Define the project and set goals

1. Define your organizational modeling project.

What business case is driving your modeling endeavor? Whether your company is undergoing a merger or acquisition, planning an internal reorganization, launching new locations or business units, managing headcount and budget or engaging in long-term strategic workforce planning, you can take advantage of modeling strategies and software capabilities specific to your business challenges.
2. **Determine the key HR data and metrics required to track goals.**

Your specific business case will determine what decisions your company ultimately needs to make. To make those decisions, what data will you need to see and analyze through what-if scenarios? Scan the environment for available data sources that can be accessed to retrieve the necessary data. PeopleFluent Modeling is a flexible solution in terms of binding multiple data sources together to extract all required data, so consider all possibilities.

**Establish proper data visibility**

3. **Address missing or incomplete data elements.**

Managers must have trust in the modeling information that will drive their business decisions. Incomplete or incorrect data can easily challenge, delay or dismantle an HR initiative. Run a scan to determine what HR data may be incomplete or missing, which can then be collected during the modeling effort. If you suspect that data quality is lacking, you can plan to correct the data within PeopleFluent Modeling.

4. **Enter goals and key metrics to conduct a gap analysis.**

After establishing the overarching goals of the organizational modeling project, formally enter these goals and conduct a gap analysis so that colleagues can easily track and understand what changes are still needed to reach the goals. Key metrics typically reflect the relationship between HR and finance functions — such as headcount salary, other budgeting line items, total headcount, FTE versus contingent labor and diversity goal setting — because modeling projects serve collaborative HR and finance initiatives. With PeopleFluent Modeling, you can set goals for any group in an organization (e.g. by business unit, by department) and change goals as needed during the organizational modeling process.

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Involve all key players

5. Establish leaders and ensure buy-in.

It is absolutely critical that all key leaders and business functions are involved in the modeling process. Finance, recruiting, talent management — representatives from these business units must participate. Ensure executive buy-in by establishing a clear leader for the initiative, and consider designating project leaders or forming a steering committee to help guide the process. Though all team members should share and understand the project scope and goals, you can safeguard sensitive data by setting PeopleFluent Modeling’s access permissions.

6. Establish business rules to drive the modeling effort.

Once all data has been collected and is ready to be used to drive decision-making, it’s important to establish business rules for the modeling exercise to ensure that all key players follow a proper protocol and process. This may include restricting such actions as modeling salary increases (not allowing an increase above 10 percent, for example). Business rules help guide the managers involved in the modeling process. You can go a step further to establish a formal workflow requiring review and sign-off of proposed changes made during the organizational modeling exercise.

Test and try new approaches

7. Create and evaluate more than one plan.

The purpose of organizational modeling is to inform decisions with key HR data and metrics; the beauty of modeling is that you can predict the potential effects of different decisions with “what-if” planning and compare the results. The business cases and decisions that prompt modeling are complex and often difficult. PeopleFluent Modeling makes it easy for departments or business units to visualize multiple approaches and determine the optimal direction to pursue. Managers are also able to conduct what-if planning by position, experience and qualification rather than by name an approach that eliminates guesswork, favoritism and pressure to place employees according to “politics.”
8. Evaluate different scenarios through Mass Changes.

As you conduct “what-if” planning and model the future state of the organization, you can leverage the Mass Change capabilities of PeopleFluent Modeling to quickly preview the impact of enterprise-wide decisions. For example, how will increasing overall sales quotas by an average of 10 percent impact sales forecasts? Or how will proposing additional sales staffing headcount affect projected revenue? In one easy step, you can see the impact and results of changing key metrics.

Refine the process and review the progress

9. Don’t model in a vacuum.

Collaboration is vital to organizational modeling. The process is most effective when key players efficiently discuss, evaluate and select potential plans. PeopleFluent Modeling promotes transparent collaboration with the Change Report, which allows you to view changes made by others involved in the collaborative process (along with changes that occur as daily HR transactions take place, such as new hires and terminations). Establish regular review meetings to track the group’s progress and to address any challenges standing in the way of a collaborative modeling effort.

10. Execute and refine the ultimate plan.

When goals have been met and gaps have been addressed, a final organizational plan will become clear for business execution. As you put your plan into action, track your progress against your modeled goals and keep in mind that even the best-laid plans can change. Top-performing organizations use modeling as an ongoing, dynamic business process to continually drive profitability. Continue to leverage PeopleFluent Modeling as changes or different courses of action need to be evaluated and ultimately pursued.
About PeopleFluent

PeopleFluent, the leading total workforce HCM technology company, redefines Talent Management with an innovative Talent Engagement Cloud that is built around people and not HR processes. By deeply integrating pervasive video, strategic analytics and collaborative social technologies into its complete suite of Talent Management applications, PeopleFluent redefines employee engagement to address productivity loss and diminished financial results due to an increasingly disengaged workforce. With PeopleFluent, companies can change at the speed of business without costly IT interventions through intuitive, highly configurable software that is built upon the right data. Spanning across an organization’s entire global workforce with one talent cloud, PeopleFluent equips leaders with the meaningful talent data and strategic analytics necessary to make better business decisions.

PeopleFluent has worked with over 5,100 organizations in 214 countries and territories to engage employees to drive better business results. Today, 80% of the Fortune 100 relies on PeopleFluent as part of their talent management delivery strategy, helping them successfully achieve their talent aspirations.

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