'HR Analytics & Employee Relations'

[1]Prof. PrajaktaDhuru, [2]Ms. Foram Mehta, [3]Ms. Neha Madrid, [4]Ms. Bhairavi Rawool

[1]*Human Resource Management Professor,* [234]*Student, PGDM - Year 2*

IES Management College and Research Center, Bandra, Mumbai

ABSTRACT:

Application of HR Analytics and Employee Relations, with emphasis on the Indian service industry, will support in overall economic growth of the country. But successful implementation HR Analytics and Employee Relations is very essential for India to have adequate deployment of learned and skilled labour who will be able to master the science and art of Modern HR Analytics & Employee Relations. For systematic transition from Traditional HR procedures and strategies to amalgamating technology into these pre-existing methodology which were initially used for conducting HR tasks, it is very crucial to have transparency and consensus with all the HR professionals in any business environment.The main purpose is to study how HR Analytics will benefit the organization in improving Employee Relations. To understand the effect of HR Analytics on Employee Relations.The respondents are HR professionals across industries in Mumbai and Thane region. Sample of around 100 responses will be considered for the study. The data will be analyzed using descriptive Statistical tools. Technological revolution in HR should allow an HR professional from Admin related work, which originally consumed majority of their time and in return should help them to focus on much more value adding functions like enhancing the productivity and motivate employees, concentrate on recruitment and selection and not sourcing and procurement of candidates, recognizing problems beforehand rather than scrutinizing cases after incidents have manifested an emphasis on educating the current and future workforce to be employable in a digitally transformed enterprise.HR Analytics & Employee Relations should fulfil the goal of automation of tasks and not automation of the entire job.

KEY WORDS:

Indian service industry, Science and art, HR Analytics and Employee Relations, Technological revolution.

INTRODUCTION:

Human Resource Analytics can be summarized in a definition as a technical concept in the domain of analytics that aims at dealing with analysis of people and creating an analytical process to understand the technical aspect of human capital management and to make meaningful inferences with data processing of the information that is gathered regarding the journey of the employees within any company / organization and to utilize the extracted data to improve employee performance, employee retention, employee motivation and overall employee relations.The term 'Employee Relations' can be defined as an organizational effort to manage the relationships between employers and employees. The major objective of maintaining 'good' employee relations and that is essential to be included in the employee relations program is to provide fair, consistent and reliablemanagement treatment to all its existing employees so that they are motivated to be loyal, honest and committed to their jobs, to themselves and to the organization. One can say that Employee Relations and HR Analytics go hand in hand as each theorycompliments as well as supplements each other because it is necessary to do in depth analysis of the employee data available with the organization and understand and interpret the trigger points that can influence employee relations in a direction that can be beneficial for the organization.

LITERATURE REVIEW:

The core argument in Mr. Guest's HRM research paper was that the HR policies needs to give greater priority to promoting employee well-being and maintain employee relations and he stated three main reasons for the same. The first is that it is the right thing to do on ethical grounds; the interests of workers, as key stakeholders, are too often neglected. Despite interest in employee attitudes and behavior in many of the established HRM models, employee relations are viewed as a means to an end rather than an end in themselves. Second, we have argued that the pressures in the external context carry threats towel-being that can be at least partly ameliorated by the kind of HR practices outlined here. Third, organizations are likely to benefit from a focus on well-being in terms of both enhanced performance and reduced costs. Utilizing exchange theory as a core HR analytic framework, the article has outlined a potential set of HR practices likely to simulate well-being at work and a positive

employee relations, indicating mutual benefits of achieving this and suggesting research avenues to evaluate this case. (*Human resource management and employee well-being: towards a new analytic framework by David E. GuestSchool of Management and Business, King's College London Human Resource Management Journal, Vol 27, no 1, 2017, pages 22–38*). As per the findings of another research paper which elaborated on making an attempt to explore the role of HR analytics on PA system and it's subsequent impact on employees' willingness to improve performance by proposing a conceptual model with testable propositions. The paper highlights subjectivity bias in the PA system as one of the issues that needs to be addressed to increase its perceived accuracy and fairness, which in turn affect employees' satisfaction with the appraisal system. To do so, HR analytics was found to be a potential solution by increasing accuracy and objectivity in the appraisal process with the use of sophisticated data analysis tools. Along with implications for both practitioners and researchers in the field of performance management, the paper also suggested directions for future research to further enrich the field *(HR analytics and performance appraisal system by Anshu Sharma and Tanuja Sharma)*. HR analytics is a new area to be explored in human resource management domain. Decision making is a crucial aspect in every organization. It needed much more investigative approach and critical observation of past events to make any decision. HR analytics is a tool to improve the performance of decision making related to people in the organization. This study has been done to understand the HR analytics and does it have any relation with the performance of organization. It revealed that there is a gap and inconsistency in existing literature related to HR analytics. It helped to understand inconsistency in HR analytics and with the help of this findings future course of action can be decided and model can be proposed to explore various dimensions of HR analytics. The existing literature shows that analytics is in consistency with data and business. Here further studies are required to explore HR analytics and how it affects the performance of an organization. *(Impact of Human Resource Analytics on Organizational Performance: A Review of Literature Using R-Software - Dr. AnshuLochab, Sunil Kumar, HimanshiTomar)*. Despite the growing interest in the innovation supported by evidence, there is a limited scientific evidence to support the confirmation to help in decision making concerning whether to adopt HR analytics. A study conducted by Marler (2016) involving review of fourteen articles which were selected based on meeting scientific quality criteria from an initial population of sixty articles, only four involved empirical analysis of HR analytics and out of four, only one was based on empirical evidence linking HR analytics and company performance. The remaining ten studies provided almost no evidence to support internal validity conclusion validity and generalizability. No theory based forecasts of relationships and no data to gauge theoretical predictions were involved. To conclude the presence of three factors or significant moderators appear to impact the relationship between adoption of HR analytics and organizational outcome. In order for HR analytics to be implemented effectively, the first and prior requirement would be the employees with the knowledge, skills and capabilities to collect the right data perform the effective statistical analysis and transfer the results in a way that is meaningful as well available. The second aspect would be for those working on HR Analytics is that they need to build a network of supportive stakeholders across and up on the company hierarchy for effectiveimplementation.*(Current Status of Analytics in HR - Evidence Based Review, Manju Nair)*.

RESEARCH METHODOLOGY:

The research design of this research is exploratory research. A primary research has been conducted in order to see the impact of HR Analytics on the employee relations in an organization. The survey is conducted with the help of 100 HR professionals from Mumbai and Thane region. The conceptual model stated by 'Anshu Sharma' and 'Tanuja Sharma' in their research paper on HR Analytics and Performance Appraisal system has been taken as the base for conducting this research. The model states that use of HR Analytics helps reduce the subjectivity bias in the PA system of the organization which helps improve the employee satisfaction with the performance appraisal system thereby improving the employee willingness to improve their performance. The survey conducted tries to support this model by taking into consideration different factors affecting the employee relations such as Performance Evaluation, Reward Systems, Training and Development needs of the employees and Recruitment and Selection process. The analysis of the data received from the respondents is done using various analytics software's like Microsoft Excel and SPSS. The results obtained are used to conclude whether the use of HR Analytics helps improve employee relations in an organization.

OBJECTIVES:

●The main objective of this study is to see the effect of HR analytics on employee relations.

●Employee relations in an organization can be evaluated by using different factors at different levels in the organization such as Recruitment and Selection Process, Performance Evaluation System, Training and Development needs of the employees, Reward systems for the employees.

●All the above mentioned factors are having some effect on the employee performance and their relations with the organization.

●This study will help in evaluating how each of these factors affect the employee relations and how the use of HR Analytics in conducting the above mentioned processes will help in bringing a change in the employees relations in the organization.

ANALYSIS:

HR Analytics helps in reducing the time spent on evaluating the performance of the employees

Table No 1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	6	6.0	6.0	6.0
	Neutral	30	30.0	30.0	36.0
	Agree	53	53.0	53.0	89.0
	Highly Agree	11	11.0	11.0	100.0
	Total	100	100.0	100.0	

From the test conducted it can be concluded that out of the total 100 respondents 53% agree that HR Analytics helps in reducing the time spent on evaluating the performance of the employees. With the use of HR analytics the possibility of human errors or manual work reduces to a great extent which would further help in producing better results and increase employee satisfaction.

HR Analytics helps in reducing the biasness in the performance of the employees.

Table No 2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	13	13.0	13.0	13.0
	Neutral	28	28.0	28.0	41.0
	Agree	49	49.0	49.0	90.0
	Highly Agree	10	10.0	10.0	100.0
	Total	100	100.0	100.0	

From the test conducted it can be concluded that out of the total 100 respondents 49% of them agree that HR Analytics helps in reducing the biasness in the performance of the employees. Which indicates that employeescan trust the process of feedback and incentivizing done by the organization. This also helps in building trust and enhancing relationship between employee and employer.

Use of HR Analytics for efficient screening of 'resumes' allows recruiters to better access the skills of the candidate.

Table No 3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly Disagree	1	1.0	1.0	1.0
	Disagree	5	5.0	5.0	6.0
	Neutral	16	16.0	16.0	22.0
	Agree	59	59.0	59.0	81.0
	Highly Agree	19	19.0	19.0	100.0
	Total	100	100.0	100.0	

From the test conducted it can be concluded that out of the total 100 respondents it was found that 59% of respondents agree that Use of HR Analytics for efficient screening of 'resumes' allows recruiters to better access the skills of the candidate. The process and the cost of recruiting on an average can be reduced to a great extent as the entire process will be conducted by analytics which would further ensure the selection process to be less time consuming and more effective.

Use of HR analytics helps in improving employee wellbeing through real time updates.

Table No 4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly Disagree	3	3.0	3.0	3.0
	Disagree	16	16.0	16.0	19.0
	Neutral	18	18.0	18.0	37.0
	Agree	51	51.0	51.0	88.0
	Highly Agree	12	12.0	12.0	100.0
	Total	100	100.0	100.0	

From the test conducted it can be concluded that out of the total 100 respondents 51% agree that Use of HR analytics helps in improving employee wellbeing through real time updates. As the employee performance can be closely monitored using SPSS this would eliminate the factor of biasness or favouritism. All the employees will be incentivized purely on the basis of their performance.

HR Analytics helps in identifying the training needs of the employees of the organization

Table No 5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly Disagree	1	1.0	1.0	1.0
	Disagree	9	9.0	9.0	10.0
	Neutral	17	17.0	17.0	27.0
	Agree	62	62.0	62.0	89.0
	Highly agree	11	11.0	11.0	100.0
	Total	100	100.0	100.0	

From the test conducted it can be concluded that out of the total 100 respondents 62% agree that HR Analytics helps in identifying the training needs of the employees of the organization. As the overall performance of the employees would be monitored using real time data, then employees lagging in a particular area can be offered

training as per their needs which would further help these employees in improving their performance and increasing their work productivity.

HR analytics helps in offering fair rewards and incentives to the employees.

Table No 6

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	8	8.0	8.0	8.0
	Neutral	21	21.0	21.0	29.0
	Agree	61	61.0	61.0	90.0
	Highly agree	10	10.0	10.0	100.0
	Total	100	100.0	100.0	

From the test conducted it can be concluded that out of the total 100 respondents 61% agree that HR analytics helps in offering fair rewards and incentives to the employees. This helps in reducing the grievances of the employees there by curbing the attrition rate and increasing the association of the employees with the organization for a longer duration.

Fairness in the employee reward system with the use of HR analytics motivates the employees to give better results.

Table No 7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	13	13.0	13.0	13.0
	Neutral	11	11.0	11.0	24.0
	Agree	66	66.0	66.0	90.0
	Highly Agree	10	10.0	10.0	100.0
	Total	100	100.0	100.0	

From the test conducted it can be concluded that out of the total 100 respondents 66% agree that Fairness in the employee reward system with the use of HR analytics motivates the employees to give better results. This states that HR Analytics helps the organizational managers in formulating and designing a fair reward system which helps providing the deserving employees with proper reward which helps in increasing the satisfaction of the employees.

The grievances of the employees in the organization can be addressed in an efficient way with the use of HR analytics.

Table No 8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	22	22.0	22.0	22.0
	Neutral	21	21.0	21.0	43.0
	Agree	51	51.0	51.0	94.0
	Highly Agree	6	6.0	6.0	100.0
	Total	100	100.0	100.0	

From the test conducted it can be concluded that out of the total 100 respondents 51% agree that The grievances of the employees in the organization can be addressed in an efficient way with the use of HR analytics.Employee grievances symbolizes an amount of dissatisfaction towards the work . Organizations need to ensure a good working environment, offering perks, incentives, appraisals etc. The work environment in which the employees work have a great impact on their work life further. The organization needs to take maximum efforts that the grievances are formally presented to the management. The dissatisfaction may arise due to employment or even family or personal issues

The employee's willingness to accept their performance evaluation will increase with the use of HR analytics.

Table No 9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly disagree	2	2.0	2.0	2.0
	Disagree	12	12.0	12.0	14.0
	Neutral	15	15.0	15.0	29.0
	Agree	60	60.0	60.0	89.0
	Highly Agree	11	11.0	11.0	100.0
	Total	100	100.0	100.0	

From the test conducted it can be concluded that out of the total 100 respondents 60% agree that the employee's willingness to accept their performance evaluation will increase with the use of HR analytics. As the employees performance will be evaluated using real time data and they would portray a realistic picture of the employees contribution in the organization the employees wilfully accept their performance feedback.

HR Analytics helps to enhance the trust of the employees on the overall evaluation.

Table No 10

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	9	9.0	9.0	9.0
	Neutral	22	22.0	22.0	31.0
	Agree	57	57.0	57.0	88.0
	Highly Agree	12	12.0	12.0	100.0
	Total	100	100.0	100.0	

From the test conducted it can be concluded that out of the total 100 respondents 57% agree that HR Analytics helps to enhance the trust of the employees on the overall evaluation. An unbiased, fact driven feedback and assessment of the employees helps in increasing the trust of the employees on the organization.

HR Analytics contributes towards increasing the employee's willingness to improve his performance.

Table No 11

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	5	5.0	5.0	5.0
	Neutral	14	14.0	14.0	19.0
	Agree	63	63.0	63.0	82.0
	Highly Agree	18	18.0	18.0	100.0
	Total	100	100.0	100.0	

From the test conducted it can be concluded that out of the total 100 respondents 63% agree that HR Analytics contributes towards increasing the employee's willingness to improve his performance. An increase in the trust of the employees on the organizational performance evaluation system helps in improving the employee's willingness to improve his performance there by improving the overall performance of the organization.

Hypothesis:

H0: There is no significant relationship between the use of HR Analytics and the reduction in biasness and human errors from the organizations processes.

H1: There is a significant relationship between the use of HR Analytics and the reduction in biasness and human errors from the organizations processes.

Significance level= 90%

Table No 12

Correlations			
		The use of analytics algorithms can help reduce biases and human errors from the process.	Is HR Analytics used in your organization
Pearson Correlation	The use of analytics algorithms can help reduce biases and human errors from the process.	1.000	.135
	Is HR Analytics used in your organization	.135	1.000
Sig. (1-tailed)	The use of analytics algorithms can help reduce biases and human errors from the process.	.	.091
	Is HR Analytics used in your organization	.091	.
N	The use of analytics algorithms can help reduce biases and human errors from the process.	100	100
	Is HR Analytics used in your organization	100	100

P value = 0.091
Therefore, p value <0.10
Hence, H1 is accepted
This shows that there is a significant relationship between the use of HR Analytics and the reduction in biasness and human errors from the organizations processes. This helps in understanding that people in an organization feel that, HR Analytics is more reliable than the previously used organizational processes and adopting HR Analytics tools to perform various functions accurately.

Hypothesis:
H0: There is no significant relationship between the use of HR Analytics and reduction in employee grievances in an organization.
H1: There is a significant relationship between the use of HR Analytics and reduction in employee grievances in an organization.

Significance level = 90%

Table No 13

Correlations		The grievances of the employees in the organization can be addressed in an efficient way with the use of HR analytics.	Is HR Analytics used in your organization
Pearson Correlation	The grievances of the employees in the organization can be addressed in an efficient way with the use of HR analytics.	1.000	.140
	Is HR Analytics used in your organization	.140	1.000
Sig. (1-tailed)	The grievances of the employees in the organization can be addressed in an efficient way with the use of HR analytics.	.	.082
	Is HR Analytics used in your organization	.082	.
N	The grievances of the employees in the organization can be addressed in an efficient way with the use of HR analytics.	100	100
	Is HR Analytics used in your organization	100	100

P value = 0.082
Therefore, p value < 0.10
Hence, H1 is accepted
This shows that there is a significant relationship between the use of HR Analytics and reduction in employee grievances in an organization. HR Analytics helps in reducing the biasness in an organization which reduces the grievances amongst the employees which helps improving the satisfaction of the employees with the organizational process there by improving the willingness of the employees to improve their performance.

CONCLUSION:

The conceptual model stated by 'Anshu Sharma' and 'Tanuja Sharma' in their research paper on HR Analytics and Performance Appraisal system had been taken as the base for conducting this research. The model stated that use of HR Analytics helps reduce the subjectivity bias in the PA system of the organization which helps improve the employee satisfaction with the performance appraisal system thereby improving the employee willingness to improve their performance. In order to prove the model stated above we conducted a survey taking reviews from 100 HR Professionals. The survey had questions that included 4 different factors that affects the employee relation in an organization. The factors were 'Employee reward system', 'performance appraisal system', recruitment and selection' and 'Training and Development'. The data received from the survey conducted shows that a lot of organizations have now started accepting and using HR Analytics in most of their processes as it enhances the overall work productivity, eliminates the human errors and reduces costs to certain extent. HR Analytics helps in reducing the biasness in the employee performance evaluation system as the entire data is real time and closely monitored. This helps in improving the trust of the employees on the PA system of the organization. This increases the trust of the employees on the results of the appraisal system which further keeps them motivated to achieve better results and brings a willingness amongst the employee to improve their overall performance in the organization. The results of the survey shows that HR Analytics has a positive impact on employee relations in an organization and hence many organization have now started opting the use of HR Analytics.

LIMITATIONS:
- The geographical boundary considered for this research is quite limited and hence the results obtained are not sufficient enough to conclude for the entire population.
- The factors considered for the analysis are not the only factors that affect the employee relations in an organization, there can be many more factors that need to be considered.
- The respondents are all working professionals and therefore might not have given a thorough attention while filling up the responses.

FURTHER SCOPE OF RESEARCH:

The study conducted is restricted to only 4 factors that affects the employee in an organization all the other factors that play an important role in determining employee relation in an organization are not taken into consideration. A further study can be carried out by taking all the other remaining factors into consideration and analysis can be done to check how those factors are affected with the use of HR Analytics.

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