CHAPTER III

REVIEW OF RELATED LITERATURE

3.1: INTRODUCTION

Countless studies lately exist that contributes unique viewpoints about human resource management and its related concerns. Review of these prominent studies is indispensable for establishing the gap in the present study. Hence, this chapter covers a meticulous and exhaustive review of related literature in order to gain an insight on what is Human Resource Analytics and how it supports the organization in performing better. In order to explore the opinion of the established researchers related to the study undertaken; the reviews of numerous research papers, white papers, video clips and articles in both national and international journals have been embarked on and also several related and focused books which contributed a broad perspectives on the study undertaken and supported to establish the research gap.

3.2: THEORETICAL UNDERSTANDING

Human Resource Management has progressed in many forms and plays various diverse roles such as human capital, laborers, personnel and current human resources. New remolding in these roles also mean modifications in the approach of human resource managers planning’s and their strategies in
managing their workforce. The advancement of Human Resource Management has enhanced over the stretch when people were victimized in slavery working environments to the present-day modern settings where employees are now given more importance, appreciations and considered as unescapable strategic partners to business.

In today’s extreme competitive domain, business has turned out to be the device which is absolutely about investments, revenues, and profits. Every single function of business is now calculated in numbers and values, then why must HR be left behind. Human resources have always been the vital asset for organizations for gaining the competitive edge in this competitive market. Nonetheless, management of these resources has constantly generated a challenge among the HR professionals. However, that breached has been filled up with the support of HR analytics the latest IT technological software which renovates the raw HR data into the insightful fact-based story which enlightens the HR managers to frame better policies and strategies that will create a better opportunity for every organization. HR analytics helps the Senior HR management to quantify the value of human resources which justifies the investments backing up with the hard reliable evidence. HR analytics helps the HR management to produce net benefits gained from the initiative.

Years have gone by in acquiring knowledge and thoroughly understanding the workforce management. As attempted by Taylor (1911) originally in a
scientific method that developed the ways to measure and capture the effectiveness of the workforce of the organizations.

Backing up the work of Taylor, Creelman (2005) also held an opinion that there is an irrepresible feeling that there was something more imperative that HR has to be measuring. But as the globalization time has required the firms to be for competitive, Human resources has become the most important asset for organizations to become the market leader. The recent research study conducted by the Institute for Corporate Productivity (2013) articulates that countless organizations are still sadly ill-equipped to deal with the swiftly mounting of the data and that if even several HR organizations are skilled at gathering and measuring HR activities, but very few can devise the ability to measure the outcomes or recognize the issues that most affect the results. Supportive of the above testimonial, Pauwe (2004) also indicated that though HR intermediations like training and payment bring about the outcomes such as an increased contentment and commitment, which successively encourage the organizational performance, as decisions are mostly supported by a sophisticated data analysis.

Mayo (2008) also pointed out that nowadays only a few organizations are not able to measure the real value that people bring to their business. A similar statement was given by Fink (2010) that many organizations are not being able to quantify the contribution of their intangible assets accurately. Instead,
methods used are honestly standard analytical tools, such as regression, and most organizations only focus on data that is easy to understand. Overall, the main focus of HR is on collecting and reporting data about activities instead of outcomes, while the analyses are mostly very simplistic (e.g., limited analyses of drivers of outcomes). As a result, Ulrich (2010) stated that there is a need for HR to develop itself from descriptive metrics to predictive analytics.

HR as a tool for competitive advantage aids every organization in the quantification of the challenges like staffing & recruitment issue, succession planning, attrition, compensation, performance management, retention problem, training and development, HR effectiveness measurements and much more which are being faced by HR. Being a perennial problem ever, F.W.Taylor has suggested in his book “Principles of Scientific Management” how to improve the economic efficiency, especially the labor productivity with the application of scientific methods. “Time and motion study”, suggests the using of standardized tools and implementation of standardized work methods that synthesizes the workflow in the organization hence greatly improving the productivity of the employees wherever applied. Thus, Taylorism has built the foundation to transform HRM today. Owing to the rapid economic variations and globalization, Human Resource department is regularly facing trials and are in constant predicament towards decision making. Every passing day each challenge is becoming more intense. The high attrition rate is one of the most volatile factors in any organization. If turnover rate can be predicted accurately
then it will aid in better workforce planning. This will aid the HR managers to develop better compensation and benefits packages hence reducing employee turnover. Since each variable of HR is interrelated, knowing the cause and effect of one problem can help devise solutions for all the others.

But recognizing human behavior has always been the strong challenge an organization has to face. Employee’s good attitudes, job satisfaction, and many such other factors are although indispensable in carrying out one’s duty but cannot be quantified. Overlooking these factors can spell doom for the organization. Hence quantifying, measuring and controlling these aspects holds the key to a better workforce performance leading to better organizational performance as well.

From the above literature, it can be stated that for a thorough review of the related literature regarding various facets of Human Resource Management for gaining a competitive edge is needed. For understanding the significance of how Human Resources add valuable significance, the review of the related literature has been divided into five different factors which lead the organization for better competitive advantage.
3.3: TALENT MANAGEMENT:

In the past, HR department has mainly based on the hunches and their gut feelings. Human Resource department which is made up of a purely human asset of the organization could not be quantified. The HR Management had some hunches and theories as to why some of the HR programmes had worked whereas others did not, and made judgments based on just these hunches or theories. But these are based on human judgments, not facts and evidence-based. As the organizations faced the more competitive market, HR cannot afford to base its action on its gut feelings alone and switched to an evidenced-based decision and strategy formulation.

Present-day literature has revealed a keen focus of experts and researchers on employee retention and talent management as one of the key strength for better organizational performance as it is critically important for the economic success of a firm in the long-run. If the workforce of the firm is satisfied with their job, this not only enhances their productivity but also addresses their switching intentions. Employee attrition has become the most concerned factor for every organization. Hence managing talent efficiently in the organization will help in retaining its most valuable employees and avoid the unfavorable impacts that might come about because of attrition.
Kahinde (2012) in his paper Talent Management: An effect on Organizational Performance says that the need to boost the efficiency of the business organization lies at the core of the management of the firm. A number of resources to achieve this includes money, workforce, and the machine, and of all these resources, the most important are humans. Previously people working in the business organization have been rendered numerous values, and also once referred to as the factor of production at one point in time calling them human recourses of the firm. Today more values are given to the workforce in the framework of the firm. They are considered as the talent working within the organization, and this has brought forward the idea of talent management.

Analysis of Kahinde (2012) in his research paper also revealed that talent management has a positive impact on the overall performance of the organization. It also is shown that talent management structure has a great influence on the performance of the multinational and the national business but does not have much impact the small and medium scale firms. The author also recommends that talent management should be used in the firm for generating a pool of talent. The concept of Human Resources is considered a valuable asset has been taken from the intellectual capital theory which has defined as a stock of flows of knowledge available to an organization. These can be regarded as the intangible resource associated with people which together with the tangible resources like money and physical assets comprise the market or total value of the business (Armstrong, 2011).
Talent management mainly encompasses arranging the right people in the right jobs (Devine, 2008). This makes certain that the staffs make the best use of their talent for the optimal achievement of the organizational goals and objectives. Developing a better strategy for talent management has been linked to successful attraction, retention and to the development of employees as well (Baheshtififar, 2011).

The leading researcher and internationally renowned Global Product Marketing Manager for Strategic Management, Goren, B. (2008) states in her research paper, Five Steps to Optimizing Human Capital, that the Battle for Talent in the organizations is not only looming crisis for which HR must not only prepare for but it is already upon every organization of all sizes right now. The New Reality is that we are in the midst of talent management challenges at all levels of management.” This reality requires organizations to use human capital information in a purposeful, precise and proactive way to optimize the workforce. At its most basic level, workforce optimization means securing the right employee in the right position, at the right time and location for the right cost. More specifically, it can mean minimizing outsourced or unproductive workers, maximizing retention of critical workers through reorganization or downsizing, or minimizing time and costs associated with vacant positions. Unfortunately, most organizations lack not only a consistent and holistic view
of the workforce but also the necessary analytics to perform workforce optimization.

April. J. et al (N.A), in their paper “Strategic Workforce Optimization: Ensuring Workforce Readiness with OptForce” states that CEOs and other business leaders in the boardroom has consistently identified “attracting, retaining and developing talent” as an urgency as well as a topmost corporate challenge for the future (Talent Watch, 2011 and Mercer Global Business Challenges Survey, 2008). The top leaders recognize that an organization is good as its talent, and the success of every firm depends upon having the right people in the right place at the right time and for the right cost – a concept referred to as readiness. Attaining a high level of readiness has always required the ability and aptitude to anticipate and promptly respond to changing workforce requirements, and to allocate the necessary capitals as effectively as possible in meeting those needs. Workforce planning is defined as the business process that assists in the identification and exploration of what an organization will need in terms of the future size, type, and quality of the workforce in order to achieve its future goals and objectives. The goals of the organizations become more strategic and long-term than those of workforce optimization and labor scheduling, resulting in an optimal, short-term program of its prevailing resources.
Naik (2012) in her research “Impact of Talent Management on the Performance of an Organization with Special Reference to ABG, Pipapav, Bharati Shipbuilding Industries” is of the opinion that talent management aims mainly to improve the potentials of the employees that make valuable difference in the organization and managing that talent ultimately improves the organizational performance. Furthermore, it points out that talent management not only means moving talents upwards in organizations but also in making sure that organizations put those talents that are best situated at the position. Also, it has been deemed important that talent management should be embedded in the organizational culture as well. The present-day challenges and predicaments that are cognate to talent management are the emergence of both the knowledge society and economy. Naik (2012) also says that knowledge represents the major resource for economic life and growth. She argues that not only (potential) leaders have important knowledge, but other employees at all levels and in all departments of the organization own it as well. Hence, a shift towards multiple pipelines is of growing interest. Organizations presently are also in the pace of change of employment relation. Previously, the employment relation was based on life-long employment, but, today, the young employees are demanding more challenging work, with substantive rewards and opportunities to develop and learn. The look on the employment seems to be more individualistic. Hence organizations need to manage their talent taking into consideration several groups of the workforce that are becoming more and more demanding and with the value their own development. With the world
becoming more international, it has severely influenced the way business is to be conducted. This has caused an increase in complexity and uncertainty. Organizations today have come to realize that conducting business around the world depends on the quality of top talent within the organization. But this talent, however, is becoming further mobile and these talents need to be managed and coordinated globally and with this comes increased in the diversity of the workforce. Thus to face the competition organizations needs to become more generic as a shortage in labor supply will occur, which forces organizations to make full use of all talent available. Therefore, organizations are becoming more diverse in terms of workforce composition. Hence the study has revealed that it has become very important for organizations to think about the question whether a single pipeline approach to talent management is still sufficient for organizations to ensure viability. For organizations, to compete economically, a performing and motivated workforce are crucial. The existence of multiple pipelines will lead to an increase in individual performance and motivation ultimately leading to an increase in organizational performance. Therefore managing talent has become crucial for organizations, because if talents are not placed in the right positions, the organization will lose value and competitive advantage, particularly in today's globalized economy.

Ashton, C., & Morton, L. (2005), in their paper, “Managing talent for competitive advantage” says that talent management is more than just a new term for long-standing HR work or just the next “hot new thing” for HR practitioners and managers to get involved in but became a strategic imperative
for many organizations. McKinsey (2004) in their Global Survey of Business Executives: McKinsey & Co, New York, research report reveals that 75 percent of corporate officers are mostly concerned about talent shortages and the Deloitte report (2003) states that retaining the best talent is a top priority for 87 percent of surveyed HR directors. Thus need for talent and its expert management is driven by macro trends including the new cycles of business growth often requiring different kinds of talent, changing workforce demographics with reducing labor pools and, therefore, a talent squeeze, more complex economic conditions which require segregated talent and global focus on leadership which is now permeating many levels of organizations. Organizations in the present day deeply acknowledge that talent needs to be aligned with overall business strategy Globalization has forced the firms to be on the edged hence the emphasis on talent management is a must to produce the innovative and creative talents that are needed in bringing new products to market. As business drivers’ changes, the organization talent should be fluid thus gaining the competitive edge. Astor & Morton says that in order for the organizations to stay on the edge talent Management needs to be integrated systematically. And using this integrated system managing the talent becomes more strategic differentiator rather than a standard set of HR processes i.e. if the right conditions, context, timescales, and offerings exist in the first place. Thus, system integration and alignment will ensure that Talent Management efforts are rational and fit for purpose thus increasing the performance of the organizations.
Lockwood N. (2006), thinks that effective talent management can be accomplished by helping with change management, influencing strategy and a host of other value-added activities that impact effectiveness. With a fiercely competitive marketplace, talent management has become a primary driver for organizational success. Talent management is basically an implementation of integrated strategies or systems designed to increase workplace productivity by developing improved processes for attracting, developing, retaining and utilizing people with the required skills and aptitude to meet current and future business needs. To gain competitive advantage, Talent management becomes the essential driver and the demand for human capital drive talent management. Talent management strategies mainly emphasize on five primary areas: attracting, selecting, engaging, developing and retaining employees. Although pay and remunerations initially lure employees, top-tier leadership organizations focus on retaining and developing talent.

An article of SAP Success factors (N.A), Talent Management Strategy to Create a Higher Performing Workforce likewise concurs that administrators and HR administration have constantly centered on essential ability administration—gaining, enlisting and holding capable representatives. Be that as it may, to drive to the ideal statures of accomplishment, the present business pioneers
must draw in the high performing workers. The way to mixing a workforce to significance is to adjust the ability administration to organization technique, characterize steady initiative criteria over every useful region, and recognize particular capabilities (explanatory, specialized, instruction, encounter) to develop for proceeding with development. The best ability administration design is completely lined up with the business' vital arrangement and general business needs. The objective arrangement is a capable administration apparatus that clears up work parts for singular representatives, as well as exhibits continuous estimation of your representatives to the association. At the point when a worker is occupied with their work through the objective arrangement, more noteworthy representative proprietorship is made for organization's definitive achievement thus ending up more dedicated to the association and accomplish larger amounts of occupation execution.

An exploration directed by Stahl G.K et. al (December' 21, 2011), on Six Principles of compelling Global Talent Management which in included in MIT Sloan Management Review (2012) agrees to the way that one of the common and hardest difficulties looked by organizations worldwide is constructing and maintaining a solid ability pipeline. Not exclusively do organizations need to acclimate to moving socioeconomics and work drive inclinations, yet they should likewise manufacture new capacities and renew their associations — all while putting resources into new innovations, globalizing their operations and battling with new contenders. Inside consistency in ability administration
rehearses must fit with its general business key objectives is the key, as organizations, for example, Siemens remember it. The scope of ability administration issues looked by the multinational organizations today is amazingly expansive. Firms must enlist and select capable individuals, create them, deal with their execution, repay and compensate them and endeavor to hold the most grounded entertainers. Each association must focus on each of these ranges, to increase upper hand with the assistance of ability administration by recognizing the key exercises (for instance, enrolling and preparing) and afterward actualizing "accepted procedures." The fruitful organizations should likewise hold fast to six key standards: (1) arrangement with the system, (2) Inner consistency, (3) social embeddedness, (4) Administration inclusion, (5) An adjust of worldwide and neighborhood needs and (6) business marking through separation.

3.4: WORKFORCE OPTIMIZATION

Although the economy is seemingly improving, there is still a pressure on the organization to improve customer satisfaction while reducing internal costs. Hence strategically management of Talent is not enough. To make the policies and strategies for optimal management of talent Workforce optimization is a must. Managers face challenges in ensuring that they have hired the right number and best-skilled team, providing the employees with most appropriate training and preparing employees to handle client demands efficiently.
Technopedia describes Workforce optimization as a tactic which is applied in the business that majorly emphasized on maximum client satisfaction and profits with nominal operational expenditures which is reinforced by assimilated technologies, cross-functional methods, and mutual objectives. Workforce optimization offers and supports the organizations by providing crucial data on the performance of the employees. It has been well-thought-out as the next logical change to analyze and manage the workforce and operational efficiency in order to escalate the consumer experience.

Workforce Optimization (WFO) is an exercise of filtering the overall efficacy of staffs at an organization. This is by and large achieved by monitoring the movement of a specific state of affairs and then aligning the right number of employees with the projected motion.

The research report of International Customer Management Institute (ICMI) also concurs with the overall notion of workforce optimization (WFO) though it may seem daunting ultimately success is readily achievable. It is highly important for leaders of the organizations to work with their current service providers and understand the additional WFO components that are available from them. The investment into workforce optimization is not a luxury anymore, but a necessity. Every organization's main objective is to improve customer satisfaction and hence enhancing the workforce optimization helps in
providing ultimate customer satisfaction. ICMI states that in doing so, certain parameters have to be taken into considerations like workforce management, quality management, coaching management, performance management, analytics etc.

An article by Adecco on Five essential Matrics for better Workforce Management also agrees to the ICMI report. It adds that tracking these workforce metrics benefits the organization’s to get more out of the team. It has often been stated that “what gets measured gets done.” And it is very true sentiment when it comes to measuring the workforce performance. A clear and current picture of the value the employees’ contribution is needed to be checked and how they impact the bottom line. And to make sure that the workforce is as optimized as possible, tracking these five metrics like productivity, retention, revenue per employee, the total cost of workers, and effectiveness ration becomes very important.

Although Workforce optimization enhances the organization's performance positively, one cannot neglect the humans as a resource as well. The human resources are a vital asset to the company and hence managing talent becomes the crucial aspect of the HR department. Lockwood N. (2006), Manager HR Content Program at Society for Human Resource Management states in her research report quarterly that in present global economy, companies must constantly invest in human capital and as a business partner, HR leaders need to work closely with the senior management in order to attract, hire, develop

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and retain talent. Organizations can increase the performance of the business by properly managing the current workforce talent that already exists in the firm.

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used to support these strategic HR decisions are not nearly as advanced as they are in other disciplines. For instance, there’s no equivalent of a cash flow model or operations plan and thus making workforce planning task more enormous. The pace of transformation within the economies, industries, and organizations continues to increase speedily and labor markets continue to become more competitive and more global making the workforce become more diverse in terms of its demographics, expectations, and goals.

An Ovum Whitepaper on “Getting Workforce Optimization Right” (2011) explains that organizations are looking at numerous techniques to connect the data from different processes with the aim of meeting the customer requirements and to provide the customers with more effective services. Many of the above issues can be resolved by unified workforce optimization. Incorporated workforce improvement frameworks interface booking with approaching call volumes and convey customized, directed preparing in view of execution measures and expertise holes, organized by the positioning of business targets. When working together, these tools help managers to schedule and train agents more effectively, improving agent morale and customer satisfaction.
Although Workforce optimization and Talent Management are two main crucial aspects of increasing the Organizations performance, another vital area is the compensation strategy formulation. The whitepaper of TCS Designing and Measuring Human Capital Key Performance Indicators: The Balanced Scorecard Approach authored by Abhishek Verma (2014) states that most organizations today are struggling to cope with effectively measuring their workforce and calculating the human capital Return on Investments (ROI). The need of the hour is to align the human capital goals to the organization’s strategic objectives and then identify, track and measure the key human capital performance drivers till the operational level, following a top-down approach. The approach must be to link the top line with the bottom line and then calculate the overall human capital return on investment. There are ten important and easy-to-measure human capital key performance indicators (KPIs) that should be measured and tracked by organizations on a regular basis, that describes the lists of the information and insights business leaders can use to make future decisions. The KPIs presented are represented as per the balanced scorecard and are classified as either predictive (leading) or reactive (lagging).

Each and every organization tailors and alter the models and forms a performance framework that unremittingly suits their needs. A continuous transformation is always needed to be prepared for the evaluation process. Employees’ perception of the efficiency and the reliability of the performance
appraisal process is one critical element in deciding the acceptability of the process by them. The Human Resource department is responsible for managing the performance management system in every organization hence it has to take into consideration: the parameters for evaluation, processes used for identifying these parameters, the measurement approaches, frequency of the assessment of the performance management process itself in order to have a dependable and effective performance management system.

3.5: COMPENSATION STRATEGY

Rizwan (2010) explored that the modern organizations attempt to integrate the employee commitment and the performance level of the organization. To keep the employee’s self-esteem and sense of worth elevated, rewards are the most contingent factors that are being used by the management of the organization. The performance evaluation and rewards are the two factors which are considered to be the cornerstone of the performance evaluation programs. So rewards are an essential part of compensation management as well as of performance evaluation program.

An Article Compensation Strategy: Setting Parameters to ensure Competitiveness (June 9, 2000) by The Human Resource Social Network, complies to the above statement by noting that traditionally, compensation was preserved as a payroll issue, with pay levels reflecting the Human Resource
department’s insights of apt tie-in to market. Harts expresses that a worthy compensation strategy has been put together with the inputs of the senior executive and market survey for ensuring competitiveness within the marketplace by founding parameters to define the compensation for the employees. These grounded in three variables: Employment market, competitiveness, corporate values - the absolute significance of pay modules. This is the joined worth of base salary, benefits and annual bonus and long-term incentives. The crucial benefits of developing a compensation strategy are the fact that, by including top executive levels, it confirms that the pay structure will be aligned with corporate values and be interrelated to the corporate business design. As these factors are in place, keeping the variables up to date is fairly simple and upfront. Yearly assessment of the complete process is not necessary, although the data on which your strategy is based must be modernized frequently in order to guarantee the compensation package remains within the strategy parameters. If the firm embraces several distinct employee groups reflecting very different employment markets, a discrete strategy for each of them might be required.

A white paper of Visier (2013), advocates that today’s HR leaders face unprecedented challenges in making the most of their human capital investments hence organizations needs to re-evaluate and re-invent their business tools and processes and most importantly make organizational changes
based on facts with insights into what changes will keep them competitive and successful. The paper also describes that the most commonly measured workforce metrics do very little to help HR professionals and business leaders to achieve the real insights into maximizing their human capital investments. Consequently, to settle on superior business choices in regards to the workforce, pioneers need to see the associations in their workforce information and afterward inspect complete workforce points. Thus the challenges of today’s business environment require new and latest approaches to gain a competitive edge in the ever-shrinking world of globalization. Thus to gain a competitive edge in today’s business environment, implementations of new workforce strategies and making confident decisions needs to be implemented thus making the HR leaders better and more insightful and having most trusted information.

As change is the only constant in today’s business world, workforce analytics is the insight to make the right change.

3.6 ORGANIZATIONAL PERFORMANCE

Sikora and Ferris (2014) state that effective use of human resource (HR) practices can prominently increase organization's operational and financial performance. Effective HR practice use (which includes practices such as the use of employment tests, linking compensation to job performance, employee attitude surveys, and formal employee communication programs) drives numerous firm performance improvements, including improved productivity, lower employee turnover, greater sales growth, and higher profits (Huselid,
1995). Consistent with these findings, other researchers described similar results showing that the use of these “high performance” HR practices is associated with improvements in firm financial and operational performance (Becker & Gerhart, 1996).

First, in some situations, HR policies described in detail by senior managers, actually may exist only on paper (Khilji & Wang, 2006; Storey, 1992). In these cases, the organization's HR practices may be outdated, poorly understood within the firm, and/or represent a poor fit with the organization's operating culture.

Next, while in most firms, the human resources department is responsible for the development of effective HR practices, the implementation of those practices ultimately falls to the firm's line managers (i.e., the firm's operating managers, including positions such as customer service, sales, quality and/or manufacturing managers). As a result, firms may attempt to use effective HR practices, but find that their line managers vary in the extent to which they consistently implement the practices (Van Iddekinge et al., 2009). Similarly, Wright, McMahan, Snell, and Gerhart (2001) noted that many firms fail to meet top performance levels because line managers failed to implement the HR practices developed by the organization's HR function.
HR implementation is a key link between the development of effective HR practices and the resulting employee and firm performance outcomes. By featuring the significance of social setting factors in molding HR execution, this paper gives a solid construct supporting extra work in light of this vital issue. Expanded comprehension of these variables is critical to a complete HR–firm execution show. Moreover, this understanding additionally furnishes HR directors with the knowledge expected to enhance HR’s hierarchical effect. (Sikora and Ferris, 2014)

Stiles and Kulvisaechana watched the positive connection between the human asset advancement and authoritative execution as per the substantial and extend assemblage of writing. Human Resource management a free and immaterial variable, advertise esteem relies upon impalpable variable. Shih, Chiang, and Hsu watched that the piece of the system of human asset advancement is holding and selecting the perfect representatives. The agreeable objectives of the associations can be shared and connected through information, worker's ability and capability hold by the association through preparing and empowering condition. Extension in profitability and business execution grow the Future returns. Future profits depend on the representative's aptitudes and capacities. Harder consider the effect of resourcing and development on the worker's state of mind which incorporate inspiration, fulfillment, and duty. Workforce preparing and advancement and authoritative improvement add to
releasing human mastery and to upgrade execution. Hierarchical execution and profitability are emphatically associated with far-reaching preparing exercises. The viability and effectiveness of open part rely on the positive future arranged worker advancement. The authoritative execution relies upon the preparation and advancement of human asset and the association burns through a great many cash for this reason. Authoritative execution relies upon the worker improvement since representative advancement upgrades learning base of the association.

3.7: HR ANALYTICS: A PANACEA

Kinley N and Ben-Hur S, (May 9, 2013), in their article Turning Talent data into Talent intelligence, said that a decade ago Mckinsey declared that the war for talent was coming and his statement seemed to be right. Globalization and shifting population demographics has caused competition for talent is growing and making it harder than ever for a business to find the talent they require. Realizing this problem every organization is turning into talent management and driven to invest most notably. The article states that as demand for better talent management is growing hence organizations are becoming more data – led hence making people data become currency and Workforce Analytics need for every organization. The emergence of latest IT software Workforce Analytics helps to gather, manage and use talent information more effectively than ever before. These data have helped the senior level management to gather information about their people with help of these information future decisions
is being made. The article states the example of how Google has become the market leader and its way ahead of the curve when it comes to people data. The system has enabled Google to develop a comprehensive database that captures the information about current employees’ attitude, behavior, personality, biographical information and job performance enabling Google to develop an algorithm for predicting applicants which are most likely to succeed. By using Analytics in the organization talent management has become easier. This information has helped in succession planning, managing talent pools, managing talent ‘on demand’ finally making the talent management streamlined and simple.

The book Moneyball: The Art of Winning Unfair Game by Lewis (2004) has provided one of the greatest examples of how data analytics has radically shaped the way we understand how the organization works. The book describes how the General Manager Billy Beane of Oakland Athletics Baseball team utilizes data to analyze and predict baseball player’s performances. By using Analytics Beane assembled a competitive team with cost a quarter of the player paid by the New York Yankees but his team ended up winning a same number of wins as its rivals the New York Yankees but with less than half of its rivals cost. By using and relying on metrics Beane predicted the number of wins and by using players whose skills were not recognized by others he built a team making them unpredictable players. By using Analytics for his recruiting strategy Beane changed the recruitment tactics for the world.
Chaudary, Subramaniam, Sinha, and Bhattacharya (2012), also suggested that HR Analytics can be used for many HR Value chain elements such as recruitment, performance, development and transitioning as well. The same statement was concurred by Mondore, Douthitt and Carson (2011) where they stated that HR analytics can be used in line with HR processes of selection, onboarding, performance management, succession and talent planning and employee engagement as well.

Lawler, Levenson & Boudreau, (2004) & Boudreau & Ramstad, (2006) stated that the notion of HR analytics can be defined as a method for understanding and measuring the pivotal relationship between HR practices and organizational performance outcomes (such as customer satisfaction, sales or profit), and for providing reasonable and dependable base for human capital decisions for the purpose of influencing the business strategy and performance, by applying statistical techniques and experimental approaches based on metrics of efficiency, effectiveness and impact. It basically aids the HR managers to predict the workforce developments within the organization and measure workforce performance drivers (FCTB, personal communication, January 31, 2012).

Bereno (2011) says that HR analytics empowers the managers to gather information about different talents and then develop a strategy of deploying
their expertise for new business events and leadership development. It further provides information on several important factors for the maximization of workforce analytics, which includes defined workforce challenges, consistency in data collection and making the platform easy to use. According to Beeline (2012) report, the workflow and productivity of workforce can be enhanced more efficiently and effectively if the human dimensions can be measured by the firm in a better way. Hence the human element can be quantified and understood as the essence of workforce analytics.

In the article *How HR Analytics can transform the workplace* (Nerney, C. 2014), describes how the ability to capture data and analyzing them has helped the organizations to both increases the revenues by better understanding and precisely targeting customers and cutting costs through the improved business process. He also says that HR managers are now able to analyze mountains of structured and unstructured data to answer the critical questions regarding workforce productivity, the impact of training programs on performance, predictors of attrition and also able to identify the potential leaders of the organization.

Visier Inc (2012) suggests that HR professionals can play a more proactive role with HR analytics in their organizations helping them to direct the senior
management and hiring managers in connecting the dots between their company’s overall performance and investment in their workforce.

The report of Price Waterhouse Coopers (PwC) (2014), states that HR analytics has transformed the world of HR. The HR department that uses the analytics evolves into a strategic partner and achieves sustainable competitive advantage for their organization.

Another article by Beeline (2012) Workforce Analytics, how to define measure and drive productivity in today’s organization, describes the standard to identify the people who bring the most value and to cultivate and motivate is satisfied by HR analytics. The challenging economy in today’s world is forcing the organization to have its HR policies and strategies align with its overall business goal to gain a competitive edge over its opponents.

The white paper of TCS, “Designing and Measuring Human Capital Key Performance Indicators: The Balanced Scorecard Approach”, Abhishek Verma (2014) articulates that most of the organizations today are struggling to survive with effectively measuring their workforce and calculating the human capital Return on Investments (ROI). The need of the hour is to align the human capital goals to the organization’s strategic objectives and then identify, track and
measure the key human capital performance drivers till the operational level, following a top-down approach.

Matt Straz, Founder, and contributor of Namely (October 19, 2015) gave a statement in the article 3 reasons HR Needs to be involved in Planning a Business Strategy that in the present-day business world, the only persistent is transformation especially when it comes to HR. The human resources department of yesterday used to largely focus all its attention on mitigating compliance and employee-related issues, and now it is long gone.

Jason Averbook the CEO of Marcus Bucking Company explains that even though years have passed, but still many organizations are running HR in the same old way namely focusing on risk, compliance, transactional side. But in today’s business world there is a whole new era that needs its attention like unions and pensions, transparency in workplace etc. Business leaders today realize the unique insight that originates from HR and the vital role it plays in strategic business planning. A new HR software has come named HR analytics. This latest IT software HR analytics has made everyday processes that use to be headache-inducing tasks much less painful. The use of this latest technology has literally put the human back in human resources by freeing up more time to spend in strategizing with the company’s leadership, finding and securing top talent and working with employees.
Dr. John Sullivan (February 26, 2013) in the article How Google Is Using People Analytics to Completely Reinvent HR discusses how Google has moved up from being the youngest to be the top business leaders in the present market. This has been possible as Google has used people management strategy that is the result of its software “People Analytics”. New path” firms dominate by producing continuous innovation. Google has learned that continuous innovation cannot occur until a firm makes a strategic shift toward a focus on great people management. A vital concentrate on individuals administration is important in light of the fact that developments originate from individuals, however, advancements can't be amplified just unless the associations are fit for enrolling and holding these trailblazers and interminable help additionally must be given to them awesome directors and a situation that backings development. The straightforward establishment of "individuals investigation" approach is that exact individuals administration choices are the most critical and impactful choices that a firm can make. A firm can't just deliver predominant business comes about unless the administrators are settling on exact individuals administration choices. Every single one of business choices is made by a representative. Thus the contract and holding of these workers need to oversee all the more precisely and for doing as such appropriate information is required, else it can just expect that they will settle on average choices in each of these imperative business territories, and also in individuals’ administration choices. Consequently Google subsequent to changing is a system in receiving People Analytics has turned out to be the best quality driving the association to wind up noticeably the market pioneer in the limited capacity to focus time.
Bruce Fecheyr-Lippens, Bill Schaninger, and Karen Tanner (March 2015) in the article Power to the new individual's investigation distributed in Mckinsey quarterly says that strategies used to mine purchaser and industry information would now be able to enable HR to handle representative maintenance and disappointment issues. The most recent information and investigation buzz that is originating from the field of cutting-edge HR examination, where the utilization of new strategies and new intuition to ability administration is winding up more standard. The suggestions are sensational in light of the fact that ability administration in numerous organizations has customarily rotated around individual connections or basic leadership in light of experience also chance shirking and lawful consistency as opposed to profound investigation. In any case, these progressed examination gives a remarkable chance to human-capital and HR experts to position themselves as truth based key accomplices of the official board, utilizing cutting-edge procedures to enroll and hold the colossal administrators and incredible trend-setters who so regularly drive unrivaled incentive in organizations. Many driving associations are as of now utilizing propelled HR investigation effectively in certain ability administration territories. A main human services association, for instance, has utilized these strategies to create more than $100 million in investment funds while at the same time enhancing the engagement of its workforce. The association found that exceptionally factor and unequal remuneration levels were exasperating workers and driving high rates of whittling down. Once the information investigation had distinguished an ideal least and most extreme pay edge, the medicinal services gather expanded the engagement and profitability of its representatives along these lines lessening their rate of wearing down as well as its aggregate pay consumptions. Another
organization likewise diminished its maintenance rewards by $20 million and worker whittling down with the utilization of prescient behavioral investigation. Through this procedure, the organizations have discovered that constrained interest in administration and representative preparing, and lacking acknowledgment, were the principal drivers of staff surrenders. Costly maintenance rewards, to which the organization had turned in franticness, were basically an inadequate and exorbitant Band-Aid. Many organizations customarily endeavor to handle maintenance issues by leading top to bottom post-employment surveys. The imperative preferred standpoint of the new investigation procedures over that approach is that they are prescient, as opposed to responsive, and they give more target data than the more subjective discoveries of a one-on-one dialog.

Emma Snider (September 2012) in the article Ready or not, here comes HR analytics states that just as big data has revolutionized marketing and finance, industry experts say that HR analytics workforce metrics will help companies glean information about their talent pool transforming human resource world. HR experts have for some time been information gatherers, hoarding and monitoring representatives' close to home data, compensation rates and the yearly number of retirements. But the HR professionals were not able to use these data. Now in order to grasp the potential of HR analytics, HR managers need to become data interpreters. HR manager who has good data interpretation skills are able to spot trends. After trends are identified, they can come up with a course of action based on the data by digging down on what the data is showing. This software not only allowed the HR professionals to identify the problems but also to analyze the historical data and make wiser choices and strategic decisions.
based on data evidence. The historical data also helps to collect information about the workforce by looking holistically and predict who to hire and who will make a successful leader in the future. The use of this latest IT technology not only the HR can predict problem trends but also can create what-if scenario planning.

In the article, A guide to HR analytics in the Tech Target Search Financial Applications agrees to the above article that Human Resources has been pacing towards the limelight getting a support from HR analytics. In the early times, the prime objectives of the HR was mainly collecting of data and keeping track of employees' personal and professional data, such as payroll, health benefits, and performance reviews. Now, the new tidal wave of technology has touched HR's shores and is carrying it into deeper ends where it can scrutinize data to play a more active role in the organization. HR metrics are not the same as HR analytics. HR managers classically use metrics to mainly measure such data as turnover rates and sick days. With HR analytics, they can gauge employee engagement and whether or not workers have the skills to reach company goals. HR representatives can now exchange ideas with business leaders, by finding out what they need and hire accordingly. HR analytics allows human resources to interpret data, recognize trends or issues, and take proactive steps with different departments to keep the organization running smoothly and profitably. HR investigation has pushed HR into more dynamic and included a part in associations' arranging and destinations and turn into a key accomplice. Associations are additionally now turning their consideration regarding worker engagement with HR examination, getting rid of inconsistent reviews and utilizing conclusion investigation to quantify
engagement progressively. HR investigation programming has enabled the associations to demonstrate their workforce and measure representative engagement with estimation examination. Besides data quality and analysis benefits, analytics is critical to the continued relevance of the HR profession because employees are not always willing to be forthright when they answer workplace surveys provided by their employer, the data is not always reliable. With the help of the data from the customer relationship management (CRM), HR can assess if the employee is really performing the job. Social media and sentiment analysis are tools that organizations use to measure customer satisfaction, and they could prove just as useful in measuring employee engagement.

Tanmay Bhandari (January 31, 2016), in the blog Redefining HR through data analytics, gave his opinion that HR analytics can form a backbone of human resource function of all organizations independent of the sector in which it operates. HR measurements which are otherwise called ability examination or people groups' measurements is a refined utilization of information mining and information investigation systems connected on individuals related information. HR investigation is a basic approach to quantitatively gauge the spending and the result of worker engagement projects and HR frameworks to gauge the viability of different HR activities. The application gives the organizations the ability to gauge year on year correlations on different parameters. HR investigation empowers the organization with capable experiences to adequately oversee representatives to achieve the business objective rapidly and with high profitability. Difficulties possess large amounts of this field as to recognize
what sort of information should be caught, put away and handled and how to fabricate the model and foresee capacities to expand the degree of profitability spent on its HR. HR investigation discovers its application in the different business capacities. The center elements of HR like enrollment and preparing, mergers and acquisitions, outlining remuneration structure, enhancing execution evaluation forms are altered by applying examination to the authentic information. HR examination encourages us to discover issue ranges, research on the underlying driver and issues encompassing these issues and utilizing information mining and prescient investigation work process will empower the HR experts to open the responses for various inquiries and pick up experiences from data and take suitable and significant choices. A portion of the applications are excessively build up most proficient enrollment and preparing process, to configuration profession improvement activities, instrumental in organizing and positioning the candidates in the request of their activity fit to the part, to gauge human asset necessity and outline a best intend to fill the open parts, to keep up high work compel use proportion with a specific end goal to boost the arrival on spent on HR, to augment workforce inspiration to interface them to vital and money related objectives of association to guarantee high business execution, to cut down the expenses on HR and streamline the budgetary spend on preparing and enlistment, to control representative steady loss by recognizing the explanations behind workers to leave the association and to plan strategies to cut down weakening, and to upgrade the worker installment, advantages and pay structure and expand his level of fulfillment in the
meantime sparing expense to the association. The specialty developing zones of HR Analytics are worker estimation examination and representative misrepresentation administration.

Susan LaMotte (2013) likewise her blog says that everybody has been discussing HR investigation. The enthusiasm for utilizing enormous information, investigation, and Moneyball in HR and enrolling is increasing critical steam. The utilization of examination in HR, for example, creating relationships between's representative execution, maintenance, statistic and appraisal information to settle on information based choices is positively a best practice, yet settling on information based choices doesn't have anything to do with "enormous information" unless the information being broke down meets certain criteria. The assortment part of enormous information essentially alludes to the blend of information sorts and sources (e.g., following sensors on representatives) and shifting degrees of structure, from organized to totally unstructured (free content as interpersonal organization refreshes, proposals, grants, supports, blog entries, remarks, official statements, declarations, and so forth.). It truly isn't the volume of information that represents the preparing challenge and requires the particular innovations. The organizations have been handling vast volumes of information for more than 10 years now, with huge information stockrooms driving business knowledge, revealing, and examination. It can be envisioned that it's truly the assortment and speed parts of huge information that require the utilization of particular data handling
arrangements and all the more particularly unstructured information that represents the innovation challenge. So regardless of how substantial the information might be this information is utilized to control examination and to create bits of knowledge. Another critical angle on how Analytics has changed the HR world in the region of enlistment is appeared in Moneyball: The Art of Winning Unfair diversion. It is a magnificent delineation of viable and true cases of utilizing information to create non-natural and noteworthy bits of knowledge into what makes an awesome worker otherwise known as ability investigation or workforce science. The pith of "Moneyball" lies in utilizing information and insights to "arbitrage miscounted pay rates" to stay away from exaggerated abilities/encounter, and to distinguish underestimated aptitudes when building groups to build up an upper hand without having to "purchase" costly ability. On the off chance that HR can use the information to recognize and procure individuals who can play out the same or superior to individuals who are more costly to obtain, at that point the Moneyball idea applies. With the assistance of utilizing the investigation, HR experts can contract and prepare, a specific sort of individual with no earlier particular industry or part encounter, who, once prepared, can beat individuals in a similar part who have 5-10 years of particular part/industry encounter, at that point one might say that they are viable "playing" Moneyball. The establishment of the Moneyball idea depends on utilizing information, insights, and examination to accomplish a type of work arbitrage which distinguishes underestimated abilities when building groups to build up an upper hand without having to "purchase" costly
ability. The utilization information and examination help in cost investment funds as well as expanded execution that will bring about a similar cost. The investigation is the revelation and correspondence of significant examples of information, which can be accomplished with any informational index whether enormous or little.

Bhaskar Gupta (March 16, 2015) in his article Analytics in HR – Data-Driven Decision Making in Human Resources expresses that the capacity to catch and effectively accumulate bits of knowledge from their information have driven many endeavors worldwide to streamline their procedures and lift their development. Information examination has turned into the standard crosswise over capacities like Marketing, Retail, Operations, and Finance. Be that as it may, an area as essential and as omnipresent as Human Resource has woken up to information investigation as of late. The selection rate is still low with the required aptitude missing in many associations, yet there is sufficient buzz around this zone. Workforce Analytics empowers the HR Manager to go well beyond her gut-feel and causes her to make choices in light of no-nonsense information. More than regularly the vast majority of the information that is required for such an examination is as of now there inside the association. Age, scholarly history, socioeconomics, related knowledge, training attempted, execution appraisals and numerous such information focuses are now accessible with the HR division. This inside information is joined with outside
information sources to get an entire picture. HR Analytics helps in assembling this information, wed it with pertinent outer information and enable HR Managers to make applicable inquiries in order to take better choices. Numerous associations that have conveyed HR Analytics have effectively received the rewards.

Suzanna Colberg (March 26, 2016) in her article about How 'Individuals Analytics' is Redefining the Way We Work, Live, and Hire says that the requirement for individuals examination inside an HR work has been a talk that has been on the table for as long as quite a while. Broad advanced and social changes in the cutting edge working environment have started to reshape and reclassify both the structure of associations and additionally the way of life of the work environment and, much of the time, the work itself. Presently like never before, associations are depending all the more intensely on information to discover, procure, and oversee ability. Ben Waber brings up that even the scarcest changes in conduct – and in working environment methods and conditions – enable specialists to be more joyful, more beneficial, and perform better. Waber likewise composes that People examination has changed the comprehension of socialization in the working environment, the effect of office format, and even ideas as 'delicate' as inventiveness." Analytics can possibly drastically enhance the way we work. What's more, subsequently an expanding number of associations are putting an accentuation on actualizing and creating
"individuals investigation" inside their plans of action. Likewise in the current Deloitte University Press' production, Global Human Capital Trends 2016, it talks about how these progressions and the expanding significance of individuals information among associations has expanded. Today 77% of all associations trust individuals examination is imperative and 82% of HR respondents see the investigation as vital or critical lastly 69% of representatives see the investigation as essential. HR groups appear to acknowledge as well as grasping the reconciliation of HR information and individuals examination into the inside procedures of the business, and in light of current circumstances. In circumstances that require high-volume enlisting for bringing down talented work, the utilization of information-driven contracting evaluations to winnow the candidate pool enhances work residency by 15 percent. Consequently, there's no contending that mechanized frameworks and the information they deliver can sort and clear up data that may some way or another overpower even the most productive and compelling HR and enlisting offices. The information gave by devices like procuring evaluations in conjunction with cloud-based HR frameworks that gives a more far-reaching review of incorporated HR information, in the end, can enable HR to staff and contracting administrators settle on the workforce-based choices with a higher level of precision than at any other time. Investigation in the human capital administration is being utilized as a part of various distinctive zones in organizations to drive positive energy. From using pre-enlist evaluations that speed up the procuring procedure to recognizing
potential authority applicants, information assume an undeniably indispensable part in driving alluring results no matter how you look at it.

Additionally, the Deloitte examine gives a few cases of how individuals investigation particularly is driving associations into the future by applying progressed examination to HR administration choices. On an expansive scale, individuals investigation is distinguishing better-fitting applicants, foresee pinnacles and troughs in work processes, and add to building more grounded organization societies. In spite of the fact that associations are still in the beginning periods of receiving and executing innovation that enables them to use information in new courses among their workforces, it is clear these patterns are picking up force. A few associations have even started to include parts like "initiative advancement pro" and "boss experience officer" to enhance client encounter both among outside clients and also inward representatives. For productive and compelling HR staff and business accomplices, HR measurements and examination are ending up progressively basic, and will soon be important in advancing business results. To be sure, this information shows uncommon bits of knowledge and open doors for supervisors and authority over all business perspectives.

In the blog People Analytics All Set to Redefine HR (March 15, 2016) by TCG Hamilton, articulates that workforce does matters to an extensive extent in any
association and in this way, people related choices consistently take the lion's
deal of its HR-related exercises. Earlier, the vast majority of these selections
were subjective to a view of an individual to understanding, thoughts, and drives.
Naturally, the larger part of them was stormed with blunders, while many were
prone to disappointment. However, these things are previously, on the version
of the developing prominence of individuals’ exploration. Today, the knack for
securing and ability to manage and understand must be information-driven and
endorse driven – individuals exploration settles on these choices feasible. Along
these lines, ability experts would now be able to put a conclusion to all instincts,
impulses, and presumptions in HR hones. Associations crosswise over geologies
and businesses are steadily grasping this most recent HR idea. Deloitte
University Press’ ‘Worldwide Human Capital Trends 2015’ has uncovered that 3
out of 4 organizations acknowledged the significance of individual’s
investigation. In a current heartbeat overview, an incredible 86% of PwC
Saratoga members have uncovered that building or propelling their kin
investigation process is a key need for the coming 1-3 years. Further, 46% of
these associations as of now have a people examination work. In this way,
naturally, individuals’ investigation is becoming the dominant focal point in the
cutting edge HR domain. These days, an amazing number of organizations are
utilizing the energy of individual’s examination. For instance, Google is utilizing
examination to find out about the effect of each meeting and the wellspring of
enrollment. Essentially, BP is making utilization of investigation to survey its
preparation. Likewise, organizations like Facebook, AOL, and Pfizer are
breaking down the elements relating to ability maintenance. In spite of these inviting changes occurring in the HR space, a large portion of the organizations is yet to utilize individuals examination in their everyday work. The absence of aptitudes in individuals investigation is one of the prime reasons. Despite the fact that investigation projects can give a higher ROI, the vast majority of HR pioneers confront trouble thinking of a legitimate arrangement. As per Deloitte, more than 80 percent of HR experts are less capable of utilizing examination. While HR groups in the greater part of the organizations are yet to get the hang of individuals’ investigation, numerous confirmation and preparing organizations are entering the photo to fill in the hole – their projects have been concocted in perspective of the present market requirements. Seeking after such a program will help any HR/ability proficient form his/her profession in individuals’ investigation.

Jyotiranjan Hota and Debjani Ghosh (2013), in the research paper Workforce Analytics Approach: An emerging trend of workforce Management states that in the recent scenario, workforce assessments should be reinforced by workforce data and analytics instead of fully reliant on gut feelings and drives. Harvey (2012) specified that the global economic catastrophe has taken a sudden interest in the region of Workforce analytics. For the period of the preliminary application of Workforce analytics, departments were ill-prepared for the sudden and unexpected necessity for the thorough analysis and reporting of workforce expenses and related events. As per IBM Global Services Report
(2009), the foremost concern is the way in which organizations of all sizes are compelled to take their decisions of the workforce during economic crises. Many firms have only a fractional understanding of the necessities of their current and future workforce. They lack awareness to classify and recognize the top talents and retaining them. So they are not capable to segregate their worth in the market. People are the utmost imperative asset of any company. Global Chief HR Officer for Ernst & Young expressed his thoughts at a latest global workforce meeting: “Holding onto key talent is like trying to keep frogs in a wheelbarrow”. Hence capabilities and skills of the employees have always given an edge for advancements in the competition. Deloitte Consulting treated Workforce analytics as performance analytics which is a new class of business intelligence that ties human capital management to financial performance. Ringo (2012) explained that the organizations that use workforce analytics have the most involved and promising workforce and they bloom in challenging and demanding circumstances. Rouse (2012) articulated that workforce analytics is an amalgamation of philosophy and programming that applies measurable models to the expert which is related to the information, enabling venture pioneers and innovators to upgrade human asset management. It is possible to make overall and definite hiring decisions, identify the requirement for new positions, scrutinize and foretell current and future technological requirements and improve recruiting approaches with the use of workforce analytics.
Josh Bersin, Marc Solow, & Nicky Wakefield (February 29, 2016) stated in the report Global Human Capital Trend report 2016, that often, employees are overwhelmed with technology, applications, and a continual overflow of information. The research of Deloitte expresses that individuals jointly check their phones over 8 billion times each day, yet throughput is hardly climbing. In order to be liberated of the astounded workers and improve the application of HR which will be able to help manage this complication, HR must embrace design thinking, which sets the employee understanding and capability at the center. Design thinking changes HR’s emphasis beyond the building of the programs and progress to a new objective: designing a productive and meaningful employment experience through solutions that are compelling, enjoyable, and simple.

3.8 SUMMARY:
As Bill Gates has aptly said “The best resources of my company goes out of the door every evening and comes back in every morning.” He and every successful leader worldwide understand the most important resource of an organization are its people. For it its people who since time in memorial have been contributing and plays the most vital role in the success or failure of an organization. All great management thinkers have been harping on the fact that managing workforce or human resource is the most vital, most crucial and the most difficult job for any organization. Theories and practices have come up and evolved to understand and better manage the workforce as it can be the game changer or the edge that an organization needs to overtake it competitors.
The latest being HR analytics which is considered to be the next big thing in the world of ever evolving HR. After thoroughly reviewing the literature, it can inferred that managing human resources have been taken to the next level where HR is no longer just a function but it contributes to all the functions in the organization with a prime focus of enhancing the organizations performance.

In the past organizations were unable to measure and quantify the contribution of their intangible assets i.e. their employees accurately. The emphasis of HR has at all times been just on collecting and reporting of the data about activities instead of outcomes, while the analyses are mostly very simplistic (e.g., limited analyses of drivers of outcomes). As a result, Ulrich (2010) stated that there is a need for HR to develop itself from descriptive metrics to predictive analytics.

Today’s HR leaders are paced with an unprecedented challenges in making the most of their human capital investments hence organizations needs to re-evaluate and re-invent their business tools and processes and most importantly make organizational changes based on facts with insights into what changes will keep them competitive and successful. To make a better business decisions regarding the workforce, leaders need to see the connections in their workforce data and then examine comprehensive workforce topics. Thus the challenges of today’s business environment involve new and latest approaches to gain competitive edge in ever shrinking world of globalization. And hence, implementations of new workforce strategies and making confident decisions needs are in need of the hour, thus making the HR leaders better and more insightful and having most trusted information. As change is the only constant
in today’s business world, workforce analytics is the insight to make the right change.

Demand for better talent management is growing, hence organizations are becoming more data-led hence making people data become currency and Workforce Analytics has become the need for every organization. The emergence of latest IT software Workforce Analytics helps to gather, manage and use talent information more effectively than ever before. These data has helped the senior level management to gather information about their people with help of these information future decisions is being made. HR Analytics is being used for many HR Value chain elements such as recruitment, performance, development and transitioning, selection, on-boarding, performance management, succession and talent planning and employee engagement as well. Hence it can be concluded that HR Analytics has in deed become the panacea for all the problems and challenges which the Human Resource function has been facing and proved to be the vital tool for gaining competitive edge in this fierce changing economy.