

Gaining from People Analytics Software as a Service

In-depth look into the tangible benefits of adopting a people analytics SaaS and the transitioning process into a SaaS platform

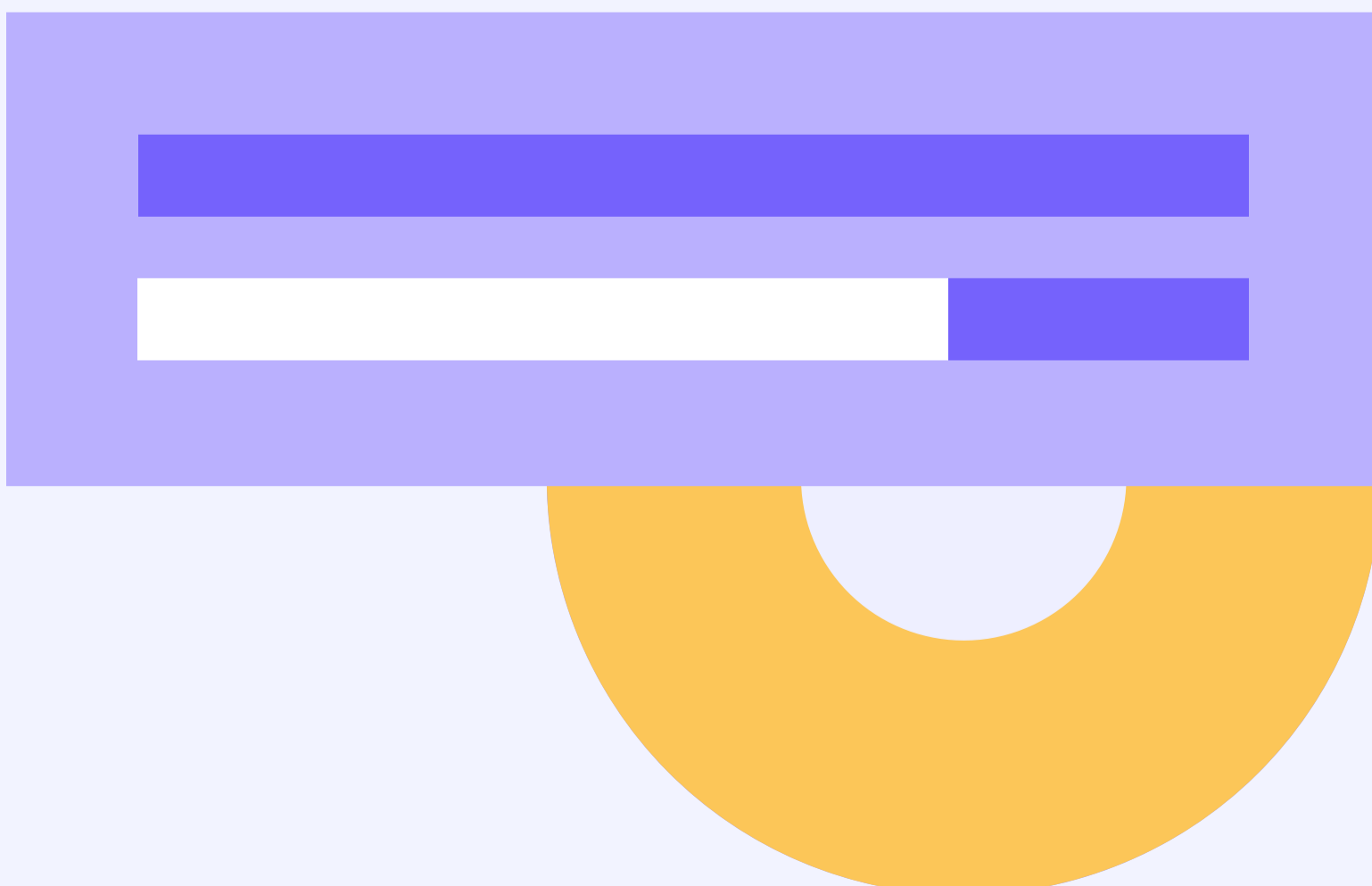


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The Rising Need for People Analytics

People analytics may translate to different things to different organisations. While most organisations recognise there is value in HR data, analysis and mobilisation are typically only restricted to the first layer which influences operational expenses. Reducing regional headcount or assessing performance for annual appraisals – the use cases for HR data investigations tend to be straightforward and limited. Five years back, LinkedIn's 2017 report found that only 8% of organisations had usable HR data to process for analysis.¹

Now, as we enter a talent-centric era of workforce management, marked by definitive trends like the Great Resignation, there is a shift in HR data use. Sophisticated people analytics allows companies to not only balance headcount with costs, but also enables long-term outcomes such as:

- **Attrition risk identification and turnover management**
- **Greater, predictable, and steady levels of employee engagement**
- **Workplace satisfaction, leading to enhanced productivity**
- **Workplace satisfaction, leading to a stronger employer brand**
- **Continuous increase in workforce value through regular feedback cycles**

Additionally, people analytics is instrumental in driving decisions like succession planning and culture-fit evaluation at the time of recruitment. For these reasons, people analytics of a more scientific and forward-looking nature is gradually becoming a vital organisational pillar. For instance, research in 2021 found that 90% of CHROs believe data and analytics to be essential to their company's HR strategy.² The needle is moving in the right direction.

However, a few glaring gaps remain. First, the investment in people analytics tends to fall short of real-world needs. In 2020, a company employed 1 people analytics practitioner for every 4000 workers, which has increased to a ratio of 1:2900 in 2021 – meaning a large organisation with 5000+ workers will have only 2-3 professionals dedicated to mining and deriving value from people analytics.³

Second, to make up for this internal shortfall, organisations turn to third-party consultancy providers, despite a \$2+ billion people analytics software market.⁴ Consultants promise to bring experience and expertise, with a very short implementation time. However, in reality, this route gives rise to three anti-patterns that counter the benefits of people analytics and cause adverse outcomes.

Decoding Myths: 3 Anti-Patterns Arising from People Analytics Consultants

Anti-patterns are a common response to a business problem, which typically turns out to be ineffective or even counterproductive. There are three common reasons or anti-patterns that explain why engaging a consulting firm to provide people analytics solutions does not always deliver the expected outcomes.

1. The “offloading the work” anti-pattern

One of the reasons why an organisation to seek consultancy help is the need to offload work. HR practitioners in the company may not be well-equipped yet to handle people analytics. Building and hiring for a people analytics team can seem daunting. However, it's prudent to keep in mind that consultants can only own part of the project – the organisation still has to ensure internal stakeholders buy-in, take part in designing the surveys, coordinate for the projects, etc. It may even end up causing process fragmentation, whereas a software tool can be engineered to fit into existing processes.

2. The “accountability” anti-pattern

The subconscious bias that may drive the need to hire a third-party consultant is transferring accountability. It means that if something goes wrong in the process or outcome, the third-party is accountable for it. However, this means little as there is usually a designated team that works in tandem with the consultants, holding them equally liable should any mistake happen. This is why setting up people analytics should be treated like any other project, with a clear goal setting, responsibility framework, aligned processes, and clear line of communications. This way, organisations can nurture a culture of learning, innovation, and transparency.

3. The “expert knowledge + peace of mind” anti-pattern

Another common thing that drives an organisation to engage consultants is the need for reassurance. Consultants are seen as experts that possess superior knowledge, hence granting the requester a peace of mind. However, it's important to keep in mind that such expectations need to be managed.

In reality, integrating a third-party's process into one's own takes a lot of time and effort. Just like any form of outsourcing, there may be breakdown in communications, delayed implementations, and mismatched expectations that are bound to happen naturally.



Transitioning from Consulting and DIY to People Analytics SaaS

What most organisations do not realise when working with consultants is that the project often ends up as Do It Yourself (DIY). The client has to inform the employees, identify goals, prepare questionnaires, collect data, and so on, while the consultant only performs the analysis. Once the findings are ready, the client has to identify ways to incorporate the insights into the HR and overall organisational strategy. A DIY approach causes fragmentation and drives up costs.

Instead, people analytics Software as a Service (SaaS) offers the benefits of simplicity, integration, and real-time analytics, coupled with predictable pricing and continuous innovations. There are four benefits of moving from consultancy to SaaS:

1. Speed and efficiency

Since the software is embedded into organisational processes, it can deliver insights based on real-time data. This accelerates the analytics process without compromising on precision. Armed with the insights when it is the most relevant, organisations can quickly make decisions and take action to improve the workplace.

For instance, employee feedback before returning to the office can shape COVID-19 protocols and hygiene processes. Both the organisation and its workers gain from rapid results, whereas a consultancy project would take weeks to complete.

2. Adaptability

With people analytics SaaS, organisations have the ability to react to changing needs of employees and work. For example, when the pandemic hit, many organisations found themselves needing to conduct pulse surveys more frequently on a regular basis to ensure employee engagement remained high. This can be done in an agile manner with a platform that allows you to conduct scheduled, automated surveys. Questionnaires can also be easily modified based using the available scientifically-backed question library. It also provides adaptability in the employee journey as it is possible to measure engagement and empower employees from hire to retire.

3. Costs

SaaS offerings operate on a monthly or annual subscription model based on the organisation's size and needs.

A fixed price format ensures predictability, transparency, and consistent quality of results.

For instance, EngageRocket offers a consistent pricing based on number of users and required features without any hidden costs. By switching from consultancy-based analytics, organisations can also gain from a ready and reusable solution that will scale with them as they grow.

4. Accuracy

People analytics software leverages real-time data collection, industry benchmarks, and scientific validation methods to provide meaningful, accurate insights. It adapts to diverse scenarios with ease, receives upgrades regularly, and can also incorporate artificial intelligence (AI) for cognitive analysis, such as detecting employee sentiments. This accuracy and adaptability may be challenging for consultants as they might be coming in with bias and find it harder to assimilate new technology at scale.

5. Holistic solution

With people analytics SaaS, organisations receive the complete package that can easily fit into existing business and HR processes. Integration, automation, and even dissemination of information can be done easily with the right platform. For example, EngageRocket offers the ability to create action plans for managers, development areas for employees, and automated reminders to participate in surveys or take actions.

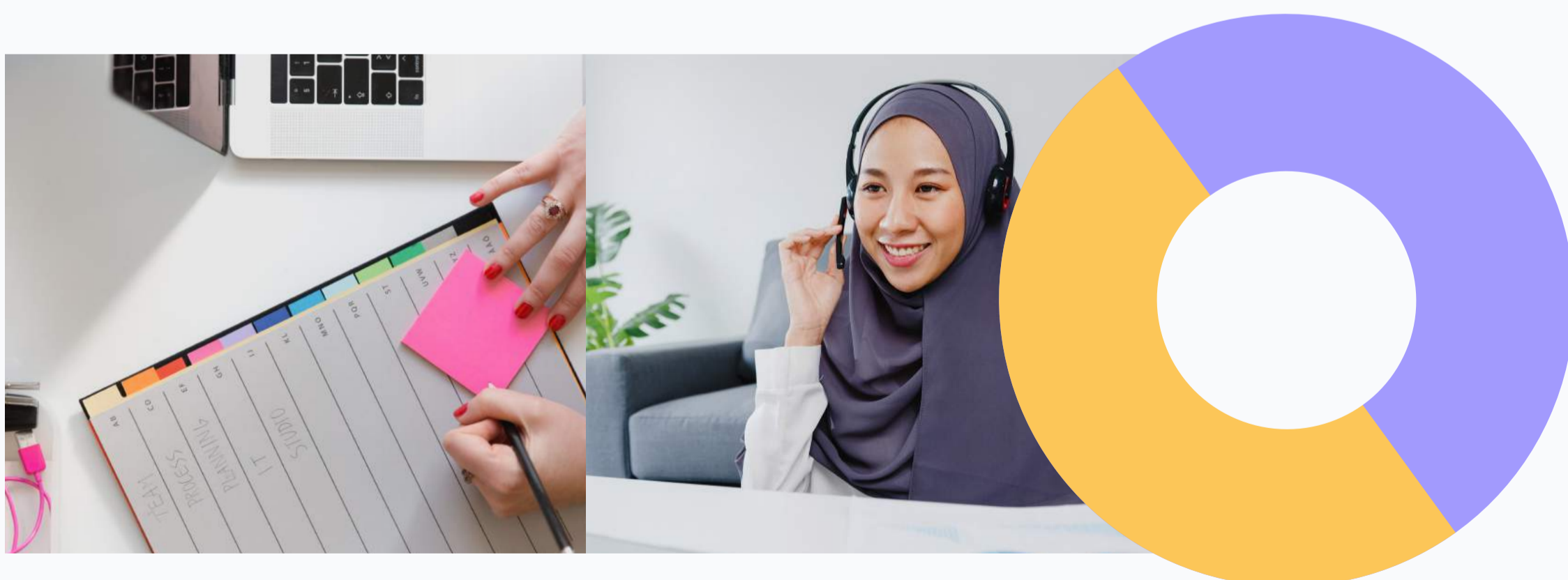


The Tangible Benefits of People Analytics Done Right

A correctly implemented people analytics platform can offer more than just data findings. It can also enable incorporation of data into business decisions and processes. According to Deloitte, 55% of high-maturity, high-performing organisations base their decisions on people analytics versus just 5% of low-maturity organisations.⁵ Also, dashboards and analysis tools make the data consumable for business users (like HR or the C suite), without the intervention of a consultant. This drives self-sufficiency and empowerment. In terms of the workforce, adopters will unlock:

- **Insights into drivers of engagement for the particular company to improve retention**
- **The ability to map out strength and development areas, improving productivity**
- **Better visibility into what employees feel and think without putting their confidentiality at risk**
- **AI-powered sentiment analysis based on open-ended employee comments**
- **Personalised action plans for managers and employees**
- **Built-in, scientifically validated survey questionnaires**
- **Flexibility in setting up the platform to meet organisational needs**

To gain from these benefits, HR must first consider a change of course. Consultancy-driven people analytics is reactive, a response to a particular event or need without fitting into the organisational roadmap. Instead, the HR function needs to be equipped with the right resources and tools so they can be empowered to leverage people analytics in driving people-related decisions.



⁵ <https://www.shrm.org/hr-today/news/hr-magazine/winter2019/pages/what-you-need-to-know-about-hr-people-analytics-software.aspx>

8 Steps to Ease Your Transition from a Consulting-based People Analytics to SaaS

The question that our People Science and Workplace Strategists team often get asked is: "We're keen to try a SaaS solution, but how do we go about it? How does the transition look like and what does it entail?" With this question in mind, our People Scientists and Workplace Strategists chipped in to map out how the transition process usually looks like from past experiences. One thing of note is that each company has different scope of work with their consultants and unique requirements for their people analytics function, so there is no one-size fits all approach. Rather, the mapping should serve to paint a picture on the processes required for a smooth transition.

The journey below illustrates the transition process from partner selection to executing your first project.

1

Don't hesitate to share information and ask as many questions as you need at this stage. Many companies request for proposals at this stage. Here are some things to consider:

- Price
- Flexibility
- Customer support
- User experience for the person setting up
- User experience for employees
- Data collection and analysis
- Follow up capabilities

2

After reviewing their proposals, the next step is to finalise on your selection.

At this stage, most of our customers would want to get stakeholders' buy in. This ensures that the adoption process becomes smoother and everyone is aligned on the strategic objective of the project.

We usually help our customers in the presentation so we can answer questions and ensure a smooth buy - in.

3

Detail out the project management

Once details of the partnership have been aligned, then the project management aspect needs to be smoothed out.

Here are some things to consider when preparing to manage a people analytics project:

- Alignment of strategic objective
- Setup of the project
- Project launch
- Analysis and evaluation period
- Strategy for improvement
- Follow up actions

4

Plan for the transition

It's also important to tie up any loose ends with your previous consultant.

For example, you want to make sure that they have handed over records of past projects, such as survey data, results reports, recommendations, and others.

At this point, you are ready to start hashing out the details of your people analytics project. With the right preparation and mindset to learn, you and your team will launch your first project in no time.



5 Set up your first project

Once the migration and integration have been completed, setting up your first project becomes easier. Here are the steps involved when you're setting up a project with us:

- Setting up questions
- Setting up project frequency and reminders
- Preparing and uploading employee list

At EngageRocket, our Customer Success Managers always help all our customers in doing all of the above, so setup is always a seamless process.

6 Test the setup

Once the setup has been completed, it is time to test the project.

For example, if you don't want or not yet confident to run a full employee engagement survey as yet, you can ease start by launching a test survey or a smaller scale pulse survey first/.

7 Launch your first project

At this stage, you are fully prepared to launch your first people analytics project.

Don't forget to set a start and end date for the project. This way, it makes it clear when you need to stop collecting data and start analysing your results.

8 Build your action plan

After your project finishes, you would want to analyse to gain insights. Once done, it's time to plan for actions to drive positive changes.

Here's a general guideline of next steps after an engagement survey:

- Identify high risk groups
- Recommend actions for managers
- Create an action plan
- Track progress of the actions

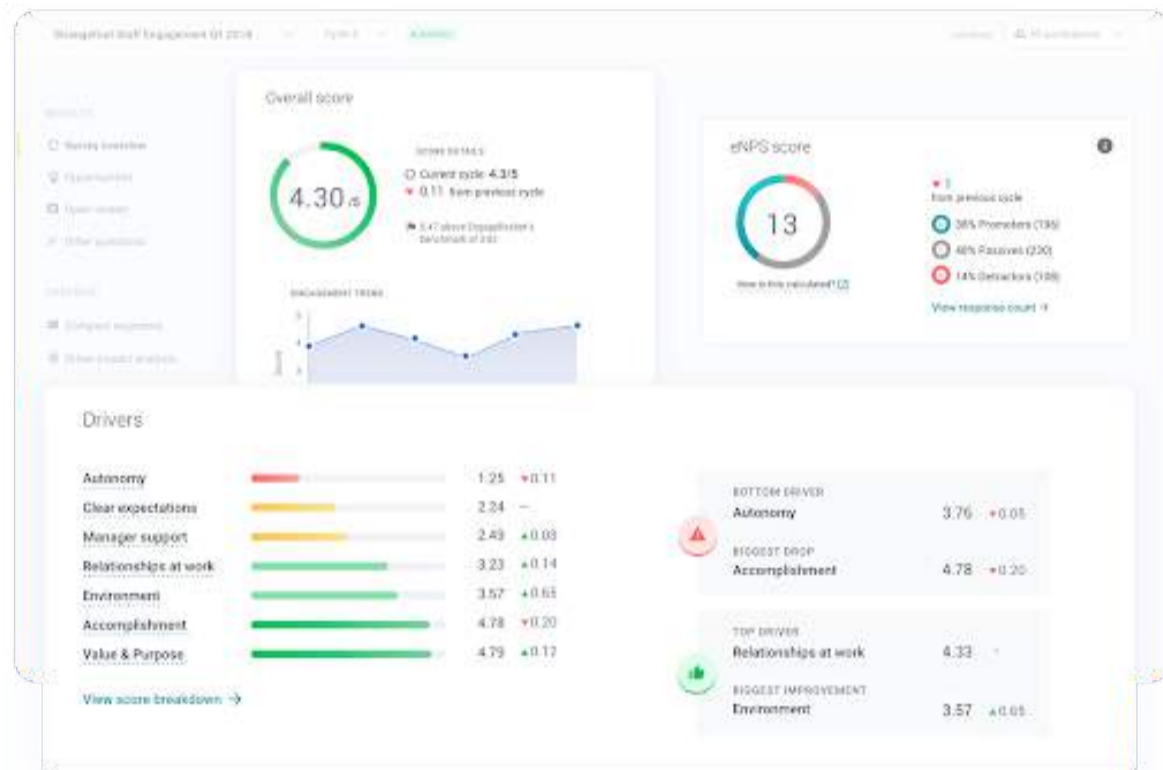
EngageRocket helps you empower managers with an action plan with our latest solution:

ACT.





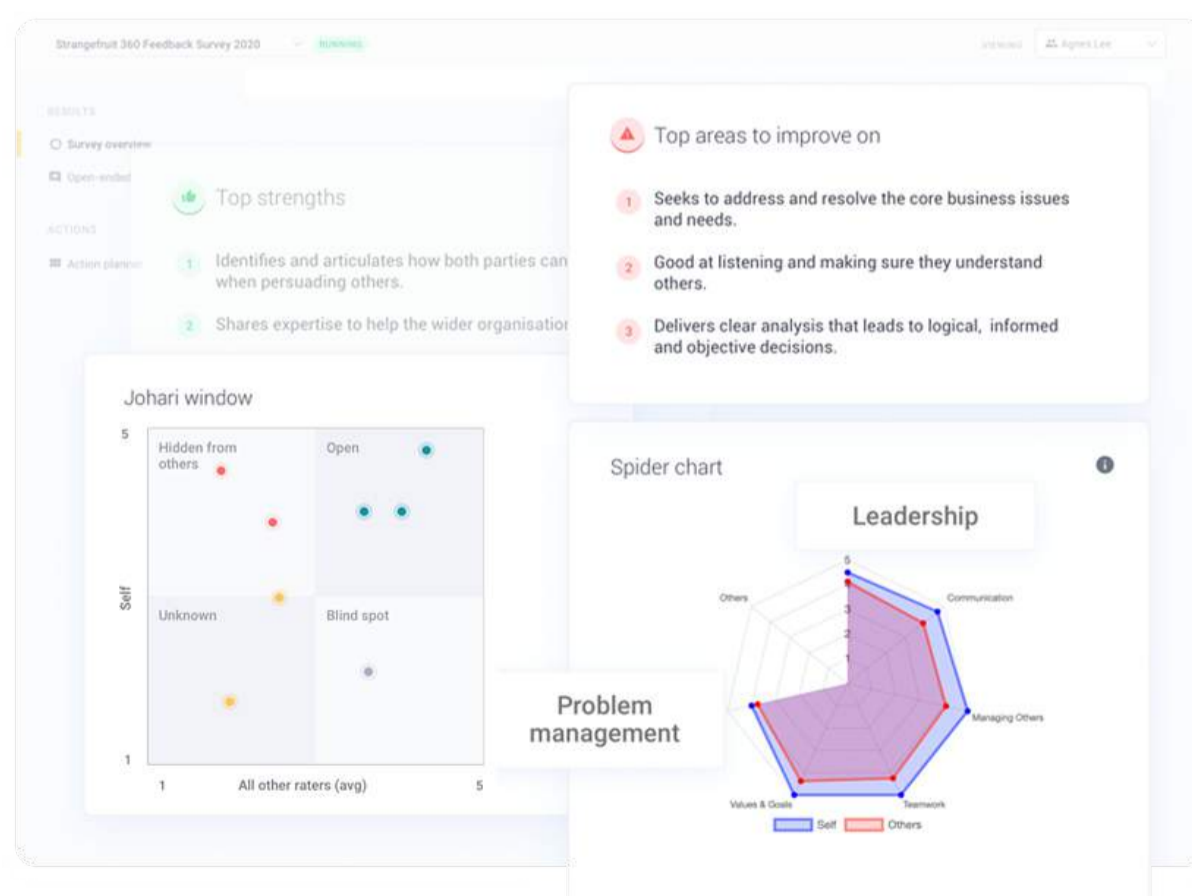
Conduct unlimited employee surveys with EngageRocket's BELONG



BELONG: Employee Experience Survey Engage your talent from day one

- **Question Library:** Ask research-backed questions & get feedback for on-boarding, engagement, etc
- **Confidentiality:** Encourage communication without compromising employee's confidentiality.
- Build **multi-language surveys** in one click.
- Measure **program efficiency and analyse the returns** on your people initiatives
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Automate your 360 feedback reviews with EngageRocket's GROW



GROW: 360 feedback review

Develop your leaders into their best selves

- **Flexible setup:** customise questions, rater groups, selection methods, communication and reminders.
- Large validated competency and **question banks**
- Powerful **analytics**
- Data-driven **learning needs analysis**
- **Action planner:** Set goals, targets, tasks and reminders to encourage personal mastery
- Follow through closely and **monitor progress**



About Us



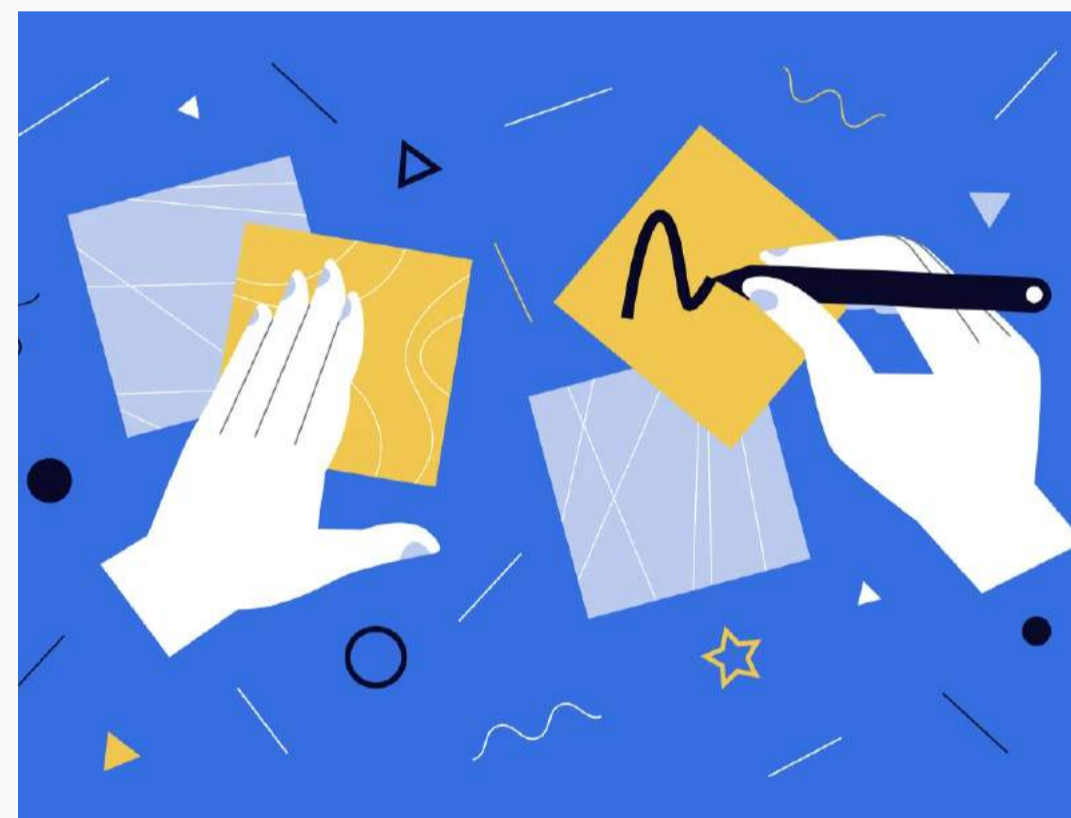
EngageRocket is APAC's fastest-growing employee experience solution provider that helps leaders and organisations make better people decisions using real-time data. EngageRocket automates employee feedback and analytics to deliver powerful management insight that improves employee experience and performance. The company has now analysed more than ten million responses across 14 countries and 20 industries.

Learn more at www.engagerocket.co

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Contact Us



Sales Director

Nauveed Salim - nauveed_salim@engagerocket.co

Senior Workplace Strategist

Timothy Goh - timothy_goh@engagerocket.co

General Enquiries

hello@engagerocket.co