HR Metrics & Analytics
MSB21T2001

Index-Session 38

S. No.	Specifications	Slide Number
1	Session Objectives	3
2	Recap	4
3	Concept discussion	5
4	Visualization of the concept	6
5	Demonstration	7- 16
6	Thanks	17

Session Objectives

- Understanding Future Human Resources

- Generic Future HR Skill Sets And Knowledge

- Ethical Issues in HR Analytics

- HR Feel More Empowered with HR Analytics

Recap

Future HR functions will require in-depth knowledge in data analysis. Technology will be an important enabler for future HR functions. Technology-enabled HR decision-making would be evident in all spheres of HR functions.

Future HR analytics can substantially do many HR jobs, thus relieving HR managers from drudgeries of lengthy work processes and leaving ample time for them to focus on employee development and many other strategic and business functions.

HR analytics will gradually penetrate the entire organizational structure and will provide new insights into competitive advantage, making use of data. With data-driven informed decision-making in all critical areas of human resources such as recruitment and selection, performance management and so on, future human resources will have a direct impact on business growth and the bottom line.
 Also, future HR tasks would demand more strategic thinking, as human resources will increasingly become a strategic business partner. Here also, HR analytics and technology-enabled HR processes could make this possible.

Concept discussion
GENERIC FUTURE HR SKILL SETS AND KNOWLEDGE

- Right in the beginning, HR managers of future need to possess thorough knowledge of human resources and business.

- HR knowledge, namely reasons for attrition and talent management, need to be analysed in the context of business capturing data on sales, customers' satisfaction, sales margins, key sales objectives (KSOs) and so on.

- Such knowledge on the one hand can help in identifying a cluster of employees who are likely to leave the company and important reasons for their leaving; on the other hand, with business knowledge, HR managers can also predict KSOs at risk and so also can predict the ROI from business.

- Statistical knowledge is important for data interpretation. Statistical knowledge today encompasses various technology-driven techniques like machine learning.

- Core knowledge, however, centres around the mechanism of data collection, survey design and designing of experiments (particularly for finding cause and effect relationships).

- Statistical and mathematical knowledge can help in developing decision algorithms based on which behavioural modelling for future decision-making can be done.

UNDERSTANDING FUTURE HUMAN RESOURCES- Roles of human resources

- Boston Consulting Group (2015) could identify six future roles of human resources, such as
  1. Managing talent,
  2. Managing demographics,
  3. Becoming a learning organization,
  4. Managing work-life balance,
  5. Managing change and
  6. Cultural transformation and getting the fundamentals right.

- Even though the study is more in the context of Europe, we find that its universal applicability, as organizations, across the globe is focusing on building their capabilities in line with the same.

UNDERSTANDING FUTURE HUMAN RESOURCES

- Ducheyne's (2015) study could see five future roles of human resources such as
    1. the architect,
    2. the people and digital expert,
    3. the coach,
    4. the data strategist and
    5. the advocate.

- As an architect, the role of human resources would be more on building leadership, cooperation, innovation and entrepreneurship.

- These would obviously require a new set of expertise for future human resources such as mastering of digital know-how, which among others also include HR analytics, and acquiring of specialized knowledge in addition to human resources in areas such as marketing, finance, service management and so on.

- Similarly, coaching in future would be more important because of the changing workforce, which needs to be helped to become successful in complex organizational environment.

- As a data-strategist, future human resources would be expected to have better insights into organizational issues and decide on appropriate interventions. Finally, as an advocate, human resources will get more recognized in organizations for their knowledge and expertise, and they would find legitimacy in their inclusion in a business decision-making process.

- All these future HR roles when integrated would make HR functions more evidence based.

UNDERSTANDING FUTURE HUMAN RESOURCES

- Wartzman (2015), based on Deloitte's study, could see that a future HR job is changing, as organizations in the future will focus on the empowerment of individual team leaders for evaluating and guiding their direct reports.

- Similarly, pioneers such as Coombes (2014), Ulrich (2015), Boudreau and Rice (2015) and Collins (2013) could also see change in future HR roles, primarily driven by HR analytics and technology-enabled HR processes.

- Coombes research, commonly known as research by Accenture, could relate to the changing role of human resources based on the change in future business trends.

- Most of the findings of the research corroborate with our earlier described roles of future human resources.

- Rise of extended workforce, need for managing individuals, technology-enabled HR process, global talent, organizational agility, social media and increase in democratization of work and so on are the common areas of concern for future human resources.

UNDERSTANDING FUTURE HUMAN RESOURCES

- Ulrich's HR operating model envisaged relationships-based service-centre-focused technology-enabled human resources in future which will require more expertise with deeper understanding of human resources for delivering business results.

- Ulrich envisaged that this would require establishing a connection of HR activities to the expectations of an external stakeholder, and also tracking and measuring the impact of human resources.

- This operating model would emphasize sharing a common purpose, respecting differences, governing, accepting, connecting, caring for the other, sharing experiences together and growing together.

- Boudreau and Rice (2015), based on Juniper case analysis, suggested future human resources to be more innovative by getting the bigger picture, seizing on insights, applying them wisely and ensuring their impact.

- This will ensure future human resources to evolve with business alignment.

UNDERSTANDING FUTURE HUMAN RESOURCES

- Changing nature of workforce, which is diverse, younger in ages, geographically dispersed and culturally different would be the biggest challenge for HR managers in future.

- The challenge would particularly be in managing talent. With intuition and gut feelings, HR managers would no longer be able to manage future generation of workers. They have to take informed decisions, and informed decisions may only be possible when they make them data driven.

- This would require HR managers to develop their capabilities for using HR analytics so as to understand the changes in the life-cycle of employees and predict future happenings.

- Skills for data integration, transforming data into valuable insights and then managing and monitoring employees would be essential requirements for future human resources.

- We find that technology and analytics are on the top of future HR transformation. We also call it the era of digital transformation of human resources.

UNDERSTANDING FUTURE HUMAN RESOURCES

- With such digital transformation, human resources can provide data-driven insights, enhance corporate agility, ensure better talent management and better performance management and even can streamline their routine functions (Baker, 2016).

- Ingham and Ulrich (2016) could see future human resources can have two times more impact on business performance.

- Future HR professionals need to focus on transforming individual talent into stronger organizations through teamwork. They need to create value for all stakeholders.

- Business people integration and value creation for the stakeholders would be primary areas of responsibilities for human resources.

- All these scholarly and professional contributions, therefore, unequivocally proclaimed the change in future HR functions in organizations.

With People Analytics Google Drive Their Business

Google could make extensive use of people analytics and reinvent human resources. Google's human resources could ensure continuous innovation with accurate decisions on HR issues, based on people analytics. One reason that legitimizes extensive use of people analytics in Google is the analytic management of HR function, which is almost 60 percent of the total variable costs. Among others, people analytics in Google could benefit in terms of HC development, talent retention, diversity improvement, predictive modelling, improved hiring and driving of collaboration in workplace. A glaring example of Google's use of people analytics for effective human resources is evident from 'Project Oxygen' launched in 2009. Analysing internal data Google could quantify what their effective managers do, and in the process could identify eight key behaviours. Subsequently, Google encapsulated these in its management training programme, and in the process, brought change in the quality of its managers. Today, HR functions at Google are more future focused, innovative and business driven.

Generic Future HR Skill Sets And Knowledge

- Although it is difficult to list generic skills of HR managers in future, especially in the context of increasing the use of HR analytics and predictive decision-making models and algorithms, we can list some common skills that are essentially required for future HR managers.

Mining Data to Retain Talent: Case of Stantec
Stantec, over the years, has acquired expertise in project conceptualization, planning, designing, construction and commissioning. Today, the company operates from 400 locations with headcounts of 22,000, and the gross revenue of the company is C\$2.9 billion. The company believes in putting people first, as its core strength lies with its people. HR strategy of the company emphasizes talent segmentation, leadership and succession, learning and development, talent acquisition and employee engagement. Strategically, the company provides to its employees shared expertise and collaboration opportunities, opportunities to broaden experience with new regions and projects, and opportunities for career advancement. To ensure the best employees continue, the company developed some critical metrics on employee turnover, employee engagement, managerial effectiveness and so on. Such critical metrics could help the company to put a check on talent retention.

Generic Future HR Skill Sets And Knowledge

- With programming skills, HR managers can analyse the data using various available HR analytics solutions. Most of the HR analytics solutions are user-friendly; hence, today these do not require complex programming skills.

- Like programming skills, data visualization skills are also important.

- With these skill sets, HR managers can help in understanding the right story from the data and accordingly can persuade people to change their behaviour.

- With all these skills sets and knowledge, future HR managers would beable to manage future workplaces which would be more analytics driven.

REFERENCES

- Bhattacharya ,Deepak (2019). HR Metrics and Analytics, Pearson

- Batt, R. (2002). Managing customer services: Human resource practices, quit rates, and sales growth. Academy of Management Journal, 45(3), 587–597.

- Becker, B. E., & Gerhart, B. (1996). Human resources and organizational performance: Progress and prospects. Academy of Management Journal [Special Issue: Human Resources and Organizational Performance], 39(4): 779–801.

- Becker, Gary, S. (1962). Investment in human capital: A theoretical analysis. Journal of Political Economy, 70(2), 437–448.

- ———. (1964). Human capital. New York: National Bureau for Economic Research.

- Beer, M., Spector, R., Lawrence, P., Quinn Mills, D., & Walton, R. (1984). Human resource management: A general managers perspective. Glencoe, IL: Free Press.

- Begin, J.P. (1993). Identifying patterns in HRM systems: Lessons learned from organizational theory. In J. Shaw, P. Kirkbride and K. Rowlands (Eds.), Research in Personnel and Human Resource Management, 3 (pp. 3–20), Greenwich, CT: JAI Press.

- Bhattacharyya, D. K. (2012). Human resource management (3rd ed.). New Delhi: Excel Books

In case, you find any difficulty in understanding the concepts of lecture, please feel free to contact.

Dr Mamta Gaur

9891121396

mamtagaur@galgotiasuniversity.edu.in

Thanks