

### **Transformation Project**

Team: Jarvis

Team Members: Brent Young, Calvin Ng, Brad Franklin, Chris Woods

MSDS 480 Section #: 56

Quarter: Fall 2018





# 🜟 2019 Goal

Today

Move the HR organization to stage 5: "Analytical Competitors" within the next 1-2 years and ensure that insights is integrated at scale.

2017

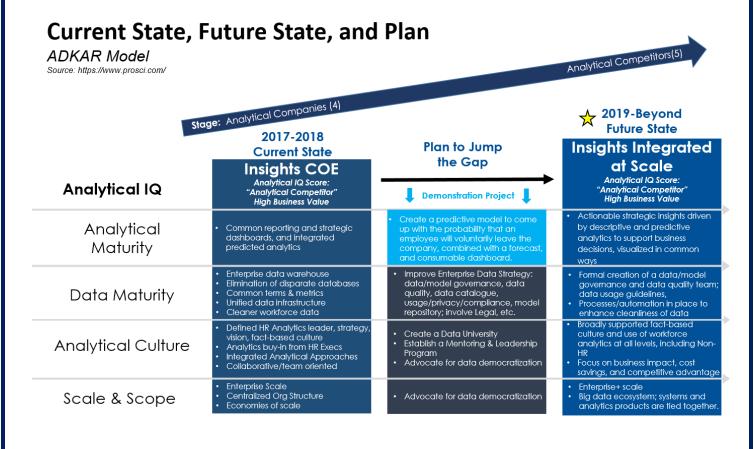
To lead this new organization, a VP of People Insights was appointed and the organization was built by consolidating segment analysts (total of 50 employees) into the new organization (centralized approach).

2010

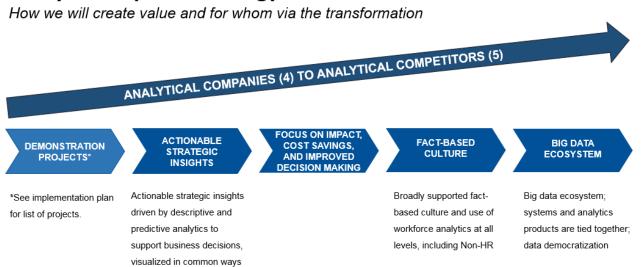
In 2017, a decision was made by our EVP of HR to launch a new enterprise-wide analytics organization called People Insights to help propel the organization from stage 3 to 4.

Disney HR launches a total of 6 Workforce Insights teams across the enterprise and embeds them within each business segment (e.g., Corporate, ABC, Parks & Resorts, Studios, International, and ESPN), resulting in a decentralized and localized model. This model resulted in duplication of efforts, inconsistency, disparate data, and no formal Executive leader across The Walt Disney Company.

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### Analytics Gap and Strategy



**TARGET AUDIENCE: PEOPLE MANAGERS & HUMAN RESOURCES** 

## **Implementation Plan: Application Projects**

### **Pipeline of Demonstration Projects** Value Proactively identify employees at-risk of ☐ Retention Risk Model + Dashboard leaving to help inform targeted "stay" initiatives and reduce potential exits from high performers. Understand predictors of turnover and identify solutions to mitigate. Inform succession planning. **Workforce Planning: Forecasting** labor hours, headcount, leavers, etc. Better predict volume of work, make better business decisions, allocate resources more efficiently, increase ROI and save the company money. Measuring Rotation & Learning Program Effectiveness Inform program improvements, employee improvement, measure ROI.

#### **People & Technology**

- Team: VP, People Insights, Data
   Operations Team, Data Visualization
   Team, Data Scientists/Analysts, and
   Data Research/Survey Team
- Governance: Enterprise Data Strategy (e.g., data governance, model governance, data quality management, model repository, data catalogue).
- Technology: RStudio, SaaS, Alteryx, Tableau, Hadoop, IBM DB2, SAP, Hadoop. SCRUM/Agile Environment.

#### **Key Performance Indicators**

Decrease in Voluntary Turnover Rate Increase in Employee Survey Scores Better and More Frequent Career Conversations Captured via Surveys

Decrease in People Related Costs Increase in Program Feedback & Employee Skills Captured via Surveys

## Implementation Plan: People and Infrastructure Challenges

### **Team Structure**

- · VP, People Insights
- · Data Operations Team
- · Data Visualization Team
- · Data Scientists/Analysts
- · Data Research/Survey Team

#### Governance

- Data Governance Team + Guidelines
- Model Governance Team + Guidelines
- · Data catalogue
- · Model repository
- · Legal, ER, etc.

### Training

- Data University for all employees (internal)
- Company sponsored data science training (external)
- Mentoring & Leadership Program

### Technology & Ecosystem















### **Enablers (Big Picture)**

- · Business Executives
- HR Leadership
- ER / Legal
- HR Managers
- People Insights
- · People Managers
- · Talent & Learning Development

#### Data Management & Culture

- · Enterprise Data Strategy
- SCRUM/Agile Environment
- Harmonize top-down & bottom up analytics
- · Teamwork & Collaboration
- · Focus on impacts measure it
- Focus on questions, not answers

# **Top Three Risks and Mitigation Strategies**



# 1. Technology: Data security risks & integrity concerns

The more people that have access to data, the greater the security risk and the potential for data integrity concerns. As a result, the importance of establishing a strong data governance taskforce/strategy and enforcing strict data usage guidelines are crucial.



# 3. Internal Process: Culture & data privacy concerns

Using employee data and models to make strategic employee and business related decisions can pose concerns from employees in the company. As a result, being transparent, communicating appropriately, using good change management, and involving Legal, compliance, ER, is vital.



# 2. People: Misinterpretation of the data by non-technical people

It's very easy to mistake correlation for causation and misleading patterns/interpretation of the data. As a result, people managers and non-technical human resources professional will need to receive the proper training on how to best use the data to drive company initiatives and goals.



## **Demonstration Project Revisited**

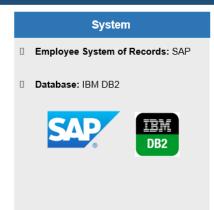
AGiven that the average salary in a given company is \$50,000 and the cost of turnover is 150% of salary = \$75,000 per departing employee.

Start-up Costs: We will invest \$1.5 million in people, technology, and data over the next 6 months.

Overall Level of Cost Avoidance: Est. Avg. Turnover Cost Per Employee is \$75,000^ \* 325 Avg. Vol. Exits Per Year\* 20% Reduction= \$4.9 million in savings

#### Retention Risk Model +Dashboard

- Objective: Create a predictive model to come up with the probability that an employee will voluntarily leave the company within the next year, combined with a forecast on number of leavers that is consumable for end-user via a dashboard.
- Variables: Demographic, Compensation, Career/Performance, Work Environment; external: Greatest Companies to Work For (Fortune)





- Proactively identify employees at-risk of leaving to help inform targeted "stay" initiatives (e.g., stay discussions, L&D courses, mentoring programs, career conversations) and reduce potential exits from high performers.
- Understand predictors of turnover and identify solutions to mitigate; help people managers proactively plan and allocate resources efficiently.
- Inform talent and succession planning.

#### **Key Performance Indicators**

Target Adoption Rate by People Managers: >50%

Decrease in Voluntary Turnover Rate Increase in Employee Survey Scores Better and More Frequent Career Conversations Captured via Surveys

Increase in L&D
Course Enrollment &
Post-Course Feedback

## **Setting the Stage**





### Training

- Purpose
- Methodology
- · Inputs and outputs
- · How to interpret
- · What it is and isn't
- How it can be used and leveraged





### Data

- Population: Domestic Fulltime employees
- Train/validation/test: Build model using 50/25/25 split, using voluntary separation data from January 2016 to January 2017.
- \*See description for variables

#### Other Enablers

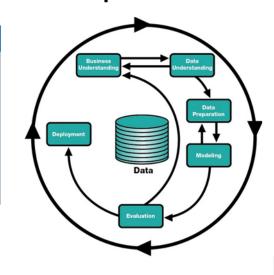
- · Business Executives
- HR Leadership
- ER / Legal
- · HR Managers
- · People Insights
- · People Managers
- · Talent & Learning Development



## Scrum + CRISP-DM Development Process and Plan

### Tasks/Deliverable

- Introduction with stakeholders (Goal, value, what we are trying to accomplish, etc.)
- Set-up weekly meetings to ideate on weekly improvements
- Brainstorm what variables we want to include.
- · Finalize population criteria
- Set-up infrastructure and obtain data



#### **Sprint Backlog**

Retention Risk Model + Dashboard							
Spring Backlog							
Sprint Description	Responsible	Actual Hours	Remaining Hours	Defined	In-Progress	Tested	Accepted
Kick-Off Meeting w/Stakeholders	VP People Insights	4		X			
Finalize Population Criteria	VP, Analyst, SCRUM Master, Data Operations	2		X			
Finalize variables	VP, Analyst, SCRUM Master, Data Operations	2		Х			
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### Resources (SCRUM Roles)

- · Analyst
- Dashboard Designer
- · Data Operations
- SCRUM Master

### **Target Delivery Date**

- · 3-4 Week Sprint
- Target Date: 11/30/18

### **Sprint Burndown Chart**



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### **Deployment**

Here's how deployment is included in our sprint and how the first full release will be deployed:



## Risks to be Managed





### Risks to be Managed

- Protected categories (e.g., demographics). Do we share the variables that's included in the model?
- Employee experience (level of trust between employee and leader)
- Employee Relations risk (e.g., equal opportunity for advancement or career opportunities)
- How granular do we want to be? What's our communication approach?
- Regulatory Risk (e.g., model bias)



### Ideas on How to Address It

- Be transparent. Leaders and employees should have access to the same level of detail and information. Involve Legal.
- Provide education about the model (purpose, what it is and isn't).
- Provide questions for leaders to think about to help facilitate the conversation.
- Utilize a cascade approach. Leader meets with his/her leadership team. Leadership team then meets with his/her directs and so forth.
- □ Obtain Legal/Compliance approval.



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# Sample Team Profile: XYZ Organization

Forecasted number of employees to voluntarily leave within the next year: XXX

**TEAM RISK** REPRESENTATION







INDIVIDUAL **PROBABILITIES** 

- Employee A (5.8%)
- Employee B (5.4%)
- Employee C (4.3%)
- Employee D (3.9%)

- Employee J (14.4%)
- Employee K (13.2%)
- Employee L (12.2%)

Employee Q (21.2%)

### Personal Philosophy of Analytical Leadership

Role, chief responsibilities and required background of the analytical leader(s) for this transformation



- · Lead the People Analytics strategy, vision, change management, and deliver results in collaboration with a small team of analysts
- · Drive analytics approach and build upon and deliver on a thoughtful and comprehensive analytics roadmap
- · Drive capacity and analytical culture within the People organization to utilize data and analytics to drive fact based decision-making



- · Lead, coach, and mentor other members of the People Analytics team; adapting leadership style and being flexible given the situation
- · Partner with People team and business leaders to understand key business questions and design analyses to answer these questions
- · Present results of analyses in a concise and effective manner, to drive fact-based decision making at all levels within the organization
- · Deliver quarterly updates with HR leaders to share key metrics, insights, and business impacts
- · Identify and deliver on opportunities to support key People Team initiatives through robust analyses, modeling, and dashboards
- · Develop methods to measure effectiveness of all people programs, and uncover insights and opportunities
- Enhance enterprise data strategy
- Create a Data University to up skill employee data literacy at all levels



- · Master's degree or PhD in a quantitative field (e.g., data science, statistics, economics, etc.)
- · Excellent leadership skills; ability to lead people and/or a team
- · Excellent change management skills
- · Excellent written, communication, and presentation skills
- · Experience driving complex analysis and predictive analytics
- · Experience providing consultative support for executives and HR; translating business goals into analytics solutions and business value
- · Experience with SQL, Tableau, and/or other related reporting and analytic tools
- · Experience with R, Python, SPSS, or SaaS
- · Advanced skills in MS Office, including PowerPoint and Excel

### Personal Philosophy of Analytical Leadership

How Adaptive, Situational, and Transformation Leadership Fits Within Our Analytical Environment



Accomplish more than what is usually expected of followers, increased support for the greater good

### Personal Philosophy of Analytical Leadership

