

PEOPLE ANALYTICS CASE STUDY

USING ORGANIZATIONAL NETWORK ANALYTICS FOR A DATA-DRIVEN APPROACH TO IDENTIFYING HIGH-POTENTIAL TALENT

HiPos contribute 21% more effort than regular employees, produce 91% more value than core employees and are three times more likely to succeed as future leaders.¹

Overview

Identifying, developing and retaining high-potential employees (HiPos) is critical for the long-term success of organizations. Organizations invest heavily on training, coaching and developing their HiPos. But most organizations are not leveraging ROI from their HiPo programs because they find it very challenging to identify HiPos accurately. According to industry analysts, over 40% of employees in HiPo programs may not belong there.²

Organizations attempt to build performance metrics into the daily activities and responsibilities of employees. Consequently, most HiPo identification programs are biased towards performance. Whilst performance and high-potential are not mutually exclusive, HiPos are much more than just high performers. HiPos are future leaders who demonstrate certain behaviors which make a meaningful impact on their teams, the business and the organization. These behaviors include:

- **Collaboration** – They know where the information resides and can work with others to access it.
- **Energy** – HiPos are constantly motivated to improve themselves and others feed off their energy.
- **Courage** – They are not afraid to take risks and face difficult challenges.
- **Productivity** – They produce more work in a shorter time.
- **Influence** – HiPos develop trust among, communicate with, persuade and inspire diverse groups.

These behaviors are intangible and difficult to quantify making it challenging for them to be captured in traditional leadership competency or employee performance assessments. Consequently, organizations risk losing critical HiPo talent, which can have an adverse impact on their long-term business goals.

Many of these HiPo characteristics are present in an employee's Social Capital or relationship networks. By applying a Social Capital or network dimension to HR data, HR and People Analytics leaders can identify intangible HiPo behavior.

¹ <https://www.cebglobal.com/human-resources/smb-hr/hipo.html>

² <https://hbr.org/2017/02/companies-are-bad-at-identifying-high-potential-employees>

Why Use Social Capital Data to Identify & Measure HiPo behavior?

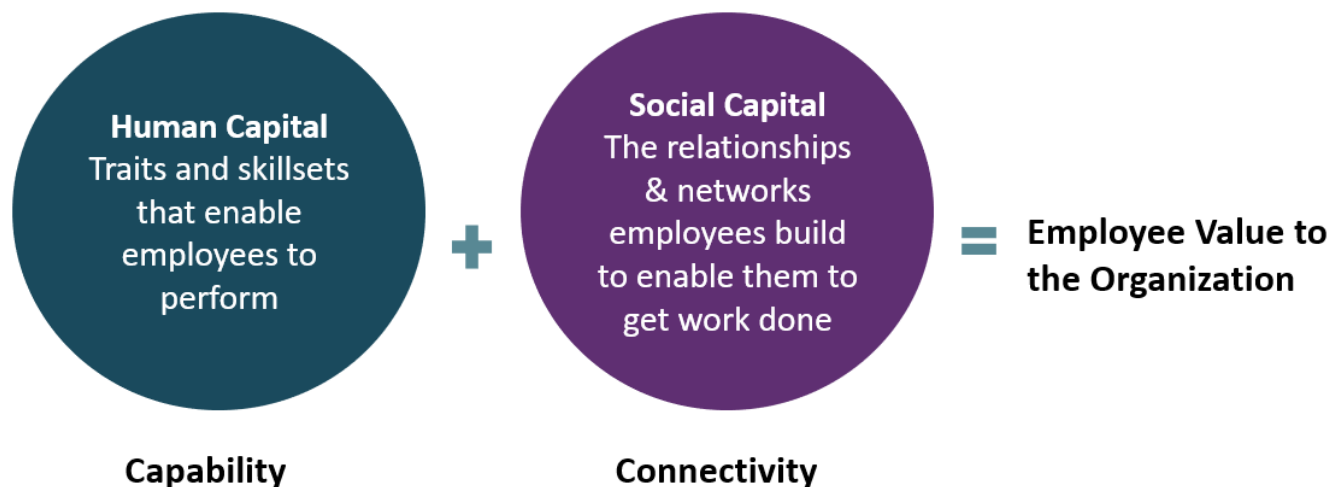
Traditionally HR data has been focused on human capital traits such as employee demographics, qualifications, experience and skills, at an individual level. But in today's networked team organizations, most work is actually being done across relationship networks (Social Capital) created by employees within their team, across the organization and with external parties.

In an organization, Social Capital manifests itself in six different types of relationship networks:

1. **Work Network:** with whom employees exchange information as part of their daily work routines.
2. **Innovation Network:** with whom employees collaborate.
3. **Social Network:** with whom employees "check-in" inside and outside the office to find out what is going on.
4. **Learning Network:** with whom employees work to improve existing processes or methods.
5. **Expertise Network:** to whom employees turn for expertise or advice on work-related problems.
6. **Mentor Network:** to whom employees go for advice about the future or for reference

The effectiveness of an employee's Social Capital is determined by the size, quality and diversity of these personal and business relationships. Employees with rich Social Capital can contribute more meaningfully to business value-creation. Therefore measuring and analyzing Social Capital data at an individual, team and department level can surface several HiPo characteristics exhibited by the network behavior of employees.

The Winning Combination



Source: TrustSphere

Human Capital is visible, easily quantifiable and usually quite static. Education, qualifications, knowledge and experience, constitute Human Capital and contribute to performance.

Social Capital is dynamic but intangible and difficult to quantify. Comprising capabilities to build and manage mutually beneficial relationships, leverage these effectively to create value together and to manage both innovation and change. Social Capital is becoming increasingly more important in today's networked organizations.

Our Customer

Our customer, a leading regional bank in the Asia Pacific, valued internal 'Talent' as one of the key pillars of their growth strategy. The customer had identified a Talent pool of 300 HiPos to train, retain and promote to key leadership positions.

The customer wanted to use an objective data-driven approach to validate their existing Talent Pool and also to identify Hidden Stars who exhibit behaviors that make them good candidates for the HiPo program.

Business Challenge

TrustSphere was appointed to measure the quality of the bank's existing Talent pool and compare their behavior with non-Talent employees. TrustSphere used Social Capital metrics and passive Organizational Network Analysis (ONA) to :

1. Measure and understand the network characteristics of the existing Talent Pool

TrustSphere used network science to establish and validate the Social Capital of the existing Talent Pool.

2. Identify Hidden Stars throughout the organization who could be included in future HiPo programs

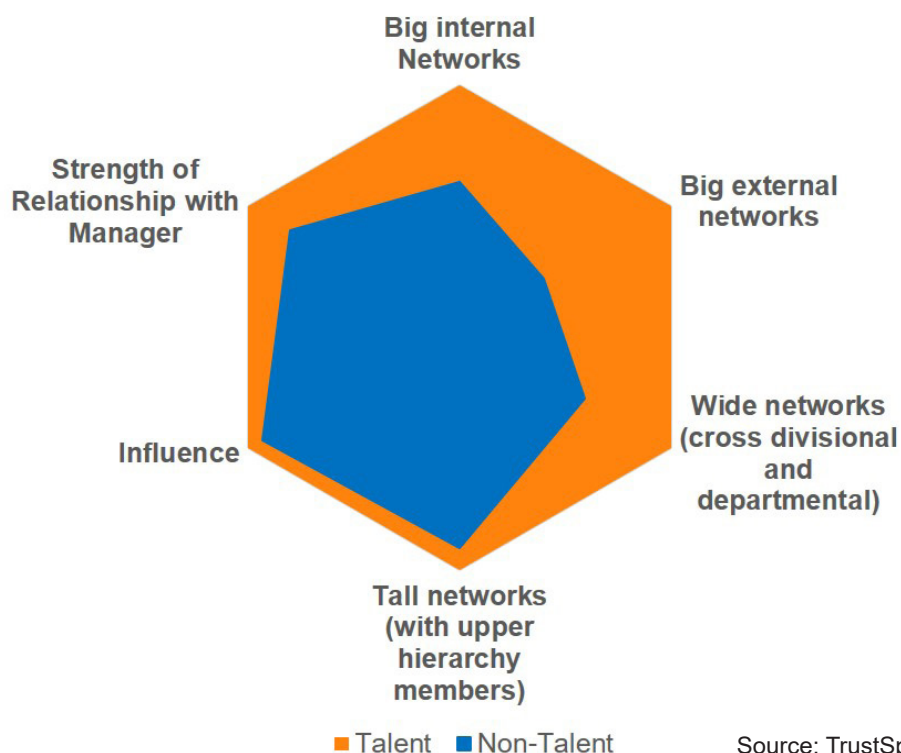
TrustSphere measured the strength of the Social Capital of 6,000 employees outside the Talent Pool. TrustSphere then helped identify additional employees, who exhibited the network behavior patterns of a HiPo and could be considered for the customer's HiPo program. This complimented the customer's existing identification process and helped reduce selection bias in their existing talent identification process.

How TrustSphere applied passive ONA to identify and measure Social Capital of HiPos

By observing digital interactions across corporate communication systems, TrustSphere used its proprietary Relationship Analytics and passive ONA technology to generate insights into the type of Social Capital (internal and external relationship networks) that HiPos built with colleagues, customers, suppliers and business partners namely:

- the size of networks HiPos built (network spread & relationship strength)
- their collaboration
- their influence over others

Difference between Talent and Non-Talent Employees



a) ONA made visible HiPo characteristics that helped our customer to validate its existing HiPo program.

- HiPos built 40% more relationships than others

Across all ages and tenures, HiPos were seen as building significantly larger networks of meaningful relationships. This means they were connected to a much higher number of employees within the organization and also shared strong relationships (TrustScores) with them. They built particularly stronger relationships with their managers. Consequently, their managers trusted them and gave them more assignments. This created more opportunities for them to establish their potential to their managers and the rest of the organization.

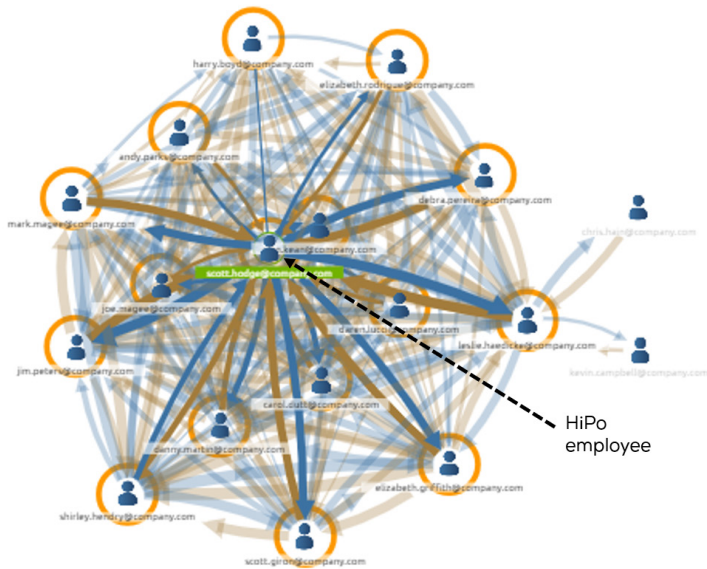
- HiPos were openly collaborative

HiPos were collaborative across the organization and worked with many colleagues in different departments and also with external agencies at the same time. They were also very communicative with the rest of their teams. This enabled them to gather expertise in other functions and raise their profile especially among senior management in other functions.

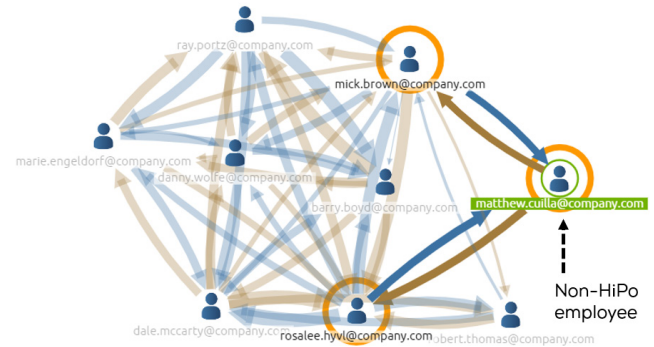
- HiPos also had the ability to create impact in their networks and across the organization

By measuring their centrality within their networks, TrustSphere found that HiPos not only had the most strong relationships across their networks, but they also controlled the flow of information between different members of their networks. Both the HiPos and their connections had high network impact scores which enabled them to exert influence in their networks and across the organization. This made them potentially very effective for leading change management initiatives across the organization.

HiPos have a strong relationships with other employees who in turn also have strong relationships. For this reason, HiPos have a high network impact or influence compared to non-HiPos.



(High network impact of HiPo employee)



(Low network impact of non-HiPo employee)

b) Established data-driven benchmarks for identifying future HiPos/Hidden Stars throughout the organization.

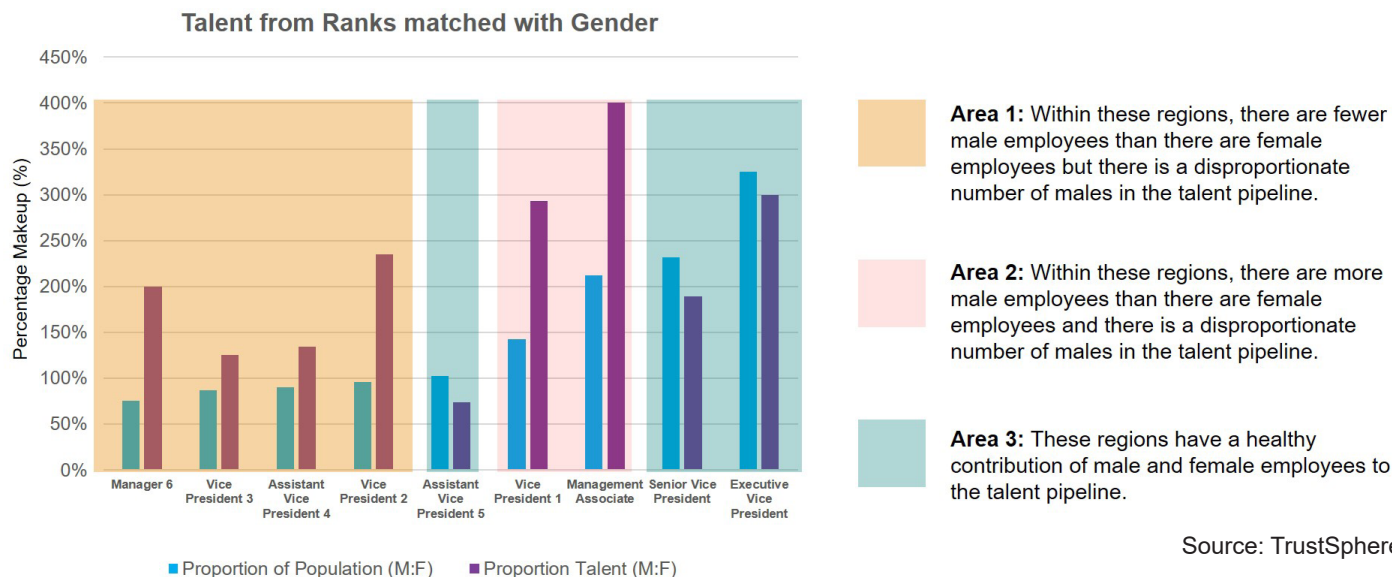
By using the network behavior of existing HiPos as a benchmark, TrustSphere provided insights on the network behavior of other employees across different levels and tenures, business units, geographies and functions. TrustSphere discovered 151 employees who had stronger relationship networks than the average existing HiPo pool. Of these, 20 employees scored very high on all strong Social Capital metrics. They were mid-career employees with an average tenure of seven years in the organization. Based on their high Social Capital, TrustSphere evaluated them as being strong HiPo candidates.



Source: TrustSphere

c) Unconscious Gender Bias Discovered

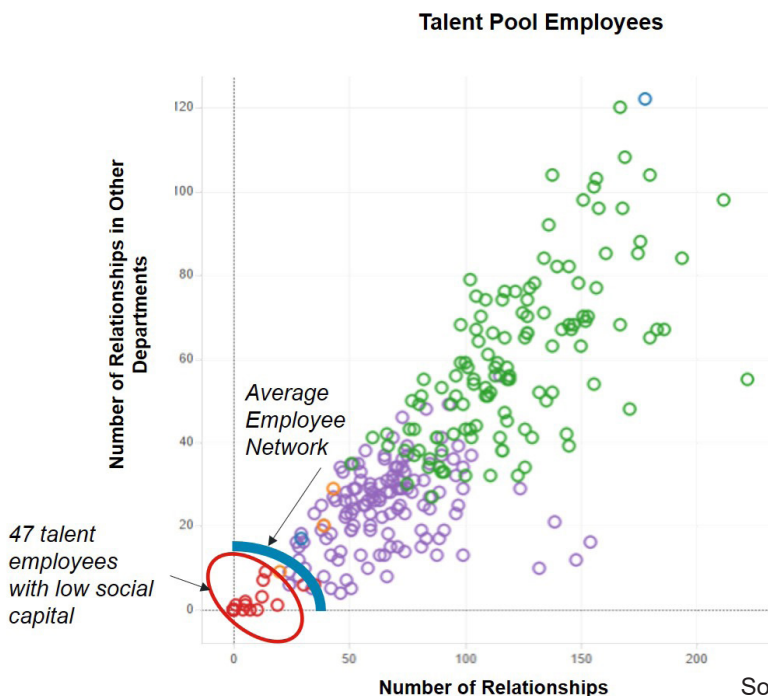
The ONA driven insights also revealed that male and female employees displayed very similar networking behavior for the majority of the organization. However, although 56% of the organization's population consisted of female employees, yet they only made up to 37% of the leadership pipeline. It was observed that even in ranks where there were more females than male employees, there was a gender disparity in the Talent Pool. Talent managers were alerted to investigate any possible gender bias, conscious or unconscious, that may be inhibiting merit-based inclusion.



Source: TrustSphere

d) Coaching underperforming employees

TrustSphere leveraged ONA to discover that there were 22% of HiPos whose networks were significantly smaller than the average employee. These insights enabled Talent Managers to verify if these HiPos operated in silos due to their personality or due to the nature of their job function. Accordingly, 9% were considered for additional coaching opportunities to grow their relationship networks and develop much needed networking skills necessary to succeed as leaders in today's highly collaborative work environment.




Source: TrustSphere

Conclusion

An organization's HiPo Talent Pool must be accurately evaluated and identified so that they can be developed to effectively contribute towards organizational goals. A too narrow view of what constitutes HiPo talent and an over-reliance on the identification of HiPo talent by line managers alone are two key obstacles to successfully selecting and developing HiPos.

Using Social Capital metrics and passive ONA, TrustSphere identified HiPos by analyzing their communication across their network to understand how they collaborated, shared information, solved problems and created value for the company. By explaining and predicting how effective an employee was at building relationships and influence across the organization, ONA insights helped our customer to supplement static performance data and subjective supervisor insights with a data-driven, objective and scientific assessment, enabling a more comprehensive approach to predicting leadership potential.



Privacy Commitment: TrustSphere is committed to maintaining the confidentiality, integrity, and security of all personal information we interact with. We understand the operative privacy and data handling legislation and practices across jurisdictions and comply with all legal obligations. We further proactively promote ethical and responsible use of data.

About TrustSphere: TrustSphere is the widely recognized market leader in Relationship Analytics. We help organizations leverage a most valuable asset – their collective relationship network.

By analyzing log data from enterprise communication and collaboration systems such as email, and using advanced data science and machine learning, TrustSphere builds and maintains an enterprise's own relationship graph. Leveraging the science of Organizational Network Analysis, TrustSphere measures the social capital of individual employees, of teams and of organizations as a whole.

This rich set of analytics surface insights which help our clients across the globe address key business challenges including workforce productivity, sales force effectiveness and enterprise-wide collaboration.

Current uses of our workforce analytics solutions include measuring the impact of leadership development, identifying high-potentials, understanding finding hidden influencers, accelerating new staff onboarding and measuring the effectiveness of inclusion and diversity programs.

Our ground-breaking solutions, processed in our proprietary technology platform, are deployed through an increasing number of technology and business partners including IBM, Salesforce.com, SugarCRM, Veritas and leading management consulting partners.

People Analytics by TrustSphere. Organizational Network Analysis to help maximize your talent.

For more information, email us at PeopleAnalytics@trustsphere.com.