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# Analysis

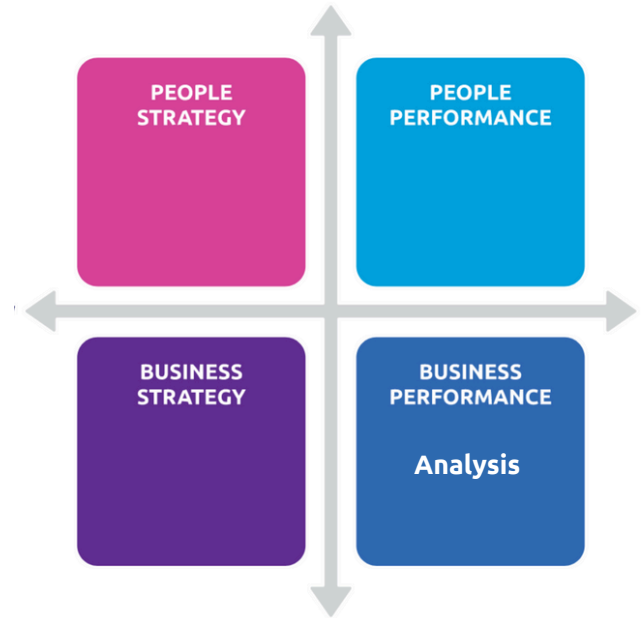
**How to turn data into actionable insights**

# How to turn data into actionable insights

By Alli Gibbons & David Klaasen

## Introduction

**Analysis** is the stage where the data collected through measurement turns into actionable insights. For business leaders, having the ability to interpret data is crucial to making informed decisions that improve business performance, workforce engagement, and overall operational effectiveness. **Analysis** ensures that businesses move beyond surface-level metrics and dive deeper into the causes behind workforce trends, helping to shape more effective strategies.



The T4P Clarity Matrix™

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*Having the ability to interpret data is crucial to making informed decisions*  
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In an age where data informs nearly every aspect of business, HR and people analytics offer a way to transform workforce management into a strategic asset. As McKinsey points out, organisations that effectively use analytics are better equipped to handle challenges such as turnover, engagement, and

performance management. However, the key lies not just in collecting data, but in understanding what that data means and how to act upon it.

### From data collection to insight generation

Data collection on its own offers limited value unless it is coupled with meaningful analysis. Leaders need to understand how to sift through large datasets and extract insights that directly relate to their business goals. While SMEs may not have the large-scale resources of bigger organisations, they can still leverage analytics effectively by focusing on the most relevant data and linking it to actionable business outcomes.

Here are some practical steps you can take to make more meaning from your data:

**Segment your data for granular insights:**

One of the most effective ways to generate insights is by segmenting your data. Rather than looking at workforce performance as a whole, break it down by department, tenure, role, or even location. For instance, high turnover in a specific department could point to issues with management, while lower engagement among long-tenured employees may indicate stagnation. Segmenting data helps you identify the root causes behind trends and makes it easier to implement targeted interventions.

For example, if data shows that recent hires are leaving within their first year, this could indicate an issue with onboarding processes or role clarity. By further analysing the data by tenure, leaders can identify when the dissatisfaction begins to build and take corrective action earlier in the employee journey.

**Understand correlation vs causation:**

One common pitfall in analysis is mistaking correlation for causation. Just because two metrics appear related doesn't mean one causes the other. For example, a rise in absenteeism might correlate with lower engagement, but without further analysis, you can't definitively say that disengagement is causing the absenteeism. Techniques such as regression analysis or time-series comparisons can help uncover the true drivers of workforce issues. For example, if absenteeism increases during periods of low engagement,

further analysis might reveal that the root cause is workload stress or a disconnect between team goals and individual responsibilities. Identifying the underlying causes allows leaders to implement solutions, such as workload redistribution or improved communication about role expectations.

Analysis builds on the data gathered in Measurement, and helps connect that data to practical applications in Evaluation and Change. By moving from raw data to insights, businesses can make informed decisions that lead to more impactful changes and improvements.



**Tools and techniques for people analytics**

To make analysis more effective, it's essential to use the right tools and techniques. While large enterprises may have access to advanced HR analytics platforms, SMEs can still leverage more affordable tools to get started. Tools such as Excel, Google Sheets, and cloud-based HR platforms offer powerful functionalities for data analysis without requiring large investments.

Here are some practical tools you may find useful:

**Develop a narrative from data:** Numbers alone rarely drive change. Leaders need to craft a narrative around the data to help stakeholders understand the business implications of the insights uncovered. For example, instead of presenting a rise in absenteeism as a simple statistic, frame it in terms of the potential impact on productivity, customer satisfaction, and overall business performance. A compelling narrative helps connect the data to real business challenges and opportunities.

For example, if engagement scores have dropped at the same time that customer complaints have risen, develop a story that links these two trends. This can help frame the issue as a broader organisational challenge that needs to be addressed from multiple angles, such as improving leadership communication, providing more support to frontline employees, or refining customer service processes.



**Embed analytics into decision-making:**

Analytics should be a continuous part of decision-making, not a one-off activity. Integrate data analysis into regular business reviews and strategic planning sessions to ensure that decisions are evidence-based. Regularly updating key stakeholders on performance trends and emerging insights allows for real-time adjustments and more agile management practices.

For example, during quarterly leadership meetings, present data on key metrics such as engagement, turnover, and productivity. Use this data to inform decisions on resource allocation, talent development, and business strategy adjustments. This proactive approach keeps the organisation aligned with its strategic goals.



**Use feedback loops:** Analytics is not a static process. Creating feedback loops between analysis, action, and results ensures that insights are continually refined. After implementing a new strategy based on analytics, track the impact of that strategy and adjust as necessary. This iterative approach helps build a culture of continuous improvement.

For example, if data analysis reveals that a new remote work policy has improved engagement but increased absenteeism, leaders can adjust the policy to find a better balance, such as introducing flexible working hours or wellness programmes to support employees more effectively.

Best practices in Analysis help ensure that the insights gained feed into effective Evaluation and drive impactful Change. By embedding analytics into everyday decision-making, organisations create a feedback loop that supports continuous improvement.

### Linking analysis to organisational change

One of the most powerful outcomes of data analysis is its ability to inform organisational change. Analysis provides the insights needed to drive improvements across the organisation, whether that involves reshaping the workforce, improving processes, or shifting business strategies.

Here are some practical steps you can take to make sure your analysis is used to inform your efforts for change and continuous improvement:

**Identify areas for change:** Use data analysis to identify the key areas where change is most needed. For example, if analysis shows that one department is struggling with high turnover, low engagement, and declining productivity, this signals that a deeper intervention may be necessary. Whether the solution is leadership development, restructuring, or

more targeted support, the analysis gives you a clear direction for change.

For example, after analysing engagement data, leaders might discover that mid-level managers are experiencing burnout due to unclear expectations and a lack of support. In response, the organisation could implement leadership training programmes and clarify role responsibilities to reduce stress and improve performance.



**Measure the impact of change:** Once changes are implemented, it's crucial to continuously monitor their impact through ongoing analysis. This ensures that the intended outcomes are being achieved and that any unintended consequences are identified and addressed early. By maintaining an analytical approach to change, businesses can adapt and optimise their strategies over time.

For example, after a reorganisation aimed at reducing silos, ongoing analysis of collaboration metrics, team performance, and engagement scores can help determine whether the change has had the desired effect. If not, further adjustments can be made to ensure that teams are working more effectively together.

The insights gained from Analysis are key drivers for Change. By using data to guide change initiatives, organisations ensure that their strategies are evidence-based and targeted at the areas that need the most attention.



## Conclusion

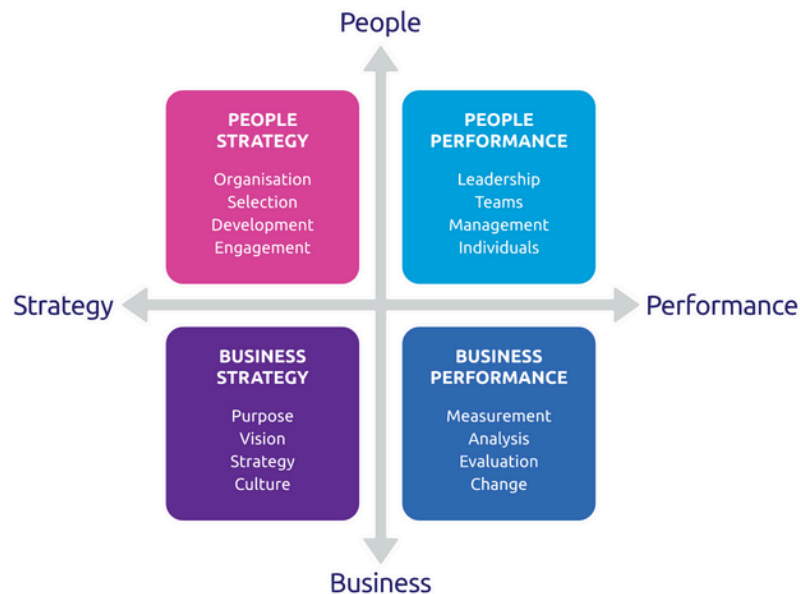
**Analysis** is where data turns into actionable insights. It's essential to move beyond simply collecting metrics and focus on interpreting those metrics to inform decision-making. By using tools like HR dashboards, predictive analytics, and benchmarking, and following best practices such as narrative development and embedding analysis into decision-making, leaders can drive more effective change and performance improvements.

When aligned with **Measurement, Evaluation, and Change, Analysis** becomes a powerful tool for transforming workforce data into business success.

If you would like to discuss how to develop robust Analysis in your business, we're here to help. We are happy to listen to your specific needs and make some suggestions to help you succeed.

Get in touch today at [info@talent4performance.co.uk](mailto:info@talent4performance.co.uk).

# The T4P Clarity Matrix™



How do you and your top team score on the **Analysis** element of the T4P Clarity Matrix™ Scorecard?

If you don't have your score yet, complete it now. It only takes 3 minutes, is free and you get instant feedback..

If your top team completes it, we will give you a complimentary Executive Summary.

This will collate the results and prioritise key actions you can take over the next 3 – 6 months to improve performance.

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For more information on how Talent4Performance can help you develop robust **Analysis** for your business get in touch today at [info@talent4performance.co.uk](mailto:info@talent4performance.co.uk).

## Business Performance - Analysis



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