

HR Analytics

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Dear participant, in the first session of performance analytics, we had learned the few metrics. We will continue with some more metrics that will help you to understand the managerial problem and plan this managerial problem related to the performance, right. So, we will discuss some more metrics. So, this is the content of the day, goal clarity index. So, in a previous session we had discussed about the goal setting exercise. So, in this session we will discuss how to measure the goal clarity after the goal setting.

If individuals are not having the clarity about their goals then it is going to be very difficult for them to achieve the goals, right. So, we should understand the goal clarity after setting the goal so that if any amendment has to be made in the goals that can be made if employees are not having the clarity about their goals. Important matrix related to the performance matrix, performance management and one more problem that all of you might have come across distortion of performance rating. Sometime employees are satisfied their performance rating has gone up and sometime they are dissatisfied and their performance has been deflated, but purposefully.

So, sometime performance ratings are inflated purposefully sometime it is deflated. So, what are the reasons right and why it is being done in the organization. So, that is what we should understand as a manager and we should analyze it right. So, we can analyze this thing department wise we can analyze this on the basis of the complaint that we receive from the employee. So, after this performance measurement assessment, the moment you will communicate to the employees, so in a department you will receive the complaints, ki my performance rating should have been more, but I have been given less, right.

Sometime people may not complain, but other people may complain I performed better

than this person, but this person received the more performance rating than me. So, such kind of reasons that complaints that you may receive in the performance management department. So, you can analyze all those complaints and you can try to understand what reason is this. So, we will discuss in detail what are the reasons, right. How you should measure the team performance, how you should measure the team performance that is what we will understand, what should be the parameter, what should be the approach, to analyze the team performance.

One more matrix that is what we will discuss the relationship between employee engagement at a workplace and leaders behavior. If leaders is respecting their subordinate then that person may be engaged more at a workplace right. And the last thing for the this session the performance rating analysis right by department wise by proportion wise right, job category wise. So, if somebody is asking you which department is the best department in this organization, then you have this number on the basis of this performance rating you can say this is the best department. So, on the best department in term of the employee performance, right.

second parameter that is what you can give the percentage of goal achievement. So in a previous session, I hope you would have understood how to calculate the percentage of the goal achievement. So if you have understood the percentage of goal achievement, so these two criteria that you can use to tell which department is the best department in the organization. So, if performance ratings is very high but that may not be that much reliable but the goal percentage of goal achievement may be more reliable in order to decide the which department is the best department. So, here one more thing that you can do with this goal setting template that is what we had discussed so in the last session.

So, in this thing that you can calculate in how many cases skill rating and percentage of goal achievement is mismatch. I hope you can understand. after the goal setting is done right so for certain ratings are there to achieve a goal right I gave you the example of this social media 20 post on social media right 20 posts on social media so that person should know something about the social media so whether that person is having that that skill awareness about the social media if it is there and skill rating after the performance appraisal is very high aware about the awareness about the skill awareness about the social media is rating is very high. But this goal is not achieved. If this is the there then you need to assess the will issue of that person, why that person is not willing to that job even though that person is having that particular skill.

So, now you can think which type of rewards should be given to that person in order to motivate that person to do that particular job. So, now you can, I hope you can understand how this performance analysis will give you the lead for designing the compensation. So,

that compensation analytics we will discuss next session. But as of now just I am trying to make you understand how you can use this goal setting sheet for effective designing for compensation, right. So, skill mismatch analysis that is what you have done it.

in how many cases this skill mismatch is there, in how many cases this skill match is there but people are not achieving their particular goal. So, this will tell you the training areas, developmental areas, compensations, so many decisions that you can make on the basis of this analysis, right. And let us assume for next thing that you can calculate what is the average number of goal that each individual is supposed to achieve in your organization right. So, for example, if you are setting the goal for quarter, half yearly, annually, then how many goals that you are setting, average number. So, you can calculate the all number department wise, in this department average goal number is 5, average goal number is 6, because that will help you to understand how much time that person will take, the focus time is required, average focus time for that particular department.

So, departmental activities that is what you are deciding. So, based on that you can do the designing of the departmental activities. So, average number of goals that each individual is supposed to achieve in the organization that is what you can calculate on the by just doing the average of all goals that individual is supposed to and how many members are there divided by that. Next important thing that you can do it. percentage of goal achievement department wise.

So, in on the basis of this percentage of goal achievement you can calculate the average and this percentage of goal achievement will tell you which department is the best department, which one is the best performing department, which one is the worst performing department, right, what you should do so that for the area for the improvement related to improvement related decision that you can take related to the department as well as if you want to develop some reward scheme in order to reward the best performing departments and punishment punishing the worst performing department if you want to develop some such kind of reward and punishment related rules and regulations for your department, you can keep this criteria, right. And this percentage of talent utilization, right, percentage of talent utilization, so if you remember this skill mismatch, so how many skills are there but that goal mismatch is there, that is what you can, one percentage that you can calculate and second one that you can calculate goal category, number of goals and skill required. So, if 10 person is having 10 skills, but only 4 skills are utilized. So, that you can say that talent is underutilized. Percentage of unutilized competencies.

So, what is this? So, 60 percent that I example which I gave you in that 60 percent is unutilized competencies. So, when these unutilized competencies is very high, So, it could be one of the reason for the dissatisfaction of the employees in the organization. They are

not able to use their talent and skill, they are not able to prove themselves within the organization. So, sometime it could be the reason for. So, here you can understand what is the percentage of unutilized competencies.

an unplanned time. So one that I already said if you have done the goal setting number of days that you have calculated by deciding the KPI and that focus time that you have already calculated. So focus time focus time minus this goal achievement time, right, how much time that is required to achievement. So, for a days if you have decided, so number of days like 30 and it is required 20 and focus time is 30, goal achievement is required. So, 10 days are unplanned. So that is how you can calculate in term of percentage, in term of days, how many unplanned days are there for that particular individual and how many unplanned days are there for particular department.

It will help you to increase the efficiency and effectiveness of that particular department. So how you can calculate? I hope you would have understood. Focus time minus the time or number of days required to achieve the goals, right. So focus time I have already discussed in the previous session how you have to calculate and the number of days required to achieve the goal that also I have discussed. So, just you have to minus focus time minus goal achievement time and number of days is required to achieve the goal.

So, these are the some more matrices that you can use to improve the effectiveness and efficiency of your department on daily basis. One more thing that I always suggest right after the goal setting exercise. goal clarity index, right. So, certain questions that you can ask to each employee, for example, to what extent did you have clarity, did you clearly set your work plan for the last 6 months. So, it talks about the previous year, right.

To what extent did you share the same understanding of your work and plan and priorities with your senior in the last 6 months. right so whatever you are thinking about your goal do you have the same level of do your senior also is having the same level of understanding or not right so that is what so these are the thing that you can calculate for the last year and upcoming year, right. So, then you can understand for upcoming year what is the level of the goal clarity and for previous year. So, first two questions talk about the previous year and next two questions talks about will capture the goal clarity further.

upcoming years, right. The all four, all four by mistake, all four questions talks about the last year goal clarity, right. So that is what you can do and if you want to check for this year then what you can do just you have to change this last six month, last six month just you have to replace with upcoming six month. So that there is a goal clarity, the same goal clarity index will be for the upcoming years. So that is how you can calculate the goal clarity right for individual for the department. right and then you can average it and then

you can calculate what is the percentage of goal clarity this year and what was the percentage of the goal clarity last year, average percentage of the goal clarity was last year.

So, now you after collecting this data, doing some analysis, you can correlate this goal clarity index with the goal achievement percentage, right. So, where you can correlate, you can understand the relationship. how this goal clarity is related with the goal achievement. If goal clarity is high and goal achievement also high, it indicates that yes, there is a positive relationship and vice versa. So, you can understand that pattern and you can analyze this pattern and how much you need to focus on goal clarity in your organization.

So, by calculating this goal clarity, by developing this goal clarity index department wise and individual employees wise, you can use during the performance review meeting also. Some more important metrics like I always suggest you should calculate the promotion rate in the department, in a department. This rate you can use for employer branding, right. If you are talking to your potential candidate who may join the organization in future. So, you can discuss the promotion rate.

If you will join marketing department, the next every three years you will be promoted. So, this is the average. So, how you will calculate number of promotions and total number of average total number of employees in the department. So, total number of promotions in one particular year and what is the number of total number of employees are there.

So, that you can divide. So, let us assume 5 employees got the promotion and 15 employees are there. Out of 15, 5 got the promotion. So, now you can calculate the rate.

So, 1 by 3, right. So, 1 by 3. So, if 15 members are there, you are joining this department, then you can understand 3 person out of 3, 1 person is promoted every year, right. So, that is the rate that you can calculate. second important that I request all performance management managers to calculate the performance appraisal fill rate. This is, is a huge, huge issue in the organization, right. So, fill rate without help, without help how many people are, how many employees are there who can fill up their performance appraisal form.

So, this percentage, this rate will tell you how you have to educate, how many employees you have to educate, how many, which department you need to focus more for the awareness, how to fill up this form. So, this percentage or this rate that you can calculate department wise, right, that is what you can calculate and who will help to fill up the performance appraisal form somebody who knows it. So, another rate that you have to calculate appraiser literacy rate. So, how many people are confident to fill up this performance appraisal form? So, you need to identify that number also. Next rate that you

can calculate appraiser literacy rate.

So, in this rate the total number of trained appraiser divided by total number of appraiser. So, how many people are there who are trained and total number of appraisal. So, appraisal literacy rate that is what that you can calculate here. So, that is these are the three formulas that you can calculate in order to increase the performance fill rate performance appraisal fill rate without any help and second one this literacy rate that you can increase because it with the moment it is increased then transparency and the quality of data also will improve. that quality of data that you are going to collect through this entire process, if that quality of data is not there, data is not accurate.

then you your decisions may not be appropriate in the organization and this performance appraisal exercise is very very important exercise in any organization because there are many decisions which are based on this particular form and this particular of assessment of employee so training number of training promotion transfer best employee poor employee best performer worst performer So, these all decisions that you are going to take on the basis of this. So, that is why you have to ensure this data is collected appropriately and with the quality data that you are able to collect and you will be able to collect the quality data only when literacy about this performance appraisal form is very, very high. So, you have to keep on or constantly you have to keep on educating the people. for this particular activity right if you are keep doing that so which department you have to do more and which one you have to do less if you are having these two rates with you that will help you to make a decision so some more important matrix that is what you can discuss now let us understand one of the biggest problem that all organization face performance rating distortion i don't think so is there any organization where performance ratings are not distorted almost among all organization performance ratings are distorted. So, you have to analyze the region, what is the region.

So, what would be the source of this data collection for this? I suggest the employee complaints, employee complaints that you can analyze or supervisor complaints, supervisor complaints about the employee after performance review meeting, right. So, these two data that is basically I am talking about the employee complaints which are coming about the performance appraisal system of that particular organisation. So, specifically that you will see the complaint, my performance is, my performance rating is reduced, I deserve for more but it is reduced. So, because this performance rating impacts your incentives your promotions, your transfers, opportunities for travelling, right. So, many things are linked with this performance rating.

So, it is very, very important for any individual inside the organisation, right. So, these complaints that you need to analyse. So, after analysing what you need to do. So, first you

need to identify the regions for deflate. If that performance rating has decreased, then what is the reason? So, based on the complaint that you identify, what they have complained? This person wants to give me a lesson.

I am a rebellion, right, nobody will accept it, in the department I am a rebellion, right, but this you may expect that this supervisor, XYZ supervisor wants to teach me a lesson, that is why this person has given me the poor rating or this person wants to shock me, just want to give a shock so that I will under depression and he wants to take a revenge without any reason, just want to give a shock, so that is why this person has reduced. right, send a message that employee should behave properly, should improve the performance, right, so for one particular reason, right, why. Next, he has given me poor rating so that I will leave this organization, right, so he wants me to leave this particular organization that is why he is not giving me good rating. record of poor performance he want to he wants to me a tag as a poor performance in the organization.

So, likewise you may get some more regions. So, what I am trying to make you understand like you if your organization is huge then you can analyze such kind of complaints that you are receiving in your department after the performance review. So, you can make a list and now you can divide into two categories, these just you have to number how many complaints that you are getting related to SOC, how many you are getting related to the second category and third category and fourth category, right. So number of complaints that you can write simply and then you can convert into the percentage form. right and then you can visualize these are the regions for deflating or distorting the performance rating in my organizations which may give the negative impact on the employees, right.

So these are the region for the deflating. So I am not saying these are the only region for deflating the performance rating in the organization, there could be some more also. So but likewise you can analyze, you can divide into the categories. and then you can decide the number, how many numbers are there and then you can visualize in order to understand. So, if you want to stop such kind of things because it also indicates that when deflating regions are there, it indicates that in your department huge power in politics is going on. People are playing the politics because this is the time when most of the time you will see that politics is reflected.

right through this performance rating. So, this this is what you can understand if this number complain is keep on going high and high. So, then you can understand that number of conflict, number of conflict among the employees that may increase, it may impact the performance, it may impact the coordination, it may increase the attrition rate. So, so many things that you can predict by doing this analysis, right. But you have to do this analysis, first you have to identify the number of complaints that you have received and then you

have to categorize these complaints into these categories. So, you can add some more categories, why people deflate the employee performance rating in the organization.

So, now let us understand the inflate, why do people inflate. So, some of the regions that you can see here. So, in a similarly if you will be getting some of the complaints related to inflating the performance rating. So, in some of the cases that you will see one positive thing that I see this encourage. So, sometime you will see some extraordinary situation is there you have you want you want your employees should work very hard. So, sometime it may be possible to to boost up to give them some motivation you can give higher rating to them.

So, few examples that I always give like when this army people who wants to who are about to go for any war so most of the time you will see their performance ratings are distorted their performance ratings are increased in that case right so similarly that you can see during this covid period if organization do not want to demotivate their employee then what they would have done, they would have given the higher rating to their employees so that employees will be motivated and then they will be keep working hard because already huge level of stress is there in the market. So, so in that cases that encourage, to encourage the employees sometime organization purposefully inflate the performance rating also. But other than that I have made a list, right. And so you can make a list in the similar way. You can make a list and you can analyze what are the reasons for inflated performance rating.

And similarly you can analyze and then you can take a decision how you can ensure that that most of the ratings are accurate because when these performance ratings are linked with your compensation, incentives, promotions, carrier, right, then people take very, very seriously. So, in any organization, you should ensure that whatever ratings that you are getting, those ratings are unbiased. So, you have to make an effort to make it unbiased, that is impossible to remove the biases from this system because we all are human beings, some biases will be there, conscious or unconscious, but you should try to, the moment you acknowledge some biases are there because of these biases, this inflation is taking place. in the ratings, if you have acknowledged, then you should make an effort to remove that and to reduce that, right. So that is how you can understand why performance ratings are distorted in the organization.

Now next thing comes if you have to measure the team performance, right. So what you can do here, manager X, manager Y, manager Z, right. Three teams are working in one department, right. You want to understand the team performance, how the team performance is there.

So you have identified the manager X, manager Y and manager Z. Now you can write the

performance rating of average rating of all subordinate. So, what is the average rating of all subordinate? Let us assume out of 5 they are receiving 4. Now, senior rating is 3, peers rating is 2 right and total score. So, now you can see out of 15 what is the total? 9 right and who are the best performer, who is not performing? You can see the peers are not performing, whoever is the peer to this manager according to this data they are not performing. So, average rating that you have written here and then here you can do the team wise analysis also which team is doing better, which team is not performing.

In a team who is not performing, senior is not performing, subordinates are not performing or peers are not performing. So, that is how you can make a matrix in order to understand the peer performance, team performance also. Next important thing that I always say like how your leader behave with you, right, it has the relationship with the work engagement, how much you will be engaged at your workplace that is said in a logic, right. So, but if you want to understand this pattern, what you can do, you can make 2 by 2 matrix. So, engagement level of employees on 7 point scale like 1 to 7, what is the engagement level and how it is increasing, x axis you can see.

How often does your leader treat you with respect? So, when, how many times? So, that you can say never, sometime or every time, right. So, this is scale again you can take a 7. So, if average of this is increasing then you will see the engagement also is increasing, right. So, that is how you can understand. So, that is how you can, if this relationship is coming out then you can train your leader to give a respect to the subordinate because you have you know very well if people leader will give the respect then engagement level of your employees will increase in the department because you have calculated you have understood And it is reflected in your organization when leader speak talks with the respect with the subordinate then they are highly engaged.

So now you have a suggestion for all supervisors please give a respect to the subordinate because their engagement level will increase based on some analysis and analysis. correlation that you have calculated between these two variables and that is how you can present, right. So, and after that you can make a line graph in order to explain the relationship. So, thank you. I hope you would have learned few more matrices related to the performance management.