

3.7: What is People Analytics?

Learning Outcomes

- Define the term people analytics

When we use data to uncover the workplace behaviors that make people effective, happy, creative, experts, leaders, followers, early adopters, and so on, we are using “people analytics.”

—Ben Waber

People Analytics author and Humanyze CEO Ben Waber defines people analytics as a “data driven approach to people-related decisions and practices. That is, people analytics is the application of analytics to people data or, to avoid the circular reference, insights derived from an organization’s employee data. The insight point is key. As RiskIQ chief data scientist Adam Hunt notes: “The amount of data you can grab, if you want, is immense, but if you’re not doing anything with it, turning it into something interesting, what good is it? Data science is about giving that data a purpose.”^[1] The purpose of people analytics is to provide HR and business leaders with actionable people insights that improve business outcomes.



According to *People Analytics for Dummies* author Mike West, the term “people analytics” was derived from Google’s reference to Human Resources as People Operations and, thus, the associated analytics “people analytics.”^[2] Google, who West notes aspires to make all management decisions using data, formed its first formal people analytics group in 2007.

Although the terms “people analytics,” “HR analytics,” and “workforce analytics” are often used interchangeably, people analytics is the broader or umbrella concept. In practice, however, the idea is the same, which is to integrate data to improve decisions that have historically been made based on people’s experience and intuition.^[3]

PRactice Question

<https://assessments.lumenlearning.co...essments/18113>

The first instance of a group focused on Human Resource-specific analytics is believed to be the “HR Decision Support” team formed by pharmaceutical maker Merck in 2001. Although people analytics as a practice has been in existence for approximately 20 years, organizations adoption of associated tools and processes is still far from maturity—a point we’ll explore in the next section.

1. Stokkel, Bastiaan. "Top 5 Trending HR Analytics Articles of July 2018." AIHR Analytics. 2018. Accessed August 06, 2019. ↩
2. West, Mike. "What Is the History of People Analytics?" LinkedIn. October 9, 2015. Accessed August 06, 2019. ↩
3. "What Is People Analytics?" *The Way We Work* (audio blog), May 16, 2018. Accessed August 06, 2019. ↩

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