

## HR metrics an easy way to measure change

Human resource professionals are typically “right brained.” In college, most of us considered statistics our least favorite subject. We’re uncomfortable around numbers. Some of us even went into HR so we could avoid dealing with them.

Isn’t HR metrics, well, a bunch of hard numbers? Relax. HR metrics isn’t rocket science — it’s just management. Moreover, metrics offers a powerful tool for improving your HR program while advancing your professional interests.

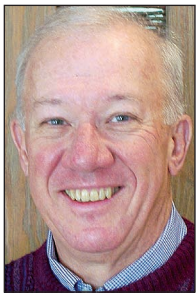
Here are some common questions — and answers — pertaining to HR metrics in small organizations:

■ What is HR metrics?

As applied to the HR profession, metrics means measurement. Almost anything can be measured — by counting (we had three new hires this month), by qualitative assessment (on a scale of 1 to 10, that class was an 8), by time (it took two months to fill that job) or by a combination of the three. By itself, a single measurement is meaningless. Multiple measurements taken over time enable us to track change. That, in a nutshell, is what HR metrics is all about — measuring change.

■ Why would anyone want to measure change?

Unless we measure change, we can’t know if we’re improving or slipping, meeting objectives or falling short, staying on track or running amuck. Many of us have been assigned important roles within the context of our organization’s strategic plan. We must be able to show that we’ve done the job assigned to us. Most of us have individual performance standards to meet. The common term for this is accountability. At some point, the boss wants us to “make an accounting” of what we’ve done with the resources given us. In addition, we might have personal objectives to achieve or just want a better “feel” for how we’re doing. Metrics shows us where we’ve been, where we



**Carl Wallace**

### FOR YOUR INFORMATION

Carl Wallace will discuss human resource metrics at the upcoming meeting of the Western Colorado Human Resource Association. The meeting is set for 11:30 a.m. Feb. 21 at Two Rivers Convention Center, 159 Main St. in Grand Junction. For more information about the WCHRA, send an e-mail to [MemberInfo@WCHRA.org](mailto:MemberInfo@WCHRA.org).

are and where we’re going by measuring change.

■ I work in a small organization. Can I use metrics?

Most of the HR metrics articles, studies and texts published within the last 10 years have been written with large corporations or government entities in mind. If it all sounds overwhelming and you work for a small organization, don’t be deterred. Most of us don’t have to defend our measures in court, to regulatory agencies or to boards of directors. In most cases, we and our immediate superiors are the only users of our measures. Consequently, our metrics doesn’t have to be sophisticated or meet high standards for statistical validity as in large organizations.

■ What skills do I need?

First is the ability to use common spreadsheet software. It’s not necessary to know all the bells and whistles, just basic functions and how to generate simple, two-dimensional charts and graphs. Beyond that, familiarity with basic statistical principles is helpful. There are several Web sites that support other professions, such as journalism, that contain definitions at the elementary level. Use Google to search for a term such as “median” or “mean” and gain access to all that you need.

■ What measures are most important in HR?

This will vary with your personal HR role and what the organization expects of you. The most common measures

pertain to the efficiency and effectiveness of the HR function itself. These can include the number and kinds of HR transactions (new hires, employee relations cases, awards processed), accuracy and timeliness of transactions, client manager satisfaction and employee satisfaction. There can be countless others.

■ What’s a “dashboard?”

The “dashboard” is one of the most important concepts in metrics. No one measure, by itself, can tell you all you need to know. You need more than a speedometer to safely operate your car. You also need a fuel gauge, engine function lights and turn signal indicators. HR metrics is like a dashboard in that multiple sources of information provide an overview of how the entire organization performs.

■ Doesn’t metrics have to be objective?

While objective measures are always good, there are other subjective measures that are just as important — how superiors and employees perceive your work or your own snap judgments on the quality of a work product. The key is to always consider the objective and subjective together.

■ Where do I begin?

The process of setting up your own metrics involves identifying what you want to measure, taking an inventory of the data available to measure (you have much more than you think), designing your measures, tracking your measures over time and periodically “rolling up” multiple measures to produce indicators on your dashboard. It’s easy. But on your first attempt, you should get help from someone who’s done it before.

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