

Agility through analytics

Transforming the Role of Modern HR



Introduction

Deep-dive analytics tools have completely transformed the way many organizations do business—helping remove the guesswork from major areas of operations, and provide everybody with the clear, actionable answers they need to make informed business decisions.

The benefits of sophisticated analytics are being reaped across the business. But according to Deloitte, HR is lagging behind—with only 14 percent of companies using analytics in HR, compared to 77 percent using these tools in Operations¹.

With the speed of change increasing, and new business models emerging every day, the modern organization demands faster and more precise actions from HR than ever before.

Today's employees and candidates expect their experiences from internal systems such as HR to be as simple and convenient as those they receive in their personal lives (such as when they're buying things online). As the war for the best talent grows increasingly fierce, HR simply cannot do without the insight and agility delivered by modern analytics.



¹ <http://deloitte.com/us/en/pages/human-capital/articles/workforce-analytics.html>

How analytics tools are helping increase the efficiency and strategic value of HR

Today, talent is your business' top competitive differentiator. The people you employ and the skills among them determine your ability to innovate and respond to market and business changes at speed—and ultimately define your capabilities as a business.

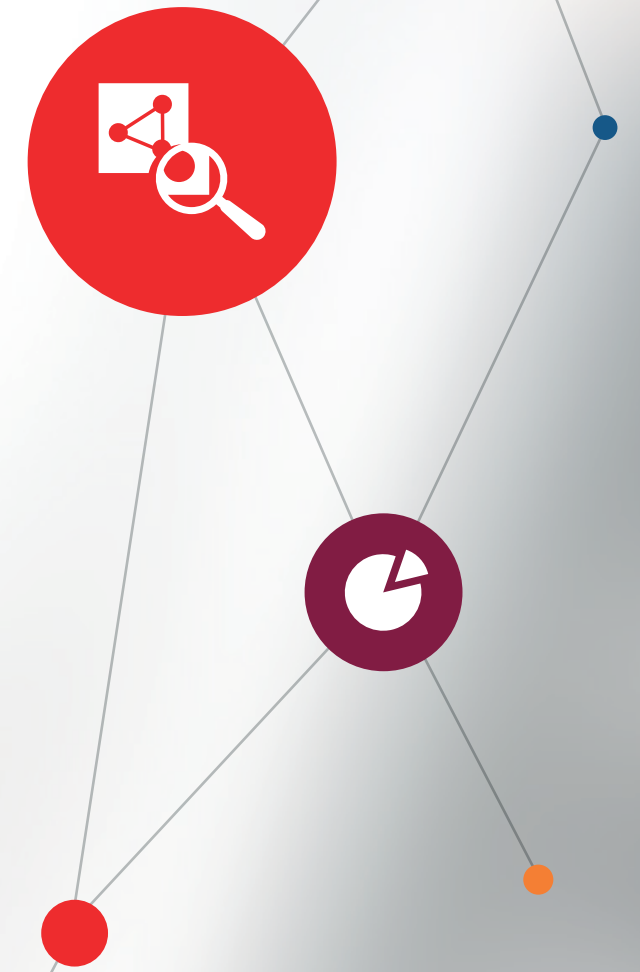
The HR department is tasked with the incredibly difficult and important task of attracting, retaining, and managing that talent effectively. It's a tough job—and as competition for talent increases, it's only getting harder—but modern HR analytics can make it more manageable.

The Boston Consulting Group says that prioritizing data-driven insights is one of the three hallmarks of truly great modern HR departments², and when you consider how inefficient paper-based workforce analysis is, it's easy to see why.

For decades, key HR decisions have been made using complex spreadsheets of raw data that staff have to manually examine by hand and spend hours trying extract insight from. This isn't just massively time-consuming, it can also lead to inconsistent or incorrect decisions that end up costing the business millions in both mistakes and missed opportunities.

One of the big questions HR constant has to ask is whether the business has the right people to support development projects and achieve its strategic goals. With access to the right analytics, HR can stop asking questions of its data, and cut straight to the answers. The deep workforce visibility granted by analytics offers immediate insight into skills gaps, performance, potential future issues, and development needs at a glance—all through a simple, visual dashboard.

Evidence based decision making will replace the "educated" guess. With that information at their fingertips, HR professionals are equipped to take on a more strategic role within their organization, and become agents of business change and success. The team can make well-informed decisions for the organization's future instead of deducing from anecdotal information and experiences. Precise analysis also frees HR professionals from repetitive, manual information analysis to focus more time on more strategic priorities e.g. attracting the talent that can help the business rise above the competition, and stay ahead.



Improving the HR experience for digital employees

Analytics underpins the modern HR department—enabling it to serve today’s digital employees in the personalized, convenient, digital ways that they have come to expect from modern technology and service experiences.

Today’s top performers are not afraid to leave their job if their employer can’t provide them with the personal development opportunities they desire, give them the platform to make use of the entire bandwidth of their skills in projects they can relate to, or doesn’t reward them appropriately.

With intuitive, understandable visualizations, deep workforce visibility is granted which helps HR stay on top of these personal demands better than ever before. The right analytics tools provide a complete overview of workforce needs, enabling HR to make intelligent decisions about skills development, based on both the needs of the individual, and those of the business.

It makes employee retention effective, with predictive warnings about potential issues and insight into where talent is going underutilized, underdeveloped, or under rewarded. You know more about your employees, and it takes just seconds to find out what they need to stay happy, engaged and productive in their job.

With insights that go down to the individual employee level, and back to a more aggregated view and vice versa with the click of a button, HR can understand, manage, and track the unique needs of every person in the organization—and use that information to provide them with the very best service possible.



Making HR data do more

Analytics brings data together and pairs it with context to give business users the answers and insight they need to make intelligent, informed decisions. But, by combining and integrating analytics between multiple departments, business intelligence can go even deeper, provide broader context for data, and help you learn even more.

This is needed in data driven simulations of market entry scenarios or strategic business planning, so that HR can understand the employee and workforce implications of each initiative. HR analytics can provide individual-level context to other essential business metrics and measurements—helping to identify correlations between individuals, teams, and wider business results and trends. This can help you easily pinpoint the best and worst of the talent within your organization at a glance. It helps you see who you need to reward, develop, and try hard to keep hold of, while simultaneously highlighting problem areas and helping you pick out the sources of major business issues.

Linking person data with business data can help HR demonstrate how its efforts directly define the future of the business. More than half (51 percent) of organizations are already actively identifying how HR programs and efforts correlate with business results through analytics³, and that's only going to increase into the future.



The future of analytics in HR

Fully 77 percent of executives already agree that people analytics is important or very important to the future of their business⁴. We should expect to see analytics adoption skyrocket over the next couple of years, eventually falling in line with adoption rates in other lines of business.

As more and more HR teams across the globe get used to working with analytics, the ways they use these tools will gradually expand and mature. Lessons learned from key data trends can be shared internally, helping to improve HR processes and practices across the organization—between teams and across international borders.

As advances are made in data processing and business intelligence, shared community knowledge will be used to provide additional context for key HR analytics, ensuring that employees are always viewed as individuals with unique needs.

We're already seeing analytics completely transform the way HR operates, and the role it plays in the organization as a whole. And this is just the beginning. According to Deloitte, we're now entering a golden age of people analytics⁵, and progress is only going to accelerate from here.

⁴ <http://deloitte.com/us/en/pages/human-capital/articles/introduction-human-capital-trends.html>

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The importance of the right platform

In the digital age, every individual and team must adapt to new technologies and get to grips with the new solutions that define their lines of business. But for many HR professionals, the thought of working closely with complex analytics and becoming custodians of enterprise data is highly daunting, because it is still related to thousands of lines of Excel crawl-through work.

The right platform ensures that HR need only worry about the outputs of the analytics, instead of the “nuts and bolts” behind the scenes. With the right visual dashboard, HR analytics can be displayed and digested in a way that’s simple for everyone—enabling HR to start unlocking the power of analytics almost immediately.

And once HR has that insight in hand, the right platform can also help them rearrange it and share it in a secure way, through all of the devices utilized by the modern workforce. It can even recommend which parts of the data each individual should look at, helping them to identify correlations that have specific implications for them.

Once you’ve stepped into the world of HR Analytics, the world of unstructured big data will soon come knocking. Today’s integrated Cloud systems open the door to unseen possibilities in analysis. With simple tools to help users put together complex data correlations, and new ways of displaying that data intuitively wherever you are, the cloud unlocks the full power of analytics—especially for HR.

Oracle HCM Cloud is a complete, flexible cloud HR platform, built for the needs of the modern HR team, and the digital employees they serve. Find out more about the analytical capabilities of Oracle HCM Cloud today, and discover how it could help you learn more about your workforce, prepare for the future, and remove the guesswork from HR. Explore the world of modern HR at <http://www.oracle.com/uk/applications/human-capital-management/overview/index.html>.

