

## **Human Resources Analytics: An Instigation for Improving Corporate Performance**

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### **Abstract**

Human Resource Analytics (HRA) encompasses the practice of information and empirical analysis as an underpinning for decision-making in the corporate and is presently a scorching topic in human resources. Several expect Human Resource Analytics to be validating within the context of human resources evolving into a strategic partner to the business. The importance of human resources in enchanting up this role is stressed additionally within the academic literature; but, the potential of Human Resource Analytics in enhancing this method is unclear thanks to the interestingness of Human Resource Analytics and therefore the incontrovertible fact that corporates are still at the preliminary phase of implementing this new tool to support decision-making. This research paper aims at providing the primary insights into presently felt effects once the application of Human Resource Analytics within the corporate that have already started take advantage of it.

### **Introduction**

Taking into account, the results of three conditional factors on resource capacity, the main objective of this research document is to assess the results of Human Resource Analytics (HRA) implementation in the business sector and to manage human resources with the supplemental adoption of the analysis of man resources. In this background, human resources analytics is known to be developing towards a real-life culture within the human resources department. Generally, this research paper adheres to two main objectives. Firstly, this research paper seeks to respond to the effects that human resource analytics has on participating corporates. It is often done by addressing three sub-questions that appear on descriptions and motivations for the adoption of human resource analytics, the action of guessing results and the impact of human resource analytics on human resources the corporate's seemingly strategic partner. Secondly, it analyses a policy that relates to three contextual impacts on prospective use of human resource analytics. These effects also evolve into human resources analytics, business decision making, and a sustenance for human resources analytics in the corporates.

In the milieu of the swelling global competition and current technological advances, the performance of human resources is in accordance with a growing compulsion to blockade and the new competitive situation of affairs (Caldwell, 2003; Hanes & Lavler, 2008). Digitization can be a powerful trend, as it progressively altering business operations. In 1997, Ulrich recognized, if human resources were to be evolved in the near future (Srivastava & Shah, 2003), the amendment was recognized as a common analysis of the academic and the practitioners to meet the challenge. The purpose of human resources is to crack the technology (Srivastava & Shaw, 2003). Due to the technology expansions, and the internet, electronic human resources management (e-HRM), application of information technology has been increasing to manage corporate human resource management issues by the corporates.

Globalisation and its continuance have begun to show their influence on the nature of the human resource activities. Corporates have begun to recognise the importance of human capital as offering competitive advantages, and thus the first-class management of human

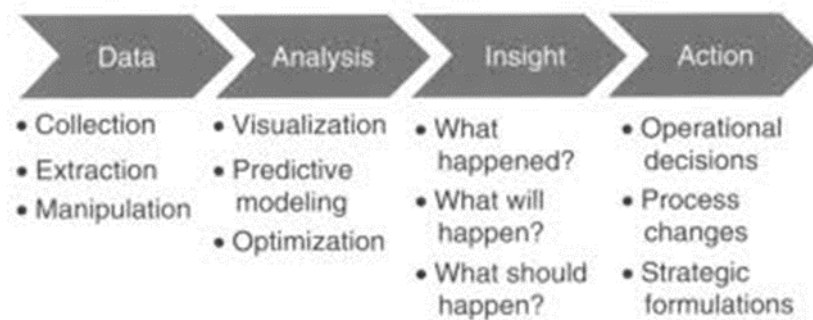
capital is becoming much and much critical, especially for corporates in overpaid countries (Bassi, Carpenter & McMurrer, 2012; Dias & Sousa, 2015). Any other improvement that is truly essential in this context is that of the emergence of large data and business analytics as a device to cope with large amounts of data. The human resource analytics participates in the formulation of evidence-based decision-making trends and includes the use of knowledge and data and statistical analyses for the creation of allocations in relation to human resource practices supported by actuality (Davenport & Harris, 2007). Technological advances in human sources of analytics are considered as likely to be critical in human resources jobs in order to maximize its tactical value, it has been shown to be more realistic and to make the language of business (Muscalu & Serban, 2014).

Human resource analytics continues to be as an alternative new fashion within the area of human resources. The quantity of scientific articles on the theme endures to be insignificant and empirical studies essentially scrutinizing the outcomes of human resource analytics and the implementation of the human resources feature are missing. Bassi et al., (2012) express the emergence of the human resource analytics as the two sides of a coin. On one aspect, they emphasize that large data movement and high-level software packages provide an opportunity for the emergence of a comprehensive statistics-based decision-making process. Alternatively, there is an expanded need for human resources to start with human resource analytics, due to the corporate's stress that is increasingly based on human capital because it is the advantage of competitive gains. Typically, the analysis and the statistics-mainly based on the drafting of the selection are usually associated with the increase of the human resources as strategic contributor in the literature (Bassi et al., 2012).

These comments, with obvious stress about the interactions in the event and ultimately in the growing extent of the strategic partner of the corporate on the one hand and currently poorly accepted actual cost analytics on the opposite side, increase the actual effectiveness of the human resource analytics for enforcement. As a result of the actuarial analysis of human resource analytics, the expertise on improving and its effects on human resources in literature remains rare. The mere feature of human resources reflects the way that is likely to be recreationally-converting and a tremendous tool that is closer to being considered as a strategic supplement to business, but could maintain an authentically long term, yet another query. This research article focuses on research resulting from the adoption of the human resource analytics only on the human resources function. In this context, the concept of adoption is mentioned in the application and use of human resource analytics in the corporate system.

### **Business Analytics**

Analytics usually denotes a logical analysis (Liberatore & Luo, 2010) and is defined as any fact based primarily on the discussion, ending in insight and possible implications for planning future movements in corporate normally (Banerjee, Bandyopadhyay & Acharya, 2013). Full use of statistics, statistical and quantitative analyses, explanatory and predictable styles and facts based mainly on the control of forced decision-making and measures (Davenport & Harris, 2007). A study managed by Bichsel (2012) encourages analytics to be as observable as a way, not just metrics. The analytics technique is defined in detail as a), starting with a strategic question, b) finding or collecting relevant facts to respond to this inquiry, c) to study data with feelings of forecast and intuition, d) presentation or by celebrating the results in approaches that could be understandable and effective and e) returning to the way of understanding all strategic issues and developing new ones. A comparable procedure view of analytics is used by Liberatore and Luo (2010) as visualized in Figure 1.



*Figure 1 Liberatore and Luo (2010)*

## Human Resource Analytics

In a way to clarify the distinction between business analytics and the human resource analytics, Holsapple et al., (2014) categorises human resource analytics as a single area of business analytics. For the use of analytics in human resources, different domain names are used where business analytics is carried out, including marketing, business strategy, business behaviour, operations, supply chain structures, statistical systems and finance (2014). According to Bassi et al., (2012), human resource analytics can be understood as the methodology used has been applied and the way to improve all human decisions related to the causes of strengthening the individual and/or the overall impact on the corporate. Human resource analytics is known because this is a great use of facts, statistical and quantitative analyses, explanations and predictability of fashion and control, based on the reality of forcing decisions and activities (Davenport & Harris, 2007). Progress in human resource analytics includes the collection of facts, analyses, visualizations of insights, forecasting modelling and action, e.g. in the process of creating a strategy on the way to coping with future problems.

## Analytics Maturity

Holsapple et al., (2014) discuss with the views on how Capgemini distinguishes between three guidelines: descriptive analytics, predictive analytics and prescriptive analytics. Philips-Wren and Hoskisson (2015) check with the same three types. The basic deviation between these forms of analytics is the focal point for a certain type of facts, such as historical statistics in the case of descriptive analytics, analysis of data to respond to a query of what has passed? differences in further future-oriented. The feature of descriptive analytics is the recognition of past and present commercial results and the implementation of the informed choices (Evans & Linder, 2012).

On the contrary, the predictive analytics deals with the search for alternatives to the future corporate essentials, forecasting future results and strengthening the ambitions of phenomena, which are localized through statistical or data mining strategies (Banerjee et al., 2013). In general, the success of the past is usually monitored, and the relationships between the facts have been shown as a way to determine the planning of how to cope with these relations in the future (Evans & Linder, 2012). Specifically, about predictive analytics is its potential for foreseeing the hazards and finding relationships in data that does not seem easy with traditional analyses through superior techniques (Evans & Linder, 2012).

Prescriptive analytics also moves from past predictive analytics by indicating what courses of movements can be implemented in the future to increase business tactics in an attempt to exploit business goals (Banerjee et al., 2013). Typically, the prescriptive analytics uses optimization to obtain unparalleled variables to reduce or increase multiple goals (Evans &

Linder, 2012). In this form of analytical techniques, predictive techniques along with optimization will empower the corporation to base choices on information, while self-perception of unpredictability occurs on such data. Descriptive, predictive and prescriptive analytics are not reciprocative, but can be used in toto when making business decisions (Evans & Linder, 2012). In general, a larger mature corporation is in terms of its derivative analytics, the higher it is, the more it moves to the appropriate analytics rankings.

Another manner of classifying maturity level is advocated by Bersin by means of Deloitte. Of their study, Bersin et al., (2013) distinguish among Operational Reporting (stage 1), Advanced Reporting (stage 2), Advanced Analytics (stage 3) and Predictive Analytics (stage 4).

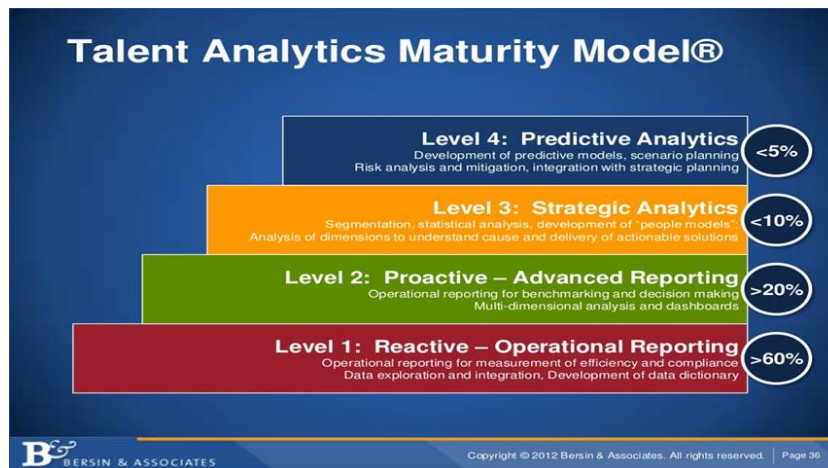


Figure 2HR Analytics Maturity Model (Bersin et al., 2013)

The contemplation of human resource analytics as a fundamental preference among corporate assets has been continuously observed in the current years. In a global survey involving the leaders of human resources from 94 countries, Deloitte analysed the necessity of the twelve global characteristics of human resources in 2014 (Deloitte Consulting LLP & Bersin with Deloitte, 2014). The skill and human resources of the analytics is located because it has a span of six benefits across visible respondents, with twenty percent ranking mode as pressing and 51 percent as crucial. The corporates' growth in terms of the maturity of the analytics was examined through Deloitte as correct. Bersin et al., (2013) were observed that only four percent of the corporates that could use any form of human resource analytics in their study on the currently administered predictive analytics and the most numerous 10% of top-notch analytics.

### Building Corporate Support for Human Resource Analytics

Regardless of the human resource analytics associated with a corporate friendly service that includes Google, Apple, Disney, Amazon, and Microsoft (Bock, 2015, Morgan, 2017), some corporations have been unprepared to make a schedule and thrive for analytics purposes and staff resources (Bassi, 2011, Falleta, 2014; Rasmussen & Ulrich, 2015). The development of significant support for the top level and decision-makers to assist the human resource analytics initiative can be a primary task and the leaders of human resources can face the introduction of reliable analytical function (Rasmussen & Ulrich, 2015). Human resource leaders should be well aware of all the obstacles involving compensation, time, functionality and bandwidth. Corporates can continue to confront during exercise, but they can continue to discover how beautifully designed feature will transcend the costs and consequences of business performance (Bersin et al., 2013).

In many cases, corporate advantage can be its human resource analytics as an opportunity to reduce employment expenses and attrition through computational methods (Harris & Light, 2011). For instance, IBM's People Analytics Group has developed a system (algorithm) that allows managers to deliver personalized coaching and tailored management styles towards individual employees; as the end result, they were apparently able to reduce the attrition of employees by two percent (Morgan, 2017). The analytics team has further developed a Blue-Matching requirement designed to integrate modern staff for process capabilities with the corporate, thus their competences, overall performance, proximity and information been aligned (Morgan, 2017). Since the implementation of the Blue Matching, the corporate has actually reached 500 jobs for the staff who in any other case should leave IBM in search for openings elsewhere. An example of IBM is just one example of a corporate system that has changed to be capable of significantly reducing and preventing the attrition with the usage of human resource analytics.

The theoretical graph shown in Figure 3 explains how small adjustments to management practices are upsetting to exclude divergents in access to understanding and value in the corporate. The upper curve can be a useful resource, which regularly maintains an additional effect in the form of overall performance, but as soon as this useful source is gradually eliminated from the entrepreneurial power, the impact will be significant (Boudreau & Ramstad, 2007). The lower curve can characterize the means that the buckle often applies to corporate overall performance, except that a small alternative can now not affect the significant reduction in the overall performance of the corporate (Boudreau & Ramstad, 2007).

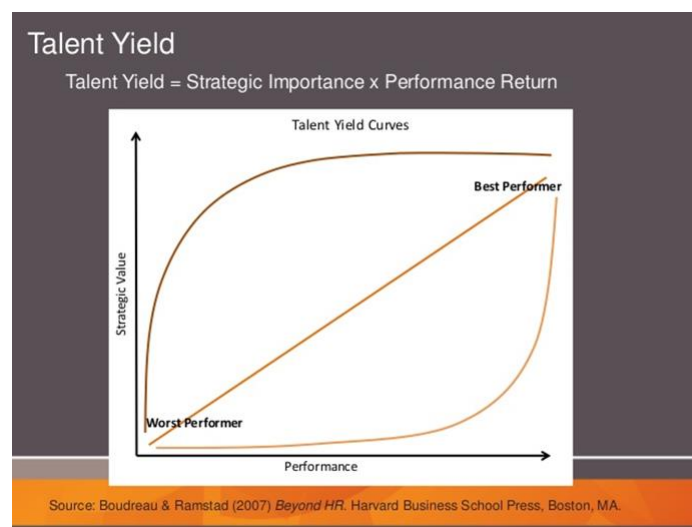


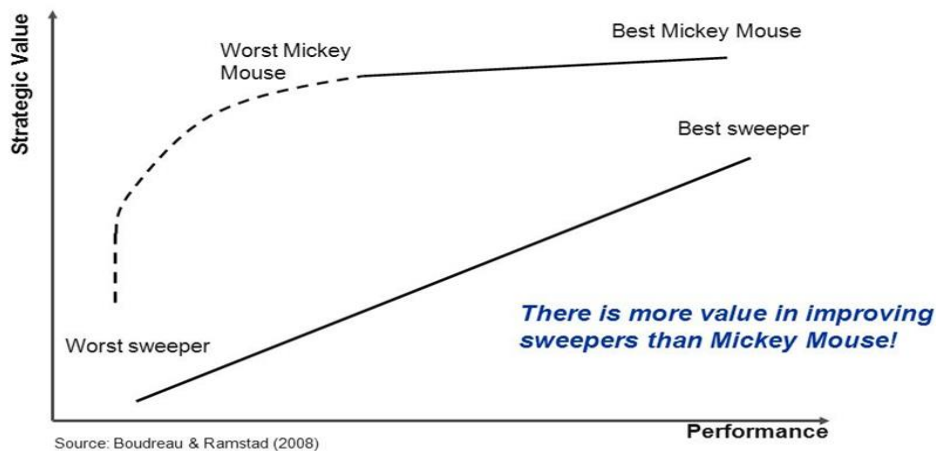
Figure 3 A Performance Yield Curve (Boudreau & Ramstad, 2007)

To prove this model in gesticulation, recalling the overall performance of Disney employees and their impression on the guest pride at their Theme Park sights; a worker in the Mickey Mouse regalia can be labeled using the upper curve and cleaner, or component employee, who is indebted to guide and respond to the questions of the guests characterized by the lower curve (Cascio & Boudreau, 2011) (perceive Figure 4). Since Mickey Mouse's character is gradually judged by the use of Disney components it has eliminated the space for blunders in this position, so identifying a person in a suit without a sign to speak and accompany the individual with the control manager's Exchange Visitors (Cascio & Boudreau, 2011). As a result, the dexterity of the Mickey Mouse's character will probably remain stable and durable at the highest peak performance curve, while park cleaners have more autonomy to know the exchange of guests who followed in additional versions in the overall effect below the curves.



## A New Approach to Training and Development: Identifying High Impact Talent Pools

Applying yield curves to talent: Disneyland's Mickey Mouse vs the sweeper



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*Figure 4 Performance Yield Curve of Disneyland (Cascio & Boudreau, 2011)*

When human resource professionals respect the next step to manage the purchase from the management, they should be able to link the facts to the results so that they can cope with the current business companies looking for situations (Isson & Harriot, 2012). While colorful and properly designed charts and graphs can be the means in visually enchanting informative presentations, human resource leaders who can articulate the lure of a story that inspires emotion will likely create a movement from a higher leadership (Welbourne, 2015). This can be achieved by branding human resource analytics as a primary valuable useful resource in providing aid for the control and goals of employees (Hunt, 2014).

### Capability-Opportunity-Motivation (COM) Model

Levenson (2010) supports the Capability Opportunity Motivational model (COM) as a large lump for personnel analytics that does not require the application of superior statistical and statistical analytic techniques. The reason for the COM version is to give the manager, who cannot necessarily have a bandwidth for the behavior in depth analytics, the opportunity to invite appropriate diagnostic questions and test situations to the behavior, motivation and performance of their employees.

According to this model, the qualification includes time spent on training and development so that the employee can achieve full productivity in the new role. Secondly, the option refers to any formal and informal process that strengthens or defies employee performance. Lastly, motivation refers to taking into consideration all factors that can affect the ability of the worker to be promoted. Instead of managing the in-depth data analytics, using this model could affect simple investigative techniques to identify the type of facts that need to be accumulated in order to start the substance for in a more in-depth analysis. Despite the fact that this frame now does not mean heavy analysis, every aspect of COM has proved to be a reference to the motivation of workers and overall performance. In general, the COM model seeks to increase enterprise productivity and concept of capacity, opportunity and motivation usually map onto skill, opportunity and motivation – reinforcing strategic practices in human resources.

Starbucks is an illustration of a corporate using a COM version to understand the more attractive overall results at over 11,000 international retailers. Dave Pace, executive vice president for accomplice at Starbucks, attributed the cause of his entrepreneurial accomplishment to the way employees are treated (Boudreau & Ramstad, 2007). Starbucks also creates opportunities where employees can exhibit their expertise. While there are several formal strategies in the region of each trade, there are certain informal strategies that allow the baristas to shine in their overall performance. In addition to the adaptive experience of trading at Starbucks, other employee motivation points consist of health insurance for all first-graders and comparable payment fees, regardless of the post in the barista or reputation for full-time employment.

### **Logical, Analytics, Measures and Process (LAMP) Framework**

Cascio and Boudreau (2011) get to know the structure of Logistics, Analytics, Measures and Processes (LAMP) to support the corporate's leaders to suggest that human resource analytics can be developed and become aware of the basic elements for lighting management. First, the expression logically underlines the importance of drawing logical links to refine the data that has been accumulated, the results in the enterprise, and all possible results. Second, the term "analytics" points to the importance of analyzing and effectively interpreting data in order to be able to stay away from incorrect assumptions. Thirdly, measures of expression inspire managers to focus on the superiority of statistics rather than on the number and ability to exert pressure on corporate indicators. Ultimately, the process of expression points to an alternative management method that will be incurred after the administration recognizes that human resource analytics will be valuable and informative for their corporate use.

They advise that human resource leaders carry out their own analytical initiatives with current issues and debates about which corporates are currently in the process. Thus, human resource leaders can also quickly gain confidence and become actively interested in verbal exchanges at the leadership table (Cascio & Boudreau, 2011). LAMP components provide a way to make sure that advanced human resource analytics is designed and developed.

### **Business Analytics Success Pillars (BASP) Framework**

Enhanced with the help of Isson and Harriot (2012), the Business Analytics Success Pillars (BASP) serves as a tool for managers who are organized through five analytics posts (Davenport et al, 2007), with the ultimate goal of reaching aggressive success in the business analytics. BASP is based on seven pillars that can be used as a guide for strategic alignment of human resource analytics functions with complex business goals of a corporate, these pillars consist of problems entrepreneurship, informative fundamentals, analytical implementation, discernment, performance and measurement, distributed knowledge and innovation. Since there is never one size in all strategies (Bates, 2003; Bassi, 2011), there can be no chronological order that executives should respect when using BASP; as a substitute, the seven pillars must be linked to the corporate's objectives, medium values and methods.

Three of the seven pillars are particularly applicable throughout the schedule and the process of improvement. This is the main corporate that is looking for cases that are looking for a post that translates into creating analytics plans that are caused by an important enterprise requiring situations that leads to increased profitability or lower costs. The creation of analytics circular tasks will focus on the management of an critical enterprise for the benefit of a an individual for the sake of control. The second pillar is the data base, which forces the corporation to reflect on how and what facts it would acquire for subsequent evaluation. This

confirms that the corporate audit conducts an audit in which a team or an individual searches all internal assets of information outside the human resources department, collects external information, which gives an idea of the approximate market and competitors, is a priority fact which, within the main commercial enterprises, are complex situations and create a profile of consumer data, which is stored in one place. This pillar will allow even managers to sort and discard useless information.

Consequently, once control has agreed on the desired results of commercial enterprises in its analytical work on human resources management, the analytical management pillar is used to remind managers commercial companies on the implementation of the statistical analysis taking into account the stop-users in mind and take their steps in connection with the initiative. To manage it, it is also important to keep in mind that employees can respond to human resource analysis by addressing new issues and business issues.

### **Resource Orchestration**

The secondary element of production and analytical design for the human resource is concerned with the planning that the corporation will eventually intervene and measure cross-functions at some point in the implementation segment. This is achieved as people join and strongly within the enterprise to achieve competitive advantage (Alharis & Rasli, 2011; Bassi, 2011).

### **Concluding Remarks**

When it comes to the dissemination and the emergence of analytical activities for human resources, there are several elements that need to be thought about implementation, including the building of entrepreneurial sustenance from key stakeholders and planning the integration of resources to rationalize the technique. For instance, the entire yield curve and the COM, LAMP, and BASP platforms can be used to prevail over the task of comprehensive executive management to guide human resource analytics. Finally, human resources leaders should provide a clear statement in all sections and functions so that all business regions can take advantage of this initiative.

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