

Build a Recruiting ROI Business Case...

Confirm the ROI of your Recruiting Solution by Using Analytics

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HR Operations

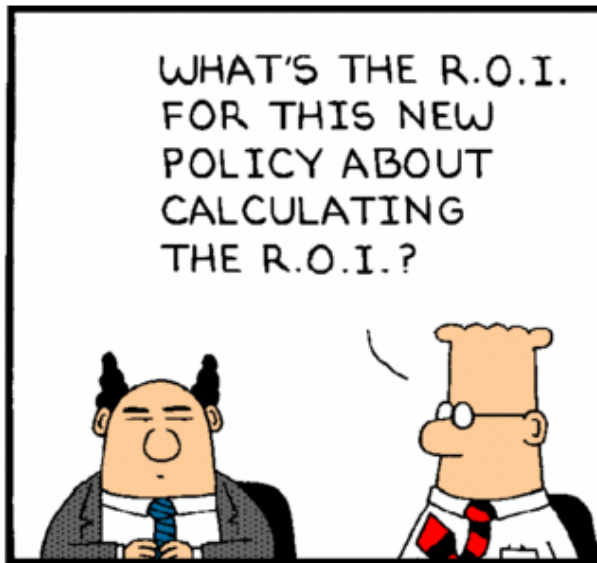
Objectives

- Understand Return on Investment
- Learn what metrics and analytics Comcast uses in building Recruiting ROI
- Confirm the ROI of the SuccessFactors Recruiting Solution

Introduction to ROI



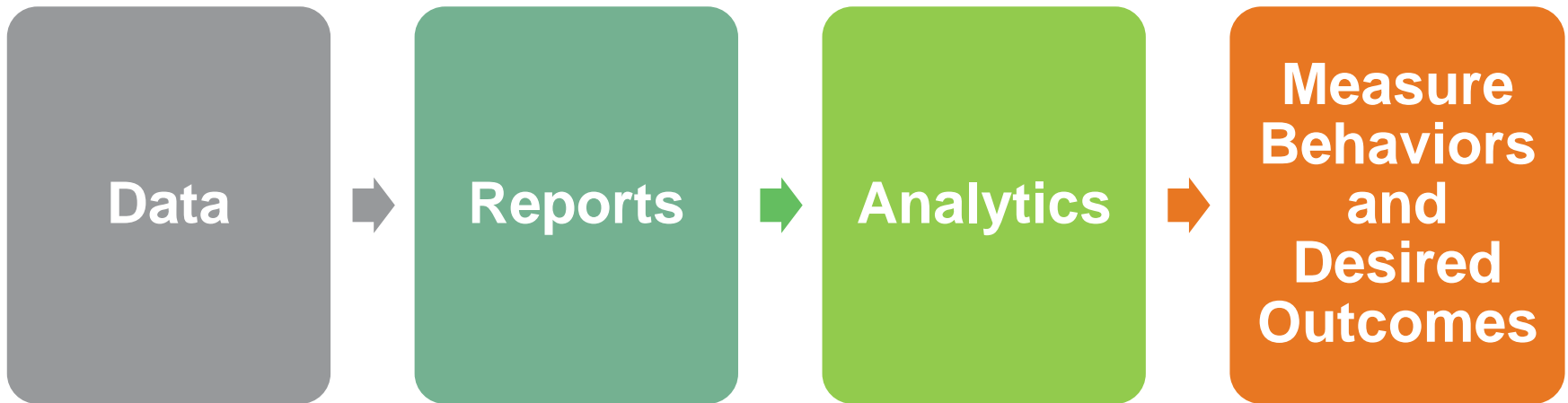
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Progression of HR Analytics



“HR’s impact on business results needs to come to the foreground” and we need to continue our drive to greater reliance on data and analytics to measure success.

What is ROI and how do we define ROI?

Purpose: To compare the monetary benefits of HR programs to the costs of those programs to demonstrate the impact of HR's contribution to senior management.

Calculation:

Quite simply, it's a benefits cost ratio:
$$\frac{\text{HR Program Benefits}}{\text{HR Program Costs}} = \frac{\$360,000}{\$180,000} = 2.0X$$

As an alternative, ROI may be expressed as a %:

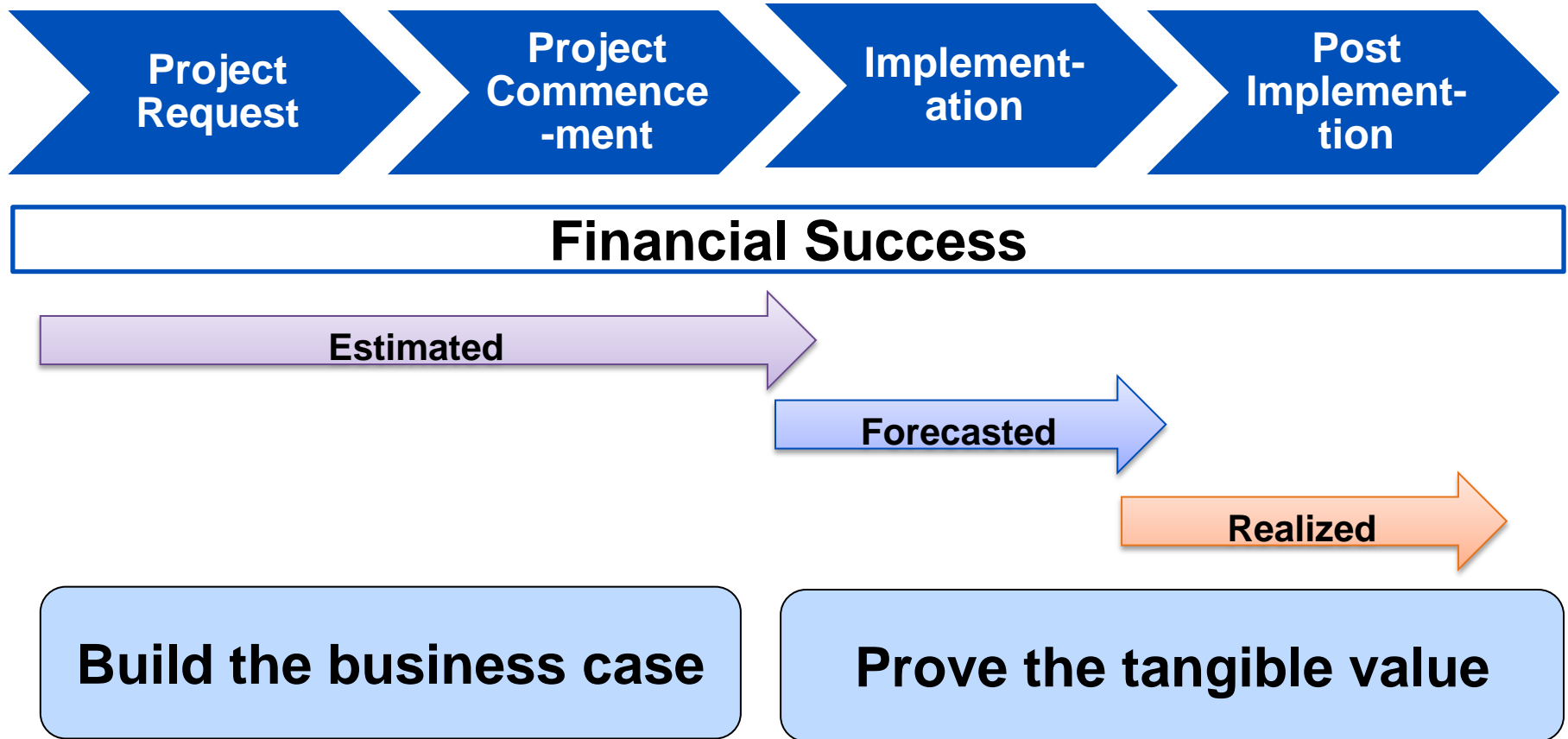
$$\frac{\text{Program Benefits} - \text{Costs}}{\text{Program Costs}} = \frac{\$360K - \$180K}{\$180K} = 100\%$$

What are key factors that should be considered in ROI?

Activities fall into four basic categories:

1. Evaluation Planning
2. Data Collection
3. Data Analysis
4. Reporting

ROI Success Measures



Example Walk-Through:

***Leveraging Analytics to build the
business case and ROI***

The Magnitude: Recruiting Operations

How many positions does Comcast Cable fill in a year?

Over:

a. 15 thousand

b. 25 thousand

c. 35 thousand

Recruiting Operations Summary

Comcast leverages Workforce Analytics (WFA) to quickly and easily retrieve HR Analytics, such as Hires Information, as shown below.



The Magnitude: Quality of Hire

What is the voluntary termination rate of positions with < 1 year of tenure as a % of headcount with < 1 year of tenure?

Over:

- a. 10%
- b. 20%
- c. 30%

Quality of Hire Assessment

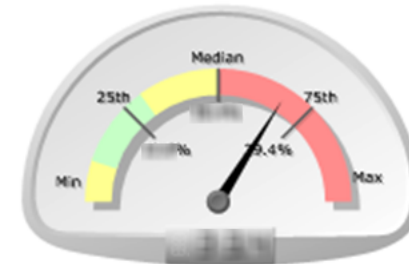
WFA provides insight as to trends and performance including benchmarking against companies that have WFA.

Termination Rate - <1 Year Tenure (Voluntary)


[Explain](#) 

Voluntary terminations with an organization tenure of <1 year as a percentage of headcount with <1 year tenure.

CY Annualized | Data as of: May 17, 2014



SuccessFactors: North American Companies

Termination Rate - <1 Year Tenure (Voluntary) (Cable, All Employment Levels, 2014)				
	All Employment Levels	Exempt/Salary	Non-exempt/Hourly	UNALL
 Cable	6.8%	6.1%	6.1%	
Cable Office				
Cable Ops	6.8%	6.2%	6.1%	
Comcast Converged Products	6.8%	6.8%		
Cable HQ	6.8%	6.8%	6.1%	
Spotlight	6.8%	6.8%	6.1%	

Recruiting Operations Summary

Based on data pulled from WFA, Comcast was able to assess how many hires voluntarily terminated within the first year of employment.

Voluntary Terminations by tenure

		Termination Month								
		2013 Jan	2013 Feb	2013 Mar	2013 Apr	2013 May	2013 Jun	2013 Jul	2013 Aug	2013 Sep
Comcast Tenure at time of termination	< 0 Month	14	12	10	7	17	6	6	3	1
	0 Month	49	30	36	45	32	33	48	40	30
	1 Month	28	78	51	68	74	40	67	68	72
	2 Months	42	26	83	51	58	77	45	65	85
	3 Months	64	41	21	54	40	50	63	54	45
	4 Months	35	38	33	16	53	42	41	62	37
	5 Months	36	30	48	26	23	54	44	48	51
	6 Months	31	33	33	41	34	18	42	42	44
	7 Months	23	21	26	37	43	37	19	52	33
	8 Months	29	25	27	32	24	36	25	29	41
	9 Months	19	18	21	32	22	18	34	35	11
	10 Months	17	14	21	25	17	23	33	28	26
	11 Months	14	14	13	15	21	25	20	23	32

The Magnitude: Quality of Hire

How many positions hired voluntarily terminate within the first year?

Over:

- a. 5 thousand (20%)
- b. 3 thousand (15%)
- c. 2 thousand (8%)

The Business Case

Leveraging data, we were able to demonstrate the opportunity and value of implementing the SuccessFactors Recruiting solution

- **Improved quality of hire drives reduction in voluntary terminations, leading to:**
 - ✓ More productive employees
 - ✓ Savings in recruiting costs
 - ✓ Savings in training costs
- **Identifying higher quality candidates faster leads to a reduced time to fill, providing:**
 - ✓ Increased employee productivity value
 - ✓ Recruiting cost reductions and efficiencies

The Business Case

Additional benefits were also quantified based on data, including:

- **Recruiter surveys consistently identified time savings with performing tasks in the recruitment function:**
 - ✓ Posting a job
 - ✓ Searching for candidates
 - ✓ Reviewing applicants
 - ✓ Managing candidates through the process
 - ✓ Pre-employment - triggering drug & background; status / results
 - ✓ Assessments - triggering test; accessing status / results
 - ✓ Routing a job offer
 - ✓ Creating a job offer letter
 - ✓ Hiring a candidate
- **On Premise Technology Team Benefits, including:**
 - ✓ Reclaimed storage
 - ✓ Server hardware, software, power and space costs
 - ✓ Development and production support resources

SuccessFactors Recruiting Payback and ROI – The Quadruple Play

**Quality of
Hire**

**Reduced Time
to Fill**



**23 Month Payback
163% ROI
2.6X Payback Ratio**

**Recruiter
Efficiency**

**Enterprise
Technology**



COMCAST