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Website- www.aarf.asia, Email : editor@aarf.asia ,
editoraarf@gmail.com

Critical Study of HR Analytics and Organisational Effectiveness in The Context of Digitalization

By

Prof. Dr. Vrushali B. Yadav (Shitole)

Associate Professor

BharatiVidyapeeth (Deemed to be University), I.M.E.D. Pune, Maharashtra, India,

Email: vr.shitole10@gmail.com

And

Prof. Dr. Mahesh V. Shitole

Professor

BharatiVidyapeeth (Deemed to be University), I.M.E.D. Pune, Maharashtra, India,

Email: mahesh.shitole20@gmail.com,

Abstract

The article critically examines the current state of HR analytics and organizational effectiveness in the context of digitalization, in the hope of encouraging further research. The discussion is structured by two main themes: the possible effects of digitalization on HR analytics; and how HR analytics may shape organizational effectiveness. Digitalization and HR Analytics In recent years, the term “digitalization” has become a buzzword in many areas of life. It is widely believed that digitalization will change the way we live, work, and interact with each other. The business world is no exception, digitalization has led to the emergence of new technologies. One of the most significant developments in technology in recent years is digitalization, which has given rise to a variety of new business models. It is expected that the adoption of digitalization will continue to grow, as it allows businesses to reach more customers and create new opportunities for growth.

Keywords: HR Analytics, Organisational Effectiveness, Digitalization, Organisation’s Performance, HR professionals.

Introduction

HR analytic play a vital role in the modern digital era for the organisation. HR analytics can be a powerful tool to improve the organisation's performance. The most important role of HR analytics is to develop talent and engage in the development process. Talent management is one of the key challenges for organisations, as it. Every organisation has a different agenda and priorities, which is why implementing HR analytics can be quite a challenge. HR analytics should be a tool to support and enable the organisation, not a solution in itself. HR analytics can be a powerful tool to improve the organisation's performance, but it is not a silver bullet. It is important to remember that the value of HR analytics lies in its ability to enable the organisation to make better decisions, and this requires time and effort. A range of benefits can be realised by using analytics to support HR functions. These include Improving employee engagement by improving the speed and quality of HR services. For example, by making it easier for employees to find information about their benefits, such as health insurance or retirement plans. Reducing costs by streamlining HR processes. For example, by using technology to help employees access benefits and training programs. Improving the effectiveness of the workforce by developing better talent management strategies. For example, by providing employees with more support for their career development helps them to be more productive. Increasing employee engagement by focusing on the workforce as a whole, rather than just the individual employees. For example, by encouraging employees to participate in decisions that affect their work or by creating a sense of community within the organization.

In a nutshell, it's about creating an environment where employees feel that they are part of something bigger than themselves and that their work is valued. The main benefit of this approach is that employees will be more engaged and committed to the company's success. The role of analytics in modern business is no longer a choice. Without data-driven insights, business leaders are unable to take firm action and make decisions for the company's future. HR Analytics is the key to employee experience as it helps managers to understand their workforce and employees better.

HR Analytics can help companies find out what employees are thinking, feeling and doing by tracking their actions and interactions inside and outside of work. It's also important for HR departments to realize that analytics is not just about performance management. The focus should be on all aspects of the workplace, such as employee retention. HR Analytics is considered to be a game-changer in the field of HRM. It is aimed towards optimizing the effectiveness of HR functions and human resource processes and is achieved through the use of data-driven decision making, analytics and sometimes machine learning.

The organizations are now able to make intelligent decisions based on their understanding of holistic business results, as well as by identifying potential areas for improvement in the functioning of the human resource management systems.

Objectives of the study

This paper aims to examine the implementation of HR analytics in organisations and how they can overcome challenges related to its use. This paper examines how organisations can achieve success by utilising various technologies such as digitisation and analyses whether digitisation would help them overcome some of the common challenges faced by organisations when using such technologies.

Research Methodology

In order to evaluate the effects of HR Analytics on organisations, data is gathered from various sources and combined to provide an insight into the topic of the study. The sources include published papers and reports from different reputed secondary sources. The data is then analysed and processed to generate meaningful insights that can be used for this research.

Literature Review

Businesses are undergoing constant change. As a result, HR departments need to adapt quickly with the changing face of work and management. Since businesses are living in a world where technology has become an integral part of daily operations, the role of HR professionals has drastically changed. Although, previously the position of HR was to handle the administrative tasks and paperwork, now it has become more than just that; it is all about dealing with people, their skills, and helping them succeed in a challenging work environment(Fitz-Enz, 2010).

HR Analytics is a relatively new term which refers to the use of data to improve decision-making processes within human resource. Organisations can benefit a lot from utilising data analytics in the field of human resources. Data analytics are being used to understand the behaviours and

groups of employees, look at the effectiveness of training programmes, evaluate leadership styles and recruit people who are best suited for certain roles. HR analytics is a relatively new area within HR. It has been present for more than a decade but it has taken off recently with the increased availability of data and technology. HR analytics can be applied across all areas of HR, including talent management, employee engagement, recruitment, compensation and employee performance (Agarwal & Dhar, 2014).

Digitalization significantly contributes to the development of human resources (HR) analytics. Apart from the fact that digitalization is inextricably linked with HR analytics, it also has a positive effect on the functioning of HR analytics systems (Loebbecke & Picot, 2015).

HR analytics is an information system that uses data to measure and predict employee behaviour and productivity, as well as performance management and training. Its importance has been realized by many organizations around the world, including the United States and Europe, with the aim of improving personnel decisions and the overall efficiency of their business (Bhimani & Willcocks, 2014).

HR Analytics is a set of tools that allow managers to monitor and track the performance of their employees in a systematic way. This allows them to identify issues, measure and improve performance and leverage the data to make strategic business decisions. It can be used to analyse information related to recruitment, training, career progression, retention, employee absence and motivation (Yoo et al., 2012).

HR analytics is the process of collecting, analysing and using data to drive and inform HR processes. With the increasing relevance of big data analytics in business, HR analytics has become a significant source of business insight. It helps HR professionals to identify the root causes or predict future outcomes by leveraging advanced analytical techniques such as predictive modelling. HR analytics is key to improving decision making in HR (Selwyn, 2015).

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HR analytics is a growing field. It helps HR professionals to identify the root causes or predict future outcomes by leveraging advanced analytical techniques such as predictive modelling. HR analytics is the process of collecting, analysing and using data to drive and inform HR processes.

It is used to identify patterns and trends in the data, which can be used to make better decisions. It helps HR professionals to make better hiring decisions, increase employee retention rates, improve customer service and reduce costs. HR analytics uses advanced analytical techniques to extract useful information from the data and convert it into meaningful insights (Daniel, 2015).

The importance of HR analytics is growing rapidly in today's competitive business environment. Organizations are increasingly looking for ways to improve their performance by leveraging the power of data and analytics. HR analytics is the use of data and statistical analysis to make better decisions in human resources management (Agarwal & Dhar, 2014).

HR analytics helps organizations gain a deeper understanding of their workforce, identify trends, predict future needs, and take proactive steps to retain talent. Workforce analytics can be used to improve talent acquisition, development, and retention. For example, an organization may use workforce analytics to determine the skills needed for a particular job role or to identify gaps in their talent pipeline. They can then work to fill those gaps through recruiting, training, and development. In addition to helping organizations identify their workforce needs, workforce analytics can also be used to help predict future needs. For example, an organization may use workforce analytics to identify which jobs are expected to be most in demand over the next five years. They can then use this information to help inform their recruitment and training strategies. For example, an organization may decide to focus on recruiting individuals with the skills needed for jobs that are expected to be in high demand. They can then work to fill those gaps through recruiting, training, and development. Alternatively, an organization may decide to focus on recruiting individuals with the skills needed for jobs that are expected to be in low demand. They can then work to reduce the number of employees in those positions through training and development. To determine the right approach, organizations should assess their workforce and identify the skills gaps. Then they can decide how to fill those gaps and which types of employees to focus on recruiting (Yoo et al., 2012).

HR Analytics and Organisational Effectiveness in The Context of Digitalization

Digitalization is a broad term that refers to the increased use of digital technology in our daily lives. The concept of digitalization is becoming increasingly important in many areas, including the field of human resources (HR). HR analytics and its related concepts are part of the digitalization trend. HR analytics is the use of data and statistical methods to analyse human resources. It aims to help companies improve their recruitment, retention, and motivation strategies.

Human Resource Analytics (also known as HR Analytics) is the process of collecting data and analysing it to create information that helps human resource professionals make better decisions. However, HR analytics has been slow in its development because it is a relatively new field that combines multiple disciplines such as data science, business intelligence, psychology, sociology, and management.

The digital age has created opportunities for companies to collect more data about their employees. The key challenge is how to use this data to understand people's performance at work and predict their future success with the company, without infringing on their privacy or personal freedom. While this may sound like a futuristic concept, there are already many companies that are using data to make smarter decisions about their employees. Some of these companies have been recognized for their innovative use of data and analytics.

Digitalization has brought HR Analytics to the forefront of business research. HR Analytics is the process of collecting and analysing sets of data to make better decisions and obtain insights that inform the development of the most effective human resources strategies, policies, and processes. It is the use of data analytics to drive more effective human resource management processes across the workforce and throughout all areas of the enterprise. HR Analytics may be used to predict long-term workforce trends and assess how well a company is prepared for them. It can even be used to identify weak spots in training, employee satisfaction, and other areas that affect productivity. This is important because it can help you to focus your efforts on areas that need improvement. HR analytics is a tool that uses data to analyse the performance of human resources. It helps you to understand how well your employees are performing and how they can improve their performance. HR analytics is not just used to measure the performance of employees, but also to understand the overall effectiveness of your organization. This will help you identify areas where improvements can be made.

HR analytics can help you identify the top performers in your organization. This will help you retain them and give them the right incentives to keep them motivated. Also, it will help you identify the underperformers and address their issues.

Identify and Reduce Cost of Poor Quality

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Identify and Reduce Cost of Poor Quality in the Organization

HR analytics can help you identify cost of poor quality in your organization. This will help you to understand the root cause of the problem and how to solve it.

For example, you can identify the top 10% of your employees who are the most expensive to hire and fire. This will help you to understand why they are costly and how to reduce their cost.

Reduce training costs

Training is a big cost for any organization. It is also one of the most effective ways to improve quality and productivity. By using HR analytics, you can reduce training costs by identifying employees who are ready to learn and provide them with the right training at the right time.

Reduce turnover costs

When employees leave, they take a lot of knowledge and experience with them. Analytics can help you identify employees who are likely to leave and offer them training or support to keep them from leaving. This reduces the cost of turnover and helps you retain

Turnover is expensive.

Not only do you have to spend money on hiring and training new employees, but you also lose the productivity of your current employees while they are searching for they take their data with them. You can't access that data if they stop using your product or service.

Customer analytics can help you understand why customers are leaving and how to keep them from leaving.

HR analytics is the application of data-driven decision making to the field of people management. It uses the same techniques as business analytics but applies them to human resources. A key area of people analytics is HR metrics. It helps managers to get a better understanding of their employees by using specific metrics such as:

Attrition rates – the percentage of employees who leave a company within a specific period of time.

Retention rates – the percentage of employees who stay with a company for a specific period of time.

Recruitment costs – the cost of recruiting new employees.

Training costs – the cost of training new employees.

Benefits costs – the cost of providing benefits to employees, such as health insurance and retirement plans.

Absenteeism – the percentage of time that employees are absent from work.

Turnover – the percentage of employees who leave their jobs voluntarily.

Workplace accidents – the number of workplace accidents per year.

With the help of analytical tools, organizations are able to identify the most important indicators of their performance and results. These indicators are used to measure the progress towards a desired future state of the organization and its individual elements (business processes, departments or employees).

Analysing these indicators allows for a faster identification of the reasons for failures and successes in the specific areas. Moreover, thanks to this analysis, managers can gain a deeper understanding of how their decisions affect the whole organization and make better-informed decisions. A deeper analysis also allows for an increase in transparency and communication between departments, as well as an improvement in decision.

Conclusion

HR Analytics is a field that has been developed in the past decade and focuses on using data to improve the effectiveness of employees, their engagement and ultimately their performance.

The field of HR analytics comes with a number of advantages such as accurate use of data to make decisions, the support of effective decision-making processes and enabling organizations to become more transparent and open. Furthermore, the use of data can reduce costs and increase productivity. The use of analytics in HR is currently not widely spread the possibilities of Digital Transformation in the area of HR Analytics and Organisational effectiveness are huge. With the right tools and measurements, HR professionals can successfully drive change management and deliver measurable results but is definitely growing. Some companies have been able to achieve great results by applying this new approach towards employees. The possibilities of Digital Transformation in the area of HR Analytics and Organisational Effectiveness are huge. With the right tools and measurements, HR professionals can successfully drive change management and deliver measurable results.

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