



Data-driven Decisions: Strategic HR Initiatives for 2025





Data-driven Decisions

Strategic HR Initiatives for 2025

ELMO's research shows that organisations are asking their HR teams for more strategic support. Adopting a data-driven approach is essential for HR leaders who want to be more strategic in how their teams operate. In fact, research from Deloitte says that HR teams are **four times more likely** to be respected by their counterparts for data-driven decision-making.*

We've pulled together some strategic initiatives you can put to use to make better data-driven business decisions.

A seat at the table

Of all the executive roles, Chief Human Resource Officers (CHRO) or equivalent have the most impact on employee engagement and productivity. Because these outcomes have a direct influence on financial performance, it makes sense that HR needs to have a voice at the executive level. Using data to make strategic decisions is essential to adding value at the C- Suite and growing a profitable and thriving business.

*Deloitte, 'The power of people analytics: Using data to maximize return on workforce investments'





Embedding Data Into HR Decision Making

Most HR teams want to add strategic value to their organisations. The challenge is understanding the link between HR and the business's goals, and implementing the right metrics to drive outcomes.

"HR leaders of today are more commercial and strategic. It's part of the reason that business partnering has been added to the title within many HR departments.

A great HR business partner is concerned about limiting risk, retaining talent and increasing productivity. They love to lean on data and technology to identify workforce patterns, helping to unlock greater value and maximise profitability for their organisation."

Kate Wilkinson - Chief People Experience Officer, ELMO Software

Our 2024 [HR Industry Benchmark Report](#) revealed three top challenges when implementing HR metrics.

Australia

1. Identifying quantifiable links between HR and business goals
1. Lack of resources
2. Obtaining raw data

New Zealand

1. Identifying quantifiable links between HR and business goals
2. Lack of resources
3. Subjectivity of HR measurement



Identifying quantifiable links between HR and business goals

It's no surprise that part of the problem is the very nature of what HR leaders do. People are simply not as straightforward as numbers. First, understand the organisation's overarching strategy and how each department's OKRs (organisational key results) ladder up.

Once the OKRs are understood, you can work closely with senior leaders to identify the people-related challenges that are impacting their ability to reach those OKRs. By focusing on those challenges, you'll be able to create a strategic action plan that directly aligns with the organisational goals.

A good place to start is with the finance team, as there are many areas of overlap including; recruitment, payroll, employee records, expense management and incentive programs.

"Both functions should dissect the area in question and look at objectives, outcomes and types of information or data they can use or share to help the organisation achieve desired results"

James Haslam - CFO & COO, ELMO Software



Lack of resources

It can be difficult to focus on strategic initiatives when you don't have the resources to conduct BAU tasks. Technology can be used to automate traditional admin tasks to free up capacity for higher-value strategic activities. The key is understanding which tasks are being manually performed by people and identifying where technology can step in to automate them. For example;

- Employees asking HR to update personal information or access payslips
- Leave management
- Tracking role assignments and organisational changes
- Managing multiple systems including manually transferring data from one system to the other, increasing the risk of errors
- Using spreadsheets to manage employee information
- Creating customisable reports specific to business needs.

Implementing a solution that streamlines and automates manual HR processes, while providing a central location for people management and employee self-service, can create a single source of truth for employee data across the organisation. You can then identify new role requirements and operating changes within your team to realise these benefits and start to use your resources more strategically.



Obtaining raw data

Without a unified source of data, and access to flexible reporting tools, HR professionals can find it challenging to extract actionable insights from the information. Data and analytics give 'gut instinct' validity, and take the guesswork out of decision-making. If you're trying to influence your senior financial team or other areas of the business then analytics can help to:

- Determine the effectiveness of various business components such as recruitment, retention and learning & development
- Bring strategic insight to talent acquisition and deployment to lower the cost of hiring and increase workforce productivity and performance
- Identify patterns in key business functions so that cost efficiency and productivity is not inhibited
- Forecast success to predict and uphold organisational budgeting and identify cost irregularities and 'blind spots'. Scenario planning is also possible with advanced workforce data skills
- Identify risks. For example, employee flight risks. The cost of staff attrition can be high, so identifying employees who are considering leaving the organisation and taking steps to retain them can reap significant dividends
- Consolidate resources and personnel across HR and finance functions
- Understand and support the investment of HR initiatives (e.g. performance management, rewards & recognition, learning & development, employee wellbeing, etc.)

Types of data:

- | | | |
|-------------------------------------|-------------------------|----------------|
| • Cost of HR function | • Customer satisfaction | • Demographics |
| • Employee turnover and retention | • Employee engagement | • Benefits |
| • Productivity Employee performance | • Flight risk | • Wellbeing |
| | • Compensation | • Behaviours |
| | | • Succession |

When you use a software like ELMO's HRCore you'll get access to real-time data and analytics where managers can make informed decisions regarding workforce planning, talent management, and other strategic HR initiatives.





Subjectivity of HR measurement

There are numerous key performance indicators to measure the efficiency of the workforce and a great deal of subjectivity in how those numbers can be interpreted. In our 2024 HR Industry Benchmarking Survey we asked our respondents about the KPIs they used to measure the efficiency of their workforce.

Top 5 key performance indicators to measure the efficiency of the workforce

	Australia	New Zealand
1	Productivity rate	Productivity rate
2	Turnover rate	Cost per hire
3	Cost per hire	Upskilling costs
4	New hire turnover rate	Turnover rate
5	Time to hire	Absenteeism rate

Productivity rate was most common, according to 38% of HR professionals in Australia and 37% in New Zealand.

HR teams could minimise the subjectivity by using multiple metrics, incorporating a combination of quantitative and qualitative measures to provide a more holistic view of performance.





Harness Workforce Data and Analytics

Business leaders are all too familiar with the operational upheaval that can occur when new technologies land. In today's market, we have the tools to stimulate strategic business conversations in more ways than ever before, particularly when it comes to interpreting data.

"Data and analytics has served me well to get that seat at the table and be heard by the business. But it's also helped to build the financial acumen of my team. It's been incredibly valuable to build holistic financial understanding through the partnership with our CFO, James and the wider finance team."

Kate Wilkinson



Powerful technology, combined with a transformation from siloed business units to a C-suite view at the management level, builds the core of the financial stability, predictability and operational efficiencies needed for a strong business future.

"Data and analytics is the gel that binds the HR and finance functions. By becoming more data-centric, CHROs can increase their influence in the C-Suite. I would encourage businesses to elevate their HR leaders to align with the CFO in organisational structures."

James Haslam



Workforce data can paint a picture of what's happening within an organisation. Take this example, an organisation is exceeding production goals, but absenteeism rates are high and customer satisfaction is low. This may indicate that some employees are doing the lion's share of the work to pick up the slack of absent employees. However, because there is too much work and not enough manpower, the remaining employees cannot deliver top quality customer service. They may be working overtime and are burnt out.

There are some big problems at play:

- The organisation is paying for overtime, which is costly
- Employee satisfaction levels are low, which damages reputation
- High performers are overworked and burnt out, meaning they could be flight risks
- The high absenteeism rate suggests mass disengagement amongst the team

To remedy this issue, HR must make decisions based on accurate projection models using relevant real-time data. In this case, performance management data is crucial as it can help to identify a link between employee and organisational performance, enabling managers to properly evaluate and reward high performing individuals. Absenteeism data is also critical here, as it can reveal patterns relating to wellbeing, engagement and leadership.

Armed with the right data, HR can articulate important information relating to those decisions, and this immediately elevates its status within the C-suite.

An organisation may have access to masses of data, but if it cannot be clearly reported it is of no use to anyone. Therefore, having a data source where you can visualise strategic insights through graphs and charts is crucial.





Build Your Foundation

ELMO HR Core creates a single source of truth for employee data across the organisation, unlocking more timely and accurate workforce planning and reporting capabilities and enhanced integration with other ELMO solutions such as Recruitment, Onboarding and Performance.

If your organisation is ready for:

- A solution to help streamline admin and eliminate manual processes
- Accurate employee records and a central source of truth for employee information
- Access to real-time reporting and analytics
- Self service tools where employees can manage processes like leave management
- Ability to organise roles within the company to support strategic staffing, forecasting, and future planning
- A secure solution that helps protect sensitive employee data from unauthorised access and breaches.

Then ELMO HR Core is the solution for you. [Book a call with us today.](#)



RELEASING HR'S FULL POTENTIAL

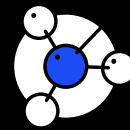
The **only** HR platform that truly fits the needs of mid-sized businesses in Australia and New Zealand, without the unnecessary complexity.



Onboarding



Recruitment



HR Core



Payroll &
Remuneration



Performance
Management



Learning
Management

Founded in 2002, the ELMO Group comprises ELMO Software in Australia, New Zealand and the UK, and Breathe HR in the UK. It is the trusted provider of HR technology solutions to 16,000+ small and mid-sized organisations and two million end users.

With a comprehensive suite of ISO-certified solutions that span the full employee lifecycle, ELMO Software is designed to scale as organisations grow. Flexible and configurable, ELMO's one-stop HRIS fits to your specific needs and workflows.

Through powerful technology, automation, data and analytics, ELMO Software empowers HR professionals to play an integral role in company decision making.



Find out how **ELMO** can help your organisation.

elmosoftware.com.au | elmosoftware.co.nz | elmosoftware.co.uk