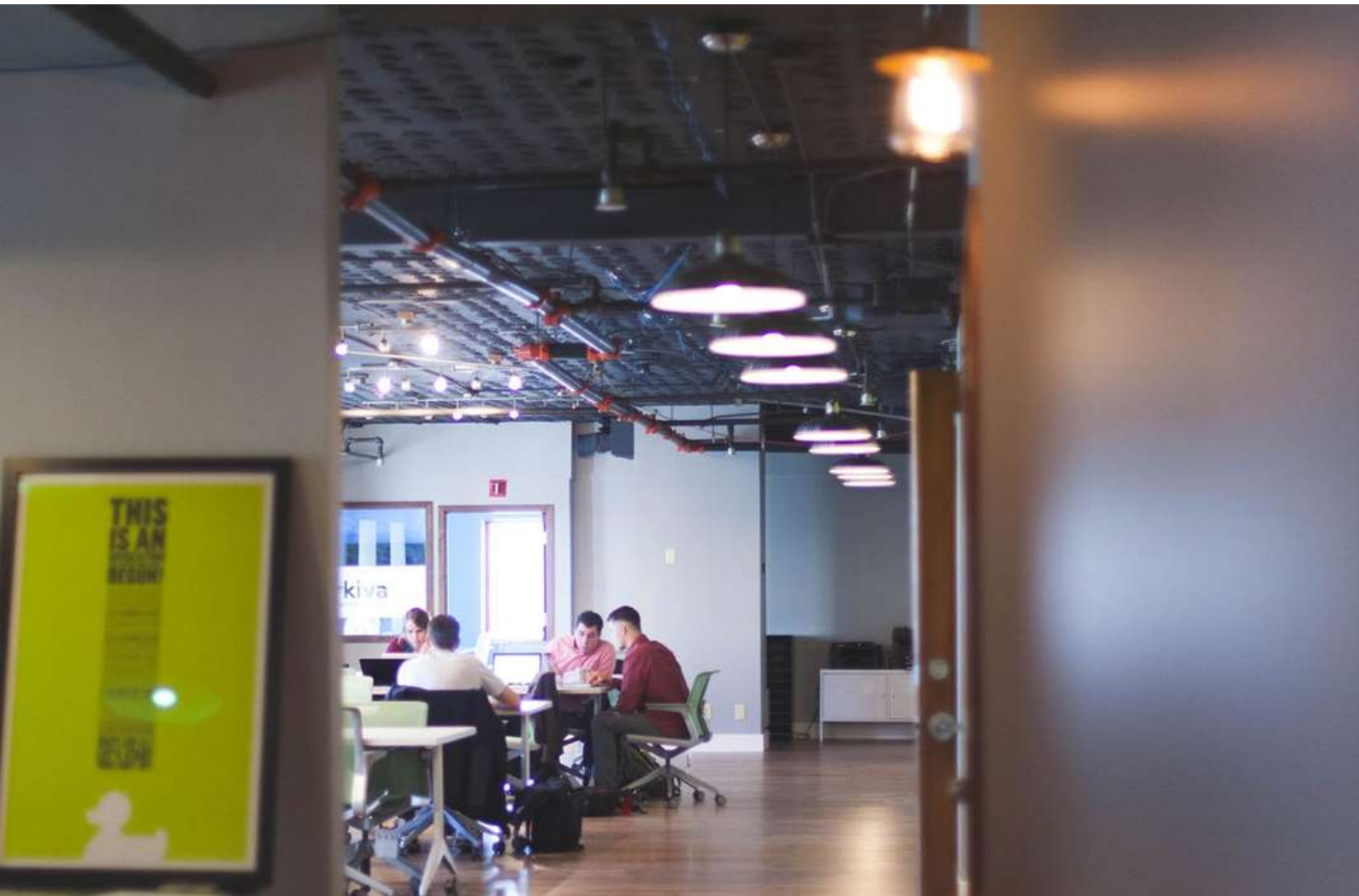


## HR Planning and Controlling



# HR Planning and Controlling

Manage and plan human resources successfully

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# Manage and plan people successfully

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Used properly, the symbiosis of **human resource planning and controlling** enables the company to manage, plan, monitor and forecast its status of human resources in a balanced way according to the **available resources and the strategic corporate goals**. Human resource controlling is related to human resources and finance and includes both strategic and operational considerations.

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## 1. Flexible Planning and Controlling: Decide quickly and reliably

With the purpose of **providing information, evaluating activities, planning, controlling and monitoring human resources**, as well as the **early detection of deviations**, human resources managers and controllers have to master a complex, cross-departmental task. In this context, Excel solutions often reach their limits and thus cannot guarantee reliable data. Short-term adjustments are hardly possible.

A modern controlling technology that **integrates all source systems and relevant stakeholders**, such as the HR department, management and central & decentralized controlling, assists this process. smartPM.solutions works with several market-leading controlling technologies that provide a **seamless connection to all source systems** (e.g. ERP - SAP) via standard connectors. This provides a **100% reliable data basis with real-time data**. Automatized processes reduce repetitive, manual tasks and **integrated communication and collaboration tools** and authorization concepts simplify cooperation. The precise allocation of responsibilities for individual tasks avoids interface issues and ensures the treatment of sensitive, personal data. Loss of information and errors are avoided.

A module-based HR Controlling solution is therefore recommended, which can be expanded step by step and captures or simulates **impact analyses** of HR decisions on the **company's performance**. This covers the requirements of the management with the possibility of short-term adjustments.

Hereby HR Controlling is **performed on a continuous cycle** to maintain transparency about the workforce status and processes. This overview allows important recruitment and personnel projects to be brought forward and less important ones to be initiated later. This ensures that capacities are **planned optimally**, and the available resources are used in a **target-oriented manner**.

## 2. Key HR - indicators & HR - development

**HR controlling is mostly driven through key indicators.** Indicators provide decision-relevant information on the costs, success and benefits of measures taken. The quantitative and qualitative indicators of HR controlling shown in **Figure 1** provide supervisors an overview of HR development. These key indicators can also be classified according to efficiency, effectiveness and cost controlling aspects.



Figure1: Key indicators cockpit HR controlling, overview, qualitative and quantitative

Below you will find the key indicators of the indicator cockpit that are relevant for HR controlling and planning:

- **Staffing demand and structure:** Staffing ratios, levels, needs, labour capacity, age, gender, qualification structure, high potentials, seniority, etc.
- **Recruitment:** Qualified applicants per job, interview rate, hiring rate, productivity and costs of recruitment per entry (e.g., through headhunters), etc.

- **Staff deployment:** Comparison of target and actual hours, performance level/labour productivity, absence, sickness, overtime rates, costs of absences, parental leave, etc.
- **Staff development:** Education and training costs and -time per employee, share of total costs, promotion rate, return on training and structure of training measures, etc.
- **Staff management:** Costs per employee, turnover rate and costs, benefit utilisation and expenditure, pay group structure, pension entitlement per employee, fringe benefit costs, etc.
- **Staff compensation:** Compensation costs, social plan costs, labour court costs, salary costs during the redundancy phase, etc. - allocation per employee
- **Qualitative key indicators:** Change/development of the corporate culture, employee motivation, working atmosphere, leadership behaviour, potential assessments, etc.

### Sample question 1: How do labour costs per employee develop over time?

The above mentioned KPIs can be assisted by clear and meaningful visualisations. **Figure 2** shows the development of personnel costs by employee/group over time and allows you to drill down to a detailed level by clicking on the interactive dashboard.

Figure 2: Graphical overview of labour expenses development by employees/groups with drill-down function



### 3. Understand the current staffing requirements: Properly recruit and develop employees

**Sample question 2: Are the key roles adequately covered? How many positions need to be refilled?**

A central task in HR planning and controlling is **the recruitment and allocation of capacities with alignment to the strategic corporate goals**.

A staffing plan (see Figure 2) with the assigned positions per cost centre incl. type of position, number of applicants per position, target and actual costs (actual FTE), weekly hours as well as the fixed and variable salary provides decision-makers with a comprehensive overview of the workforce status

The green area shown for HR planning, which provides an overview of currently occupied and **vacant positions (V)** or **positions with limited deadlines** (e.g. fixed-term employment, soon to retire, etc.) is of special interest. From this, the **need for re-staffing** becomes clear. By jumping to the detailed level of the job an in-depth analysis and the start of appropriate initiatives may be obtained.

The screenshot shows a software interface for HR planning. The main table lists positions with columns for Cost Center, Position Type, Position Name, Validity, Weekly Hours, FTE, Salary, and Vacancies. A detailed view on the right shows a timeline of vacancies (V) and filled positions (F) from 2021 to 2025.

Cost Center	Position Type	Position Name	Valid from	Valid to	Weekly Hours (Std)	FTE (Std)	Salary (Std)	Salary (Actual)	Salary (Target)	FTE (Actual)	Key Personnel (Std)	Salary (Actual)	2021 01	2021 02	2021 03
111 Finance					28.8		22,100.00	6,100.00	28,200.00		F	27,761.25			
00000 Controller	Finance	Hauptstelle Controller	01.01.2021		38.5	1	3,420.00	1,200.00	4,620.00	0.5	2	4,220.00			
00000 Teamassistentin	Finance	Hauptstelle Teamassistentin	01.01.2021		38.5	1	2,400.00	0.00	2,400.00	1	1	2,400.00			
00001 Spezialist	Finance	Hauptstelle Spezialist	01.01.2021		38.5	1	3,230.00	2,500.00	7,730.00	1		7,730.00			
00002 Planer	Finance	Hauptstelle Planer	01.01.2021		20	0.5	1,450.00	500.00	1,950.00	0.5	1	1,801.25			
00003 Controller	Finance	Hauptstelle Controller	01.01.2021		38.5										
00004 Assistentin	Finance	Hauptstelle Teamassistentin	01.01.2021	31.12.2021	38.5										
00005 Buchhalterin	Finance	Hauptstelle Buchhalterin	01.01.2021	31.12.2021	38.5										
00104 Sachbearbeiterin	Finance	Hauptstelle Sachbearbeiterin	01.01.2021	30.04.2022	38.5										

The detailed view on the right shows a timeline of vacancies (V) and filled positions (F) from 2021 to 2025. The timeline is color-coded: green for vacancies and yellow for filled positions. The timeline shows that the position of Controller is vacant from 2021 to 2025, while the position of Teamassistentin is filled from 2021 to 2021.

Figure 3: Staffing plan with possible drop-down to detail level



## 4. Identify trends & forecast future challenges

**Which requirement profiles will exist in 10 years' time? What skills need to be built up in the team?**

As part of **strategic planning**, the solution enables you to determine/simulate which skill profiles will be necessary for a long-term period, such as **5-20 years**. The solution also enables to form job clusters and build up skills in the team with corresponding lead times (**career path planning**). The initiative tracker allows the initiated measures to be monitored. Trends and forecasts help to predict opportunities and risks, such as dismissals or longer absences in the future, at an early stage and to take appropriate steps.



Figure 4: Key indicators presented clearly - interactive dashboards with Drill-Down function

## How will salaries change in the next few years due to collective agreement adjustments?

Figure 5 provides a **scenario analysis** for salary costs and thus offers a data-based, reliable basis for decision-making, e.g. for setting future budgets.



Figure 5: Scenario analysis for salary costs



Especially labour-intensive companies, such as service companies, need **resilient planning and precise forecasting** of their expenses. Figure 6 shows a **value driver tree** for salary costs and simulates **the influence of selected factors** on salary costs. In this case, these value drivers represent drivers of salary costs.

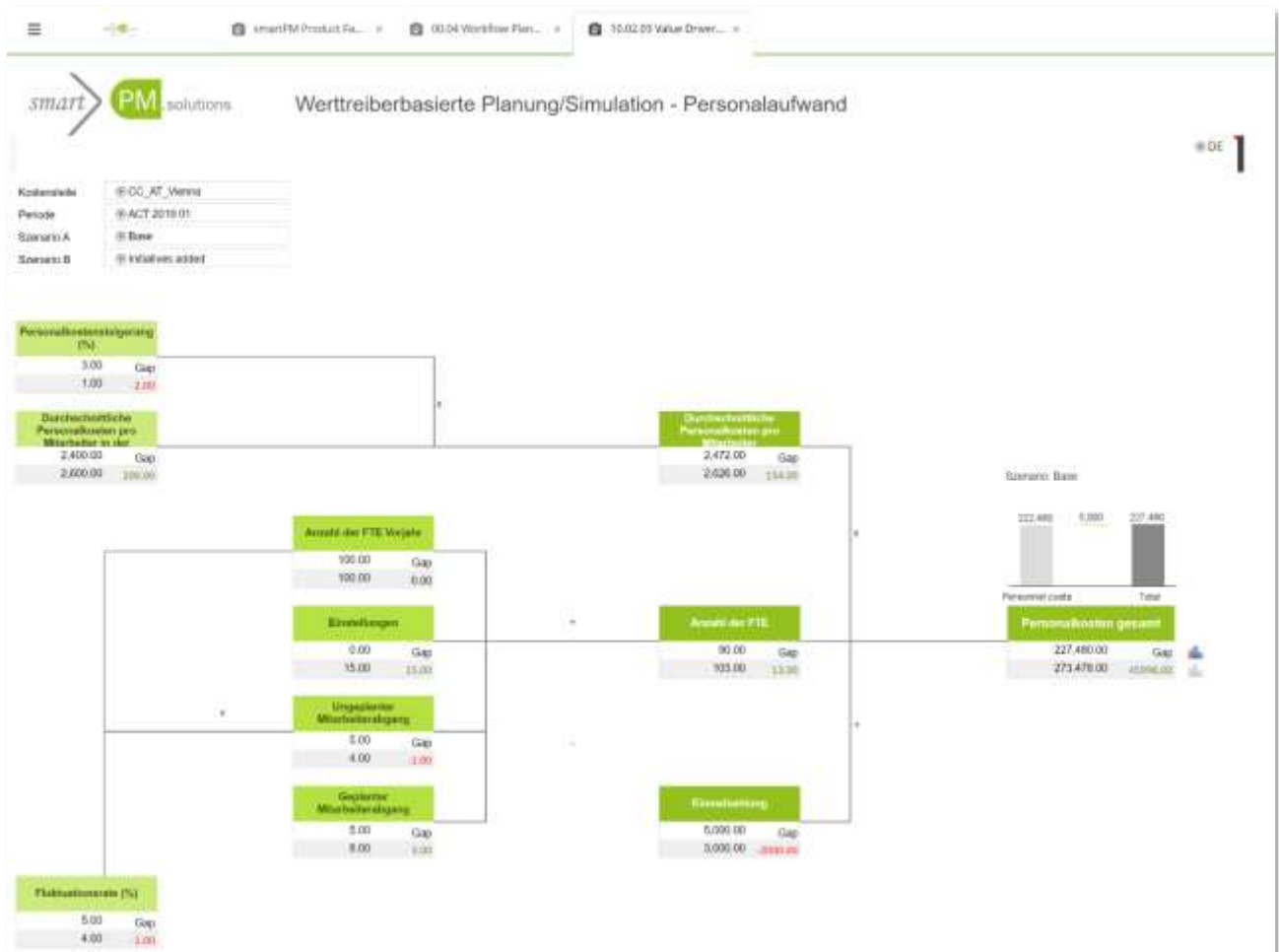


Figure 6: Value driver tree salary costs

**Employees as value drivers:** Simulations using value driver trees can be very helpful in the course of integrated planning in **evaluating value drivers for the company's success**. The employees themselves, with their knowledge, skills and creativity, their motivation, communication skills or leadership competence, can have a significant influence on the company's success. Defined and optimised corporate processes and structures can further **promote human potential**. Examples include sustainable leadership, well-designed communication and cooperation, and reliable corporate guidelines.

**Figure 7** shows a **capacity plan** providing information on which phases of the project employees are needed simultaneously due to their qualifications and where thus bottlenecks may occur. This allows

for early actions to be taken and, if necessary, projects to be prioritised within the **strategic business objectives**.



Figure 7: Capacity planning, bottleneck analysis

## 5. Accelerated & Resource-Efficient Reporting

The layout of the **standardised, fully automated reports** can be flexibly adapted to departmental or company standards and prepared with relevant graphics for the decision-makers. They allow the current staff situation to be recorded, such as headcounts, FTE, costs, target/actual comparisons, etc., as well as developments, planned measures and their implementation. **Maximum flexibility** is provided by the automatic distribution function to all relevant departments/participants and an export function in various formats (Excel, Word, PDF). **Figure 8** shows a table-based standard report with sample graphics on the anticipated change in the age structure of the company in the coming years.

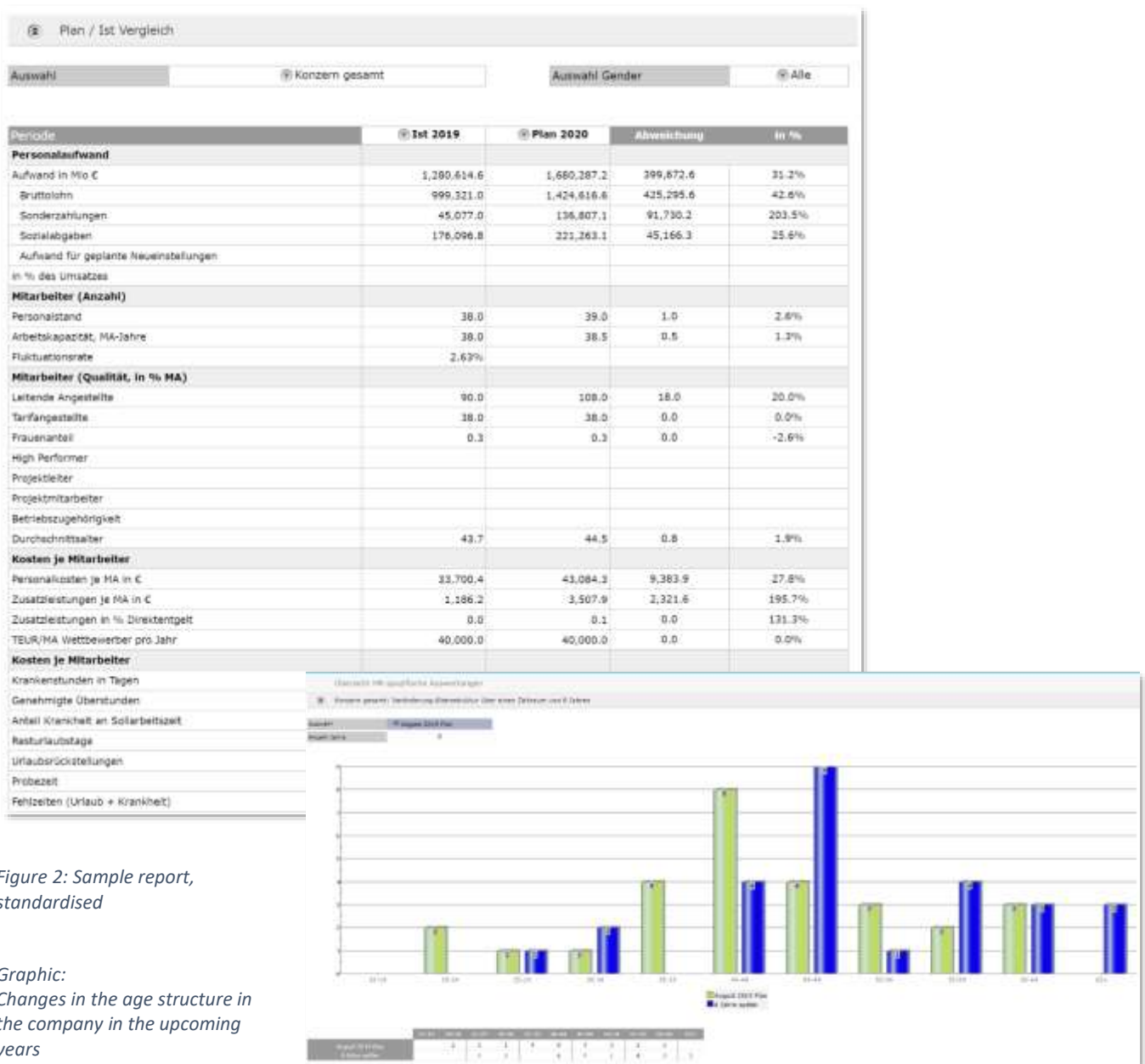


Figure 2: Sample report, standardised

Graphic:  
Changes in the age structure in the company in the upcoming years

## 6. Structured workflow for HR Planning & Controlling

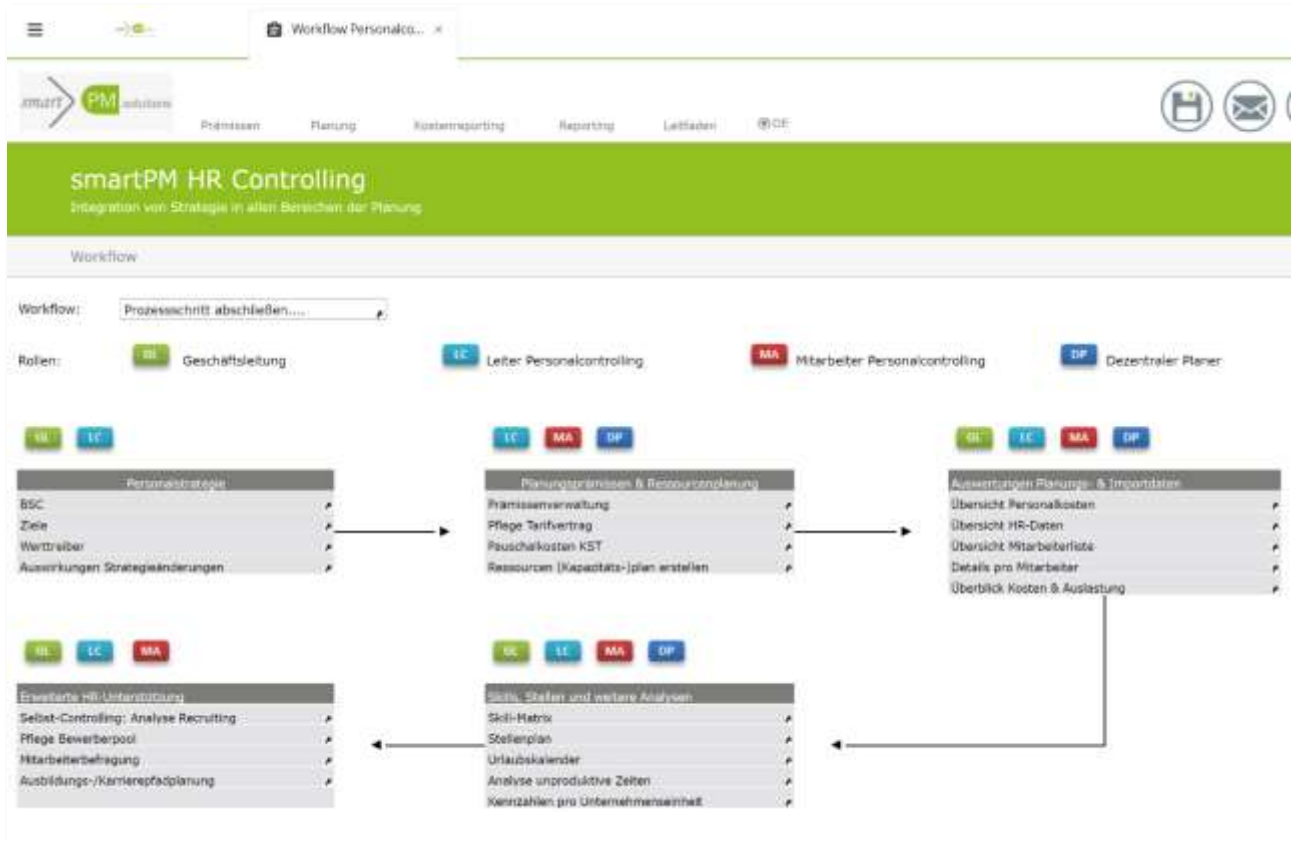


Figure 9: Workflow Overview from the module HR Controlling of smartPM.solutions

**Figure 9** summarises once again which processes of HR Controlling and HR Development are managed in the smartPM.solutions HR module. Starting with the support of the development of the **HR strategy** (e.g. with balanced scorecard approaches), the identification of value drivers and their application for planning or simulation up to the classic **HR cost planning** and the work with the **workforce plan**, all essential topics are supported in one system.

Planning the skills required in the future ("skill" planning, career path planning) as well as the identification of bottlenecks, especially regarding skills required in specific projects, complete the range of possibilities. The seamless integration with the **Project (Portfolio) Controlling** as well as the **Integrated Corporate Planning** extend the application possibilities of the module.

## Comprehensive & transparent Reporting:

- Reliable dashboards with your Corporate Identity
- Modern, standardised, automated reporting with comprehensive information: Key indicators, current Workforce status, HR development, proposed measures, implementation etc.
- Sharable with all relevant departments/participants
- Export features in various formats (Excel, Word, PDF)



## Flexible & proactive HR Planning:

- Standardized, yet flexible and expandable key indicator cockpits and dashboards, Drill Down
- Planning for employees, jobs, cost centers, departments, cost center splitting level
- Planning of work hours, reassignment, FTE, salary, social security, etc.
- Various time scales for planning and scenarios
- Various user roles & authorisation models
- Integrated collaboration and communication tools (e.g. Teams Integration) incl. Task assignment and tracking
- Forecasting trends, developments - seamless Machine Learning (ML) Integration
- Comparisons & benchmarks internally and externally (actual-actual, target-actual, will-actual, etc.)
- Flexibility: short-term adjustments on a 100% reliable data basis
- Capacity planning, Resource optimization, Career path planning - Integration in corporate planning and impact analysis on the corporate result

Overview of smartPM.solutions HR Planning and Reporting features















Integrated Planning. Ad-hoc Analysis. Precise Forecasts. Perfect Reports.

smartPM controlling solutions are based on **market-leading CPM technology** and work with multi-dimensional and multi-attribute data cubes that link data from many different sources (e.g. ERP system, CRM system, etc.) in a short time for **agile decision making**.

Starting with the (top-down) target setting for different products and markets as well as the identification of the necessary sales operation to achieve these targets (go-to-market planning), the product family provides a genuine, integrated corporate planning. smartPM.solutions product range covers the **Controlling of Marketing, Sales, HR, S&OP and Project Portfolios/Programs**. Seamlessly **integrated AI functions** not only improve data quality, but also allow **precise forecasts** for many influencing factors and data. The key advantage compared to other providers is the use of **practice-proven, predefined yet flexibly customisable**, Excel-like software modules. In addition, there are specialised industry solutions such as for the [real estate industry](#) or [energy supplier](#) modules.

<b>10</b> good reasons for smartPM	 Most competent consulting team > 500 projects closed	 We listen carefully and follow through	 Dedicated Data Science-Team for precise forecasts with AI	 One integrated platform connecting all source systems	 Rapid implementation (o within 3 month)
	 Latest technology & low total cost of ownership	 Bullet-proof, predefined solutions	 Precise analysis & forecasts at your fingertips	 50-60% time-saving in planning processes	 100% data reliability and very happy clients

smartPM.solutions unique feature? The experience as well as **economical and technical** background of our consulting-team. More than [500 successfully completed projects](#) with very happy clients, and a short implementation-time of 3 month tell a lot about our approach. We support the complete control cycle on the strategic, tactical, and operational level with an excellent price performance ratio - [because we love what we do](#).