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A DESCRIPTIVE STUDY ON HR METRICS APPLICATION TO WORK FORCE ANALYTICS

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Introduction

The face of HR is ever changing and the changes are as fast as technology. The dashboard of the system decides the actions on Human Capital today rather than personal feel and touch formulae of yesteryears. There are hundreds of metrics in use by HR today, ranging from the most basic (employee turnover) to highly complex scorecards and workforce analytics. Almost all senior level managers are looking for meaningful measures of human capital factors and their impact on business outcomes. Technological innovations and the interventions of the same in the field of HR functions are bring in new metrics to track and manage every human performance , and all forces to drive decisions in the HR function. The magic word now for HR metrics in single term is WORK FORCE ANALYTICS. It also helps leaders who focus on critical priorities, set clear expectations and provide direction to lead employees who are more engaged and work hard to accomplish goals. This improves confidence in leaders who take risks and challenge to lead employees who feel involved in the organization and informed about things that impact them. This descriptive study will study about whether these relationships change over time? Do those teams with higher employee engagement produce better results (as measured by quality or financial indicators)? What impact might training have on leader performance and employee engagement? Whether identifying the key drivers of engagement within organization can give a comprehensive assessment to identify which leaders may or may not have the requisite skills to support employee engagement. Can an organization develop training curriculum to support the key drivers of engagement, and choose coaches or mentors who have skills in the unique drivers of engagement. Apart from the above whether metrics within organization can give a clear picture on Bottom-Line Measures, Financial performance ,Market share ,Employee productivity ,Customer service , Quality , Safety ,such as turnover/retention, level of trust, employee commitment , alignment satisfaction with Management and also this study will answer other broad objectives like the following objectives framed.

Objectives of the study;

Main Objective; **to evaluate the differences between Metrics and Analytics**;
The basic confusion rather than understanding about metrics and analytics and which is used where needs to be clarified before further proceeding since these two aspects either gets interchanged or taken with different connotation, both are a function within each other, which is partially correct, but both are interrelated but with a subtle difference in their utility and contribution to the HR Concept of workforce dynamics. Let us firstly and clearly demarcate the differences that both carry against each other with some examples. A simple way to define as **Metrics** looks at **Tangible Data** (Easy to measure, Low Value) whilst **Analytics** looks mainly at **Intangible Data** (Hard to measure, High Value). Metrics are **Informational** and focus on counting, tracking and presenting past data derived from (for example): web visits, the volume of candidate applications, how many (and what kind of) recruitment campaigns were done in a year and other “low value” data gathering. Metrics give an **inside perspective** on a business because they use (tangible) data from in-house sources, such as aggregated HR data. Whilst useful it should be remembered that this type of data can only give basic insights over functional, operational and systemic areas). A simple way to look at **Analytics is that it is strategic, and in complete contrast,** looks at both past and present data (using both tangible and intangible information) giving powerful insights, optimisation and predictions.

Sub Objectives

To analyze the contributions of HR metrics and analytics.

1. To evaluate the stages of work force analytics and its contribution to better HR practices across corporate.
2. To elaborate on the ‘human capital’ and the performance of all other assets, and justify how workforce investments impact business performance.
3. To analyse the types of metrices contributing to effective HR practices.
4. To evaluate the contribution of Metrics in leadership.
5. To review how Bottom line measures, employee productivity, employee commitment, and alignment with employee job satisfaction is possible.

Methodology; Meta Analysis with secondary data and review of earlier researches on work force analytics
Nature of Data; Secondary Data and Consultation with HR Specialists
Duration; Secondary data from 2005 to 2015

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Review of Literature;

Among HR professionals who indicated that staffing, employment and recruitment was one of their organizations' top three critical HR functional areas, more than one-half reported that it was their first priority. The HR responsibilities most likely to be staffed in-house were performance management, employee communication plans/strategies, policy development and/or implementation, and strategic business planning. The HR responsibilities that were most likely to be outsourced were employee assistance/counseling and flexible spending account administration.

One-half of HR professionals reported that their organization's business strategy contributed to the decision of whether to staff, outsource or eliminate various HR roles and responsibilities, suggesting an alignment of HR function staffing decisions with business operating plans.

The largest percentage of HR professionals recently from organizations that intended to expand their HR departments reported that their decision to hire additional HR staff was due to the HR metrics and/or measurement data. Among these, slightly more than one-half calculate the impact of HR activities on measurable aspects of business performance. The largest percentages of HR professionals reported that HR's effectiveness was limited by the budget and headcount available for HR initiatives. **Critical HR Functional Areas** although conducting business and managing a workforce involves multiple human resource activities, some HR functional areas are of more important to identify the top three critical HR functional areas contributing to their organization's current business strategy among the most critical HR functional areas.

John Lewison, SPHR, director of human resources for MDRC and SHRM Organizational Development Special Expertise Panel member, offers, "Both recruitment and talent retention are key issues a company. We are a large policy research organization in New York, where attracting and retaining academic-trained experts in the fields of welfare, disability, prison reform and education are key. While we're anticipating that a softer economy may make it easier for us to hire support-related staff in 2008, we're still expecting a competitive market for key researchers and economists." "We are constantly examining our benefit programs, not only from a competitive perspective, but in terms of cost-effectiveness. This is especially true for our wellness programs; e.g., medical, hospital and dental plans. With employees in large cities on both coasts, like many companies, we're hostage to the vagaries of escalating medical costs. **The next largest percentages of respondents** reported that training and development (29%) and employee benefits (29%) were among their top three critical HR functional areas. This indicates that HR is most likely to support the organization's business strategy through human capital-related areas such as building, developing and maintaining the workforce. Staffing and employee benefits issues are often intertwined.

Objective 1; to evaluate the contributions of HR metrics; in HR's role, critical HR functional roles, HR's evolving role;

The findings are embarking on several cost-savings initiatives, such as increasing copayments and deductibles where HR Functional Areas Are Most Critical to Contributing to the Organization's Current Business Strategy? Overall (n = 582) Staffing/employment/recruitment 52% Training/development 29% Employee benefits 29% Employee relations 27% Strategic planning 27% Administrative/transactional 18% Change management 17% Compensation 15% Organizational development 15% Legal compliance 13% Communications 10% Workforce planning/forecasting 10% Human resource information systems (HRIS) 9% Health, safety, security 8% Diversity 7% Labor/industrial relations 6% HR metrics/measurement data/return on investment 5% EEO/Affirmative Action 3% International HRM 1% Research 0% Other 1% (score are from most critical to least critical***). Percentages do not total 100% due to multiple response options. Source****: HR's Evolving Role in Organizations and Its Impact on Business Strategy (SHRM, 2008)*

The findings of a study Source: HR's Evolving Role in Organizations and Its Impact on Business Strategy (SHRM, 2008), on Critical HR Functional Areas Contributing to the Organization's Current Business Strategy (by Organization Staff Size). Several differences emerged in critical HR functional areas according to organization staff size. HR professionals employed by small-staff-sized organizations (1 to 99 employees) were more likely than HR professionals from large staff-sized organizations (500 or more employees) to report that employee benefits (35% compared with 20%), administrative/transactional functions (25% compared with 11%) and legal compliance (19% compared with 7%) were among the top three critical HR functional areas that contributed to their organizations' business strategies. By contrast, HR professionals from large organizations were more likely than their counterparts employed by small organizations to place strategic planning (34% compared with 19%), HRIS (14% compared with 6%) and diversity (10% compared with 2%) among their organizations' top three critical HR functional areas. In addition to reflecting the organization's business strategy, these data may also indicate the organization's philosophy of HR responsibilities as well as the availability of HR

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staff to undertake selected functional areas and initiatives. In the same study HR professionals from nonprofit organizations (37%) were more likely to report employee benefits as one of the top three critical HR functional areas than were respondents from publicly owned for-profit organizations (18%). HR professionals from publicly owned for profit organizations (36%) were more likely than their counterparts from privately owned Extent to Which HR Department Strategically Contributes to Organization Functions (by Organization Staff Size) Overall (n = 419) Small (1-99 employees) (n = 111) Medium (100-499 employees) (n = 174) Large (500+ employees) (n = 120) Differences by Organization Staff Size Recruitment and selection processes 94% 88% 97% 95%.

Study on the level of engagement in various HR and other functional areas within organizations, differences in challenges experienced in supporting HR functions and the varying ways in which HR professionals bring value to organizations of different workforce sizes. Although HR functional areas support organizational functions, there are variations in the extent to which HR departments feel that they contribute strategically through performing these responsibilities. HR professionals from medium organizations (97%) were more likely than those from small organizations (88%) to report that their HR department strategically contributed “to some extent” or “to a large extent” to the organization’s recruitment and selection processes. HR professionals in medium organizations may be able to more immediately see the impact of their activities on organization functions compared with their counterparts from large organizations and may be more likely than those in small organizations to feel that HR activities are an integral part of organization functions.

Priority Ratings of Critical HR Functional Areas Contributing to the Organization’s Current Business Strategy indicated that each HR functional area was among the top three areas critical to their organization’s current business strategy. Rankings for each of the HR functional areas include only respondents who indicated that it was a top critical HR functional area contributing to the organization’s business strategy.

Fernán Cepero, PHR, vice president of human resources for YMCA of Greater Rochester,Workforce development philosophies as well as the predominant HR functional areas to which organizational resources may be allocated. SHRM Organizational Development Special Expertise Panel member “The results are indicative of a Generation Y trend that is intertwined “The first critical area confirms the challenge HR professionals have in recruiting and retaining Generation Y employees. The decision to accept a job offer involves many factors for Generation Y.

A good job is no longer defined by monetary gains alone. Gen Y employees take a job because they want to work somewhere, not because they have to. “The second critical area validates the first point in that training and development initiatives must appeal Generation Y’s desire to learn and involve the application of high-technology mediums, such as online media (i.e., webcasts, videos, podcasts, blogs, instant messaging). Recruiting efforts must now highlight paid training and skill development.

Franchette Richards, GPHR, GMS, CRP, member of SHRM’s HR Consulting/Outsourcing Special Expertise Panel suggests more efficient and cost effective to outsource the administration of their retiree benefits to firms that are highly knowledgeable about the financial regulations involved with these types of plans and benefits rather than to staff that specialization in-house. Views of HR’s role within the organization may also influence which functions are outsourced., “Human resource functions Top 5 Insourced HR Responsibilities 1) Performance management 2) Employee communication plans/ strategies 3) Policy development and/or implementation 4) Strategic business planning 5) Compensation and/or incentive plans administration Although critical HR functional areas may be clearly aligned with and prioritized according to the organization’s business strategy, HR professionals’ perceptions of the extent to which various HR functional areas add value to the organization’s business strategy may be linked to the size of the organization.

RBL Group, University of Michigan Ross School of Business, SHRM, IAE School of Business, IMI, Tsinghua University, AHRI, and the National HRD Network states that Study yielded numerous differences by organization staff size in HR professionals’ perceptions of how various HR practices add value to the business. Compared with HR professionals from large organizations, HR professionals from small organizations reported to a greater average extent that training and development added value to the business. Compared with HR professionals from large organizations, HR professionals from medium organizations reported to a greater average extent that performance appraisal, internal communication, organization structure, workplace policies and work process design add value to the business. **In short, transactional excellence is necessary—but no longer sufficient—for HR today.** From evaluating the survey results and reviewing ongoing commentary in the HR and business media, it has become clearer that HR functions that are viewed as tactical are some of the first components to be outsourced. There are exceptions—areas that are so key, so strategic (such as leadership development/executive coaching, succession planning, employee relations) that they must remain in-house. However, the key differentiator for HR will be whether they are viewed as tactical or strategic."

Objective (ii); to evaluate the stages of work force analytics and its contribution to better HR practices across corporate and how executives grasp on the characteristics and capabilities of their workforce;
With the advent of software creativity and with android software the work force analytical tool has matured along the times. It has evolved into 4 Stages. The Maturity has grown from stages of infancy to the fourth level. In the initial state for the study the stage 1: **Basic Reporting –** Regulatory reporting that is reasonably automated – all paper based and other format based regulatory reporting has changed with system and automated reporting with a click of a screen resolution. Stage 2: **Access to Metrics** – Key Performance Indicators (KPIs) that are distributed effectively to different people, according to nature of work done at the place of work and duration or whatever the nature of work may be and the key indicators are clarified and suitably reported. The Stage 3: **Detailed Workforce Analyses** - Multidimensional analyses so one can "slice and dice" – Stage 4: **Advanced Analytics** – Taking data and applying it to make better decisions about how to manage Human Capital (e.g., predictive analyses).Employee's feelings of enthusiasm and involvement in their work. Work force analytics has gone to the stage Leadership Behavior. The basic 8 competencies measured by 37 behaviors are measured meticulously to give a true picture of growth and quality of the leadership material at the helm.

The leadership traits and behaviour components like Communication , Coaching & Developing ,Planning & Organizing , Leadership , Interpersonal Skills ,Self Management , Innovation • Organizational Strategy • Ratings from self, leader, peers, direct reports, and others. **The Employee Engagement** is also measurer as Factors of interest like Pride in work, Credibility, Respect and various ratings made by individual employees. The integration of HR metrics with other business metrics from within, as well as outside of the organization, to understand the complex factors which affect the current workforce and make predictive decisions about the future workforce.

The analytical tool of late is contributing to the extent of analyzing Integrity, Communication, and Organizational Skills, pride, commitment and hard work. Numerous differences emerged in the sourcing of HR responsibilities when the data were analyzed by organization staff size and organization sector. HR professionals employed by small-staff-sized organizations were more likely to report in-house staffing of a number of HR responsibilities. Compared with HR professionals from large-staff-sized organizations, HR responsibilities that differed by organization sector in the percentages of organizations that staffed them in-house were payroll administration, employee relocation, recruitment/staffing of executives, recruitment/staffing of employees (nonexecutives), work/life balance benefits administration, wellness programs, COBRA, health care benefits administration, temporary staffing and background/criminal background checks. Respondents from government agencies (76%) were more likely than those from privately owned for-profit organizations (53%) to report in-house staffing of payroll administration. HR professionals from nonprofit organizations and government agencies were more likely than those from publicly owned for-profit organizations to report in-house staffing of duties related to temporary staffing and performing background/criminal background checks. These data are shown in HR Responsibilities Outsourced Partially (by Organization Staff Size) Overall Small (1 to 99 employees) Medium (100 to 499 employees) Large (500+ employees) Differences by Organization Staff Size Executive development and coaching. Note: Data sorted in descending order by "overall" column. Table includes only response options for which there were significant differences. Sample size is based on the actual number of respondents who indicated that their organization supported each HR responsibility. Source: HR's Evolving Role in Organizations and Its Impact on Business Strategy (**SHRM, 2008**)

HR Responsibilities Outsourced Completely (by Organization Staff Size) Overall Small (1 to 99 employees) Medium (100 to 499 employees) Large (500+ employees) Differences by Organization Staff Size Employee assistance/counseling (n = 263). Includes only response options for which there were significant differences. Sample size is based on the actual number of respondents who indicated that their organization supported each HR responsibility. **Source: HR's Evolving Role in Organizations and Its Impact on Business Strategy (SHRM, 2008).**

According to Bill Young, SPHR, managing consultant, Leadership, Learning & Performance at Williams, and past member of SHRM's Organizational Development Special Expertise Panel, "For many employees, HR is simply getting the paycheck on time or resolving a benefit question when it arises. It is only when HR interacts with leaders in crafting the people strategy does the true value of HR shine. Consequently, unless an employee is involved and HR professionals from large organizations (20%) were more likely than those from medium organizations (8%) to report that the board of directors viewed the HR function/department's role as primarily strategic. Large organizations may be more likely to have a chief human resource officer or similar high-level position that participates in and contributes to strategic planning efforts involving the board of directors.

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Objective iii; to elaborate on the 'human capital' and the performance of all other assets and to justify how workforce investments impact business performance;
The human capital as called now than human resource depicts how important HR factor is for an organization, and that is why Metrics also come into picture. While a few organizations possess phenomenal metrics, the vast majority do not. Measures of work activity are not the same as measures of outcome or performance. If an organization has to be successful, HR leaders need to understand their business colleagues, design consistent processes, and measure more than work and cost. For HR measures to be valuable, they need only be accepted, measure the value of Human Resources. **Distributing metrics can change individual behavior –** Only rewards change behavior faster that distributing ranked metrics to all. By ranking and distributing the metrics to everyone, opportunities shall be provided that is visible side-by-side and offer challenges to all employees that are highly competitive which can spur employees and managers into action. **Metrics are superior to culture in changing the behavior of managers** – Instead of solely relying corporate "culture" to drive actions the HR managers shall instead rely on metrics and rewards to send the message about how they expect people to behave in a certain situations. We can find that by simply changing the metrics and rewards behavior of people and culture which is extremely difficult and slow can still show some tangible improvements. **Metrics can allow HR to provide evidence of its strategic impact –**Organizations across the world are able to control variable costs from 35 to 60% which are people costs. With people being that high of an expense, HR really has no choice but to prove it's economic value through the use of metrics. Nearly everything in HR can be measured but it's smarter to focus on the few items that have the biggest cost and the most impact. If you can prove their value most CFO's will assume the rest of HR is operating efficiently. Most strategic HR metrics focus on productivity, recruiting, retention and employee relations. Of these, productivity is the most important. Whenever HR department can demonstrate to top management that they can produce one unit of product or service at a lower labor cost (because of efficient hiring, retention, training or motivation) they can get assured that overall worker productivity continually increases(excerpts from Dr.Sullivan).

Top Metrics to Measure HR ROI are **Workforce productivity:** The single, most powerful measure is return on investment. Employee ROI is the total dollar amount spent on labor costs divided by total revenue. The premise is that if you hire, train and place employees effectively, the average revenue per employee will increase as a result. An easier-to-benchmark alternative is revenue per employee (total revenue/the number of employees). The **biggest workforce measures the turnover rate of top-rated employees**. If it's leadership, survey the executive team on their satisfaction with leadership bench strength. **HR's impact on manager business results:** The relative ranking of HR compared to other overhead functions can be powerful. This survey has managers rank each overhead function, based on its relative contribution to helping them meet their own performance goals. **Manager/employee satisfaction with HR needs monitoring and a** yearly survey with random sample of both groups will do lot of good. **Knowing what HR does** can determine the percentage that completely understand HR's role including **HR costs.** For cost-conscious executives, measuring HR costs as a percentage of revenue or as a percentage of general and administrative expenditures. **Individual program effectiveness** gets itself into trouble by getting into the bad habit of using other "language". CFO's don't understand or appreciate the value of worker satisfaction or engagement; they do however understand costs and ROI. It's not wise for HR to report its results any differently than any other business function. HR should demonstrate that for every dollar spent, it produces increased results and output. It's possible to demonstrate the efficiency or impact of any HR program. Below are a few examples of the potential dollar impact of various HR functions. **Compensation —** demonstrate that highly paid workers produce more than workers that are paid an average wage and that giving a worker at 10% raise increases their productivity by more than 10%. Tying worker pay to their output or productivity always pleases top management. **Training —** demonstrates that there is a high correlation or connection between the number of hours a worker receives in training and their productivity. Show that worker productivity increases immediately after they receive training. **Recruiting —** demonstrate that new hires produce more than the average (already on staff) worker. Demonstrate that your hiring process produced recruits that score at the very top of your performance appraisal scale. Demonstrate that the sales people you hire under your "new recruiting system" produce average sales significantly higher than those hired under the old system. **Employee relations —** demonstrate that malcontents and bottom performers become average or better performers within a year after employee relations deals with them. Also demonstrate that your program identifies, fixes or removes bad managers rapidly. **HRIS systems —** HRIS systems demonstrate their effectiveness by their impact. By demonstrating the "before and after difference after technology implementation you can show that for example applicant tracking systems result in faster and better quality hires then prior to the implementation of the system. You can also demonstrate HRIS impact through manager satisfaction surveys, which show how satisfied managers are with the efficiency and effectiveness of the technology. If technological systems do not produce outputs or results that are a higher quality, cheaper or faster than non-technology systems, there's really no reason to implement them.

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Objective iv; to analyse the best types of metrices and their utilities to HR professions in contributing to effective HR practices;

- **Overall workforce productivity**; the very best measure of overall HR success is workforce productivity. Any HR department that takes responsibility for improving workforce productivity is sure to be a hero among senior executives. The key is to continually improve the ratio between the dollars spent on employee costs (wages, benefits and overall HR expenses) and overall company revenue. Metrics in this category include: The % improvement in workforce productivity – Improvement in cents spent on people costs for every dollar of revenue/profit generated (compared to last year's ratio).
- **The dollar value of the increased workforce productivity** between this year and last year.II) Recruiting Managers consistently rate recruiting in their top three things they expect from HR. Without overdoing it, here are some simple metrics that you can use to assess recruiting effectiveness: The number of overall days that "key positions" were vacant (due to recruiting) Average performance appraisal score of new hires (this year compared to last in the same job) Manager satisfaction with new hires (survey of hiring managers, results compared to last year's average) The turnover rate of new hires within the first year.
- **Retention is also a highly rated management** issue. In this case, most turnover measures are too simple. Potential metrics include: Performance turnover in key jobs (where performance turnover means that top performer turnover is "weighted" more heavily and bottom performer turnover more lightly than average worker turnover. Preventable turnover in key jobs (where a sample post exit survey is utilized to identify the real reasons that these individuals left the organization and if the turnover could have been reasonably prevented). Diversity turnover in professional, managerial and technical positions.
- **Manager satisfaction**; a forced ranked survey of line managers satisfaction with HR. Within that survey managers are asked just one particularly important question, which is… Average ranking of all individual HR functions in overhead functions specifically on their contribution to productivity and in helping the manager to meet their performance goals.
- **Compensation and benefits rather than trying to use a statistical met**hod to determine pay fairness, total compensation and benefits costs that it took to generate a dollar of revenue (as an indication of compensation effectiveness, where this year's ratio would be compared to last years ratio).% of employees that are satisfied with their compensation (survey of a sample of employees on their satisfaction between the rewards and the expectations of the firm).% of employees that are rated in the top performance appraisal level… that are paid above the average salary for their position and vice versa.
- **Employee relations**; The metrics focus in the employee relations area is on whether poor performing employees rapidly improve their performance or are terminated within a year.Percentage of employees that report that they have a "bad manager" (survey of employees comparing this year's percentage to last years) % of employees that are in a performance management program that improved, worsened, or remained the same on performance appraisal ratings within 1 year.
- **Training & Development**; training and development metrics focus on the aspect of learning, development and growth.% of employees that report that they are satisfied with the learning and growth opportunities provided by the firm (survey of a sample of employees) Percentage of employees that report that they are in the leading edge of knowledge in their profession (survey of a sample of employees).
- **HR goals** met HR departments frequently set unclear and unquantifiable goals at the beginning of the year but they are seldom measured throughout the year and formally assessed at year-end. In order to improve HR performance and ensure that HR professionals are focused on the appropriate goals and activities, it is essential that the goal assessment process be more formalized. % of top priority HR goals that were met or exceeded during the year (goals are set, quantified, prioritize and approved by senior management at the beginning of the fiscal year)
- **Monthly Turnover Rate** = (number of separations during month / average number of employees during month) x 100).
- **Revenue per Employee** = total revenue / total number of employees. This is especially important when evaluating the cost of a lost employee due to voluntary or involuntary turnover.
- **Yield Ratio** = percentage of applicants for a recruitment source that make it to a determined stage of the application process.
- **Human Capital Cost** = Pay + Benefits + Contingent Labor Cost / Full Time Equivalents.
- **HR to Staff Ratio** = Employees / Human Resources Team Members. This ratio is important since during the recession HR departments have reduced in number dramatically. HR serves as the internal customer support staff just like call center customer service employees serve as external facing.
- **Return on Investment** = (total benefit – total costs) x 100.

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- **Promotion Rate** = Promotions / Headcount.
- **Percentage Female at Management Level** = Female Management Level Employees/Management Level Headcount. This formula can also be used when evaluating executives at a female level and other diversity categories like veterans and race.
- **Monthly Turnover Rate** = (number of separations during month / average number of employees during month) x 100).
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- **Human Capital Cost** = Pay + Benefits + Contingent Labor Cost / Full Time Equivalents.
- **HR to Staff Ratio** = Employees / Human Resources Team Members. This ratio is important since during the recession HR departments have reduced in number dramatically. HR serves as the internal customer support staff just like call center customer service employees serve as external facing.
- **Return on Investment** = (total benefit – total costs) x 100.
- **Promotion Rate** = Promotions / Headcount.
- **Percentage Female at Management Level** = Female Management Level Employees/Management Level Headcount. This formula can also be used when evaluating executives at a female level and other diversity categories like veterans and race.
- **Employee Absence Rate** = number of days in month / (average number of employees during month x number of days). I have used this analysis to look at employee absence rates for different departments and managers. Sometimes the best way to determine if there is a culture or manager opportunity is through evaluating the percentage of absences by department or manager. **Worker's Compensation Cost Per Employee** = total workers compensation cost for year / average number of employees.
- **Worker's Compensation Incident Rate** = (number of injuries and/or illnesses per 100 full-time employees ⁄ total hours worked by all employees during the calendar year) x 200,000.
- **Overtime per Individual Contributor Headcount** = Overtime Hours/Individual Contributor Headcount.
- **Average Employee Age** = Total Age of Employees / Headcount.

Part of being a well-rounded human resource professional who has the entire organization in mind when developing people strategy and other HR programs uses metrics, examples, analytics, and formulas to determine a program's success or as part of any type of analysis, SWOT included. source: *Metrics — The Future of HR* and *Strategic HR Metrics for a Global Organization*, by Dr. John Sullivan

Objective v; to evaluate the contribution of Metrics in leadership;

Different times and different circumstances call for different leadership skills. So when it comes to managing ONE'S OWN career, how to prepare to move up in ladder? What abilities should executives focus on developing as they choose companies, functions, and jobs? And what skills should working executives hone as they strive to reach the next level? Answers are very difficult to arrive at as the trends vary by function, geography, and industry—and, of course, by company.

Let us analyze at varying levels of leadership; The Chief Information Officer; in the late 1980s and mid 1990s, most executives in information technology either had grown up in the function, following a standard path from business analyst to director, or were accounting professionals with systems experience. Typically, directorship was the end of the line. IT leaders were detail-oriented, logical, sequential thinkers. But toward the end of that period, as web opportunities burst onto the scene, companies began to seek more strategic ways to apply technology—using the internet to explore new markets, attract new customers, and streamline processes. The typical IT director back then wasn't particularly well versed in business strategy or big-picture thinking. Technology departments had become too rigid and parochial to respond quickly to new business challenges and opportunities. IT directors by and large either pushed back with technical reasons for why something couldn't be done or agreed to requests too quickly without challenging their rationale or grasping their scope (and then frequently failed to deliver). **For most of the 20th century**, the sales and marketing functions had narrow business charters and operated as silos. The two functions also tended to concentrate on different areas: sales on the business-to-business realm and on managing direct salespeople; marketing on the business-to-consumer realm. Marketing executives were almost exclusively responsible for creative, brand-driven advertising initiatives; sales executives were the proprietors of customer relationship management at the point of customer contact. Well-balanced, integrated marketing-and-sales organizations were rare; typically, one function had more power than the other. "The global consolidation of sales and marketing will be

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instrumental in allowing us to serve our clients' needs in a more comprehensive way." —CMO, Global technology and Services Company.

The Chief Human Resource Officer; despite widespread acknowledgment that talent is integral to competitiveness, HR still struggles to gain clout in the C-suite. The HR role has long been viewed as largely administrative, except in the most forward-thinking companies, and its leaders have mostly been relegated, hiring and managing talent became more complicated. Cultural differences created internal tensions and confused recruiting efforts—making strong talent programs more vital than ever.

The Chief Executive Officer; Many people have written about how the CEO role has evolved, it's less and less common for board members to be selected by the CEO, as boards and their nominating committees have assumed primary responsibility for director recruitment. However, it's now more common for the CEOs to owe their jobs to the boards rather than to their predecessors. That shift will mean more accountability at the top. Interestingly, boards have also become a source of CEO candidates. Over the past year there was a notable jump in the number of CEOs who were recruited from their company's board, according to an October Newswire article. Second, the types of skills increasingly in favor are strong communication, empathy, collaboration, and trust building. One skill that will be of foremost importance will be the ability to elicit public trust as the face of the company. That will include facility and credibility with socially responsible initiatives. Best-in-class workforce analytics can also improve executive line of sight through the ability to detect and predict workforce issues before they can complicate business plan execution. It is no mystery why human capital was the top CEO concern in the last two Conference Board Global CEO Challenge Surveys.xvi Workforce Analytics for chief HR officers (CHROs) From compensation and rewards, to recruiting and staffing, or resource project/ geographical allocation, workforce analytics gives the CHRO the tools required to improve all aspects of their HR strategy. Workforce analytics provides insight into organizational value, employee engagement, and diversity and inclusion. The prescriptive and predictive outputs of the solution provide real-time, data-driven recommendations to support all CHRO activities, including succession planning, identifying talent gaps, and providing profiles that identify what makes a great employee. In addition, an empowered workforce analytics capability can provide a detailed mechanism to benchmark organizational metrics to their peers. The best implementations of workforce analytics combine data from HR and other sources, such as operations or finance, to paint a more complete picture of the drivers affecting improved customer or The executive mind-set Using predictive analytics to understand and reduce turnover

Objective; V; to justify how workforce investments impact business performance

Organizations that are equipped with predictive indicators of talent retention rates are more capable of proactively correcting regrettable attrition through higher investments in training, engagement events, or employee benefits. Understanding why people leave, what makes them stay, and how to encourage top performance is how an organization should invest its time and resources. The solution included implementing "best practices" in HR processes and creating a single global source for employee data. Workforce analytics and reporting tools were also built into the system. Replacing legacy systems with highly integrated, cloud-based solutions provides greater availability to people data. However, how do you start using this data to make a real difference in talent decisions? Where do organizations start to build the capability, and what does that mean in terms of IT investments? **Work Force Analytics challenges traditional approaches** to decision making for HR and across the organization Imagine an organization where business leaders look to HR for advice as they develop business strategies to drive growth, where HR is considered the developer of talent and leadership across the business, and where business leaders respect and admire the HR professionals as co-leaders of the business. An organization can use the workforce analytics foundations to assess the current state of the organization – requirements, skills, tools, technologies, and readiness for change – and map out the desired elements of a future state organization. By understanding where there are gaps in missing foundational elements, you can generate options to prioritize capabilities and set short-term execution plans in motion to solve pressing C-suite business challenges. An organization can use the workforce analytics dimensions to assess the priority and delivery needs in the future state to map out the resources and the abilities needed to develop and increase analytics capabilities. Knowing the decisions that the business wants, and needs, to make guides the sequence and timing to mature the capability. The result is a strategic way ahead for organization for rollout, prioritization, and mobilization for implementing workforce analytics.

Findings and Conclusions;

Cost control is essential, but what is the value of these cost-cutting measures? Partner with HR Metrics And Analytics
: Over the past several years, much attention has been given to the idea of human capital management-a business strategy that positions people as the most important business asset. Human capital management has mistakenly become associated more with HR and technology than with learning, but learning is, in fact, one of the most critical pillars of this strategy. Learning

departments need to understand and position themselves as a critical component and perhaps even the primary champion of the business' human capital strategy. A joint commitment to execution of this strategy is the platform on which to build the alliance between HR and learning. By developing a cross-functional strategy, technology map and brand, learning and HR can demonstrate how workforce performance processes and technologies impact business results. Create joint strategies to: Connect learning to employee performance goals and assessment. Create individual development plans in support of succession plans. Provide employees with insight into the linkages between business goals and learning. Reduce employee attrition based on the misperception that career opportunities don't exist internally. Provide management with a comprehensive view of the talent of the workforce, including performance ratings, training history, work experience, knowledge, skills and abilities.

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