



FUTURE TRENDS OF HR ANALYTICS

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ABSTRACT:

HR Analytics is also known as People Analytics, talent analytics or workforce analytics. HRM has changed dramatically and has shifted from operational to strategic discipline. It is novel tool and is still unexplored upto a great extent. To enhance crucial talent and company outcomes, talent data is gathered and applied. In reality, it is a data-driven strategy for managing human resources. Through HR Analytics, collection and analysis of HR Data leads to emergence of patterns showing the potential of improvements for the company and forms the basis of future strategic plans. A lot of organizational problems can be solved by becoming more data driven and data savvy about HR & Analytics. Now, we live on a data driven economy. The goal is to turn HR data into HR information and HR information into HR insights. In recent scenario, businesses are developing such a culture, where the significant decisions are supported by data driven methodologies. The perspective of human resource analytics has evolved throughout time as a result of the quick and dynamic advances in science and technology, the rising usage of artificial intelligence, and the expansion of the gig economy. Data-driven choices are made by HR professionals to recruit, retain, and enhance employee performance. Only by keeping abreast of the most recent developments in the field of HR Analytics can a business remain viable over the long term. By moving into new decade there is a need to comprehend what alterations happening across the globe and the effects it will have on organizational performance. This study, which focuses on human resource analytics trends, is descriptive in nature.



KEYWORDS: Business Intelligence, Analytics, Artificial Intelligence, HR Analytics .

INTRODUCTION:

Human Resource (HR) Analytics is the combination of two words HR + Analytics, HR means manpower in the organization as the factors of production and Analytics means the systematic computational analysis of data or it is the process of identifying, explaining, and sharing important data trends. It is an emerging field that combines data analytics and human resources to improve decision-making and organizational performance. It involves the use of data and statistical analysis to drive HR strategies, identify and track key metrics, and measure the impact of HR initiatives on the organization. So, HR Analytics emphasizes better human resource management by making an organization more competitive than competitors. HR teams employ the following 4 types of HR Analytics to do the best in the organization

1. **Descriptive Analytics** – Descriptive Analytics deals with collecting and reporting historical data. It considers the data which is already available and forms the patterns of learning which will be helpful for taking future actions.
For Example: the knowledge of turnover rates through the past data will put light on the probable causes of departure of employees so as to frame or reframe the policy to reduce it.
2. **Diagnostic Analytics** – It is the next level of observations to understand the causes of problem. It answers why something is happening.
For Example: If the employees in our organization are unhappy, it is important to find out why is it so? If the underlying cause of events is known, efforts can be focused to mitigate the problem.
3. **Predictive Analytics** – Based on historical data it emphasizes on the events to be happened in future. Knowledge about future will keep us prepared in advance.
For Example: In Predictive Analytics, it is used to predict the number of people need to be hired in coming years, the stability and their retention in the organization.
4. **Prescriptive Analytics** – It is the most complex type of analytics. After the predictions of business outcomes of a particular practices Prescriptive Analytics proposes the future actions to achieve the goals. It is through statistical modelling and machine learning. By using if and else statements, algorithms are framed to analyze the vast amount of data and recommendations are made on specific requirements as prescriptive analytics is done in the case of getting suggestions for training strategies. It improves employee engagement and productivity.

In recent years, HR analytics has gained significant attention and is becoming increasingly crucial for organizations looking to gain a competitive advantage. With advancements in technology and the availability of big data, HR analytics is set to play an even more critical role in shaping the future of HR and business. In this paper, we will examine the future trends of HR analytics and how they are likely to impact organizations in the years to come.

OBJECTIVE OF THE STUDY

The objective of this study is to investigate the current and future trends in the field of HR analytics. The research will aim to identify the key drivers of change and innovation in the HR analytics space and examine how these developments are shaping the future of human resource management. This study will also aim to understand the challenges and opportunities that organizations face when implementing HR analytics and how they are leveraging these tools to drive business results and support the overall success of their human capital strategy. Ultimately, the goal of this study is to provide insights and recommendations for organizations looking to stay ahead of the curve in the rapidly evolving field of HR analytics and to help them make informed decisions about how to best utilize these tools to support their human resource initiatives.

HISTORICAL BACKGROUND

Human Resource (HR) analytics has a relatively short history, but it has experienced rapid growth and evolution in recent years. The field of HR analytics has its roots in the late 1990s and early 2000s, when organizations first started to gather data on employee behavior and performance. Early HR analytics efforts were focused primarily on tracking basic metrics such as employee turnover, absenteeism, and job performance. As technology advanced and organizations began to collect and store more data, the focus of HR analytics shifted towards predictive analytics. Predictive analytics involves using algorithms to analyze vast amounts of data to identify patterns and make predictions about future behavior or outcomes. This approach has been applied in a variety of HR domains, including employee engagement, talent management, and workforce planning. The rise of big data and the increased availability of sophisticated analytics tools has further fueled the growth of HR analytics.

Organizations now have access to a wealth of data on employees, including demographic information, job performance, engagement, and retention data. With the help of advanced analytics tools, organizations can process this data and turn it into valuable insights that can inform HR decisions and strategies. In recent years, HR analytics has become an increasingly important tool for

organizations looking to attract, retain, and develop top talent. The use of HR analytics has become widespread, and it is no longer restricted to large multinational corporations. Small and mid-sized organizations are also using HR analytics to improve their HR practices and make data-driven decisions. The future of HR analytics looks bright, with experts forecasting continued growth and evolution in the field. The increasing adoption of artificial intelligence, machine learning, and other advanced technologies is expected to drive the development of new HR analytics tools and techniques. As a result, businesses will be able to understand their employees even better and develop more intelligent HR strategies.

KEY FUTURE TRENDS IN HR ANALYTICS

Prioritization DEI

DEI is currently gaining a lot of traction among organisational leaders as a strategic economic advantage and workplace culture. For all companies, DEI (Diversity, Equity, and Inclusion) is a top priority. Diversity in the workplace refers to the hiring of individuals with a range of experiences, traits, and origins. The provision of chances to individuals from various origins is referred to as equity. Instead of depending on a strict set of objective criteria, companies might adopt a more comprehensive approach by considering an individual's overall aptitude, character, and involvement when deciding whether to promote them. For workers to experience a sense of belonging both within the organisation and on an individual level, inclusion means valuing the views, viewpoints, and contributions of diverse people and groups.

New Work Model

The recently introduced New Model is a challenging way to structure the workweek that has the potential to drastically alter a company's culture, employee involvement, how work is completed, and how workplace space is utilised.

Hybrid model has the potential to take the organization to a new level of productivity. Hybrid work gives flexibility in two ways. Companies with their physical space can enforce workplace culture and on the other side people can work partly from home and occasionally from office by their choice. According to an extensive McKinsey & Company research shows over 52% of employee prefer some form of more flexible working model leading to talent retention in the organizations so hybrid workplace models offer plenty of flexible work arrangement both for employers and employees.

Increasing Use of Employee Behaviour Data

The growth of numerous employee data types that may be tracked, analysed, and modelled will be another future development in HR analytics. The convergence of computer science, information technology, psychology, and how computers can effectively engage with people is influencing some of this new understanding on employee behaviour. Our understanding of how people can use technology successfully and the resources to do so are constantly expanding, and this knowledge is increasingly being implemented in the workplace. The use of GPS-based technology is one of the earliest instances of this. In the beginning, the shipping and logistics industries, where businesses needed to ensure that drivers and cargo arrived on time, saw extensive use of GPS, which enables the tracking of position and movement. And its usage is expanding. What about future employee behavioural data? What new technologies are on the horizon that will help organisations utilise HR Analytics to predict successful outcomes and make it possible for employees to be more successful? Eye-tracking technology is one illustration. It is a sort of human-centered processing in which a camera records information about where and how frequently a person glances at different areas of a computer screen while they are looking at it. It has been applied in a variety of industries, including testing the usefulness of websites, sports medicine, cars, geriatric research, training models, and newborn studies. Some businesses already use it to monitor staff members' concentration levels during training classes. Furthermore, a large number of the hundreds of millions of mobile applications offer location-based monitoring features. Additionally, businesses are trying with location-aware technologies that let them track

customers and deliver offers to them at specific places. Location-based conversations with workers could use the same technology.

Employing the Metaverse

Internet has changed drastically the way of happening of things around us. Robots, AI, smartphones and Augmented Reality are those technological advances which have provided the various forms of communication in the form of Facebook, Whatsapp, Instagram and others. Launching of metaverse by Facebook is a step forward in technological world. Metaverse technology makes us feel connected with others even when we are far away physically. Infact it is a virtual world in addition to the actual one. "Verse" i.e. Universe and "Meta" means beyond. So it is beyond universe environment where we connect and communicate utilizing technology. Users are able to communicate with one another using avatars and computer generated objects in this common online 3D world. It is now utilised in internet education, training, and entertainment. It is an alternate/virtual universe where people congregate regardless of where they are physically located and are substituted by digital avatars. Metaverse is helpful in giving best experience to the candidates virtually and creating hands free work structure. It will also contribute to better and faster learning in a safe and inclusive environment. However, HR Metaverse is still in infancy stage and is very costly. According to recent study, many companies like Microsoft, Apple and Google are making investment in the directions of metaverse as it has the potential to bring the human element back in the HR Processes that got lost somewhere due to remote working.

Metaverse can have significant impact on major HR functions like Recruitment and Onboarding, Employee engagement and learning and upgrading skills. HR needs to be careful as this emerging technology can be won by diligent planning and strategy, keeping an eye on security measures and making a provision of training to employers and HR managers both.

5. HR Quantification

Another change that will affect the future of HR analytics is the measurement of HR, as it is called. Those of you in HR leadership are conscious of the strain you face to quantify things like people-related programs, show the ROI of training and development efforts, and show how talent from the workforce is used effectively. All of this needs actual statistics, which you might not have, may be difficult to understand, and may be difficult to assess. The CEO, CFO, and shareholders, however, will continue to put weight on your business to maximise the worth of its people resources. As a result, rather than merely being a people-friendly discipline, HR has a far more quantitative future. Many organisations are already running behind thus far. In its seventeenth year, the Sierra-Cedar HR Systems Survey collects data from more than 1,000 enterprises throughout the world, which is then verified against openly accessible financial and market data. The historical perspective provided by the HR Systems Survey's lifespan enables a year-to-year comparison of the variables that affect company performance. Sierra examines the adoption and implementation of HR analytics solutions as part of that study, obtaining information on process maturity as well as the kind and volume of data HR firms are collecting. Despite the widespread usage of HR dashboards and reporting, relatively few businesses really employed genuine analytics; just 16% of businesses used workforce analytics, 9% used predictive analytics, 11% used big data analytics, and 9% used analytics for strategic workforce planning. The analysts were able to contrast the business outcomes of HR firms that were data driven vs those that were not since Through its study, Sierra keeps tabs on company results. They were looking to see if businesses that gather more data, make it public, and use it in decision-making and procedures produce improved outcomes. The first stage involved the definition of the quantified HR structure. According to key findings from the business intelligence (BI) adoption survey results from 2013-2014, in order to improve workforce operations and accomplish organisational objectives in a setting of data-driven decision making, a quantified HR business would engage in HR measurement tools, processes, and practises. They developed many selection criteria based on the leadership of an organisation in four categories, specifically:

- Process maturity for business intelligence.
- More data sources that are often compared with workforce data, managers having direct access to HR analytics, and more general categories of HR indicators.

Successful companies in this industry range in size from small (with staffs of just over 100) to very large, Sierra discovered that firm size didn't matter (with workforces of more than 400,000). With operations in an average of 29 different nations, many quantified HR businesses were also international. The results were unambiguous. In the most current Sierra research, quantified HR businesses beat even the top-performing companies, generating better levels of financial performance as well as favourable results for HR and personnel. The return on equity, however, was the most notable distinction in the result study. As numerous aspects undoubtedly have an influence on a company's general success, additional research has to be done to determine precisely how the quantified HR organisation accomplishes results. But there is enough information from a variety of sources to draw the conclusion that the data-driven HR organisation exists and isn't dependent on any one organisation structure, technology, or sector. Any firm that is prepared to look at its data and analytics honestly and utilise that knowledge to make personnel choices may develop an analytically driven HR function.

6. Making the switch from Employee Wellbeing to a Healthy Organization

In the past several years, employee mental health and well-being have finally received the attention they deserve in the workplace. According to a recent McKinsey Health Institute survey, one in four workers worldwide report having burnout symptoms. The survey also revealed a 22% difference between employer and employee views of wellbeing at work and found a direct link between toxic work environments and burnout. What can we anticipate happening on that front? The solution is found in "The Healthy Organization," a more comprehensive and enterprise-wide strategy for well-being. This idea extends beyond the workers' physical well-being and safety and attempts to provide them more freedom and opportunity for empowerment and training. The following components make up the framework for a healthy organisation:

- Physical Fitness and Mental Fitness
- Fitness for Finances
- Social Welfare and Volunteer Work
- A Secure Workplace
- Optimum Culture

It is reasonable to say that a healthy company would be one that would be valued for superior efficiency and more pleased workers, which would result in staff retention as well.

7. Predictive Analytics: The New Standard

Predictive analytics, in our opinion, will expand as we move forward and eventually become the standard for all analytics. To be regarded business-relevant or effective, people-related analytical tools will need to include a predictive element; these metrics shouldn't just explain "what has occurred," but should also assist anticipate "what will happen." More advanced statistical methods, data integrations, and processing capacity will be needed for this, all of which are becoming feasible. Additionally, it will call for the skills of analysts and HR who are proficient in creating people-related prediction models and are aware of how to learn, test, and improve utilising predictive analytical methodologies. It is useful in making predictions and forecast about future performance based on historical HR data. The types of predictions may be related to top performers, quitting off of some employees etc. Predictive Analytics presents a more proactive approach in analyzing the problems for the organization. With the use of HR Predictive Models, data driven decisions can be taken instead of instinct. So HR metrics, predictive analytics make HR capable of taking best decision to reduce turnover and improve employee engagement.

8. The Integration of HR

Although it may seem unusual to say, human resources will require a wide range of talents. Tech-savvy individuals, data scientists, recruiting specialist, connectors, and brand editors will make up the HR team. People with copywriting skills, for job descriptions that fit the corporate culture. Those who are good at reading data and predicting trends. People who can fix problems or provide the business with new advantages and are up to date with technology. People who can bring in additional talent for the organisation and are socially engaged and connectors. HR will focus on talent diversity.

9. AI-driven HR Analytics

In the future, HR will use a broad range of instruments. Data analysis and employment trends will be made feasible by artificial intelligence by 2023 and beyond. Many manual tasks are now automated using AI and now HR professional can concentrate on higher level strategic work and consequently efficiency and productivity can be increased. AI plays an important role in enhancing productivity and proficiency in areas of talent acquisition, employee retention and training and development, employee retention, employee engagement and performance appraisal. According to an IBM research, "usage of AI integration will rise from 40% to 80% over the next three years." In the future years, data analytics powered by artificial intelligence will be employed to enhance several aspects of human resource management. These technologies will also serve as the cornerstone of the workplace of the future. Analytics tools with AI capabilities may help in spotting employee departure patterns, those who might leave the company later, and much more. Unquestionably, timely data will aid HR and leadership in reducing risks and making strategic choices. Data-driven recruiting will benefit in the future from artificial intelligence.

Creating automated some processes and encounters may help businesses save time and money.

10. The New Gold of HR Analytics Is Models

Although it may seem counterintuitive, we believe that data will become less helpful in the future. Since data is ubiquitous, people and companies are already overwhelmed. A large amount of human data won't be all that useful in the future on its own. We do, however, believe that the value of analysis models will rise concurrently with a decrease in the value of the data by itself. In other words, businesses will profit from companies that can develop useful knowledge-based solutions from staff data using either their own or data from a third party. This will take many different forms, from programmes that harvest employee data for efficiency insights to customised algorithms that allow each employee to look at their own behavioural performance data in order to better understand themselves and take the right action. Companies can use HR Analytics to their fullest potential to adopt best practices and transform data into insights through the application of various models and metrics.

CONCLUSION

The field of HR analytics is rapidly evolving and the future trends are poised to revolutionize the way human resources departments operate. From an increased focus on data-driven decision making to the integration of artificial intelligence and machine learning, the future of HR analytics is bright. Companies will be able to make more informed decisions about their workforce, from talent acquisition to employee retention, by leveraging the vast amounts of data generated by employees and HR systems. The use of predictive analytics and other advanced technologies will help organizations gain a competitive edge by providing them with actionable insights into the needs and motivations of their employees. In the near future, HR departments will also become more focused on employee well-being and engagement, using data to create personalized experiences for their employees. Companies will be able to gather and analyze data on a wide range of factors, such as work-life balance, career development, and job satisfaction, to better understand and address the needs of their employees. Additionally, the integration of HR analytics with other business functions, such as finance and marketing, will provide a more holistic view of the organization and allow for more integrated decision making. As the field of HR analytics continues to mature, it will play an increasingly important role in

the success of organizations. Companies that invest in the tools and techniques needed to effectively analyze and interpret their data will be best positioned to take advantage of the many benefits that HR analytics has to offer. Whether it's through better understanding employee motivation, improving the employee experience, or making more informed decisions about talent management, the future of HR analytics is one of endless possibilities.

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