

People Analytics

How can this emergent discipline inform workplace design?

We recently attended the Wharton People Analytics Conference in April to see how conversations about people analytics are currently intersecting with design analytics. One of the highlights of the event was the interview with Tony Hsieh, the CEO at Zappos, that was facilitated by Adam Grant, the author of [Give and Take](#). Hsieh discussed several ways that he has incorporated people analytics into his leadership approach. For example, Zappos has developed a new metric, [collisionable hours](#), to quantify the probable interactions between employees per hour per acre. Using this metric, Hsieh can create performance-based targets for Zappos's ambitious investments in their workplace environment and surrounding community, such as the [Downtown Project](#). Hsieh's advocacy of this new metric builds upon a larger conversation in design and corporate real estate on how to measure the impact of space on people and business. For instance, at PLASTARC, [we are dedicated to shifting the metrics associated with workplace](#) from 'square feet and inches', to 'occupant satisfaction and performance.'

Another distinguishing feature of Hsieh's leadership style is his embrace of the anti-hierarchical management theory called [Holacracy](#) that is designed, in theory, to encourage creativity and innovation. As a management philosophy, Holacracy relies heavily on the workplace environment to support increased autonomy for occupants to navigate their work day. In other words, a successful holacratic organization be supported by a workplace that instills each team member with a sense of control over their workspace.

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One of the brief departures from the business school context during WPAC was the presentation given by A.J Jacobs, a Journalist for *Esquire* known for writing about his lifestyle stunts, like [living according to the moral and legal code of the bible for a year](#). For this conference, Jacobs discussed his current project: constructing an immense family tree that will connect him to everyone on the planet. This project is more feasible than ever, thanks to the affordability of gene sequencing and the availability of data through crowd-sourced genealogy websites.

In an [interview with fivethirtyeight](#), Jacobs claimed that Barack Obama is “his aunt’s fifth-great-aunt’s husband’s brother’s wife’s seventh-great-nephew.” This project seems consistent with a business school thinking and general cultural shift towards seeing the collective, rather than the individual, as the unit of analysis and interest.

Intensified interest in the collective was further reflected in the panel revolving around studying teams as the predominant unit of work. One conundrum that arose during this discussion was the difficulty of aligning the principles of the individual and the team. On one hand, it is important to respect people as individuals, but on the other, there is an emerging belief that work is best done in collaborative groups. Amy Wrzesniewski, Professor of Organizational Behavior at the Yale School of Management, invoked her research about the underestimated pedagogical benefit of failure during the discussion. Wrzesniewski believes that managers should encourage failure as a learning opportunity. Many of these methodologies, from crowdsourcing to fail fast, can also have profound impact when integrated into workplace design and management. Our team worked recently worked with tech company [Mozilla](#) to integrate their own organizational and tech methodologies, like the fail fast and open source into their workplace design and employee experience. These participatory strategies are critical to engaging employees in a more purpose-driven workplace, from design to space management to new behaviors. Another panelist, Brian Welle, a researcher in the People Operations department at Google is tasked with researching the company’s internal operation. He is particularly well-known for his work on [unconscious biases](#), which was motivated by a wave of publicity surrounding the underrepresentation of women in the workforces of large tech giants; for example, according SEC filings, 70% of Google’s nearly 50,000 employees are male. The product of his research on hidden biases was a [90-minute workshop](#) intended to persuade Google employees of their existence and long-term consequences.

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Another exciting moment at the conference was the presentation from the winning authors of Research Paper Competition. For their research, a narrative analysis of team emails was conducted in order to assess the ability of individuals to acculturate into the organization. They found that the assumption that recruiters should look for the candidate who best fits the organizational culture at the outset is a myth. The results of this research paper indicated that an employee’s ability to acculturate over time decreased their likelihood of involuntary exit. In other words, during the onboarding process, companies should look for the most flexible candidates rather than those candidates that are perfect fits from the get-go. Our work builds on this research, exploring the opportunities for the [physical environment to be a platform for culture](#) and an accelerator of team learning and individual acculturation.

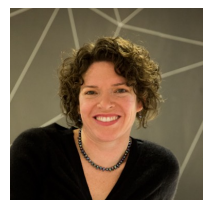
The conference's opening keynote speaker was Daniel Kahneman, a prominent psychologist who was awarded a Nobel Prize in Economics for his work that advanced the field of behavioral economics. During his presentation, Kahneman gave historical context to the field of people analytics by pointing out that it dates back to the mid 20th century, when management science was incorporated with psychological thinking and then matured through its applications in the military context. Now, there is a wave of excitement around people analytics due to the advancements in computer processing power. Although the language of people analytics is connected to the notion of big data, Kahneman insisted that this doesn't mean we need a large, complicated set of criteria to develop a powerful algorithm for assessment. On the contrary, we require no more than six well-considered criteria/indicators.

In general, the 2016 People Analytics Conference focused heavily on the application of people analytics to human resources, such as recruiting, onboarding, and evaluation, whereas previous conferences touched upon a broader range of possible people analytics applications. This is likely due to the fact that HR topics are more at the heart of how business schools formally approach the field of people analytics. At PLASTARC, we advocate that people analytics can be utilized to create better workplaces that enable individual and team work.

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Melissa is an expert in Workplace Strategy and a leader in Change Management services. She has defined a career in workplace innovation by embedding the added value of real estate strategy within design, architecture and master planning projects around the world.

*At **PLASTARC**, we find ourselves at the intersection of people analytics and building design, supporting clients who are thinking differently about the future of work and place. With a multidisciplinary team of architects, social researchers, an environmental psychologist and a data visualizer, we pretty much have the bases covered for innovative thinking.*



PLASTARC

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