

Efficiency. Visibility. Control.



## People analytics

The challenge for people-centric organisations

# People Analytics

**In people-centric service organisations, where people costs typically exceed over 50% of all costs, it is essential for management to understand and improve the drivers of employee performance.**

**People Analytics is a unique application, designed by HR professionals, that enables senior executives in HR and Finance to monitor, analyse and improve employee performance and the impact that it has on the financial measures of the organisation.**

**People Analytics also enables HR executives to increase process efficiencies within their department and add value to overall business performance.**

If you have any of the following business issues, People Analytics could help.

Do you suffer from high absenteeism?

Do you struggle with staff retention?

Are your compensation and benefits policies effective?

Are your training costs optimised?

Would you like to reduce recruitment costs?

Are you retaining the right people?

How does your staff performance compare to your competitors?

Is your HR department delivering for the organisation at the strategic level?

## Solutions for today

People Analytics is a fully integrated HR analytical solution that has been developed by HR and Finance professionals.

People Analytics is accessed through a secure, fully interactive, browser-based web interface. It provides visibility and clarity of an organisation's people performance and a detailed insight into actual business activity.

Through the benefit of pre-defined metrics and measures, information is summarised in an HR Scorecard. This creates, manages and delivers the organisation's key performance indicators [KPIs].

People Analytics enables management to identify opportunities for process improvements through the deployment of more effective strategies. People Analytics provides metrics and measurements for everything from absence to wealth created per Full Time Equivalent. And all of this is out of the box. This provides high-level visibility of where value is being created within your organisation.

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## Visibility

One of the biggest challenges facing HR departments is to develop a unified view of employees, their compensation, skills and motivation. It is often difficult to produce a consolidated view because information is locked away in many different applications and unconnected spreadsheets. By connecting this and other information from Payroll and HR systems, managers can view the impact of HR strategies on productivity and process efficiencies.

## Unified view of people information

People Analytics unifies information into a single repository for detailed analysis. Information is extracted from existing applications, legacy systems, third party sources and other operational systems. It is then assembled into a format that provides HR with a complete, 360-degree view of employees, compensation, benefits, demographics and training.

Data is analysed and the relationships between different metrics explored. The results are then presented graphically and in an easy to understand format, providing crucial insights into the people's contribution to the organisations performance.

## Part of the Advanced Business Solutions Performance Management Suite

People Analytics is part of the Advanced Business Solutions Performance Management Suite that provides users with a variety of analysis and reporting tools to help them understand and run their organisations more efficiently.

Financial and Operational Reporting provides managers with a view of how they are performing; Performance Analytics enables managers to set targets based on corporate strategy and analyse where and why variances are occurring; and our Planning and Control tools enable users to manage performance and take corrective action where required. Combined, these capabilities allow users to continually improve the overall performance of the enterprise.

## Rapid return on investment

**People Analytics offers users a very rapid return on investment, based on the following:**

- **over 150 core measures pre-defined**  
People Analytics comes with the most common HR measures pre-defined. This frees up more time to allow users to concentrate on the drivers unique to their organisation and drive more value from the system, as well as ensuring the right baseline items are measured.
- **ease of implementation**  
People Analytics is optimised so that it can be implemented in a very short time.
- **low implementation requirement**  
People Analytics requires less implementation effort because of the design of the system and the pre-defined measures. this leads to a quicker roi and lowers risk.

**London Borough of Merton has saved £486,000 and achieved year-on-year reduction in sickness through improved control of absenteeism.**

**- Steve Key, HR services manager, London Borough of Merton said:**

It is invaluable for us to be able to look at the underlying reasons to problem areas, not only by examining the teams that have high sickness, but also by learning from the teams that effectively manage sickness levels. Advanced Business Solutions' People Analytics drives the monitoring process and is able to track performance and offers greater flexibility over a standard static report.

**Gateshead Council saved £1.5m through reduced sickness absenteeism, the second highest drop of any local authority in a single year nationwide, by using People Analytics. Mark Wilson, Senior Personnel Advisor, Gateshead Council said:**

“This is the biggest ever reduction in staff absence we have seen in a similar timeframe and Advanced Business Solutions’ software is probably the biggest single factor in achieving this.”

## Key features and benefits

Successful absence management according to the CBI in its latest Annual Report published in May 2007, the cost of absence for UK employers was £13.4bn in 2006, with employees taking an average 7 days off sick. The 2005 Saratoga HR Index Report states that annual Absence Cost per absent FTE for All Sectors Europe was £1,983 for 2004 data. People Analytics enables organisations to identify causes of absence and create strategies to reduce the number of lost days due to absence.

Users of People Analytics claim they can justify purchasing the system on the basis of absence time saved alone.

### Protects investment in reporting

People Analytics is an application that sits outside of any specific HR information system. This means that changes can be made to any element of the Human Capital Management (HCM) system, including changing the HR or payroll system itself, and the reporting does not change as far as the end-user is concerned. This results in less support and general demands on the IT department, allowing them to spend their time on more pressing projects. Because you do not have to change your HCM system then the costs and risks of migrating to a new HCM system can be avoided.

### Benchmarking and analytics

People Analytics provides a painless way of gathering data to be used for benchmarking purposes. It enables HR departments to compare the business results of their organisation with other organisations through a systematic and continuous measurement process. They can answer the question; “are we improving faster than our competitors”?

### Optimising staff retention

People Analytics enables HR departments to identify the factors that cause employees to leave. With this information, HR can create profiles of possible leavers, targeting resources to retain highperformers and analyse the impact/cost of losing key personnel.

### Effective compensation and benefits policies

People Analytics can help reduce costs and improve business performance through the development of more effective compensation and benefits policies.

### Implementing effective training programs

People Analytics enables HR departments to calculate and measure improvements in employee development, satisfaction and performance levels. This will provide information to narrow any skills gaps that exist now or in the future.

### Devising successful recruitment strategies

People Analytics helps to improve the efficiency of the recruitment process. More importantly, the HR function can start to gain an insight in to how effective their recruitment is.

### Streamline workforce & succession planning

People Analytics will help HR departments to understand optimal staffing levels.

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## Consistency of definition

People Analytics enables the organisation to establish a single view of the relevant measures in the organisation.

## Visual impact of value added by people

People Analytics visually demonstrates how metrics impact upon each other in the human capital value chain.

## Legal compliance and liability protection

People Analytics makes it clear where there are problems in all areas including recruitment, retention, compensation and promotion of diversity.

It can also provide the information required by the 2006 Companies Act.

**Skandia cut reporting time from a week to two hours and has managed to cut sickness days by 28%.**

By being better able to monitor and report on absenteeism and address the issues that can cause it, the average number of sick days per employee has reduced from 8.3 to 6.6.

**according to Ann-Louise Hancock, Head of People Division, Skandia.**

## About Business Solutions

Advanced Business Solutions, an Advanced Computer Software Group plc company, provides leading integrated business applications and services that enable public, private and third sector organisations to retain control, improve visibility and gain efficiencies whilst continually improving corporate performance. It's award-winning software systems comprise core financial management, procurement, human resource and payroll systems, integrated with a range of collaborative, document management and business intelligence solutions. It also provides managed and bureau service options.

Advanced Computer Software Group plc is the UK's leading supplier of software and IT services to the health, care and commercial sectors. It comprises 3 main divisions and has 7000 customers and 800 staff worldwide.

## For more information

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