Adoption Issues of Hr Analytics

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Abstract: *The attention towards HR Analytics is very good but the adoption rate is still not that impressive. John Boudreau (2017) in an article said: "progress in HR analytics has been glacially slow though industrial surveys suggest a stunning rate of anticipated progress". This research paper attempted to identify the key adoption issues with HR Analytics aiming for its successful adoption.*
To identify the adoption issues with HR Analytics, a couple of active HR Analytics professionals from different industries and countries have been surveyed randomly with an online Google Forms questionnaire.
The findings are a mix of beginner issues to advanced issues of HR Analytics adoption.
This research survey result motivates to go for another advanced research survey on the measures to take when adopting HR Analytics and using it the way to bring in the best business benefits out of it.
Keywords: *HR Analytics, Adoption issues of analytics, Technology adoption, Innovation adoption, HR Analytics maturity,*

I.   Introduction

The organizations strongly believe that practice of analytics is their phase of development. The data-driven HR is practicing now. Technopedia defines it as an area in the field of analytics which applies analytic processes to human resources for the better functional performance and for a good impact on the business outcome.

John Boudreau (2017), said progress in HR analytics has been glacially slow. But a Harvard Business Review analytics study of 230 executives suggests a stunning rate of anticipated progress: 15% said they use "predictive analytics based on HR data and data from other sources within or outside the organization," while 48% predicted they would be doing so in two years. The reality seems less impressive, as a global IBM survey of more than 1,700 CEOs found that 71% identified human capital as a key source of competitive advantage, yet a global study by Tata Consultancy Services showed that only 5% of big-data investments were in human resources.

To burst out this mixed response in adoption of people analytics phase, as an academic researcher in this space, it is an attempt to explore the reality and inhibiting factors of its adoption.

II.   Literature Review

This study is intended to explore the inhibiting factors of people analytics adoption.

The definitions of HR Analytics are to make it clear in its purpose and usage with good understanding. HR Analytics is interchangeably used with different names as HRA, people analytics and work force analytics.

HRA is defined as "the systematic identification and quantification of the people drivers of business outcomes, with the purpose to make better decisions" (van den Heuvel & Bondarouk, 2016, p. 4).

"People analytics refers to a practice of connecting HR data to business outcomes in a way that allows for proactive, purposeful, forward-looking action" (Sindhar. S, 2018).

Human Resource Analytics (HRA) is "the application of a methodology and integrated process for improving the quality of people-related decisions for the purpose of improving individual and/or organizational performance" (Bassi, 2011, p. 11).

Technology adoption is inevitable in current competitive contemporary business world.

Innovation Adoption is "a process that results in the assimilation of a product, process, or practice that is new to the adopting organization and/or the individual level" (Damanpour & Wischnevsky, 2006, p. 497).

Vargas. R (2015) did a good doctoral research work on the various adoption factors which are hugely impacting on HR Analytics through HR professionals. From the findings of this research which was conducted in USA based organizations, revealed many factors which are the causes of slow adoption. The main adoption factors which are hugely impacting HRA are:
1. Lack of analytics knowledge in HR Professionals

2. Insufficient Data availability
3. Industry standard HR Analytics literacy in University curriculum is needed
4. Organizations support is much needed for adoption of the HRA.
There are many discussions also as HR analytics is management fad or important journey in HR?
In other ways, Sindher. S (2018) in an article explained 3 reasons HR software will help organization to adopt people analytics. Those are (1) Flexibility and Reliability (2) Integrations with other systems (3) Self-Service Analytics.
He stress out on organizations having the data infrastructure in place to support basic reporting tools is a necessary first step to get human analytics and investing in its software that enables deeper analysis, better, and quicker decisions.
To adopt this technology, there are many internal and external issues impacting. This study mainly focused on finding out more about those.

III.   Research Methodology

A properly designed methodology gives prompt results.
Research Question: Based on the above literature, it is known that some major factors are inhibiting adoption of HR analytics. Vargas. R (2015) studied this topic during 2015 and that too limited to USA. The current adoption rate is bit good and scientific surveys are evident with its progress. But still there is a notable adoption slow down exist. To find out the issues in adoption of HR analytics, a research question is framed.
*   What kind of adoption issues facing/faced by your organization with HR Analytics?
To get answers for this question, appropriate research methodology is chosen with following steps.

1. Research Design

This study is designed to explore the facts about adoption issues of HR analytics in HR technology space. As it is the pilot study, there is no particular company, region, or industry specifically chosen. It's a non probability random survey targeted on HR professionals through linked in social network platform and analyzed insights free from any specific geographical or industry restrictions and given a research scope to find correlation in opinions.
The research instrument is structured Google forms questionnaire. To mobilize more number of opinions, the questionnaire is designed with simple and direct questions. The collected opinions are analyzed to best give answer to the research question.

2. Method of Research

The method of research contains sampling techniques used, sources of data, and data analysis method.
a) Sampling procedure- This study is a pilot study, which purposively chosen the respondents from HR space with a maximum variation of designations in the same field. To get maximum variations in the responses, sample is purposively chosen from different industries, and different countries for broader insights. So, the name of this sampling is maximum variation / heterogeneous purposive sampling. The maximum sample size is 30 respondents from HR space and all are from different countries, different industries and with different HR roles.

b) Sources of Data- The primary source of data is collected from 30 highly relevant HR professionals in the Linkedin flat form through a structured questionnaire which is attached as annexure I with this research paper. This questionnaire is framed to get the direct answers for research question. The secondary source of data is scientific publications from journals and books.

c) Data Analysis- Data analysis is done by grouping the whole responses in graphical representations and the individual responses are presented as it is for insight analysis. The responses are submerged into major findings with their similarity in opinions.

IV.   Results

The survey is conducted through Google forms questionnaire. The responses are presented in a table for clear understanding of the results. These results are further discussed to get insights about the adoption issues which are for further correction and improvement in smooth adoption of people analytics. These results represent four major questions, which are key to know the facts about people analytics in different ways.

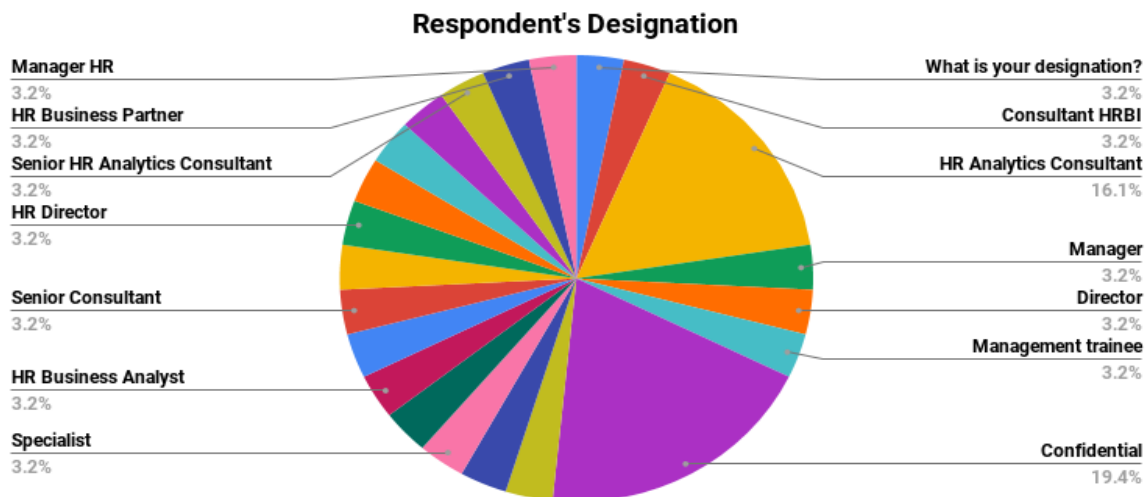| RESPONDENT DESIGNATION	ORGANIZATIONS STATE OF HR ANALYTICS ADOPTION	ORGANISATION'S MATURITY LEVEL WITH HR ANALYTICS	ADOPTION ISSUES FACING/FACED BY RESPONDENT'S ORGANIZATION WITH HR ANALYTICS
1. Consultant HRBI	Yes	Proactive - Advanced Reporting, Strategic Analytics, Predictive Analytics	Data integrity, politics etc..
2. HR Analytics Consultant	Yes	Strategic Analytics	Getting good data on people for more predictive analytics
3. Manager	No	Reactive - Operational Reporting	Need Change in Management's View
4. Director	No	Strategic Analytics, Predictive Analytics	Understanding of how to action
5. Management trainee		Reactive - Operational Reporting	No Response
6. Confidential	Yes	Reactive - Operational Reporting	No Response
7. Sr Manager- Talent Acquisition	Maybe	Reactive - Operational Reporting	No Response
8. People Analytics Consultant	Yes	Proactive - Advanced Reporting	Convincing HR departments that People Analytics is an advantage and we should do it before our competition.
9. Specialist	Maybe	Strategic Analytics	No Response
10. HR Analytics Consultant	Yes	Reactive - Operational Reporting, Proactive - Advanced Reporting, Strategic Analytics, Predictive Analytics	None
11. HR Analytics Consultant	No	Reactive - Operational Reporting	Moving the maturity of the business in using data insights in their decision making from reactive informative towards actual predictive intelligence.
12. HR analyst	No	Reactive - Operational Reporting	Non-structured databases, lack of technical talent in the department
13. HR Analytics Consultant	Yes	Reactive - Operational Reporting	Understand the importance in decision making process based in HR data - I'm from Mexico City
14. Confidential	No	Reactive - Operational Reporting, Proactive - Advanced Reporting	Only recently have we had the investment in data quality and in software to make more use of analytics. We need to be able to join up HR analytics with data from Finance, Estates etc. This is a major challenge.
15. HR Business Analyst	Yes	Proactive - Advanced Reporting	Integration of LMS with advanced reporting tool
16. Head of People Analytics	Yes	Predictive Analytics	Data Privacy, Data Literacy in HR, Data Quality
17. Senior Consultant	No	Reactive - Operational Reporting	Adaptability to HR Analytics is yet to be achieved.
18. Hr officer	No	Reactive - Operational Reporting	Lack of mentor to guide and promote analytics
19. Confidential		Predictive Analytics	Integration between solutions
20. HR Director	No	Proactive - Advanced Reporting	No Response
21. Head of HR Analytics CoE	Yes	Reactive - Operational Reporting, Proactive - Advanced Reporting, Strategic Analytics, Predictive Analytics	Getting stuck with reporting... took time to move from reporting to Analytics
22. Confidential	No	Proactive - Advanced Reporting	To have a proper staff fully dedicated to analytics. Get rid of operative and administrative non-value added workload.
23. Human Capital Manager	No	Reactive - Operational Reporting	Getting the right data
24. Former Head of Workforce Analytics	Maybe	Proactive - Advanced Reporting	Connection to business. HR Politics and HR cultural issues
25. Confidential	No	Reactive - Operational Reporting	Lack of technical expertise
26. Senior HR Analytics Consultant	No	Predictive Analytics	1. It's easy to keep doing things the way you've been doing. It takes more time and thought into

|			listing/implementing/making changes due to what the data say. 2. Most results aren't earth shattering. They can be rationally explained and easily understood. For that reason, stakeholders question the importance of you validating something "they already know". 3. Budget - We have limited resources to pay for large scale implementations, hire more internal consultants and data scientists, and hire IT resources to free us up to do what we're good at. 4. Areas where we can do better, like coaching, selling, and prioritizing.
27. HR Business Partner	No	Reactive - Operational Reporting	This is tricky to answer. I think it is a mix of unawareness, lack of competence, change is big and scary may be
28. HR Analytics Consultant	Maybe	Strategic Analytics	Senior management buy-in, small scale analytics being ramped up to full scale org adoption, political landscape (local government).
29. Confidential	Yes	Predictive Analytics	Legacy of IT Systems that are not integrated.
30. Manager HR	Yes	Predictive Analytics	Data availability, identification of right tools, connects information to insights, acceptance in the organization.

V. Discussion

Introduction - The survey results are summarized into charts and tables for easy analysis. From these results, the direct answers are identified for the framed research question and compared with the existing literature and newly identified insights are shared in an appropriate way to the HR world. The survey results represent four columns of data.

Evaluation- The results are evaluated by categorizing each question with the responses summarized in graphical representation. The researchers of this study carefully formed the insights from those and become successful in getting updated answers for the adoption issues of HR analytics.

1. Respondent's Designation – The individual roles may have perceived different adoption issues. Majority of the respondents are HR Analytics Consultants. Surprisingly, many didn't specify their designation as they don't wish to reveal as a confidential issue. This may be because of the huge competition about this practice. Organizations are considering this practice as forwarding in technology adoption and a competitive advantage. Below is the graphical representation of surveyed HR professional designations.


Respondent's Designation

2. Organizations state of hr analytics adoption – It is very important to know whether their organization is currently adopted this analytics practice in HR or not. There may be a difference of opinions with the responses who are adopted already and who are not. The below illustration summarizes that majority HR professionals said their organization is not yet adopted HR analytics properly. But the respondents who said no, listed their organization is started using analytics in reporting level.
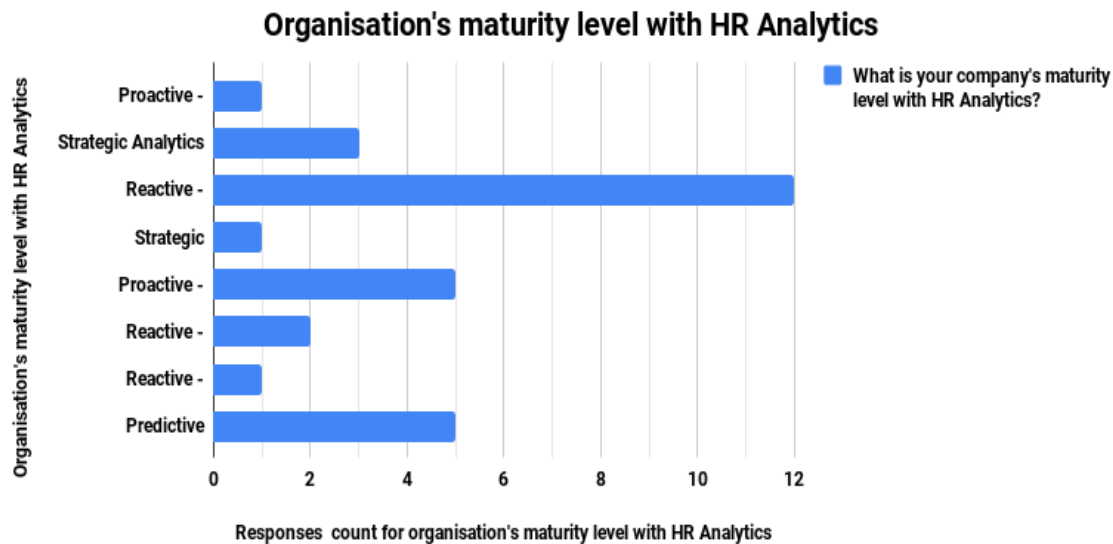
Organisation's adoption state of HR Analytics
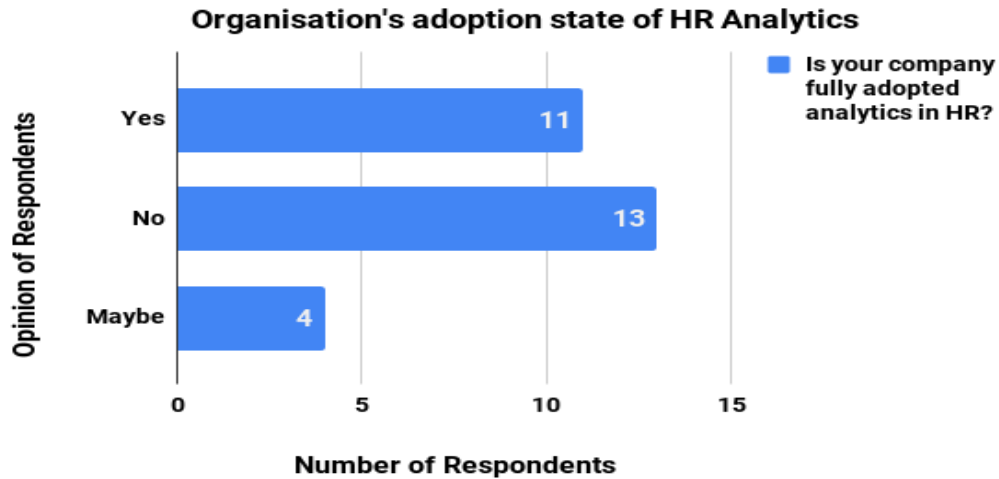
3. Organization's maturity level with hr analytics- This question is framed based on Josh Bersin of deloitte about the HR analytics maturity model. It is very essential to know the maturity level of analytics with structured answers, (a) Reactive- operational reporting (b) Proactive – Advanced Reporting (c) Strategic Analytics (d) Predictive Analytics. Among the total sample respondents, 50% said they are still adopted analytics at reactive level – operational reporting only. 30% are using predictive analytics too, which a good sign in HR. Equally 30% using advanced reporting at proactive level. Only 23.35 which are least among the responses are using strategic analytics.

What is your company's maturity level with HR Analytics?

30 responses
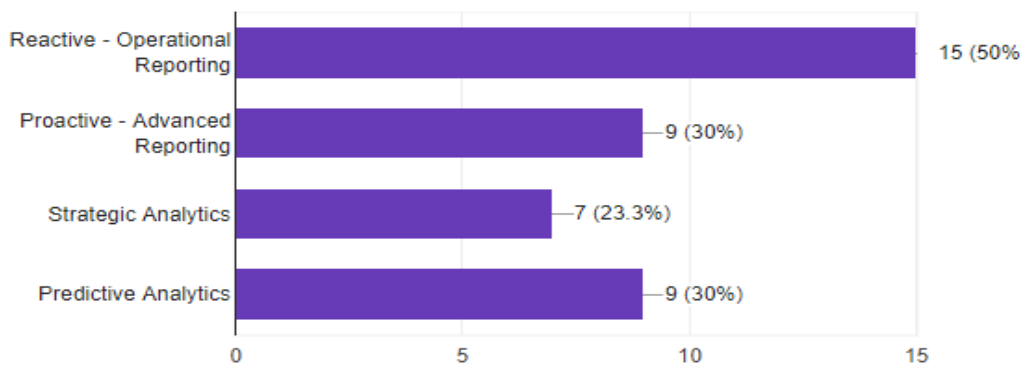
There is bias in results. Those who generally went upto predictive analytics, they also surely use for strategic purposes. This will be corrected in up coming research surveys as a continuation of this research.

Organisation's maturity level with HR Analytics

Responses count for organisation's maturity level with HR Analytics

4. Adoption issues of HR analytics facing/faced by respondent's organization
For this question, different HR professionals revealed different adoption issues faced or facing by their respective organizations. These answers are summarized into key adoption issues by integrating and grouping similar answers.

a) Data issues: Data based HR is facing major data related issues in its adoption.
Data availability issues, Data Integrity problems, Non-structured databases, No good quality of Data, Data privacy issues, No good data literacy in HR and getting the right data is also are the major data issues facing/ faced in the adoption of HR Analytics. Below are the true opinions in respondents' words.
i) Data integrity, **ii)** Not getting good data on people for more predictive analytics, **iii)** Moving the maturity of the business in using data insights in their decision making from reactive informative towards actual predictive intelligence, **iv)** Non-structured databases, **v)** Only recently have we had the investment in data quality and in software to make more use of analytics, **vi)** we need to be able to join up HR analytics with data from Finance, Estates etc. This is a major challenge. **vii)** Data Privacy, Data Literacy in HR, Data Quality **viii)** Getting the right data **ix)** Data availability

b) Management issues: There are many management issues also revealed by different level HR professionals. The key management issues are: **i)** Need Change in Management's View, **ii)** Understanding of how to action, **iii)** Tough to convince HR departments for people analytics adoption, **iv)** Understand the importance in decision making process based in HR data, **v)** Lack of mentor to guide and promote analytics, **vi)** Connection to business, HR Politics and HR cultural issues, **vii)** Fear of change, **viii)** Time consuming process, **ix)** Nothing new with HR Analytics, it's just of validating something "they already know", **x)** Limited resources to pay for large scale implementations, **xi)** Senior management buy-in, small scale analytics being ramped up to full scale org adoption, political landscape (local government). **xii)** Organization's acceptance.

c) Employee related issues: From employees' point of view they need a good mentor or coach to guide them in this new phase of HR. These are listed below: **i)** Lack of technical talent in the department, **ii)** Adaptability to HR Analytics is yet to be achieved, **iii)** to have a proper staff fully dedicated to analytics. **iv)** Get rid of operative and administrative non-value added workload. **v)** Lack of technical expertise, hire more internal consultants and data scientists, and hire IT resources to free us up to do what we're good at. **vi)** Areas where we can do better, like coaching, selling, and prioritizing.

VI. Limitations

This study has its limitations irrespective of its good results. The sample is purposively chosen to get the results about specific area in HR. There is a 10% bias in giving answers as, few questions are direct and no extrapolation of answers. 19.4% respondents didn't reveal their designations, so it's a limitation to apply correlation co efficiency technique to know the relationship between their job role and perception on adoption issues faced/facing. But this study had given good scope to survey responders to reveal major obstacles refraining analytics to get adopted in HR space.

VII.   Conclusion

As defined by Rogers (1983), "technology is a design for instrumental action that reduces the uncertainty in the cause-effect relationships involved in achieving a desired outcome" (p. 138). The key findings in this study are lack of suitable quality HR data for further improvement in people analytics adoption. Interestingly, organizational politics too revealed as one of the cause of slow down in analytics adoption. If the management level people strongly believe in analytics power and its applicability then their support can make the process easy. From employees' side, it is accepted by many respondents that there is a need of technical expertise in this field and current HR professionals need to adopt analytics mindset. Another finding is to link up the learning Management System with advanced reporting analytics for betterment. Data, organizational and individual issues should be solved for successful adoption.

Acknowledgments

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