



Delivering business intelligence to your managers:

HR Dashboards – Can they help organisations plan, monitor and improve?

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Published in HRINZ Magazine February 2012

Leaders of smart organisations are constantly looking for new ways to disseminate information to their managers so they can make better decisions, plan more effectively, monitor performance and deliver organisational improvements.

Staff in Human Resources, like most departments, often build onerous and time-consuming spreadsheets that only focus on the operational needs and tactical analysis but neglect the strategic area of defining and tracking key performance indicators (KPIs).

In our last article titled 'Strategic HR meets business intelligence' (February 2011 edition of Human Resources Magazine), we demonstrated how the foundation for success in the operational, tactical and strategic arenas lay in ensuring an organisation's primary focus was to build an information layer. Using this layer it would be possible for the organisation to model and integrate its masses of data into information that is meaningful, accurate and timely.

We monitor our car dashboards to ensure that we do not run out of petrol or drive too fast.

Likewise, KPIs are similar in that an organisation needs to trigger actions to ensure the indicators are met or exceeded.

While the car example is common sense, it demonstrates how data can be incorporated into meaningful information without creating information overload. The question is what is the optimal way to do this without creating a theoretical monster that cannot be maintained and without costing a fortune?

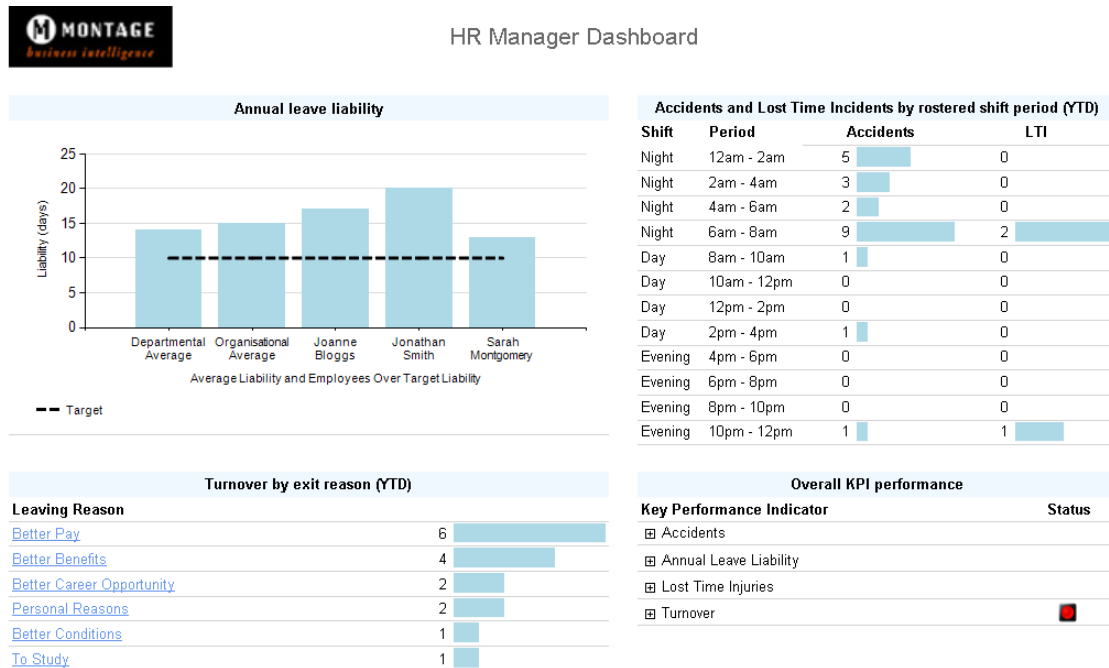
What is a dashboard?

A dashboard is a graphical view of key information for the target audience. It usually summarises several key subject matters in the form of charts, gauges and summary tables.

Stephen Few, author of *Information Dashboard Design* (2006), states: "A dashboard is a visual display of the most important information needed to achieve one or more objectives which fits entirely on a single computer screen so it can be monitored at a glance."

An example of a dashboard is illustrated in figure 1.

Figure 1: An example HR dashboard.



The beauty of a dashboard is that the users can very quickly get an overview of their performance against Key Performance Indicators (KPIs).

Good dashboards are:

- Specific to the end user
- Easy to understand
- Limited in colour
- Two-dimensional
- Real-time

Dashboards often incorporate what is known as “drill-down” functionality. This is the ability to click on the summary charts and gauges and dive into the detail that makes them up. This enables the end user to get a greater appreciation of the summarised statistics especially when looking for causes of sub-optimal performance such as why turnover in a particular department is higher when compared to others.

How does a dashboard help your managers?

In this era of big data, there are vast arrays of data within the organisation. However, for information to be useful it has to be: accurate, timely, consistent, accessible and relevant. By implementing a dashboard for your managers around their areas of responsibility and KPIs with these five characteristics of information in place, you start to enable them. The managers can start to make more efficient and effective decisions based on facts.

An example of this in practice at its most basic level would be annual leave liability. This is a metric that most organisations are constantly reviewing in order to minimise their liability. By presenting a manager with a summary of their direct reports annual leave liability in relation to the organisational target levels, they can quickly identify people above the threshold and encourage them to take leave to reduce the liability.

In a retail chain, a store manager could be reviewing a turnover analysis that integrates the exit information with the store's profitability. Through the use of drill down functionality incorporated into their dashboard design, the manager is enabled to identify the turnover that is impacting the store's profitability and hence take action in order to reduce turnover and improve profitability. Such drill-downs might include a summary of the reasons each employee has given for leaving the organisation. Alternatively the drill down may focus on the turnover of sales representative and their sales statistics and why they are departing. With this information only a couple of mouse clicks away, the manager can identify the main causes and start to implement change in their work place to reduce that turnover. They can then monitor their initiatives on the same dashboard.

In a professional services organisation, the monitoring of employee utilisation rates against targets including forecasted utilisation can create an opportunity for improved team effectiveness. For the employees with low utilisation, managers can start to plan time for training and development, or even encourage annual leave to be taken. Alternatively a manager may focus on distributing workloads more evenly for the projects they manage, especially for those employees in high demand, in order to reduce burnout, frustration and improve job satisfaction.

In a factory, managers may have dashboards focused around accidents in the workplace and lost time injuries, including the shifts and time blocks that they occur, allowing the manager to identify when and where the injuries are taking place and implement change to reduce the accidents.

Additional information may be integrated into this manager's drill-downs to identify employee training levels and length of service to provide a fuller picture of why accidents are occurring.

By providing managers with information relevant to their key performance indicators, real-time information that they can trust, in a form that is easily understood, while including access to a greater level of detail when required, you start to enable them to make better decisions based on facts. Organisational performance can be driven in the direction consistent with the organisations strategy and goals. However, it is extremely important that the manager's KPIs are also consistent with the organisational strategy and goals because if they are misaligned, then managers could be driven off-course.

What dashboard technologies might already be available to me within our organisation?

Montage is involved in a lot of decisions around technology and selection processes. While these processes are optimal for most organisations, several already have dashboard tools within their existing technology stack.

The most common tool that can be used for dashboards and is available in most companies is called Microsoft SQL Server Reporting Services. This tool is bundled up with other Microsoft SQL Server components and if you are licenced for one component, then you have them all. Reporting Services or SSRS is integrated into most Microsoft products, and can also be used successfully with most HRIS vendors' products. Microsoft has recently added advanced charting functionality to Reporting Services specifically designed to create better visualisations for dashboards.

Another common reporting tool that can be used for dashboards is Crystal Reports. This product is widely used for reporting and is common amongst the SAP product lines and, like reporting services, some components of Crystal Reports are bundled in with some existing HRIS vendor products.

There are other more specific dashboard development tools available such as Tableau and YellowFin. These are more advanced in functionality and are suited to guiding less mature users of information through the decision-making process and are more aligned to organisations that are promoting enterprise self-service.

Dashboards should be less about the technology and more about the desired outcome of implementing a dashboard. The desired outcome must be aligned to your organisation's strategy and goals. Hence it is very important to complete an optimal level of requirements in order to make sure all aspects of the business is aligned, and the necessary KPIs are in place. Once requirements are complete, it is important to understand what data is being captured, how it relates to the KPIs and what if any changes or transformations to this data need to occur to be able to deliver a dashboard. If data is not being captured, how can it be captured so that it can be reported?

The best place to start when thinking about implementing an HR dashboard for your managers is to talk to your ICT department or your Business Intelligence Manager. They will be able to guide you on what tools are available. The next step will be to determine whether you will use internal resource to develop the dashboards (if available) or whether you will use external consultants to deliver the dashboard. This is an important consideration as some organisations do not want ICT accessing their sensitive information.

Driving the business forward through better decision making

Dashboards can enable managers to make better decisions that are consistent with the organisation's strategy and goals. This is achieved through allowing the managers to plan more effectively, monitor performance and make business improvements as they have the accurate, timely, consistent, accessible and relevant information to enable decision-making based on facts.

However, delivering dashboard technology is not a solution in its own right. It needs to be delivered as part of an overall information strategy that includes aligning the people, the processes and the technology. Once this is achieved, managers are empowered and enabled to drive your business forward by improving business efficiencies, productivity, revenue and profitability.