Analytics are a Training Manager's Best Friend

Analytics: What They Are and Why You Should Use Them

Since the 2008 recession, training leaders are all too familiar with directives to do more with less. As the economy has slowly improved, many organizations have more resources available to develop their people, but the need to eliminate and avoid waste is still top of mind.

In simple terms, analytics is the discovery, interpretation and communication of meaningful patterns in data. Analytics will show you where your skills development investments are working and where they aren't. It's critical intelligence for a budget of any size, in times of boom and bust.

A.D. Detrick, formerly a learning measurement consultant at Xerox Learning (now Conduent), is one of many forward-thinking practitioners using employee data to work smarter. He says:

> "By having granular data on both user demographics and user behavior, we can closely follow where institutional knowledge resides within an organization. We can identify clusters of skills and gaps in knowledge. We can foresee threats posed by generational shifts or technology changes and work to remedy them before they actually have an impact. And we can expand our reach instantly across the globe to enact that change."

Over the past decade, multiple studies by Deloitte, i4cp and Bain have proven that the more advanced an organization's analytics capabilities, the greater the margins by which they outperformed their competitors.

Suffice it to say that HR analytics can directly impact a company's bottom line.

You can generally assume that your employees want the tools, knowledge and resources to do their jobs in the best way possible. It's up to you to figure out how to equip them with exactly what they need. This is the crux of the argument for analytics. If you can understand where your investments are working (and where they aren't), you have targeted intelligence to give your people exactly what they need, when and where they need it, in a format that makes it as easy as possible for them to take advantage of it.

Benefits of Increased Investments for Analytics-Based Training Plans

<u>Outperforming the Competition</u>: Top-performing companies (defined as "mature companies" by Bersin) allocate more money to talent development than other companies. These companies spend 34 percent more on training

and development than their less mature counterparts (Bersin 2014) and earn a profit growth three times that of their competitors (Bersin 2012).

Increased Employee Engagement: A 2012 survey by WorkTrends asked employees from multiple organizations to rate their training and development experiences. Employee engagement levels in organizations that scored the highest on training and development were 40 percent higher than employee engagement scores in organizations that scored the lowest in training and development.

Other Benefits: The general benefits of training can include increased job satisfaction, morale, motivation and engagement among employees; financial improvements from both increased efficiencies in processes and reduced employee turnover and increased innovation in strategies, methods, technologies and products. Organizations can also lower risks by providing training on topics such as sexual harassment and diversity.

Attitude Versus Action

Given the benefits of analytics, it is worthwhile to note that there is a large gap between intent and action regarding workforce analytics programs.

In Bersin by Deloitte's 2015 "Global Human Capital Trends," 75 percent of executives stated that workforce analytics was "important," but only eight percent rated their function's capability for analytics as "strong."

The first of many reasons cited by organizations is: "We don't collect a lot of data." Actually, most organizations have enough data to get started in analytics from simple payroll data alone. Add to that data analysis training and HR surveys about the culture and workplace environment, and you are off and running.

Conclusion

There are five reasons for doing more and better training and developing your learning organization with analytics:

1. Leaders acknowledge that analytics are important.
2. We know that the application of analytics improves productivity and engagement.
3. Studies show that more and better training increases retention.
4. HR and L&D professionals are more excited, engaged and satisfied in learning organizations.

5. States offer programs to offset the costs of upskilling or new skills training. The initial phase of more and better training can be accomplished for free!

HR leaders in the U.S. and around the world acknowledge that analytics are important. We know that their application improves productivity and engagement. So, work through the excuses and get moving! Take a first step today.

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