

The Rise of Analytics in HR

The era of talent intelligence is here





About this report

The need for high-performing talent has never been greater, so it's more important than ever to leverage data in human resources. Data analytics can help organizations hire the right candidate for the right job at the right time.

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

Compiled through in-depth research and discussions with leading HR leaders, this report addresses many of the questions that come with ramping up your talent analytics capabilities, including:

- What is the role of analytics in the evolution of the HR function?
- What challenges can HR analytics solve?
- What industries are adopting HR analytics in North America?
- What skills are required of leaders and teams to leverage the true value of analytics?
- How can the HR function move from data to insights that drive outcomes?

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



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01

Analytics is on the rise in HR





Conversations about applying data analytics to HR management aren't new. Despite more than a decade of discussion, organizations are at different maturity levels when it comes to its adoption. Some use it for simple reporting while others have gone deep and implemented sophisticated predictive analytics. The discrepancy in adoption levels can be attributed, in part, to varying objectives by industry. Some need to justify investments and predict risks while others are more concerned with workforce planning business decisions and peer benchmarking.

According to Deloitte's 2017 Human Capital Trends report, 71% of companies see people analytics as a high priority, but only 9% believe they have a good understanding of which talent dimension drives performance in their organizations.¹

Even though analytics has been on HR leaders' minds for quite some time, it's only in the last five years that we've seen a rapid rise in adoption rates.

When we looked at LinkedIn data, we found that in the last five years in North America, there has been a 3x increase in HR professionals who list analytics skills and keywords on their profiles.

While many HR professionals leverage analytics as part of their general HR role, an increasing number focus primarily on HR analytics. These specialists work on teams with names like "talent analytics" and "people analytics" at a number of the more forward-thinking enterprise companies.

In the next section, we will explore what's driving this trend in HR analytics.

¹ Laurence Collins, David R. Fineman, and Akio Tsuchida, [People analytics: Recalculating the route](#), 2017 Global Human Capital Trends, Deloitte Insights, February 28, 2017

Behind the rise of analytics

One major question surrounding data analytics is why its growth is happening now. As it happens, the main drivers are pretty easy to discern. They include executive leadership, technological innovation, and an increasingly competitive landscape.

• The CEO's relationship with the CHRO

According to the PwC CEO survey, 77% of CEOs believe the biggest threat to their business is the lack of availability of key skills. With CEOs so concerned about talent, it's important for the CHRO to help plan for the workforce of the future. HR data analytics can help answer many of the critical concerns CHROs must grapple with, including workforce diversity, geolocation decisions, hiring strategy, competitive benchmarking, workforce planning, and employer branding.

• The growth in HR technology and innovation

Over the last five years, the adoption of technology has moved from static HR management solutions to more dynamic, real-time cloud and mobile-based tools and platforms. These solutions 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. Of course, this trend is not restricted to employers – today's technological innovation has transformed how talent looks for work. The vast majority of candidates can now be found online. Candidates have access to an abundance of information on companies and opportunities, allowing them to engage with recruiters, companies, and other employees as they explore the job market.

• An increasingly competitive landscape

Beyond basic consumer-facing competition, organizations are vying for the best of a limited talent pool. This challenge is best addressed through workforce analytics and planning, including identifying an organization's future needs in terms of size, structure, type of talent, experience, skills, and industry knowledge. Analytics can also ensure access to a pipeline of qualified candidates so companies can remain competitive in the future. Many businesses might know where they need to be in the next two to five years, but what about 10 to 15 years down the road? This predictive form of analytics is becoming an irreplaceable tool for managing teams effectively, maximizing profits, and ensuring long-term success.

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 is going to be the next batch of successful leaders in our organization?”



Regan Taikitsadaporn
Chief Human Resources Officer
Marriott International

“How do we make informed decisions around labor 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

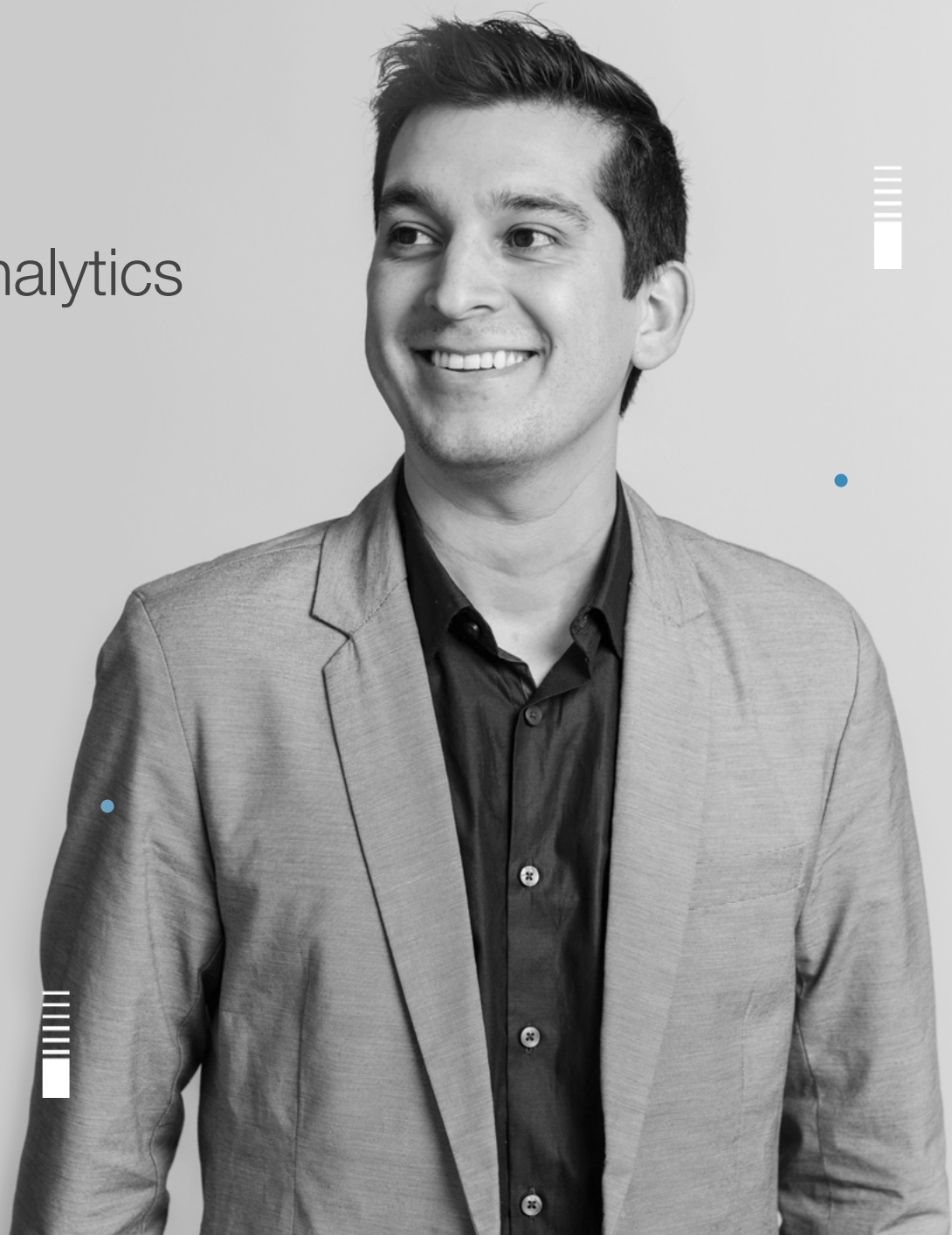
“How impactful is our leadership, the way we work, and our processes? How strong is our culture, and do we have the right people?”



Helen Russell
Chief People Officer
Atlassian

02

The adoption of HR analytics in North America



The state of HR analytics adoption in North America

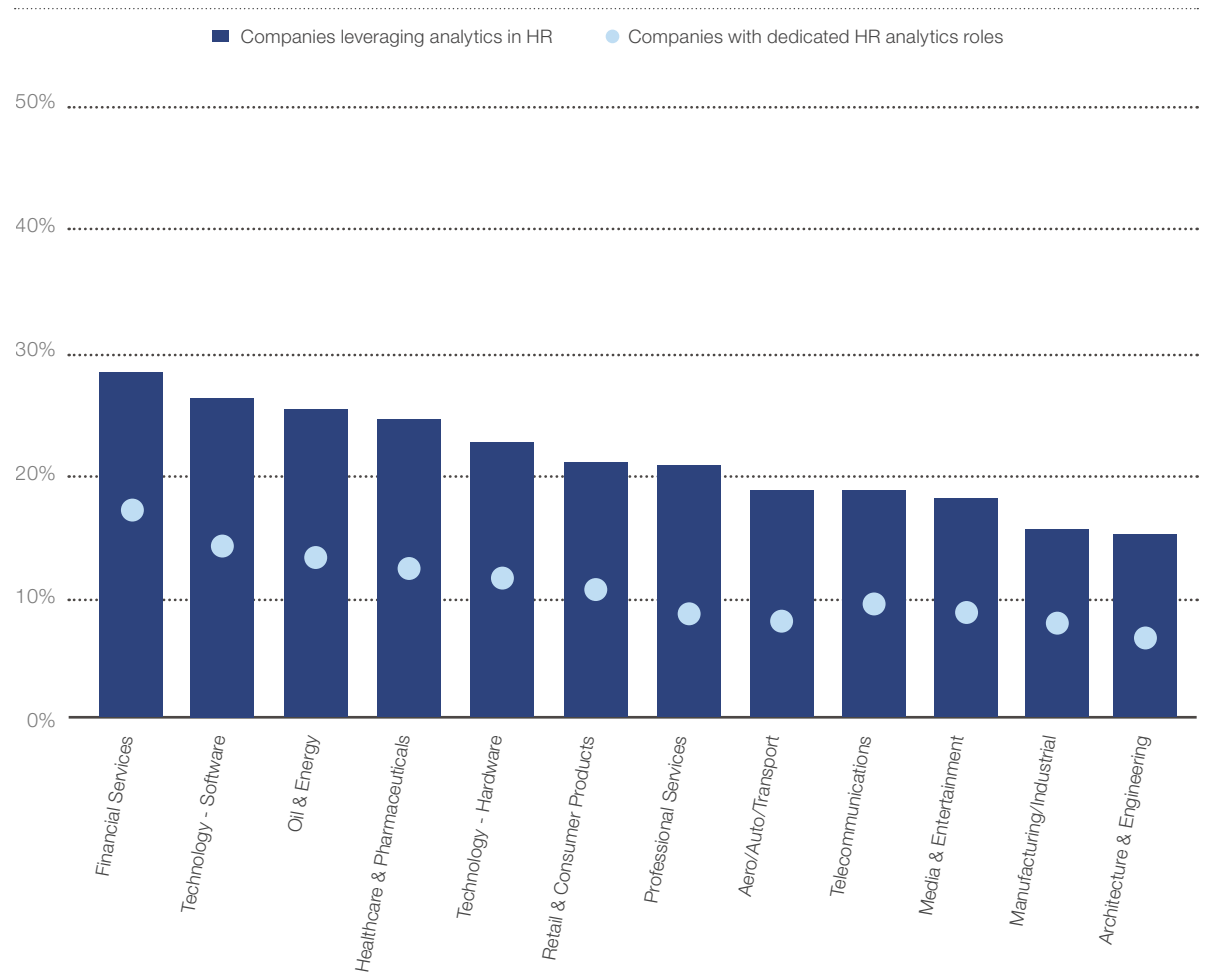
The adoption of specialized HR analytics in North America has been strong in the last five years (refer to section 1) and is higher than in other global regions. Yet adoption is concentrated in certain industries and the overall adoption rates of HR-focused analytics teams remain low across industries.

Overall, 22% of companies have adopted HR analytics, and 11% have adopted the role itself.

The industries with the most widespread adoption of analytics in HR are finance and tech-software. But their use of HR analytics roles and responsibilities are different. While finance has the highest adoption rates across industries, more tech HR professionals use analytics in their roles. That is, in tech-software, there are over nine employees leveraging analytics in HR on average compared to six at the average finance company.

At the other end of the spectrum, architecture and manufacturing companies have among the lowest rates of HR analytics adoption.

**NORTH AMERICA - ALL COMPANIES WITH HR
% OF COMPANIES APPLYING ANALYTICS IN HR BY INDUSTRY**



Industries adopting HR analytics by metro area

NORTH AMERICA - ALL COMPANIES WITH HR TOP INDUSTRIES WITH ADOPTION OF HR ANALYTICS BY METRO AREA

1. New York	2. San Francisco	3. Washington, D.C.	4. Chicago	5. Boston
Financial Services & Insurance	Technology - Software	Aero/Auto/Transport	Technology - Software	Technology - Software
Professional Services	Technology - Hardware	Technology - Software	Financial Services & Insurance	Healthcare & Pharmaceutical
Technology - Software	Financial Services & Insurance	Financial Services & Insurance	Technology - Hardware	Financial Services & Insurance
6. Los Angeles	7. Dallas/Fort Worth	8. Atlanta	9. Toronto	10. Seattle
Media & Entertainment	Telecommunications	Technology - Software	Financial Services & Insurance	Technology - Hardware
Healthcare & Pharmaceutical	Technology - Software	Technology - Hardware	Telecommunications	Media & Entertainment
Technology - Software	Financial Services & Insurance	Financial Services & Insurance	Technology - Software	Technology - Software

New York, San Francisco, and Washington, D.C. are the top regions in North America by volume of professionals whose profiles indicate some capacity with HR analytics work. And, interestingly, HR analytics adoption by industries varies across the top 10 markets for this talent pool. Across regions, finance and tech appear consistently at the top of each list. The two outliers are healthcare in Boston and media and entertainment in Los Angeles.

That said, perhaps the most eye-opening takeaway is the number of leading North American industries not represented. The public sector (including government, education, and nonprofit companies) has not adopted HR analytics at the scale of some other industries, despite being top employers in several cities. As another example, retail and consumer products, a top industry in Atlanta, is also lagging when it comes to HR analytics adoption.

* Top regions in North America are based on the volume of professionals whose profiles indicated they deal in some capacity with HR analytics work — a subset of these professionals also have HR analytics titles. Only companies with at least 501 employees and with employees who work in HR in general were included in this analysis. Adoption defined based on number of companies in the industry that leverage analytics in HR roles (including those with generic HR titles and HR analytics topics mentioned elsewhere on their profiles).

The focus for analytics differs among metro area

Based on specialty information listed on the LinkedIn profiles of professionals using HR analytics, we can assess the areas they focus on within their fields. Compensation, benefits, productivity, and performance are the most established focus areas, making a near clean sweep across metro regions, while retention and employer brand receive less focus across all regions.

In San Francisco, where tech is the top industry by employment volume, culture and diversity appears higher on the list than in other cities. An increased spotlight on diversity (or lack thereof) at tech companies in the mainstream media could be a reason for the heavy focus on that topic.⁴ Of course, with larger HR analytics teams (on average) at tech companies, they may simply have greater bandwidth to take on more experimental analytical projects. And it can't be discounted that the lack of focus on culture and diversity analysis in most major metros could be a result of poor data availability and quality. For example, according to Fortune, only 3% of companies on the 2017 Fortune 500 list were fully transparent about diversity data.⁵

Los Angeles – which has seen a net outflow of talent to San Francisco in recent months – is perhaps unsurprisingly more focused on talent acquisition than any of the other top metro areas in the North American region.⁶

In Washington, D.C., a city with among the largest levels of skill scarcity, workforce planning ranks higher than the other metro areas.⁷

NORTH AMERICA - PROFESSIONALS WHO LEVERAGE ANALYTICS IN HR TOP USE CASES FOR HR ANALYTICS BY REGION

1. New York	2. San Francisco	3. Washington, D.C.	4. Chicago	5. Boston
Compensation & Benefits	Compensation & Benefits	Compensation & Benefits	Compensation & Benefits	Compensation & Benefits
Productivity & Performance	Productivity & Performance	Productivity & Performance	Productivity & Performance	Productivity & Performance
Talent Development	Culture & Diversity	Workforce Planning	Talent Acquisition	Talent Acquisition
Culture & Diversity	Talent Acquisition	Talent Development	Talent Development	Talent Development
Talent Acquisition	Talent Development	Talent Acquisition	Culture & Diversity	Culture & Diversity
Employee Engagement	Employee Engagement	Culture & Diversity	Workforce Planning	Employee Engagement
Workforce Planning	Workforce Planning	Employee Engagement	Employee Engagement	Workforce Planning
Retention	Retention	Retention	Retention	Retention
Employer Brand	Employer Brand	Employer Brand	Employer Brand	Employer Brand

6. Los Angeles	7. Dallas/Fort Worth	8. Atlanta	9. Toronto	10. Seattle
Compensation & Benefits	Compensation & Benefits	Compensation & Benefits	Compensation & Benefits	Compensation & Benefits
Talent Acquisition	Productivity & Performance	Productivity & Performance	Productivity & Performance	Productivity & Performance
Productivity & Performance	Talent Development	Talent Development	Talent Acquisition	Talent Development
Talent Development	Talent Acquisition	Talent Acquisition	Talent Development	Culture & Diversity
Culture & Diversity	Culture & Diversity	Culture & Diversity	Culture & Diversity	Talent Acquisition
Employee Engagement	Workforce Planning	Employee Engagement	Employee Engagement	Workforce Planning
Workforce Planning	Employee Engagement	Workforce Planning	Workforce Planning	Employee Engagement
Retention	Retention	Retention	Retention	Retention
Employer Brand	Employer Brand	Employer Brand	Employer Brand	Employer Brand

* Top regions in North America are based on the volume of professionals whose profiles indicated they deal in some capacity with HR analytics work – a subset of these professionals also have HR analytics titles. In this analysis, topic rankings are defined based on volume of profile mentions by professionals that leverage analytics in HR.

⁴ Blanca Myers, [Women and Minorities in Tech, by the Numbers](#), Wired.com, March 27, 2018

⁵ Stacy Jones and Grace Donnelly, [Why We Logged Every Fortune 500 Company's Diversity Data, Or Lack Thereof](#), Fortune, June 16, 2017

⁶ LinkedIn Workforce Report, May 4, 2018

⁷ Ibid

03

Building a data-driven HR function





David White
Senior Director, Talent Insights
LinkedIn

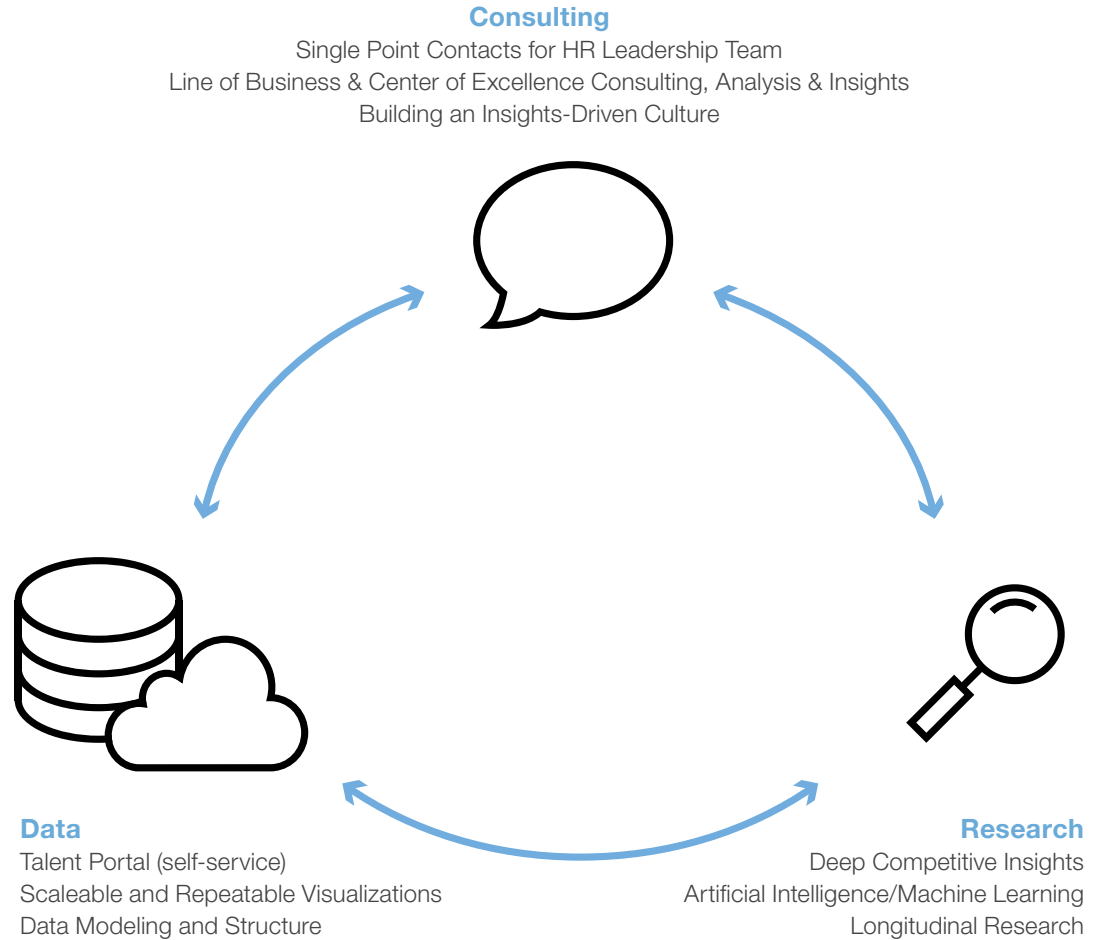
We spoke with David White, Senior Director and leader of LinkedIn’s analytics function in the HR department, to learn about the company’s structure, goals, and operations.

LinkedIn’s HR department has a specialized analytics team whose mission is “better, faster talent decisions.” The objective of the team is to turn talent data into insights that drive action, as well as measure and improve results once action is taken. LinkedIn’s analytics function is composed of 16 people and broken into three key specialties: data, consulting, and research. It reports directly to the CHRO.

The team has a wide range of technical and functional skills, including statistics, machine learning, programming languages (ex: R, Presto, Hadoop), consulting, survey research, and organizational psychology. Balancing the teams’ skills is critical, because applying talent analytics effectively requires multiple disciplines working toward a single goal. To stay on task, the talent analytics team has an embedded member within its HR business partners, keeping the line of communication open, aligning objectives and strategies, and ensuring the analytics team doesn’t operate in a silo.

The team seeks to solve a number of business issues, including workforce effectiveness, workforce planning, talent acquisition, and diversity. More recently, the team has partnered with engineering to create a geolocation strategy for new products and markets, allowing LinkedIn to better understand its competitive landscape.

STRUCTURING AN HR DATA ANALYTICS TEAM

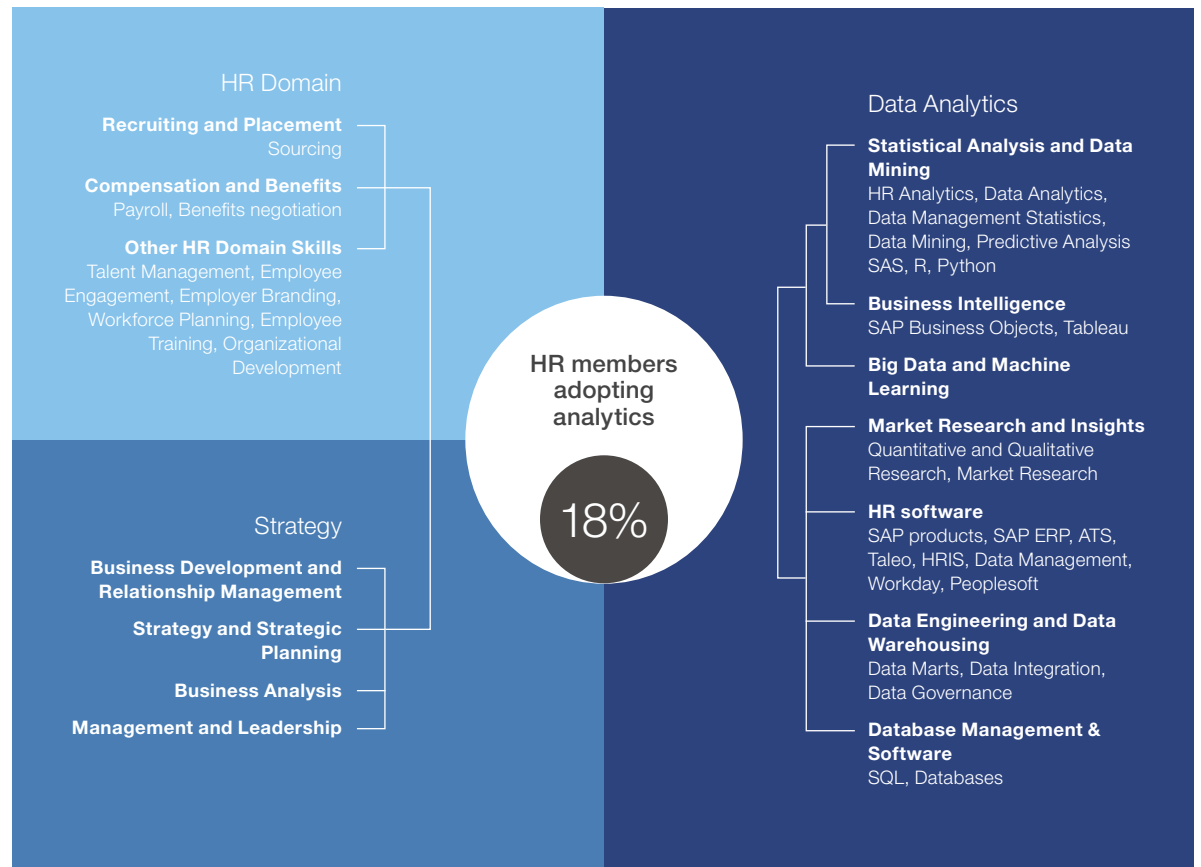


Building skills and capabilities

Building an effective HR analytics team requires an understanding of the skills you need on hand. We looked at the skill profiles of professionals who worked on some form of talent analytics and we found three distinct skill sets:

- **HR Domain:** Skills include recruiting and placement, compensation and benefits, talent management, employee engagement, employer branding, and workforce planning. Domain knowledge is key to applying statistics and analytics to ensure that you're addressing the right problems with the right approach.
- **Business & Strategic Thinking:** Skills include business development and relationship management, as well as skills that are important but difficult to quantify (such as leadership). A critical component of any talent analytics work is the ability to develop a functional hypothesis, convert data into actionable insights, communicate those insights articulately, and make data-driven recommendations for the business.
- **Data & Analytics:** Skills include everything from HR software expertise, statistical analysis and data mining to big data and machine learning. Analytics specialists need to understand data and know which are the right tools to use when cleaning, extracting, combining, analyzing, and/or visualizing datasets.

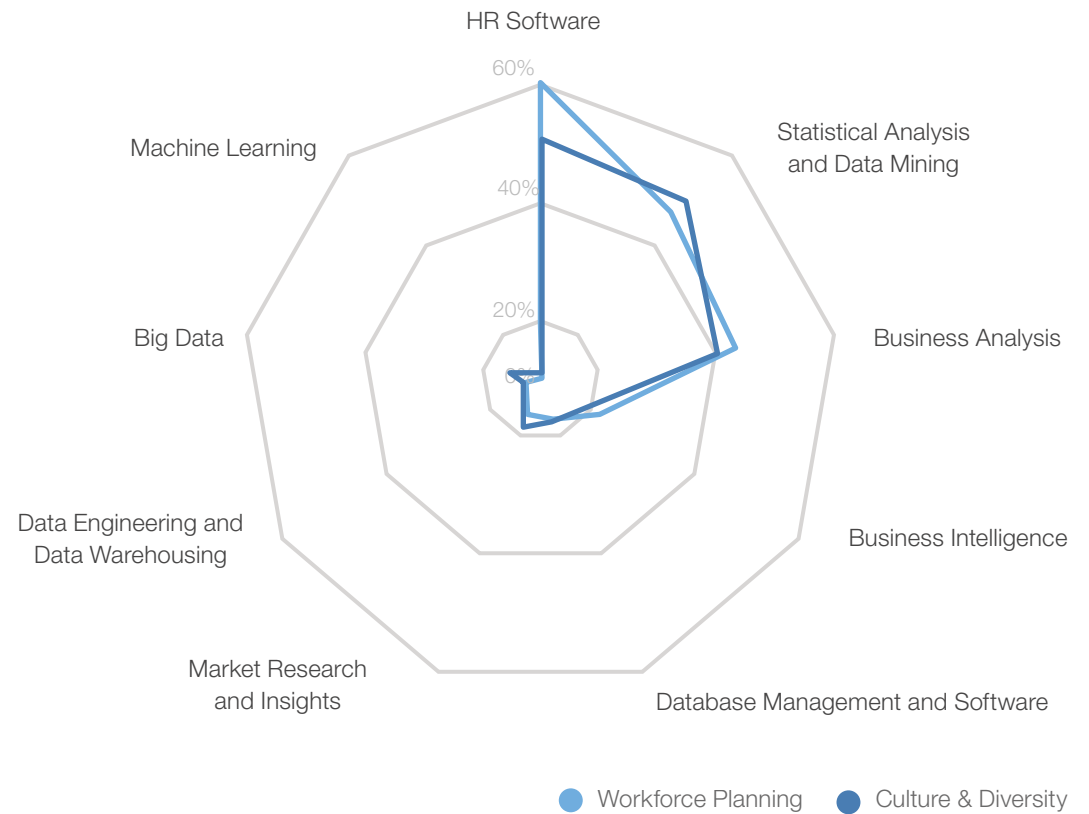
SKILLS RELEVANT TO GENERAL HR PROFESSIONALS VS. HR ANALYTICS SPECIALISTS



Goal-specific skills

Of course, a one-size-fits-all approach for skills development is never the smartest strategy. The skills required changes based on the type of analysis required. For example, professionals who worked on talent analytics related to culture and diversity are more likely to have market research and insight skills while those with a workforce planning focus are typically more skilled in HR software and business analysis. In fact, 17% of professionals who use analytics to address culture and diversity list skills related to market research on their profiles compared to the 10% whose focus is on workforce planning.

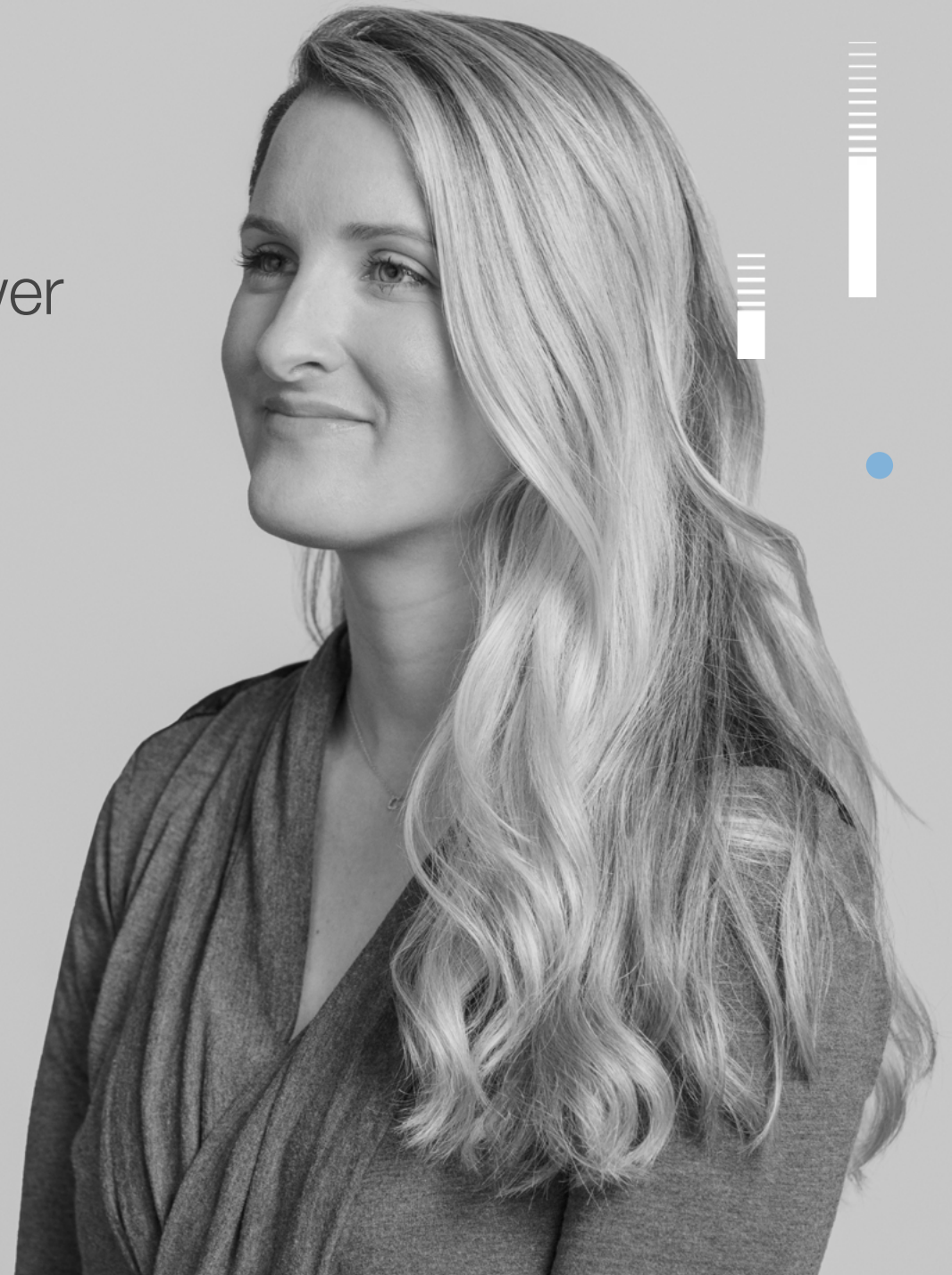
**NORTH AMERICA — PROFESSIONALS WHO LEVERAGE ANALYTICS IN HR
SKILL SET REQUIRED FOR HR ANALYTICS BY USE CASE**



17% of professionals using analytics to address Culture & Diversity have Market Research & Insights skills, compared to just **10%** of those with a Workforce Planning focus.

04

Applying analytics to answer critical talent questions



Successful adoption of analytics 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 also need to understand where and how to apply it in a practical sense.

The key to success in utilizing data is understanding how to apply it to your business, your needs, and your organizational goals. Whether it's the recruiter, HR business partner, VP HR, or the learning & development consultant, it's HR professionals who are using data and insights to make a business case, highlight gaps, and have strategic conversations 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 organization.

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 organizations 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, specialized team, and are instead available for the entire HR function.

In this section, you'll learn about LinkedIn's vision for the application of analytics and how you can use insights to fuel your talent strategy.



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 560 million members, 50,000 skills, 20 million employers, more than 15 million open jobs, and 60,000 educational institutions.

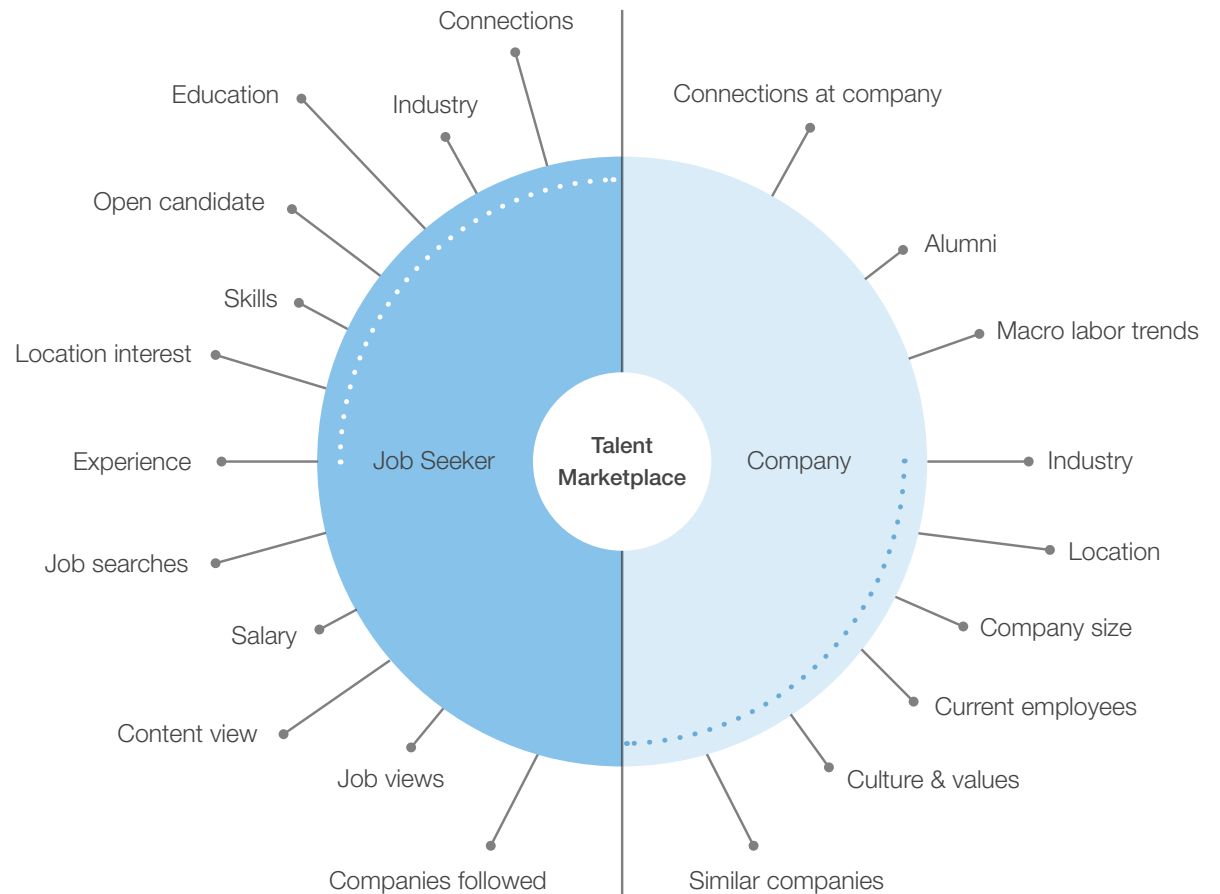
LinkedIn has created the world's largest talent marketplace where candidates and companies are interacting every single day. While 10 years ago we had a relatively small collection of profiles and some engagement, we now have a robust community where billions of interactions are taking place every day.

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.

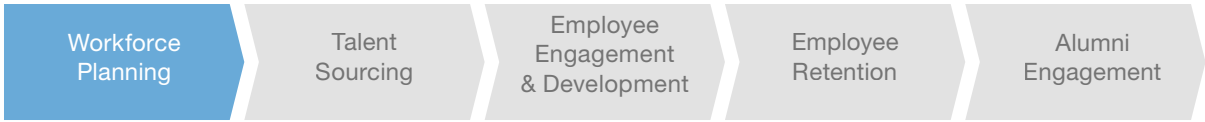
This ammunition adds a data-driven foundation to your point of view, your experience, and your decisions.

Talent intelligence can enable your team to marry their instincts with these insights to make the right decisions or elevate their position in the organization, while also ensuring that people are a competitive advantage for the business.

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



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



◆ Talent Pool Analysis

FIND THE RIGHT TALENT IN THE RIGHT LOCATION

TALENT DEMOGRAPHIC AND COMPETITION

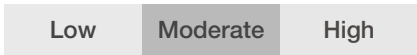
The graph below shows supply and demand of talent for a job profile or skill set. This includes talent pool competition in different cities, which can help you make decisions on pipelining, talent acquisition strategy, employer branding investment, and geo-location strategy.

Overview

Professionals on LinkedIn

406K

Competition for Talent



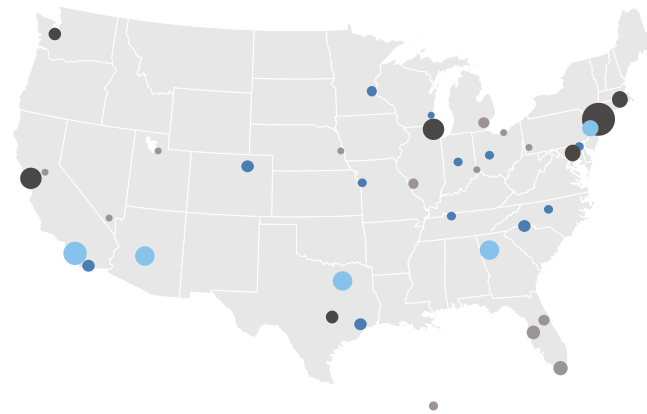
Level of competition is in the top 50% compared to other talent pools

Competition Trend



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
color: Indicates the competition for talent, derived from Recruiter InMail messages received

● High Competition ● Moderate ● Low ● Hidden Gem

Workforce Planning:

- Why do I find it difficult to hire talent with certain skill sets?
- Where should I open my new Research & Development center 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 organization make decisions on pipelining, competitive talent acquisition strategy, employer branding investment and geo-location strategy.

		Supply	Competition for Talent		
	Location	Professionals	Demand	Trend	Avg. Annual Comp
1	New York, NY	42K	Higher	↑	\$95K
2	Los Angeles, CA	20K	Hidden Gem	-	\$88K
3	Chicago, IL	20K	Higher	↑	\$94K

Case Study: Microsoft

Microsoft uses LinkedIn Talent Insights to shift headcount to satellite office

When looking to recruit a sizable number of cybersecurity professionals, Microsoft initially planned to hire them in the company's Redmond, WA, headquarters. However, Talent Intelligence Program Manager Nick Brooks believed there were other cities with larger ecosystems of talent.

Using LinkedIn Talent Insights, Brooks identified a talent-rich location where Microsoft already had a small office. By sharing this valuable insight, the team justified its recommendation to place headcount in that city. This hiring strategy was approved by leadership, and Microsoft is now actively hiring and expanding its team there.

The Impact

Formulated a hiring strategy based on data and insights

Using insights on talent supply and demand, Microsoft picked an unexpected but talent-rich office location for its cybersecurity headcount.

Found cost and time savings with better targeting

Microsoft hired where the best talent resided and saved on relocation and compensation costs. Additionally, Brooks' team saved time identifying desired talent pools, which used to be a very manual process.

Built credibility for the team with key stakeholders

By being able to justify its recommendation to the business, the team built credibility, commanded more respect, and became a more trusted advisor.

“ LinkedIn Talent Insights enables us to open up the conversation between talent acquisition and business leaders to build the right strategy and optimize hiring decisions. ”



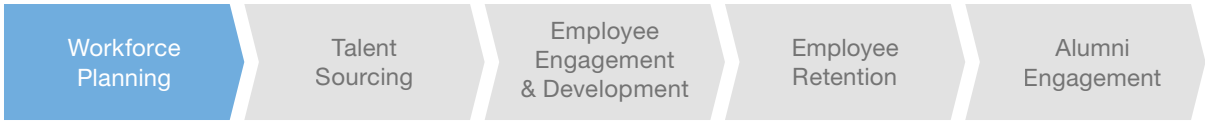
Nick Brooks

Talent Intelligence Program Manager
Microsoft



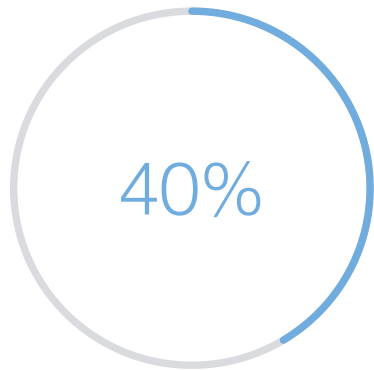
What is LinkedIn Talent Insights?

LinkedIn Talent Insights is a new product that gives you direct access to real-time data on talent pools and companies so you can stay two steps ahead of the competition in today's fast-changing talent landscape. [Learn more here.](#)



• Gender Diversity

UNDERSTAND ENGAGEMENT WITH FEMALE TALENT



Attracting Female Talent

of members who engaged with you on LinkedIn are women.

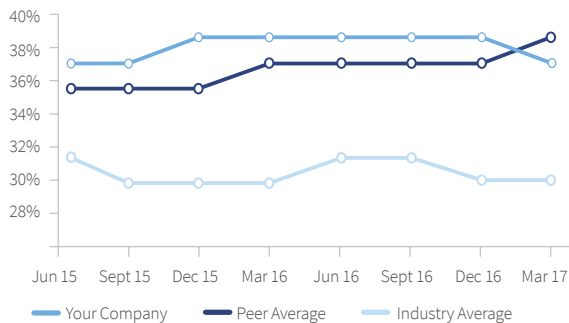
**Engagement includes members who follow/view your LinkedIn page or view your jobs.*

Gender Diversity:

- How do I build a gender diverse workforce?
- Why do I find it difficult to engage and hire female leaders?
- How does my organization compare to competitors with respect to diversity?

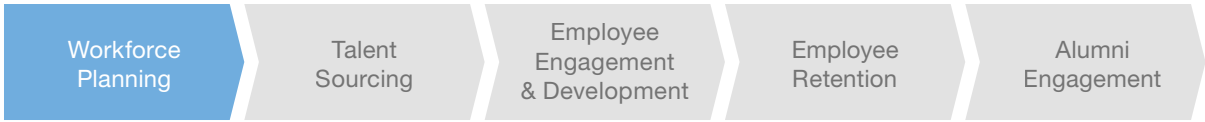
This type of analysis shows how female talent engages with your organization compared to industry and peer averages across functions and seniority levels. It can be used for benchmarking and revealing areas of opportunities for you, which can lead to decisions on diversity initiatives and employer branding.

...As compared to your industry over time
% of engaged members that are women



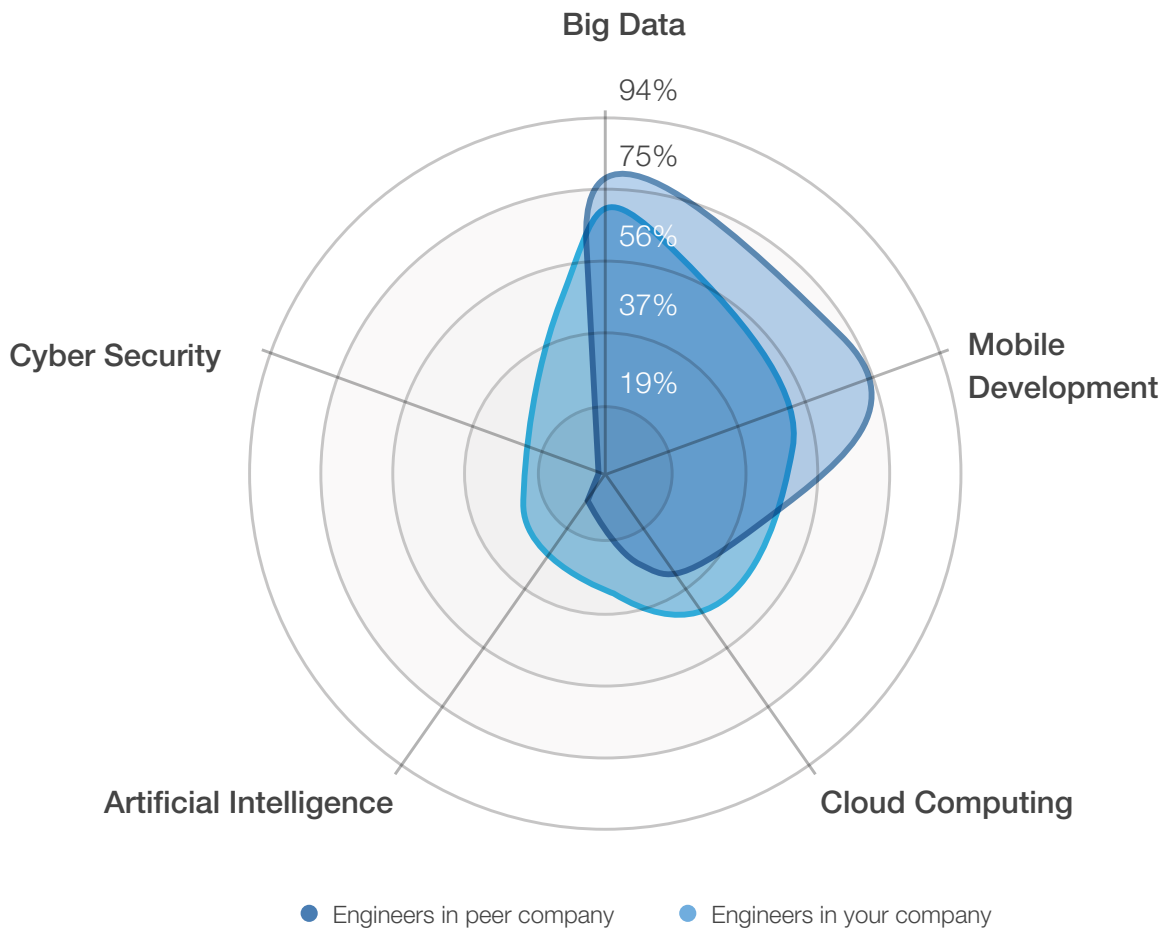
...Across business functions

	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
YOUR ENGINEERING WORKFORCE HAS A HIGHER CONCENTRATION OF AI, CYBER SECURITY & CLOUD COMPUTING SKILLS COMPARED WITH PEERS



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 organization compares to your competitors in the penetration and adoption of certain skills. It can be used for various purposes, such as analyzing skills gaps, understanding competitors' investment in capabilities, and building out the upskilling and reskilling strategy for your workforce.

Case Study: State of Hawaii

Hawaii's state government transformed its recruiting culture using LinkedIn

For decades, Hawaii's state government struggled to attract top talent. The allure of beaches and luaus wasn't enough to overcome the distance from the mainland and the high cost of living.

Then, in 2015, the government hired Todd Nacapuy to lead the Enterprise Technology Services (ETS) team. He invested in a major overhaul of the state's recruiting processes.

By transforming the department's culture and investing in recruitment marketing and smarter candidate targeting, Nacapuy helped the government reduce its "time to fill" from two years to six months, and added 60 key technical hires in just a few years.

The Impact

Created an employee value proposition to attract candidates

Nacapuy's team realized that to get candidates to move to Hawaii, the government had to commit to employees' career life cycles, including professional development, career mapping, and training. To do just that, they developed a happiness university with coaches for work-life balance and fulfillment.

Invested in recruitment marketing to share their story

ETS invested in getting its message out through PR and media outreach, and launched a LinkedIn Company Page to showcase original content.

Improved targeting with LinkedIn Jobs

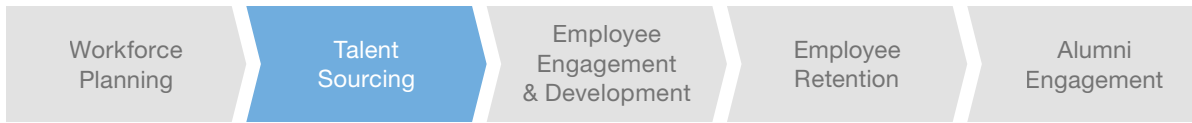
Previously, ETS had only posted jobs on its own HR site, attracting just five to six applicants on average – 90% of whom were state employees. Using LinkedIn Jobs, the number of applicants rose to 60+ per posting. Plus, they targeted people with Hawaiian connections, lowering the barriers to relocation.

“ To find people that match our state culture, that's an enabling tool that we never had before. We're hiring the right person at the right time for the right job. ”



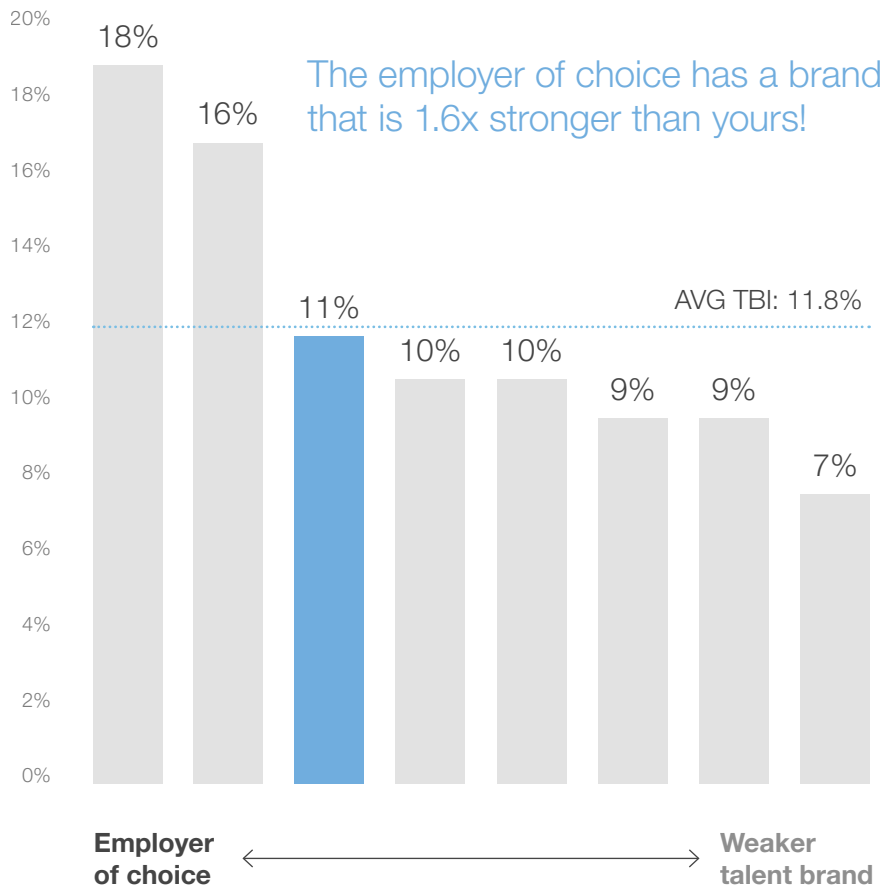
Todd Nacapuy

Chief Innovation Officer
State of Hawaii



• Brand Audit

**MEASURING THE STRENGTH OF A COMPANY'S EMPLOYER BRAND
YOUR COMPANY'S TALENT BRAND RANKS THIRD OF EIGHT COMPETITORS**



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 organization 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.

Case Study: Atlassian

Using data to recruit candidates across the globe

Atlassian, a Sydney-based enterprise software developer, has a big footprint in the tech world. Its products include name brands such as Jira, Confluence, Bitbucket, and Trello. Unfortunately, what it doesn't have is a huge supply of tech talent in its home country. In fact, the number of students studying IT in Australia has declined 40%–60% over the last 10 years.

To counter that, Atlassian has relied on a dynamic recruiting strategy that leverages internal data, LinkedIn's talent pool reports, content creation that highlights the company's work culture, targeted competitor recruiting, and a high-touch relocation program. Today, Atlassian is relocating more than half of its new tech talent.

The Impact

Leveraged data to find niche talent

By analyzing internal needs and cross-referencing those needs with LinkedIn's talent pool reports, Atlassian pinpointed markets where the supply of tech talent exceeded demand. Data analysis suggested Atlassian find talent in Spain, Germany, Russia, Ukraine, and Israel.

Scaled recruitment from talent-rich regions

Once Atlassian knew where the talent was, it looked for people with the right experience inside emerging tech companies in the targeted regions. It pinpointed the right companies and started searching in LinkedIn Recruiter to see who rose to the top.

Strengthened and shared the employer brand

When asking someone to move 100 miles or 10,000, you need to offer more than excellent compensation. Leveraging LinkedIn Pipeline Builder, Atlassian highlighted the company's growth goals and vision to help target and attract those seeking a challenge and an inspiring reason to move.

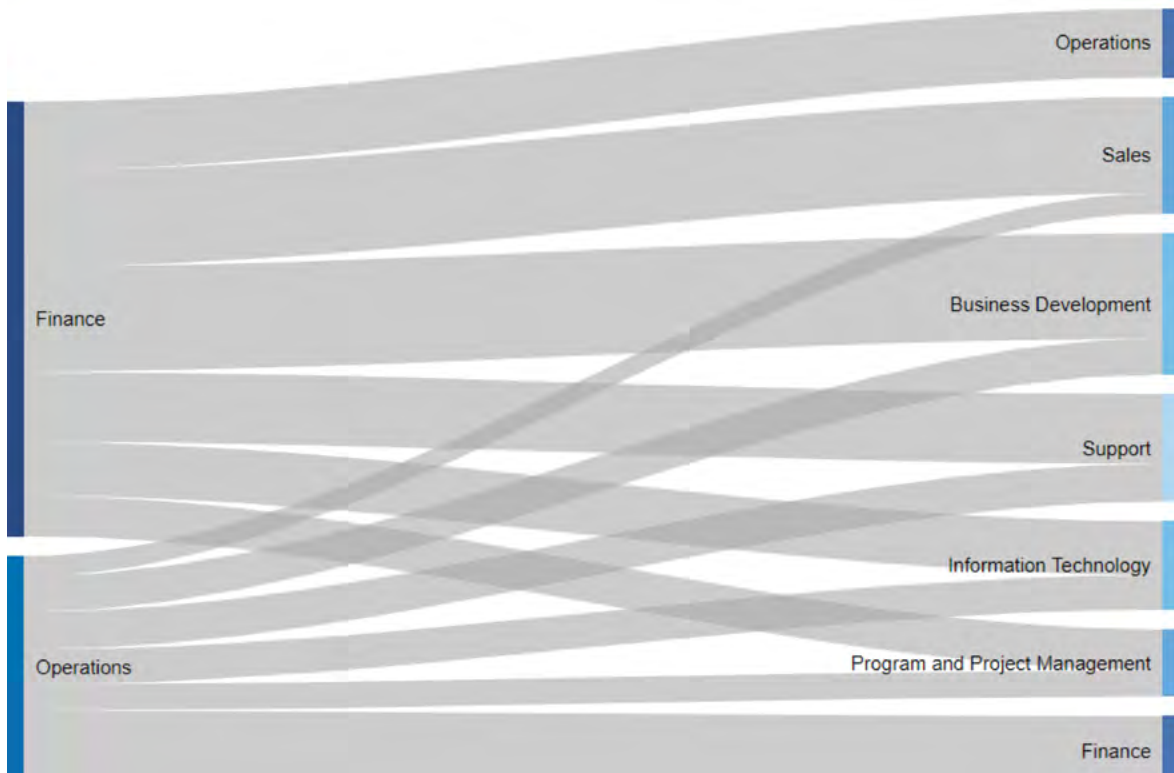
“ We'll often turn to LinkedIn to understand the size and the depth of a talent pool in markets around the world. That data comes in handy to help us assess where we should be focusing our energy. ”



Devin Rogozinski
Head of Talent Marketing
Atlassian



UNDERSTAND INTERNAL MOVEMENT BETWEEN DEPARTMENTS
IDENTIFY THE MOST COMMON CROSS-FUNCTIONAL MOVEMENTS AMONG YOUR EMPLOYEES



Employee Engagement & Development:

- What 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 make it easier for employees to pursue jobs internally, identify "at-risk" high performers, and proactively put 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

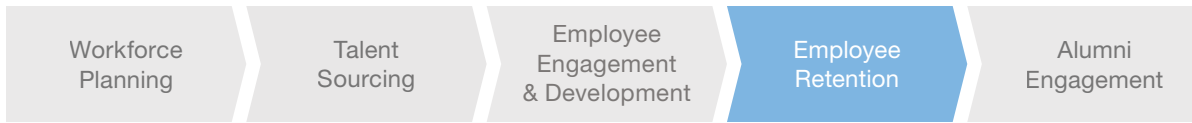
The analysis caught the attention of other business leaders and has since been replicated for other Nielsen units.

“ 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 & Talent Acquisition
Nielsen



• Attrition & Tenure Analysis

COMPARE ATTRITION RATES AND TENURE WITH INDUSTRY PEERS
 YOUR COMPANY'S ATTRITION IS HIGHEST BETWEEN THREE AND SIX MONTHS OF JOINING,
 COMPARABLE TO INDUSTRY PEERS

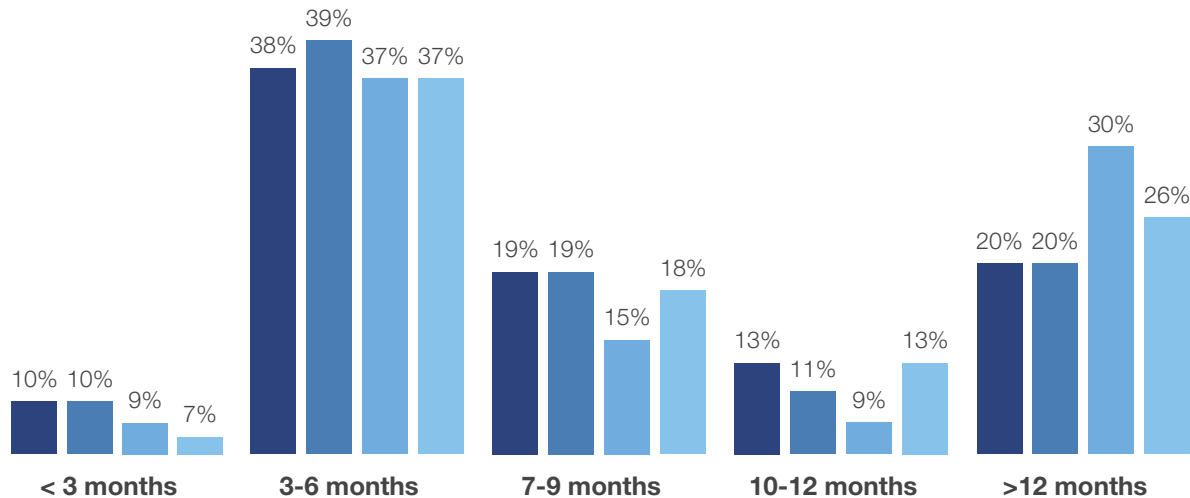
Attrition % vs. Peers

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



Attrition by Tenure

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



Employee Retention:

- What types of roles have the highest attrition rate?
- What is the average tenure of your employees?

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

Case Study: The Hershey Company

Building retention programs by leveraging data

Everyone loves chocolate, so you wouldn't think the confection business would be seasonal. But then you remember Easter and Halloween. Seasonal demand is why it's critical for The Hershey Company to be properly staffed during the times of highest demand.

It's also why Hershey invested in developing a data-based predictive retention model that helps identify flight risks at individual and macro levels. Using this proprietary model, the company can boost retention with targeted support and plan its talent needs months ahead of time to ensure it's fully staffed when it needs it most.

The Impact

Built a data-based retention model

Multiple data points go into Hershey's retention model, like year-over-year performance, number of managers, and engagement levels based on surveys. Using these tactics and more, Hershey is able to generate accurate retention predictions 87% of the time.

Developed proactive strategies to keep high-performing employees

There were a number of ways, beyond raises or promotions, Hershey intervened to reduce attrition. Programs included third-party coaching for struggling leaders and company-wide solutions like opening satellite offices to serve remote workers.

Used data findings to improve workforce planning

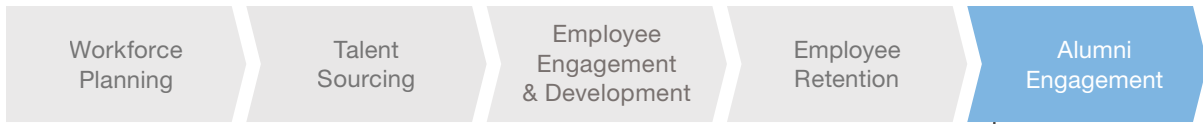
Hershey has started to adjust its hiring process in response to these location-specific attrition insights. By understanding where it will need talent, when it will need talent, and how long it takes to recruit, Hershey can utilize recruiters with much more precision.

“ LinkedIn's insights allow us to be proactive with hiring and workforce planning, which keeps our business operations running smoothly. ”



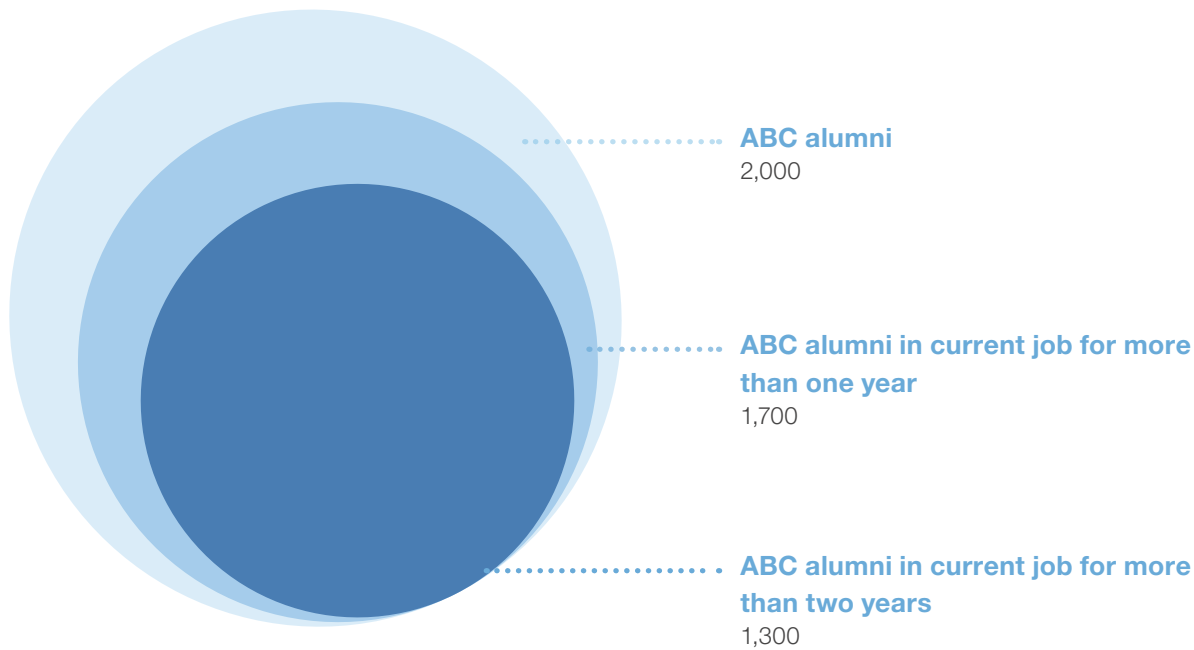
Sean Kirlin

Director of HR Operations
The Hershey Company



• Alumni Engagement

FIND OUT WHAT ALUMNI MEMBERS ARE DOING TODAY
YOUR COMPANY HAS 2,000 ALUMNI MEMBERS IN NEW YORK CITY,
MOSTLY WORKING IN COMPETITOR BANKS



Alumni Engagement:

- How can I keep company alumni 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 of your organization. This can help you think through your alumni engagement opportunities and open up strategies to pipeline alumni as boomerang hires.



Conclusion

As you develop your HR analytics skills, either through training or building a specialized team, here are three steps you can take to get started:

1. Prioritize key areas of the business

When applying analytics to the HR function, it's important to assess which areas to focus on first. Utilizing 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

While 71% of North American companies see people analytics as a high priority, only 22% are currently applying analytics in HR.⁸ Despite that low number, the growth rate is rising as more and more companies discover the potential of data to help solve staffing problems.

Thus, there is a pressing need to drive data literacy and analytics training for your HR staff. This can be achieved through formal training programs, both offline and online, such as [LinkedIn Learning](#).

In addition, we're excited to introduce new products like [LinkedIn Talent Insights](#), a tool that delivers direct access to rich data on talent pools and companies, to help companies stay two steps ahead in today's fast-changing talent landscape.

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

Building a data-driven organization that relies and functions within an analytics space begins with changing your corporate culture. Your culture needs to be one where data-driven thinking is rewarded and appreciated — and that change must be delivered from the top.

⁸ Laurence Collins, David R. Fineman, and Akio Tsuchida, [People analytics: Recalculating the route](#), 2017 Global Human Capital Trends, Deloitte Insights, February 28, 2017

About LinkedIn's Economic Graph

LinkedIn's economic graph is a digital representation of the global economy. It's based on data generated from 560 million members, 50,000 skills, 20 million employers, more than 15 million open jobs, and 60,000 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. [See full article.](#)

Methodology

The result of this analysis represents the North American market 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 listed relevant 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 standardization algorithm, based on member position, occupation and/or the industry segment of the employing company.

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The LinkedIn Economic Graph



560M members



50K skills



20M employers



15M open jobs



60K educational institutions