# HR Architecture Drives Strategy Execution

# Right HR Professionals

## **Objective:**

HR Managers possess competencies linked to the needs of the business

## **Right Metrics:**

Rating on validated competency assessment tool

Knowledge of key business Processes

## **Wrong Metrics:**

HR f.t.e./ total firm employment

# Right HR Practices

#### **Objective:**

HR practices, systems aligned, integrated, differentiated

# **Right Metrics:**

% employees trained on product knowledge

% employees completing sales training

% employees see link between training, incentives, HR deliverables

# **Wrong Metrics:**

Cost per hire

Recruiting cycle time

# Right Types of HR Alignment

#### **Objective:**

Total workforce costs, not HR costs, are appropriate (not just minimized)

## **Right Metrics:**

\$ inv. in training and incentives/

% increase in customer satisfaction

\$ inv. in training and incentives/\$ increased sales

## **Wrong Metrics:**

Training cost/payroll

HR expense/ Total fte

# Right HR Costs

#### **Objective:**

Employees deliver performance behaviors that execute strategy

# **Right Metrics:**

% of front-line staff rated:

knowledgeable timely helpful courteous

#### **Wrong Metrics**

HR Expense /
Operating Expense

(Gross Margin – Labor Costs)/ Total f.t.e.

# Right Business Outcomes

### **Objective:**

World-class customer buying experience

#### **Right Metrics:**

"Mystery Shopper" rating

Customer repurchase %

"Buy Again" rating

Overall customer satisfaction