

ING People Analytics

Our approach & learnings so far

November 2017

Key talking points for today

- Our BHAG
- Recent project examples & core propositions
- Where are we today?
- How did we get started?
- What advice can we share?



Brydie Lear
Global Head People Analytics ING Bank
Member of HR management team

UNIVERSITY OF AMSTERDAM

WE INTRODUCE THE FIRST
**MBA BIG DATA &
BUSINESS ANALYTICS**
IN THE NETHERLANDS

Currently studying
MBA Big data & Business analytics
University of Amsterdam



Joined ING in 2007
Wholesale Banking HR
Learning / Talent Mgmt

Atos

Worked at Atos Origin
Group HR
2003-2007



Moved to Netherlands in 2002



BSc & BA
University of Melbourne
in Psychology & Medical Sciences



Born in **Geelong, Australia**
(1 hr from Melbourne)

Introducing ING Bank

► **Purpose** Empowering people to stay a step ahead in life and in business

Our customers



35.8 million
(year-end 2016)

Top NPS ranking

Our customer-centric focus has resulted in seven countries achieving first place in NPS compared with two or more selected local peers. NPS surveys were held in 13 countries with retail banking activities.

Our employees (by head count)



54,000+
(year-end 2016)

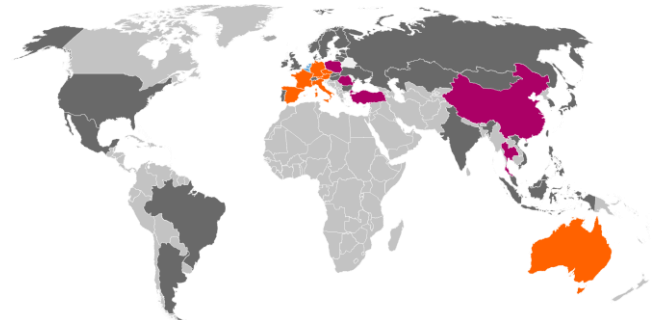
Our brand value

Number 27 most valuable bank brand in the world ((EUR 7.7 billion, 1 January 2017).¹

¹ Source: Brand Finance plc, February 2017. The valuation date is each year on the 1st of January.

Where we operate

We operate in more than 40 countries in Europe, North America, South America, the Middle East, Asia and Australia



The People Analytics team contributes to ING's strategic priorities by building our analytical capabilities

Purpose



Empowering people to stay a step ahead in life and in business.

Customer Promise



Clear and Easy



Anytime, Anywhere



Empower



Keep Getting Better

Strategic Priorities



Creating a differentiating customer experience

1. Earn the primary relationship
2. Develop analytics skills to understand our customers better
3. Increase the pace of innovation to serve changing customer needs
4. Think beyond traditional banking to develop new services and business models

Enablers



Simplify & Streamline

Operational Excellence

Performance Culture

Lending Capabilities



Rewriting the rules for the digital age

2017 Deloitte Global Human Capital Trends

Organization design is a challenge

88% of companies believe they need to redesign their organization to succeed in the digital age

YET Only **9%** truly understand how their internal organization's network works, and **11%** feel fully capable of redesigning their organization for the future

51% of companies expect their use of contingent, outsourced, and contract labor to increase

Contingent work is increasing

90% are exploring or designing the "organization of the future"

HR is being left out of AI-driven work redesign

In the area of implementing AI and robotics...

about **36%** of companies tell us HR is involved as an advisor in some way

YET

Only **4%** have HR "leading" this effort
65% tell us HR is minimally involved at most

Leadership strategy is not adapting to digital business

78%

of companies believe digital and transformational leadership is important; **42%** say it is very important

YET

Only **5%** have strong digital leadership development programs today, and **65%** have no significant program to drive digital leadership skills

Structured careers are going away

65%

of companies now have an "open" or "flexible" career models, with only **19%** maintaining structured career model

16%

have no career model at all

70%

of companies are redesigning or recently redesigned their entire career management strategy

**“All ING people decisions
are driven by facts”**

We focus on critical business problems, turning data into meaningful insights to improve ING's performance

BRANCH PERFORMANCE

Business challenge:

- Effect of employee performance on branch performance unclear
- Tension between cost reduction and performance optimization

Deliverables:



In-depth analysis on > 500 branches



Optimal setting in FTE's, providing transparency on potential cost savings

REDEPLOYMENT ALGORITHM

Business challenge:

- Redeployment of > 2.000 employees to ~ 1.800 positions
- Manually processing these would be labor intensive and subjective

Deliverables:



Algorithm, matching employees to job positions



Data driven decision making, limiting potential bias & subjectivity

RECRUITMENT "ON STEROIDS"

Business challenge:

- GSO has to grow with significant number of new employees
- Extremely competitive labor market & a laborious recruitment process

Deliverables:



Automated pipeline, transferring CV's into 1 database



Algorithm, predicting candidate's chances of high performance

Supporting our key HR processes, People Analytics enables a more data driven approach with a clear set of products & services



Hiring algorithm

Reduce manual support and selection bias, by automatically matching CV's to job profiles and predicting high performance



Top / talent performance

Identify top performers and (potential) talents, allowing for focused approach and maximum return



Continuous listening

Frequent feedback, understanding employees' perception on strengths and key issues



Team performance

In-depth understanding on key ING specific drivers for high and low performing teams



Diversity

In-depth understanding of current and expected Diversity situation, providing data driven approach and dialogue on target setting and realization



Leadership Index

Effectiveness of leadership and measures, in order to understand key leadership characteristics



Reward

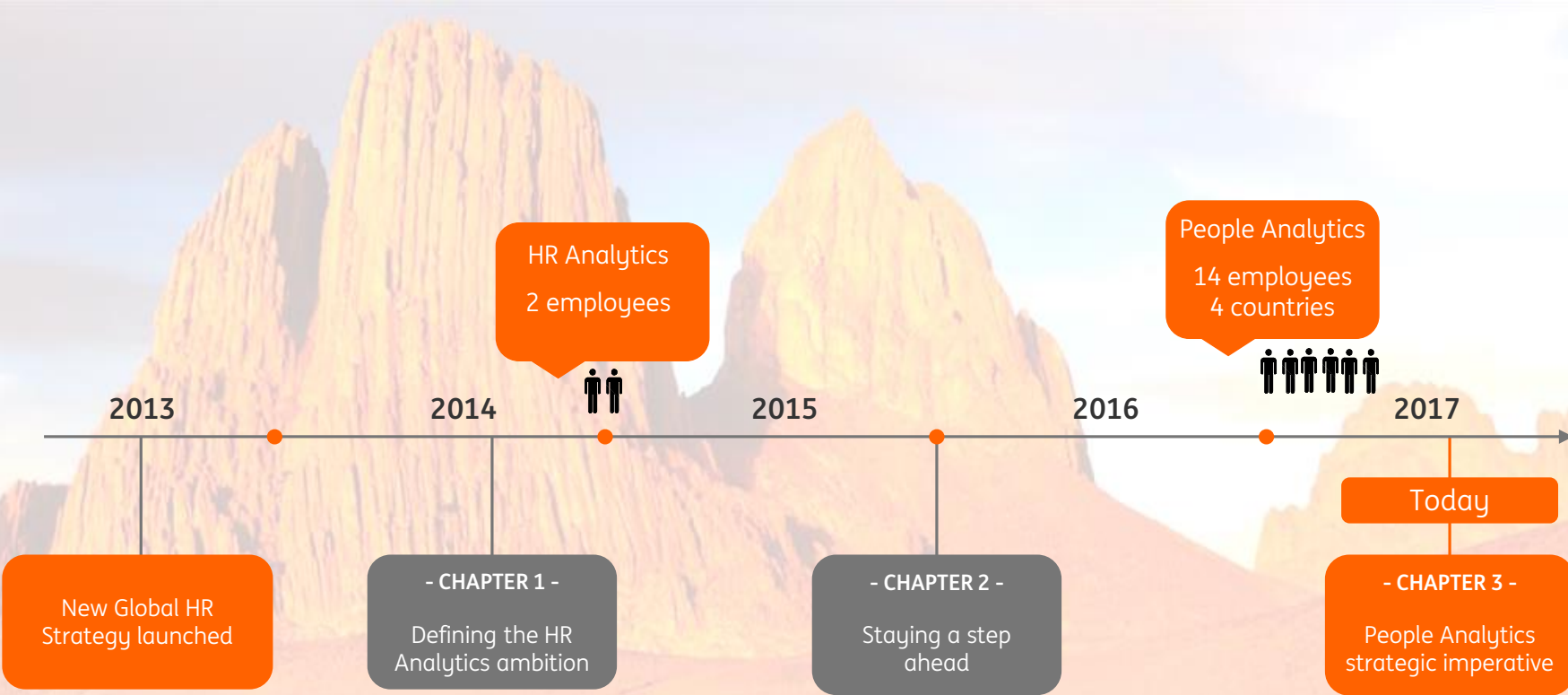
Accurate financial and non financial recognition and forecasting, maximizing the return and effectiveness of incentives



Retention

Predicting talent segments at risk to leave ING, enabling pro-active actions to reduce the risk and costs of replacing these key resources

Our people analytics journey



To get started, we evaluated our readiness and made a 1 year plan

5 building blocks :

- 1 Ambitions & Results
- 2 Data
- 3 IT Data & Infrastructure
- 4 Maturity, Capabilities & Skill
- 5 Structure & Governance



Key findings:

- Skepticism from business leaders
- Overall HR Analytics maturity was *low*.
- HR data quality & availability were *robust enough* to get started



Clear goals & a 1 year plan:



2013

2014

2015

2016

2017

In one year's time, we conducted 8 successful pilots



We used evaluation criteria to maximize pilot likelihood of success

1

Relevance

2

Success

3

Efficiency

4

Data quality

5

Spread

We started small, demonstrating the added value based on our own facts

Start small, think big

Started with external resources, minimizing investment risks, on some focused experiments with access to business performance data

Set up temp.
technical infra

Technical (POC) environment established, allowing for data storage, processing & advanced analysis technology

Get basic data in
place

Cleaned up the most relevant HR data elements (40 of 110) for analysis & modelling

Data handling
protocol

Ensuring thoughtful data processing, privacy/security arrangements & legal signoffs

Educate HR

Guide HR colleagues towards using data in answering key business questions

Looking forward, we focus on 3 pillars in building a global People Analytics CoE



Build HR's capabilities

Train and guide HR BP's to identify (latent) business needs and co-create the right Analytics solution



Support solving strategically important issues

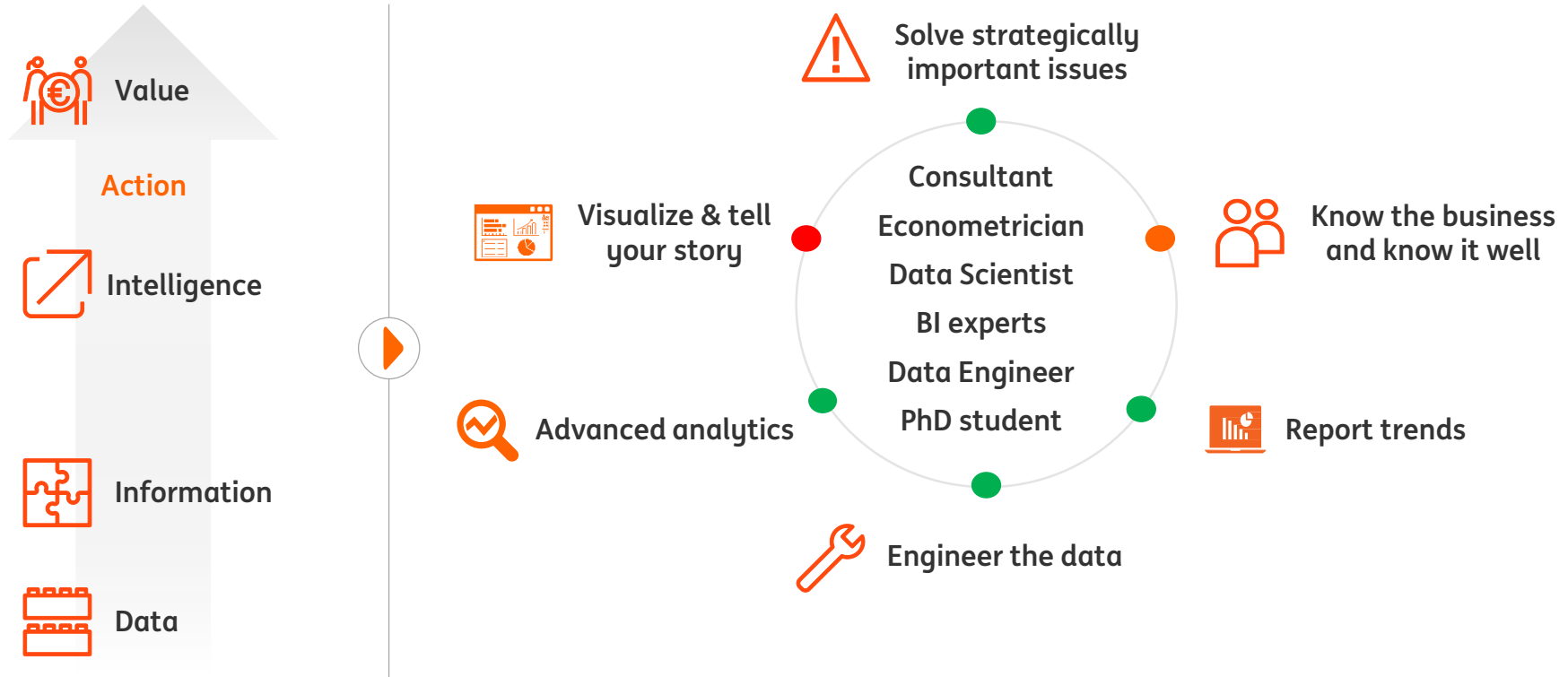
Support and pro-actively initiate key business initiatives by turning data into meaningful insights, using advanced analytics



Integrate Analytics

Automate, integrate and optimize business operations by implementing analytics in our way of working

Our multidisciplinary team ensures delivery of added value



At the same time, we perform experiments regularly in order to continuously innovate our own approach

AVATAR HR CHATBOT

Developing an HR chatbot to improve employee experience, whilst reducing costs



CONTINUOUS LISTENING

Started to understand employees better by frequently capturing their feedback from various sources & platforms



FACILITY ANALYSIS

Experimental analysis on employee movements via Wifi, to potentially improve workplace design



A final piece of advice ...

Invest at a senior level

Establish clear leadership

Educate everyone!
(& most of all, yourselves)

Bring your most critical partners on the learning journey with you

Tackle critical *business* problems

Simultaneously work on the basics & try out the advanced

Focus on action, not just insights

Its ok to fail sometimes in order to make progress!

Prioritize clean & reliable data

Understand analytics is multi- disciplinary

Read this book

