People Analytics Technology 2022

Authors: Stacia Garr & Priyanka Mehrotra

redthread research

About RedThread

Sure, we're experts in performance, people analytics, learning, and D&I—and we're well-versed in the technologies that support them. But we're also truth-seekers and storytellers in an industry often short on substance and too full of @#$%. Our mission (indeed, our very reason for existing) is to cut through the noise and amplify what's good. We look for the connections (or red threads) between people, data, and ideas—even among seemingly unrelated concepts. The result is high quality, unbiased, transformative foresight that helps you build a stronger business.

To learn more, reach out to us at hello@redthreadresearch.com or visit www.redthreadresearch.com.

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Introduction

2021 brought its own set of challenges beyond the continuation of COVID-19: a rise in job resignations, the beginning of high inflation (which is still perniciously present), and the start-stop pattern of planning for hybrid work. Now that we are fully in 2022, we continue to manage those challenges, which are exacerbated by the persistence of COVID and its variants, the war in Ukraine with its far-reaching impacts, and a rise in commodity prices. Leading a business is never easy, but the past few years have been especially volatile.

To address this volatility, leaders have turned to people analytics like never before. When workers were't physically present, people analytics provided insights into their needs. When organizations needed to pivot to meet changing customer needs, people analytics helped leaders identify staff with the skills and capabilities to lead those efforts. And when leaders needed to understand why employees were leaving in droves, people analytics provided insights and helped stem the tide. In short, people analytics has been a beacon of rationality and calm in a world that has had little of either during the past few years.

For these reasons, understanding the people analytics technology (PAT) market is more important than ever. These PAT tools are helping millions of leaders make better choices about their people in a time when uncertainty and confusion can cloud decision-making capabilities. Therefore, understanding what's happening in this market—and what needs to come next—are critical to leaders' abilities to manage the next phase of volatility and uncertainty yet to come.

This PAT study is our third and builds on the rich knowledge we've built up—as well as the feedback our readers have provided to us—over the last few years. As you see in Figure 1, our study relies on 2 vendor surveys, 1 customer survey, and hour-long briefings / demos with most participating vendors.

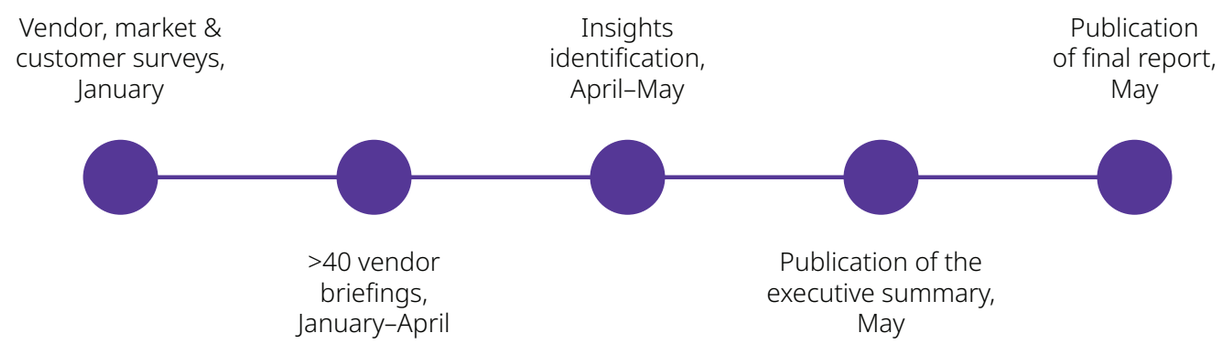
This study is designed to roll up our insights on the market broadly and provide information on the specific categories within it. For more about specific vendors, check out our People Analytics Tech tool, which vendors can update on a 24/7 basis.

As always, we aim to help you better understand the PAT market and, thus, enable you to make better people decisions with the help of technology.

We are grateful to all the vendors and customers who participated in our study—and without whom this report wouldn't be possible.

After reading this study, if you have further questions, then please reach out to us at hello@redthreadresearch.com.

Figure 1: Methodology for People Analytics Tech Study 2022



Source: RedThread Research, 2022.

Key findings

1. **Employee engagement and experience continue to be the biggest vendor category.** Of the 58 vendors in our survey, a large percentage (42%) fall into the employee engagement and experience category—making it the biggest vendor area within our PAT study. It was also the dominating category in 2020, albeit with a smaller percentage of vendors (34%).
2. **2021 saw the biggest market growth, along with high levels of investment.** Based on our calculations, the PAT market size is $3 billion, with a growth rate of 53% for 2020–2021 and a 5-year compound annual growth rate (CAGR) of 80%. Among the vendors, 47% reported receiving investment funding in 2021.
3. **Prices for large customers have gone up.** More vendors (34%) are now charging $500,000—$1,000,000 in subscription fees for companies with more than 50,000 employees, as compared with only 23% of vendors in 2020. Conversely, fewer vendors now serve smaller companies than in 2020.
4. **Vendors help customers by focusing on attrition and wellbeing.** The vast majority of vendors (73%) reported attrition as a primary talent area of focus in 2021—with almost half also focused on wellbeing, an increase of 14% since 2020.
5. **Use cases are shifting over time, but vendors might be slow in responding.** The shift in use cases comes as people analytics practitioners (PAPs) export data out of vendors' systems for additional analysis in other tools, while non-PAP users increasingly rely on data for business decisions and adopt it broadly. Vendors should focus on non-PAP users to ensure continued usage.
6. **Data ethics and privacy are a priority for most vendors.** More than 80% of vendors work with their customers to ensure compliance with different legal requirements in different regions and countries. Additionally, more than 70% design guidelines and policies—and align stakeholders around data collection, access, and sharing of insights.
7. **Customers are less satisfied than before, but vendors have high expectations for the future.** Average customer Net Promoter Scores® (NPS) for vendors fell to 58 in 2022, as compared with 67 in 2021. Yet, 55% of vendors anticipate more than 30% growth for 2022.

Market trends

Employee engagement & experience continue to dominate the solution market

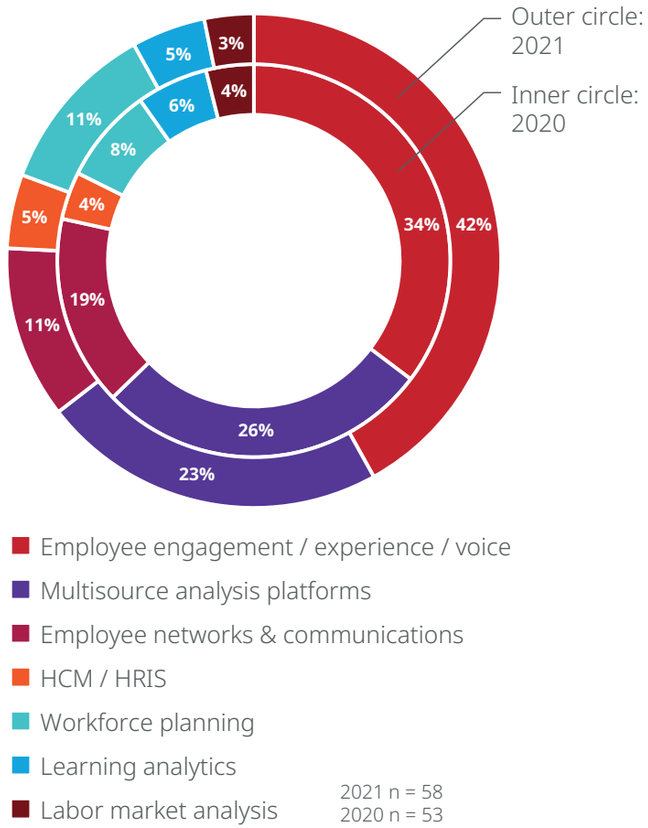
The largest vendor category (at 42%) in our study continues to be the employee engagement / experience / voice category. This is similar to our 2020 study in which 34% of vendors fell into this category—making it the most dominant (see Figure 2).

We didn't find this surprising for a few reasons:

- **Employee engagement / experience has become a top priority for organizations over the past 2 years.** As we see in Figure 3, when we asked customers about the top challenges they're trying to solve for, both employee engagement and experience were among the top 5.
- **The employee engagement / experience software market has traditionally been a busy space with growing potential.** According to one source, the total investment made into this market in 2021 was more than $200 million and the total addressable market (TAM) for employee engagement solutions in 2022 is $77 billion. As surveying capabilities became a common commodity in the space, many vendors upped their game by adding measurement and analytics capabilities—thus moving into the people analytics space.

The percentage breakdown for the remaining categories remains similar to what we saw in 2020—suggesting that vendors are both continuing to focus on their areas of expertise and, as our data show later in this report, doubling down on differentiating themselves within their submarkets.

Figure 2: Vendor Solution Categories, 2021 vs. 2020*†



*Percentages may not total 100% due to rounding.
†4 vendors have solutions that fall into 2 categories.

Source: RedThread Research, 2022.

Figure 3: Top 5 Customer Challenges

Actionable insights

Employee engagement

Data-informed HR strategy

Employee experience

Attrition

Source: RedThread Research, 2022.

Real-World Threads

Foundry drives employee engagement by using a PAT solution

Foundry, a U.K.-based company that develops creative software for the digital design, media, and entertainment industries, faced a challenge—it lacked a safe space for employees to provide feedback.

In March 2020, Foundry embarked on its first-ever employment engagement survey using a PAT solution that focused on employee engagement.

The results showed that learning and development was one of the biggest areas of concern among employees. For example, more than half of those questioned (54%) agreed that good career opportunities existed for them at Foundry, while only 55% said they had access to the learning and development needed to do their jobs well.

Because of the insights from the data, the company was able to launch a series of efforts aimed at improving employee engagement. For example, the company revamped its internal movement policy with a fair application process to ensure that everyone has an equal opportunity in applying for any role.

It also put in place a mentoring plan that grew from an initial 20 pairings of mentors and mentees to 50 within the space of 12 months, along with the creation of Foundry Guilds—knowledge-sharing groups that bring together people with similar interests to talk about best practices and challenges.

As a result of its efforts, Foundry's overall engagement score increased by 11% between the March 2020 and April 2021 surveys.

2021: The biggest market size yet with significant investment

The PAT market grew at an unprecedented rate in 2021. We calculated the market size at more than $3 billion for 2021 (see Figure 4). Overall, the market grew at the following rates:

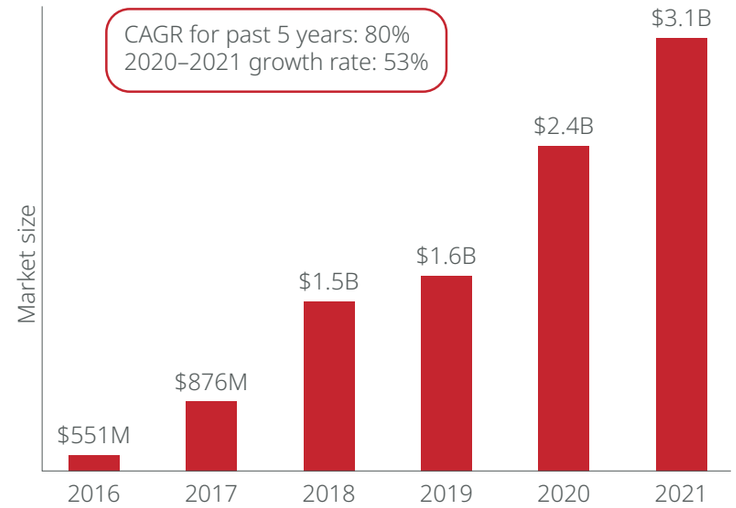
- 53% growth rate for 2020—2021
- 80% CAGR (compound annual growth rate) for the past 5 years

For those who read our 2020 research, you may notice that we've updated the revenue numbers for 2017—2020. This is because we have several new participants in our study and a number of older participants provided us with updated figures for previous years.

Vendors indicated that growth has been driven by both new and established customers which expanded their user base beyond people analytics practitioners (PAPs).

Growth's also been partially driven by significant investments in the space. As Figure 5 shows, almost half of the vendors participating in our study received funding in 2021. Additionally, about one-third of vendors reported undergoing a merger, an acquisition, or some type of ownership change. This isn't surprising as we know record investments ($30.8 billion by some estimates) had been made in work technologies in 2021.

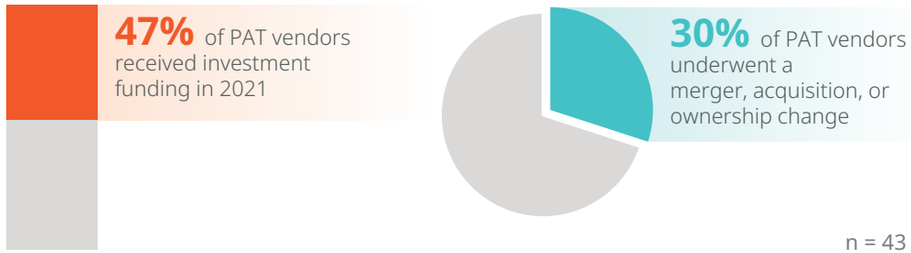
Figure 4: PAT Market Size & Growth, 2016–2021*



*Calculated based on revenues shared by 53 vendors and / or through publicly available documents.

Source: RedThread Research, 2022.

Figure 5: Measuring How Growth Occurred in the PAT Market for 2021



Source: RedThread Research, 2022.

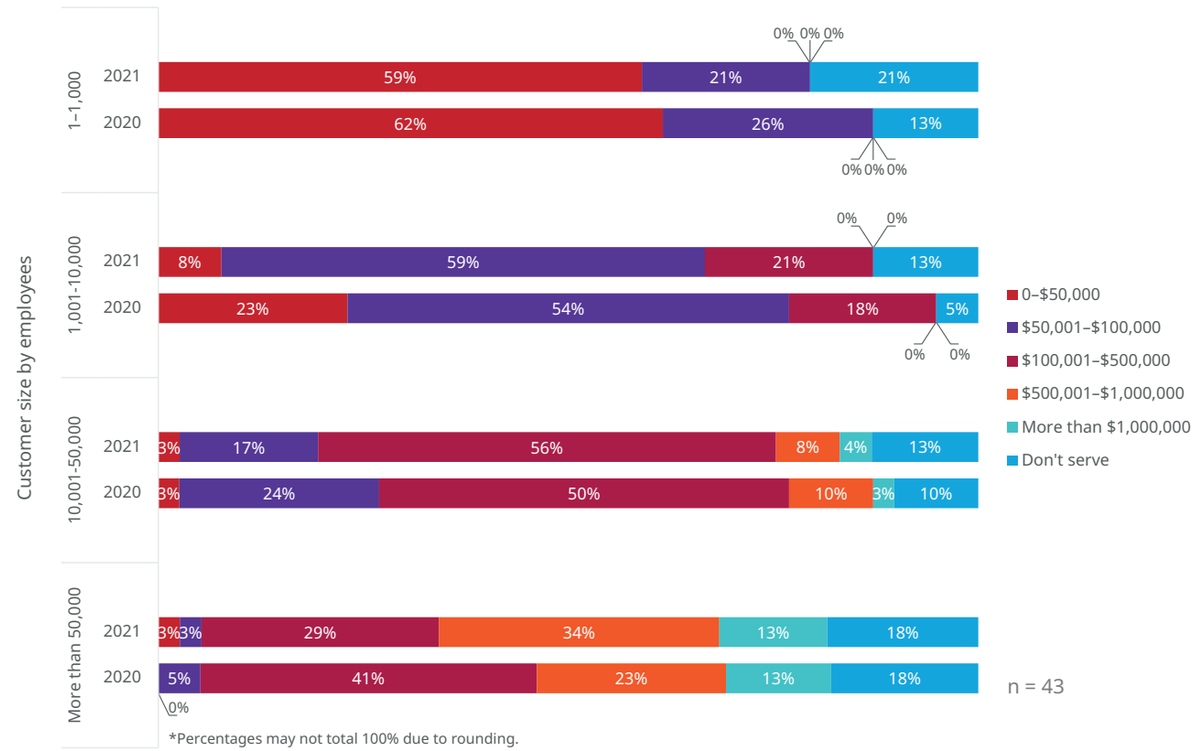
Vendors are charging more & moving away from serving smaller companies

When we compare subscription fees vendors charged in 2021 with those of 2020, we observe (see Figure 6):

- **Vendors charge more for very large companies.** In 2020, 23% of vendors charged subscription fees in the range of $500,000—$1,000,000 for companies with more than 50,000 employees. In 2021, this increased to 34%.
- **Fewer vendors serve small and midsize companies.** A larger percentage of vendors no longer serve companies with fewer than 10,000 employees,:
  - 21% of vendors don't serve small companies with less than 1,000 employees, as compared with 13% in 2020
  - 13% don't serve midsize companies with 1,000—10,000 employees, as compared with 5% in 2020
  - Only 8% of vendors offer a low subscription fee of less than $50,000, as compared with 23% in 2020
  - 63% of vendors charge a higher ongoing subscription fee of $50,000—$100,000 for midsize companies, as compared with 43% in 2020

While the pandemic made people analytics a must-have for larger companies with enough resources, it's possible that this also resulted in smaller companies putting their investments in PAT on the backburner since they likely had fewer resources to spare.

Figure 6: PAT Subscription Fee Range, 2021 vs. 2020*



Source: RedThread Research, 2022.

“[The] tool itself is totally effective, [but] there might be 2 challenges: one is the pricing, and the other is [the] consultancy required to effectively translate [insights].”

—Large telecommunications company for an employee network and communications solution

2021 necessitated different approaches

Similar to 2020, vendors quickly responded to customer needs last year. The pandemic, growing resignation rates, and a shift from remote to hybrid work required leaders to seek insights–based on real-time data and from multiple sources–to make the best informed decisions.

Our data reveal that vendors responded to these needs. As with previous years, in 2021 vendors demonstrated a much clearer understanding of their own strengths and the characteristics that set them apart in the market.

As we see in Figure 7, in 2021 vendors differentiated themselves based on their data integration, collection, and engineering capabilities—as well as ease of use—as compared with 2020.

Customers appreciated this. When asked about the strengths of the PAT solution they utilize, customers cited ease of use and data integration capabilities among the top 3 (see Figure 8). Additionally, many customers also listed advanced analytics as a top strength. This is likely because multisource analysis platform solutions—that offer predictive analytics, machine learning (ML), and artificial intelligence (AI)—received a significant number of customer feedback responses.

Figure 7: Changes in Primary PAT Capabilities

2021

- Data integration
- Flexibility & simplicity
- Data collection
- Data engineering

2020

- Domain expertise
- Methodology & science
- Actionability
- Scalability & flexibility

Source: RedThread Research, 2022.

Figure 8: PAT Vendors' Top 3 Strengths, According to Customers

Advanced analytics

Ease of use

Data integration capabilities

Source: RedThread Research, 2022.

“Extremely knowledgeable team and focused feature set. Solves a massive integration problem that would be impossible otherwise.”

—Small real estate company for an employee engagement / experience / voice solution

Data ethics & privacy are a priority for most vendors, but only some are focused on education

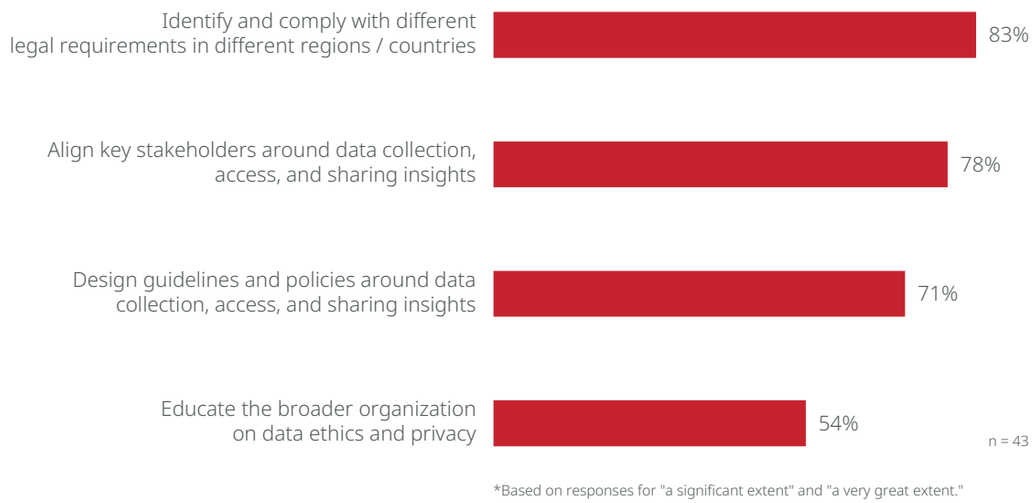
When it comes to data ethics, security, and privacy, the majority of vendors take the lead in collaborating with their customers. As we see in Figure 9, more than 80% of vendors comply with the different legal requirements in different regions and countries. (This does, of course, make us wonder what the other 17% are doing, but we will take that up with them separately!) Companies increasingly look to their technology partners to understand how policies differ across regions as well as their potential implications.

In addition, we also see that many vendors are working closely with their customers to design guidelines and policies, and align stakeholders around data collection, access, and sharing of insights.

The one area in which we see only some vendors taking the lead is education. Our data indicate that about half of vendors reported working with their customers to educate the broader organization on data ethics and privacy. This is a bit surprising and seems counterproductive to their other efforts in the area.

Without helping their customers gain an understanding of the complexities and legal challenges surrounding issues of data ethics, vendors may find it hard to align different stakeholders and move ahead with their work. It's possible that vendors still see this as a job for the legal teams. However, as adoption of these tools scales across organizations, we hope to see more vendors envisioning this as an integral part of their role.

Figure 9: PAT Vendors' Role in Data Ethics & Privacy*



Source: RedThread Research, 2022.

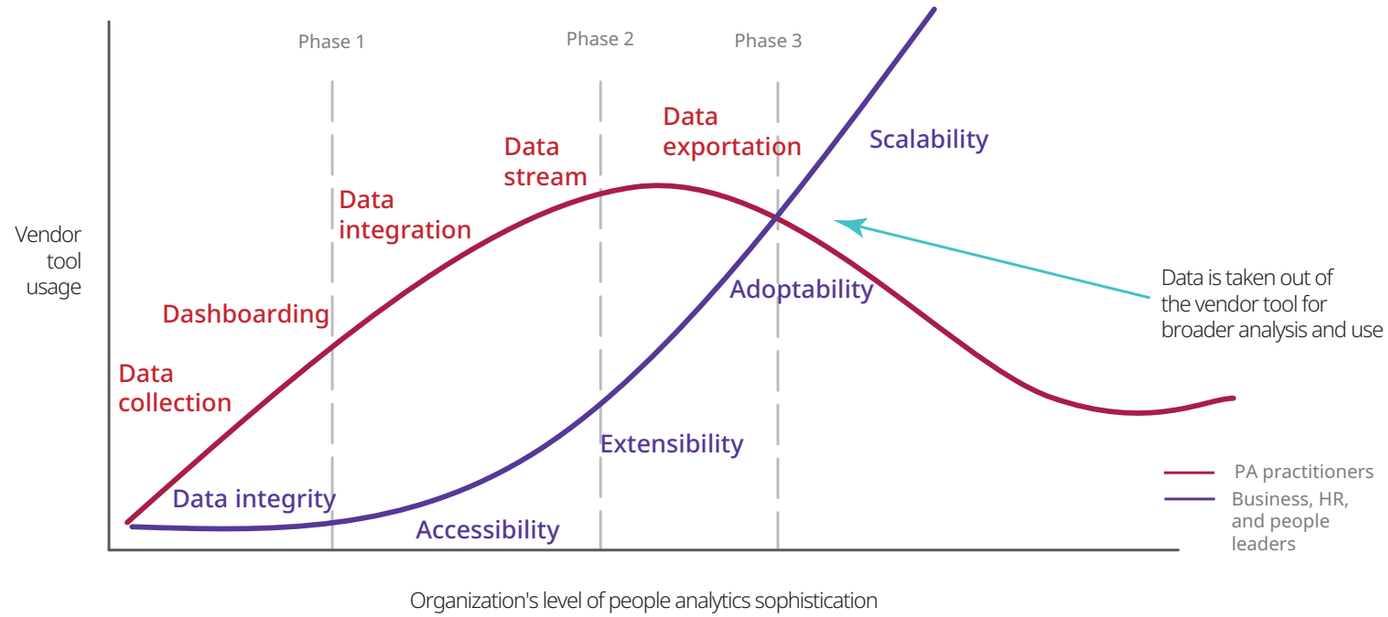
Use cases are shifting over time

Over the course of our conversations, we began to see that how organizations use PAT is changing, depending on the organization's level of people analytics sophistication and the type(s) of users. Figure 10 is a simplified depiction of how organizations currently use these technologies.

- **Phase 1.** PAPs use vendor tools for understanding a specific HR area (e.g., engagement), integrating data from other HR data sources (e.g., HRIS), and presenting it in dashboards; senior leaders begin to leverage dashboards.
- **Phase 2.** PAPs use vendor tools to integrate a broader set of people-related data and some operational data, and provide a continuous stream of data; other leaders increasingly use these more robust dashboards and insights.
- **Phase 3.** PAPs use vendor tools to export the integrated data, to add it to a data lake or run additional analyses on tools of their choice, such as Tableau and Power BI; leaders broadly adopt the dashboards and other capabilities to answer business questions.

As shown in Figure 10, once PAPs move to Phase 3, the level of usage of the tool declines for them. Importantly, though, this is when the tools can achieve broader scalability via adoption by business, HR, and people leaders—if the tools target those non-PAP audiences. Unfortunately, most don't.

Figure 10: A Shift in Use Cases for PAT Solutions



Source: RedThread Research, 2022.

“Adding users is a bit cumbersome and, depending on the end-user, they may have some difficulty with understanding the complexity if there are a lot of dashboards / reports.”

—Small healthcare company for an employee engagement / experience / voice solution

Overall, customers aren't as happy as before, but multisource analysis platforms are a bright spot

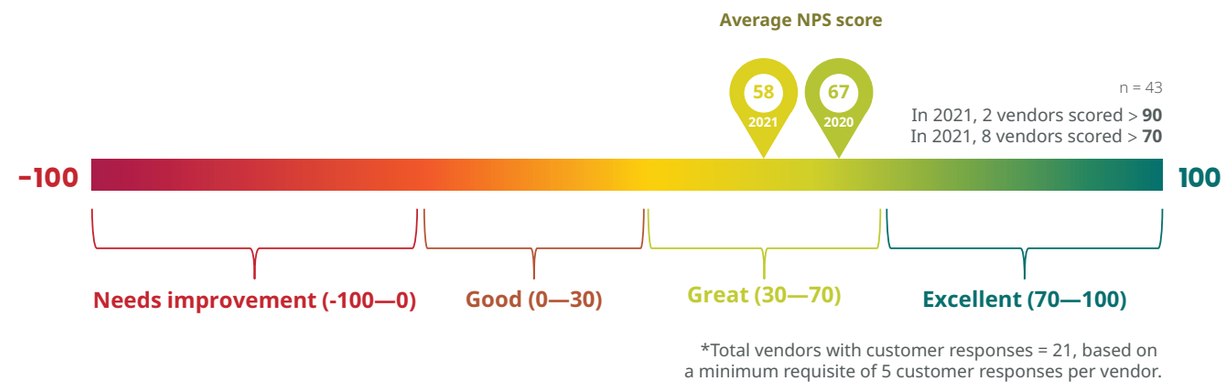
We saw a dip in customer satisfaction levels for 2021 when compared with 2020. Specifically, we saw a decline in NPS® from 67 in 2020 to 58 in 2021 (see Figure 11). This NPS is based on 21 vendors with 5 or more customer responses.

A few potential reasons for the decline in NPS include:

- **Some vendors may not be doing enough to cater to the needs of non-PA leaders**, resulting in a poor experience for them (see the first quote on the next page)
- **The pandemic made everything urgent, which shortened the required timeline from deployment to insight**: this may have been challenging for many vendors (see the second quote on the next page)
- **With an increasingly crowded market space and rapid growth, there's growing competition**, along with customers' high expectations of vendors to provide unique and differentiating capabilities (see the third quote on the next page)

Given that employee engagement / experience / voice and multisource analysis platforms (MSAPs) are the 2 biggest categories in our study, we analyzed those categories specifically to see if their customer NPS scores varied from the average. As you can see in Figure 12, on average, the multisource analysis platforms received an NPS score of 64, while vendors in the employee engagement / experience / voice category received an average NPS of 58, suggesting that customers are happier with MSAPs, as compared with other vendors.

Figure 11: Average Customer NPS Score*



Source: RedThread Research, 2022.

Figure 12: Average Customer NPS Score for Multisource Analysis & Employee Engagement / Experience / Voice Platforms

Average NPS score:

Multisource analysis platforms: **64**

Employee engagement / experience / voice: **58**

n = 43

Source: RedThread Research, 2022.

"The concept and idea is good, the analytics is good—but the content and features are not attractive for users."

—Large technology company for an employee engagement / experience solution

"Flexibility is good for what you can build / do in the application. But for strategic workforce planning, it needs to be more robust and aligned to the overall WFP process if it wants to be a successful player in this competitive market."

—Small healthcare company for an employee engagement / experience / voice solution

"They do not deliver the roadmap and are way behind what the competition can offer."

—Large technology company for an employee engagement / experience solution

Vendors have high expectations for 2022 & made business changes to meet them

Vendors expect to see continued growth in the future. Specifically, for 2022 (see Figure 13):

- All vendors expect growth of at least 6% or more
- More than half of vendors expect growth greater than 31%

Our briefings revealed that vendors expect this growth to be driven by a few factors. Specifically, customers are:

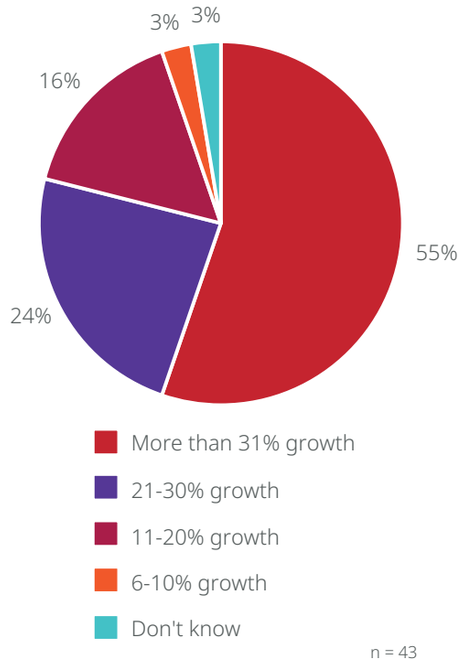
- Using people analytics to implement and manage hybrid work
- Exhibiting a growing emphasis on using data and metrics for diversity, equity, inclusion, and belonging (DEIB)
- Preparing for more SEC reporting requirements around human capital metrics

The optimism is perhaps also driven by business changes made by vendors to meet customer needs. Vendors reported that they (see Figure 14):

- Adjusted their products, roadmap, and / or marketing strategy to meet the needs of the changing 2022 environment
- Are offering greater technical and admin support, as well as resources, to customers as part of their subscription
- Changed their sales and pricing models

Our briefings also revealed that vendors are actively engaging with the wider customer community to understand emerging issues, and creatively working to help customers solve them—through better data capabilities, partnerships, and expansion into other talent areas. As customers face more nuanced challenges while navigating the complexities of hybrid work, we expect to see more vendors make such business changes.

Figure 13: Growth Expected by Vendors in 2022*



*Percentages may not total 100% due to rounding.

Source: RedThread Research, 2022.

Figure 14: Business Changes Made by Vendors for 2022

Source: RedThread Research, 2022.

Vendor capabilities

Vendors are helping solve current challenges

Vendors are actively working on solving the pressing challenges that organizations face today, such as (see Figure 15):

- **Managing employee engagement and experience.** Similar to 2020, the top challenge is issues around employee engagement and experience.
- **Enabling action through insights.** Companies need help identifying insights that can drive action, prioritizing efforts, and finding areas of need. Several vendors reported this as a primary challenge they're helping to resolve.
- **Providing insights across areas.** Companies need contextual insights to make better decisions—which means pulling in data from many different sources to get a holistic picture. Vendors are increasingly helping customers gain such insights.
- **Designing a data-based HR strategy.** Several vendors report helping customers design an HR strategy based on data—linking talent and HR decisions to business outcomes, and identifying objective KPIs to track and measure.
- **Advanced workforce planning.** The pandemic recast strategic workforce planning as a priority for companies. Additionally, the conversation around skills has accelerated, making workforce planning a top area of focus.

Figure 15: Top 5 Customer Challenges That Vendor Solutions Help Address

Employee engagement / experience

Actionable insights

Delivering insights across multiple data sources

Data-informed HR strategy

Advanced workforce planning

Source: RedThread Research, 2022.

Real-World Threads

C.H. Robinson uses PAT to design return-to-office policies

When the pandemic struck in early 2020, C.H. Robinson, a large transportation and logistics company, knew it needed to bring employees into the conversation. The company leveraged its employee engagement and experience solution to deploy pulse surveys in June 2020 and spring 2021 to measure employee sentiment about returning to work. The data collected from the surveys helped design the company's plan for supporting new post-pandemic ways of working.

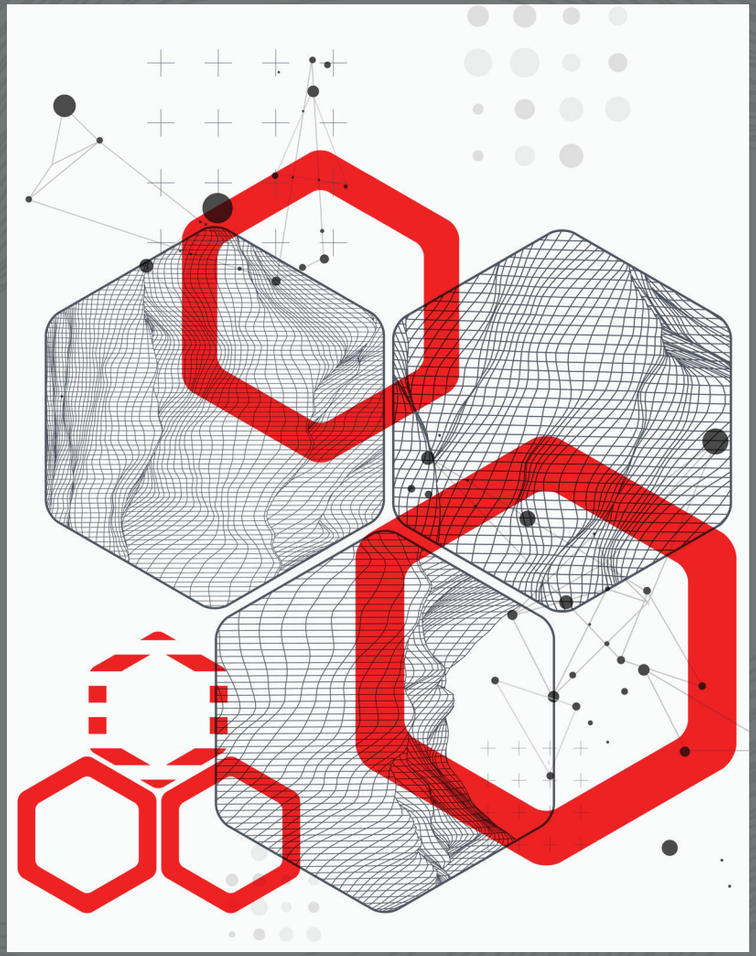
The data revealed that employees had mixed emotions about returning to the office. While about 50% of employees were comfortable with the idea, others were concerned about work-life balance and safety. Employees favored staggered scheduling, physical distancing, and frequent cleaning. The company decided to do a deeper dive into restructuring the post-pandemic work experience.

As a result of the data and feedback collected from employees, the Return to Office team partnered with executive leadership to develop a flexibility model using employee work personas—in-office, 2 hybrid groups, and remote workers. The goal was to ensure that all groups had the support and clarity they needed around how and where each group works.

The company also worked to create:

- An Employee Experience Journey Map as a guide for understanding the emotional journey for both employees and managers
- A more robust communication change management plan, targeting different messages to different personas

It also built resources for managers to have a reference for interacting with each of the different employee personas.



Vendors focused on areas of top priority

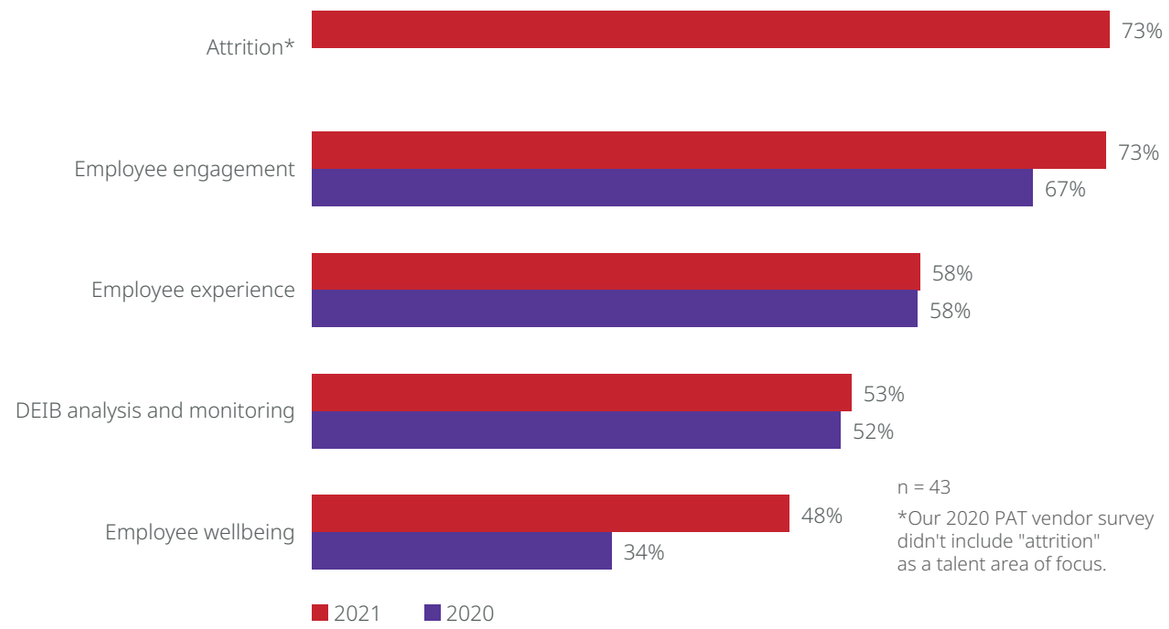
In addition to asking vendors about the primary challenges they're helping to resolve, we also asked about the top areas of talent management on which their solutions are focused.

As we see in Figure 16, most vendors (73%) reported attrition and employee engagement as their primary areas of focus. Interestingly, attrition wasn't even featured among the top 5 areas of primary focus for 2020. This increased attention isn't surprising, though, when we consider that conversations around the "Great Resignation" dominated a good part of 2021.

Another unsurprising, but worth acknowledging, finding—almost half of the vendor solutions in our study now focus on employee wellbeing. The number of vendor solutions focusing on this area grew significantly from 34% in 2020 to 48% in 2021. This growth is primarily driven by the increase in vendors that focus on employee engagement and experience.

As companies continued with remote working in 2021, tracking and managing employee wellbeing has become an integral part of the employee experience. In this new era of growing focus on mental and physical health at work, it's great to see vendors offer capabilities that allow customers to identify, solve for, and facilitate conversations around burnout, collaboration overload, and isolation.

Figure 16: Primary Talent Areas of Focus by Vendor Solutions, 2022 vs. 2020*



Source: RedThread Research, 2022.

Real-World Threads

CAPLAN corporation leverages PAT to understand attrition

CAPLAN corporation is an information technology and services company based out of Minato, Tokyo, Japan. The company faced a major hurdle in identifying the reasons for employee turnover as HR had no visibility into people data collected across the employee lifecycle. As a result, significant people decisions were being made solely based on intuition.

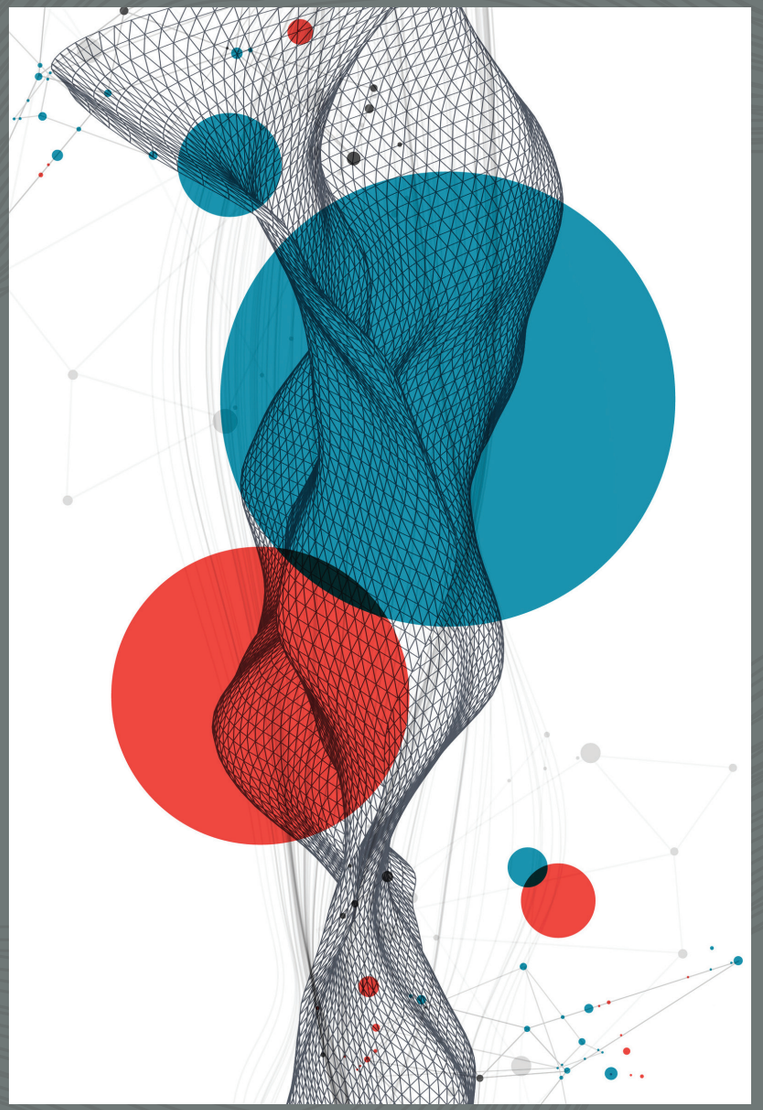
Leaders hypothesized that newer workforce members (those with the company for less than 3 years) quit the company at a higher rate. Additionally, they believed that issues with lack of transfers between merged entities within the company might be one of the reasons for the turnover.

Because the company lacked a PAT tool to help visualize the historical data on its employees' career paths, leaders had no concrete way of testing the hypothesis.

The company decided to leverage a multisource analysis platform to help with the challenge. Connecting employee attributes data revealed that CAPLAN's hypotheses around newer workforce leaving the company wasn't true. In fact, the attrition rate for high-tenure employees was higher than that of newer employees. This helped the company realize that it needed to focus on cultivating the careers of the more tenured workforce.

Further, the company discovered that almost no personnel transfers existed between its merged companies. This confirmed for leaders that the company wasn't functioning as a cohesive unit.

By leveraging the PAT solution, CAPLAN found clarity and alignment on wider organizational issues that needed to be addressed to improve its people strategy and processes.



Vendors make it easier to connect data

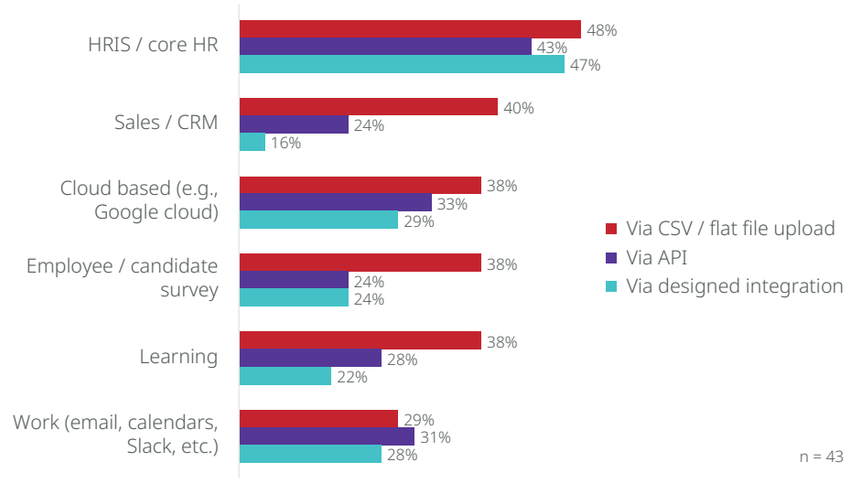
One of the most positive findings from this year's study is that vendors are making it easier for customers to pull data from different sources and technologies. As we mentioned earlier, customers also see this as a top strength of PAT solutions.

We expected to see the majority of vendors continue to use traditional methods, such as CSV or flat-file upload, to connect data with a few exceptions. Instead, we were pleasantly surprised to see that a large number of vendors have built API integrations, connectors, or some other designed integrations to pull continuous data from different systems.

As we see in Figure 17, almost 50% of vendors have designed integrations to connect data from HRIS systems. While CSV continues to be the method of choice for vendors integrating sales, CRM, and employee survey data, several vendors have built APIs for cloud-based technologies and learning systems. Particularly interesting, we found that more vendors have built APIs to integrate data from work technologies, such as email, Slack, and MS Office365, than use a flat-file upload. This makes sense, given the structure and continuous nature of the data.

Additionally, almost half of the vendors offer capabilities to integrate existing employee data with other internal and external sources (see Figure 18). As companies look to connect more and more data for better contextual insights, we expect to see these capabilities become tablestakes in the future.

Figure 17: Most Common Technologies With Which PAT Solutions Integrate



Source: RedThread Research, 2022.

Figure 18: Percentage of PAT Vendors That Integrate Internal & External Data

Source: RedThread Research, 2022.

“Insightful data, good user experience, seamless integration with IT.”

—SMB technology company for an employee engagement / experience / voice solution

Vendors may not be responding quickly enough to changes with end-users

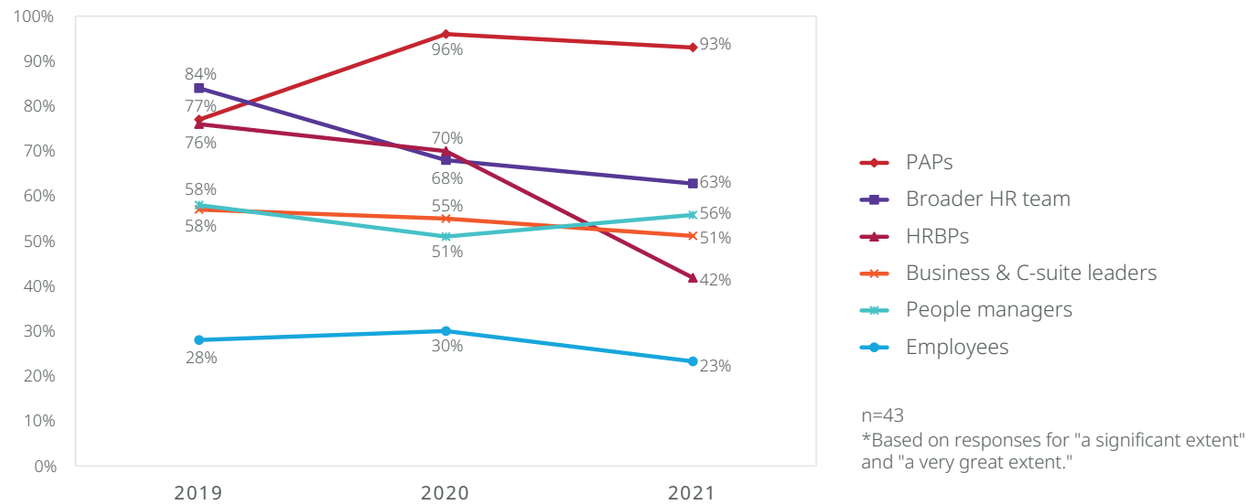
The vast majority of vendors (93%) continue to focus on PAPs as their primary end-user (see Figure 19). Additionally, when compared with previous years, there's a decline in usage frequency by all other groups except people managers.

This growing gap is indicative of what we heard during our vendor briefings and found in our surveys. Vendors now understand the value propositions their solutions can provide for different users—but they're not doing enough to attract greater usage from non-PAP users.

We heard from numerous vendors about their efforts to design user experiences around a specific set of users and provide them with targeted capabilities. However, given the significant gap in usage between PAPs and all other users, clearly vendors need to do more. For example, vendors should consider:

- **Surfacing relevant insights for HR and HRBP users** that tie in directly with business priorities—benchmarking those against other business units and making it easy to share those insights more broadly
- **Giving tool access to employees**, so they can see insights based on data collected about them and compare their own historical performance with that of other teams

Figure 19: Current End-Users, 2019 vs. 2020 vs. 2021*



n=43
*Based on responses for "a significant extent" and "a very great extent."

Source: RedThread Research, 2022.

For years vendors have said they would expand their end-user focus: We're still waiting

In our first study in January 2019, we asked vendors the extent to which different users were current users and the extent to which those users would use the solution in 3 years' time.

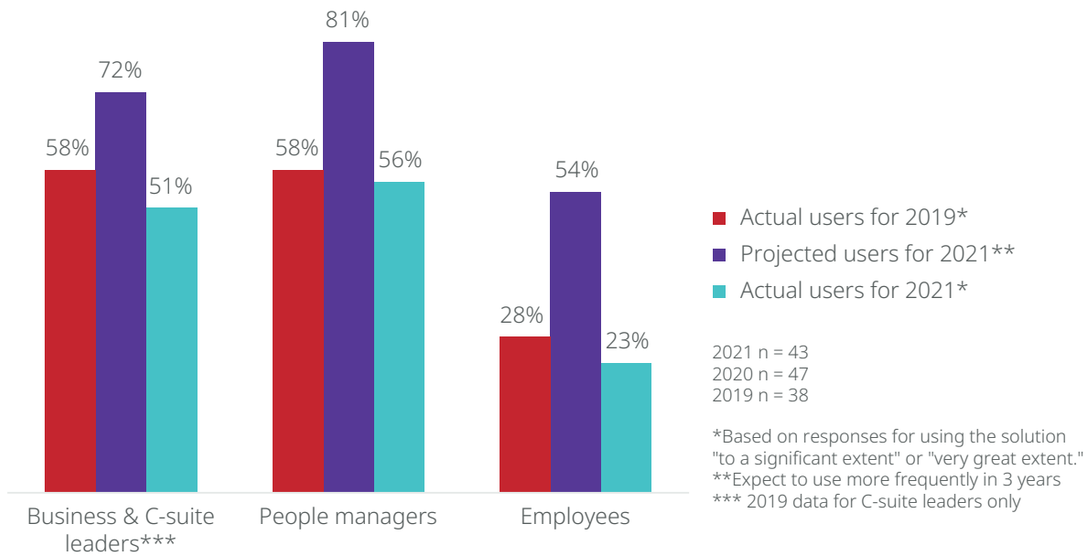
Well, now it's nearly 3 years later. When we compare vendors' predictions from 2019 about usage rates at the end of 2021 with the actual rates from the end of 2021, it's a bit dismal (see Figure 20):

- **Business & C-suite leaders.** The estimate from 3 years ago was 72%; actual usage is 51%
- **People managers.** The estimate from 3 years ago was 81%; actual usage is 56%
- **Employees.** The estimate from 3 years ago was 54%; actual usage is 23%

Here's the really depressing part: All of those actual usage percentages for 2021 are lower than the actual usage numbers given in 2019.

With the near stagnant levels of usage by non-PA leaders and the shifting use cases we discussed earlier, vendors could face a real challenge if they don't start providing value to non-PA leaders and thereby increase their usage.

Figure 20: Current End-Users, 2021 vs. 2019



Source: RedThread Research, 2022.

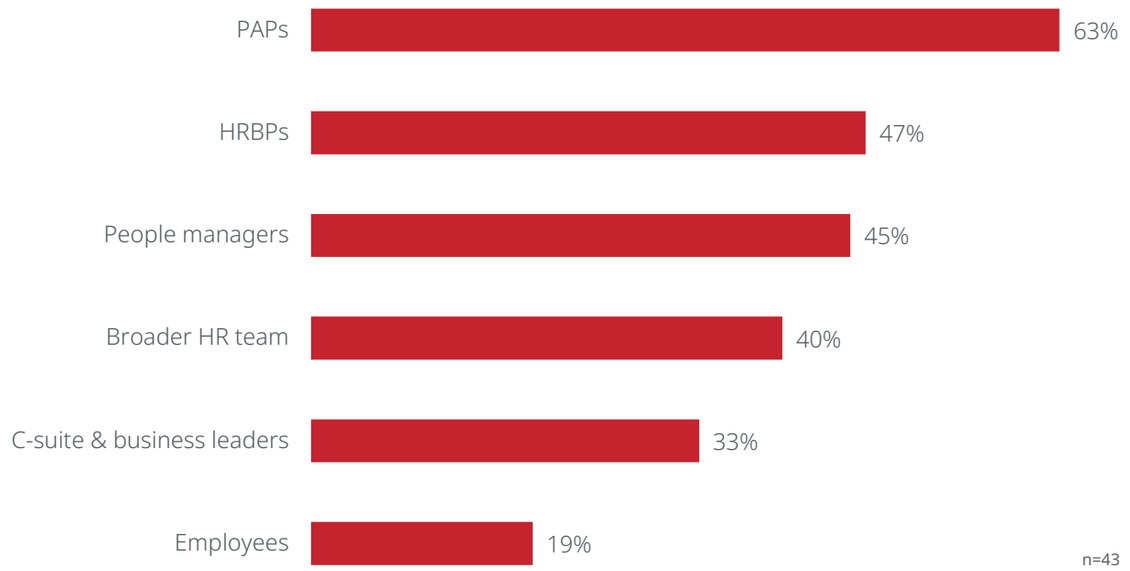
C-suite leaders & employees are the most infrequent users of PAT insights

Current tool usage by non-PAPs has been stagnant for the past 3 years. This can be partially explained by the low frequency with which these groups use insights from their people analytics solutions.

In our survey, we asked vendors to tell us about the frequency of different users receiving and using the insights from their solutions, even if they don't access the solution themselves. As we see in Figure 21, PAPs are at the top, with more than 60% of vendors reporting that PAPs receive insights from their solution on a daily or weekly basis. Given the critical role that people analytics can play for C-suite and business leaders, it's surprising to see that only one-third of all vendor solutions provide these user groups with continuous insights. Even more depressing is the fact that only 19% of vendor solutions do this for employees.

As we've previously highlighted in our research, insights from people analytics can be crucial for driving the CEO's agenda and making data-driven people decisions. The pandemic has made this all the more urgent and necessary. Similarly, the pandemic has changed the way employees feel about work. In a recent survey, 50% of employees agreed that the pandemic changed the expectations they have of their employers—one of which is their employer provides them with more control over their work. Sharing insights and data with employees is one way companies can do that.

Figure 21: Percentage of Vendors Indicating User Groups Receive Insights on a Daily or Weekly Basis



Source: RedThread Research, 2022.

“[The solution] has enabled us to transform to a data-driven HR organization. Not only the HR division makes use of it, [but] it enables line managers unfamiliar with both data and HR to understand and incentivize, to look into their people data through a simple and beautiful UI/UX.”

—SMB media and entertainment company for a multisource analysis platform

Vendors need to offer more targeted capabilities for non-HR users

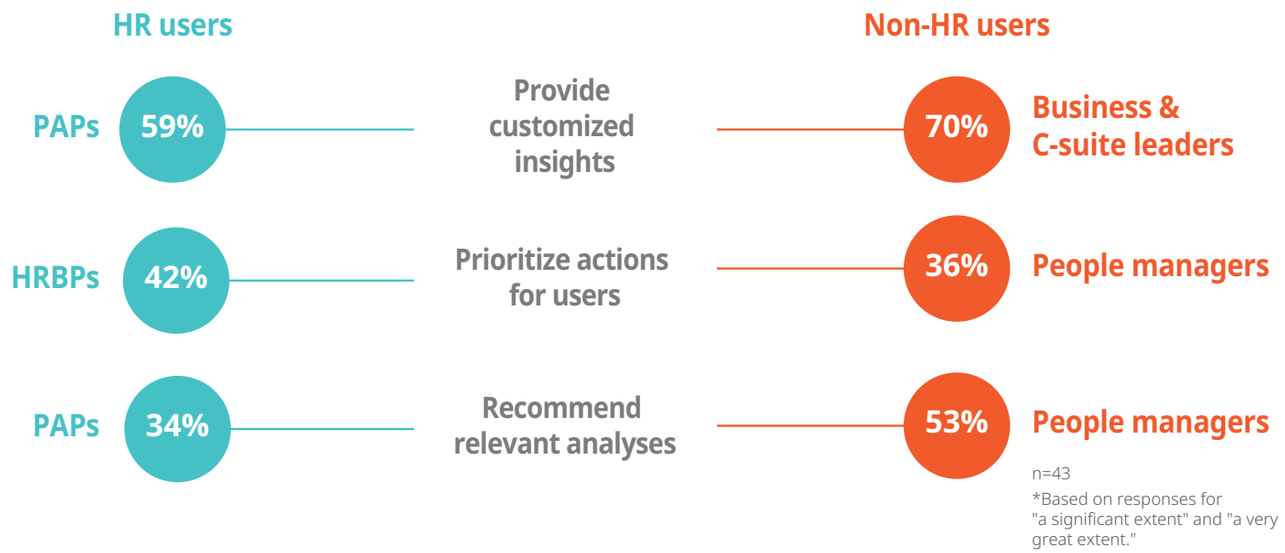
As we indicated earlier, the near constant level of usage by non-PA leaders could be due to the fact that vendors aren't providing enough value to other user groups. One way vendors can do this is by providing targeted capabilities that help non-PA leaders use the tools for their own specific purposes. This includes providing them with insights that are relevant for them and are also based on their team data, as well as recommending actions suited to their roles and levels. Some vendors are doing this, but more needs to be done.

As we see in Figure 22, when it comes to non-HR users such as people managers, a little more than half of vendors report providing them with recommendations for relevant analyses. While this is certainly more than the number of vendors doing this for PAPs (34%), it's not enough—people managers need more support and guidance when it comes to analytics.

If the aim of people analytics is to drive decision-making by putting the right insights in the hands of the right people at the right time, then the majority of vendors are falling behind.

For non-technical users such as people managers who need to take action based on data, a tool that helps them to prioritize based on business needs is critical. Similarly, although 70% of vendor solutions provide customized insights to business and C-suite leaders, there's certainly room for growth.

Figure 22: Vendor Capabilities Offered by Vendor Solutions, HR Users vs. Non-HR Users*



Source: RedThread Research, 2022.

Real-World Threads

Uber puts people analytics in the hands of its people leaders

People data housed in different places and systems made it hard for Uber, a large mobility as a service company, to quickly conduct analyses on its workforce across the entire organization—and put needed insights in the hands of its leaders. Answering simple questions around headcount, for example, was often a challenge as no processes were in place to do such analysis on a repeatable and scalable manner.

The company decided to work with a vendor whose solution would allow comprehensive information on its people to be delivered to business leaders through an attractive and intuitive interface.

Uber wanted to empower all business leaders, not just HR leaders, with data and analytics. The company pursued a self-service model that enables users, rather than having a large analytics team do customized analyses with specialized tools and raw data.

The vendor helped design an “Uber People Dashboard” based on a previously used design that was tested with a group of users. The idea was to fast-track 80% of the solution, then iterate to get to a 95% solution by co-developing improvements.

Weekly feedback gathered from users showed that different user groups had very different needs. For example, leaders with small teams didn’t value analysis of headcount or past attrition as much as leaders with 200—300 employees. However, both types of leaders were interested in predictive analytics.

Uber rolled out its new people analytics solution to a broad group of business and HR users over a few quarters. Among business and HR users, more than 50% actively use the solution.

Understanding the PAT market: Our 2x2 matrix

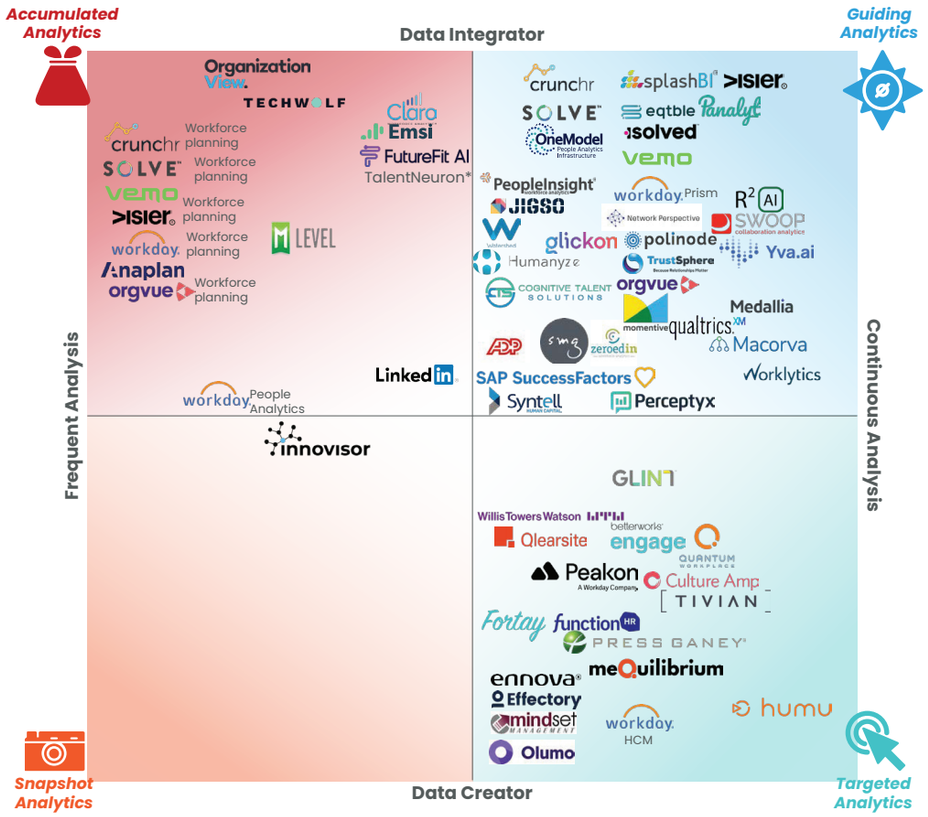
A crowded marketplace

We continue to use our matrix approach to classifying the PAT market, for which we compare 2 aspects of solutions' capabilities—usage frequency and data sources. (See Appendix 1 for more details; note that a firm's placement up and to the right in the matrix is not necessarily better.)

The number of logos on our matrix (see Figure 23) has almost doubled since our first PAT study in 2019. A few things caught our attention this year:

- **The majority of new vendor participants have survey capabilities.** In particular, we've seen a crowding of vendors in the 2 quadrants to the right of the Y axis, indicating a greater focus on more continuous analysis driven by employee listening.
- **More vendors are integrating data than before.** We've observed the addition of vendors above the X axis, meaning a larger number of vendors are:
  - Pulling disparate internal organizational data (e.g., sales, CRM, learning data, etc.) as well as external data (e.g., labor market data)
  - Combining active data collected directly from employees with passive data, such as metadata or data from collaboration tools (e.g., Slack, MS Teams, etc.)

Figure 23: People Analytics Tech Market Solution Matrix



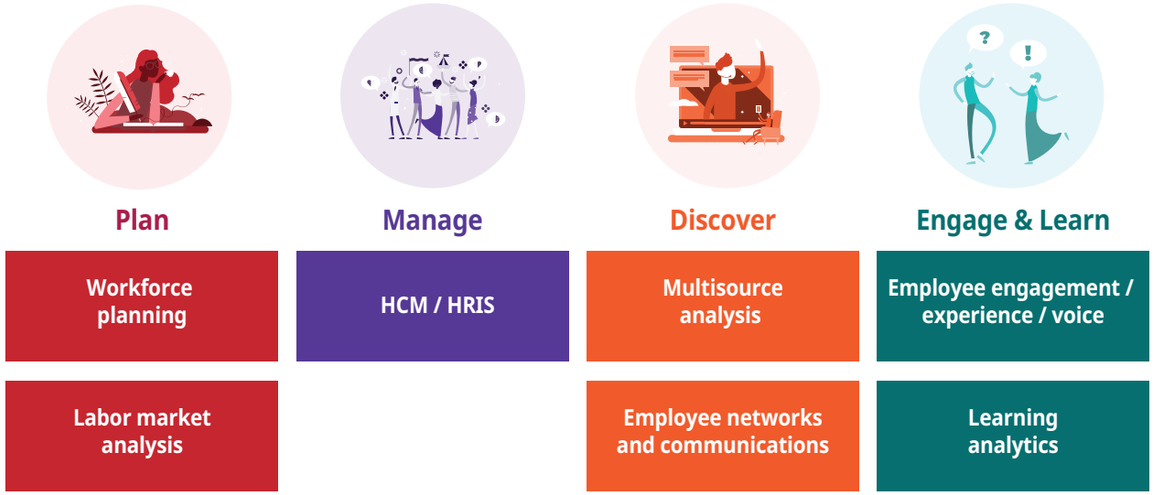
Source: RedThread Research, 2022.

Understanding the market

While the 2x2 matrix is helpful to understand market changes, it's not necessarily as helpful as it could be to identify the vendors you need to do certain types of analysis. We have, therefore, for the first time with this research, also grouped vendors according to 4 categories of actions that they help practitioners perform (see Figure 24):

- **Plan.** Vendors grouped under this category primarily concentrate on helping customers with strategic planning around their current and future workforce, based on internal organizational data and external labor market data. The subcategories within the plan category include:
  - Workforce planning
  - Labor market analysis
- **Manage.** In this category, vendors focus on helping customers manage their existing talent by connecting different HR processes under one system. Currently, only one subcategory exists within this area:
  - HCM / HRIS
- **Discover.** These vendors help customers discover and identify insights around their existing talent by connecting disparate data sources from HR, as well as non-HR systems. The subcategories include:
  - Multisource analysis platforms
  - Employee networks and communication
- **Engage & learn.** Vendors in this category help customers understand their employees—and, thus, engage and develop them by bringing together data collected directly from employees, as well as data from systems in which they work. Subcategories are:
  - Employee engagement / experience / voice
  - Learning analytics

Figure 24: PAT Vendor Solution Categories



Source: RedThread Research, 2022.

Plan: Workforce planning

As shown in Figure 25, workforce planning technologies integrate data from a range of sources and are used often (depending on the organization's current talent needs), but not continuously. Specifically, workforce planning technology can:

- **Enable planning and finance professionals** to identify the supply and demand of talent, and plan for current and future talent needs
- **Integrate internal HR data** to identify needs with external labor market data to provide insights on workforce supply
- **Provide insights** around internal mobility and skills identification

The workforce planning technology market tends to be hot when the talent market is at its extremes—either growing quickly (as we've seen for the last 18 months) or contracting rapidly (as we may see soon). It's during extreme times of change—specifically the need to rapidly acquire talent or to determine which talent must be kept in times of layoffs—that leaders turn to the insights provided by workforce planning.

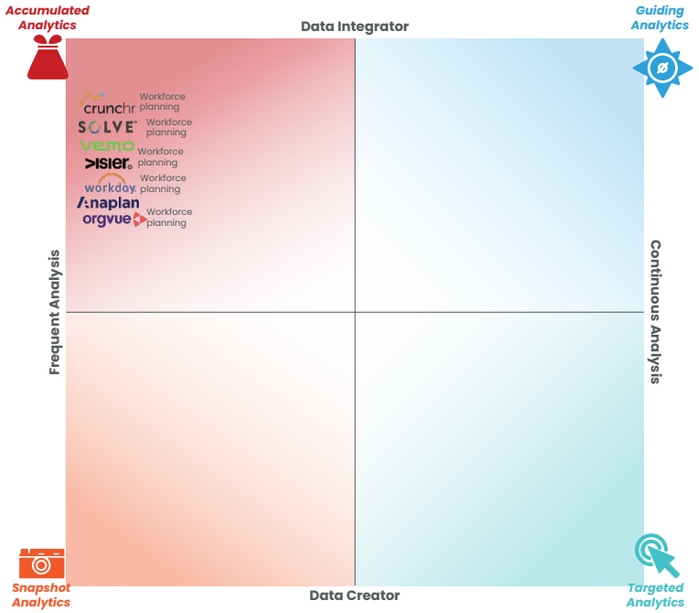
That said, strategic workforce planning works best when it's done on a regular basis. It takes consistent effort to understand specific talent markets, plan and execute talent strategies, measure change, and then make adjustments. One-off projects don't fully leverage the power of strategic workforce planning.

As data become easier to integrate, our expectation is that strategic workforce planning will be used more consistently within organizations.

"Increased collaboration and accountability (more people involved), increased availability of insights (faster analysis and planning), increased accuracy of workforce needed and its cost."

—Small professional services company for a workforce planning solution

Figure 25: Workforce Planning Technologies



Source: RedThread Research, 2022.

For information on individual vendors, see our People Analytics Tech vendor tool: https://redthreadresearch.com/pat-tool/

Plan: Labor market analysis

As shown in Figure 26, labor market analysis technologies integrate data and are used frequently, especially in hot talent markets. In particular, these technologies:

- **Collect and analyze** external talent market data (e.g., from the U.S. Bureau of Labor Statistics, but also from LinkedIn and job boards) to help organizations with their current and future hiring needs
- **Help companies understand** compensation trends
- **Provide insights** into the types of talent that competitors are hiring and in which geographies

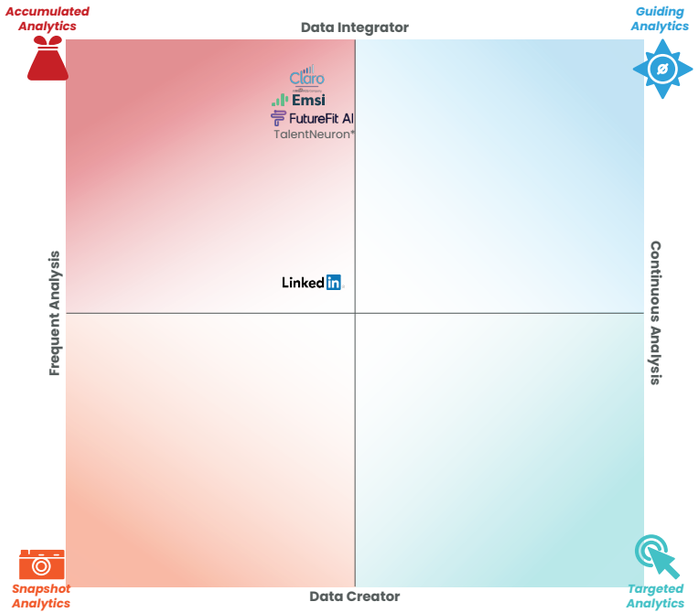
We're starting to see a focus on skills data by these vendors—a growing trend that's being driven by the necessity to understand current skills and plan for needed future skills. As a result, we're seeing labor market analysis platforms collate skills information for organizations from labor market data, such as job vacancy posts, to identify "in-demand" skills and general trends.

Also, we see more partnerships and integrations between labor market analysis platforms and other vendors, particularly those that integrate many data sources. For example:

- Visier, a multisource analysis platform, partners with EMSI, a labor market analysis vendor, to help customers with job classification and insights on skills.
- Claro (recently acquired by WilsonHCG) feeds benchmarking data via a widget to another multisource analysis platform, eqtble, to provide customers with insights on the labor market next to their talent metrics.

This is a smart move as it not only allows vendors to leverage more data for better contextual insights, but also makes it easy for users to access more information in one place.

Figure 26: Labor Market Analysis Technologies



Source: RedThread Research, 2022.

For information on individual vendors, see our People Analytics Tech vendor tool: https://redthreadresearch.com/pat-tool/

Manage: HCM / HRIS

As shown in Figure 27, HCM / HRIS analysis technologies are less uniform in their distribution on the matrix than are other categories due to how they're used. Specifically, these technologies:

- **Provide analytics capabilities** embedded as part of their HCM / HRIS solution
- **Target HR practitioners** as their primary users
- **Cover many talent areas**, including candidate selection, attrition, performance, DEIB, compensation / total rewards, and succession planning
- **Conduct analyses** based on data primarily collected by the HCM system with capabilities to integrate additional data

A major benefit for customers that use the people analytics technologies offered by their HCM / HRIS systems is that they're able to access all their data and analyses within one place. Further, they're often also able to action decisions made as a result of analyses (i.e., increasing the compensation of certain people, approving promotions, or allocating budget for compensation increases). Also, fewer data security and privacy risks exist in this case as all data resides in one system.

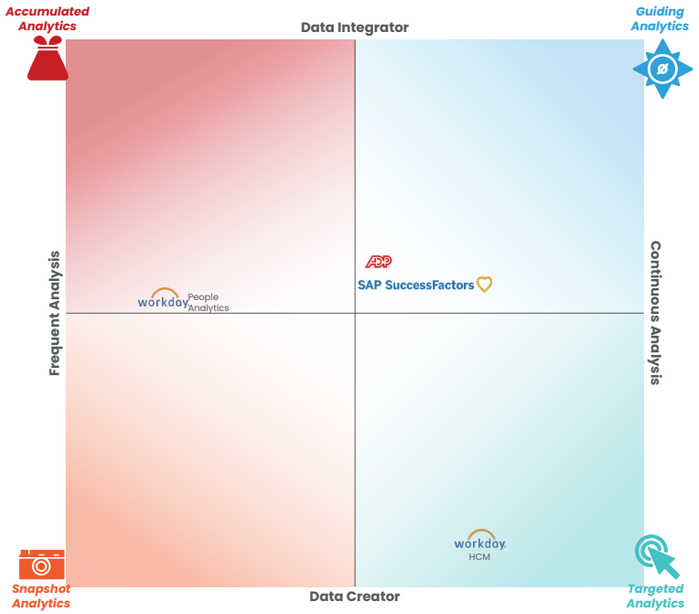
The technologies in Figure 27 are leaders in the HCM space and have, in recent years, added people analytics capabilities as part of their solution offerings. For example:

- ADP offers the ability for customers to integrate external data, as well as employee survey data, and provides insights geared toward front-line managers delivered via their mobile application
- Workday HCM is able to integrate insights from its Workday Skills Cloud for customers, along with analyzing data from its HCM and financial systems

"So far, the solution has reduced manual tracking of many items. It has a very comprehensive amount of data collection for HR."

—Small government / military organization for an HCM / HRIS solution

Figure 27: HCM / HRIS Platforms



Source: RedThread Research, 2022.

For information on individual vendors, see our People Analytics Tech vendor tool: https://redthreadresearch.com/pat-tool/

Discover: Multisource analysis platforms

As shown in Figure 28, multisource analysis platforms (MSAPs) tend to be used very frequently and integrate data from other systems. In some cases, MSAPs also create that data. Specifically, these solutions can:

- **Integrate and analyze data** from HR and other operational systems, and **distribute insights** at appropriate levels of security throughout the organization
- **Provide insights** to people analytics and HR leaders—and, increasingly, to business leaders and managers
- **Offer data architecture capabilities** along with a data warehouse for storage
- **Offer insights** on the skills and behaviors being exhibited in organizations

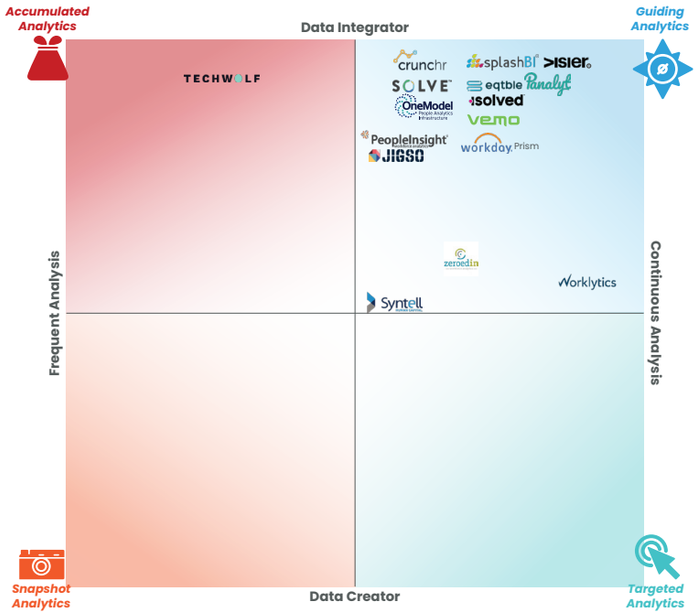
By bringing together disparate data, MSAPs can create a single, integrated source of data truth that can then be used to answer critical questions about what's happening with the workforce. Our research shows that effectively using integrated people analytics data can help impact businesses in terms of millions and sometimes billions of dollars. These significant business outcomes are typically the result of people analytics teams working to help answer strategic business questions, with the support of the CHRO and senior business leaders, who make the final decisions.

Yet, the people analytics team is only so big in any organization. By putting data into the hands of more business leaders, managers, and employees, organizations could enable more people to make better, data-backed decisions about people—and, thus, better enable those organizations (and people!) to thrive. This represents a critical future direction for MSAPs.

"It truly democratizes data in a self-service manner across the enterprise and enables people insights to be accessed at scale."

—Large healthcare company for a multisource analysis platform

Figure 28: Multisource Analysis Platforms



Source: RedThread Research, 2022.

For information on individual vendors, see our People Analytics Tech vendor tool: https://redthreadresearch.com/pat-tool/

Discover: Employee networks & communications

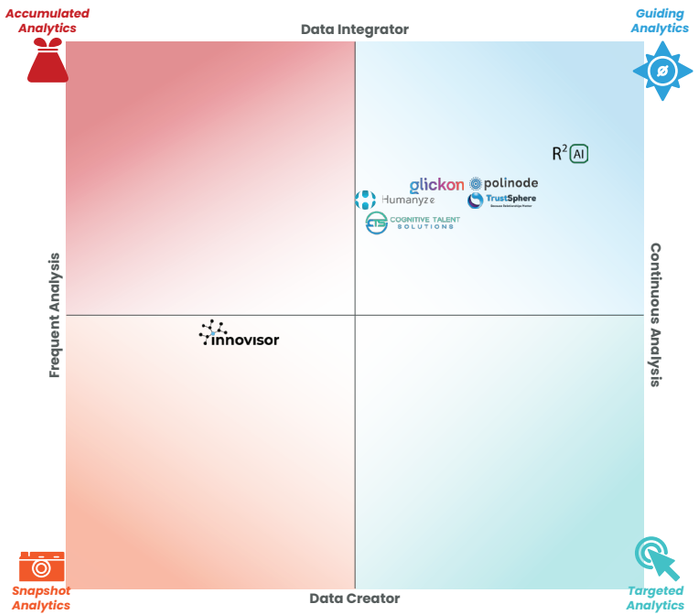
As shown in Figure 29, vendors in this subcategory are mainly used on a continuous basis and can be both data creators as well as integrators. Specifically, the solutions in this space:

- **Collect passive data** (from collaboration tools, emails, calendars, etc.) **and / or active data** (from surveys, forms, etc.) on employee networks to understand the relationships and collaborative behaviors among them
- **Target** people managers, PAPs, and employees as users
- **Provide insights** around DEIB, burnout, collaboration patterns and overload, isolation, and wellbeing
- **Offer some of the highest levels of security** around data access and privacy due to the nature of data collected

These vendors offer what are commonly referred to as organizational network analysis (ONA) tools. Readers should notice that only one vendor is in the bottom left quadrant of Figure 29, Innovisor. Based on our last briefing with the vendor in 2019, it's the only one in this subcategory that solely focuses on creating data by collecting information from employees via surveys. All other vendors in this space collect active as well as passive data (data from work technology and collaboration tools), and integrate the 2 data types to provide insights around employee networks.

ONA has become especially useful for organizations looking to understand how employee networks have changed over the last 2 years. We know that connections which are important for collaboration and innovation deteriorated with virtual work environments during the pandemic. We expect to see a continued focus on these tools in a hybrid work world as well.

Figure 29: Employee Networks & Communications Platforms



Source: RedThread Research, 2022.

For information on individual vendors, see our People Analytics Tech vendor tool: https://redthreadresearch.com/pat-tool/

Engage & learn: Learning analysis

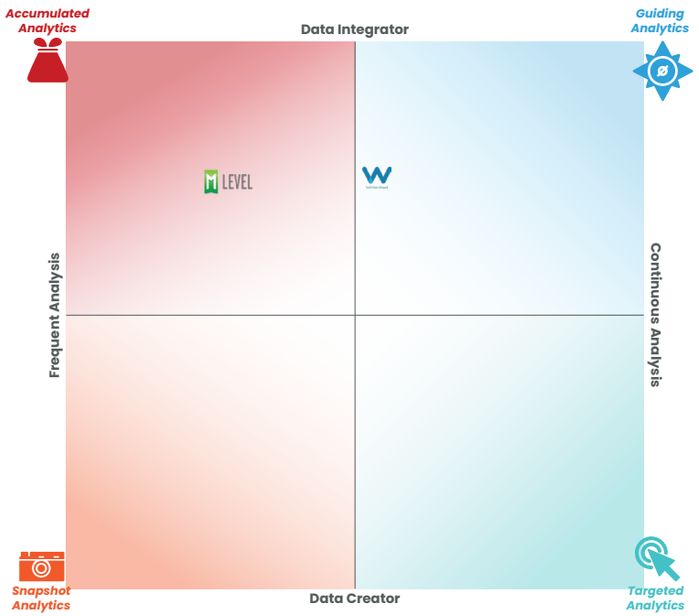
As shown in Figure 30, learning analysis platforms tend to be used with different levels of frequency, depending on the vendor and its customers. These technologies can:

- **Provide customers with insights** around employee learning, knowledge, and skills
- **Collect data from systems and tools** that employees use to learn or work, such as multimodal learning resources (e.g., formal, informal, and on-the-job learning), and employee behavior and performance data
- **Help admins understand** utilization and cost implications of different platforms

The learning analysis category is sparse because these technologies are still a bit of a niche offering. Many learning organizations are not very mature at using analytics, continuing to rely on Kirkpatrick Level 1 "smile" sheets or rudimentary analysis run in Excel. Further, learning analytics aren't often within the purview of people analytics practitioners, so PAPs haven't necessarily been a potential buyer of these technologies.

All that said, there's clearly a need for learning analysis technologies. For example, as we think about the big push toward understanding skills, a critical part of "upskilling" is in understanding which learning experiences actually drive the acquisition of critical skills sets and the timeline on which those are acquired. Further, as organizations are analyzing how learning happens with hybrid work, they'll need more sophisticated tools to measure effectiveness. Learning analysis platforms have the potential to provide this type of insights.

Figure 30: Learning Analysis Technologies



Source: RedThread Research, 2022.

For information on individual vendors, see our People Analytics Tech vendor tool: https://redthreadresearch.com/pat-tool/

Engage & learn: Employee engagement / experience / voice

Representing 42% of the vendors in this year's survey, employee engagement / experience / voice platforms create data and, in some instances, integrate data from other systems (see Figure 31). They tend to be used very frequently by organizations. Specifically, they can:

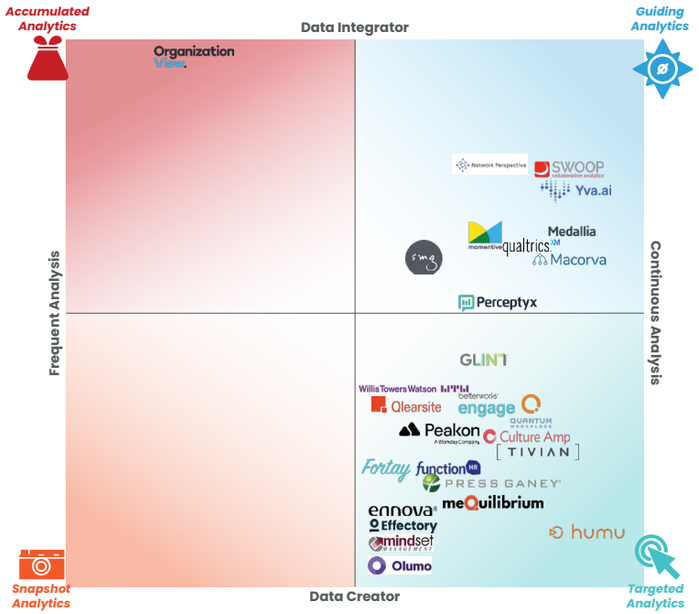
- **Help companies track and manage** employee engagement, experience, and voice
- **Collect active data** from employees via engagement surveys, pulse surveys, and / or feedback forms
- **Collect and integrate passive data** from collaboration tools (such as Slack, MS Teams, emails, calendars, etc.)
- **Integrate HR data** with non-HR data, such as information from sales and CRMs

The employee engagement / experience / voice category has experienced some of the most significant growth during the pandemic. It's also seen some of the greatest market activity in the last few years—with Workday purchasing Peakon, Perceptyx purchasing Waggl and Cultivate, and Visier purchasing Yva.ai.

We expect to see employee engagement / experience / voice vendors continuing to augment their survey data (which measure perceptions) with passive "objective" data (that reflects what's actually happening). This passive data will almost certainly come from collaboration analytics tools—which use the metadata from work tools such as Slack, MS Teams, emails, and calendars, to understand how people work together. Therefore, we also expect to see some action with other vendors in this space, such as Glickon, Network Perspective, RSquared, Swoop Analytics, and Worklytics.

> "They are great to work with and the tool works for what we need it for, but still would like the experience side and the engagement side to talk to each other."
>
> **—Large healthcare company for employee engagement and experience solution**

Figure 31: Employee Engagement / Experience / Voice Platforms*



*Yva was acquired by Visier during the compilation of this report. Although it's featured under "Engage & Learn" in this report, moving forward it'll be covered in the "Discover" category.

Source: RedThread Research, 2022.

For information on individual vendors, see our People Analytics Tech vendor tool: https://redthreadresearch.com/pat-tool/

Final thoughts

What's next for the PAT market?

We foresee a few trends for this tech market in the near future.

- **More use of collaboration and digital exhaust data.** The market is clearly headed in this direction—the recent acquisition of Yva.ai by Visier is an indicator of this. Employers increasingly want to understand how their people work and collaborate, especially in a hybrid world of work. The combination of passive data with active data can help leaders better understand how work gets done.
- **"Widgetization" of one technology into another.** As more and more vendors partner with each other, they look for ways to make it easy for customers to access the different insights. We're starting to see this with vendors integrating their tools into other software, similar to embedding a widget. We expect to see more vendors adopt this approach to provide customers with greater contextual insights.
- **More partnerships between vendors.** We're already seeing a large number of PAT vendors from different categories partner with each other to provider a broader set of capabilities to their customers. For example:
    - Visier has partnerships in place with Medallia and EMSI
    - Medallia has a partnership with Humanyze

We expect to see such partnerships become more commonplace as organizations adopt hybrid work models, and require new and different types of data to understand and manage their workforce.

Wrapping up

People analytics continues to be a guiding light for many in these turbulent times. Findings from our research show that the PAT market continues to gain momentum and grow stronger. Even though our data revealed lower customer satisfaction scores than we've seen in the past, we're optimistic about the market, and believe in its ability to help lead organizations by separating fact from fiction and myth.

Our vendor briefings and conversations with practitioners further strengthen our belief that the market is moving in the right direction when it comes to solving the toughest challenges faced by its customers, such as:

- Integrating disparate data
- Managing employee wellbeing and attrition
- Understanding skills
- Providing advanced analytics capabilities to answer workforce-related questions

Vendors are highly optimistic about the future and anticipate more growth moving forward. There's certainly a growing appetite to work with people data within organizations.

We look forward to continuing to watch this market and how it evolves in the coming months, and reporting these changes to you next year.

Appendices

Appendix 1: Summary of methodology

This study is a culmination of 5 months of qualitative and quantitative research (see Figure 32).

We kicked off our People Analytics Technology study early in 2022—and did a few things differently this year. For example, vendors were required to complete 2 surveys, Vendor and Market, in order to participate in the study (instead of 1 robust survey as in the past). A couple of reasons for this include:

- Having 2 separate surveys allowed us to capture information and compartmentalize it between market trends and vendor trends more easily. While the majority of findings from the Market survey are included in this report, the information from the Vendor survey are shared in our updated PAT tool.
- Going forward, our Vendor survey will remain live 24/7—allowing vendors to update us about changes to their solutions as and when they happen, without waiting a full year. The Market survey will be conducted annually.

Similar to previous years, we conducted 60-minute live briefings with 40 vendors and reviewed recorded briefings for 3 of them (vendors had the option of providing prerecorded briefing videos if they preferred). The briefings took place from January to April 2022.

In addition, we also conducted a customer survey. Customers were asked to:

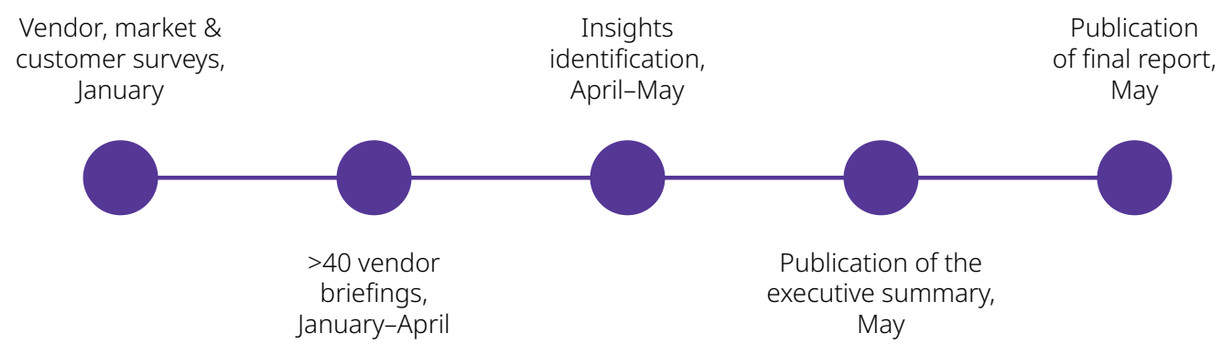
- Share the challenges they're using the solution to solve
- Give feedback on the vendor's strengths and areas of improvement
- Determine a customer Net Promoter Score® (NPS) for their vendor

Vendors were also asked to share case studies, representative screenshots of their technologies, and logos with us.

Each vendor was required to receive a minimum of 5 customer reviews to be included in our study, with no limit on how many reviews they could receive. We received 5 or more customer reviews for 21 vendors as of the end of March 2022.

A total of 43 vendors completed our surveys. In addition, publicly available data for 15 vendors were included in the dataset, bringing the total n to 58.

Figure 32: Methodology for People Analytics Tech Study 2022



Source: RedThread Research, 2022.

Appendix 1: Summary of methodology (cont'd)

2x2 matrix

Once our qualitative and quantitative data collection and analysis were complete, we revisited the 2x2 matrix that we introduced in our 2019 report. Our matrix compares 2 aspects of vendors' capabilities—usage frequency and data sources. This approach allows us to identify some points of differentiation and categorize vendors in different, meaningful segments.

Understanding the X-axis

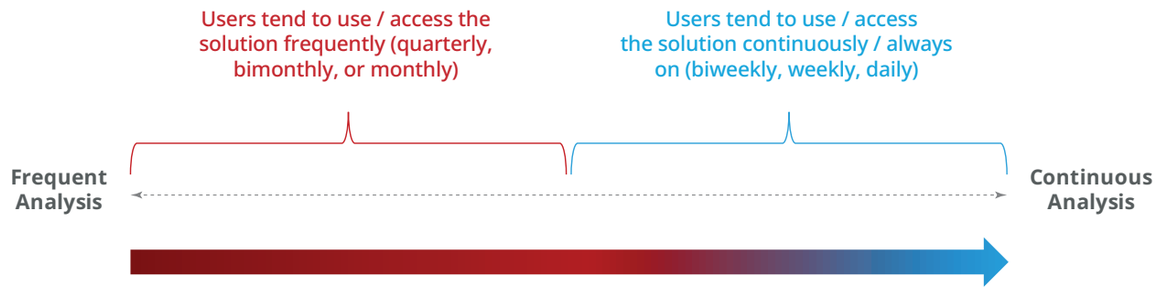
Starting with the X-axis (see Figure 33), we range from solutions that users tend to use / access on a frequent basis (e.g., quarterly, bimonthly, or monthly) on the left side of the matrix to solutions that are used on a continuous / always-on basis (e.g., biweekly, weekly, or daily) on the right. Please note: We're specifically thinking about how frequently users tend to utilize the solution, not the frequency with which it's updated or can give insights. We focuse on user frequency because it allows us to understand, from a practitioner's perspective, how frequently a solution tends to be used—which can help us understand how and by whom it's used.

For example, the solutions on the left side of the model tend to be used to consistently check in on specific areas of interest. These are leveraged by HR, people analytics, and other business leaders who are looking to make strategic talent decisions.

As we move toward the right, we see solutions that both provide analysis for strategic, organizational decision-making, and inform users about themselves or their team. Many of these solutions' typical primary users are people analytics or HR—but the vendors have expanded (or are in the process of expanding) their user groups to include senior leaders, managers, and employees.

On the far-right side of the graphic are solutions that both tend to be used more continuously, which lend themselves to more operational (nonstrategic) adjustments, and alert individuals about their own or their team's behavior. Obviously, when this type of data is pulled together and analyzed longitudinally, it could inform strategic decision-making as well. These vendors tend to focus more on providing greater accessibility to data and sharing insights directly with employees in the form of nudges, individual reports and dashboards, and notifications.

Figure 33: Details of the X Axis from the People Analytics Technology Market Solution Matrix



Primary use	Strategic organizational decisions	Strategic organizational decisions	Informing individuals about self / teams
Secondary use		Informing individuals about self / teams	Strategic organizational decisions

Source: RedThread Research, 2022.

Appendix 1: Summary of methodology (cont'd)

Understanding the Y-axis

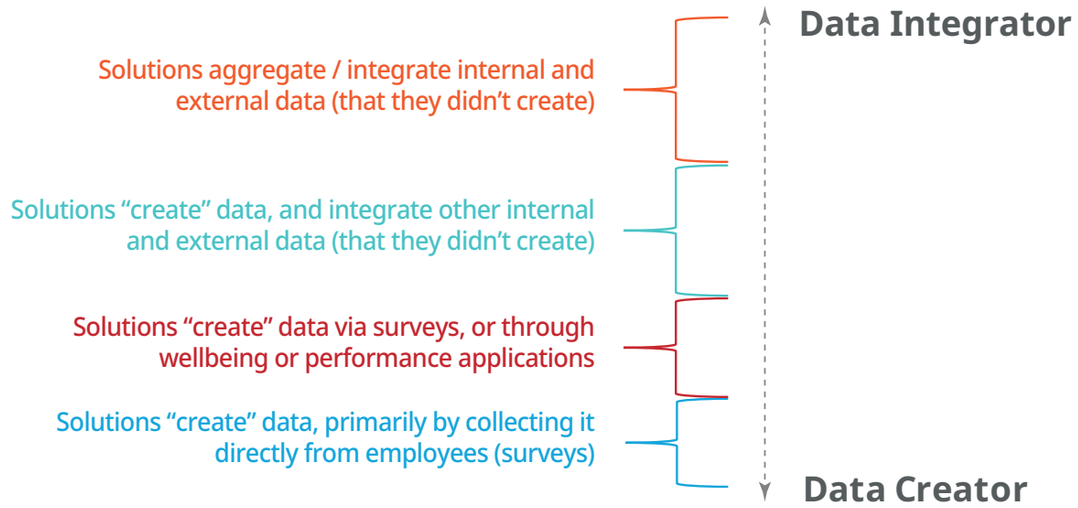
On the Y-axis, we classify solutions as follows—from whether vendors collect (via any method) and "create" the data themselves, as shown at the bottom of the graphic, to whether they integrate the data from other sources (e.g., government data, other third-party solutions, or other internal technologies), shown at the top of the graphic. Note that almost every vendor in our study pulls data from the HR information system (HRIS) for basic demographics, hierarchy, location, and other facts, so we don't "count" integration with HRIS as one of the integrations on this axis.

Figure 34 indicates how the scale changes. At the bottom of the model, we have solutions that "create" data primarily by collecting it directly from employees (i.e., engagement, onboarding, exit surveys, etc.). Moving up the axis, we add in solutions that collect data as well as integrate other data captured on employees, such as wellbeing or performance management data, via their own tools.

Moving up further (closer to the X-axis), we have solutions that still capture data but also integrate a wide range of data sources (e.g., 360-feedback data, financial / business outcome data, work productivity data like email or Slack / MS Teams, and customer experience data).

Finally, toward the top third of the Y-axis, we have solutions that primarily integrate data from others. Unlike those on the bottom, the majority of these solutions don't offer the capability to collect data. A number of them work in tandem with those lower down on the matrix as part of the bigger people analytics technology ecosystem.

Figure 34: Details of the Y Axis from the People Analytics Technology Market Solution Matrix



Source: RedThread Research, 2022.

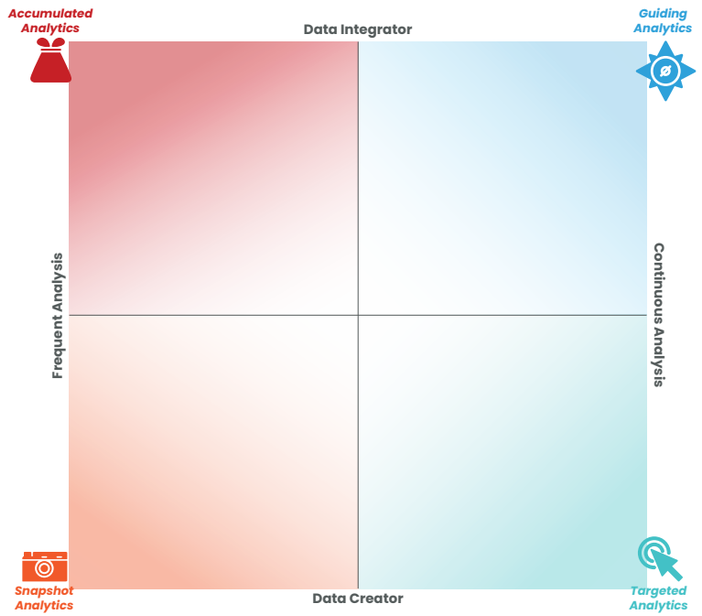
Appendix 1: Summary of methodology (cont'd)

When we put all of this together, we end up with 4 different quadrants with distinct characteristics (see Figure 35):

- **Accumulated analytics.** Vendors in this quadrant rank high in their ability to provide users with a longitudinal view of data, including insights that enable strategic talent decisions. Data tend to be aggregated and integrated from several sources, including external data. The insights from these vendors can be used by teams on a frequent basis to track specific areas of interest.
- **Snapshot analytics.** Vendors in this quadrant are data collectors and provide insights that are reviewed for strategic talent decisions on an event-driven basis. These vendors are primarily focused on active data collection, though they may also have some newly introduced data integration capabilities.
- **Targeted analytics.** This quadrant includes vendors that focus on a specific talent area (e.g., engagement / experience, performance management, wellness). They collect data directly from employees—enabling both quicker deployment and adoption, and access to insights and analysis by multiple teams on a very frequent or continuous basis. Several of them push insights directly to employees to promote faster action.
- **Guiding analytics.** This quadrant includes vendors that integrate data from several different sources and which are used very frequently to continuously. This combination of elements enables users to frequently access deep and broad information that can guide strategic organizational decisions, operational decisions, and individual's decisions about themselves or their team. Our mental model for solutions in this section is like a guided missile—they can give insights that can change the trajectory quickly.

It's important to note that none of these quadrants is superior to the others. In fact, there's likely a place for all of them in an organization's people analytics technology ecosystem. However, by putting technologies into these boxes, we can start to think about what that ecosystem might look like and how organizations might begin to build them.

Figure 35: People Analytics Technology Market Solution Matrix

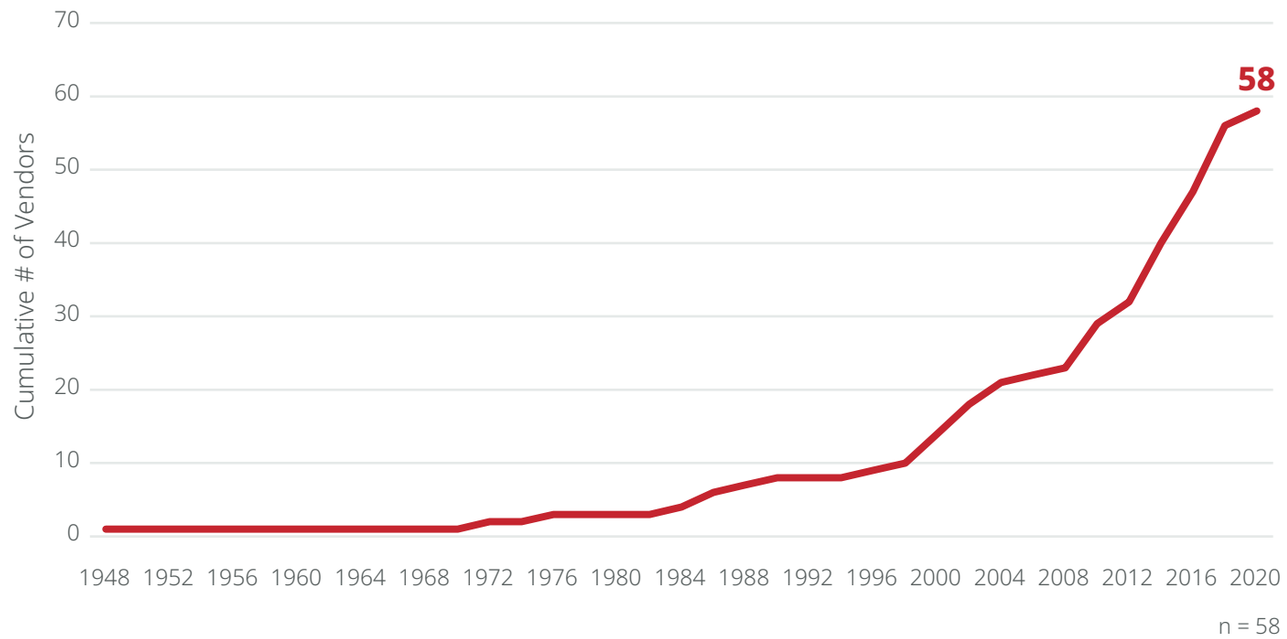


Source: RedThread Research, 2022.

Appendix 2: Vendor demographics

This year, a total of 43 solutions participated in our study. We included publicly available information for an additional 15 vendors, bringing the total to 58. The demographic breakdown of survey participants by year founded, number of employees, and HQ location is shown in Figures 36–38.

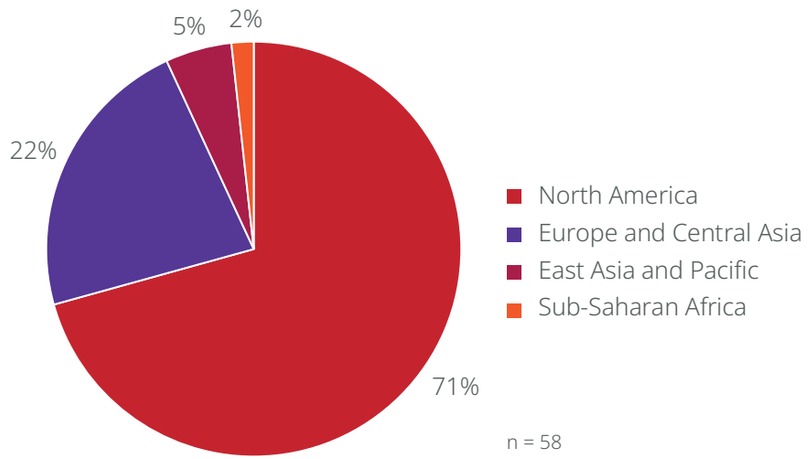
Figure 36: Vendor Founding Year, 2022



Source: RedThread Research, 2022.

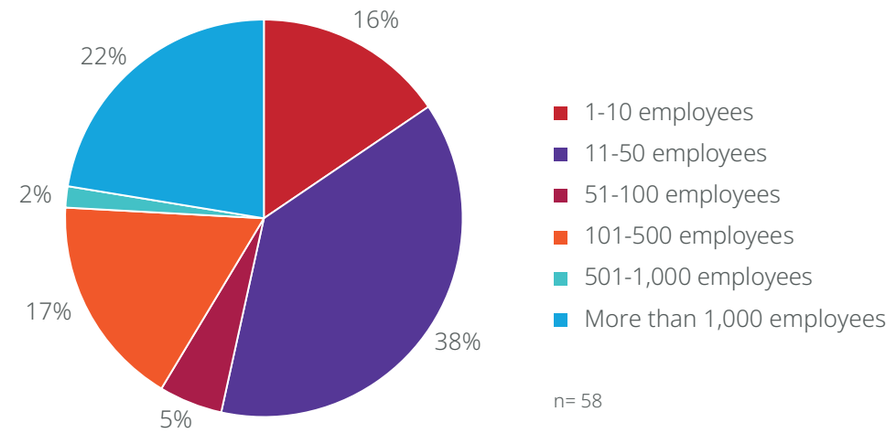
Appendix 2: Vendor demographics (cont'd)

Figure 37: Vendor HQ Locations, 2022



Source: RedThread Research, 2022.

Figure 38: Number of Employees for Vendors, 2022

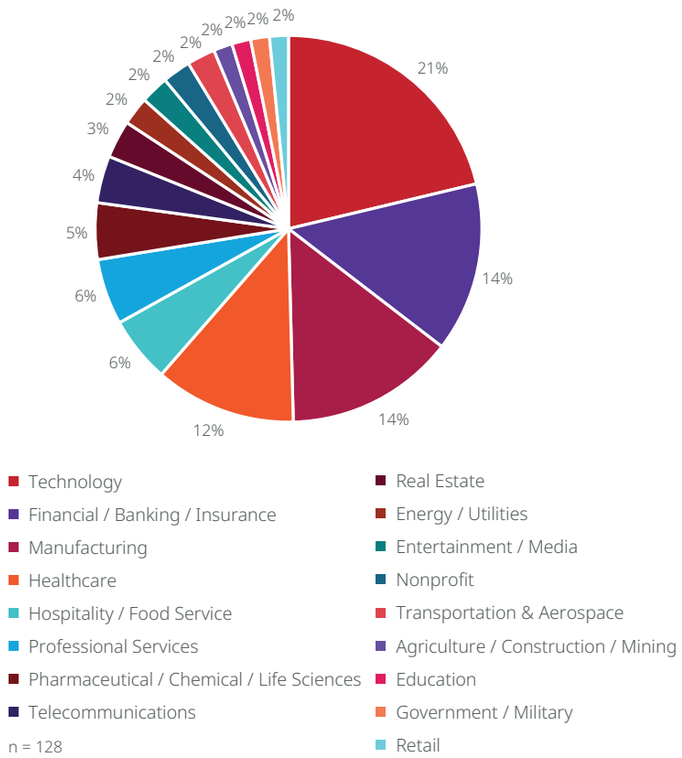


Source: RedThread Research, 2022.

Appendix 3: Customer demographics

We received a total of 128 customer responses. The demographic breakdown for the customer respondents by industry, roles, and number of employees is shown in Figures 39–41.

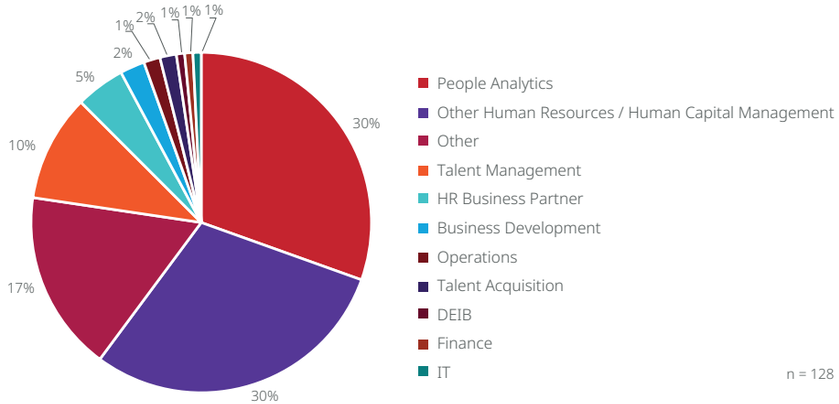
Figure 39: Customer Respondent Industries, 2022*



* Percentages may not total 100% due to rounding.

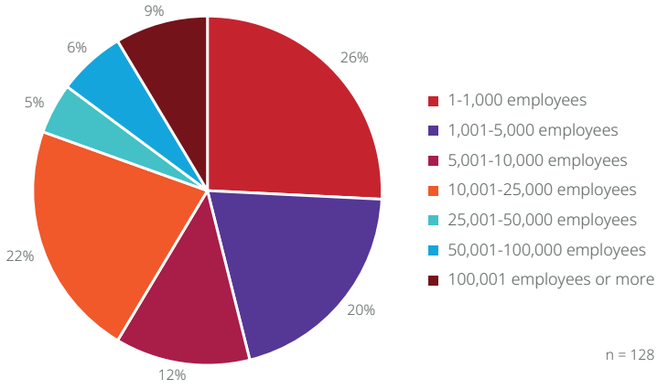
Source: RedThread Research, 2022.

Figure 40: Role / Job Functions of Customer Respondents, 2022



Source: RedThread Research, 2022.

Figure 41: Number of Employees for Customers, 2022



Source: RedThread Research, 2022.

Authors & contributors

Authors

Stacia Garr, Co-Founder & Principal Analyst

Stacia is a researcher, and thought leader on talent management, leadership, D&I, people analytics, and HR technology. A frequent speaker and writer, her work has been featured in *Fortune*, *Forbes*, *The New York Times*, and *The Wall Street Journal* as well as in numerous HR trade publications. Stacia co-founded RedThread Research in 2018 after leading talent and workforce research for eight years at Bersin by Deloitte. Before Bersin, Stacia spent nearly five years conducting research and creating learning content for the Corporate Leadership Council, part of CEB/Gartner. She has an MBA from the University of California, Berkeley, a master's degree from the London School of Economics, and undergraduate degrees from Randolph-Macon Woman's College.

Priyanka Mehrotra, Research Lead

Priyanka Mehrotra is a Research Lead at RedThread Research. Before joining the company in 2018, she was part of the research team at Bersin by Deloitte where she worked on talent management, D&I, and people analytics, as well as conducted research and contributed content for Bersin's Mid-market study. Prior to Bersin by Deloitte, Priyanka worked at several nonprofits, think-tanks, and international organizations where she published and co-authored several articles.

Contributors

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Melissa Arronte
Tony Ashton
Kouros Behzad
Michael Beygelman
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Anne Sturm
Arjen Swank
Ragu Veeraraghavan
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Mike Wong
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