

# NEW UNIQUE APPROACH FOR MODERN HUMAN RESOURCE PRACTICE: HUMAN RESOURCE ANALYTICS

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## ABSTRACT:

A novel approach to modern human resource management called HR analytics makes use of data and analytics to provide insights into the behavior and performance of the workforce. The purpose of this qualitative research study is to learn more about HR professionals' perspectives and experiences with the use of HR analytics in their companies. Twenty research articles that have been published in the relevant field form the basis of the study. The study's conclusions indicate that while HR analytics are becoming more and more common in businesses, there are still a number of important adoption and implementation barriers.

*Keywords - Human Resource Management, HR Analytics, Contemporary human resource practices, Data Analytics, HR Services, Performance Management, Predictive Analytics, Prescriptive Analytics, Talent acquisition, Retention, and Development, HR decision-making.*

## I. INTRODUCTION

One of the most important roles in contemporary corporations is human resource management, or HRM. When it comes to hiring, retaining, training and development, pay and benefits, and performance management, HR managers are essential to the workforce management process. But in recent years, there have been a lot of substantial changes to HRM. An important development in HRM is the application of HR analytics. HR analytics is a novel approach to modern HR practice that helps businesses make data-driven decisions and acquire insights about their workforce. The literature on HR analytics and its influence on modern human resource practices is reviewed in this paper. Human resource management (HRM) has

undergone significant changes in recent years, and one of the most significant trends in HRM is the use of HR analytics. HR analytics is a new method for contemporary human resource practice that enables organizations to gain insights into their workforce and make data-driven decisions.

The use of HR analytics has gained momentum in recent years as organizations increasingly seek to gain insights into their workforce's performance and behavior. HR analytics involves the use of data and analytics to inform HR decision-making, leading to improved talent acquisition, retention, and development. Despite the potential benefits of HR analytics, little is known about the experiences and perceptions of HR professionals regarding the adoption of HR analytics in their organizations. HR analytics is the process of using data analytics to analyze and make decisions about human resources.

## **II. EVOLUTION OF HR ANALYTICS**

HR analytics has evolved over the years from traditional HR practices to a more data-driven approach. In the early days, HR analytics was primarily focused on descriptive analysis, such as tracking employee turnover rates, absenteeism, and recruitment metrics. In recent years, HR analytics has progressed to predictive and prescriptive analytics. Predictive analytics involves using data to predict future outcomes, such as employee turnover, while prescriptive analytics involves using data to make decisions about future actions, such as workforce planning.

## **III. EASE OF USE IMPLEMENTATION OF HR ANALYTICS**

The implementation of HR analytics requires organizations to have access to reliable and accurate data. HR analytics can be applied to various HR processes such as recruitment, employee engagement, and performance management. The implementation of HR analytics also requires skilled data analysts and HR professionals who can interpret the data and make strategic decisions.

## **IV. BENEFITS OF HR ANALYTICS**

HR analytics has several benefits for organizations, including improved decision-making, increased efficiency, and reduced costs. HR analytics can provide insights into workforce demographics, skills, and performance, which can help organizations make data-driven decisions about recruitment, employee development, and retention strategies. HR analytics can also help organizations identify and address HR issues proactively, reducing the cost of reactive problem-solving.

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## **VI. CHALLENGES OF HR ANALYTICS**

Despite its benefits, HR analytics faces several challenges. One of the significant challenges is the quality of data. Organizations must ensure that they have accurate and reliable data to avoid making wrong decisions based on incorrect data. Another challenge is the need for skilled HR professionals who can analyze and interpret the data. Organizations must invest in training and development to build this capability. Additionally, HR analytics may face resistance from employees who may feel that the collection of data is an invasion of their privacy.

## **VII. LITERATURE REVIEW**

HR analytics is a relatively new concept in the field of human resource management. However, the use of data analytics in HRM is becoming increasingly popular. The traditional approach to HRM relied heavily on intuition, guesswork, and experience. However, the use of data analytics in HRM provides a more evidence-based approach to decision-making. According to Becker, Huselid, and Ulrich (2001), HR analytics is the use of data to support decision-making in HRM. HR analytics involves the use of statistical techniques and software to analyse data and identify trends and patterns.

One of the key benefits of HR analytics is that it can help organizations make more informed decisions. HR analytics provides HR managers with insights into employee behaviour, which can be used to develop strategies that improve employee engagement, productivity, and retention. The use of HR analytics has also been linked to improved financial outcomes for organizations. According to Bersin (2013), organizations that use HR analytics are 2.6 times more likely to be top-performing organizations.

Success in our society is typically seen as being solely dependent on aptitude. People with high abilities can frequently demonstrate high accomplishment, whilst those with lesser abilities can frequently disappoint. However, previous research indicates that many bright individuals exhibit middling performance, while many students who might have seemed less bright actually achieve far more than one could have anticipated. Researchers theorized, in particular, that pupils may interpret accomplishments differently (Dweck & Elliott, 1983; Dweck & Leggett, 1988; Elliott & Dweck, 1988). Some researchers would view these situations as challenges to their expertise, while others might regard them as chances to pick up fresh information.

As a result, the focus of this chapter is on researchers' self-conceptions and driving forces. The review of the literature will provide a deeper comprehension of the psychological processes that pupils exhibit as well as understanding of the developmental origins of accommodating and adaptive functioning. In his work *People Analytics: Novel method to Modern Human Resource Management Practices*, Gupta B.N. (2018) came to the

conclusion that People Analytics is a data-driven method to improving people-related decisions with the goal of fostering both individual and organizational success. An emerging scale for evaluating human resources is HR Analytics. 2017), Khan Hameem's study stated that HR Analytics become a must-have option for organizations. Analytics is all about decision-making by leveraging employee data, right from recruiting to retirement and so many tactics will be carried out.

## VIII. OBJECTIVE

Based on a survey of research papers published between 2017 and 2023, this qualitative research study intends to analyze HR professionals' experiences and perceptions surrounding the use of HR analytics in their organizations. The aim of this study is to ascertain the obstacles linked to the acceptance and execution of HR analytics and comprehend the growing trend of HR analytics inside enterprises.

## IX METHODOLOGY

The research paper is based on a systematic review of the literature on HR analytics. The paper draws upon academic articles, industry reports, and other relevant sources published between 2017 and 2023. The literature review was conducted using several databases, including ProQuest, JSTOR, and Science Direct, using keywords such as "HR analytics," "human resource management," "data analytics," "predictive analytics," and "employee performance. The review of the literature reveals that HR analytics is a relatively new approach to human resource management. It involves the collection, analysis, and interpretation of data related to the workforce, including recruitment, retention, training, compensation, and performance. HR analytics allows HR managers to make data-driven decisions, identify patterns and trends in workforce data, and predict future outcomes.

## IX. FINDINGS

Additionally, research indicates that HR analytics can improve modern HR practices in a number of ways. In the first place, it aids businesses in enhancing their retention and recruitment plans. HR managers can create plans to keep top talent by using HR analytics to pinpoint the causes of employee attrition. Employee performance can be enhanced through the utilization of HR analytics. HR managers can conduct customized training and development programs to increase employee performance by identifying areas for improvement through the analysis of performance data. Thirdly, companies may maximize their benefits and pay plans with the aid of HR analytics. HR managers are able to determine pay gaps and create plans to guarantee fair remuneration by evaluating salary data. Finally, the literature suggests that HR analytics has some challenges and limitations. For example, HR analytics requires significant investment in technology and data analytics skills. It also raises ethical and legal concerns about the use of employee data. Therefore, HR managers need to ensure that they comply with data protection regulations and maintain transparency about the data they

collect and analyze.

## X. CONCLUSION

According to a survey of the literature, HR analytics is a novel approach to modern HR practice that could completely transform the industry. HR managers can enhance personnel management procedures and make data-driven decisions with the help of HR analytics. But there are also some issues and restrictions with HR analytics that must be resolved. As a result, HR managers must make sure they adhere to data privacy laws and possess the requisite technological and data analytics expertise. All things considered, HR analytics is a fascinating advancement in HRM that could revolutionize the industry.

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