HRACUITY®

FIFTH ANNUAL

# EMPLOYEE RELATIONS BENCHMARK STUDY

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# A MESSAGE FROM THE CEO

As I reviewed this year's Employee Relations Benchmark Study findings, I found myself reflecting on the great strides employee relations has made over the past decade. Long before the first official Benchmark Study, we were gathering data on basic fundamental employee relations practices—how the function was organized, how employee issues and investigations were documented and/or tracked and the processes organizations used to conduct investigations. Obviously, these remain critical components of employee relations, but I was struck by how employee relations now encompasses so much more and by the transformation and sophistication that is now mainstream within employee relations teams across organizations of all sizes and industries.

Trends witnessed in prior years—centralization, using technology to manage and track employee issues and investigations, the broadening scope of responsibilities, the increasing use of data analytics and greater reporting to senior leadership—have become standard practice. Meanwhile, new trends continually emerge as practitioners deepen their skills and knowledge and leaders leverage employee related data insights throughout their organizations to drive business decisions. To highlight the growth and changes over the past decade, you'll notice we've added some callouts in this year's report to show you just how far we've come.

But this year's report also uncovers some concerning findings that pose a threat to undermine past progress if we don't heed the warnings. In the past year, organizations have lost significant momentum in three critical areas. The use of required investigations processes, the number of organizations sharing aggregated, anonymous investigation information with employees and employee relations resources all dropped dramatically. Each of these areas is vital to mitigate risk, create safe, fair and productive workplaces and to ensure positive employee experiences.

These changes may be due to the unforeseen and complicated employee relations challenges brought on by the pandemic, the economy, social and racial justice events and the political climate in 2020. Employee relations professionals have worked tirelessly to adapt and look after employees. Nevertheless, the findings are a wake-up call. Organizations must re-examine and recommit to their employee relations strategies with intentional focus on these essential practices and processes to support continued business growth and help drive workplace changes.

We are happy to share this year's report and are so grateful to every ER leader who found the time during this difficult year to participate in the Study. We are pleased to remain a partner in your journey. We look forward to continuing our work with you and remain committed to supporting your efforts, eager to see a renewed emphasis on growing and elevating employee relations as we move beyond the exhausting and unrelenting limbo.

**Deborah J. Muller**
CEO, HR Acuity® | 888.598.0161 | dmuller@hracuity.com

# METHODOLOGY AND STUDY TERMINOLOGY

## METHODOLOGY

HR Acuity, in partnership with Global Strategy Group, fielded an online survey via email and social media targeted to employee relations professionals at enterprise organizations based in the United States with at least 1,000 employees. Participants included employee relations leaders from 126 organizations, representing 4.5 million employees globally. The data collected was from the calendar year 2020. The research was conducted between February 23 and April 5, 2021 and has a confidence level of +/- 8.7%. We only call out changes from prior studies that are outside this range.

### Terms Used Throughout the Study

#### Employee Relations Professionals

Individuals who are dedicated to managing or working on employee relations matters

#### HR Business Partners or Generalists

Individuals who provide strategic or operational human resources support to business or functional areas

### Employee Relations Organizational Models

#### Centralized

Centralized team of Employee Relations Professionals or Center of Expertise ("COE") responsible for managing employee relations issues and conducting investigations across the organization (Note this group does not have to be geographically centralized.)

#### Mixed

Centralized team for managing some or most of the employee relations cases and investigations but field resources (HR Business Partners/Generalists and/or managers) still manage some employee relations issues

#### Decentralized

Employee relations issues are managed within the specific lines of business by HR Business Partners/Generalists or Employee Relations Professionals. Employee Relations matters are not centralized

### Acronyms Used Throughout the Study

**CHRO**
Chief Human Resources Officer

**COE**
Center of Expertise

**EEOC**
Equal Employment Opportunity Commission

**ER**
Employee Relations

**ERP**
Employee Relations Professional

**FTE**
Full-Time Equivalents

**HR**
Human Resources

**HRBP/G**
Human Resource Business Partner/Generalist

**HRIS**
Human Resource Information System

# ABOUT THE STUDY

The findings include input from 126 enterprise organizations, representing approximately 4.5 million employees globally.

Now in its fifth year, the annual HR Acuity Employee Relations Benchmark Study was launched in 2016 to identify and define best practices for employee relations management.

Organizations across a wide array of industries provide data on employee relations practices related to their organization model, case management processes, employee issue types, volumes, trends and internal data-driven metrics.

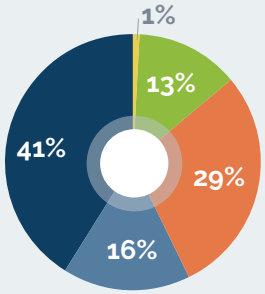
The Study continues to grow in breadth of topics and its reach of participating organizations. We continue to work with participants and members of the HR Acuity Employee Relations Roundtable and empowER communities to refine and expand the instrument to include relevant topics on which practitioners seek benchmarking information.

The Study is the definitive resource for employee relations management and trends across the evolving landscape. The Study provides organizations with best practices and metrics to compare their organization's employee relations function with other similarly situated organizations.

## RESPONDENT PROFILE

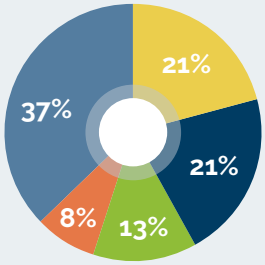
Participants in the Fifth Annual HR Acuity Benchmark Study included CHROs, Heads of HR, Vice Presidents, Senior Directors, Directors, Senior Managers and HRBPs, with the majority (84%) of respondents at the director level or higher and one entry submitted per organization.

### BY SIZE



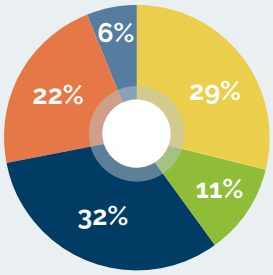

- Fewer than 1,000
- 1,000-3,499
- 3,500-9,999
- 10,000-19,999
- 20,000+

### BY INDUSTRY



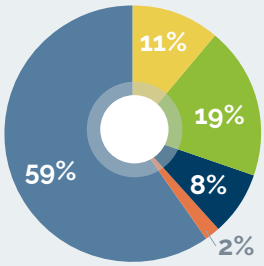

- Financial Services/Insurance
- Technology
- Healthcare/Hospitals
- Pharmaceuticals/Medical Devices
- Other

### BY REVENUE




- More than $10 billion
- $5.1-$10 billion
- $1-$5 billion
- $101-$999 million
- $100 million or less

### BY CATEGORY




- Fortune 100
- Fortune 500
- Fortune 1,000
- Global Fortune 500
- Other

# KEY FINDINGS

The year 2020 was like no other for employee relations practitioners. The global pandemic further elevated the function as organizations looked to employee relations for leadership, guidance and policy direction related to the health crisis, remote work, employee well-being and safety. Social justice events and increased political activism also impacted organizations—both employees and employee relations leaders—as they committed to address diversity, equity and inclusion in the hope of effecting real change in the workplace.

It is not surprising that the demands and challenges faced by employee relations are clearly visible within the findings of this year's Benchmark Study. In many cases, COVID-19 altered trending practices and processes. Yet other practices, such as using a centralized model tracking employee data, have emerged as definitive standards. And it is clear that senior leadership is increasingly reliant on the insights that ER teams can provide to their organizations. The key findings from the research are below:

## Leadership increasingly recognizes the value of employee relations data to drive insights and business decisions.

- The number of Employee Relations teams responsible for handling ER analytics rose to 86%, up 13 points over last year.
- Two-thirds (67%) of ER teams share their tracking data directly with senior leadership, an 8-point increase since 2019, and on par with the prior 2 years, suggesting that organizations continue to value this information.

## Several employee relations best practices are now established standards and solidified industry trends have emerged.

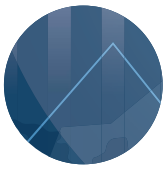
- Nearly all (90%) of ER teams are tracking a wide range of ER data and tracking has significantly increased for many types of data.
- Centralization has become standard best practice with the vast majority of organizations (93%) using a centralized or mixed model, and 22% of those who are still using a decentralized model are planning to transition to a centralized model in the future.
- The trend of specialization within ER teams continues as organizations increasingly assign cases primarily by line of business (40%), up 10 points over last year, and by case type (13%) rather than auto-assigned, by subject matter or by complexity.
- Continuing last year's trend, more employee relations teams are handling policy oversight (71%) and policy development or benchmarking (65%), up 10 and 6 points respectively over last year. This may in part be due to the large number of COVID-19-related policies.

## With employee relations technology gaining traction, organizations are realizing greater efficiencies and teams can handle more work effectively.

- As predicted last year, the number of organizations using employee relations technology to track employee issues and investigations continued to trend upward. Seventy-five percent (75%) of respondents now use technology solutions for employee relations—an 11-point jump from last year. Additionally, 34% of those not yet using ER technology yet said they are very likely to start doing so in the next year.
- Half of organizations (50%) are now storing employee relations and investigation documents in a case management system, up from 35% in last year's study indicating that organizations are embracing the importance of a single source of truth and recognizing that easy access to employee data is key to better manage employee issues.
- Organizations that use an employee relations technology platform report higher confidence (by 16 points) in their ability to report accurate data than organizations not using an employee relations solution.

## In addition to the pandemic, sharp increases in social and political activism significantly impacted employee relations caseloads, continuing the upward trend that began in 2019.

- The majority of participants attribute increases in case volumes over the past year to COVID-19 (89%), social movements like Black Lives Matter (77%), and the political landscape (73%).
- One-third of organizations reported the most significant case volume increases in accommodation requests, followed by social media issues (13%) and discrimination complaints (13%).
- Time to close increased for cases in every issue category. For common and widely handled cases such as leave management issues, time and attendance issues, wage and hour cases and policy violations the average time to close rose to 2-4 weeks, whereas last year, nearly half (43-50%) of organizations typically closed these cases in 5 days or less. This may be due to a lack of available resources and the constraints of remote work.



## Employee Relations has lost significant momentum regarding commitments vital to improving employee relations processes as resources notably decreased.

- **Investigation Processes:** Use of a required, structured process for conducting investigations, which has trended steadily upwards from 2016 to 2019 with 59% of organizations using required processes, decrease significantly in this year's Study. Only 44% of organizations report they are using required processes for investigations. This is important to watch and is troubling as thorough and consistent investigation processes help build a culture of trust with employees.
- **Transparency:** Last year's Study showed a spike in transparency with 29% of organizations sharing aggregated, anonymous investigation or employee relations data with employees. This year, just 16% of organizations are sharing this information. Transparency is essential to drive accountability and show that employee concerns and allegations will be taken seriously. Organizations committed to building a culture of trust will need renewed focus on transparency to achieve this goal.
- **Staffing Resources:** Last year, 38% of organizations anticipated an increase in employee relations head count, and 56% expected employee relations hiring to remain flat in 2020, but instead there was an unexpected drop in resources, from .88 to .62 ER professionals per 1,000 employees on average, canceling out increases gained in 2019 and returning resource levels to that of two years ago. This is most likely a result of the pandemic and its impact on the economy.
- Seventy-two percent (72%) of organizations expect employee relations resources to remain the same for 2021.

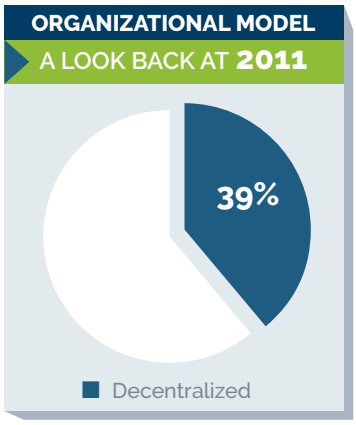
## Despite a strong desire to use tracking data for predictive analytics and incorporate it with AI, employee relations teams just aren't there yet but advanced analytics remain on the wish list.

- While 7% of participants indicated they are using tracking data for predictive analytics, when specifically asked if they use predictive analytics or AI, no organizations confirmed they are currently doing so. However, 71% of respondents not tracking for predictive analytics are interested in doing so in the future.
- Thirty-five percent (35%) of respondents have plans to use employee relations data for both predictive analytics and AI in the future.

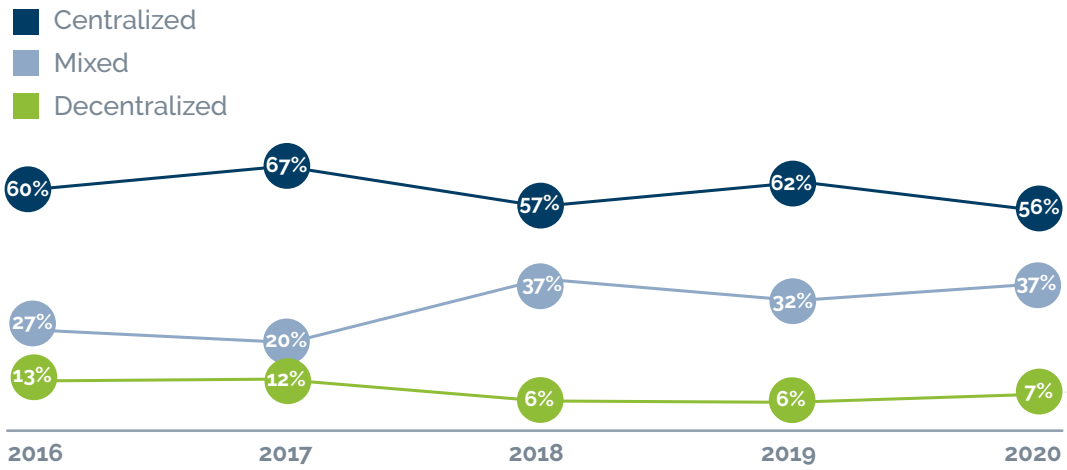
# ORGANIZATIONAL RESOURCES

## ORGANIZATIONAL MODEL

Use of a centralized model to organize and manage employee relations is now standard best practice as the data has consistently shown centralized models as the preferred approach for the last 5 years. Use of a mixed model (which includes a center of Expertise (COE) or Shared Services) has also held steady for approximately one-third of organizations. The minority of organizations use a decentralized model again this year, with one-fifth of these organizations planning to change their organizational structure in the future.




### Current employee relations model

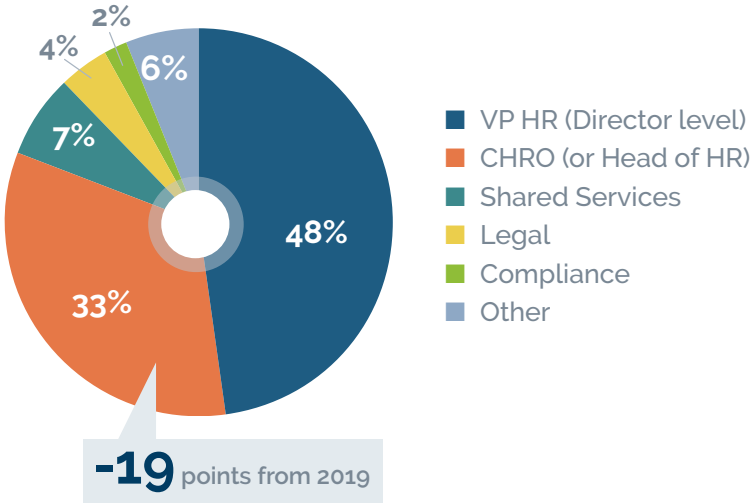



**22%** of decentralized organizations plan to switch in the future

## REPORTING STRUCTURE

### In the US, to whom does the Employee Relations team report?

More than two-thirds of employee relations teams report to HR leadership, however, the number of teams reporting to the Chief Human Resources Officer (CHRO) or Head of Human Resources significantly decreased. This is surprising, given the elevation of employee relations in recent years and the increasing importance of employee relations data and insights requested and reported to leadership. This change may be specific to this year's data sample, but it remains to be seen whether the previous upward trend will return.



# STAFFING RESOURCES

Adequately staffing employee relations is a constant challenge as leaders look to leverage resources for maximum efficiency and also ensure employee issues are effectively resolved in a timely manner. Year over year, the data consistently illustrates economies of scale as large organizations require fewer resources than smaller organizations (per 1,000 employees). This year's data contrasts with historical data trends of years past and predictions from last year's Study. Resources actually decreased, returning to 2018 levels and are expected to remain flat during 2021. This is most likely a direct result of the pandemic and will hopefully trend upward again post-recovery. While small companies continue to have the highest ratio of ER professionals to employees, they also experienced the largest staffing losses in 2020.

> To help organizations benchmark their resources relative to organizational size, we normalize the data by providing the median number of resources per 1,000 employees.

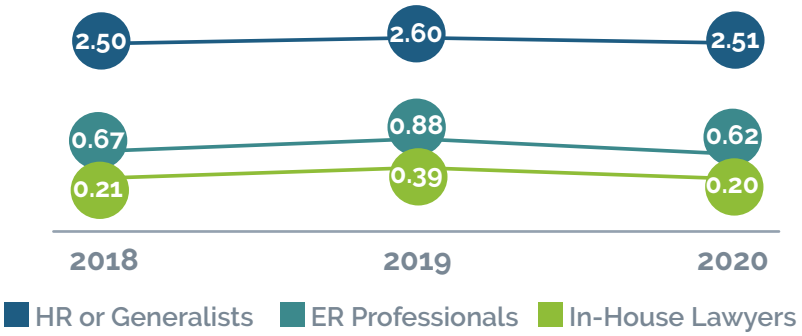
**Staffing Ratios by Organizational Model** (FTE per 1,000 employees - median)

| Organizational Model | Employee Relations Professionals | HR Generalist/ Business Partners | In-House Lawyers |
|---|---|---|---|
| CENTRALIZED | 0.67 | 2.23 | 0.20 |
| MIXED | 0.56 | 3.00 | 0.22 |
| DECENTRALIZED | 0.78 | 2.00 | 0.15 |
| ALL | 0.62 | 2.51 | 0.20 |

**Staffing Ratios by Number of Employees** (FTE per 1,000 employees - median)

| Number of U.S. Employees | Employee Relations Professionals | HR Generalist/ Business Partners | In-House Lawyers |
|---|---|---|---|
| 1,000 - 3,499 | 1.00 | 3.33 | 0.83 |
| 3500 - 9,999 | 0.54 | 2.62 | 0.29 |
| 10,000 - 19,999 | 0.67 | 1.95 | 0.19 |
| 20,000+ | 0.53 | 2.00 | 0.12 |
| ALL | 0.62 | 2.51 | 0.20 |

**Staffing Ratios Over Time** (FTE per 1,000 employees - median)




**2021 PROJECTED RESOURCES**

Resources are expected to remain flat.

Employee Relations Professionals
**72%** SAME

Human Resources Business Partners or Generalists
**67%** SAME

In-House Lawyers (dedicated to labor and employment matters)
**90%** SAME

**2020 PROJECTED RESOURCES**

Resources were expected to grow or remain flat, but decreased instead.

Employee Relations Professionals
**38%** INCREASE
**56%** SAME

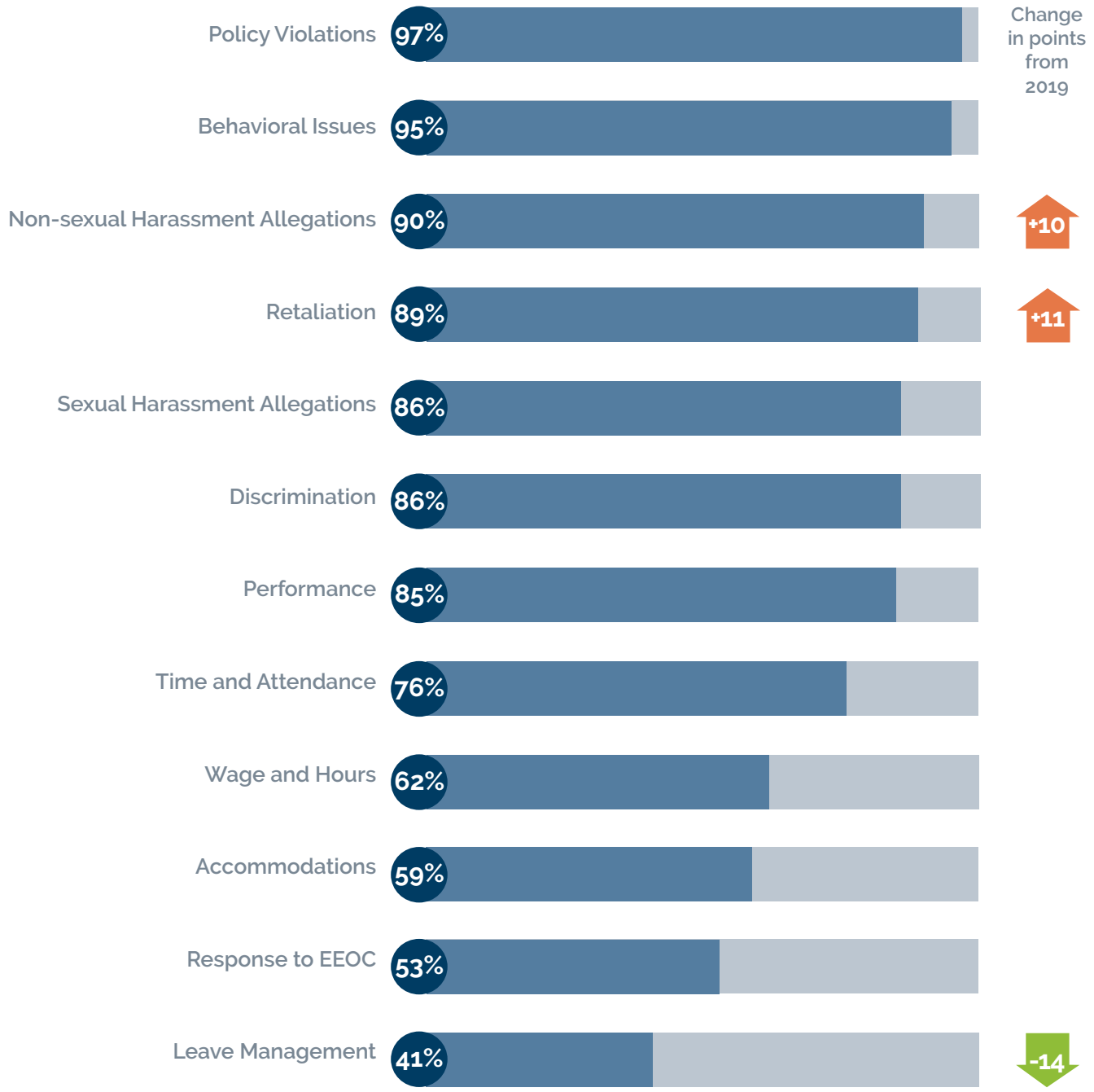
Human Resources Business Partners or Generalists
**31%** INCREASE

In-House Lawyers (dedicated to labor and employment matters)
**18%** INCREASE

# SCOPE OF RESPONSIBILITIES

Employee relations continue to handle a wide range of employee issues. More of this year's participants are responsible for non-sexual harassment claims and retaliation, but far fewer were responsible for leave management. This may be due to leaves being pulled out of ER as a result of the pandemic.

### Which of the following types of cases generally fall within the scope of your employee relations team as a whole?



# SCOPE OF RESPONSIBILITIES ... continued

This year's results show a significant increase in the number of ER teams responsible for data and analytics, as business leaders increasingly look to employee related data for insights to drive business decisions and shape or enhance culture. The findings also illustrate that more teams are now handling policy oversight and governance, which is not surprising given the necessary policy changes required as a result of the global pandemic.

## What additional functions are managed by the employee relations team, if any?

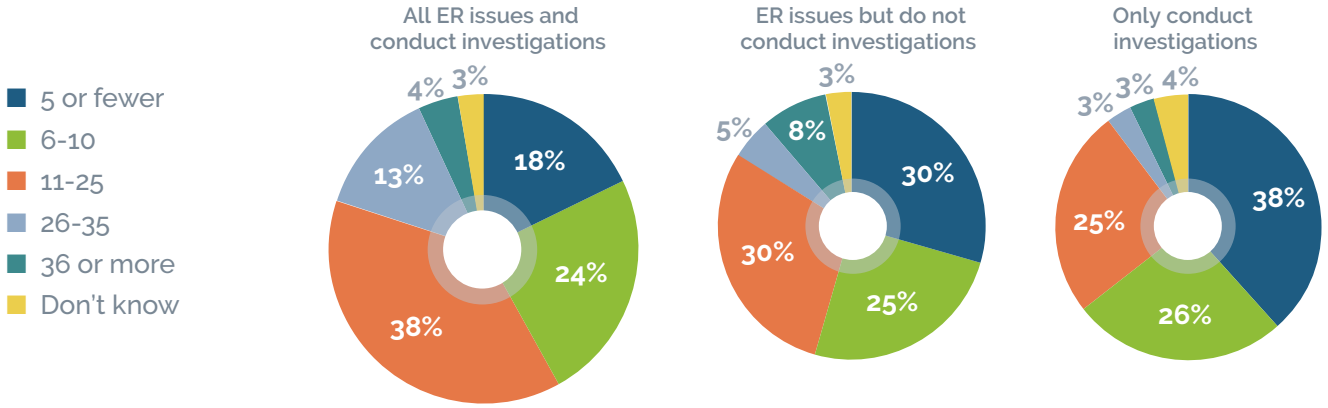
# MANAGING CASES

## CASE VOLUMES

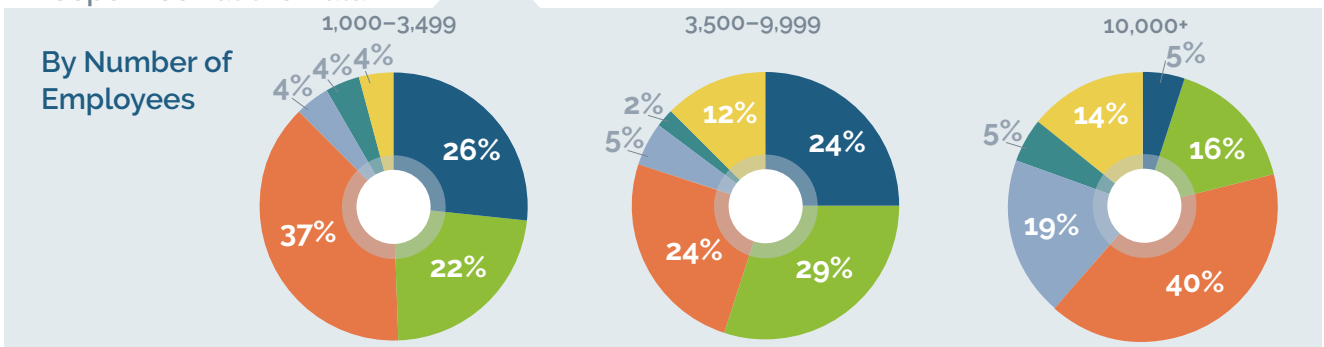
Consistent with last year's data, the vast majority of employee professionals continue to handle six or more issues at any given time and employee relations professionals who handle all employee issues and conduct investigations experience the heaviest caseloads. However, caseloads for employee relations professionals who only conduct investigations decreased somewhat with 38% now juggling 5 or fewer cases at one time.

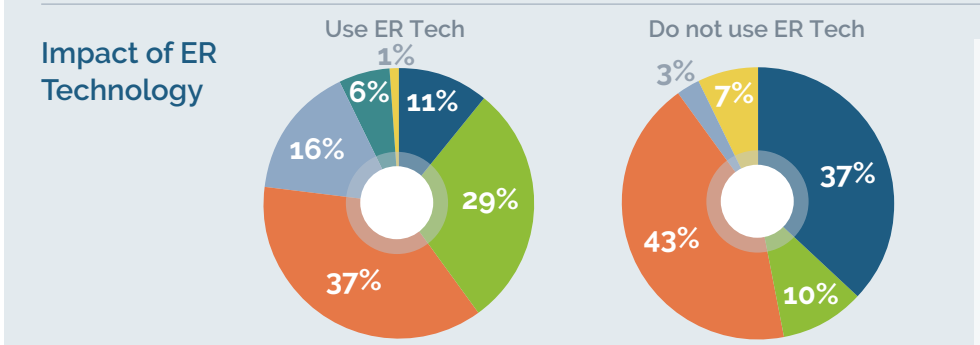
Year over year the data confirms that large companies have heavier caseloads, most likely because these organizations have fewer employee relations resources per 1,000 employees than smaller companies. Also consistent with last year, caseloads are higher at organizations that use an employee relations platform, suggesting that both technology and data analytics help practitioners effectively handle higher volumes of cases.

### Number of cases that ER professionals handle at any one time




### A Deeper Look at the Data*




**88%** of those using ER Tech handle 6 or more cases at a time

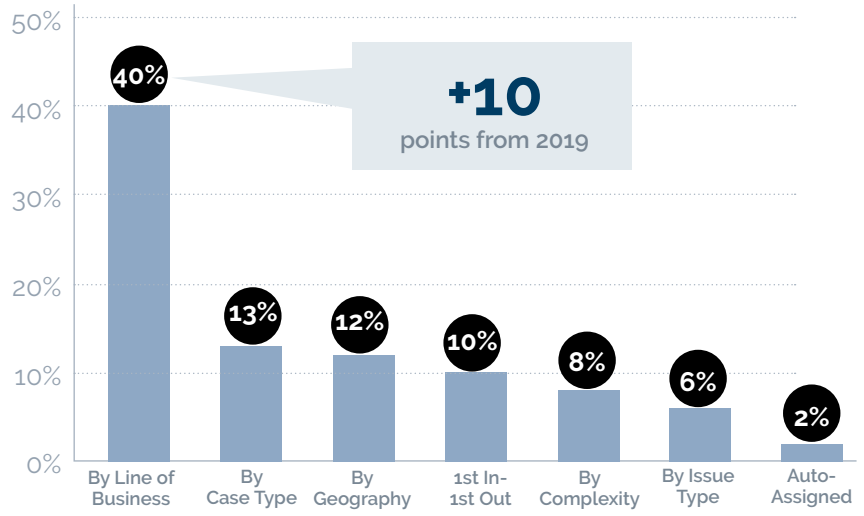
Only **53%** of those without ER Tech can handle 5 or more cases at a time

* This data is for ER professionals who handle all ER issues and conduct investigations

# CASE ASSIGNMENTS

More than half (53%) of cases are assigned by line of business or by case type. This illustrates a continuation in the trend towards specialization in employee relations.

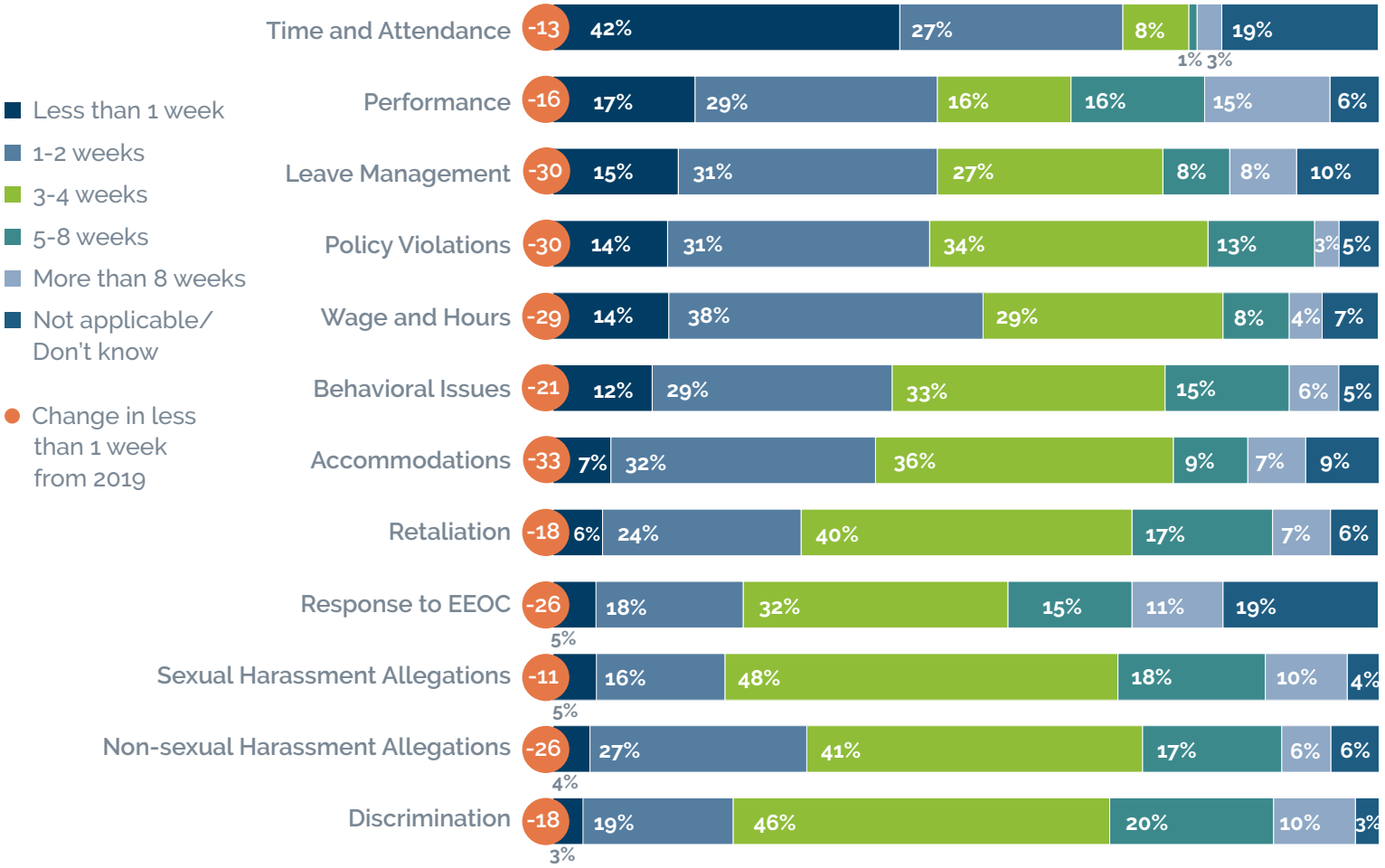
### Primary method for assigning cases on the employee relations team




# TIME TO CLOSE

Cases in every issue category remained open longer this year, with common cases such as leave management, time and attendance, wage and hour cases and policy violations closing in two to four weeks. Last year, nearly half of organizations surveyed closed these cases in five days or less. This is likely a result of the pandemic, remote work environments and increased focus on policy oversight and governance.

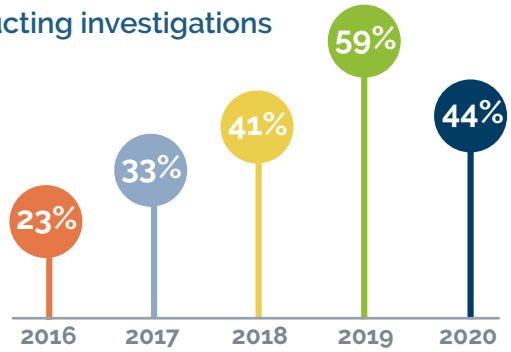
### Length of time cases are typically open



# INVESTIGATION PRACTICES

One of the most surprising findings in this year's Study is that only 44% of organizations are using a required process for conducting investigations, a dramatic change from the upward trend seen from 2016 through 2019. The steady and significant annual increases reported previously clearly indicate that organizations recognize the value of consistent processes to conduct thorough investigations. Perhaps this is another area impacted by the 2020 environment, but it is an important practice to watch post-pandemic as organizations continue their efforts to build trust with employees.

### Use of required processes for conducting investigations

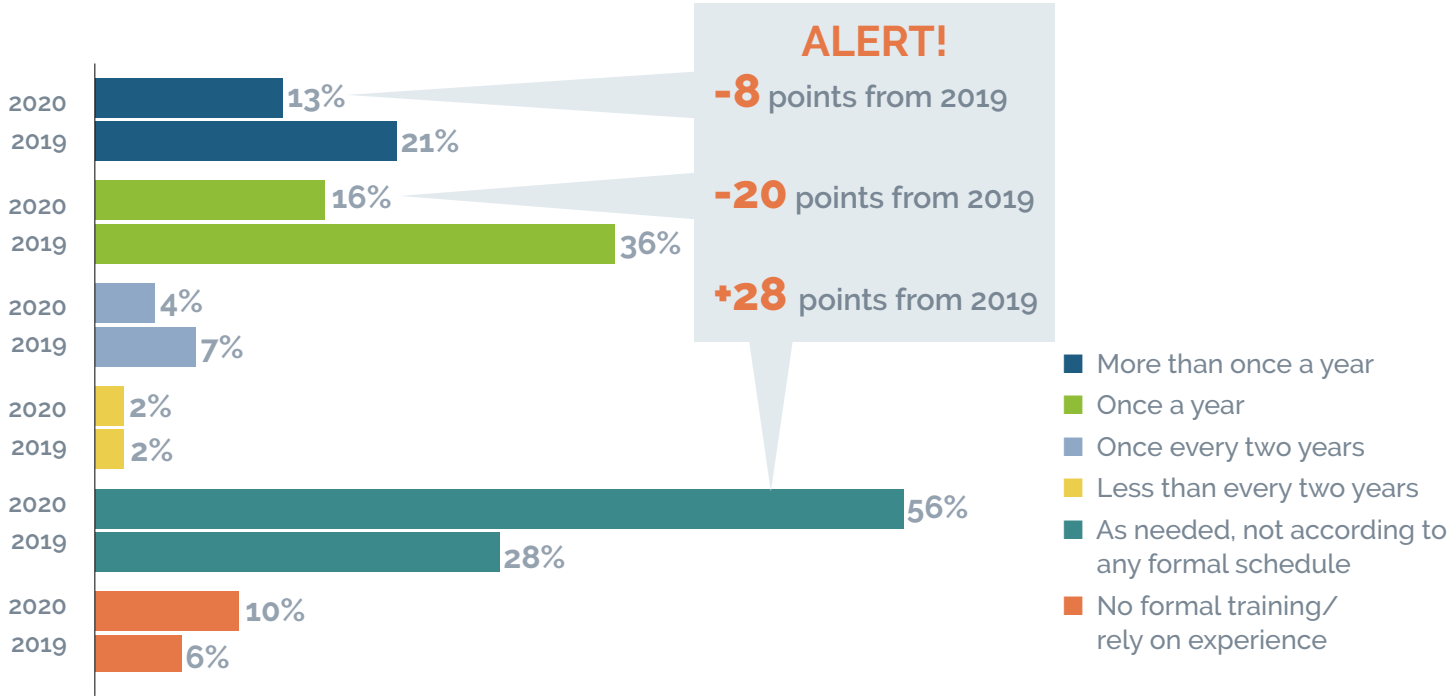



### Method that best describes how investigations are conducted within organizations in the U.S.

# INVESTIGATION TRAINING

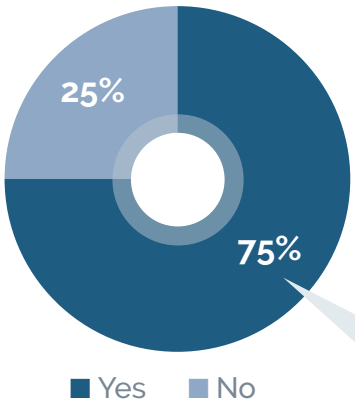
Organizations are also training investigators much less frequently which impacts the quality of investigations. Only 29% of organizations currently train investigators once a year or more frequently, compared with 57% last year. Hopefully, this is just another anomaly resulting from 2020, however, it is a concerning change and a critical data point to watch.

### How often are investigators trained on proper investigation techniques?



# EMPLOYEE RELATIONS TRACKING

## Does your organization use any sort of employee relations and investigation technology platform to track employee relations issues and investigations in the US?

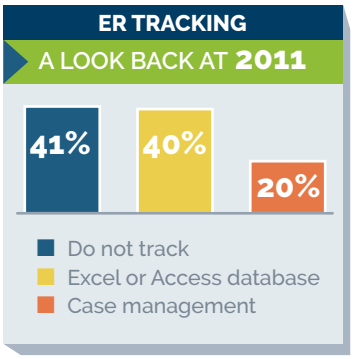



Organizations planning to transition to an employee relations or HR case management system in the next 12 months

**19%** Very likely

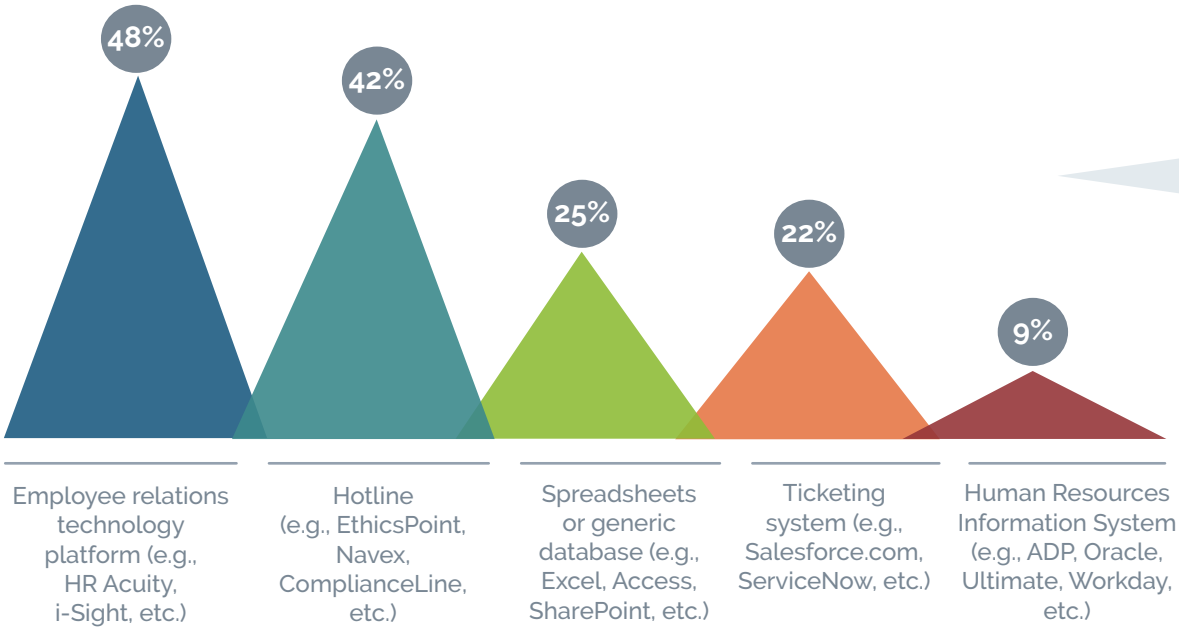
**34%** Somewhat likely

**+11** points from 2019




Adoption of technology to manage employee relations remains on the rise with 75% of organizations now using some sort of technology to track employee issues. Nearly half (48%) of those are using technology specifically designed to track employee issues and investigations, along with a significant increase in reporting technology (e.g., hotlines). The significant decrease in the use of document management systems and spreadsheets is encouraging. We expect this trend to continue as organizations continue to focus on mitigating risk resulting from poorly handled employee issues and efforts to implement employee relations best practices, ensure access to reliable data and build cultures of trust.

## How does your organization primarily TRACK employee relations issues and investigations in the U.S.?




Change in points from 2019

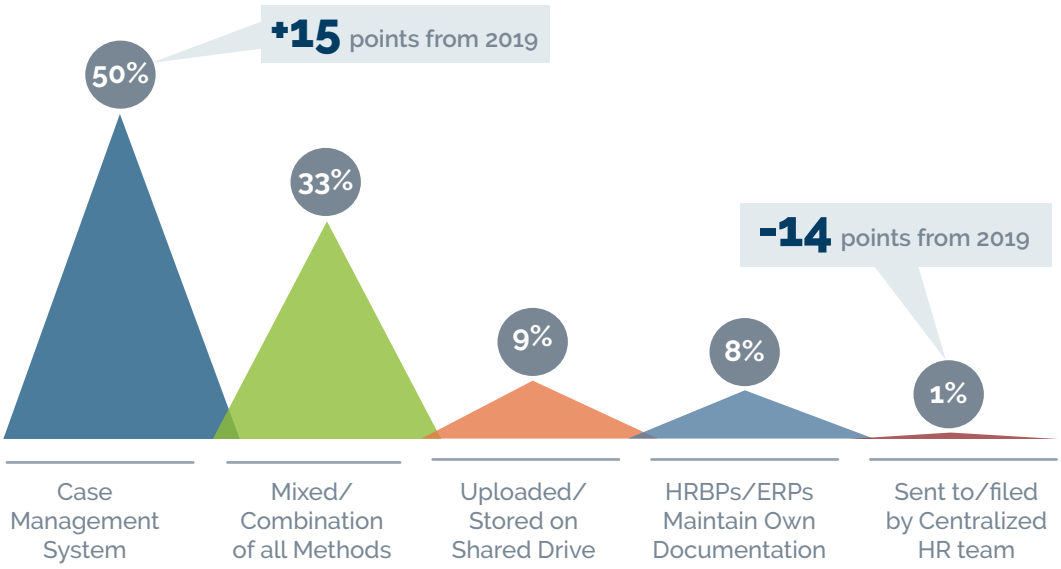
**+15**

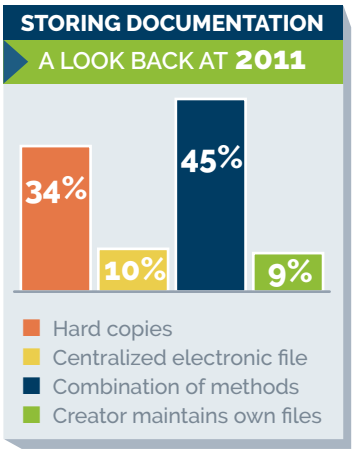
**-15**

**-30**

# STORING DOCUMENTATION

**How does your organization primarily STORE documentation created as a result of an employee relations issue or investigation?**




Similarly, the trend to use a case management system is accelerating as half of organizations are now using this method. The stark increase seems due to a shift from organizations previously storing documentation with their centralized HR team, suggesting that organizations recognize the importance of easily accessible employee relations documentation. However, one-third of organizations continue to use multiple methods for storing employee relations and investigation documents and half continue to use methods that prevent consistency, lack security and limit reporting capabilities and visibility to data-driven insights.

**What specific technology platform does your organization use for managing employee relations and conducting investigations?**

# Describe the biggest benefit of the platform you use for employee relations management.

*A one-stop source for documentation storage and all ER data (entering cases, running reports, dashboards).*

- Centralized documents and case information are readily available to those who need it regardless of who worked on the case whether they are still with the organization. Data is stored and retained per the company's records management policies.
- Makes data and insights easy and integrates well with our existing HRIS database.
- Accessibility to management of HR issues across the whole of the organization.
- Ability to capture information—both as the case presents (e.g. allegations/concerns raised) and its outcome (e.g. actual findings relative to initial allegations/concerns raised), etc., as well as the ability to utilize insights to improve our workplace and the employee experience).
- Specifically designed for investigation case management.
- Allows access to multiple groups (such as our EEO team), so employee history/prior cases are available as needed.
- Collecting data and easily pulling case history for legal as needed.
- Allows for easier collaboration on cases, especially when someone is on leave, so that we have access to all of the case documentation.
- Enhance user experience, consistency, reporting capabilities.
- Facilitates storage of all case information including supporting documentation; case disposition data can be referenced to consistently resolve similar matters and ensure appropriate action.
- Enables proactive business decisions.
- Consistency in discipline, trends and insights reporting, helps inform decision making and solutions based on data ( i.e., climate assessments, capability training, organization cultural initiatives).
- The system is shared with our compliance organization so investigation and performance/behavioral investigations and remediation are in one system with shared visibility.
- Ability to track cases, identify trends, assess risk, spend less time manually tracking cases.
- Helps us gather data, drive consistent practice and enables transparency.
- Data is centrally located and confidential; visibility of work being done; identifying trends; report generation.
- We love the analytics.
- Offers insight into similar cases before making outcome determinations, making connections in cases (i.e., multiple performance issues, attendance, performance/complaint), capacity planning, case assignments.
- One-stop shop for anything ER related.
- Ability to integrate ER concerns with the employee system of record to have visibility into demographic data, tenure, performance, as well as any open leave of absences, etc. that may impact an investigation in some way.

*Our solution provides a clear process flow for ER issues and investigations and offers complete visibility of ER happenings across the global organization, making it easy to spot trends/issues.*

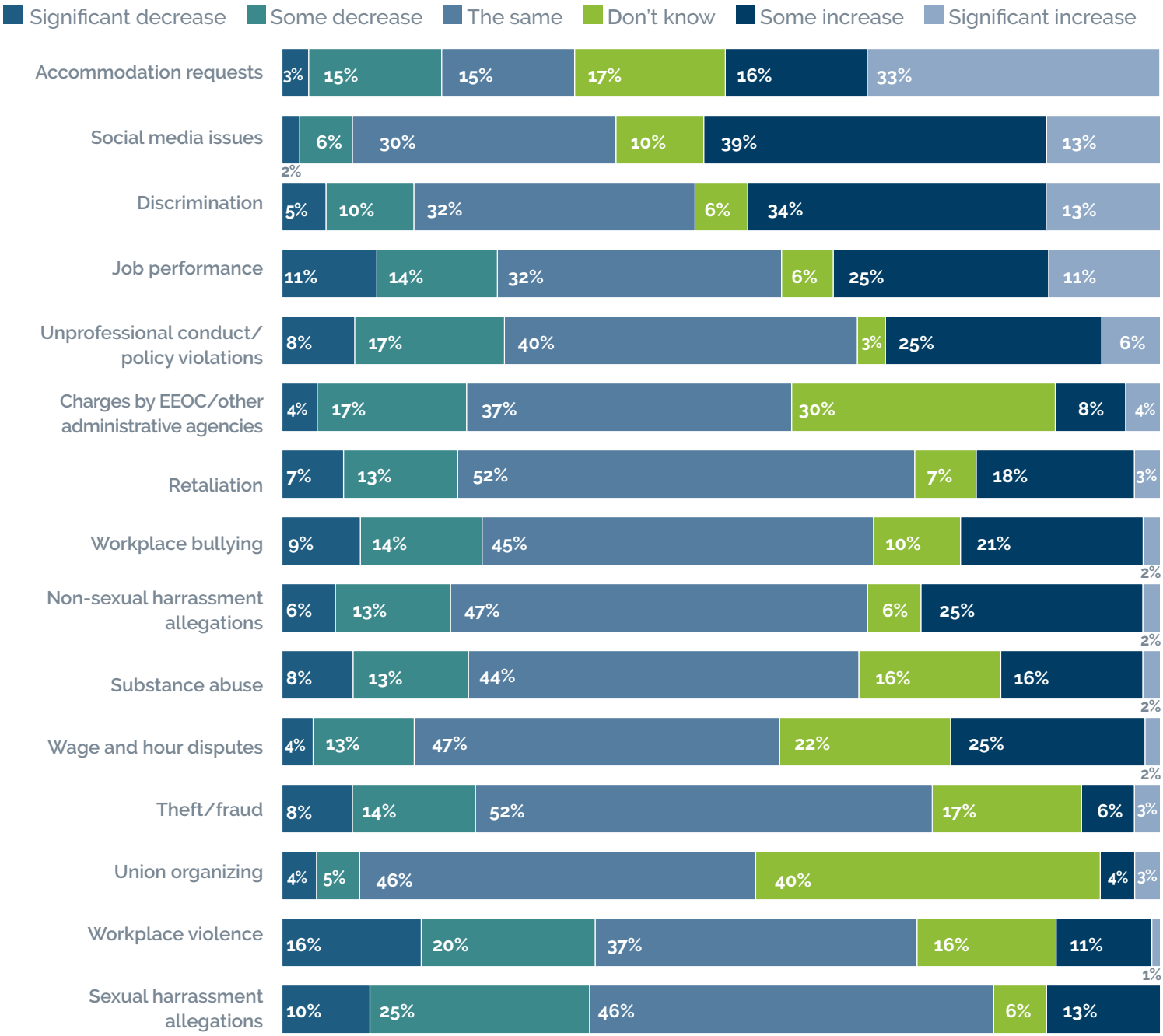
# ISSUE TRENDS

**2020 BEST PRACTICE:**
We had a significant increase of accommodation requests (pandemic-related) and were able to easily pivot, track requests, review with our legal team and determine the best course of action; this data also influenced the need for continued workplace flexibility.

## ISSUE VOLUME

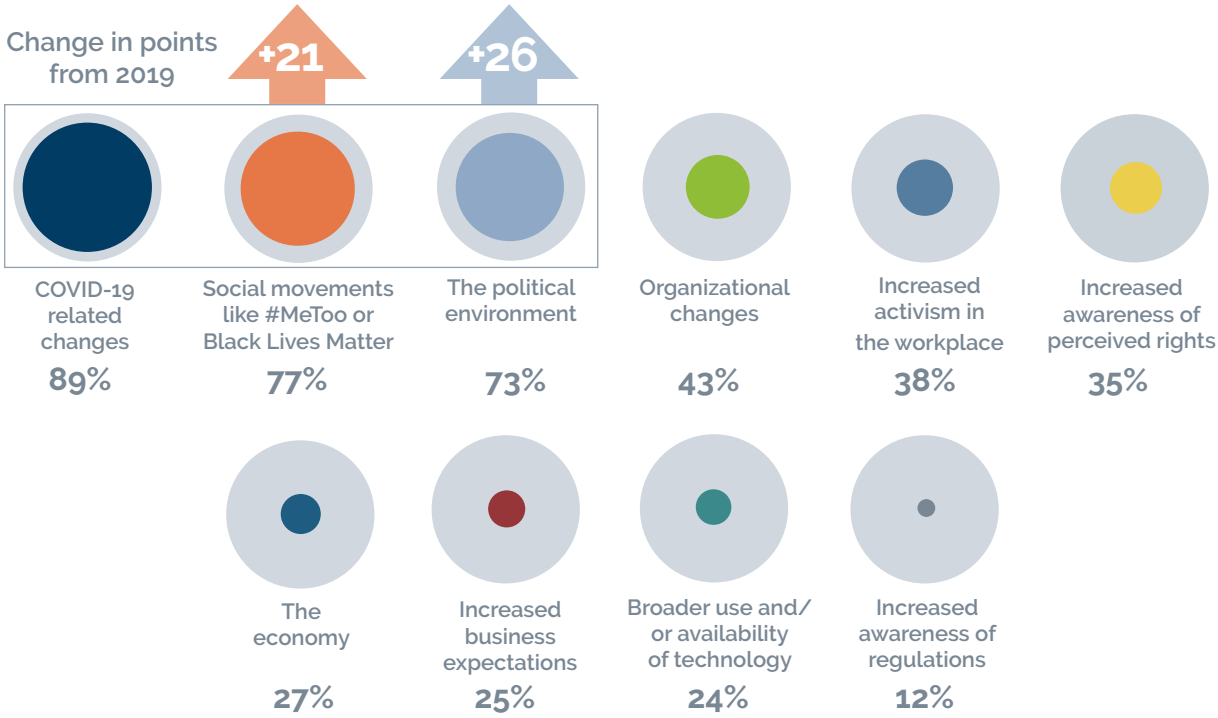
One-third of organizations cited the most significant increases in accommodation requests, followed by social media issues and discrimination complaints. The majority of respondents attribute increases in case volumes over the past year to COVID-19, social movements and the political landscape. While not surprising, this data lends proof to the theory that sharp increases in events beyond work significantly impact employee relations caseloads.

### Case volumes by issue type



# ISSUE VOLUME ... continued

## To what would you attribute any increase in employee-related events/issues over the last year?

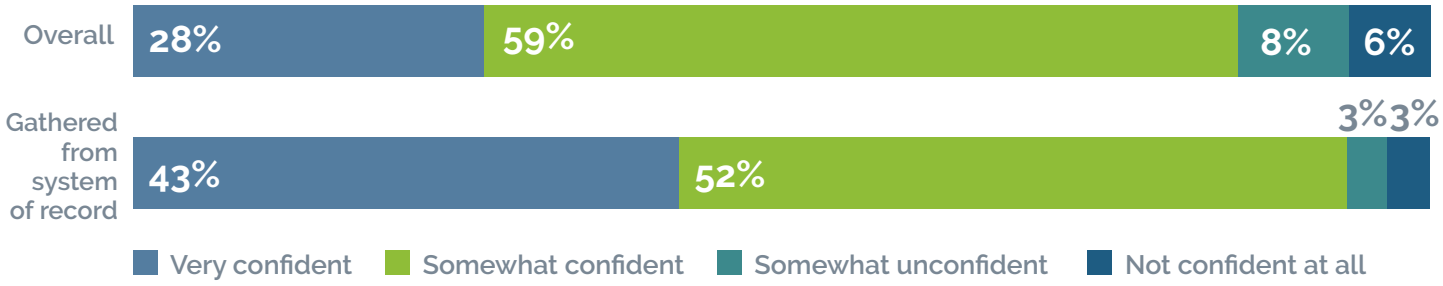



## Confidence in Issue Volume Data

Organizations seek benchmarks on issue volumes to assess what they are seeing compared to other organizations. As issue definitions vary by organization, these numbers serve as guidelines. Consistency has developed as participants track and report with greater precision each year. This year, participants were asked to report the total volume of employee relations cases and the findings were as anticipated with an average of 145.1 cases per 1,000 employees. Participants were also asked about the data sources used to pull this information and their confidence in the reported data. Organizations that use an employee relations technology platform and can easily pull data from their system of record are far more confident in the case data they report.

### Did you gather the issue volume data from your organization's system of record, or are these numbers your best estimates?

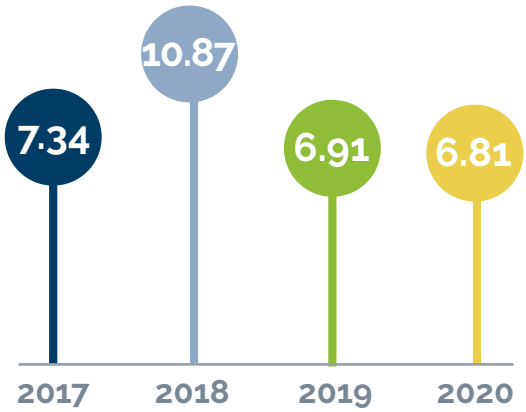
### How confident are you that the reported issue volume data for each case type is accurate?



# ISSUE VOLUME ... continued

This year's issue volume data is inconsistent with prior years. While performance and policy issues remain the most common issue types handled, the volume was about half of the 2019 volume. During the early days of COVID-19 many organizations reported pausing their formal performance review processes or relaxed their overall approach to focus on employee wellbeing during the pandemic. Case volumes for other issue types were also lower, possibly due to remote work environments.

Average number of discrimination, harassment, and retaliation allegations per 1,000 employees




Because there was such a significant drop from prior years, we also compared the issue volume data with participants who were "very confident" in the numbers they reported, typically pulled from the organization's system of record. While still off trend from previous years, the decrease was not as significant. It will be interesting to see if next year's numbers are more aligned with the historical findings.

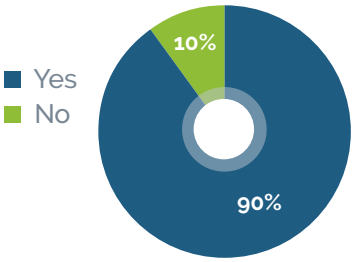
**Total number of employee relations cases organizations managed in the US in 2020: 145.10 (average number per 1,000 employees)**

| ISSUE CATEGORY | Average number per 1,000 employees | Average number per 1,000 employees | | |
|---|---|---|---|---|
| | | Ratios for those very confident in data | 2019 | 2018 |
| **Performance Issues** (e.g., Performance Counseling or Discussion with employee, Performance Advising or Coaching with manager or supervisor, Performance Documentation, Performance Employee Rebuttal etc.) | 33.43 | 41.74 | 61.94 | 65.40 |
| **Policy Violations** (e.g., Inappropriate use of Social Media, Workplace Violence, Electronic Communication, Code of Conduct, Confidentiality, Theft, Fraud, Falsification, Attendance, Substance Abuse, etc.) | 22.58 | 34.39 | 28.73 | 30.43 |
| **Behavioral Issues** (e.g., Unprofessional Conduct, Inappropriate Behavior, Bullying, Non-protected Harassment, Insubordination, Conflicts between co-workers, etc.) | 18.03 | 21.20 | 20.14 | 33.72 |
| Discrimination, harassment, or retaliation allegations | 6.81 | 6.19 | 6.91 | 15.13 |
| EEOC/Administrative Charges | 0.60 | 0.58 | 3.20 | 1.29 |

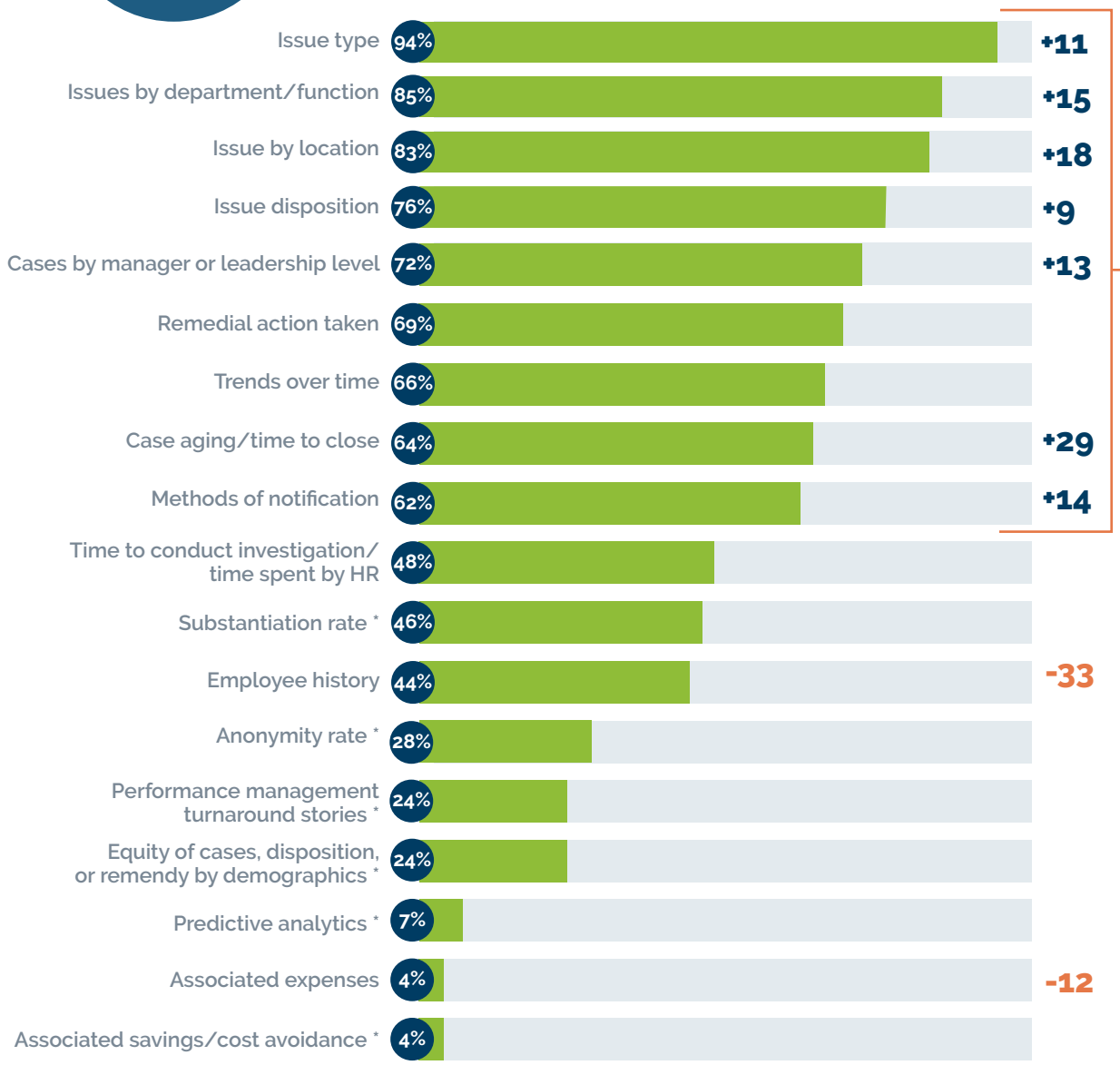
# METRICS AND ANALYTICS

## TRACKING OVERVIEW

### Do you track employee relations and investigation data?




As use of employee relations technology has expanded, so has the tracking of related data. Broad increases in tracking indicate growing emphasis on strategic use of data analytics. Tracking for employee history and expenses decreased unsurprisingly, given the 2020 work environment. Many organizations are also measuring new categories of data including substantiation rate, anonymity rate, performance management turnaround stories; and equity, disposition or remedy by demographics. Look for sustained growth in tracking as employee relations technology adoption continues and allows organizations to easily study the unique nuances of employee relations data.




* New data category added this year

# Please share examples and best practices of how you are using employee relations analytics.

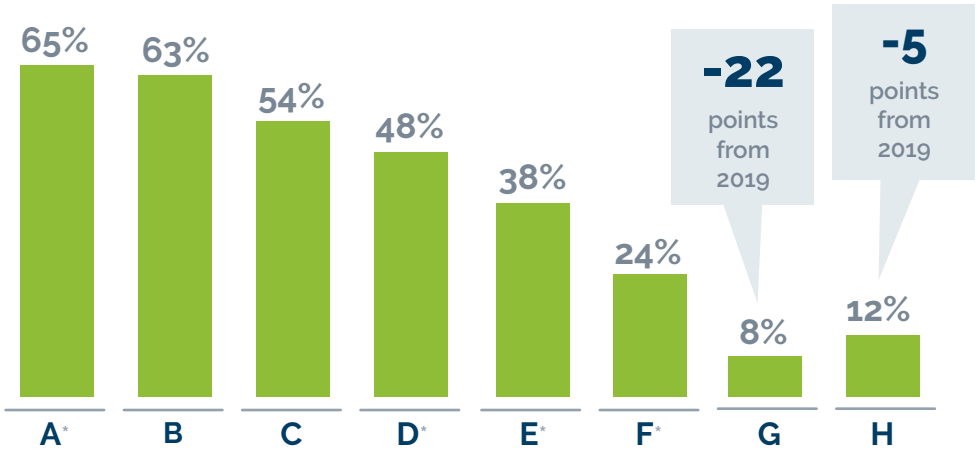
*Ensure global alignment of discipline and response to inform staffing needs and assignments; also leveraged by ER Partners and HR Business Partners to proactively address and lower risk.*

- Track performance issues, PIPs and pass/fail rates; investigations by location, issue type, disposition, trends, business units; review ER caseloads; inform C-Suite of trends, risks and progress.
- Provide transparency by sharing information on issue types and outcomes.
- Finalizing a predictive model which encompasses social network analysis, hotspot growth over time and predictions for employee attrition.
- Deep dive into complainant and subject data and respective relationships; offer consulting guidance to HRBPs on handling hotspots to reduce future EEOC complaints.
- Identify at-risk or high-volume areas and make proactive recommendations/remedial steps.
- Report aggregated data quarterly to identify trends and inform decisions/initiatives; share various information throughout enterprises; deep dive with Ethics Committee to prescribe proactive coaching for repeat violators.
- Review ER trends, internal fraud and workplace safety issues with Ethics Office and report to the board quarterly.
- Identify potential leadership opportunities for improvement.
- Share regularly with Compliance, Legal, Finance/Auditors, D&I and Executive Leadership, for matters that require attention/escalation.
- Identify issues leading to corrective action/termination to offer additional training and reduce turnover.
- Assess the success of speak up and other measures, assess volume and staffing level requirements.
- Address specific trends that require different/innovative approaches (e.g., specialty teams for external events or anticipated spikes around specific issues, behaviors or events).
- Develop matrices for regularly occurring non-investigation issues (e.g., COVID-19 complaints, initial theft and inform D&I council of trends).
- Raise awareness of deficiencies and success rates, manager training needs, performance improvement and policy, process or hiring practice improvements.
- Inform team members culture and values (e.g., identify target populations for compliance, crucial conversations or DISC assessment training).
- Analyze trends to educate teams and managers, monitor risk and costs and develop actionable outcomes.
- Report to Executive Leadership and Legal; QBRs and holistical reviews with Conduct office.
- Conduct audits to drive consistency in ER processes and practices.
- Share ER dashboard with Unit Leaders; annual Workplace Conduct presentation to Risk Oversight Committee presentation.
- Integrate ER insights into cross-functional workstreams to address the root cause of recurring concerns; target hot spots, uncover and address gaps/issues.
- Deliver monthly metrics to ER leadership on enterprise and business trends: case analytics on issue volume, time to close, and time to initial response/contact to measure and improve employee experience.

# METRICS REPORTING

Organizations tracking data are using metrics more and in new ways including to identify training needs, determine at risk populations, uncover diversity and inclusion issues and pinpoint staffing needs. As organizations become more sophisticated in technology use and tracking, additional metrics may be added to the mix. Consistent with prior Benchmark Studies, nearly two-thirds of organizations use metrics for data-driven insights and more than half use data to revise and improve policies. Metrics were used much less for predictive models than in 2019, possibly due to the unpredictable landscape of work. The number of organizations gathering but not using metrics is at a five year low continuing the decline started in 2019.

## How are metrics and data gathered currently used within your organization?




*new answer choices added this year

**A** To identify training needs

**B** To develop more data-driven employee insights and initiatives

**C** To create better employee relations policies

**D** To identify potential issues related to inclusion and equity

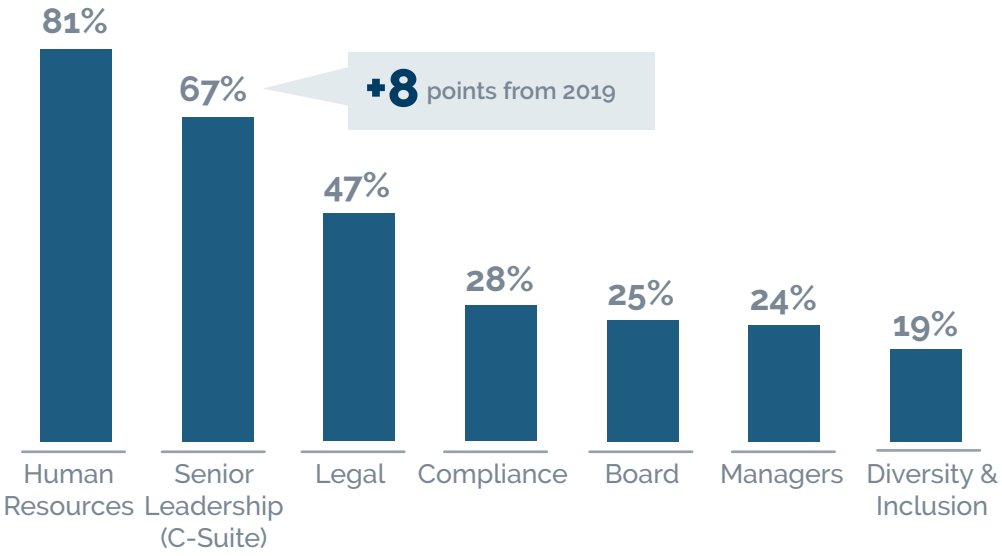
**E** To identify at risk populations

**F** To identify staffing needs

**G** To construct predictive models of employee behavior

**H** Gathered, but not really used

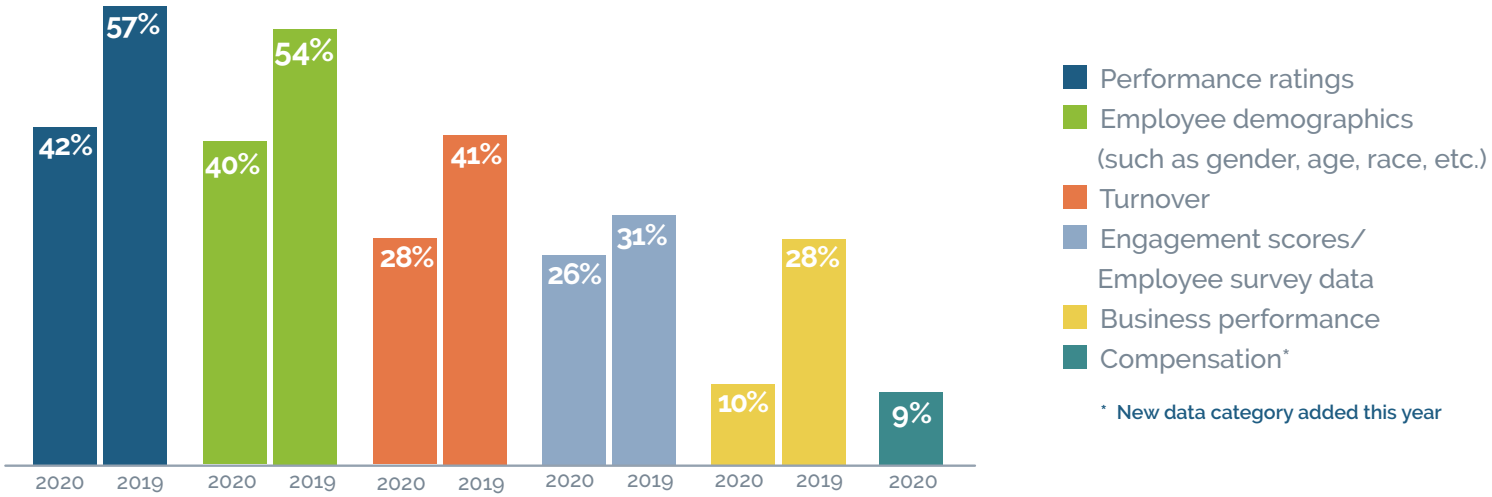
## To whom in your organization do you report metrics related to employee relations activities directly?




Consistent with the past two Studies, data remains most widely shared with HR and senior leadership. Continuing increases in reports directly to senior leadership suggests companies recognize the importance of collaborating with employee relations and value the data.

# INTEGRATION AND ADVANCED ANALYTICS

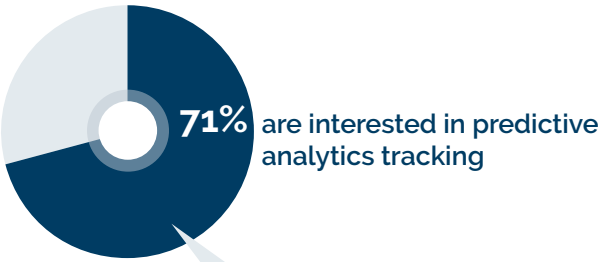
### What other data, if any, do you integrate with employee relations investigation data for further analysis?




Employee relations teams continue to work with other departments to integrate employee data with investigation data for deeper insights. But fewer organizations across the board combined this data than in 2019, possibly due limited cross-departmental collaboration while working remotely or less focus on advanced analytics given the challenges of 2020. It will be interesting to see if these numbers rebound next year.

# PREDICTIVE ANALYTICS AND AI

Predictive analytics and AI remain elusive for employee relations leaders and it's unclear what organizations are actually doing. While 7% of respondents said they track data for predictive use, when asked specifically if they use predictive analytics, none of this year's participants confirmed they are using employee data to forecast future trends or outcomes. This contradicting data calls into question the impact of these analytics or whether organizations are ready to incorporate advance analytics. For the vast majority of participants (71%) predictive analytics topped the tracking wish list, but only 35% have plans to incorporate predictive modeling and AI in the future. The larger the organization, the greater the interest in predictive analytics. These remain key areas to watch.

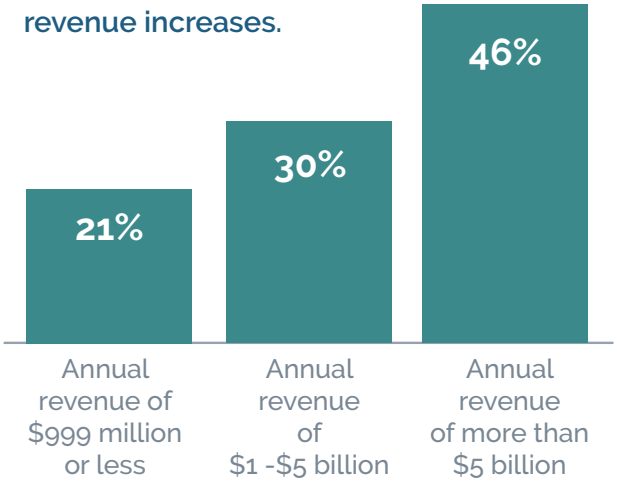



**71%** are interested in predictive analytics tracking

**Are you using, or do you have plans to use, employee relations data for predictive analytics or incorporate with some type of artificial intelligence?**

**35%** Plan to do this in the future

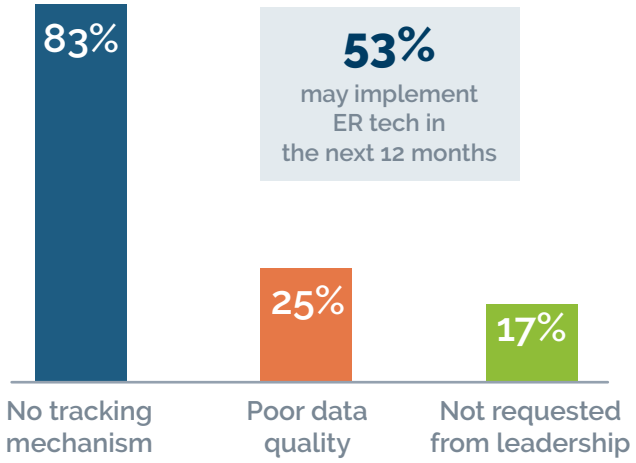
**Plans to incorporate predictive analytics increase as company revenue increases.**



# REASONS FOR NOT USING METRICS/ANALYTICS

Among the small number of organizations not tracking employee relations data the overwhelming majority (83%) cite that they have no way to track the data and 25% of organizations not using metrics struggle with poor data quality. Perhaps the increase in requests from leadership for employee relations data is the reason more than half reported that they may adopt employee relations technology in the next year to enable this capability.

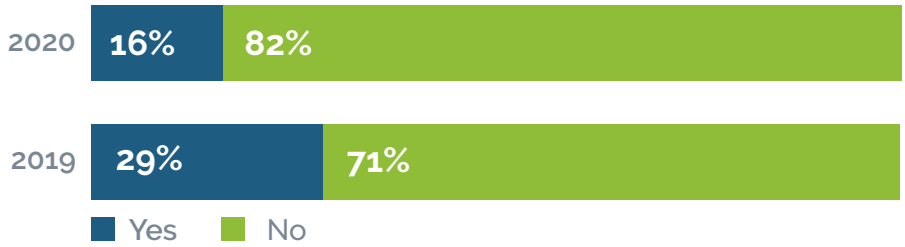
**What are the reasons you are not using employee relations metrics and analytics?**

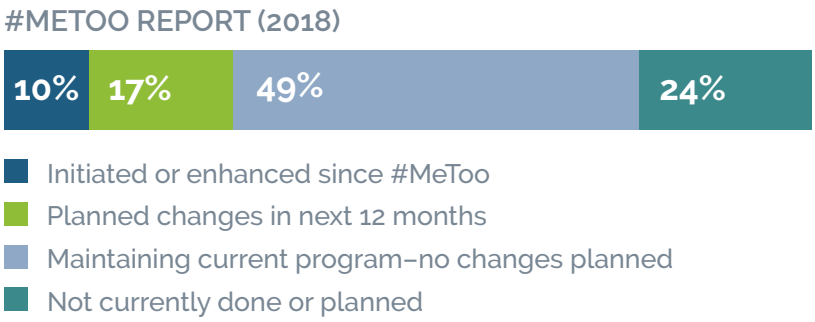



# SHARING DATA ANALYTICS

**Do you share aggregated, anonymous investigation or ER data with employees?**

Though nearly all organizations track employee relations data, very few are sharing aggregated, anonymous investigation and ER information with employees interrupting the trend first spotted in 2018 following #MeToo. At that time, 10% had started publishing of harassment metrics since #MeToo and another 17% planned to do so within the year. As projected, transparency spiked in 2019 with 29% of organizations publishing aggregated anonymous investigation data. This year's downturn is disappointing and concerning as sharing this data with employees drives accountability, builds employee trust and sends a clear message that to employees that concerns and allegations will be taken seriously. Watch this finding to see how organizations respond.

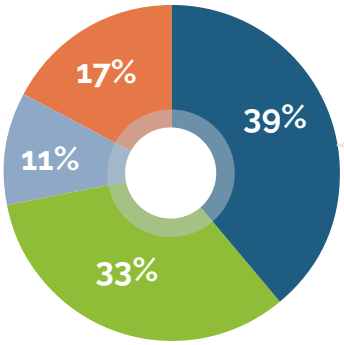


# SHARING DATA ANALYTICS ... continued

The majority of organizations (72%) committed to sharing aggregated, anonymous investigation data with employees are doing so at least once each year, primarily as part of an HR or ER update. One third of organizations share this information as part of a company update.

## How often do you share investigation data with employees?

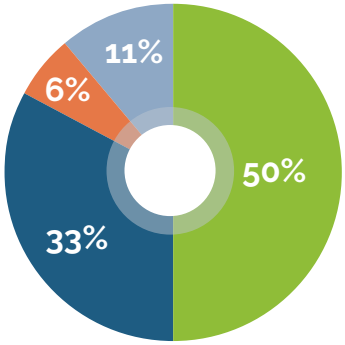



Those sharing data are doing so more frequently—

**+17** points from last year

- More than once a year
- Once a year
- As needed, not according to a formal schedule
- Only upon request

## In what format do you share investigation data with employees?




- Aggregated information as part of an HR or ER update
- Aggregated information as part of a broader company update
- Employee-specific information only upon request
- Other


**Did you find these benchmarks helpful?**
**Interested in what other organizations are doing throughout the year?**

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HR Acuity is the only technology platform specifically built for employee relations and investigations management, helping organizations protect their reputations and build better workplaces.

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