Beyond HR Metrics: HR Analytics
2018 Benchmarking Report

IPMA-HR INTERNATIONAL TRAINING
CONFERENCE AND EXPO
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PRESENTER:
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Objectives

- Determine current state of public sector HR analytics
- Explore changes since the 2010 report
- Identify common practices
- Establish training opportunities for public sector HR professionals
Methodology

Emailed to 6,701 members

386 survey participants

5.7% response rate
Demographics

Level of Government
Organization size
Job title
Demographics

<table>
<thead>
<tr>
<th>Level of Government</th>
<th>N = 237</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local/County/Town</td>
<td>71%</td>
</tr>
<tr>
<td>State</td>
<td>14%</td>
</tr>
<tr>
<td>Federal</td>
<td>3%</td>
</tr>
<tr>
<td>Special District</td>
<td>9%</td>
</tr>
<tr>
<td>Educational Organization</td>
<td>4%</td>
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</table>
### Demographics

<table>
<thead>
<tr>
<th>Organization Size</th>
<th>n = 237</th>
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<tbody>
<tr>
<td>Small (41%)</td>
<td>1 - 200</td>
</tr>
<tr>
<td></td>
<td>200 - 500</td>
</tr>
<tr>
<td>Medium (41%)</td>
<td>500 - 1,000</td>
</tr>
<tr>
<td></td>
<td>1,000 - 5,000</td>
</tr>
<tr>
<td>Large (19%)</td>
<td>5,000 - 10,000</td>
</tr>
<tr>
<td></td>
<td>10,000 - 20,000</td>
</tr>
<tr>
<td></td>
<td>20,000 +</td>
</tr>
</tbody>
</table>
# Demographics

<table>
<thead>
<tr>
<th>Job Title</th>
<th>n = 238</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director</td>
<td>32%</td>
</tr>
<tr>
<td>Deputy Director</td>
<td>6%</td>
</tr>
<tr>
<td>Manager</td>
<td>24%</td>
</tr>
<tr>
<td>Consultant/Partner</td>
<td>4%</td>
</tr>
<tr>
<td>Analyst</td>
<td>15%</td>
</tr>
<tr>
<td>Coordinator</td>
<td>3%</td>
</tr>
<tr>
<td>Assistant</td>
<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>14%</td>
</tr>
</tbody>
</table>
2010 and Now: HR Metrics

An overview of how HR Metrics have changed over the last eight years
Collecting HR metrics at nearly the same rate as eight years ago

Medium and large organizations collect HR Metrics at a higher rate (82%) than small organizations (69%)
Does your agency have an Human Resource Information System (HRIS)?

12% increase: from 68% in 2010 to 76 percent in 2018

Medium and large organizations reported higher rates of employing an HRIS than small organizations (67%)
2010: most have been collecting data for 2-5 years

2018: most have been collecting data for 10+ years
What HR metrics does your agency collect?

Same top 2 HR Metrics being collected:
- Headcount
- Length of Service

30 percent increase in IPMA-HR members collecting top metrics
Beyond Metrics: HR Analytics

Current State of HR analytics
Does your agency implement HR analytics for the purpose of improving HR strategy and performance? (n = 302)

- Yes, 58%
- No, 30%
- I’m not sure, 12%

58% reported implementing HR analytic practices for the purpose of improving HR strategy and performance.

By organization size:
- Small: 49%
- Medium: 60%
- Large: 73%
How long has your agency been implementing HR analytics processes? (n = 175)

From those respondents implementing HR analytics most common timeframe is 2-5 years.

For large organizations: over 10 years.
What is the main purpose of the data collection/analysis conducted by your agency? (n = 251)

- Majority of organizations intend to impact internal and external processes with HR analytics (64%)
- Only a small percent (2%) focus solely on external organizational processes
- No significant differences by organization size

Pie chart:
- 64% Impact internal HR processes
- 34% Impact both internal and external processes
- 2% Impact external organizational processes
In what way does your agency mainly use the data collected? (n = 257)

- Predicting trends and influencing future decisions: 33%
- Reporting the data to HR and/or the organization: 34%
- Answering specific questions or problems: 23%
- Rarely use data collected: 10%

Top 2 ways agencies use data:
- Reporting Data
- Predicting trends

10% rarely use data collected
Data Analysis Workgroup

Does your agency have a person or a team dedicated to HR data analysis? (n = 294)
- No: 67%
- Yes: 33%

By organization size, those who said yes:
- Small, 21%
- Medium, 27%
- Large, 62%

From organizations without a dedicated HR analytics person or team:

Are there plans to add a person or team dedicated to HR data analysis in the future? (n = 196)
- No: 14%
- Yes: 86%
What software or programs does your agency use to collect data and implement HR analytics?

Microsoft tools were most commonly reported software used, with 37 percent of respondents mentioning its applications, particularly Excel, Access and SharePoint.

4 percent of respondents reported having no program in place for data collection and analysis.
Data-Driven Culture

Organizational support surrounding a data-driven culture in public sector human resource agencies
43% felt their agency provides some support for their HR analytics-related projects.

Nearly half felt their agency places some value on their findings during the decision-making process.
Does your agency share HR analytics findings with senior leadership? (n = 254)

- **Yes**: 82%
- **No**: 8%
- **I'm not sure**: 11%

Majority (82%) of respondents share analytics findings with senior leadership.

High rates of communication across organization of all sizes.
How has implementing HR analytics increased HR's strategic influence? (n = 248)

About half said it has “somewhat affected” HR’s strategic influence

13% feel they don’t affect strategic influence at all
Has the use of HR Analytics been able to affect the bottom line of the organization?

- Yes: 26%
- No: 23%
- I’m not sure: 52%

Over a quarter feel the use of HR analytics has affected their organization’s bottom line.
What is the main obstacle that holds your back from implementing HR Analytics in your department? (n = 219)

- Insufficient budget: 27%
- Lack in training and knowledge of HR Analytics by HR staff: 24%
- Lack of access to analytical software and programs: 19%
- Other: 18%
- Lack of support from Leadership: 12%

Insufficient funding is the main obstacle for almost a third of HR professionals.
Lack of training and access to software are main obstacle for about a fifth of respondents.
What HR improvements have stemmed from the use of HR analytics in your organization? (choose up to 3) (n = 149)

<table>
<thead>
<tr>
<th>Improvement</th>
<th>Percentage</th>
</tr>
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<tbody>
<tr>
<td>Better communication with Senior Leadership</td>
<td>68%</td>
</tr>
<tr>
<td>Increased strategic influence</td>
<td>50%</td>
</tr>
<tr>
<td>Implement new technology</td>
<td>30%</td>
</tr>
<tr>
<td>Getting a seat at the table</td>
<td>24%</td>
</tr>
<tr>
<td>Changing staffing ratios</td>
<td>19%</td>
</tr>
<tr>
<td>Other</td>
<td>14%</td>
</tr>
</tbody>
</table>

Most common improvement is better communication with senior leadership (68 %)

It’s followed by increased strategic influence (50%) and implementing new technology (30%)

Provided focus/priorities for future goals
Improvements in the functional areas of HR stemming from the use of HR analytics
Has your agency implemented HR analytics to improve...

Most HR professionals use HR analytics to improve practices in recruitment and hiring.

Succession and workforce planning along with diversity and inclusion were the areas with less use of HR analytics.
Half of the comments mentioned shorter time to hire as an improvement.

Identifying positions with high turnover in order to develop solutions to address it.
Training and Development (n = 69)

Identifying training needs and developing effective trainings are the most common improvements.

How does your agency measure improvements in training and development? (n = 58)

- Track Participation: 35%
- Post-Training Evaluations: 31%
- Annual Surveys: 21%
- Testing/Certifications: 8%
Salary and Benefits (n=93)

- **Improve Market Data**: 32%
- **Update Compensation Strategy**: 30%
- **Adjusted Salary Ranges**: 21%
- **Review Benefits Package**: 19%

Improving market data and updating the overall compensation strategy were the most common themes.

HR data used to justify implementation of paid parental leave, increase in Wellness program participation incentive.
Identifying areas of need was the major theme from the comments regarding improvements to succession and workforce planning.

We take the organizational structure and heat map it by age, tenure and vested status to visually show those individuals that can walk out the door, those that are within 5 years and those that are within 10 years.

Succession and Workforce Planning (n = 62)

- **Identify/Report on Areas of Need**: 45%
- **Improved Succession Plan**: 37%
- **Developed Training Programs**: 18%
Higher rates of completed evaluations is the most mentioned improvement in performance management.

The percentage of employees getting an annual has increased dramatically since moving to a goal driven online cloud based system.

Performance Management (n = 61)

- Increased completion: 43%
- Goal and objective oriented: 23%
- Shorter, periodic check-ins: 20%
- Updated process: 20%
- Provide support for areas in need: 13%
Demographic data tracking and reporting is the most common improvement.

We track our clients to measure population shifts and if our employee base needs to change with population trends.
HR Analytics Training

Training needs for the public sector HR professionals
Training in Data Collection and Analysis

Does your agency provide training to HR professionals on HR data collection and analysis? (n = 239)

- Yes: 72%
- No: 20%
- I'm not sure: 8%

From those who responded yes:

Is the training provided in-house or through an external agency? (n = 48)

- In-house: 54%
- External agency: 46%
Does your agency provide training for the analytical tools or programs used to implement HR analytics? (n = 238)

- Yes: 71%
- No: 19%
- I'm not sure: 10%

From those who responded yes:

Is the training provided in-house or through an external agency? (n = 44)

- In-house: 71%
- External agency: 30%
- I'm not sure: 30%
What training opportunities would support you in developing your agency's capacity for HR analytics? (n = 94)

Most common desired training include basic analytics skills
- Software familiarity
- Data Collection

Best Practices Industry standards in the HR Domain (employee relations, employee benefits, recruitment, retention, employee development, perks, etc)
Case Study

Performance management program update through satisfaction survey results
City of Mooresville, NC

The Human Resources department staff oversees and coordinates several programs and services for the town’s employees. The services provided include compensation and benefits, employee relations, organizational development and learning, and performance management.

- **Initiative:** The organization conducted an employee satisfaction survey and focus groups. At the time the organization used a competency based performance evaluation system and the employee feedback was that it was too long and it was awful. They revamped their appraisal to be 6 questions. Both the employee and manager answer the questions. There is no scoring system just an overall score of Below Expectations, Meets Expectations or Exceed Expectations. In essence, it is a focused performance conversation focused on their goals, value they bring to the organization, development needs and what is needed from the employee or from the supervisor. There is also a 6 month informal check-in. The annual evaluation is tied to a merit increase based on the overall score. Below expectations they receive no merit or longevity pay. Meets expectations and Exceeds Expectations are based on the budgeted increase percentage.

- **Outcome:** From an HR perspective they are seeing a higher percentage coming in on time with this new formal. They are planning to do another employee satisfaction survey in the next year or two and will get additional data from that. They have also seen an increase in employees being promoted and being successful in the positions. This is based off of the development needs question.

- **Lessons Learned:** Long term employees questioned how it is measuring anything. They had an honest conversation with the employees about the questions and how it would be utilized.
Discussion