HR Analytics is the Pivot of The HR Revolution

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The main driving forces behind the unfolding human resources revolution are predictive analytics, workforce planning, workforce analytics, big data and digital human resources transformation. Therefore it is the burden of this paper to dissect what each of these pillars of human resources analytics entails.

Overview of HR Analytics

Analytics is a dual term that is made up of analytics and statistics. It means any analysis that is grounded in the application of statistics. According to Heuvel and Bondrauk (2016), HR Analytics is the systematic identification and quantification of the people drivers of business outcomes.

What benefits can you drive from HR Analytics?

- It enables HR professionals to make data-driven decisions
- It helps to test the effectiveness of HR policies and different interventions
- It creates a business case for HR Interventions
- It helps HR to migrate from operational to a strategic business partner
- It helps you to predict who is most likely to leave your organisation
- Helps you to estimate whether you are rewarding different employees fairly
- Helps you to discover biases in your hiring processes

The main driving forces behind HR Analytics.

A. Predictive Analytics

Makes use of the analysis of current and historical facts to predict unknown events using statistical modelling, machine learning and data mining. Predictive analytics seeks to gain information and insight from data that allows you to detect patterns and trends, anticipate events, spot anomalies, forecast using what-if simulations and learn of changes in employee behaviour so that employee can take appropriate actions that lead to desired business outcomes.

Application of Statistics to HR

Statistics has three core elements that can be utilized for tackling any data-driven solution for HR and these are:

- Statistical modelling
- Descriptive statistics

- Inferential statistics

What is Machine Learning?

According to Wikipedia, machine learning is the scientific study of algorithms and statistical models that computer systems use to perform a specific task without using explicit instructions, relying on patterns and inference.

What is Data Mining?

According to Wikipedia, it is the process of discovering patterns in large data sets involving methods at the intersection of machine learning, statistics and database systems.

B. Workforce Planning

It is the process of ensuring that an organisation has current and future access to the human capital it needs to perform effectively. It entails the identification of current and future personnel needs and examining the most appropriate and cost-effective methods to recruit and retain these individuals.

C. Workforce Analytics

It is the process of measuring the behaviours of people and analysing them to improve people and business performance. If it is done well it helps organisations to among other things:

- Make better hiring decisions by predicting candidates success
- Prevent talent from quitting their job by predicting employee turnover
- Analyze future workforce need
- Link HR actions to business outcomes

In light of the above discussion, HR needs to leverage the HR Analytics Revolution to revamp the HR value chain.

Source:

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