

HR.com's State of People Analytics 2024-25



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Executive Summary

HR has an ongoing analytics problem. Our longitudinal research indicates that, on average, organizations have not significantly improved over the last four years in terms of their ability to design and implement processes to get the most value out of their people analytics.

So, does this imply that progress in this critical HR area has completely stalled? To find out, we conducted our latest study on the State of People Analytics 2024-25. Here we not only look at the perceived success of people analytics initiatives but also factors such as trends, challenges, capabilities, and possible best practices.

We discovered that not all the longitudinal news is dire. In some areas, organizations seem to have made some progress. For example, today's organizations are more likely to report that their ability to evaluate data is good or very good. So, perhaps HR professionals are raising their overall expectations of people analytics even as they make slow progress in various areas.

Another possibility is that the primary goals of people analytics have evolved, influencing perceived effectiveness. For example, in 2021 and 2022, we found that the HR functional area where people analytics was most important was compensation, but by 2024, employee experience/engagement was at the top of the list. We think that the ability to influence employee experience via people analytics is more challenging than the ability to analyze and influence compensation, even keeping in mind that inflation was making compensation especially difficult in 2021 and 2022.

We examine these and other insights in our summary of key findings below.

About the Survey

HR.com's "State of People Analytics 2024" survey ran from June to August 2024. We gathered responses from 256 HR professionals in virtually every industry vertical. Respondents are from all over the world with the majority from the United States.

The participants represent a broad range of employers, ranging from small businesses with fewer than 50 employees to enterprises with 20,000 employees. Over three-quarters (78%) of the responses represent midsize and large organizations.

Our Major Research Findings

Major Finding 1

Few organizations are highly effective at people analytics (PA) and believe in their PA capabilities, indicating that people analytics remains a major challenge for today's HR departments.

- Today, only 22% rate their organizations as “very” or “extremely” effective at designing and implementing processes to get the most out of people analytics.
- In contrast, twice as many (44%) say their organizations are only somewhat effective or not effective at all in this area.

Major Finding 2

There is a drop in the perceived utility of people analytics compared to last year.

- Almost half (48%) agree or strongly agree that people analytics lead to better business outcomes.
- However, this is a considerable drop from the 57% who reported people analytics led to better outcomes last year.
- And, a quarter actively disagrees that people analytics lead to better outcomes.

Defining People Analytics

Within the context of our survey, we defined people analytics in the following way:

Also referred to as **HR or talent analytics**, people analytics refers to the process of collecting and analyzing people-related data for the purpose of producing insights that improve decision-making and business outcomes. People analytics generally includes the use of investigative techniques, statistical methodologies, various technologies, and analytical expertise. It is sometimes coupled with the term “metrics,” and it may include the analysis of both “big data” and smaller, qualitative data sets. People analytics are often combined with other business analytics to improve organizational insights.

Major Finding 3

Organizations still struggle with making constructive changes based on people analytics insights.

- Half of HR professionals feel that their organization's ability to generate and gather people data (51%) and understand and evaluate data for people analytics (50%) is good or very good, though the ability to evaluate data is up from 36% in 2021.
- However, fewer feel the same way about their ability to:
 - ▶ communicate results and insights from people analytics (45%)
 - ▶ make constructive changes based on people analytics insights (33%)

Major Finding 4

The five most widely cited functional areas where people analytics plays an important role are:

- employee experience/engagement (55%)
- retention (49%)
- performance management (49%)
- compensation and benefits (49%)
- recruitment and selection (47%)

Major Finding 5

Another reason for perceived ineffectiveness may be that organizations often fail to integrate business data with people data.

- Only 22% often or always integrate business data with HR data.
- When organizations do integrate people analytics with business data, they are most likely looking at the following three areas:
 - ▶ operations (61%)
 - ▶ finance (51%)
 - ▶ employee communications data (29%)

Major Finding 6

In the area of people analytics, three processes stand out as being particularly difficult. They are related to:

- integrating disparate sources of data (47%)
- implementing programs based on decisions derived from analytics (41%)
- distribution/communication (33%)

Major Finding 7

Organizations use a variety of tech-based analytics/intelligence solutions, the most common of which are:

- spreadsheet software
- analytics tools built into other HR systems (HCMS, LMS, ATS)
- survey tools and technologies

Major Finding 8

The top areas organizations are most likely to use artificial intelligence for people analytics are:

- analyzing employee data (e.g., engagement)
- improving predictive analytics (e.g., at-risk talent)
- helping identify qualified job candidates

Major Finding 9

Compared to organizations that do not excel at people analytics (PA laggards), those that do (PA leaders) are:

- many times less likely to find PA processes such as integration, implementation, and visualization difficult
- almost 5X better at making constructive changes based on people analytics insights
- 4X more likely to believe their organization's people analytics processes and/or technology systems help make talent decisions that improve business outcomes
- almost 4X better at generating/gathering people analytics data and understanding/evaluating data

Please note that the findings and recommendations contained in this report are informational only. Nothing in this report should be construed as constituting legal opinions or advice. Please consult an attorney if you have questions about the legal requirements, rules, or regulations associated with any content discussed in this report.

People Analytics: Effectiveness, Responsibility, and Outcomes



Finding: Few organizations excel at leveraging people analytics

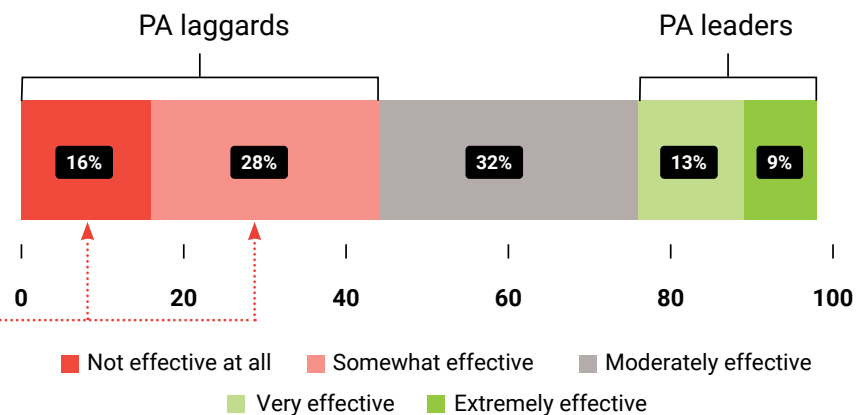
Despite the [rising importance](#) of people analytics as a business imperative, only 22% percent of respondents indicate they are currently very effective or extremely effective at designing and implementing processes to extract the most value from their current people analytics endeavors. This is about the same proportion as we saw in the [2023 research](#) on this topic (and the numbers were higher in [2021](#) and [2022](#), at 25% and 27%, respectively). In contrast, this year 44% say they are only somewhat effective or not effective at all in their use of analytics.

As we will discuss in many of the findings below, implementing people analytics is a complex task involving, among other things, having capable expertise within HR, connecting HR data with business data, and selecting/using an array of talent analytic tech-based applications.



Over four in 10 respondents say their people analytics process is only somewhat effective or worse

How effective is your organization at designing and implementing processes to get the most value out of people analytics?



People Analytics (PA) cohort classification

To better analyze the data from our survey on people analytics, we broke our respondents into groups or cohorts based on the previous question:

- **People analytics leader organizations (aka PA leaders)** are respondents who indicated their organization's ability to get the most value out of their people analytics today is extremely or very effective.
- **People analytics laggard organizations (aka PA laggards)** are respondents who indicated their organization's ability to get the most value today out of their people analytics today is somewhat effective or not effective at all.

For the purpose of creating these cohorts, we removed those that said their organizations are moderately effective in this area. Throughout this report, we will examine the data in a way that identifies correlations between various organizational factors and the perceived effectiveness of people analytics. Correlation does not prove causation, of course, but it may point our attention toward possible best practices and potential strategies.





Finding: Almost half of organizations report that people analytics leads to better business outcomes

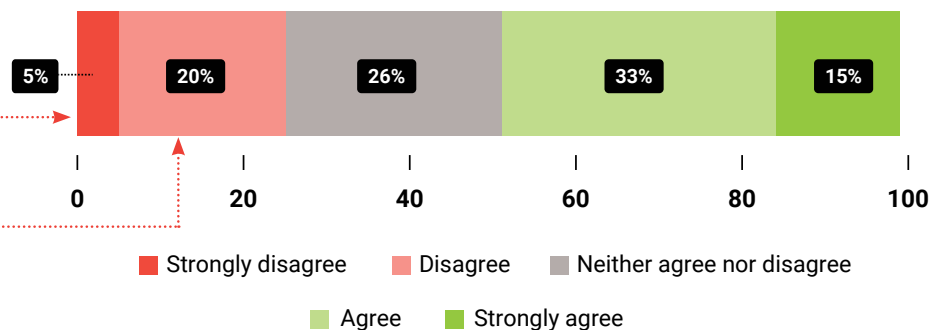
While the findings show that most organizations still struggle with business analytics, almost half of them (48%) see value, nonetheless. However, this is a considerable drop from the 57% who reported people analytics as valuable in [last year's report](#).

This decline may be due to increasing [awareness](#) of the risks, challenges, and ethical implications of employing the latest technologies, such as AI in people analytics. Additionally, a [persistent gap](#) between strategic decision-making and the HR function hinders the ability of people analytics to solve organizational issues. This requires HR professionals to develop a business mindset and employ creative techniques to ensure such insights reach decision-makers. We will discuss these issues in detail later in the report.



A quarter actively disagrees that their organization's people analytics processes help to improve business outcomes

Your organization's people analytics processes and/or technology systems help make talent decisions that improve business outcomes



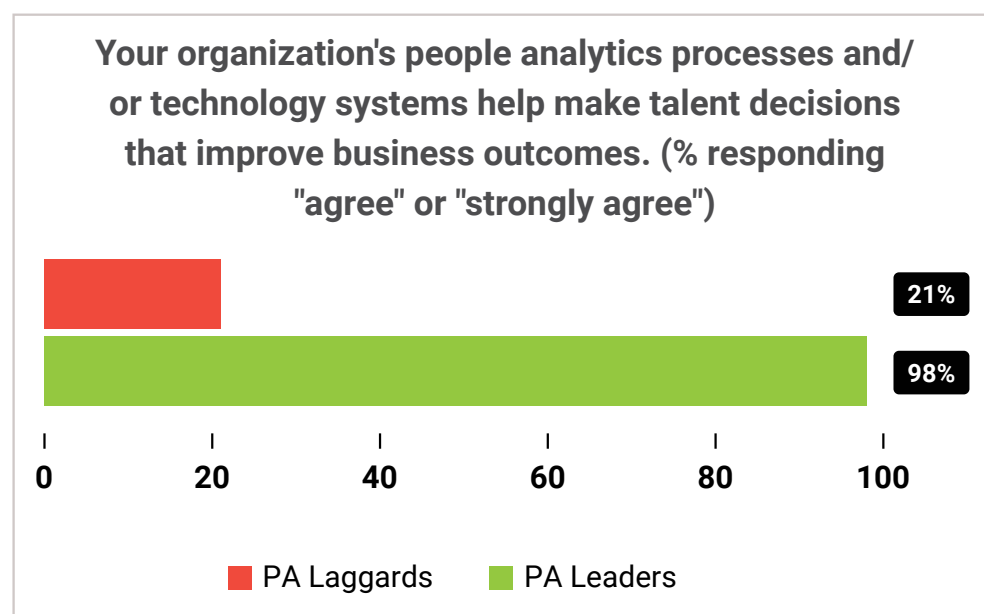


Finding: PA Leaders are far more likely to improve business outcomes using people analytics

Results of Chi-square Test

A chi-square test of independence shows that people analytics leaders are significantly more likely than laggards to say their organization's people analytics processes and/or technology systems help make talent decisions that improve business outcomes.

Fifty-five percent of the PA leaders strongly agree that their use of people analytics improves business outcomes. This compares to only 3% of the PA laggards. Combining respondents that answered "strongly agree" or "agree," a staggering 98% of the leaders believe people analytics lead to better business outcomes compared to just 21% of the laggards.



HRRI Strategic Recommendations

Based on our research, please consider these suggestions:

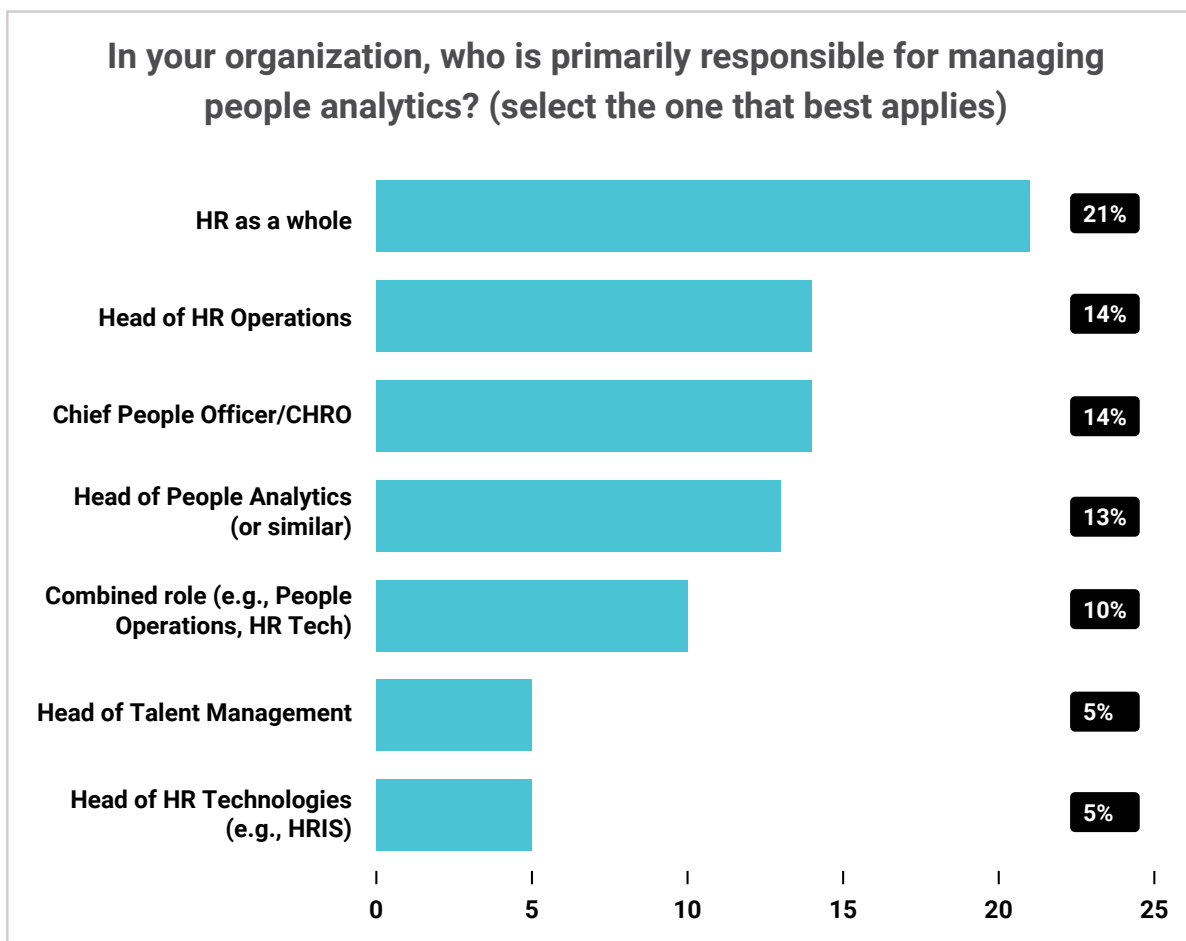
- Prioritize the development and integration of advanced people analytics processes and technology systems that help organizations make more informed talent decisions that directly contribute to improved business outcomes
- Develop a business mindset within HR, ensuring that HR insights are regularly communicated to and considered by top management.
- Ensure regular reporting and collaboration between HR and other departments; this will help embed people analytics into the broader strategic framework of the organization.



Finding: HR as a whole is most commonly responsible for managing people analytics

We asked respondents who in the organization most often leads people analytics. The responsibility falls on HR as a whole in a fifth of organizations. While this is the most chosen option, it can [dilute accountability](#) when a single person is not in charge of the function. The good news is that a single HR person is indeed in charge in many organizations (e.g., Head of People Analytics, Chief People Officer), though there is no consensus about the title this person should have.

We further asked respondents who said that the Head of People Analytics is responsible for managing analytics about their reporting authority. In most cases (30%), the Head of People Analytics reports to the Chief People Officer/CHRO, and in another fifth, they report to the Head of HR Operations.



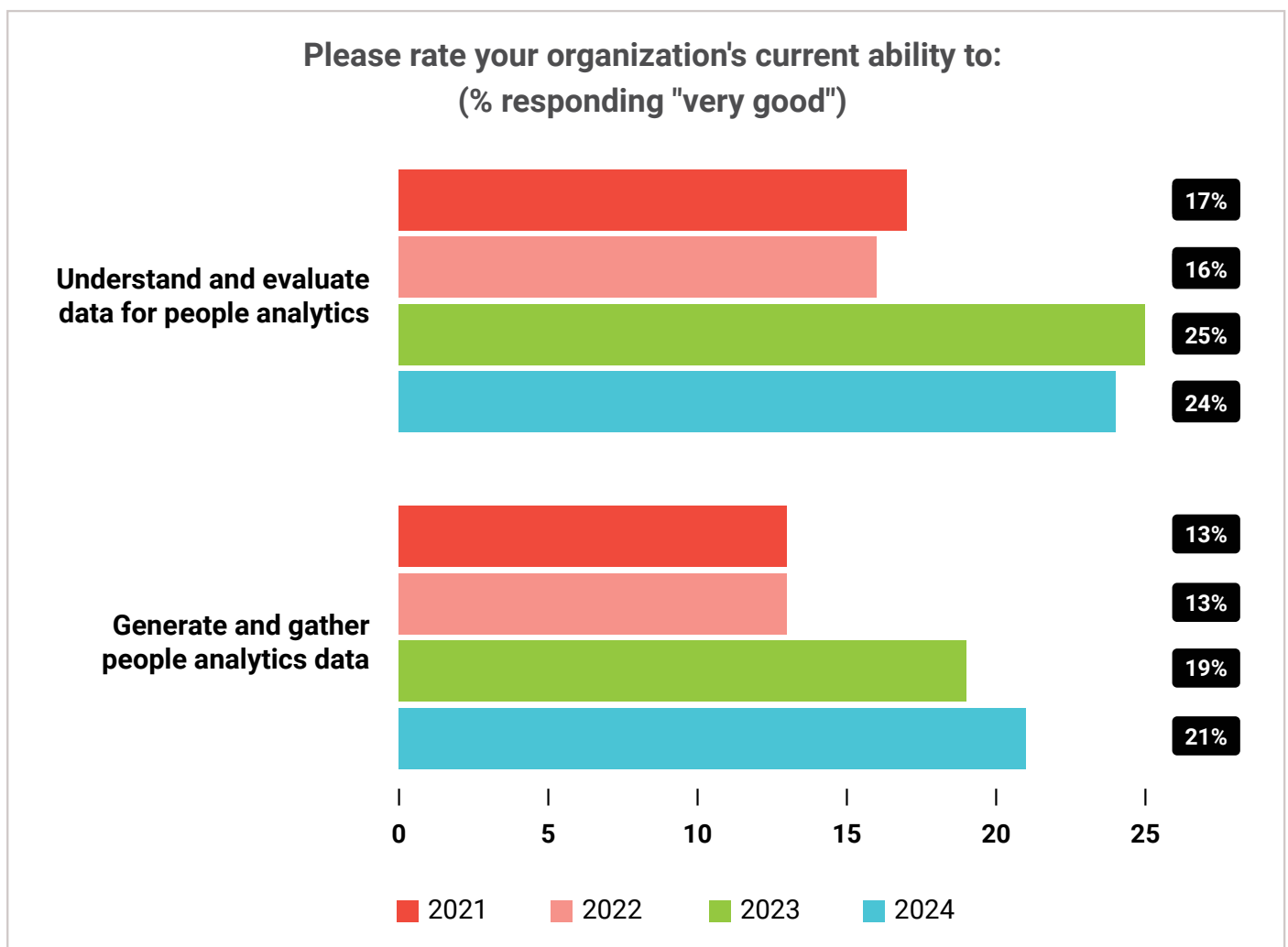
Editor's note: Only options chosen by at least 5% of respondents are included in this chart.

People Analytics Applications and Capabilities



Finding: Organizations have gotten better at gathering and evaluating people analytics over several years

When comparing the data collected on this question over the past four years, we find that organizations have sustained the improvements made over the last year in terms of gathering data and understanding and evaluating that data for people analytics.



Editor's Note: Our survey was titled "State of HR Analytics" in 2021, yet the options that are compared in the above graph have remained unchanged.



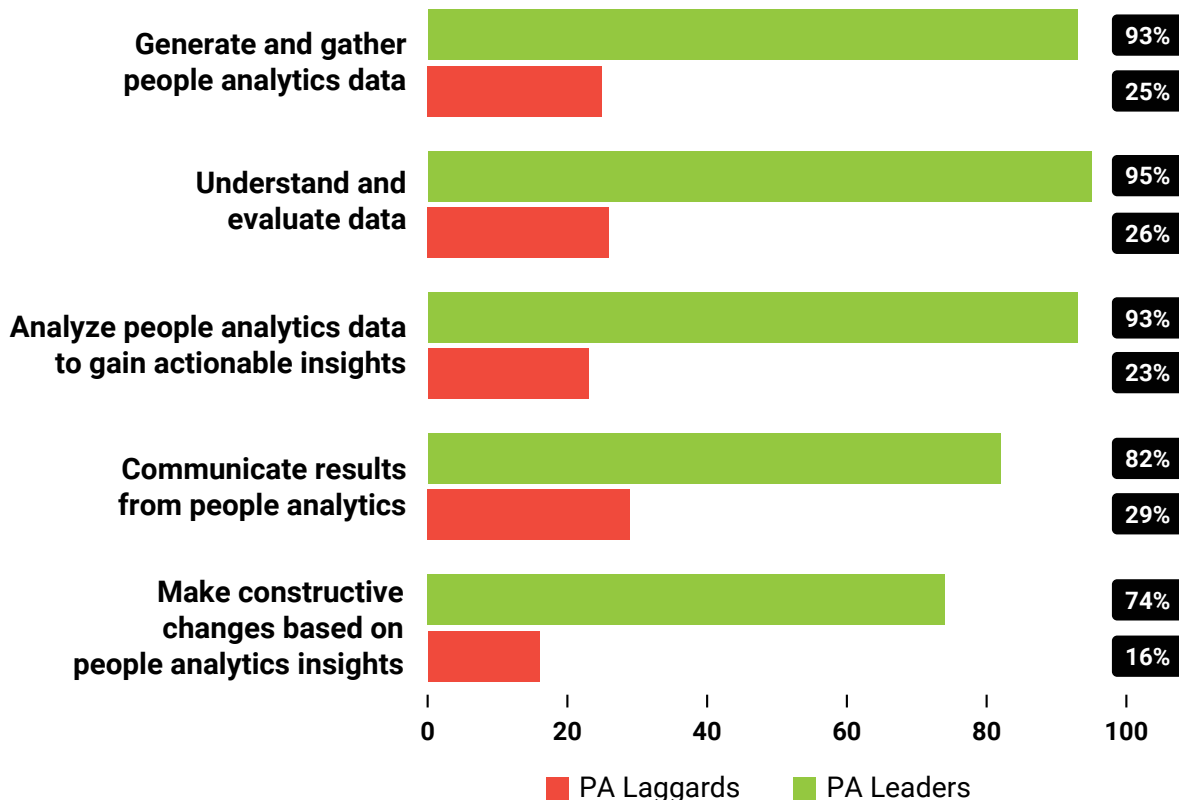
Finding: Across all five steps of the people analytics process, PA leaders are more capable than their laggard counterparts

Results of Chi-square Test

A chi-square test of independence shows that people analytics leaders are significantly more likely than laggards to rate their current ability on all listed PA processes as good or very good.

For each step, PA leader organizations have much higher performance. For example, 95% of the leaders say their ability to understand and evaluate data is good/very good. This compares to a scant 26% of the PA laggards. Leaders are also almost four times more likely to do a better job at analyzing data to gain actionable insights. And, based on their level of competence in the first four steps, they are more likely to make constructive changes to their insights, with 74% of leaders saying that they are capable compared to just 16% of laggards.

Please rate your organization's current ability to do the following:
(% responding "good" or "very good")



HRRI Strategic Recommendations

Based on our research, please consider the following suggestions:

- Prioritize developing strong analytical skills within the HR team to turn people analytics data into actionable insights.
- Develop clear communication strategies to effectively share insights from people analytics with stakeholders.
- Ensure robust systems are in place to consistently generate and gather high-quality people analytics data.
- Invest in training to improve HR professionals' ability to understand and evaluate data.



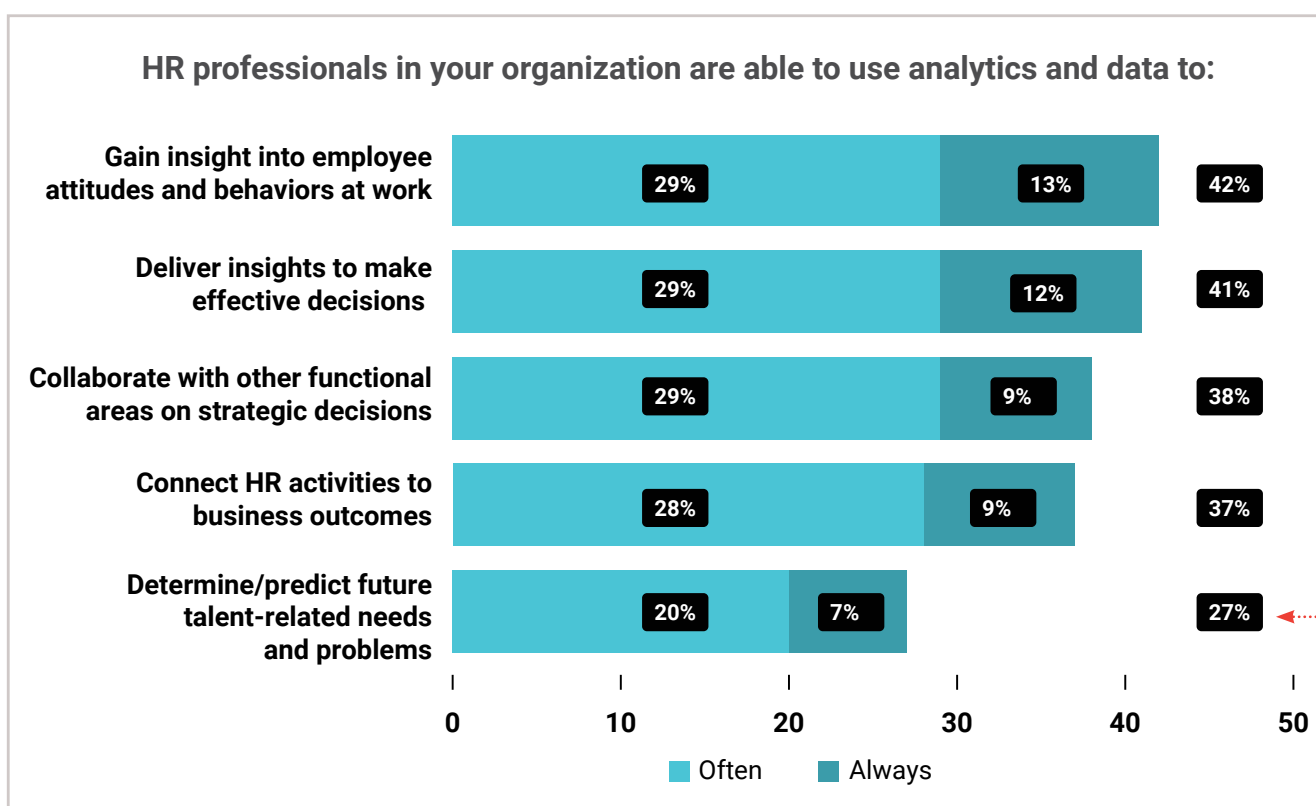


Finding: HR professionals most frequently use people analytics to gain insights into employee attitudes and behaviors

Over two-fifths (42%) of responding HR professionals use analytics to gain insights into employee attitudes and behaviors often or always. The task of delivering insights to make effective decisions is used about as often (41%).

Nearly as many of these organizations (38%) use analytics to become strategic business partners by collaborating with other functional areas on strategic decisions and linking HR activities to business outcomes.

These areas are crucial for establishing the credibility of people analytics and the HR function. While these numbers have improved from last year, there is still room for improvement, and we believe HR professionals should focus on enhancing their ability to leverage analytics effectively.



Just 27% of HR professionals use people analytics to determine/predict future talent-related needs and problems



Finding: PA leaders are better able to use analytics across several different outcomes

PA leaders are far more frequently able to use analytics across every one of the five areas we asked about. Across the board, PA leaders are over four times more likely than laggards to use analytics for these purposes often or always.

For example, six in 10 PA leaders often or always use people analytics to forecast future talent needs. This is almost six times greater than the scant 11% for the PA laggard group.

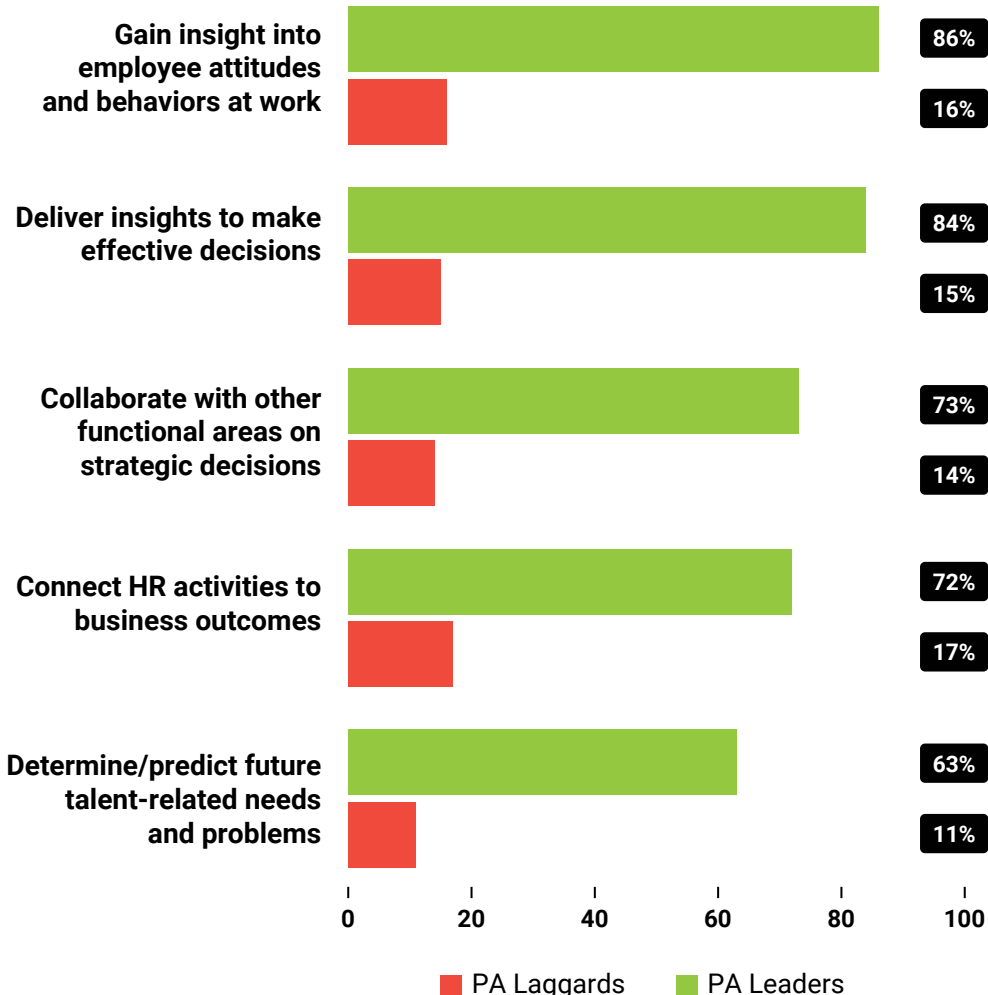
Results of Chi-square Test

A chi-square test of independence shows that people analytics leaders are significantly more likely than laggards to say they are able to use analytics and data to achieve all listed outcomes.



Leaders are over five times more likely to frequently use people analytics to collaborate with other functional areas on strategic decisions

HR professionals in your organization are able to use analytics and data to the following (% responding "often" or "always")



HRRI Strategic Recommendations

Based on our research, please consider these suggestions:

- Regularly evaluate and adjust HR activities to ensure they directly contribute to key business objectives. Implement metrics that clearly demonstrate this connection.
- Create formal collaboration channels between HR and other departments, such as finance, operations, and marketing. Encourage joint strategy sessions to integrate HR insights into broader business decisions.
- Build capabilities to analyze and interpret people analytics data effectively. Ensure that insights are communicated clearly and used in decision-making processes.
- Invest in training and tools that enable HR teams to forecast future talent needs and potential problems.
- Implement regular employee surveys, focus groups, and sentiment analysis tools to understand the workforce better. Use these insights to tailor HR initiatives that resonate with employees.



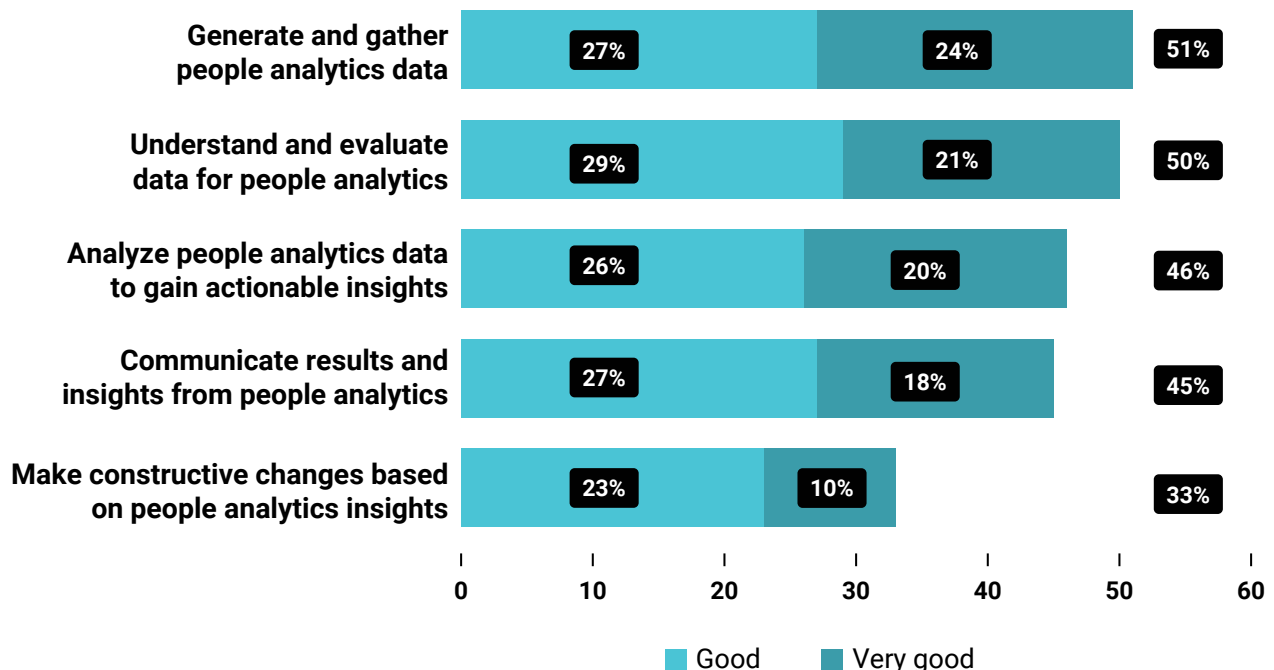


Finding: Organizations struggle with making constructive changes based on people analytics insights

We asked respondents to evaluate the effectiveness of five specific and sequential steps in a people analytics process, from gathering data to making constructive changes. They are most likely to say they are skilled (that is, good or very good) at generating and gathering people analytics data (51%). Similar proficiencies are reported in understanding and evaluating this data (50%).

Organizations seem to struggle with using the insights from people analytics to make constructive changes. Just a third rate their organizations as good or very good at this capability. Of course, making constructive changes based on insights depends on several stakeholders and factors. While top management needs to sign off on these changes, real change within organizations may require commitment from employees at all levels. Hence, it is understandable why this is the most challenging capability to manage.

Please rate your organization's current ability to:



Turning People Analytics into Actionable Insights



Finding: Employee experience/engagement tops the list as the most important HR functional areas where people analytics are most important

When asked which HR functional areas are most important for people analytics, 56% of respondents prioritize employee experience and engagement as the top areas of utility, an increase from 40% last year. Half of the respondents also highlight retention as a key focus, which is consistent with last year's findings.

However, some trends have shifted notably: diversity, equity, inclusion, and belonging (DEIB) fell from third place last year to outside the top five this year. This is concerning since a lack of analytics in this area causes problems in identifying trouble spots, establishing baselines, and measuring progress. This might reflect the contentious political landscape surrounding the issue or the [fear of risks](#) such as evidence of discrimination that analytics may uncover. Similarly, recruitment and selection dropped from first to fifth place.



For which of the following five HR functional areas are people analytics most important in your organization?



Just one-fifth cite DEIB as among the top five areas where people analytics is important



Finding: Respondents say turning data into insights is the most useful practice for improving people analytics

Which practice is most useful for improving people analytics? Almost three-fifths (56%) say collecting data in a consistent and regular manner is the most important practice. Sharing this data/knowledge and turning data into insights are also cited as important by over half of employees, along with turning data into insights (54%).



Select five of the following practices that have been most useful for improving people analytics in your organization.



Editor's Note: In the original data, 10% of respondents stated that they "don't know." We removed those responses and recalculated, so this only shows percentages for those that answered the question.



Over a third say training HR professionals on analytics is a useful practice for improving people analytics



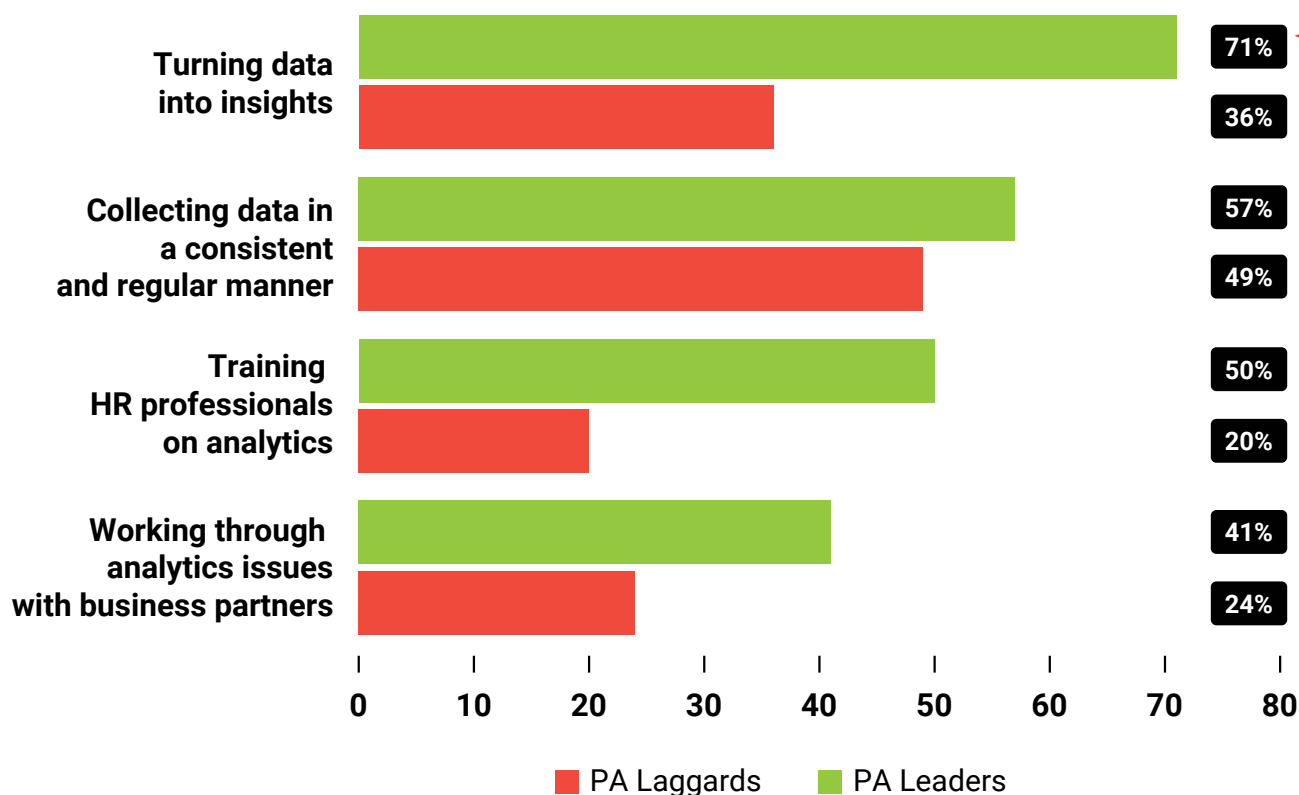
Finding: PA leaders find almost all analytics practices to be more useful than do PA laggards

PA leaders are considerably more likely than their laggard counterparts to view several practices as among the five most useful in improving people analytics. The biggest differences in the perceptions of utility are seen in the areas of training HR professionals in analytics and turning data into insights.

Results of Chi-square Test

A chi-square test of independence shows that people analytics leaders are significantly more likely than laggards to say the listed practices are useful for improving people analytics in their organization.

Select five of the following practices that have been most useful for improving people analytics in your organization.



Over two-thirds of leaders believe that the ability to turn data into insights is a top-five people analytics process.

HRRI Strategic Recommendations

Given the differences between PA leaders and laggards in practices leading to successful people analytics, we have the following suggestions.

- Implement consistent and regular data collection processes to ensure the accuracy and reliability of your HR metrics. Standardization is key to making meaningful comparisons and driving insights.
- Know how to turn data into insights. Although gathering accurate data is difficult, knowing how to leverage that data to produce strategic insights and recommendations is more difficult.
- Focus on developing the skills and tools necessary to turn data into actionable insights. HR professionals should receive proper training. Effective data interpretation is crucial for strategic HR decision-making.
- Focus analytics on areas such as DEIB. Continuously analyze diversity, equity, and inclusion metrics to identify gaps (e.g., pay inequities) and improve DEI initiatives. Data-driven adjustments can create a more inclusive and fairer workplace.

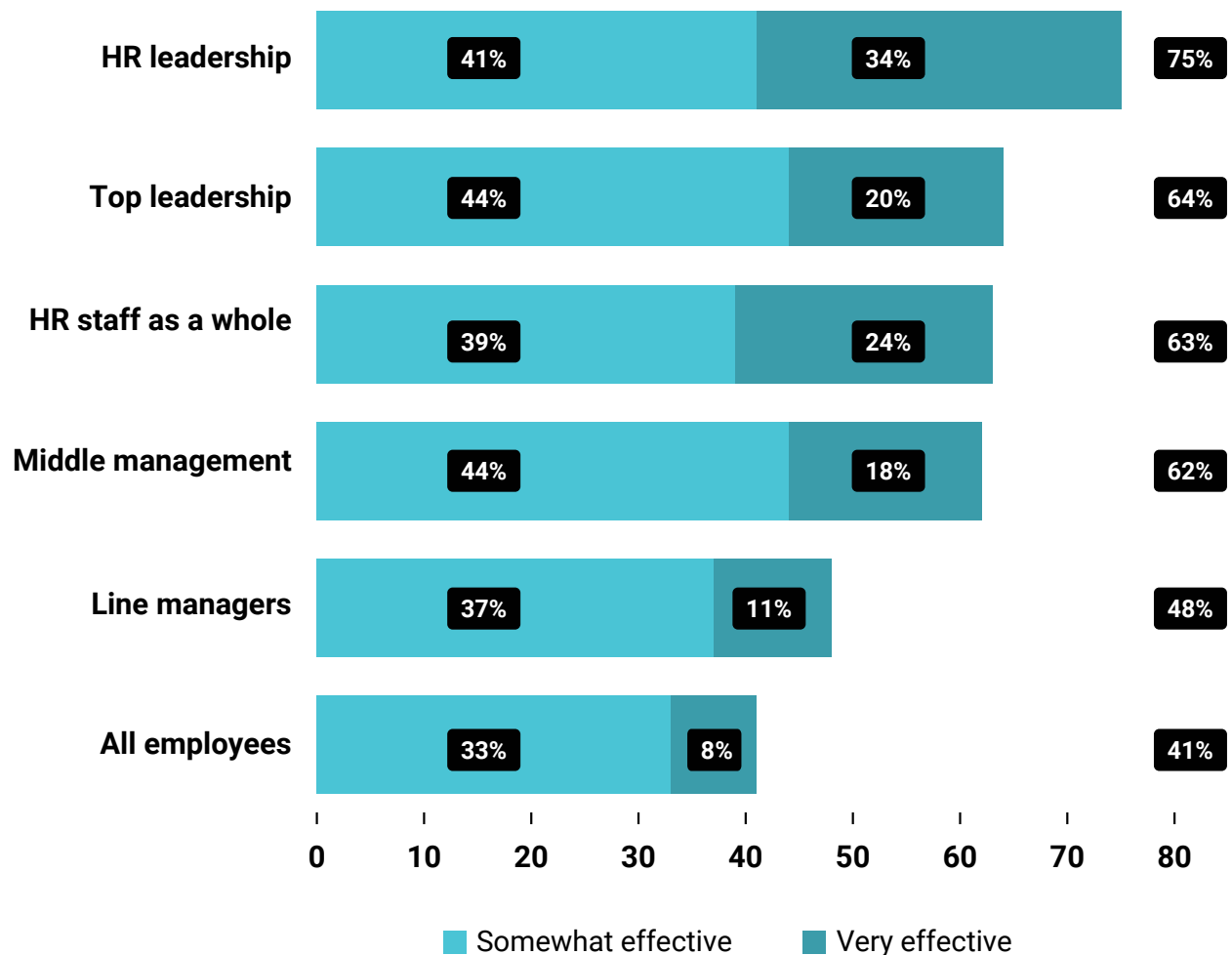




Finding: People analytics is most effective in providing insights to HR leadership

Organizations analyze data to enhance decision-making, a key leadership function. Respondents are most likely to believe that people analytics are effective at generating important insights for HR leadership, and they are least likely to believe that people analytics generate important insights for line managers and all employees. We believe, however, that to drive organization-wide change, it is optimal if people analytics deliver valuable insights to all levels of the organization.

In your organization, how effective is people analytics at generating important people-related insights for the following groups?



Major PA Challenges



Finding: Only about a third say their systems are well integrated so they can easily pull data for useful analyses

Difficulties with data integration likely stem, at least in part, from problems with system integration. About equal proportions (two-fifths) say their organization does not have well-integrated HR technology systems.

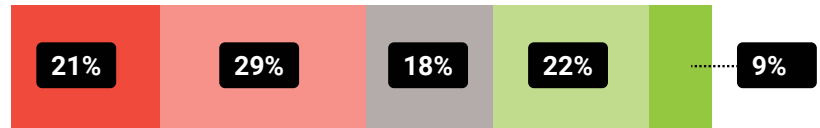
While some HR systems cover a wide range of functions, it is often the case that different systems are used for different functions (e.g., learning management or candidate tracking systems), each storing data required for analytics. Systems that allow for easy interoperability can lead to more comprehensive and seamless data collection. This can save time and resources as organizations aspire to understand how different talent initiatives affect one another. For example, performance management data might be integrated with learning/training data so that skill gaps can more easily be seen and addressed.

Relatedly, we asked respondents if their data is extracted into a unified data warehouse and/or data lake outside of the core HRIS. Again, two-fifths have such a facility, while about half do not.

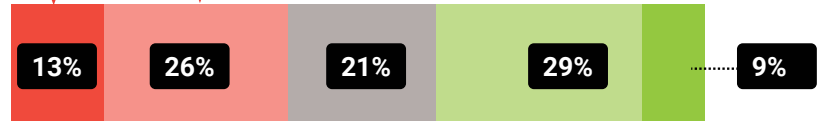


How well do you agree with the following statements?

Our data is extracted into a unified data warehouse and/or data lake outside of our core HRIS.



Our HR technology systems are well integrated so we can easily pull data for useful analyses.



0 20 40 60 80 100

■ Strongly disagree
 ■ Disagree
 ■ Neither agree nor disagree
■ Agree
 ■ Strongly agree

Note: This chart combines data from two questions: "Our HR technology systems are well integrated so we can easily pull data for useful analyses" and "Our data is extracted into a unified data warehouse."

Editor's Note: In the original data, 10% of respondents stated that they "don't know" to the question "Our data is extracted into a unified data warehouse." We removed those responses and recalculated, so this only shows percentages for those that answered the question. The numbers don't add up to 100% due to rounding.



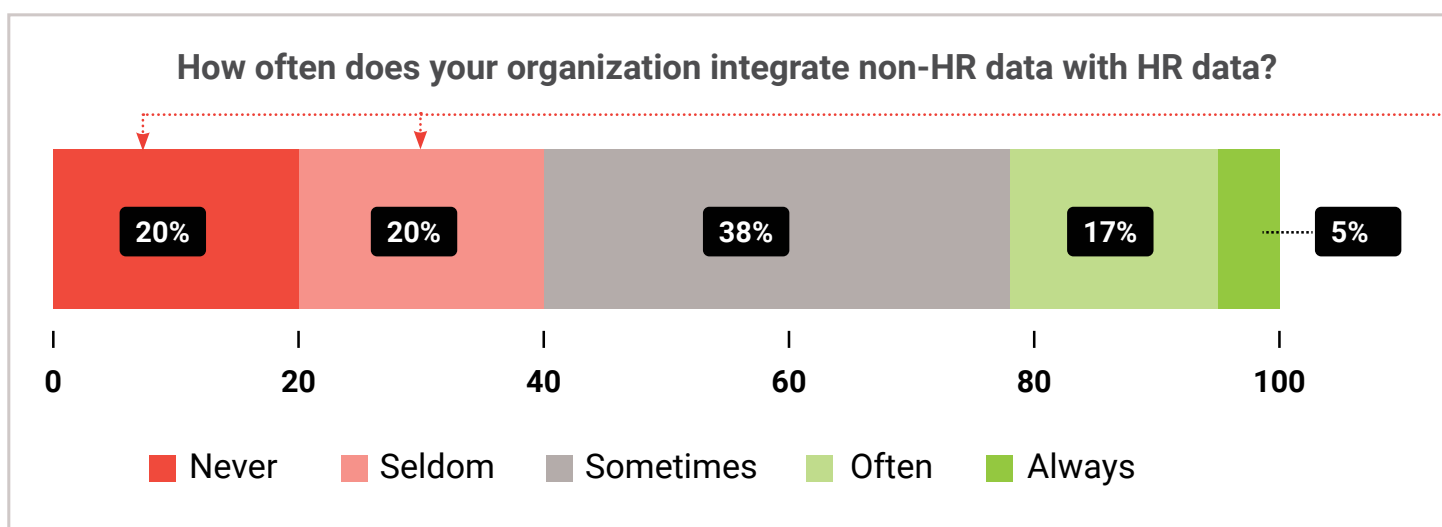
Two-fifths of respondents disagree that their technology systems are well-integrated



Finding: Just one in five organizations often or always integrate non-HR data with HR data

While integrating data between HR systems can be challenging, the ability to integrate HR data with non-HR data can be even more difficult. Yet, it is increasingly necessary as we attempt to demonstrate the impact of HR on business performance. For example, looking at turnover on its own is important. However, determining the relationship between turnover and revenue carries far greater value.

Only a minority of respondents (22%) have developed the capability to integrate non-HR data with HR data often or always. Double the number says they seldom or never integrate the two sources of data. The inability to integrate can be a barrier to HR taking a seat at the leadership table as a strategic business partner.



Editor's Note: In the original data, 15% of respondents stated that they "don't know." We removed those responses and recalculated, so this only shows percentages for those that answered the question.



Two-fifths of organizations never or seldom integrate HR data with non-HR data



Finding: PA leaders are far more likely to often integrate non-HR data with HR data

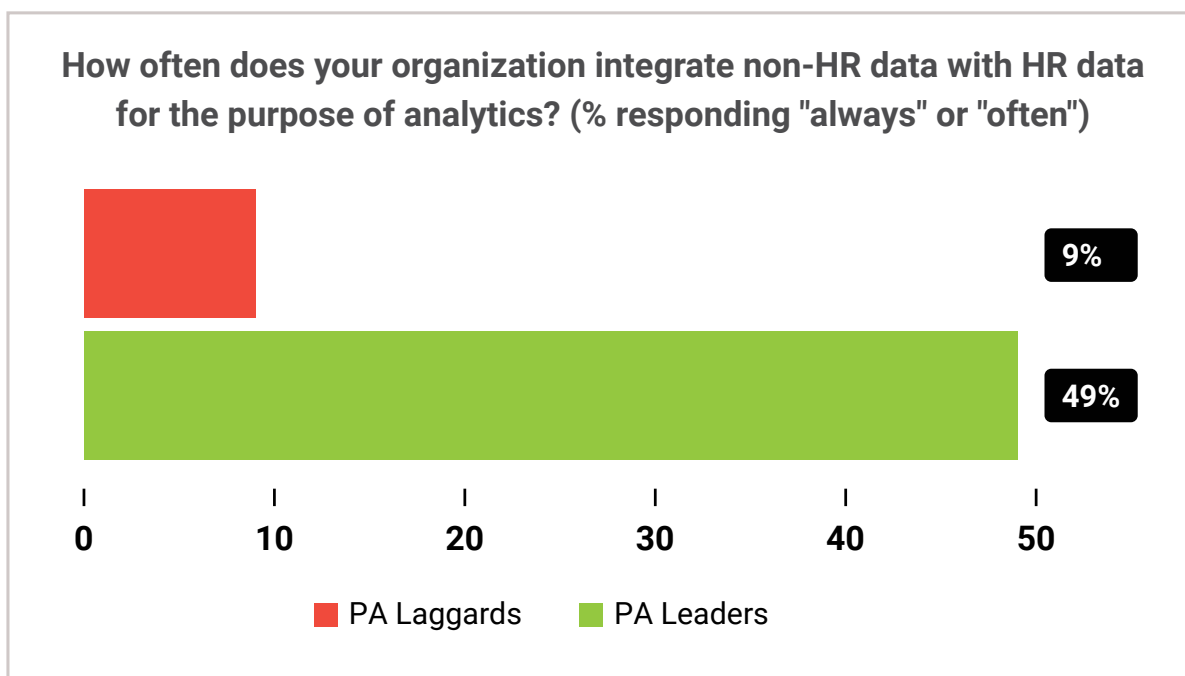
Results of Chi-square Test

A chi-square test of independence shows that people analytics leaders are significantly more likely than laggards to say they integrate non-HR data with HR data for the purpose of analytics.

Most organizations collect people and business data on disparate platforms. Furthermore, even HR data likely resides within multiple databases. A significant barrier to determining relationships between both people and business data is essential to linking people metrics to business metrics.

For example, organizations may wish to determine the relationship between the quality of hires and revenue per employee. If there's a strong relationship, then they will want to develop strategies to increase the quality of these hires.

The interoperability of HR and non-HR databases is crucial in making this happen efficiently. Nearly half of the PA leaders "often or always" integrate non-HR data with HR data, compared to just 9% of the PA laggards.



Editor's Note: In the original data, about 14% of respondents stated that they "don't know." We removed those responses and recalculated, so this only shows percentages for those that answered the question.



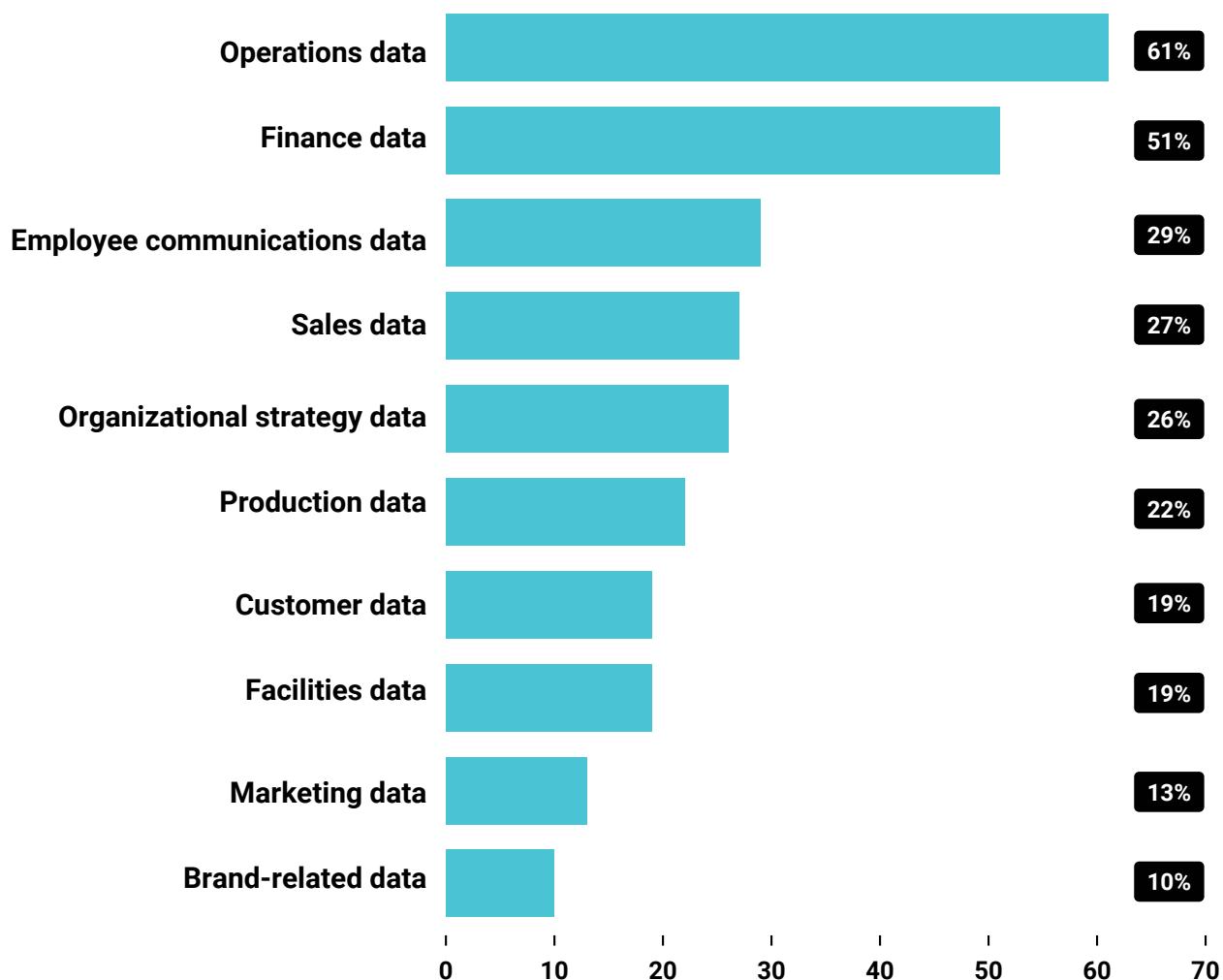
Finding: Operations data is the most common type of business data integrated with people data

We asked those in organizations that do integrate non-HR data with people data about the most common type of data that they integrate. Operations data was the most common source, chosen by just over three-fifths of the respondents. Financial data, chosen by over half of respondents, was the next most popular option.

Combining operational data (e.g., production metrics, sales figures) with people-related data (e.g., employee performance, engagement) offers a comprehensive view of how workforce factors impact business outcomes. Further, by making a connection with financial data, an organization may be able to spot how the quality of talent relates to key financial targets such as sales, profitability, shareholder value, cash flow, and customer retention rates.



What types of non-HR data are integrated with your organization's people-related data? (select all that apply)



Editor's Note: In the original data, 6% of respondents stated that they "don't know." We removed those responses and recalculated, so this only shows percentages for those that answered the question.



**Only one in five
integrate customer
data with HR data**

HRRI Strategic Recommendations

Based on our research, we have the following suggestions.

- While balancing best-in-breed solutions with the ability of solutions to easily share data, strive to ensure that your HR technology systems can integrate with one another. Consider investing in platforms that support data exchange between different HR tools to streamline processes and improve data accuracy.
- Foster strong collaboration between HR, IT, and other departments to facilitate the smooth integration of non-HR data with HR systems. This teamwork ensures that the integration aligns with organizational goals and maximizes data utility.
- Establish consistent data governance practices that apply to both HR and non-HR data. This ensures data quality, security, and compliance across all integrated systems.
- Regularly track the performance of your integrated systems to identify and address any issues quickly. Continuous monitoring helps maintain data accuracy and system efficiency.





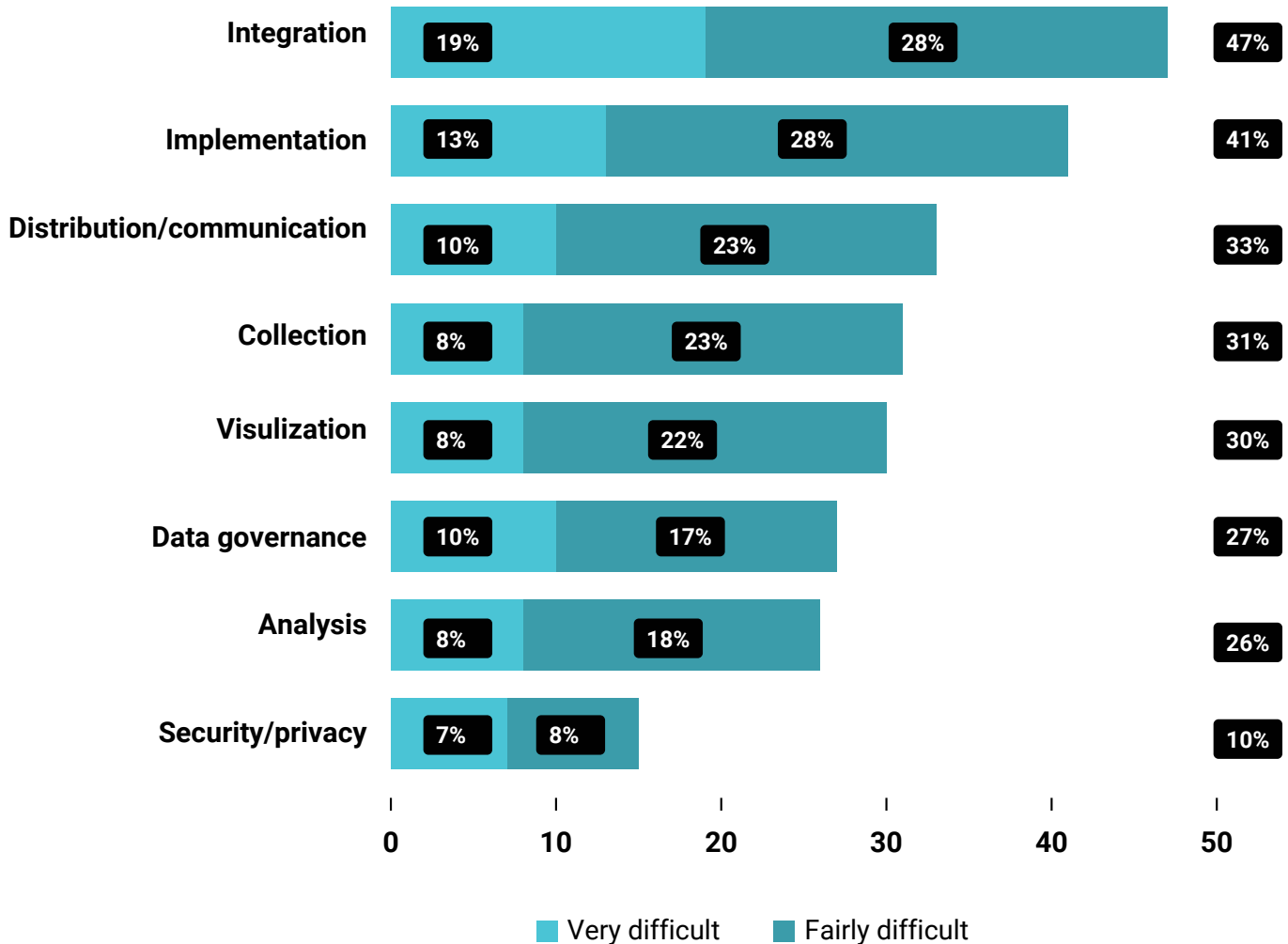
Finding: The most difficult aspect of people analytics is integration

We asked participants to rate the difficulty of eight analytics processes. The top three that were found to be fairly difficult to very difficult were data integration (47%), implementation (41%), and distribution/communication (33%).

Integrating disparate sources of data can be difficult because data may often be inconsistent. This can be a serious challenge, especially if the data sources are multiple unrelated systems. In contrast, implementation entails making sense of the data and drawing insights from it and also taking useful actions based on those insights. Further, implementation sometimes requires participation from all stakeholders of the organization. As seen in the previous finding, people-related insights do not reach all stakeholders to the same degree, making implementation more difficult.



In the area of people analytics, how difficult are the following processes in your organization?



One in three finds
visualization of people
analytics difficult



Finding: PA laggards face higher obstacles to their PA process compared to PA leaders

In all eight listed areas, PA laggards face greater challenges than leaders do. For example, laggards are 10 times more likely than leaders to report difficulties with integration and 25 times more likely to struggle with data visualization, among other issues.

These disparities may stem from various factors, including differences in HR budgets, the level of support from senior leadership, the skill levels within the HR team, and the extent to which analytic software is utilized.

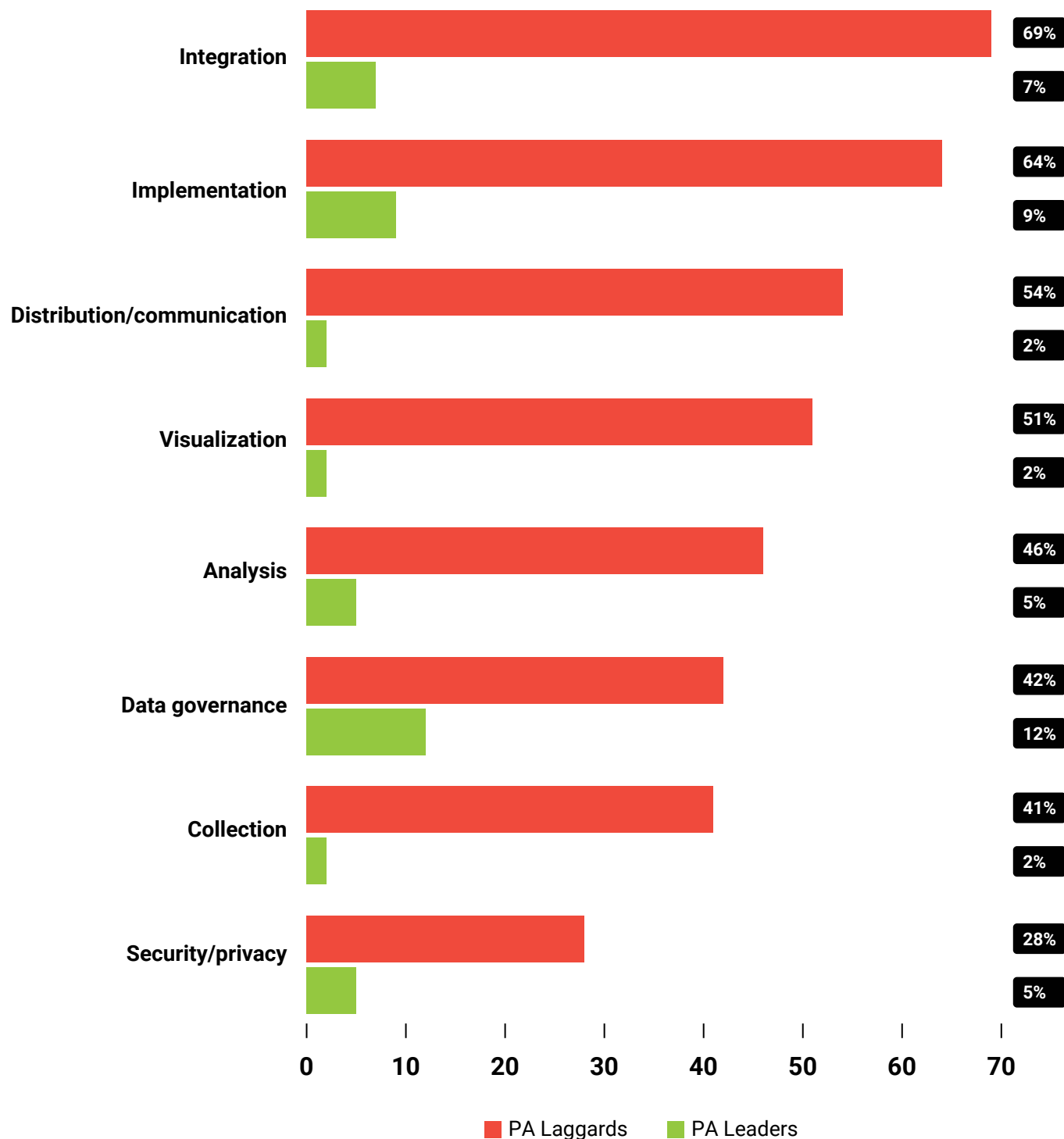
Results of Chi-square Test

A chi-square test of independence shows that people analytics laggards are significantly more likely than leaders to say the listed PA processes are fairly/very difficult.



In the area of people analytics, how difficult are the following processes in your organization?

(% responding "fairly difficult" or "very difficult")



HRRI Strategic Recommendations

Based on our research, please consider these suggestions:

- Invest in robust security protocols and regular audits to ensure data protection and build trust in your analytics processes.
- Establish clear data governance policies and assign dedicated roles to oversee data integrity and compliance.
- Focus on adopting user-friendly visualization tools that make data easier to interpret and act upon.
- Invest in integration solutions and cross-functional collaboration to help ensure seamless connectivity between different data systems.
- Regularly communicate the ROI of these data-driven initiatives to gain and keep stakeholder support.



People Analytics Technologies



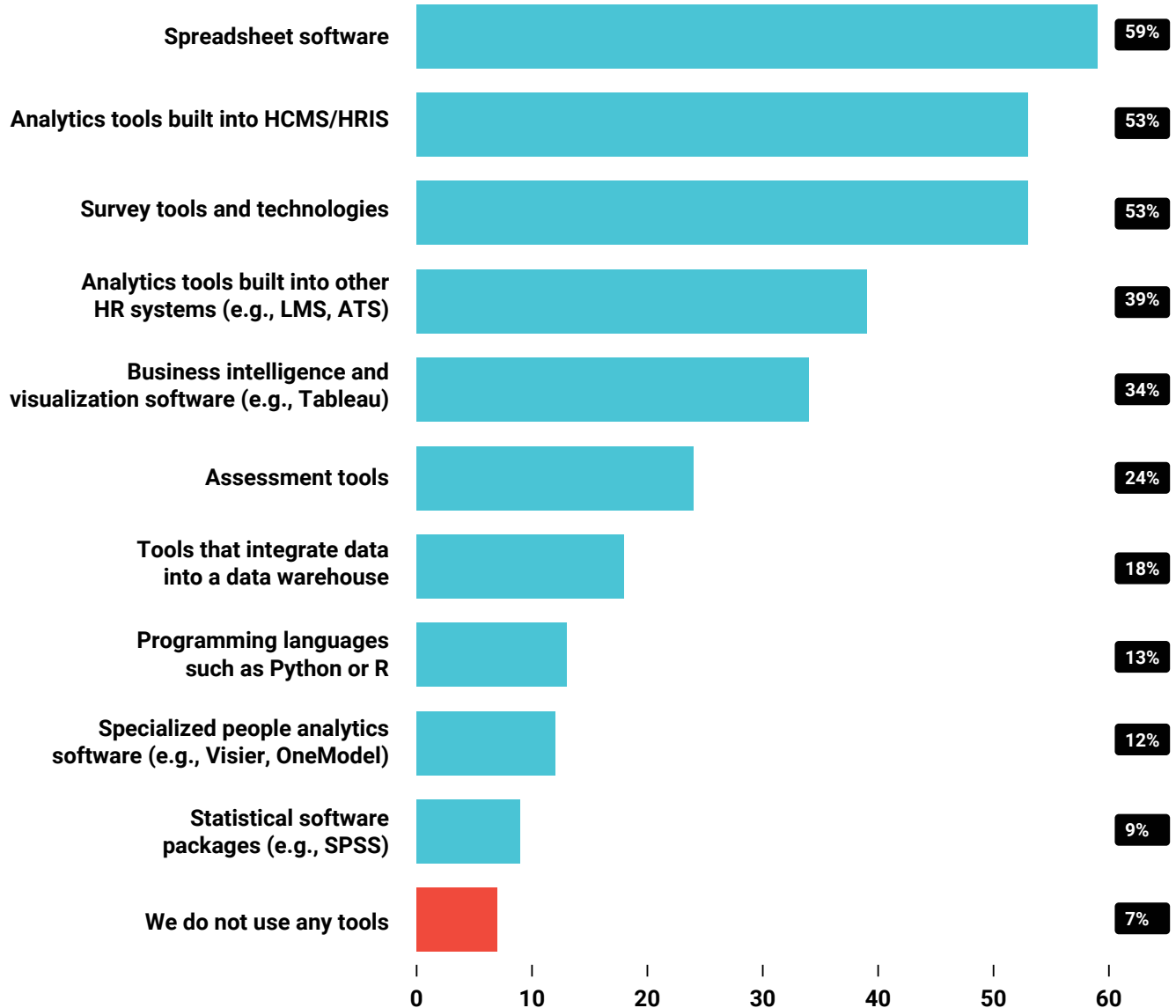
Finding: The use of analytics technologies is still limited

Choosing the right mix of people and analytic technologies is no easy task. There are many options to choose from, and it is currently challenging to find a single application that “does it all.” Each application serves single or multiple functions ranging from data storage, statistical analyses, visual presentation of data, and AI/predictive analytics.

When it comes to business intelligence/analytics solutions, survey tools and technologies (53%) and spreadsheet software (59%) are the most commonly used choices, just as they were last year. Analytics tools built into HCMs/HRIS (53%), however, have moved up in popularity. Business intelligence and visualization software, chosen by 46% of respondents last year, have dropped in usage to just a third choosing them this year.



Which people analytics and business intelligence/analytics solutions does your organization currently use? (select all that apply)



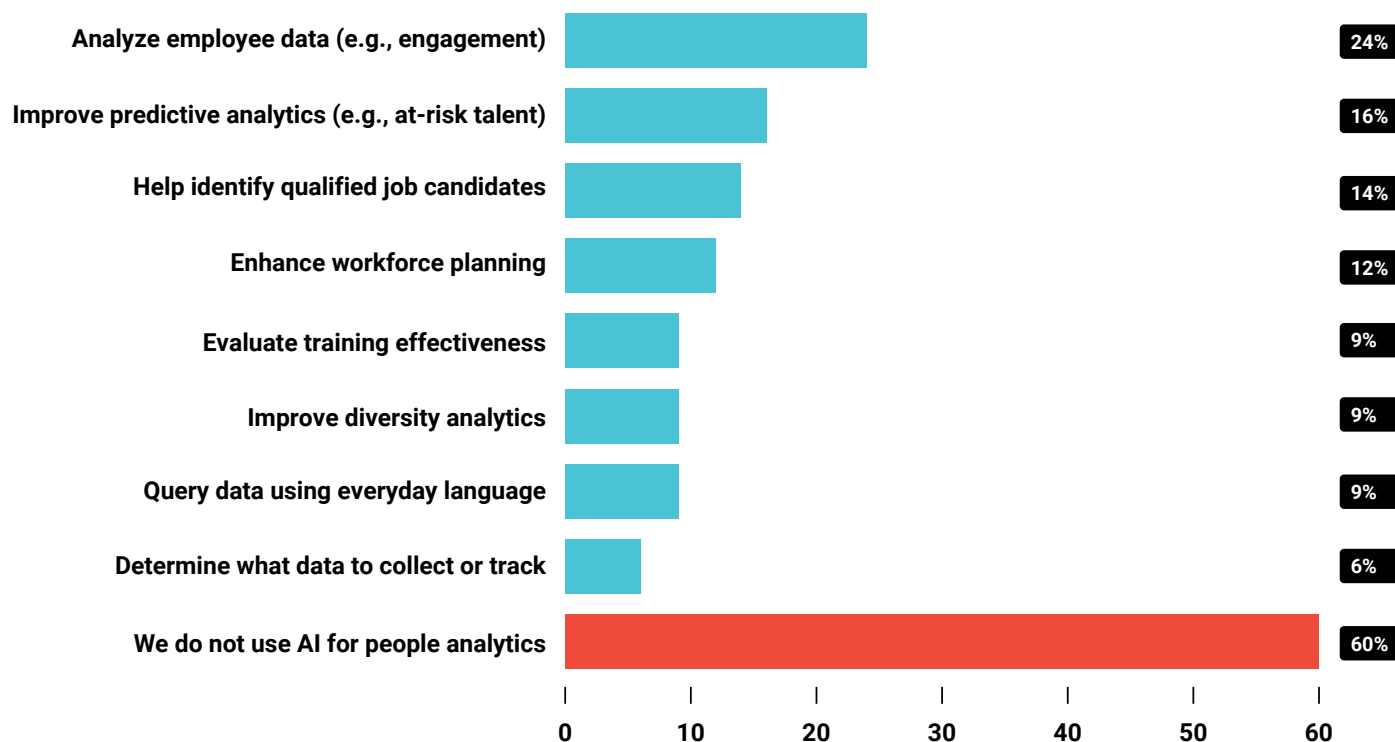
Only 12% use specialized people analytics software



Finding: Organizations are most likely to use AI in people analytics to identify at-risk talent

We asked respondents about how they use AI for people analytics. While three-fifths reported not using such technology for people analytics, the top ways of using AI include analyzing employee data (24%), improving predictive analytics (16%), and helping identify qualified job candidates (14%).

How is your organization using AI for people analytics? (select all that apply)



Almost a quarter use AI for analyzing employee data

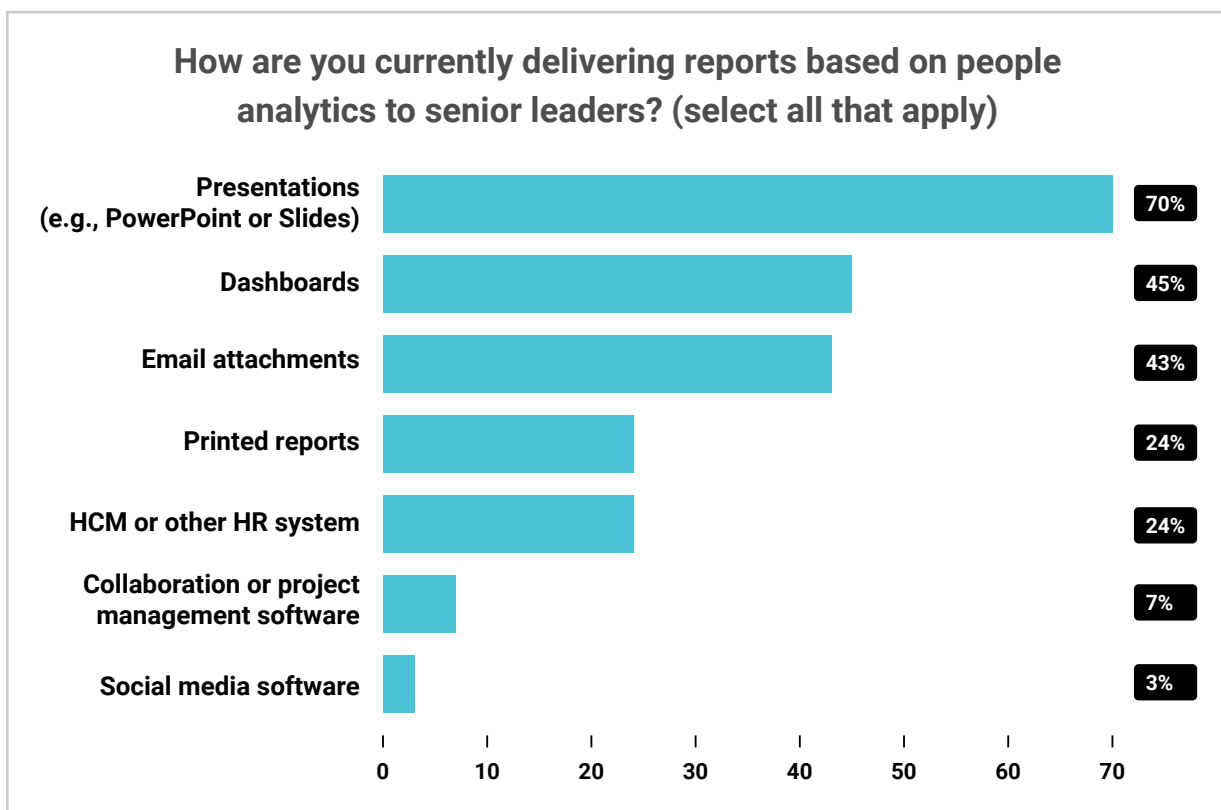
Presenting People Analytics Insights



Finding: Presentations are the most popular way of delivering PA reports to senior leaders

What are the most popular ways of presenting PA reports to senior leaders? Presentations (e.g., PowerPoint or Slides) are the most popular with seven in 10 respondents saying they use them. Forty-five percent use dashboards, and nearly as many use email attachments.

We followed up with respondents who use dashboards and asked whether the dashboards included in their organization's core technology systems are sufficient and ready to use without alteration. About two-fifths responded positively, while a third disagreed.



Editor's Note: In the original data, 7% of respondents stated that they "don't know." We removed those responses and recalculated, so this only shows percentages for those that answered the question.



Finding: Interactive visualizations are most commonly deemed an effective way of presenting people analytics

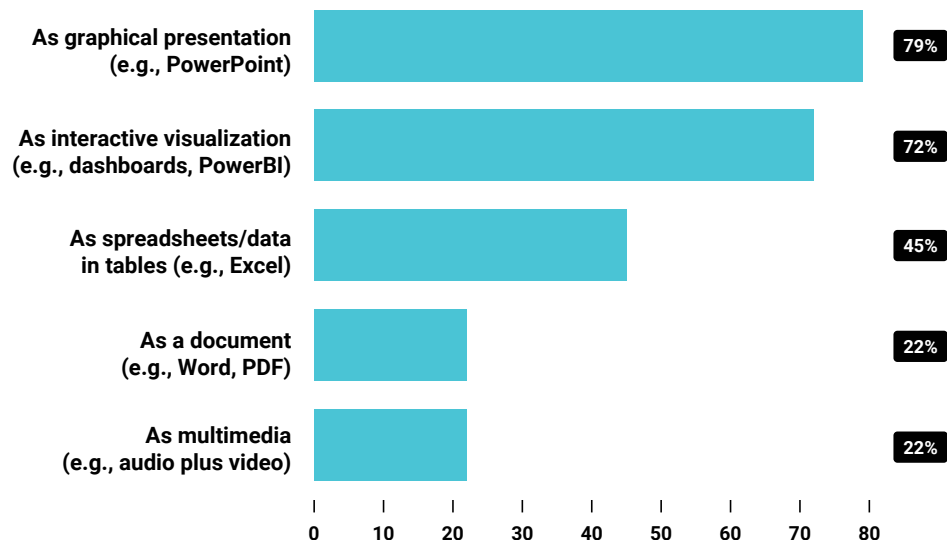
HR professionals want their analytics work to be well understood so that their organizations can make good business decisions. But what is the best way of presenting such data to maximize impact and utility?

To find out, we asked about the most *effective* presentation methods. The most preferred presentation method, chosen by eight in 10 respondents, is graphical representations of data (e.g., PowerPoint) to communicate people analytics data. The next most effective method is interactive visualizations (72%). These permit users to interface and query data, allowing them to better understand and explore the analytics. It appears that dashboards are underutilized, given that only 45% use them but 72% consider them to be among the most effective ways of presenting people analytics.



22% still consider documents to be among the most effective ways of presenting analytics

From the following list, which three do you consider the most effective ways of presenting people analytics? (select up to three)





Finding: To prepare reports, most organizations pull data from a maximum of eight systems

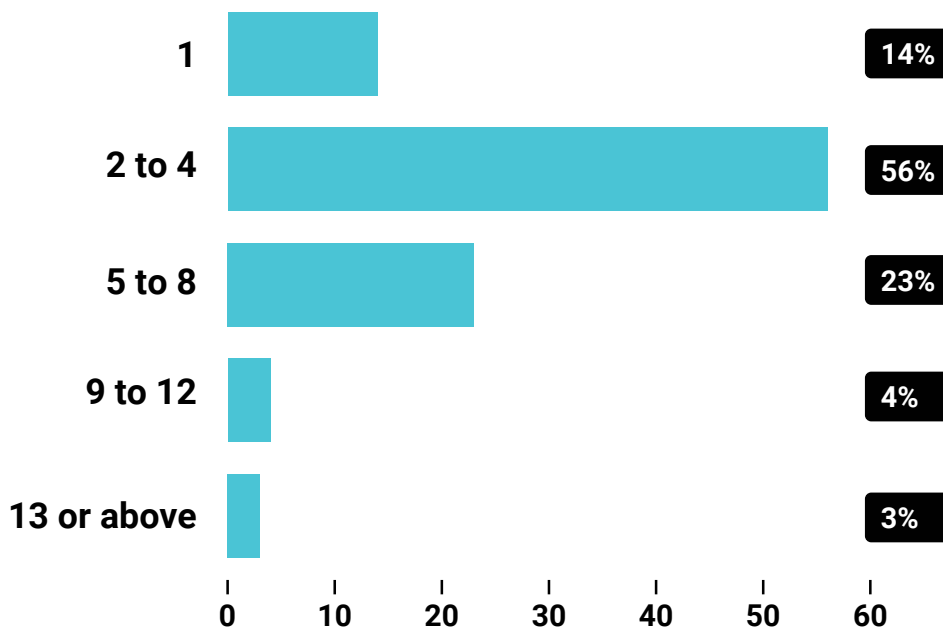
Organizations may use several different analytic sources that require them to integrate. Over half use just two to four systems from which they pull their data. Another 23% use between five and eight systems. This is likely because organizations want comprehensive insights, but they also don't want to be overwhelmed by complexity and want to keep costs low. Of course, large organizations tend to have more systems (see sidebar).

For the purpose of this report, large organizations have 1,000 or more employees, midsize organizations have 100 to 999 employees, and small organizations have 99 or fewer employees.

Differences by organization size

Organizations are more likely to pull data from more HR and non-HR systems with an increase in size. About half of large organizations pull data from 5 or more sources compared to just 17% of midsize and 12% of small organizations who do the same.

From how many different HR and non-HR systems are you pulling data to create people analytics reports?



Editor's Note: In the original data, 11% of respondents stated that they "don't know" to the question. We removed those responses and recalculated, so this only shows percentages for those that answered the question.

Note: By "systems" we are referring to specific applications such as ATS, LMS, etc, even if they are individual modules in a single platform such as an HRMS or ERP

HRRI Strategic Recommendations

Based on our research, we have the following suggestions.

- Consider investing in modern analytics platforms that can handle complex data analysis, enabling more accurate and detailed workforce insights.
- Investigate the degree to which AI can help with gathering, interpreting, and communicating people analytics. Consider engaging in trial projects to test AI applications.
- Develop interactive dashboards that allow users to drill down into data for more detailed analysis, enhancing the ability to make data-driven decisions in real-time.
- Combine data with storytelling techniques when presenting analytics insights to create a compelling narrative that resonates with stakeholders and drives action.
- Customize your presentations based on the audience—focus on high-level trends for executives and more granular data for HR teams to ensure relevance and impact.





Key Takeaways

Below are some key suggestions for how organizations might become more successful in people analytics.

Key Takeaway 1

Strengthen C-suite relationships. Develop strong relationships with senior executives to ensure people analytics align with business goals. Gaining executive support is crucial for the successful implementation and scaling of analytics initiatives, which can drive strategic decision-making at the top level.

Key Takeaway 2

Leverage technologies well and integrate the right kinds of data. We found that PA leader organizations are far more likely to integrate non-HR data with HR data for analytics. But it's also important just to be able to properly and accurately integrate various types of HR-related data, such as recruitment numbers, compensation figures, engagement statistics, turnover information, etc. In some cases, organizations extract their data into a unified data warehouse and/or data lake outside of their core HRIS in order to be better able to compare data sets and develop insights.

Key Takeaway 3

Consider investing in AI-powered analytics. In the best of cases, AI-driven analytics tools may be able to process vast datasets quickly and accurately, but these tools must be well vetted to ensure they work properly. If they do, this will help identify hidden patterns and generate actionable insights for recruitment, retention, and employee development. AI can significantly enhance decision-making by predicting employee behavior and potential risks.

Key Takeaway 4

Measure and deliver value. Focus on quantifying the value delivered by people analytics initiatives. Establish metrics that tie analytics outcomes directly to business results, ensuring the function is seen as a key driver of organizational success.

Key Takeaway 5

Focus on employee engagement. Leverage analytics to gain deep insights into employee engagement. Understanding the factors that drive engagement helps in tailoring interventions that improve job satisfaction, retention, and overall productivity.

Key Takeaway 6

Enhance data visualization. Consider investing in advanced data visualization tools to better communicate complex data insights to stakeholders. Clear and compelling visuals help in understanding trends and making data-driven decisions accessible to non-technical audiences.

Key Takeaway 7

Consider agile HR practices. Adopting agile HR practices can enhance the impact of people analytics by enabling HR teams to act quickly and iteratively on the data insights they gather. Consider transitioning to Agile HR to create more flexible and responsive HR processes. Agile methodologies allow HR teams to adapt quickly to changing business needs and continuously improve their strategies based on data-driven insight. Organizations can create a more agile approach by empowering employees to own their projects, acting on employee feedback, and supporting employees in upskilling and reskilling, thereby improving the implementation of feedback from people analytics.

Key Takeaway 8

Bridge the gap between HR and IT. Strengthen collaboration between HR and IT departments to ensure the successful implementation of people analytics. Cross-functional teams can address technical challenges and ensure that HR initiatives are supported by robust data infrastructure.

Key Takeaway 9

Apply analytics to issues of pay equity, fairness, diversity, and inclusion. Use people analytics to build a more equitable workplace. By analyzing data related to diversity and inclusion, HR can identify disparities and develop strategies to promote a more inclusive culture.

Key Takeaway 10

Benchmark against leading companies. Regularly compare your organization's people analytics capabilities against industry leaders using diagnostic tools. This benchmarking helps identify gaps and opportunities for improvement, driving continuous advancement in analytics maturity.



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