



ANALYTICS

AN INDISPENSABLE BUSINESS TOOL

By Myles Halliday, Vice President of Product Management, Payworks

Do you find it challenging to report on or compare data across years? If you were asked to report all bonuses or overtime paid out by pay period over the last two years, how long would it take you? Do you know your current headcount? Do you know your turnover rates by department? By using analytics, these types of questions can be answered in less than 30 seconds.

Payroll and HR departments have been expected to produce accurate and timely reports with limited access to the right information at the right time and in the right format. It's difficult to stay informed of trends and events within a business and its workforce without the correct tools.

Analytics is the solution that solves these challenges.

WHAT ARE ANALYTICS?

You may hear terms like Workforce Analytics, People Analytics and HR Analytics being used to describe very similar solutions, but practically speaking there are only two types of analytics tools employed by organizations today.

Descriptive Analytics is often referred to as Business Intelligence or BI. It has been used by many large organizations and is now an essential tool for payroll and HR departments in both small and medium sized organizations. Descriptive analytics presents information about what is or what was happening within an organization over a specified period of time. The data is presented through a series of interactive graphs or tables often grouped within dashboards. These visuals can be filtered, providing timely answers to "Was" or "Did" questions such as, "Was my overtime this year the same as last year?"

Predictive Analytics uses past data to predict future trends or outcomes, given a set of rules. Predictive analytics for businesses has become more common over the last three to five years in medium to large organizations. Predictive analytics requires large data sets and the right rules to develop statistical relationships that can be turned into accurate predictions. Find answers to "When" or "Will" questions, such as, "When will overtime costs be high enough during the year to justify a new hire?"

Regardless of business size, analytics will improve efficiencies, produce valuable information, discover changes, and increase the effectiveness of an organization's payroll and HR teams.

Taking the time to understand how these tools drive value for your organization is important. Much more than a series of intuitive charts and graphs, an analytic solution provides businesses insight into their performance and enables informed, timely and data-driven decision making.

TOP 10 REASONS YOU SHOULD CONSIDER ANALYTICS

- 1. Data-driven Decisions:** Provide your executive group or boards with current trend analysis to facilitate informed decision making.
- 2. Improve Information Integrity:** Analyze data within the analytics tool to eliminate errors caused by exporting and manipulating data in Excel.
- 3. Create Reports Quickly:** Modify existing reports using visualization to produce new reports rapidly to meet your user's needs.
- 4. Timely Answers:** Provide timely and accurate responses to questions posed by management and employees.
- 5. Trust Your Data:** See data input or configuration errors and reduce external manipulation of data.
- 6. Reduce Interruptions:** Management and executives can access analytics to find answers and explore the data, reducing interruptions to payroll and HR teams.
- 7. Compare Data:** Specify time spans over calendar or fiscal years to compare year over year growth or reductions.
- 8. Discover Information:** Drill down through the data to get an answer to your question, "Why?"
- 9. Improve Value:** Strengthen your relationship with management, executives and employees by using analytics to answer questions, to know your organization and help solve business challenges.
- 10. Spot Anomalies:** Visually detect differences in comparative data to improve fraud detection and address discrepancies when it matters. ■

Myles Halliday is the Vice President of Product Management at Payworks, based in Winnipeg, Manitoba. He is responsible for understanding the product needs for payroll and human resources practitioners, and helps to create innovative workforce management products for Payworks clients, including solutions for Payroll, Human Resources, Analytics, Employee Time and Absence Management.

