



HR BUSINESS PARTNERS

A PRACTICAL GUIDE TO BECOMING
DATA DRIVEN

John Pensom
Co-Founder
& CEO

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Data Driven HR Business Partners

This Playbook has been developed with one purpose - to help build the capability for data driven HR in businesses.

It's based solely on my first-hand experience as a consultant, a business partner to many technology organizations, an entrepreneur across a few different businesses, one of which was focused on helping organizations build sustainable change programs, and finally, as an all-in participant in the emerging field of people analytics.

It may not meet everyone's expectations. It may be too detailed in places, not so much in others - but it is a start because I truly feel that the success of people analytics at-large is constrained by the ability of HR Business Partners to use their HR, talent and productivity data to drive better business outcomes.

I also believe that the strong ability of one, or a small group, while directionally correct and stoic, is not sustainable.

That's why organizations need to build a capability - to plan, fund, engrain, lead, test, improve and unlock the potential that's trapped within their people data - across the board. This Playbook will help you do that. Select and implement the components that work for you.

My hope is that leading organizations will see the light and chase this largely untapped opportunity - with or without any help from this Playbook.

Just get started and if you need any help, you know where to find me.

Cheers

John

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The Playbook can be downloaded in its entirety, or each component can be downloaded separately.

Download at www.peopleinsight.com/DDHRBP



ABOUT THIS PLAYBOOK

When it comes to Data Driven HR (DDHR), HR Business Partners (HRBPs) must:

- Focus on what's relevant to the business
- Develop their personal skills & competencies
- Adopt a capability mindset
- Ensure DDHR is not just a one-off project

This Playbook, *HR Business Partners - A Practical Guide to Becoming Data Driven*, will help HRBP teams accomplish these critical imperatives.



4 AREAS OF FOCUS TO HELP HRBPs BECOME DATA DRIVEN

Introduction

1

HR & HRBPs must focus more attention on what's relevant to the business

When it comes to the People Plan, Ops will always have different objectives, drivers and issues than Sales - but there will also be common ground. Therefore, it is imperative that HRBPs have solid understanding of both corporate/enterprise-wide people objectives, in addition to the specific objectives of the business units they serve.

2

HR & HRBPs must develop analytical and consultative competencies

It must be recognized and addressed that some HRBPs are more naturally analytical, business-savvy, data-driven and strategic than others. It's therefore becoming more commonplace that HRBPs build upon their transactional HR skills & experience, becoming change enablers and helping drive the people-side of business outcomes. This means articulating the opportunity and understanding the issue, consulting, driving decisions, planning & implementing change, and optimizing results.

3

HR & HRBPs must adopt a capability mindset - which goes beyond slick tools

Slick tools can flounder if they don't live within an environment - or capability - which supports their purpose. For an HRBP to be successful in Data Driven HR, there must be a framework, strategic focus and processes in place to ensure the relevant data is both captured and trusted, clarity in the role of the HRBP, and of course, visibility, realization and optimization of hard business results.

4

HR & HRBPs must implement data driven decision-making in a sustainable way

"Becoming Data Driven" implies change will occur - and this change must be sustainable and not just a one-off project. These 4 Areas of Focus must work in concert with one-another to ensure clarity of purpose, adoption and motivation for the future state, leadership support, a concrete plan for implementation, in addition to clearly defined, yet achievable success.



Introduction

4 IMPERATIVES FOR HR & HRBPs

4 PLAYBOOKS

1

HR & HRBPs must focus more attention on what's relevant to the business

2

HR & HRBPs must develop analytical and consultative competencies

3

HR & HRBPs must adopt a capability mindset - which goes beyond slick tools

4

HR & HRBPs must implement data driven decision-making in a sustainable way



BEFORE WE GET INTO THE MEAT OF THE PLAYBOOKS, HERE'S A LEVEL-SET ON THE HR BUSINESS PARTNER

Introduction

Roles (Adapted from Ulrich)

Amongst other things:

- HRBPs support clients in accomplishing their business goals
- HRBPs run initiatives to increase productivity, support the development of organizational capabilities, acquire, develop & retain talent
- HRBPs roll out HR programs and changes into the business unit

Competencies the HRBP Brings to the Table

Amongst other things:

- Understanding line of business (LoB) financials, objectives, strategies & measures of performance
- Understanding the LoB strengths, weaknesses, opportunities & threats
- Understanding the LoB business plan, people/headcount plan and capabilities which need to be built over the next 1-3-5 years
- Understanding the key LoB people metrics, engagement & sentiment (current and recent history)
- Assisting the LoB identify & manage people risk - and how that translates into the ability to deliver on their LoB plan
- Contribute to, design and implement people programs

Skills the HRBP Brings to the Table

Amongst other things:

- Business Acumen
- Line of Business Knowledge
- Customer Relationship Management
- Talent Acquisition/Recruitment/Interviewing
- Org Development & Change Management
- Communication & Consultation



Go To Playbook 1



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HR BUSINESS PARTNERS

A PRACTICAL GUIDE TO BECOMING
DATA DRIVEN

PLAYBOOK 1: BUSINESS FOCUS

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4 IMPERATIVES & AREAS OF FOCUS TO HELP HRBPs BECOME DATA DRIVEN



Background

1

HR & HRBPs must focus more attention on what's relevant to the business

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Playbook 1

PLAYBOOK 1: BUSINESS FOCUS

1

HR & HRBPs must focus more attention on what's relevant to the business

2

HR & HRBPs must develop analytical and consultative competencies

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HR & HRBPs must adopt a capability mindset - which goes beyond slick tools

4

HR & HRBPs must implement data driven decision-making in a sustainable way



PLAYBOOK 1 IN CONTEXT

HR & HRBPs must focus more attention on what's relevant to the business

Playbook 1

Focus on one project to start

Three Categories

1) Operational Reporting & Analytics

2) Strategic Reporting & Analytics

3) Analytical Projects



Big Picture

READ CAREFULLY

The next six pages are intended to provide the big picture when it comes to selecting HR reporting and people analytics which are business focused.

The big picture helps you categorize your HR reporting and analytics projects across 1) operational, 2) strategic and 3) problem-solving activities.

A well-balanced, mature capability will have ~six projects across these three categories. However, don't be overwhelmed or think you need to identify ALL six projects across these three categories as your first step.

In fact, my recommendation is you identify and work on only ONE project to start with and gain momentum.

For this first project, select a project which is considered "low hanging fruit" (easy, affordable & impactful).



PLAYBOOK 1 IN CONTEXT

HR & HRBPs must focus more attention on what's relevant to the business

Playbook 1

DO the things
you should be
doing

HELP the LoB
achieve
strategic goals

FIX things
worth fixing

The "big picture" is called the **Do. Help. Fix.** model.

The ultimate objective for the HRBP is to invest in data driven activities using this balanced, three-pronged approach.

The 3 categories are:

- Operational Reporting & Analytics - Do Things
- Strategic Reporting & Analytics - Help Things
- Analytical Projects - Fix Things



DO the things (re: reporting) you should be doing as an HRBP

HELP with things that will assist the LoB in achieving a strategic business objective

FIX things that need fixing within your scope as an HRBP



PLAYBOOK 1 IN CONTEXT

HR & HRBPs must focus more attention on what's relevant to the business

Playbook 1

DDHR for LoB
Operations

Headcount &
Turnover

Talent
Acquisition &
Talent Mgmt

Learning,
Progression &
Performance

Operational Reporting & Analytics - Do Things

Firstly, Operational Reporting & Analytics should help you improve both the efficiency and effectiveness of standard HR, talent management and people program activities for your Line of Business (LoB).

This should include activities like hiring, headcount management, turnover, movements, learning and development, and performance management.

This focus will help the HR Business Partner focus on the basic, yet important "HR stuff" from a day-to-day perspective and gain the trust of the LoB leaders, LoB managers and LoB employees.

A key dimension here is to use your HR data to help deliver BOTH efficient and effective HR processes and programs.

Operational Reporting & Analytics is all about you **taking a data driven approach to doing the things you should be doing (better).**

Identify 3 Projects which fit the Do Things category.



PLAYBOOK 1 IN CONTEXT

HR & HRBPs must focus more attention on what's relevant to the business

Playbook 1

DDHR for
Strategic Goals

Growth Plan
Achievement
(Actual:Plan)

Building the
People-Side of
New
Capabilities

Strategic Reporting & Analytics - Help Things

Secondly, Strategic Reporting & Analytics will help the HR Business Partner focus on the juicy business issues faced by the Line of Business. These “use cases” are driven directly from what is important to the organization-at-large, and the Line of Business - and in direct alignment with the 1-3-5 year strategy of the LoB - or the strategic milestones of your business plan. A great example would be using a data driven approach to prepare and mobilize a new customer support team which is focused on a new product hitting the market in 18 months.

Strategic Reporting & Analytics is about you **helping the Line of Business in the things which they need help with - specifically from the people side, and adopting a data driven approach.**

Identify 2 Projects which fit the Help Things category.



PLAYBOOK 1 IN CONTEXT

HR & HRBPs must focus more attention on what's relevant to the business

Playbook 1

Data Driven Approach to Fixing HR Issues & Building New Capabilities

Issues Will Arise That Require Focus and Attention Through One-Time Projects

Analytical Projects - Fix Things

Thirdly, Analytical Projects are focused on identifying and understanding outliers - both the good and bad - and for implementing projects and change based on the data driven insights.

Simple, yet powerful examples of projects might be focused on improving an abnormally high turnover rate of key personnel, improving an abnormally high turnover rate of experienced hires in their first 2 years, or improving retention rates of key performers in their early parenting years.

Analytical Projects are all about **fixing things in your Line of Business within the HR Business Partner's scope - using a data driven approach.**

Identify 1 Project which fits the Help Things category.



Playbook 1

PLAYBOOK 1 OVERVIEW

HR & HRBPs must focus more attention on what's relevant to the business

The Do. Help. Fix. Model

It's expected that when you identify all of your Reporting & Analytics activities, you might find some grey-area between these 3 areas - don't worry about that as it is the least of your worries.

The most important thing is to get your Reporting & Analytics activities codified into one of these areas - and just get going.

For tools, examples and more comprehensive information on how you would design your Data Driven HR Business Partner plan using the Do. Help. Fix. model, please refer to Playbook 3.

Do. Help. Fix.

**DO 3.
HELP 2.
FIX 1.**

**Get Started
with ONE
Project.**

**Just Get
Going.**



Playbook 1

PLAYBOOK 1 OVERVIEW

HR & HRBPs must focus more attention on what's relevant to the business



DO 3 Things - Operational Reporting & Analytics (ORA1, ORA2 & ORA3)



HELP 2 Things – Strategic Reporting & Analytics (SRA1, SRA2)



FIX 1 Thing – Analytical Projects (AP1)

Focus Your First Project on “Low Hanging Fruit”

Select ONE

**NOW
CHOOSE 1 PROJECT
TO GET STARTED WITH**



Playbook 1

**FOLLOW THESE
NEXT STEPS
FOR THE
“CHOSEN ONE”**



Playbook 1

PLAYBOOK 1

HR & HRBPs must focus more attention on what's relevant to the business



FOR YOUR ONE CHOSEN PROJECT

1) Understand Your Business Plans



2) Scope Out Your DDHR Project

3) Define Your Primary Metric



4) Define Your Secondary or Supporting Metrics



5) Articulate "the What"



6) Articulate "the Why Behind the What"

7) Drive Decisions, Case for Change, Targets & Change Plans



8) Implement, Measure Success, Stabilize & Realize Value

Focus on a Juicy Business Issue

Use Multiple Lenses to Analyze

Segment Facts & Understand Context

Drive Decisions & Change



Playbook 1

PLAYBOOK 1

HR & HRBPs must focus more attention on what's relevant to the business

1) Understand Your Business Plans



2) Scope Out Your DDHR Project

Read Your Business Plans

It may seem obvious...but...have you read your most up-to-date corporate business plan or objectives? If you don't have access to it or don't have one, have you interviewed members of your executive team to understand overall direction?

If you haven't, how will you be able to build people and organizational capabilities?

For the HRBP, becoming data driven is about achieving better balance with your qualitative and quantitative data (i.e., gut feel and hard facts). And this balanced approach needs to be applied within the context of something relevant, juicy and purposeful for the LoB that you serve.

Given that, the HRBP must understand the **Corporate** and **Business Unit Plans**, understand what this means in terms of **people programs and capabilities**, and must **identify, scope and deliver Data Driven HR projects** which will help you achieve these business plan outcomes.

Actions You Should Take To Initiate, Scope & Document Your First Data Driven HR Project:

1. Read Your Corporate Business Plan
2. Read Your Line of Business Unit Plan (the plan for your direct client)
3. Discuss and "play-back" your key observations to the LoB Lead/management team to ensure you've created sufficient understanding
4. Ensure and articulate how your first DDHR Project supports Key Areas of Focus for your LoB (these could be from the Corporate objectives, LoB objectives, or a combination)
5. For your first DDHR Project, research, brainstorm and document the following - to the best of your ability:
 - o The specific objectives, outcomes and metrics related to the project
 - o The people and organizational requirements/capabilities for delivering on this
 - o Your gaps when it comes to all aspects of HR & people programs (i.e., if you need to "improve close rates in our Sales Team" and you don't have a best practice Sales Closing Training Course available, then this would be considered a "gap"
 - o The risk, implications and business impacts of not closing that gap
6. Brief your LoB Lead/management team on your findings from Step 5 - gain deeper understanding, alignment and support for your project
7. Gain support and momentum

Understand
Corporate
Plan

Understand
Business Unit
Plan

Translate
Plans into
People
Capabilities

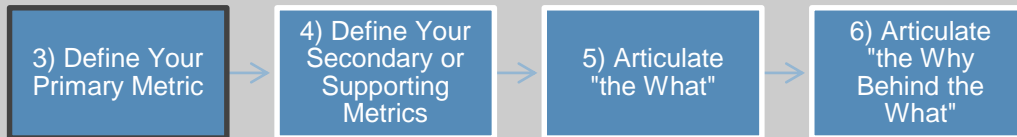
Scope Data
Driven HR
Projects



Playbook 1

PLAYBOOK 1

HR & HRBPs must focus more attention on what's relevant to the business



Now you've put some boundaries around your ONE Data Driven HR Project and understood it in greater detail with your LoB counterparts - you must now define the project in more detail - and execute. There are several steps to this:

Define Your Primary Metric

You need to define something we call a Primary Metric which captures the essence of what your project is focused on accomplishing. When defining the Primary Metric, it's advised to be as specific, and detailed as possible - as this is the foundation of all subsequent steps. Here's an example:

- "Decrease Turnover of our Top Performers (Rated Outstanding & Exceptional) in their First Year of Tenure in the Sales Department"

You may select, at this point in time, to keep this directional in nature (i.e., decrease or increase) and not get into specific targets. Targets can be estimated/set in a subsequent stage when you have access to hard data.

Ensure you define the nuances of your Metric such as...do you mean First Year in the company, or First Year in Sales? Do you count a top performing employee who spent 3 years in Marketing, then transferred to Sales and then left the company 9 months into their Sales role?

Quantify (state the current facts regarding) your Primary Metric in terms of both rate and magnitude:

- In 2016 our Top Performer Turnover Rate for those employees in their First Year of Tenure in the Sales Department was 23%
- In 2016, this represented 17 EEs departing on a total segment of 77 EEs

Define the DDHR Project

Define a "Crunchy" Primary Metric

Quantify Your Primary Metric

Don't Sweat About Setting Targets At This Point



Playbook 1

PLAYBOOK 1

HR & HRBPs must focus more attention on what's relevant to the business

3) Define Your Primary Metric

4) Define Your Secondary or Supporting Metrics

5) Articulate "the What"

6) Articulate "the Why Behind the What"

To achieve a comprehensive understanding, your Primary Metric needs to be looked at from many lenses - this means slicing and dicing your data across the data dimensions which are available to you. If you are fortunate to have powerful workforce analytics or BI tools, this will be simple. If you are calculating in a spreadsheet, it will likely be more challenging so get your Finance friends on-board!

The next step is to:

Define Your Secondary or Supporting Metrics

Your Secondary or Supporting Metrics are the additional data dimensions and segmentation which may be important to your analysis. The extent of these Secondary Metrics and segmentation is really up to you - but in our experience, this is where the most insightful observations and storylines can come from.

For example: Segment and slice your data so you can understand if there are any anomalies based on demographics, location, manager, manager's attendance at a People Manager training course, recruitment channel, onboarding survey results and engagement, amongst other things.

Make Quantitative Observations - Articulate "the What"

Using your Secondary Metrics, continue segmenting and analyzing your data, making observations focused on anomalies (outliers in your data, hotspots where acceptable thresholds are exceeded, or where the sheer mass/magnitude of an issue can represent an opportunity (or lack thereof).

When we talk about looking at your Data Driven HR project from multiple lenses, it's important to understand that your hard data will be further supported, and contextualized with soft data, or qualitative understanding - which we will get to next.

Define Your Supporting Metrics

Analyse Your Data from Multiple Lenses

Segment Like a Marketer, Look for Outliers

Document the Facts

PLAYBOOK 1

HR & HRBPs must focus more attention on what's relevant to the business



Playbook 1

3) Define Your Primary Metric

4) Define Your Secondary or Supporting Metrics

5) Articulate "the What"

6) Articulate "the Why Behind the What"

Articulate "the Why Behind the What"

At this point, you'll have a collection of facts compiled about Top Performer Turnover in Sales, for employees in their First Year of Tenure.

Armed with this multidimensional and segmented analysis, you must dig deeper into the storylines, understand the context in which they occurred, and ask "why" to those who are best positioned to articulate logical reasons and hypotheses?

This can be accomplished through a variety of techniques - but tends to be qualitative in nature. For example, you may choose to run some focus groups with other Top Performers in Sales, those who are in their second year of tenure who can shed some light on the experience, you may want to implement or harvest data from your Onboarding Experience Survey, you may want to have small group conference calls, 1 on 1s or water cooler/off the record conversations with Managers, etc.

The objective here is to spend some time digging deep so you can balance your facts with context, and be prepared to tell the story in a more complete fashion.

Change Focus to the Why Behind the What

Get Creative

Dig a Mile Deep, and an Inch Wide

Balance Facts & Context for Your Story



Playbook 1

PLAYBOOK 1

HR & HRBPs must focus more attention on what's relevant to the business

7) Drive Decisions,
Case for Change,
Targets & Change
Plans



8) Implement,
Measure Success,
Stabilize & Realize
Value

Drive Decisions, Case for Change, Targets & Change Plans

In my opinion, it's futile and pointless to embark on Step 1 of this process unless you are willing to drive a decision, and implement change.

GUT CHECK: If you don't expect your data driven HR efforts to drive decisions and change, then seriously think about stopping now and focusing on something that the business, or your HR team, would value.

Decision making must be done in collaboration, consultation and with the support of your LoB client. It's therefore critical, that you've been engaging with your LoB clients throughout the prior steps - and have access to the facts, context and opinion.

Decision making for the Line of Business is all about Return on Investment (ROI) - which requires the HRBP to lead or support the development of a Case for Change. Some might call this a Pitch Deck, others a Business Case, etc. Regardless, the Case for Change is a 10-15 slide summary and recommendation which is structured as follows:

- Executive Summary
- Background & Context
- Current Environment/Issue Identification (Facts & Context)
- The Opportunity
- Proposed Solution(s) and Targeted Outcomes
- Costs & Benefits (ROI)
- Project/Implementation Approach
- Resources Required
- Recommendation
- Next Steps

Gut Check

Drive Decisions

Define your Case for Change

Set Targets

Calculate Costs & Benefits

Develop Change Plans



Playbook 1

PLAYBOOK 1

HR & HRBPs must focus more attention on what's relevant to the business

7) Drive Decisions,
Case for Change,
Targets & Change
Plans



8) Implement,
Measure Success,
Stabilize & Realize
Value

6) Implement Change Plans, Stabilize, Measure Success and Realize Value

For more information on how to implement and create sustainable change, please refer to Playbook 4.



**Drive
Decisions**

Implement

Stabilize

Realize



[Go To Playbook 2](#)



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