

OSBC Database



The Open Standards Benchmarking CollaborativeSM (OSBC)
Report
Excerpt of Comprehensive Benchmarks

Human Resources
Source, Recruit and Select

THIS SAMPLE REPORT CONTAINS MOCK DATA CREATED FOR ILLUSTRATION ONLY

This material is a sample excerpt of an OSBC benchmarking report. The actual report will contain real data and have more detail specific to metrics and business drivers for this area.

OSBC Report
Excerpt of Comprehensive Benchmarks

Contents

Introduction. 3
Processes and Activities Profiles. 4
Participant Industry Profile. 5
Participant Geographic Profile. 6
Participant Function Peer Groups. 7
Key Terms. 8
Potential Savings Example. 10
Performance Measures. 11
Business Drivers. 18
Key Success Factors and Findings. 21
Appendix: Metrics Data Table. 22

OSBC Report

Excerpt of Comprehensive Benchmarks

Introduction

Overview

The Open Standards Benchmarking CollaborativeSM (OSBC), APQC's comprehensive collection of standardized process measures and benchmarks helps your organization's core operational functions.

This report gives your organization an opportunity to:

- measure operational performance relative to external peer groups,
- identify performance gaps and evaluate improvement opportunities,
- establish performance targets using external benchmarks,
- identify key business drivers that influence performance, and
- assess operational progress over time relative to itself and external benchmarks.

This report is a deliverable of the OSBC Research. Data gathered from participants is used to generate all measures provided in this report. The accuracy of this benchmarks report is dependent on the quality and accuracy of the data provided by your business site and by other participants.

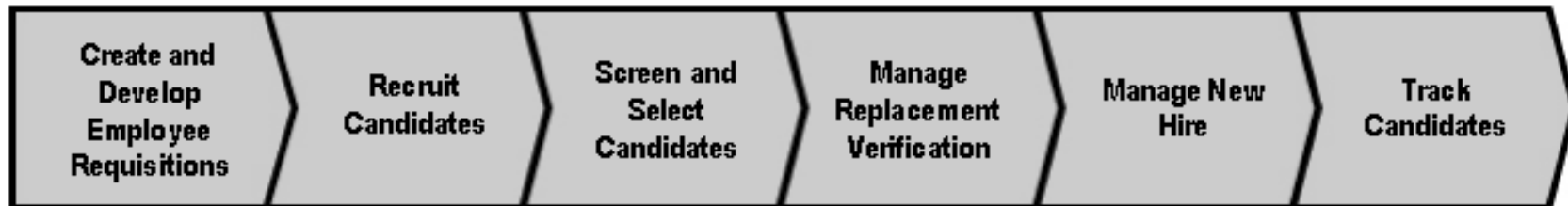
MOCK DATA CREATED FOR ILLUSTRATION ONLY

Human resources participant profile:

Total business sites:	7,244
Total countries represented:	46
Average revenue per financial business site in millions of USD:	\$7,292

Processes and Activities Profiles

Recruit, select, and source processes and activities included in this report follow.



Activities

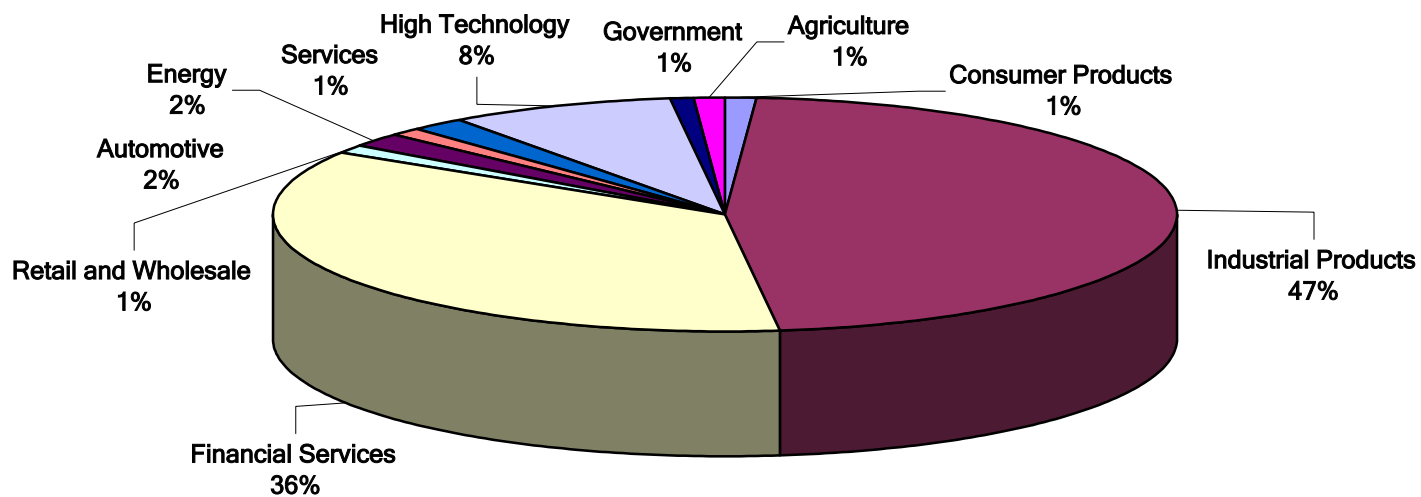
- | | | | | | |
|--|--|---|---|--|--|
| <ul style="list-style-type: none">▪ Develop and open job requisitions▪ Develop a job description▪ Post requisition▪ Manage internal/external job posting web sites▪ Change/update requisition▪ Notify hiring manager▪ Manage requisition date | <ul style="list-style-type: none">▪ Determine recruitment methods▪ Perform recruiting activities/events▪ Manage recruitment vendors | <ul style="list-style-type: none">▪ Identify and deploy candidate selection tools▪ Interview candidates▪ Test candidates▪ Select and reject candidates | <ul style="list-style-type: none">▪ Complete candidate background information▪ Conduct background checks▪ Recommend/ not recommend candidate | <ul style="list-style-type: none">▪ Draw up and make offer▪ Negotiate offer▪ Hire candidate | <ul style="list-style-type: none">▪ Create applicant record▪ Manage/track applicant data▪ Archive and retain records of non-hires |
|--|--|---|---|--|--|

Participant Industry Profile

MOCK DATA CREATED FOR ILLUSTRATION ONLY

Industry Distribution of Active Business Sites Participating in Human Resources Survey

Percentage of total respondents

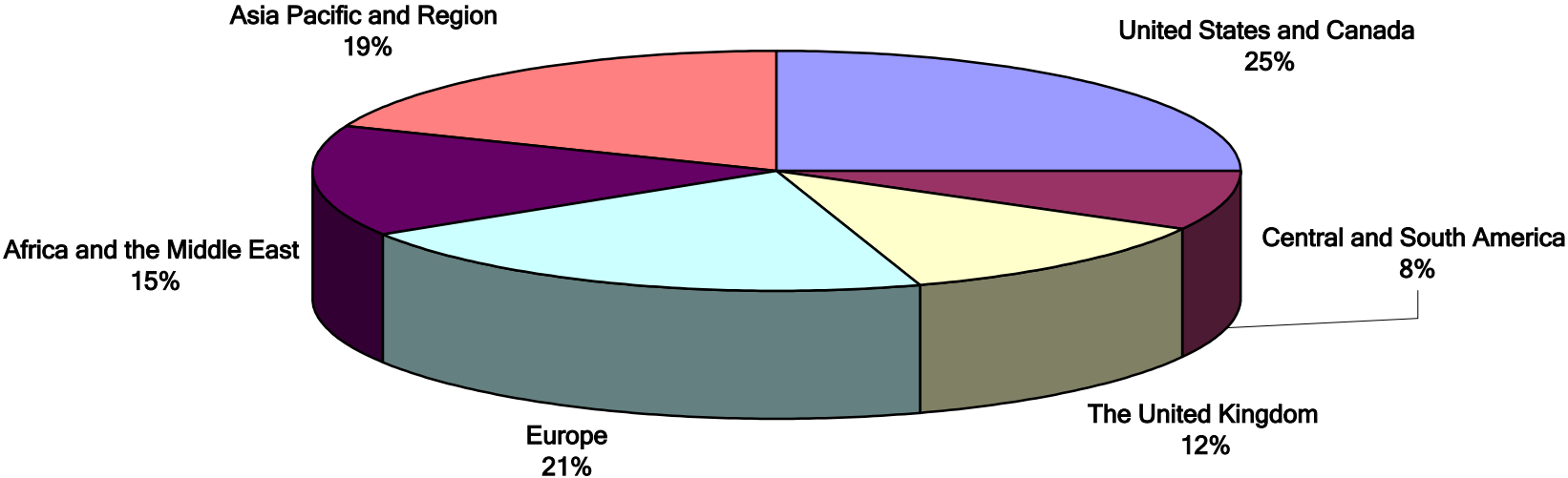


Participant Geographic Profile

MOCK DATA CREATED FOR ILLUSTRATION ONLY

Geographic Distribution of Business Sites Participating in Human Resources Surveys

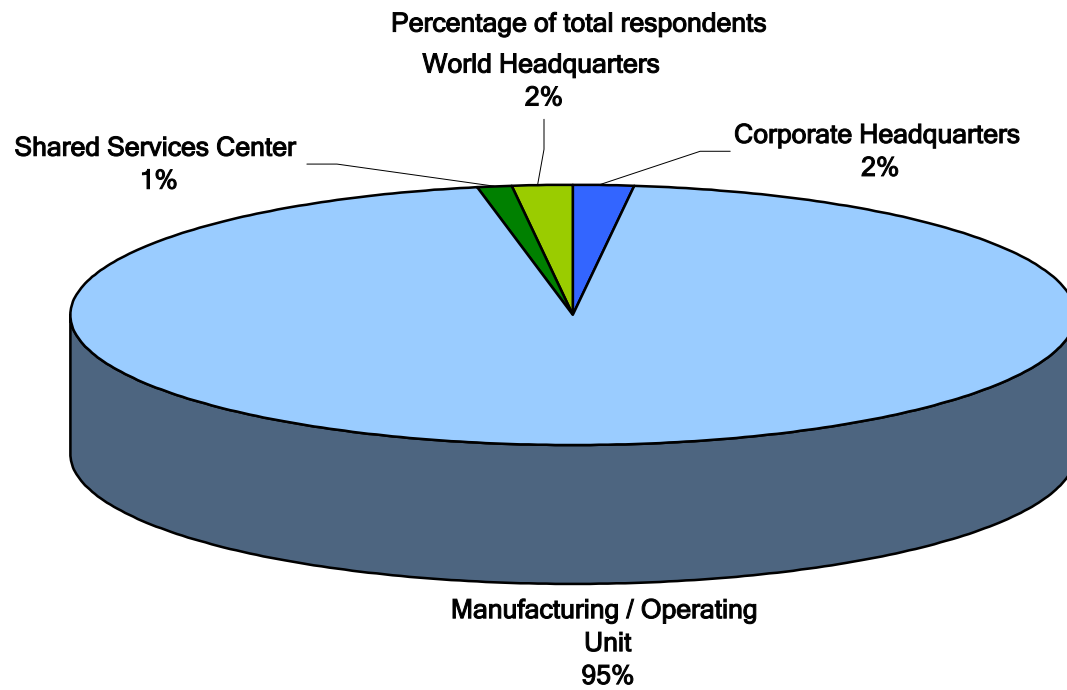
Percentage of total respondents



Participant Function Peer Groups

MOCK DATA CREATED FOR ILLUSTRATION ONLY

Functional Distribution of Active Business Sites Participating in Human Resources Surveys



OSBC Report

Excerpt of Comprehensive Benchmarks

Key Terms

Benchmark target:

The value of a performance measure in the 80th percentile of the distribution.

Distribution:

The distribution includes all relevant business sites which have a value for a particular performance measure. The distribution is arranged in ascending or descending order depending on the best possible value. The graphs of the distributions have been arranged such that the benchmark target always appears on the right side of the graphic.

Histogram:

A graphic representation of a frequency distribution in which the horizontal axis is determined by the span of values calculated for performance measures and the vertical axis is determined by the frequency that the value occurs (i.e., the number of business sites with similar values).

Median:

The value at the middle of a distribution. Typical half of the sites for that measure have a value greater than the median, and half have a value lower than the median.

Percentile:

A measure of relative standing describing the percentage of business sites below a specific value within the distribution. For example, a site score in the 65th percentile would indicate that only 35 percent of the sites in the distribution scored better than the site.

Performance measure: Also see page 9 and 10

A measure of performance based on analysis of standardized data collected from business sites using the OSBC surveys. For example, a performance measure on personnel cost of the recruit, source, and select process is computed by taking the total personnel cost of full-time equivalent employees performing that process, divided by revenue. The higher the cost per revenue amount, the less proficient the process.

OSBC Report

Excerpt of Comprehensive Benchmarks

Key Terms

Summary of Performance Measures:

The Summary of Performance Measures contains several pages of tabular information defining each performance measure. The key pieces of information are:

- **Your Site's Score:** This represents your performance. When compared to your company's median, the all companies Median, and the benchmark target 80th percentile, it provides information about potential performance gaps.
- **Your sites percentile:** The higher the percentile, the better your business site performed on this measure relative to all companies in the study.
- **Your company median:** The median performance level for all of the sites within your company. If there is only one company site, then the company median score will be the same as the sites score.

All Companies Median: the median performance level for all the sites in the database.

Top Performers:

The benchmark level that reflects the 20th or 80th percentile. The benchmark shows the threshold for the top 20 percent of participants within the comparator group.

Business Drivers:

Business drivers are enablers of performance improvement. For example, the number of new employees annually as a percentage of average headcount is a performance metric that can be affected by the business driver which is the average number of employees employed.

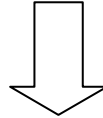
POTENTIAL SAVINGS EXAMPLE

MOCK DATA CREATED FOR ILLUSTRATION ONLY

Using This Report

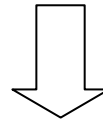
This benchmarks report can be used to determine gaps between your business site and the benchmark performance measure. The example below demonstrates how shareholder value can be impacted by improving the performance in one process area to the benchmark target level.

Cost of SRS \$20,000	x	Number of new hires 30	=	Your total cost to hire new employees \$600,000
-------------------------	---	---------------------------	---	--



Reduce from \$20,000 to top performer level of \$7,500

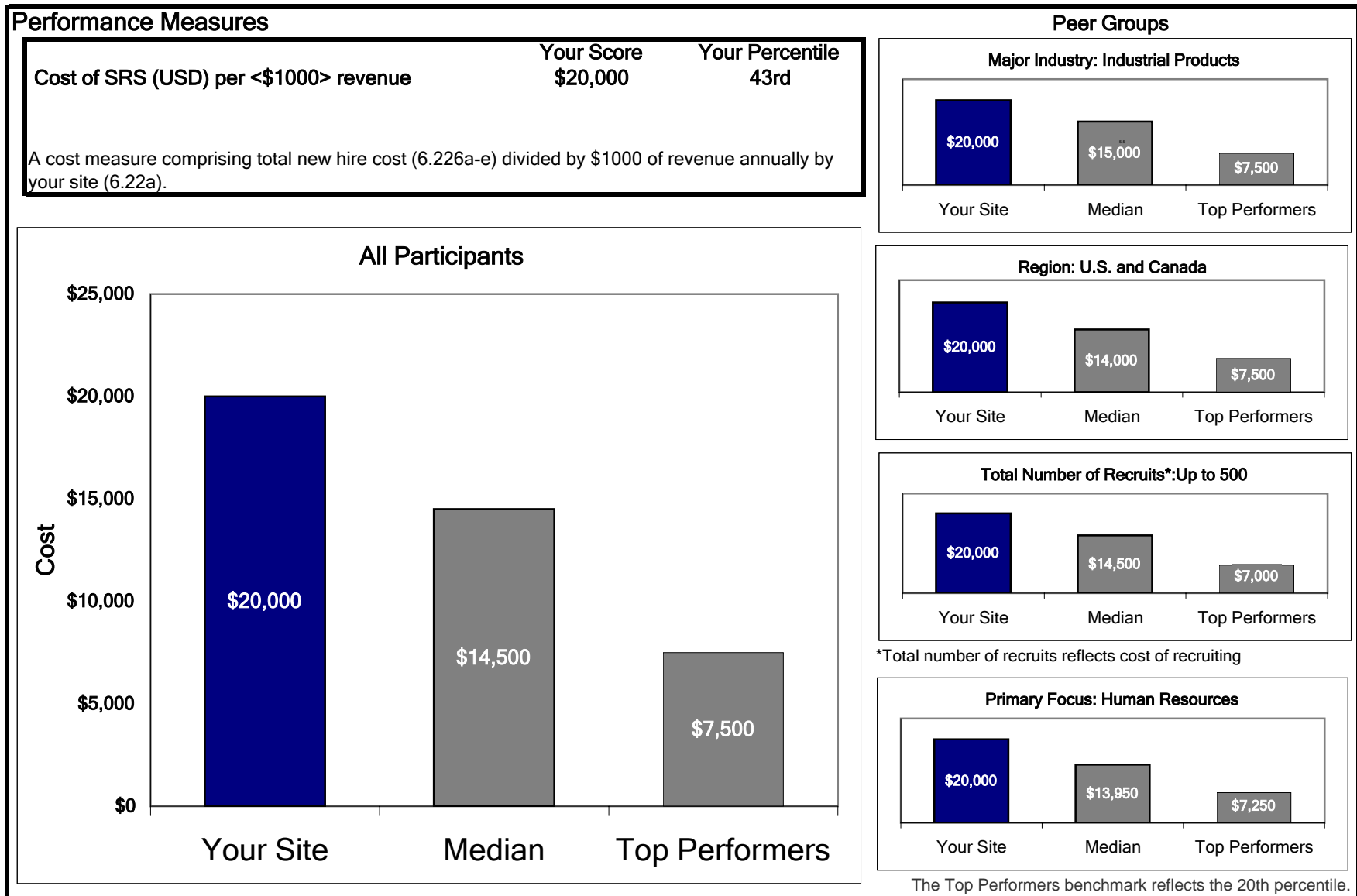
Cost of SRS \$7,500	x	Number of new hires 30	=	Total cost if top benchmark is achieved \$225,000
------------------------	---	---------------------------	---	--



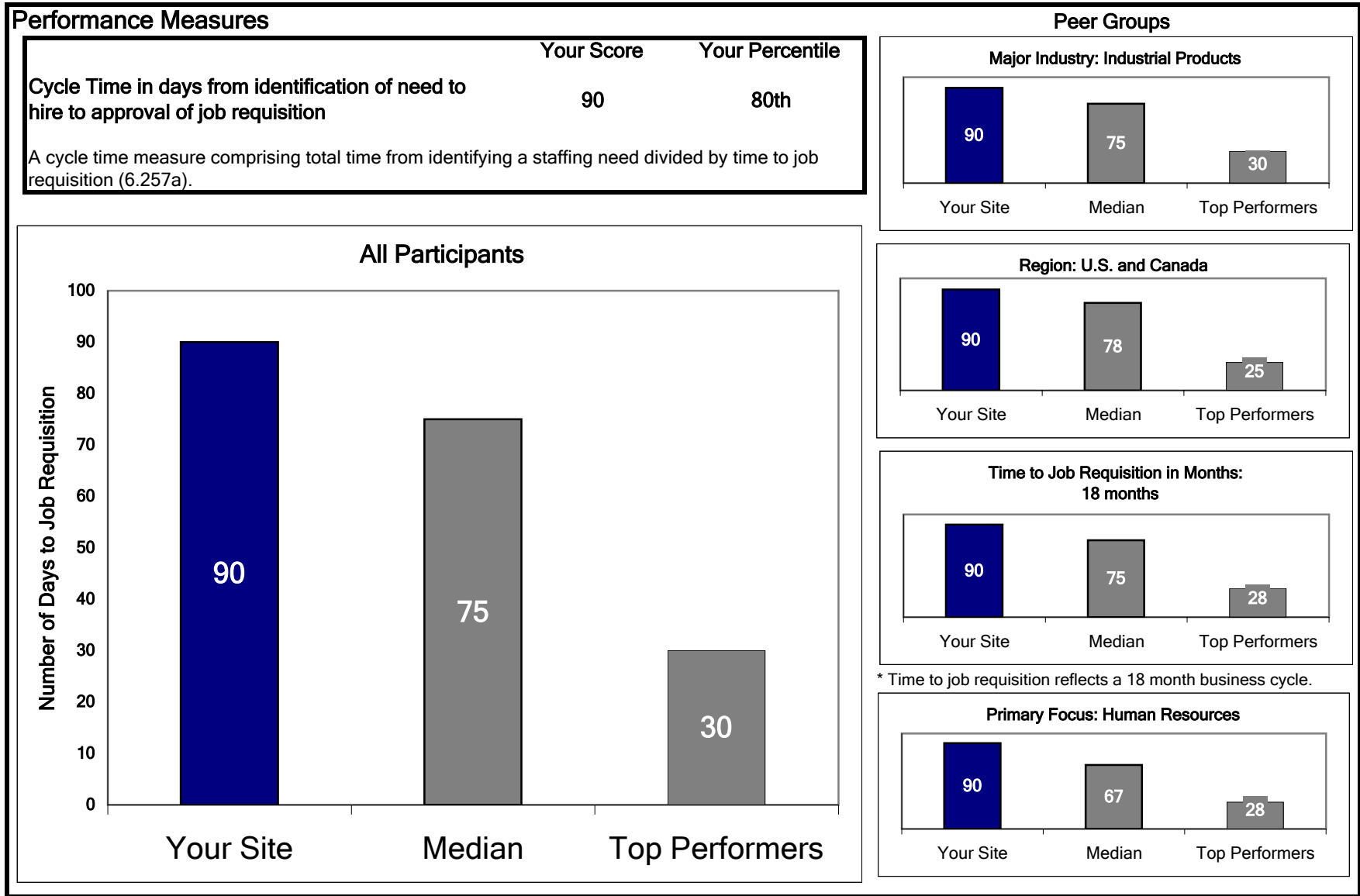
Potential annual savings	=	\$375,000
--------------------------	---	-----------

PERFORMANCE MEASURES

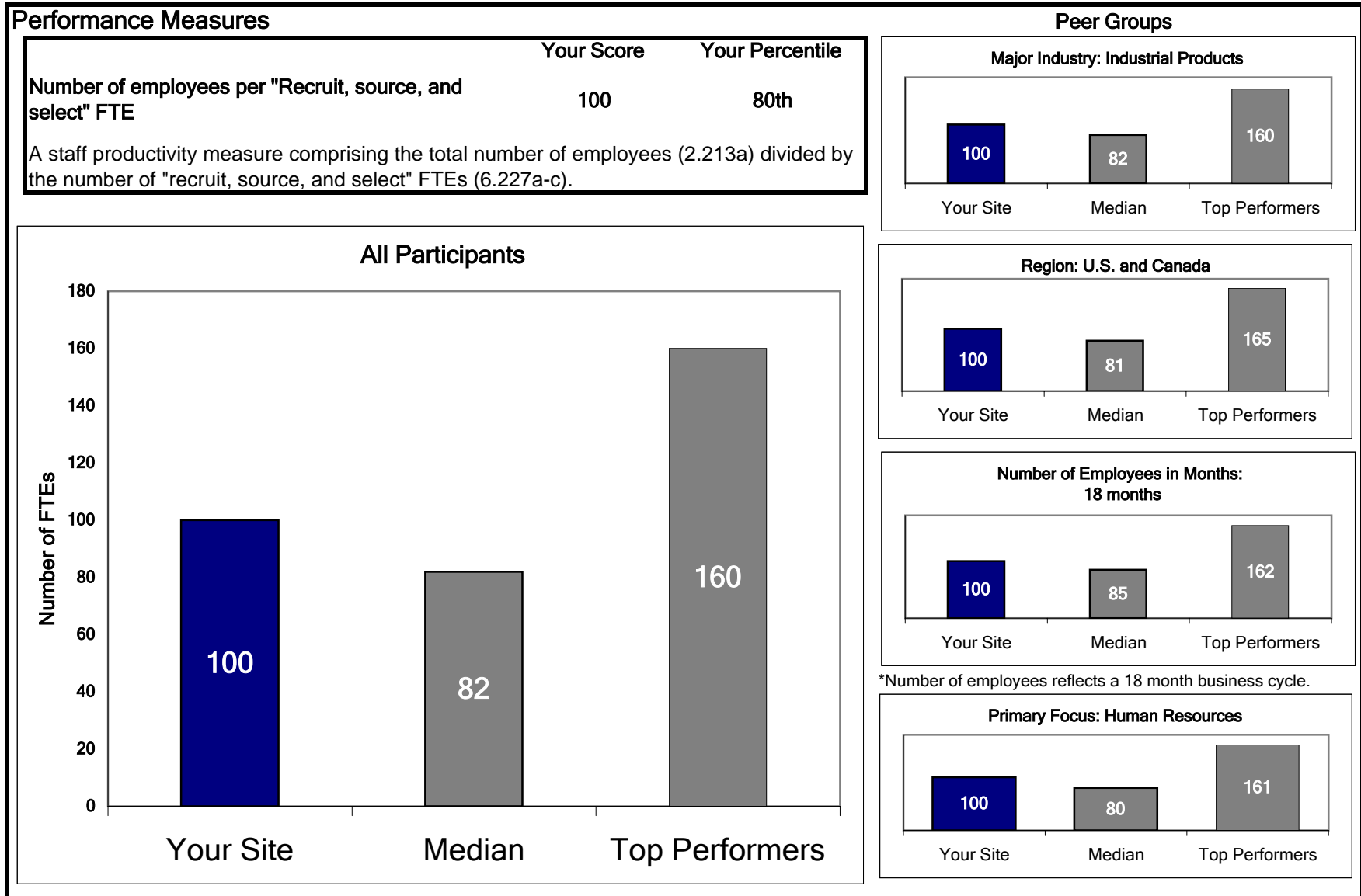
MOCK DATA CREATED FOR ILLUSTRATION ONLY



MOCK DATA CREATED FOR ILLUSTRATION ONLY



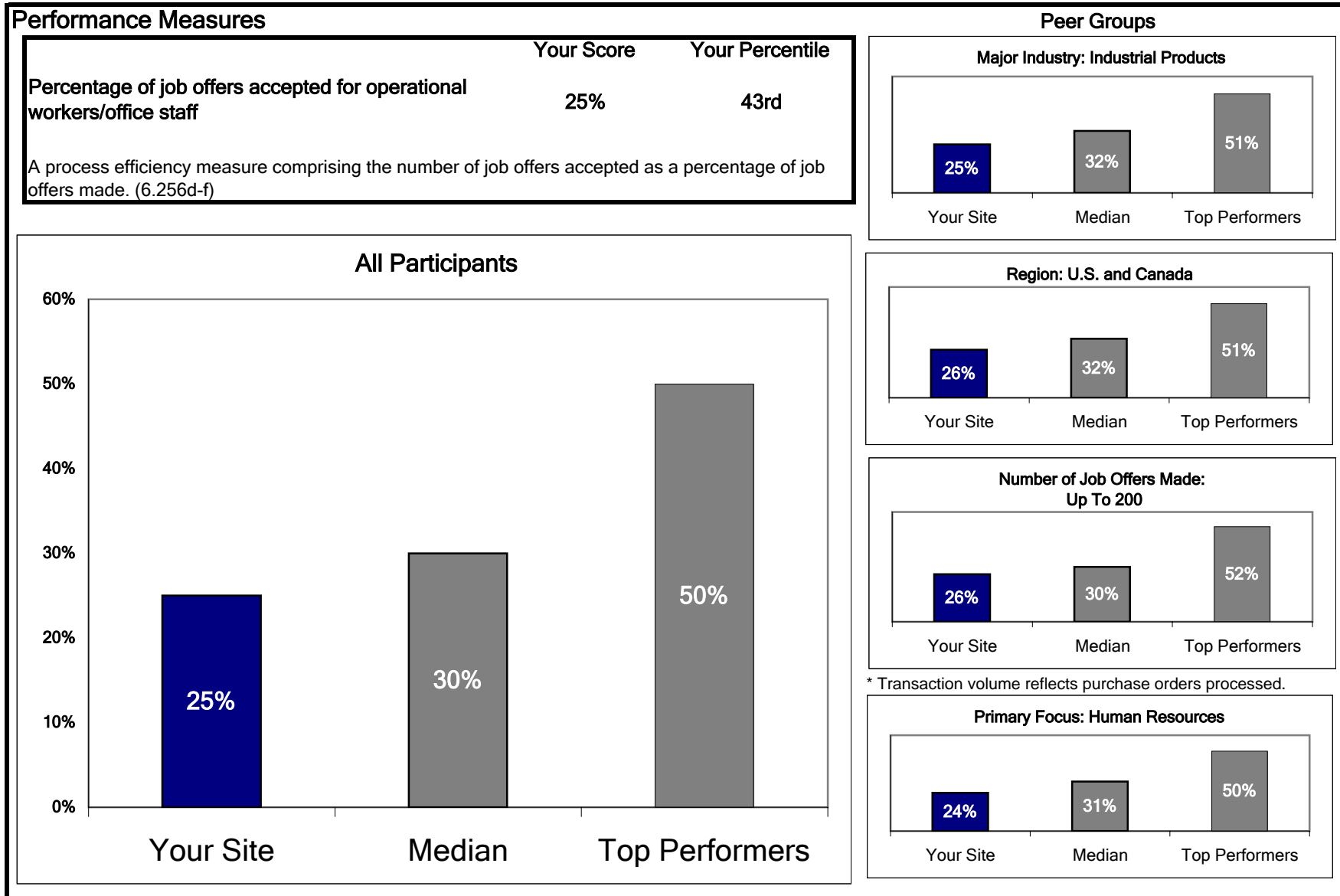
MOCK DATA CREATED FOR ILLUSTRATION ONLY



*Number of employees reflects a 18 month business cycle.

The Top Performers benchmark reflects the 20th percentile.

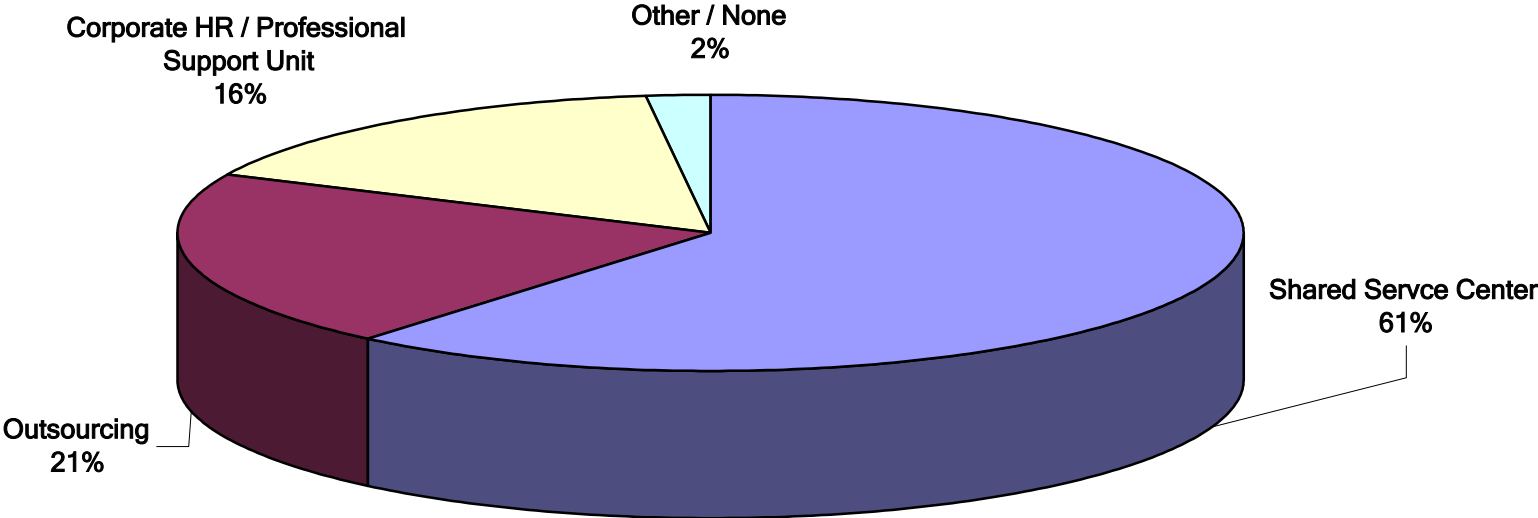
MOCK DATA CREATED FOR ILLUSTRATION ONLY



The Top Performers benchmark reflects the 80th percentile.

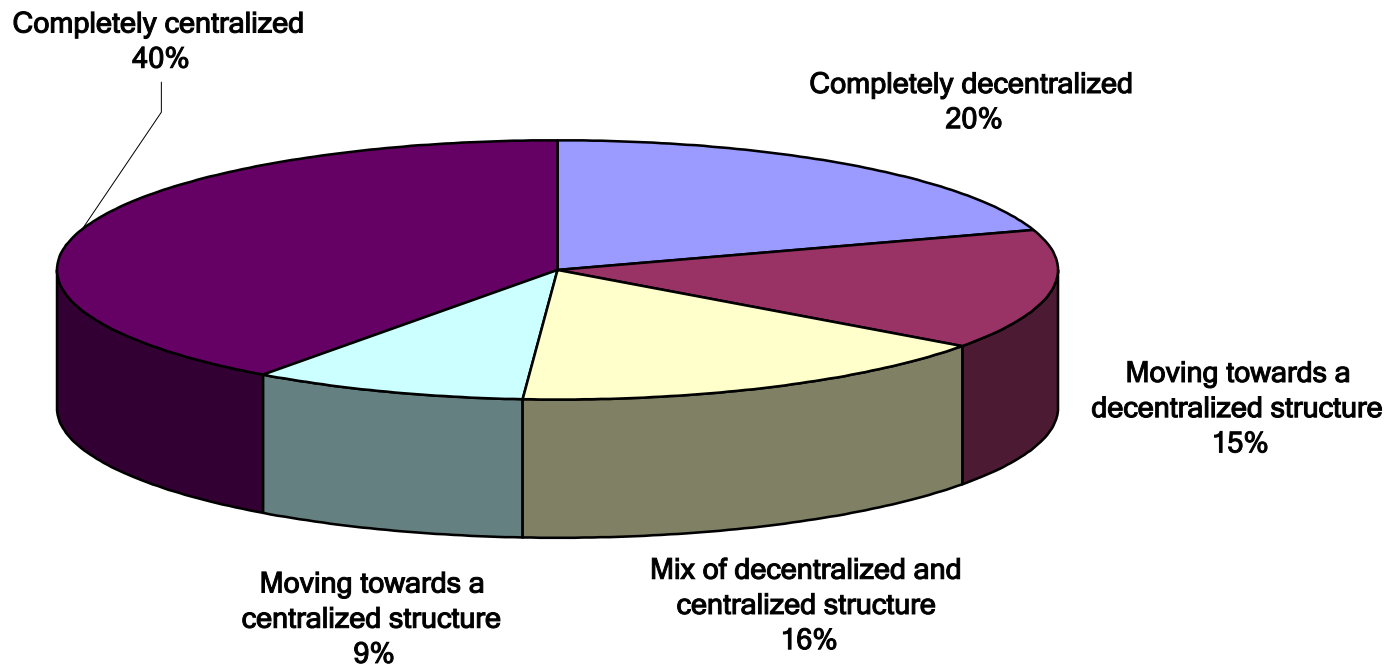
6.22 Which service delivery model(s) have been implemented by your site?

MOCK DATA CREATED FOR ILLUSTRATION ONLY
Percentage of total respondents



6.222 Which of the following best describes the current structure of your organization?

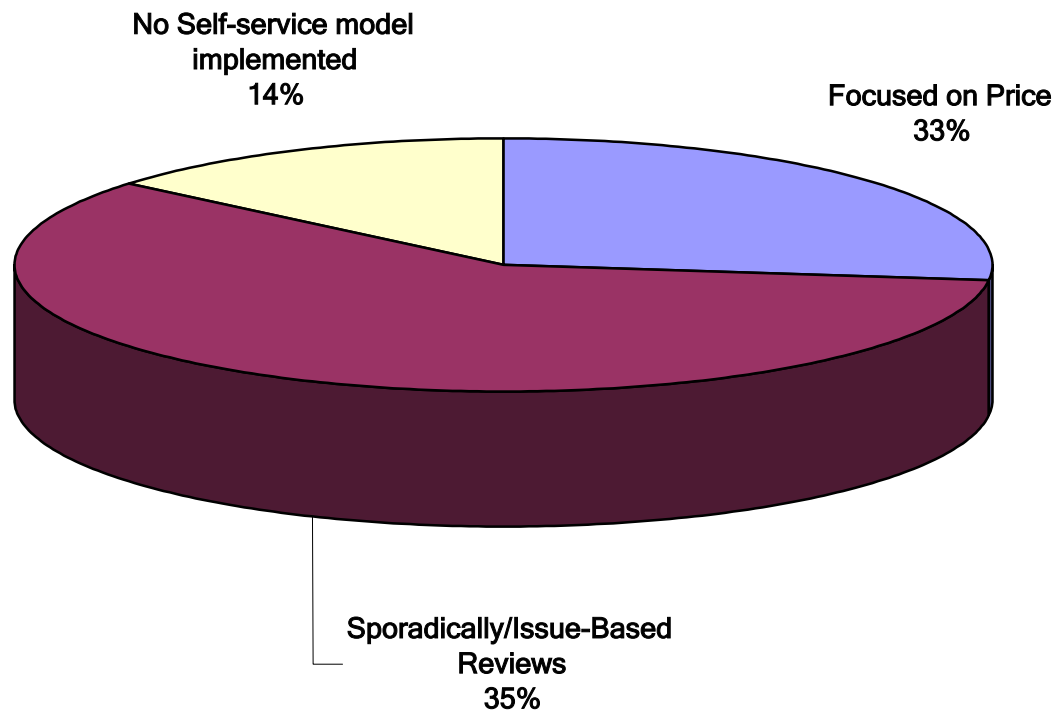
MOCK DATA CREATED FOR ILLUSTRATION ONLY
Percentage of total respondents



6.234 Which, if any, self service models have been implemented by your site?

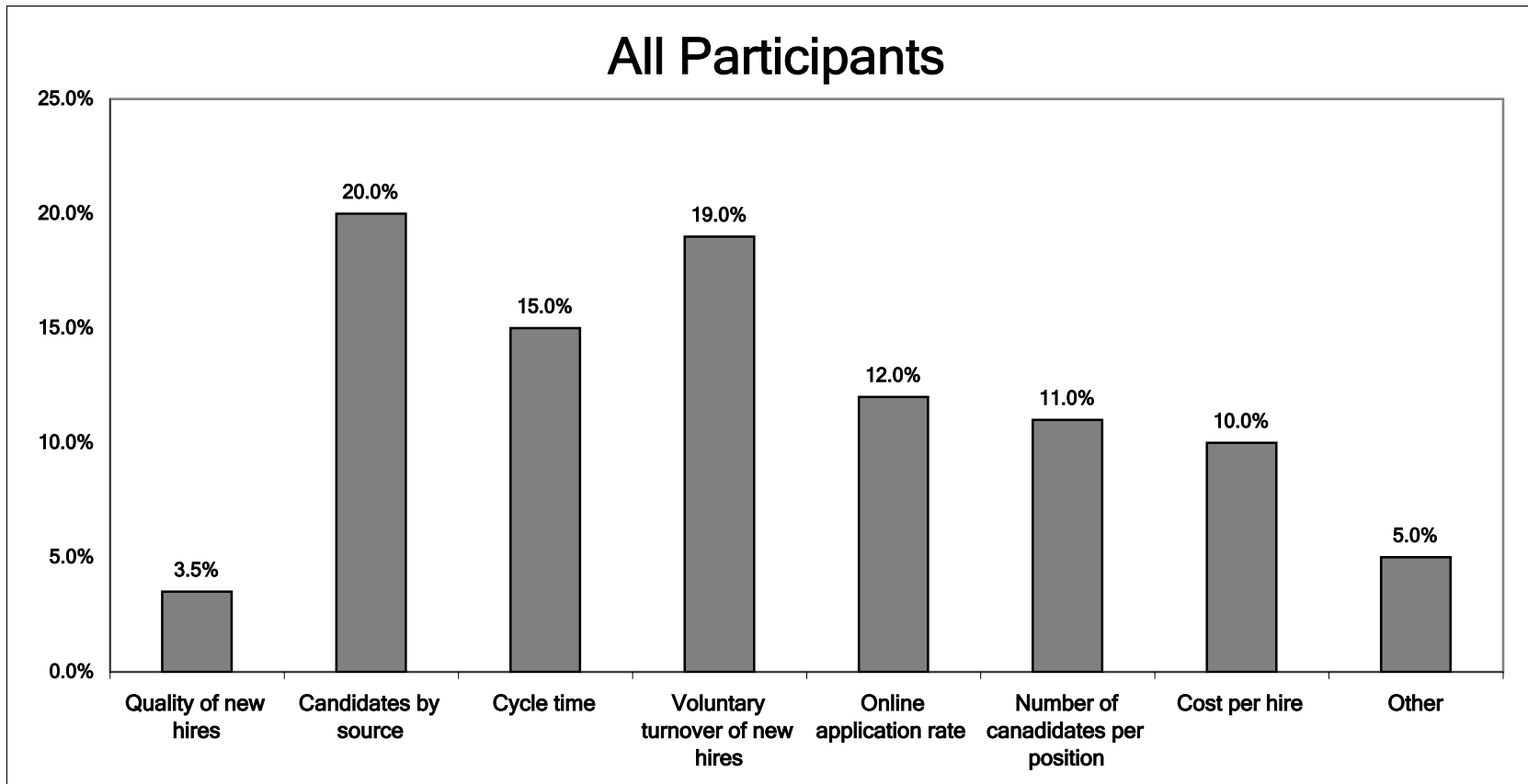
MOCK DATA CREATED FOR ILLUSTRATION ONLY

Percentage of total respondents



MOCK DATA CREATED FOR ILLUSTRATION ONLY

6.258 Which of the following measures do you use for evaluating your recruitment and selection process?



Your site: Cycle time

OSBC Report
Excerpt of Comprehensive Benchmarks

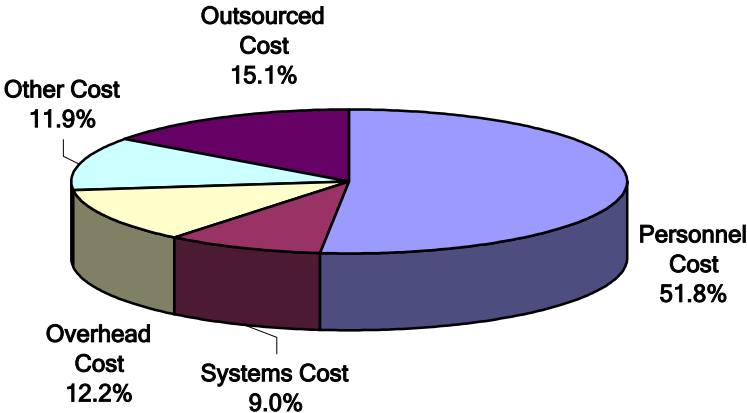
MOCK DATA CREATED FOR ILLUSTRATION ONLY

Distribution of the total cost of the process source, recruit, and select by individual costs element

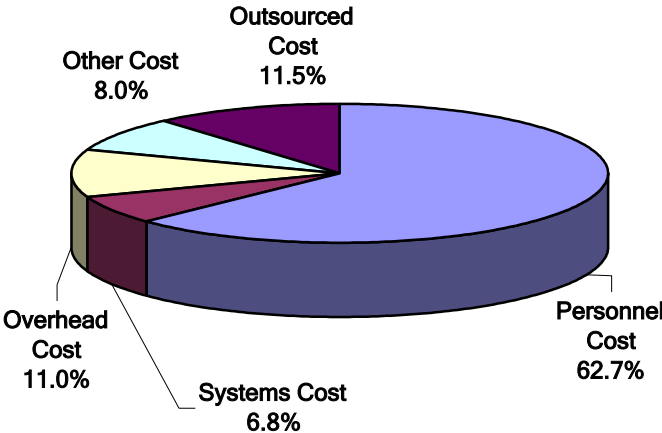
A comparison of cost elements comprising personnel, systems, overhead, other, and outsourcing costs for the source, recruit, and select process

Calculation: A percentage distribution based on questions 6.229 and 6.230

Your Site



Percentages for All Participants



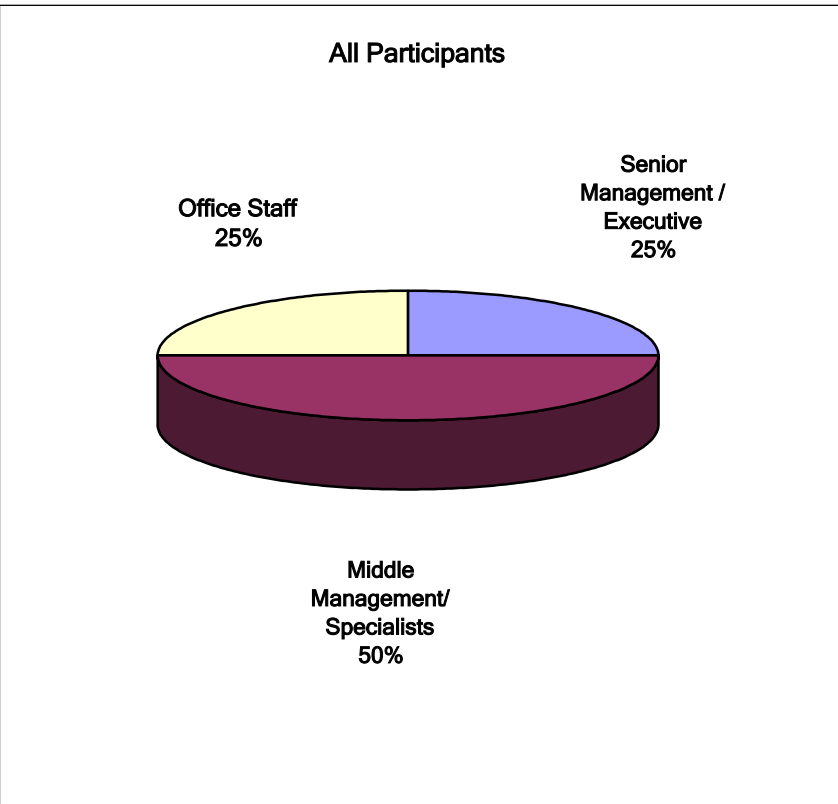
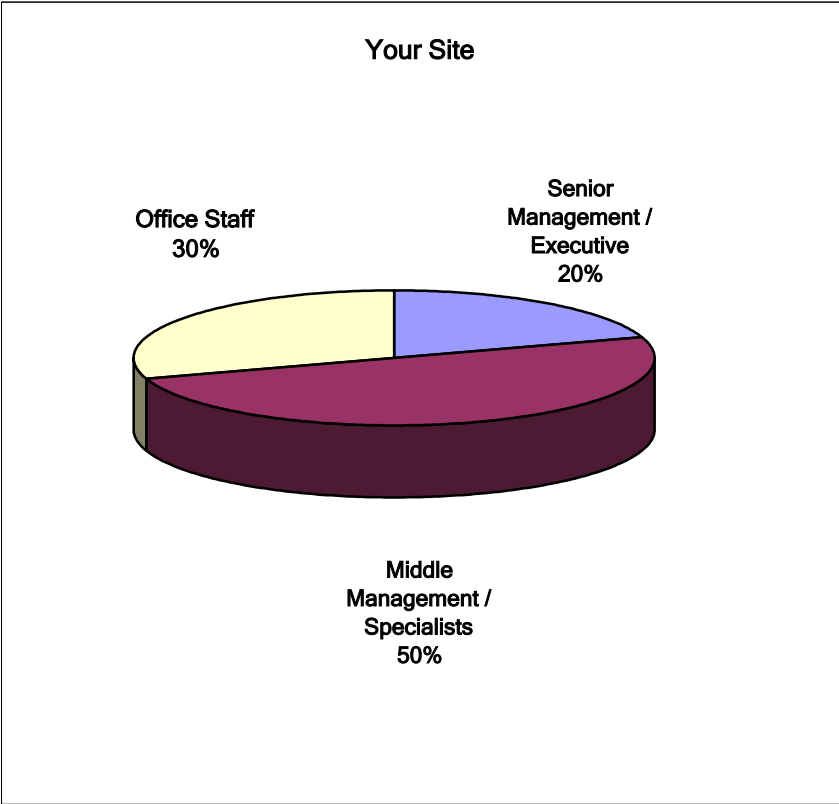
OSBC Report
Excerpt of Comprehensive Benchmarks

MOCK DATA CREATED FOR ILLUSTRATION ONLY

Distribution of the full time equivalents (FTEs) by employee

A comparison of full-time equivalent requirements for the processes: senior management / executive (6.227a), middle management (6.227b), office staff (6.227c)

Calculation: A percentage distribution based on question 6.227



Percent of total respondents

MOCK DATA CREATED FOR ILLUSTRATION ONLY

Key Success Factors and Findings

Cited Key Success Factors

People
 Utilize experienced recruiters.
 Benchmark employee salary and benefits to remain competitive.

Process
 Link competency based job descriptions to competency based interviewing techniques.
 Incorporate assessment tools into the selection process that help predict or identify the candidate that will best fit a particular position.

Technology
 Fully automate the application process via Internet.
 Implement Oracle.

Reported Key Success Findings

Which service delivery model(s) have been implemented by your site?

Key Performance Indicators	All Participants			
	Shared Service Center	Outsourcing	Corporate HR/Professional Support Unit	Other/None
Total cost of "source, recruit, and select per <\$1,000> revenue	\$7,500	\$20,000	\$14,500	\$28,000
Number of accepted job offers as a percentage of job offers made	50.0%	25.0%	30.0%	20.0%
Cycle time in days from identification of need to hire to approval of job requisition	30	90	75	110
Number of employees per "source, recruit, and select" FTE	100	160	82	70

**OSBC Report
Excerpt of Comprehensive Benchmarks**

Appendix: Metrics Data Table

The following measures will be reported for your organization and all participants. Your organization's results will be compared to the median, 20th and 80th percentiles for the entire database. Your organization will receive a percentile ranking for each metric.

Cost Effectiveness

Total costs of the process "Source, recruit and select" per <\$1,000> revenue
Total costs of the process "Source, recruit and select" per employee
Total internal personnel costs of the process "Source, recruit and select" per <\$1,000> revenue
Total internal personnel costs of the process "Source, recruit and select" per employee
Total costs of the process "Source, recruit and select" per new hire
Total internal systems costs of the process "Source, recruit and select" per <\$1,000> revenue

Staff Productivity

Number of employees per "Source, recruit and select" FTE
Number of FTEs for the process "Source, recruit and select" per <\$1 billion> revenue
Number of new employees annually as a percentage of average headcount

Process Efficiency

Number of accepted job offers for senior management/executives as a percentage of job offers made for senior management/executives
Number of accepted job offers for middle management/specialists as a percentage of job offers made for middle management/specialists
Number of accepted job offers for operational workers/office staff as a percentage of job offers made for operational workers/office staff
Number of vacancies per site filled by internal candidates during the last calendar year for senior management/executives
Number of vacancies per site filled by internal candidates during the last calendar year for middle management/specialists
Number of vacancies per site filled by internal candidates during the last calendar year for operational workers/office staff

Cycle Time

Cycle time in days from identifying the need to hire a new employee to approval of the job requisition
Cycle time in days from identification of need to hire to approval of job requisition
Cycle time in days from job acceptance to beginning of new hire in agreed position
Cycle time in days from transfer request to transfer completion