

In practice

Real organisations, real challenges

Travelex

"Our job is to understand what is making everyone happy"

Travelex's global HR team is deploying predictive analytics to stay one step ahead

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You hear a lot about predictive analytics for customers, but I never imagined we'd be able to predict when 'Nathan' in the Sydney Airport branch is going to leave, or say that 'Nisha' in Mumbai will be at her most productive at this time of day."

Gareth Williams (left), group HR director at foreign exchange company Travelex, is rethinking his assumptions about what data can do – thanks to an ambitious transformation project to put the end-to-end employee HR experience in the cloud.

In 2013, after a "detailed but painful" procurement process, Travelex took the first steps towards delivering an integrated, cloud-based HR system, accessible on mobile for all 8,000 employees, from all of the 31 countries it operates in.

The business is now 20 months into an aggressive digitisation project implemented in response to shifts in consumer demand. "HR's job was to offer employees an experience that was aligned to the customers," says Williams. "The roles of the future will be radically different, so how staff are led, trained, incentivised – even how they are communicated with – has to radically change, too. The more we can predict what the changes will be and when they'll come, the more successful we will be."

Preliminary results from a controlled pilot of an app that measures staff happiness every month

have already proved fruitful. Employees answer five questions in a 60-second survey, and are invited to post

"The way staff are led, trained and rewarded will change radically in the future"

their suggestions for improving processes on an ideas board. Line managers are measured against the happiness scores, and all the data is stored in the cloud, ready for the HR team to act on.

"We're starting to understand when people are most happy, and overlay that with business performance," says Williams. "If you said everyone is happy between 10am and 12pm, and that teams take in most revenue during those hours, imagine if we made everyone happy between 10am and 1pm. Our job is to understand what is making everyone happy, and how we can replicate it."

Williams wants his team to move away from "vanilla, one-size-fits-all HR" in favour of targeted, hypothesis-led interventions: "A big focus for us is attrition at a very operational level, so we are building our predictive analytics capability to work out employees' next moves. Learning, talent and management interventions will be made to mitigate issues where we have a critical mass of exits."

The migration to a cloud-based service has delivered a colossal amount of data. Real-time metrics show when, and in what market, employees access learning modules; when managers complete talent profiles; and what employee benefits staff are looking at most. This allows the HR team to develop and target communications and leadership efforts accordingly, says Williams.

He admits that he's been on a hiring spree, as moving to a digital-first strategy has required a change in the composition of the HR team's skillsets. Specialist HTML developers have been brought in so that "whatever we're communicating, we produce something staff can access on tablet or mobile". There's also a data scientist working alongside the head of people analytics, and a new head of learning brought in to digitise

Williams' team now has more technical specialists and fewer admin roles



the group's learning proposition. Meanwhile, the introduction of a shared services centre in Mumbai rendered a lot of HR admin roles redundant: "We've churned through about 60 per cent [of people in HR] over the last two years," says Williams.

It's an indication of the skills the HR professional of the future will need, he points out. "Not only do they need solid operational, generalist experience, but they must also be comfortable with technology and its ability to drive change, and the aptitude to look at data, interpret it and then drive action."

But that is easier said than done, as not all organisations have afforded professionals the opportunity or space to demonstrate their hypothesis-led HR skills. Williams says it's as much about having the right attitude and potential as it is about competencies. "I've put some of my team on an Excel course. If you can manipulate data, do Vlookups and create pivot tables, then you're already winning."

With an 84 per cent adoption rate of the new system in the first six months, a streamlining of more than 2,000 HR processes down to just 180 and a 30 per cent decrease in HR operating costs, Williams and his team are a rare advert for a successful HR technology project.

But it wasn't all smooth sailing, as the project faced data protection issues and a serious budget overrun in its first year. "We've learned that, when implementing a change, you can spend thousands on a new platform or product, but the people responsible for executing the delivery are often severely underinvested in," Williams adds. "If we want to be successful in this business, we will focus more, and invest more, in people as real agents of change."