

**THE INCORPORATION OF HR METRICS IN HR MANAGEMENT: A THEORETICAL
FRAMEWORK WITH A SPECIFIC FOCUS ON INDIAN CORPORATE ORGANIZATIONS**

DR. TAMRISHA PATNAIK

Department of MBA, MALLA REDDY ENGINEERING COLLEGE FOR WOMEN
(Autonomous), Maisammaguda (V). Medchal District, Telangana State.

Assistant. Professor MALLA REDDY ENGINEERING COLLEGE FOR WOMEN (Autonomous),
Maisammaguda (V). Medchal District, Telangana State.

ABSTRACT:

The strategic importance of Human Resource Management (HRM) to top management leaders is underscored by the emergence of human resource analytics as a new trend and challenge in the business context. This paper delves into the expansive application of HR metrics in diverse fields, showcasing their growing significance and impact. This paper endeavours to achieve the following objectives: 1) providing a comprehensive understanding of the meaning and significance of HR analytics, 2) elucidating the application of HR metrics, and 3) proposing a novel HR analytics model including various Metrics. A thorough examination of the literature was undertaken to realize the specified objectives outlined in the paper. This study is primarily conceptual, encompassing aspects such as definitions, significance, processes, models, and challenges within the domain of HR analytics. HR analytics entails the utilization of research designs and sophisticated statistical methodologies to systematically assess HR data, derive informed solutions, and make well-founded decisions concerning HR-related issues. Numerous scholars have underscored the substantial impact of HR analytics on the attainment of a competitive edge for organizations.

KEYWORDS- Workforce analytics, Recruitment analytics, Performance Analytics

Introduction

In the present context of VUCA World, the language of every business is numbers. It has been a challenge to quantify HR functions in the field of Human Resources, as the focus has historically been on quality rather than quantity. Human resource metrics are numerical measures utilized to evaluate the efficiency and effectiveness of diverse HR practices within an organization. HR analytics is an essential process that involves collecting and analysing Human Resource (HR) data to enhance the performance of an organization's workforce. It is also known as talent analytics, people analytics, or workforce analytics. This

data analysis method involves correlating the routinely collected HR data with HR and organizational objectives to provide evidence of how HR initiatives contribute to the organization's goals and strategies. The insights gained from HR analytics help organizations identify areas for improvement and plan more effectively for the future. By leveraging data-backed evidence, organizations can confidently focus on implementing necessary improvements and strategizing for future initiatives. The ability to decisively answer critical organizational questions without guesswork has led many businesses to utilize HR analytics to attribute performance enhancement to HR initiatives.

HR analytics applies statistical models to get insights into employee data and this makes managers possible to predict employee behavioral patterns like attrition rates, training costs, and employee contribution (Mohammed, 2019). Mohammed (2019) explains, "A typical HR Analytics System collects employee data from HRIS (Human Resources Information System), business performance records, mobile applications, and social media merges into a data warehouse, applies big data, statistical analysis and data mining techniques to provide an understanding of hidden data patterns, relations, probabilities, and forecasting. A Data Warehousing System deals with the data collection, analysis, and transformation and storing data on various databases".

HR Metrics leverage the power of data and help in data-driven decision-making that drives better outcomes for the company and its employees. These metrics span across the different stages of the talent life cycle in the organization. In today's fast-paced environment, sustainability and benchmarking are key challenges for every organization. The HR department confidently takes the lead in implementing HR metrics across the organization.

Literature review

In this paper, HR-related outcomes are examined, including HR impact and strategic influence (King, 2016), the operational effectiveness of HR function (Walford-Wright and Scott-Jackson, 2018), enhanced HR processes (Stanley, 2014), employee learning (Hicks, 2018), credibility and professional legitimacy of HR (Belizón and Kieran, 2022), improved HR professionals' job performance (Kryscynski et al., 2018), accuracy, fairness, and employee commitment (Sharma and

Sharma, 2017), a just workplace (Hamilton and Davison, 2022), and effective HRM (Hamilton and Davison, 2022). An enhanced decision-making process and better overall decisions, whether they are HR- or business-related, are among the HRA results that are frequently cited in both groups. The outcome that has been discussed the most in the reviews. Better decision-making generally, whether it be about business or HR, is one of the HRA results that is frequently cited in both groups. In the reviewed literature, this is the result that is most commonly reported. Data- and evidence-based, objective, strategic, and successful judgments are the better ones (e.g. Boudreau and Cascio, 2017; Lunsford and Phillips, 2018).

Importance of HR analytics

HR Analytical strategies play a key role in creating a sustainable company by harmonizing social, environmental, and economic aspects for both immediate and future considerations (Kirtane, 2015). According to Ben-Gal (2018), HR analytics aims to achieve several objectives: 1) to collect and manage data effectively for forecasting short and long-term trends in employee supply and demand across various sectors and job roles; 2) to assist multinational companies in making informed decisions about optimal recruitment; 3) to foster and keep a skilled workforce; 4) to offer insights to companies for managing their workforce efficiently to meet business objectives swiftly and effectively; and 5) to support the successful execution of a company's strategies. Furthermore, the primary goal of HR analytics is to improve a company's sustainability by making smart HR-related decisions based on the analysis of collected data in a meaningful manner through the application of analytical

methods to boost the company's performance. According to Kiran et al. (2018); Bhattacharyya (2017); Kirtane (2015); Reena et al. (2019); Reddy and Lakshmikeerthi (2017); Fred and Kinange (2015), the benefits of HR analytics are

HR analytics offers a multitude of organizational benefits, including enhanced employee and organizational performance, as well as a higher return on investment for human resources. It facilitates the assessment of workforce requirements, forecasts future HR trends, identifies factors impacting employee satisfaction and productivity, and supports effective training and development initiatives. Furthermore, it aids in rational decision-making, measures the financial impact of HR practices, and helps identify individuals who align with the organization's culture. By predicting employees who can be upskilled and quantifying their impact on business outcomes, HR analytics enhances the credibility of HR professionals and enables them to play a more strategic role in organizational discussions. Ultimately, it helps justify investments in human capital and holds HR departments accountable for their impact on the bottom line. Reddy and Lakshmikeerthi (2017) emphasize the importance of evidence-based HR (EBHR) in the decision-making process for adding value to business decisions. EBHR involves managers understanding the relationship between people management practices and business outcomes, such as organizational profitability, customer satisfaction, and quality improvement, through the use of the best available scientific evidence and business information. Kiran et al. (2018) define HR analytics as providing a data-driven framework for resolving business problems using available information to drive new insights. It is about making smart decisions,

delivered through a combination of software, hardware, and methodologies that apply statistical models to work-related data, allowing business leaders to optimize human resource management. Kiran et al. (2018) also found that HR analytics tools are widely used by HR executives for making strategic decisions for the organization, while non-HR executives use these tools for effective decision-making to some extent.

Data-Driven decision

(Chib, 2019) - Decision makers can use the dashboard to easily and strikingly identify the current status of key HR metrics. The dashboard enables HR professionals to create visual presentations based on the conclusions and insights obtained from analyzing a large amount of data. This allows all managers to quickly comprehend the information conveyed through the charts and tables. Due to its interactive nature, the HR dashboard is an effective tool for reporting and presentations. Jabir et al. (2019) - HR analytics involves analyzing and comprehending the reasons behind events, generating alerts about the next best course of action, and making predictions about the best and worst possible outcomes based on the analyzed data. UweHohgrewe, the lead faculty for Northeastern's Master of Professional Studies in Analytics program, explains that "humans observe the information in front of us and use our intelligence to make conclusions. Machines lack intelligence, but we can make them seem intelligent by providing them with the right information and technology" (2020). Kathleen Egger, who lectures in Northeastern's College of Professional Studies Master of Science in Human Resources Management program, states that human resources now involves more than just administrative tasks. It's about

comprehending how the business operates to provide advice on optimal practices for the future (2020).

According to Carl Zangerl (2020), the traditional role of HR is evolving rapidly. In many organizations, the HR team is now expected to be a business partner with a specialized focus on deploying, training, engaging, and maximizing productivity from their employees (2020).

Application of HR metrics for HR related outcome

The HR dashboard is an invaluable tool that presents key HR metrics simply and dramatically, facilitating graphical presentations that allow decision-makers and managers to comprehend information at a glance. Its interactive nature makes it an effective tool for reporting and presentations.(Chib, 2019).

.Recruitment metrics

Recruitment Metrics Recruitment metrics help organizations in the following ways: ● evaluate and streamline the process of recruitment in an organization, ● track the hiring success, since the right selection can help generate the optimal ROI, and ● gather recruitment and selection data through the recruitment and selection tracker

Recruitment effectiveness	HR metrics
Identify the time gap between the moment a candidate is approached and the moment they accept the offer.	Time to hire
It shows the percentage of overall hires who	Source of hire

entered the pipeline from each recruiting channel or source. For example, if a total hired 20 people have been in the past six months from external sources. On analyzing the data, find that 8 of them were referred (40%), 6 applied through job portals (30%), 2 were contacted through direct sourcing efforts (10%) and 4 came from campus placements (20%). This data can be used to plan subsequent hiring efforts.	
It measures the number of employees who leave the organization within their first year of work. Candidates who leave in their first year of work fail to become fully productive and usually cost a lot of money to the organization	First-year attrition
It measures how well your recruiting process selects the correct people	Quality of hire
It measures the cost-effectiveness and efficiency of your recruiting process. It is calculated using the following formula: Cost-Per-Hire =	Cost per hire



(internal recruiting cost + external recruiting cost)/ total number of hires in a given time frame	
--	--

employees who were nominated for training versus the number of employees who joined over one year.	
--	--

Training and Development Metrics

Training evaluation metrics are specific, quantifiable criteria used to measure an organization's training or development program's effectiveness.

This can be measured after achieving a good completion rate. The completion rate shows how many employees have completed the training program. It indicates the level of learner engagement, motivation, and participation.	Learner feedback details
This metric provides the details of the expenses on talent development. Here, the total training cost is divided by headcount training	Training cost per employee:
This metric is necessary to objectively assess the performance of a participant as a result of the training imparted.	Learner performance and progress data:
This metric represents basic data regarding the number of	Total joined YTD (year till date):

Performance Metrics

It objectively measures (production/output) quality by calculating the number of product/service-related errors per employee or team.	The number of errors
It represents the willingness of a client to recommend a company's service to other potential clients.	Net promoter score:
This metric evaluates the number of units produced in a particular period.	The number of units produced:
These metrics include average handling time, which is the average time the customer is on the phone, including when they are on hold, and first-call resolution, which is the number of callers whose problem is resolved the first time they called	Employee KPI metrics

Compensation Metrics

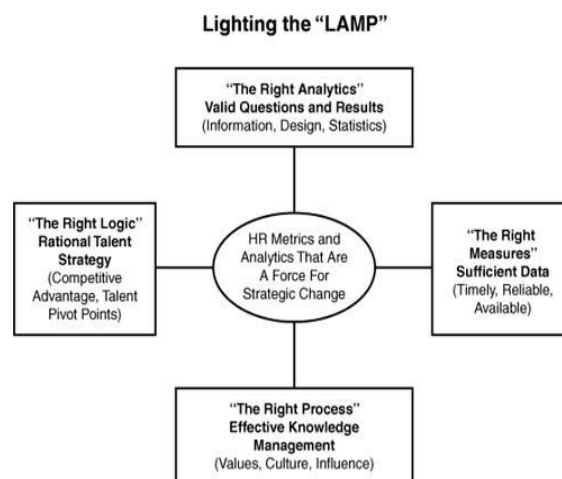
Compensation metrics are the tools you use to measure, analyze, and decide how effective your compensation practices and policies are and what you can do to improve them. They help you understand how pay is distributed across your team, so you can make informed

decisions that will help you attract and keep employees.

This metric compares the internal job pay relative to market-paid rates for external benchmark jobs in your industry.	Market index
It measures the relationship between the salary of an employee (or a position) and the midpoint of the pay range for that employee (or position). Therefore, if someone is earning the exact amount of the midpoint of their salary range, their compa-ratio will be 1.0 (or 100%). Anything less than 1.0 means that they are earning less than the midpoint. Anything more than 1.0 means they are earning more than the midpoint.	Compa ratio
It illustrates the average market-paid rate for each grade relative to the salary range midpoint.	Market ratio
This metric represents the average compensation paid to all full-time equivalent employees. It is calculated using the formula: $\text{Average compensation per employee} = \frac{\text{total compensation paid out}}{\text{total headcount}}$	Average compensation per employee
It depicts employees' pay	Compensation

concerning the revenue. In other words, it compares the amount of money a company spends on paying its employees to the amount of money it makes in net sales. It can be calculated by the following formula: $\text{Compensation revenue factor} = \frac{\text{compensation}}{\text{revenue}}$	revenue factor
It gives the percentage of employees over the salary range maximum. A salary range is an amount that the organization has available to pay a new employee, and what current employees can expect to earn in a specific position. A salary range includes a minimum, mid-point, and maximum salary. For example, if the salary range is INR 30,000 - INR 40,000, then the salary minimum is 30,000, the salary maximum is 40,000 and the mid-point is 35,000.	Percent over salary range
Compensation tends to be one of the top five costs for any organization. Hence, to monitor and control the cost of compensation, the ratio of compensation and the total profit is calculated. For example, for a given period, the total compensation costs	The ratio of compensation cost to profit

<p>are INR 25,00,000. For that same period, net profits are INR 50,00,000. This implies that the compensation to profit ratio = $25,00,000/50,00,000 = 0.5$ or 50%.</p>	
<p>It is the ratio of base salary and target incentives that makes up total compensation. For example, an 80/20 compensation mix means that 80% of compensation is fixed base salary, and 40% of compensation is a target-based incentive (TI), or variable pay.</p>	<p>Compensation mix</p>



Source: **Wayne F Cascio, John Boudreau, Investing in People: Financial Impact of Human Resource Initiatives, 2nd Edition**

This framework defines a more complete measurement system. The logic element of any measurement system focuses on the 'insights' behind the connections between the numbers and the effects and possible outcomes. Analysis of the logic correctly helps the organization to make strategic decisions. The information gathered by the HR professional needs to be thoroughly analyzed through AI-enabled techniques for the smooth functioning of HR Activities. Each area of HR has different measures, hence sufficient time and attention is paid to enhancing the quality of HR measures, based on criteria such as timelines, completeness, reliability, and consistency. Effective measurement systems must fit within a change management process that reflects principles of learning and knowledge transfer.

It is believed that these components contribute to drive the organizational effectiveness and efficiency (Bhattacharyya, 2017)

Ivan Andreev, Demand Generation & Capture Strategist, Valamis(2024) Predictive Analytics employs statistical methodologies, algorithms, and machine learning to discern patterns in

HR ANALYTICS FRAMEWORK AND PREDICTIVE ANALYSIS

Mohammed (2019) has developed a modern tool for predictive decision making which explains that HR data relating to employee performance, attrition, recruitment and training, etc. are analyzed through the use of HR analytics tools or statistical tools. As a result, based on the analyzed data predictive decisions can be made about employee performance, attrition, recruitment and training, etc. This model was designed considering the relevance of effective decision-making for organizational success and the progress of success.

LAMP Framework

data and forecast future behaviors. As organizations face mounting pressure to demonstrate return on investment (ROI) from their learning analytics implementations, a mere display of learners' performance and interaction with learning content no longer suffices. There is a growing need to transcend descriptive analytics and gain insights into the efficacy of training initiatives and avenues for enhancement. By drawing from historical and current data, Predictive Analytics generates prognostications about future occurrences. This capability to pinpoint potential risks or opportunities empowers businesses to enact proactive measures aimed at enhancing future learning endeavors.

A NEW MODEL FOR HR ANALYTICS EMPHASIZING HR METRICS

In 2024, HR analytics is crucial for driving data-driven decisions, enhancing workforce management, and optimizing employee engagement. This model shows leveraging HR metrics in advanced analytics, HR can predict trends, improve talent acquisition, and personalize development plans, leading to increased productivity and retention. As businesses navigate hybrid work models and skill shortages, HR analytics provides the insights needed to adopt strategies, ensure diversity and inclusion, and maintain a competitive edge in a rapidly evolving global market.

(A NOVEL FRAMEWORK FOR HR ANALYTICS EMPLOYING HR METRICS) Source- (compiled by author)

Analyzing and interpreting the data related to the above model to derive insights and actionable conclusions.

1) DESCRIPTIVE ANALYTICS

Descriptive analysis helps in understanding the data by providing insights into patterns and trends.

Time to hire in recruitment measures the average time taken to fill the position. This metric helps to plan the hiring better and also serves as a warning when the hiring process takes too long. If less time is taken to fill it shows the effectiveness of the recruitment process.

JOB ID	DATE OPENED	DATE FILED	DAYS TO FILL
1	1-01-2024	15-01-2024	14
11	5-01-2024	20-01-2024	15
1	10-01-2024	25-01-2015	15
AVERAGE TIME	$14+15+15/3=14.67$ DAYS		

Cost of hire Calculates the total cost involved in hiring a new employee. By using descriptive analysis, the company can gain a clear understanding of the total cost required for recruiting several candidates.

NO OF HIRE=10	INTERNAL COST	EXTERNAL COST
COST PER HIRE=TOTAL INTERNAL COST+TOTAL	Salaries of the recruitment tea-5000 Administrative expenses	Job advertising fees-4000 Recruitment agency fees-6000-



EXTERNAL COST/NO OF HIRE= $\frac{50000+30000}{10}$ =8000 COST PER HIRE IS 8000	office supplies, rent)-15000 Employee referral bonuses-10000 Training and development costs for the recruitment team-20000 TOTAL- Rs.50000	Background check costs-6000 Travel expenses for candidates8000 0 Relocation expenses-6000 Total-30000
---	---	---

This metric helps to understand the efficiency of the hiring process and make informed budgeting decisions.

Employee Turnover Rate: Tracks the rate at which employees leave the organization, by using the formula = number of exits/average head count*100.which can be useful for planning training programs, succession planning, and other HR activities.

2) DIAGNOSTIC ANALYSIS

Diagnostic analysis is used to understand the reasons behind specific outcomes or

trends. Metrics The absence rate measures the percentage of time an employee is away from work. It helps employers understand absenteeism and address related issues. diagnostic analysis helps identify the root causes of absenteeism and variations in Net Promoter Score (NPS). For absenteeism, it examines factors like job satisfaction, work environment, and health issues to understand why employees are frequently absent. In the context of NPS, diagnostic analysis explores customer feedback, service quality, and product issues to determine why customers are promoters, passives, or detractors.

Absenteeism rate

Occasional absences are normal, but chronic absenteeism can impact productivity and morale. Employers can use the absence rate to identify patterns and make informed decisions to improve workplace systems

The Employee Net Promoter Score (NPS) is a metric used to assess employee loyalty and satisfaction within an organization. It is based on a single question: "On a scale of 0 to 10, how likely are you to recommend our company as a place to work?"



Gather information	Categories Respondents Total-100	Calculate NPS	Interpretation
Employees respond to the question, rating their likelihood to recommend the company.	Promoters (Score 9-10): These employees are enthusiastic and loyal. Passives (Score 7-8): They are satisfied but not as enthusiastic. Detractors (Score 0-6): These employees are unhappy or dissatisfied.	$eNPS = (\text{Total respondents Promoters} - \text{Detractors}) \times 100$ 60 are promoters (score 9-10) 20 are passives (score 7-8) 20 are detractors (score 0-6) $eNPS = \left(\frac{60 - 20}{100} \right) \times 100 = 40\%$	A positive eNPS indicates more promoters than detractors. A high eNPS suggests strong employee satisfaction and loyalty.

Employee diversity ratio These ratios provide insights into the representation of different groups within the workforce. That diversity extends beyond gender and can include other dimensions like ethnicity, age, and more. Organizations can use them to track progress and promote inclusivity.

%	$(80/100 \times 100) = 12.5\%$
---	--------------------------------

Inclusion Metrics: Assesses the sense of belonging and inclusion felt by employees from diverse backgrounds.

Employee Diversity Ratio for Women	Ethnic Diversity Ratio
the organization has 100 employees, with 40 of them being women $(40/100 \times 100) = 40\%$	organization has 200 employees, with 30 of them being from diverse ethnic backgrounds. $(30/100 \times 100) = 15\%$
Age Diversity Ratio	Disability Diversity Ratio
organization has 150 employees, with 50 of them being under 30 years old. $30 = (30/150 \times 100) = 33.33$	organization with 80 employees, out of which 10 have disclosed disabilities.

Promotion Rate	ERG (Employee resource group participation rate)
An organization with 500 employees. In a given year, 50 employees received promotions. $(50/500 \times 100) = 10\%$	For an organization with 1000 employees, ERG participation is 20. In a given year, $(20/1000 \times 100) = 20\%$
Retention Rate	Employee Accessibility rate
company with 200 employees remaining 170 at the end, 30 left during that period. $170/200 \times 100 = 85\%$	company with 50 facilities. After conducting an audit, you find that 40 of these facilities are accessible to employees. $40/50 \times 100$

	=80%
--	------

3) PREDICTIVE ANALYTICS

Predictive Analytics: Predictive analytics can significantly enhance the quality of hire by providing data-driven insights throughout the recruitment process. A predictive model scores candidates based on their likelihood of high performance, helping recruiters focus on the most promising applicants. Predictive analytics can help improve retention rates, which is a key component of quality of hire. Identify candidates with a higher likelihood of long-term retention, allowing recruiters to prioritize these individuals.

Quality of Hire: This is a metric used to evaluate the value that new hires bring to a company. It typically combines several indicators to provide a comprehensive assessment.

Key Indicators:

Calculation(Individual Performance. Out of 100)	
Performance Rating (PR): How well the new hire performs in their role. 80	Average= quality of hire= $(80+85+90/3)=85$
Hiring Manager Satisfaction (HMS): The satisfaction level of the hiring manager with the new hire. 85	average quality of the new hire is 85 out of 100, indicating a high-quality hire.
Retention Rate (RR): Whether the new hire stays with the company for a specified period. 90	

Flight Risk Analysis: A company wants to identify employees who are at high risk of leaving within the next six months. Data has been collected on various factors that might influence an employee's decision to leave. Identify key variables that influence turnover, such as:

Performance Rating (PR) 75 (out of 100), Engagement Score (ES) 60 (out of 100), Salary Increase (SI) 5% (normalized to 0.05), Promotion History (PH): 1 (indicating one promotion) Absenteeism (A): 10 days (normalized to 0.1). Using a logistic regression model, the following are coefficients for each feature: **Intercept (b0): -1.5, Performance Rating (b1): -0.02, Engagement Score (b2): -0.03, Salary Increase (b3): -1.2, Promotion History (b4): -0.5, Absenteeism (b5): 2.0**

The logistic regression equation is used to predict the probability of an event happening. In this case, the equation is: $\text{Logit}(p) = b_0 + b_1 * PR + b_2 * ES + b_3 * SI + b_4 * PH + b_5 * A$. By plugging in the given values, we get: $\text{Logit}(p) = -1.5 + (-0.02 * 75) + (-0.03 * 60) + (-1.2 * 0.05) + (-0.5 * 1) + (2.0 * 0.1)$, which equals -5.16. To find the probability from the logit, we use the logistic function: $p = 1 / (1 + e^{-\text{Logit}(p)})$. Therefore, $p = 1 / (1 + e^{5.16})$, which is approximately 0.57%.

Interpretation:

Low Risk: A probability close to 0 indicates a low risk of leaving.

High Risk: A probability close to 1 indicates a high risk of leaving. By identifying employees with high flight risk scores, the company can take proactive measures to retain valuable talent.

4) PRESCRIPTIVE ANALYTICS

Prescriptive Analytics: Prescriptive analysis within the realm of training effectiveness involves the utilization of data to propose specific actions aimed at enhancing training programs. This analytical approach discerns the most effective training methods and provides

recommendations for refinement. When applied to succession planning, prescriptive analysis serves to identify potential leaders and devise tailored development plans designed to prepare them for future roles. This strategic methodology ensures the establishment of a robust leadership pipeline by aligning training and development initiatives with the organizational requisites. Through the strategic utilization of prescriptive analytics, organizations can make well-founded decisions that serve to optimize both employee growth and business outcomes.

Training Effectiveness: Recommends training programs based on performance data to improve skills and productivity. One common method is the **Kirkpatrick Model**, which evaluates training on four levels: Reaction, Learning, Behavior, and Results.

REACTION(90%)	LEARNING(41.67%)	BEHAVIOR(70%)	RESULTS(Sales Increase:(20%)
----------------------	-------------------------	----------------------	-------------------------------------

Survey Result: 90% of participants rated the training as “very useful.”	Pre-test Score: Average 60% Post-test Score: Average 85% Learning Gain= Posttest Score(85)–Pre-test Score(60) /pre-test score(60)×100= 41.67%	Observation: 70% of participants used new techniques in their sales pitches within a month	Before Training: 500,000/month After Training: 600,000/month Effectiveness: Effectiveness =Sales After(600000) –Sales Before(500000) /sales before(500000) ×100= 20%
--	---	---	---

The above data presents a compelling demonstration of the quantifiable measurement of training effectiveness across various key performance indicators. This comprehensive assessment affords a nuanced understanding of its implications

Succession Planning: Provides strategies for developing internal talent to fill key positions in the future. Succession planning rate of employees can be calculated using several key metrics. Here are some common ones,

<p>Percentage of Critical Positions Filled Internally=Total Critical Positions Filled Internally: 15</p>	<p>Pipeline Utilization rate Total Positions Filled: 50 Positions Filled from Pipeline: 30</p>
<p>Critical position filled internally/total critical position*100=15/20*100=75% 75% of the critical positions were filled internally, indicating a strong internal talent pipeline and effective succession planning.</p>	<p>Position filled from pipeline/total position filled*100=30/50*100=60% The Pipeline Utilization Rate is 60%, indicating that 60% of the positions were filled using internal candidates from the talent pipeline.</p>

These metrics help understand the effectiveness of your succession planning efforts and identify areas for improvement

Challenges of HR analytics

HR analytics can be incredibly powerful, but there are several challenges that organizations often face when implementing and utilizing these tools effectively:

Data Quality and Integration: HR data often comes from multiple sources and systems, making it difficult to ensure consistency and accuracy.

Data Privacy and Security: Handling sensitive employee data requires strict adherence to privacy laws and regulations.

Lack of Analytical Skills: Many HR professionals may not have the necessary skills to analyze and interpret complex data

Cultural Resistance: There can be resistance to adopting data-driven approaches within the HR department or the organization as a whole.

Defining Relevant Metrics: Identifying which metrics are most relevant to the organization’s goals and objectives can be difficult.

ROI Measurement: Demonstrating the return on investment (ROI) of HR analytics initiatives can be challenging.

CONCLUSION

HR analytics is the practice of interpreting data patterns to make informed decisions and enhance overall performance. By utilizing HR metrics such as time to hire, retention rates, and employee satisfaction, organizations can effectively assess the success of their HR practices. Through in-depth analysis of these metrics, HR analytics offers valuable insights into workforce trends, helps pinpoint areas for improvement, and facilitates strategic planning. This data-driven approach enables organizations to optimize their HR processes, boost employee engagement, and ensure that HR strategies are aligned with business objectives.

REFERENCES

1. Ben-Gal, H.C. (2018), "An ROI-based review of HR analytics: practical implementation tools", Personnel Review.
2. Bhattacharyya, D.K. (2017), HR Analytics: Understanding Theories and Applications. New Delhi: SAGE Publications.
3. Chib, S. (2019), "Monograph on HR reporting using HR dashboards", International Journal of Scientific and Research Publications.
4. Fred, M.O. and Kinange U.M. (2015), "Overview of HR Analytics to maximize Human capital investment".
5. Gurusinghe, N, Arachchige, B.J.H. and Dayarathna, D. (2019), Identified Research Gaps in HR Analytics, Conference: Challenges

to Humankind in the Face of New Technologies at Colombo, Sri Lanka.

6. Jabir, B., Falih, N. and Rahmani, K. (2019), "HR analytics a roadmap for decision making: a case study", Indonesian Journal of Electrical Engineering and Computer Science, Vol. 15, No. 2, pp. 979-990.
7. Jain, A. and Nagar, N. (2015), "An Emerging Trend in Human Resource Management", SS International Journal of Economics and Management, Vol. 5, No. 1, pp. 1-10.
8. Kiran K.S., Sharma, N. and Brijmohan D.R. (2018), "HR analytics: transactional to transformational HR approach", International Journal of Advance and Innovative Research, Vol. 5, No. 3, pp. 1-11.
9. Kirtane, A. (2015), "Corporate sustainable HR Analytical practices", Journal of Management & Administration Tomorrow, Vol. 4, No. 1, pp. 33-40.
10. Levenson, A.R (2005), "Harnessing the power of HR analytics: why building HR's analytics capability can help it add bottom-line value", Center for Effective Organizations, Vol. 4, No. 3, pp. 3-12.
11. Lochab, A., Kumar, S. and Tomar, H. (2018), "Impact of Human Resource Analytics on Organizational Performance: A Review of Literature Using R-Software", International Journal of Management, Technology, And Engineering, Vol. 8, pp. 1252-1261.
12. Malla, J. (2018), "HR Analytics Center of Excellence", International Journal of Business, Management and Allied Sciences, Vol. 5, 282-284.
13. Mohammed, A.Q. (2019), "HR analytics: a modern tool in HR for predictive decision making", Journal of Management, Vol. 6, No. 3, pp. 51-63.
14. Momin, W.Y.M. and Mishra, K. (2016), "HR analytics: Re-inventing human resource management", International Journal of Applied Research, Vol. 2, No. 5, pp. 785-790.
15. Opatha, H.H.D.N.P. (2009), Human Resource Management: personnel. Sri Lanka: University of Sri Jayewardenepura.
16. Opatha, H.H.D.N.P. (2019), Sustainable Human Resource Management. Sri Lanka: University of Sri Jayewardenepura.
17. Opatha, H.H.D.P.J. and Uresha, K.I. (2020). HRM and its impact on employee happiness: An empirical study on Sri Lankan employees, Asian Journal of Social Sciences and Management Studies, Vol. 7, No. 2, pp. 114-123.
18. Reddy, P.R. and Lakshmikeerthi, P. (2017), "HR Analytics' - An Effective Evidence Based HRM Tool", International Journal of Business and Management Invention, Vol. 6, No. 7, pp. 23-34.
19. Reena, R., Ansari, M.M.K. and Jayakrishnan, S.S. (2019), "Emerging trends in human resource analytics in an upcoming decade", International Journal of Engineering Applied Sciences and Technology, Vol. 4, No. 8, pp. 260-264.
20. Singh, P., Upadhyay, R.K. & Srivastava, M. (2017), "The role of HR and