

Now You Know What Human Resources Analytics is About

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Introduction

Human resources (HR) has become an increasing topic of discussion when it comes to organisational performance and success. The better understanding of what HR is makes the field even more beneficial for organisations. Statistics and the use of data have collaborated with the human resources function in order to improve the efficiency of an organisation through the use of the people in it. To define what human resources analytic is, some sources have said: it is the application of statistics, modelling and analysis of employee-related factors to improve business outcomes (van Valpen, 2019).

Using HR analytics makes for a more objective approach to analysing the function and the contribution of humans to the organisation. Human resources analytics is also known as people/talent or workforce analysis. In this article, you will gain an appreciation of what contributes to a holistic view of human resources. According to (van Valpen, 2019), The importance of using human resources analytics includes helping the organisational managers in creating a better environment for their subordinates to work in. it is commonly understood that a good and healthy environment allows for maximum performance through factors such as person-environment fit where an individual can thrive to their maximum potential.

Advantages of using HR analytics

- Better hiring practices
- Decreased retention
- Improvement of processes
- A more productive workforce
- Improves employee experience
- Improved workforce planning as a result of better and more informed talent development

What goes into human resources analytics?

Human resources analytics is a combination of various parts that make it up as a whole. The importance of using different sources for the final result is that the use of different sources allows for a more objective result when it comes to the information that is sourced from various fields. Some examples are employee surveys, personality data, attendance records, among others. These will be defined below and explained as to how these affect the HR analytics and why they are very important for the performance of the employees and the organisation.

Employee surveys – Employee surveys are data collecting instruments that measure a various number of aspect of an employee's work life. These surveys measure areas such as employee engagement,

employee morale and employee performance. With this information, the management can find ways in which they can increase these for their employees. When engagement and morale are high, people are motivated to perform better (van Valpen, 2019). They are in the right state of mind to do what is expected by the organisation.

Attendance records – Each business keeps a record of the attendance of its employees on a daily basis. By keeping track of this important information, managers are able to draw a pattern in order for them to see which employees are arriving early, on time and arriving late to work (Frieberger, 2017). This information is helpful in that, it can be measured against an employee’s performance in the organisation. The attendance reports also help in determining who has been absent the most without valid reasons. In return, this also helps in seeing the compliance of the employees within the organisation. The captured correlation between the employees’ attendance and their performance can help in determining the causes for the outcome of the employee. Although this may not paint a holistic picture of why the employee may be performing to such a standard, it certainly helps in putting the pieces together.

Multi-rater reviews – The multi-rater reviews, also known as the 360-degree reviews gather feedback from multiple sources in the organisation. These include the employee, manager, co-workers, staff members and in some cases, customers. The reasoning behind using such a method is that the different groups will give feedback on one person or department and in turn, the collective data collected may provide great feedback for to the person who needs this information (MacDonald, 2008). In most cases, the managers. The importance of using multiple sources is that relying only on one source may provide a biased response, either in favour or against the person in the subject.

Salary and promotion history – Keeping a record of an employee’s salary and promotion history will give a guideline on how to keep moving forward with the employee. Topics such as salary payments are very sensitive for both the employer and employee but more so for the employee. These can not just happen haphazardly because if these are not carefully monitored, employees may lose morale and motivation to give their best. In turn, this affects the performance of the employee, adding up to the organisation as a whole.

Personality data – Personality data can be sourced from documents such as using personality tests. A company can use agencies that provide these services such as using psychometric testing in determining what kind of employees they can have or they already have in the organisation. Having knowledge of the personalities of these employees helps in such aspects as using the company’s culture to increase employee engagement and morale within the organisation. In turn, if the company has a defined culture, they will know what kind of people they are looking for in order to maximise efficiency within the workplace. By knowing the employees’ personalities, it helps managers in knowing how to manage their employees as different people are motivated and discouraged by different ways of managing when they work (MacDonald, 2008).

After the successful gathering of this information, an organisation’s management needs to ensure that whatever results they obtain are aligned to the company’s strategic vision and goals. With a positive alignment, the right use of human resources analytics can maximise on an organisation’s Return on Capital (ROI)(Frieberger, 2017). As mentioned above, having one part of the data does not paint a

holistic picture of the employee's record but putting together the gathered information will help the organisation in achieving its strategic goals. Not only will this help the organisation but the employees' lives may also be improved by embarking on such an important activity.

Conclusion

Now that you have read and understood what human resources analytics is, as a topic, hopefully, the way in which the organisation runs will change. A company is not complete without its people and people are becoming more and more important each day in the world and survival of the business. It is evident that keeping a record of all the employees do concerning the organisation is beneficial in the long run and in short term situations. Although doing this may seem like a tedious and costly activity, it must be known that an organisation would rather spend time and money in developing its organisation, rather than trying to mitigate a situation when things do not go as planned (because there was no plan).

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