Paycor

HR Analytics Buyer's Guide:

HOW TO BECOME MORE DATA-DRIVEN WITH PAYCOR ANALYTICS

In This Guide

1 | Introduction 3

2 | Retention 7

3 | Leave Management 16

4 | Compensation 22

CFOS ARE LOSING FAITH IN HR'S ABILITY TO SOLVE PROBLEMS WITH DATA.

IN 2015

20%

of business leaders trusted HR to use data to anticipate and help fill talent needs.

IN 2018

that number decreased to an alarming

11%

What's the problem?

HR teams still spend too much time on transactional HR functions that should be automated and HR professionals aren't data scientists.

1. HR teams (especially teams of one) still spend too much time on transactional HR functions that should be automated. If your HR processes are still manual, or worse, paper-based, your team simply doesn't have time to do much else.
2. The answers to your most pressing business problems—everything from troubleshooting your recruiting pipeline to predicting labor costs, overtime and turnover—are in your company's HR, payroll, ATS and time systems. Yet, most HR professionals aren't data scientists. And they often don't have the tools needed to access, much less interpret, data.

Herein lies a major disconnect.
The C-suite is looking to HR to separate the signal from the noise and turn people data into consumable, actionable insights that improve decision making around key business initiatives like attracting talent and reducing turnover.

THE ONE THING HIGH-PERFORMING HR TEAMS DO DIFFERENTLY.

Paycor reviewed proprietary data from nearly 3,000 customers and found that many standard HR and recruiting metrics are tactical, in that they track project management, or, at most, basic dollar-in, dollar-out cost analysis. The most successful HR teams use data analytics to map people management metrics to business outcomes. That gets the C-suite to pay attention.

In this guide

We will explore how the right technology can help you transform your existing HR data into meaningful analytics that answer your most critical business challenges and drive meaningful change across your workforce.

MAKING THE CASE TO INVEST IN A HUMAN RESOURCES ANALYTICS SOLUTION.

Take the *complexity* out of workforce analysis and planning.

Paycor Analytics empowers HR Leaders with high-impact, easy-to-consume, real time data insights so you can you answer the right questions about your workforce. By transforming complex data into trends, predictions and powerful benchmarking, you can observe trends, pinpoint problems and take action.

Who benefits?

- **HR leaders** frustrated with fragmented reporting from their HR system.
- **HR teams** that want to make decisions based on data, not their gut.
- **People managers** who want to optimize their teams and use insights to drive better performance.

Key Benefits of Leveraging HR Metrics

ANSWER YOUR MOST PRESSING QUESTIONS

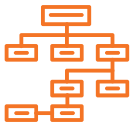
Who is at risk for resigning? Who should be considered for a new promotion? With visualization tools, we help you answer the right questions about your workforce by transforming complex data into clear, direct answers. By diving deeper into a certain topic, you can make analyzing data and workforce reporting easier than ever before.

DATA INTEGRITY

HR leaders shouldn't have to play the role of data scientist. Paycor Analytics' data visualization tools display the calculation and methodology behind the output in clear, easy to understand language, so you can speak with confidence, eliminate potential errors and improve leadership trust in you and your team.

PLAN FOR THE FUTURE

With voluntary turnover at an all-time high, leaders need to better understand who is likely to leave, why they're leaving, and what they can do to make them stay. Paycor Analytics uses a predictive data model to identify the probability and extent of employee turnover in the next 12 months. Leaders can filter data by employee, job type and title, location, tenure, ethnicity and more to gain deeper insights into the factors driving resignations. To even better understand how turnover is affecting your business, the predictive resignation feature of Paycor Analytics provides benchmarking so you can compare how you're doing against local and national competitors. Armed with this data, companies can get ahead of trends before they become a problem.



ORGANIZATIONAL IMPACT

Paycor Analytics operationalizes your data to provide interesting moments that will directly impact your organization. From analyzing headcount to monitoring turnover, understand what factors are causing change, the rate employees are leaving and provide the financial impact of compensation, absenteeism and other factors.

LET'S TAKE A PEEK UNDER THE HOOD TO SEE IT IN ACTION

Employee Retention

CHALLENGE:

The turnover crisis in America.

The labor market is tight, turnover reached record numbers, millennials are job-hopping at an alarming rate and voluntary resignations are also at an all-time high. No matter how you slice it, people are leaving, it's hurting the bottom line and HR must explain what's causing it.

Paycor found that nearly half of SMBs are tracking turnover manually. The others are using software, but 80% say the data doesn't give them actionable insights on turnover. Off-the-shelf, one-size-fits-all HCM systems just aren't sophisticated enough to deliver actionable insight. When evaluating HCM software, go deeper than the demo and see if the turnover data the system gives you is anything more than a superficial understanding of turnover.

46% of business leaders say turnover is their top challenge.

Did you know?

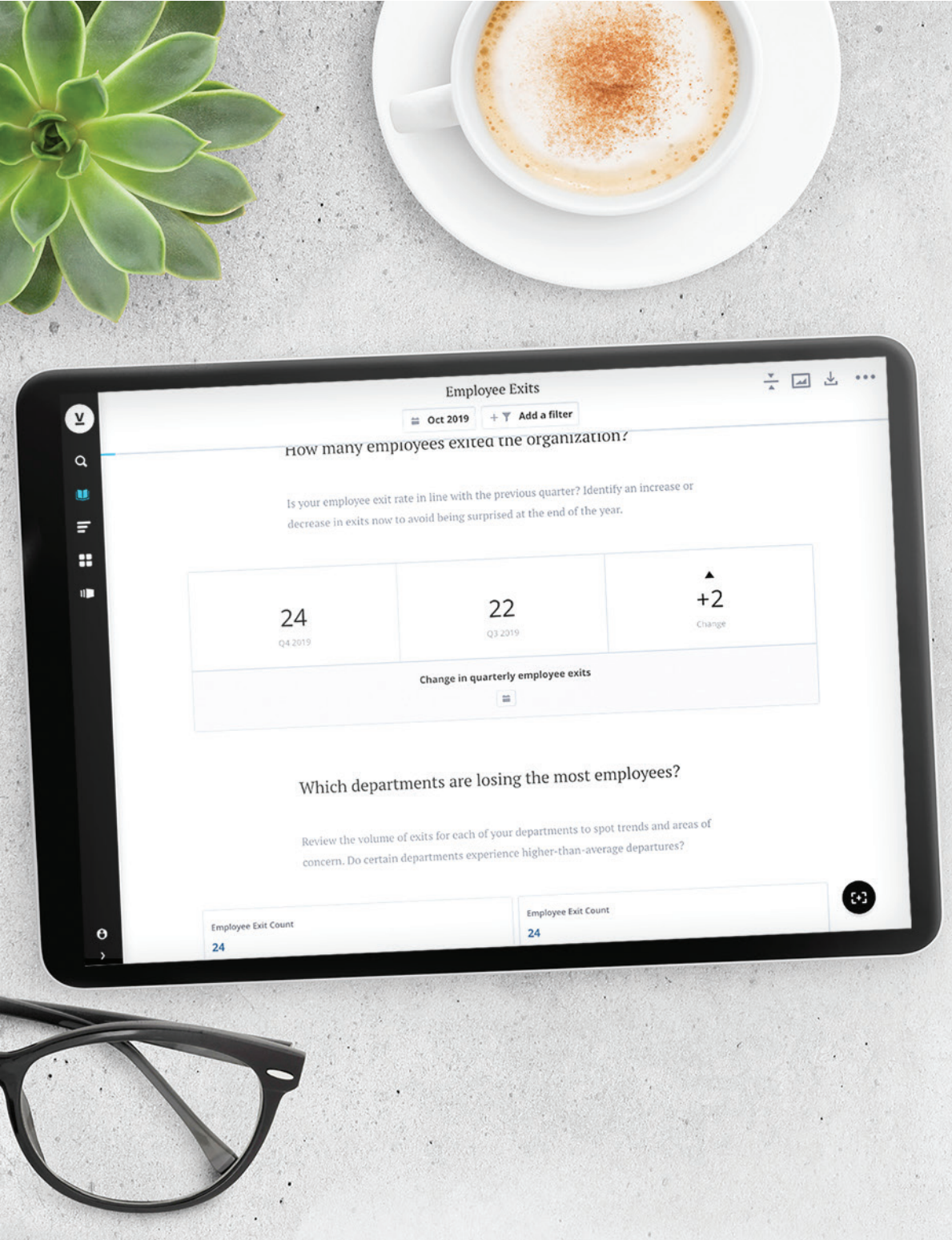
Voluntary resignations are at an all-time high

TO SOLVE THE TURNOVER CRISIS, HR NEEDS TO ANSWER THESE QUESTIONS:

What is the rate at which people are leaving the organization?
What is my turnover rate by department?
What's driving the risk of resignations?
What is the predicted resignation across organizations and locations?
Which employees have the highest probability of leaving in the next 12 months?

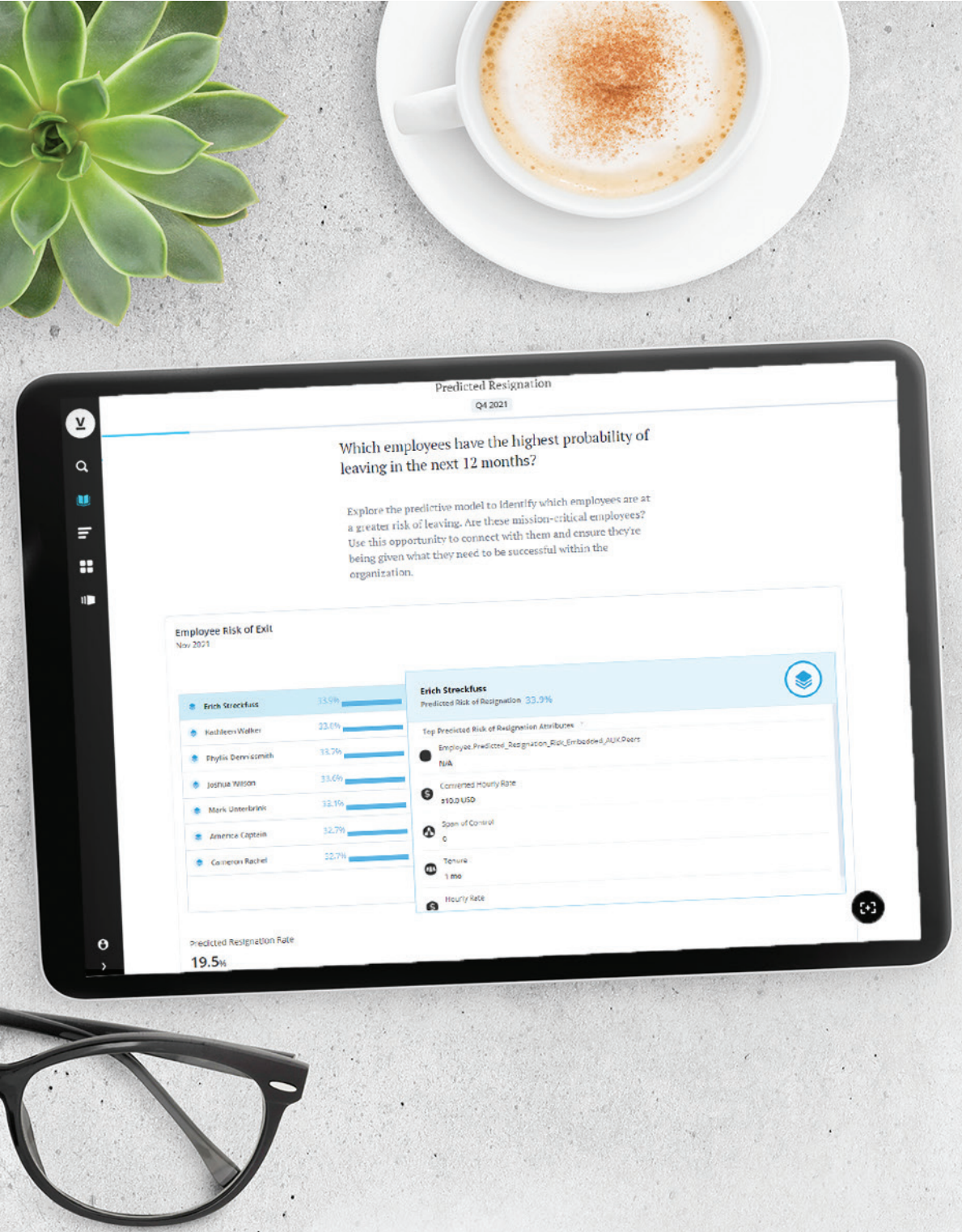
How Paycor Analytics can help

Paycor's predictive resignation feature allows leaders to identify potential at-risk employees to help prevent turnover in current volatile market.



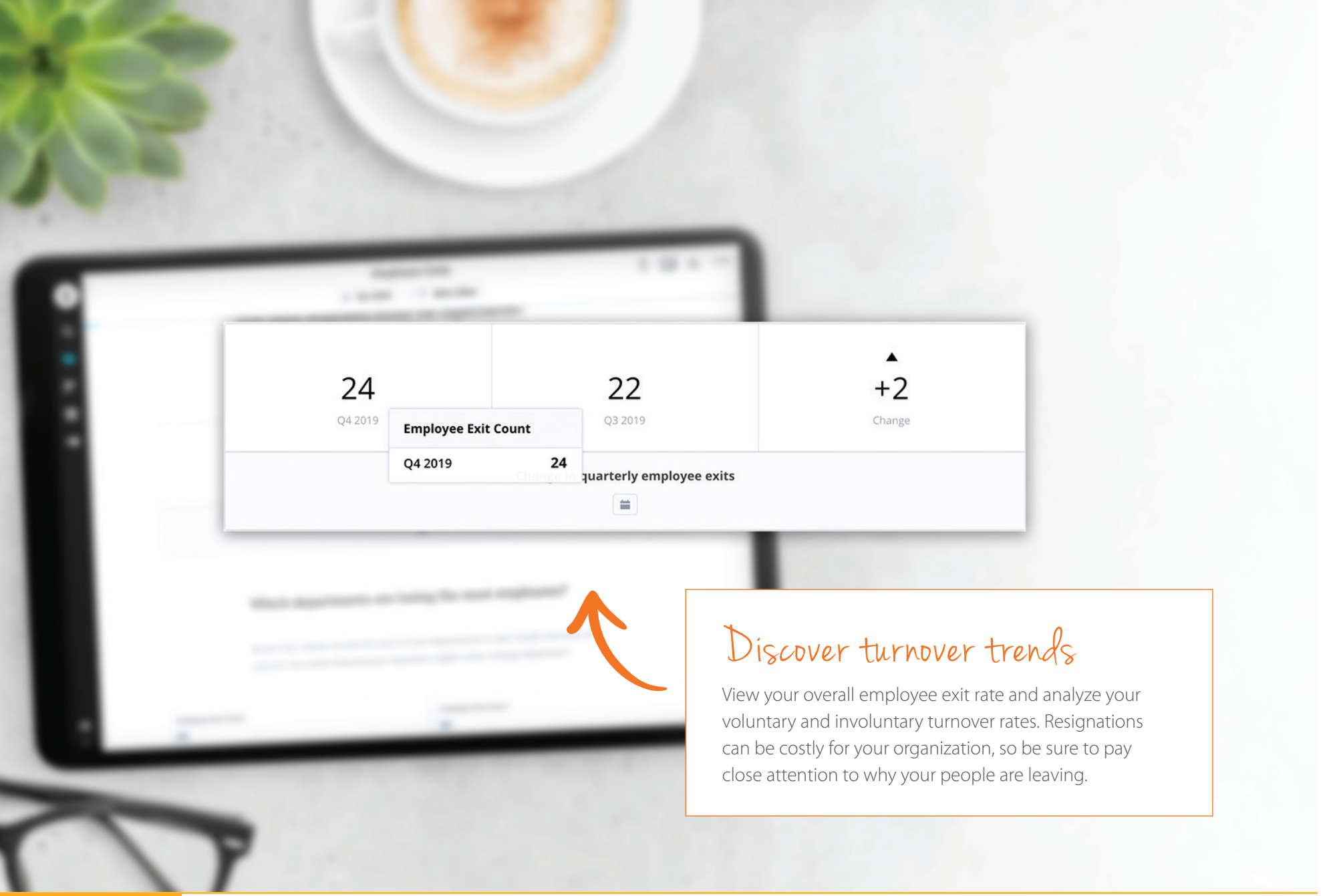
Insights at your fingertips

Paycor Analytics offers easy-to-consume, real-time insights into your turnover data. Start by analyzing how many employees are turning over and their reasons for leaving. Plus, our homepage customization feature allows users to create a collection of favorite charts and graphs that can be easily viewed in one location.



Forecast Employee Turnover

Paycor's predictive resignation feature gives HR and business leaders actionable insights from its company data, including identifying at- risk employees, factors driving the risk of resignation, expected resignation across organizations and locations, and the probability and extent of employee turnover in the next 12 months. And whether it's analyzing turnover risks or limiting overtime expenses, Paycor's embedded analytics feature seamlessly embeds key visuals directly within your HR platform or time dashboard so you can access important insights where and when they matter most.



Discover turnover trends

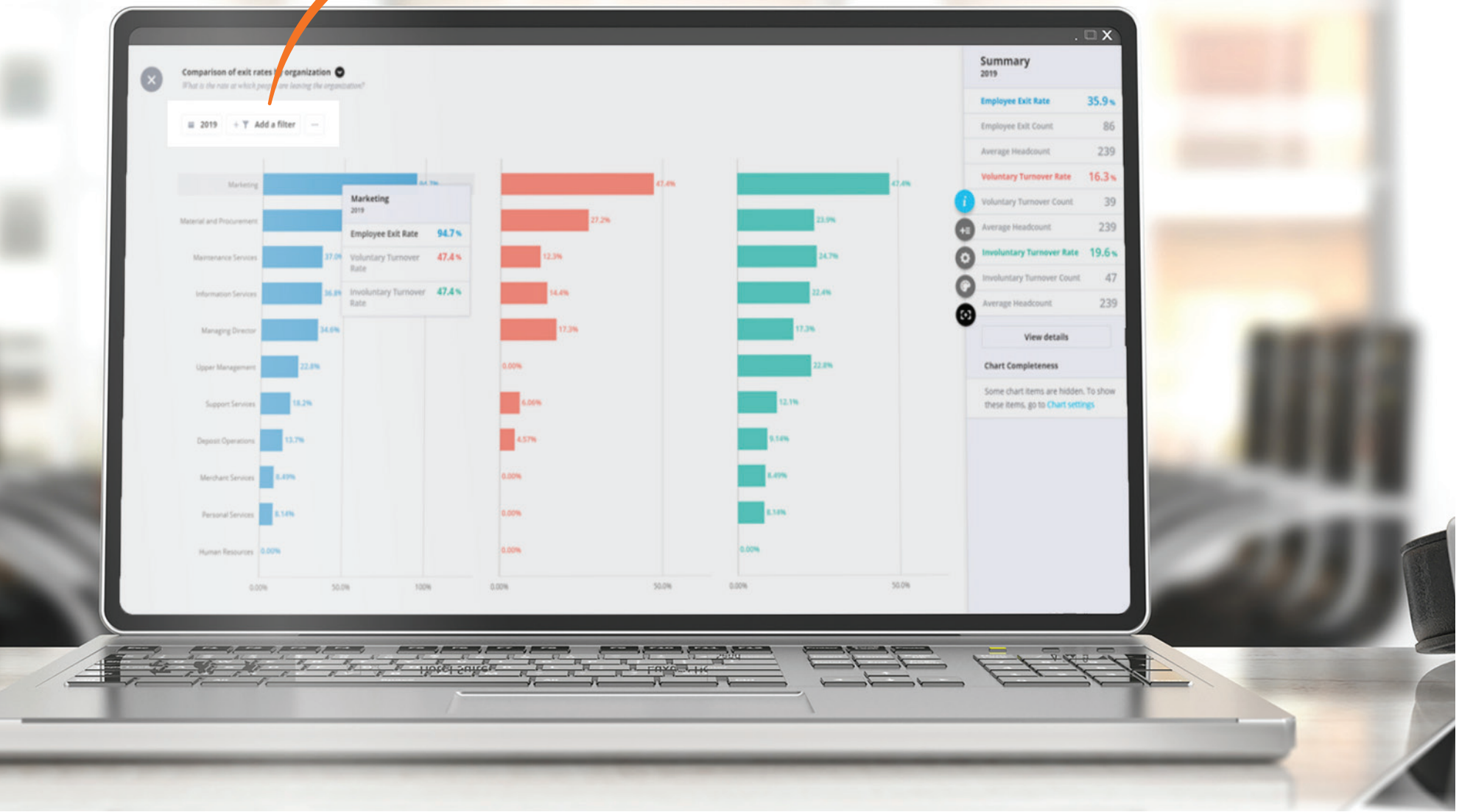
View your overall employee exit rate and analyze your voluntary and involuntary turnover rates. Resignations can be costly for your organization, so be sure to pay close attention to why your people are leaving.

Pro Tip

Employees who don't receive proper training quickly become disengaged. That's why onboarding and continuous training is so important. Develop a formal onboarding process to ensure new hires understand their role and responsibilities, know all relevant policies and procedures and have everything they need to be successful from day one.

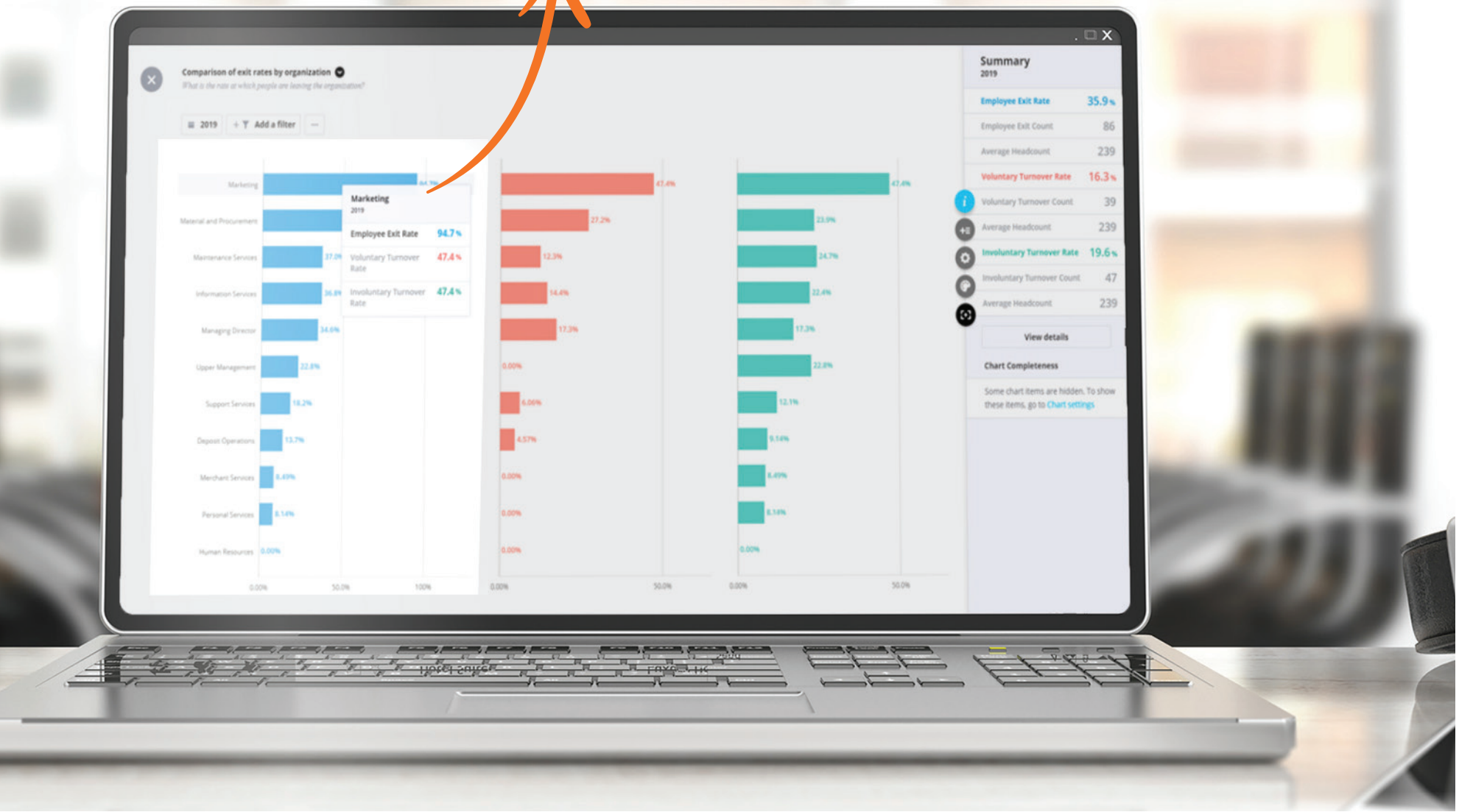
Slice and dice your data

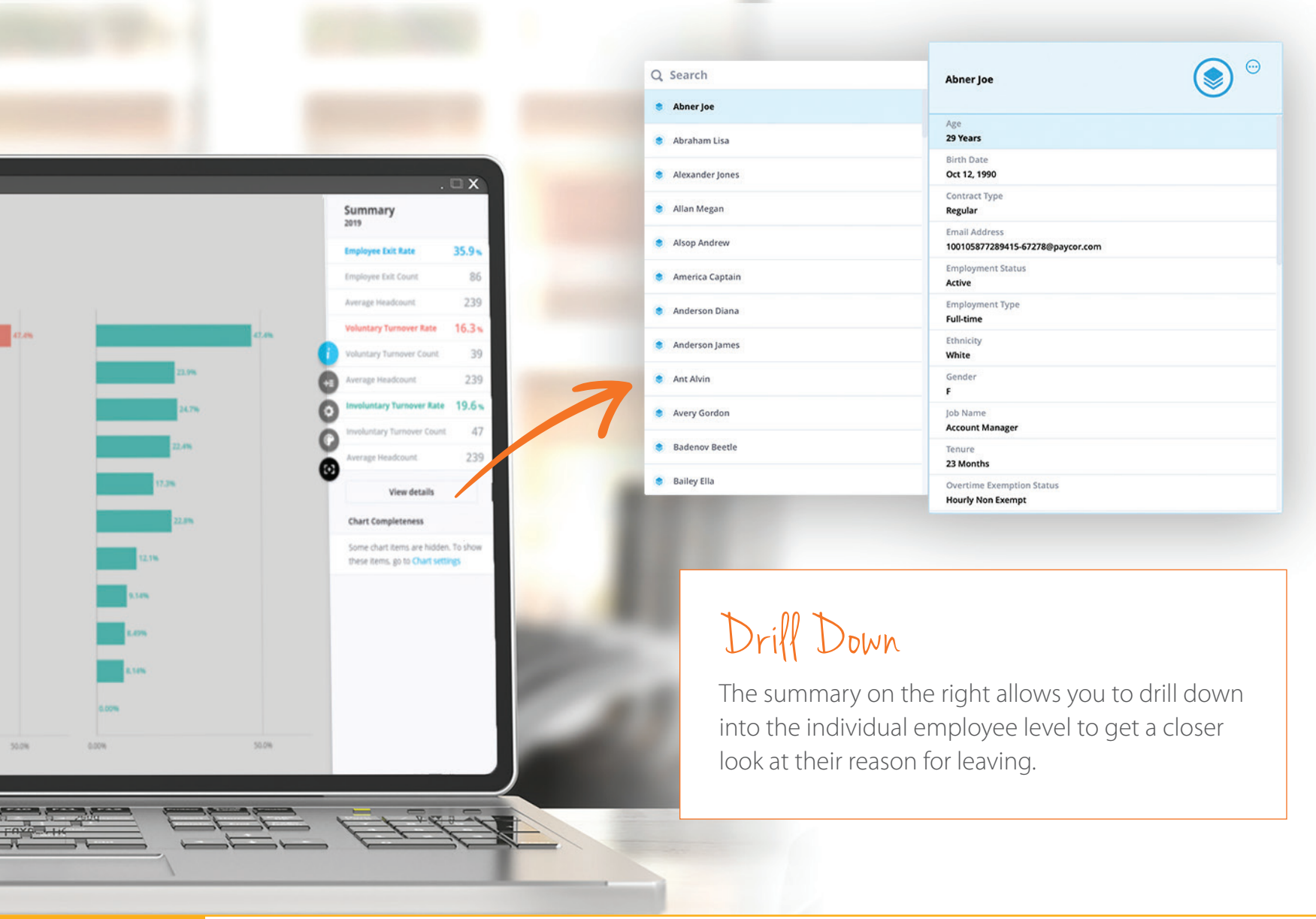
Want to report across certain timeframes? Set guidelines to access the data you need by adding filters to your queries.



Who has the highest exit rate?

With a comprehensive view of exits across your workforce, you can see which departments are at risk and which are most effective at retaining their workforce.





Drill Down

The summary on the right allows you to drill down into the individual employee level to get a closer look at their reason for leaving.

Pro Tip

Voluntary turnover is a part of doing business, but our research found that according to employees, bad bosses are the #1 reasons people quit. This one factor accounts for 75% of voluntary turnover. Drilling down into resignation trends may uncover problem areas HR needs to address before they become widespread issues.

You don't need to be a data analyst

Paycor Analytics provides the calculations and methodologies behind all charts, so you can better understand outcomes and speak with confidence to business partners. And you can easily share insights and visuals via email to others in your organization with one click.

Leave Management

CHALLENGE:

Unplanned absences are costly.

Workers are absent for a variety of reasons, but when absences are unexpected, they carry hidden costs, disrupt others, contribute to overtime and significantly impact productivity. Supervisors spend more than 5 weeks out of the year adjusting schedules, finding coverage and training fill-ins.

Overtime is used to cover 47% of absences.

Coworkers are perceived to be 29.5% less productive when filling in for absent colleagues.

The negative effects of absenteeism

- Poor performance
- Increased workload for coworkers
- Lost productivity
- Manager frustration
- Negative customer feedback

TO UNDERSTAND HOW ABSENCES ARE IMPACTING YOUR BUSINESS, HR NEEDS TO KNOW:

The financial impact of absences

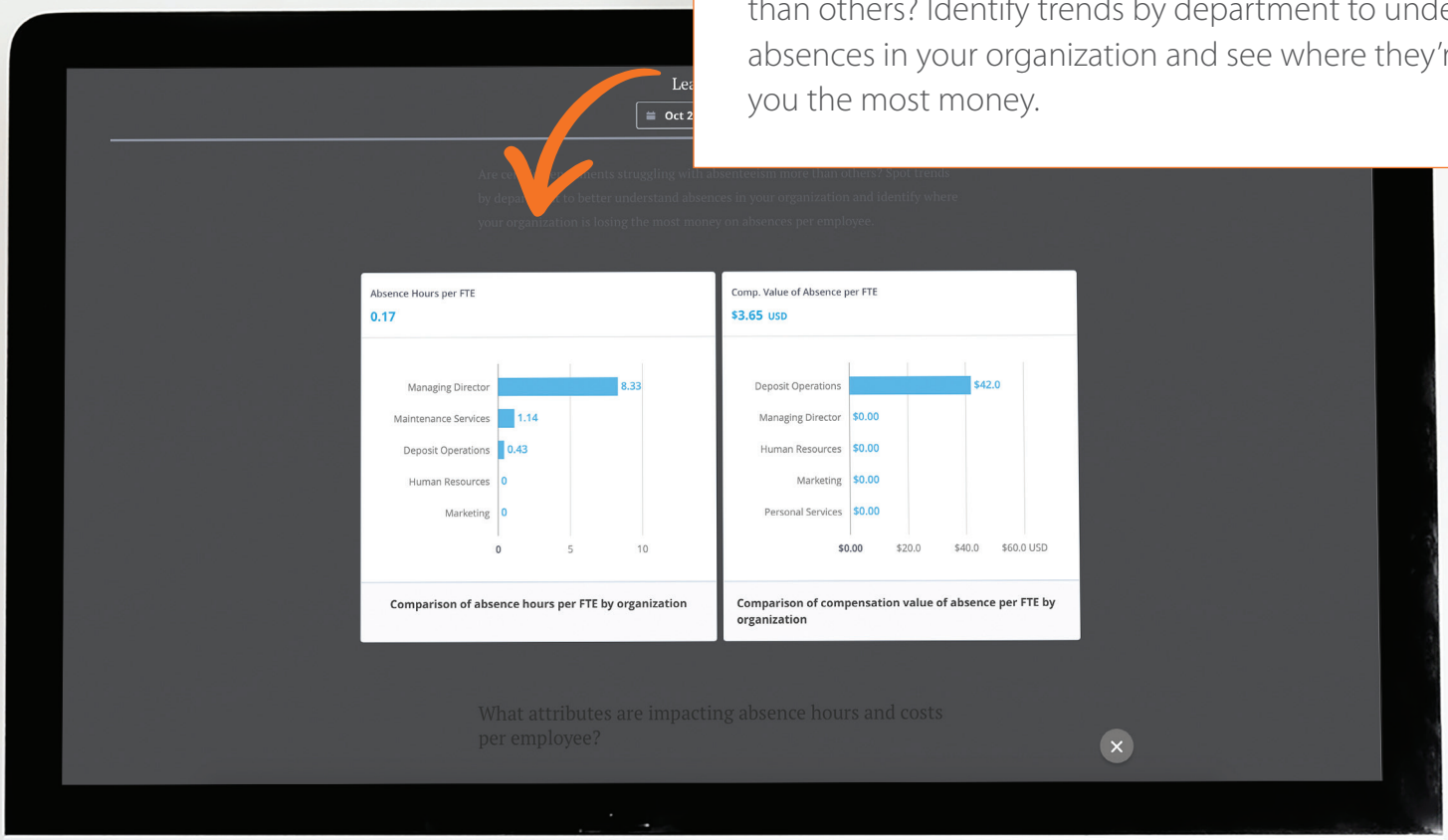
Which departments have the highest absence rates

How Paycor Analytics can help

By leveraging pre-built questions and interactive charts, you can see what's driving absenteeism across your workforce, measure the financial impact, pinpoint problem areas and take action.

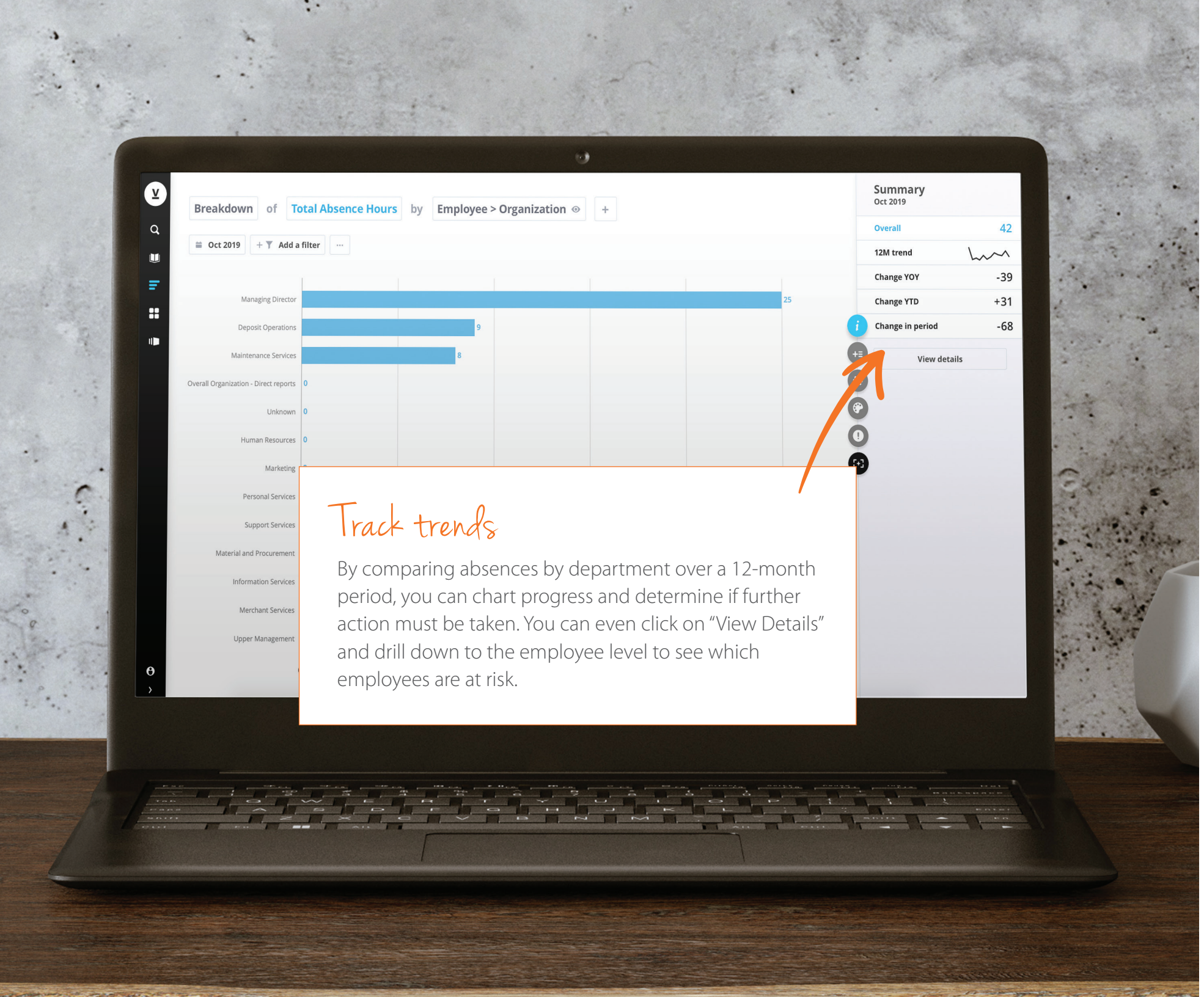
Who's getting hit the hardest?

Are certain departments struggling with absenteeism more than others? Identify trends by department to understand absences in your organization and see where they're costing you the most money.



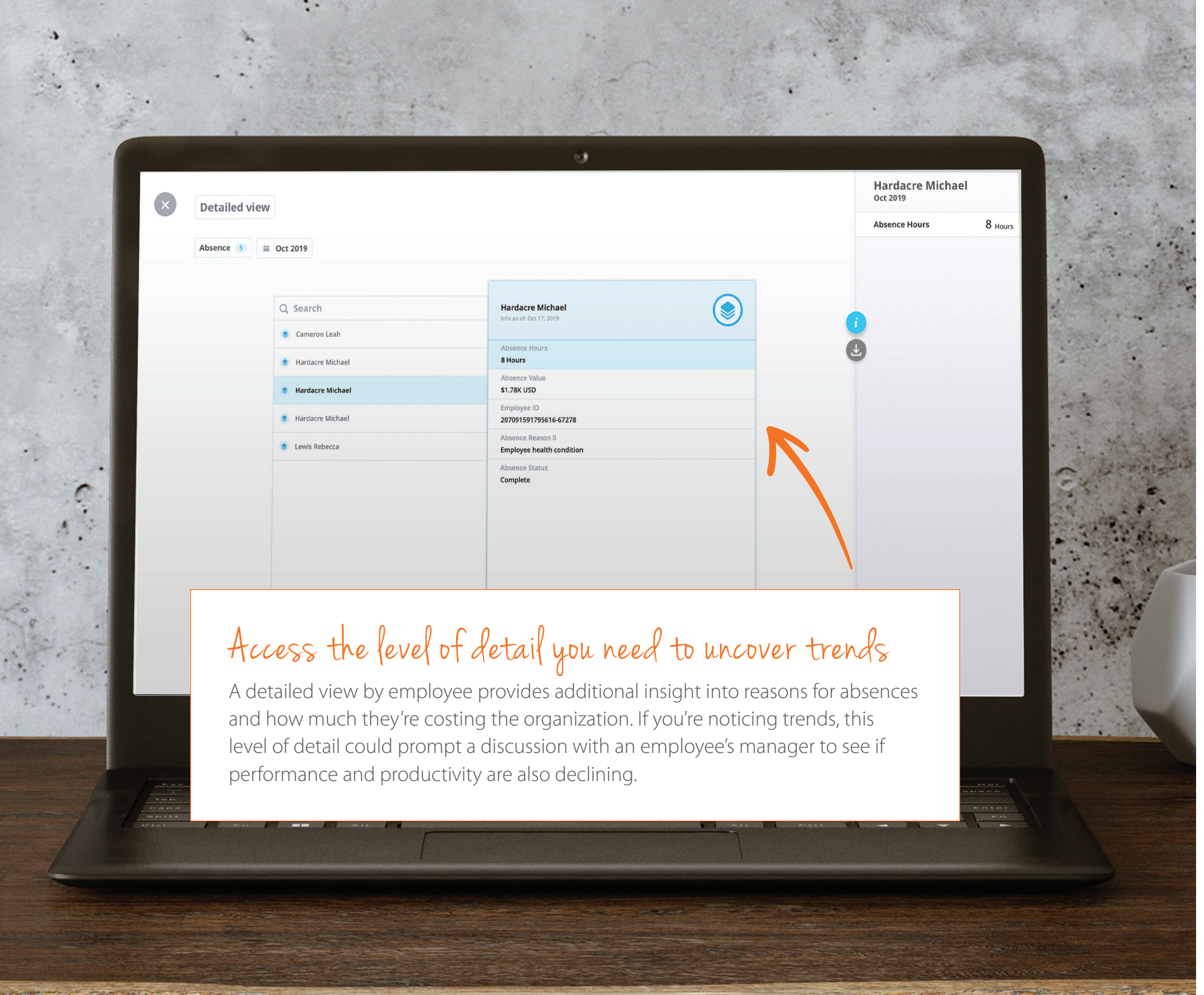
Pro Tip

When's the last time you evaluated your PTO policy? Clearly communicating attendance policies in your employee handbook and using a Time & Attendance system to monitor issues can help reduce the amount of unscheduled absences.



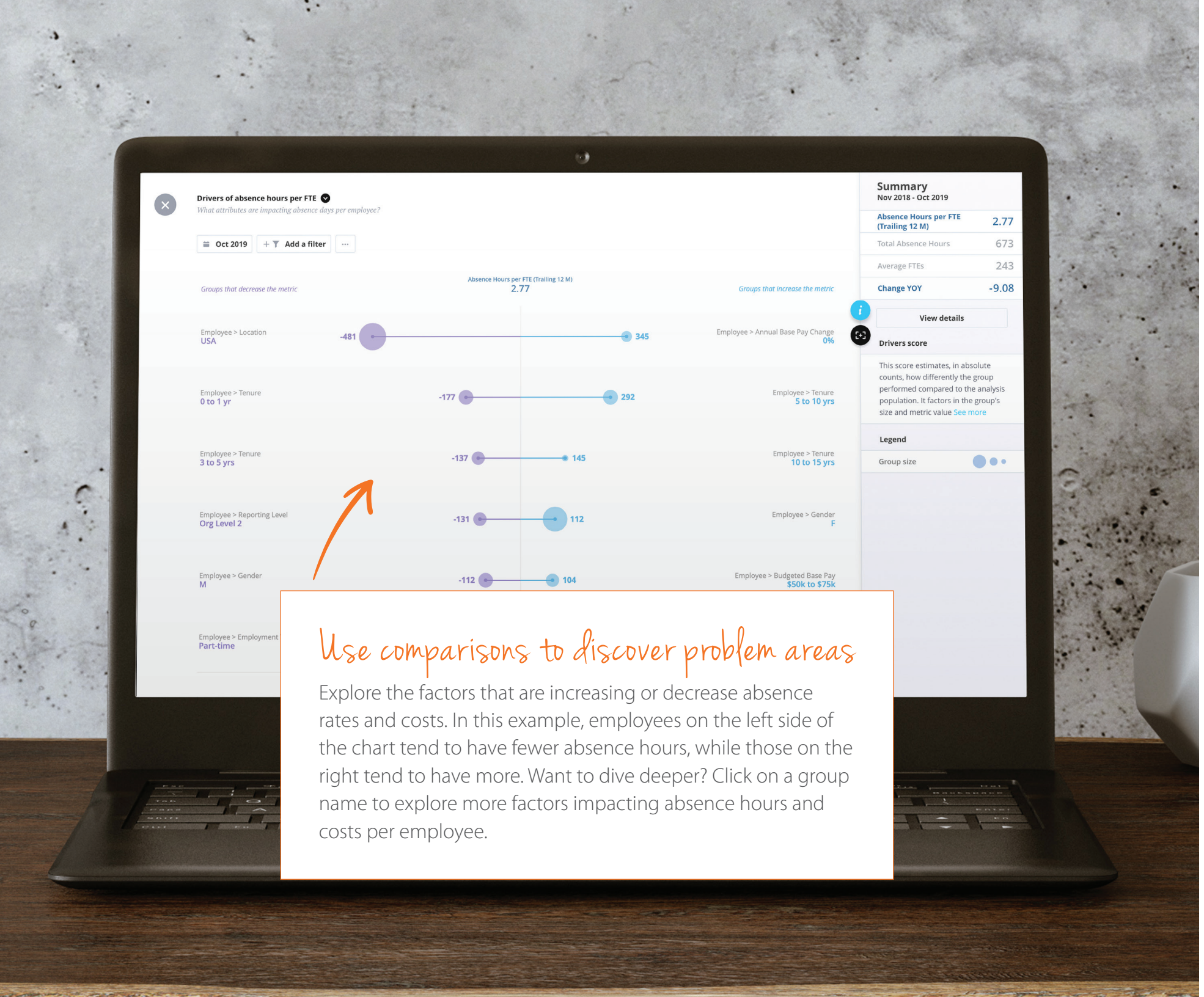
Track trends

By comparing absences by department over a 12-month period, you can chart progress and determine if further action must be taken. You can even click on "View Details" and drill down to the employee level to see which employees are at risk.



Access the level of detail you need to uncover trends

A detailed view by employee provides additional insight into reasons for absences and how much they're costing the organization. If you're noticing trends, this level of detail could prompt a discussion with an employee's manager to see if performance and productivity are also declining.



Use comparisons to discover problem areas

Explore the factors that are increasing or decrease absence rates and costs. In this example, employees on the left side of the chart tend to have fewer absence hours, while those on the right tend to have more. Want to dive deeper? Click on a group name to explore more factors impacting absence hours and costs per employee.

Workforce Compensation

CHALLENGE:

Keeping up with the Jones' in a tight labor market.

With unprecedented quit rates and many employees re-evaluating their futures, companies are raising wages and offering salary increases to attract and retain talent in this unpredictable market. A Willis Towers Watson study found that only 3% of companies don't plan to boost salaries next year, a drop from 8% that didn't give raises in 2021.

How Employers Are Attracting & Retaining Workers

- 48% are providing signing bonuses
- 46% are giving cash incentives for returning to the office
- 43% are offering employees more time off
- 40% are giving worker job title upgrades

Source: Robert Half

WHEN EVALUATING PAY PRACTICES, EMPLOYERS MUST CONSIDER:

How does the actual spend on total rewards compare to the budgeted amount?

Are we allocating enough dollars for compensation to stay competitive?

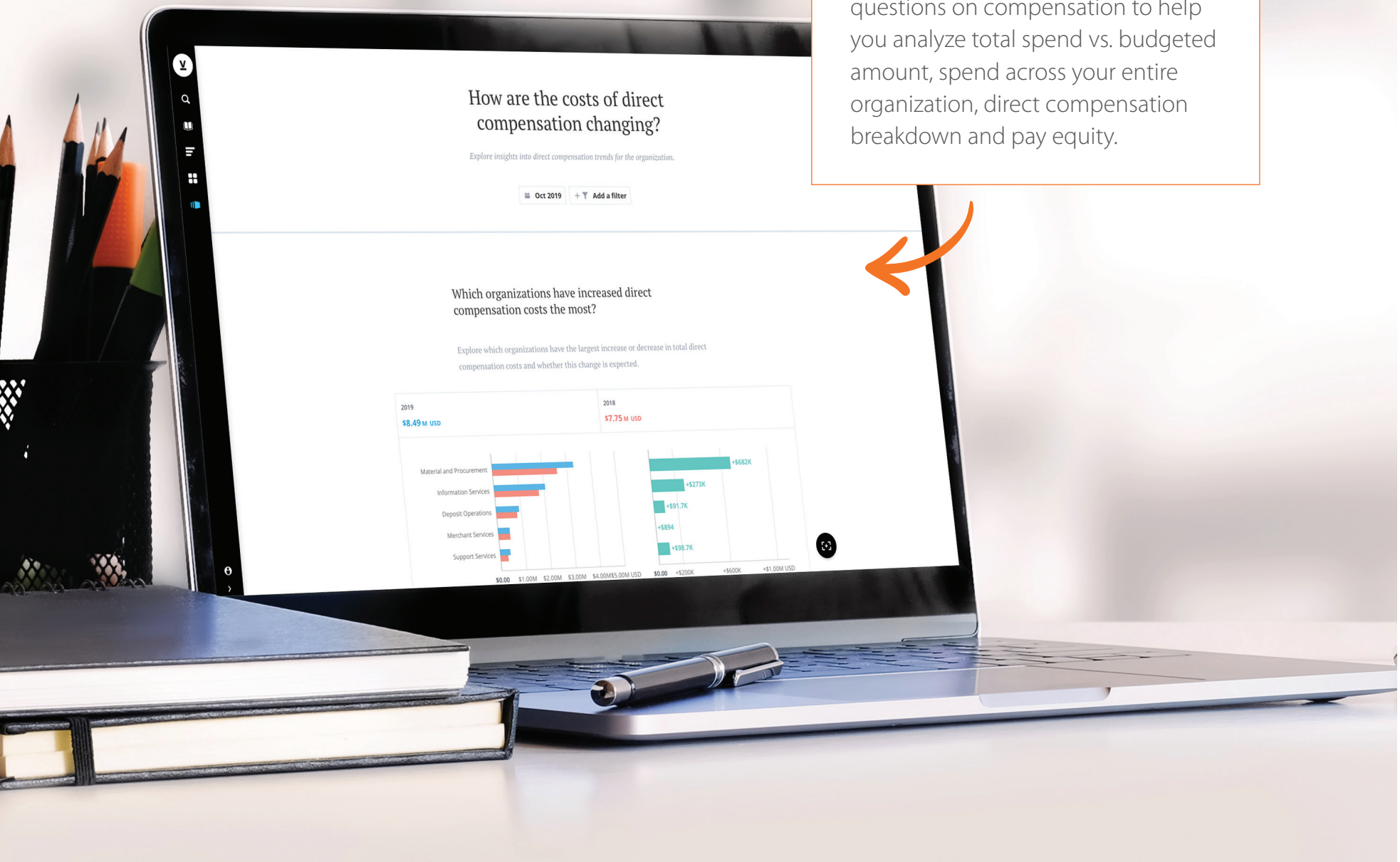
How do budgeted salary increases compare for males and females?

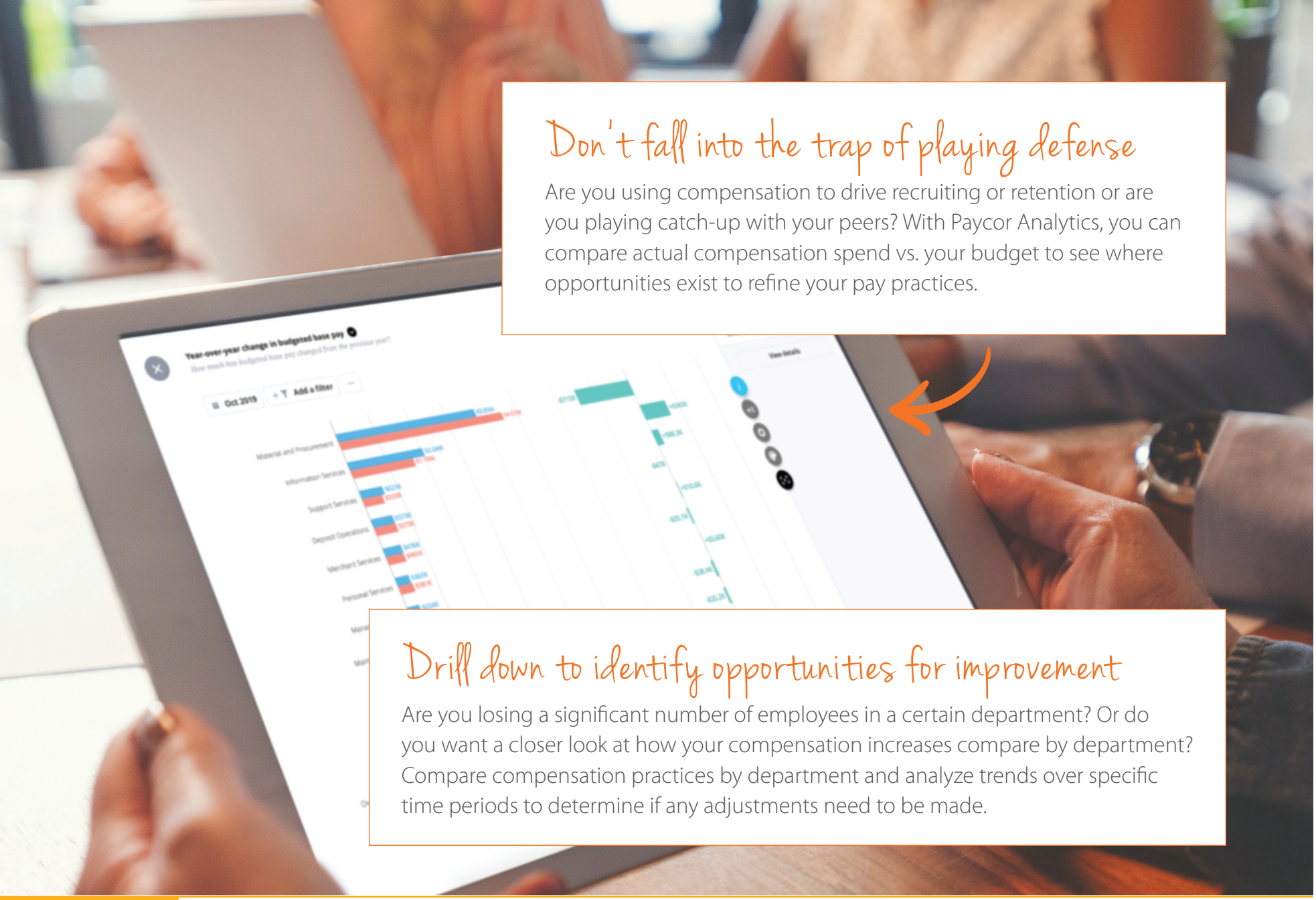
How Paycor Analytics can help

The challenge with compensation is that there's so many factors to consider. Are you allocating enough budget for compensation and total rewards? Are you increasing compensation and rewards to stay competitive? Is pay equity a concern? The right analytics solution can offer detailed comparisons and give HR the data they need to predict outcomes, optimize total spend and prevent compliance missteps. Armed with the insights, you can be more strategic and deliberate when discussing salary negotiations, evaluating pay practices and forecasting future budgets.

Answer your most pressing questions

Paycor Analytics offers pre-built questions on compensation to help you analyze total spend vs. budgeted amount, spend across your entire organization, direct compensation breakdown and pay equity.





Don't fall into the trap of playing defense

Are you using compensation to drive recruiting or retention or are you playing catch-up with your peers? With Paycor Analytics, you can compare actual compensation spend vs. your budget to see where opportunities exist to refine your pay practices.

Drill down to identify opportunities for improvement

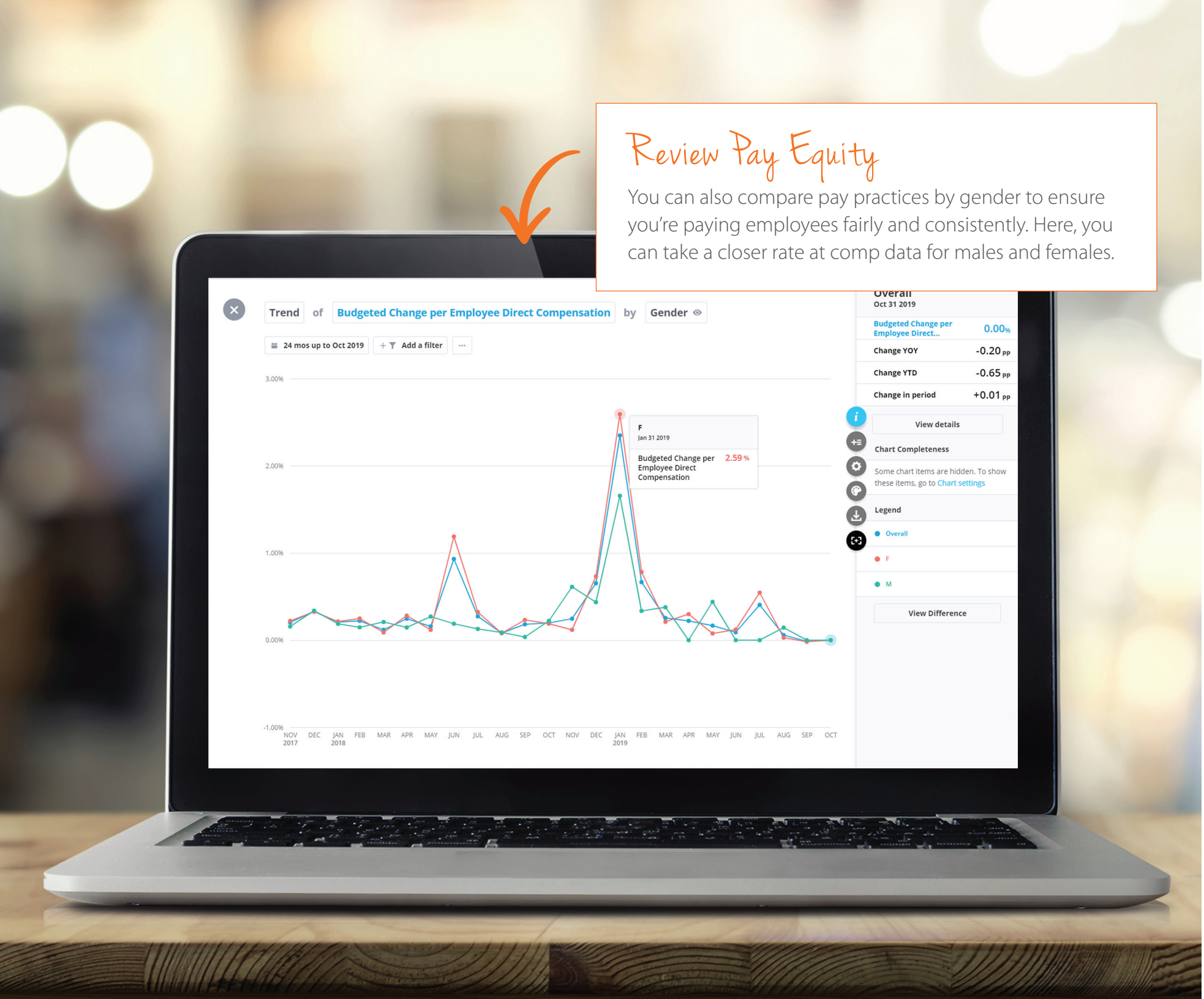
Are you losing a significant number of employees in a certain department? Or do you want a closer look at how your compensation increases compare by department? Compare compensation practices by department and analyze trends over specific time periods to determine if any adjustments need to be made.

Pro Tip

Compensation is certainly a key contributor in retaining and attracting talent, but don't forget to recognize your people for a job well done. The companies with the highest retention rates promote a culture of recognition, continuously using positive praise and even rewards to engage and motivate employees.

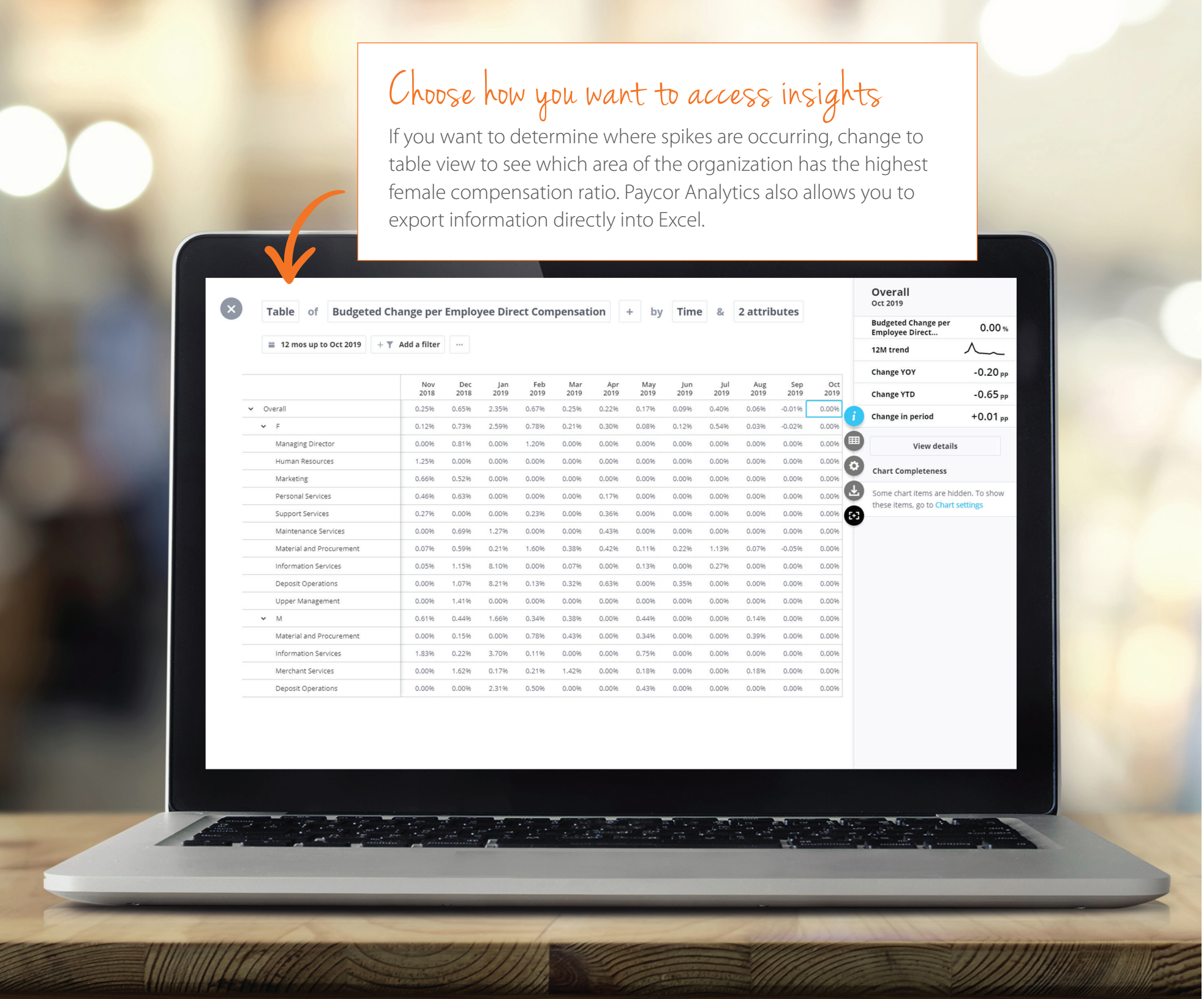
Review Pay Equity

You can also compare pay practices by gender to ensure you're paying employees fairly and consistently. Here, you can take a closer rate at comp data for males and females.



Choose how you want to access insights

If you want to determine where spikes are occurring, change to table view to see which area of the organization has the highest female compensation ratio. Paycor Analytics also allows you to export information directly into Excel.



	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	Oct 2019
Overall	0.25%	0.65%	2.35%	0.67%	0.25%	0.22%	0.17%	0.09%	0.40%	0.06%	-0.01%	0.00%
F	0.12%	0.73%	2.59%	0.78%	0.21%	0.30%	0.08%	0.12%	0.54%	0.03%	-0.02%	0.00%
Managing Director	0.00%	0.81%	0.00%	1.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Human Resources	1.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Marketing	0.66%	0.52%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Personal Services	0.46%	0.63%	0.00%	0.00%	0.00%	0.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Support Services	0.27%	0.00%	0.00%	0.23%	0.00%	0.36%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Maintenance Services	0.00%	0.69%	1.27%	0.00%	0.00%	0.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Material and Procurement	0.07%	0.59%	0.21%	1.60%	0.38%	0.42%	0.11%	0.22%	1.13%	0.07%	-0.05%	0.00%
Information Services	0.05%	1.15%	8.10%	0.00%	0.07%	0.00%	0.13%	0.00%	0.27%	0.00%	0.00%	0.00%
Deposit Operations	0.00%	1.07%	8.21%	0.13%	0.32%	0.63%	0.00%	0.35%	0.00%	0.00%	0.00%	0.00%
Upper Management	0.00%	1.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
M	0.61%	0.44%	1.66%	0.34%	0.38%	0.00%	0.44%	0.00%	0.00%	0.14%	0.00%	0.00%
Material and Procurement	0.00%	0.15%	0.00%	0.78%	0.43%	0.00%	0.34%	0.00%	0.00%	0.39%	0.00%	0.00%
Information Services	1.83%	0.22%	3.70%	0.11%	0.00%	0.00%	0.75%	0.00%	0.00%	0.00%	0.00%	0.00%
Merchant Services	0.00%	1.62%	0.17%	0.21%	1.42%	0.00%	0.18%	0.00%	0.00%	0.18%	0.00%	0.00%
Deposit Operations	0.00%	0.00%	2.31%	0.50%	0.00%	0.00%	0.43%	0.00%	0.00%	0.00%	0.00%	0.00%

Understand Your Business at a Deeper Level

Paycor Analytics is the most powerful platform on the market—we're the only ones bringing enterprise-level insights to medium and small business.

SCHEDULE DEMO

Paycor®

About Paycor

Paycor creates Human Capital Management (HCM) software for leaders who want to make a difference. Our HCM platform modernizes every aspect of people management, from the way you recruit, onboard and develop people, to the way you pay and retain them. But what really sets us apart is our focus on business leaders. For 30 years, we've been listening to and partnering with leaders, so we know what they need: HR technology that saves time, powerful analytics that provide actionable insights and Personalized Support. That's why more than 28,000 customers trust Paycor to help them solve problems and achieve their goals.

LEARN MORE AT PAYCOR.COM

CALL 844-981-0040