HR Business Process Outsourcing
Executive Workforce Analytics

Human Resources Reporting and Analytics Priorities Survey
Survey Highlights 2011

AON Hewitt
About This Survey

In May 2011, Aon Hewitt surveyed employers to gain a better understanding of current trends in the field of human resources (HR) reporting and analytics. The survey was designed to understand the current use of HR reporting and analytics technologies and processes in 2011. There were 117 employers representing 5.4 million employees that participated in the survey. Employers can use these results to see how their reporting and analytics priorities in 2011 compare to those of other companies. The total sample of survey respondents represents a diverse selection of industries, sizes, and geographies. While the vast majority of companies are headquartered in North America (94%), approximately 77% report having locations outside of North America as well.

Survey Highlights

- 49% of respondents are very or somewhat dissatisfied with the current reporting environment
- 65% of respondents find it difficult or somewhat difficult to produce executive-ready reports
- 78% of respondents have difficulty combining multiple HR data sources into one report
- Nearly three-quarters of employers (74%) state the main challenge in reporting and analytics is limited resources
- 2% of respondents deliver data through an online portal only

HR Strategy

The survey respondents were asked about some of the main areas of focus for HR. Eighty-one percent (81%) of respondents said leadership development and broader talent development is the main focus for HR. Respondents were also asked how the business determines human resources’ focus areas. Sixty-three percent (63%) report that executives make these decisions and data drives the decision making.

Employers noted a variety of challenges in HR reporting and analytics. As the table below indicates, respondents note challenges with limited resources (74%), data quality (54%), and lack of technical resources (49%). Only 5% of respondents indicated that they were very satisfied with their organization’s current reporting and analytics practices and administration.
Challenges in HR Reporting and Analytics

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage of Employers</th>
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<tbody>
<tr>
<td>Limited resources</td>
<td>74%</td>
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<tr>
<td>Data quality</td>
<td>54%</td>
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<tr>
<td>Lack of technical resources</td>
<td>49%</td>
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<tr>
<td>Understanding the data</td>
<td>43%</td>
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<tr>
<td>Currently, we do not have any challenges</td>
<td>2%</td>
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<tr>
<td>Other (e.g., limited technology, budget constraints)</td>
<td>17%</td>
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<tr>
<td>(n=108; multiple responses)</td>
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Processes

More than one-third of respondents (36%) currently use a centralized reporting process across the business to generate reports, and nearly one-half (47%) do not have a cohesive reporting process in place. Sixty-five percent (65%) of respondents find it somewhat or very difficult to produce executive-ready reports.

Seven out of 10 respondents (70%) currently produce and disseminate scorecards and/or dashboards to their executive population. For executive-ready reports, from request to the presented document, 56% of respondents report that the process can generally take from three business days to more than one week.
Excel is the reporting delivery method/format currently used by 86% of respondents. Slightly more than one-third of employers (36%) have little or no ability to filter or segment their existing reports by employee segment. Six out of 10 respondents (64%) are not satisfied with their current reporting tools.

Thirty-six percent (36%) of employers use tools purchased from third-party vendors for their Talent Management (Workforce Administration, Compensation, Payroll, Succession Planning, Recruiting, and Performance Management) reporting and analytics functions.

**Time Spent Creating a Report**

- 1–2 business days: 21%
- 4 hours: 8%
- Other (e.g., depends on request): 14%
- More than one week: 19%
- 4–5 business days: 18%
- 3 business days: 19%

(n=108)
The survey found that 59% of respondents do not currently have all of their employee population on one Enterprise Resource Planning (ERP) system. When asked how their HR data is aggregated today, 56% of respondents reported having a limited data warehouse or no data warehouse at all.
Conclusion

This was the first survey pertaining to HR reporting and analytics technology for Aon Hewitt. While there are no historical comparisons that can be made to this data, there are several themes among the survey results that are consistent with the experiences of our U.S. clients who are exploring reporting and analytics solutions. These include the following:

- **Technology challenges**—Companies face a variety of technology challenges tied to accessing HR data. Some of these technology challenges include:
  - Accessing a cohesive reporting process and environment—47% of respondents reported that they had no cohesive reporting.
  - Accessing a single data warehouse. More than one-half (56%) of companies reported having a limited data warehouse or none at all.

- **Process issues**—Companies are challenged by the process of transforming raw data into executive-ready reports. These issues include:
  - Ability to produce a report. Sixty-five percent (65%) of respondents do not find it easy to produce executive-ready reports.
  - Time needed to produce a report. Fifty-six percent (56%) of respondents note that it can take one to two business days, or longer, to create reports.

- **Resource restrictions**—Companies are hindered by HR and technical resource limitations tied to HR reports and analytics. For example:
  - Aggregating data from multiple sources. Seventy-eight percent (78%) of respondents reported difficulty combining data from multiple sources.
  - HR and technical resource issues. Nearly three-quarters of companies (74%) said that they were limited by HR resources, and 49% said they were limited by technical resources.

Most importantly, nearly one-half of respondents (49%) said they were not satisfied with their current reporting environment. As more companies become increasingly dependent on data and analytics to drive strategic HR and business decisions, HR is facing increased pressure to quickly access and analyze the information.

In our experience, Aon Hewitt has seen an increasing number of companies seeking to migrate to a data warehouse and workforce analytics platform that consolidates data from a variety of sources. With consistent, reliable data and a strong base for analysis, HR professionals can not only justify their decisions based on fact, but also take a more proactive role in connecting the data to drive corporate strategy.

We hope you find this research informative and welcome a discussion of its results.
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About Aon Hewitt

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