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The Top 5 Business Intelligence Metrics for HR Departments

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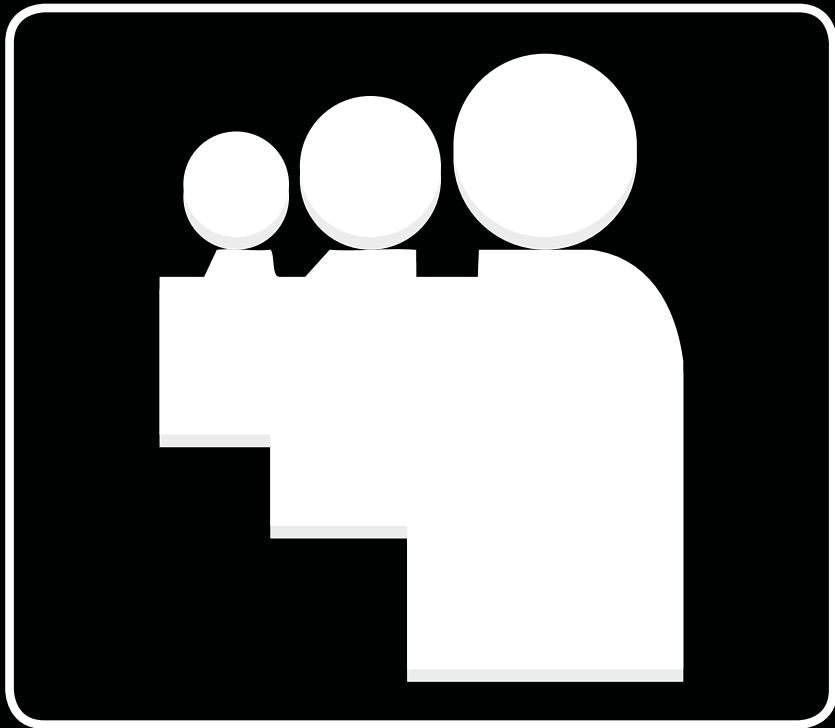
Whether it is budget review time or there is strategic planning in the works by the corporate big wigs, HR is a go-to place for statistics and data.

Metrics provide quantitative measurements for productivity and other employee related issues.

Simply put, using human resource analytics is key when determining how many employees a company needs, whether the current staffing is effective and if businesses are getting a reasonable return for their workforce penny.

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About KPI

KPI Partners is an Oracle Partner who specializes in Oracle Business Intelligence (BI) and Oracle Enterprise Performance Management solutions. The award-winning staff at KPI Partners comes directly from the product engineering departments at Oracle, Siebel, and Hyperion. In addition to consulting services, KPI Partners offers training, support, and exclusive pre-packaged analytic solution extensions for Oracle Business Intelligence.

KPI Partners works with both corporate technology departments and corporate business units to develop value-added business intelligence solutions, not just new technology deployments.
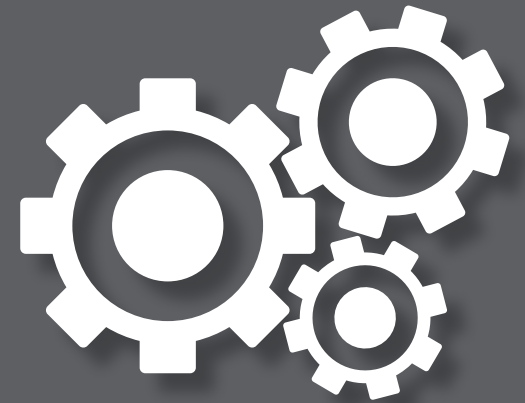
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#5
MONTHLY
TURNOVER RATE

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Monthly Turnover Rate

Companies that maintain a large workforce need to monitor the monthly turnover rate. Turnover refers to the number of employee separations a company has every month. That may include retirements, firings and voluntary departures. This human resource analytics tool helps management plan to cover staffing needs fully.

For example, a call center may employee 50 workers at any given time, but with a large turnover rate can fall short on shifts. With this in mind, a large monthly turnover rate signals the human resource department to remain in hiring mode to compensate. The goal is to keep 50 people in the call center at during all shifts.

Monthly Turnover Rate is less critical for small businesses. An office that only employees 3 individuals is likely to have a low turnover. There is less work involved in maintaining the proper staff. Even if they fall short for a period of time, the other office workers can pick up the slack.
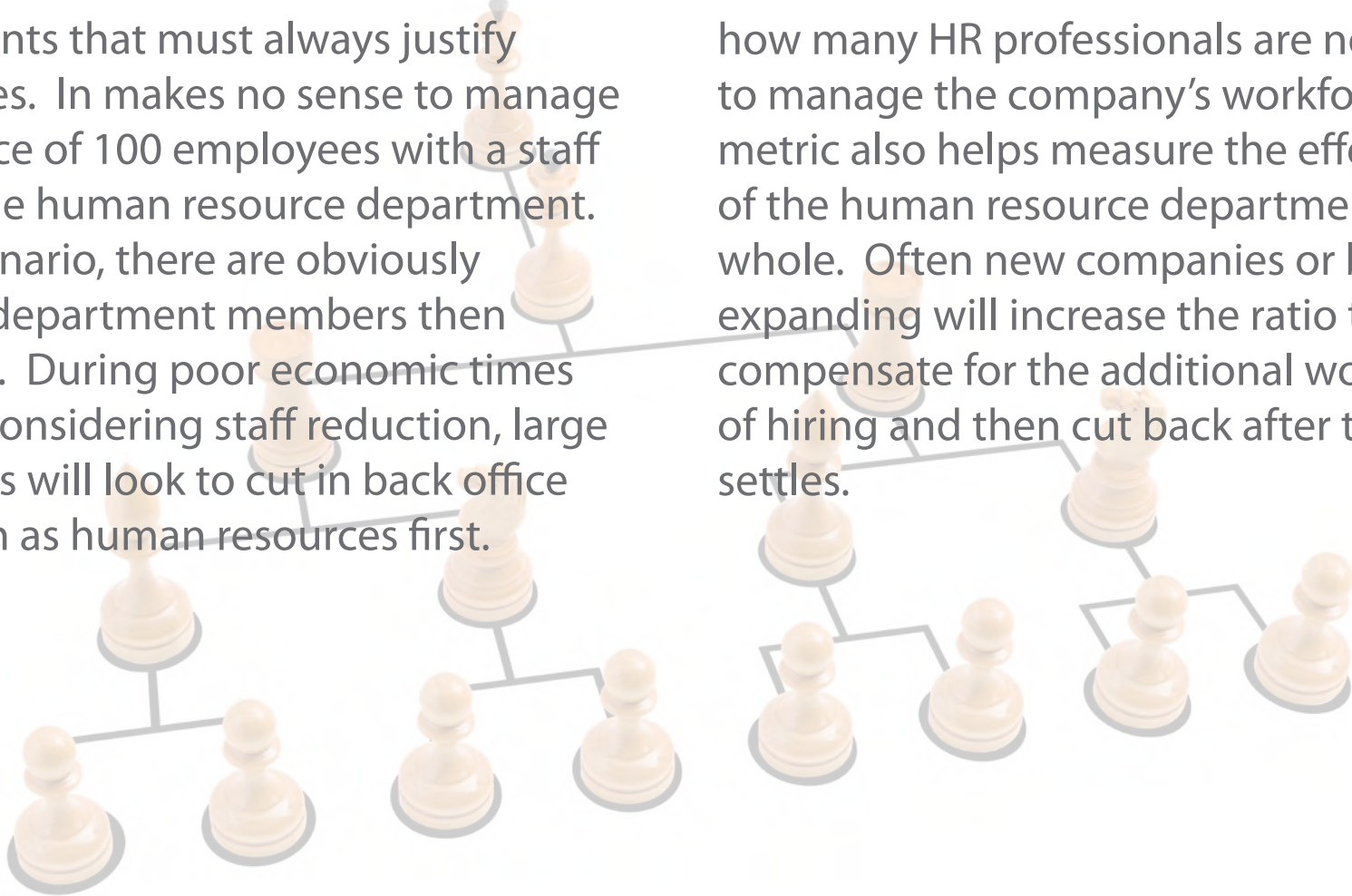
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#4
HR TO STAFF RATIO

HR to Staff Ratio

Human resource is one of those back office departments that must always justify themselves. In makes no sense to manage a workforce of 100 employees with a staff of 30 in the human resource department. In this scenario, there are obviously more HR department members then necessary. During poor economic times or when considering staff reduction, large businesses will look to cut in back office areas such as human resources first.

The metric for HR to staff ratio determines how many HR professionals are necessary to manage the company's workforce. This metric also helps measure the effectiveness of the human resource department as a whole. Often new companies or businesses expanding will increase the ratio to compensate for the additional workload of hiring and then cut back after the dust settles.

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#3
EMPLOYEE
ENGAGEMENT

Employee Engagement

Employee engagement is a more subjective form of human resource analytics. Engagement means how employees feel about their jobs and the company that employees them. This information is often obtained via a survey or another self-reporting process.

The goal is to see if employees are fully engaged. This is an effective means to slowing turn around and improving productivity by boasting morale. Companies can learn about issues employees have with management personal or policies in order to enrich the staff needs.

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#2
LABOR DIVERSITY

Labor Diversity

Diversity is a buzzword in today's society. It means providing fair opportunities to individuals regardless of their differences. Some industries and federal contractors must use human resource analytics to show that they are a socially responsible business that follows all current affirmative action guidelines.

Diversity metrics are the statistical breakdown of the workforce by race, gender, age and disabilities. How many veterans a business employs, for example, is a significant number. An employee census collects data that is then collated into the appropriate categories for reporting.

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#1
COST PER HIRE

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Cost Per Hire

One common human resource analytics tool is the cost per hire metric. A company spends more than just salary for every employee. There are fees for employment services, the cost of placing ads, doing background checks and the time it takes for an employee to become an effective member of the team. Cost per hire provides an overview of the total cost of each employee. This includes recruiting expenses, staff costs for interviews and application management, training time and maintenance.

A position in the accounting department may pay $40,000 dollars a year, but the cost per hire is more when you factor in other fees. Cost per hire provides a more accurate view of labor costs for budgeting purposes.

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SUMMARY

Summary

HR metrics are crucial options for businesses. Through human resource analytics, companies can maintain proper budgets, improve their tax benefits and create a workforce that is more efficient.

Managing a large group of employees is complex. It is with tools like metrics that human resource departments maintain proper balance.

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