



*the new*  
**HR Math**





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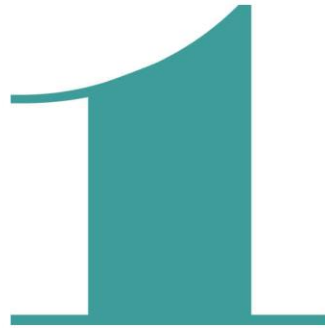
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Married for my Math Skills








**STOP**

measuring

*these*



things:

- Days to Fill
  - HR Satisfaction
  - Absenteeism
  - Quality of Hire
  - Employee Engagement
- 



**DAYS TO FILL** Why is 45 days to fill better than 90 days to fill?

Faster doesn't mean better.

The mean (average) is meaningless.

Speed without quality costs the organization more in the long run.

Give the metric some business context.

If and when you discuss “days to fill,” look at the distribution. Tell a story.






# HR & RECRUITING PROCESS SATISFACTION

It's based around the concept of a net promoter score (NPS).

It sets the bar too low.

Gallup research shows that emotion drives satisfaction results more than actual rational considerations.






## **ABSENTEEISM**

Absenteeism is a red herring for other issues and has nothing to do with HR efficacy.

Absenteeism is both a leading and lagging indicator for a whole host of other issues.

Rethink PTO and leave policies, research what's happening in your industry, and see what happens when you beta-test different attendance policies.







## QUALITY OF HIRE

Subjective and tough  
to prove

Difficult to benchmark

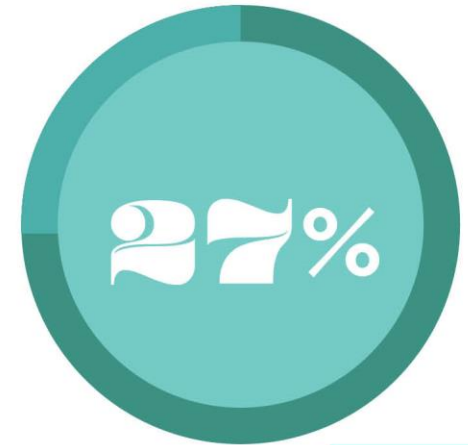
Takes too long to discover

Is this truly a measure  
of HR and Talent  
Acquisition?



Of companies believe  
'Quality of Hire' is the  
best measure for  
recruiting success!

Of companies that  
actually measure  
Quality of Hire.






# **EMPLOYEE ENGAGEMENT**

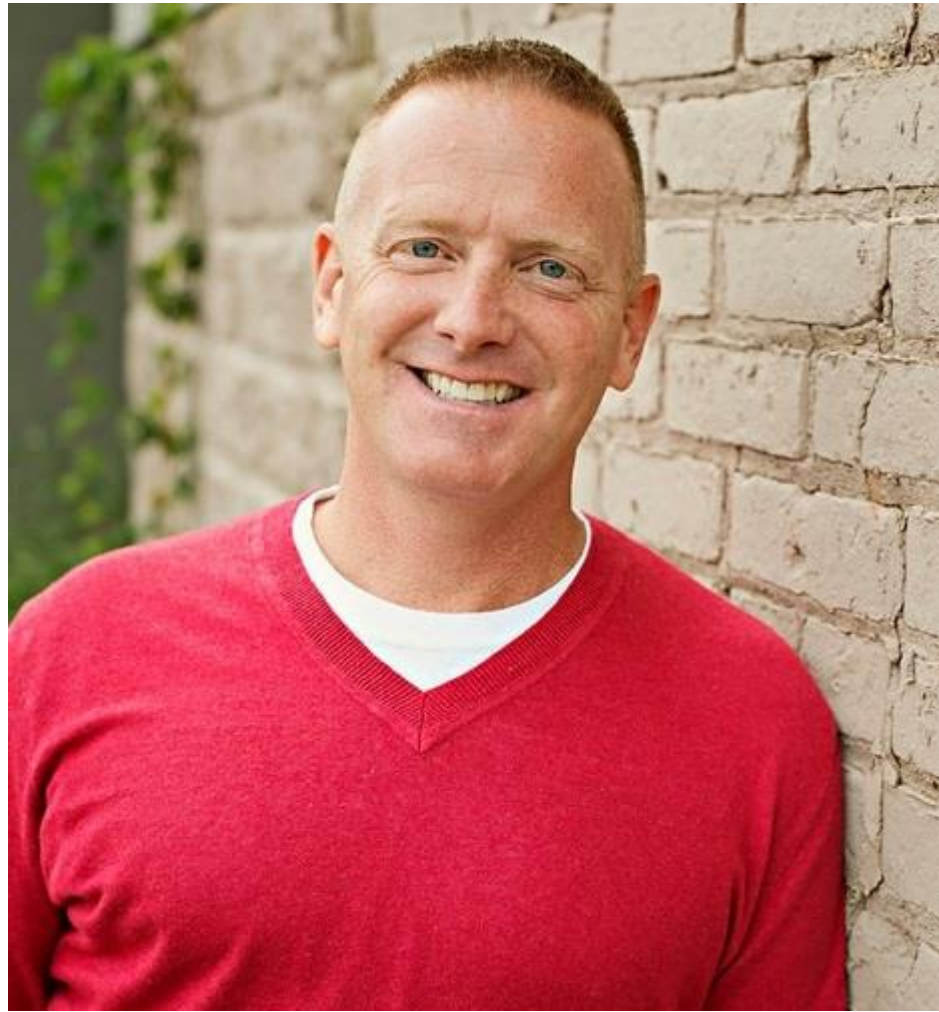
Engagement varies.

Best places to work examples are leading you down the wrong path.

Engagement does not equal productivity or output.

Are you measuring emotion, behaviors or results?










**START**  
measuring  
*these*  
things:

- MVE
  - Leadership Birth Rate
  - Organizational Fit
  - Internal Mobility
  - SIC
- 



# MOST VALUABLE EMPLOYEE (MVE)

*What it is:*

An ROI metric on which employees bring the most value to your organization

*What you need:*

Friends in the Finance Department

Revenue per employee by position

*Why it will make a difference:*

Who fills seats?

Who moves merchandise?

Who is your most connected worker?





# LEADERSHIP BIRTH RATE (LBR)

## *What it is:*

A metric that shows which leaders are growing new leaders

## *What you need:*

Leader pipeline and succession data

## *Why it will make a difference:*

The most important thing a leader can do is develop new leaders for the organization





# ORGANIZATIONAL FIT

*What it is:*


How well will a potential new hire fit into our culture and organization?

*What you need:*

Pre-hire data: personality, likes/dislikes, tendencies, etc.

*Why it will make a difference:*

“You don’t need a college degree to be talented”  
- Laszlo Bock







# INTERNAL MOBILITY

## *What it is:*


A metric that shows you who your best employees are going to work for in your organization

## *What you need:*

Employee performance data, internal mobility data

## *Why it will make a difference:*

Your employees will tell you a lot – who your best leaders are, who your worst leaders are, etc.





## HEALTH CARE CLAIMS PER CAPITA (SIC)

### *What is it:*

It's a touchy subject, but after fixed employee costs, health care costs are one of the biggest line items HR departments manage and present the most downside risk.

### *What you need:*

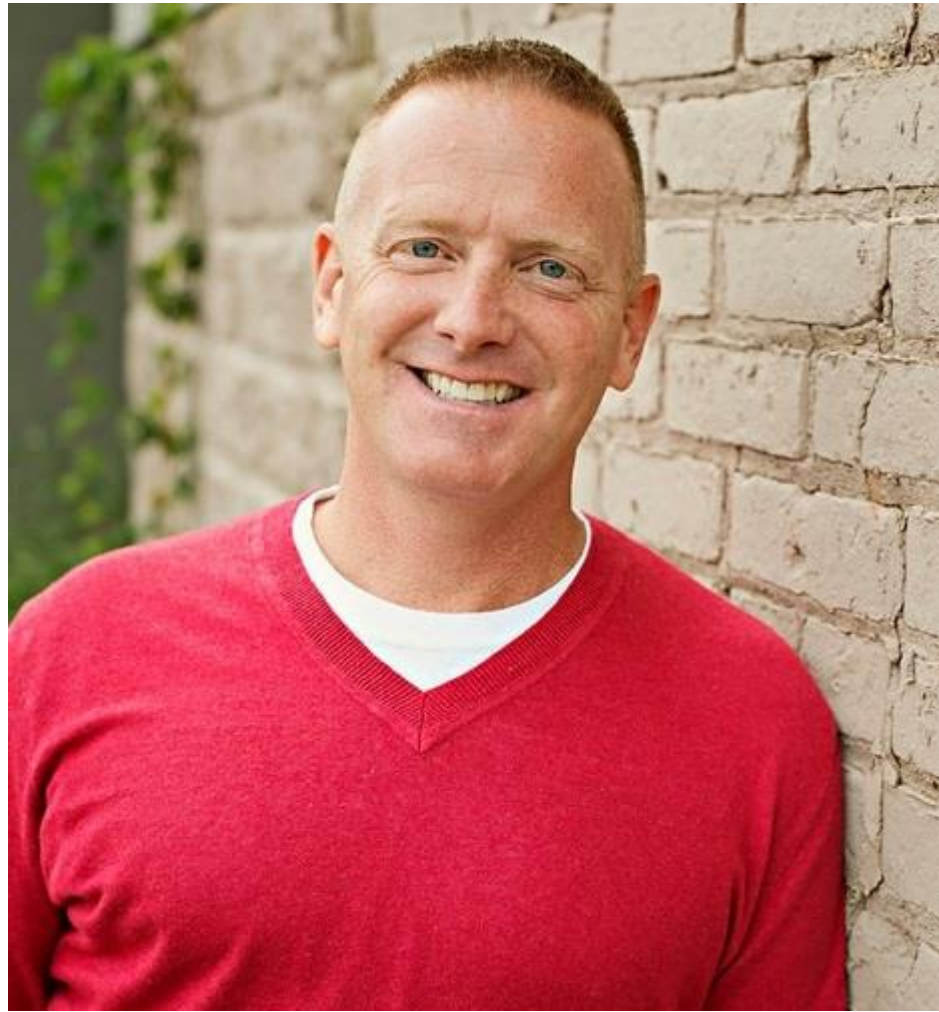
Reporting Health Care Claims Per Capita (HCCPC) is easy – simply take the total \$\$\$ in health care claims vs. your plan and divide by the number of employees.

### *Why it will make a difference:*

The resulting awareness helps in two ways:

1) It gives you leverage so there are no surprises if you have to reduce the quality of the medical coverage to stay even.

2) It helps fund (with no budget) remedial, mid-stream solutions within the plan year designed to reduce total claim \$\$.







*Lean in  
when it comes to using data ...*

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

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# MID CAREER, LOW CHANGE: THE COP





A close-up, monochromatic blue-tinted photograph of a woman with dark hair pulled back, looking intensely at the camera. She is holding a handgun in her right hand, pointing it towards the viewer. The background is a solid blue color. At the top of the image, there is a horizontal line with a row of ten white stars above it.

**CHANGE AND INNOVATION JUNKIE: THE ASSASSIN**




# Stop Reporting *Start Predicting*

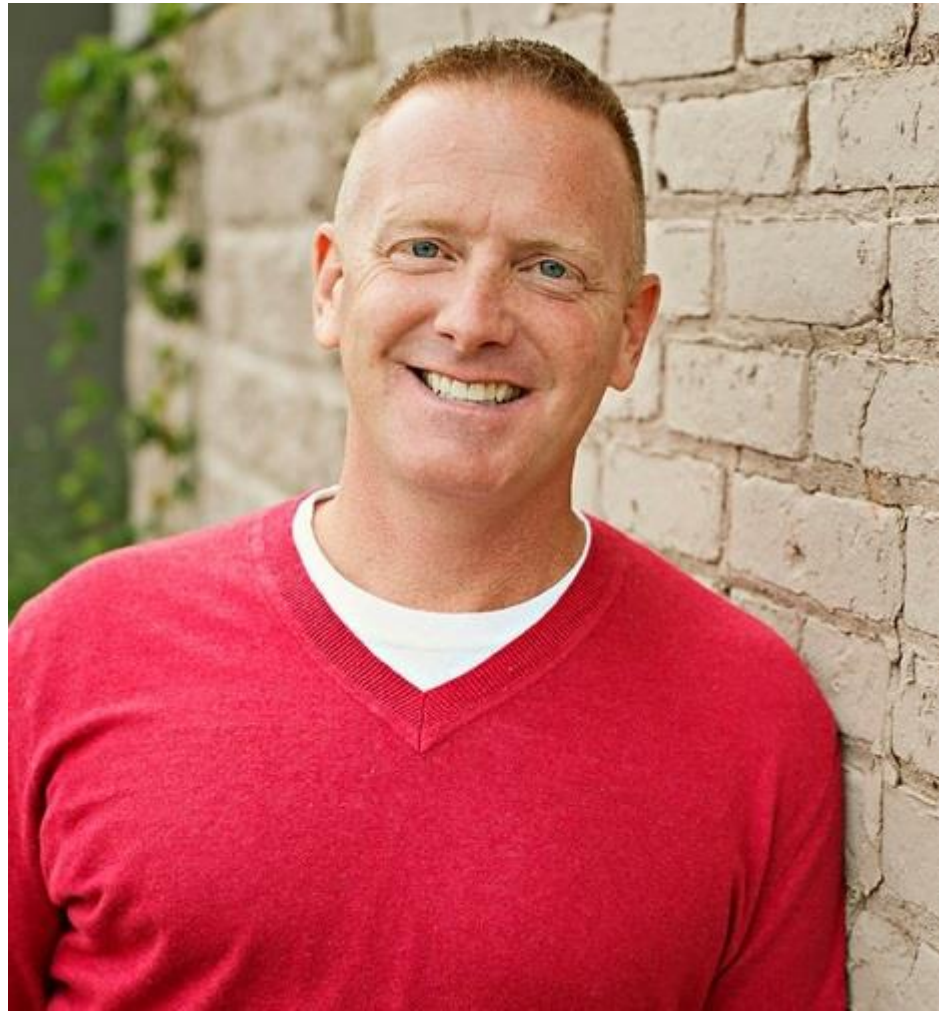
The HR standard for reporting has traditionally been about what has happened in the past.

Too little focus has been placed on predictive use of data.

You might not have true predictive analytics, but how comfortable are you and your team at using data to directionally predict the future and identify gaps?












BEST  
HR  
Practices

- What-If Questions
  - Correlations
  - Root Cause Analysis
- 



# BEGIN ASKING “WHAT-IF” QUESTIONS


*Old Math:*  
What’s our turnover?



*New Math:*  
What if we added a  
popular, but costly,  
benefit?

What if we don’t?

What’s our turnover if we  
have to eliminate a  
popular benefit?






# EXAMINE CORRELATIONS & CONNECTIONS

*Old Math:*  
Let's see who might  
be retiring in the  
next three years.  
(Ageist.)



*New Math:*  
Let's analyze expected  
leader turnover and  
leader pipeline data.  
Do we have a problem  
or not?





*try a*  
**ROOT CAUSE  
ANALYSIS (RCA)**

*Old Math:*

Let's analyze our resignation rate (those leaving on their own).

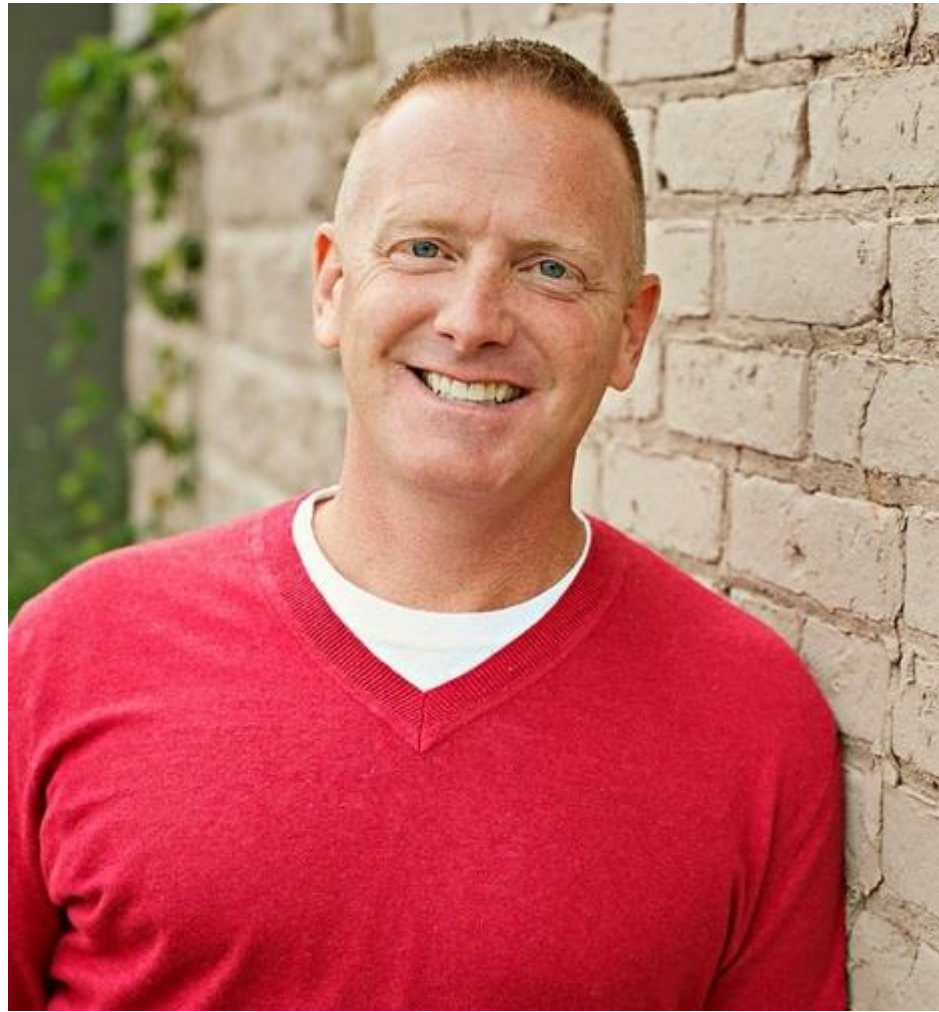
Report on findings.

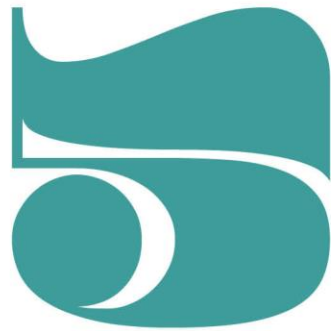


*New Math:*

Let's look at the resignation rate of our highest performers and compare it to the resignation rate of mid-level performers.

Then ask — Do we have a problem? Are we retaining our best and brightest? How can we find out more?









*What's Next?*  
*What do I do with this data?*






# **PUT THE DATA ON A SCOREBOARD**

The data isn't about HR, it's about the business.

You don't win unless you are willing to keep score and tell the world who's winning.

The business will respect you more in the morning if you are radically candid.

Report on winners and losers, but be quick to offer help to those who aren't winning.






**EXPERIMENT** Your reporting on data sets the baseline.  
**LIKE CRAZY** Data provides a perfect opportunity to experiment.

Do experiments, measure the outcomes.

Experiment on the easy stuff, get some early wins.





**BE A TRUE  
BUSINESS  
PARTNER**

The reporting you do in public doesn't have to include individual manager level.

The reporting you do in private **MUST** include and focus on individual manager level.

You can't play with the big dogs until they trust you.

Consulting 101 - be data-driven first, then make recommendations.






**APPLY PRESSURE  
TO MAKE  
CHANGES**

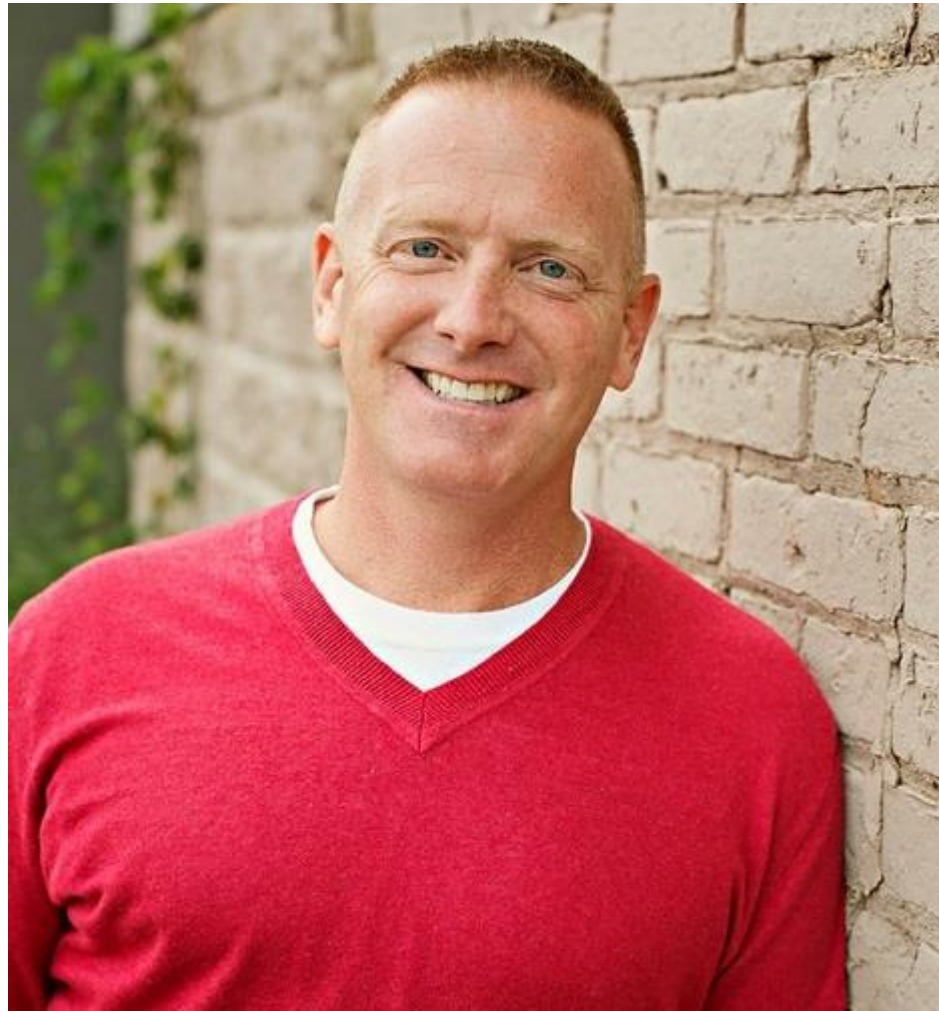
There are managers out there who don't care about people.

Those managers cause a lot of harm to the business and create employee relations issues everywhere they go.

Even if they get decent business results, they suck the life out of people.

Sometimes you have to play Hardball instead of Moneyball – develop your scoreboard and have a relationship with the senior-most leaders to make the case for change.







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