



Conceptualizing HR Analytics Practices for Healthier Organizational Performance –A Framework Based Analysis

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Abstract: *In today's multifaceted business environment, HR analytics field is growing in acceptance and prominence. It is playing a significant role as a decision-making resource for managers managing large companies. Moreover, in the present scenario of knowledge economy, an organization's employees' are its most significant asset in addition to its great investments. There is a huge challenge in front of almost all the organizations' to manage the employees' knowledge, skill and experience in the competitive world as today, organizations always thrive to expand its performance whilst managing costs effectively. Having said this, many organizations are struggling hard to understand how effectively their human capital is managed in terms of analytical insights related to various kinds of investments made in various forms to enhance human capital performance in their organization. Non-existence of clear metrics and insight into various forms of data on human capital, organizations' are not able to formulate the required right kind of strategies to gain access in to business intelligence pertaining to their human capital working in the organization which in turn will lead to better business performance. In today's extremely competitive environment, it is imperative that organizations in order to succeed, an unified data driven approach to be followed with regard to human capital management to enhance efficiency and also to take valid human capital decisions to impact the overall strategy of an organization.*

Keywords: *HR Analytics, Human Capital Management, Business Intelligence, Healthier Organizational Performance.*

I. Introduction

In Today's hyper competitive world, every organization faces the challenge of human capital management. As we all know that human capital is considered as one of the most critical asset to gain competitive edge over one organization to another, most of the organization's today are not able to practice data driven human capital management. If human capital management is done with the use of data related to human capital, then it can certainly help key executives to take better people decisions based on evidence rather than acting upon instincts. Those organizations which take people decisions based on data driven approach will definitely be able to optimize the efficiency on strategic human capital decisions subsequently will gain a sustainable competitive advantage. In order to make human capital management a competitive advantage, organizations need to bring together their financial statements, HR databases, various surveys and other related data to a common platform in order to apply analytic methods which will in turn enable key executives to find solutions to critical problems existing in the organization.

II. What is HR Analytics?

According to KPMG (2013), "Human capital measurement. Big data. Talent analytics. Strategic workforce analytics. HR analytics. These terms all refer to the synthesis of qualitative and quantitative data and information to bring predictive insight and decision making support to the management of people in organizations.

To put it another way, HR analytics can be seen as the application of statistical techniques (for example, factor analysis, regression and correlation) and the synthesis of multiple sources to create meaningful insights – for example, employee retention in office X is driven by factors Y and Z".

Importance of HR Analytics

Many a time's organizations find it difficult to appreciate how to use their multifaceted and capable workforce in an efficient manner. Providentially, at present it is feasible for