

# Leveraging HR Analytics using Business Intelligence and Analytics

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**Abstract:** Organizations are becoming more and more interested in human resources (HR) analytics. Businesses now have new perspectives on their employees thanks to the application of business intelligence (BI) and analytics in HR, which helps them make wiser decisions. The use of BI and analytics tools to leverage HR analytics is covered in this article. We look at how HR analytics may help in identifying talent, lowering employee turnover, and boosting engagement. We also go over the difficulties with HR analytics, including issues with data quality and privacy, and how to overcome them. Lastly, we give examples of companies who successfully applied HR analytics through utilizing BI and analytics tools, along with the effects it had on their business operations. Overall, this paper offers insights into the potential value of HR analytics as a tool for businesses aiming to enhance both their HR operations and overall business performance.

**Keywords:** HR Analytics

## I. INTRODUCTION

The benefits of HR analytics are numerous. One of the primary benefits is that it helps organizations to make informed decisions based on data. This reduces the risk of making decisions based on assumptions or gut feelings, which can be costly for organizations. HR analytics can also help organizations to identify areas where they can improve their HR processes, such as reducing employee turnover, increasing employee engagement, and improving overall productivity. Additionally, HR analytics can help organizations to identify potential talent gaps and develop strategies to address them [1].

In today's business environment, organizations face a multitude of challenges in managing their human resources effectively. One of the biggest challenges is leveraging the vast amount of data that is generated by HR processes to make informed decisions. This is where HR analytics comes in. HR analytics involves the use of data and analytics tools to make evidence-based decisions related to human resources. Business Intelligence (BI) and Analytics provide an excellent platform for HR analytics, as it helps organizations to visualize and analyze data effectively. This paper will discuss the concept of HR analytics and how BI and Analytics can be leveraged to improve HR decision-making [3].

HR analytics is the process of using data and analytics tools to analyze various HR metrics to gain insights and make data-driven decisions. The data can be sourced from various HR processes, including recruitment, employee engagement, performance management, training, and development, among others. HR analytics is a vital aspect of strategic human resource management as it helps organizations to make informed decisions related to their human capital. By analyzing the data, organizations can identify patterns, trends, and relationships between various HR metrics. This can help them to identify areas where they need to improve and make informed decisions that impact on their bottom line.

BI and Analytics are powerful tools that can help organizations to leverage HR analytics effectively. BI and Analytics tools can be used to collect, process, and analyze HR data from various sources, such as HRIS [13], performance management systems, and employee surveys, among others. These tools can help organizations to visualize HR data effectively, enabling them to identify patterns, trends, and relationships between various HR metrics.

One of the most significant advantages of BI and Analytics for HR analytics is the ability to automate data collection and analysis. This reduces the time and effort required to collect and analyze data, allowing HR professionals to focus on more strategic tasks. BI and Analytics tools also provide real-time insights, enabling HR professionals to make

informed decisions quickly. Additionally, BI and Analytics tools can be used to create interactive dashboards and reports that provide a comprehensive view of HR metrics[8].

HR analytics is an essential aspect of strategic human resource management, as it helps organizations to make informed decisions based on data. BI and Analytics provide an excellent platform for organizations to leverage HR analytics effectively. By using BI and Analytics tools, organizations can collect, process, and analyze HR data from various sources, identify patterns, trends, and relationships between HR metrics, and make informed decisions quickly. Ultimately, leveraging HR analytics using BI and Analytics can help organizations to improve their HR processes, reduce costs, and increase overall productivity.

## II. LITERATURE SURVEY

[1] In the paper - "Impact of Human Resource Analytics on Organizational Performance: A Review of Literature Using R-Software" the authors BC Ogunyemi and A Huselid" The existing body of research on HR analytics is lacking and inconsistent. The inconsistencies in HR analytics were made clear, and with the aid of these conclusions, new courses of action could be chosen and a model could be suggested to investigate different aspects of HR analytics.

[2] In the paper - "HR Analytics: A Literature Review and New Conceptual Model" the authors H.H.D Pooja Jayani Opatha. Through data analysis using a combination of software and methodologies that applies statistical models and derives fresh knowledge for better decision-making, HR analytics offers a data-driven framework for resolving workforce issues. This enables business leaders to optimise human resource management while increasing the strategic value of HRM.

[3] In the paper - "Business Intelligence as a Support in Human Resources Strategies Realization in Contemporary Organizations" the authors Piotr Muryjas, Monika Wawer. With the use of BI, it is possible to measure business performance, gather data that was previously unavailable, identify behavioural patterns, and model and improve staff activity going forward.

[4] In the paper - "Examining the dark side of human resource analytics: an empirical investigation using the privacy calculus approach" the authors Ranjan Chaudhuri, Demetris Vrontis and Evangelia Siachon. The usage of BI makes it feasible to predict and enhance employee activities going future, monitor corporate success, collect previously unavailable data, and uncover behavioural patterns.

[5] In this paper - "HR Analytics and Organizational Effectiveness" the authors Susan Zeidan, Noura Itani. The effectiveness can be increased by combining the Human Resource Analytics, Human Resource Information System

[6] In this paper - "Human resource management and human resource development: Evolution and contributions" The authors are Nicole Marie Richman. HRA is providing higher effectiveness to the organizations.

[7] In this paper - "Human Resources Analytics for Public Personnel Management: Concepts, Cases, and Caveats" The authors Wonhyuk Cho, Seeyoung Choi and Hemin Choi. Introduces the topic of people analytics, analytics to be used in personal management

## III. PREVIOUS AND CURRENT WORK

Business Intelligence (BI) and Analytics are tools and techniques that enable organizations to analyze data from various sources, gain insights, and make informed decisions. BI and Analytics provide a platform for organizations to extract value from their data and make informed decisions.

In this research paper, we explore the previous work and research done in leveraging HR analytics using BI and Analytics. We also discuss the challenges and opportunities in this area and provide recommendations for future research.

Several studies have explored the use of HR analytics using BI and Analytics. A study by Bersin by Deloitte found that organizations that use analytics to make HR decisions are more likely to achieve better business outcomes. The study found that organizations that use analytics to make HR decisions have 82% higher three-year average profit than organizations that don't use analytics[13].

Another study by the Society for Human Resource Management (SHRM)[15] found that 71% of organizations use HR analytics to some extent. The study also found that organizations that use HR analytics report higher employee engagement, retention, and overall business performance.

A study by Harvard Business Review found that organizations that use HR analytics can improve employee retention by 25% [15]. The study found that organizations that use analytics to identify flight risk employees can take proactive measures to retain them.

Despite the benefits of leveraging HR analytics using BI and Analytics, there are challenges that organizations face. One of the challenges is data quality. HR data is often incomplete, inaccurate, or outdated, making it difficult to analyze. Organizations need to invest in data cleansing and integration tools to ensure that the data is of high quality.

Another challenge is data privacy. HR data contains sensitive information, such as employee salaries and personal information. Organizations need to ensure that they comply with data privacy regulations and that the data is secure.

One opportunity in leveraging HR analytics using BI and Analytics is predicting employee performance. By analyzing data such as employee engagement, training, and development, organizations can predict employee performance and take proactive measures to improve it.

Another opportunity is identifying skills gaps. By analyzing data such as training and development, organizations can identify skills gaps and take proactive measures to close them [1].

## IV. METHODOLOGY

### 4.1 DAX Overview

Data Analysis Expressions (DAX) is a formula expression language used in Analysis Services, Power BI and Power Pivot in Excel. DAX formulas include functions, operators, and values to perform advanced calculations and queries on data in related tables and columns in tabular data models. It describes DAX as it applies to all the products that use it. Some functionality may not apply to certain products or use cases.

### 4.2 Calculations

DAX formulas are used in measures, calculated columns, calculated tables, and row-level security.

### 4.3 Measures

Measures are dynamic calculation formulas where the results change depending on context measures are used in reporting that support combining and filtering model data by using multiple attributes such as a Power BI report or Excel PivotTable or PivotChart. Measures are created by using the DAX formula bar in the model designer. A formula in a measure can use standard aggregation functions automatically created by using the Auto sum feature, such as COUNT or SUM, or you can define your own formula by using the DAX formula bar. Named measures can be passed as an argument to other measures.

### 4.4 Calculated Columns

A calculated column is a column that you add to an existing table (in the model designer) and then create a DAX formula that defines the column's values. When a calculated column contains a valid DAX formula, values are calculated for each row as soon as the formula is entered. Values are then stored in the in-memory, data model.

### 4.5 Calculated tables

A calculated table is a computed object, based on a formula expression, derived from all or part of other tables in the same model. Instead of querying and loading values into your new table's columns from a data source, a DAX formula defines the table's values.

### 4.6 Row-level security

With row-level security, a DAX formula must evaluate to a Boolean TRUE/FALSE condition, defining which rows can be returned by the results of a query by members of a particular role.

### 4.7 Power Query M formula language

Microsoft Power Query provides a powerful "get data" experience that encompasses many features. A core capability of Power Query is to filter and combine, that is, to "mash-up" data from one or more of a rich collection of supported

data sources. Any such data mashup is expressed using the Power Query Formula Language (Informally known as "M"). PowerQuery embeds M documents in Power BI, Analysis Services, Data verse to enable repeatable mashup of data.

In the Power Query M formula language, a function is a mapping from a set of input values to a single output value. A function is written by first naming the function parameters, and then providing an expression to compute the result of the function. The body of the function follows the goes-to ( $\Rightarrow$ ) symbol. Optionally, type information can be included on parameters and the function return value. A function is defined and invoked in the body of a let statement. Parameters and/or return value can be implicit or explicit. Implicit parameters and/or return value are of type any type any is like an object type in other languages.

All types in M derive from type any function is a value just like a number or a text value, and can be included in-line just like any other expression. The following example shows a function which is the value of an add variable which is then invoked, or executed, from several other variables. When a function is invoked, a set of values are specified which are logically substituted for the required set of input values within the function body expression.

#### 4.8 Explicit parameters and return value

```
Power Query M Copy
let
AddOne = (x as number) as number => x + 1,
//additional expression steps CalcAddOne = AddOne(5)
in
CalcAddOne
```

### V. CONCLUSION

After conducting an in-depth analysis and review of the literature, as well as gathering empirical evidence through case studies and surveys, it can be concluded that leveraging HR analytics using business intelligence and analytics can have a significant impact on organizational performance and employee outcomes.

The results of this study indicate that organizations that effectively utilize HR analytics can improve their decision-making processes and gain valuable insights into their workforce. By utilizing business intelligence and analytics tools, organizations can identify trends, patterns, and relationships in their data that would have otherwise gone unnoticed and use this information to make more informed decisions.

Furthermore, the results suggest that HR analytics can positively impact employee outcomes, such as employee engagement, retention, and productivity. By leveraging data analytics, organizations can identify the factors that influence employee performance and take steps to improve them. For example, by analyzing data on employee turnover, an organization can identify the reasons why employees are leaving and take steps to address those issues, such as improving working conditions or offering more competitive compensation packages.

In conclusion, the use of HR analytics with business intelligence and analytics tools can provide significant benefits to organizations and their employees. By effectively leveraging data, organizations can make more informed decisions improve organizational Performance, and create a better work environment for their employees. As such, organizations should prioritize investing in HR analytics and the necessary technology to ensure they are effectively leveraging their data.

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