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Research report

April 2015



Evolution of
HR *analytics*:
A Middle East
perspective

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Evolution of HR analytics: A Middle East perspective

Research report

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The case study organisations were:

- Construction Business¹
- DP World
- Federal Authority for Government Human Resources (FAHR)
- First Gulf Bank
- FRHI Hotel Group
- Jumeirah
- Petrofac
- Serco
- Telecom¹

¹ Organisation wished to remain anonymous

Executive summary

‘The CIPD has conducted research to explore the opportunities and challenges that organisations are currently facing when establishing their analytics activity.’

Background

The Middle East has seen considerable growth over the last 10–15 years – the region is now the base for numerous highly successful multinational corporations which have exploded in size and footprint, and are now significant players across global markets. Gross domestic product (GDP) for the UAE grew by 4.8% in 2013, following two equally productive years, and is expected to continue to grow by around 4% per annum through to 2019.² Similar trends exist for Saudi Arabia, Qatar and Bahrain. With this rapid economic growth the region now has a very real need for people management practices which enable organisations to develop value in a sustainable way, and the means by which the impact of HR and the workforce can be measured. HR capability in the region is growing, and as a part of this so is the need for HR and people measurement capability, or ‘HR analytics’ as it is better known.

The people insights that HR analytics can provide play a crucial role within organisations by illustrating how through strategic HR practice organisations can improve their overall productivity and performance. While many Western multinationals have started to embrace the value of HR analytics, the relative adolescence of organisations in the Middle East means that HR analytics practice has yet to become business as usual for the big players in the

region. Though it may be expected that multinationals have applied their HR analytics processes across their global footprint, the reality is that its application is more piecemeal, and in regions such as the Middle East HR analytics practice is less rooted.

To investigate how organisations in the Middle East are approaching the development and application of HR analytics, the CIPD conducted interviews with HR professionals from nine organisations across a broad selection of sectors. We complemented this in-depth analysis with data from an online survey.

Findings

Organisations in the region view HR analytics as a topic of huge potential, but believe that the capability of their teams, systems and people are not enabling them to realise the full potential of their HR data. A number of key themes emerged from our analysis of the data (see Table 1).

² INTERNATIONAL MONETARY FUND. (2014) *World economic outlook April 2014: recovery strengthens, remains uneven*. Washington, DC: IMF.

Table 1: Key findings

<p>Establishing strategy and processes</p>	<p>Organisations are in the early stages of adopting and building HR analytics strategy and processes. A fully integrated and aligned HR analytics strategy is required if the investment in capability is to add real value, but present HR strategies do not recognise the importance of HR analytics capability, although this is now likely to change as 82% of respondents stated that they were using HR analytics to inform their new HR strategy. HR leaders play an important role in establishing the analytics strategy, and therefore should own the agenda and ensure that capability is in place to deliver against their vision.</p>
<p>Organisational maturity</p>	<p>As a first-generation corporate society there is great opportunity for the region to lead HR analytical maturity on a global scale. While in some cases the aspirational nature of business leaders is driving up capability through targeted investments, there is pressure for others to remain in line with the perceived activity of the competition: 71.7% of those surveyed stated that they will either keep investment in HR analytics at the same level, or increase it. This trend of investment, coupled with the rapid growth of some organisations, shows there is a need within the region to establish robust analytics programmes. The relative youth of organisations may also allow them to build their analytical capability in an agile way from the very beginning, instead of retrofitting a new approach into a legacy IT system.</p>
<p>Linking HR analytics to business outcomes</p>	<p>Where HR analytics is adding most value is when it is tied to overall business outcomes. HR directors find that the business case for investment in future HR activity must include data derived from HR analytics, and other functions are increasingly pulling on HR data for their own business cases. Focusing HR analytics on business issues and real problems is creating new competitive opportunities for organisations in the region.</p>
<p>Technology: from barrier to enabler</p>	<p>Technology for capturing, analysing and reporting on data is often a barrier to the better implementation of high-impact analytics. Organisations throughout the study are struggling to map their HR data (given its size and scope) and apply a coherent methodology. As a result technology remains poorly utilised and incompatible, resulting in significant cost pressures. Organisations are focused on designing and implementing perfect end-to-end HR processes. One opportunity here is to simplify this approach and ensure they are capturing and using the most important workforce data to add business value.</p>
<p>HR analytics skills are in short supply</p>	<p>The role of HR analyst is only just reaching prominence in organisations in the region, and as a result the skills and competencies to do HR analytics are not yet prevalent. This is not an issue specific to the Middle East, rather a global one, but it is more salient in the region given the rapid expansion of industries which require sophisticated analytical techniques. However, while there is a desire to build capability, only 22% of organisations surveyed were investing in HR analytics training, and less than half are accessing analytical talent from other teams in their own organisation. As with the global HR community, there are significant gains to be made for individuals and organisations willing to invest in numerically based research and analysis techniques, for example psychology, sociology, engineering and economics, but investments are yet to be secured by HR teams. As a result those organisations that fast track and invest in their analytics capabilities early are likely to drive tangible competitive advantage.</p>
<p>Future of HR analytics in Middle East organisations</p>	<p>HR analytics is a significant theme for organisations in the region because of the potential it brings to producing a fully strategic and influential function which is able to drive value creation for the organisation. A new generation of workers is demanding more and more from the region's businesses, and increasing intelligence in the form of data on those organisations is important if the Middle East is to become a leading global economy. Organisations in the region aspire to reach the capability of running highly robust predictive analytics, but at present less than 3% of organisations stated that they had developed predictive capability in their HR analytics activity. With a clear strategic focus on nationalisation across the region, there is also an opportunity for both countries and organisations to leverage HR analytics to help shape and drive this agenda to create sustainable long-term value for organisations in the Middle East.</p>

‘Technology and data reliability are twin issues which appear to be hampering the proliferation of analytical techniques in the Middle East.’

Conclusions

First-generation organisations in the Middle East are undergoing rapid growth, resulting in a desire for HR analytics but which is implemented in a semi-structured, non-prescriptive way, to better fit their fast-changing needs. Organisations are highly aspirational with regards to the application of HR analytics, but capability lags behind. It is HR leaders who are driving the application of HR analytics as they develop coherent HR strategies, while focusing on developing productive and high-performing work teams. Organisational and HR strategies in the region are now increasingly informed by HR analytics. Building insights which answer strategically relevant business questions was a key lesson highlighted through the research, as those organisations which could demonstrate the value of analytics were able to gain investment to grow the function further. However, for those where investment was not forthcoming, the biggest barriers were seen to be the cost of resourcing and running analytics activity and building IT functionality. The output of analytics for those organisations in the study appears to be highly operational and based around present or past data. No case study organisations were able to illustrate highly complex predictive analytics and less than 3% of survey respondents agreed that they had achieved this level of sophistication, indicating that the region may be some way off realising predictive capability.

Technology and data reliability are twin issues which appear to be hampering the proliferation of analytical techniques in the Middle East. Consistent and robust data is needed, but some organisations are struggling to define standard HR terminology, for example

measures of headcount, or full-time equivalents, with regards to the contingent workforce. Many global organisations are operating with different definitions for HR processes, illustrating that there are some clear silos which persist in HR functions. In some instances technology is acting as an enabler, while in others it is more preventative, impeding the use of HR data. Where analytics is working, technology has been the catalyst for high-quality insights across the organisation, but this often comes at high cost outlay, which requires a significant commitment by business leaders – and in small organisations this can be very difficult.

Analytical talent within the region is following a similar trend to the global perspective: talent is in short supply and in increasingly high demand. There is a definite gap in the region for high levels of analytical capability, which at present are filled by vendors and consultancy firms. The ‘buy or build?’ debate is a hot topic for HR professionals who are now tasked with building analytical capability and we believe this debate will continue for some time.

What is clear from this research is that there is great potential for organisations in the region to lead the development of HR analytics for the global stage, by making use of the emerging knowledge economy and developing innovative approaches to HR analytics. Legacy IT systems, HR policies and strategic barriers are less prevalent in fledgling Middle East organisations, which are in many cases exploring new ways of working. Those organisations willing to invest early on are likely to reap the returns of their investment as the economy matures, and will most likely realise true competitive advantage over their competition.

Table 2: Recommendations for organisations in the Middle East

Focus on creating value for the business – apply analytics to current or future issues	HR professionals in the region should look to gain investment by meeting business need – integrating current capability with outcomes for other business functions will ensure that insights are able to drive up business outcomes.
Establish organisation-wide standards and protocols	HR managers operating in both national and multinational contexts should look to establish standards and policies that detail organisation-wide and industry-wide definitions. These should be applied within the organisation consistently and reviewed on a frequent basis.
Partner with IT to develop systems which are fit for purpose	HR functions within the region should work closely with IT to build systems which allow a modular approach to the development of analytical capability. These systems should be designed with long-term investment and development in mind, and should be developed around the specific needs of the business.
Combine technical capability with HR specialist knowledge – manage the buy/build ratio	Middle East organisations must look to build multi-disciplinary teams which bring together business and HR acumen with technical know-how. Highly numerate individuals with an understanding of statistics should partner within the function with subject experts to develop business-relevant people insights.
Concentrate on ‘foundation analytics’ before reaching for aspirational predictive capability	Organisations should focus on developing their core HR analytics capability, by building capable teams which are able to lay the foundations for future predictive analytics. These teams should ensure that HR and IT are fully aligned, that data is robust, meaning that the most important workforce and business data is collected, and that analytical activity is focused on adding business value, outside of the HR sphere.

Recommendations

Table 2 above outlines our recommendations for organisations in the Middle East.

Final thoughts

Middle East organisations are using HR analytics to tackle some of their most challenging HR issues: talent pipeline planning, organisational development, engagement, and learning and development. Many recognise the potential for HR analytics to enable them to outperform their competitors and recognise it as a key capability to develop if they

are to ensure business growth. As a result many are now investing in the IT infrastructure, HR strategies and team capabilities to be able to complete high-quality HR analytics – either by investing in vendors and suppliers of capability, or through the training and development of their own HR teams. However, it is those who are able to secure continued investment and develop a coherent HR analytics strategy who will be able to maximise the business benefits and drive success for their organisations.

Introduction

- HR analytics is the application of analysis and data processing procedures to HR/people data to provide information and insights about the nature of individuals in organisations and the value that they add.
- Organisations in the Middle East recognise the potential value of HR analytics, but few have moved beyond the operational level and produced high-quality predictive analytics, viewed by many to be the pinnacle of current sophistication. Organisations are instead focused on developing the standards of their metrics and ensuring that they report robust data on a consistent basis. Sophisticated analytical activity was less common amongst those organisations interviewed.
- Organisations in the region recognise the potential for HR analytics, but the greatest challenge in its implementation is twofold: there are few highly skilled HR analytics experts able to implement HR insights processes, and the IT infrastructure to enable high-quality data collection and analysis is lacking. First-generation organisations in the Middle East are undergoing rapid growth, resulting in a desire for HR analytics but which is implemented in a semi-structured, non-prescriptive way: an evolving and modular approach.

HR analytics continues to be at the top of many organisations' overall capability gaps. Rapidly improving technological capability, plus greater availability of 'people data', is creating the perfect conditions for the use of HR data to make HR and business decisions. Many organisations are now waking up to the potential for HR analytics to shine a light on the aspects of the workforce's human capital which could provide them with true competitive advantage over their peers.

On a global scale, established multinationals are increasingly applying HR analytics methodologies to gain insights into various aspects of the HR processes and strategies. From recruitment of key talent, and retention of pivotal roles, through to the development of targeted learning and development interventions, HR data is informing how modern organisations manage their human capital and create

value from their workforce. In no place is this more true than the Middle East, where first-generation organisations and increasingly multinational corporations are flourishing in relatively stable economic conditions and an influx of international talent is attracted to the region by the wealth of opportunities available.

Despite these favourable conditions, HR analytics continues to be in an emergent phase in the region. Well-known users of HR analytics are championing its application to specific HR activity, for example engagement, but its take-up continues to be slowed because of a number of factors. Firstly, technological capability within the region is preventing organisations from exercising their analytical curiosity and testing out HR analytics. Operational aspects such as definitions for measures, co-ordinated IT systems and training to implement and manage HR analytics systems is lacking,

partly because organisations in the region are new to the analytics discipline. HR managers in the region have many pressing HR priorities which are dictating where they commit their limited resources, and as such HR analytics continues to remain on the 'nice to have' list.

In-house analytical capability is less common in the region, with organisations preferring to rely on vendors to deliver analytics solutions. HR IT technology for the whole data to insights value chain, for example from the management and utilisation of data through to analytics and data visualisation, play a significant role in the business ecosystem. Highly aspirational HR leadership is driving up standards by using HR data when making decisions, and the competitive environment for local and international business provides a fertile landscape in which HR analytics, and the vendors which supply it, are able to flourish and add value.

The emergent nature of HR practices and policies within the region provides real opportunity for high-value-adding analytics to be implemented from the ground up. Common barriers for organisations looking to implement HR analytics, such as misalignment with established IT systems, or non-standardised HR approaches, are not as established, or are non-existent in relatively young organisations. As a result, organisations in the Middle East may be able to reap the benefits of building HR analytics from the ground up and embedding HR systems and processes from the beginning. However, there will continue to be a period of time required to establish the 'HR measurement norm' for the region, partly because of a lack of analytical capability amongst practitioners and partly because it takes time for HR systems to fully integrate HR analytics capability.

Against this backdrop organisations are looking to fully maximise the application of HR analytics to create value, but there is little data which conveys the approaches of HR managers to HR analytics within the region. There is clear appetite from HR managers in the region to understand more about HR analytics, and as such the CIPD has conducted research to explore the opportunities and challenges that organisations are currently facing when establishing their analytics activity.

'The emergent nature of HR practices and policies within the region provides real opportunity for high-value-adding analytics to be implemented from the ground up.'

CIPD HR analytics research

Valuing your Talent



In the UK the CIPD partnered with the Chartered Institute of Management Accountants (CIMA), the Chartered Management Institute (CMI), the UK Commission for Employment and Skills (UKCES), Investors in People (IIP), the Royal Society of Arts (RSA) and Lancaster University Management School to develop a new framework for the measurement and reporting of HR and human capital data. *Managing the Value of Your Talent: A new framework for human capital measurement* was published in July 2014 and explores various academic and business perspectives on the measurement and reporting of HR data. The Valuing your Talent Framework was developed through interviews with over 80 professionals representing 40 organisations, and illustrates a new approach to structuring HR data. The framework was built through extensive collaboration with finance, HR, investor and senior consultancy professionals, and is free online for any organisation to apply to their business.

Talent analytics and big data – the challenge for HR



In 2013 the CIPD published a report developed in partnership with Oracle exploring barriers to the use of big data and HR analytics for organisations in the UK. The report investigated trends in HR data collection and analysis, and through comprehensive practitioner interviews investigated significant barriers to the implementation of HR data analytics and measurement. While previous research has focused on technology, techniques and talent, this research looked more closely at exactly how organisations are applying HR analytics and talent analytics within their organisations.

The report found that there are three major barriers to the development of high-quality analytical capability for organisations: silos, skills and smarts, and suspicion and scepticism:

- **Silos:** The implementation of new systems continues to be hampered by silos which are preventing organisations from fully implementing HR analytics, including silos within HR as a function. Silos between functions, for example IT and HR, are also preventing organisations from maximising the value they generate from HR analytics research, and incompatible IT systems are frequently noted as being barriers to greater utilisation of people data.
- **Skills and smarts:** A significant skills gap exists which is preventing organisations from making the most of their HR analytics capability. A new analytical talent is needed in the function to run analytics, as well as leverage business information to generate high-impact, business-focused insights. Without a mix of HR and numerical knowledge, it is unlikely that organisations will be able to move their analytics to the next level.
- **Suspicion and scepticism:** There are cultural and professional obstacles which are preventing analytical techniques from being embedded within HR. This includes biases and beliefs about intuition and expertise within HR, and the view that analytics may reduce people to a unit of measurement.

1 The research

The research comprised a mix of two research methods: face-to-face semi-structured interviews, which were conducted between February and April 2015 with nine case study organisations, and a region-wide survey, with HR professionals in Middle East-based roles.

Semi-structured interviews

Organisations which represented a variety of sectors at different stages in their business lifecycle were selected and invited to participate in the interview process. Interviewees in all organisations were in HR roles, and in a couple of cases a group of representatives from HR were able to participate in a semi-structured focus group, which provided an additional dimension of data and insight to the study (see Table 3).

Online survey

A survey investigating region-wide perceptions of HR analytics was also undertaken. The survey tool consisted of 35 questions exploring measurement and reporting practices of organisations within the Middle East.

In total 106 individuals from across the region completed the online survey. Further information about the respondents can be found in Appendix 1.

Figure 1: Profile of respondents, by global size of organisation (number of employees)

n=106

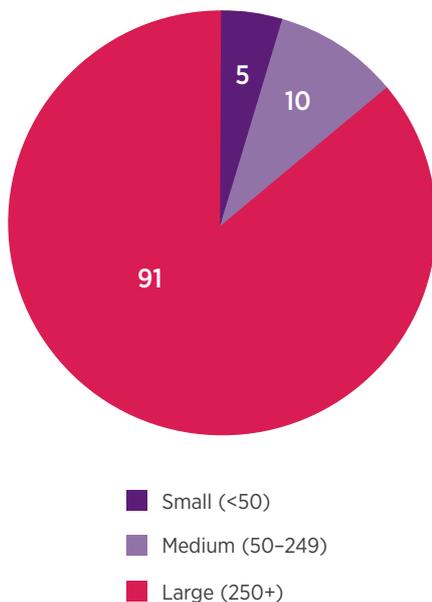


Figure 2: Distribution of responses, by sector (tick all that apply) (%)

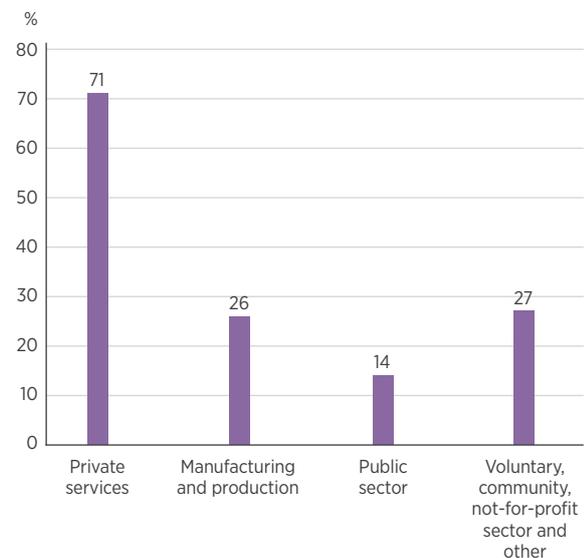


Table 3: Participating case study organisations

Organisation	Number of employees (approx.)	Background
Construction Business	15,000 (Global)	Construction Business is a Middle East-based construction business which employs over 15,000 people globally. The workforce is highly technical and is made up of over 50 nationalities.
DP World	36,000 (Global)	DP World is a UAE-based global shipping terminal operator founded in 1972 in Dubai. The group has a portfolio of more than 65 marine terminals across six continents, including new developments under way in India, Africa, Europe and the Middle East, and employs more than 36,000 people globally.
FAHR	FAHR: 140 (Middle East) FAHR Supports: 91,000 (Middle East)	FAHR, the Federal Authority for Government Human Resources, is a public sector entity established in 2006 to oversee the management of human resources of ministries and federal authorities within the UAE. The authority manages the policies and administration of human resources for all UAE civil service ministries. The organisation supports 48 government entities with a total of more than 91,000 employees.
First Gulf Bank (FGB)	1,700 (Global)	FGB, which was founded in 1979, is the third largest financial services provider in the UAE by assets and has been the most profitable bank in the UAE for the past two years. It offers a variety of services, including wholesale, consumer and treasury banking as well as wealth management. The organisation is one of the region's leading financial organisations and continues to grow in regional and international prominence. FGB currently employs 1,700 individuals, the majority of which are based in the Middle East.
FRHI Hotels & Resorts	42,000 (Global)	FRHI Hotels & Resorts is a global luxury hotel management chain, managing 105 hotels worldwide. The company was formed in 2006 from the merger of Kingdom Holdings and Colony Capital and the acquisition of Fairmont Hotels & Resorts and is the management chain for a number of luxury resorts worldwide.
Jumeirah Group	14,500 (Global)	Jumeirah Hotels & Resorts are regarded as among the most luxurious and innovative in the world. The company was founded in 1997 with the aim to become a hospitality industry leader through establishing a world-class portfolio of luxury hotels and resorts. In 2004 Jumeirah Group became a member of Dubai Holding – a collection of leading Dubai-based businesses and projects.
Petrofac	20,000 (Global)	Petrofac, founded in 1981, is a provider of oilfield services to the international oil and gas industry. The organisation designs and builds oil and gas infrastructure, operates, maintains and manages oil and gas assets and trains professionals within the oil and gas industry. Petrofac is listed on the FTSE 250 index, is headquartered in London and has operational centres in Europe, the Middle East and Asia. The organisation employs around 20,000 people of over 80 nationalities in 31 offices worldwide.
Serco	120,000 (Global)	Serco Group Plc is a British run Company employing 120,000 people in over 30 countries globally and is a leading supplier of public services, focused on five sectors: justice and immigration, defence, citizens' services (public sector business process outsourcing, or BPO), transportation and healthcare. Serco operates particularly in the UK, US, Australia and New Zealand, and the Middle East.
Telecom	2,000 (Middle East)	Telecom is a telecommunications organisation based in the Middle East. The organisation employs 2,000 people.

2 What we found

From the interviews, focus groups and region-wide survey we found that there are six broad themes which came through for organisations developing their analytical capability:

- establishing strategy and processes
- organisational maturity
- linking HR analytics to business outcomes
- technology: from barrier to enabler
- HR analytics skills are in short supply
- future of HR analytics in Middle East organisations.

Establishing strategy and processes

In this section the report looks at how organisations are integrating their HR analytics activity into their business strategy and using the HR data to inform and develop their people strategies. We also investigate the drivers for HR analytics in organisations, and how analytics is shining a light on strategic planning activity. Particular focus areas include:

- drivers to establishing HR analytics processes and strategy
- first steps in building capability
- components of HR analytics processes.

New, fledgling organisations in the Middle East are approaching HR analytics with keen interest and an open perspective as to how it may add value to their businesses. It is management and leadership in these organisations who view HR analytics as a vital component

of HR which will enable them to understand how the workforce adds value. Organisations in the study have applied various methodologies when building their own HR analytics programmes; analytics is conducted in a way which is specific to the context and business model of the organisation. Approaches also appear to vary over time: this is characterised by the application of HR analytics to various strategic HR processes, for example talent management, succession planning or talent pipelining. Differing views exist as to how HR analytics is applied to significant HR themes, for example numerous approaches exist for applying HR analytics for talent management activity. However, a common thread was the reason for conducting HR analytics: to add value to the process in question by uncovering ways to modify and improve effectiveness and the efficiency of HR practice.

'We had a change of management ... with the new leader coming in, we thought, "Okay, so far so good but let's think of doing it better and smarter. Let's focus on what matters and start putting our investment in the roles that really matter. Instead of doing it more for the people who show potential, let's instead specify more for the roles that need that attention." That's where it all came from.' HR Manager, Telecom

Some organisations in the region have recognised the importance of establishing an analytics process and as a result have embedded HR analytics into their HR and

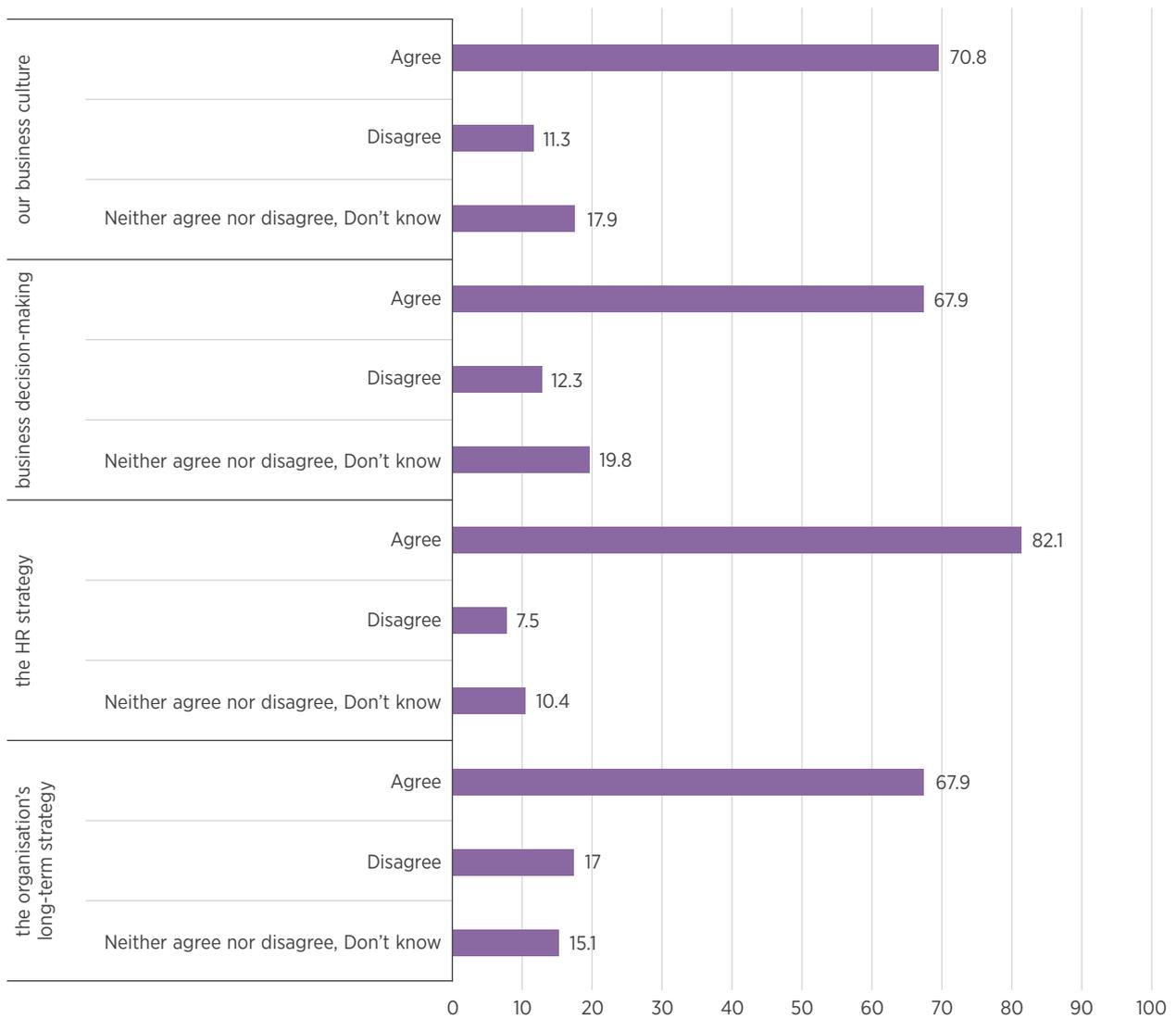
business strategy. This was seen to be the only way to ensure that the business understands the importance of the activity and also could appreciate the value in investing in capability. Given the youth of organisations in the study, only the most recent strategies have HR analytics at a central position, for example deciding to invest in building capability by training HR to conduct analytics, and not to buy in new talent from outside:

'We put a strategy in place for 2012 to 2014 which had 113 items on the list with a lot of build, not buy, items. We have put all the foundations in place and now our strategy for 2015 to 2017 is to leverage off of what we have built. Each of our initiatives within the HR strategy links to "to be measured by", so we are then putting metrics in place ... and we are going to track those. Some of them are reported on a very regular basis and some on a quarterly basis ... that is our goal to make the strategy come alive by building on the foundations from the last three years.' Colin Mann, Vice President of HR Business Support, First Gulf Bank (FGB)

Those that participated in the survey echoed these views, stating that HR analytics is playing a vital role in formulating both the organisation's strategy and the HR strategy itself. It is also shedding light on the culture of the organisation, with over 70% of respondents agreeing that they had used analytics for this purpose (see Figure 3).

Figure 3: HR analytics is helping the organisation to understand/explore... (%)

n=106



Organisational maturity

Organisations in the Middle East are typically much younger than those in the West as the economy has grown significantly in the last 10–15 years. As a result a new approach to HR analytics is likely, as younger organisations have different priorities, different resources available, and are often more able to innovate and apply new ways of thinking. In this section we explore:

- how the age and business model of organisations in the Middle East is impacting how they implement HR analytics
- perspectives on how HR analytics adds value at different stages in the business model
- the opportunities and challenges younger organisations face when applying HR analytics in their business.

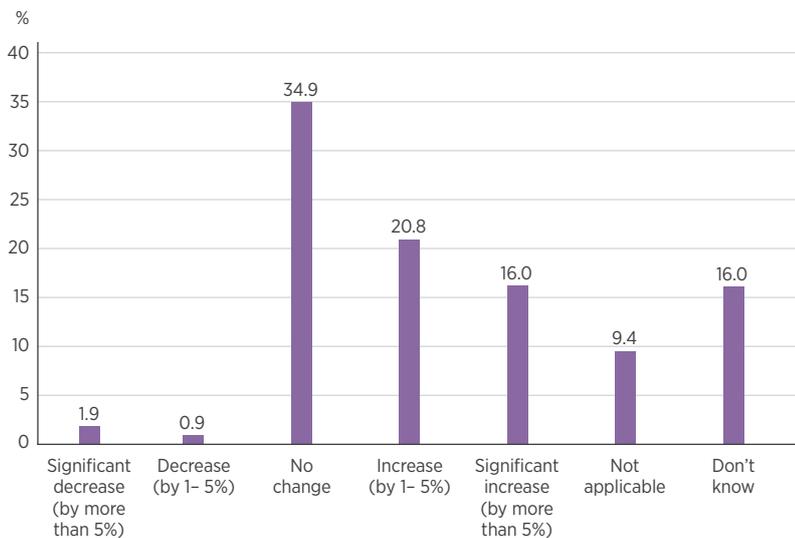
As many organisations in the region are young, there is a mix of sophistication with regard to HR analytics and human capital measurement. Organisations with an international footprint note that there is a clear difference in analytical capability across regions. While Western economies have been able to embed HR analytics into their established processes and strategies, in the Middle East integration is less clear. Organisations are juggling various business priorities at once, only one of which is HR analytics. HR time, resources, cost and expertise are often focused on other issues.

Investment in the development of HR analytics capability by organisations in the Middle East is expected to increase or stay the same over the coming 12 months. While one-third of respondents noted that they expect no change, another third noted that they expect investment to increase, with 16% expecting their organisation to increase investment in HR analytics

‘Organisations in the Middle East are typically much younger than those in the West as the economy has grown significantly in the last 10–15 years.’

Figure 4: Planned investment in HR analytics over the next 12 months (%)

n=106



by more than 5%. This paints the picture of a growing capability in the region, which was echoed in the case study interviews.

Organisations in the Middle East are growing rapidly, but the speed of 'gap filling' which occurs to standardise and legitimise new processes and embed them is much slower. As a result there can be some aspects of firms which are not being measured, or which have not been explored given the data and technology required. New global players can be restricted by the availability and quality of data for HR analysts to interpret and relay actions from. For example, in some cases certain HR data collection processes, such as engagement surveys, are only reaching a select part of the workforce because of inconsistent data, and the application of data collection processes:

'At the moment we're working on it. The idea was, "Let's focus on our permanent employees, and let's do it right." And once we are comfortable with what we have then we can roll it out to the externals, to our partners. In 2015, they are looking at rolling out our engagement programme to our partners.' HR Manager, Telecom

Multinational organisations recognised that a crucial step in establishing analytical activity is the creation of a protocol specific to the management of data which can be applied at business unit level and in group centre. Building a central data repository, or data warehouse, is seen to be part of this process to ensure data is held in an accessible and secure place – but this is at odds with the desire of some to maintain a decentralised perspective that allows local managers to control their own analytics and investigate specific local issues:

'Certainly the business units use their data look at their individual issues. However, centrally, we also need to support the people agenda for our business units to identify issues, themes, concerns, demographics which are common across the whole organisation in multiple locations. We have developed common reporting needs to enable this ... but there's no "big data" being used.' Peter White, Director of Organisational Development & Capability, Petrofac

The emerging status of analytics in some organisations created various challenges with regards to processes, training and reporting. Most participants recognised that they are at the start of their venture into HR analytics and are still establishing a simple HR analytics process that can begin to add value:

'Currently our reporting or analytics is very embryonic. We are only just starting to get meaningful data out for the business. One of the biggest challenges for us is the organisational management element of it, for example, "what is our planned headcount for the year as per the business plan and what is our actual?" There are two reasons for that, one is what I mentioned earlier around getting the managers to be able to manage their own structures, through employee self-service, and secondly the technology that we are still working on improving.' Joanna Bloodworth, Head of HR Shared Service: Middle East, Serco

Rapid growth is creating opportunity for organisations to apply HR analytics, but they've yet to fully implement systems to their full capacity. Operational aspects of data collection and storage are preventing the full utilisation of analytical capability. However, with the evolving organisation comes

a need for information vital to ensuring sustainable growth. This is where analytics is expected to add value, when used to plan for the medium to long term:

'Analytics is in its infancy stage ... we track a lot of data but using analytics to project the future is not really there at the moment, and there are a variety of reasons for that. Mainly systems and mainly data warehousing, and it is also then the question of the drive and the appetite to use that information in a growing organisation.' Colin Mann, Vice President of HR Business Support, First Gulf Bank (FGB)

Linking HR analytics to business outcomes

HR has a vital role to play in the delivery of the strategy of the organisation. By linking HR activity to business outcomes it is possible to understand how HR is contributing to the success of the organisation. This section explores the following themes:

- HR impact on business
- uses of HR analytics to illustrate the value of HR
- the types of data which are used to help create sustainable business outcomes.

Where HR analytics is more embedded in organisations, managers are clearly aligning their HR practices to real business issues. For example, in those firms where HR data plays a fundamental role in business planning and operations (the winning of proposals, for example, which typically requires significant investment in human capital), analytics is used to inform and clarify. Manpower, for example, is one such operational issue for some organisations that are struggling to gain any insights and

are pressured by other functions to improve HR analytics techniques. There was a mixed response from survey participants when asked to consider their use of HR data alongside other business data (known as 'multidimensional data'), with just 10.4% of respondents definitively stating that they use other data sets in conjunction with

HR data to investigate business issues (see Figure 5).

There was also a mixed response from organisations in the survey when asked to consider whether they use HR data about the employee lifecycle alongside other business data, with 40.6% agreeing that they do combine

data sets and 37.7% disagreeing. This followed the trend in the case study interviews of organisations capturing data about employees at different stages of their time in the organisation, but not combining HR data and non-HR data to understand how it informs on progress towards business outcomes.

Figure 5: Do you use multi-dimensional HR analytics data in your HR analytics? (%)

n=106

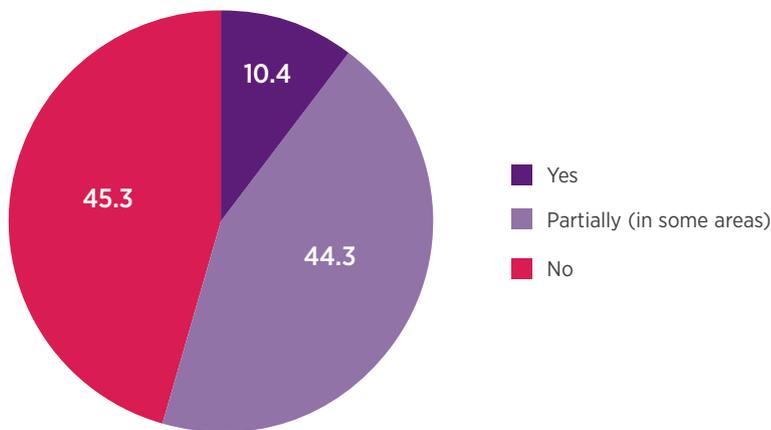
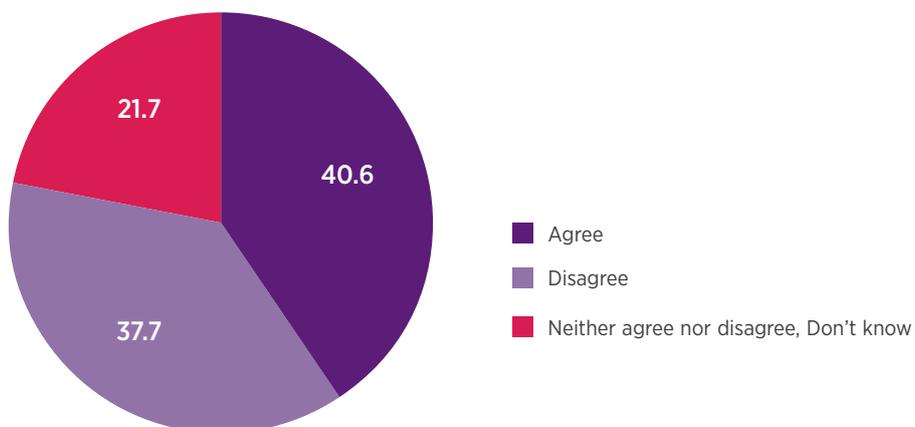


Figure 6: We collect data from across the full employee lifecycle and analyse this as part of an integrated business data process (%)

n=106



In those organisations where strategic decisions are centred on people, there was a call for better use of HR and human capital data. For instance, one interviewee spoke about the pressure within their sector to automate processes and reduce workforce size so as to reduce economic risks, but at the cost of the loss of highly valuable human capital. HR data in this instance is seen as a vital component for building a business case:

'I mean we're in a situation right now where automation is becoming more and more an obvious part of our business but automation is at the price of employees ... how can we really make a business case right now of automation as opposed to employing people directly? There are certain things that you would look at which means it would be genuinely

advantageous, for example places where you have unpredictable labour, places which are heavily unionised, or where labour is very expensive.' Robin Windley, SVP Human Capital, DP World

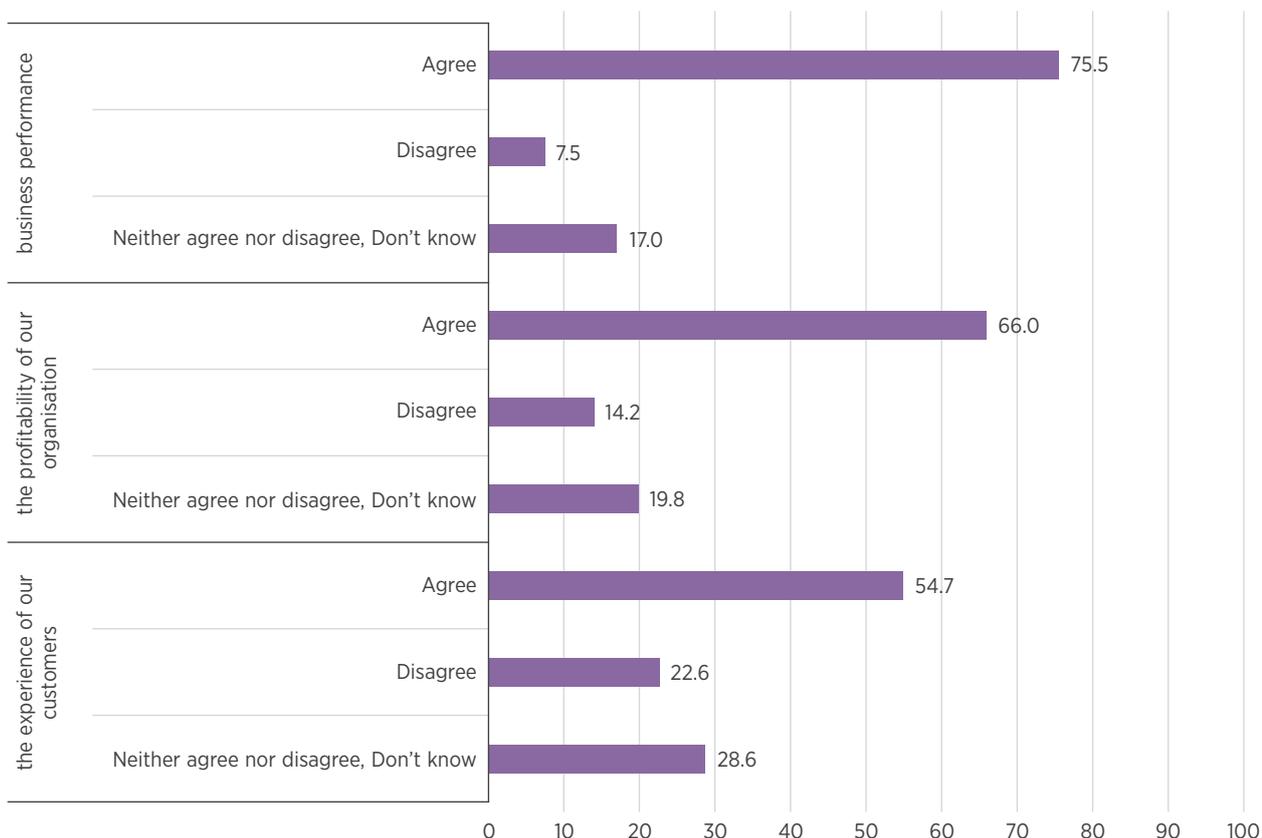
Engagement data is a common data type which is being used at senior levels within organisations to inform people-related decisions. The qualitative and quantitative mix of engagement data, plus the established conventions and systems for collecting and utilising it, means that this common understanding of engagement data is perhaps obvious. The difficulty for some is how to tie engagement data in to business data to appreciate the nature of the engagement-performance relationship. This appears to be further in the future for participants in this study:

'The board concentrates on engagement. At the moment we do everything using engagement [data] although we have many other initiatives - but the engagement survey tends to be relevant to everyone, so that's what the board looks at.' HR Manager, Telecom

A similar picture came through from the data collected from individuals who participated in the online survey. HR analytics and data is being used by organisations in the region to understand organisational performance, including profitability and customer experience. For the latter there is less agreement, but for business performance and profitability, organisations are using HR data to investigate strategic business concepts (see Figure 7).

Figure 7: HR analytics is helping the organisation to understand/explore... (%)

n=106



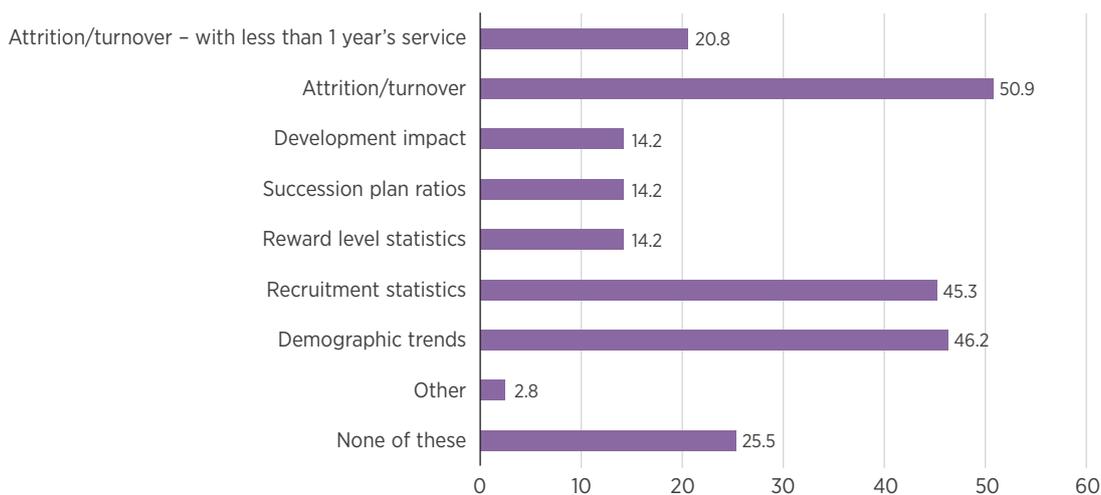
Nationalisation is a key theme for organisations in the Middle East and is one which appeared both in the case study interviews and from the survey responses. Organisations we interviewed are particularly aware of the importance of adhering to regulations when hiring nationals into their workforce and found that HR analytics plays an important role in the form of workforce demographics. Survey respondents noted the various measures they use to explore whether their

workforce is compliant with local guidelines; however, just over 20% noted that they do not use any of our example measures in their analytics process. There is clearly an opportunity to standardise measures to understand the effectiveness of nationalisation efforts across organisations in a more strategic way which goes beyond demographics, recruitment and attrition statistics (see Figure 8).

Some HR professionals in the study recognised that HR data is also adding significant value when shared on an external basis, for example where the completion of specific HR activities is mandated by external regulation and governance. In these instances, data about the treatment and development of the workforce is vital to enable organisations to remain compliant, and also ensures that they are in the best possible position to continue to work in the environments in which they operate:

Figure 8: Which nationalisation metrics do you currently use? (%)

n=106



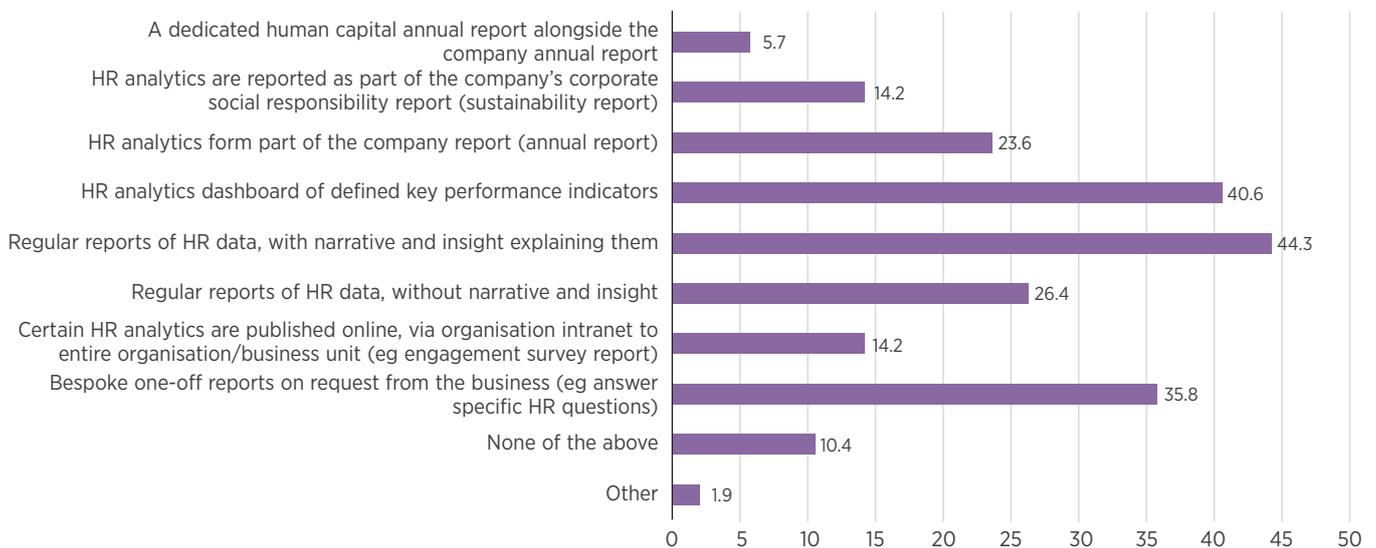
‘Nationalisation is a key theme for organisations in the Middle East and is one which appeared both in the case study interviews and from the survey responses.’

‘Serco Group have just implemented a new learning management system and that was to manage the corporate renewal programme. What drove the business case for that was that we had to report back to the UK Government that we had actually done what we said we were going to do as part of corporate renewal. HR data is very business-focused, and we needed the data to report to our biggest customer to show that we had done what we said we were going to do. That is now being rolled out across the rest of the world for Serco and again that should come into the Middle East this year.’ Paul Gaskin, Human Resources Director, Serco Middle East

The reporting of HR analytics insights is an important step in the analytics value chain, and from the survey we found that 90% of respondents are using some form of HR analytics report to communicate insights to the rest of the business. A broad selection of reporting mechanisms is in use; however, only 5.7% of respondents stated that they are producing a dedicated human capital report that sits alongside the organisation’s annual report. The majority of respondents produce reports which have some narrative explaining insights, but few are using these insights to inform the development of strategic external reports. Over a third of organisations in the study produce one-off reports to answer specific business queries (Figure 9).

Figure 9: Types of reports used to share HR analytics insights and data (%)

n=106



For one interviewee it was clear that all HR analytics should illustrate the impact that HR can have on the business and how it helps the business to make strategic decisions. It is this which he believes should be the vision for HR functions in the region, but in a similar vein to other interviewees he recognises that his organisation is at an early stage in the journey:

'In two years I believe we will have a track record demonstrating where we've identified key data, taken action, and had a positive impact to the business ... we're in the early stages, but that's where we're starting to build credibility.' Peter White, Director of Organisational Development & Capability, Petrofac

Technology: from barrier to enabler

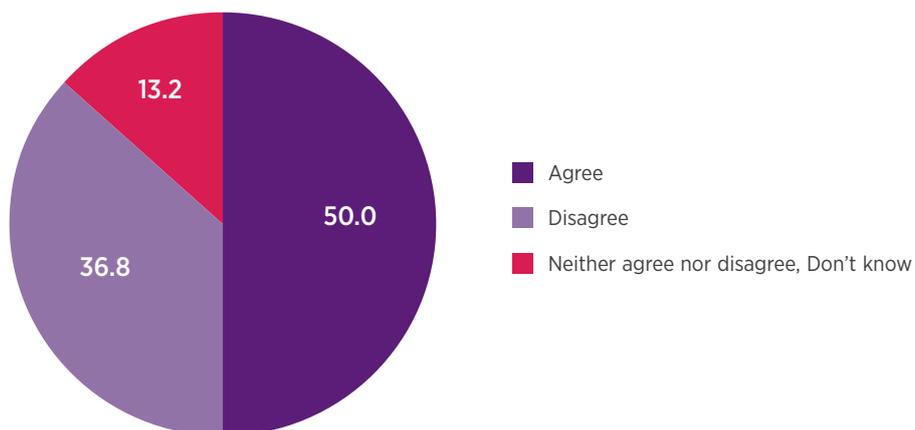
The proliferation of new technology into HR is creating new opportunities for the function to better understand the nature and value of the workforce so they are able to value their HR asset. Technology is enabling some functions to do this, but for many organisations technology is yet to become an enabling factor in their insights activity. The following section explores:

- opportunities and challenges in using new advances in technology to develop HR analytics
- how technology is being applied to organisations in the Middle East.

Technology was a key theme in all interviews. Organisations operating at a global scale recognise real opportunity and potential in the application of technology and IT for HR analytics, but too often they are not realising this potential. Two stories were prevalent in the data: while 50% of organisations stated that they had developed partnerships with the IT function, our case studies show that IT is in some cases acting as a preventative force to the application of analytics. This is because organisations' various HR management systems and finance systems are not universally applied or integrated, resulting in unclear and ambiguous data which is inconsistent and therefore unreliable (see Figure 10).

Figure 10: We have built a close connection with our IT function to ensure technology is properly embedded in the business (%)

n=106



One case study organisation illustrated how important it is for them to develop an IT system which enables them to understand the global view of people in their data:

'There is no one single repository. There isn't one single system because in some environments you'll have a full system, and in another you'll have spreadsheets, and then there's everything in between. So how do you gather that data to make it meaningful? We can't right now and that is one of the big issues for us. ... We don't maximise the value of being a global company without that consistent platform.' Robin Windley, SVP Human Capital, DP World

The survey illustrated that for many organisations a significant stumbling block is the lack of

standardised definitions for HR measures in the region: less than half of the organisations we surveyed agreed that they had defined their HR measures. This was further corroborated in the interviews where case studies stated that they are still to define a number of key terms in their business (see Figure 11).

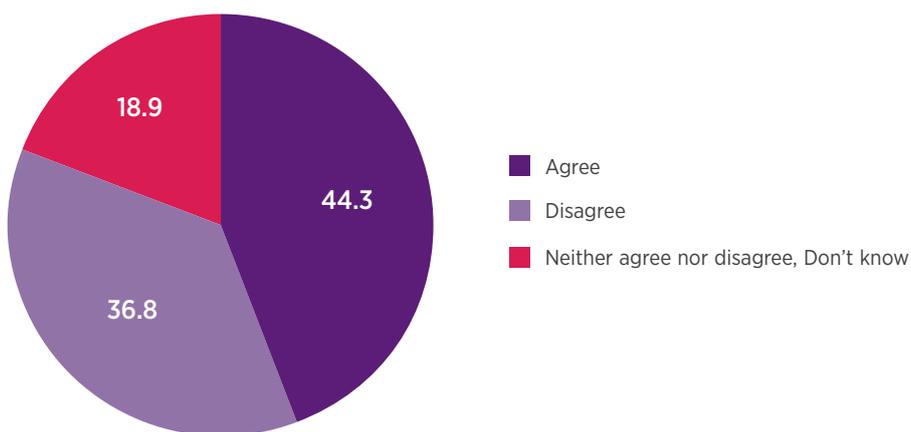
Many who were interviewed recognise that they're at the beginning of the data-to-insights journey. Very few are able to recognise clear value-creation as a result of HR analytics. While most anticipate that it is something that will come in two to three years, at present analytics is a manual operation which requires dedicated HR resource:

'What we do at the moment is we tend to produce a series of diagrams and charts and we tend to print that out on a three- or four-page document. That's it because we haven't really had access to a proper system to produce those - they're all very manual in their nature.' Human Resources Manager, Construction Business

As for 2015 priorities, it was noted by a number of participants that HR analytics – and specifically the IT systems that enable them to complete robust HR analytics – is seen as top of the list. The challenge for established organisations is the integration of new HR data systems with pre-existing or legacy IT infrastructure, or for younger organisations it is the development of new IT infrastructure with HR analytics capability built in:

Figure 11: We have standardised definitions for all of the measures/metrics used in our business (%)

n=106



'In 2015 one of the projects that we've put on the table is to have some software that can help us to generate quality data ... it can be an addition to whatever it is that is currently being used to be a far more cost-effective solution, but obviously we would need it to complement what is existing in the environments at the moment.'
Robin Windley, Senior Vice-President Human Capital, DP World

The challenge in building HR analytics capability from the bottom-up for a multinational organisation is obvious: numerous approaches exist to establish an analytics protocol, with various nuanced structures and systems which can be implemented. For example, DP World consists of over 60 business units, and as a result an incremental 'topping up' approach is suggested, which continuously adds over time to build capability, instead of the alternative of attempting to build one global solution from scratch:

'We can approach human capital measurement in three ways: there's the head office, the global version, and then there's a regional one. Where there are seven regional HR directors, managing their regions, and then beneath that we have the business units. So, the abstraction process of this information actually comes from the business unit. And the regional offices. All the way up to head office. In total we are talking about 60-plus units spread across the globe. ... We are not going to look at every single element of the data, for example we would need

to basically look at [each individual metric] and consider "Does it add value to the global metrics or not?" That's the kind of questions that we are actually working on now. "What level of detail do we need to go on?"' Shanavas Usman Koya, Head of Talent Management, DP World

Case study respondents noted the need for a mix of data for senior leaders to make strategic business decisions. There is a tension in some organisations regarding the use of different types of data, and in particular the pressure in some is to become highly data-driven when for other senior teams there is a definite balance to be made which they believe adds more value:

'The danger is that we become too sanitised as an organisation – I know my boss would not want that to happen. He will never want us to be a system-driven business. He actually very much values the round-the-table discussion. For example, when we're talking about certain succession plans I will sit in a room with him and the chief operating officer and we will talk through these and we debate them. He would never want that to go away. There are certain circumstances when data is needed, but there are others when we would say, "Hang on a minute, we don't want to remove ourselves so much from the business."' Robin Windley, SVP Human Capital, DP World

'There is a tension in some organisations regarding the use of different types of data, and in particular the pressure in some is to become highly data-driven.'

HR analytics skills are in short supply

There must be sufficient capability available to carry out analytics for the HR function, as the activity requires technical knowledge of data and analytical methods plus a deep understanding of HR. Without this knowledge mix it is very difficult for HR analysts to make recommendations to the users of HR insights which are appropriate and can easily be applied. This section explores:

- current HR analytical capability within functions, including the individuals and skills available in functions to carry out activity
- different examples of how functions are building the HR analytics team and the skills mix required to carry out analytics effectively.

HR analytical capability is an area of significant interest for organisations within this study, but across the sample capability is not embedded. Organisations do not have teams in place who are dedicated to completing HR analytics and instead organisations rely on individuals to complete analytics activity on an ad hoc basis, with over three-quarters stating in the survey that they do not have an HR analytics team in place. This figure is surprising given that within the study large organisations are well represented (see Appendix 1), and highlights the relatively low levels of HR analytics maturity for organisations in the region (see Figure 12).

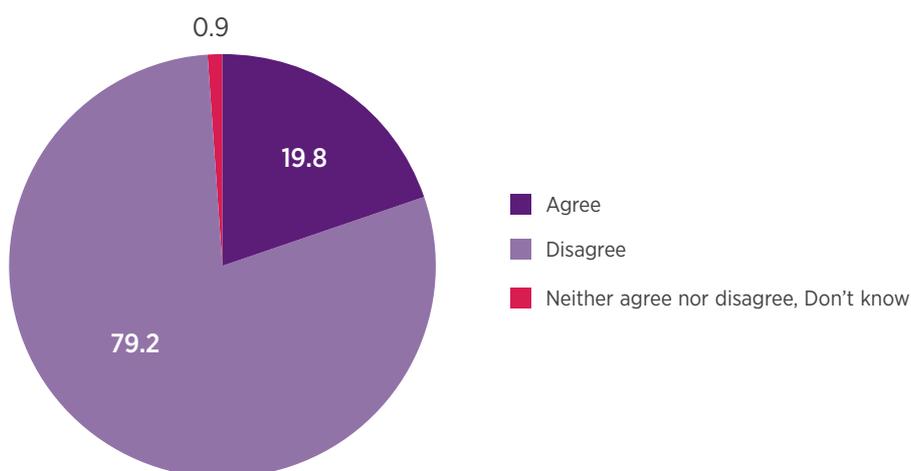
Case study organisations appear to have taken a different approach to building analytical capability, but across the sample there are clear themes coming through. In short, organisations in the region lack

analytically minded and HR-savvy individuals. This is creating real tension for organisations wishing to move their analytical capability forward. New HR competencies, such as data interrogation, data analytics and reporting, and communication of insights – which are all believed to be in short supply globally – are even further out of reach for organisations in the Middle East. The mix of talents within HR functions appears to be adequate to low, with few analytically capable individuals in place to be able to run HR analytics activity (see Figure 13):

‘It is somebody who has had a good statistical background, understands the business and understands people management. Sometimes that is difficult to find. Most either sit on the soft side or the hard side and to find somebody who understands both is unusual ... that is why I think I add value,

Figure 12: Does your organisation have a dedicated HR analytics team/function? (%)

n=106



having been a banker and working in human resources and taking the lessons from one field into another.'
Colin Mann, Vice President of HR Business Support, First Gulf Bank (FGB)

It is not only analytical capability which is lacking, but also an understanding of context effects: how analytical approaches can differ according to context. For example, one organisation was finding it difficult to develop an approach to analytics which catered to the needs of all business units, which are not homogenous, and in some cases can differ significantly in capability, resource availability and capacity to deliver:

'I mean one of the challenges that we continuously face is that any initiative that comes out from the corporate office requires a huge amount of development along with it. You can't just roll out [big initiatives] into the business, and just say "Right, okay, there you are, off you go." It just simply won't work. What we've had to do is organise digital and physical training sessions on site. We've produced videos, we've produced guidebooks. A whole raft of

different methods of getting the message across. What I've found in the time that I've been here is that you cannot assume that one single approach that works so well in one location will ultimately transfer into another. It just doesn't happen like that.' Robin Windley, SVP Human Capital, DP World

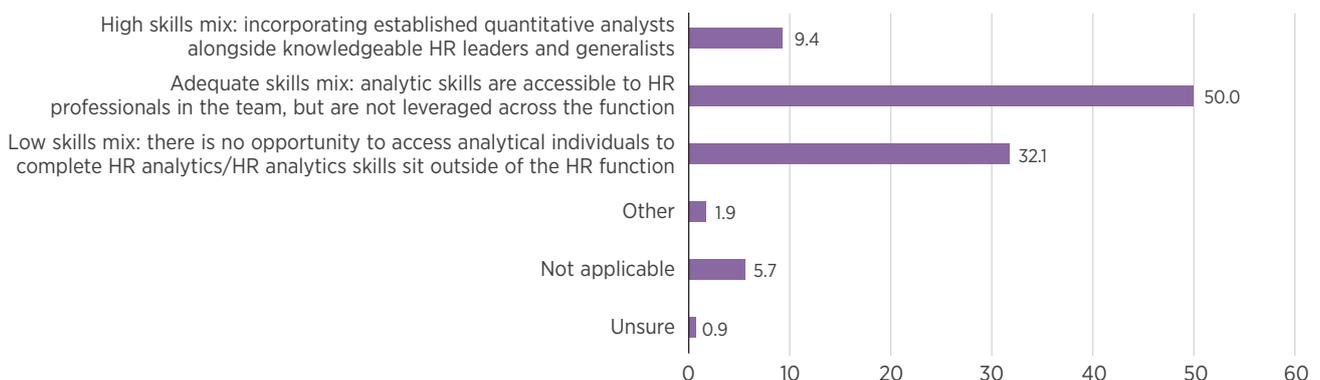
Embedding a single competency standard across the function is challenging for some organisations. Diverse skillsets exist amongst HR professionals – as a result global-level analytical competency varies considerably, even within multinational organisations. An issue which arises as a result of this is that global analytics cannot be universally adopted, or if it is, it may cause some members of the wider community to feel disengaged in comparison with their global peers if they are of lower capability. However, global analytics and the comparison between functions that can result may promote healthy competition amongst business units which leads to the development and use of HR analytics:

'There can be such an inconsistency in terms of competence: you can be in one business unit and it is purely

'Diverse skillsets exist amongst HR professionals – as a result global-level analytical competency varies considerably, even within multinational organisations.'

Figure 13: Which of these statements best describes the mix of skills within your department with regards to human capital/HR analytics? (%)

n=106



a transaction environment and then you'll go to another one and they are very strategic and they really are playing an active role in the way that that business unit is being managed. The competence of the individuals obviously is a significant factor. The consistency of information and being able to get value out of the fact that you are a global company.' Robin Windley, SVP Human Capital, DP World

Individual HR analytics skills are thought to be a vital gap in HR capabilities across those organisations interviewed. Where HR analytics teams have been established, organisations have moved towards appreciating the return on investment of their HR analytics. The inclusion of a variety of analytical backgrounds into teams with a rich understanding of HR practice has added value as it enables the combination of technical capability with deep understanding of HR and business. High-talent individuals with experience across all areas are hard to come by and often demand a premium wage accordingly – as such, an approach which maximises the value of

diverse experiences and skills is seen as the best development route for the function to follow:

'The team has the capability to analyse information ... they come from an industrial psychology or a clinical psychology background. They are very used to data and analysis and are able to come to conclusions, so from that aspect the knowledge is there.' HR Manager, Telecom

The theme of poor flow of analytical talent into the profession in the Middle East continued in the survey: 55.7% of respondents disagreed when asked about the pipeline of analytical capability entering their organisation, illustrating that the issue is common among organisations in the region (see Figure 14).

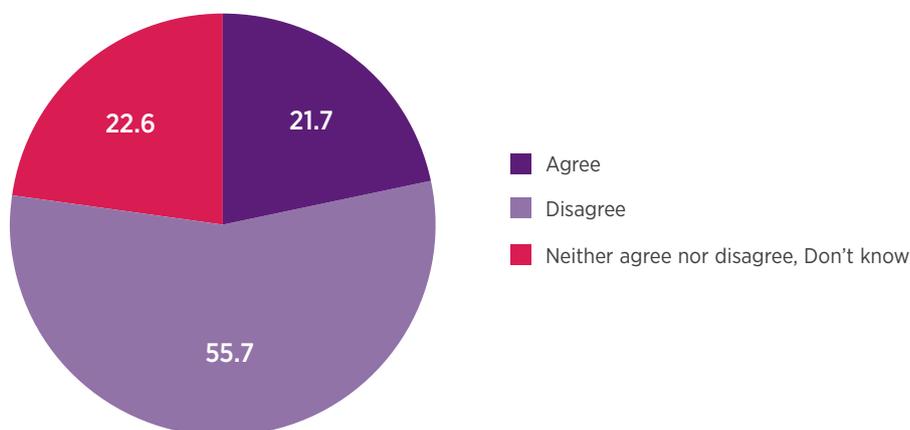
HR data is not just a brave new world for HR professionals living and breathing HR operations. General business managers who use HR data are also often unaware of the power and potential of people data, and how to access and utilise it. As a result they often bring queries and questions back

to HR but do not appreciate that they may already be able to access HR data through shared services. This can overload HR functions and prevent them from tackling pressing business issues. Clearly explaining the role of data producers in the HR analytics value chain is an important step for those systems based manual data entry because gaps in information can cause potentially harmful inaccuracies in the data and analysis which follow:

'Our primary concern is how we improve the provision of accurate and timely HR analytics to support business decisions. Managers have not yet reached the ideal level of maturity with regards to the management and ownership of the data. We need to further educate managers to use the tools and systems HR has provided to them. They need to take ownership of their HR analytics, and see it as their responsibility to use the data in a more effective and proactive manner that will support the overall management of their people. This issue is certainly not unique to the Middle East. We have been working with other Serco regions

Figure 14: We have an established talent pipeline of analytical capabilities entering our HR function (%)

n=106



to share learnings, other industry benchmarks and methodologies to enhance the way Serco want to work going in the future.’ Joanna Bloodworth, Head of HR Shared Services: Middle East, Serco

The lack of competency is compounded when we consider that of the 106 organisations surveyed, just under three-quarters stated that they are not training their HR team(s) to complete HR analytics, and only 22.8% were able to state that they are investing in training. Partnership with the rest of the business is another route to building capability, but the organisations that we surveyed had a mixed response when asked if they partner with other parts of their organisation to improve their analytical capability. Over 50% were unaware about whether they are doing this in their organisation, or disagreed. This illustrates that there is some potential for HR managers to improve their internal networks to access potential analytical talent within their organisation, which could help to bring this capability into the function (see Figure 15).

Future of HR analytics in Middle East organisations

Organisations in the Middle East view HR analytics as a significant opportunity for the function and see investment in capability as important for today and for the future. There are a number of areas that professionals in this study recognised when asked to consider how their organisations will approach HR analytics in the medium and long term. This section explores:

- HR professionals’ perceptions as to how the HR analytics function will develop over the next five to ten years
- different examples of how functions are building the HR analytics team, and the skills mix required to carry out analytics effectively.

HR professionals in the Middle East recognise the potential for HR analytics to become a central process which adds significant value in those organisations

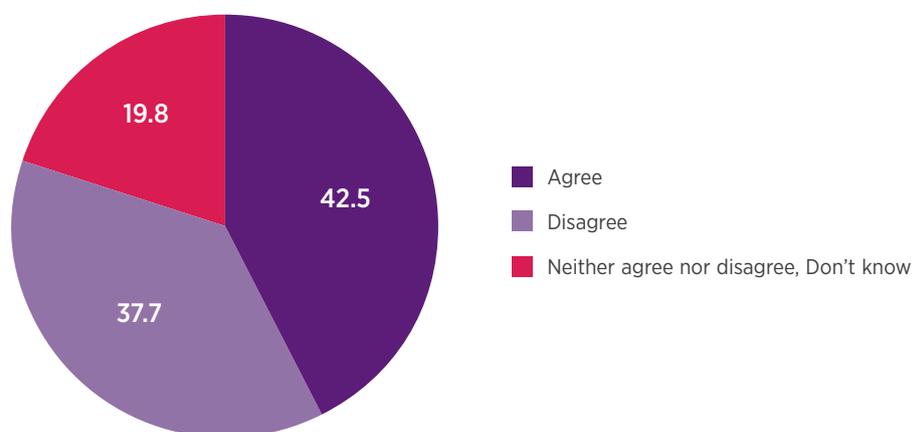
able to implement it with the appropriate degrees of rigour and pace. Low capability levels appear to be an artefact of the youth of organisations within the Middle East, which have rapidly grown over recent years and as such are only recently considering how to measure the value of their workforce. Organisations see it as an important capability to possess as it is a method by which HR can articulate how it adds value to the organisation:

‘Ultimately what I would like to see is that it would justify the existence of the function ... the kind of data it should generate should prove why you are actually there. ... It allows you to say “this is what we are doing”, and it’s very transparent. It’s very consistently measured.’
Robin Windley, SVP Human Capital, DP World

Automation is expected to have huge impacts on the labour market, and within HR analytics the same is true. In the future, HR managers expect HR analytics will produce outputs with speed and high degrees of accuracy. For

Figure 15: We partner with other parts of the business to improve our analytical capability (%)

n=106



example, a senior manager expects to be able to see a full visualisation of data, which includes explanation and meaning, by clicking a button. The automated system is also expected to pull on multiple data sets, often outside of HR:

'The challenge [for us] is in not having easy access to information. For example, if our chief of human capital wanted something now, he would need to get in touch with me for my area, get in touch with the senior vice president for his area, and get in touch with employee services for their area. So it's different people. Hopefully one day it'll be easier for him to press a button. We do have a system through which you can actually look at current headcount, nationality split of individuals in different areas. ... so any executive, at any time, wants to know what is happening in his department, they will know the demographics, vacancies etc.'
HR Manager, Telecom

While still an emerging concept for most, many of the HR managers interviewed had a clear vision

of how they would like to see HR analytics being applied in the near future. Integrating data sets, communicating compelling narratives about the organisation and, perhaps crucially, demonstrating real business impact, are all part of the vision of the future for organisations in the Middle East.

Predictive analytics is the capability which most organisations aspire to develop. In the Middle East this includes a focus on talent predictions, for example mapping the impact of external economic conditions on the talent supply of the organisation, and developing scenarios to stress-test specific HR processes and systems. In a complex business operating internationally, this has clear challenges associated with it:

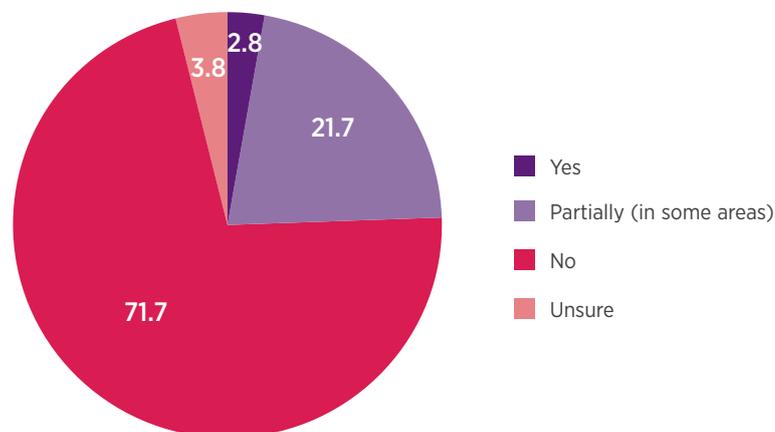
'Firstly we need to have confidence in our HR data and this is something we constantly work on. But, the cornerstone of what we're trying to understand from an analytical perspective is: What is

the demand for talent across our business? The industry is evolving; the organisation is diversifying which is slightly different to the approach we've taken in the past. We're trying to understand what the future looks like: What do we need? E.g. what are our key critical roles? And what do we need in the next 12 to 36 months in particular? So, it's relatively short term, and that's part of the nature of what we do. In a way HR analytics and data should enable how we form and control, i.e. risk manage our business.' Peter White, Director of Organisational Development & Capability, Petrofac

However, in reality analytical capability is not high enough to enable organisations to complete highly complex HR analytics. Only 2.8% of organisations in the study stated that they have started to use mathematical modelling techniques to predict future HR trends (see Figure 16).

Figure 16: Does your organisation apply any statistical modelling tools (or algorithms) to predict future trends across your workforce? (%)

n=106



Conclusions and recommendations

Conclusions

This research was conducted to explore how organisations in the Middle East are applying HR analytics and we have made a number of important discoveries. As with Western approaches to HR analytics, practice and capability in the region is in the early stages but emerging rapidly, driven by the aspiration amongst business leaders to improve HR and business performance. HR leaders recognised the potential for HR analytics to enable them to make more strategic HR decisions, as well as appreciate how they can enable their employees to be more productive and perform consistently. Case study participants recognised that HR analytics is a vital part of the future HR function, and that it should feature as a core activity within HR. They also noted the importance of building analytical insights relevant to specific business needs. HR analytics should be a priority for the business and it could add real value when used to tackle business issues. Focusing on small but high-impact issues which can demonstrate business relevance is the tactic used by those interviewed to build support for the development of HR analytics capability.

As they establish their approach to HR analytics, main issues for organisations concern the reliability of data and the types of analysis used. Robust and consistent data is seen as the most important input to analytical processes, and Middle East organisations require timely data to enable real-time decision-

making. Some level of consistency does exist in the definitions of measures that are being used by organisations, but there is a need for standardised metrics to be rolled out across the region. Some organisations have defined their own measures, but this does not allow comparison between organisations for benchmarking purposes, something which is important to organisations in the region.

Technology continues to be a challenge as organisations begin to develop new analytical capability. In larger organisations the existence of numerous IT and administration systems means that it is often difficult to access and manage integrated and coherent data sets. Instead, data is dispersed and of differing degrees of quality. Significant investment is often needed to bring IT systems in line with one another, at great cost to the business. This first stumbling block was clear to HR professionals we interviewed, who noted that without overcoming this barrier they are unlikely to be able to further develop their analytical capability. However, for younger organisations, the lack of IT systems presents a major opportunity to embed activity from the very beginning – no legacy systems or protocols exist which can hamper the development of a joined-up approach to analytics, and building capability from the very beginning means capability can easily be modified and evolved over time, at much less resource cost.

A major concern raised is the lack of analytical talent available to

complete HR analytics and develop insights relevant across the business. While analytical talent within the region is lacking, this is not dissimilar to global standards, whereby organisations are only recently starting to see an influx of new talent into HR analytics roles. For the Middle East there is a clear gap in capability within HR functions to run analytics, and in particular partner with the rest of the business to ‘sell in’ capability and ensure integration with other business functions. Organisations in this study illustrated that for the moment the Middle East is reliant on vendor products and capability to complete analytics activity, while those within HR functions begin to train themselves with analytics skills.

Few organisations in the study are completing complex predictive analytics using their HR data. Instead, organisations concentrate on developing HR analytics insights which enable the organisation to make informed strategic decisions. Business value is an important concept for HR practitioners in the study who understand the importance of demonstrating HR’s value-adding capacity to senior internal and external stakeholders. Doing this, however, does require a high degree of understanding as to the nature of HR data and how it can be used in conjunction with other business data streams. HR managers were confident that they are starting to collect relevant HR data, but were not able to illustrate how it is being combined with other information and insight from across the organisation.

Table 4: Key recommendations

<p>Focus on creating value for the business – apply analytics to current or future issues</p>	<p>HR professionals in the region should look to gain investment by meeting business need – integrating current capability with outcomes for other business functions will ensure that insights are able to drive up business outcomes.</p>
<p>Establish organisation-wide standards and protocols</p>	<p>HR managers operating in both national and multinational contexts should look to establish standards and policies that detail organisation-wide definitions. These should be applied within the organisation consistently and reviewed on a frequent basis.</p>
<p>Partner with IT to develop systems which are fit for purpose</p>	<p>HR functions within the region should look to work closely with IT to build systems which allow a modular approach to the development of analytical capability. Where legacy systems exist, HR must work with IT to manage data; this includes the development of standard definitions of measures, clean sets of data, and fully mapped end-to-end processes.</p>
<p>Combine technical capability with HR specialist knowledge – manage the buy/build ratio</p>	<p>Middle East organisations must look to build multi-disciplinary teams which bring together understanding of the business and HR with technical know-how. Highly numerate individuals with an understanding of statistics should partner within the function with subject experts to develop business-relevant people insights. At different stages in the life of the business HR should look to buy or build capability. HR should look to strike a balance between the two to ensure that capability is sustainable over the medium to long term.</p>
<p>Concentrate on foundation analytics before reaching aspirational predictive capability</p>	<p>Organisations in the region are not currently at the capability level to enable complex predictive analytics, but view it as the gold standard to which they should aspire to reach. While predictive analytics is often highly valuable, it can also be costly to implement, and relies on high-quality data, technologies and analyst competencies. Organisations should instead focus on developing their core HR analytics capability, by building capable teams which are able to lay the foundations for future predictive analytics. These teams should ensure that HR and IT are fully aligned, that data is robust, and that analytical activity is focused on adding business value, outside of the HR sphere.</p>

Recommendations

There are a number of things that organisations in the region can do to develop their analytical capability and maximise the value they create, both for HR and the rest of the business (see Table 4).

Final thoughts

Middle East organisations are using HR analytics to tackle some of their most challenging issues in HR: talent pipeline planning, organisational development, engagement, and learning and development. Many recognise the potential for HR analytics to enable them to outperform their competitors and recognise it as a key capability to develop if they are to ensure business growth. As a result many are now investing in

the IT infrastructure, HR strategies and team capabilities to be able to complete high-quality HR analytics – either by investing in vendors and suppliers of capability or through the training and development of their own HR teams. However, it is those who are able to secure continued investment and develop a coherent HR analytics strategy who will be able to maximise the business benefits and drive success for their organisations.

Case studies

Construction Business: HR analytics illustrating the people agenda

Construction Business is based in the Middle East and employs around 15,000 people. With a highly technical workforce, the organisation employs over 50 nationalities. The organisation is growing rapidly and has expansion plans within the region and internationally.

Context

Construction Business is one of the success stories of the region; growing rapidly, the organisation has consistently performed against its peers. Internal and external stakeholders have pushed HR to develop in sophistication and improve its capability. Part of this is around the people agenda. To do this Construction Business has looked to HR analytics to illustrate how the organisation is performing in relation to its employees:

The drive to improve insights into people has come from the top, and as a result the HR team has been mandated to explore and improve its analytics capability. This drive from senior leaders has been crucial for the HR team, as it has meant that resources could be allocated to building the analytics function.

How analytics is being applied

To better deliver solutions which are bespoke for the business, the HR team is working to move from a reactive HR model to one which is proactive and able to assist the business more closely. An example of this is in the reporting of key performance indicators to the business. Performance from previous quarters is being illustrated through KPIs, the result of which is the development of strategic projects to tackle specific business issues. Different data sets are being used in the development of HR insights from analytics, the impact being that more

information is available to decision-makers when steering the business through difficulty. Accountability against targets also means that HR has a clear responsibility for tackling people issues:

'We didn't hit our corporate KPI last year on attrition. One of my tasks at the moment is to form a working group of key personnel from within the business to look at the current situation with regards to engagement and retention and what can be done to improve things. That will involve an engagement survey initially. Then the working groups will get together to look at results. Following this analysis of the results it's all about looking at ways that we can mitigate attrition by looking at better training perhaps, better management, working conditions etc ... this is a proactive job, something we're doing to add value to the business as a business partner. It's a corporate KPI, so it's important for me that we are supporting the business a lot emphasis for me in my job is to make sure I am aligned vertically with our HR strategy to complement our corporate strategy.' Human Resources Manager, Construction Business

Tying in analytics to the developing corporate strategy is key; so when KPIs are designed and targets are set, the HR function is able to deliver against its targets and inform the business about the performance of other functions. By building in the HR strategy to the

‘The HR team at Construction Business are aware of the importance of presentation when it comes to communicating insights from HR analytics.’

corporate strategy, a clear link of responsibility and accountability is established:

‘Every year we look at our HR strategy and we tailor it to the corporate strategy. For example, the corporate strategy this year might be to reduce overheads by, say, 10%. So we might contribute to that 10% reduction by helping reduce the labour rate.’ Human Resources Manager, Construction Business

Impact of analytics: looking into the future

The HR team at Construction Business are aware of the importance of presentation when it comes to communicating insights from HR analytics. As part of the way they are developing their HR system, they see the reporting of HR metrics in a clear and simple way as one of the main areas they wish to develop. This, they believe, will allow them to improve the capability of their senior business leaders to make informed decisions using HR data:

‘What we do at the moment is we tend to design a series of diagrams and charts that are produced manually, because we haven’t really had access to an automated system to produce these reports. Where we’d like to go with it is we’d like our new enterprise resource planning system to produce a one or two page document with a series of traffic lights on it which relates to key HRM metrics. HR data that is easy to read rather like looking at your dashboard in the car. The target versus where you are. Obviously if you’re hitting that target there would be a green traffic light. If you’re almost there it would be an amber. If you’re doing really badly it would be a red traffic light ... we can just literally put the formula into the system, and every time we go into a meeting both

internal or external we can literally press the refresh button and it generates the right HR analytics.’ Human Resources Manager, Construction Business

This new analytics capability, coupled with the clear HR talent within the HR leadership, is the catalyst for driving the organisation forward. To some extent it is the vision of the HR leaders to deliver against their organisational strategy which is generating high-impact HR analytics for the business, and now with the recent development of the HR analytics systems and processes, HR at Construction Business is setting its people up to succeed long into the future:

‘I think you do need the right people that are running your HR department to believe in the importance of analytics. Our HR team and leadership understand the importance of running a tight ship and making sure we’ve got the right systems and policies and processes in place to support us. We have to understand the importance of data, more specifically clean and accurate data. We also understand the importance of running an HR department in tandem with how the CEO and the board wants to run the business. I guess all those things shape what we’ve done in the department for the last three or four years. That’s where we are and that’s why we’ve changed quite a lot for the best.’ Human Resources Manager, Construction Business

DP World: Building the technology for HR analytics



DP WORLD

DP World is a UAE-based global shipping terminal operator, founded in 1972 in Dubai. The group has a portfolio of more than 65 marine terminals across six continents, including new developments under way in India, Africa, Europe and the Middle East, and employs more than 36,000 people globally.

Context

DP World has grown from small beginnings in Port Rashid in Dubai to become a leading player in the shipping industry, managing over 65 ports worldwide and employing over 36,000 people. At the centre of the way DP World does business is what the organisation calls its global vision and values, represented in its global strategy road map. This road map has as a core aspect people and learning to drive customer services of the organisation, and it is for this that DP World's HR function has been developing HR analytics to meet the strategic needs of the business.

The way in which the business has grown over time has meant that the business now consists of a number of business units each applying its own perspective on values and processes. This has created numerous challenges for the HR function, none more so than developing coherent insights into the effectiveness of the organisation's people, and information for senior leaders as to how they can improve the performance of their business units through their people. The biggest stumbling block here for DP World is the lack of coherent IT structure that can manage people data on a global scale:

'So what we have is a series of business units which may or may not operate in a consistent manner. The information we get may or may not be consistent and also, frankly, not one single IT platform in which to have it all operating from. We also operate a number of joint ventures, which itself makes building a single DP World IT solution challenging. So that's the environment that we find ourselves working in, which in turn,

of course, lends itself to challenges in obtaining data of a significant value.' Robin Windley, SVP Human Capital, DP World

As the organisation is operating successfully, consistently performing at high margins, there appears to be no need for senior leaders to wish to invest in expensive IT platforms to enable more HR analytics. The challenge for the HR team is to develop the argument for more investment in HR analytics by illustrating the long-term impact of such investments, but without the first 'seed-funding' the gear shift is difficult. The team is in a catch-22 situation:

'If we were able to produce genuine, quality data for the CEO, I'm sure he would be much happier for it. But that is just not something that he would consider would be a massive priority. And, I think that is partly because if you look at us as an organisation, it's very profitable. Now if we were on the margins I'm absolutely sure there would be much more, many more questions asked. So we are fortunate to be where we are right now. But as I also said to him at some point in the future this will not always be so. So we should make sure that we get our house in order before that time comes rather than waiting until it does.' Robin Windley, SVP Human Capital, DP World

How analytics is being applied

Given this difficulty in building the IT capability to allow for sophisticated analytics, the team is instead focusing on small projects which can demonstrate the impact that HR insights can have on the business. One area through which the group has been able to demonstrate impact using HR data

‘To DP World, technology and IT should become an enabling activity that allows informed business decisions by people at the very top of the organisation.’

is the annual engagement survey. This has engaged staff across the organisation and has produced findings that senior leaders have been able to use in their decision-making processes:

‘I think the one application when we’ve had the most success across the globe has actually been in the engagement survey. I think even allowing for the fact that there have been some issues that we’ve needed to resolve, that’s had the greatest uptake. It’s got the biggest footprint of any activity that we are involved in. So what that does, it proves that it is possible to achieve what you want to achieve. It just might not necessarily be the obvious solution that you will end up with.’ Robin Windley, SVP Human Capital, DP World

Impact of analytics: looking into the future

For the organisation to achieve its goal of implementing a global system, the HR team are clear that they must consistently demonstrate to the business that HR analytics will add value to the organisation. But in doing so they are also aware that they must ensure that the system view does not dominate the leadership’s view of HR. This is a particularly important point for the HR team to make to senior leadership, because in moving towards analytics they don’t want to remove the human leadership element from the organisation:

‘The danger though, is that we become too sanitised as an organisation, and I know my boss would not want that to happen. He will never want to be a system-driven business. He actually very much values the round-the-table discussion. So, for example, when we’re talking about certain succession plans, I will sit in a room with him and the COO and we will

talk through these and we will debate them and he would never want that to go away. So there are, in certain circumstances, where very much it needs to be there, but there are others when we would say, “Hang on a minute, we don’t want to remove ourselves so much from the business.” Robin Windley, SVP Human Capital, DP World

The sweet spot, then, for DP World is realising the potential of their new IT system while enabling leadership in HR and the rest of the organisation to make people-based decisions. To DP World, technology and IT should become an enabling activity that allows informed business decisions by people at the very top of the organisation, and not for the system to make decisions without the people element in mind.

FAHR: Developing policies and guidance from HR data



FAHR, the Federal Authority for Government Human Resources, is a public sector entity established in 2006 to oversee the management of human resources of ministries and federal authorities within the UAE. The authority manages the policies and administration of human resources for all UAE civil service ministries. The organisation supports 48 government entities with more than 91,000 employees.

Context

FAHR is the overarching public sector service which manages human resources for the civil service of the UAE. Part of its remit is the development of policies and processes which enable the civil service to maximise the performance of the organisations' employees. For FAHR, HR analytics adds huge potential for the development of new policies which are informed by HR data, and by analysing HR data the organisation believes it can better understand the impact that HR is having on the civil service, an important concept for the leadership of the UAE.

How analytics is being applied

As the organisation develops new policies and processes, an important step is to test and understand the impact of new policies. By applying analytical techniques, FAHR is able to explore where policies are effective and ineffective, and understand the impact that new policies are having on the performance and productivity of the workforce:

'FAHR is managing the policies and we are introducing the new HR policies for the Government. What we are trying to do is to make sure that we introduce the right policies and procedures according to our HR data. We are trying to amend our federal policies and procedures based on the HR data, and then help the ministry develop their own if they need to. So, they have to take our policies, for example for health and safety, and they have to develop this policy according to their requirements.' Fadeel S. Al Fahoum, HR Analytics Consultant, FAHR

To set the standard for the use of HR metrics across the ministries within FAHR's remit, the organisation has established a set of 17 core indicators. The indicators that they have developed are being standardised across all departments, and all departments are applying the same metrics to their analytics activity – the result of this being that all departments are able to report using the same data and senior leaders can compare across departments. Within the core 17 metrics there are a number of key measures which FAHR has clearly aligned to their HR strategy at the organisational level, but not at the individual level:

'Within the 17 we have turnover, absenteeism, nationalisation, satisfaction, training hours and grievances. What we are measuring is what we need for FAHR to manage the overall HR and culture procedures. It's not for managing the individual employees.' Fadeel S. Al Fahoum, HR Analytics Consultant, FAHR

Impact of analytics: looking into the future

With these standards in place FAHR is now looking into specific aspects of their HR activity which are causing issue or have the potential to cause issue. Particular examples here include absenteeism and security which, when looking at the data and running some simple analytics, the team has been able to explore in more detail. As a result the HR team is now developing a new approach:

'Currently the most important thing that we're looking at is absenteeism and sick leave because those are

‘By applying analytical techniques, FAHR is able to explore where policies are effective and ineffective, and understand the impact that new policies are having on the performance and productivity of the workforce.’

the main areas for us. ... We are trying to produce some policies on those things and we are developing some guidelines; so for example, we are trying to see what is making absenteeism high and sick leave high and we are trying to solve it. We are also now introducing a new system called employee well-being for the UAE federal government.’
Fadeel S. Al Fahoum, HR Analytics Consultant, FAHR

Next for the team is to look at the data from across the ministry and explore workforce planning and engagement/happiness, areas which they have highlighted as important not just for the civil service but for the nation as a whole. By exploring these issues in more detail they hope that they will be able to develop more productive workforces that are able to deliver against the HR strategy of the civil service:

‘So what we need now is workforce planning. We don’t have any indicators about workforce planning, which we should have. We also want to understand “happiness”. This right now is a priority in the UAE and we want to introduce something that measures happiness. We were trying to find out some KPIs that would lead to happiness, not satisfaction, because we are trying to move from satisfaction to engagement.’
Fadeel S. Al Fahoum, HR Analytics Consultant, FAHR

First Gulf Bank (FGB): Developing the emerging HR analytics function following rapid growth



FGB, which was founded in 1979, is the third largest financial services provider in the UAE by assets and has been the most profitable bank in the UAE for the past two years. It offers a variety of services, including wholesale, consumer and treasury banking as well as wealth management. The organisation is one of the region's leading financial organisations and continues to grow in regional and international prominence.

Context

FGB operates across three continents but is predominantly a UAE bank where the majority of the 1,700-strong workforce is based. Rapid organisation growth in the last five years to improve means that the organisation has expanded fast and created a demand for general HR capability to improve. This has also led to a greater interest in HR analytics. Rapid growth has increased staff expenses, and for senior finance leaders in the organisation, understanding where this larger expense is going has led to interesting questions about the nature of the workforce that FGB employs.

'The question is drive and the appetite to use HR information within the growing organisation. If I go back to 2002, with headcount around about 200, to where we are today, that is a rapid growth. All of a sudden, one of the cost factors, for example staff expenses, becomes significant, so there is more interest as the company gets bigger and bigger.' Colin Mann, Vice President of HR Business Support, First Gulf Bank (FGB)

How analytics is being applied

With this rapid period of growth across the organisation, FGB has recognised that analytical capability has become a key tool over time to enable more sophisticated assessment of the key ratios which are of interest to HR and the senior leadership team. While senior buy-in has been clear from the beginning, there has been a renewed push to build the HR analytics capability

FGB makes no distinction between HR data and business data, instead taking the view that HR

data must itself be valuable to the organisation, otherwise it should not be used. Skilled individuals are now being employed in the organisation to ensure that there is capability in place to make sense of this data, with the view to appreciating its business impact. Investment is now occurring, but it is the pace of growth which is dictating how the analytics function evolves. Only now, with the investment in the analytics function entering the delivery phase, is the bank able to derive the benefit of sharing high-value business insights into its data.

The diversity of the workforce is another interesting feature of the organisation, with more than 40 nationalities represented in their employee numbers, including around 340 UAE nationals.

'Investment is occurring but it is the pace of business growth [which is leading]. It is then the question of support functions catching up. I would say, with the hires we have made over the last few years, it is getting to the stage now where we have the right people in the right places. It is then a question of the leverage of that talent and making the investments in analytics, both from an IT point of view as well as an HR point of view, to make sure the data we are using is what the business needs, not what HR wants.' Colin Mann, Vice President of HR Business Support, First Gulf Bank (FGB)

Building insights which are business-specific is crucial at FGB – this is not just in the delivery of final analytics products (reports) to the business, but also in the way that the function partners with the organisation to perform HR analytics. FGB is applying a

‘Building predictive capability is seen to be the goal for FGB, where they are clear that HR analytics is able to add value to the organisation.’

partnership approach to ensure that analytics capability is available directly to line managers, and the results of such analyses are relevant and of high quality for internal business stakeholders:

‘There are steps you have to take to create useful HR analytics. First of all, understand the data within HR, and then, once everybody understands that, rather than just producing data, engage with the business. ... For example, rather than reporting historically, we want to use the data predictively – take Emiratisation, we did this very well last year in projecting forward joining Emiratis and possible leavers, joining expatriates and possible leavers, and then using projections to see where we were going to be. We then started to tweak our hiring pattern to meet our targets. What gets measured gets done.’ Colin Mann, Vice President of HR Business Support, First Gulf Bank (FGB)

Impact of analytics: looking into the future

One thing of interest to the HR analytics function at FGB is the concept of multidimensional data: the combination of data sets to develop greater understanding of a particular concept. The HR team at FGB is now moving towards developing this for their senior management teams, so they are then able to illustrate that HR data can be used to understand very real business issues. The intention is to then see how HR can help drive performance and use its people knowledge to change business operations for the better:

‘We are building our capability to understand multidimensional data but we do not have everything in place at the moment. For example with performance management, we have our performance management data in the form of

ratings. The combination of looking at that, alongside absenteeism, engagement and progression in the organisation over the last two or three years; if you multiply all those together, you start to get a picture of how well your team is really performing and ability to grow, both from a skills base but also capability.’ Colin Mann, Vice President of HR Business Support, First Gulf Bank (FGB)

How this is used is down to the line managers in the business. For the HR team, the vision is to develop predictive capability to understand how the performance of employees can impact on business performance, and in particular understand how employees can tailor the way they work to the needs of customers: the customer-centricity of the way the business operates:

‘We have an analytics team that will produce the information, but that will then be used between our HR relationship managers and the business, not just our group heads but also our functional heads, so they can start to think about how this relates to customer needs. Internally it is also looking at the resources you have and how motivated they are, as well as looking at some predictive analysis, to see what is going to happen in the future for your business and for your people. That’s our vision.’ Colin Mann, Vice President of HR Business Support, First Gulf Bank (FGB)

Building predictive capability is seen to be the goal for FGB, where they are clear that HR analytics is able to add value to the organisation. With the investment in new IT systems bringing new capability online, it is likely that the next 12–24 months will see the HR function beginning to stretch its analytical legs, and start to illustrate how HR can add value, particularly in complex environments such as the financial services sector.

FRHI Hotels & Resorts: Building the talent analytics capability



FRHI Hotels & Resorts is a global luxury hotel management company, operating over 110 hotels in 35 countries with more than 45,000 colleagues worldwide. In the Middle East, Africa and Asia, the organisation manages 19 hotels and HR has the responsibility for 8,000 staff. The company was formed in 2006 from the merger of Kingdom Holdings and Colony Capital and the acquisition of Fairmont Hotels & Resorts.

Context

FRHI Hotels & Resorts is a collection of luxury hotel and resorts operating a number of sites across the Middle East, Africa and India. With a global workforce of over 42,000 employees, an important challenge for the organisation is the retention of key talent, particularly with regards to those able to deliver high levels of customer service. To better understand the relationship between talent and customer service, the organisation is increasingly looking to HR analytics, and the relationship between talent, performance and productivity.

How analytics is being applied

The hospitality sector traditionally has high levels of turnover as talent moves between different hotel organisations. For FRHI the challenge is managing turnover levels and ensuring that talented individuals remain inside the organisation. While their turnover levels are below industry average, they drive their hotels and resorts to maintain sustainable levels of turnover, and alongside this are investing in the development of employees through learning and development initiatives.

To shine a light on the talent and performance link, the organisation has applied HR analytics. Current HR analytics processes at FRHI are based around manual data entry and sharing in the form of a decentralised model. Individual hotel HR managers are responsible for collecting data and uploading it into the agreed format, which is then used centrally in the HR function to develop insights on the performance of individual sites. This model allows hotel

HR managers to remain close to the data, using it on a real-time basis to check their own performance and ensure they are meeting targets. It does, however, potentially invite human error, which impacts the robustness of the data, so FRHI has taken time to develop the capability of line managers to upload their data and complete basic analyses, while respecting the nuances that come with the various contexts that the global organisation is operating in:

'The validity of the data is a big challenge. Human error and misinterpretation or confusion about the exact information we're looking for. It probably took us about three months to get it right so that our hotels understood the information that we were looking for so that we could compare apples to apples. Even so, in some areas it's a little bit difficult to compare things like service charge or vacation days because each country has different requirements and legal guidelines.' Rachel Moosa, Vice President of HR: Middle East, Africa and India, FRHI Hotels & Resorts

In capability terms, FRHI is aware that individual analytics talent within the function and across the hotel management network in the business is lacking. There are real gaps that the team has noted and which they believe need to be filled. They are focusing on developing individual and team capability to effectively use HR analytics, but recognise that it is the start of a long-term training investment that the organisation must make:

'Our technical capability within the team to utilise HR analytics is at present virtually zero. To use

‘The HR team at FRHI is clear that the purpose of HR analytics is to prove the value to the business about how HR is adding value by enabling the organisation’s employees to be more productive and perform more effectively.’

metrics effectively you certainly have to have comprehensive data and the ability to understand and report accurately. We’ve been working very closely with the hotels to change the philosophy to a human resources business partner model. Furthermore increasing analytical capabilities amongst the HR directors and their teams so that they see their roles as supporting the business and not just an administrative function ... so they can influence [the business] from a human resources perspective.’ Rachel Moosa, Vice President of HR: Middle East, Africa and India, FRHI Hotels & Resorts

Impact of analytics: looking into the future

With improving capability, the organisation is now investing in the development of a global system for HR. The new system will include the capability to develop HR analytics insights directly from HR data. For FRHI this will enable them to provide managers with transparent and timely reports which detail performance via a set of standard metrics, and potentially allow benchmarking between hotel sites. This new capability will allow managers to compete with one another, and may over time drive up performance standards. The new system has the added benefit of being built internally, and as such is designed to fit the specific needs of FRHI’s HR and line manager populations:

‘We have a new human resources system which we developed internally and is being rolled out corporately now, so all corporate employees, around 2,000 people around the world, are in the same system. We are rolling it out to our hotels starting this year, so by the end of 2016 every single hotel in the company will have its information in one place. The

reason we are doing that is to have a better idea of who we have, where they are, and where the talent is. The reason being we are going to grow. The company will grow by 60% in the next four years and this region will grow by 100% in the next four years. So we have a lot of talent to retain and to find.’ Rachel Moosa, Vice President of HR: Middle East, Africa and India, FRHI Hotels & Resorts

The HR team at FRHI is clear that the purpose of HR analytics is to prove the value to the business about how HR is adding value by enabling the organisation’s employees to be more productive and perform more effectively. An example of this is during the acquisition of new hotels into the brand: the HR team sees that it has real value in the proposal and bidding process for new management contracts as HR data and insights are used to persuade hotel owners that the brand can add value:

‘For our organisation it’s about proof of value: what we can do as a management company to add value to the owner’s hotel. For example, if you bring FRHI in to manage the hotel, we have historically filled 67% of leadership positions from within ... for us it’s a proof of value so we can grow our business.’ Rachel Moosa, Vice President of HR: Middle East, Africa and India, FRHI Hotels & Resorts

With the development of new capability in the form of global technology, and a new enthused approach to developing their analytics capability, the team at FRHI is focused on communicating the fruits of their efforts. They are aware that only by doing this will they be able to illustrate the power of HR analytics to FRHI as it looks to lead the hotelier industry on a global scale.

Jumeirah: Driving cost efficiencies using multidimensional HR data



Jumeirah Hotels & Resorts are regarded as among the most luxurious and innovative in the world and have won numerous international travel and tourism awards. The company was founded in 1997 with the aim to become a hospitality industry leader through establishing a world-class portfolio of luxury hotels and resorts. Building on this success, in 2004 Jumeirah Group became a member of Dubai Holding – a collection of leading Dubai-based businesses and projects – in line with a new phase of growth and development for the group.

Context

Jumeirah Group is a leading global luxury hotel and resort group which operates 23 properties worldwide. Over the coming four years the strategy is to almost double the number of hotels the organisation manages and operates. These large expansion aspirations will require new talent in the organisation to drive performance across the group and with the current management to operational roles in a 20:80 split, the organisation recognises that a period of ‘talent stocktaking’ needs to take place if HR is to aid the organisation in realising its growth aspirations. To do this Jumeirah is building its HR analytics capability, and is beginning to use HR analytics to inform strategic business decisions regarding new markets and expansion.

How analytics is being applied

A barrier to realising the potential for analytics is in the use of different IT systems. In particular it is the relationship between the HR and finance system, which currently offer different perspectives on the value of HR analytics to the business. HR recognises that if it is to grow the capability, the two systems need to work more closely together and should use the same data sets and definitions:

‘One of the challenges we have faced is that we operate on two different platforms, finance and HR, which provide different perspectives on data and cost. In HR our focus has been on the benefits that can be derived from that data, in terms of business analysis and strategic planning. Our initial task was therefore to present a strong business case to finance and the other functions to persuade them of the value of investing in this data-driven approach.’ Peter Spaans, Vice President HR, Jumeirah Group

This drive to appreciate the cost and value side of HR activity has meant that HR has been working closely with strategy and business planning functions. To do this, external consultants have provided expertise and guidance to assist the HR team to manage costs and plan expansion into new regions. By looking at how teams are structured and managed in Middle East operations, the HR team has been able to develop recommendations for making cost reductions by reviewing a number of different data sets together. This use of multidimensional data has helped the group to understand exactly how other teams in other regions may be structured, and also illustrated some of the pitfalls that may occur when building new operating models in future growth regions:

‘One of the conversations we had with our external consultants is around affordability. For example labour costs differ significantly between UEA and Europe. We need to understand how to find the right balance between cost and efficiency. Also for this region we should look and understand how we can be more efficient: do you need five people, or do you need three people? So, on the back end of the global grading, we’re also looking to understand what an affordability model is for a hotel, given the complexity of that space. Some of our hotels have a water park; some of them have a lot of retail outlets. How can you develop a planning model, so that, if we know we’re opening a property in China, and we know it’s a 400-room hotel, what is the right manning structure? What is the right cost structure for the hotel to be affordable?’ Peter Spaans, Vice President HR, Jumeirah Group

‘Managing costs while planning for future talent needs is a difficult balance to achieve, and one in which Jumeirah expects HR analytics will play a key role over the next three to five years.’

Impact of analytics: looking into the future

Managing costs while planning for future talent needs is a difficult balance to achieve, and one in which Jumeirah expects HR analytics will play a key role over the next three to five years. While other systems are in place which are enabling some level of operational data analysis and reporting, it is the linking of talent data into the workforce/business planning process where HR believes it will start to realise real value for the organisation:

‘I think our new talent management system, and the visibility that will give us on succession planning and talent management, will be the first step in, first of all, understanding where our talent is. We know the line-up of properties that we plan to open, so we need to link that to the strategic workforce planning to say, “Well, how many people do we need by when and where, and from what grades perspective?” If we can marry those together, that will probably start the thinking and discussions around ... how we can drive business performance more.’
Peter Spaans, Vice President HR, Jumeirah Group

The aspiration for Jumeirah is to build capability into a global platform in which analytics is a seamless and integrated process. To achieve this there is a programme of work being undertaken to standardise the measures, processes and policies across the group, which over time should mean that a single system is easier to implement and more likely to add value to the business:

‘Ideally, we would be on a single, global platform. I’m not sure if that is feasible, but at least, we’re setting it up so that it will be scalable over time. We recently launched a project so we have consistent grades for

the entire population. Today we do have consistent grades for the executive population, but not for the population below ... by rolling out a consistent framework of job families and job codes, two or three years down the road reporting will be a lot easier. It will make it a lot easier to manage and strategise that data.’
Peter Spaans, Vice President HR, Jumeirah Group

By linking this strategically relevant HR data to financial costs, HR believes that they will be able to help the organisation grow and continue to be a success across the Middle East and into new global markets.

Petrofac: Using HR analytics to mitigate against the challenges of a volatile, uncertain, complex and ambiguous (VUCA) environment



Petrofac, founded in 1981, is a provider of oilfield services to the international oil and gas industry. The organisation designs and builds oil and gas infrastructure, operates, maintains and manages oil and gas assets and trains professionals within the oil and gas industry. Petrofac is listed on the FTSE 250 index, is headquartered in London and has operational centres in Europe, the Middle East and Asia. The organisation employs around 20,000 people of over 80 nationalities in 31 offices worldwide.

Context

Established in the US in 1981 with an initial workforce of just 25, Petrofac grew rapidly through expansion in the Middle East and has become a significant oilfield services company which develops, services and maintains oil and gas infrastructure, and provides technical skills training for those working in oilfield environments. A fluctuating oil and gas market has until recently had some impact on the operations of the organisation, however the current low oil price environment is now adding pressure to adapt the existing business model and ensure sustainability in some of its core business including HR processes. For example, what three years ago could have been construed as predictable performance, has now become less certain in the current oil price climate, the impact of which is felt both on the way projects are designed and resourced, and also in the way stakeholders such as shareholders view the organisation:

'Not so many years ago I don't think the business would have needed to do complex talent analytics because it was quite clear it had an inherent capability to generate revenue "x". So, you could actually run a project and replicate it. However, with an increasing number of mega projects in our portfolio, a much more stringent process was needed to support demand planning.

What's made life more complex is that we don't want to slow growth down. With continued growth targets and a finite number of opportunities out there ... how do you continue to grow the business in both core and new segments?

That's the challenge that then comes into understanding the capability offered to our clients.'
Michael Schulz, Senior Vice President Human Resources, Petrofac

Where analytics is being applied

Alongside this pressure to maintain strong growth while diversifying, there is an additional need to withstand local talent drain and changing workforce demographics. Operating through the lifecycle of oil and gas assets, Oil Business has a highly technical workforce with significant skill transferability. The changing nature of the labour market within the region is applying considerable pressure to the way in which the organisation manages its talent pipeline – for example, recognising the specific needs of the ageing workforce, while upping the number of generation Y individuals being trained to take over pivotal roles which will be vacated by the increasing attrition amongst senior employees as they reach retirement:

'Another complexity that we have is our overall demographics. Many employees have been with the organisation for many years and have progressed their careers within. They hold key positions and have a considerable amount of history and knowledge.

Capability demand planning (with HR analytics) is bringing increased visibility to the skills we have and the ones we need to build. We are using data to help us understand where the gaps are and also to ask: "Who can we develop internally to reduce an over reliance on external recruitment which has the challenge to dilute the

‘With the development of HR analytics around the talent management process, the central talent management function will be able to ensure that Petrofac is poised to maximise growth throughout sub-optimal economic conditions.’

organisation’s values and culture?’”
Surinder Kullar, Head of Talent Management, Petrofac

As such, recruitment and retention are crucial aspects for the organisation. Acquisitions of boutique businesses such as SkillsXP, offering a competence management tool and Oilennium, a specialist e-learning platform, give Petrofac the opportunity to provide their services to the external market as well as use them internally. These acquisitions demonstrate recognition in the organisation for the importance of investing in and maintaining key talent within the business. With the development of HR analytics around the talent management process the talent management function will be able to ensure that Petrofac is poised to maximise growth throughout sub-optimal economic conditions:

‘We work with each business unit to define its key and critical positions using our agreed definition. Each managing director and their HR directors work with us to define those positions. Once we’ve mapped the positions, the work really starts. We look throughout the business to see how many people occupy these positions, and who we could potentially achieve those positions. There is a lot of complexity that goes into it, and because we do not have data in one place the challenge for us is trying to get the information from various locations and making something meaningful with that ... we are evolving. The core challenge however is the predictability of winning new business, when and with what required capability. At the moment I would say our bias is still on manual but we are gradually moving towards global systems.’
Surinder Kullar, Head of Talent Management, Petrofac

Impact and future of analytics

Petrofac has started to develop insight from HR analytics, but there is recognition in the business that this is still very much the beginning of the journey. Talent management, data integration and capability building are all areas in which the company wishes to invest, and are now part of the HR team’s aspiration over the next 2-5 years:

‘From an analytics point of view we recognise the importance of using data to help us make key business decisions and aid us with business continuity. To enable this, we need to integrate all core sets of data available to us. This is not a small task and our aim is to have placed competent individuals across the business who understand and can work with the data. That goes beyond transactional statistics and drives value in human capital decision making, be that in finding, keeping or growing our people’ Michael Schulz, Senior Vice President Human Resources, Petrofac

From doing this Petrofac hopes to see real value added to the business by informing thinking across the entire organisation. At this point the team will know that they have started to realise the value of their investment in HR analytics:

‘In two years I believe we will have a track record demonstrating where we’ve identified key data, taken action, and had a positive impact to the business ... we’re in the early stages, but that’s where we’re starting to build credibility.’ Peter White, Director of Organisational Development & Capability, Petrofac

Serco: Building new capability to drive performance



Serco Group Plc is a British run Company employing 120,000 people in over 30 countries globally and is a leading supplier of public services, focused on five sectors: justice and immigration, defence, citizens' services (public sector business process outsourcing, or BPO), transportation and healthcare. Serco operates particularly in the UK, US, Australia and New Zealand, and the Middle East.

Context

Serco aims to make a difference to the lives of millions of people around the world on behalf of their customers, primarily national and local governments and have more than 50 years' experience of helping them to achieve their goals. They have a strong track record of supporting government customers with innovative solutions, improving the citizen experience, achieving policy goals and reducing the cost of delivery. The company has been listed on the London Stock Exchange since 1988 and is a constituent of the FTSE 250 Index. In 2014 the company had a turnover of 4bn GBP.

'Serco is passionate about doing the right thing, behaving in the right way and making a positive impact on our customers, colleagues and the communities we serve.' Paul Gaskin, Human Resources Director, Serco Middle East.

In the Middle East Serco can trace its history back to 1947. Today Serco provides services to governments across the region in a number of sectors, Transport, Aviation, Defence, Health and Facilities Management. Serco delivers iconic services such as the Dubai Metro, Dubai Tram and the Palm Jumeriah Monorail. They deliver Air Traffic Control Services to Sharjah and Bahrain airports and to Dubai airport, the busiest airport in the world. In Health and Facilities Management, services are provided to Cleveland Clinic Hospital, New York and Paris Sabonne Universities and world class buildings such as Abu Dhabi Global Market Square. Serco is also working with the Saudi Government to operate the Saudi Arabian Railway (SAR) that will run from the Jordanian border to

Riyadh, the Qatar Government to provide Shadow Rail Services and to provide Air Traffic Control Service in Baghdad.

The breadth of operations, sectors and geographies means that the people who work in Serco Middle East are diverse, ranging from high-value technical knowledge and competence through to front line operational based staff. As a result, the organisation has a strong focus on attracting, recruiting and retaining talented individuals as well as sourcing large numbers of operational staff.

Clients across all sectors in which Serco operates in the Middle East have become much more sophisticated. They are moving from input to output based contracts where service is measured predominately using Key Performance Indicators (KPIs). Failure to deliver the required performance in a timely and agreed manner leads to commercial penalties to Serco. It is therefore crucial that across the multitude of contracts that Serco operates that getting the right people, to the right place, at the right time is fundamental to delivering upon their contractual commitments.

Serco grows primarily through the bidding process, where Government Departments or other public bodies specify the work to be operated and invites companies to compete for work through a tendering process. Many Government Department are now insisting that the people who will eventually run the operations are available as part of the bid process and will transition to run the operation, once the contract is awarded. In sectors such as rail and air traffic control the

level of skills required are very high, in short supply and the specification of what is required is very demanding, HR needs to proactively source data to make sure the pipeline is buoyant and skills are available and mobile, as and when required.

Operationally clients are also pushing for higher standards of delivery at much lower costs. This in turn places a higher level of pressure on HR to ensure managers are provided with comprehensive HR data that covers people costs, headcount demands, talent and performance metrics as well as ensuring at all times the business has a competent and engaged workforce to deliver against our commercial obligations.

Lastly HR plays an important role in the management and alleviation of business risk. By using HR analytics to understand the commercial, regulatory or reputational risk to the organisation, HR can intervene and stop the business getting it wrong. A considerable amount of HR time is therefore spent reviewing risk registers to understand the facts of the risk and what mitigating action is necessary.

How HR analytics is being applied within the Middle East

The winning and mobilisation of the Dubai Metro contract in 2008 significantly increased the size and complexity of the operational workforce from 500 to over 2000 employees (today 3800). The demand on HR at the time from the business was to provide more comprehensive HR data. This meant a significant step change to the way HR worked with the business and the services they were expected to deliver.

As a result of the growth, and the demand from the business, 100 new policies and procedures

were designed, new systems were implemented, global processes were introduced, many of the transactional services were offshored to Serco's Global Services business in India as well as a large investment over two years ago to implement a global HR SAP platform.

As a result Serco Middle East finds itself 'swimming in HR data' with systems that are not integrated or user friendly, resources that have limited capacity, or in some cases capability, who are expected to make sense of it and deliver comprehensive HR analytics back into the business. Many of the reports required by the business are compiled manually and then are very difficult to validate over time.

Serco Middle East's journey to using HR data is at a turning point. The organisation is investing the time to define the HR analytics necessary to support the business as it grows. This has resulted in the creation of a road map to invest in new technology and improved HR capability to deliver a much more sophisticated HR data for managers. This decision to evaluate and change is one which the team managing HR analytics takes very seriously:

'Given the SAP HR system was only implemented across Serco Group in 2012 with the sole purpose of the function operating from a common platform, HR is still in the early stages of delivering more sophisticated HR Analytics. Today we currently use a range of reports, which are generated from a number of different systems, which are not integrated to SAP. Some reports require a significant amount of manual manipulation and reconciliation to make sure the data is accurate and useful. Of course, this is labour intensive and can lead to errors.'

'However we have a technology road map to move the major processes of HR onto a single integrated system. Recently we have procured a Learning Management, Success Factors LMS, which is fully integrated with the SAP platform. The next step is to move away from our current Recruitment system and implement the Success Factors Recruitment module. The modular approach ensures that we prioritise what the business needs and reduces the risk of implementation. Once we have fully integrated systems coupled with the right capability, we in turn can move to providing managers with more sophisticated HR analytics. Ultimately we will provide managers with management information that allows them to manage their people and deliver against their commercial contracts.'
Paul Gaskin, Human Resources Director, Serco Middle East.

Improving the capability and functionality of the system and processes is one thing. However, it is equally important, if not vital to the successful delivery and execution of any change to ensure managers are upskilled and educated to be able to use and benefit from sophisticated HR analytics. This is an issue that currently exists across Serco and is not confined to the Middle East operation:

'Another area we have identified along the way for improvement is managers understanding how to best use HR data. If managers do not understand what it is they need to do to manage their people in a proactive and compliant manner, then this lack of skills inhibits the use of good quality HR analytics. If I look at where we are today on the maturity curve, HR are primarily delivering a suite of basic system reports and performance metrics that our management

population struggle to use effectively. Continuous education and up-skilling is a pre-requisite to ensuring management make best use of the HR analytics they are provided.' Paul Gaskin, Human Resources Director, Serco Middle East.

Impact of analytics: looking in to the future

For Serco the criterion that they aspire to achieve with their HR analytical functionality is to have quick access to robust and informative data and insights. The HR team sees this as particularly important to managers within their sectors. As a minimum, they should be able to provide their senior leaders with the ability to access meaningful data, from a user friendly source; in a timely manner to aid those in the real-time decision making process:

'I think the Vision, from a Serco manager's perspective is they should have access to a user friendly system, have all the basic HR data and analytics they require in one place. This will enable them to manage all people aspects of running their teams, from recruitment, cost and headcount control, performance management, and exit. 'Cradle to grave' so when the CEO asks a manager for information they have it at their fingertips!' Paul Gaskin, Human Resources Director, Serco Middle East

The HR team recognises the journey they are embarked on to reach the level of capability the business expects of them. They also recognise that they have some way to go to get there, but are proactively improving their daily situations by drawing on new sources of talent to bridge the gaps. By doing so this can only strengthen Serco's position to move forward by injecting even more value add into the business.

The question that drives their decision making is the right one: 'by doing this, how does it help the business to succeed?'

'We are a people business and HR Analytics provides the leaders of our business with accurate data to make informed decisions about each stage of our business life cycle. Decisions about people have a direct impact on our ability to win, operate and transition services on behalf of our customers. To provide a competitive advantage in winning new business, HR works with the Business Development teams to establish the most cost effective people solution and to understand the risk of any transition or entering a new country or sector. In operations HR provides a wide range of data to ensure that we have the right talent and succession in place to deliver great service and maintain business continuity, as well as provide managers with basic information on people costs and performance.' Paul Gaskin, Human Resources Director, Serco Middle East.

The emerging status of analytics in some organisations created various challenges with regards to processes, training, and reporting. Most organisations who participated recognised that they were at the start of their venture in to HR Analytics, and were still establishing a simple process that could be measured as well as adding value:

'Our reporting analytics capability is steadily developing and we are now starting to provide basic but value add reports to support the business. At the moment, one of our key challenges is the ability to proactively manage our organisational management information and obtain an accurate reflection of our structures, so for example, what is our planned

and approved headcount for the year, how are we using the data to actively manage open positions as well as ensuring people are in the right positions, in the right team and the right sector. The overall management of organisational management data must sit with managers. HR need to be responsible for ensuring the data is quality checked on a regular basis and business change requests are actioned in a timely and efficient manner. HR also needs to play a pivotal role in ensuring managers are trained and educated to use 'Manager Self-Service' (SAP) to proactively manage their people.' Joanna Bloodworth, Head of HR Shared Service Middle East, Serco

Telecom: Utilising HR analytics to manage talent

Telecom is a telecommunications organisation based in the Middle East. The organisation employs over 2,000 people in technical and customer service based roles.

Context

Telecom is a young company which employs relatively young employees. With an average age of around 39 years old, and a senior management team with an average age close to 45 years old, the organisation prides itself on its innovative and fresh approach to developing its people and supplying telecommunications services to its wide-ranging customer base:

'Everyone has started to realise that [talent management] is very important. We are a young company, our workforce is young. The average age I think at this moment in time must be around 39 years old. Our chiefs, their average age collectively maybe, at this moment in time, maybe it's 45. We need to start, you know, being wiser in how we manage succession.' HR Manager, Telecom

Being custodian of a young talent pool does, however, pose some interesting challenges for the business, in particular the makeup of talent pipelines into the organisation, and the development of clear succession plans for senior roles. The organisation has a desire to recruit from within as much as possible, but succession for senior roles is sometimes difficult when talent is not freely available from within. As a result the organisation has started to apply HR analytics thinking to their talent pipeline and succession planning processes, and is now moving towards applying analytical thinking to strategic talent and resource planning decisions.

How analytics is being applied

Analytics is being applied in a number of ways at Telecom, both at the level of senior engagement with high-level HR performance

data, and also at a more granular level as to the nature of individuals within the succession plan, and in the maps of skills to roles. One particular area of interest for the rest of the business is the difference in cost between developing talent from within, and recruiting talent from an external source. For senior roles the difference in cost can be significant, and as a result Telecom is focusing on the development of succession plans which illustrate to senior leaders how cost can be reduced by investing up front in the development of future talent:

'If you look at it from a financial perspective: best practice says that if you hire someone externally it will take them six months to get used to the company, to the culture, adapting. It's expensive as well at that level to bring in headhunters. If we are recruiting Emeratis the pension issue also is in place because you need to buy their pension or transfer their pension to the organisation. So from a financial cost it's going to be very high. It would be easier to make sure someone at SVP level, who, hypothetically moves into a more senior role or you have already the pipeline happening from within. The benefit here also is that the engagement could be higher. They know the history and so on.' HR Manager, Telecom

To do this the HR team has looked specifically at developing HR analytics capability within the HR function by recruiting from highly analytical backgrounds. For example, the team features both clinical and industrial psychologists, highly numerate and well versed in how to complete highly complex and sophisticated analytics. These different skillsets

are now being embedded into the organisation and the HR team expects that the business will soon be able to realise the value of developing this kind of talent within the function:

'The good thing is that the [HR] team has the capability to analyse information. They come from an industrial psychology or clinical psychology background and are very used to using data and analysis to develop conclusions. We've started implementing and are putting all of our knowledge together ... and we are trying to take best practice ... bringing it into the business instead of spending too much time doing something new ... and adjusting it to our needs.' HR Manager, Telecom

Learning from best practice use of analytics is a valuable exercise for the HR managers at Telecom as they look to develop their own analytics functions. Examples of best practice around leadership and succession, for example, have steered the development of their own talent analytics and talent management initiatives – and while they're still early in the development of activity, it is apparent that the HR team is learning a lot from their exposure to new ways of thinking:

'Something we have taken from external and used internally is the leadership index which was looking at success. Within that it looked at things such as critical roles: how many of the identified individuals would fall in the critical roles. ... It's an easy one, although at the moment for us it still didn't happen because we're at the early stage ... we also used lessons from external sources to develop individual development plans, and measured the completion of these. We wanted to quantify it.' HR Manager, Telecom

Impact of analytics: looking into the future

HR at Telecom sees the possibilities for HR analytics in helping the organisation to develop its talent capabilities, and in particular secure future talent inflow to the business. Part of their vision for the future is the availability of this data and the format that it is presented in to the rest of the organisation. Reporting of succession plans is something clearly very important to the HR function at Telecom, and as such features heavily in the way the team speaks about their goals for the development of HR analytics capability within their HR function:

'In the future for talent management I hope we can see where we are in terms of succession: out of the critical roles, how many ready people we have. This includes understanding who is already pretty advanced in their development. And, it's information that would be accessible to the board, the chiefs, if they needed to. HR analytics should be something that comes naturally to us and it automatically gets captured somewhere. That would be my dream.' HR Manager, Telecom

For Telecom, this tension between a young, agile and innovative workforce is presenting highly complex challenges in the way it manages and grows talent. What is clear, however, is the value that HR analytics is adding to HR in terms of illustrating areas of interest such as succession planning, and Telecom is moving towards making the most of the new data and capability it is developing within the HR team.

'HR at Telecom sees the possibilities for HR analytics in helping the organisation to develop its talent capabilities, and in particular secure future talent inflow to the business.'

Appendix 1: Background to the HR analytics in the Middle East survey

This is the first CIPD survey exploring HR analytics in the Middle East. It looks at how organisations in the region approach HR analytics and the impact that it is having on their organisation. The full survey consisted of 35 questions.

The survey was distributed across the CIPD network and via external channels to Middle East-based HR professionals in February 2015. In total, 106 people responded to the survey.

Sample profile

Distribution across organisations was weighted towards large organisations (Table A1), with over two-thirds of organisations in the survey employing over 1,000 individuals. The sample included 9.4% of respondents from

medium-sized organisations of between 50 and 249 employees. Less than 5% of organisations are small enterprises (fewer than 50 employees).

Over two-thirds of respondents work in the private services sector (67%), while just under a quarter work in manufacturing and production (24.5%). The public sector is represented by 13.1% of respondents (Table A2).

Over 50% of respondents are based in the UAE (54.7%), while the remaining respondents are evenly distributed across other Middle East countries, plus 2.8% in the UK. 5.7% are from other regions (Table A3). Over two-thirds of respondents work in HR functions which have fewer than 50 personnel in them (Table A4).

All respondents are HR managers or above, with over one-third in either director or head of group roles in HR. Over 70% of respondents had more than ten years' experience working in HR, and over half have achieved master's or postgraduate degree qualifications (Table A5).

Note on statistics and figures used

All respondents answered all questions in the survey, and data is presented to one decimal place.

Given the small sample size (n=106), statistical tests of significance have been omitted. The data presented is meant as a representation of those organisations which engaged in the study and are not generalisable to the larger population.

Table A1: Profile of respondents, by global size of organisation (number of employees)

	N	%
Total	106	100.0
1 to 9	1	0.9
10 to 49	4	3.8
50 to 99	5	4.7
100 to 249	5	4.7
250 to 499	10	9.4
500 to 999	9	8.5
1,000 to 4,999	30	28.3
5,000 to 9,999	12	11.3
10,000 to 19,999	11	10.4
Over 20,000	19	17.9

Table A2: Distribution of responses, by sector

	N	%
Private services	71	67.0
Finance, insurance and real estate	13	12.3
Retail and wholesale	11	10.4
Professional/consultancy services	10	9.4
Hotels and restaurants	9	8.5
Transport, storage and communication	8	7.5
Other private sector services	7	6.6
Media	5	4.7
IT industry	4	3.8
Health and social care – private sector	4	3.8
Manufacturing and production	26	24.5
Manufacturing	9	8.5
Construction	9	8.5
Electricity, gas and water supply	5	4.7
Mining and extraction	3	2.8
Public sector	14	13.1
Public administration – central government	3	2.8
Education – further and higher	5	4.7
Defence – armed forces and police	3	2.8
Health and social care - public sector	2	1.9
Public administration – local government, including schools and fire services	1	0.9
Voluntary, community, not-for-profit sector, and other	1	0.9
Voluntary and not-for profit (third sector)	1	0.9
Other	26	24.5

Table A3: Main work location

	N	%
Total	106	100.0
UAE	58	54.7
Saudi Arabia	12	11.3
Qatar	11	10.4
Bahrain	7	6.6
Oman	5	4.7
Kuwait	4	3.8
UK	3	2.8
Other	6	5.7

Table A4: Size of HR and L&D function in the region, including HR shared services

	N	%
Total	106	100.0
More than 250	10	9.4
100 to 249	8	7.5
50 to 99	15	14.2
20 to 49	20	18.9
10 to 19	20	18.9
6 to 9	7	6.6
3 to 5	7	6.6
1 to 2	15	14.2
0	1	0.9
Unsure	3	2.8

Table A5: Current role

	N	%
Total	106	100.0
I work for an organisation in an HR role	50	47.2
I work for an organisation in an L&D role	8	7.5
I work for an organisation in an HR and L&D role	32	30.2
I work for an organisation in another HR specialism	4	3.8
I don't work in HR but have responsibility for it	3	2.8
I am a self-employed independent consultant	4	3.8
I work for an HR/L&D consultancy	2	1.9
I work for a management consultancy	3	2.8

Table A6: Current career level of respondents

	N	%
Total	106	100.0
Director	14	13.2
Senior executive/group role	33	31.1
Manager	59	55.7

Table A7: Experience of respondents (years)

	N	%
Total	106	100.0
1-3 years	2	1.9
4-9 years	28	26.4
10-19 years	48	45.3
20+ years	28	26.4

Table A8: Education attainment of respondents

	N	%
Total	106	100.0
High school level education (for example Baccaulareate, GCSE, A level)	4	3.8
Bachelor's/undergraduate degree	34	32.1
Master's/postgraduate degree	58	54.7
Vocational qualifications (for example HND, NVQ)	2	1.9
Other	8	7.5

Appendix 2: HR analytics metrics in use by organisations in the Middle East

As part of the HR analytics in the Middle East survey, organisations were asked to state whether they use certain HR metrics in their analyses. The results of the survey are shown in Figures B1, B2 and B3.

Figure B1: Percentage of sample metrics used by respondent organisations (%)

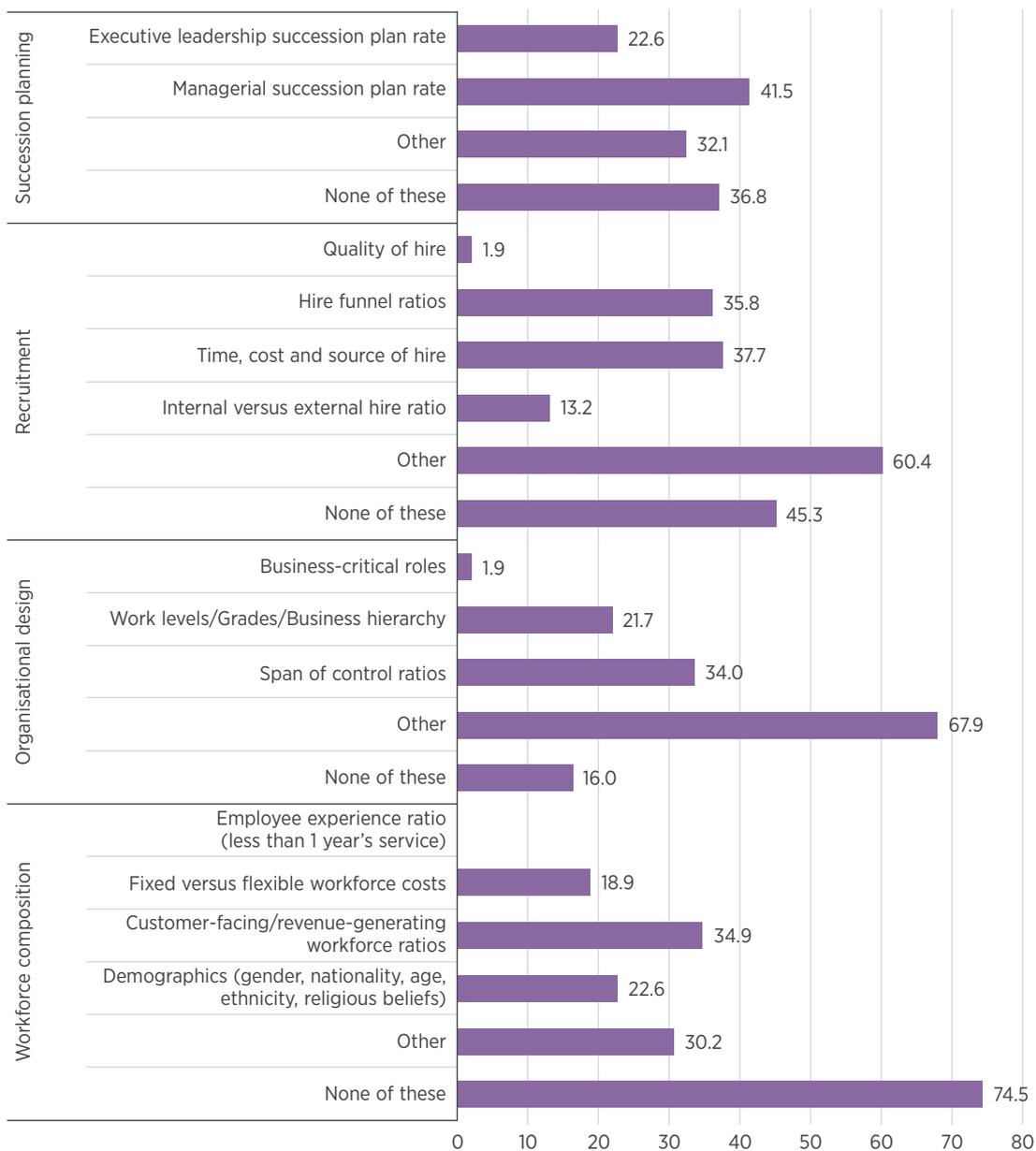


Figure B2: Frequency of sample metrics used by respondent organisations (%)

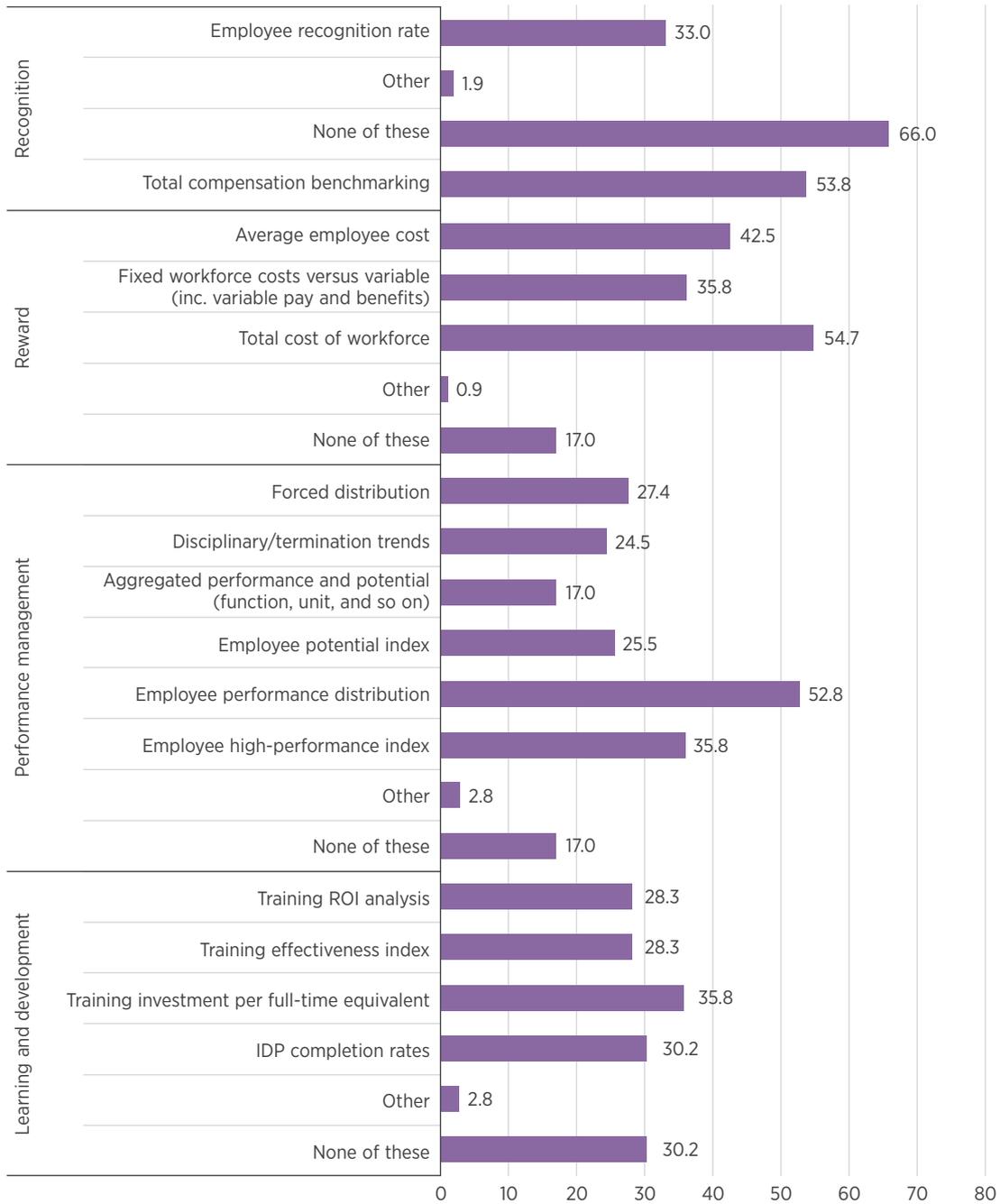
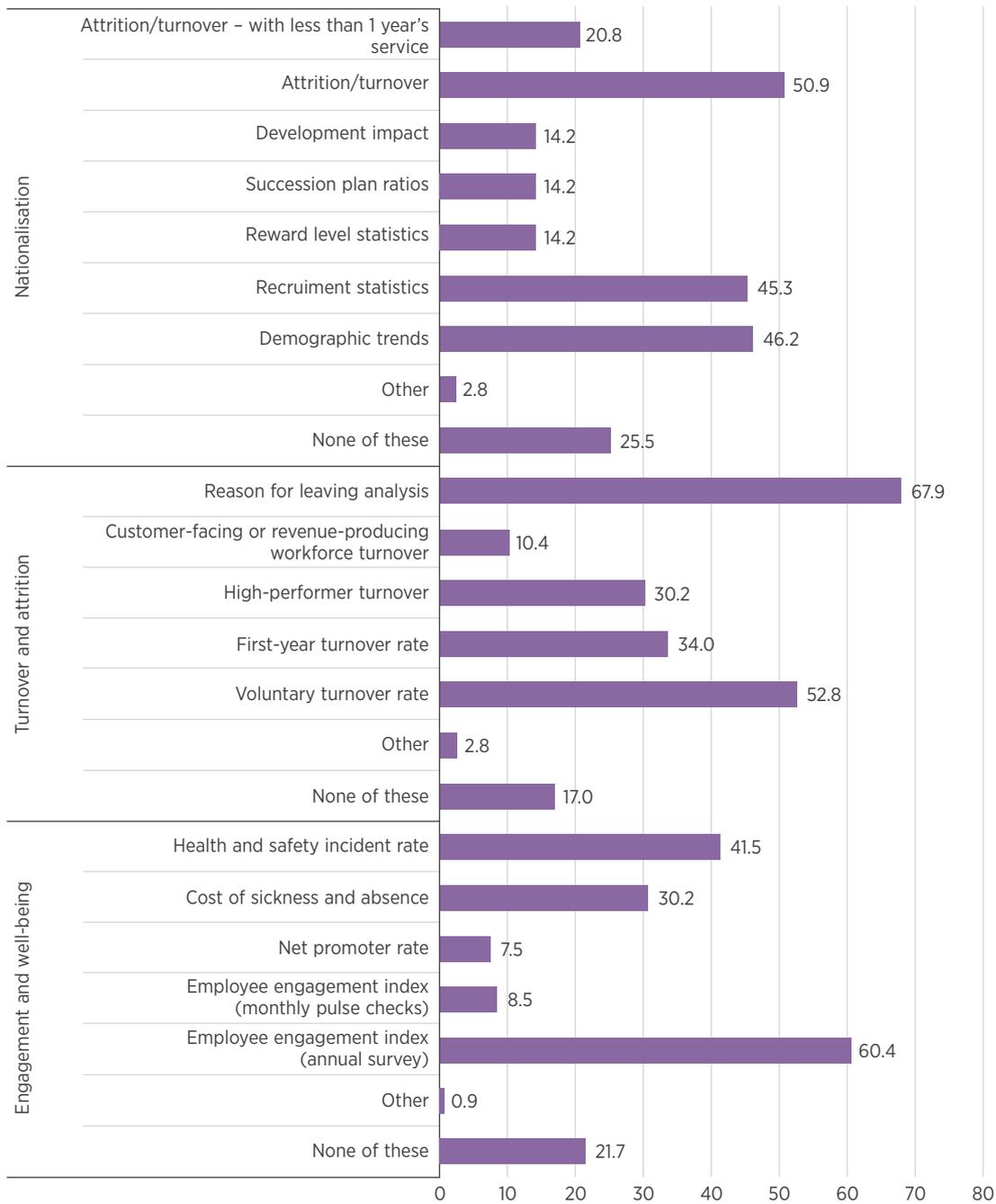


Figure B3: Frequency of sample metrics used by respondent organisations (%)





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