

Why evidence-based HR is critical to success and how to get started

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I am huge fan of HR Data & Analytics and I have had the privilege of working with it for many years now. However, it is important to remember one thing; HR Analytics is only a mean to an end; one tool and one mean to better HR.

I talked about exactly that at Human Consult Network with [Annemarie Malchow-Knudsen](#). We discussed among others the need for more evidence in HR and how you in small- and medium sized companies can get started.

Place your bet where you have the highest chances of winning

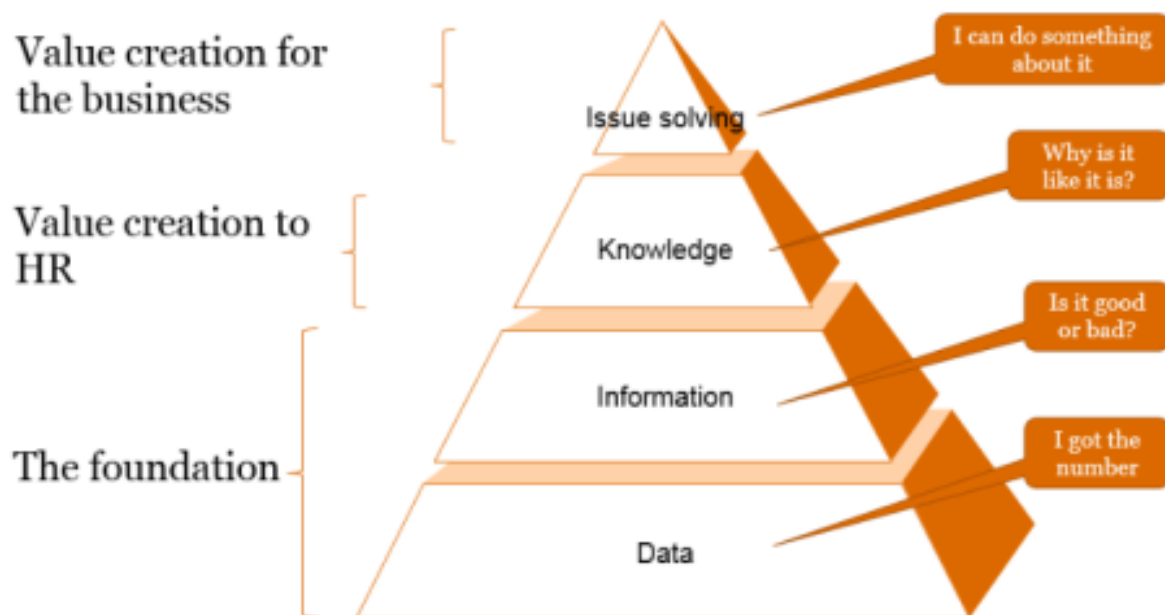
The purpose of **evidence-based HR** is not to find “the Right Answer” – we are dealing with people after all. The purpose is to use all available evidence (research, internal data, analysis, experience, interviews etc.) to find the solution with the highest probability of adding the most value to your organization and start out from there. If that doesn’t sound strong enough, believe me, it will be a huge improvement from where we are.

Why will the solutions be better? Psychological research shows that even the most reflected people fall into pitfalls such as biases (see some of the most common ones [here](#), [here](#) and [here](#)) and prejudices when judging what the best thing to do is. We simply often choose less probable outcomes over more probable ones without even knowing it. Ordinary people like you and I do it all the time.

One way to get around it is to **apply an evidence-based approach to establishing the most optimal people interventions**. And this is where data comes into the picture. By being better at testing your HR-hypotheses with the use of data and valid analytical tools, you will eliminate the number of times where you decide to go for an HR intervention, which sounds appealing does not have the effect you hope for.

Start with the business challenge and then identify the data

I have seen too many good people get stuck in data cleaning, data management and tough IT-implementations without getting any business results to know that there must be a better way. So, if you don’t want to end up in that situation start with the business challenge and focus where you can add value quickly. My experience is that many start the other way around as the only option and that can mean that business results take too long to materialize.



Start from the top of the figure (for more info about the content of the pyramid see [here](#)) shown above by asking for the **business issue**, which you will help solving. If the primary business focus is on cost-optimization, your people activities should also focus on cost-optimization. You should focus on getting most value for money invested whether you are involved in leadership development, induction programs, talent management, staffing or something else.

Then ask **which knowledge you will need to get that insight**: do you need more knowledge of learning efficiency, more knowledge of staffing costs versus performance outcomes of different staffing strategies, insight to identify the best-fit candidates when recruiting etc.

Then **identify the information you will need to create that knowledge**. You can get inspiration externally from scientific research and best practices, and you can strengthen the argument by analyzing your own organization.

Only then, will you know which data you will need to establish to underpin your intervention with convincing evidence. You can now gather exactly the data required to make an ROI-assessment to underpin your argument – and help you chose the approach with the highest probability of success.

Taking this agile approach will enable you to build your data foundation along with creating value-adding insights to inform business decisions. You cannot avoid investing in data and technology, but providing a flow of value adding insights will ease the funding.