HR Analytics
Prof. Santosh Rangnekar
Department of Human Resource Management

Indian Institute of Technology, Roorkee

Dr. Abhishek Singh, Assistant Professor
Department of Human Resource Management
Indian Institute of Management, Rohtak
Week: 9
Lecture: 46

Dear participants, in this session we will learn about fe w matrix related to the performance analytics, right. So, before this we have completed the matrix of recruitment and selection, learning and development. So, in today's session we are going to start the fifth function of HR department that is the performance management, right. So, related to the performance management we will discuss some important matrix that may help you to make a decision at a workplace, right. Being a manager in the performance management department or being a manager to manage the performance of the employees in the organization, you might be having so many questions like, who is the best performer in your organization? How the goal setting should be done? Whether this goal setting was effective or not? right and which skill is utilized which one is not utilized how we can use the complete skill set of an individual in how many cases this performance rating was distorted right what it indicates right so such kind of questions that you might be having at your workplace, right. So, in today's session we will try to identify how you will be able to assess the extent of the problem which is there in your performance management system, right and how you can make a decision related to those problems.

So, that is what we will discuss. So, let us start with the content of the day. So, in first content like Gantt chart for the performance management step, right. So, what information that you need to collect related to the Gantt chart that is what we will understand.

Second important thing, most important thing that is what I would say each organization should do. that is the focus time calculation of employees before the goal setting, right. So, if you are able to calculate the focus time then effectiveness of your goal setting process may increase, right. And after that we will discuss the goal setting template, right. what should be the template for the goal setting and what are the decisions that we can make by reading this goal setting template carefully, right.

And what are the skills which is required? So goals matching with the skills. So once

employee is deciding the goal and then skill, which skill is required to achieve that particular goal, right. So after goal setting, we will understand whether these goals were clear to the employees or not right and after that we will discuss few important metrics related to the performance management. So this is the agenda for the today's session. So that is what we will learn in next 20 to 25 minutes.

So first that importance of this Gantt chart. So Gantt chart that I always suggest whichever department that you are working, whether it is recruitment, whether it is selection, whether it is learning, development, performance, compensation in any department, whichever department that you are working, identify the list of activities that the department does and then make a note of how many days are taken in order to complete that activity, right. So, just four steps of performance management in any organization that I have mentioned here, but I request all manager to make a list of all those activities that they do under the each step. So, under the performance planning what they are doing. what that organization is doing.

So, make a list of all those activities and write 1, 2, 3, 4, 5. In the same way, for the performance execution, what are the activities that organization is doing? For performance assessment, what that organization is doing? For performance review, that what are the activities that organization is doing? So, if you can write here 1, 2, 3, 4, 5. In the same way, you can go in detailing for the each step of the performance management. And then, how many days that you took to complete that particular step. So, for example, for performance planning, you have taken 20 days.

You took a 20 days. So, what is this 20? 20, you can keep it as a working days. So, whatever working days are there, let us assume 5 days. you work and Saturday, Sunday is off in your organization. So, 4 weeks right.

So, 4 weeks times that will take to complete this performance planning that you have taken right. So, that is what you can write. Similarly, you can write here execution right when you collecting the data related to the performance and organizing that particular data so how much days it has taken. So let us take this working day 30 working day that has taken right and second thing that you can see now next step that you can go that is the performance assessment. So in order similarly you need to think how many days it will take to assess the performance of employees in the organization and make a report for that.

right and communicate effectively to the employees. So that is what you can decide. So let us take it is taking 40 working days, right and then performance review that is what you can say. So let us say it is taking 30 odd working days. So that is how the moment you have calculated this number of days.

Now it is up to you which type of graph that you want to make in order to visualize this data and what is the reason. So, if you believe in any step more than required time is taken then you can go to that step and review the all steps which a manager has done and then you can think what is the reason. So, this help us to highlight the particular issue related to particular step. right and in detailing you are going so from which date to which date that is what you can write here. So, here one more column that is what you can add and date also you can add.

So, starting date closing date right and in between how many working days is there. So that is how you can make this table and after making this table you can visualize this table whichever format that you want. If you want to make a bar graph you can make a bar graph, if you want to make a pie chart of the various step. These are the 5 steps, so 5 columns, so how much time is taken, total number of days and percentage of those numbers. You can add these number of days, let us assume for this performance planning what is the percentage of the time that has taken.

So you can add 20, 30, 50, 90, 120. So 120 days your organization has taken to complete the performance management system. So, 20 days is taken only for planning. So, 20 divided by 120 multiplied by 100. So, you can say, so now you can calculate 1 by 6.

So, 100 divided by 6. So, this will be the percentage of the time which is taken for the performance planning. So, that is how you can calculate the percentage of time which is taken. So, for which step it is taken more, which is taken less. and if you believe as a manager for particular step the time is taken that is more than normal then you can analyze you can go in detailing from which date to which date for which activity to which activity is taken more and how you can reduce that particular time what you should do.

So, that is how you can continuously you can improve your performance management cycle in the organization. So, that is the advantage of the Gantt chart. So, which I suggest you to make for each and every process or activities that is taken in your organization related to the functions of the HR. So, in the similar way you can make the Gantt chart for the recruitment also. Similarly you can make the Gantt chart for selection also.

Similarly you can make the Gantt chart for learning and development department also and in the performance I am already discussing with how you can use this Gantt chart for the performance management. So that is how you can make the Gantt chart for the each step and you can visualize and you can make a decision related to the processes, how you can improve the processes or whether you have to apply the technology, technological environments advancement is there in a market. So, which technology that you would like

to use in order to increase the effectiveness of your system. So, that is the kind of decision that you can take it. Next important aspect that I suggest before going to the goal setting exercise in any organization in whichever organization before going to the goal setting process in any organization right.

So, as you are already aware in March you complete the financial year and in the month of April you communicate and by the end of March good organization communicate by the end of the March the performance evaluation result and then decision is taken and in the month of April or May you will complete this goal setting exercise or most probably in the month of April only you will complete this goal setting exercise for the next year or during the performance review meeting also you can set the goal for the next year instantly right so that is how you can think about this goal setting but my suggestion to the all young managers and managers who are working in the organization in the HR and department and executing this goal setting exercise if you want to increase the effectiveness of this goal setting exercise in your organization, what you can do? You can calculate the focus time of employee in the organization. So, how you can calculate? First you need to calculate the number of days, number of days that your office work. right what is the office timing or how many hours if timing is not there you can see in the case of IT timing is not there but it may be possible you have decided the number of hours number of hours you have to work for these many hours and then your day is done or you might have decided the task this task that you have to complete it and then your day is done. So, in this case, what you can do, you can decide the number of days. So, for example, I am taking the shift timing is 9 am to 5 pm.

So, 9 am to 5 pm, how many hours are there? So, 9 to 12, 3 and 12 to 5 is 5. So, 8 hours is there, 5 plus 3, 8 hours per day one person is working. So, 5 days if you are working, for 5 days if you are working then how many hours it would be? It would be 40 hours, right? So, it is, it is 40 hours in a week. In a week one person can work 40 hours in a week. Now, you check per week how many meetings are there, how many meetings are there, how many developmental plans are there, lunch time.

So, wherever other engagements are there you can identify as per your organization. Let us assume some birthday celebrations are going on, some farewell parties are going on, right. So, you need to identify what is the average time in a for a employee where that person is engaged in some other activities. other than his job right. So, that time that you need to calculate let us assume this all things this is comes it comes.

20 hours. For 20 hours that person is attending meeting, attending, going for conferences, travelling abroad for the some other business related travel, right. So, these all things, so how many hours that person is not focusing on his job. So, let us assume in this, this is the

20 hours. So, what is his focus time for that particular week is 20 hours, right. So, now you have to do the goal setting only for 20 hours.

If you will do the goal setting for 40 hours, then chances are very very rare that person will be able to achieve the goal, right. So, 20 hours is the focus time for that particular goal. employee right. So, here the moment you have calculated the focus time now you can calculate what is the available time versus focus time. So, focus time for in this case is 50 percent, 50 percent.

So, 50 percent time that is what you can see is used to achieve the goal that whatever time is there right and remaining that is what you can see here percentage of time used for the developing so when employees are attending the conferences when employees are attending the developmental program coaching mentoring program at the workplace so what is that time so similarly you can calculate year wise month wise for per employee. So, that will suggest you what is the focus time of that particular employee in the organization. And accordingly you have to set the goal for that particular individual. And this focus time that you can calculate department wise, you can calculate job category wise, you can calculate male or female gender wise right and you can calculate department, job category, age and position. Position also very important if you are a senior manager then what is your focus time, if you are a general manager then what is your focus time, if you are a just executive in the department then what is your focus time.

So, that is what that is that is how you can calculate the focus time and then you can decide then you can set the goal for each employee within the organization. So, this is a very very important thing because if you are setting the goal for an individual you are saying 40 hours. time is there to work or to achieve this particular goal but in reality that is not the right why because that person is attending the meetings also this person is going traveling also this person is attending farewells also birthday parties also right these all things are happening in a department right so that is not the reality 40 hours are available but what is the effective time that is available for that particular individual to achieve that goal So, that is why that a smart formula that you must have learned that realistic goal. So, if you are setting the goal for 40 hours for an employee in the organization then you may say that that goal is not realistic because in reality person is getting just 20 hours of time. So, this is the analysis that you need to do very very carefully before the goal setting exercise in the department.

If you want your employees should work on the goals and should deliver the task on time. If you will not do that then delivery of task on time may be delayed, dissatisfaction, frustration stress in the organization these all things will increase in the organization. So, if you want to manage the stress of the employee in the organization. So, I can suggest one

of this approach also you can use to manage the stress of the employee in the organization right. So, I am not saying it a goal should not be challenging, goal should be challenging, but that appropriate time should be given to each employee to achieve that particular goal.

So, I hope you would have understood the employee focus time. So, let us move to the next concept that is the goal setting. So, here goal setting template, so this template like all good organizations are having this template. So, now here one side you can see the list of goals and category. related to so each employee is supposed to achieve certain goals in the   organization.

So, after the performance review process you need to set the goal for all employees for the next year. So, now you can set the goal for all employees. So, goal number 1, goal number 2, goal number 3. So, you have to for example recruitment related to the recruitment goal is set. So, goal is to increase the employer branding that is the goal right.

Now along with this goal you have to set the KPI that measurement right it could be KRA right goal category. So, category is the recruitment and in a recruitment what is the goal increasing the employer branding right you have to increase the employer branding. So, for KPI what you can do? right so you have to give a one advertisement in one year right in national newspaper you have to make a 20 post every day on social media right upload youtube videos so what i am trying to make you understand the movement that goal is decided now you have to set the measurement of that particular goal in such a way so that that KPI is having the number because then this number is there then you can calculate the number of days required to achieve that particular goal. I hope you can understand what I am trying to make you understand, right. So, the employer branding that is what you have to increase and here you have decided the KPI in order to increase the employer branding.

So, certain activities, but these all activities are quantified. If, so one advertisement that is what I had discussed, let us assume this is the one of the KPI, one advertisement. So, at the end of the year, if that advertisement is not given, then you can say that that activity is not done, so that how that goal will be achieved, you have not done that particular activity. So, here you have to quantify the all those activities for in order to achieve the achieve that particular goal right and then you can calculate the number of days which is required to complete   that   particular   activity.

So, now here you can write the number of days. So, focus time hours everything is calculated now that person is aware that is how I can complete this particular goal. So similarly you can decide the number of goal and activity and in addition to that if you are interested you can add one more column here and in that you can write the skill required. So which skill is required here? So you can mention the name of that particular skill also,

right? Skill required to do the job and that particular person is having the list of skills, right? That person is the master of that particular skill or what are the skills that person is having, the skill set of that person and required skill, right? So let us assume that you have mentioned the 10 skills that person is having and required to do in order to achieve all 3 goals just 4 skills are required. Then now you can say out of 10 only 4 skills are required. So, you here you can see 40 percent of skills are required.

So, now you can say that talent is underutilized because the person is having the capability to do the 10 things, but you are using that person only for 4 things. So, it means what you can do? You can increase the type of activities which are being done in the organization as per the skill set of your employee. So, that is how you can check underutilization of talent in your organization. So, I hope you would have understood how to make this goal setting exercise more effective, right. Number of days that you have calculated, number of quantified KPIs are there.

So, quantified KPIs will help you to decide the number of days in order to achieve that particular goal. So, mutually you have to decide the KPIs and then you have to complete it, so whether that goal is achieved or not, right. So, as I was saying this KPI will also help you to understand to what extent that goal is achieved. So, for example, I gave you 20 social media activity per day you have to post on social media exercise, social media activities. right, but every day you are able to put only 10, it means 50 percent of that goal is achieved, right, because every day you are able to do only 10, but target is 20.

So, that is how you can calculate the percentage of goal achievement, right. So, the number of activities is there, what is the average per achievement of those activities and you can calculate the average and you can say this goal is achieved by. 60 percent, 40 percent, 50 percent because this is important right what is the percentage of achievement of your goal because it will help you to decide who is the star performer of your organization and who is the poor performer of your organization. So here it is important to calculate the percentage of goal that is achieved in the organization. So, I hope you would have understood how to calculate the percentage of goal achievement.

So, activity you have quantified that particular activity and then you can see whether how many activities that person is able to do it and to what extent that person is able to do it. So, I gave you the example of this 20 social media posts. So, out of 20 how many that person is able to do it. If 10 is able to do it, then you can say that 50% of the goal achievement is there on daily basis. And then you can track also monthly, quarterly, weekly, whether the goal percentage of the individuals is increasing or decreasing.

So that is what also you can do by doing this particular calculation. And one more thing

that I already said, the required skill to achieve that particular goal. So the moment you have decided this required skills, Now you have the skill set of the person, right, person is having 10 skills and required skill to achieve that particular goal. So only 4 skills are utilized then you can say that 40 percent of utilization is there of that person and 60 percent is not utilized. So whenever you are doing the goal setting, so if you are having the required skills and skill set of that person then accordingly you can set the goal for that person so that maximum utilization of skills as there because utilization of skills also increases the satisfaction level of the employees within the organization.

So, if person is not able to use the skills then you have to be very very careful about it, right. So, thank you.