
Contents

Preface xi

Acknowledgments xiii

Introduction Realizing the Dream:
From Nuisance to Necessity 1

Chapter 1 Human Capital Analytics.....13

Human Capital Analytics Continuum 16

Summary 28

Notes 28

Chapter 2 Alignment31

The Stakeholder Workshop: Creating the Right Climate
for Alignment 33

Aligning Stakeholders 33

Who Are Your Stakeholders? 35

What Should You Accomplish in a Stakeholder Meeting? 37

Deciding What to Measure with Your Stakeholders 41

Leading Indicators 42

Business Impact 44

Assigning Financial Values to "Intangibles" 44

Defining Your Participants 45

Summary 59

Notes 60

Chapter 3 The Measurement Plan61

- Defining the Intervention(s) 62
- Measurement Map 63
- Hypotheses or Business Questions 66
- Defining the Metrics 67
- Demographics 68
- Data Sources and Requirements 70
- Summary 77
- Note 77

Chapter 4 It's All about the Data.....79

- Types of Data 80
- Tying Your Data Sets Together 86
- Difficulties in Obtaining Data 89
- Ethics of Measurement and Evaluation 90
- Telling the Truth 92
- Summary 97
- Notes 98

**Chapter 5 What Dashboards Are Telling You:
Descriptive Statistics and Correlations101**

- Descriptive Statistics 102
- Going Graphic with the Data 103
- Data over Time 104
- Descriptive Statistics on Steroids 106
- Correlation Does Not Imply Causation 108
- Summary 115
- Notes 116

Chapter 6 Causation: What Really Drives Performance117

- Can You Create Separate Test and Control Groups? 120
- Are There Observable Differences? 121

Did You Consider Prior Performance?	121
Did You Consider Time-Related Changes?	122
Did You Look at the Descriptive Statistics?	123
Have You Considered the Relationship between the Metrics?	123
A Gentle Introduction to Statistics	123
Basic Ideas behind Regression	125
Model Fit and Statistical Significance	126
Summary	130
Notes	131

Chapter 7 Beyond ROI to Optimization133

Optimization	134
Summary	143
Notes	144

Chapter 8 Share the Story145

Presenting the Financials	147
Telling the Story and Adding Up the Numbers	148
Preparing for the Meetings	152
Summary	152
Notes	153

Chapter 9 Conclusion155

Human Capital Analytics	156
Alignment	156
The Measurement Plan	157
It's All about the Data	159
What Dashboards Are Telling You: Descriptive Statistics and Correlations	159
Causation: What Really Drives Performance	161
Beyond ROI to Optimization	162
The Ultimate Goal	164

What Others Think about the Future of Analytics 164
Final Thoughts 169
Notes 169

**Appendix A: Different Levels to Describe
Measurement 171**

**Appendix B: Getting Your Feet Wet in Data:
Preparing and Cleaning the Data Set 181**

Appendix C: Details of Basic Descriptive Statistics 193

Appendix D: Regression Modeling 199

Appendix E: Generating Soft Data from Employees 205

Glossary 209

About the Authors 225

Index 227