

The Process of People Analytics

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Abstract - There is a positive notable adoption rate of People Analytics now and organisations clearly wants to emerge as data centric business houses; it is identified as there is still a lack of well understanding of its process. The process is like a backbone to every successful new story of business. It applies to the People Analytics journey too. The success or failure of this journey mainly depends on its process. The aim of this paper is to bring in the process of HR Analytics with a good clarity and understanding. To design the process, referred many available scientific literatures and discussed with key people in this field. A new structured process is designed for people analytics which the HR analytics practitioners can use it for their advantage.

Keywords — HRAs (HR Analytics), Process, People Analytics, HR Framework, Technology adoption in HR, HR service delivery model.

I. INTRODUCTION

The adoption of HR analytics is on fuel now. In PAFOW conference February 2018, Josh Bersin of deloitte, revealed in his speech that 69% of large organizations now have a people analytics team, growth may finally be set to become exponential. There are opportunities and challenges as well in people management with this digital transformation. Organizations currently are in the process of getting the best out of analytics in people space. At this crucial moment of HR transformation, scientific surveys revealing that the process of People Analytics still need to be more clear for its successful adoption.

Definitions of people analytics

“A HR practice enabled by information technology that uses descriptive, visual, and statistical analyses of data related to HR processes, human capital, organizational performance, and external economic benchmarks to establish business impact and enable data-driven decision-making”. (Marler and Boudreau, 2016)

“The systematic identification and quantification of the people drivers of business outcomes, with the purpose to make better decisions.” (Van den Heuvel and Bondarouk, 2017).

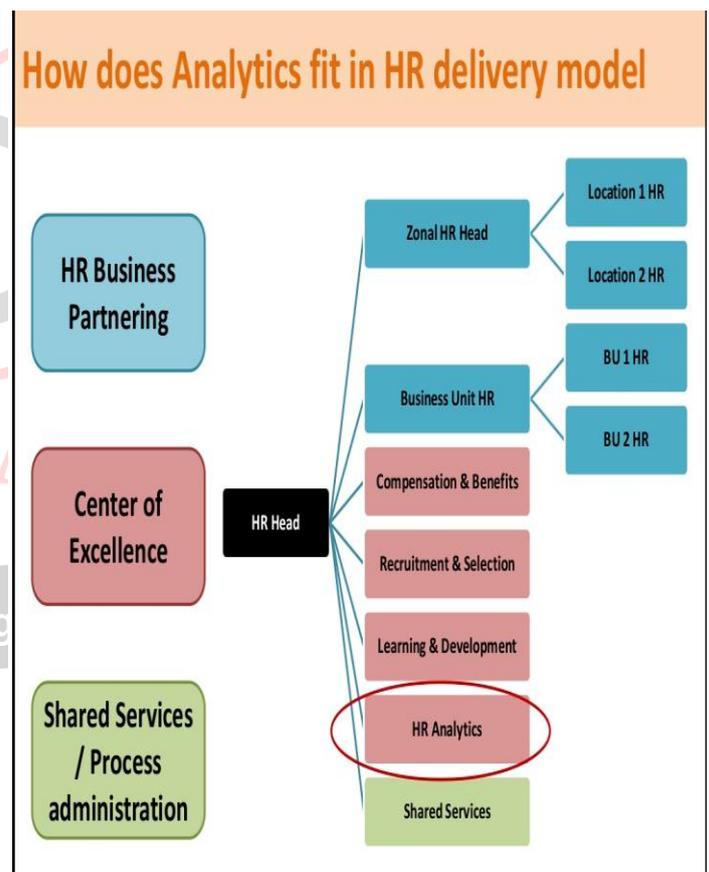
The above definitions are clear and comprehensive as of now about the people analytics.

Importance of People analytics Process

Most of the organizations are highly inviting analytics culture in HR functional area, but some of them even don't know how to start the analytics journey. Recent surveys said that there are many failovers and very few success stories with HR Analytics projects. This paper attempts to investigate this problem. I believe a properly designed

Process can also well address this problem. The process can be a root map for the entire HR analytics journey.

The process can be best designed when the HR team has a clear understanding of the correct fit of analytics in the entire HR delivery mechanism. ((Raje, 2018)



Source: Akshay Raje, Aug 21, 2013 slideshare.net, *How_does_Analytics_fit_in*

The above HR delivery model showing HR analytics as one of the components of core HR functions. But currently, using analytics is the way of doing business analytically and in every business function the data driven culture is imbibe.

HR Analytics Framework

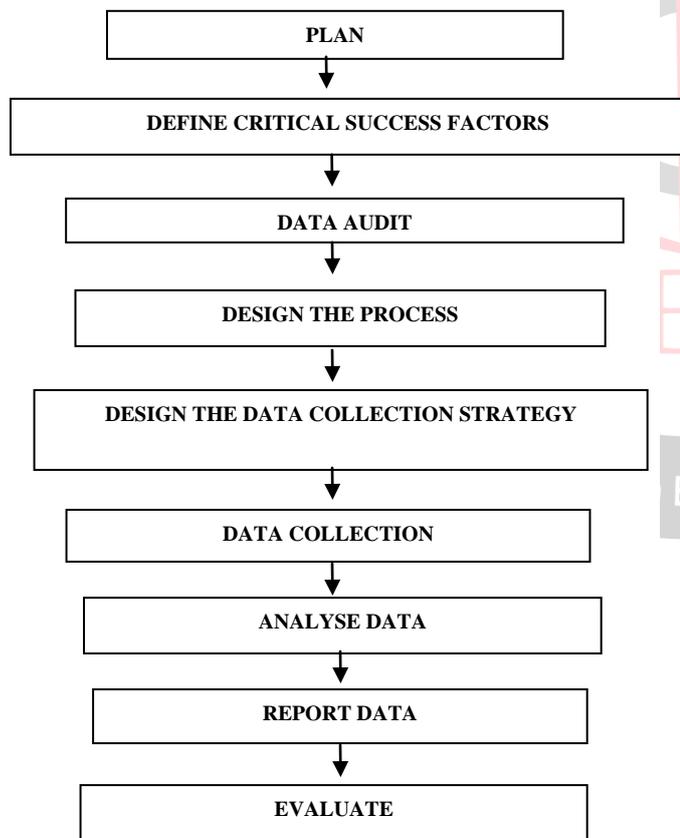
The framework of analytics gives an idea about how analytics way of work is done. It includes the connections between data inputs and outputs which are different with other organizations. There is a well framed HR Analytics framework designed by cultivate consulting in 2015 best gives a good idea about how it best fits in HR mechanism(De Smedt, 2015). The data inputs are what the organization would like to know more about their employees to meet the outcomes or metrics the organization is interested in.

In between the inputs and outputs there is a complex model that analyzes the data input and predicts the outcomes and generate metrics. The model also represents predictive analytics capabilities that can technically be implemented through the use of advanced statistics, data mining, and machine learning techniques.

This framework gives a good idea about the basic infrastructure of HR analytics roadmap.

While searching for the scientific literature about the process of HR Analytics, found a step by step clear process published by Chartered Institute of Personnel and Development .(CIPD, 2018).

They have designed nine steps HRA process which starts from planning and ends with evaluation.



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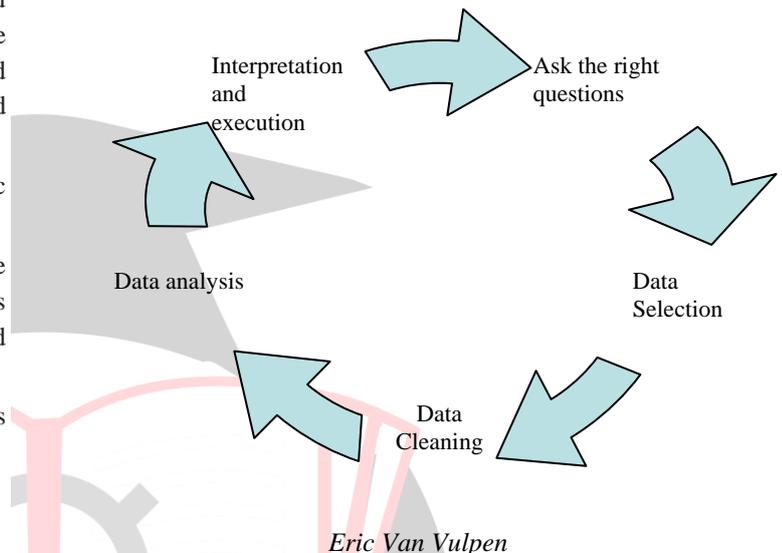
<https://www.cipd.co.uk/knowledge/strategy/analytics/factsheet#>

The above process is detail and gives a basic idea about the process of HRA. It’s like any other business process, starts with proper planning, as HRAs mainly deals with data so it

is concentrating on data fostering, and evaluation is the last step finishes the HRAs process.

There is another good process said by Erik van Vulpen in his book, “The Basic Principles of People Analytics”. According to him the people analytics process can be divided in five sequential steps. He framed these steps as a cycle. (Van Vulpen, 2016)

1. Ask the right questions
2. Data Selection
3. Data Cleaning
4. Data analysis
5. Interpretation and execution



II. PROCESS OF PEOPLE ANALYTICS

The process is designed with a careful analysis of available scientific literature and also based on expert knowledge. It is divided into eight steps.

1. ANALYTICS MIND SET

The process of HR/ People/ workforce analytics starts from the organization having the analytics mindset. When the organization believes the powerful positive impact of analytics on their business, then the HR analytics journey begins successfully.

2. GROUND WORK ON ANALYTICS CAPACITY

The next step is ground work on analytics capacity. It is very essential for every organization to conduct a ground work on their inputs in analytics journey. This step may address the preparatory work of the team to make sure they have enough technological capacity, skillful manpower, clear goals and analytics readiness. Many organizations insanely believing analytics is statistics and purely technical. They are hiring huge data scientists and technical people for their analytics journey but missing to match their goals and lacking the clarity on big picture. It is leading to the failure. So a proper ground work on analytics is much needed for success. In this step organization’s strategic heads, subject matter experts, HR team, HR Technologists role is predominant.

3. GOAL SETTING OF ANALYTICS JOURNEY

Then the next step is setting goals for HR Analytics

journey. This is very important step where the team gets good clarity on what they are doing and how it is being done. It comprises of the identified problems where analytics support is needed for solutions, many right questions to be answered and clear business objectives to address. This step needs HR heads, practitioners and policy makers' involvement.

4. IDENTIFICATION OF DATA SOURCES

In this step the identification of data sources, which will be done by both HR people and data scientists' team carefully identifies both the internal and external sources of employee data.

5. DATA COLLECTION

The next step is data collection. Here both HR people and technologists coordinates together to get needed data. Further step is data analysis which will be done by applying statistical techniques with the support of readily available software' and data scientists.

6. DATA ANALYSIS

This step is the key for results. Many data analysis techniques and software are available. This step needs data scientist support. During the data analysis, the coming results should pass the test of error and accuracy.

and HR panel. The results will be announced. If the results are not meeting the standards of accuracy then need to repeat the data collection step till it meets the data accuracy level. Taking conscious action during this step itself will avoid the lot of confusion and chances of failure.

8. RESULT ANALYSIS AND DECISION MAKING

The next step is implementing the results in action. This is done by the HR people who are managing the whole functional area will take decisions which are evident from the analytics results.

III. CONCLUSION

The process of HR Analytics is designed with the hope for the successful adoption. As it is identify there is much more need of clarity on people analytics process journey to avoid failures, it is the attempt to bring in some clarity. This designed process will give a new process outlook for HR Analytics practitioners. I wish there will be many add-ons enhance its applicability further more depends on the individual organization experiences.

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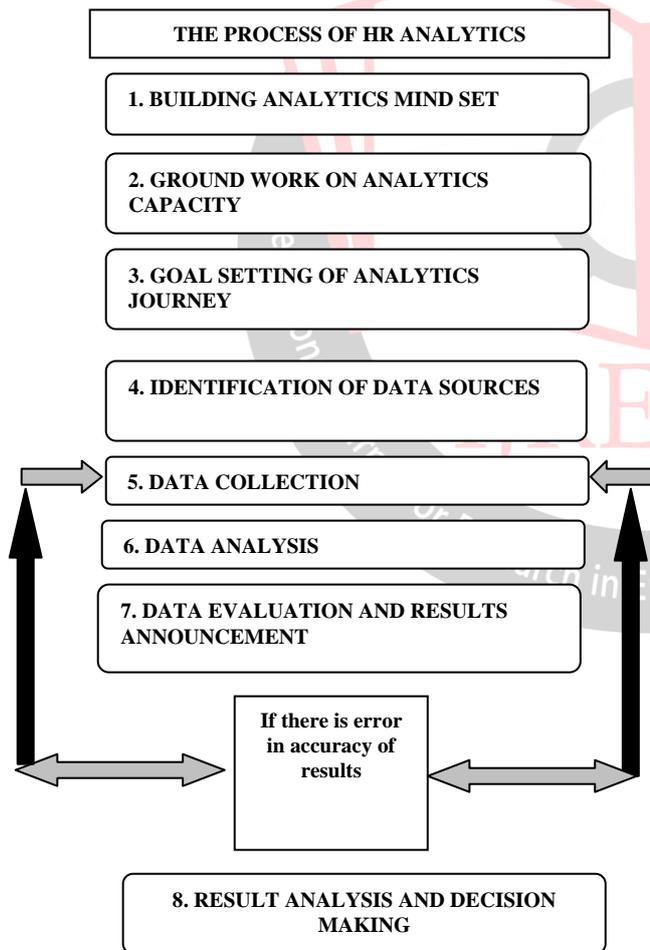
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7. DATA EVALUATION AND RESULTS ANNOUNCEMENT

The data evaluation will be done by the proper technical