

# Why it's time for HR to enter the Big Data Game?





# Introduction

Big data is the process of gathering and storing large chunks of information for process automation, analysis for decision making and getting insights. The concept began to gain traction in the early 2000's, when industry analyst Dong Laney articulated the definition of big data known as the three vs (volume, velocity and variety).

Big data consists both structured as well as unstructured data. It's not about how huge the data is, but in fact it is about laying your hands on the data that matters the most to your business.

This eBook describes how each industry can benefit from big data and particularly the HR department, and why it's time for them enter the Big Data Game. The ebook also explains how HR can refer multiple kind of data for determining performance as well critical competencies.

Though a lot has been said and written about big data, but there is hardly any voice when it comes to using big data for human resources. This eBook beats all the odds, as it aims to throw light on how big data can make lives a lot easier for HR professionals.





Why your  
HR needs  
to embrace  
Big Data?



Human resources management is one of the top most contributing factors for any industry. Without efficient human resource management, it is difficult for an organisation to nurture best professionals. Also, it becomes difficult for a company to sustain in today's competitive work environment. Hence, to achieve organisational objectives, it is important for HR to step into the big data game.

Now let us have a look at what big data has in store for HR:

- Data related to employees such as skills, performance, age, educational background, roles, responsibilities, positions, etc.
- Employee job posting, transfer and internal posting
- Employees' training programs, documents, applications, contact information et al.
- Paycheck and payroll reports, attendance and leave data





# Benefits of Big Data for HR

As we know, HR is a people-centric industry and its main functions are to hire, develop and train people.

This is where big data helps HR to organise the huge volumes of qualitative data, which can be used further to make talent decisions. Furthermore, big data makes it easy for them to gather and analyse all this data for future processes and references.





# Human Capital Analysis

One of the challenging tasks for HRs is workforce planning for their industry. Recruited pool of talent should contribute for the organisation to achieve its objectives. Data such as desired job location, family, gender, job profile, salary and ability to work in high-pressure work environment help to shape up workforce planning.

Selecting, hiring and training right employees call in for some intense analysis for HR managers. Big data provides all the statics for analysis. For example, businesses operating in finance, manufacturing, logistic, distribution and services industries would need different workforce planning. As all these industries would have their marketing, HR, finance, operation and production departments, there is need to allocate the right type of employees for each department. According to a study, analysis of human capital data helps the HR to understand the requirements of each department, which eventually helps to fulfil the core objectives of that department.





# Recruitment and Retention

For effective workforce planning, employee selection has to be spot-on. Big data plays a crucial role when it comes to selecting the right people. It presents data such as employee's hired, their social media profiles, resumes, past employment records/history and online applications. This data helps HR and business managers to get more insights of the talents to be selected.

One of the biggest advantages of big data for human resources management is that it helps to understand as what makes employees leave an organisation and what makes them stay. Data pertaining to employee satisfaction survey, group assessments, joining and exit interviews etc. will help to streamline the retention policy for a company and to choose better human resources.





# Return on Investment (ROI) on Human Capital

Human capital is one of the most crucial investments for any company. If we take example of service based industries such as accounting, healthcare, education, hospitality, IT, Insurance etc., all these industries are human-centric and 60% to 80% of their budget is shelled out on human capital management.

Now, such big investment in human resource is sure to pressure on the managers to get the best return on investment. Here, performance data plays an important role to measure ROI, because performance data analyses employee's capability to deliver best job toward company that leads to company to success in their respective service field.





It's all about  
taking The  
Right Decision





Big data gives vital insight on all your data. Bringing all organisational data together and analysing the same helps to take sound business decisions related to workforce planning, training programs, recruitment, promotions/appraisals, etc. Apart from talent acquisition and training, HR plays a lead role in taking various other business decisions too. Big data makes decision making easy.

## It helps to:

Construct employee development plan



Develop organisation succession plan

Frame future human resource policies



Utilise available resources to the fullest



The background is a complex, low-poly geometric pattern in various shades of blue and teal. A large, semi-transparent dark blue circle is positioned on the left side of the image, serving as a container for the text.

Why Big Data  
has become the  
perfect  
pick-me-up for  
several  
industries?



Enterprises are dependent on the amount of the data they are able to collect and analyse. Analysing large amount of data helps to gain better insights for business.

Good news is that many companies are slowly realising that success is a nexus of technology, process, data and people.

Here are some of the large sectors that stand to gain the most from big data:

Health care



Telecommunications



Banking



Insurance



Travel



Retail



# How HR data is likely organised

Recruitment and Workforce Planning



Performance and Engagement



Employee Data



HR Operations



Learning and Leadership



The main aim is to integrate this information into actionable and credible analytics to help deliver information to employees and future leaders.





Data analysis  
skills important  
to HR





Managing and  
leading people



Coaching and  
mentoring



Developing strong  
talent segmentation



Selecting the  
right talents



Developing high  
performance  
and streamlined  
work-culture







Why does HR  
needs to leverage  
Big Data?



Big data is a helping hand for transforming the entire HR process across all the industries. In order for an organisation to stay competitive and hire as well as retain top talents, HR needs to enter the big data game.

Big data plays an important role in workforce planning area, as keeping a track of patterns and trends of employees are the basis for forecasting future needs.







Why is Big Data  
a game changer  
for HR?





Nowadays, human resources department needs to move beyond the old HR agenda to help the business gain a competitive edge.

The advantages of embracing big data are numerous as stated above. Several surveys reported that companies with a high level of HR analytics had high sales growth.

Good analytical skills can lead HR to drive business forward. Thus, rather than relying on assumptions or limited information while selecting candidate, it is always better to use big data analytics to fetch precise details about the candidate. Big data provides you a lot of information about employees apart from their skills and work experiences resulting in better hiring.





Big Data means  
Big Data  
analytics for HR



# Big data analytics is the process of looking at heaps of data in search of correlations and trends about human behaviour.

The main aim is to gain extra information or uncover something, which can't be predictive, when it comes to some HR functions like training, hiring and devising HR initiatives. On the other hand, some people think that big data is just a passing trend and it will fade away in few years. However, some theories do prove that big data is a trendsetter and thus, will always be in trend.







# Function of Big Data for HR





Analyse performance



Retain productive employees



Improves recruitment





# Examples of break through solutions



### Major Payroll Provider-

Identified improvement in sales performance and revamped the recruiting and payroll process.

### Major Retail Bank-

Correlated dozens of workforce measures against branch financials and engagement to develop risk management record for large and small-scale branches.

### Major Retailer-

Developed and integrated people model to correlate relationship between skills, tenure and capability.





# Conclusion

Big data removes the guesswork across the recruitment process right from hiring to training. Big data analytics provides HR department the ability to make more data-driven decisions about recruitment and talent acquisition as well as retention.

However, expertise and patience is the key here, but focusing on core business problems is very important in Big Data.

In case the company has employed a third-party provider for the delivery of HR big data technology and analytics services, then it prone to many issues that the company will need to consider while implementing the same.

Obviously, there is a constant streak of apprehension because some feel that analysts are not sharing enough data and HRs are not asking proper questions.

At the end, HR needs to embrace the challenge of talent analytics and meet the upcoming challenges of Big Data in time.






## About Pocket HRMS

Pocket HRMS is a leading cloud based HRMS Software. With end to end HR and payroll process management, Pocket HRMS provides solution to nearly all verticals and industries. With vast experience in the domain and offices in Mumbai, Delhi, Chennai and Bangalore, Pocket HRMS seeks to become the first choice for HR Software in India.

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