

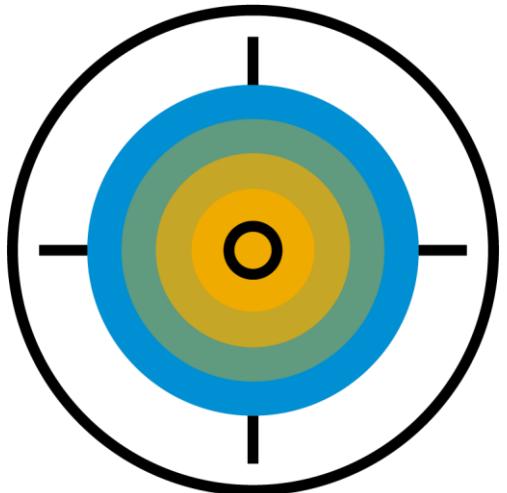


SAP SuccessFactors 

# Exploring the Measurements of **HR Value** to the Business

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## Our goal for today:

- Discover approaches for value measurement
- Study possible metrics to demonstrate HR efficiency and impact

# Design HR Value Measurement

# Start with Discovery of Business and HR Priorities

1. What business outcomes are we trying to impact?
2. What are the people drivers for these outcomes?
3. What is our current state compared to the optimal state?
4. What strategies might drive these outcomes and how can it be measured?

## Examples

Revenue Growth of X%

Do we have the leadership talent to execute on our strategy?

Evidence-based analysis of manager tenure, competencies, impact of training, etc.

People metrics aligned to expected outcomes (with target level)

# Utilize Frameworks to Design Value Measurement (CIPD and CIMA)

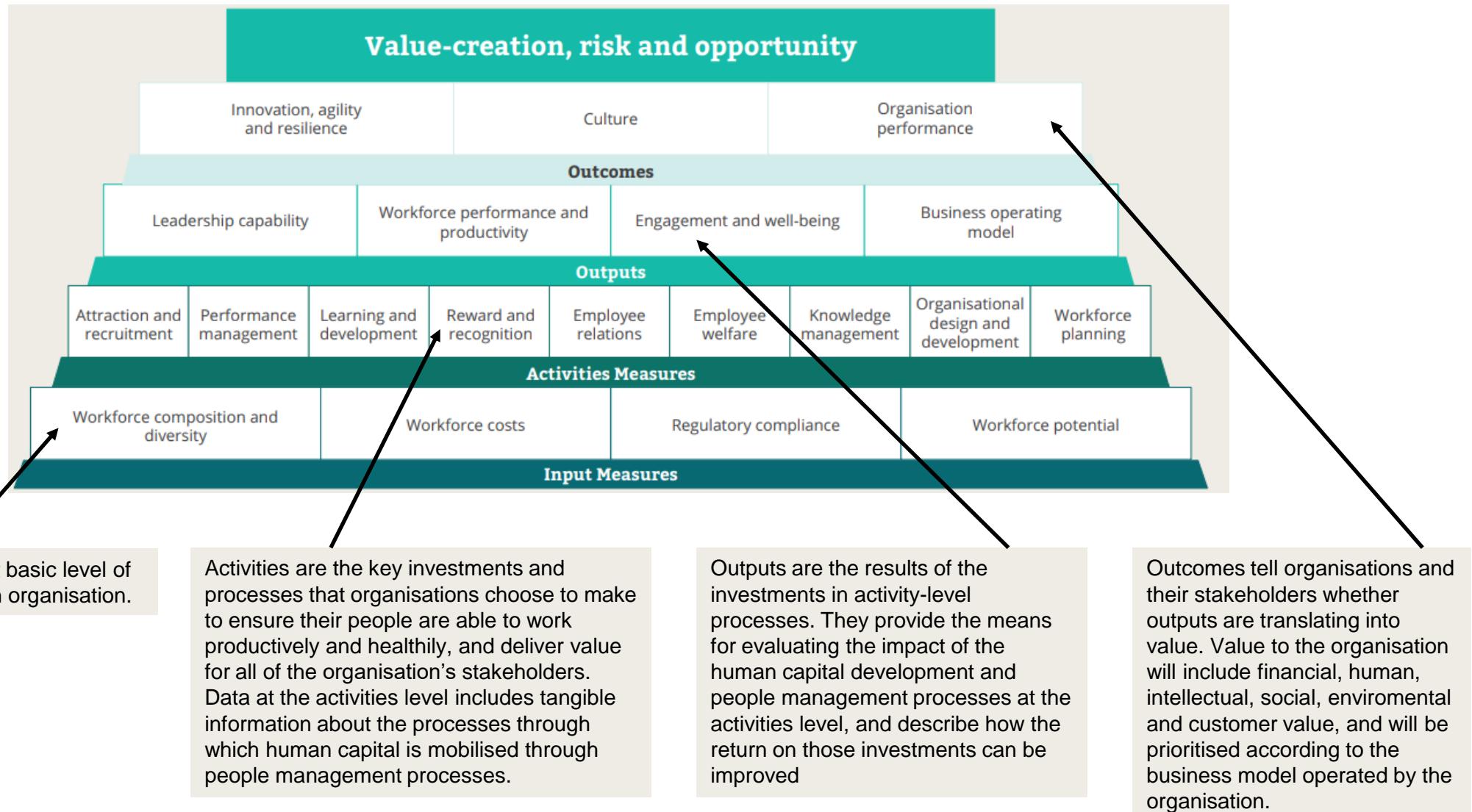
## Examples

% of sales from innovative products, org. efficiency

Labour utilization, executive stability ratio

Cost per hire, retention of new hires

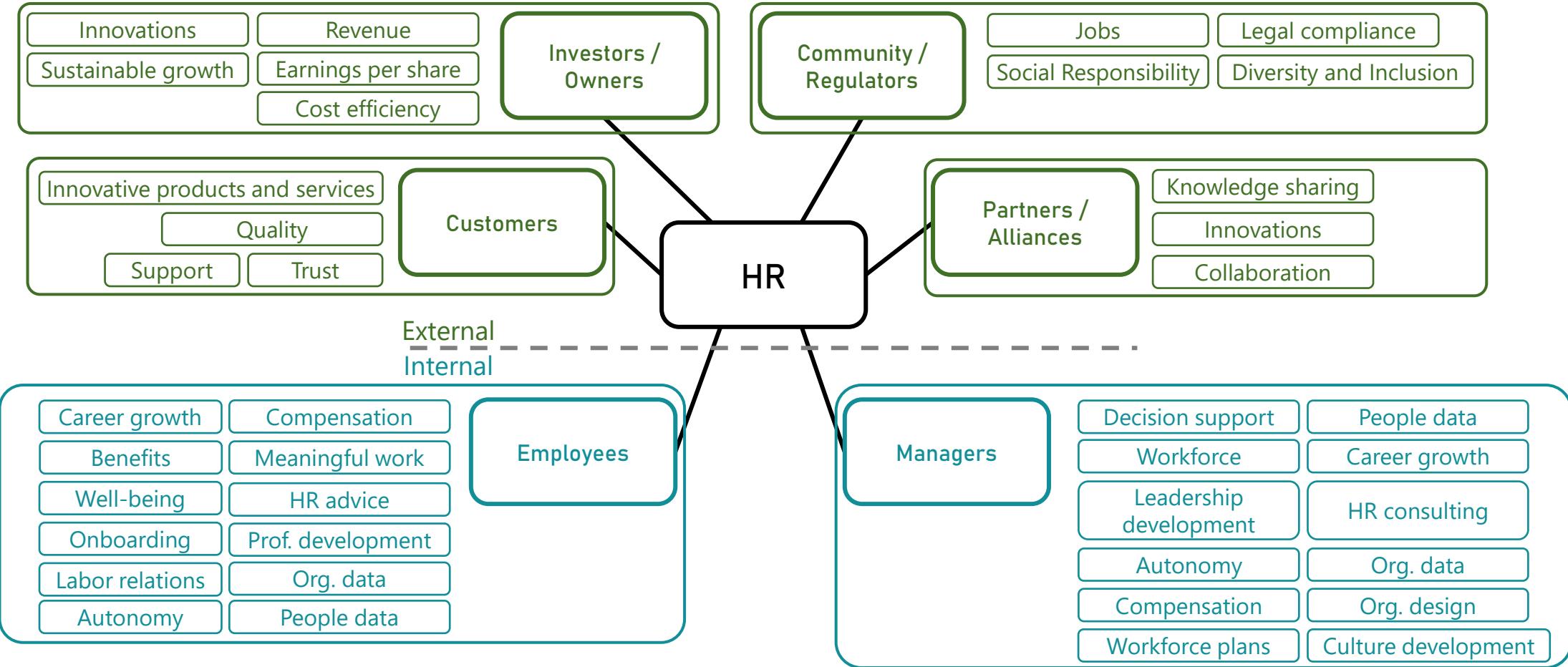
Employee Profile, variable pay



# Sample Discovery Questions

1. How does your organization define value?
2. What has HR typically measured?
3. How has HR tracked and measured value?
4. Are there certain value outcomes HR committed to achieve?
5. Does the organization have clear objectives and measures?
6. Does HR have clear objectives and measures?
7. Are the business and HR measures aligned?
8. What are the value drivers HR is measuring?
9. What is the process HR has in place to measure value?
10. How are you leveraging SF or other digital systems to support accessing information to measure?
11. How do you plan to track, manage, and measure future value?
12. How do you communicate to the business the value?
13. What are the biggest value measurement opportunities?
14. What are the biggest challenges you will face?

# Analyze HR Stakeholders and Their Needs to Understand Possible Metrics

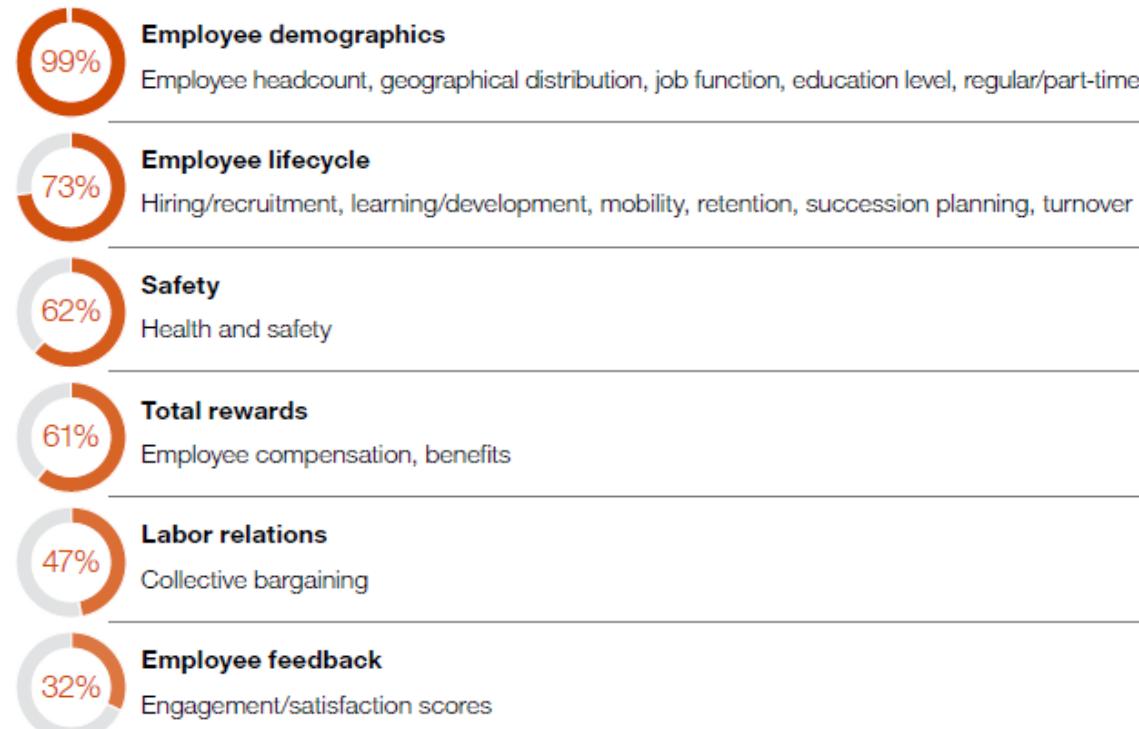


# Track External Changes in Requirements for HC Reporting

PwC studied 2,000 Form 10-Ks filed from November 9, 2020, the effective date of the new SEC rules, through February 28, 2021. In these Form 10-Ks, they noted:

- 89% included both qualitative and quantitative metrics
- 75% included disclosures related to COVID-19 and the impact to human capital, the majority of which were qualitative
- 66% disclosed DEI information (e.g., gender, sexual orientation, ethnicity, veteran status, culture, strategy, age, religion), much of which was qualitative;

Percent of 10-K filings that include\*:



\*Includes both quantitative and qualitative disclosures

# **Connect Business Priorities with Measurements**

# Possible Questions to Discover Key HR Metrics

Recruiting

## **What type of impact does our recruitment process deliver?**

What are the profiles of candidates we are hiring? How many of these leave within 3 months or less than a year? Why? How many hires go on to be high performers? Are we able to predict who these might be? Is a potential gender pay gap being addressed at the point of recruitment? How do candidates feel about their recruitment experience?

## **How effective is our recruitment process?**

Are we attracting the right number of candidates? Are we being looked at, and by whom? What profile of candidates are accepting or declining our offers? Does the time to fill negatively impact the organisation?

Learning,  
Talent and  
Succession

## **Are we seeing an ROI on our learning activities?**

Do some learning activities see high utilisation than others? Why? Are our activities having the expected impact on everyone, high potentials or other employee segments? What is our spend per employee/segment?

## **How are we developing employees?**

What type of training are employees doing? What is the profile of a HiPo? How are we identifying them? Are we failing to identify other HiPos? How are we developing employees? Do HiPos progress in the expected way? Are they leaving?

Mobility,  
Retention

## **How strong is our talent pipeline?**

Do we have appropriate succession pipelines across critical roles over the next 3-5 years? What type of succession profile is most likely to become a high performer? How can we speed up the time to performance? How diverse are our succession pools, and are the initiatives in place to develop them?

## **What does a typical employee career path look like?**

What career paths do different employees take? Do we promote internal talent? Do we have an ageing workforce population? Are too many (or too few) employees leaving – and why? Do internal or external hires perform better? What risks do our people represent to high business performance – what does good look like?

# Possible Questions to Discover Key HR Metrics

## Diversity and Inclusion

### **Are our D&I initiatives having an impact?**

In areas where D&I initiatives are taking place, are we seeing a positive impact? Are hires more diverse? Is learning impacting all employees equally? Are different employees progressing through the organisation at different rates? If not, why not? If yes, why? What is like the likely impact of strategies on future employees?

## Absence

### **How is absence impacting my part of the business?**

Is absence too high in any part of our business? What employees are more likely to be absent? How is absence likely impacting our productivity? How does it impact the business – does it result in other employees working more

## Reward

### **How fairly are we rewarding our people?**

Do we reward employees fairly? What career factors seem to impact how much an employee is paid? Do different types of reward incentive employees to stay, take promotions or other actions? Did we have to reward people out of cycle, and if so, did it work?

# Metrics As Support for People Decisions (1/3)

Diversity    Recruitment    Learning    Talent    Executive Dashboard    Data last refreshed on December 31, 2020. Organisational Unit: All Organizational Units

## How Effective is our Recruitment?

Is our recruitment process working?

When do we hire more employees? (External Hire Rate, Calendar Years, 2020)

Month	External Hire Rate (%)
Jan	2.6%
Feb	1.2%
Mar	0.8%
Apr	1.1%
May	1.1%
Jun	1.1%
Jul	0.8%
Aug	1.0%
Sep	0.8%
Oct	0.5%
Nov	0.5%
Dec	0.2%

How many applications have we received this year? (Applicants, Calendar Years, 2020)

Month	Number of Applicants
2020 Jan	305
2020 Feb	262
2020 Mar	4

Are our job offers being accepted?? (Offer Acceptance Rate, 2020)

Industry	Offer Acceptance Rate (%)
Corporate	9%
Energy and Util...	1%
Government	0.0%
Healthcare	8%
Retail	3%

What happens after employees are hired?

How many new hires leave in the first 90 days of tenure? (Turnover Rate - Tenure <30/90 Days, Calendar Years, 2020)

Year	Turnover Rate (%)
2017	13.2%
2018	3.1%
2019	14.9%
2020	14.3%

How does performance rating change after being hired? (Average Performance Appraisal Rating, Organization Tenure, 2020)

Tenure	Average Performance Appraisal Rating
<3 Months	3.66
3-6 Months	3.91
6-9 Months	3.86
9-12 Months	3.43
1-2 Years	3.30

**Do you have more questions?**

Let the WFA Team know what extra evidence you need.

# Metrics As Support for People Decisions (2/3)

## How well are we managing our talent?

Diversity      Recruitment      Learning      **Talent**      Executive Dashboard

Data last refreshed on December 31, 2020.  
Organisational Unit: Government

### How effectively do we manage our talent?

Do we give our higher performers more career opportunities? (Promotion Rate - Out and Transfer Rate - Out, Common Performance Rating, Calendar Years)

Performance Level	Promotion Rate - Out 2019 (%)	Transfer Rate - Out 2019 (%)
All Common Perf Ratings	1.4%	20.0%
High	0.5%	13.2%
Medium		
Low		

Do we give all talent the same training opportunities? (Training Hours per Employee, Common Performance Rating, Calendar Years, 2020)

Performance Level	Training Hours (2020)
High	19.34
Medium	18.29
Low	18.23

Do we reward higher performers better? (Average Annual Salary per EOP FTE, Common Performance Rating, 2020)

Performance Level	Average Annual Salary (\$)
High	\$72,860
Medium	\$71,558
Low	\$70,174

### How fair and diverse is our talent management?

Do we have equal men at all levels of our business? (Male to Female Staffing Ratio, Grade/Band, 2020)

Grade/Band	Male to Female Staffing Ratio
5	1.00
5A	4.00
6	0.50
7	8.00
8	1.00
Unallocated	1.66

Do men and women get the same career opportunities? (Promotion Rate - Out and Transfer Rate - Out, Gender, 2020)

Gender	Promotion Rate - Out 2019 (%)	Transfer Rate - Out 2019 (%)
Female	1.0%	16.8%
Male	1.7%	22.3%

Do employees from different ethnic backgrounds get the same career opportunities? (Promotion Rate - Out and Transfer Rate - Out, Ethnic Background, 2020)

Ethnic Background	Promotion Rate - Out 2019 (%)	Transfer Rate - Out 2019 (%)
Black or African American	15.4%	20.2%
Caucasian	1.4%	3.2%
Hispanic/Latino		28.6%

# Metrics As Support for People Decisions (3/3)

## How effective is our diversity programme?

Diversity    Recruitment    Learning    Talent    Executive Dashboard

Data last refreshed on December 31, 2020.  
Organisational Unit: Government

### Do we have a diversity problem?

Do we have a gender imbalance in this area of the business? (EOP Headcount, Gender, 2020 Dec)

Gender	Headcount
Female	642
Male	1,070

What is the ratio of men to women at different grades? (Male to Female Staffing Ratio, Grade/Band, 2020 Dec)

Grade/Band	Male to Female Staffing Ratio
5	1.00
5A	4.00
6	0.50
7	8.00
8	1.00

Do we have a gender imbalance in different job families? (Male to Female Staffing Ratio, Job Family, 2020 Dec)

Job Family	Male to Female Staffing Ratio
Account Managers ...	2.94
Business Ops Profs	1.13
Directors/Senior M...	2.10
Executives	1.00
Managers -Busines...	2.33
Supervisors/Leaders	0.25
Telemarketing Sales	0.61

### Is attrition driving the gender imbalance?

Do men and women leave the business at different times? (Termination Rate - Voluntary, Calendar Years, Gender)

Quarter	Female (%)	Male (%)
2019 Q1	1.1%	0.8%
2019 Q2	2.2%	1.5%
2019 Q3	5.8%	3.8%
2019 Q4	9.1%	4.8%
2020 Q1	2.1%	1.5%
2020 Q2	3.8%	2.0%
2020 Q3	5.4%	3.0%
2020 Q4	6.3%	4.0%

For the same reason, what ratio of women leave for every 1 man? (Termination Reason Ratio, 2020)

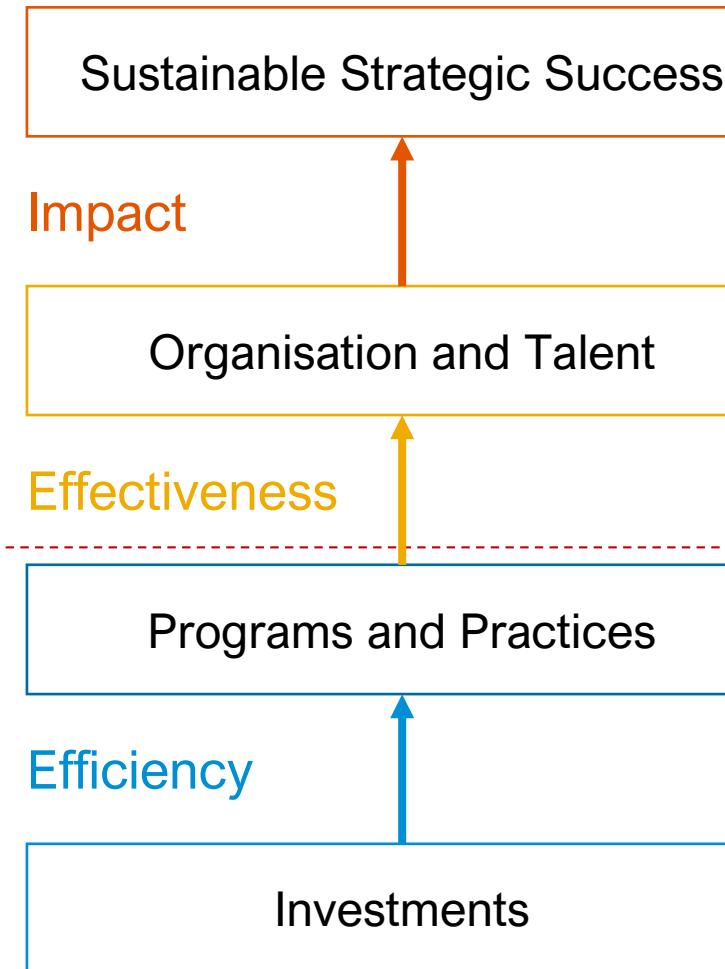
Reason	Voluntary Termination Reason Ratio
Education	1.39
Job Dissatisfaction	0.71
Onboarding	1.14
Other Job Competition	1.14
Personal Reasons	1.02
Retirement	0.33

**Do you have more questions?**

Would you like to know if men and women are being promoted equally? Or if men and women are doing the same training?

Please contact the WFA team.

# Define Metrics for Effectiveness and Impact

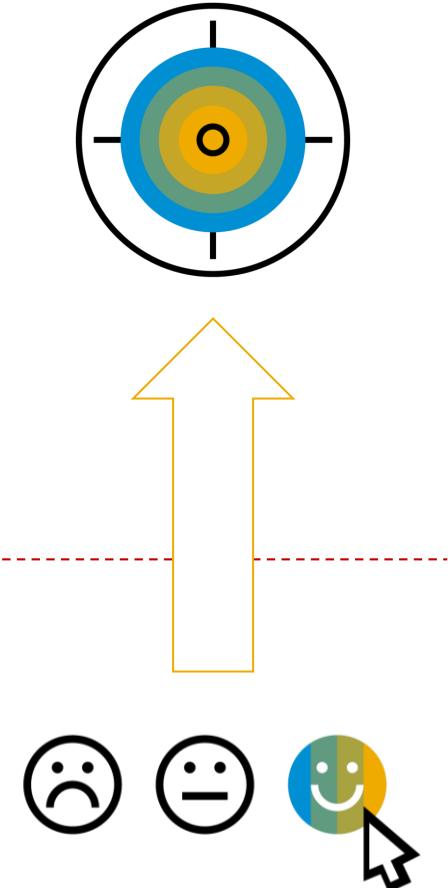
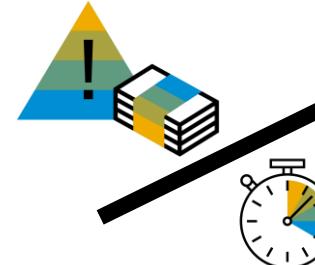


Outcomes of **business** interest:

- Performance / Results
- Behaviour when back at work
- Application of what they have Learned
- Customer Experience improvement

KPIs to evaluate training

Current focus of HR



# Design HR Value Scorecards

Value Scorecard				
Business Priorities	HR Priorities	HR Metrics	Baseline	HR Targets
Product Leadership	<ul style="list-style-type: none"> <li>Talent Readiness &amp; Pipeline</li> </ul>	<ul style="list-style-type: none"> <li># of Vacancies in Critical Roles</li> <li>Time to market</li> <li>Time to hire</li> <li>Time to fill</li> </ul>		<ul style="list-style-type: none"> <li>4.8%</li> </ul>
Cost Control & Efficiency	<ul style="list-style-type: none"> <li>Cost Management</li> </ul>	<ul style="list-style-type: none"> <li>HR Cost as Percentage of Revenue</li> <li>Employee to HR Ratio</li> <li>Admin time savings: HR</li> <li>Admin time savings: Manager</li> <li>Administrative time spent by managers on interviewing and hiring process</li> <li>% transactions processed via self service</li> </ul>		<ul style="list-style-type: none"> <li>.46</li> <li>103</li> </ul>
Business Growth	<ul style="list-style-type: none"> <li>Leadership Development</li> </ul>	<ul style="list-style-type: none"> <li>% of Ready Now Leaders (Next Role)</li> <li>% of Ready Now Employees (Next Role)</li> <li>Employee promotions</li> <li>Staffing rate of external hires</li> <li>Internal hire rate</li> </ul>		<ul style="list-style-type: none"> <li>70%</li> <li>50%</li> </ul>
Financial Performance	<ul style="list-style-type: none"> <li>Culture &amp; Engagement</li> </ul>	<ul style="list-style-type: none"> <li>Employee Engagement Score</li> <li>Time to competence</li> <li>Time to productivity</li> </ul>		<ul style="list-style-type: none"> <li>7.1</li> </ul>
Customer Satisfaction	<ul style="list-style-type: none"> <li>Culture &amp; Engagement</li> <li>Wellness</li> </ul>	<ul style="list-style-type: none"> <li>New hires that leave within 6 months (%)</li> <li>Active users in Jam</li> </ul>		<ul style="list-style-type: none"> <li>%</li> </ul>

# Consider Different Types of Indicators



Indicator Type	Utilization	Application & Example
Key Performance Indicator (KPI)	<ul style="list-style-type: none"><li>A specific outcome indicator included in the company's set of key performance indicators</li><li>Used in combination with other company KPIs to measure or compare HR's performance with regard to meeting the organization's defined goals</li></ul>	<ul style="list-style-type: none"><li>Company mission-critical processes</li><li>Expls.: HR FTE to employee ratio; % female new hires; accession rate (i.e. # placements /total # applications)</li></ul>
Outcome or Results Indicator	<ul style="list-style-type: none"><li>Measure to what extent an <u>HR function</u> - by applying one or more processes (or process areas) - achieves a defined outcome</li><li>Used to steer HR work towards defined goals</li></ul>	<ul style="list-style-type: none"><li>HR function-critical processes</li><li>Expls.: Training hours per employee; average time to fill; Time to full productivity of new hires; HR Admin Time on Performance &amp; Goals administration</li></ul>
Process Performance Indicator	<ul style="list-style-type: none"><li>Measure to what extent a <u>single process</u> works or is applied as defined</li><li>Used to ensure aspects of processing time, process quality or process cost</li></ul>	<ul style="list-style-type: none"><li>All processes</li><li>Expls.: % job requisitions initiated by hiring managers; % of elearnings consumed via mobile</li></ul>
Implementation Indicator	<ul style="list-style-type: none"><li>Measures to what extent a newly introduced or significantly changed <u>process</u> is implemented and used as planned</li><li>Used to monitor and measure the progress of a process implementation</li></ul>	<ul style="list-style-type: none"><li>New or changed process in implementation stage.</li><li>Expls.: % of HR staff using the new HR process; level of satisfaction with new learning software in HR; % of countries using new HR process</li></ul>

# **Overview of Possible KPIs for „Hire-to-Retire“ Processes**

# Contents of the Possible KPIs and Metrics Section

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# Common Measures from CIPD-CIMA Framework (Input)

## Input measures

The input level of the framework represents the fundamental people-data building blocks which help an organisation understand their human capital. This is people data at its most basic – it is absolute and cannot be broken down any further. By combining input-level data, it is possible to build more complex types of data and indicators.

Table 4 details definitions of each input measure, and indicative people measures that may be applied.

**Table 4:** Valuing your Talent input measures

Workforce composition and diversity	
Common measures	Example
<b>Employee profile:</b> age, gender, race, sexuality	% of employees between 18 and 25
<b>Departmental ratios:</b> gender ratios at senior leadership level	60 female : 40 male
<b>Headcount:</b> number of employees	Total N of employees
<b>Modes of employment:</b> a measure of the ratio of labour types	45:1 full-time to part-time labour split; buy new labour, build new labour or rent new labour
<b>Leadership diversity:</b> a measure of the diversity of senior leaders in the organisation against defined measures in the organisation's diversity strategy	% LGBT employees in senior/leadership positions

# Common Measures from CIPD-CIMA Framework (Input, continued)

Workforce costs	
The sum of all costs associated with the workforce	
Common measures	Example
<b>Total compensation:</b> all direct and indirect compensation received during a specified time period	£N/annum salary and benefits
<b>Guaranteed pay:</b> a fixed monetary (cash) reward paid by an employer to an employee – the most common form of guaranteed pay is base salary	£N/hour
<b>Variable pay:</b> a non-fixed monetary (cash) reward paid by an employer to an employee that is contingent on discretion, performance or results achieved. The most common forms of variable pay are bonuses and incentives	£N/annum, where N is determined through assessment of performance
<b>Benefits:</b> programmes an employer uses to supplement employees' compensation, such as paid time off, medical insurance, company car	N employees accessing additional benefits (for example life insurance)
<b>Equity-based compensation:</b> stock or pseudo stock programmes an employer uses to provide actual or perceived ownership in the company which ties an employee's compensation to the long-term success of the company – the most common examples are stock options	N employees taking out company stock
<b>Employer costs:</b> taxes and insurances mandated by law and regulation	
<b>Total workforce cost:</b> a measure of the total cost of the workforce – a key indicator of the financial value the organisation places on managing, maintaining and developing its workforce (SABA 2014)	Total compensation cost + benefits cost + other workforce costs = total cost of the workforce

# Common Measures from CIPD-CIMA Framework (Activities)

Attraction and recruitment		Activities measures are the processes available to the organisation through which it activates the human capital available to the business. At this level activities are based around human resource and financial management processes – data at this level illustrates a process within the organisation's business model which manages human capital.
Common measures	Example	
<b>Employer brand warmth:</b> a measure of the employer brand, important for attracting new talent to the organisation	for example, % of new recruits joining organisation as a result of targeted role advertisements	
<b>Cost per hire (CpH):</b> the total cost of recruiting and on-boarding a new employee	CpH = recruitment costs/(compensation cost + benefit cost)	
<b>Time to fill (average):</b> a measure of the time taken to fill an open position (ERC 2014)	Time to fill = total days taken to fill a role/number of successful new hires	
<b>Time to competence:</b> time it takes new recruits to reach adequate level of capability to complete their role	for example, Time = 5 months	
<b>Talent identification:</b> development of people in priority talent segments	for example, % of identified talented individuals per department/team	
<b>Rate of retention of new starters:</b> % of new starters retained over a given timeframe – useful in service industries with traditionally high levels of employee turnover	for example, N of new starters leaving within 6 months/total number of new starters	
<b>Recruitment effectiveness:</b> questions to hiring manager regarding their satisfaction with the recruitment process and its outcome	% satisfaction with hired employee % satisfaction with hiring process	
<b>Turnover (annual):</b> a measure of the rate of employees leaving the organisation over a one-year period	N leavers/year	

# Common Measures from CIPD-CIMA Framework (Output)

Workforce performance and productivity	
The quality or fact of individuals operating against role-based objectives and targets to be able to produce outputs and outcomes, including operational and behavioural aspects.	
Common measures	Example
<b>Performance against objectives:</b> performance against defined key performance indicators for individuals and roles <b>Per-unit full-time equivalents:</b> the measure of how many FTEs are required to fulfil a unit of work <b>Volume of work completed:</b> measure of completion of work against defined targets <b>Behavioural performance:</b> performance of individuals in line with defined behaviours set by the organisation	% of targets met N FTEs/unit produced % of employees demonstrating compliance in line with organisational values and behaviours
<b>Stakeholder satisfaction:</b> measure of stakeholder warmth/engagement with the organisation; measure of the quality of relationships with key stakeholders	% stakeholders reporting positive experience with employees % of stakeholders reporting that objectives were met to the desired level/standard
<b>Labour utilisation:</b> measure of how employees are assigned tasks and the efficiency at which they are able to deliver against their tasked objectives <b>Overall labour effectiveness:</b> a measure of the utilisation, performance and quality of the workforce and its impact on productivity OLE measures availability, performance and quality. <ul style="list-style-type: none"> <li>• availability = time operators are working productively/time scheduled *100%</li> <li>• performance = actual output of the operators/the expected output (or labour standard) *100%</li> <li>• quality = saleable parts/total parts produced *100%</li> </ul> <b>Effectiveness:</b> utilisation of resources such that the output of the activity achieves the desired result	availability – the percentage of time employees spend making effective contributions performance – the amount of product delivered quality – the percentage of perfect or saleable product produced $\text{overall labour effectiveness} = \text{availability} * \text{performance} * \text{quality}$ $\text{Effectiveness} = \frac{\text{actual output}}{\text{expected output}} * 100\%$

Output measures are the results of the investments in activity-level processes. They provide the means for evaluating the impact of the human capital development and people management processes at the activities level, and describe how the return on those investments can be improved, optimised and adapted to meet an organisation's ongoing needs. As this data becomes more strategic, there may be less tangible measures. Consequently, proxy measures (or approximate indicators) are often used at this level to describe human capital outputs.

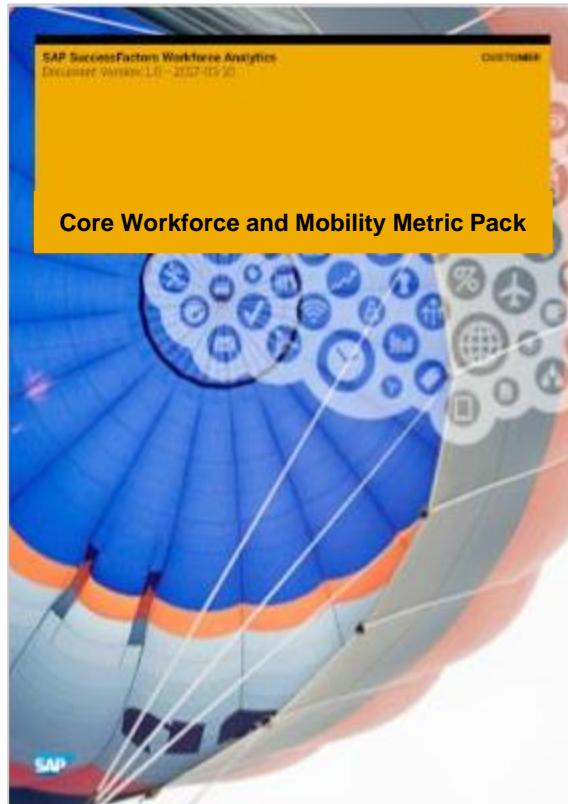
# Common Measures from CIPD-CIMA Framework (Outcome)

Innovation, agility and resilience	
Innovation describes the process of changing or creating more effective processes, products or ideas which can increase the likelihood of the business succeeding. Agility is the capacity of the business to identify and capture opportunities more quickly than rivals do. Resilience is the organisational capability to anticipate key events from emerging trends, constantly adapt to change and rapidly bounce back from disaster. (McKinsey & Co 2009).	
Common measures	Example
<b>Innovation activity:</b> a measure of the introduction of new, improved products or processes (Rogers 1998)	N new processes implemented £ spending on innovation
<b>Percentage of sales from new/innovated products:</b> ratio of sales against total sales which have resulted in recent innovation activity on new product lines, or established products (Rogers 1998)	sales of recently innovated products or services in the period/total sales in the period * 100%
<b>Intellectual property statistics:</b> measures of development of new intellectual property for the organisation (Rogers 1998)	
<b>Number of patents</b>	N
<b>Number of trademark applications (successful and failed)</b>	N
<b>Successful trademarks</b>	
<b>Total amount of research grants successfully awarded to the organisation</b>	N of successful trademark applications/total N trademark applications £ of grants successfully awarded to organisation
<b>Cybersecurity KPIs:</b> measures of cybersecurity risk that illustrate the compliance of an organisation against measures to protect knowledge and intellectual capital. Measures here can include those which point to numbers of incidence, as well as type and frequency of cyber espionage activity	
<b>Critical IT update lapse time:</b> the time between an IT provider supplying a critical security update and the organisation's full IT system installing it	T time

# Workforce Analytics Metric Packs

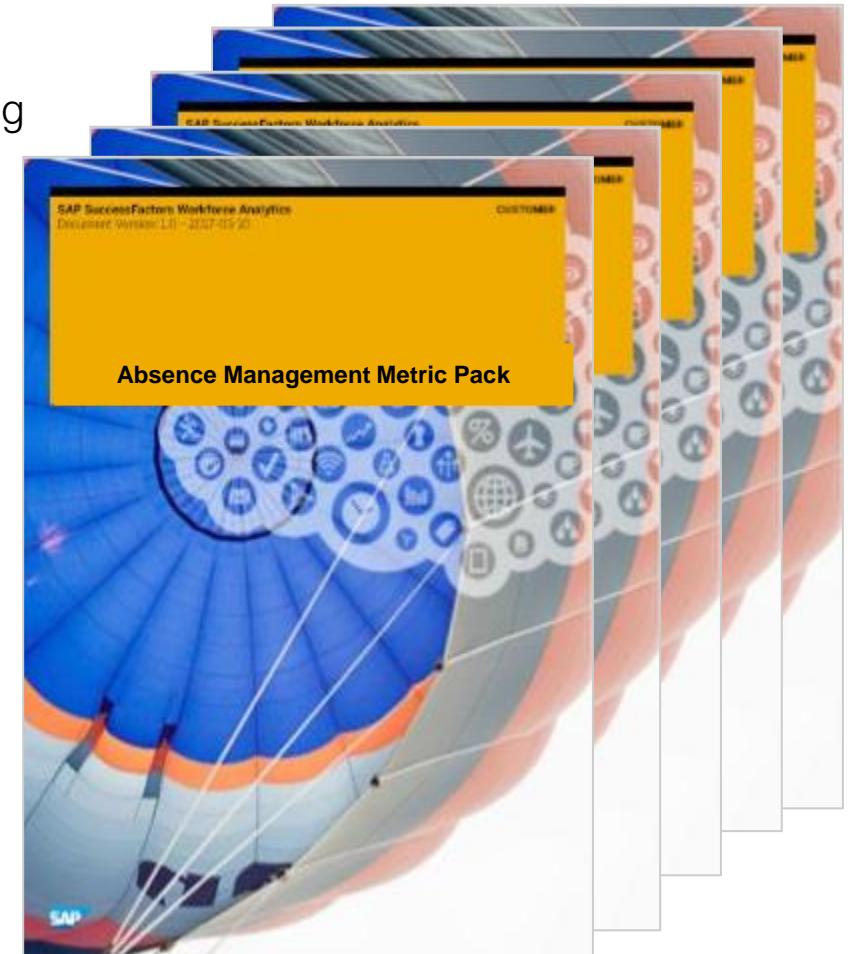
## Foundational Metrics

Core Workforce and Mobility

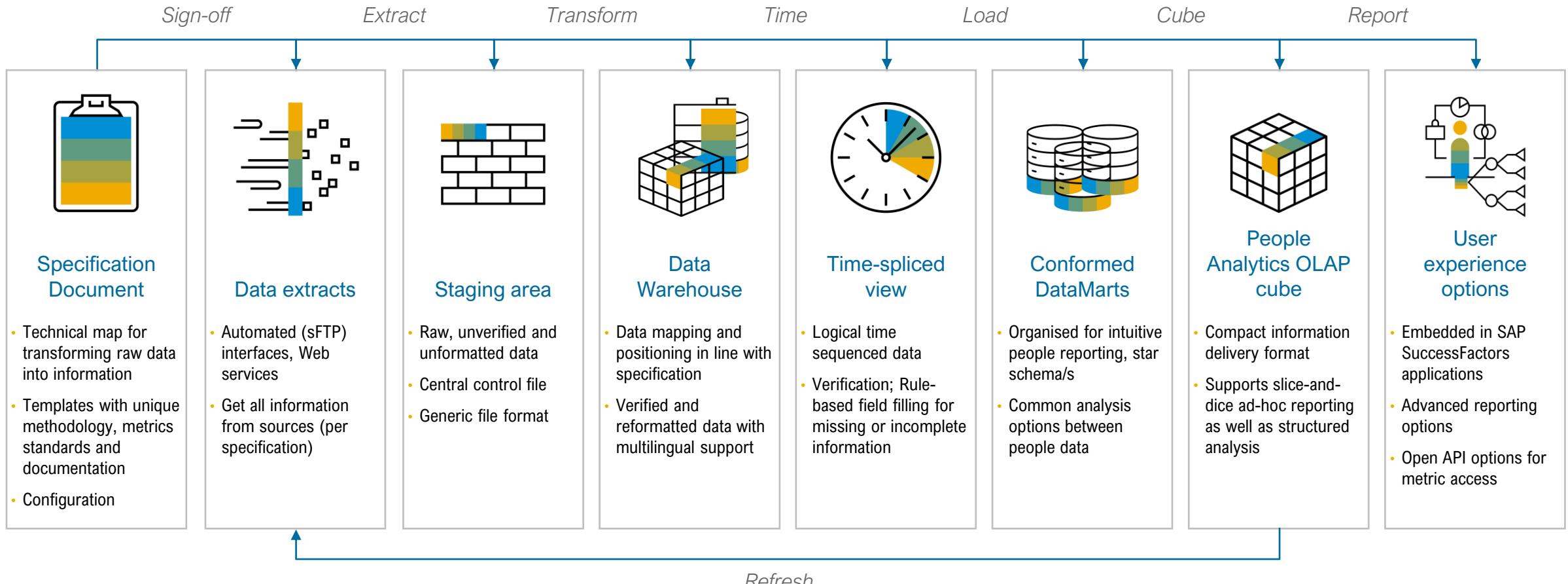


## Additional Metrics

Absence Management  
Career & Development Planning  
Compensation Planning  
Employee Relations  
Financial Management  
Goals Management  
HR Service Delivery  
Learning Management  
Leave Accrual  
Health and Safety (OH&S)  
Performance Management  
Recruitment / Staffing  
Payroll and Benefits  
Succession Management  
Survey  
Fieldglass  
ADP ...



# How the Metrics Are Precalculated



# Examples of Metrics in WFA Packs (Core Workforce and Mobility)

## Result Measures

Managerial to Non-Managerial Staffing Ratio  
Managerial and Professional to Clerical and Operative Staffing Ratio  
Staffing Rate – Managerial & Professional  
Staffing Rate – Managerial  
Staffing Rate – Professionals  
Staffing Rate – Executive/Senior Level Officials and Managers (EEO) ⓘ  
Staffing Rate – First/Mid-Level Officials and Managers (EEO) ⓘ  
Average Workforce Age▼  
Staffing Rate - < 30 in Age  
Staffing Rate - > 50 in Age  
Staffing Rate – Employee Disability▼  
Staffing Rate - Indigenous ⓘ  
Staffing Rate – Non-English Speaking Background ▼  
Staffing Rate – Minority▼  
Staffing Rate - Minority Managers  
Male to Female Staffing Ratio▼

## Result Measures

Staffing Rate – Female ▼  
Staffing Rate – Male ▼  
Generation Ratio - Excluding Generation Y/Generation Y  
Generation Ratio - Silents & Boomers/Generation XYZ  
Staffing Rate – Exempt ⓘ  
Staffing Rate – Non-Exempt ⓘ  
Staffing Rate – Active Employees  
Staffing Rate – Regular  
Staffing Rate – Temporary  
Staffing Rate – Temporary (Exempt) ⓘ  
Staffing Rate – Temporary (Non-Exempt) ⓘ  
Staffing Rate – Part-Time▼  
Staffing Rate – Full-Time▼  
Staffing Rate – Part-Time (FTE)▼  
Staffing Rate - Approaching Retirement Eligibility  
Average Retirement Age  
Average Workforce Tenure▼  
Average Workforce Position Tenure  
Staffing Rate - Tenure <1 Year  
Staffing Rate - Tenure 1-<2 Years  
Staffing Rate - Tenure 2-<3 Years  
Staffing Rate - Tenure 3-<5 Years  
Staffing Rate - Tenure 5-<10 Years  
Staffing Rate - Tenure 10-<15 Years  
Staffing Rate - Tenure >15 Years  
Staffing Rate - Tenure 15-<20 Years  
Staffing Rate - Tenure <30 Years  
Termination Value per Termination  
Termination Value per FTE  
External Hire Rate ▼  
External Hire Rate – Minority  
External Hires – Percent Minority  
External Hire Rate – Exempt ⓘ  
External Hire Rate – Non-Exempt ⓘ  
External Hire Rate - Full-Time  
External Hire Rate - Part Time  
External Hire Rate - Regular  
External Hire Rate - Temporary  
Rehire Rate

# Examples of Metrics in WFA Packs (Career and Development)

Base input measures and derived input measures are combined in formulas to calculate result measures.

Through the specification of formulas combining both base and derived input measures a rich set of result measures can be calculated.

Category	Sub-Category	Measure	Calculation
Workforce Profile	Tenure	Average Workforce Tenure – Development Goals	Total Workforce Tenure – Development Goals# / EOP Headcount – Development Goals#
Workforce Mobility	Movements	Promotion Ratio – Future Development Goals □	Promotions – Future Development Goal / Promotions
		Transfer Ratio – Future Development Goals □	Transfers – Future Development Goal / Transfers
Learning and Development	Development	Number of Development Goals per Employee▼	[Number of Development Goals / Number of Employees – Development Goals] * 100
		Learning Activities Completion Rate	[Number of Completed Learning Activities / Number of Learning Activities] * 100
		Development Goals Completion Rate	[Number of Completed Development Goals / Number of Development Goals] * 100
		Development Goals Past Due Rate	[Number of Development Goals - Past Due / Number of Development Goals] * 100
		Learning Activities Past Due Rate	[Number of Learning Activities - Past Due / Number of Learning Activities] * 100
		On Time Completion Rate - Development Goals	(Number of Development Goals - Development Goals - Past Due)/Number of Development Goals
		On Time Completion Rate - Learning Activities	(Number of Learning Activities - Number of Learning Activities - Past Due)/Number of Learning Activities
		Average Actual Time Open – Development Goals	Total Actual Time Open - Development Goals/Number Development Goals

Category	Sub-Category	Measure	Calculation
		Average Actual Time Open - Learning Activities	Total Actual Time Open - Learning Activities/Number Learning Activities
		Average Expected Time Open – Development Goals	Total Expected Time Open - Development Goals/Number Development Goals
		Average Expected Time Open - Learning Activities	Total Expected Time Open - Learning Activities/Number Learning Activities
		Development Goal Participation Ratio	Number of Employees – Development Goals / Number of Employees – No Development Goals
		Development Goal Pay Differentials	Average Salary – Employees with Development Goals / Average Salary – Employees without Development Goals

# Examples of Metrics in WFA Packs (HR Delivery)

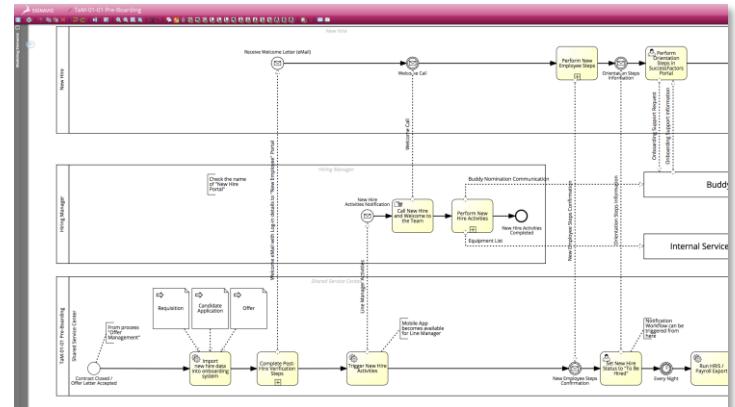
Category	Sub-Category	Measure	Calculation
Human Resource Function	Staffing	HR Staffing Mix	Clerical and Operative HR Employees (FTE) / Managerial and Professional HR Employees (FTE)
		HR Staffing Mix – Centralized	Clerical and Operative Centralized HR Employees (FTE) / Managerial and Professional Centralized HR Employees (FTE)
		HR Staffing Mix – Decentralized	Clerical and Operative Decentralized HR Employees (FTE) / Managerial and Professional Decentralized HR Employees (FTE)
		HR Staffing Mix – Payroll	Clerical and Operative Payroll HR Employees (FTE) / Managerial and Professional Payroll HR Employees (FTE)
		HR Staffing Mix – Training	Clerical and Operative Training HR Employees (FTE) / Managerial and Professional Training HR Employees (FTE)
		HR Staffing Mix - Recruitment	Clerical and Operative Recruitment HR Employees (FTE) / Managerial and Professional Recruitment HR Employees (FTE)
		HR Staffing Mix – Other	Clerical and Operative Other HR Employees (FTE) / Managerial and Professional Other HR Employees (FTE)
		HR Staffing Mix – OH&S	Clerical and Operative OH&S HR Employees (FTE) / Managerial and Professional OH&S HR Employees (FTE)
		HR Staffing Mix (Excluding Payroll)	[Clerical and Operative HR Employees (FTE) – Clerical and Operative Payroll HR Employees]

Category	Sub-Category	Measure	Calculation
			(FTE) ] / [Managerial and Professional HR Employees (FTE) - Managerial and Professional Payroll HR Employees (FTE)]
		HR Staffing Factor▼	Employees (FTE) / HR Employees (FTE)
		HR Staffing Factor - Centralized	Employees (FTE) / HR Centralized Employees (FTE)
		HR Staffing Factor - Decentralized	Employees (FTE) / HR Decentralized Employees (FTE)
		HR Staffing Factor – Clerical and Operative	Employees (FTE) / Clerical and Operative HR Employees (FTE)
		HR Staffing Factor – Excluding OH&S	Employees (FTE) / [HR Employees (FTE) – HR OH&S Employees (FTE)]
		HR Staffing Factor – Excluding Payroll	Employees (FTE) / [HR Employees (FTE) – HR Payroll Employees (FTE)]
		HR Staffing Factor – Excluding Payroll and training	Employees (FTE) / [HR Employees (FTE) – (HR Payroll Employees (FTE) + HR Training Employees (FTE))]
		HR Staffing Factor – Excluding Training	Employees (FTE) / [HR Employees (FTE) – HR Training Employees (FTE)]
		HR Staffing Factor – OH&S	Employees (FTE) / HR OH&S Employees (FTE)
		HR Staffing Factor – Managerial and Professional	Employees (FTE) / Managerial and Professional HR Employees (FTE)
		HR Staffing Factor – Other	Employees (FTE) / HR Other Employees (FTE)
		HR Staffing Factor – Payroll	Employees (FTE) / HR Payroll Employees (FTE)
		HR Staffing Factor - Recruitment	Employees (FTE) / HR Recruitment Employees (FTE)
		HR Staffing Factor - Training	Employees (FTE) / HR Training Employees (FTE)
		HR Staffing Rate▼	[HR Employees (FTE) / Employees (FTE)] x 100

# SAP SuccessFactors Process Library

Description	Prerequisites	Benefits/Outcome
<ul style="list-style-type: none"> <li>A Curriculum is a set of one or more items that can be assigned and tracked as a group. Curricula may be used to track certifications, recurring training, allow credit for previously completed training, and provide users with a choice of how to complete requirements.</li> <li>Curricula are ideal for training that is regulated, compliance-driven, and auditable.</li> <li>Curricula should be used when:           <ul style="list-style-type: none"> <li>the training requirements are driven by regulatory policies</li> <li>learners must re-certify</li> <li>learners can be described based on later failure</li> <li>changes in training requirements impact certification status</li> <li>different requirements must be consistent for all learners</li> <li>certification is required for a learner, and compliance status must be maintained</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Use Learning Catalog to provide access to Curricula so users can self-assign, self-register, renew, or assign/register others</li> <li>Curricula can only contain LMS-based activities (items, sub-curricula)</li> </ul>	 <p>The screenshot shows the SAP SuccessFactors Learning Catalog interface. A specific curriculum titled "Global Leadership Certification" is selected. The page displays the curriculum's title, a brief description, and a preview of its contents. The preview includes a thumbnail for each module: "Leadership Development", "Dynamics of Leadership", "Leadership Styles", "Leadership Project", and "Developing a Shared Vision". Each thumbnail has a green circular icon with a checkmark, indicating completion or availability.</p>
<b>Out of Scope</b>		
n/a		

Analyze Learning Needs				
Process Summary				
Start Event	Process Participants		End Event	Success Criteria
<ul style="list-style-type: none"> <li>Review of Learning Needs Request</li> </ul>	<ul style="list-style-type: none"> <li>Learning Manager</li> <li>Chief Learning Officer</li> </ul>	<ul style="list-style-type: none"> <li>HR Business Partner</li> </ul>	New Content Requirements Approved	Learning offerings aligned with requirements of the organization
Purpose	Input		Output	
<ul style="list-style-type: none"> <li>Regular consolidation of learning needs expressed by the organization, top-down (strategy) as well as bottom-up (employees and line managers).</li> <li>Review of existing offerings and preparation of decision proposal(s) for updates to respond to the learning needs.</li> <li>Decision proposals to be validated by the Chief Learning Officer, include required budget and make-or-buy proposal.</li> </ul>	<ul style="list-style-type: none"> <li>Learning Needs</li> <li>Organizational Strategy</li> <li>Learning Item Inventory</li> </ul>		<ul style="list-style-type: none"> <li>Analyzed Learning Needs Approved Requirements for New Content</li> </ul>	
Prerequisites	Dependencies		Use Cases	
<ul style="list-style-type: none"> <li>Learnings can indicate learning needs in SuccessFactors Learning</li> </ul>	<p><b>IT</b></p> <ul style="list-style-type: none"> <li>SuccessFactors Learning</li> <li>Succession and Development</li> </ul> <p><b>Data</b></p> <ul style="list-style-type: none"> <li>Learning Item Inventory</li> </ul> <p><b>Processes</b></p> <ul style="list-style-type: none"> <li>Manage Learning Content</li> </ul>		<p>Learners have indicated their learning needs through self-assessment of learning items/programmatical.</p> <p>Organizational strategy requires learning offering to be updated</p> <p>A plan for learning is defined and involved parties express their interest both in terms of topics as well as in number of required seats</p>	



## Leading Practices

- This collection of leading practices describes SAP's recommendations to HR for implementing SAP SuccessFactors solutions.

# Process Summaries

- Define when and how a process starts and ends, what dependencies exist to other processes, who the participants are, and what the main purpose is.
  - Helps you to define your HR goals for this process based on SAP standards.

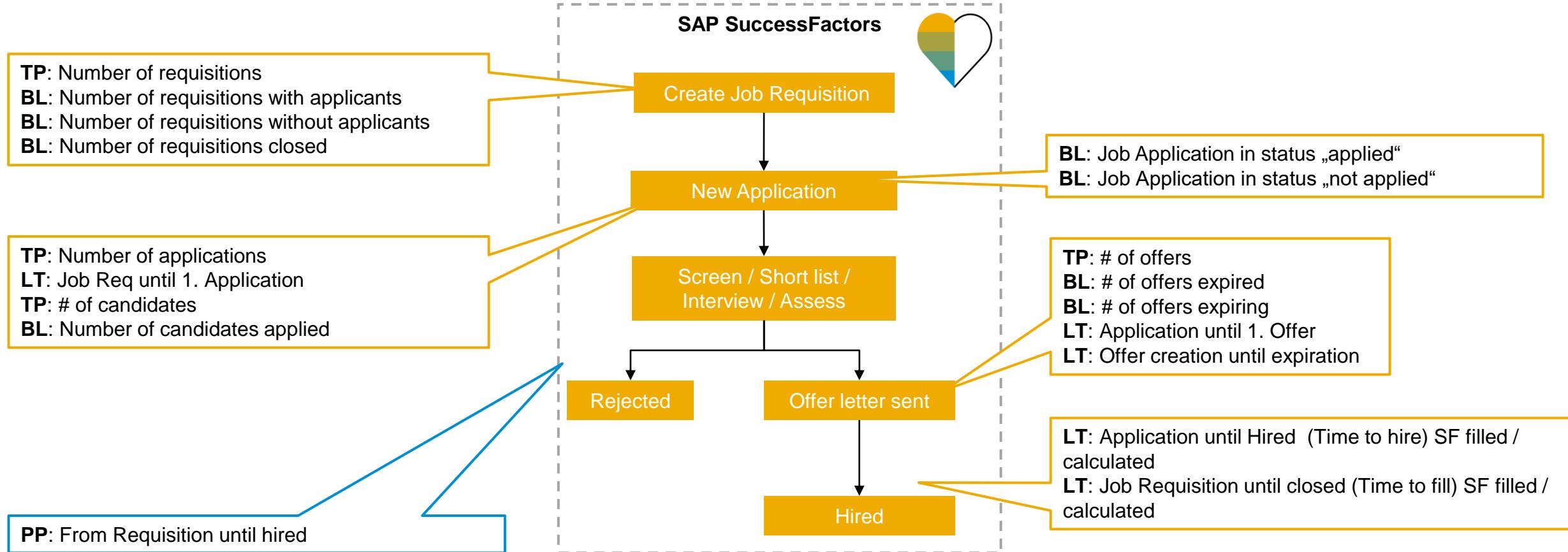
# Process Diagrams

- Built with the goal of defining end-to-end HR processes specifically for SAP SuccessFactors solutions.
  - They include all relevant activities in swim lanes, which represents the major user roles.

# Examples of Process Performance Indicators

Process Area	Leading Practice	Process Performance Indicator
Performance and Goals	Effectively Set and Closely Tie Individual Employee Goals to the Company's Strategy	% employees with completed and agreed upon goal plan
Performance and Goals	Foster Engagement of Employees and Line Managers	% employees with completed goal plans (including self-assessments)
Performance and Goals	Foster Engagement of Employees and Line Managers	% performance forms completed by managers (as opposed to HR roles)
Succession and Development	Increase Engagement by Empowerment of Employees and Line Managers	% vacancies filled with internal candidates (internal fill rate)
Succession and Development	Enable Succession Planning on multiple levels of the organization	% of positions with a succession plan
Succession and Development	Enable Succession Planning on multiple levels of the organization	% of employees with a development plan
Succession and Development	Use Competencies for Job Roles	% of job roles with competencies assigned
Learning	Managers and Employees Driving Learning Processes	% of learnings (from catalogs) assigned by employee or line manager directly
Learning	Mobile Learning	% of online learnings consumed on mobile devices
Learning	Social Learning with SAP Jam Collaboration	% of learning items with Jam group assigned
Learning	Use of Curricula	% of learnings that are part of a curriculum
Learning	Use of Learning Assignment Profiles	% of jobs with an associated assignment profile
Learning	Leverage Open Content Network (OCN)	Number of OCN assignments
Learning	Leverage Rule-Based Recommendations	Number of rule based recommendations
Learning	Leverage QuickGuides to Create "How To" Guides	% use of quickguides
Core HR	Execution of Hiring Transaction Should Be Done Prior to Start Date of Employee	% of employees hired in Core HR after the 1st working day
Recruiting	Ease Candidate's Experience and Foster Engagement	% of applicants accepted vs. rejected based on pre-screening process % applicants who passed pre-screening and are considered not suitable in further process steps Average response time to an application Survey with review of candidates feedback % of Bad Hires (i.e. % turnover within 6 months of joining)
Onboarding	Assign an Onboarding Buddy	% new hires with assigned onboarding buddy
Onboarding	Pro-Actively Measure and Manage Employee Experience During On- and Offboarding	% onboarding surveys completed
Onboarding	Use Mobile Onboarding	% new hires using the SuccessFactors app pre-day-1

# Key Indicator Ideas (Example of Recruiting)

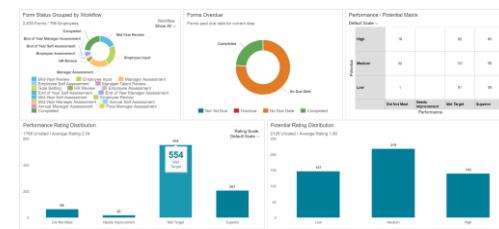
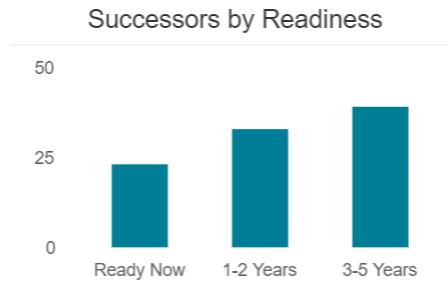


TP: Throughput  
BL: Backlog  
LT: Lead time  
PP: Process progress key figure

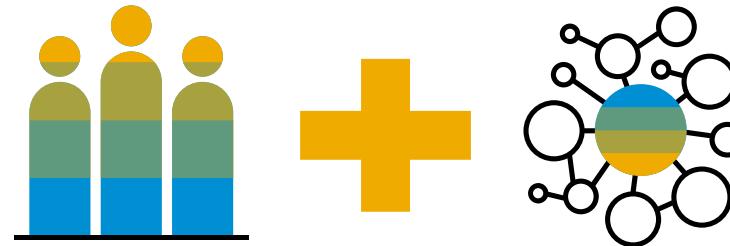
# Possible Tools to Track Metrics – Report Center Tools

	TILES	DASHBOARDS	TABLE <i>Ad Hoc Report Builder</i>	CANVAS <i>Online Report Designer</i>
<i>Visualization:</i>	Charts/Graphs, Drill-In Lists	Charts/Graphs, Drill-In Lists	Lists	Lists, Pivots, Aggregations, Charts/Graphs, Text, Images
<i>Used For:</i>	Track key HCM processes	Track key HCM processes	Simple Raw Data Extraction	Calculations, Aggregations, Formatting, Multi-page/query
<i>Data Coverage:</i>	All Modules, excluding MDF, Jam, LMS, RMK	All Modules, excluding MDF, Jam, LMS, RMK	All Modules, excluding MDF, Jam, LMS, RMK, WFA	All Modules, excluding Jam, RMK
<i>Standard Templates:</i>	Admin Center > SuccessStore: Standard Tiles	Admin Center > SuccessStore: Standard Dashboards	SAP Help: Recruiting STEM Reports	SAP Help: EC, Talent, LMS Recruitment, Workforce Analytics
<i>Unique Capabilities:</i>	Interactive: drill from chart to list, Deliver on Mobile	Common filtering across tiles (*depends on configuration)	Ability to attach 3 <sup>rd</sup> Party BIRT templates	Multi-page Reports, Scheduler

*Example:*



# Possible Tools to Track Metrics – WFA and SAP Analytics Cloud



## SAP SuccessFactors Workforce Analytics solution

- 30+ years of expertise in transforming raw HR and talent data into a “single version of the truth”
- Industry-standard metrics and benchmarks delivered out of the box
- HR content embedded into the application and available to novice and expert users

## SAP Analytics Cloud

- Blend HR and talent data with financial and operational data, using delivered analytics content for a range of business scenarios
- Apply predictive analytics libraries, modern data exploration, and visualizations
- Deliver compelling stories to executives through SAP Digital Boardroom

# Next Steps

# Next Steps

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- 1** Define a set of relevant metrics (outcome-related and/or activity-related) and establish a process to revisit metrics

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- 2** Analyze HR and non-HR data sources and standardize data attributes and rules

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- 3** Analyze possible tools and platforms to automate reporting and visualization on key metrics

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