



USC MARSHALL **CENTER** FOR
EFFECTIVE ORGANIZATIONS



PEOPLE ANALYTICS & CHANGE MASTERCCLASS

FEBRUARY 19 – 20, 2020
Plano, TX



Agenda

**Integrating
analytics and
OD**

**Using data and
analytics to
drive change**

**Techniques and
frameworks**

**Lessons from
the frontlines
and C Suite**

Introductions

- Name, rank and serial number
- Data nerd, people person, or ... ?
- Your challenge or learning objective

Agenda

**Integrating
analytics and
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**Using data and
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**Techniques and
frameworks**

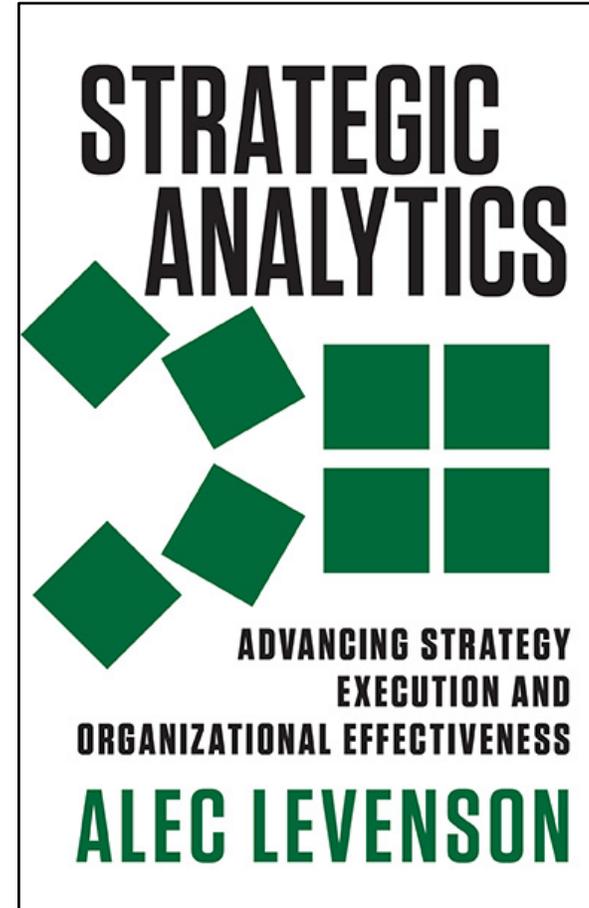
**Lessons from
the frontlines
and C Suite**

A brief history of People Analytics
... in one slide

2003



2015



Cisco's story

- Outsourced supply chain to contract manufacturers in 1990s
- In 2000, sales dropped but ordering kept going, leading to \$2.25 billion write-down of raw parts inventory (*strategy + business*, 2001)
- Built system capable of closing the company's books each day
- 2003: what do we do with the data on people?
- Problem: starting with the data, not the business challenge

How far have we come
with People Analytics?



Rewriting the rules for the digital age
2017 Deloitte Global Human Capital Trends

- 71% of companies see People Analytics as high priority, yet **only 31% rate it as very important**
- **Only 8%** report they have usable data
- **Only 9%** believe they have a good understanding of which talent dimensions drive performance in their organizations
- **Main focus areas:** recruiting, performance measurement, compensation, workforce planning, and retention

The more general challenge with
analytics in organizations today

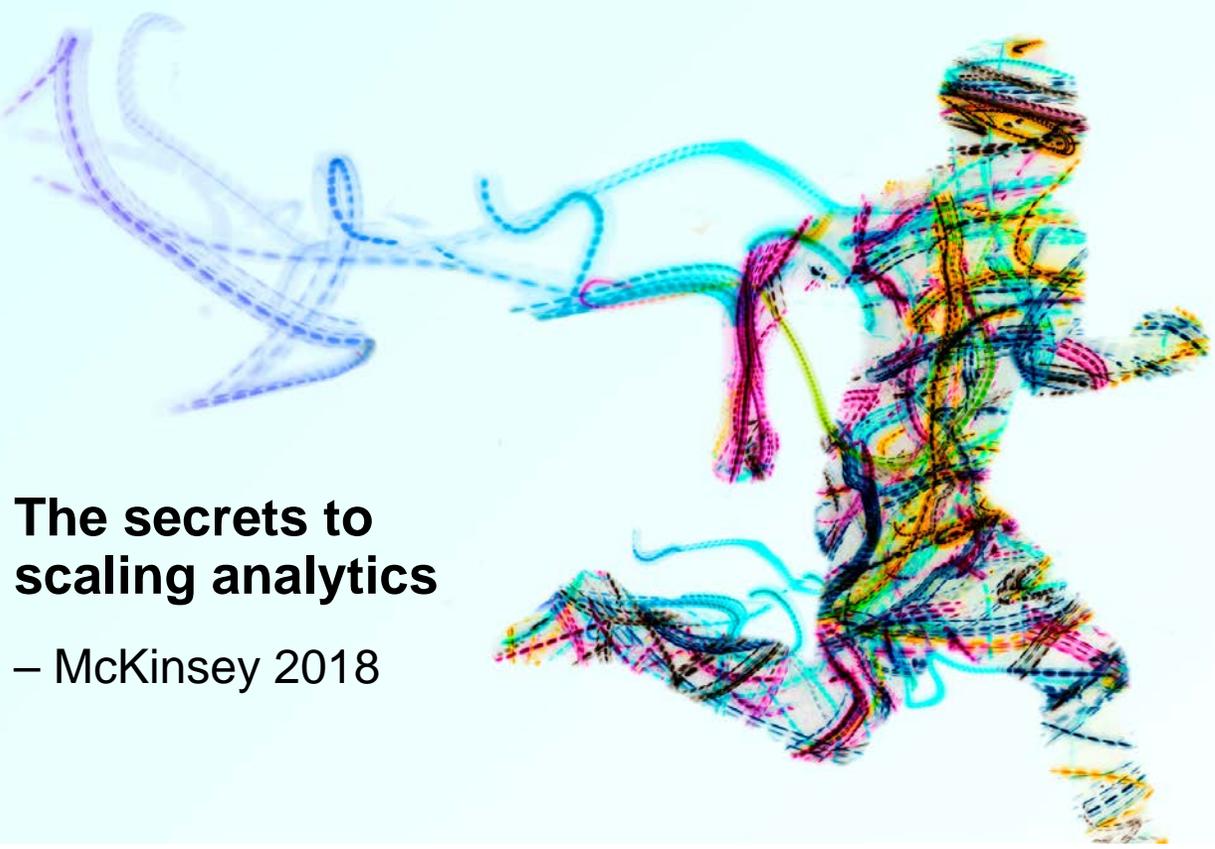
Only 8% of companies are breaking away from the pack

“Breakaway companies prioritize then map the decisions that will drive the most value by being addressed with ‘right-time’ data insights.

This endeavor is not unlike the business-process-reengineering wave that swept the corporate world in the 1980s and 1990s.

We’re essentially seeing an evolution of the science of decision making”

— McKinsey 2018



The secrets to scaling analytics

– McKinsey 2018

Driver #6: Create cross-functional collaborative agile teams which include highly committed business representatives.

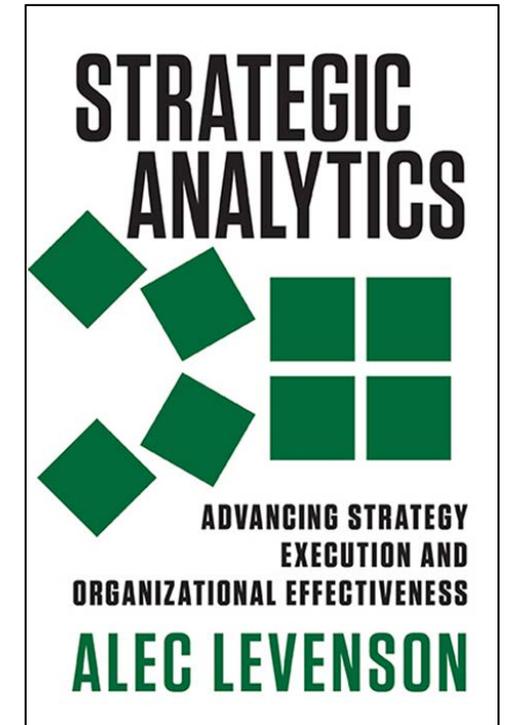
“The diversity of their membership helps mitigate the risk of creating another isolated silo (such as design, digital) as the company builds its analytics capability.”

Category #3: Embed analytics into decision making & processes to overcome the biggest challenge in any organization’s analytics journey, turning insights into outcomes.

“Companies must embed analytics-based decision making into the corporate culture, creating an environment in which workers embrace analytics as an essential tool that challenges established thinking and augments their judgment.”

One part of the answer (circa 2015) ...

Start with strategy & the business results to be achieved



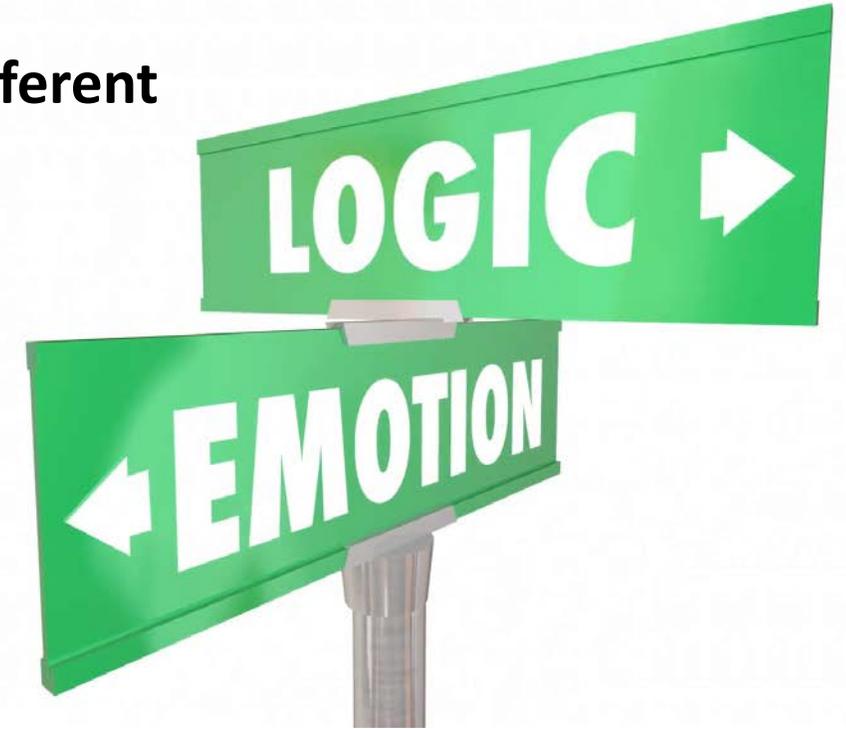
Good advice to follow, however ...

- Even advanced People Analytics groups have challenges focusing on the biggest barriers to business performance first
- They emphasize recruiting, performance measurement, compensation, workforce planning, and retention because these topics:
 - Are **easier to analyze than group-level or systems-level issues**, and
 - Rely on **quantitative data** that is easy to analyze statistically

Analytics vs. OD

Analytics and org development (OD) appear to be very different

- People sort themselves into virtually non-overlapping groups: you're aligned with analytics, or with OD, but almost never both
- Analytics is associated with competencies around quantitative data, statistics and logic (low ambiguity)
- OD is associated with competencies around qualitative data, interpersonal dynamics, culture, and emotional responses to change (high ambiguity)



The principles and ideal processes of analytics vs. OD are actually quite similar

Analytics vs. OD processes

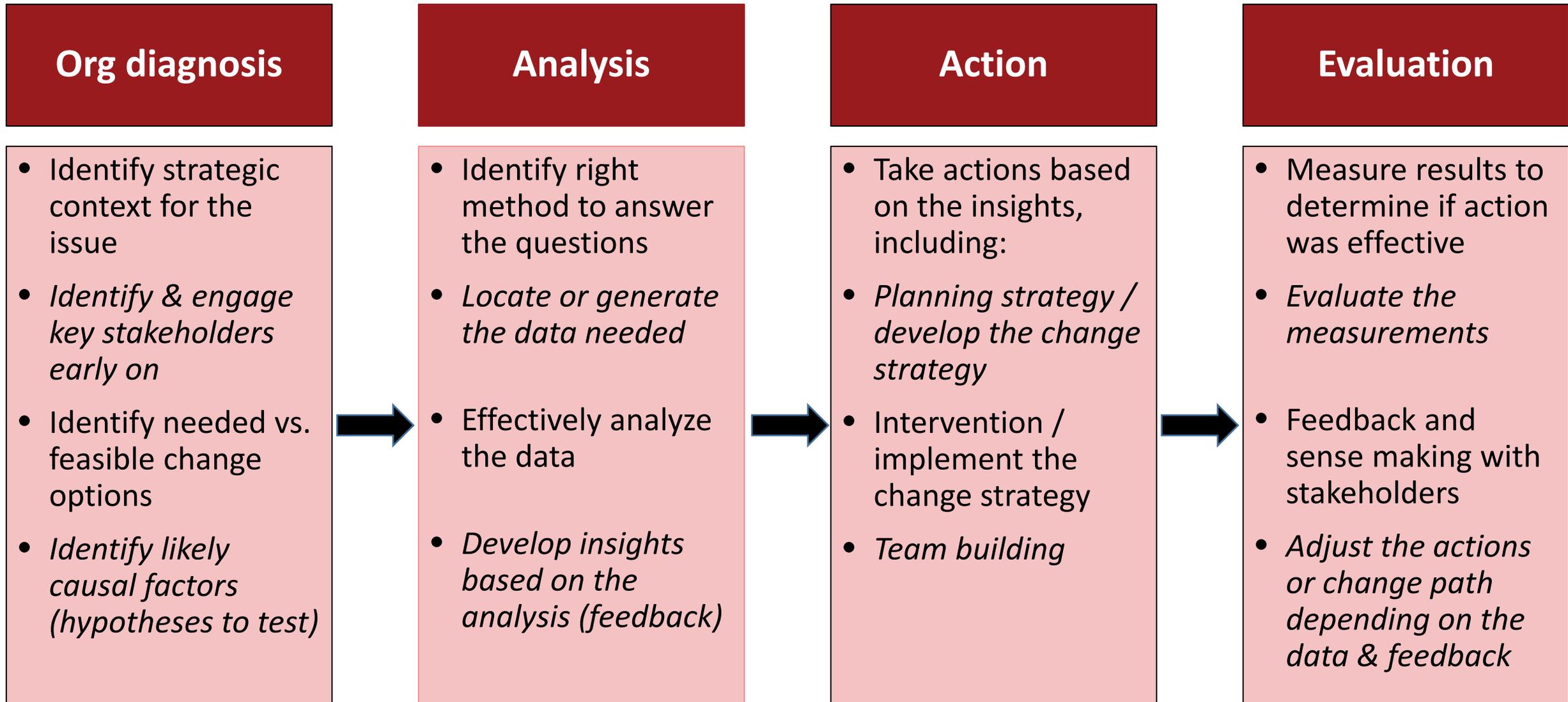
Analytics process	OD process #1	OD process #2
1. Ask the right question	1. Initial diagnosis	1. Organizational diagnosis
2. Identify right methods to answer the questions	2. Data collection	2. Identification of alternative strategies
3. Locate or generate the data needed for answers	3. Data feedback	3. Development of the change strategy
4. Analyze the data	4. Planning strategy	4. Implementation of the change strategy
5. Develop insights based on the analysis	5. Intervention	5. Measurement
6. Take action based on the insights	6. Team building	6. Evaluation
7. Measure results to determine if the action was effective	7. Evaluation	7. Feedback

Analytics vs. OD processes

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Doing analytics and OD work
in silos is not optimal

End to end rigorous process: OD + Analytics



Where do OD and analytics focus their time and energy?

	OD vs. People Analytics
Org diagnosis	<ul style="list-style-type: none">• OD and People Analytics both do a lot with diagnosis, but very different emphases• OD: Engage stakeholders who can drive change, focus on team/group/org performance models & drivers• People Analytics: Engage stakeholders who own part of the process and can act on the results (but don't focus on how to change), frequently focus on differences in performance among people (not teams/groups)
Analysis	<ul style="list-style-type: none">• Only People Analytics spends dedicated time and energy here
Action	<ul style="list-style-type: none">• Only OD spends dedicated time and energy here
Evaluation	<ul style="list-style-type: none">• Neither one do enough here

Tool:
Org diagnosis

Analytics ideal future state

Incorporating OD into Analytics

	Analytics current state	Analytics future state
Org diagnosis / strategic context	Can I show a business impact via my analysis? Will the stakeholders be happy with demonstrated ROI?	<i>What are the most important business issues to be addressed, even if ROI is hard to measure?</i>
How to focus the analysis (hypotheses to be tested)	What can be measured easily and effectively (individual differences)?	<i>What needs to be addressed, even if measurement isn't easy (team, group dynamics; culture)?</i>
Identify method to answer the questions	What are the range of quantitative approaches I can use?	<i>What is the right mix of quantitative and qualitative analysis?</i>
Disseminate the insights	Provide feedback to key stakeholders, and rely on others in HR to drive change	<i>Directly integrate the insights and feedback into change processes</i>
Degree of ambiguity	Very low: reduce ambiguity as much as possible to avoid uncertainty	<i>Very high: embrace the ambiguity and learn how to thrive within it</i>

Pre-read case studies

- What were the initial challenges each org faced?
 - Frito-Lay DSD
 - Providence St. Joseph Health
- How did they approach diagnosing and solving them?



FRITO-LAY
DIRECT STORE
DELIVERY (DSD) MODEL

DSD Overview



- Drive/Deliver
- Order
- Merchandise
- Sell

500K Customers serviced weekly

Large Format



- Route Sales Representative
- FT & PT Merchandisers
- Full Case Orders
- 7 Day Delivery and Merchandising Service

Small Format



- Route Sales Representative
- Orders Pre-Picked by package or case
- 5 and 7 Day Full Service

Rural Mixed Formats



- Route Sales Representative
- Orders Picked at Store
- 5 and 7 Day Service

...plus B2B E-Commerce





NEJM

Catalyst

Innovations in Care Delivery

IN DEPTH

Spreading at Scale: A Practical Leadership Model for Change

Amy Compton-Phillips, MD

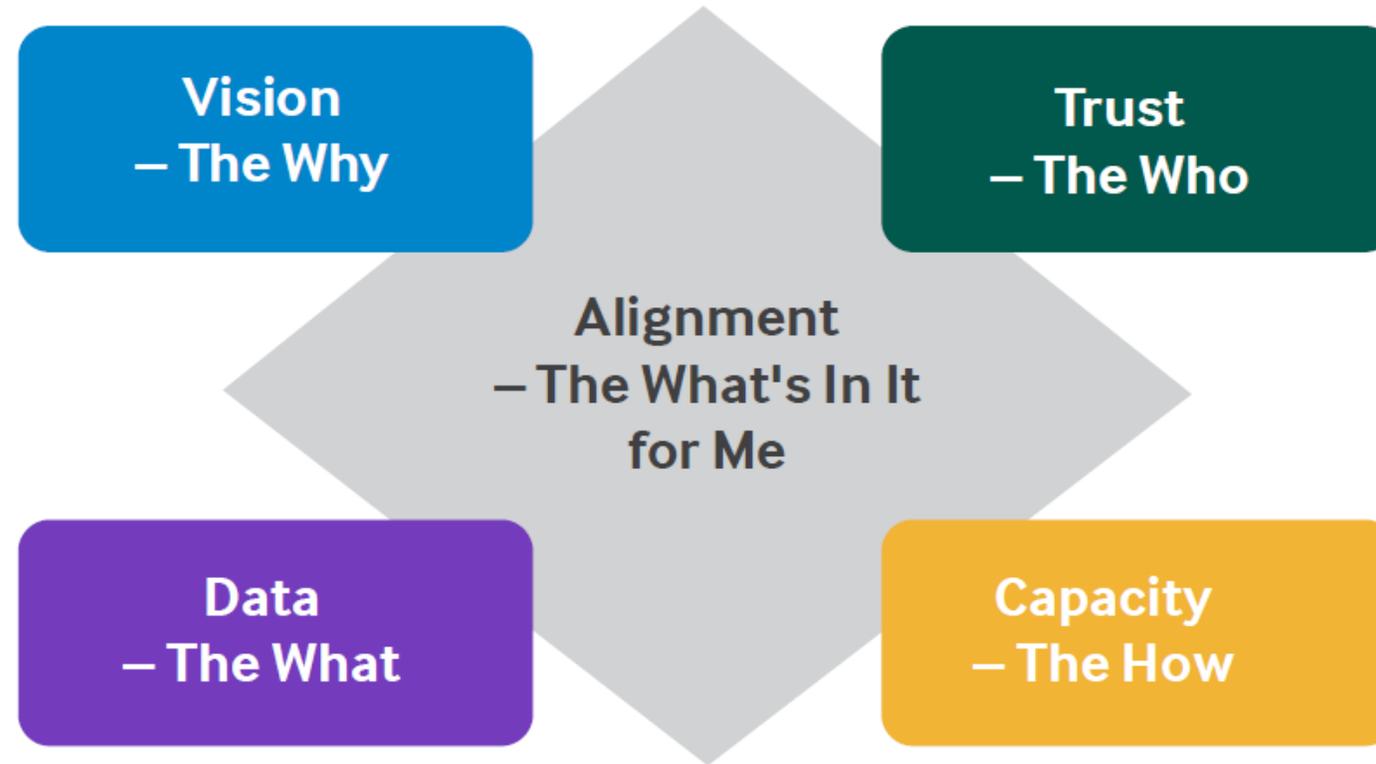
Vol. 1 No. 1 | January – February 2020

DOI: <https://doi.org/10.1056/CAT.19.1083>



FIGURE 2

The Model for Leading Complex Change at Scale



Source: Providence St. Joseph Health

NEJM Catalyst (catalyst.nejm.org) © Massachusetts Medical Society

FIGURE 4

Caring Reliably Commitments Tool

Our Caring Reliably commitments tool, which we used to help all caregivers understand the critical foci for both process and outcomes.

CORE BEHAVIORS OF CARING RELIABLY



Toolbox for Everyone

- Pay Attention to Detail (STAR, peer check)
- Communicate Clearly (SBAR, repeat back, clarifying questions)
- Have a Questioning Attitude (know why and comply, validate and verify)
- Operate as a Team (brief, execute and debrief)
- Speak Up for Safety (CUS, event reporting systems)



Toolbox for Leaders

- Message on the Mission (reflection/safety message, safety first in every decision, stand up for those who speak up for safety)
- Lead Reliable Operations (daily huddles including experience, top 10 lists)
- Build Engagement, Accountability (5:1 feedback, fair and just accountability, round to influence)
- Foster Teamwork (display unit-based results, learning boards, action plans)



Tones for Respect

- Smile and greet others; say hello
- Introduce using preferred names and explain roles
- Listen with empathy and intent to understand
- Communicate positive intent of our actions
- Provide an opportunity for others to ask questions

IMPATIENT SAFETY: CARE BUNDLES



Prevent Infections

- Expect scrupulous hand hygiene
- Use standard precautions and appropriate PPE for isolation
- Conduct case reviews immediately when infections occur
- Assist patient in maintaining personal and hand hygiene
- Ensure comprehensive environmental cleaning



Eliminate CAUTI

- Know the evidence-based indications for catheter use and only use when met
- Insert catheter aseptically
- Ensure catheter is secured
- Perform appropriate catheter hygiene daily, and following fecal incontinence
- Remove at earliest opportunity, no later than 48 hours unless otherwise indicated



Eliminate C. Difficile

- Avoid excess and inappropriate antibiotic use
- Isolate and test early on suspicion of infection
- Only test symptomatic patients where infection is suspected
- Terminally clean room with sporicidal disinfectant at discharge



Eliminate CLABSI

- Verify appropriate indications for placement
- At insertion, utilize maximal barrier precautions & sterile technique
- Change dressing/tubing every 7 days or when integrity is breached
- Flush the central line at least once every 12 hours
- Verify justification for continuing central line daily



Eliminate Surgical Site Infections

- Establish and maintain glycemic control targets (pre, peri, post)
- Maintain temperature at 36 degrees C or above (pre, peri, post)
- Conduct post-procedure pause to document wound class and skin closure
- Ensure weight-based, appropriate dosing of antibiotics
- Counsel for smoking cessation, at least for duration of wound healing



Eliminate Falls with Injury

- Utilize universal assessment & safety protocol for all patients
- Implement interventions based on risk assessment
- Share plans with patients, family and care team
- Debrief with team immediately after every fall
- Review medication regimen after every fall (pharmacy)

IMPATIENT HEALTH: CARE BUNDLES



Make Hospitals Healthier

- Provide goal-aligned care (focus on what matters to the patient)
- Assess and support nutritional status
- Minimize night-time noise, enable undisturbed sleep
- Encourage exercise & staying out of bed
- Ensure 24-7 family access and support for patients



Care Compassionately

- Conduct hourly nurse rounding using specific compassion-based behaviors
- Conduct leader rounding and immediate intervention with patients
- Make post-discharge calls with compassion-based behaviors
- Implement clinician-led forums aimed at compassion-based support/burnout prevention
- Use compassion and resiliency-focused interventions with clinicians at high burnout risk



Reduce Sepsis Mortality

- Draw lactate level on suspicion of sepsis
- Draw immediate blood cultures on suspicion of sepsis
- Resuscitate with fluids 30 mL/kg over 1 hour
- Administer antibiotics within 3 hours
- Repeat lactate at 6 hours



Prevent Readmissions

- Complete medication reconciliation at discharge and follow up
- Ensure safe discharge with concise instructions and f/u hotline
- Schedule f/u w/in 5 days (high risk) or 14 days (moderate risk)
- Conduct follow-up call within 48 hours (high risk)
- Provide d/c summary for transitions, warm handoff in high risk

Source: Providence St. Joseph Health

NEJM Catalyst (catalyst.nejm.org) © Massachusetts Medical Society

To actually put the Vision, Trust, Data, Capacity, Alignment model into practice, in the examples above and others, senior system leaders have had to cede direct control of how to get things done and learn to trust the idea that, by focusing on solving the same problems, we will get further faster (Figure 7):

- **Tight:** After soliciting input from the front lines across different regions, executive leadership prioritizes the Vision, setting the big goals, being crystal clear on the “Why,” “What,” and “When.”
- **Loose:** Subject-matter experts sort out the “Who” and “How,” accelerating learning across geographical regions and facilities by building and supporting trusted networks. This means that despite the cost-cutting that is essential in health care today, we still provide funding to allow people to travel to meetings — we know that some minimum number of in-person gatherings is actually essential to our ability to go faster.
- **Tight:** Measurement of strategic goals is done at the system level to provide consistency and comparability across the entire enterprise to ensure that we have data for learning, with critical measures for accountability held in common.

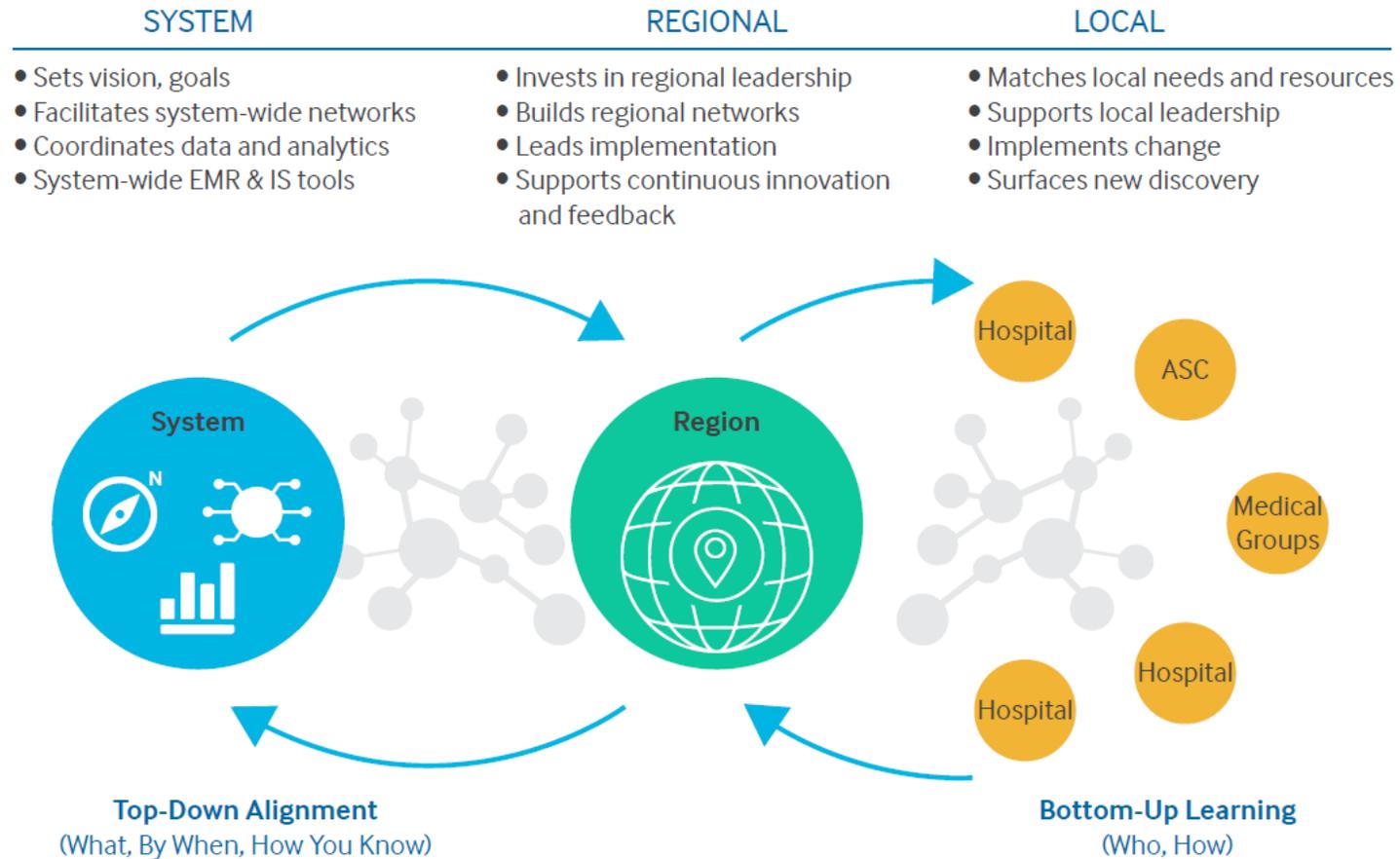
“ *Clinicians in health care work very hard, doing their best day in and day out to care for the patient in front of them. Telling a skilled clinician how to do their job is a recipe for failure.* ”

FIGURE 7

Tight-Loose-Tight Model

Diagram illustrating the “Tight, Loose, Tight” model of leading change at scale.

EMR = electronic medical record, IS = Information Systems (IT), ASC = Ambulatory Surgery Center.



Source: Providence St. Joseph Health

NEJM Catalyst (catalyst.nejm.org) © Massachusetts Medical Society

Tool:

Use design criteria to align with strategy

Goals for MedVet's Organizational Structure

1. Support development of MedVet team
 - A. Create “doable” size jobs
 - B. Rationalize spans for clinical services team
 - C. Have hospital dyad leaders who are not also regional leaders
2. Encourage efficient and effective flow of communication
 - A. Fewer, stronger leaders at Healthcare Steering Committee
 - B. Focus on development of healthcare teams
 - C. Consistent leaders across a region (Healthcare & Support Services)
3. Scalable structure for future growth
4. Financially responsible

Example: Measuring culture

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Information gathering and
sense making

		Conversations & meetings (1-on-1, team)	Systematic interviews and focus groups	Evaluate existing data	Statistical analysis of multivariate data
Org Diagnosis	Exploratory data analysis: areas for potential improvement				
	Identify the strategic context for the issue				
	Identify & engage key stakeholders early on				
	Identify needed vs. feasible change options				
	Identify likely causal factors (hypotheses)				
Analysis	Identify right method to answer the questions				
	Locate or generate the data needed				
	Effectively analyze the data				
	Develop insights from the analysis (feedback)				

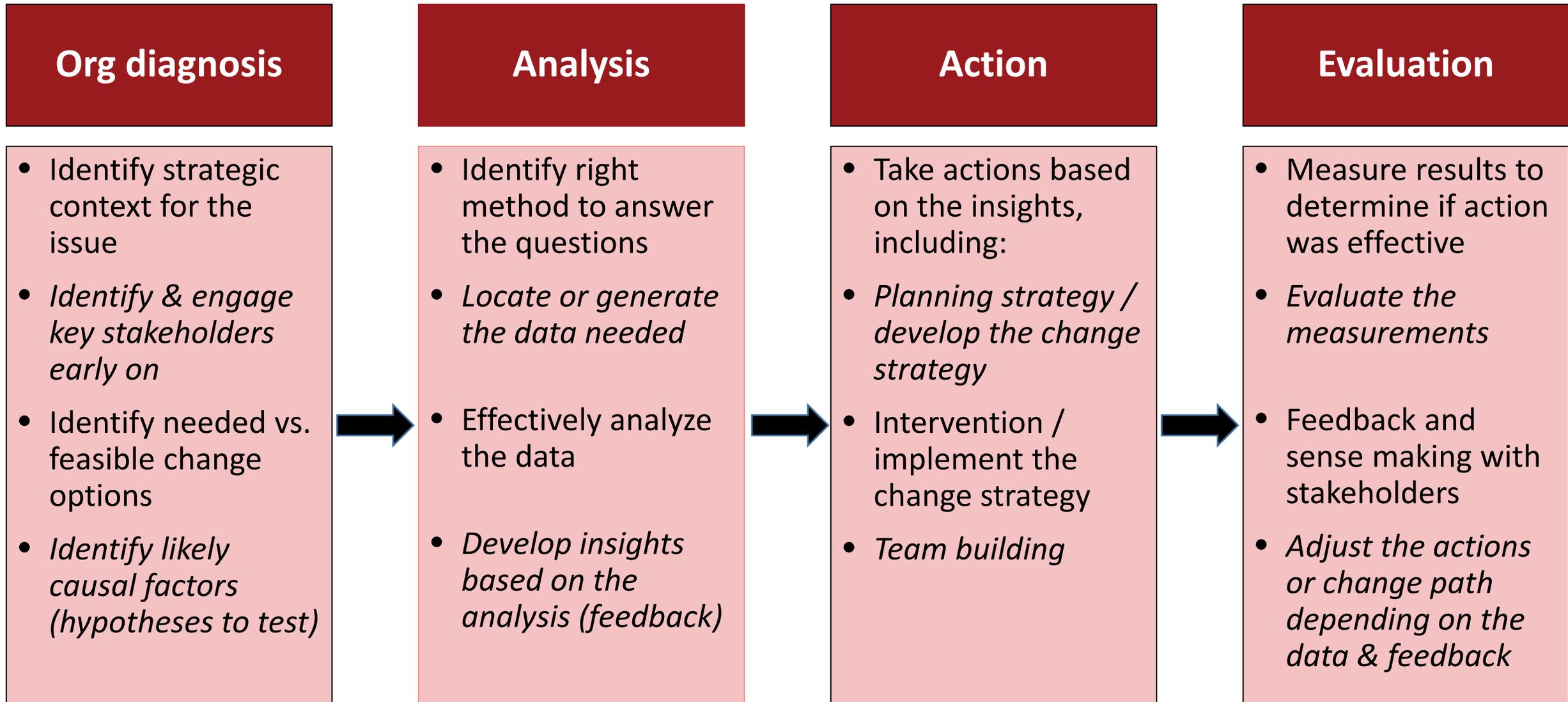
		Conversations & meetings (1-on-1, team)	Systematic interviews and focus groups	Evaluate existing data	Statistical analysis of multivariate data
Action	Take actions based on the insights				
	Planning strategy / develop change strategy				
	Implement the change strategy				
	Team building				
Evaluation	Measure results: was the action effective				
	Evaluate the measurements				
	Feedback, stakeholder sense making				
	Adjust actions, change path based on feedback				

Stakeholder engagement

How to improve stakeholder engagement?



End to end rigorous process: OD + Analytics



Analytics needs to employ OD tools to ...

- **Become a trusted business partner on par with high quality OD**
 - *Master the science of interpersonal dynamics, not just individual competencies*
 - *Engage senior leaders to address big picture challenges, not just incremental improvements in HR and business processes where ROI measurement is easier*
- **Learn how to help drive change**
 - *Engage senior leaders in change processes from the beginning, before you can collect all the relevant data to do a thorough analysis*
- **Embrace ambiguity and incomplete data**
 - *Deploy systems diagnostics using non-statistical techniques (logic models, etc.)*
 - *Embrace the ambiguity of working on issues with missing or incomplete data – where you have to rely more on interviews and case study analysis*

OD needs to better integrate analytics to ...

- **Measure impact while changing**
 - *Effective use of data increases stakeholder buy-in*
 - *Make real-time, data-based adjustments to the change*
- **Prioritize alternatives**
 - *Narrow down and prioritize the interventions with the biggest potential impact*
- **Add more data and statistics to increase storytelling effectiveness**
 - *Data visualizations*
 - *How meaningful are the outcomes: ROI, effect sizes, etc.*

Change and storytelling



Objectives

Increase your ability to:

- Understand why change initiatives fail and how to ensure their success.
- Develop and share a “Change Story” based on behaviors to effectively lead others through change.

%
of change
efforts fail to
achieve their
desired goal.



The Elements of Successful Change

Vision

A clear direction of what we want and where we need to be.

Skills

People have or can acquire the appropriate skills to support the change.

WIIFM?

Team members are motivated to go in the stated direction.

Resources

Adequate resources are available to make the change.

Action Plan

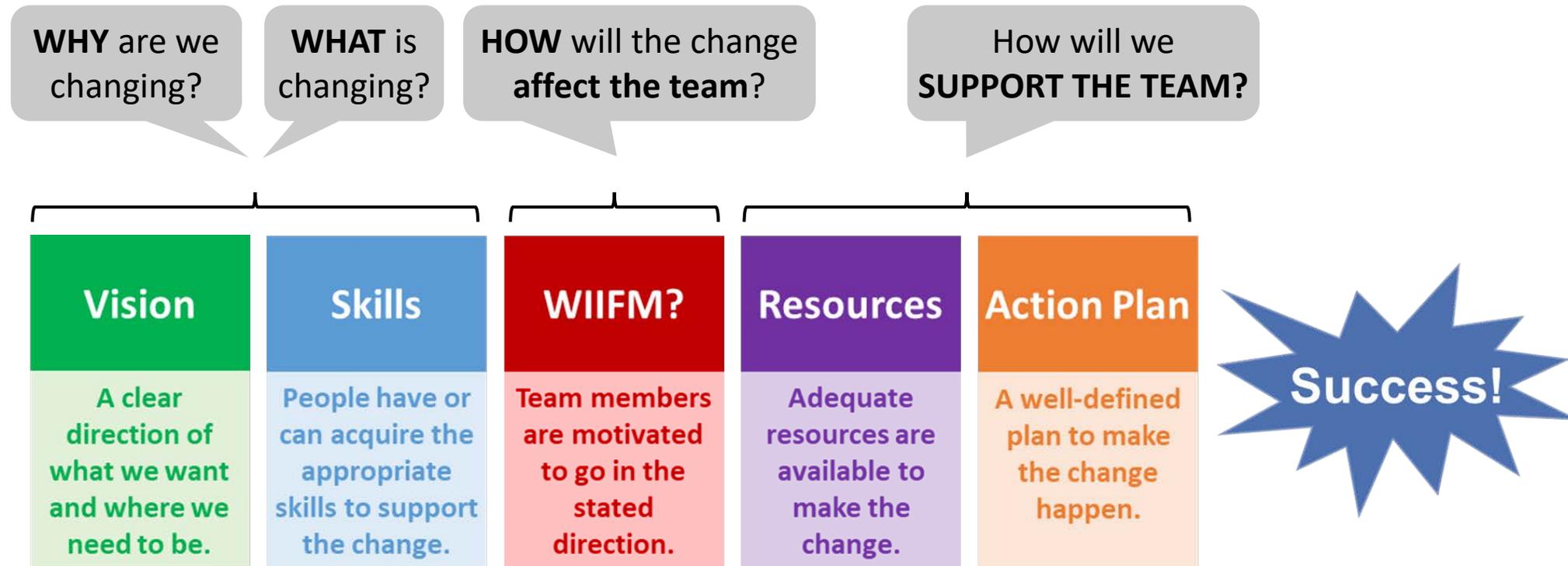
A well-defined plan to make the change happen.



Why Do Change Efforts Fail?

Vision	Skills	WIIFM?	Resources	Action Plan	=	Success!
Vision	Skills	WIIFM?	Resources	Action Plan	=	Confusion
Vision	Skills	WIIFM?	Resources	Action Plan	=	Anxiety
Vision	Skills	WIIFM?	Resources	Action Plan	=	Resistance
Vision	Skills	WIIFM?	Resources	Action Plan	=	Frustration
Vision	Skills	WIIFM?	Resources	Action Plan	=	False Start

Successful Change occurs when *leaders* effectively communicate a “Change Story” that explains...



The “Change Story”

Why are we changing?

- What is the current situation and the reasons for the change?

What is changing?

- What is MedVet’s vision after the change takes place?

How will the change impact the team?

- How will the change impact the daily activities of the team?

How will we support you?

- Provide the overall schedule for the project.
- Share new information when it is available.
- Regularly share information about the project.
- Share the major milestones and deliverables.
- Report on the key decision points throughout the change.
- Share and celebrate early success stories.

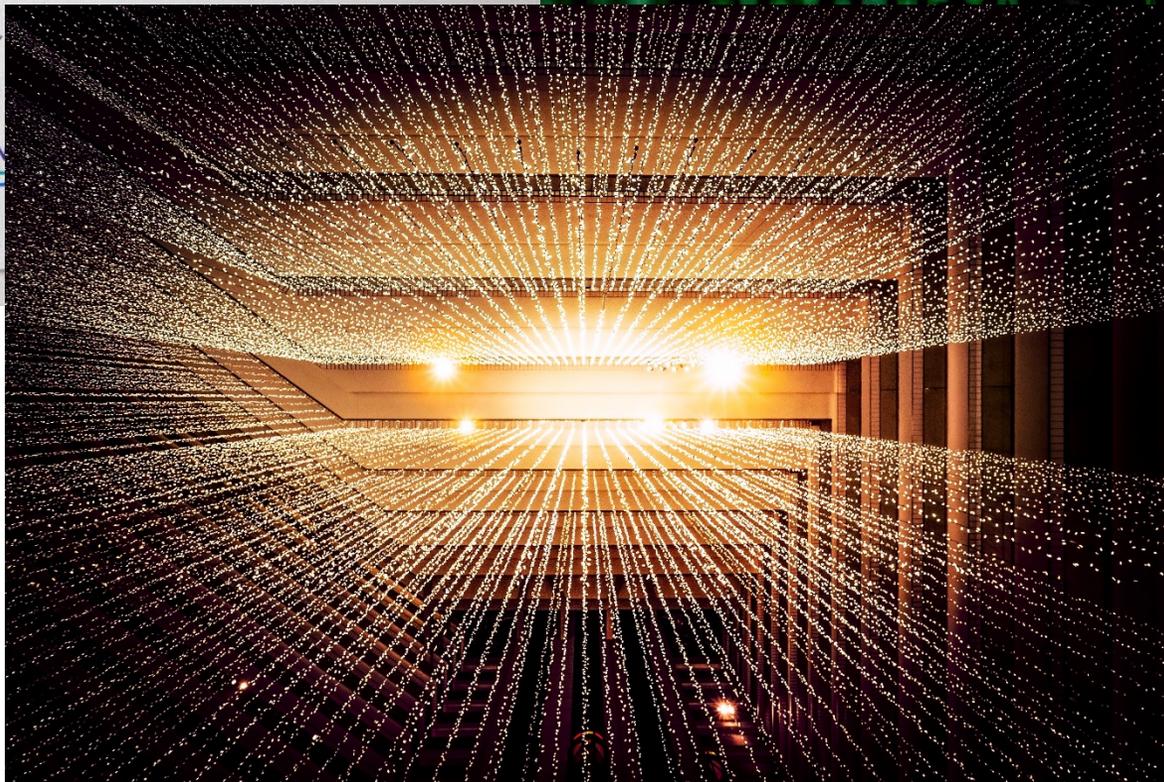
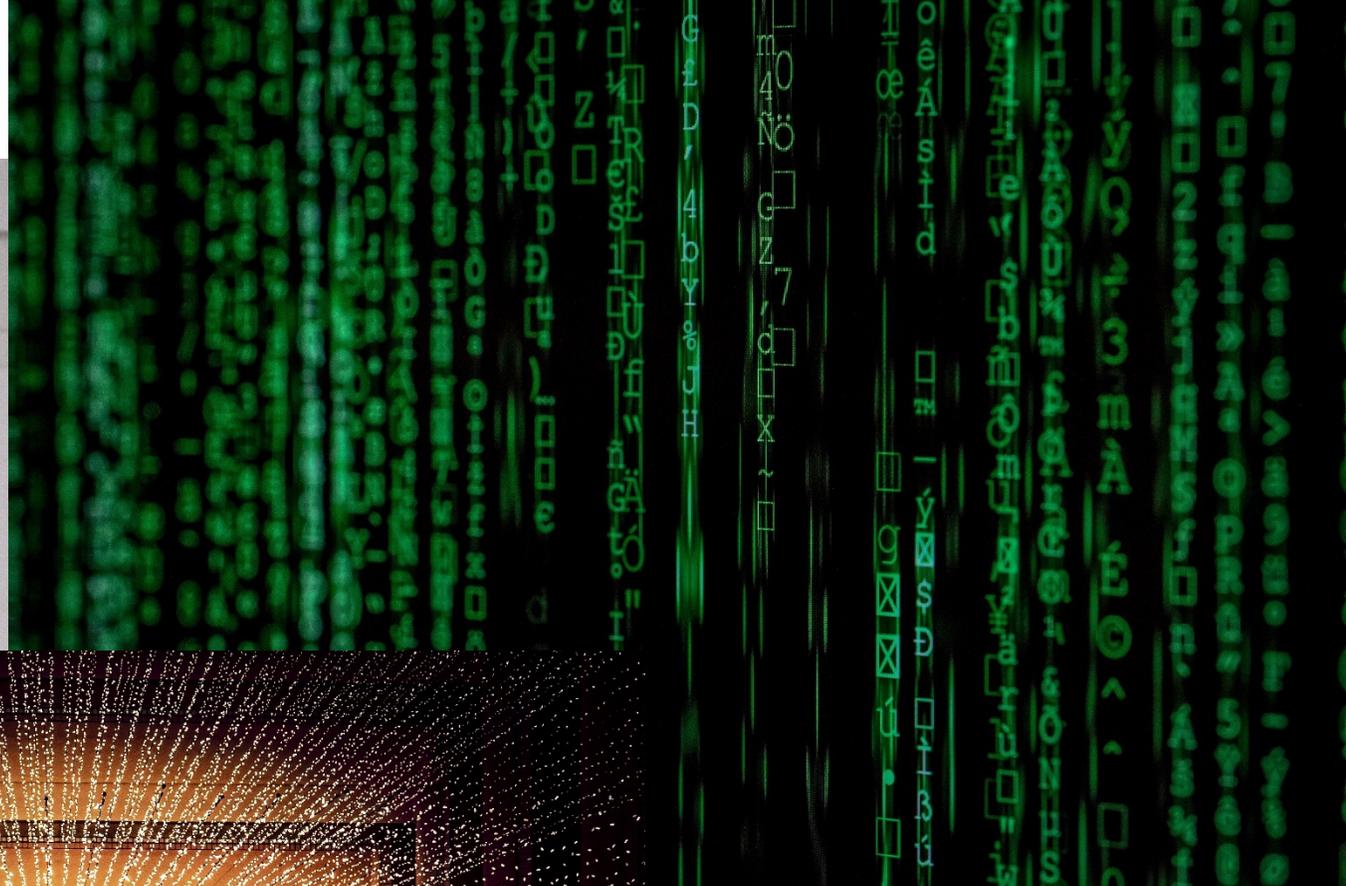
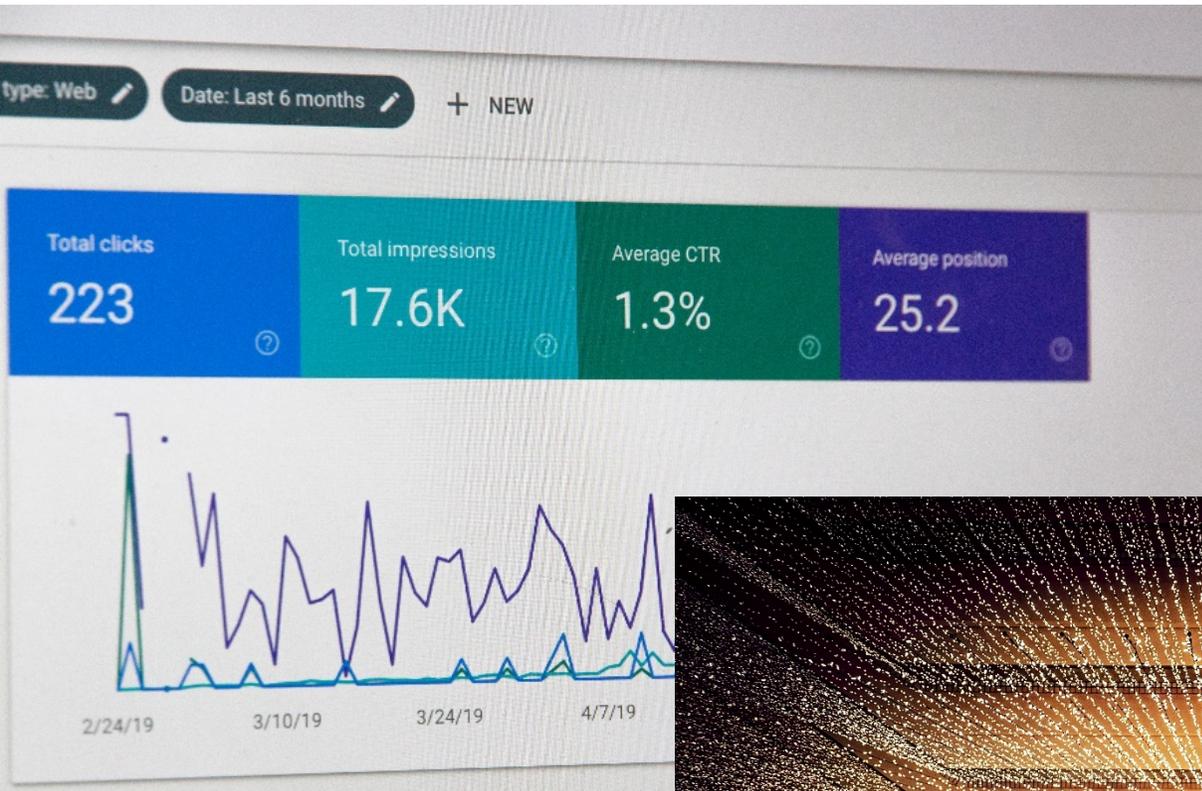
Your “Change Story” Application Activity

- Consider a project you are leading or participating in.
- How would thoughtfully answering these questions achieve success?
- Answer each question and draft your “Change Story”
- Share your thoughts with a partner.
- Practice your “Change Story”



Storytelling with data & analytics

Data visualization



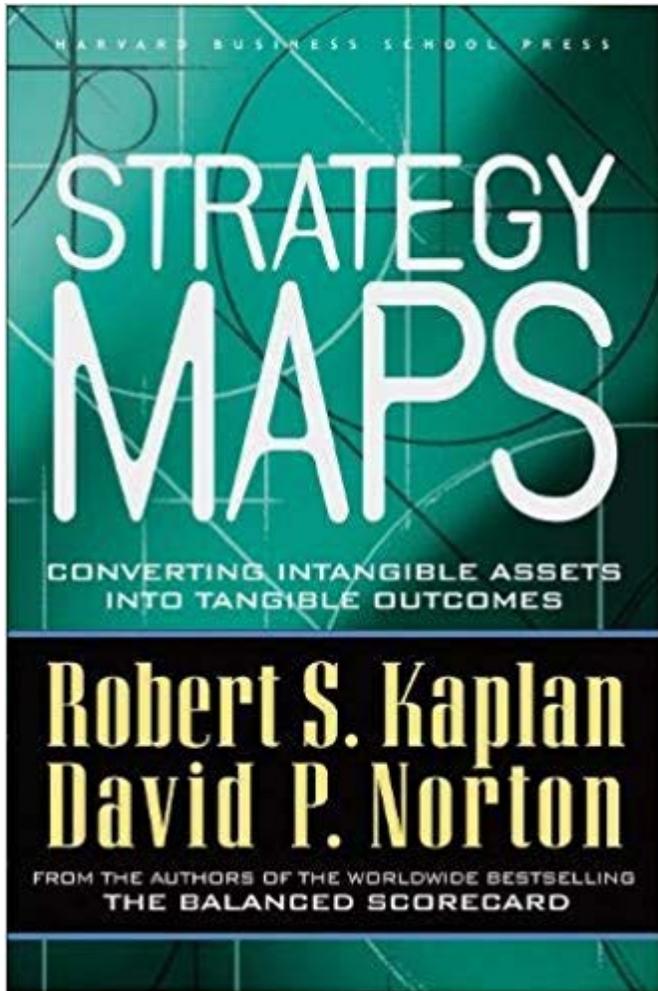
Visualization vs. storytelling

- How to apply data visualization to improve the change story?
- Would you consider stakeholder mapping and strategy mapping visualizations?

Mapping in three dimensions
... strategy, stakeholder, and networks

Mapping: Who does what?

	Who does the mapping?	Sources of information
Strategy mapping		
Stakeholder mapping		
Organizational network analysis		



Financial Perspective

Productivity Strategy

Long-Term Shareholder Value

Growth Strategy

Improve Cost Structure

Increase Asset Utilization

Expand Revenue Opportunities

Enhance Customer Value

Customer Perspective

Customer Value Proposition

Availability

Partnership

Price

Quality

Selection

Functionality

Service

Brand Image

Product / Service Attributes

Relationship

Image

Internal Perspective

Operations Managem. Processes

Customer Managem. Processes

Innovation Processes

Regulatory and Social Processes

- » Supply
- » Production
- » Distribution
- » Risk Management

- » Selection
- » Acquisition
- » Retention
- » Growth

- » Opportunity ID
- » R&D Portfolio
- » Design/Develop
- » Launch

- » Supply
- » Production
- » Distribution
- » Risk Management

Learning and Growth Perspective

Human Capital

Human Capital

Organization Capital

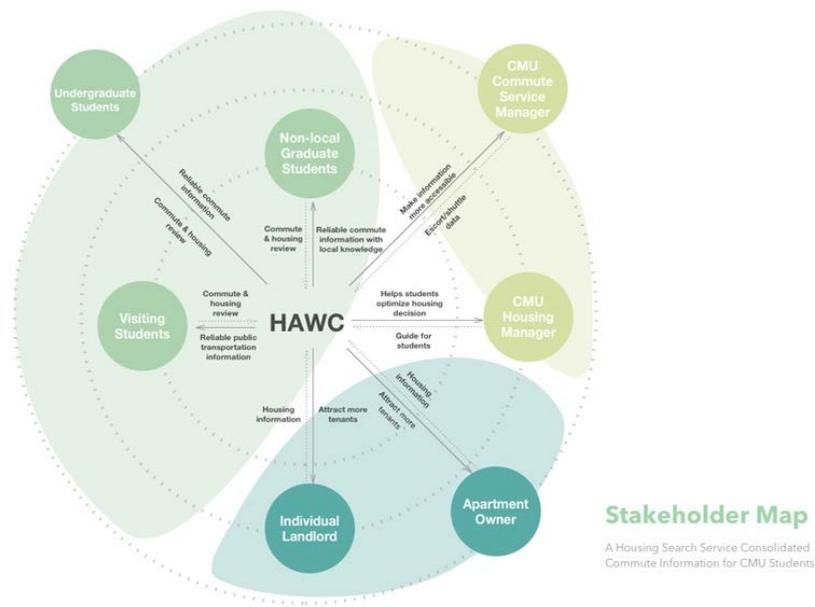
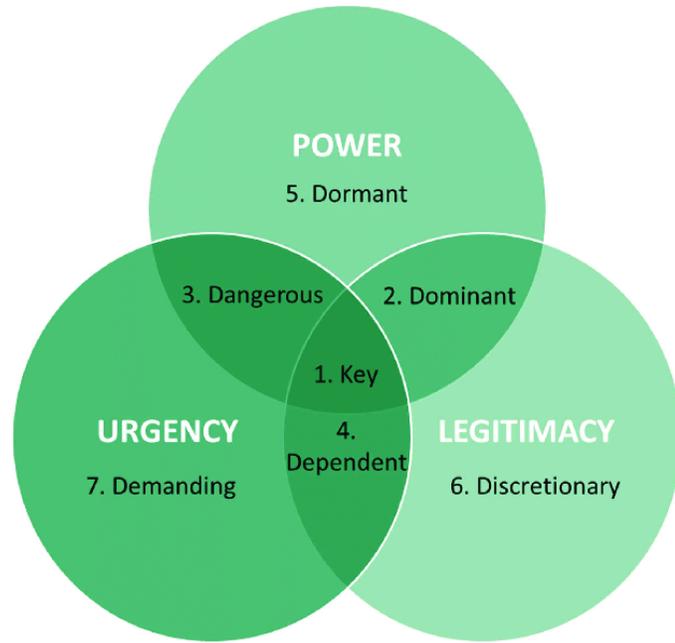
Culture

Leadership

Alignment

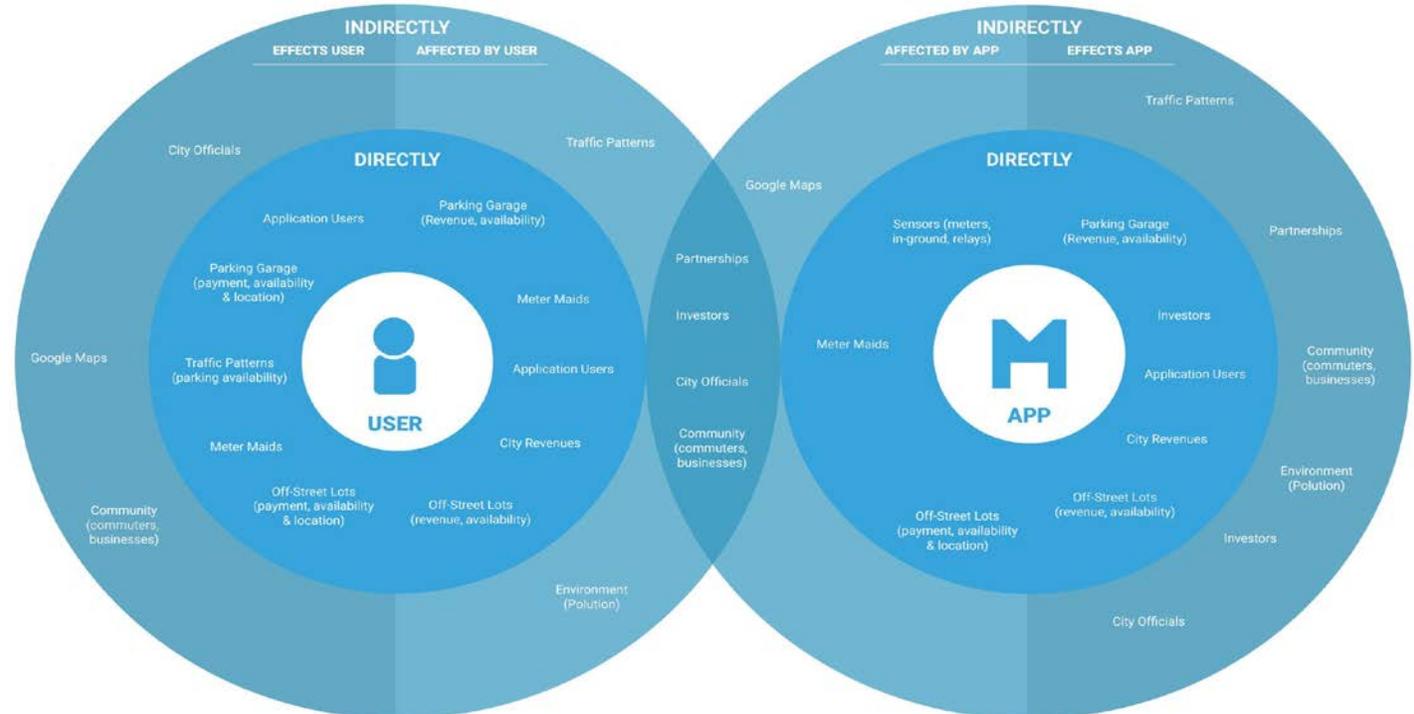
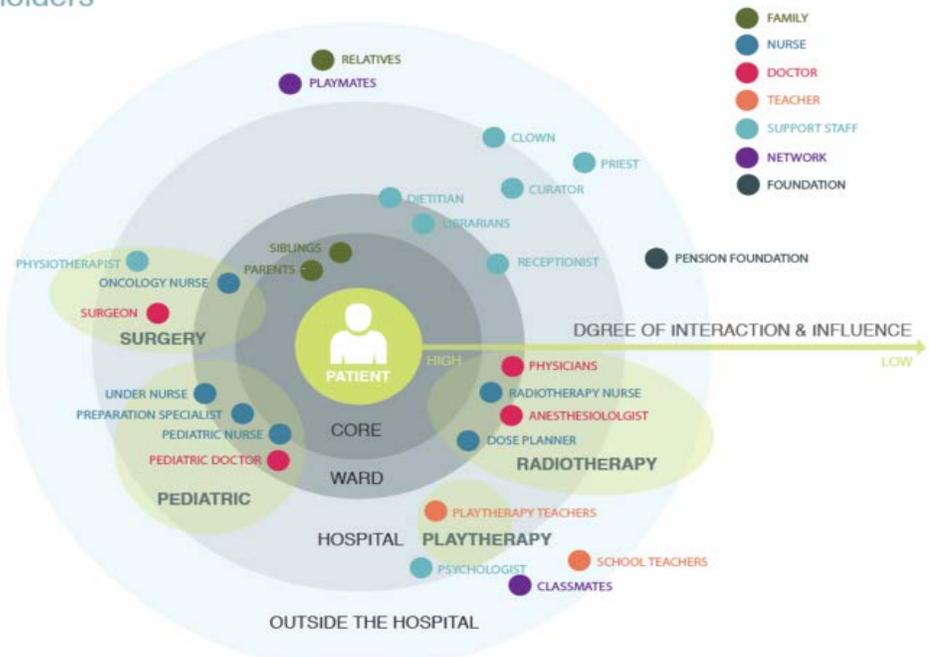
Teamwork

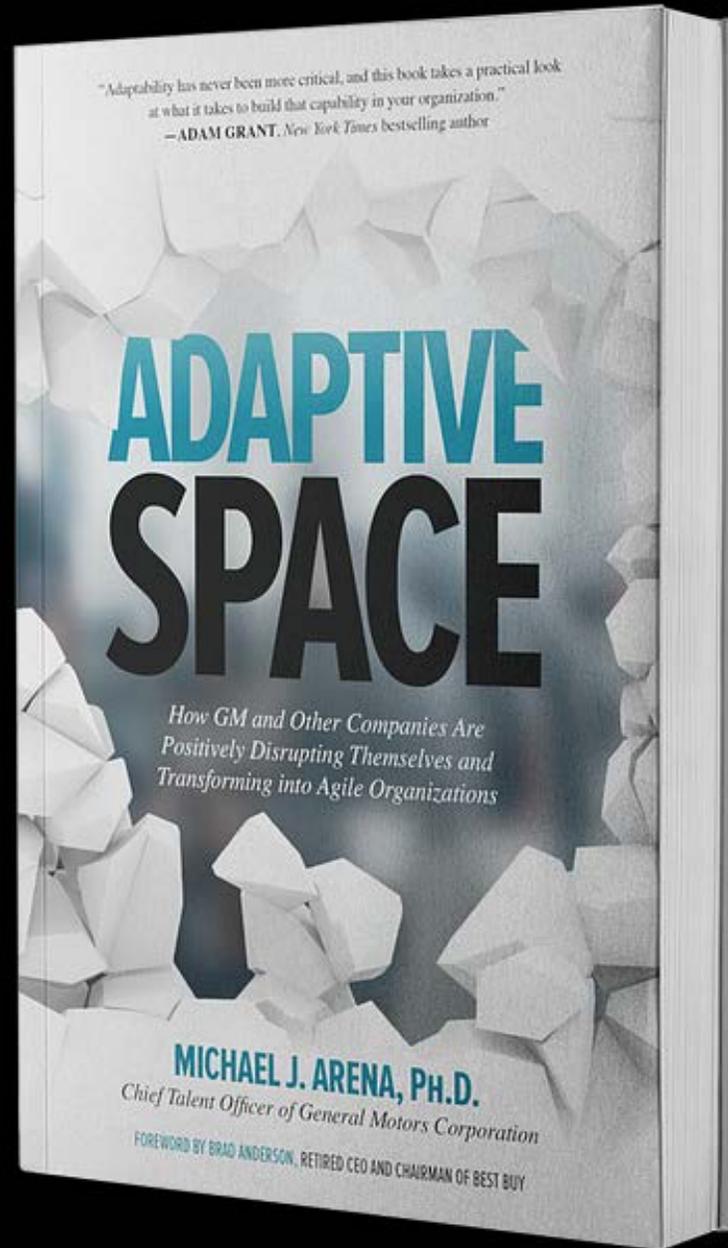
Stakeholder Map: Who Needs What?



Stakeholder Map
A Housing Search Service Consolidated Commute Information for CMU Students

Stakeholders



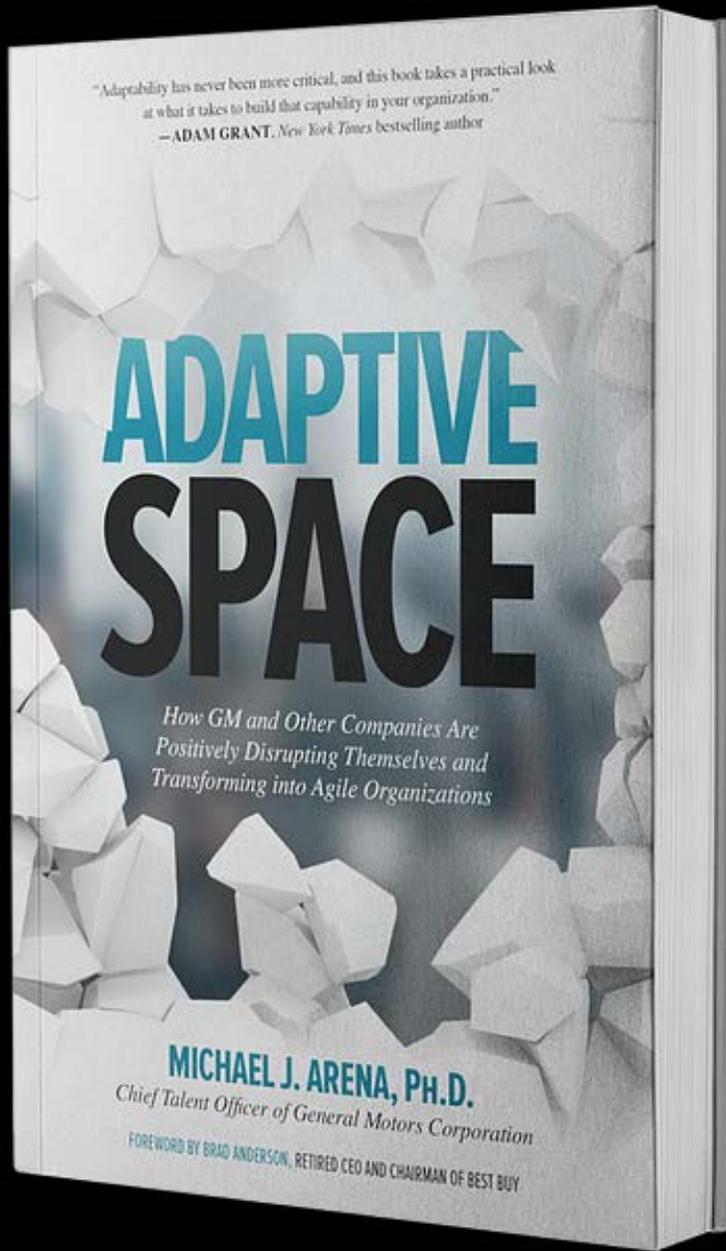


How to Catalyze Innovation in Your Organization

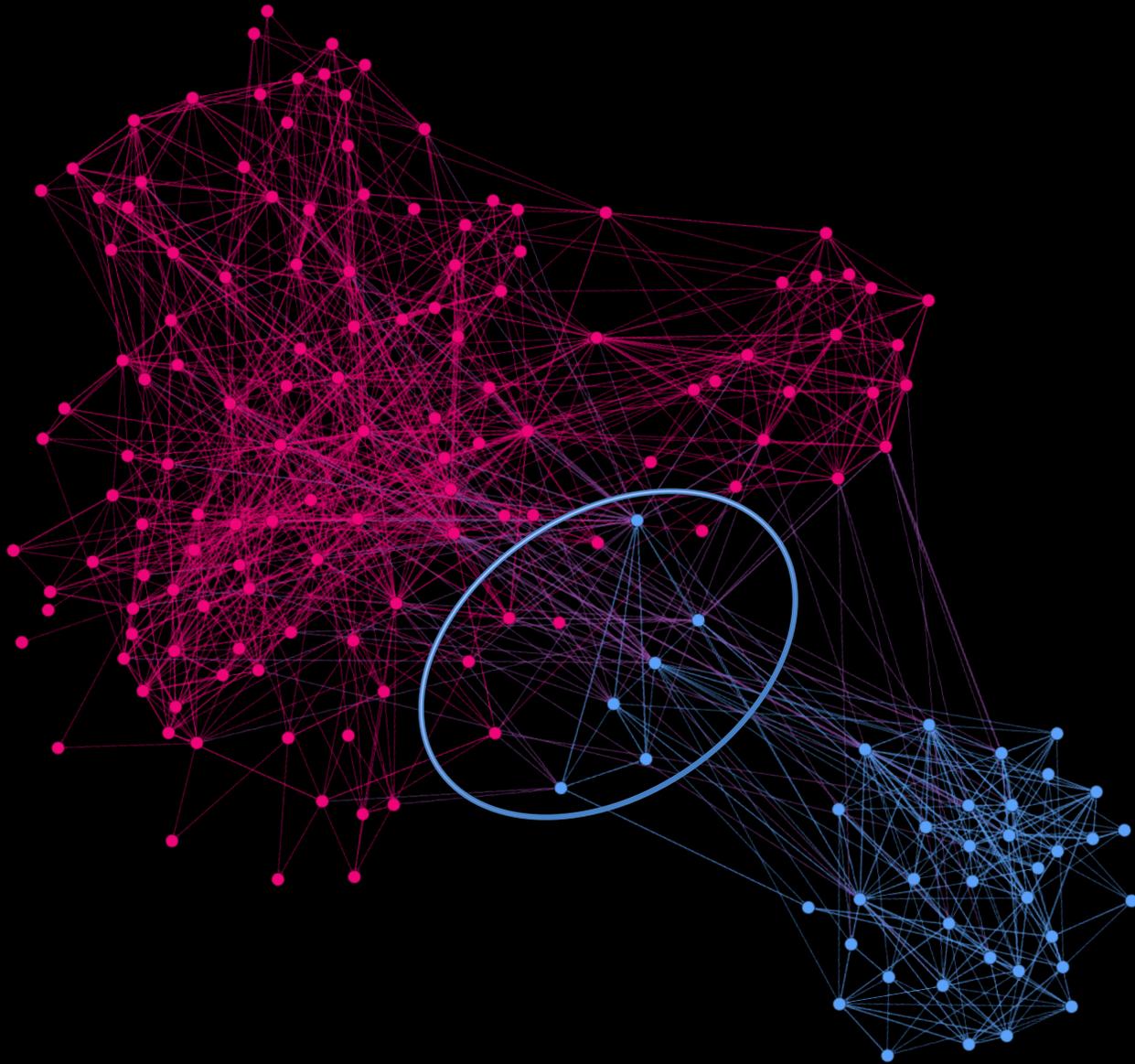
Executives can fuel the emergence of new ideas by understanding and tapping the power of employee networks.

SUMMER 2017
ISSUE

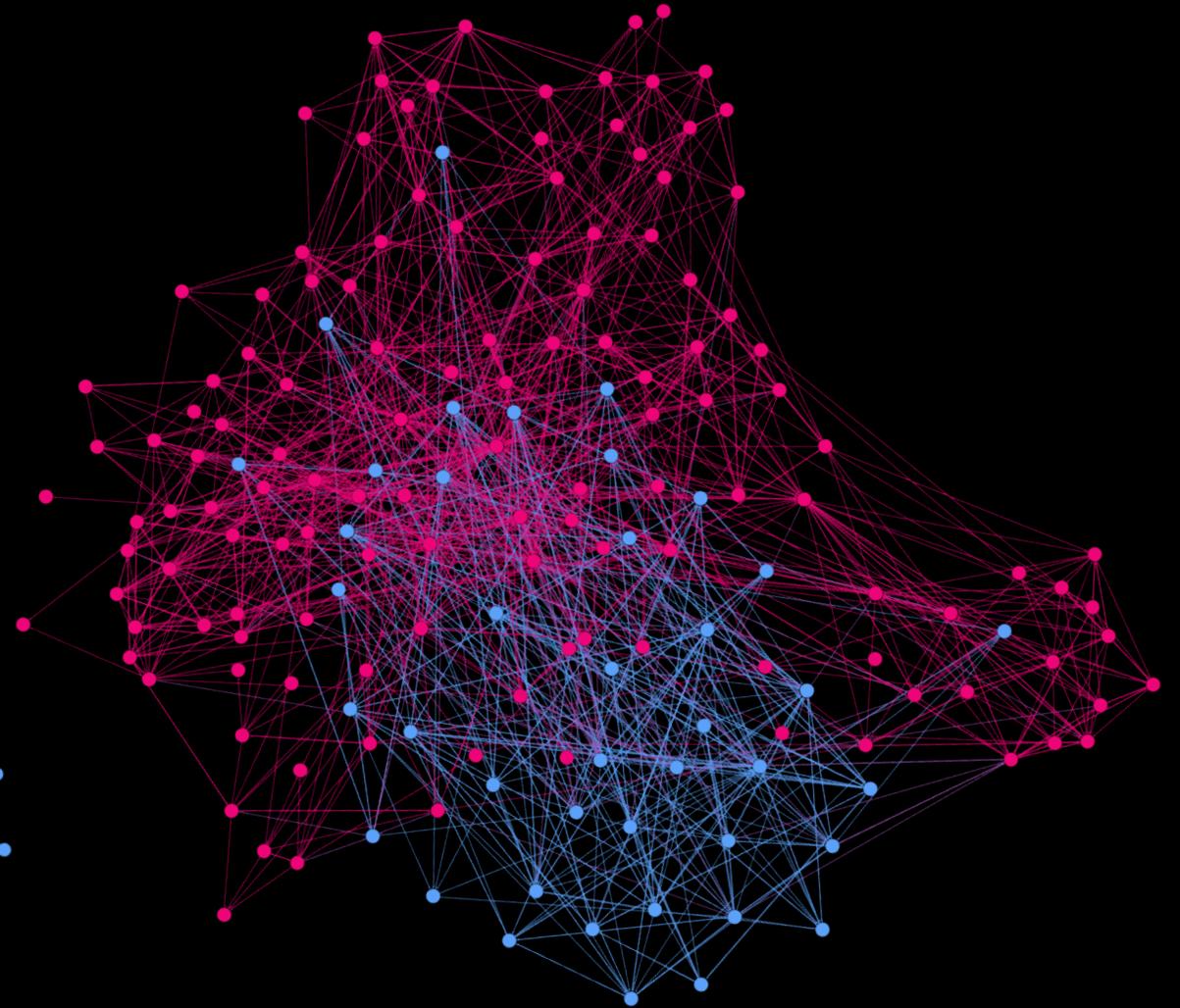
Michael Arena
Rob Cross
Jonathan Sims
Mary Uhl-Bien



Financial Services Acquisition



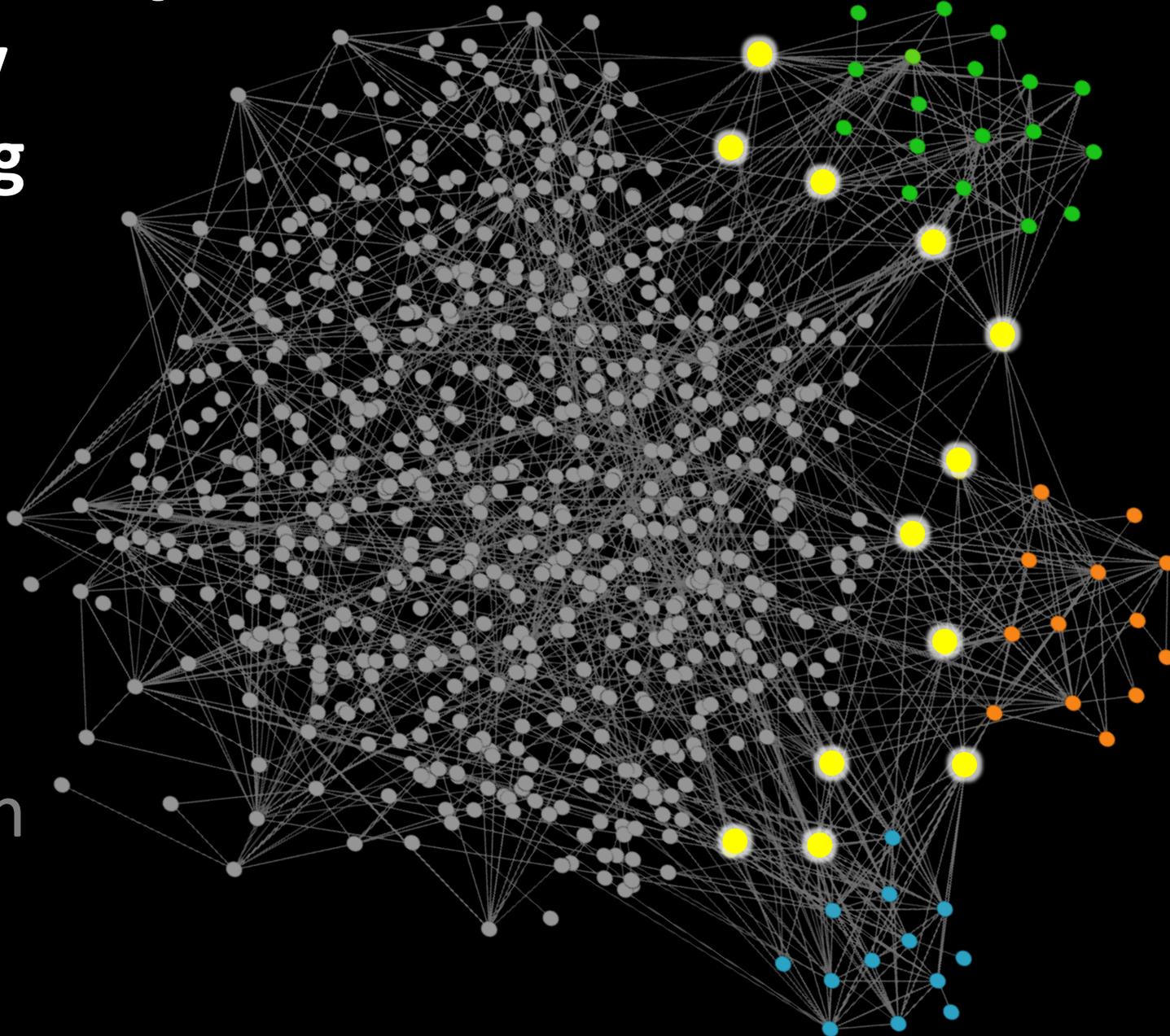
Major Breakthrough Innovations



Adaptive Space:

positively
disrupting

Tight core
improves
Execution

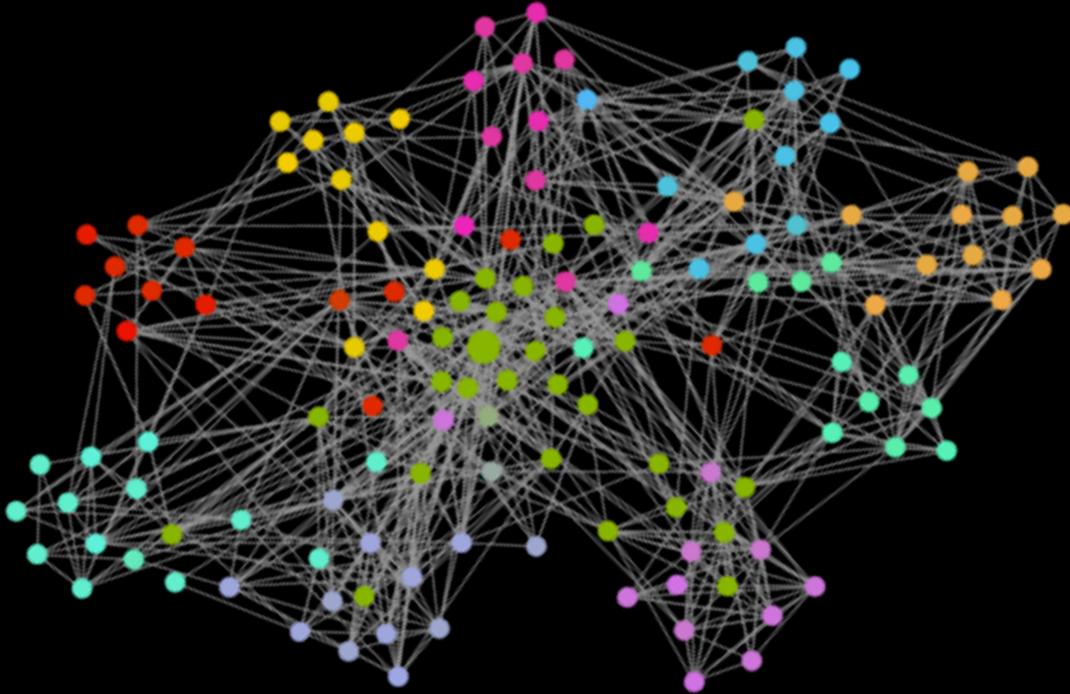


Cohesive teams
increase speed
& Development

by up to **10x**

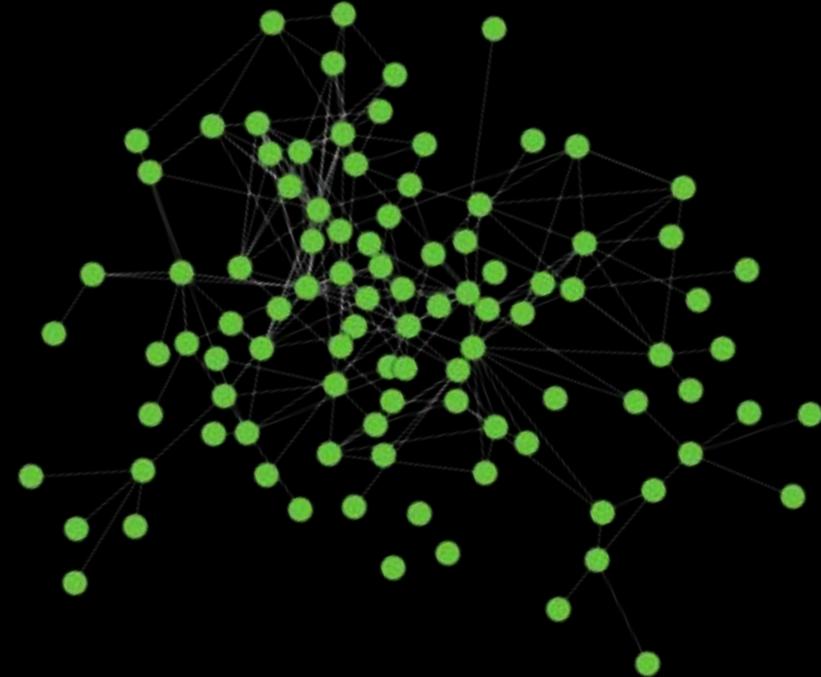
● Bridge
connections
increase
Discovery by
25% &
Diffusion by
3x

Speed Network



- 123 nodes (contacts) inside group
- 727 connections
- Avg. Clustering Coefficient = .296
- Density = .080

More Typical



- 99 nodes (contacts) inside group
- 232 connections
- Avg. Clustering Coefficient = .131
- Density = .044

Energy is Contagious

Highly Energized team

Toxic Team

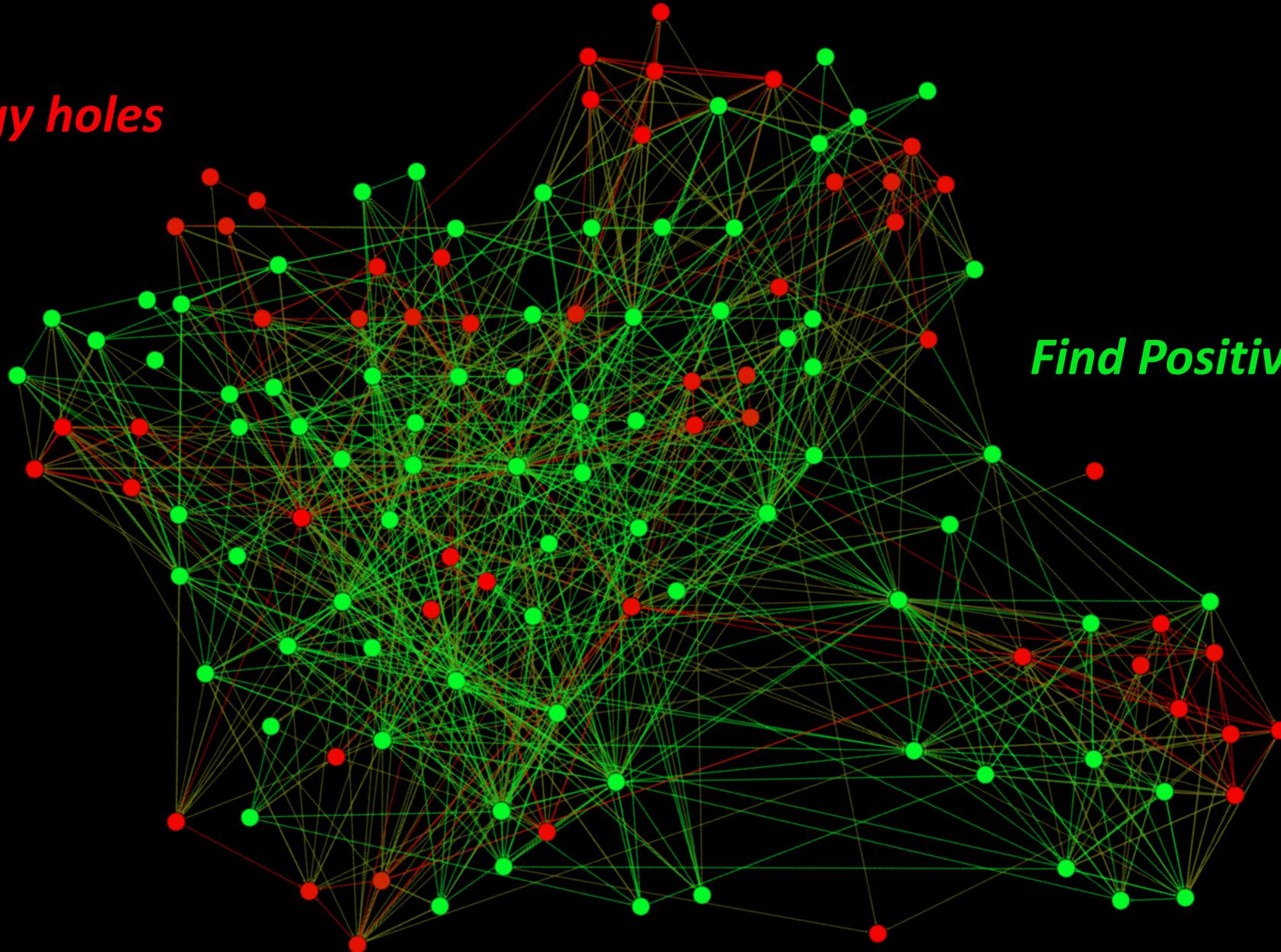
3X drop

3 months or less 4-6 months 7-9 months 10 months to 1 year 13 to 15 months 16-18 months 19-21 months 22 months to 2 years

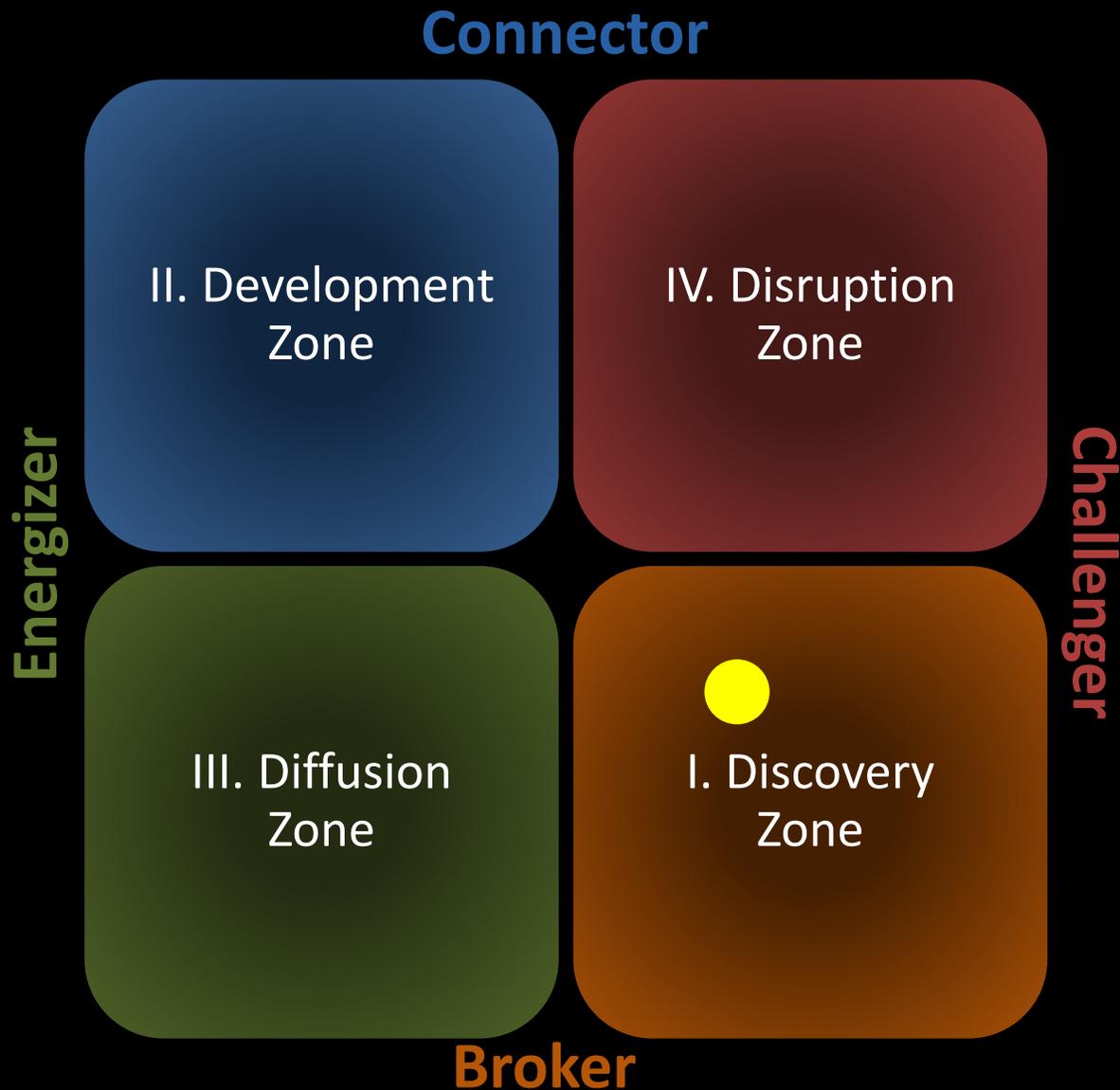


Energy Clusters in an Organizational Network

Avoid energy holes



Find Positive Pockets



John Doe

Network Preference: **Broker**

Broker Total: 61%

Connector Total: 39%

Network Style:

Challenger

Energizer Total: 37%

Challenger Total: 63%

Preferred Job Zone:

Discovery Zone

- Your Preference
- Others Preferences