

People Analytics: Creating a Data Driven HR Function



Today, the plethora of advancements being made in technology are having a widespread impact across all the various business functions within organisations. However, it's interesting to note that the multitude of these new and emerging technologies are presenting organisations with both challenges and opportunities. And it is worth noting that those organisations taking advantage of emerging technologies to differentiate themselves from their competitors are thriving, while those who have become paralysed with indecision are being left far behind.

One only needs to think of the impact Uber, iTunes and Airbnb had in their respective industries, especially those that were taken completely by surprise.

With new innovations bringing both opportunities and challenges, HR are now also being placed in the same situation - and just like with the organisation - HR will either need to embrace these new technologies or die a slow death. By embracing new technologies HR will empower themselves to be ready to adopt any changes brought about by through disruptive innovations, which can have the capacity to hurt the business, if you are not ready and prepared for them.

However, being ready and prepared will enable the organisation to turn disruption into being able to rather take full advantage of any opportunities presented.

Currently one of the big innovations we are seeing in the market is how current solution providers are now making *People Centred* HR solutions available rather than just providing their customers with traditional *Transactional Record Keeping* systems.

This has resulted in the HR team now having access to solutions that focus more on serving the requirements of employees and managers, as opposed to just focusing on assisting the HR team completing their administrative, record keeping tasks efficiently.

To break down the overall term of emerging technologies, commonly referred to as Artificial Intelligence, let's look at what sort of technologies these encompass, all of which can start assisting HR with their digital transformation journey towards becoming a data driven HR team.

Machine Learning

This is the application of artificial intelligence which provides systems with the ability to learn and improve from experience without being explicitly programmed to do so. This process starts with analysing large amounts of historical data to provide the input required to create the relevant algorithms, which once created can then be applied against the organisation's current data, in order to start providing predictive analytics.

Blockchain

This is a computerised system of record where many copies of a record is stored across various servers, ensuring that no one individual can edit a record without the "approval" of all other parties. Think of an individual's education record, which is essentially co-owned by all parties but cannot be manipulated by the individual themselves, thus providing a record that can be trusted by all parties who have access to it.

Internet of Things (IOT)

Is the concept of having multiple "smart" devices connected to each other via the internet, able to communicate with each other and other systems. Think of the plethora of wearable devices that are currently transmitting the wearer's steps taken, their heart rate etc. to the respective medical aids, tracking their members health status in real-time.

Deep Learning

This is a subset of Machine Learning incorporating the ability for the system to be capable of learning in an unsupervised manner from unstructured data. Deep Learning is also referred to as Deep Neural Learning or Deep Neural Networks.

Chatbots

Is the term used for "Chat Robots", which are really just computer programs able to simulate human conversation, through traditional voice or text type conversations. Chatbots are also able to utilise machine learning to building up a comprehensive library of responses by their ability to "learn" from all the previous questions asked and answers given. This continuous process enables organisations to build up a comprehensive data base of responses, slowly eliminating the need for humans to be available to answer routine questions from employees such as "When is Pay Day?", "Has my overtime been processed?", "What is my current leave balance?" etc.

As can be seen from the above, the emerging technologies all have this ability to "learn" making them

extremely powerful when coming to analysing data to provide both analytical results and predictive indicators, providing both HR and management with true decision support capabilities.

It should be noted that the whole area of People Analytics is a new area of expertise required within the HR team, and forward-thinking organisations need to start employing HR Data Analysts to perform this function. The skills required include having an in-depth knowledge of HR combined with report writing skills, which with today's technology have been made far more user friendly, eliminating the need for HR staff to have programming skills.

As the importance of People Analytics is recognised, so too will the importance of the role of the HR Data Analyst rise.

In the end, the ultimate goal of using emerging technologies within HR is to provide both HR and Management with the ability to move from only accessing transactional data to having access to data which has been transformed through analytics into insights, in order for better decisions to be made based on facts rather than just gut feel.