



People Analytics Operating Model in the Age of AI

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People Analytics Platform

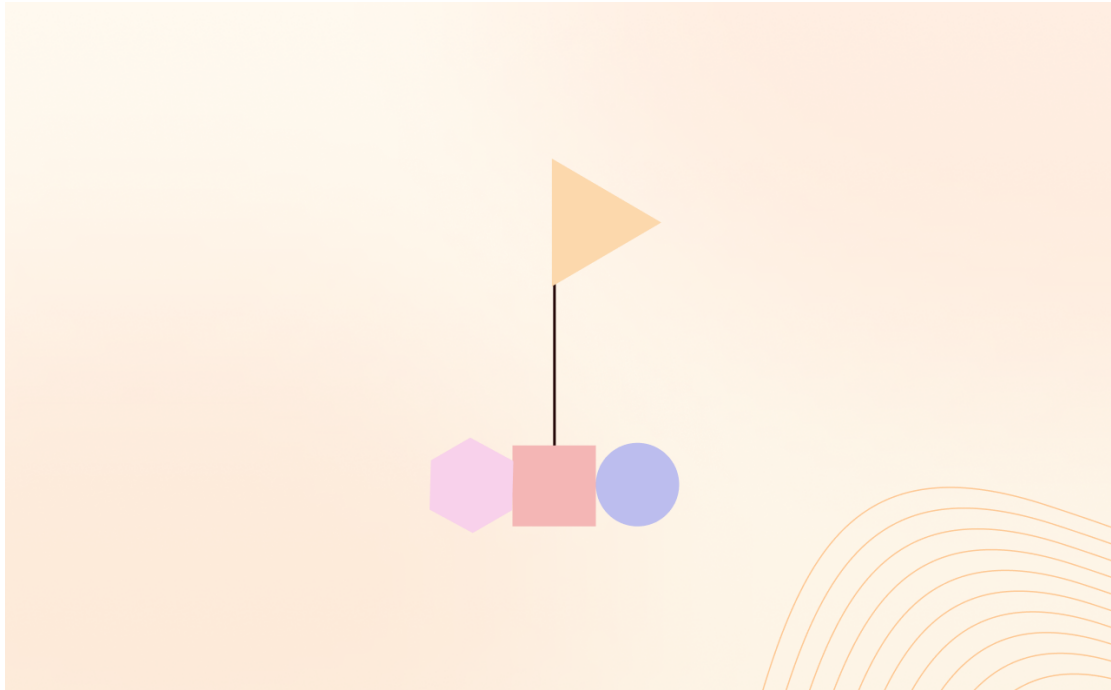
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Chapter — 01

Defining the goals of people analytics

"I know you've taken it in the teeth out there, but the first guy through the wall — he always gets bloody. Always. It's the threat of not just the way of doing business, but in their minds, it's threatening the game. But really what it's threatening is their livelihoods. It's threatening their jobs. It's threatening the way that they do things. And every time that happens, whether it's the government or a way of doing business or whatever it is, the people who are holding the reins — have their hands on the switch — they go batshit crazy. Anyone who is not tearing their team right now and rebuilding it, using your model, they're dinosaurs"

— Boston Red Sox owner John Henry from the movie Moneyball

One of the best illustrations of the value of people analytics is the book-turned-movie, Moneyball. And the traditional lesson is this: data-driven decision making will win out over gut-feel and even expert knowledge in the long-run. So, given the current shift in maturation of people analytics, propelled in part by generative AI and modern technology stack, how does this lesson play out? What will this data-driven decision making look like? Where are we, as a game, headed and what's the challenge to overcome? How can we best set our people analytics teams? And which model to use?

We set out to answer these questions and propose an operating model that ensures the success of people analytics for the current and — the shifts to come.

Looking back, people analytics did not always have the respect amongst HR and business leaders as it has now. We had to learn, grow, and change in the past to earn the standing we have now.

To remain relevant, and perhaps even flourish like never before, in the future, we will have to continue that growth.

But right now, we are at a phase-change in maturation of the people analytics function. The bad news is we are in completely uncharted territory. The good news is we have been in uncharted waters before.

And as we go forward, we need a change to the way we operate.

- What are the key goals that we're to meet and that we're struggling with as a people analytics community?

- When you're a CHRO, how do you set KPIs for your People Analytics team?
- What is it that you want them to achieve?

Instead of building a structure for the sake of structure, let's first start by examining the purpose behind people analytics teams. Let's examine what we're trying to achieve before creating a system that will take us there.

Starting point to building a scalable operating model for people analytics is answering the following questions:

- What is a successful people analytics function?
- What would be the criteria of success that divide successful people analytics functions and teams from mediocre or bad ones?

The top line is: adding value to the business. That's all that matters. But just how do we do that? It is not as straightforward as the sales function, isn't it?