



HR ANALYTICS AS STRATEGIC PLANNING FOR WORKFORCES

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Abstract

The need for strategic preparation of the work force is important. A rapid technological transition and extreme globalization are pushing the companies to change their overall business strategy. The paper highlights how strategic planning of workforce offers a multi-dimensional approach to develop a human capital. HR analytics help to recognize the skills and build tomorrow's leaders. Thus, with HR analytics a strategic workforces plan will develop the turnover rate, minimize risks and create an organization's value-added training culture.

Keywords: Workforce Analytics, Workforce Planning, Strategic Workforce, Human Capital Management.

Introduction

In the past two decades the outlook for manufacturing has shifted. The micro- and macro-economic trends are forcing businesses to change the way they do business. Thanks to globalisation, rivalry is also becoming stronger day by day. This forced the company to align its HR strategy with the business priorities and goals. The plans are developed by the Department of Human Resources including indoctrinate Include buyers and consumers indoctrinating in the different product lines, the quality of operation and the scope of the available choices. Efficiency, precision and cutting-edge technologies are the undeniable appeal of today and almost every company adheres to those standards. The question is that why a particular entity, is marked

Workforce Analytics

Managing the Human resources is challenging for every organization. To effectively use the latent competencies and skills of employees has always been the ultimate task for HR managers. Measuring its attributes and performance is the crucial part of the HR department. These ultimate tasks can now be solved with the help of new IT based technology like HR or Workforce Analytics which helps to turn raw data into informative and quantifiable outcomes. Various work force preparations can be achieved in a more systematic way with the aid of HR analytics. It allows the company to get an upper hand over its rivals, because the critical component of any business has always been human resources.

Workforce Analytics can be defined as an evidence-based approach that combines elements of business intelligence, software, and methods from the reporting of simple HR matrices to predictive modelling. The role of HR analytics is to enable companies to make better strategic decisions on the people side of the company.

HR analytics can also be described as the analysis that helps to create a narrative in the data. The primary raw data is mined for useful information which ultimately relates the plot to the overall business objective. HR analytics processes the raw data and then tries to highlight the various disturbed HR metrics and highlights the critical area to work on which important strategies are made by top management

Literature Review

HR analytic helps the human resources in tracking projects, absenteeism, monitoring and Managing schedule assignment, and tracking performance of each employee. (Bartels S, Jay Richey J, 2008) [2]. Workforce Analytics is the ultimate tool for making a strategic workforce planning. HR Analytics today is targeting critical workforce metric that link workforce strategy to business results that finally provides HR a seat at the table and the integrity to make business and workforce strategy decisions by identifying cost savings opportunities, improving the retention of key talent and increasing workforce productivity and efficiency (Higgins J., Cooperstein G and Peterson M, (2011) [3]. Organizations that are capable of leveraging in data driven decision making for the workforce not only outperform their contenders, but also profit higher value to shareholders and be in a better placed to meet workforce and business demands for the future. Google has reached an extraordinary success in the



marketplace by focusing on strategic focus on people management (Sullivan J, 2013) [11]. In the article “how Google is using people analytics to completely re – invent HR” explains how Google has reinvent their focus to people management which has in turn help them to become No. 1 spot in the list of top ten successful companies. It also explains how by re aligning their HR strategy Google has changed its face of productivity. Significance of HR analytics in strategic planning Workforce analytics has become a vital part of HR department strategic planning. Today HR executives make the decisions about their employees based on HR data research. Any human resource decision needs to be taken seriously. HR analytics thus allows the HR director to look at various viewpoints and take different strategic decisions into account every aspect of human resources. HR analytics also plays a vital part of strategic planning in the following ways:

- This lets you understand what's happening within the company
- It helps to define what steps should be taken
- It helps monitor whether the solution implemented is working or not.
- This also helps monitor the effects of entrepreneurship development initiative.
- HR analytics helps to predict any potential outcome, foreseeing which action strategy can be determined to tackle the problem.
- Its aim is to track the problems in the organization accurately and formulate the strategic solution and monitor whether the implementation is successful.
- HR leaders can clearly define and communicate precisely where the company's investment in human capital pays off with the help of HR analytics.
- Helps workforce preparation ahead by forecasting potential demand and skill supply both locally and globally.

HR Analytics as a Strategic Component

Aligning key business priorities with Human Capital Planning is a need of the hour for companies to maintain a competitive advantage. Different HR matric needs to be identified and these matrices will be measured to bridge the gap between other functional parts of the organization. In order for HR Analytics to work properly different HR matrix components are needed. This analysis normally involves assessing recruitment, promotion and turnover strategies for employees. In addition, the analysis reveals the hidden roots of overtime, absenteeism and low productivity. This study involves the key component of the HR managers framing strategic planning. These components also serve as parameters for the proper functioning of the analytics.

They are:

- Recruitment and selection
- Succession planning
- Performance management
- Training & development
- Turnover rate

Recruitment and selection: This is the key component that plays a crucial part in the design of every strategic plan. HR is a critical and enormous component of the company. Therefore, they spend a lot of money in human capital initiatives from the organisations. HR managers therefore need to develop recruitment strategies specifically to make full use of the investment made in hiring the right person for the right position. Hence HR analytics helps HR managers develop a detailed recruitment strategy that helps to identify the best applicant for the current vacant position, thus reducing costs. If the wrong candidate is chosen then it will end up costing the company more money because they have to do the entire process wasting time and energy once again. Hence HR Analytics acts a strategic component for recruitment.

Succession Planning: Succession preparation is another important critical field of HR department. Every human being gets retired like the days before, or they leave the organization. An company needs to schedule itself for these circumstances to fill the vacant position as soon as possible so that profitability continues. Within this



context, planning for succession plays a critical role. Predicting who will be willing to succeed the person. The chosen candidates' success needs to be analysed. A monitoring of the results of the employee over the years is not feasible. But HR analytics help the Senior HR management monitor the performance of the star performers who are capable of succeeding the vacancy listed. A series of analyzes are conducted by predictive analytics, quantitative modeling, and analyzing the employee's performance for years then the outcome lets the HR management assess who is capable of performing in such an significant role. HR analytics thus once again being the core element in strategic planning as succession planning is the provision of in-house replacements and core talent retention.

Performance Management: The performance management is another important role in shaping the HR structure of an organization. The fundamental aim is to monitor the performance development of the employee as well as the fulfillment of the organizational goals. A well-designed performance plan enhances the ability of the Managers to track and understand among the overall workforce its top star performers. It enables managers to establish and prepare a strategic agenda, set realistic targets, track performance and maintain meaningful design, thereby offering the company a competitive advantage. HR analytics thus helps HR managers monitor their employees' performance in an objective way, which in turn helps to recognise the star performers and thus contributes to better organizational development plans.

Training & development: Training and growth is another important area for framing the human resources system. Identifying the training requirements assists the HR management in increasing employee productivity. The next critical step after scrutinizing the employees' output is the recognition of the training needs. Developing training and growth programs helps the company improve the productivity level of its employees. This offers the workers an incentive to perform better in the future in order to increase their productivity and produce more revenue in exchange. A rapid change in the technical scenario, global competition, work exports etc. forces the company to concentrate its training and development needs. Thus HR analytics helps to identify the employees needing the training for better performance.

Thus, HR analytics plays a crucial part from every angle for the design of a sound HR strategy. With the help of HR Analytics, every aspect of HR matrix can produce an evidence-based outcome. HR analytics has thus become a critical component of corporate strategic planning.

Conclusion

Intense global competition and rapid technological change are pushing companies to change their fundamental strategies. Each company today needs to concentrate its efforts on aligning its HR plan with the overall business objectives. Practical preparation of workforce is the need of the hour. Today's rapid market developments are creating intense rivalry between organisations. Therefore, companies need to develop HR analytics to provide reliable and real-time information in order to gain an upper hand over their competitors. HR Analytics therefore allows the company to prepare a strategic workforce by evaluating every aspect of HR metrics.

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