

Is poor data sabotaging your HR initiatives?

by Iain Hopkins

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Only 15% of surveyed organizations give themselves high marks on HR data accuracy, with the key HR data issues found to include validity, duplication, outliers, and poorly defined calculations or definitions (for example, what are all of the costs associated with an organization's 'Cost to Hire' metric?).

These limitations can make interpreting metrics difficult for the key stakeholders and reporting end-users, Bersin by Deloitte's study, *Measures that Matter*, found.

Poor quality data has been a recurring problem witnessed by Thomas Hedegaard Rasmussen throughout his career. Currently GM people analytics, insights & experience at banking giant NAB, Hedegaard Rasmussen has also run people analytics functions in global organizations such as trade and logistics company A.P. Moller-Maersk and oil giant Shell. These experiences have demonstrated to him the importance of starting with solid data foundations.

"All meaningful analytics start with asking the right questions," Hedegaard Rasmussen told *HR Tech News*. "But if the data being entered into systems in the first instance is poor, then you can expect poor results. It's a classic case of garbage in, garbage out."

Bersin by Deloitte suggested 'clean' HR data can be obtained by:

- Creating easy-to-understand system documentation for end-users – this should be specific to your organization and not the generic guide or system overview documents provided by vendors.
- Creating validation rules for entering data into your HRIS. These rules verify that the data entered by a user meets the standards specified before the information can be saved.

These rules can also ensure mistakes aren't entered in the first instance. A basic example would be the use of capital letters for names. Do you take the time to convert into lower or upper case letters?

- Utilizing the system's reporting function to create queries for the administrator to run highlighting data entry errors or omissions. Reports can help team members not only stay organized, but on top of the data for which they are responsible.
- Providing appropriate training to all who update data sets via the HR systems.

If HR leaders are concerned about the quality of their data, Hedegaard Rasmussen said they should start with the "low-hanging fruit". For example, looking at the impact of engagement on business-critical outcomes – financial outcomes or customer satisfaction outcomes – is a good place to start, if only because the collated engagement data is usually more reliable and easier to interpret.

"You will always find something there because the link is so strong," he said. "For example, at NAB we found that 19% of our sales productivity in our bank branches is attributable to employee engagement, just by comparing branches that score high on this or score low on this. But we only knew this because we had people in the HR team who were subject matter experts. They knew what was keeping the business leaders up at night. Once you know those key business drivers, you can start back from that point."

He added that before moving ahead to more sophisticated data correlations and tracing the line from HR data to other business results, the NAB team has always aimed to ensure the data being entered into their HR systems is as accurate as possible. To ensure accuracy, a series of data accuracy checks have been implemented, which broadly follow the Bersin by Deloitte tips outlined above.

"Without accurate data, metrics and operational reporting may as well not even exist," Hedegaard Rasmussen said. "It's in our best interests to make it as accurate as possible."

<https://www.hrtechnologynews.com/news/people-analytics/is-poor-data-sabotaging-your-hr-initiatives/97844>

Submitted by: Ruth Edge – Cardinia Shire Council