HR Metrics & Analytics
MSB21T2001

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Index-Session 24

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session Objectives- Topics to be discussed

- 51 of the most important HR metrics
- HR PERFORMANCE METRICS
- GENERAL WORKFORCE METRICS

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Recap of Session 24

– Concepts of value propositions and HR decisions

– Sustainability in HR decisions

– HR analytics and HR value propositions

– HR optimization through HR analytics

– HR forecasting, HR plan and HR analytics

– Predictive HR analytics

HR PERFORMANCE METRICS

1	Revenue per employee	Total revenue / total number of employees
2	Revenue per FTE	Total revenue / total number of FTE
3	Profit per employee	Total profit / total number of employees
4	Profit per FTE	Total profit / total number of FTE
5	Overtime per employee	Hours of overtime / total number of hours (contractual hours + overtime) per period
6	Labor cost per employee	Total labor cost / total number of employees
7	Labor cost per FTE	Total labor cost / FTE
8	Labor cost percentage of revenue	Total labor cost / organizational revenue

9	Labor cost percentage of total expenses	Total labor cost / total organizational expenses
10	Absence rate	Number of absence days / total number of working days
11	Absence rate per manager/department	Number of absence days per unit / total number of working days per unit
12	Overtime expense per period	Overtime pay / total pay per period
13	Training expenses per employee	Training expenses / total expenses
14	Training efficiency	Training expenses per employee / training effectiveness
15	Voluntary turnover rate	# Voluntary Terminates during period / # Employees at the beginning of period (more information)

16	Involuntary turnover rate	# Involuntary Terminates during period / # Employees at the beginning of the period (more information)
17	Turnover rate of talent	# Terminates who qualified as high potentials during period / # Employees at the beginning of the period (more information)
18	Turnover rate	# Terminates during period / # Employees at the beginning of period (more information)
19	Turnover rate per manager/department	# Terminates per unit during period / # Employees in the unit at the beginning of period (more information)
20	Cost of absenteeism	Total cost of absenteeism = Total employee hours lost to absenteeism * hourly pay (including benefits) + Supervisor hours lost in dealing with absenteeism * hourly pay supervisor (including benefits) + other costs (including temporary staff, training, loss of productivity, quality loss, overtime, etc.)

21	Cost of turnover	Total cost of turnover, see Excel (by SHRM)
22	HR to employee ratio	FTE working in HR / total number of FTE
23	HR cost per FTE	Total HR cost / total number of FTE
24	Time until promotion	Average time (in months or years) until promotion
25	Promotion rate	Number of employees promoted / headcount

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GENERAL WORKFORCE METRICS

26	Average age	Average age	Sum of age of all headcount / headcount
27	Average length of service	Average length of service	Length of service of all headcount / headcount
28	Retirement rate	# Employees retired in period / headcount at beginning of period
29	Average distance from home	Average distance in miles (or km) from home
30	Engagement rate	# Employees above the engagement norm in period / headcount at beginning of period
31	Satisfaction rate	Number of people who report being satisfied in their job / total number of people
32	Salary hike since last year	(Current salary - salary previous year) / salary previous year

RECRUITMENT METRICS | Click here for the supporting articles

33	Time to fill	Number of days between publishing a job opening and hiring the candidate
34	Time to hire	Number of days between the moment a candidate is approached and the moment the candidate accepts the job
35	Cost per hire	Total cost of hiring / the number of new hires
36	Source of hire	Sourcing channel used to attract the hire

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37	First-year resignation rate	Employees who left the organization within 1 year / headcount Note: this number should be 0, just like metrics no. 38, 39 and 40. A percentage higher than zero will be very costly and indicates a bad fit with new recruits and the organization. Organizations should use better selection tools and procedures to prevent this.
38	First-year turnover rate	Employees who left the organization within 1 year / total number of recruits
39	First-month turnover rate	Employees who left the organization within 1 month / total number of recruits
40	Hiring manager satisfaction	Number of hires who perform well / total number of hires
41	Candidate job satisfaction	Number of hires who rate themselves as satisfied in their new job / total number of hires
42	Applicants per opening	Total number of applicants / number of job openings
43	Selection ratio	Number of hired candidates / total number of candidates
44	Cost per hire	(Total internal cost + total external cost) / total number of hires

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45	Offer acceptance rate	Number of applicants presented with a job offer / number of applicants who accepted a job offer
46	Vacancy rate	Total number of open positions / total number of positions in organization
47	Application completion rate	Total number of people who completed the application / total number of people who started with the application

48	Yield ratio	Number of applicants who successfully completed the stage / total number of applicants who entered the stage. For example: • 15:1 (750 applicants apply, 50 CVs are screened) • 5:1 (50 screened CVs lead to 10 candidates submitted to the hiring manager) • 2:1 (10 candidate submissions lead to 5 hiring manager acceptances) • 5:2 (5 first interviews lead to 2 final interviews) • 2:1 (2 final interviews lead to 1 offer) • 1:1 (1 offer to 1 hire)
49	Sourcing channel effectiveness	Total number of impressions of the channel / number of applications of the channel
50	Sourcing channel cost	Advertisement spending per channel / number of successful applicants per platform
51	Cost of getting to Optimum Productivity Level (OPL)	Total cost involved in getting someone up to speed = onboarding cost + training cost + cost of supervision + cost of on-the-job training + (total labor cost * % OPL per month) until 100% OPL Is reached

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In case, you find any difficulty in understanding the concepts of lecture, please feel free to contact.

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Thanks