



Leveraging Data to Boost Workforce Productivity



In the new world of work, HR professionals are tasked to do more than just administrative HR. They're required to be business partners who can create and execute HR strategies that address business problems and directly contribute to the organisation's bottom line.

To do this, HR professionals will need to use reporting and analytics to tell stories that would give executives quantitative and qualitative information on company and employee trends, workforce performance and development, HR activities, and more - all of which is vital for informed decision-making.

It is a process that enables HR professionals and management to keep their fingers on the organisation's pulse by tracking key workforce metrics.

HR Analytics: 7 Reports Your Executives Want to See

HR reports give executives a clear picture of what is going on in the organisation, allows them to spot trends in employee health, and identify workforce issues and opportunities to make effective business decisions.

HR metrics help HR and the organisation evaluate the efficiency, effectiveness and impact of their HR systems, programmes, and processes.



Why You Need HR Reporting and Analytics

1. To make better hiring decisions

Not all candidates are suitably qualified for your organisation. But how can you know the best talent to select from a pool of applications? Analytics helps to identify factors that have proven to be good or bad fits for your organisation. Predictive analysis is easier with reporting and analytics and allows HR recruiters to make more informed decisions based on past data.

A Society for Human Resource Management (SHRM) survey reveals that 43% of HR professionals say obtaining and optimising human capital is the **largest "investment challenge" for employers**.^{*} This is why HR managers should focus on forecasting future hiring before the need arises.

* www.bit.ly/36clckB

2. To identify retention and turnover patterns

As we've previously established, hiring is expensive, both cost and time-wise. It is unrealistic to expect that staff will never leave, so for every employee that exits the organisation, you need to understand why they do.

Measuring key turnover metrics helps employers examine reasons for turnover, estimate the cost-to-hire for budget purposes, and develop strategies to improve employee retention.

3. To track and manage employee performance

Tracking employee performance goes beyond collecting the bare minimum KPIs. With good HR reporting and analytics, you can zero in on the workforce's contribution to the organisation's bottom line and identify skills gaps. Knowing this will help you understand roles that need more hands and how individual KPIs and OKRs align with the organisation's goals.



Analytics are useful for how they help to assess the health of the workforce and identify patterns that can inform strategic decision making

4. Compensation management

The process of managing and analysing the salary, incentives, and benefits each employee receives is a task worth automating. Beyond the administration of compensation and benefits, HR managers aim to attract, retain, and engage top talents by offering competitive compensation plans within the company budget.

With the visibility provided by analytics into the payroll process and a complete picture of your operational costs and requirements, executives are better positioned to design and analyse methods to grow the company.

5. Improve communication

Employees are often encouraged to reach out to HR if they have any issues at work. Still, a two-way communication system where HR can initiate the conversation is a better approach because it keeps you proactive.

Analysing HR data will help HR know what conversations to initiate. This shows employees that the business cares about their well-being and will help maintain positive employee relations and reduce employee dissatisfaction.

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6. Automate tasks and improve processes

The HR unit is often one of the most overworked and understaffed departments in an organisation.

HR reports help identify what functions take up a lot of time and need to be automated. HR professionals have to answer dozens of queries every day, manage old and new staff, coordinate paperwork, prepare reports for executives, and so much more.

A survey by NTT DATA Business Solutions* revealed that HR professionals spend a huge chunk of their time on HR analytics and reporting. This is often because of siloed information and a lack of standardised HR reporting tools. HR automation offers more straightforward ways to manage tasks like these and do so effortlessly and in less time.

* www.bit.ly/2TzwiYw

7. To become a strategic business partner

Beyond transactional HR roles, the HR unit should ultimately help the business maximise the workforce to realise its mission, vision, and objectives.

To achieve this, all HR processes will need to be streamlined for efficiency and aligned to meet the company's goals.

The right HR reports can help executives analyse different data with the potential to affect business; for example, weighing the pros and cons of part-time, full-time, and contract staff. With it, they can develop new business strategies and models, understand employee turnover rate, hiring cost, workforce gender ratio, employee productivity, etc.



"At a time when data are more readily available than ever, HR is being asked for more information, better insights, and more precise recommendations to help executives and managers run their businesses."

- Guenole, Ferrar & Feinzig, 2017

So what are the ideal HR reports for management and executives?

While executives do not have to go over every HR report, some are integral to decision making.



1. Recruitment report

A recruitment report details every aspect of the recruitment process - from talent sourcing to the interview and final selection.

A proper recruitment report will have all the information about open positions in the organisation that need to be filled, cost of hiring new employees, time-to-fill, quality of hire, recruitment funnel effectiveness, selection ratio, and other essential recruitment metrics.

It should also contain information about the candidates: their qualifications, expected remuneration, and where they are in the recruitment process.

Recruitment reports can help evaluate the hiring process to determine whether the organisation is hiring the right people, thus optimising recruitment strategies, and aligning them with the business goals.

A recruitment management system* can reduce your time-to-hire and cost of recruitment significantly while at the same time ensuring that only the best candidates filter through.

* www.seamlesshr.com/recruitment-management

2. Headcount report

A headcount report shows how many employees work for the organisation at a particular time, usually within a specific date range. The report can further drill down to indicate the number of employees in each department.

An employee headcount report tells you just how employees are moving in your organisation. It provides insight into which departments have a high turnover rate, which ones have a high retention or growth rate, the reasons behind this, and what can be done about it.

A 2015 KPMG/EIU report* showed a large majority of executives (91% in the IT/technology sector, 81% in biotechnology, and 70% in financial services) expected the growing use of data-driven insights in their HR function to lead to increased profits over the subsequent three years.

* www.bit.ly/3l0N2mP

3. Performance management report

It is more likely for an engaged employee to be more productive than a disengaged one. When you track and recognise an employee's performance and contribution to the organisational goals, they feel appreciated and are encouraged to do more.

On the part of the executives, a performance management report helps them understand how each employee's work and KPIs align with the overall company goals.

A detailed performance management report gives executives a clear understanding of each employee's strengths and weaknesses. It also helps them identify the different categories of their workforce: who are the best performers, the team players, and the loners? Who needs coaching or mentoring? Which employees need upskilling, and which ones are redundant?

A performance management report is unbiased, honest, and goes beyond disciplinary or behavioural issues to an in-depth employee growth assessment.

4. Compensation report

Every organisation needs to keep a detailed report of employee earnings over the entire period of their employment. Not just for tax purposes, but to have a complete insight into how much each talent costs and for the purpose of financial forecasting.

This report should include; basic salary, incentives, overtime, among others. It should also include the growth rate of each employee and their payment reviews, which employees have reduced compensation for any reason, those on paid leave, those compensated for exceptional achievements, etc. It keeps the organisation accountable and ensures that the business is not violating any federal regulations.



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5. Turnover report

Most companies cite a high turnover rate as their biggest challenge. A turnover report should include the number of employees who have churned, the reasons for leaving (whether voluntary or involuntary), and if they have been replaced with a new hire.

An employee turnover report can give executives insight into the possible causes of employee turnover in the organisation; it could be an issue with the hiring process, work environment, remunerations, or company culture. Understanding where the lapse is can help management determine how to fix it and reduce turnover.

The implications of a high turnover rate include loss of vital information, experience, and confidence in the organisation and reduced morale of those who remain.

6. Training report

This report details the skills, training, and certification covered by the organisation for employees. It also includes recommendations for employee learning and development.

It gives executives insight into the ROI of training and upskilling employees to improve productivity and output, the career growth process and plan for each employee, and how they have taken advantage of opportunities.

Executives can then make informed decisions on training employees and their expected productivity and output.

7. Diversity report

Some organisations are required to conduct diversity reporting for employees. However, even when not required by law, organisations should hire based on merit and ensure that the hiring process is free from bias. A diversity report ensures that organisations stick to this policy when hiring.

With proper reporting on employees' age, gender, ethnicity, and so on, executives can better understand the composition of the workforce. They can then make decisions or change hiring strategies to ensure their recruitment process is all-inclusive and free from bias.

A diverse workplace gives employees a stronger sense of community and fosters a positive work culture.



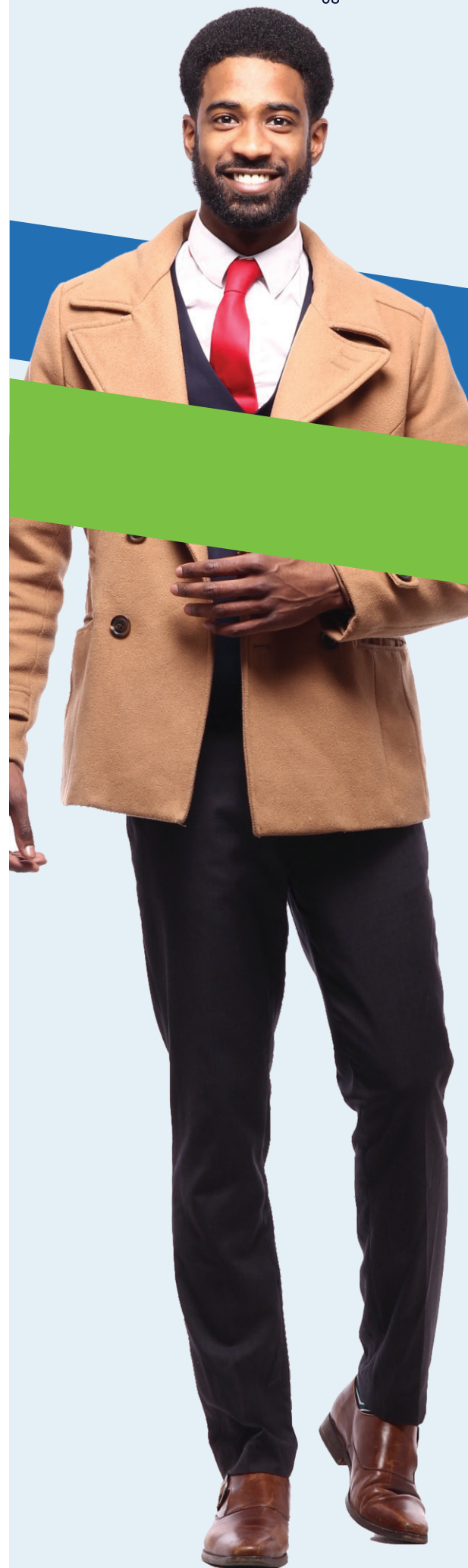
Start Using Data to Make Better HR Decisions

The role of HR is to build winning teams, so a passion for driving performance is vital. However, understanding how different HR activities come together – how they are interconnected and their interdependencies may be daunting, but analytics brings it all together.

HR reports will help executives understand what is going on with their employees and how company policies affect work productivity. It will also give them insight into the gaps in the company's management processes. In addition, it helps them understand what measures are put in place by the HR department to fix identified gaps and the policies and programmes they create to serve employee and business needs.

In summary, HR reports and analytics enables HR departments to

- 1 Provide a single source of truth, a precise repository of information for the HR team, managers, and executives.
- 2 Drive corporate strategy using actual, actionable insights.
- 3 Identify the core drivers of organisational effectiveness and formulate action plans to achieve your corporate goals.



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