MEASURING WHAT REALLY MATTERS
De Beers’ journey to the implementation of SuccessFactors – Beyond the Sales Pitch!

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Delivering information and insight in a **user friendly** and **compelling** way to drive **evidence based** decision making
OVERVIEW

• More about De Beers - best known diamond company in the world
• Where’s the People Information? – building credibility for HR
• HR Analytics Journey – how De Beers identified the measures that matter
• De Beers Model for Workforce Analytics – structuring analytics in a meaningful way
• Change Management – changing behaviour
• Lessons learned – reflecting on what could have been done differently
• Questions?
More about De Beers & Diamonds
DE BEERS & DIAMONDS

- Established in 1888 in South Africa with Cecil Rhodes as the first Chairman
- Diamond mines in Botswana, South Africa, Namibia and Canada
- Worlds richest diamond mine is Jwaneng in Botswana (producing circa 11 million carats per year)
- The Cullinan (over 3000ct) – 9 Stones – Great Star of Africa (530ct) – over $400m
- Circa 50% of polished diamonds are sold in the USA
- Kimberley process introduced in 2003 ensures that De Beers diamonds are 100% conflict free
- 47 year partnership with the Government of Botswana (circa 50% of government revenue)
3,000,000,000
YEARS OLD ...

Diamonds formed at least 990 million years ago, although some are estimated to be as many as 3,000 million years old thereby pre-dating life on this planet.
AT 1300°C ...

Diamonds are formed at temperatures between 900°C and 1,300°C.
ERUPTED & TRAPPED

Powerful volcanic eruptions force magma through the earth's upper mantle toward the surface at the speed of sound, too fast for their crystalline structure to degrade into the more common graphite.
THE WORLD’S LEADING DIAMOND COMPANY WITH A GLOBAL FOOTPRINT

A global business

- Countries in which we have mining operations.
- Countries in which De Beers conducts exploration, mining, rough diamond sales and downstream value-creating businesses.

13 distinct businesses with circa 17,000 employees based in 20 countries

Hybrid of SuccessFactors Employee Central and SAP HCM (several instances) as core solution
Where’s the People Information? Making a case for Analytics....
WHERE IS THE PEOPLE INFORMATION?

Finance

Sales

Production
PEOPLE DECISIONS

TODAY

- Working on gut-feel and previous experience
- Less agile in making decisions
- Business functions aren’t always using people data to support decisions
- Poor quality information

TOMORROW

- Data-driven, insightful decisions
- A culture of enhanced analytical capability
- High-quality, reliable information to speed up decision making
- Supporting the importance of people in business
SUPPORTING HR TRANSFORMATION

- The HR function can be a more effective business partner when it is better able to present information in a way that prompts a change in behaviour.
- Analytics can support empower line managers in support of other HR processes.
- This requires the HR function to develop a analytical rather than transactional mind-set as a core competence.
- Introducing HR Analytics at De Beers is the beginning of a journey not an end.
Our HR Analytics Journey Starts with our Strategy....
The consumer’s desire for diamonds is the only source of value in our business

The business plan is enabled by:
License to Operate, Technology, Marketing and People
De Beers People Strategy
Unlocking the full potential of all our people

Ensuring we have the Right Leaders
Employing the Best People
Facilitating and Energising Environment
Culture of Operational Excellence in HR
ANALYTICS JOURNEY

Feasibility and Commitment
Initial engagement with business and HR leaders to define initial requirements
Circa 80-100 metrics

Developing Understanding
Deep-dive requirements with wider HR community to refine requirements

Leadership Alignment
Engagement with HR leaders linking measures to strategy. Begin conversations about current manager attitudes to people information in support of change approach.

Analytics Functional Model Workshop
Finalise functional business requirements to inform a technical specification. This including any custom metrics & user interface (headlines).

Planning & Specifications
Developing the detailed functional & technical specifications. Agree a roadmap developed for the implementation

Build & Go live
Phase 1
Q3 2016 – Q1 2017

Phase 2 Planning underway (Succession/PM/Absence)
De Beers Model for HR Analytics
Delivering information and insight in a **user friendly** and **compelling** way to drive **evidence based** decision making
# MEASURING WHAT MATTERS – MODEL FOR HR ANALYTICS

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LINKING HR ANALYTICS TO PEOPLE STRATEGY

Ensuring we have the Best Leaders
- Cost of Employee Turnover
- Regretted Losses Rate
- Employee Turnover (Inc. reason)
- Internal Placement Rate

Employing the Right People
- Average compensation /Revenue for production
- Internal Placement Rate
- Regretted Losses Rate
- Promotion Rate

Facilitating and Energising Environment
- Employee Turnover by Tenure
- Gender Diversity Movement
- Promotion Rate
- Internal Placement Rate

Culture of Operational Excellence in HR
- HR to Employee Ratio
- HR Cost Ratio (Cost per Employee Avg.)
- Internal Placement rate
- Net hire to Failure Rate
DEVELOPING THE STORY - LINKING TO THE PEOPLE STRATEGY

**Headlines**
Core Individual Metrics with drill to detail – Executive level

**Dashboard**
Compilation of metrics linked to a pillar of the people strategy – telling the sorry

**Metric’s**
- Regretted Losses Rate
- Employee Turnover (Inc. reason)
- Internal Placement Rate
- Cost of Employee Turnover

**Hierarchies & Dimensions**
- Location
- Business
- Discipline
- Gender
- Grade
- Department
- Generation

**Formulas**
- Regretted loss leavers / total leavers
- Total leavers / Average headcount in period
- Number Vacancies / internal placements
- Total salary costs / number of leavers
HEADLINES – TELLING THE STORY

Executive Headlines

• Gender Diversity Movement
• Cost of Employee Turnover
• Employee Turnover (Inc. Regretted Loss)

HR Leadership Headlines

• HR to Employee Ratio
• HR Cost / Total employees
DASHBOARDS – TELLING THE STORY

Best Leaders
Understanding the true cost of employee turnover to the business and take action proactively to mitigate this

Culture of Operational Excellence in HR
Driving continuous measurement of HR efficiency and effectiveness

The De Beers Group of Companies
Change Management
CHANGE MANAGEMENT APPROACH

- **Culture**: Evidence based decision making – Behaviour Change
- **Strategy**: Using insight to support strategy – Analytics
- **Tools**: Understand how to use the tools to create insight – Training
We want to create a culture of data. To do this we need to define some new ways of working and start behaving differently. The four behaviours to make this possible are:

**CURIOSITY:**
We ask questions relentlessly.
We investigate the facts and find the real story.
We challenge our assumptions and cross check our facts.

**PROACTIVE:**
We use our initiative to identify opportunities to help HR and the business achieve its goals.
We actively listen.
We act after listening and reflecting on data.
We look for new ideas and ways of doing things.

**COURAGE:**
We use data to have frank, honest conversations with each other and the business.
We’re confident in our knowledge and expertise - we use facts and data to back up our statements and insights.
We use our experience, data, insights to help the business make the right decisions.

**AWARENESS:**
We’re conscious of how our actions impact others.
We act with integrity and do the right thing for our business.
We’re conscientious and informed of the correct processes and procedures.
We think about the big picture.
LEADERSHIP AND HR CHANGE WORKSHOP

• Why we have done this project?
• How can Workforce Analytics support you deliver against your business strategy?
• How do other businesses do this well?
• How can this change culture?
• How will you know that analytics is changing behaviour (evidence based decision making)?
• How can you help us engage other leaders?
• How does all of the above define our deployment and change approach?
Lessons Learned
LESSONS LEARNED

• Ensure that you have the right people on the project – both internal & Implementation Partner (SI).

• Invest time in understanding your end user experience - enabling an intuitive and easy to use interface will enable adoption.

• The end state and story should drive the technical solution.

• Effective business involvement early on in the project – data validations and review as well as UAT

• Change Management - this is a journey – develop the story and focus on a few compelling metrics to support this - do not try and do it all

• Challenge the HR function to start changing behaviours and competencies to support this approach.
It’s worth investing time working partnership with the business to identify the **measures** that **matter** if you want to use information to change behaviors and drive culture of **evidence based decision making**
Questions?
THANK YOU