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### How to Find Solutions for Strategic Concerns in HR through Analytics

- Excerpts from a WNS Tweet Chat







The current business environment is more dynamic than it has ever been in the past, but the crux of every well-oiled organization inarguably remains the same - Human Capital. With strategies and goals changing form every day, the role of organizational HR has clearly shifted from the basics of hiring, payroll, and compensation to a much broader role of ensuring the availability and retention of human capital in line with the changing business demands.

> The focus of HR will be to align workforce performance to business strategy & bridge the future demand & supply talent gap #WNSHRO - <u>Re-tweet</u>

> > We at WNS,

decided to dive deeper into the strategic goals, concerns and needs of some leading HR professionals through Twitter. The Tweet chat we conducted threw up some interesting insights.

Topmost among HR concerns are: ROI on workforce investment, quality of new hires, change management, workforce planning and retaining high-performing talent. Interestingly, while solving these issues, HR leaders also have to keep an eye on the future and worry about aligning workforce performance with the organization's business strategy. Alongside, bridging the talent gap between demand and supply remains an important HR KRA.

The sweeping changes in the role of HR need to be complemented by data interpretation and analysis techniques, tools and frameworks, feel HR professionals, as most strategic decisions in HR are based on data. Little wonder then, that most HR professionals are increasingly adopting analytics in some form or the other, be it reporting, descriptive, predictive or prescriptive.

Summarized below are some of the findings from our Tweet chat with HR professionals:

#### HR Analytics vs. Traditional Statistics

Even before analytics came into the picture, companies had been tracking employee engagement. But where analytics

scores over traditional tracking methods is in its use of action planning and linkage study. With

Predictive analytics helps improve effectiveness of recruiting process & identify what characteristics yield better quality hires #WNSHRO – <u>Re-tweet</u> n its use of action plannin and linkage study. With analytics, you can effectively

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show that HR has a cause-effect relationship with regard to business development and calculate a true ROI. By accurately analyzing insights, companies can facilitate actions that integrate seamlessly with business strategies.

There are many reasons for the increased interest around HR analytics. Some of these factors are a result of the current economic scenario - lack of skilled talent, need for better resource utilization, the necessity to go beyond intuitiondriven decision-making to insight-driven decision-making. In industry parlance, these are known as the 'pull factors'. There are other 'push factors' as well that have put HR analytics in the spotlight. Advancement in digital technology, tools and techniques, and the rapid progress and industry-specific advancements in analytics science are some of the push factors responsible for the increased interest in HR analytics. As examples of competitors successfully using analytical tools begin to emerge, more and more companies are being drawn to the lure of HR analytics.

#### Integrating HR Analytics into Business Strategy

HR professionals today believe that as a novice it is important to understand that success will take time and depend entirely on the organization's internal readiness, investment appetite, and target time-frame to achieve ROI. Many feel that the best areas to use HR analytics are attrition and retention management, recruitment, compensation planning and spend

management, and employee engagement. But whichever area you decide to improve



Analytics cannot begin without three building olocks – Data, Technology & Analytics Competency #WNSHRO – <u>Re-tweet</u>

with analytics,

you cannot begin unless you have the building blocks for the analytics journey already present. The building blocks being data, technology, and analytics competency.

Most organizations may not have the wherewithal to focus and build analytics capabilities within their HR teams. In such scenarios, it is best to engage with a mature and experienced provider of HR analytics services; a provider that has a strong understanding of HR systems and processes and can build analytics frameworks that drive value to the business. Typically, the analytics journey begins with building a data warehouse. In an organization, data may often be found in discrete databases and systems and stitching them together is the first step in HR analytics. Smaller businesses can do without a data arehouse, but for bigger organizations data warehouses work well in classifying data used for analytics Focused-solutions & 3rd party service providers can help address the challenges in implementing in-house model #WNSHRO – <u>Re-tweet</u>



according to the source so that internal and external data can be used effectively in decision making.

The next step in the analytics journey is the use of technology. Currently used analytics tools are horizontal in nature and statistics-based. But as technology matures, we will soon see HR-centric tools with defined functionalities. It is important that companies stay abreast with the technological developments.

Analytics competency is the third and most important requirement for HR analytics. To be able to go beyond normal number churning, one needs to ask the right questions. This requires both horizontal (analytics / statistics) knowledge, as well as vertical and domain-specific knowledge. Providers that have people competency and domain knowledge are best suited to help businesses gain the edge by using HR analytics.

# The Last Word - Overcoming the Roadblocks

HR analytics is an emerging field, and there are challenges involved in the implementation of an in-house model. Third-party providers with engagement models like analytics Software As A Service (SAAS) and outsourcing make it easy for firms to adopt HR analytics. HR folks interested in making HR analytics work for them must look for providers with people competency and deep domain-knowledge to address these challenges and start their analytics journey with complete confidence.

ROI on workforce investment, new hire quality, change mgmt, workforce planning & retaining high-performing talent are some #WNSHRO – <u>Re-tweet</u>





## The Tweet Chat was held on Sept 9, 2014 and the domain expert representing WNS in the chat was R. Swaminathan, CPO, WNS Group.



R. Swaminathan, Chief People Officer, WNS Group Swaminathan leads WNS's Human Resources function, and is responsible for the entire gamut of people-oriented processes. Swami is an HR professional with experience spanning Operations and Sales. Prior to joining WNS, Swami was with CA Technologies, where he served as Vice President - Human Resources and was the Country Head – HR of India. He has also served as Head of HR Operations at Syntel and thereafter, for a short while, was its Global HR Head. Prior to Syntel, Swami had a long tenure at GE spanning multiple roles such as Master Black Belt-HR and Assistant Vice President and Head -Operations for HR, Customer Research and Operational Analytics, apart from other roles in mergers and acquisitions. He is a certified Change Acceleration Coach and a keen practitioner of Six Sigma. Swaminathan has a Masters in Social Work (MSW) from the University of Madras.

For more details on the tweet chat, follow #WNSHRO

For more Information write to us at marketing@wns.com