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CAPITAL H
Governing workforce strategies: New questions for better results

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Burt Rea: Hello, everybody, and welcome to the Capital H podcast, a podcast focused on all things work, the workforce, and workplace. I'm Burt Rea, your host for today and leader of Deloitte Consulting's Human Capital Research & Sensing product offering. Today we're going to dive into the world of workforce metrics, their history, and how companies can establish forward-looking data practices that create value and resiliency. But first, let's start with some

findings from our 2020 Human Capital Trends survey, a survey that time and time again unearths powerful insights related to today's workforce.

Our 2020 survey found organizations are least likely to collect workforce information in areas that are critical to their future success. What's that tell us? Well, it tells us organizations aren't likely to be asking the right questions when designing their metrics.

To help us figure out this conundrum and get a glimpse into what top organizations are doing, I'd first like to welcome Sarah Gretczko, chief learning and insights officer at MasterCard.

Sarah, welcome to the podcast. Thanks for joining us today.

Sarah Gretczko : Thanks, Burt. Happy to be here.

Burt: Wonderful. To start, could you tell us a little bit about your role at Mastercard and in the organization itself? As chief learning and insights officer, I'm sure you've got some pretty interesting perspective on what's been happening lately.

Sarah: Well, you can tell me that after we do this podcast, Burt. But absolutely thrilled to be here. For those of you that don't know Mastercard, for over 50 years, Mastercard has pioneered technology to make payments simpler, smarter, and safer. Many people think of us as a credit card company, but we're actually much, much more than that. We consider ourselves a technology company in the payments industry. And in fact, we're doing some really leading-edge stuff today around cybersecurity and AI that would absolutely knock your socks off. As chief learning and insights officer, I'm responsible for driving learning and development, and people data insights for our 20,000 employees globally. And you may be thinking that it's a little weird to put learning and insights together, but a big focus for us at Mastercard is all around skills and understanding what are the skills and capabilities the organization needs to succeed in the future. And we know that learning is the key to unlock that. So, we've brought together our learning and development team and our people insights team, which also encompasses strategic workforce planning, so we can actually be better business partners with our leaders.

Burt: I love it. I think it's a perfect example of bringing together supply and demand. So, you understand both sides of the equation. So, let's talk a bit about workforce metrics. It's not a new topic, but as an organization, we see in companies that we speak with, that a lot of companies are still struggling to apply it in the most effective way. How are you all solving that puzzle?

Sarah: So, workforce metrics for us are, I think, a critical piece of any company's overall business metrics. And in fact, we've kind of moved away from even using that word metrics. And as you saw in my title, really thinking about it as insights. So how can we not just look at metrics, identify metrics, measure them, but how do we actually use

them to make better business decisions? So, in our environment today at Mastercard, we employ insight workers. And our ability to understand our people, the environment that they're working in, and how those things come together to produce results is really essential to how we continue to grow, especially in times of crisis. And to be honest, it's also the expectation of the C-Suite now, especially for a company like Mastercard, where data is such a huge part of our business. Actually a part of our business that not a lot of people know about.

But you really won't be taken very credibly if you don't have the data to back you up when you go and have a conversation with any business leader you might be working with. For me, workforce metrics, or insights, as we call them, gives us the opportunity to help bridge what we're doing as an organization and how we can think about doing things better. Some of the recent examples is we've done a lot of work to help the organization think through some of our diversity goals, whether that was related to pay gaps, or as we looked at mobility and progression of some of our minority groups. And management of and investment of human capital, as, Burt, you probably know pretty well, is a really big factor today in what we call ESG performance: environment, society, and governance. And we are increasingly being asked by our investors to be able to show what we're doing, how we're measuring it, and how we're using it to make better business decisions.

Burt: That's wonderful. I love the quote. I think it was Deming who said, "You can't manage what you can't measure." We also have a phrase in our own analytics work called, we say, "Know, don't guess." And we have such a long history of not having good information that we have had to guess and reward people who have good instincts or got lucky and made good guesses. But there really is now the opportunity to look at information insights, as you've described it, in a new way. I often think about insights in three categories: Tell me what happened. Tell me what's going on now. Tell me what's going to happen in the future. What ratio do you see at Mastercard of those three types of insights?

Sarah: So, I think at Mastercard, we've been on a journey, I will say. So some of the, what we would call, more descriptive or diagnostic metrics, where what our big focus has been on for the past couple of years, and by the way, sometimes it seems like it's just data, so it should be pretty easy to be able to pull those. It's definitely a journey to get the right infrastructure in place. And one of the big things I think I learned in coming into this role was the importance of having the infrastructure. So that, to your point, you can then actually advance along this continuum that gets you to more of the predictive, more of the insightful information and perspectives that you can share with the organization. But sometimes it's easy to think that there might be a technology or platform that will just be able to come in and do that all for you.

Burt: That would be wonderful.

Sarah: Yes.

Burt: So again, I love this moniker, insights. What are some of the more controversial or provocative datasets that you all have started adding to the mix? What's latest on your agenda for new types of insights?

Sarah: So, I'm actually really excited about where we are. We've spent probably the past year really putting together that infrastructure that I talked about. So not just from a people and skill perspective, although that was very important. And we do now have a very robust people insights team in place. But also looking at, what is the supporting infrastructure, the different technologies that we need? And so we've made a lot of investment. We've partnered very closely with other folks in the organization on the technology side, on our AI side, to be able to bring all of those capabilities to bear. And what excites me about that is because we do have that infrastructure in place now, I feel like we are at an inflection point to take advantage of some of these emerging methodologies and emerging technologies. So, for example, we can really start now to understand how our people are working together, by leveraging things like organizational network analysis. We can finally examine what characteristics

make up high-performing teams, because we can marry different kinds of data and data from different sources together. And because of the adoption and acceleration of AI, we can do things so much faster than ever before. Now, branching into these areas does mean you need to either constantly be upskilling the team that you have or investing in some complementary capabilities, but once you get that and you have the right people, the right technology or platforms, and then the right buy-in from the executives that you're going after the right things, it's really amazing, the opportunities that exist.

Burt: Yeah, I think that's really a great insight, not to overuse that word. I also love the concept you just described in terms of reach out to other functions of your own business, whether that's your marketing analytics group or your supply chain planning team. They've probably got some capabilities that could easily transfer to a people context.

Sarah: That's right. And that's why we've been very deliberate about moving from reporting and metrics to insights, because what we found is what we can offer the organization in a number of different areas. You think about maybe one of our groups that's going through some sort of restructuring or org design. You think about a group that's trying to get a new product to market. There are so many ways that the data we have about our people can be useful in so many different situations. And the only way that we can have any hope of bringing it all together is making sure that we've identified the right internal stakeholders to allow us to do that.

And as anyone that's now in this data field, it's becoming a bit hard to understand all of the different regulations that exist in all the different countries and make sure that what you're doing, number one, is just allowed, but is the right thing to do. I think early on, especially as we were seeing AI and automation really be the hot topic and organizations investing, it was really easy to just hire people in and put them on these different projects. And I will say one of the things I'm most proud about at MasterCard is having the discipline from the get-go to

make sure that we were going through the right governance process, whether that was using data from our customers, our merchants, or our own internal people data, which is what my team is responsible for.

Burt: Yeah. I love to ask the question anytime someone comes along with a new shiny object, AI, AI for what? Learning? Learning for what? In other words, what is the business objective that you're looking to accomplish or contribute to with this tool, technology, concept, process, et cetera? I think it's so important to always step back and have that bigger picture, bigger objective in mind. Certainly, what we're hearing now from a lot of our clients is the desire to knock down uncertainty, to be more clear about what's happening, what's going to happen. How are you all using insights, metrics, data to overcome uncertainty that we're all dealing with?

Sarah: Yeah, it's actually a great question, and very timely, given the current state of the world. I don't know that workforce metrics or insights can help prepare for uncertainty, but I do think that workforce metrics and insights can help how you respond to changes as they're happening in a less emotional and more controlled way. COVID has been a great example of that for us. And when the whole world, it seemed, got pushed into just a major uncertainty and unstableness overnight, data for us was a great way to take not all, but some of the emotion and mental stress out of the situation and be able to use data to make decisions, such as looking around and seeing what tools and technologies were being adopted faster by our workforce, how those interaction models were evolving in a more virtual world. MasterCard pre-COVID, we were probably 95% of our workforce was in an office every day. And in March of this year, that flipped on its head overnight. And so being able to use data to understand how people were communicating, were collaborating, were innovating, and then be able to take the lessons learned from that to apply across the board was really, really helpful. And we also, you know, data to us, I think almost became a crutch in a way, in a good way, to help us get through some of these unsettling times

and give us a focus. So, knowing that we could use this data to make better decisions about what type of, as a good example, what type of support did our people need? And so, we've put out a number of different learning interventions, a number of different wellbeing interventions, and all of that was based off of different insights that the team was able to pool.

Burt: That's fantastic. Great examples. Great story. I want to go back to our opening, where we talked about your title, learning and insights. Make that connection for us. How are you feeding back into your learning programs, into your learning architecture, what you're seeing on the insight side of the business? How's that cycle feedback loop working?

Sarah: So, the first thing that we always start with is what are the business priorities? What is the business focused on? And then we've put in place now a very robust discipline around strategic workforce planning. So, if we think about those given business priorities, and obviously they can change year to year, what are the skills and the capabilities that the organization needs to actually deliver on that? And then once we understand what those skills and capabilities are, we take an inventory, and again, we've actually leveraged AI and automation to help us with this, but to understand the skills and the capabilities that the individuals that sit in our workforce actually have at MasterCard, whether or not they're sitting in a specific role or not. So regardless of where they're sitting or what their job is, just getting an understanding organizationally of where we have different skillsets. And then what that allows us to do is, number one, either redeploy folks to different growth opportunities or critical priorities, but it also allows us to inform our learning curriculum. So, we have six learning academies that are anchored around different skills clusters. So, as an example, we have a sales and marketing academy. Another example, we have an enterprise technology academy. We actually use these insights around the skills that we know the organization needs for the future and the capabilities, to where the gaps are, to help inform what are the different learning interventions that will be most

needed. And then that actually ties in on the recruiting side, as well. So understanding either where we have those skills and capabilities in-house or where we don't, or another great use of these insights is us being able to understand if, Burt, you have a particular skill set today, you might be more likely to be trained up in some of these other emerging areas than somebody who has a different type of skillset. It also allows us to identify the people that we want to invest in so that we can upskill them in certain areas and not feel like for every gap, we need to go out and externally source those individuals.

Burt: I saw a study recently that estimated that the cost of going to the outside talent market, hiring someone with hot skills at market premium prices, bringing them in, onboarding them, taking the chance that they're going to stick around is six times more expensive than finding somebody that you can train internally, who already knows your culture, already knows your organization, and you train them for a completely new skill. Even if it takes 12 to 18 months to train them, that will be lifetime cost of ownership of that capability six times cheaper.

Sarah: Yeah. Well, I have another interesting stat. If you look at organizations and you look at what they invest in learning, and you look at what their budget is for severance costs, in a lot of occasions, organizations are spending up to five times more on a severance budget than they are on their learning funding. A lot of the reasons organizations are having to move talent out is because they don't have the right skillsets for the future. Again, this is a great way that data can help unlock that in areas before that were very siloed, and we weren't able to make those connections.

Burt: Wow. Yeah. That's like saying, "I own a house and I'm not willing to spend any money on maintaining or investing in improving it, but I'll sure spend a lot of money on fixing things after they fall down."

Sarah: That's right. Or just buying a new house.

Burt: It's disposable. Why not?

Sarah: Yes.

Burt: A lot of organizations think, okay, my ability to build insights, to build business value, comes from the data, comes from big datasets, the amount of data I have, as you said, clean data and infrastructure. But I would also argue that it comes from asking the right questions. I've heard of some new job roles called inquiry engineers. These are folks who are creative and able to perhaps ask provocative questions. Have you all encountered that? Or how are you thinking about this idea of creative questions?

Sarah: I just wrote down inquiry engineer. I think I'm going to change my title now. I like that one better. That's actually a great question, which is, start with the right question, because you're right. I mean, having data is obviously important to do this job, having great technology is great. I think everyone thinks technology is that magic silver bullet, but if you're asking the wrong question or you're not going broad enough, it doesn't actually get you much, because you're not actually measuring the right thing. I think the team has to have discipline to go slow, to go fast, to make sure, to your point, that you're asking the right questions. It seems like an easy thing to do. Anybody knows how to ask a question, but are you asking the right type of questions? I do think there's an art to inquiry. I do think it's a skill that can be taught and practiced. I do think it's important for any reporting, or metrics, or insights team to make sure that they have that right capability in being creative in how they're thinking about a problem. As a good example, sometimes as you start asking questions and seeing how people respond, it actually leads you down other pathways or to other questions that you wouldn't have actually envisioned when you started out. I do think that's going to be an essential part going forward, again, to make sure that we're using data for good.

Burt: Well, that begs the question, and this is a topic in our 2020 Trends report, new technologies are making things that previously were unimaginable very possible, and it starts to reach the threshold of just because we can do something doesn't mean we should. How are you all navigating that somewhat gray area between technology that can do something and technology that we should do something?

Sarah: Yeah. This is such an interesting debate and especially when you get in with some of these networks of data and insight folks, really thinking about just because you can do something, should you be doing it? My first reaction on that is if you're having the thought in your head, "Should I be doing this?" definitely pause and really think that through, because I think unfortunately, to your point, technology has advanced so quickly, these new approaches and methodologies have also advanced so quickly that I don't think most organizations have actually caught up to make sure that they are managing them and governing them in the right way. We're lucky at Mastercard, I mentioned we have a big focus on data. We actually have a chief data officer and her role is not just to think about what we're doing with data from our customers and from consumers that we have, but also internally thinking about how we use that data. So, we actually have some pretty robust policies and processes and practices in place that we have to follow for any type of a data analysis that we do. And there's actually a governing board, and this recently came up in some work that we were doing with the AI garage and they were working on a model and there are different gates that you need to go before this governance board for. And at one of the gates, the project got stopped for exactly that reason because they decided that how we were doing it and what we were doing wasn't right and we shouldn't be using the data in that way. And so we put a stop to that project. So I think it's important also to have some of that independent view, because like you said, sometimes the technology is really flashy and the stuff that you can do that we've never been able to do as quickly as we can do it gets very intoxicating, and

you do need to make sure that you have a tempered approach to how you approach every type of analyses that you might do. And this usually bugs me every time I get it, but sometimes when we're working with our data management, data privacy team, they'll always ask me the question, "What are you going to do with this data? If it says this, what are you going to do with it?" At first, when I got into this role, I said, "Well, I don't know, because I don't know what the data's going to tell me. Just let me see what the data tells me and then I'll tell you what I'm going to do with it." And they were like, "That's not good enough." And although that was frustrating at the time, I think that's the right way to think about it because this is personal data that we're dealing with, and I think each of us as individuals and as employees respect that organizations are taking the right safeguards to protect it.

Burt: Yeah. That's so important to your credibility, to your employer brand. And in fact, it reminds me, I'll give Mastercard a shout-out here. We profiled you in our 2020 Trends report talking about how you're using workforce metrics and insights to understand the value of your employer brand. Tell us more about that.

Sarah: So, at Mastercard, as hopefully everyone on this podcast knows, we do care very much about our brand. And I think that's abundantly clear by the fact that our brand is one of the most well-known and recognized in the world. In fact, just like the famous Starbucks move, we've now dropped our name from our brand mark, which is obviously a very deliberate decision, but one that I think shows the value and the recognition that the brand has. And there's a reason that that's the case. I think we very deliberately maintain and evolve the brand, not just the consumer brand, which is obviously very important, but our employer brand too. And part of how we do that is to make sure that we're constantly measuring our employer brand and how we show up externally in the market, as well as to our own people. For us, making sure that we have right people, right places, right time

has always been essential to our success. And so, we're very deliberate about how we curate and measure that brand so that we can continue to attract the best talent in the world. And actually, the story I love to tell, one of our former chief HR officers tells this story. When he first started working at Mastercard, he went to a recruiting event at a university and was standing there with a number of Mastercard colleagues, and they had the big Mastercard banner. They had the group and one person from the group walked up to a student to say, "Hey, do you want to learn a little bit more about Mastercard?" And the person said, "No, thank you. I don't need any more credit cards." And all of a sudden, we thought, "Okay, people need to know who we are and the type of work that we do." Just like with some of these other areas that we talked about, I think you can always be using data. And again, not just internal data. I think this is where the real power of metrics and insights is when you can take external and internal data sources and marry them together to give you some of those richer insights.

Burt: Yeah. And the transparency is sometimes mind-boggling, how your employer brand, your product brand, your organizational stance are all intermeshed and transparent right on top of each other. So you really do need to think about, how do all those talk to each other and synchronize?

Sarah: Yes, absolutely.

Burt: Yeah. Well, Sarah, I think we're just about at our time. We'd love to just share any takeaway thoughts that you have for our audience. What one thing would you want our audience to kind of come away from this conversation?

Sarah: Well, I'm going to actually steal from you, Burt, because the one thing that I really took away from this conversation was this concept of the inquiry engineer. And so, I guess my advice for everyone would be continue to be curious about this space. I think it's evolving very quickly. I know even when I started leading the team,

probably almost two years ago now, the world in general has changed. The tools and technology that we talked about during our time today has changed exponentially it seems just in that time. And so, I would encourage, if you're leading a team focused on this, to continue to stay curious and explore. If you're a professional yourself in this space, again, just thinking about how you can think about attacking different questions and different problems and just staying curious.

Burt: I think that's a prerequisite to almost everything we do. Absolutely. I'll share another quote that complements what you just pointed out. Another Deming quote. He said, "Learning is not compulsory, neither is survival."

Sarah: Oh, I might have to use that one too. That's pretty good.

Burt: Sarah, it's been a pleasure to speak with you. Thank you.

Sarah: Absolutely. Thanks, Burt. You too.

Burt: Thanks again to Sarah Gretczko from Mastercard for sharing how her company shapes the talent experience through analytics that respond to the rapidly changing environment we all find ourselves in. And now I'd like to welcome today's roundtable speakers.

Laura, Yves, and Amel, welcome to the podcast. Thank you for joining today. Laura Stevens is a senior manager in Deloitte's North South Europe consulting practice based in Belgium and focusing on people analytics. Welcome, Laura.

Laura Stevens: Thank you, Burt.

Burt: Yves Van Durme is a partner and the Global Organization Transformation leader in the North South Europe consulting practice of Deloitte, and also based in Belgium. Yves, welcome, and thanks for joining us.

Yves Van Durme: Hey, Burt.

Burt: And Amel Arhab is the leader of our People Analytics and Strategy practice for human capital for our Deloitte US consulting practice based in Miami. Hi, Amel.

Amel Arhab: Great to be with you, Burt.

Burt: Thanks all for joining. We recently heard from Sarah at MasterCard about how they're utilizing workforce metrics to enhance the organization's readiness for actions, as well as its external employer brand. Sarah and I had a great discussion just prior and I'd love to bring some of those thoughts and insights into this conversation, as well as get your opinions in general about the state of the practice of workforce metrics and analytics and how you're seeing organizations that you work with apply these concepts and insights to improve their business. Yves, I'd like to start with you. From your experience, how important is it for an organization today to be collecting and effectively utilizing workforce metrics?

Yves: It's a challenging question. I think a lot of HR organizations have become more and more credible in different ways and different mechanisms but have potentially neglected that. I think the challenge is that, now on top of them being credible, they need to make sure that they know why, and that they know the impact that they're bringing beyond the personal credibility that they've gained. I think it's a fascinating turning point, which is also quite a humbling experience. About four years ago, locally in Belgium, we did an acquisition of a leading predictive analytics boutique because we felt we needed to make that jump. But it was very humbling because I got all these questions, like what do we know? And that was a very difficult question because I had all these beliefs and all these good arguments about the things we should be doing and clients should be doing and so on, but then to the question, what do we know? That was a very challenging question and very humbling experience. I think it's the same for business and HR leaders to know what they are basing their decisions upon.

Burt: Yeah. We like to say, "Know, not guess." And there's certainly a long history of leaders guessing and succeeding on their instincts. It's a new challenge to say, "Wait a minute, let's work with facts."

Yves: Absolutely.

Burt: Laura, I'd love to get your perspective as well. How are you seeing organizations move more into a fact-based decision-making process? And how is that playing out with organizations that you're working with?

Laura: Yeah, maybe just to add, in addition to the point Yves was raising about it's essential to increase the credibility of the HR function, if we look at it from a global and a markets dynamic perspective, and we know that the global outlook for organizations is definitely one that is influenced by uncertainty, but also an increasingly spread and virtual workforce. I genuinely believe that one of the ways to deal with that increased complexity and uncertainty is through a data-driven approach. And we all know that data and facts help to instill confidence, make better-informed and more targeted decisions. They also help to prioritize and personalize to drive interventions and therefore accelerate transformations. It can help companies to monitor evolutions over time, which has become even more important in these days. Obviously, they also help to measure the impact of certain workforce strategies by showing what works for whom and why. So that is, for me, an additional perspective, the credibility, but obviously the confidence and the way it helps us to manage change and transformation.

Burt: Yeah. I love that concept of instilling confidence. I think it's so important right now. Many organizations are flailing, even scrambling, and certainly thinking about their different constituencies and different stakeholders giving that sense of confidence is so important right now.

Laura: Absolutely.

Burt: Amel, your thoughts? Maybe bring in our US perspective in terms of how do you see organizations collectively and effectively using data information insights?

Amel: Yeah, certainly I think in the US especially, every organization and every leader has recognized a long time ago, I would say, that they do need data and insights to make any decision about their business and their workforce, right? I think any organization realizes that if they're not doing this right now, they're very much far behind the curve. To give you an example, we're working with a large retailer at the moment, and they're very much recognizing they fly blind and that's really how they put it. These are those words, they fly blind, and they're saying that, "We've been a gut-feeling organization for a very long time." They realize how serious it is. The mandate is really to not only have data and insights for every single store throughout the US, but also change their culture to move away from making decisions based on gut feel and instead on data and insights. So, I think it's not a trend anymore. I would say it's kind of table stakes in the US at the moment, which is great to see.

Burt: That makes sense. I agree with you. Great to see that. So, as we look back over the last decade or so, our thinking around workforce strategies, around people operations has evolved significantly, and certainly in the last six to seven months even more so in the current disruptive environment. What new metrics are we seeing organizations starting to look like? How are we adding to the mix of data that tells us the past, data that tells us what's happening now, data that tells us predictively what's coming in the future? Yves, if we come back to you on that, you mentioned the recent partnership and acquisition of a predictive analytics capability for the Belgium firm.

Yves: Yeah, that was part of us getting in a journey, I think a bit differently than Amel. I think there's a lot of desire to be using more data, but then it's still not predictive. What was great about an acquisition is that one of the cofounders was ruthless about that. "I want to be predictive. I mean, I don't want

to do reporting." In that sense, it was a bit challenging for us in a number of ways, but also fascinating. I think in clients it's also part of that stage that's also analytics culling and all sorts of businesses functions was like, "We talk a lot about it. We don't do it as much."

The predictive has been interesting in terms of looking at scenarios, looking at possibilities. I think one of the classics is the people likely to leave an organization. That's a classic. But what I preferred was the likeliness of performance because I think that's one of these investments, especially in a part of the world like Europe, which is quite stringent in terms of social-rated legislations, and hiring is really investments. So, the likeliness of performance is something that is part of making a sound investment in terms of hiring somebody, which has longer term implications by the social setup that we have here. I think that was fascinating to see how we started moving in that direction. At the same time, having all these beliefs, like you mentioned before, but many executives feeling successful in their formula and not really wanting to know, preferring to have some nice-looking dashboards with some cool visuals, is not the same than having predictive information. I think that difference was for me sort of very rich. It's still very rich in conversations because we only see, I think, less than half of the organizations that have made substantial steps in using predictive analytics, according to our latest human capital trends research. So, I think there's still a bit of contrast between what sometimes is said and what's actually done in terms of using predictive analytics.

Burt: Yeah. I think that's an interesting gap. Absolutely. I'd love to pivot our focus back to the data that we have. And many organizations have reams of existing information that they may or may not know the value or the insight that they can gain from that. Amel, I'd like to get your thoughts on this. As we think about leveraging existing data to create new insight, I know we've seen some examples of organizations utilizing diversity, equity, and inclusion metrics in new ways, and undertaking organizational

assessments to see if they have diverse leaders in positions of influence. Could you give some examples of ways organizations can creatively use existing workforce metrics?

Amel Yeah, absolutely. In fact, in your previous question, when you said, "How are you moving these metrics and this data?" and predictive is one side of it, absolutely. Augmenting with external data is another. One very powerful one that I find is actually these leaders look for these metrics to be more actionable. In other words, they don't just say, "Tell me the news," what has happened in the past six months, six days, or whatever, but what are the things that I can and need to action? So, the actionability of the metrics has become front and center, which I think is a very powerful move. So, in the context of diversity, equity, and inclusion, we're working with an organization right now that wants to improve their leadership representation of females, minorities, and so on. And from that lens, what I think is really interesting is they're not just looking at, "Tell me what's the representation in the last six months, six days, how has it changed," and so on. Instead, they're asking the questions, "Why? What are the root causes of this underrepresentation?"

And so, we were able to basically look through the funnel. We use this data, even though it's still looking through the past, we were able to see just a simple example of male to female representation by level. So why do we have underrepresentation? Is it at the application stage? Is it at the interview stage? Is it at the offer stage? Is it at the hiring stage? Is it at the promotion stage, engagement stage? And so on and so forth. In other words, where does this bias and underrepresentation really start? And we can tell for this organization, for example, that they were hiring and acquiring and attracting plenty of diverse talent, but once they were in, you can start to see some biases happening where they were losing some of those minorities or genders, where they were not promoting them at the same rate as others, and so on. I think these root cause analyses and understanding the

drivers and the whys and what's actionable is a really powerful move, and it's a good example of how organizations are using those metrics today to make an impact.

Burt: I love that dawning insight, if you will, that eureka moment when we say, "Aha, wait a minute. These two things are connected," or "This is the actual root cause that's going to help us solve this problem." Wonderful. So, let's talk about uncertainty. We're living in a time of uncertainty, and some organizations have been leaning on predictive workforce metrics to combat some of the growing uncertainties in the market. Let's think of some examples of how organizations have been utilizing predictive workforce metrics to help handle this topic of uncertainty. And, Amel, maybe I'll come back to you for any experiences or examples you can share with us.

Amel: Absolutely. So, we're seeing some very interesting stuff there. I'll mention two examples, one traditional and one less traditional. The traditional one is really around the engagement and attrition of employees. It's the number one asset of most organizations. And really being able to predict what are the employees in the next three to six months that are at high-risk of attrition, especially key segments and key jobs, becomes very, very critical for organizations. So, they use some machine learning algorithms. They use some very fancy predictive models to get there and be able to action those predicted high risks. Of course, it doesn't have to be that sophisticated. It doesn't have to be—I've seen great impacts made when you just have some basic predictive models, but well-crafted for the actionability that you're thinking about.

As far as the uncertainty of today, I mean, with COVID going on and the vast shift towards work being remote, virtual work, which has a great impact to people engagements, and so on and so forth, I've seen data and analytics being used to understand what is the impact to the engagement, and predict if things were to either stay the same or there was a

new normal, so there is some scenario testing on the predictability of things, what the outcomes would be. You're able to understand which regions, which segments, which particular jobs and people are at high risk of disengagement. What are the actions that you need to make to not only avoid the disengagement, but hopefully even up the ante there. So there is some very interesting usage there, as well as, I would say, understanding what the virtual work of the future should be. A lot of organizations are giving flexibility now to their people, saying, post-COVID normal, you have the choice to either be virtual/non-virtual hybrid. But some are doing it with predictive analytics, understanding which segments need this flexibility and which segments really, with what they have going on at home and so on, may prefer different models. So very interesting usage here of predictive analytics and data.

Burt: Yeah, fascinating. We always worry about employee attrition in terms of employees leaving and taking a job somewhere else. I think we now also have to think about employee attrition in terms of, I've got too many commitments in my home life that I really need to take a leave of absence from work or consider not working, relying on one partner or the other to provide income. I think that's a whole new stressor for our workforce today. Sometimes when we think about uncertainty, we think it's just the big unknown. Other times, we are dealing with ambiguity, or too many choices to really understand or select what may happen. How would you expand the thinking around this idea of workforce metrics and analytics, helping us to drive to more certainty coming out of ambiguous situations, or situations that seem even kind of cloudy? Yves, let's go to you. Thinking in terms of driving ambiguity to structure, how can workforce metrics help us there?

Yves: One of the evolutions I've seen in the last few months is the scenario planning that I think Amal mentioned. I've seen a very strange, which I was happy for, dimension

added, which is the propensity for change because there's all these different programs that you set up and there's a propensity for change dimension or index, which was added to also help decide on priorities. Like what is a priority for us business-wise used to be a very rational business, financially driven sort of element. And in that organization, I've seen it added from the propensity of change, which was made by a number of sub-indexes. And one of that was a sort of a measure of resilience of the organization. So, having that part of the top management decisions was something I thought was a very sort of inspiring example of how the dimension was added rather than making it a bit of an afterthought, which I've seen in many other organizations before. I think that propensity for change tacking into resilience is something which I like as a direction of travel. I'm sure that an algorithm can be further tweaked, but I think in terms of decision making, that's something which I love to see a lot in their portfolio of programs.

Burt: I love that idea of resilience as really an ongoing and enduring capability that both organizations and individuals need to be ramping up on. And then certainly we've had our share of disruption and turmoil that tests our ability to bring a resilience mindset to the picture. I think another element of that is just a growth mindset in thinking about, how are we taking the events that are swirling and the crisis that we're dealing with. How do we turn that into a growth outcome? Laura, would love to get your thoughts on this next topic. Many organizations look at technology as their biggest barrier to getting an understanding of workforce metrics, but in our 2020 trends data, it showed that in many cases, foresight and creativity in finding the right strategic questions to ask is actually the biggest barrier. What recommendations would you give to our audience looking to overcome this barrier of asking the right questions? How do we create good inquiry?

Laura: So, we see many companies struggling, asking the right questions, and

that is the essence, obviously, of a solid workforce metrics strategy. So, it narrows down, it's focused to measure what really matters, what matters to the organization's goals and to the different end consumers' needs. We know that measurements and metrics are only valuable when they are aligned to specific objectives. And when they, as Amel already mentioned, when they provide actionable data for a particular target audience. And so our own experience and analytics research actually show that one of the best ways to identify what to measure and what to report on is basically just to work with the stakeholders who own the various processes, the various people, processes, and business processes in different departments and units, so working with the senior management to understand their business priorities and how people and talent-related challenges should be addressed. So, it's definitely about making it a priority to understand these individuals' and consumers' issues and questions and doing so will definitely help to determine the appropriate metrics to measure and determine the data to collect. So, don't forget the end consumer and his or her decision-making priorities and mandates. That should be really central to make the switch, let's say, from potentially interesting findings to definitely relevant and actionable metrics. And we often challenge clients because they end up with a list of a hundred different metrics. Our experience is definitely less is more, and many clients if we ask them about the actionability, they often say, "But shouldn't they be relevant?" or "Couldn't they be interesting?" Or people find it interesting, but it's obviously not only about being interesting, but more importantly being relevant.

Burt: Yes. More is not better. You're really just signaling that you're not sure what's important, so I'm going to give you everything and let you sort it out, which is not helpful. We're at our time. I'd love to get some closing thoughts. I also want to thank you for a really interesting conversation and bringing out some fantastic insights. Yves, maybe if I

could start with you. What takeaways would you offer to our audience? What one thing should they keep in mind as they think about analytics, workforce metrics?

Yves: What was learned to take away from me today was that notion of confidence, driver of confidence. I love that. That's a takeaway for me. Something that I learned, something that I think I would have said before, is that whole notion of how do you look into scenarios? Because I think in that sense, COVID-19 is, unfortunately, but it's also a gift. We are working in scenarios from a business perspective all the time, and that's helping us to practice on taking better decisions in a relatively short timeline. I think that's a unique opportunity to also practice for us, for me, workforce strategy, workforce analytics perspective. So, I would encourage a lot of practice, and I think Amel and Laura did great at suggesting some very practical approaches as well.

Burt: I love that. Amel, to you. What takeaway would you offer for our audience?

Amel: I think if I were to leave the audience with one thought, and that's often what I tell my clients when I leave them, to be honest, it's to definitely focus on quick wins. What I mean is analytics and metrics and all of this, it's a journey. No matter where you are, whether you're super immature or all the way up there. So, it's a journey, no matter where you are. And what I would say is that don't think of this exercise as taking you two years to realize value. What's really going to be fruitful and successful is if you think

about a roadmap or a sequence of events or initiatives that will get you quick wins almost immediately or very quickly, and then you can build upon those small successes. And that's how you generate excitement and adoption within the organization. That's how you generate small insights that will take you far. That's where the business starts to come and demand for more. So, it's a journey. But quick wins at the beginning are so crucial to get everybody on board and to build upon it and be successful in the end.

Burt: Wonderful. I love it. Laura, I'll give you the last word. Yves said, instill confidence. Amel said, quick wins and realize value. What one thing would you offer to our listeners?

Laura: For me, it's definitely don't approach it as a one-off exercise. Do some modeling, present the results to a couple of stakeholders in and out, nice PowerPoint, which then ends up in the archives. So, make sure that from the start when developing those metrics, you have a clear idea about how these metrics will support decision making and the end consumers' mandates and what keeps them awake at night. That is, for me, definitely the biggest success factor of any workforce metrics strategy.

Burt: To be sustainable. I love it. Absolutely. Well, thank you, Laura, Yves, Amel. A wonderful discussion today. I think our listeners have lots to think about, and I appreciate your insights and sharing those with us today. Thank you for joining us.

Shifts in the nature of work have created a need for new and improved metrics to help guide organizations into the future. And a core component of designing better metrics boils down to foresight and creativity in asking the right questions. Organizations that are able to develop these forward-looking metrics will be better positioned to reap the benefits. Thanks again to Sarah Gretczko for sharing her insight and to our Deloitte contributors for sharing their perspectives as well. In addition to tuning in to our podcast series, you can also read the report online at www. deloitte.com/HCtrends. Thanks for listening.

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