

Revolutionising HR with the Aid of Analytics

With tons of workforce data at their disposal, organisations are looking in the same direction: HR analytics. Despite the fandom, it is a skill few possess. Researcher Steven McCartney and Professor Na Fu, Trinity Business School, Trinity College Dublin shed light on how companies can successfully capitalise on HR analytics to enhance organisational performance and employee satisfaction.

Related research:
McCartney, S. & Fu, N. (2019 August) "Linking HR Analytics to Organizational Performance through Evidence-Based Management", the 79th Annual Meeting of the Academy of Management (AOM), August 9-13, 2019, Boston, Massachusetts, USA.



An alliance with a purpose

THE 3 Ps IN A CoBS POD



PERCEIVE

with a set of key takeaways



PROJECT

with food for thought: on yourself, your organisation and the wider context



PERFORM

by putting it all into practice using action tips





● PERCEIVE with a set of key takeaways

- HR analytics is the transformation of workforce data into organisational insights through the application of various statistical and measurement techniques, which then enable managers to make better workforce decisions.
- The use of HR analytics helps in improved organisational performance through informed decision-making and the use of necessary HR technology.
- Most companies have access to HR data but are unable to leverage it to its full potential to improve decision-making.
- HR analytics should be considered a rare, valuable, non-substitutable, and difficult to imitate organisational resource that can eventually build into an organisation's competitive advantage.
- There are three elements critical for HR analytics to be successful: high-quality data, analytical competence to transform data into insights, and strategic ability to transform the insights into action.
- HR technology plays a crucial role not only in collecting data, analysing, and processing it but also in developing a story or a narrative for the upper management. This can be in the form of visualised formats like scorecards, dashboards, etc. In addition, senior leadership's support is also important.
- An evidence-based approach allows for the blending of HR professional's individual experience, beliefs, intuition, and facts gained through HR analytics, which leads to improved decision-making capabilities and better organisational performance.
- Several challenges hamper the success of HR analytics: high investment in technology, data privacy laws, difficult-to-use HR technology, internal organisational politics which may impact internal data strategy, the use of different HR platforms across the organisation, etc.



Read the full article on
<https://cobsinsights.org/2021/04/20/has-analytics-delivered-on-its-promise-to-revolutionise-hr/>



● **PERFORM**

by putting it all into practice

CHECKLIST

- Gain a firm understanding of the current use of HR data. Have conversations with employees, record their responses, add managers in the loop and involve various functions, to find out how the data is currently used to drive initiatives, remedy any existing problems, and bring positive changes in the organisation.
- Explore which factor(s) – poor HR technology, poor data quality, few resources, lack of analytical competencies or an overall lack of buy-in from senior management, for instance – cause the lack of HR analytics maturity in the organisation, if applicable.
- Collect high-quality – accurate, consistent, and complete – data since inaccurate data leads to the implementation of solutions which do not address the actual challenges facing the business.
- Create in-house HR analytics teams or form partnerships with credible HR analytics companies able to perform and apply statistical analyses and techniques to workforce data. Use all the tools at the HR team's disposal: data, sensors, analytics, machine learning, artificial intelligence, and more, to derive solid and practical insights from the data analysed.
- Develop an accurate narrative from the insights and weave a compelling story. Use dashboards, scorecards, and other visual formats to highlight workforce trends and build the narrative.
- Transform the insights into actionable and measurable strategic actions to overcome any reluctance that top management teams may have toward HR analytics due to their lack of understanding of the benefits that it offers.
- Establish a culture of evidence-based management and incorporate it into their decision-making process. Evidence-based decision-making is a form of decision-making where distinct sources of information are employed to come to decisions: academic papers, organisational facts such as metrics and analytics, professional experience and judgement, and the consideration of outcome on affected stakeholders.
- Design an evidence-based strategy to accommodate the narrative and address the problems highlighted by the narratives. Present the strategy to all the concerned stakeholders and not just to the top management. Implement the strategy effectively from grassroots level.
- Measure the effectiveness of the HR analytics by comparing the key metrics measured before and after implementing the strategy. Common metrics for assessing efficiency include return on investment, cost-per-hire, average time taken to fill vacancies, etc.



Getting involved


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