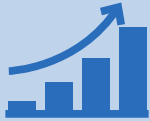
- 1 Indicate how data from new sources would be used upon collection
- 2 Pilot programs with new data sources before expansion
- 3 Create FAQs regarding what and how data is being collected from new sources
- 4 Showcase projects based on new data sources to employee population
- 5 Provide the option for employees to opt out of analyses

n = 86.

Source: CEB 2018 Future of Talent Analytics Survey. .

4.EVERYTHING ACCELERATES

Shift 4: Everything Accelerates (Except Large Companies)



What the Digital Shift Is:

Demand changes at a faster rate.

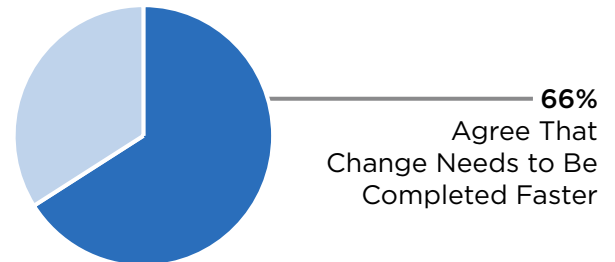
What It Means:

Customer demands for responsiveness will intensify pressure to shorter product cycles.

How Constant Change Creates Urgency for Quick Talent Decisions

Expected Volume of Organizational Change Initiatives

Heads of HR's View on Current Change Management Speed



n = 102.

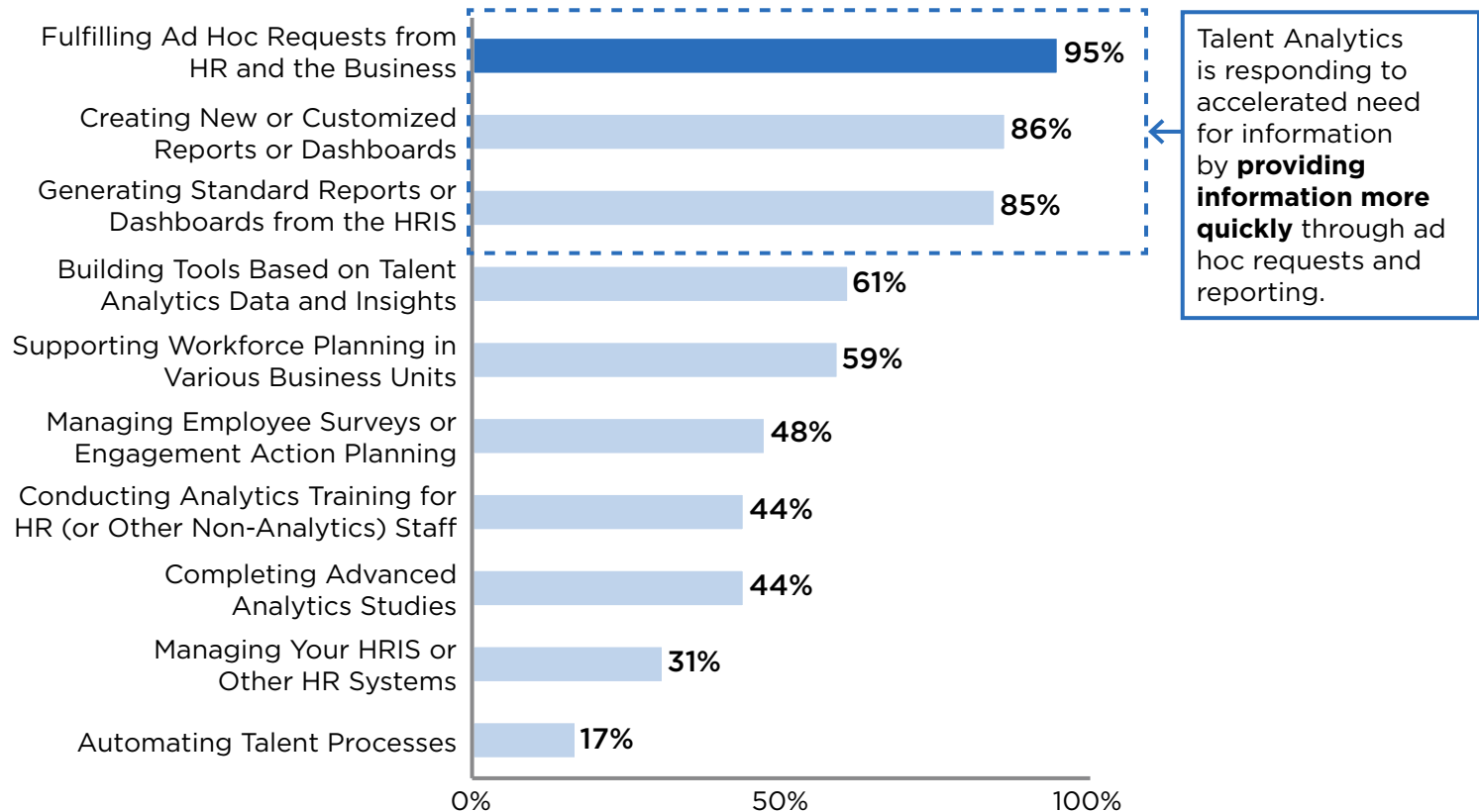
Source: CEB 2016 Change Management Head of Function Survey.

n = 305 organizations.

Source: CEB HR Change Readiness Survey.

TALENT ANALYTICS TAKING ON URGENT REQUESTS

Current Talent Analytics Responsibilities
Percentage of Talent Analytics Teams



n = 86.

Source: CEB 2018 Future of Talent Analytics Survey.

CURRENT STATE NOT SUSTAINABLE OR EFFICIENT

Talent Analytics Leader Frustration with Current State

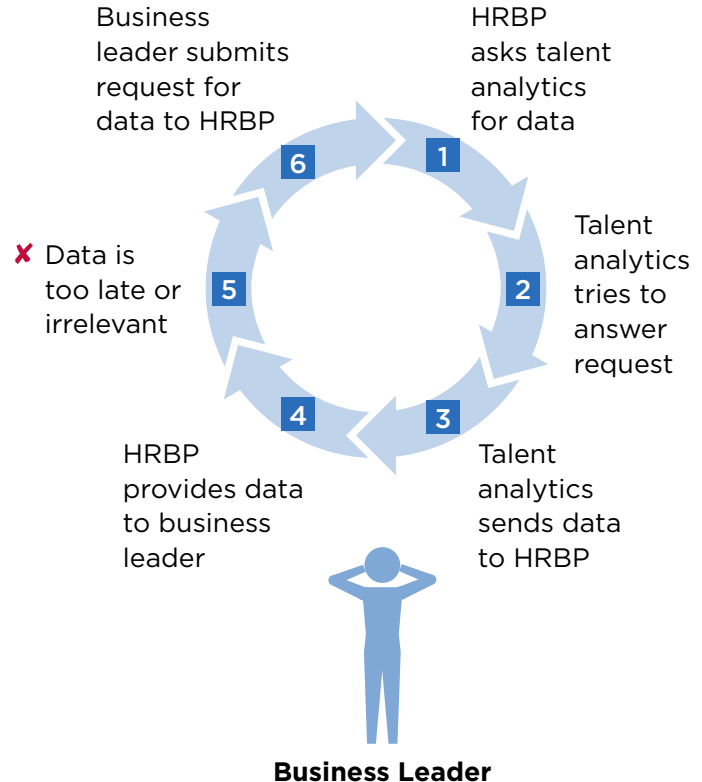
*My team is always so busy fulfilling basic data requests that it's **difficult to use our capability and data to actually support strategic business priorities.** We soon just **won't have time** to answer everything that come through either.*



Talent Analytics Leader

Source: CEB analysis.

Business Leader Perspective on Talent Analytics Effectiveness



Source: CEB analysis.

EXPAND SELF-SERVICE ACROSS DECISION MAKERS

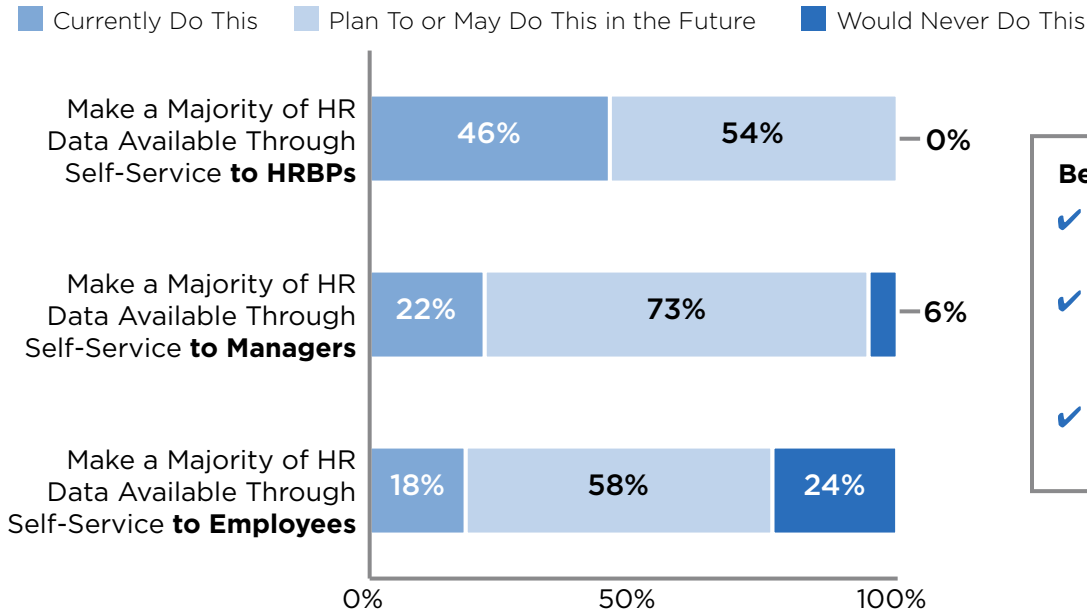


Talent Analytics Priority for 2018: Accelerate Along the Path to Self-Service for All

Accelerate development and reach of self-service across the organization.

Recognizing the Value of Self-Service

Percentage of Talent Analytics Team








Benefits of Self-Service

- ✓ Lower volume of ad hoc requests for talent analytics
- ✓ Faster access to data by those directly making the decisions
- ✓ Interpretation of data in relation to business context

n = 86.

Source: CEB 2018 Future of Talent Analytics Survey.

GET AHEAD OF SELF-SERVICE PITFALLS

Common Pitfalls	Keys to Success
 <p>Incorrect Metric Selection Constantly expanding metrics to meet reactive requests.</p>	<p>Select Strategically Significant Metrics Use conversations with business partners to prioritize key talent questions, and identify metrics to share based on those areas the business needs to answer.</p>
 <p>Biases in Information Gathering Overreliance on own sources of data.</p>	<p>Focus on User Needs When Gathering Information Understand users' workflow and information preferences, and use all credible sources that can best address user needs, even if they require data from other functions or across systems.</p>
 <p>Rushing into Analyzing Information Without thoroughly understanding each individual source.</p>	<p>Summarize and Reconcile Information Before Synthesizing Take a deliberate approach to synthesis by first summarizing each source, identifying divergences, and understanding the reasons for those divergences.</p>
 <p>Lack of Business Context Failure to connect the dots to help users take action.</p>	<p>Involve Experienced HR Professionals Create or vet the platform to analyze the information from various angles and levels, and provide data and insights that are both insightful and practical.</p>
 <p>Lack of Privacy Measures Concerns over data privacy and security.</p>	<p>Work with Legal and IT Teams to Put Safeguards in Place Involve your Legal and IT functions to set security standards that give users confidence that the information will be protected and used correctly and that follow all relevant regulations.</p>

Source: CEB analysis.

5. DEMAND GROWS MORE PERSONAL

Shift 5: Demands Grows More Personal



What the Digital Shift Is:

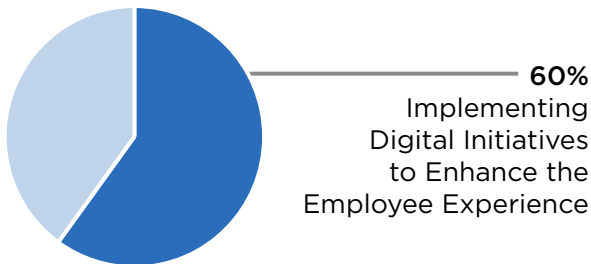
Customers seek services that align with their preferences and values as individuals (not segments).

What It Means:

Organizations will need to balance the cost of personalization with the ability to scale.

Ways HR Leaders are Focusing on Employee Experience

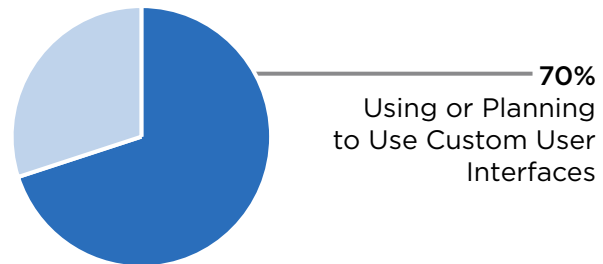
Using Technology and Data *Percentage of Organizations*



$n = 107$.

Source: CEB 2018 Future of HR Agenda Poll.

Customizing How Employees Interact with HR *Percentage of L&D Professionals*

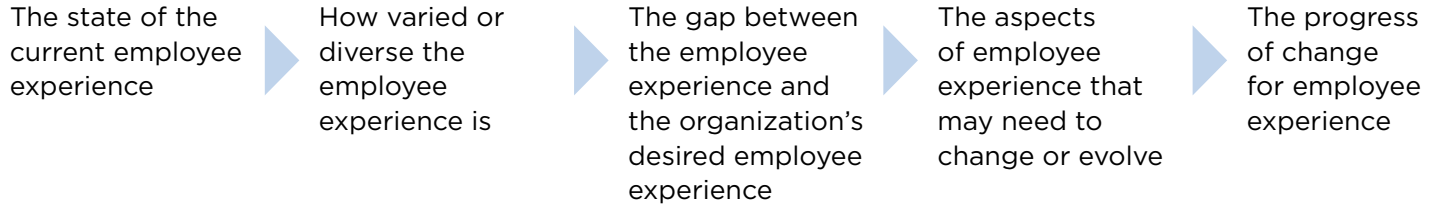


$n = 305$.

Source: CEB 2018 Learning Innovations Survey.

CURRENTLY ONLY MEASURING SATISFACTION

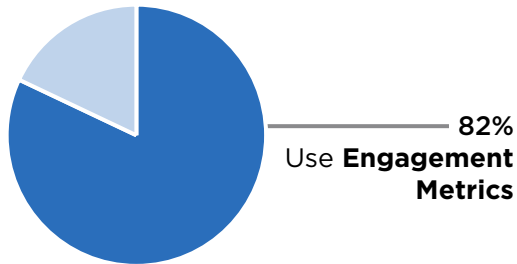
Ways Measurement Builds Understanding of Employee Experience



Source: CEB analysis.

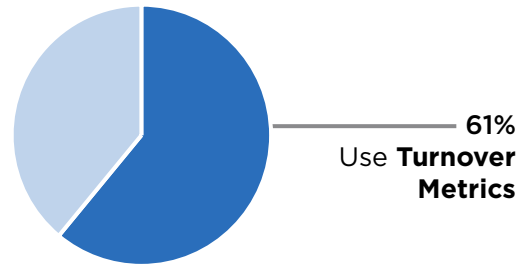
Metrics Used to Understand Employee Experience

Percentage of Organizations



n = 190 HR leaders.

Source: CEB 2017 Culture Benchmarking Survey



n = 190 HR leaders.

Source: CEB 2017 Culture Benchmarking Survey

START MEASURING WHAT EMPLOYEES EXPERIENCE



Talent Analytics Priority for 2018: Measure WHAT Employees Are Experiencing

Reevaluate your employee experience measurement approach to understand what employees are experiencing, not just how satisfied they are.

Current Approach: Measuring How Satisfied Employees Are



Questions to Monitor What Employees Experience

- How many employees would recommend this as a great place to work?
- To what extent do employees agree that this is a collaborative work environment?
- How many employees cite organizational culture as a reason for leaving the organization?



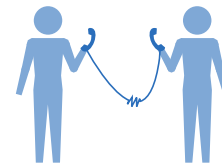
✗ Understanding:

High-level, often delayed signals about what's happening in employees' experiences

✗ Conclusions:

Broad ideas about where the employee experience might need to change

Ideal Approach: Measuring What Employees Are Experiencing



Questions to Monitor What Employees Experience

- What impacts employee's experience at work on a day-to-day basis? At work, in their personal lives, in the broader environment?
- What gets in the way of a positive, productive employee experience?
- What do employees and their teams need to do to improve employee experience?



✓ Understanding:

Immediate feedback on what employees are experiencing

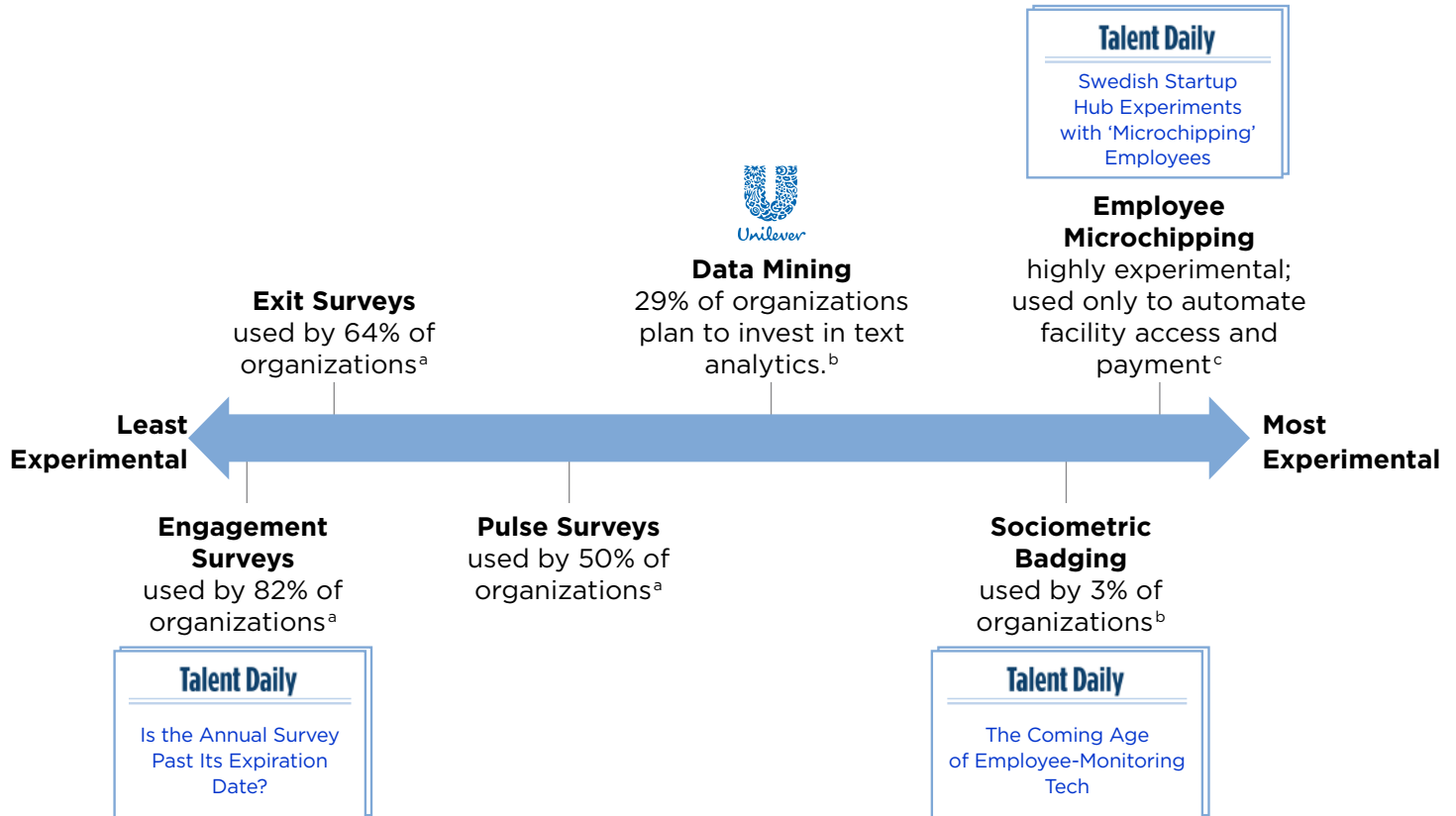
✓ Conclusions:

Targeted, data-based changes to make to improve employee experience

Source: CEB analysis.

EXPERIMENTS TO MONITOR EXPERIENCE

Wide Range of Options Used to Monitor Employee Experience



^a n = 190 HR leaders; Source: CEB 2017 Culture Benchmarking Survey.

^b n = 34; Source: CEB 2017 Talent Analytics Innovations Survey.

^c <https://www.cebglobal.com/talentedaily/swedish-startup-hub-experiments-with-microchipping-employees/>

6. WORK ADAPTS TO BROADER ROLE FOR MACHINES

6. Work Adapts to Broader Role for Machines



What the Digital Shift Is:

Automation and machine learning move into more complex, less structured activities.

What It Means:

Knowledge work will become increasingly automated through the use of intelligent software systems.

Machine Learning for HR in the Headlines

SAP Reveals New Technology Designed to Help Move Business Beyond Bias



Robots Come To Job Search: AI-Powered Head Hunters Disrupt Recruitment Industry



HR Analytics: Using Machine Learning to Predict Employee Turnover



Source: CEB analysis.

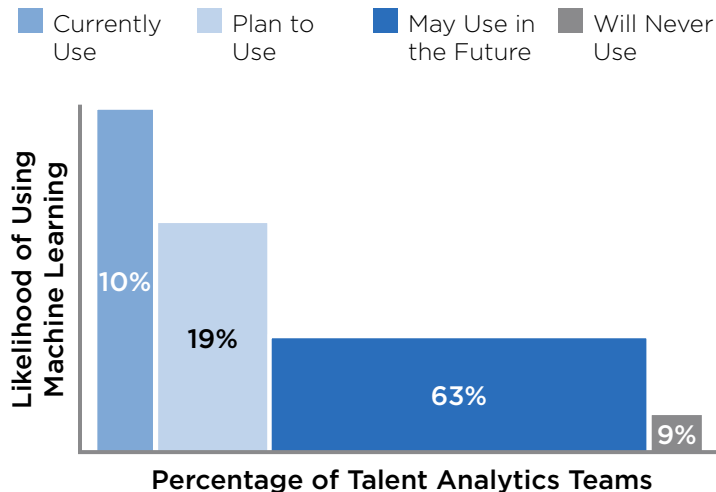
PREPARE NOW FOR ROLE IN MACHINE LEARNING



Talent Analytics Priority for 2018: Prepare for but Don't Rush into Machine Learning

Start defining your role in a machine learning-enabled HR function, but specific action on machine learning can wait for most.

Future Use of Machine Learning in HR *Percentage of Talent Analytics Teams*



$n = 86$.

Source: CEB 2018 Future of Talent Analytics Survey.

Defining Talent Analytics' Role in Machine Learning

Questions to Ask Now

- How will we use machine learning in talent analytics projects?
- How will we help other HR leaders make decisions about machine learning solutions in their areas?
- Is HR more likely to buy or create machine learning-enabled solutions?
- What capabilities do we need to create and evaluate machine learning solutions?
- What other functions can we or should we partner with to enable HR's use of machine learning?

Source: CEB analysis.

SIX TALENT ANALYTICS PRIORITIES FOR 2018



Products Become
Information-Rich Services

**Talent Analytics Priority 1:
Improve the Implementation
Support, Not Just the Data,
You Offer**



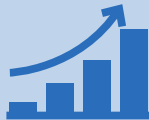
Internal and External
Boundaries Blur

**Talent Analytics Priority 2:
Upskill HR, and Upskill
Yourself on HR**



Data Reliance
Deepens

**Talent Analytics Priority 3:
Increase Transparency
about HR Data Use**



Everything Accelerates
(Except Large Companies)

**Talent Analytics Priority 4:
Accelerate Along the Path
to Self-Service for All**



Demand Grows
More Personal

**Talent Analytics Priority 5:
Measure WHAT Employees
Are Experiencing**



Work Adapts to
Broader Role for Machines

**Talent Analytics Priority 6:
Prepare for, but Don't Rush
into, Machine Learning**

Source: CEB analysis.

VISIT OUR TALENT ANALYTICS PORTAL

The screenshot shows the CEB Corporate Leadership Council™ website. The header includes the CEB logo with the tagline "WHAT THE BEST COMPANIES DO", a search bar, and navigation icons for a star and a user profile. The main navigation menu features "Topics", "Projects", "Events", "Discussions", "Resources by Role", "Benchmarks", "Blog", and "About". The breadcrumb trail reads "Home / Resources by Role / Talent Analytics Portal".

Talent Analytics Portal

Insights and tools for the talent analytics community to drive business impact with people data.

TOOL

☆ Favorite 📄 Note 🏷️ Tag ✉️ 🖨️

- Talent Analytics Portal**
 - Build Talent Analytics Capability
 - Manage and Use Talent Data
 - Complete Specific Talent Analytics Projects
 - Events and Webinars

Build Talent Analytics Capability

How should I...

Collect and Apply Talent Data

How should I...

Complete Specific Talent Analytics Projects

How should I...



Analytics Insights and Trends



Live and Virtual Events



Tools and Project Support



**What questions or
comments do you have?**

SURVEY DEMOGRAPHICS

Survey Participants by Industry

Industry	Percentage
Aerospace & Defense	18.6%
Consumer Goods	12.8%
Education	10.5%
Financial Services	9.3%
Food & Beverage Services	9.3%
Aerospace & Defense	4.7%
Healthcare	4.7%
Insurance	4.7%
Leisure/Hospitality	3.5%
Manufacturing	3.5%
Oil & Gas/Mining	2.3%
Pharmaceuticals	2.3%
Real Estate	2.3%
Retail	2.3%
Technology	2.3%
Telecommunications	2.3%
Transportation	1.2%
Utilities	1.2%
Other	1.2%

$n = 86$.

Source: CEB 2018 Future of Talent Analytics Survey.

Note: Total does not equal 100% due to rounding.

Survey Participants by Region

Region	Percentage
United States	59.3%
Europe	9.3%
Mexico, Central America, or South America	9.3%
Asia	8.1%
Canada	5.8%
Australia/NZ/Oceania	3.5%
Other	2.3%
Middle East or Africa	1.2%

Survey Participants by Organization Size

Gross Revenue	Percentage
Below \$1 billion	8.1%
\$1 to \$3 billion	3.5%
\$3 to \$5 billion	9.3%
\$5 to \$10 billion	5.8%
\$10 to \$20 billion	59.3%
\$20 to \$50 billion	9.3%

$n = 86$.

Source: CEB 2018 Future of Talent Analytics Survey.

Note: Total does not equal 100% due to rounding.