HR Metrics & Analytics
MSB21T2001

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Session 16 - Topics to be discussed

- HR Analytics- context and value
- Human Capital Analytics
- Workforce Analytics
- Human Capital Analytics-Architecture
- Levels of Measurement

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RECAP: SESSION 15

- Types of HR Analytics
- Predictive HR Analytics
- Workforce Analytics
- HR Analytics and Changing Role of HR Managers
- Context discussion -Acquiring Critical Talent often an Intuitive Decision than Analytics based

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Analytics

No Context, No Value

Measures or metrics, without analysis, have no true value and in some instances can be dangerous.

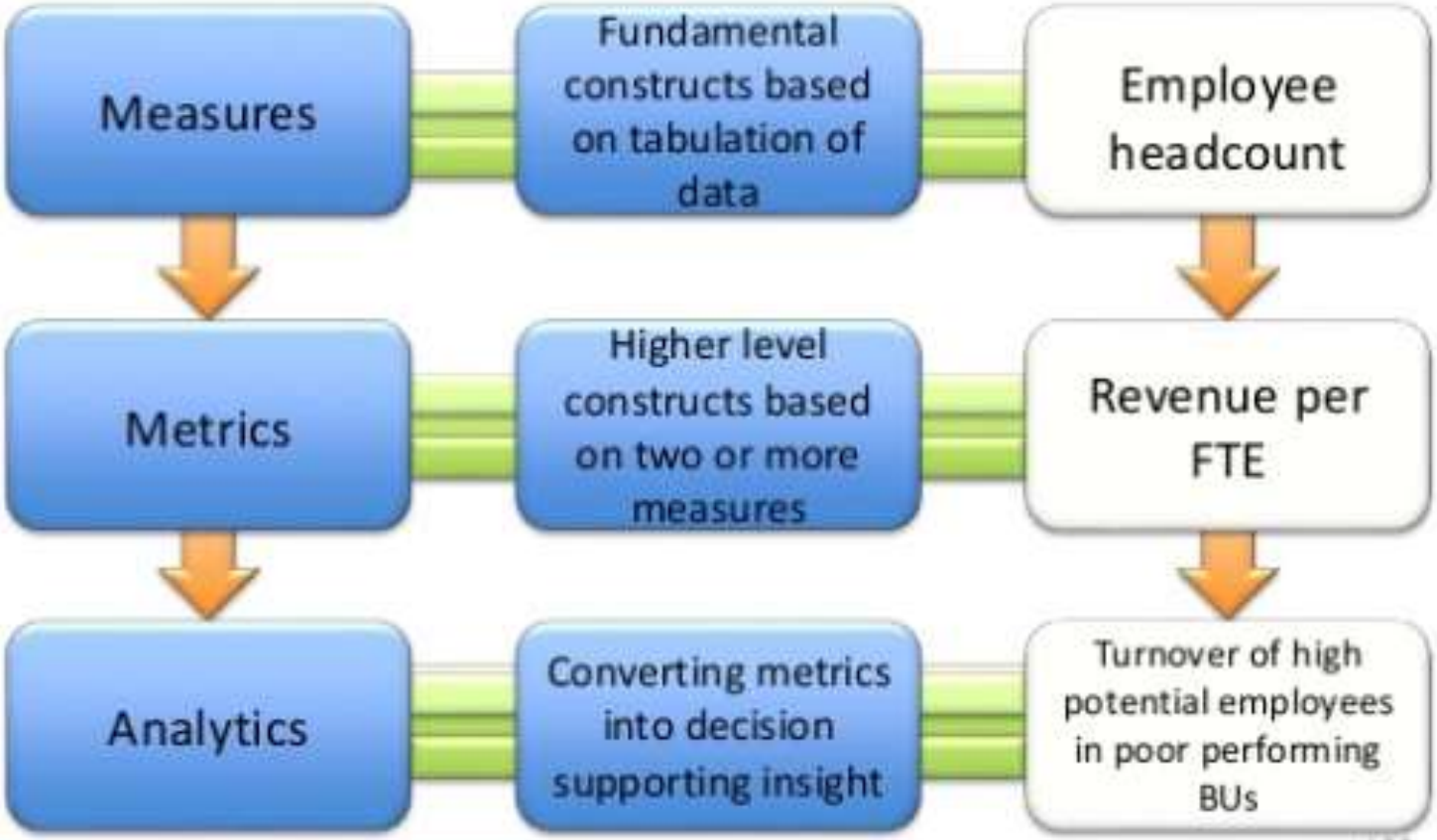
Analytics

Human Capital Analytics Today

Highest purpose is to create predictive business indicators that CEOs can use to help chart the course of their business and manage the workforce impacts on business results.

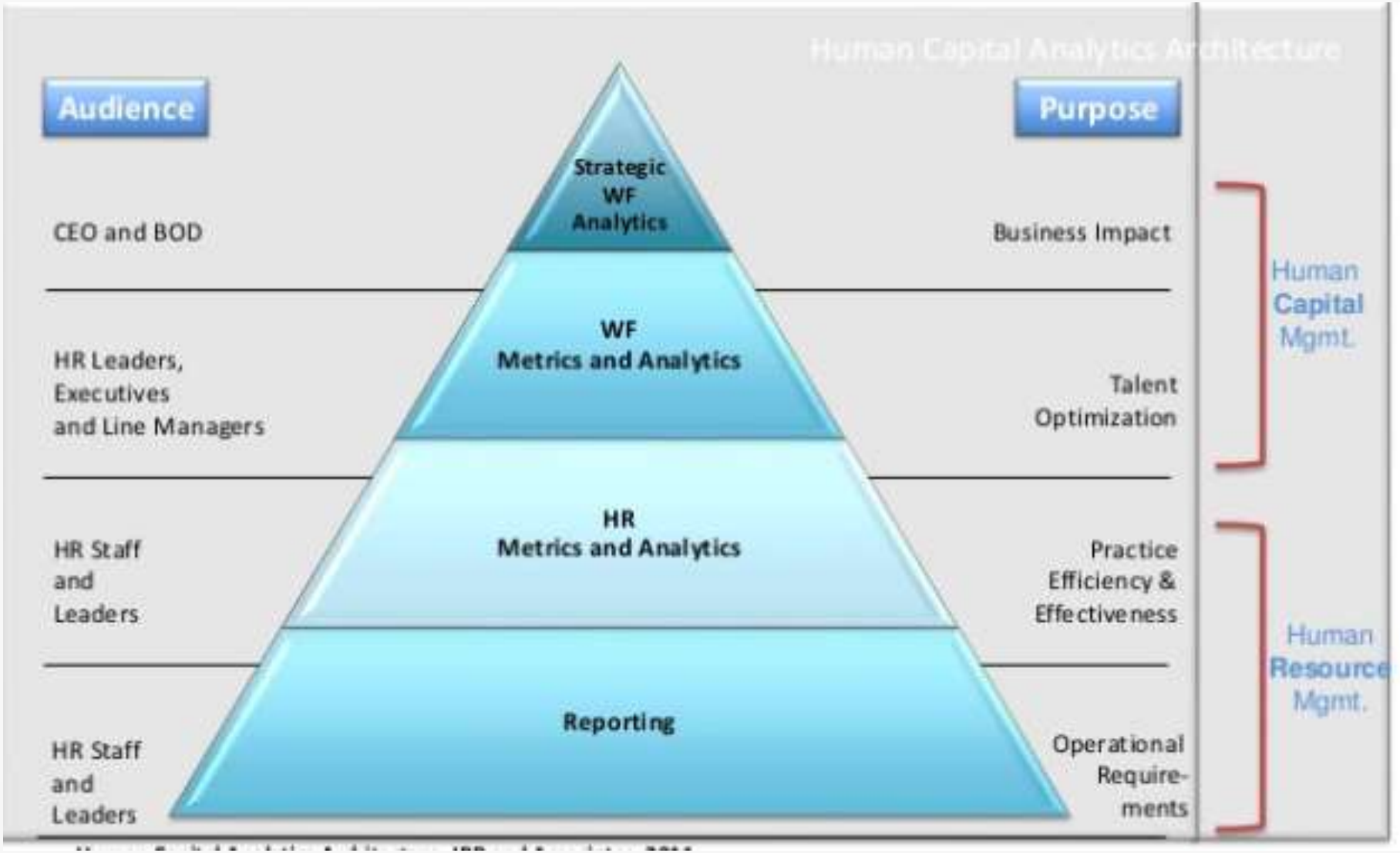
Analytics

HR and Workforce Analytics Concepts

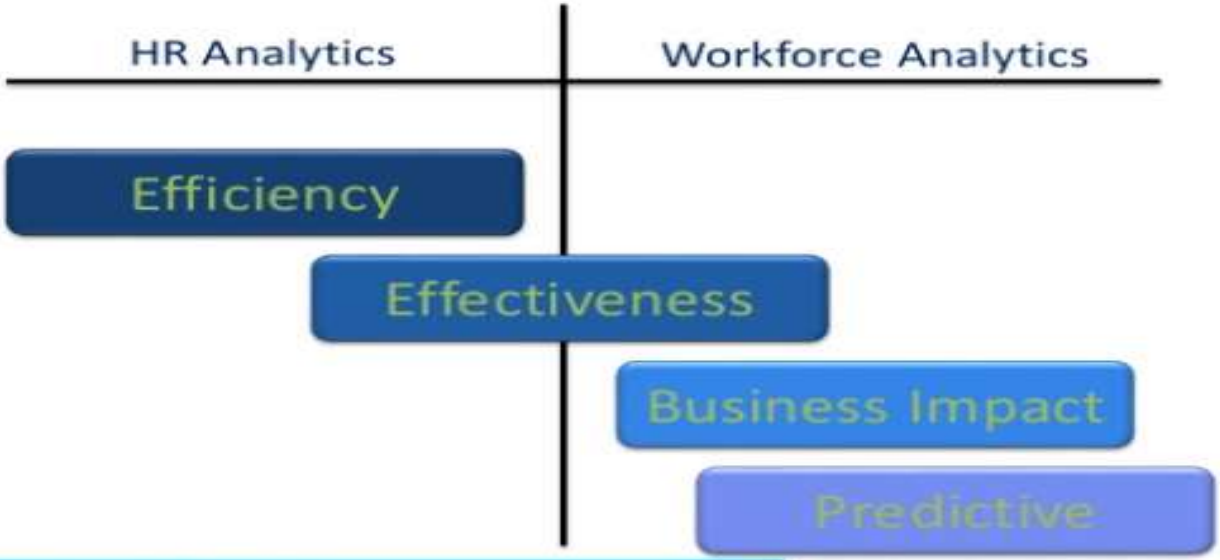


- The core of HR Analytics is the "metric"
- **Metrics can be said as data that conveys meaning in a given context**
- Metric is to be distinguished from numbers
- Example:

- Employee turnover is 13.5% p.a.	Data
- There is a 4 percent point rise in attrition rate on a year to year basis	Metric
- Inappropriate Leadership styles of select managers resulted in higher attrition of 3% on a comparable basis	Analytic


Human Capital Analytics Architecture
Audience
Purpose
Strategic WF Analytics
CEO and BOD
Business Impact
WF Metrics and Analytics
HR Leaders, Executives and Line Managers
Talent Optimization
HR Metrics and Analytics
HR Staff and Leaders
Practice Efficiency & Effectiveness
Reporting
HR Staff and Leaders
Operational Require-ments
Human Capital Mgmt.
Human Resource Mgmt.

Levels of measurement



Metrics By HR Function

Linking cost per hire,time per hire, attrition and profit

Cost Per Hire

(Formulas are included)

	Hours	Rate	Total
Internal Costs (Recruiting Staff)			
Salaries including benefits			0.00
Travel, lodging and related expenses			0.00
Total Internal Costs			**0.00**
External Costs			
Contract recruiter or search firm fees			0.00
Travel, lodging and related expenses			0.00
Total External Costs			**0.00**
Other Costs			
Advertisements			0.00
Job fairs			0.00
College recruitment			0.00
Employee referral award			0.00
Screening (background checks, pre-employment testing)			0.00
Total Other Costs			**0.00**

Linking cost per hire, time per hire, attrition and profit

Time to Fill

Position	Department	Date of Approval to Create or Fill Position	Date Offer Is Accepted	Date Candidate Starts Working	Time/Days to Offer Hire (Using Date Is Accepted)	Time/Days to Fill (Using Date Candidate Starts Working)
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
Average time to hire/fill for the month					0.0	0.0

Linking cost per hire, time per hire, attrition and profit

Attrition rate

											=SUM(E6+J6+O6+T6)					
Turnover Report	Jan	Feb	Mar	1st Qtr	Apr	May	June	2nd Qtr	July	Aug	Sept	3rd Qtr	Oct	Nov	Dec	4th Qtr	Yr
	5	24	33	62	3	20	15	38	5	12	14	31				0	131
Note: Formulas are included for quarterly and annual totals.																	

Linking cost per hire, time per hire, attrition and profit

Profit per Employee
(Formulas are included)

=SUM(B7-C7)/D7

	Revenue	Operating Expenses	FTEs	Revenue per Employee
January	100000	20,000	10	8000
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

Linking Attrition to Profitability
Employee Turnover /Attrition/Leavers
Revenue
Customer Satisfaction
Manage Turnover
Employee Turnover
Profitability
Customer Returns

HR professionals gather data points across the organization from sources like:

- Employee surveys
- Telemetric Data
- Attendance records
- Multi-rater reviews
- Salary and promotion history
- Employee work history
- Demographic data
- Personality/temperament data
- Recruitment process
- Employee databases

Once data is gathered, HR analysts feed workforce data into sophisticated data models, algorithms, and tools to gain actionable insights. These tools provide insights in the form of dashboards, visualizations, and reports. An ongoing process should be put in place to ensure continued improvement:

- Benchmark analysis
- Data-gathering
- Data-cleansing
- Analysis
- Evaluate goals and KPIs
- Create action plan based on analysis (continuously test new ideas)
- Execute on plan
- Streamline process

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Thank You

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