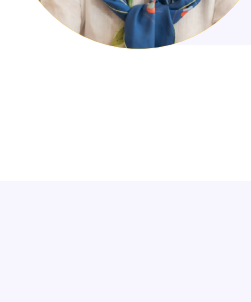
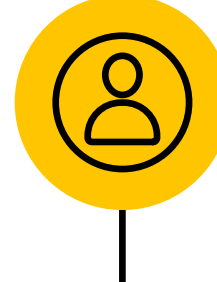


Roundtable Roundup

Making People Count



Maximizing Human Capital Investment for the Ultimate ROI: What Employers Need to Know with Dr. Solange Charas, Author, Professor, and CEO of HCMoneyball



Hiring for Values-Alignment

How can talent acquisition elevate from the single most inefficient function in a company to the function that drives quantifiable bottom-line impacts? Optimizing your Human Capital Return on Investment (HCROI) might just be the answer. Read on for a summary of the topics discussed and insight discovered during this exclusive roundtable discussion.

[Watch the Roundtable](#)

Calculating HCROI

Where Human Capital Cost is the total cost of your workforce, including things like salaries, benefits, onboarding, training, tools etc.

$$\frac{(\text{Revenue} - \text{Human Capital Cost})}{\text{Human Capital Cost}} = \text{HCROI}$$

1 Human capital initiatives have a material impact on sustainable corporate financial outcomes.

The mindset of treating human capital as a sunk cost or an expense instead of an investment in an intangible asset no longer holds water. Intangible assets are responsible for the vast majority of a company's long-term market valuation. So, in today's service-based economy, people are often the biggest driver of a company's economic value creation.



On human capital

"People are becoming more central to the way that we run our businesses, the way that we create value. And it's incumbent upon us as human capital professionals, to quantify the value contribution that we make to organizations."



2

When you use the word investment, you automatically think of returns.

When we reclassify human capital as an investment, we have an obligation to quantify and show a return on that investment for stakeholders. This means that talent acquisition and human resources teams are not just responsible for measuring programs against traditional function-specific KPIs; they now must connect the dots between their investments and the organization's overall financial performance.



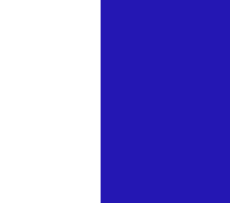
On investment returns

"If you're spending the most of your expense on people and you're not measuring whether you're getting a return on that spend, you are not being a responsible business manager."

3

HCROI is the mother of all metrics that help organizations show the return on investment in human capital.

Human Capital Return on Investment, HCROI, is an economic indicator of the efficiency of investments in human capital—it answers the question, for every dollar invested in the workforce, what is the adjusted profitability returning to the company? If improving HCROI by 5% generates \$30 million more in profit, how much of the \$30 million are you willing to invest in the human capital initiative to improve HCROI? This kind of conversation gives human capital practitioners a seat at the table.



On HCROI

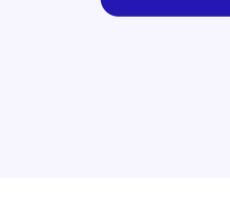
"Using data analytics to understand human capital performance is like following a treasure map where the X is a double treasure chest. One is for the company, and the other is for the brand of human capital. All of a sudden, human capital is showing that they're contributing to the company's financial success."



4

Every organization has its own dials to turn, but everything comes back to HCROI.

Human capital is complex and multivariate. Whether it's candidate experience, L&D, retention, mobility, or adding AI to the business model to fill the human shortages as baby boomers retire, human capital practitioners must figure out which strategies will increase their organization's labor productivity. However, the goal should be creating value for the organization, not a TA-level goal.



On where to invest

"How do we connect the dots between what's happening in HR and what's happening in your financial performance case? That's really what your executive management is going to care about."

5

Hunt elephants, not squirrels.

There are many places to invest money, so invest in talent acquisition programs, tools, and technology that will generate the biggest value for the organization, as measured by HCROI, not vanity metrics. Listen to your workforce and make decisions that will impact most people, not the squeaky wheel, which often happens when decisions are not based on data.



On prioritization

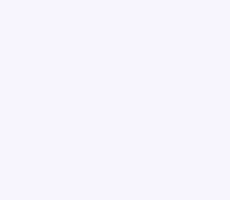
"When you make recommendations, you need to understand the statistical and economic significance of that. Because if you're going to invest dollars, invest dollars in a program that's going actually to generate value for the organization."



6

Pulling key levers can help you manage the company to sustainable performance.

Companies with a high return on their invested capital tend to actively manage four key levers: revenue, cost, assets, and liabilities. Organizing your thoughts around these levers can help you explain what's happening from a human capital perspective. For example, attrition is a significant cost, showing up in replacement hiring, overtime, burnout, and opportunity loss to revenue. Implementing strategies to improve retention can have a considerable positive impact on HCROI.



On sustainable success

"It's not about providing training, job opportunities, or pay. HR's obligation is to manage human capital in a way for the company to stay in existence. Because if the company goes out, nobody has a job."

About JobSync

JobSync's Hiring Operations Platform is at the forefront of Talent Acquisition innovation, designed to streamline and improve recruitment processes to achieve their hiring goals. JobSync optimizes hiring experiences for candidates and recruiters alike, doubling hiring velocity, ensuring legal and data compliance, and keeping candidate data secure. JobSync vastly improves the candidate journey and recruiter productivity and adapts to existing hiring technology and purpose-built business processes, allowing employers to grow even in challenging markets. Leveraging unbiased, cutting-edge technology and a deep understanding of recruitment challenges, JobSync is committed to revolutionizing how employers approach hiring operations, ensuring a competitive edge in today's dynamic market. Experience the future of recruitment with JobSync - where efficiency meets excellence.

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