

7 Most Important HR Goals

and How to Achieve Them

Are you ready to take your HR strategy to the next level? By committing to clear, measurable HR goals, you're ensuring your plans will impact your people and the organization positively. Start with any of the seven goals in this eBook, and watch your people programs soar to new heights!



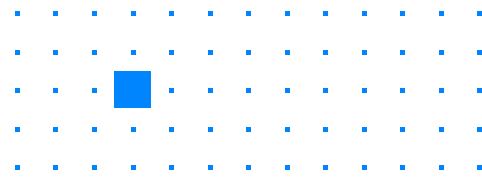
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The Strategic Imperative of HR Goals

In today's rapidly maturing business landscape, human resources' role goes beyond traditional boundaries to become a strategic partner. To do this, HR must align goals with business objectives. It's a mindset that's no longer a nicety; it's a necessity for forward-thinking organizations.

Establishing SMART (Specific, Measurable, Achievable, Relevant, Time-bound) HR goals ensures clear expectations while holding your team accountable to realistic objectives.

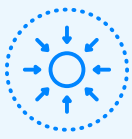
As with finance, IT, and all other areas of the business, HR goals help inform and dictate strategies based on data to maximize impact. The only difference in HR (and it's a big one) is that these goals directly impact everyone in the organization.

So, when thinking about what [HR goals](#) to focus on, it's important to remember they should help employees feel connected to the organization's mission. In addition, they need to deliberately align with core business objectives.

Practical HR goals can help businesses:

- Focus on the right priorities.
- Attract and retain top talent.
- Enhance employee engagement.
- Foster a productive workplace culture.
- Grow and scale.

In the following pages, we will explore the seven most important HR goals and discuss proven initiatives for achieving them. We'll also examine the significance of accountability and credibility in tracking goals. Finally, we'll explore the integral role that people analytics plays in these endeavors.



Specific

Choose goals that are specific to the objectives you are hoping to achieve.



Measurable

Ensure your goals are measurable. E.g. "reduce turnover by 5%" instead of simply "reduce turnover".




Attainable

The goal is challenging but achievable with the resources available.



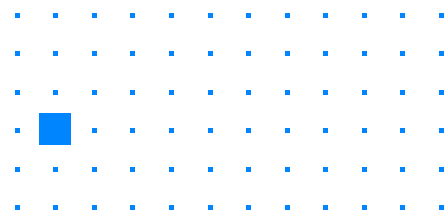
Relevant

The goal meaningfully contributes to top line business objectives



Timely

The goal has a deadline or, better yet, a timeline of progress milestones.



Typical HR Goals: Aligning Strategy and People

Common HR goals often focus on improving workforce diversity, employee engagement, turnover rates, hiring efficiency, and operational costs. These goals are instrumental in building a future-proof organization. Some of the most common and essential HR goals to achieve include:

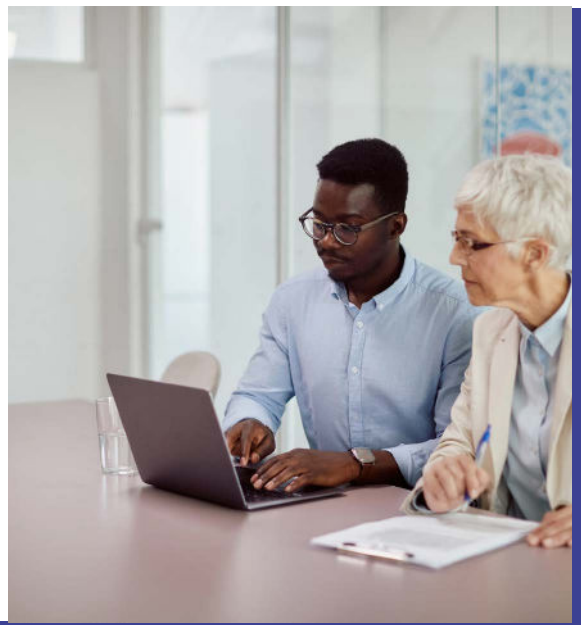
1. Increasing female hires and headcount.
2. Reducing the gender pay gap.
3. Increasing the number of women in leadership roles.
4. Reducing employee turnover.
5. Increasing employee engagement.
6. Saving costs.
7. Streamlining hiring processes.

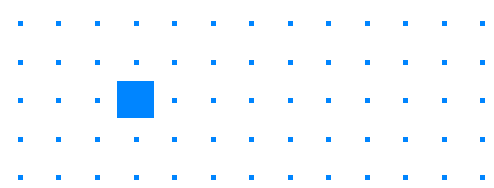
Keep in mind that your organization's goals will be unique to the problems you need to solve. However, the benefits remain the same, regardless of your selected goals.

Practical HR goals help guide data interpretation and decision-making while increasing focus on the right priorities. For example, if one of your goals is to increase female hires, you will interpret hiring data based on how it relates to or could impact this goal. This level of focus gives you a north star, something to always refer to. In the end, it can lead to improved processes, increased levels of accountability, and ultimately creates a new way of working that will drive your business forward.

“Employees whose goals align with the organization’s objectives are **8.9 times more likely to say, “My job matters” and **7.2 times** more likely to value the organization’s mission.”**

BI WORLDWIDE (2021)





1 - Increasing Female Hires and Headcount

When it comes to diversity, equity, and inclusion, there are many different goals an organization could focus on. For the purpose of this paper, we'll be focusing on the three most common goals we see globally: increasing female hires and headcount, reducing the gender pay gap, and increasing female leadership roles.

For starters, increasing the number of female employees within an organization is crucial. This baseline DE&I metric helps ensure your workforce has varied perspectives, enhancing creativity, and fostering a more innovative work environment.

While the reasons to increase female representation in an organization is clear, many still need to set (and track) clear goals aligned with these objectives. If you're not sure where to start, don't panic—we've got you covered.

“

“The value of a diverse team is its capacity to challenge the norm of groupthink and thus boost organizational performance and improve decision-making.”

Yrthya Dinzey-Flores, Senior Vice President, DEI,
Warner Music Group

Proven initiatives to achieve this goal:

- **Retention policies:** Develop policies that support the retention of female employees, such as flexible work arrangements, paid parental leave, and childcare support. These policies can and should vary depending on the country where your employees reside. Particularly in the United States, one of the only developed nations in the world where the national government offers 0 weeks of paid leave for new parents. (Note: Some states offer paid family leave; however, the specifics vary by state).
- **Promote women:** Set clear benchmarks and policies to support the advancement of women in the workplace. We will delve into this topic further when discussing the increase in female leadership positions. When hiring women, it is important to establish clear policies on how you will intentionally promote women internally, making it an attractive benefit for prospective female employees.
- **Objective recruitment processes:** To ensure fairness in the recruitment process, consider utilizing objective criteria and structured interviews to reduce the possibility of unconscious bias. Focusing on skills and competencies rather than subjective factors can help boost the odds of hiring qualified female candidates.

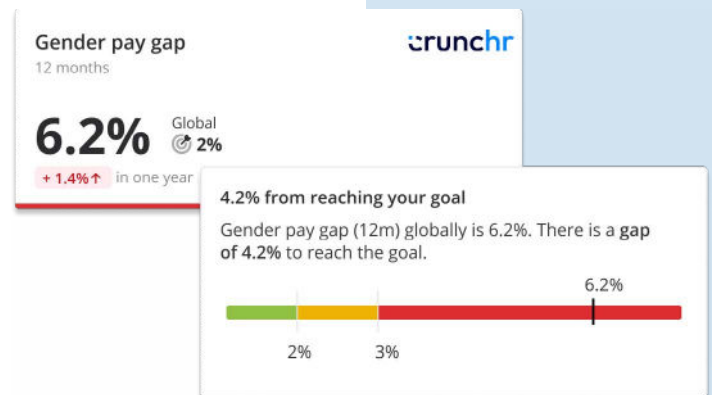
2 - Reducing the Gender Pay Gap

Achieving pay equity is crucial for fostering a fair and inclusive workplace. Unfortunately, despite gains before the COVID-19 pandemic, the gender wage gap has shown stubborn resistance to change in recent years. And behind the stark numbers lie the less visible forces of unconscious bias, discrimination, and outdated workplace policies that contribute to this inequity.

Reducing this gap is essential for maintaining employee morale, ensuring compliance with equal pay regulations, and attracting top talent. So, how can you move the needle?

Proven initiatives to achieve this goal:

- **Increase pay transparency:** Implement transparent pay policies, conduct regular pay practice audits, and provide manager training for equitable pay discussions. Transparency helps identify and address pay disparities, ensuring fair compensation for all employees.
- **Implement salary bands:** Revise compensation policies to minimize subjective elements in salary decisions. Use fixed salary bands based on role and experience to ensure consistency and fairness. Regularly review and update the bands to reflect market changes and ensure competitiveness. This approach promotes fairness and reduces the gender pay gap over time.



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“Cultivating true equity goes beyond policies and practices. By nurturing a sense of belonging, trust, and joy within teams, you are creating a workplace where innovation and resiliency become the common denominator.”

Jaqueline Oliveira-Cella, Health at Work and WellBE Consulting

3 - Increasing the Number of Women in Leadership Roles

Promoting women to leadership positions is essential for diverse perspectives at the decision-making level while creating a culture where individuals can see a potential for growth. Female leaders advocate for policies promoting diversity and inclusion and they showcase a commitment to equity. To achieve this goal, it's important to track the percentage of female managers in your organization and explore initiatives to increase this number. This goal is especially crucial in today's workforce, where many experienced female leaders are leaving.

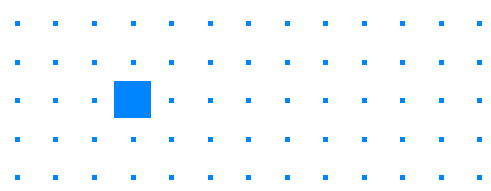
Proven initiatives to achieve this goal:

- **Identify high-performing individuals (HiPos):** Organizations can create tailored development plans for female employees by implementing regular performance reviews and collaborating with managers to identify individuals with potential growth opportunities.
- **Female leadership development programs:** Once you've identified high performers, it's time to design programs for women to prepare them for leadership roles. Do this through mentorship, executive coaching, and networking opportunities that create a talent pool of highly qualified female candidates.

- **Employer branding and ERGs:** Employer branding campaigns and Employee Resource Groups (ERGs) can emphasize an inclusive company culture where women want to stay and grow. ERGs provide insight into how women are treated at your organization, offer a safe space for them to speak up about inequities, and provide opportunities for women to take on leadership roles in specific projects.

The most diverse companies **outperform** their peers financially by: **39%**

McKinsey: Diversity Matters Even More
- The Case for Holistic Impact, 2023



4 - Reducing Employee Turnover

High employee turnover is arguably one of the most detrimental people problems an organization can face. Turnover leads to increased recruitment, onboarding, and training costs, loss of institutional knowledge, and decreased morale among the remaining staff.

Furthermore, replacing employees disrupts workflow and productivity, negatively affecting overall business performance. By reducing turnover, companies can maintain a stable, experienced, productive, engaged workforce.

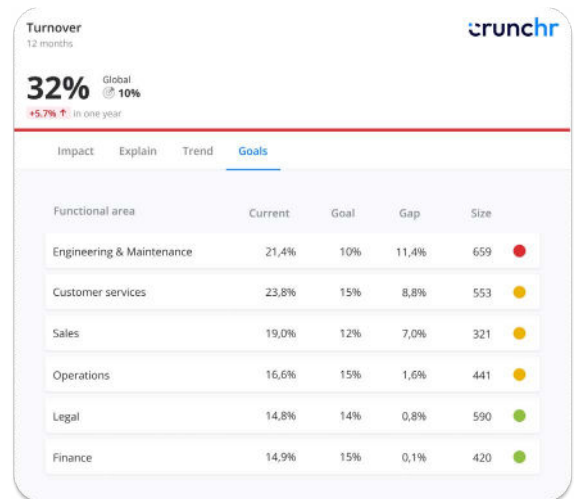
Proven initiatives to achieve this goal:

- **Flexible working arrangements:** To support work-life balance, consider offering flexible working options, such as remote work and flexible hours. Develop policies and train managers to effectively support these options, which can lead to increased employee satisfaction and lower turnover rates.

- **Wellness offerings:** Provide holistic wellness programs covering physical, mental, and financial health. Offer resources like gym memberships, mental health support, financial planning, and regular wellness activities. Investing in employee wellness shows commitment to their wellbeing, reducing burnout and absenteeism, and fostering a more productive workforce.
- **Create a winning company culture:** Establish a positive and inclusive company culture that aligns with employees' values, fosters commitment, and encourages transparent communication. In doing so, you'll attract and retain dedicated employees and create a cohesive workforce.

The total cost of losing an employee can be up to **1.5 - 2x** their annual salary

Josh Bersin, CEO, Josh Bersin Company



5 - Increasing Employee Engagement

Engaged employees are vital for a successful organization. When describing employee engagement, Gallup outlines three personas: engaged, not engaged, and actively disengaged. They go on to say that the third persona, **actively disengaged employees, are unhappy at work, AND they harbor resentment while acting out their unhappiness.** ▶▶▶

Knowing this, **increasing employee engagement is one of the most critical HR goals** you can undertake. Increasing engagement can potentially impact all the other goals on this list, making it a top priority.

Proven initiatives to achieve this goal:

- **Employee recognition programs:** Hearing “Thank you” at work has the power to profoundly impact employee engagement. Ways to incorporate recognition moments into your culture include recognizing colleagues for a job well done, celebrating work anniversaries, and rewarding employees for going above and beyond on a particular project. Companies whose employees receive regular recognition reported increased engagement, productivity, reduced burnout, and improved feelings of psychological safety

- **Learning and development:** Provide employees with ongoing learning opportunities through workshops, online courses, and mentorship programs. Personalized development plans show your commitment and can boost engagement and loyalty.
- **Employee advocacy:** Give your employees a voice. Train supervisors on how to solicit their team’s ideas and feedback while allowing them to connect their work to the bigger picture. When employees feel they are doing work that matters, they are less likely to disengage.

Not engaged or actively disengaged employees cost about \$1.9 trillion in lost productivity

Gallup, 2024

6 - Saving Costs

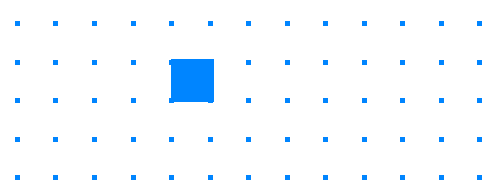
Effective cost management is crucial for an organization's financial health. While HR has always been a cost center for the business, it's important to remember that smart people decisions can help your business increase revenue. They also help boost HR's reputation to a strategic partner.

Proven initiatives to achieve this goal

- **Pausing salary increases:** Temporarily pausing increased rewards can be an effective short-term strategy to manage costs during financial downturns. Transparent communication during these times will be crucial to maintain engagement while reducing costs.
- **Strategies to reduce absenteeism:** Wellness programs, flexible work arrangements, and initiatives that address both physical and mental well-being can decrease productivity losses. This ultimately leads to significant savings.
- **Optimize spans and layers:** By decisively reducing layers, streamlining reporting lines, and enhancing decision-making processes you can create a more agile organization. One that operates efficiently while supporting employees who have been impacted by change.

Companies that set performance goals quarterly can generate 31% more returns than those reassessing annually

Josh Bersin, CEO, Josh Bersin Company

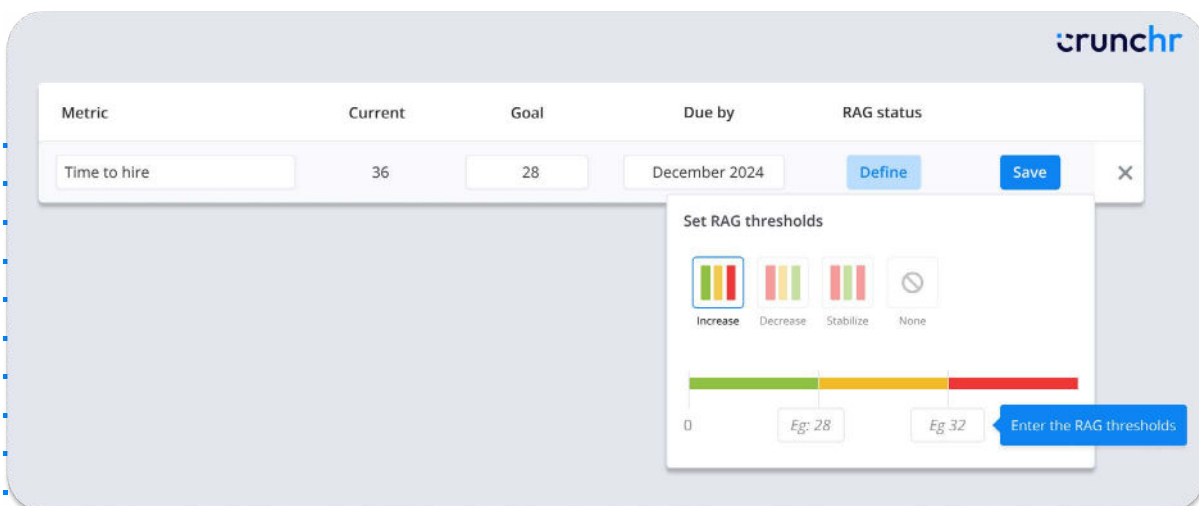


7 - Streamlining Hiring Processes

Efficient hiring processes have several benefits. First and foremost, they can reduce hiring costs while ensuring your organization can quickly fill vacancies with qualified candidates. All of this helps to maintain productivity while preventing disruptions in operations. An effective hiring process also enhances the candidate and onboarding experience. Finally, efficient hiring enhances the organization's reputation among employees and potential candidates.

Proven initiatives to achieve this goal:

- **Employee referral program:** Tap into your current employees to connect with potential candidates, creating a formal referral program with clear guidelines and incentives. Employee referrals often result in high-quality hires seamlessly integrating into the company culture, offering a faster and more cost-effective recruiting process.
- **Cutting external agencies:** A highly skilled internal recruitment team will lower costs and empower precise alignment with organizational goals and culture.
- **Optimize for the best-performing recruiting channels:** Analyze and optimize recruiting channels like job boards, social media, and the company website to find the most effective sources for high-quality candidates. Track metrics to identify top-performing channels and focus efforts there to improve applicant quality and reduce time to hire.
- **New candidate assessment process:** Consider implementing online assessment tests tailored to specific roles (e.g., customer support, IT, marketing) to screen out unsuitable candidates early in the hiring process. This helps weed out ineligible candidates, ensuring that only the most qualified candidates move forward.



Conclusion

Setting and tracking practical HR goals are crucial components in driving the business forward. They're also key to HR transitioning to a strategic partner. Without clearly defined goals, how can you measure HR's impact and demonstrate you've achieved your Objectives and Key Results (OKRs)?

With Crunchr, you can set, track and achieve your goals. Crunchr's user-friendly people analytics platform simplifies this process. By enhancing visibility into your HR goals, Crunchr democratizes data while helping your team align on core strategic objectives.

Individuals are **42% more** likely to achieve goals when they are physically recorded.

Dominican University of California



See how it works in Crunchr

Endnotes:

- BI Worldwide. (n.d.). *Four keys to goal setting that increase employee performance and reduce attrition.*
- McKinsey & Company. (2023). *Diversity matters even more: The case for holistic impact.*
- Gallup. (n.d.). *What is employee engagement and how do you improve it?*
- Bodell, L. (2018, April 27). *It's time to put performance reviews on notice.*



people analytics for people

Crunchr consolidates your people data in its secure and intuitive people analytics platform, making workforce insights easily accessible. Crunchr helps you achieve your HR goals by:

- 1. Centralizing your data:** Crunchr collects your people data from various HR systems, giving you a single source of truth.
- 2. Setting goals in Crunchr:** Use these insights to set SMART goals that align with business objectives.
- 3. Tracking progress in real-time:** Crunchr visualizes progress toward your goals. This helps your team identify areas for improvement while prioritizing effectively.
- 4. Driving action:** Identify issues, determine root causes, and take corrective measures. You can also pinpoint potential risks and take preventative actions, continuously improving HR strategies.

★★★★★ G2: 4.9

★★★★★ TrustRadius: 9.8

See Crunchr in action

Let's Chat

