



FIT FOR THE FUTURE

Optimise your workforce with data-driven insights

Workforce analytics: The secret to public sector transformation

Government HR leaders are at a crossroads. Behind them lie legacy methods of managing resources – reacting to change rather than planning for it. Ahead lie opportunities to help departments create the perfect blend of skills and experience that more effectively support the business of governing the nation, however the political landscape shifts. Taking this route will position HR leaders as powerful enablers of government transformation – the question is: how can HR leaders optimise the next generation workforce?

Recently, there has been considerable hype about the role of data and analytics within the public sector HR community. Those who believe the potential can't yet be delivered are correct – if you are going to keep using current HR data with traditional business intelligence applications. However, there is now a way that HR leaders can move forward, dynamically optimise the workforce and proactively support their organisations' strategic objectives. But it can only be achieved by more deeply exploring data with sophisticated, yet simple-to-use analytical tools, resulting in rich, new, accurate insights that are dramatically improving HR decisions and the effectiveness of government workforces.

At SAS, we help HR leaders to work more effectively with line of business budget holders by leveraging these deep data insights. They range from analysing 'What if?' scenarios to forecasting demand for skills, predicting employee churn, driving more value from training budgets and a great deal more. We have moved beyond the hype and have been delivering transformative results for years – as these stories demonstrate.

Special Operations Command (SOCOM)

When Special Operations Command (SOCOM) in the United States wanted to optimise training budgets they came to SAS for help. It costs \$100k to train each candidate, so it's understandable that they wanted a more effective way to protect this investment by avoiding possible 'drop-outs'. Now, prior to investing in candidates, SOCOM risk scores prospective trainees to assess whether they have the qualities needed to graduate from the programme. Since using these insights, the organisation has been able to focus budget where it will yield greatest value. We estimate that a 10% increase in selection accuracy could be worth some \$10m per annum.

US Army

For the US Army, as with the British Army, retaining highly trained, experienced soldiers is critical - not only to better utilise investment, but to improve the performance of military and peace keeping outcomes. However, given the nature of the job, churn can be high. Army Human Resources Command (HRC) now analyses its data to optimise the way incentives are offered to re-enlisting soldiers so that it can maximise the number of personnel re-enlisting and keep attaining its retention goals.

Ohio Health

In the medical field, having the right resources available has a huge impact on the quality and efficiency of care. Ohio Health asked SAS to help it do this by finding hidden trends in their data to more accurately forecast future workforce requirements. The net result was a \$2.2 million saving in the first fiscal year, and a more full-time equivalent staff able to work their shifts, leading to happier staff and happier patients.

US Air Force

At the heart of this transformation in HR decision-making lies data. As the foundation of all HR insight, it's crucial that repositories are clean, centralised and highly available. The US Air Force Personnel Center used our analytics to make its data resources fit for purpose and more accessible. They now rely on SAS for instant, worldwide access to personnel demographics, saving hours, sometimes days in responding to requests for information.

What is the impetus to step into the future?

It's clear that by tapping into deeper insights, HR leaders can help to maximise the value of departments' 'people' budgets. By securing the right resources HR can play a vital role in bringing the government's digital transformation strategy to fruition and drive overall efficiency. Running parallel to this overarching objective, are two factors that are also creating impetus to take a modern analytically-driven approach to optimising the workforce, as follows:

Public opinion

Since the public sector is tax payer funded, it's crucial that leaders can demonstrate that the workforce is as efficient as possible, and that skills are remunerated at appropriate levels in line with budgetary and economic considerations. Deeper insights and the utilisation of external data sources can better support this objective.

Political change

By the very nature of government, the political landscape is ever changing. As a consequence, it's essential that HR leaders are equipped to monitor changing departmental strategies as well as the impacts on the workforce from changes in political administrations. The fast and broad nature of recruitment that was undertaken to skill up for Brexit is an excellent example of why HR leaders need access to near real-time insights.



Skills competition

Recruiting and retaining an increasingly digitally savvy workforce will require a new data-driven approach. Especially when government is competing for those skills with commercial organisations whose mission is also to push the boundaries of innovation.

Without proactive retention strategies in place, HR departments will simply find themselves losing employees to the talent hungry commercial sector, and backfilling through reactive recruitment. With the huge appetite and deep pockets of the private sector to contend with, it's never been more important for human capital leaders in the public sector to have accurate, real-time insights and strategies available to help them do battle for and retain optimal skills.

Forward planning

There is more to the skills issue than acquisition and retention. It's also about forecasting skills requirements in alignment with each department's strategic objectives as they change over time. There can be no more backfilling of positions. HR leaders must be empowered to work in collaboration with leaders of strategy and operations to proactively plan for the skills of the future. How? By analysing the talents and experience of large numbers of existing employees and upskilling those with the greatest potential for growth and the most relevant experience.

Imagine the difference HR leaders could make if they could achieve the following:

- Create an aerial view of their departments using core HR data alongside data from finance and the wider business to drive more accurate and timely decisions.
- Detect patterns of behaviour amongst staff teams, uncovering and mitigating triggers to leave in order to optimise the existing workforce, including retaining the select personnel.
- Use insights to inform new HR strategies, using analytical models to predict issues and deliver timely and suitable interventions.

In these circumstances, HR leaders would be proactive; back in control. They would be able to plan accurately for the long term and engage in strategies that increase employee satisfaction thus driving up retention of the right people, in the right roles, at the right time - which can only be good.



Demography and workforce management

While these are 'bread and butter' issues for HR, there is another wave of macro level change ahead that will soon become extremely challenging to manage unless leaders can find the insights to turn it into a transformational opportunity. Population dynamics are shifting, creating an increasingly mature workforce. HR leaders must maintain a balanced workforce to ensure that they are populated with the optimal blend of employees with a rich, deep experience of 'the business of running government' and those with tangible skills in digital development who can take government forward.

Leaders must therefore find ways to foster the skills and experience of employees at both ends of the age spectrum, while ensuring that vital operational skills and strategic expertise is not lost as employees retire. Successfully navigating this change will require HR leaders to develop succession and knowledge retention or transfer programmes that can evolve dynamically with the workforce population and the needs of every government organisation.

To achieve this kind of recalibration, not once but continually, HR leaders need insights from a far greater set of data than they currently use. They can initially access a range of internal data sets and subsequently build on this using external data in areas such as, market salaries, job tenure durations, skills demand info and industry satisfaction scores.

Leaders will be able to confidently develop sensitive succession strategies, skills transfer programmes, personalised career development and capability goals (at scale), retraining initiatives, job shares, incentivisation and a great deal more. Importantly, they will be able to gather vast quantities of measurement data, creating a feedback loop that will further increase their confidence in the accuracy of their decision-making.

SECTION 2: THE SOLUTION

Optimising the public sector workforce

Importantly, all these challenges facing HR leaders are united by a single fact: they can only be properly addressed through the insights derived from data. Why not use traditional reporting tools - business intelligence and HR solutions? Because they typically report on what has happened and what current situations are. They tend to be locked into using limited, siloed data that delivers suboptimal answers, and there is no ability to ask 'What if?' questions, create sophisticated forecasting models, or use many different sources of data seamlessly to help build more accurate insights.

In our experience, the key to unlocking richer, more connected insights begins with data. Without deep, clean, contextual data, HR leaders are only working with part of the story. Traditionally, HR departments have had to rely on information that is available from core HR systems alone. The bold claim is that these types of software have analytical capabilities. In reality, they are light-touch at best. In view of the huge quantities of other structured and unstructured data that public sector organisations generate, it's a travesty that they are unable to derive insights from it.

SAS delivers a complete end-to-end solution - from data discovery to analytics deployment

The beauty of the SAS approach is that HR leaders can focus on using insights to develop policies, decision-making and dynamically planning for multiple eventualities with simple desktop tools. However, only SAS can deliver the depth of insight that will materially shift the needle on workforce optimisation, and that is due to our expertise with data.

We start by integrating multiple datasets, such as market salaries, job tenure durations, skills demand info and industry satisfaction scores with existing HR data and make the resultant single source clean and ready for analysis. We can also help you tap into structured data from other internal systems as well as the mountains of unstructured data that swamp HR departments. This includes data from phone calls, video conferences, instant chats etc. We can expedite this data integration process because of our long heritage in undertaking this work for clients; our methods are proven and mitigate risk.

You can use this information to better understand the sentiment of your workforce about certain issues, or to predict upswings in attrition, or even the impact of staff incentive programmes.

What will you achieve at the end? A single ecosystem of data that is richer in detail, cleaner, easier to manage and ready for the kinds of analysis HR leaders require. You'll also be delivering a cost saving to the organisation by eliminating silos.

Better decisions

What makes for better decisions is the quality and breadth of the analytics we deploy - which are able to do everything from assessing the impact of past decisions to predicting workforce and management behaviours. In fact, our solution can help you address all the challenges we discussed earlier - delivering easy-to-consume visual reports. In this way, it is far more sophisticated than the business intelligence tools HR leaders have typically relied on.

Greater HR efficiency

There is also the obvious benefit that comes from automating work. This supports policy makers in not only making better decisions but also saving them time and money in the process. All of which paves the road to inform and evolve HR strategies for improved efficiency.

Integrating AI into the workforce

Across the public sector AI is being deployed to drive efficiency and to cut costs. DWP is a great example of how AI, specifically AI-driven bots, are being used to improve the speed of service provision and to automate routine tasks, and further improve decision-making. However, HR leaders must rapidly take account of the issues involved in deploying AI into the general workforce, analysing where they will be best deployed, the impacts on human recruitment and retention, how to support cultural change to accommodate AI.

SAS can support you in helping your organisation embrace AI in its many forms. That said, what are the core challenges that SAS can help you solve, and how? Let's take a look.

SECTION 3: CHALLENGE VS SAS SOLUTION

Solving HR challenges with SAS

SAS Workforce Analytics is an incredibly flexible solution. The following are a number of examples of how SAS can dynamically forecast key scenarios to deliver better decisions and understand the people capital required to deliver on strategic objectives.

CHALLENGE 1

Engaging with the right candidate

New employees are usually recruited to fill a void often created by predecessors who have left.

The SAS answer: Our predictive tools can help HR leaders to identify what will make an employee successful for a given role. We can build talent profiles that are created using a broad array of internal and external data. HR leaders can reduce the level of risk in recruiting an unknown quantity by scoring applicants against these profiles, focussing right down to individual vacancies and thereby increasing the effectiveness of the recruitment strategy.

CHALLENGE 2

Optimising talent

Public sector organisations need to view the training and experiences that employees have received since they were hired and cross reference that info with the skills and training that the organisation will require from them.

The SAS answer: We can help to identify underused talent that would be better applied elsewhere in the organisation. This will help leaders to profile and more effectively retain the best performers, future leaders and most critical skills. It will also form the basis for focussed learning and development efforts based on employee potential as shown in survey results, rankings, manager feedback, skills assessments and more.

CHALLENGE 3

Predicting employee voluntary termination

Public sector organisations tend to have an ageing workforce. As such, they should be wary about the increased likelihood of these individuals retiring and losing years of knowledge and practical experience.

The SAS answer: Our solution uses over 65 separate pieces of data per individual to predict which employees have the Highest Probability of Voluntary Termination (HPVT). Again, this will allow HR teams to become more proactive in retaining skills and developing skills transfer and succession programmes.

Forecast model optimisation: helping HR to understand the factors that go into helping them undertake the big picture forecasting above.

CHALLENGE 4

Analysing incentives

What happens once an organisation has undertaken an HPVT review?

The SAS answer: HR leaders can develop strategies to deal with the outcomes of HPVT, ideally in ways that work best for the department. SAS can make recommendations to help influence employee behaviours - essentially whether they stay or leave. For example, older employees could be offered an early retirement package to incentivise them to leave and free up the position for younger talent. However, if that older employee possesses a high level of institutional knowledge, HR may want to provide incentives in order to influence them to stay and transfer their knowledge to others. In both of these instances, having analytical insights will help HR leaders to make the most effective decisions about where to spend budget, and deliver those decisions if necessary for further scrutiny in future.

What next?

Whether you are contending with acquiring skills to support the digitalisation agenda, demonstrating employee value, getting training budgets to work harder, or putting in place retention and succession strategies to proactively manage demographic change, data is the answer. Exploiting its potential with SAS is proving to deliver transformative outcomes for public sector organisations.

Our solution is end-to-end – from data preparation to analytics output, where decisions or visual reports on the precision insights generated go straight into the hands of relevant executives. With so many challenges to juggle and so much rich data waiting for you to exploit, please reach out to us to explore how we can help you optimise your workforce for the future of government.

Please call 01628490972 and ask to speak to a member of the public sector team, or visit sas.com/uk/workforce