

Workforce & Talent Analytics

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Agenda

- David Lewin – Research Examples
- Christine Pambianchi – Corning Examples
- Bill Allen – Maersk Examples
- Q&A and Discussion

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David:

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- Don't Start With the Data – Start With the Question
- Example: How Do Human Resource Management (HRM) Practices Affect Company Financial Performance?
- The Dependent Variable: Company Financial Performance, e.g., ROI, Sales Revenue Growth, TSR
- The Independent Variable: HRM Practices Measured by an Index
- The Control Variables: e.g., Industry, Company Size, Capital Per Employee, Other

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Another Example:

- How Does Employee Engagement Affect Customer Satisfaction?
 - The Dependent Variable: Customer Satisfaction
 - The Independent Variable: Employee Engagement
 - The Control Variables: Revenue Per Customer, Employee Tenure, Employee Work Location, Other

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One More Example:

- Can We Predict Executive Retention in a M&A?
 - The Dependent Variable: Executive Retention
 - The Independent Variables: Executive Compensation, Executive Tenure
 - The Control Variables: Number of Prior Acquisitions, Acquisition Price, Acquired Company Age

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Christine:

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- Spend time on problem statement and definition
- Leverage operations process tools so HR work is in line with other operating tools used in your line organization – for us that was Six Sigma
- Invest the time in data definitions and as HR leaders, value the creation of good data
- Leverage your data for insights into root cause, trends, and measurement of solution effectiveness
- AI & Machine Learning are coming fast! Be ready.

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Corning Incorporated - examples

- Six Sigma leveraging data for cost savings, process improvements, program design
- Leveraging data to drive Diversity in Leadership
- True Blue preparing for the future of digital and data in delivering HR capabilities

Analyze or Select Concept

Nail down the components to be updated

Cause & Effect Fishbone

Process: GEL re-design

Date: 4/18/2017

Author: Jessie Shang & Cen Y Cen

GEL program effectiveness

Cost

- High cost (program manager)
- International travel cost
- (coach, strategy instructor, program manager)

Design

- Lack of structure
- Lack of rigorness
- Lack of documentation
- No specific topic for panel
- Lack of professional instructional design

Support

- Senior leaders engagement lower down
- No connection with participants' supervisors
- Less use of coaches' time during the whole program

Process

- Nomination criteria are not fully implemented
- Nomination process is out of control
- Learning objectives are unclear

Content

- No Innovation/Manufacturing related contents
- Business cases are out-of-dated
- Finance contents are not attracting
- Strategy projects are not appropriate
- LIFO facilitation is not professional

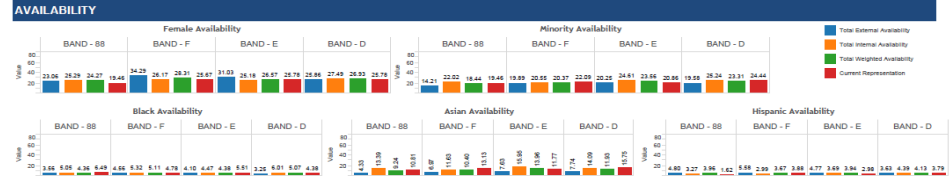
Success Formula

Actions to Execute Diversity Strategy



Class	Band	M&A	Hires into Band	Promotions Into Band	Promotions Out of Band	Terminations Out of Band
Female	BAND - BB	0	0 of 4, Exp 0	3 of 7, Exp 1	No Activity	0 of 3, Exp 0
	BAND - F	0	0 of 4, Exp 0	4 of 6, Exp 2	3 of 7, Exp 1	1 of 6, Exp 1
	BAND - E	0	3 of 5, Exp 1	4 of 8, Exp 2	4 of 8, Exp 2	1 of 4, Exp 1
	BAND - D	0	9 of 29, Exp 7	15 of 42, Exp 11	3 of 20, Exp 5	7 of 26, Exp 6
	BAND - C	0	16 of 52, Exp 11	5 of 26, Exp 10	15 of 42, Exp 11	5 of 26, Exp 7
Total Minority	BAND - B	0	20 of 50, Exp 14	9 of 29, Exp 10	9 of 29, Exp 10	2 of 13, Exp 4
	BAND - A	0	11 of 51, Exp 11	9 of 15, Exp 5	7 of 20, Exp 4	4 of 7, Exp 2
	BAND - BB	0	0 of 4, Exp 0	3 of 7, Exp 1	No Activity	1 of 3, Exp 0
	BAND - F	0	2 of 4, Exp 0	2 of 8, Exp 1	3 of 7, Exp 1	1 of 6, Exp 1
	BAND - E	0	1 of 5, Exp 1	7 of 20, Exp 4	2 of 8, Exp 1	2 of 4, Exp 0
Black/AA	BAND - D	0	7 of 20, Exp 5	8 of 42, Exp 10	7 of 20, Exp 4	7 of 20, Exp 6
	BAND - C	0	17 of 52, Exp 13	8 of 26, Exp 7	8 of 42, Exp 10	9 of 26, Exp 7
	BAND - B	0	24 of 56, Exp 14	8 of 41, Exp 7	5 of 26, Exp 7	2 of 13, Exp 3
	BAND - A	0	11 of 51, Exp 13	0 of 15, Exp 3	3 of 13, Exp 0	2 of 7, Exp 1
	BAND - BB	0	0 of 4, Exp 0	1 of 7, Exp 0	No Activity	0 of 3, Exp 0
Asian	BAND - F	0	0 of 4, Exp 0	0 of 8, Exp 0	0 of 7, Exp 0	0 of 6, Exp 0
	BAND - E	0	1 of 5, Exp 0	2 of 20, Exp 0	0 of 4, Exp 0	0 of 4, Exp 0
	BAND - D	0	1 of 26, Exp 1	1 of 42, Exp 2	0 of 26, Exp 1	0 of 26, Exp 1
	BAND - C	0	0 of 52, Exp 2	2 of 28, Exp 1	1 of 42, Exp 2	1 of 29, Exp 1
	BAND - B	0	2 of 56, Exp 3	2 of 41, Exp 2	1 of 29, Exp 1	2 of 15, Exp 0
Hispanic	BAND - A	0	3 of 51, Exp 3	1 of 15, Exp 0	1 of 33, Exp 1	1 of 7, Exp 0
	BAND - BB	0	0 of 4, Exp 0	2 of 7, Exp 0	No Activity	1 of 3, Exp 0
	BAND - F	0	1 of 4, Exp 0	0 of 8, Exp 0	2 of 7, Exp 0	0 of 6, Exp 0
	BAND - E	0	5 of 26, Exp 3	5 of 20, Exp 3	0 of 8, Exp 0	2 of 4, Exp 0
	BAND - D	0	5 of 42, Exp 5	3 of 20, Exp 4	5 of 20, Exp 3	5 of 20, Exp 4

GAPS AND GOALS		12/31/2017			3/31/2018			3/31/2016					
Class	Band	Total	# Diverse	% Diverse	Total	# Diverse	% Diverse	Availability	# Change	# Gap	To Red	To Yellow	To Green
FEMALE	BAND - BB	178	34	19.10%	185	36	19.46%	24.27%	2	-9	-3	-2	9
	BAND - F	336	65	25.30%	335	66	26.07%	26.31%	1	-9	-8	-7	9
	BAND - E	660	174	26.36%	671	173	25.78%	26.57%	-1	-5	-18	-17	5
	BAND - D	1,324	333	25.15%	1,348	347	25.76%	25.93%	14	-16	-17	-16	15
RACE/ETHNICITY	BAND - BB	178	34	19.10%	185	36	19.46%	18.44%	2	-9	-13	-12	-2
	BAND - F	336	74	22.02%	335	74	22.06%	23.37%	0	-21	-20	-20	-8
	BAND - E	660	136	20.61%	671	140	20.86%	23.59%	4	-16	-4	-3	18
	BAND - D	1,324	326	24.62%	1,340	329	24.44%	23.31%	3	-15	-6	-6	-15
Black/AA	BAND - BB	178	11	6.18%	185	12	6.49%	4.36%	1	-1	-10	-9	-4
	BAND - F	336	17	5.06%	335	16	4.78%	5.11%	-1	-1	-7	-6	1
	BAND - E	660	35	5.30%	671	37	5.51%	4.38%	2	-8	-19	-18	-8
	BAND - D	1,324	50	4.46%	1,340	50	4.38%	5.07%	0	-9	-7	-6	9
Asian	BAND - BB	178	19	10.67%	185	20	10.81%	9.24%	1	-8	-11	-10	-3
	BAND - F	336	45	13.39%	335	44	13.13%	12.40%	-1	0	-21	-20	-9
	BAND - E	660	77	11.67%	671	76	11.77%	13.95%	2	-16	-4	-3	15
	BAND - D	1,324	212	16.01%	1,340	212	15.78%	11.93%	0	-11	-76	-74	-51
Hispanic	BAND - BB	178	3	1.68%	185	3	1.62%	3.96%	0	-4	-1	0	4
	BAND - F	336	11	3.27%	335	13	3.88%	3.97%	2	-6	-7	-7	-1
	BAND - E	660	20	3.03%	671	20	2.98%	3.94%	0	-5	-4	-3	0
	BAND - D	1,324	46	3.70%	1,340	51	3.79%	4.13%	2	-5	-10	-9	5



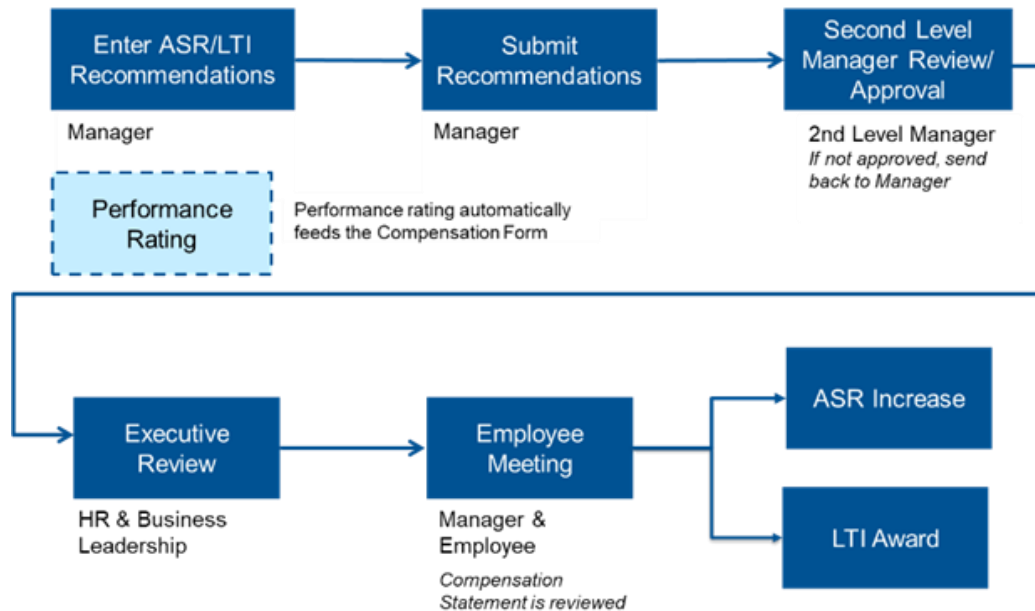
Transactions by Band	Diverse	#	Total	% Diverse	% Overall Diverse	Total	# Diverse	% Overall Diverse	Total	# Diverse	% Overall Diverse		
D to BB	0	39	20	51.28	77	45	58.44	35	22	62.86	89	20	51.28
A to C	0	109	90	82.20	104	66	63.86	48	56	56.47	48	24	50.00
Grand Total	0	109	110	90.10	162	93	57.41	139	78	56.12	139	44	50.97

Coming Restricted - Personal Data

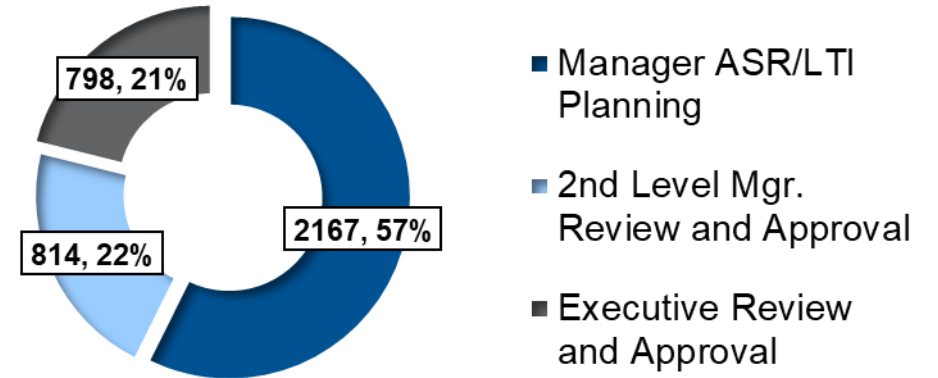
Failed Exact Binomial Negative Gap Positive Gap

ASR / LTI Planning Launched April 17 & Closes May 23

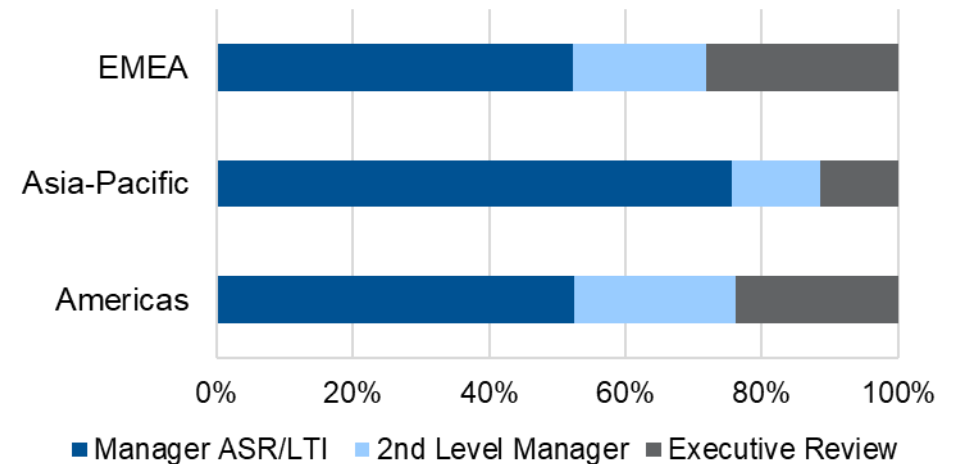
- Making great progress!
- First time for first-level supervisors
- Approval workflow limited to second-level approver
- Senior business leaders have final approval during Executive Review
- Support processes working well
- Resources available in the HR Toolkit



Overall Compensation Planning Route Map Progress (as of April 30)



Regional Progress (as of April 30)



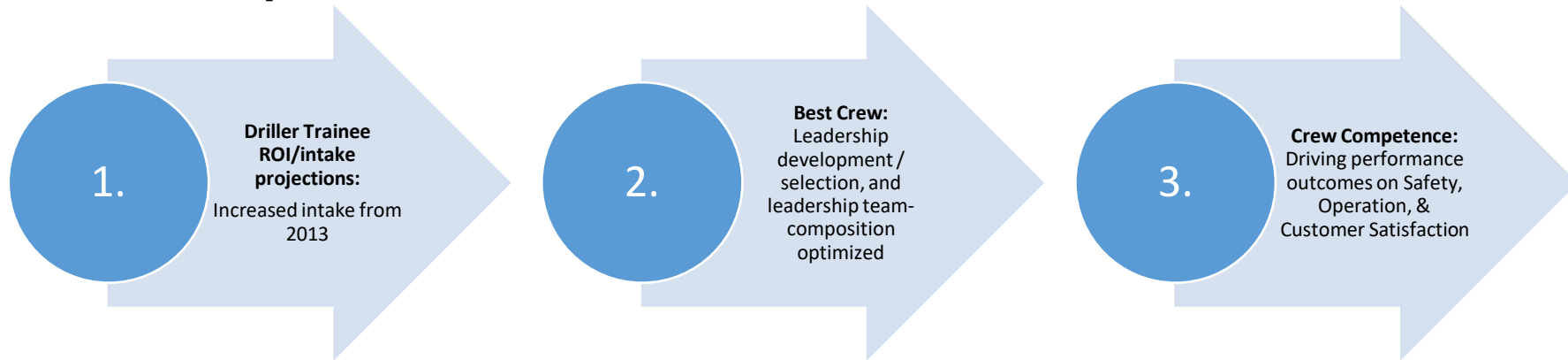
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Bill:



Interventions supported by HR Analytics

Three recent examples...

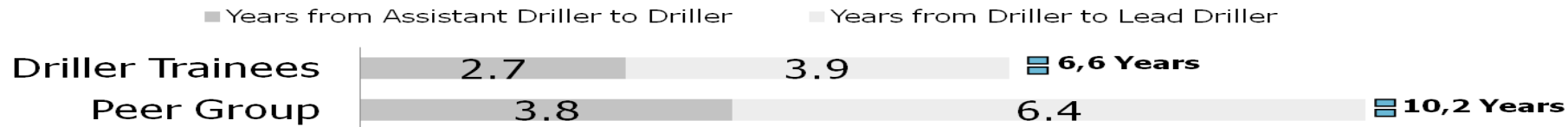


1. ROI on Lead Drillers with Driller Trainee Background

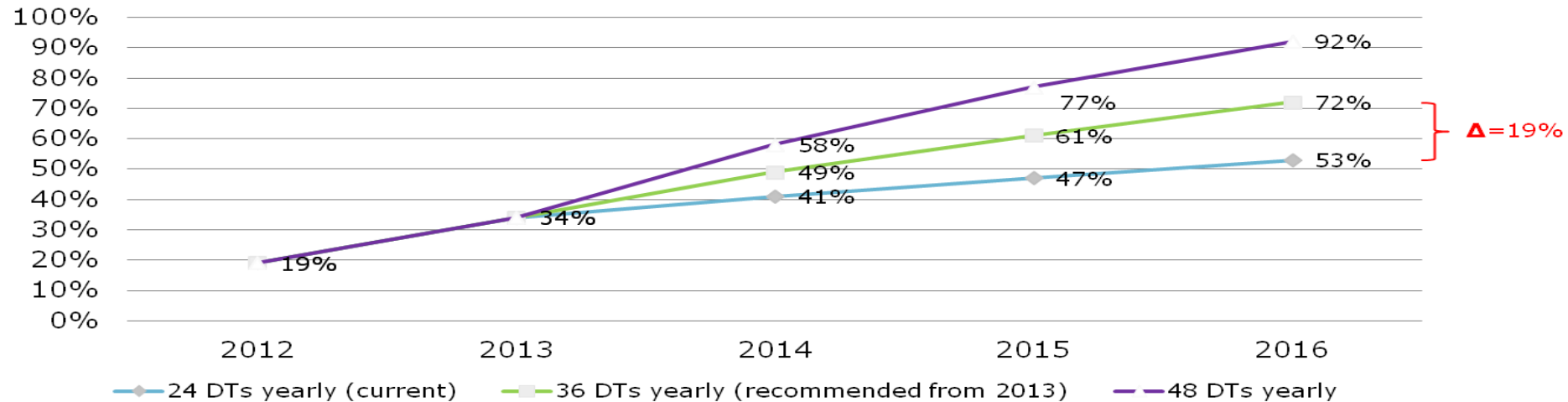
Advantages on Retention, Development Time, Cost & Performance

	Driller Trainees	Peer Group	Difference
Retention after 5 years	63%	60%	+3% Retention
Time to develop into Lead Driller	6,6 Years	10,2 Years	- 3,6 Years
Total cost pr. person prior to Lead Driller Position*	1,882,500 USD	2,850,000 USD	- 967,500 USD
Performance average in Lead Driller position 2010/2011 (PA 1-5)	3,3/3,5	3,2/3,2	+0,1/+0,3

Promotion Rate



Proportion of Assistant Drillers with Driller Trainee background



Analytics Do's & Dont's

- **Build a Data & Analytics end-to-end portfolio:** HRIT, Data Management, Reporting, Analytics, Assessment, Surveys
- **Reports to CHRO** to ensure the right business focus and that bad news don't get stopped
- **Look at the few things that matter a lot**
- **Add to analytics expectations to an existing reporting team** without new leadership or capabilities to support it
- **Embed under a functional area** (Talent, Learning, etc.) as focus will be skewed
- **Look at the many things that don't really matter**/focus on HR outcomes

Workforce & Talent Analytics – Q&A and Discussion
