# PhD Research Proposal

Degree of Doctor of Philosophy in Management

**HUMAN RESOURCE**

## The Importance and Impact of Human Resource Analytics (HRA) in growth of the organization. A Study on Tamilnadu HR Professionals

**Introduction :**

The emerging techniques and technologies have brought in many changes in the existing business system. We live in the world, where the information technology playing its prominent role in all sectors. Mainly, the information technology in the area of human resource becomes a major pillar for the growth of organization. This unavoidable role of Information technology in today's world led to increased pressure on human resource department to adopt human resource analytics (HRA) and various metrics. By the acceptance of human resource analytics (HRA) in human resource management (HRM) , an organization can achieve better progress and also can create an competitive edge in the society. Different People term HR Analytics in different ways. Human resource analytics (HRA) is defined as, the area in the field of analytics that deals with people analysis and applying analytical process to the human capital within the organization to improve employee performance and improving employee retention. It is also defined as a methodology that comprises statistical tools to maintain and to analyze the data collected by the human resource management that helps to predict the future of organization and to create an competitive edge. This study is to understand the present position of firms in adoption of HR Analytics and its level of impact in the growth of organization, also the challenges faced by organization towards the implementation of the HR analytics.

**Evolution of HR Analytics :**

In 1978, an article titled " The measurement imperative " proposed the idea of measuring the impact of HR activities with collected data on the bottom line of business. This idea marks the beginning of the data capturing activity in HRM.

In 1990, with growing development in the field of and HR measurement integration with more business dimensions, the predictive and assessment models became a subject of study. But still, the field of HR analytics remained unknown to many organizations and they couldn't realize its potential. The developments leading to the concept of benchmarking to compare the HR measurement data in various functions and with other companies. Though companies soon realized that while in theory benchmarking promises to provide strategic business insights, in real business scenario it fails to do the same and benchmarking losts its recognition by early 2000.

In 2000, The emergence of HR accounting and utility analysis was witnessed and this added new dimension and measurement data to quantify HR. Researchers not only drew the inference from other sources too. One such research is on the metric model adopted by Bille Beane, the general manager of the USA baseball team to select team members. This study led to a breakthrough metric-based selection model development called as 'Moneyball' concept in2003 and found its adoption at large scale by organizations since 2006.

The early adopters of HR Analytics are,

> **Google** started 'Project Oxygen' to find the qualities and attributes of an effective manager.
>
> **IBM** discovered ways for talent management by analyzing the voluminous big data of HR

**Current Trends In HR Analytics :**

- ✓ Reporting HR Data to the Board.
- ✓ Documenting and Reporting Microaggressions in the workplace.
- ✓ Emphasis on accuracy of data.
- ✓ Merge HR data with other company data.
- ✓ Issues related to home video-based meetings.

**Review of Literature :**

The article " HR Analytics can transform the Workplace" (Nerney, C. 2014), explains the efficiency of HR professionals in gathering data, examining and to forecast the results for better understanding about the staff, customers and outcome of the business. The article narrates about the ability of managers in HR department about their skill in data mining, decision making, Predicting the need of training programs and their impact in business reviews.

RutgerJohannik in 2015 adopted Delphi method to identify the drivers for the effective utilization of HR analytics. Drivers like application, logical thinking of data analysis, structure and organizational outcome in decision making plays prominent role in effective implementation of HR analytics.

Alamelu, 2015 focuses on the investigation on individual level adoption of human resource analytics (HRA) by employees. The samples were collected from bangalore ITES small firms. 50 registered firms were selected. The findings based on regression revealed adoption to innovation are mainly due to perception from peers and not much usefulness of innovation. Also work environment, turn over costs, recruitment decision etc.. would forecast the future recruitment of the firm. It helps the firms to be sustainable with competitors.

" Model of Predictive management" framed by Fitz-Enz (2010) for the development of HR analytics. The model surveyed nearly 50 organizations under different  sector to understand the usefulness, prediction and data analysis of analytics were selected based on finding shows that most of the professionals accepted the benefits of analytics, data mining and local thinking.


**Problem Statement :**

The Indian analytics industry is getting recognized as a sector which is expected to contribute majorly to India's GDP. The data generated at the individual and organization levels is pushing corporate to adopt analytics in their organization. Digitization of transactions, virtual dealings and online retailing and ecommerce is making it critical for businesses to adopt analytics with the increased awareness and use of analytics tool, Indian corporate are slowly creating data environment leading to analytics.

**Research Aim :**

This research study aims to examine the level of adoption and importance of Human Resource Analytics (HRA) by the Tamilnadu firms and to identify the impact of it in growth of the firm.

**Research Objectives:**

**Objective 1 :** To understand the adoption of HR analytics in organisations across different sectors.

> **1.a).** To study the extent and usage of adoption of HR analytics in different organization.
>
> **1.b).** To explore the challenges faced by organized in adoption of HR analytics across different sectors.

**Objective 2 :** To find out the importance of HR analytics in human resource management.

> **2.a).** To identify the functions of HRM which is in most need of HR analytics.
>
> **2.b).** To find out the most preferred HR analytics tool by the HRM.

**Objective 3 :** To identify the impact of HR analytics in the growth of organization.

> **3.a).** To find out its role in decision making and competitive advantage.

**Objective 4 :** To make recommendations for the companies to use HR analytics in their HRM

**Research Methodology:**

Descriptive research is used to know the level of adoption of HR analytics in organization across different sectors.

The data collected from the population is further tested through quantitative techniques and are interpreted through various numbers and graphs and other statistical tools.

**Data collection:**

Under the probability sampling method, stratified random sampling is one where the researcher divides the entire population into homogeneous groups known as strata for research which further helps in reduction of cost and efficiency is increased.

The population of this study are HR Managers, HR Experts, HR Executives, Senior managers in organization of three different sectors that is Retail, manufacturing and IT.

Accordingly interview schedule will be planned to seventy five such organisations.

**Primary data:** Primary data will be collected from organizational HR executives from three different sectors that is Retail, manufacturing, IT in Tamilnadu. By using interview schedule, Primary data involved gathering of first handed information by the researcher.

**Secondary data:** Secondary data will be collected from various websits, research papers, journals and books.

**Methodology:**

Descriptive study has been considered in the study with fact finding survey method for collecting primary data, interview schedules were prepared, being the structured, directive interview, the interview was conducted with a detailed standardized schedule.

**Population:**

The population of this study are HR Managers, HR Experts, HR Executives, Senior managers in organization of three different sectors that is Retail, manufacturing and IT.

**Limitation of the study :**

This study about impact of HR analytics in growth of organization is conducted with only small number of organizations. So the accuracy level of the study slightly decreasing. Future works will cover more number of organization for its study.

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