Performance Management Framework:
Supporting HR decision making through BI

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Outline

1. Challenges and context
2. UTS approach to strengthening BI capability
3. Applications to HR practice
Role of “institutional researchers”

To provide *objective*, *systematic* and *thorough* research that supports the institution’s enrolment goals, planning, policy formulation and *decision-making*.

(Australasian Association of Institutional Researchers)
What decisions are we seeking to support?

> In general (Matulick, 2007):
  - Maximising institutional performance
  - Maximising funding

> In HR practice:
  - Identification of gaps between organisational objectives and workforce capacity/capability
  - Interventions focused on teams demonstrating high and low performance
  - Identification of target staff groups for recruitment and retention
A growing institutional research/BI agenda

1990s
- Student life cycle (enrolment, retention, satisfaction)

Early 2000s
- Research performance
- Student equity
- Community and industry engagement

Late 2000s
- Rankings and ratings
- T&L and research performance indexes
- Operational performance (effectiveness, efficiency)
- Workforce planning
Strategic approach
2. Learning & Teaching
* Internationalisation of student experiences
* Teaching quality

3. Research Performance & Standing
* Research outcomes – HDR completions
* Research outcomes – Publications

1. Reputation
* Reputation with industry, government & professions
* Reputation for being excellent to do business with
* Reputation for being a premier source for commentary on public issues (under dev)

4. University Environment & Engagement
* Student satisfaction with facilities & services
* Indigenous student & staff participation
* Student & staff commitment to diversity

5. Organisational Sustainability & Capability
* Operating surplus
* Workforce cost sustainability
* Greenhouse gas reductions
Current maturity: system scope

Source Systems
- Internal:
  - NEO HR
  - NEO Finance
  - Research Master
  - CASS
  - Surveys
  - Targets
- External:
  - DEEWR
  - RepTrak
  - Macquarie Voice
  - UAC
  - GCA

ETL Process
- All UTS KPIs
- Transformation

Data Warehouse
- Dimensional Data Model

Business Intelligence
- Cognos
  - Cubes
  - Reports
    - Scorecards
    - Dashboards
    - Reports

Users
- Access
- Access
- Users
Current maturity: functionality
Current maturity: functionality (2)
Current maturity: functionality (3)
Evolving maturity: virtual BI team

BICC:
> Cross functional team
> Champion BI technologies
> Define BI standards
> Manage BI projects
> Provide training and support
> i.e. an empowerment role
> Shared protocols for changing data, etc.
> Cooperative arrangements
Evolving maturity: self-service mgt info

> If BI staff initiate all information collection, analysis, dissemination, tool development: risk of BI team becoming a bottleneck
> Sustainable BI function needs to provide decision makers with some self-service access to answer day to day decisions
> Pre-requisites for successful deployment:
  – web based
  – easy to use and intuitive
  – data up to date
  – data at useful level of granularity
  – trust of data
Evolving maturity: business analytics

Tools

- Optimization
- Predictive modelling
- Forecasting/extrapolation
- Statistical analysis
- Alerts
- Query/drill down
- Ad hoc reports
- Standard reports

Questions

- What’s the best that can happen?
- What will happen next?
- What if these trends continue?
- Why is this happening?
- What actions are needed?
- Where exactly is the problem?
- How many, how often, where?
- What happened?

Source: Davenport & Harris, 2007, adapted from SAS
Evolving maturity: strategic conversations

An organisation is a community, based on a system of interactions which exist in a strategic conversation.

Strategy is a coherent pattern of action that consciously intervenes in the ongoing evolution of the organisation.

A strategic conversation is a learning loop, of perception, conceptualisation, and action.

Source: van der Heijden (1996)

> Tools not just about upskilling BI staff: leaders have role too!
> Decision making processes transparent, accessible and, ideally, stable
Evolving maturity: HR mgt info framework

> Aligning information delivery with management’s annual decision cycle
> Customised to different audiences:
  – Senior Executive (eg. retention & reward patterns)
  – Deans/Directors (eg. internal vs. external recruitment patterns, turnover)
  – Line managers/supervisors (eg. absenteeism, age profile)
HR management information framework

**Workforce capability**

- Performance
- Development
- Promotion
- Qualifications

Career path ratio
Int/ext recruitment rate
Performance ratings
Productivity – research & revenue per FTE

**Engagement/retention**

- Employee engagement index
- Employee satisfaction with leadership
- Retention by performance
- Staff movements

213 metrics
Application to HR practice: benefits now

> Greater manager awareness/visibility of performance metrics (and actual performance) at the University and Faculty level

> more direct line of sight for staff on the impact of strategies / initiatives and core activities that they are involved in (based on discussions around printed reports)
Application to HR practice: potential benefits

- Generating higher staff engagement (as research shows a high correlation between organisation performance and staff engagement levels)
- Reinforcing a performance culture (by enabling regular and transparent feedback on outcomes)
- Supporting more informed prioritisation of actions (based on current performance levels / outcomes in key areas)
- Basis for cascading performance scorecards down to Schools / Units and, potentially, workgroups and individuals
- Opportunity to correlate HR datasets with other datasets (eg. student satisfaction, research performance, personal performance rating)