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# UNDERSTANDING HR METRICS

Making the most out of the data you collect overtime, let's take a look at how you may interpret the HR metrics presented.

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Headcount Breakdown

02

Absenteeism Rate

03

Turnover Rate

04

Length of Service

05

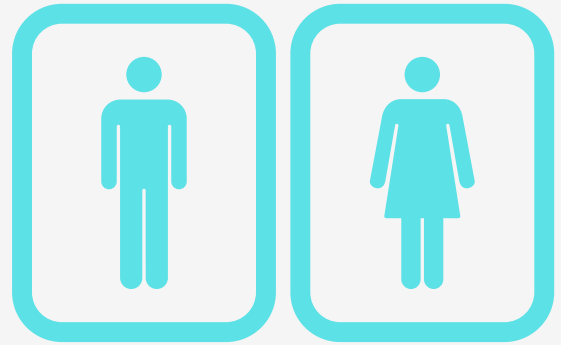
Contract Type

06

Age Diversity



# HEADCOUNT BREAKDOWN



## Why is it meaningful?

Understanding where employees are within your company allows for critical insight into the health and operational power of your organization.

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**Optimise headcount per department** by linking with assessment of staff satisfaction, performance & development

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**Calculate Revenue per Employee** to roughly measures how much money each employee generates for the firm.

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**Measure headcount throughout different periods** to stay up-to-date on the number of employees you have and their respective roles to maintain a well-functioning and agile workforce

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**Legal requirements may apply** beyond a certain headcount size:

- IRAS AIS Submission ( > 5)
  - S-Pass employment quota
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Headcount can be studied to know if or how the additional full-time **employees contribute value to the organization.**

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# ABSENTEEISM RATE



## Why is it meaningful?

**Employee absenteeism** can be a significant problem that affects the morale and productivity in any organisation.

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**Compare across departments** to determine if absenteeism rate needs to be addressed for specific groups of employees.

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**Excessive absenteeism** can indicate problems within the workforce or organizational culture.

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Take on a three-step approach to address high Absenteeism Rate:

- (i) **Reinforce,**
  - (ii) **Communicate,**
  - (iii) **Delegate**
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**The productivity loss for supervisors include:**

- added administration of an employee's absenteeism,
  - adjusting workflows, and
  - taking over certain tasks.
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**Usually unplanned,** for example, when someone falls ill or to attend an emergency.

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# TURNOVER RATE



## Why is it meaningful?

**Turnover rate is defined as** the percentage of employees who left a company over a certain period of time.

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**Having turnover can be a good thing** If it is the consequence of the fact that poor performers are leaving a company.

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**High turnover can be an indicator of low morale** amongst employees and could be a signal to improve engagement!

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**Always compare within industry** as some industries may experience higher turnover rate because of the type of workers they rely on (part-time, students etc. )

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**Why aim for a lower turnover rate?** Inexperienced employees tend to be less productive. Not to mention the time wasted to find, hire and train new employees.

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**Make comparison of the turnover rate across departments** to know which requires more attention.

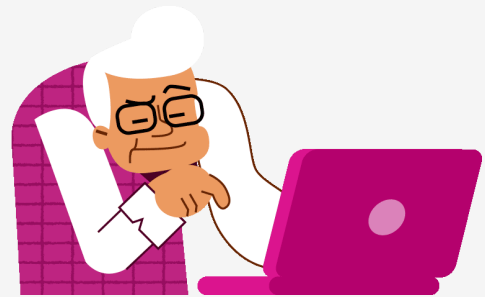
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**While customers may appreciate your product quality or prices,** the personal interaction with sales and service reps still goes a long way in building customer loyalty.

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# LENGTH OF SERVICE



## Why is it meaningful?

**Breakdown of employees by the number of years they stay with your company.**

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**As a demonstration of loyalty,** consider their years of service as a component to rewarding employees.

Know whether your company is **desirable for employees to stay as a long-term career with growth opportunities.**

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# CONTRACT TYPE

## Why is it meaningful?

**Have a snapshot of the types of contract** that your employees have with you, be it permanent, part-time, contract-based, internship etc.

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**Evaluate how your company utilizes its labor force** by knowing what is the proportion of temporary/contract-based to permanent employees

Know whether the number of permanent employees is of a healthy level to **ensure business continuity**

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# AGE DIVERSITY

## Why is it meaningful?

A corporate culture that accepts all age groups in the workforce will **encourage diverse viewpoints and drive innovation across teams.**

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**Each generation brings its own unique skillsets.** While younger employees may have a tighter grasp on technology, older workers may have strong interpersonal skills.

**Assess the effectiveness of having an age diverse workforce in your company** by comparing with business outcomes on a YoY basis.

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