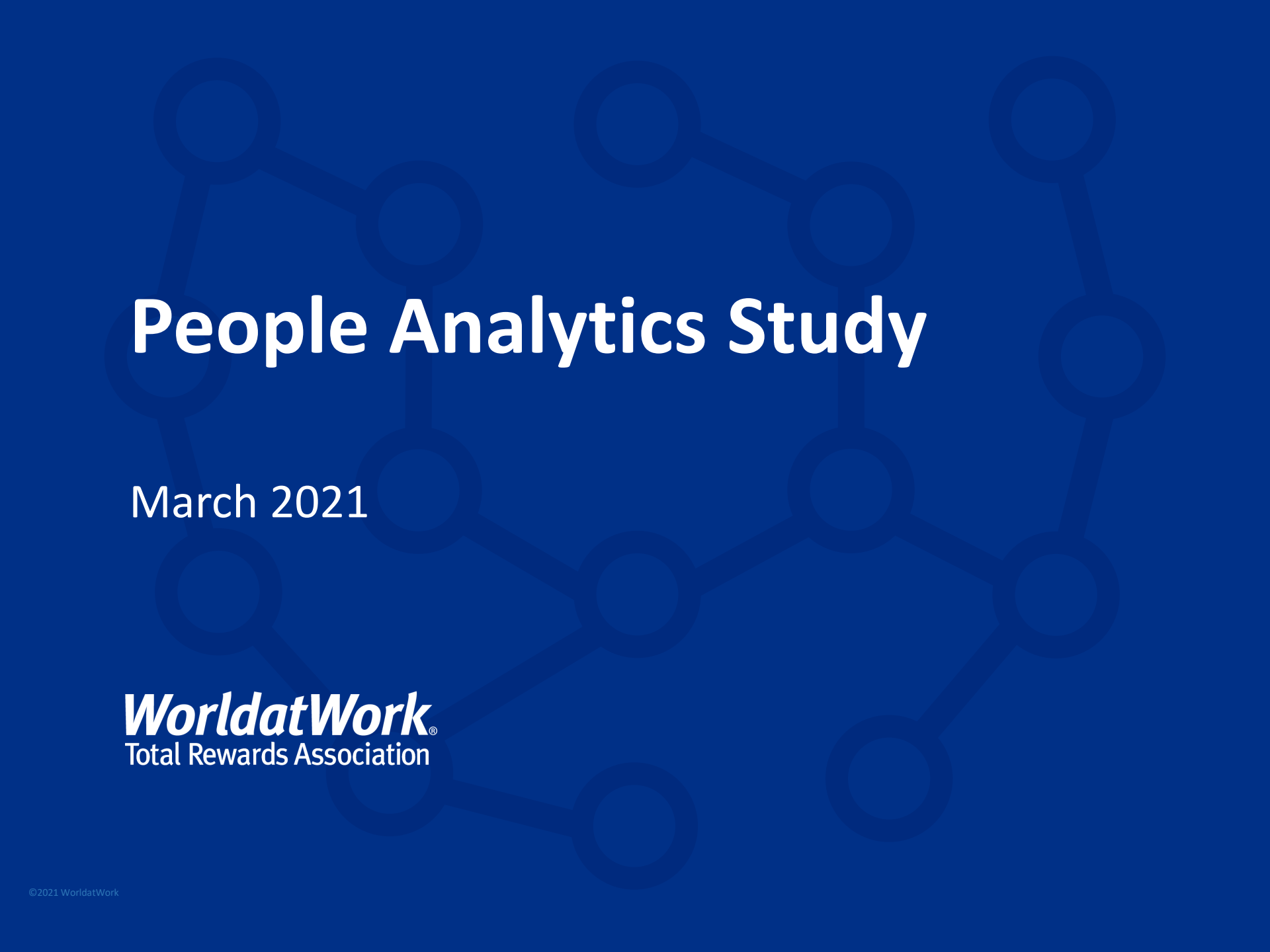


A faint, light blue network diagram is visible in the background, consisting of interconnected circles and lines, suggesting a global or organizational network.

People Analytics Study

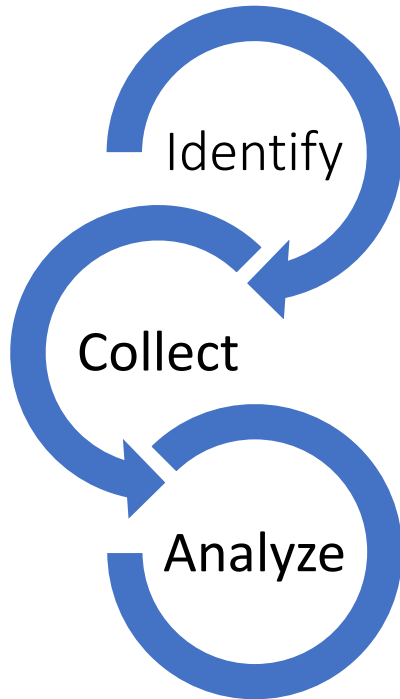
March 2021

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Methodology



WorldatWork invited its broader membership and customer base to participate in an electronic survey on people analytics. Email invitations were sent directly to participants on 1/13/2021 and results were collected over a 12-day period.

A total of 993 responses were received, representing organizations of different sizes and across multiple industries. The survey has a 3% overall margin of error at a confidence level of 95%. Sample sizes vary by question.



Key Findings

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Few Organizations Report Advanced People Analytics Proficiency

Nearly half of participants report that descriptive analytics are the primary focus for their HR functions today.

- Compensation and Benefits functions are slightly less focused on look-back metrics compared to other HR functions, and more likely to apply diagnostic, predictive and prescriptive techniques in solving problems.
- Overall, organizations report a lack in analytic proficiency to prescribe specific actions to change outcomes for business challenges and HR functions.



People Analytics Function Unstructured in HR Department

People Analytics is most often unstructured in organizations as it is typically performed by HR employees informally or is done without a dedicated structure.

- Headcount among entry-level and mid-level FTEs are each anticipated to increase by 25% in the People Analytics function.
- Of organizations increasing headcount, the majority are doing so because of excessive staff workloads and in response to executive demands for more data-driven decisions from HR.



Emerging Metrics Rising in Importance

Metric tracking helps focus HR departments on problem solving and unlocks People Analytics potential.

- Most HR professionals know what is critical to measure for business performance, but do not have the data, tools, ability and/or commitment to do so today.
 - 36% measure productivity (86% deem important)
 - 41% measure compensation effectiveness (81% deem important)
 - 17% measure traits for success (70% deem important)
- This is an area that requires a rapid shift, as HR is often accountable for the ROI in these areas.

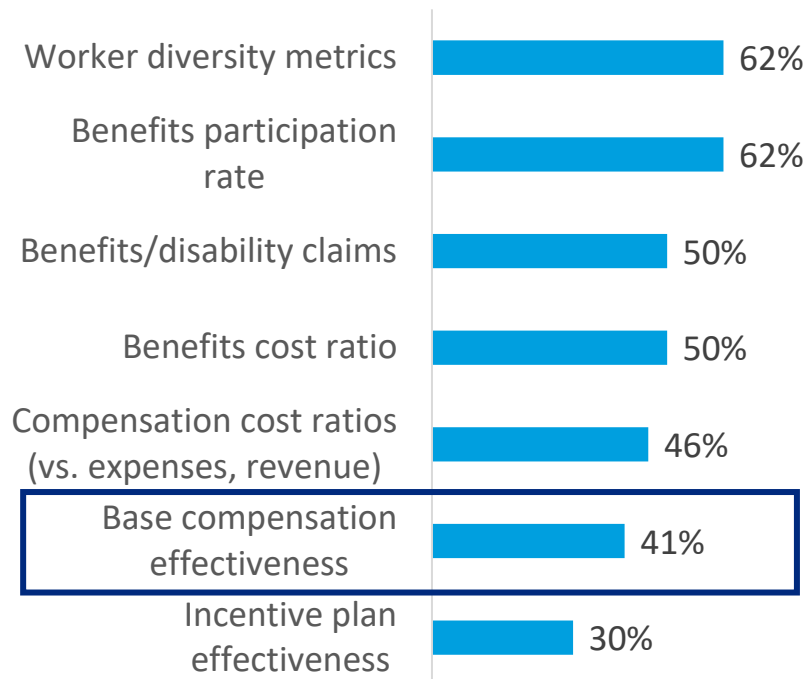
A faint, light blue network diagram is visible in the background, consisting of interconnected circles and lines forming a mesh-like structure.

Metrics

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Total Rewards Metric Types and Importance

Please indicate which of the following Total Rewards metric types your organization currently tracks.



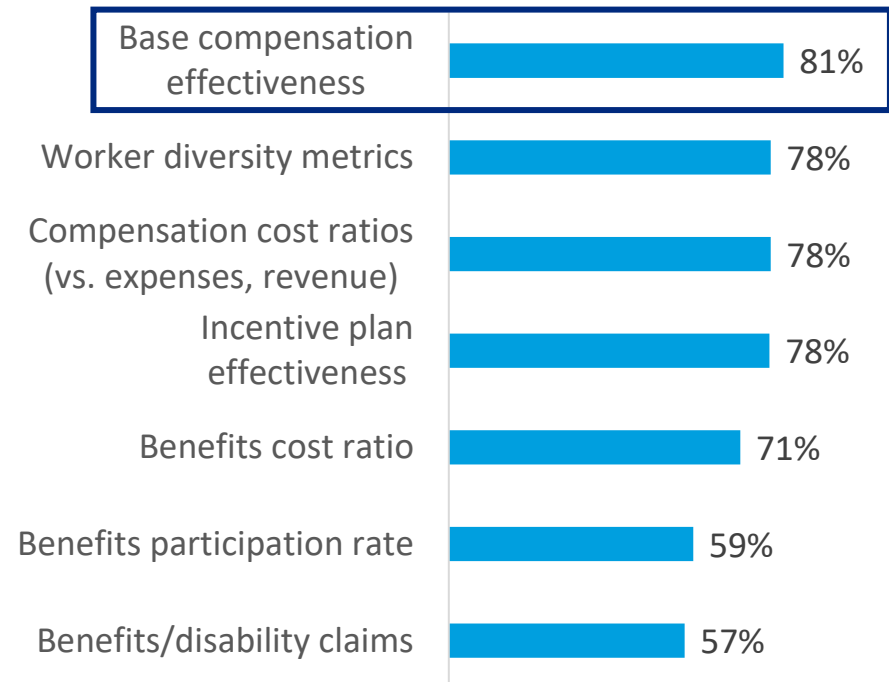
n= 791



Very/Extremely Important

*Sample sizes vary by metric

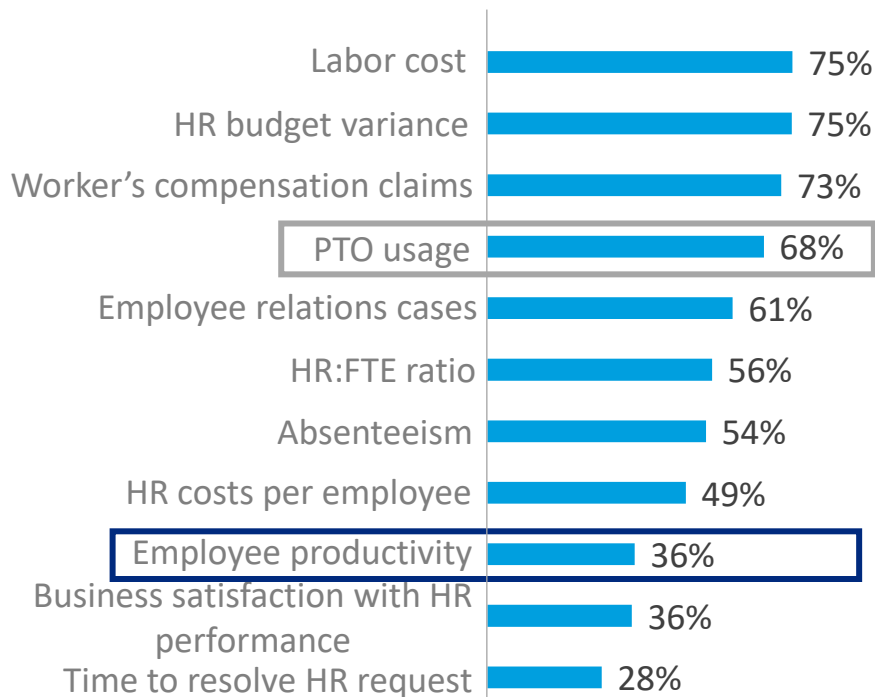
Please indicate the level of importance for each of the Total Rewards metric types your organization is currently tracking.



n= 463

HR Operations Metric Types and Importance

Please indicate which of the following HR Operations metric types your organization currently tracks.



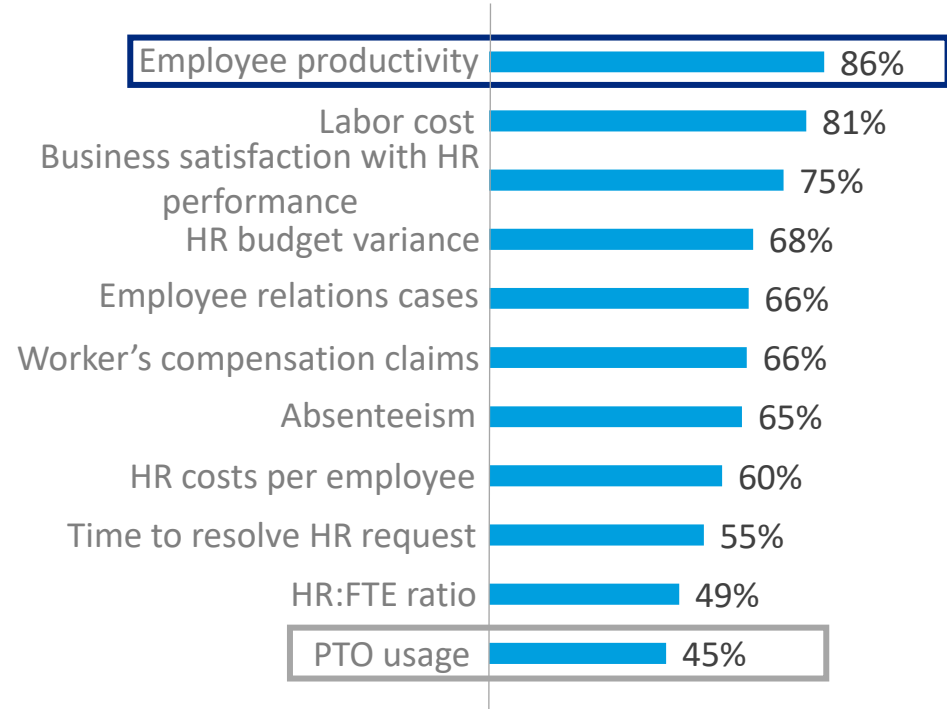
n= 712



Very/Extremely Important

*Sample sizes vary by metric

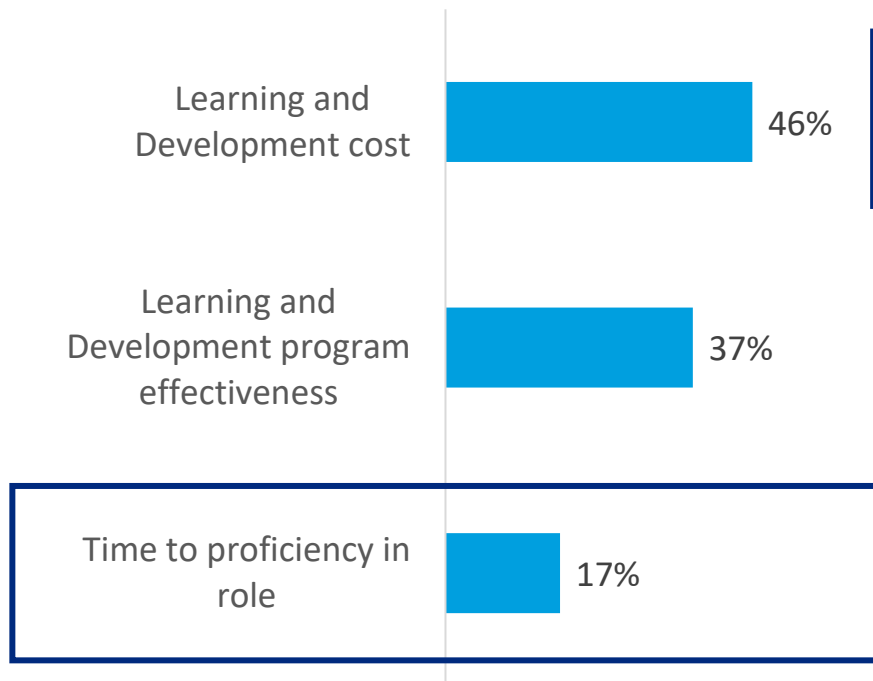
Please indicate the level of importance for each of the HR Operations metric types your organization is currently tracking.



n= 522*

Learning and Development Metric Types and Importance

Please indicate which of the following Learning and Development metric types your organization currently tracks.

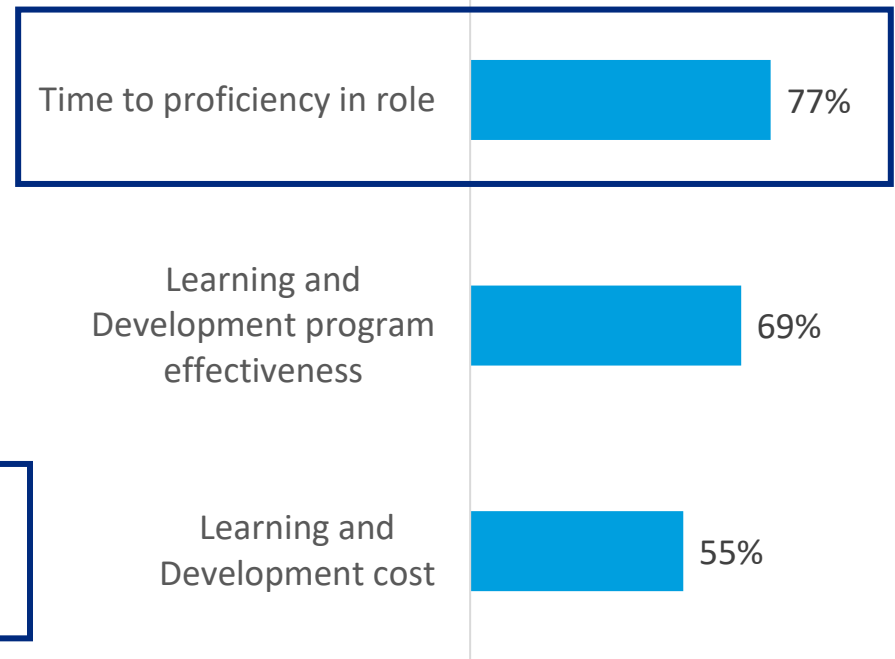


n= 688

Very/Extremely Important

*Sample sizes vary by metric

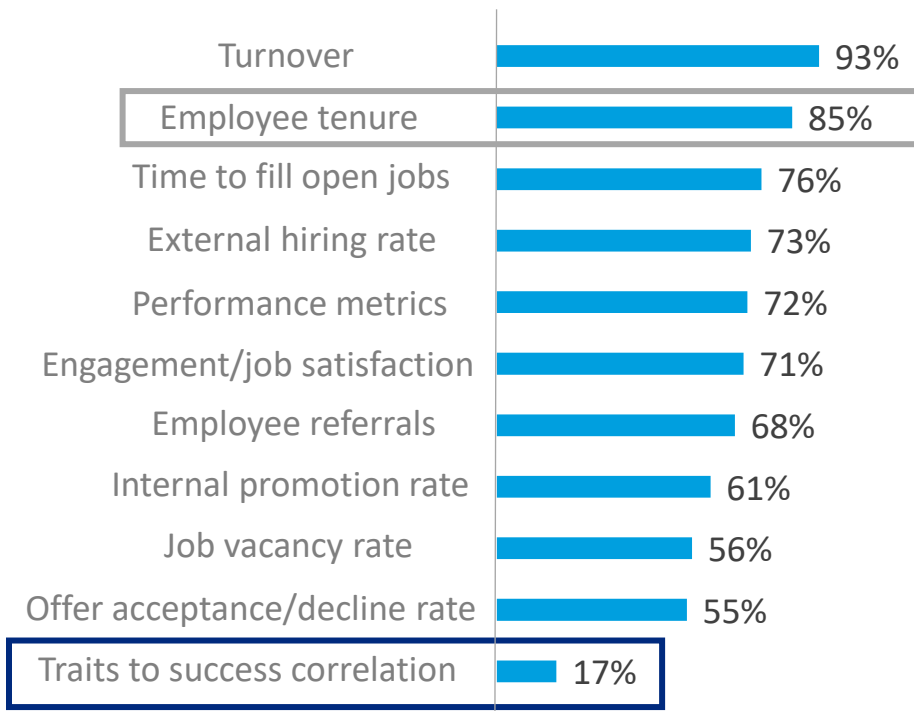
Please indicate the level of importance for each of the Learning and Development metric types your organization is currently tracking.



n= 310*

Talent Metric Types and Importance

Please indicate which of the following Talent metric types your organization currently tracks.



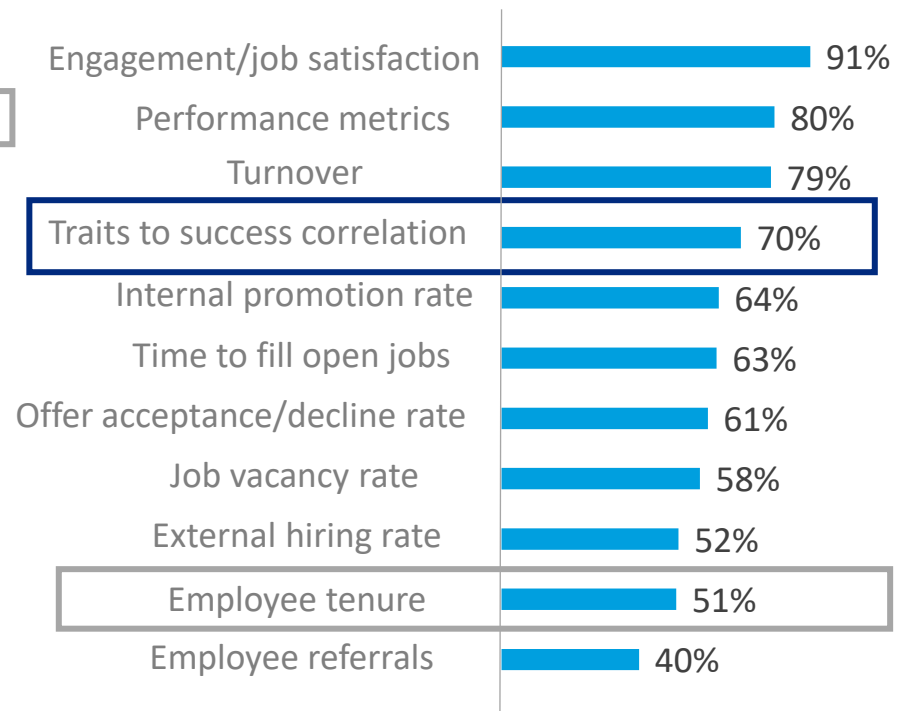
n= 670

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Very/Extremely Important

*Sample sizes vary by metric

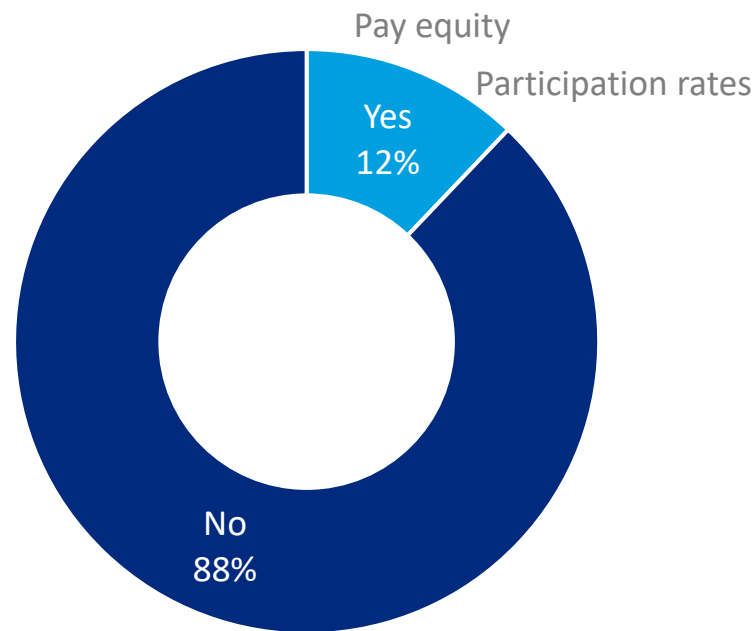
Please indicate the level of importance for each of the Talent metric types your organization is currently tracking.



n= 617*

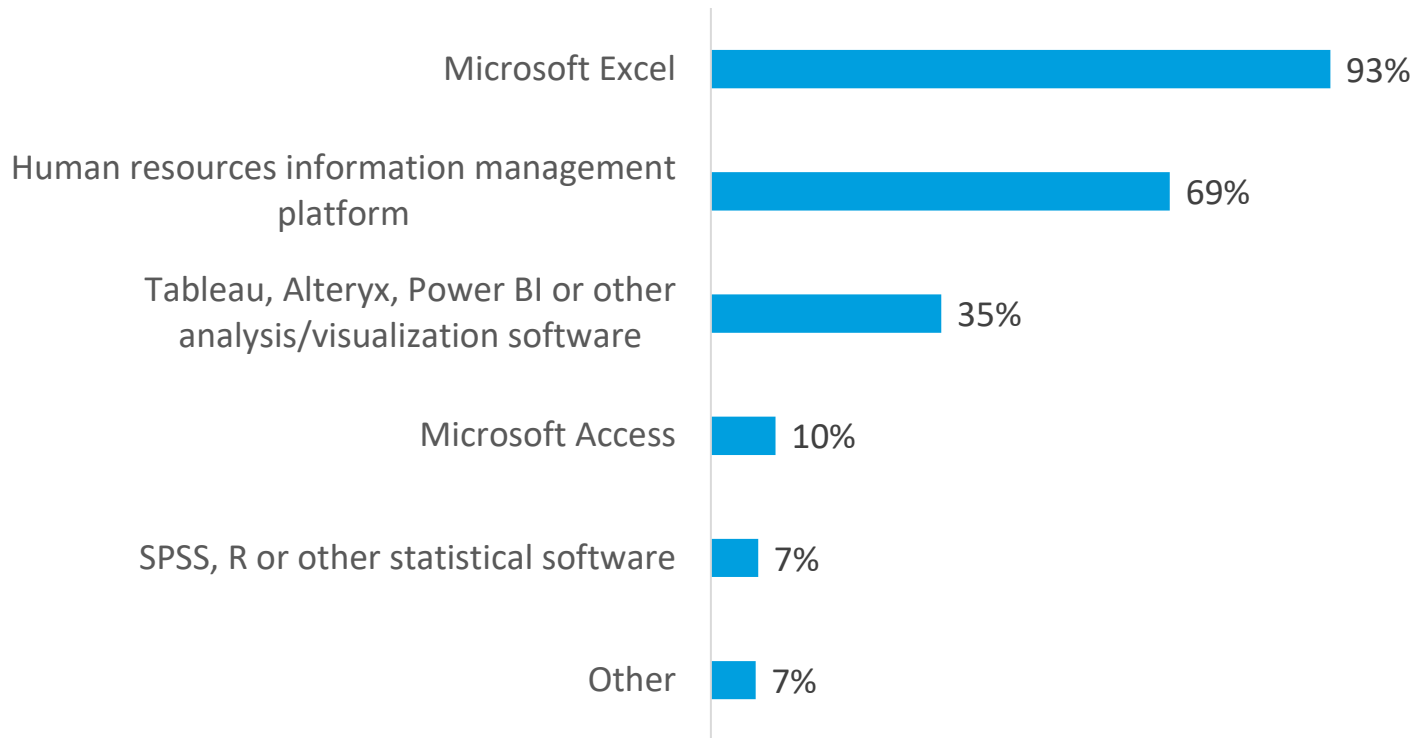
Other Emerging HR Metrics

Are there other emerging HR metrics not mentioned in this survey that your organization is currently tracking?



HR Analysis Software Tools

When your team runs HR analyses internally, what software tools do you utilize? (Please select all that apply.)



n= 680

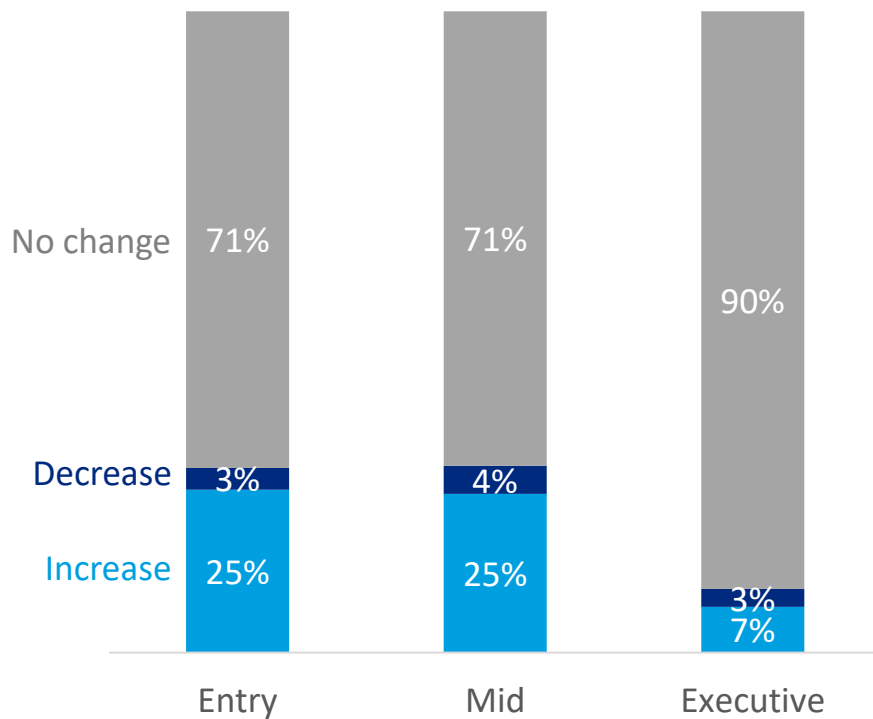
A faint, light blue network diagram is visible in the background, consisting of several circular nodes connected by straight lines, forming a complex web-like structure.

Analytics

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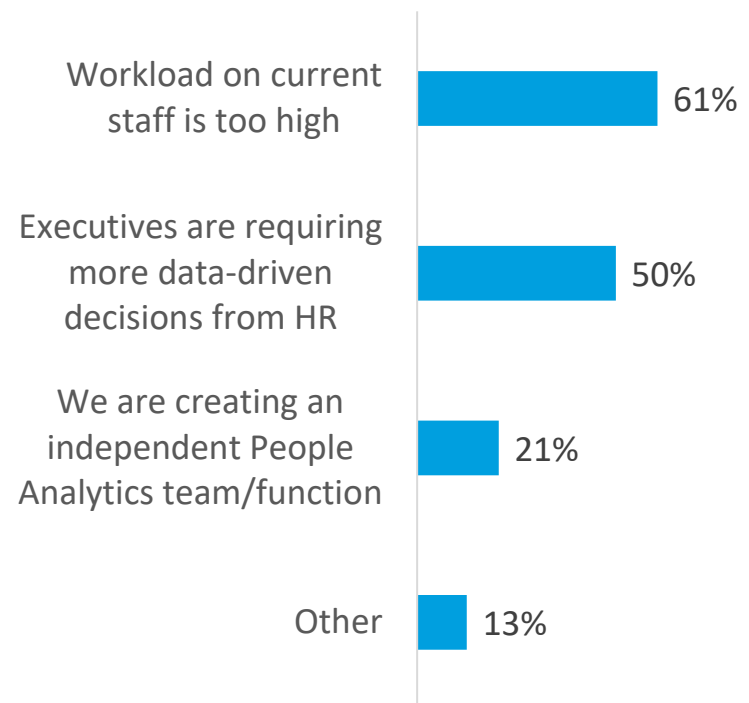
People Analytics Headcount

In the next 12 months, how do you plan to modify FTE headcount in your People Analytics function?



n= 542

Which statement(s) below best reflect your organization's reason for increasing the headcount?

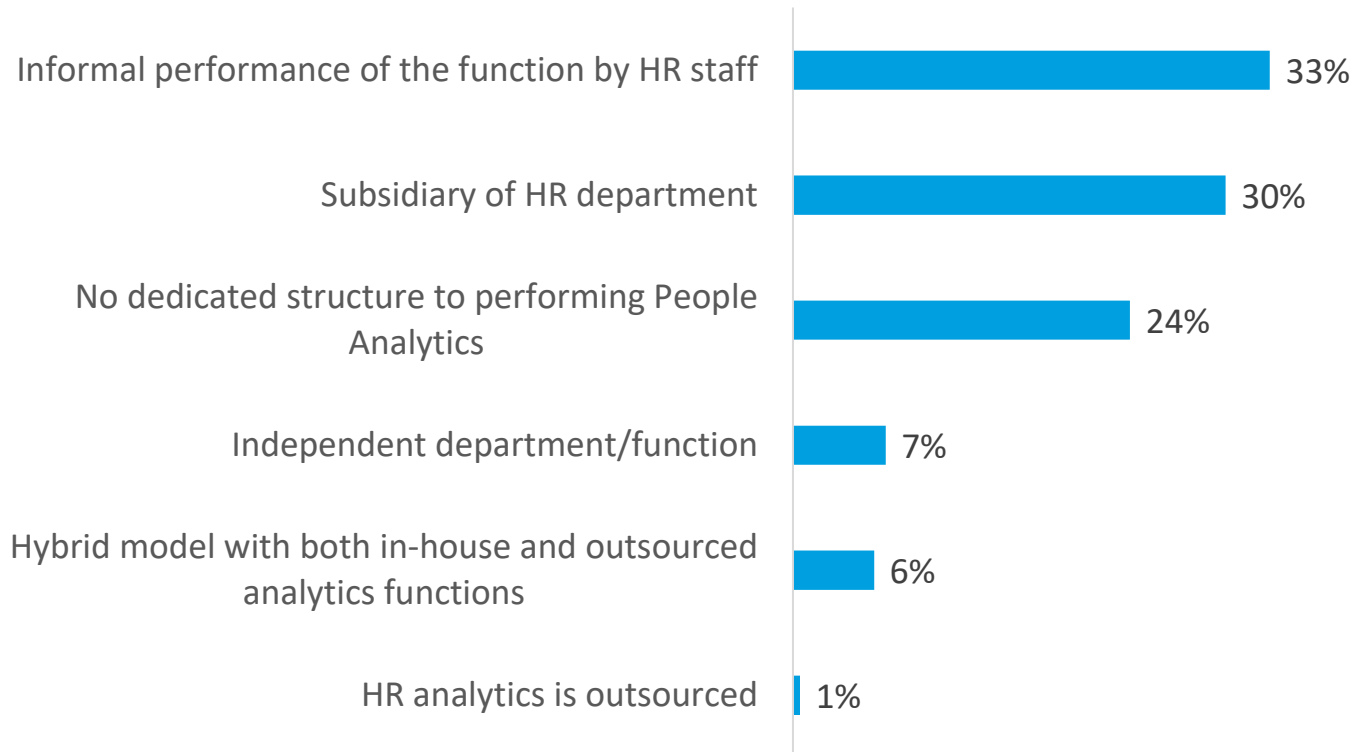


n= 120*

*Sample sizes vary by metric

People Analytics Within Organization Structure

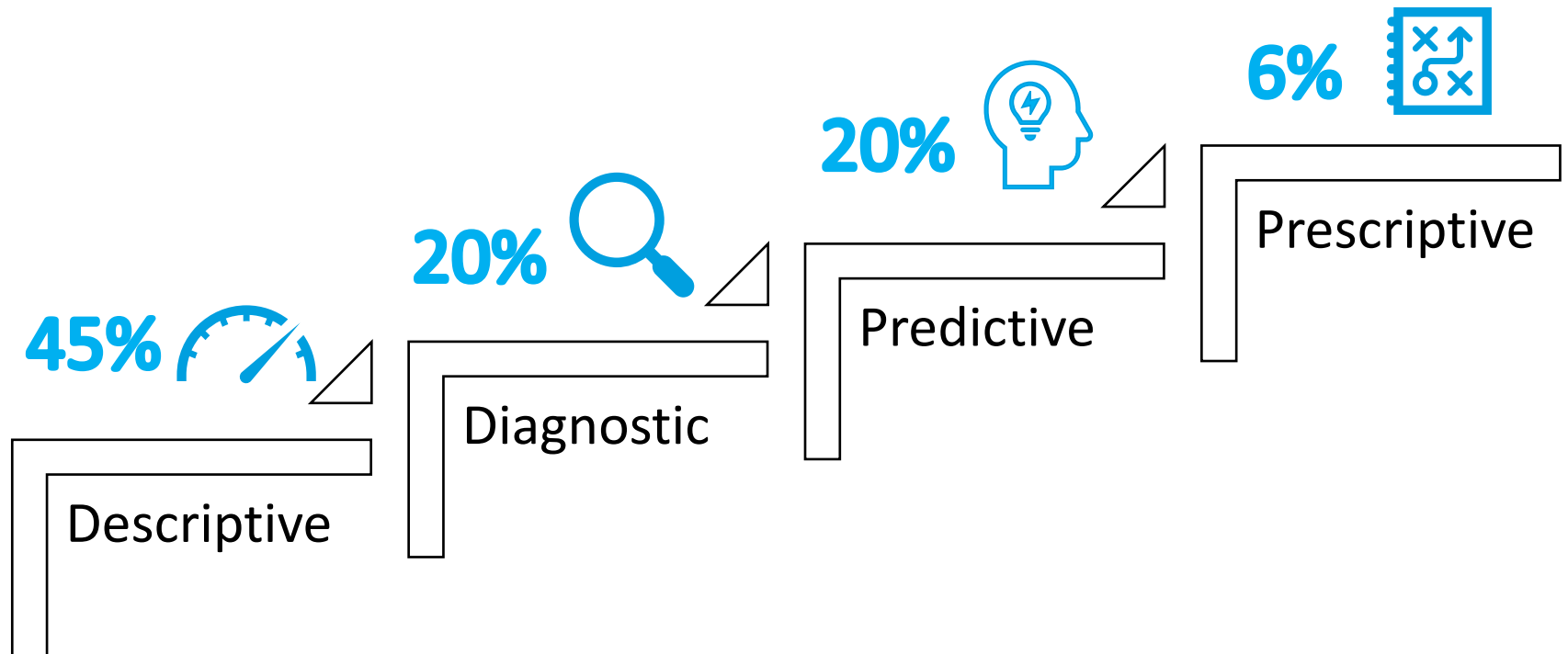
Please select the statement below which best represents the current structure of your company's People Analytics function.



n= 601

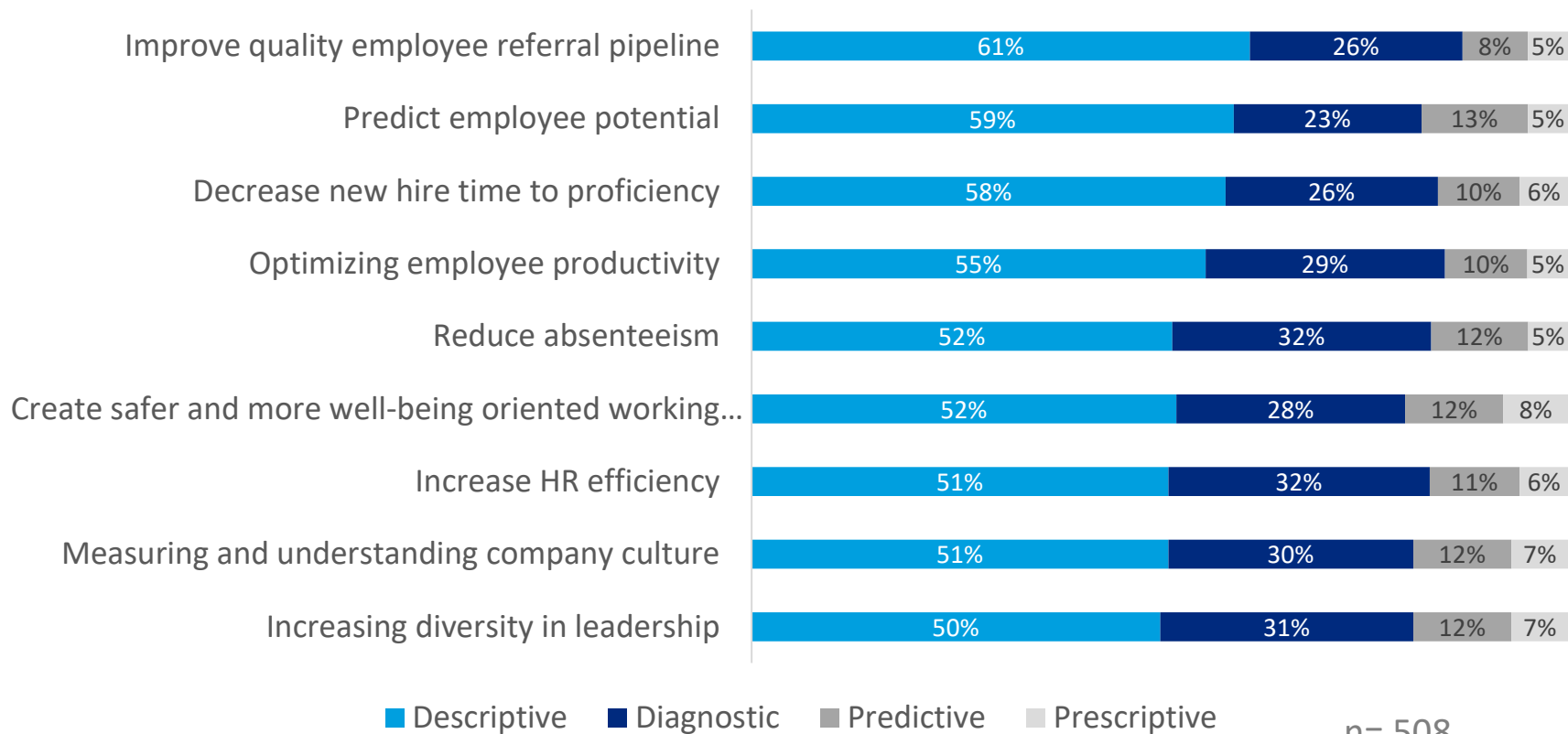
People Analytics Proficiency

How would you rate your organization's People Analytics proficiency?



Level of Analytics Practice for Business Challenges

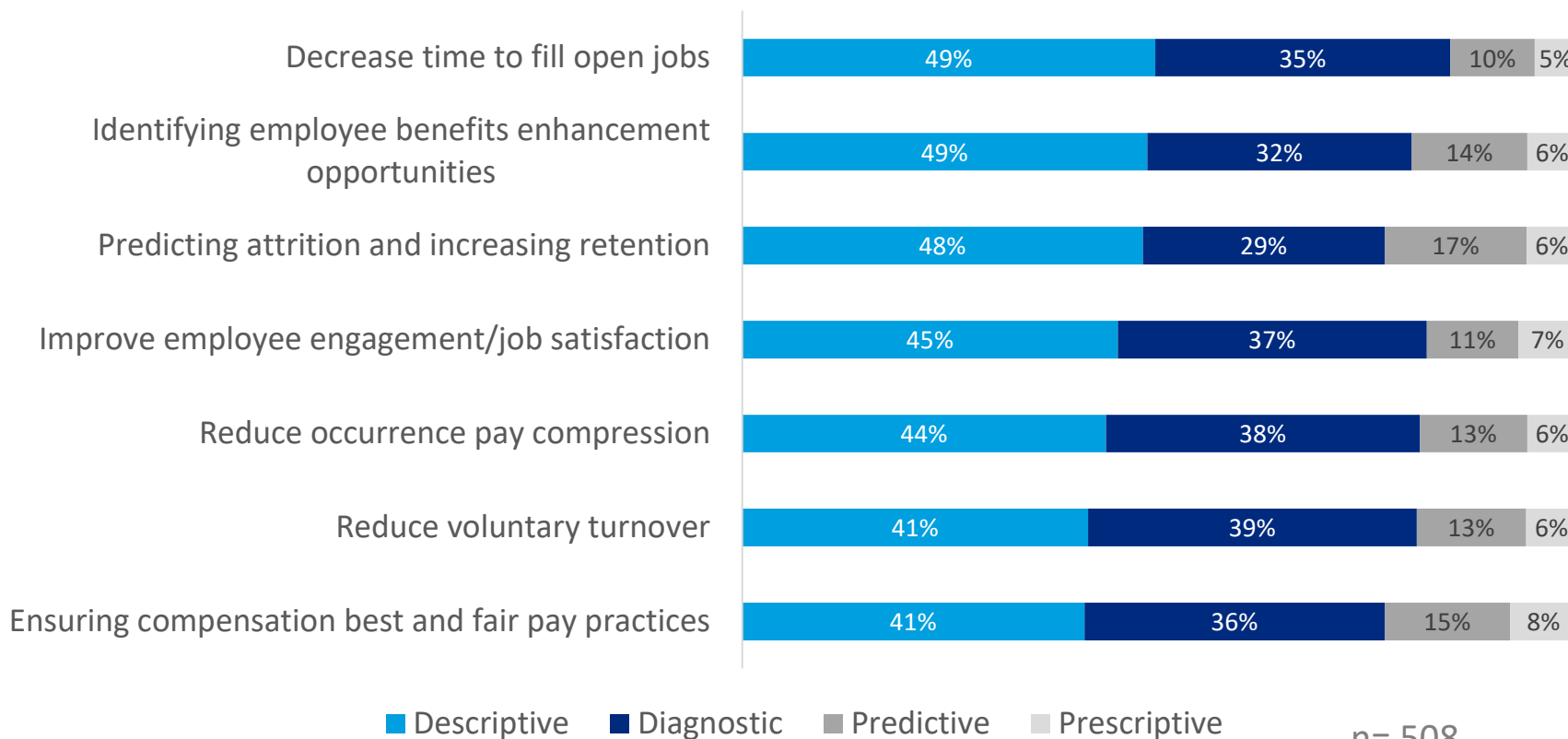
Of the business challenges listed below, please select the level of analytical practice your organization is using to solve each.



n= 508

Level of Analytics Practice for Business Challenges (cont.)

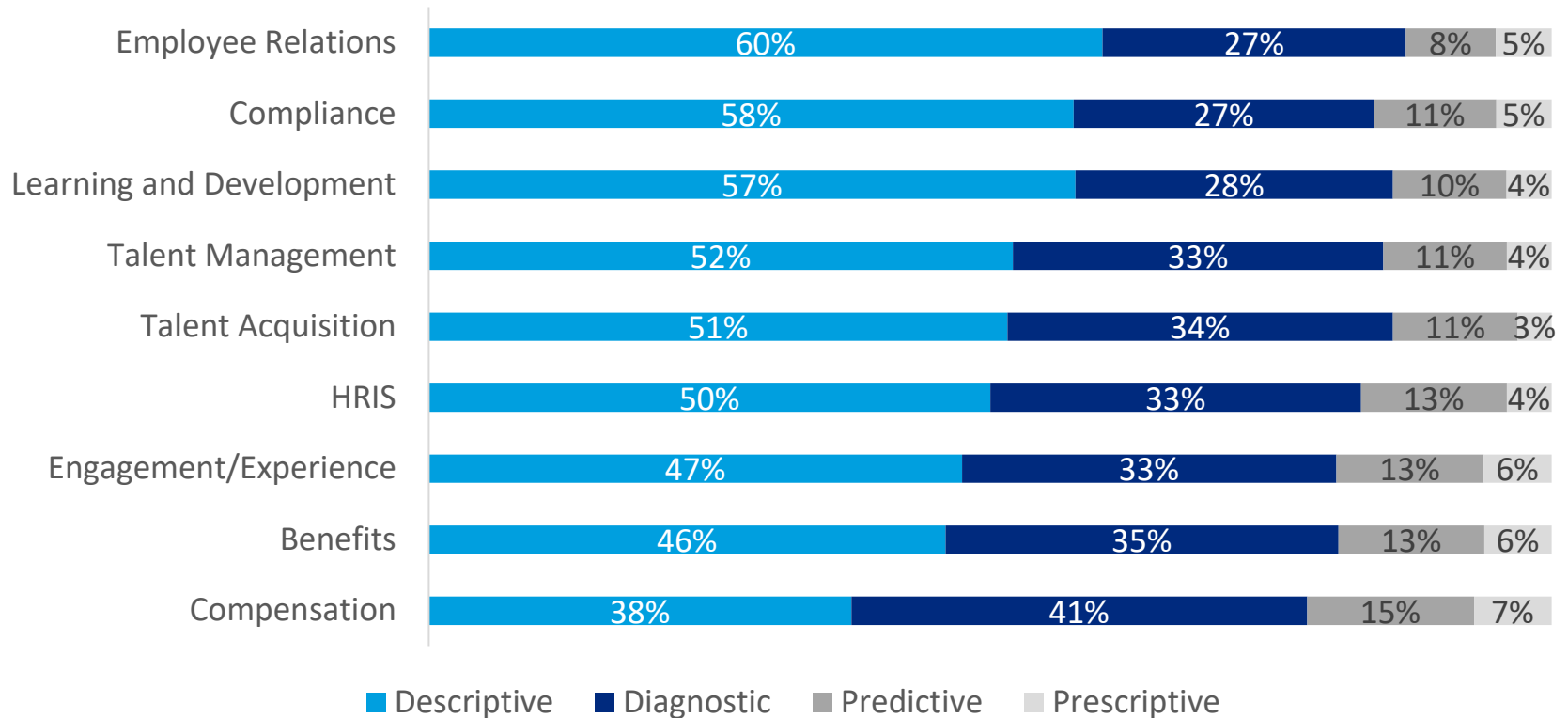
Of the business challenges listed below, please select the level of analytical practice your organization is using to solve each.



n= 508

Level of Analytics Practice for HR Functions

Of the HR functions listed below, please select the most prevalent level of analytical practice that is employed by each.



n= 508

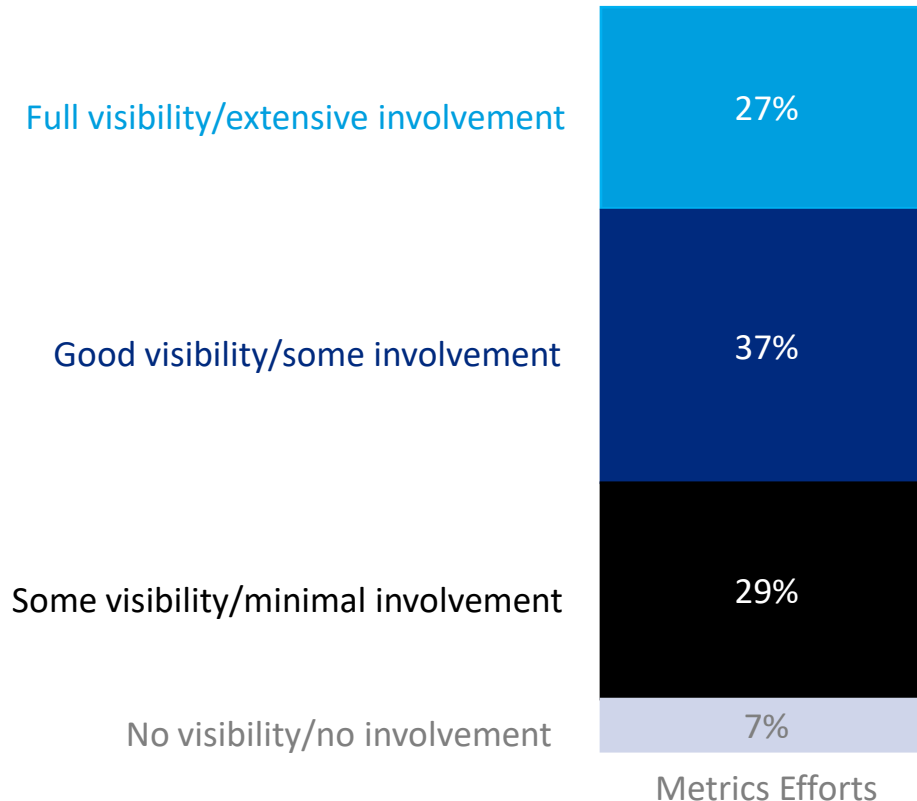
A faint, light blue network diagram is visible in the background, consisting of interconnected circles and lines forming a hexagonal pattern.

Metric and Analytic Efforts

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Metrics Visibility

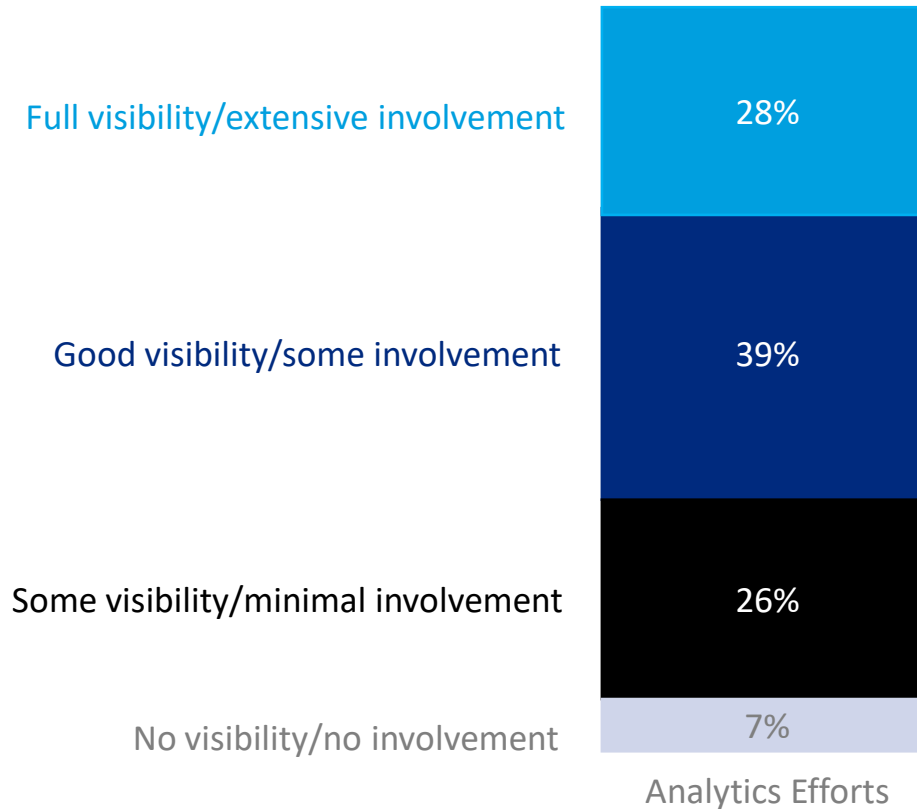
Which of the following best describes your involvement and/or visibility to your organization's analytics and metrics efforts?



n= 992

Analytics Visibility

Which of the following best describes your involvement and/or visibility to your organization's analytics and metrics efforts?



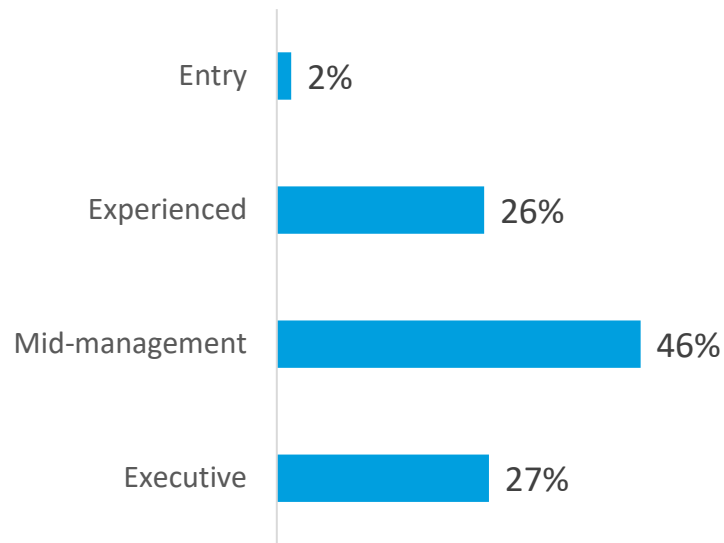
n= 992

Respondent Profile

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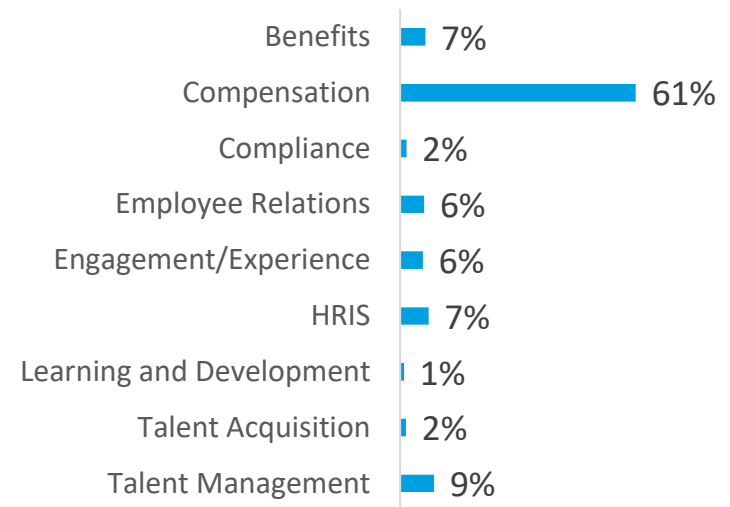
Respondent Role

What level below would you use to classify your current job?



n= 612

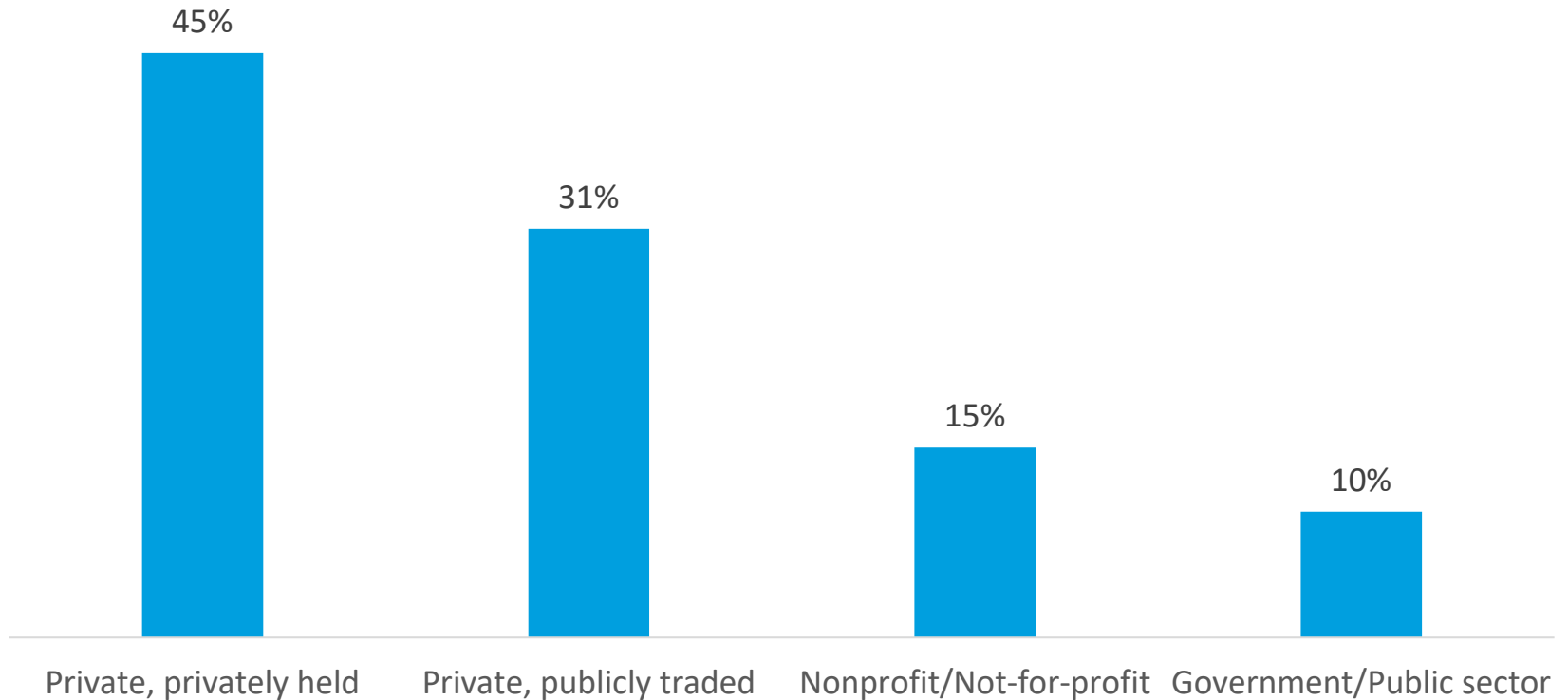
Please select the HR function that best describes your current role.



n= 612

Organization Type

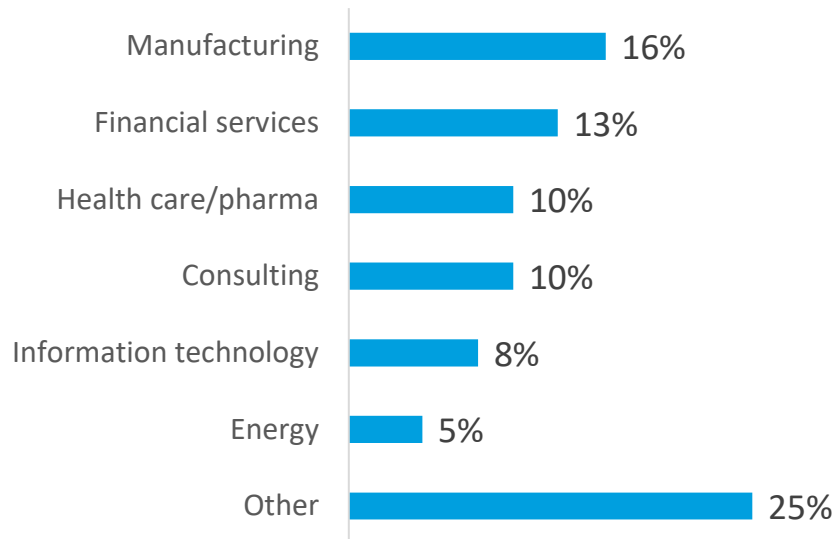
Your organization is:



n= 612

Organization Industry and Size

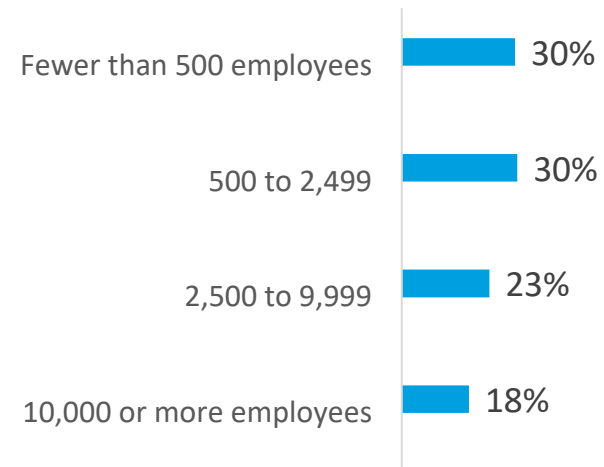
Under which industry does your organization fall?



Only industries with at least 5% of responding organizations are listed here.

n= 604

How many full-time equivalent (FTE) employees does your organization have?



n= 604

A faint, light blue network diagram is visible in the background, consisting of interconnected circles and lines forming a mesh-like structure.

Topline Results

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Total Rewards Association

Importance of Total Rewards Metrics

Please indicate the level of importance for each of the Total Rewards metric types your organization is currently tracking.

	Not at all important	Slightly important	Moderately important	Very important	Extremely important
Base compensation effectiveness (n= 391)	1%	4%	14%	50%	31%
Benefits cost ratios (n= 475)	2%	5%	23%	49%	22%
Benefits/disability claims (n= 475)	2%	7%	34%	40%	17%
Benefits participation rate (n= 592)	2%	7%	32%	48%	11%
Compensation cost ratios (n= 435)	1%	3%	18%	44%	34%
Incentive compensation effectiveness (n= 279)	2%	4%	17%	48%	30%
Worker diversity metrics (n= 591)	1%	4%	17%	42%	36%

Total Rewards Metric Type Tracking by Organization Size

Please indicate which of the following Total Rewards metric types your organization currently tracks.

	Fewer than 500 employees	500-2,499 employees	2,500-9,999 employees	10,000 or more employees
Base compensation effectiveness	48%	51%	57%	57%
Benefits cost ratios	63%	64%	63%	66%
Benefits/disability claims (incidence, cost, etc.)	57%	65%	71%	69%
Benefits participation rate (plans/programs)	75%	83%	83%	88%
Compensation cost ratios (vs. expenses, revenue)	59%	55%	53%	65%
Incentive compensation effectiveness	38%	32%	37%	44%
Worker diversity metrics (age, race, gender by position, etc.)	69%	81%	84%	86%

Importance of HR Operations Metrics

Please indicate the level of importance for each of the HR Operations metric types your organization is currently tracking.

	Not at all important	Slightly important	Moderately important	Very important	Extremely important
Absenteeism (n= 706)	1%	8%	27%	42%	23%
Accidents/workers compensation claims (n= 701)	1%	7%	26%	37%	29%
Average time to resolve HR request (n= 712)	0%	8%	37%	39%	16%
Business satisfaction with HR performance (n= 707)	1%	2%	22%	50%	25%
Employee productivity (n= 707)	0%	2%	12%	46%	40%
Employee relations cases (n= 707)	0%	5%	28%	47%	19%
HR budget variance (n= 712)	0%	4%	28%	47%	20%
HR costs per employee (n= 709)	0%	7%	34%	40%	19%
HR:FTE ratio (n= 705)	2%	11%	39%	35%	14%
Labor cost (n= 707)	0%	3%	16%	44%	37%
PTO usage (n= 703)	0%	11%	44%	33%	13%

HR Operations Metric Type Tracking by Organization Size

Please indicate which of the following HR Operations metric types your organization currently tracks.

	Fewer than 500 employees	500-2,499 employees	2,500-9,999 employees	10,000 or more employees
Absenteeism (rates, cost, etc.) (n= 373)	49%	53%	59%	68%
Accidents/workers compensation claims (n= 498)	67%	70%	79%	76%
Average time to resolve HR request (n= 193)	17%	25%	35%	44%
Business satisfaction with HR performance (n= 247)	37%	32%	42%	34%
Employee productivity (n= 251)	37%	32%	31%	40%
Employee relations cases (n= 416)	53%	58%	64%	67%
Average time to resolve HR request (n= 373)	70%	77%	82%	80%
HR costs per employee (n= 341)	48%	44%	47%	58%
HR:FTE ratio (n= 383)	51%	56%	59%	65%
Labor cost (n= 522)	76%	70%	81%	86%
PTO usage (n= 469)	68%	66%	74%	71%

Importance of Learning and Development Metrics

Please indicate the level of importance for each of the Learning and Development metric types your organization is currently tracking.

	Not at all important	Slightly important	Moderately important	Very important	Extremely important
Learning and Development cost	2%	75	37%	42%	13%
Learning and Development program effectiveness	0%	4%	26%	49%	20%
Time to proficiency in role	0%	3%	21%	51%	26%

Learning and Development Metric Type Tracking by Organization Size

Please indicate which of the following Learning and Development metric types your organization currently tracks.

	Fewer than 500 employees	500-2,499 employees	2,500-9,999 employees	10,000 or more employees
Learning and Development cost (per employee, as percent of HR expenses, etc.)	44%	39%	43%	57%
Learning and Development program effectiveness (change in job performance, participant satisfaction, etc.)	33%	38%	38%	37%
Time to proficiency in role	20%	16%	13%	14%

Importance of Talent Metrics

Please indicate the level of importance for each of the Talent metric types your organization is currently tracking.

	Not at all important	Slightly important	Moderately important	Very important	Extremely important
Employee engagement/job satisfaction (n= 466)	0%	2%	7%	48%	43%
External hiring rate (n= 477)	0%	8%	40%	43%	9%
Employee referrals (n= 451)	1%	16%	43%	34%	7%
Employee tenure (n= 559)	1%	10%	38%	40%	11%
Internal promotion rate (n= 401)	0%	5%	31%	53%	11%
Job vacancy rate (n= 366)	0%	6%	35%	47%	11%
Offer acceptance/decline rate (n= 358)	0%	5%	34%	47%	14%
Performance metrics (n= 474)	0%	1%	19%	54%	27%
Time to fill open jobs (n= 503)	0%	7%	30%	46%	17%
Traits to success correlation (n= 110)	1%	5%	23%	54%	16%
Turnover (n= 617)	1%	3%	17%	45%	34%

Talent Metric Type Tracking by Organization Size

Please indicate which of the following Talent metric types your organization currently tracks.

	Fewer than 500 employees	500-2,499 employees	2,500-9,999 employees	10,000 or more employees
Employee engagement/job satisfaction	66%	71%	74%	78%
External hiring rate	61%	76%	76%	85%
Employee referrals	64%	69%	69%	71%
Employee tenure	85%	83%	84%	93%
Internal promotion rate	59%	60%	63%	64%
Job vacancy rate	44%	55%	61%	67%
Offer acceptance/decline rate	46%	54%	58%	60%
Performance metrics	72%	67%	75%	71%
Time to fill open jobs	63%	77%	85%	89%
Traits to success correlation	18%	13%	15%	18%
Turnover	89%	95%	95%	97%

People Analytics Proficiency

How would you rate your organization's People Analytics proficiency?

	Masters	Very good knowledge	Good knowledge	Some knowledge	No knowledge
Descriptive	12%	34%	28%	22%	5%
Diagnostic	3%	17%	28%	38%	14%
Predictive	2%	6%	12%	41%	39%
Prescriptive	1%	5%	8%	32%	54%

Level of Analytical Practice for Business Challenges

Of the business challenges listed below, please select the level of analytical practice your organization is using to solve each.

	Descriptive	Diagnostic	Predictive	Prescriptive
Reduce voluntary turnover	41%	39%	13%	6%
Improve EE job satisfaction	45%	37%	11%	7%
Increasing diversity in leadership	50%	31%	12%	7%
Reduce absenteeism	52%	32%	12%	5%
Create safer and more well-being-oriented working conditions	52%	28%	12%	8%
Reduce occurrence pay compression	44%	38%	13%	6%
Decrease time to fill open jobs	49%	35%	10%	5%
Improve quality employee referral pipeline	61%	26%	8%	5%
Decrease new hire time to proficiency	58%	26%	10%	6%
Increase HR efficiency	51%	32%	11%	6%
Optimizing employee productivity	55%	29%	10%	5%
Predict employee potential	59%	23%	13%	5%
Measuring and understanding company culture	51%	30%	12%	7%
Ensuring compensation best and fair pay practices	41%	36%	15%	8%
Identifying employee benefits enhancement opportunities	49%	32%	14%	6%
Predicting attrition and increasing retention	48%	29%	17%	6%

Level of Analytics Practice for HR Functions

Of the HR functions listed below, please select the most prevalent level of analytical practice that is employed by each.

	Descriptive	Diagnostic	Predictive	Prescriptive
Talent Acquisition	51%	34%	11%	3%
Talent Management	52%	33%	11%	4%
Employee Relations	60%	27%	8%	5%
Learning & Development	57%	28%	10%	4%
Compliance	58%	27%	11%	5%
Engagement/Experience	47%	33%	13%	6%
Compensation	38%	41%	15%	7%
Benefits	46%	35%	13%	6%
HRIS	50%	33%	13%	4%

Metrics Visibility

Which of the following best describes your involvement and/or visibility to your organization's analytics and metrics efforts?

Metrics Efforts	Fewer than 500 employees	500-2,499 employees	2,500-9,999 employees	10,000 or more employees
Full visibility and/or extensive hands-on involvement	35%	33%	28%	30%
Good visibility and/or some hands-on involvement	33%	39%	38%	38%
Some visibility and/or minimal hands-on involvement	21%	21%	28%	21%
No visibility and/or no hands-on involvement	11%	7%	6%	10%

Analytics Visibility

Which of the following best describes your involvement and/or visibility to your organization's analytics and metrics efforts?

Analytics Efforts	Fewer than 500 employees	500-2,499 employees	2,500-9,999 employees	10,000 or more employees
Full visibility and/or extensive hands-on involvement	34%	30%	28%	29%
Good visibility and/or some hands-on involvement	32%	40%	42%	40%
Some visibility and/or minimal hands-on involvement	20%	22%	23%	20%
No visibility and/or no hands-on involvement	14%	8%	7%	11%

Definitions

- **Descriptive:** Answers the question “What happened?”. Requires ability to conduct basic reporting/descriptive analysis
- **Diagnostic:** Answers the question “Why did it happen?”. Requires understanding of the analytical process, ability to gather data, utilize existing data sources, and conduct simple data analysis with or without the help of a software program
- **Predictive:** Answers the question “What will happen?” Requires know-how to obtain, integrate, clean, and manipulate data from a variety of sources including research and surveys, external sources, and HRIS/ATS environments; skill to creatively translate business questions into analytical project plans that utilize advanced statistical methods and result in reproducible or automated final products that guide business decisions
- **Prescriptive:** Answers the question “How can we impact future outcomes?” Requires applying existing advanced analytical methods in previously unutilized ways in the space (artificial intelligence, machine learning, big data)



Contact Us

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Tell us what you think of this report!

As researchers, we love gathering feedback and your opinions are extremely valuable for helping us provide the research you want to see. Please take a couple minutes to complete a short survey. Thank you in advance for participating!

[Click here to begin.](#)

Sincerely,

The WorldatWork Research Team