

Firms struggle to get a grip on people data despite workforce challenges

2 years ago



A new [CIPD](#) survey of business leaders reveals a significant mismatch between the scale of the challenge that workforce issues currently pose to businesses and how often workforce issues and data are discussed by senior leaders.

In response, the CIPD is warning that organisations are unlikely to perform well in the long term unless decisions taken at a board and executive management level are informed by an in-depth and evidence-based understanding of the value and risk their workforce poses.

The CIPD, the professional body for HR and people development, surveyed 1,560 HR and business leaders for its new report [Effective workforce reporting: Improving people data for business leaders](#). When asked 'What are the main challenges currently facing your organisation?', the top answers, in order of concern, were: skills and/or labour shortages, inflation costs, wages/wage inflation and employee health and wellbeing. However, despite people matters making up three of the top four current concerns for firms, the survey found that many business leaders aren't matching this concern with regular, data-led discussions about workforce matters.

The CIPD's survey found that:

- Despite people matters leading many businesses' current concerns, just 12% of business leaders said workforce matters were discussed at every board meeting, with 23% saying they were 'often' discussed and 23% saying they were 'sometimes' discussed.
- Just under half of organisations collect data on recruitment and retention (46%). While fewer than half collect data on their workforce diversity (46%); employee health and wellbeing (47%) or training

and development (44%).

- According to business leaders and senior decision-makers, there's a significant gap between the people data that is being collected and what gets reviewed by organisations. For instance, despite current challenges around recruitment, only 46% of organisations said they collect data on this and just 33% said it was regularly reviewed at least every six months. It's a similar picture for diversity data (46% collect, only 24% review regularly), training and development (44% collect, 29% review regularly) and wellbeing (47% collect, 26% review regularly).

The survey indicates that much more data is being collected than reviewed. And while leaders are largely satisfied with the quality of people information they receive, 30% said it doesn't give them the full picture and almost one in four (22%) said it wasn't clear how the data connects to organisational priorities.

Katie Jacobs, stakeholder lead for the CIPD, said:

"Given the rise in external reporting requirements, and current workforce challenges, it's more important than ever to understand how organisations value and use people data to inform decisions. However, the gap between what's being collected and what is being reviewed suggests there's a way to go in translating people data into commercial impact and business outcomes. Another 'dashboard' isn't going to be the answer. Reporting needs to be clear, timely and provide actionable insights beyond numbers to be effective. It will be important for people professionals to provide leaders with a strong narrative to indicate where workforce opportunities and risks lie, and how they can be best managed."

The CIPD's survey also found that most business leaders (58%) expect non-financial measures to rise in importance over the next three years, with customer satisfaction (35%), employee retention (31%), and governance and compliance (28%) issues topping the list of the most important non-financial metrics to track. This could be influenced by moves from regulators to require greater reporting on workforce matters, highlighting the need for businesses to shift up a gear on people reporting. For example, there are new human capital disclosure requirements from the US Securities and Exchange Commission and new standards are being developed by the International Sustainability Standards Board, which the UK Government has pledged to support.

[Original story from CIPD](#)