

# The future of HR Analytics: A Delphi method study

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## ABSTRACT

**This research describes the future state of HR Analytics by conducting a Delphi method study in which 20 experts took part. HR Analytics is defined as the identification of human drivers for organizational outcomes. The research paper is split up in 4 main topics, namely application, value, structures and systems. Experts have given their opinion about each of these subjects. In order to create quantitative outcomes, these opinions are transformed into a list of answers to which experts assign a total of ten points. These points are summed up and analyzed.**

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## Keywords

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## 1. INTRODUCTION

Today's business climate is forcing organizations to make complicated decisions about how to maximize the productivity and effectiveness of various assets (IBM, 2009). But where other critical business areas, like procurement and finance are already heavily analyzed, a lot of organizations still do not define, capture and analyze data about their employees. Businesses have to deal with a changing world of work (Guest, 2004). Relations between employers and employees become much more fluid and it becomes increasingly important for organizations to indicate the economic output of their employees. In order to effectively do so, an increasing number of organizations implement HR analytics.

HR analytics is a relatively new concept in the field of Human Resources Management. By using HR Analytics, businesses can more effectively manage and improve performance (Oracle, 2011). This can be done by analyze existing data in such a way that companies can develop and retain key talent pools, and address retention trouble spots or looming gaps in needed competencies. Organizations identify these human drivers for the purpose of organizational success (Smeyers, 2010). ABN Amro for example works since 2013 with an HR analytics team (Bekkering, 2014). Cascio and Boudreau (2010) describe four levels of sophistication used by Google's People Analytics Group. These four levels are counting, clever counting, insight and influence. Each level requires mastery of the lower levels. Counting includes that all relevant data about the workforce are tracked, organized and accessible. Clever counting uses the basic data from counting to extrapolate new insights. Insight tries to find the drivers from the trends, found by clever counting. The highest level, influence, shapes outcomes rather than just measure them. The overall objective is to ensure that managers have a shared understanding of the goals and the levers they can pull to achieve those goals. Inostix (2014) confirms that you still need HRIS to conduct predictive HR analytics.

There aren't already a lot of scientific articles to find within the field of HR Analytics. A lot of studies has been done to related fields like HR Metrics (Stone, 2013) and eHRM (Strohmeier, 2009). It is important to note that HR metrics are not the same as HR analytics. HR managers often use HR metrics to measure data as turnover rates and sick days. With HR analytics, managers can gauge employee engagement and whether or not workers have the skills to reach company goals (SFA, nd). Where HR metrics are focused on the past, HR analytics should focus on the future (Smeyers, 2011-1). HR metrics is based on an inside-out perspective, and focuses on reporting data. HR analytics is based on an outside-in perspective, and focuses on analyzing the different insights. HR metrics is much more tangible than HR analytics.

Most of the articles written on HR Analytics are practice based or written by consultancy companies. There are also some books written about HR Analytics (Cascio&Boudreau, 2008;Fitz-enz, 2010). This results in a lot of misconceptions within the HR field on HR analytics (Smeyers, 2011-2).

The research goal of the paper is to find out how HR Analytics will look like in ten years in terms of application of HR Analytics, valuing of HR Analytics, systems that support HR Analytics and structures on which HR Analytics is built. The time frame is ten years to make it really an essay about the future. If the time frame would be five years or even shorter experts are more likely to answer that there will not be a lot of development. The main research question is:

*'What would be the state of the field of HR analytics in 2025?'*

## 2. THEORY

To create some overview the main research question is divided into four separate sections. These four areas are based on a research carried out by the Center for Advanced Human Resource Studies at Cornell University (CAHRS,2011), and contain Application, Value, Structures and Systems.

### 2.1 Application

Application can be defined as 'the action of putting something into operation'. To describe this theme, it has to be known why organizations apply HR Analytics and what are the main problems, challenges and themes in HR Analytics.

The study of CAHRS give some examples of goals for implementing HR analytics like identifying and managing leaders to drive performance, better risk management, peeling the onion on front-line supervisor traits linked to performance and dissecting differences to uncover key success factors.

### 2.2 Value

According to CAHRS, value deals with subjects as how much do organizations value using HR analytics and how does HR Analytics influence the decision making process (CAHRS, 2011). Davenport notes that Leadership commitment to HR Analytics is the single most important factor in whether it succeeds (Davenport, 2010). Hanson Wade (2014) notes that "only 17% of business leaders believe HR analytics focus on the right business questions, and just 18% of them trust talent data and insights from HR".

Inostix (2011c) describe an HR value chain, made by Brian Welle, people Analytics manager at Google. The value chain is slightly based on the business value chain of Porter, but with analyzes instead of links. The first step is opinion. In this analysis it is meant to get feeling based on experiences. The second analysis, data, is about structured, but raw information. After that, metrics can show trends based on ratio and counts. The fourth step contains analysis. In this step it is meant to draw correlations and show relationships. The next step is insight. This step leads to action and influence the decision making. The final step is action. In this step it is meant to change the process or policy.

Bill Strahan, senior vice president of compensation and benefits at Comcast, calls that "it was crucial for manager adoption that we present the analytics business case in the language of our company, focusing on competitive pressures and the people component of our change" (Davenport, 2010). Another way to communicate HR analytics outcomes to the business in order to increase the impact and effectiveness of HRA is the use of analytics-driven heat maps. These heat maps provide all leaders, at all levels, a quick way to incorporate analytics to prioritize exactly what needs their attention to impact results (Mondore, 2011).

### 2.3 Structures

The third part, structures, is about the resources which support HR analytics initiatives. First of all, which actors are primarily involved in the execution of HR Analytics? Besides that, HR Analytics can be placed in different places regarding the organizational structure.

"An organizational structure defines how activities such as task allocation, coordination and supervision are directed towards the achievement of organizational aims" (Pugh, 1990). The positioning of HR analytics is variable across different companies. Sometimes HR Analytics is positioned in the top

leadership team, whereas in others it is located with compensation and benefits, talent/performance management, organizational development or human resources development.

SMDHR (nd) states that to harness the power of employee data, organizations have two options. Organizations can build the end to end capability internally or they leverage existing internal resources and outsource the analytics. Reasons to outsource may be a higher speed of analysis and that external experts can explain difficult HR analytics to the business better (Inostix, 2015a).

If organizations choose to insource HR analytics, there are still some different options in applying HRA. It is possible to train already available HR managers into HR Analytics experts. Besides that businesses can hire new employees to fill in the new vacancy of HR analyst (CAHRS, 2013). Participants of the CAHRS workgroup state that the analytic ability of HR talent is generally not very high. Organizations have created information analytics courses and, in addition to that, developed programs designed to provide business partners with a basic understanding of analytics. It is harder to train HR generalists how to run good analyses than to train them to ask good questions. Other executives noted that there is a lot of technical and analytical know-how in other parts of the business. A challenge would be to attract these analytical experts for to HR. Shell, for example, tried to hire people with strong analytical capabilities, rather than an HR background. They state that data analysis in HR is very similar towards analytics in other parts of the business (Inostix, 2015b).

An HR analytics team can be organized in a lot of different ways. CAHRS give some possible ways to break up responsibilities among an HR analytics team (CAHRS, 2014). The different teams within an HRA team are a reporting team, an Analytics team, a Talent system team and a communications team.

The reporting team is a team that is responsible for the general data collection and cleaning of HR data that is used to generate ongoing reports and dashboards for use by the broad HR function. This team can be standardized or customized. The analytics team is responsible for generating deeper insights and assessing the connection between HR data and business results. The talent system team focuses exclusively on identifying and understanding changes and demands in talents. Examples of work in these teams included workforce planning, succession and churn analysis and forecasting of changes to work and organizational design changes. The communications team communicates the findings and results. In the CAHRS workgroups it is discussed if these groups are necessary.

## 2.4 Systems

The final part, systems, deals with how technology helps or constrains HR Analytics. Luk Smeyers stresses that there are a lot of misconceptions within this area (Smeyers, 2011a). HR people often think that HR analytics need a long history of implementing HRIS systems. Smeyers states that HR systems & structures should have a strategic character.

There are a lot of tools to help businesses with HR analytics. Examples are acquire InSight, Visier and Tableau HR analytics software. HR departments do not have the ability, or budget, to follow up the incredibly fast evolutions on the analytical software market (Inostix, 2015a). Therefore, this may be a reason for organizations to outsource HRA.

## 3. METHODOLOGY

### 3.1 Materials & Equipment

This paper contains a Delphi method study to obtain more information about the future state of the field of HR Analytics. The Delphi method is suitable for the future of HR Analytics because there isn't already a lot of literature. Linstone and Turoff (1975) describe the Delphi method as:

*“a method for structuring a group communication process so that the process is effective in allowing a group of individuals, as a whole, to deal with a complex problem. To accomplish this “structured communication” there is provided: some feedback of individual contributions of information and knowledge; some assessment of the group judgment or view; some opportunity for individuals to revise views; and some degree of anonymity for the individual responses”*

The essence of the Delphi consensus method is to derive quantitative estimates through the qualitative assessment of evidence (Murphy, 2005). Experts' estimates of the first qualitative questionnaire are processed into a second quantitative questionnaire and fed back anonymously to all participants. The group does not need to meet. This practice confers anonymity and allows opinions to be expressed free from peer-group pressure (Okoli, 2004).

### 3.2 Sample group

The sample groups consists of 20 experts which are chosen based on their knowledge and experience in the field of HR analytics. These experts are involved in the banking sector, insurance companies, public utility, pension funds and some big Dutch corporations. Most of them are responsible for HR Analytics within their company. Examples of job descriptions are manager HR Reporting, manager HR metrics and analytics and program manager HR Analytics.

A total number of 28 experts were invited for this research. Out of these 28 experts, 20 responded with a filled-in first questionnaire. This means that there was a response rate for the first questionnaire of 71,4%.

After the analysis of the first questionnaire, all respondents got invited for a second, quantitative, questionnaire. Everyone who filled-in the first questionnaire, also send in a second questionnaire. This result in a response rate of 100% for the second questionnaire.

A response rate of 70% is suggested by Sumsion (1998) for each round. To achieve this the researcher must know the identity of respondents, and non-respondents must be pursued. The response rates of this research are both sufficient to meet up with this requirement.

### 3.3 Measurement & Analysis

The first round begins with an open-ended set of questions. This helps to identify issues, which would be addressed in the subsequent round (Hasson, 2000). The questions are based on the central themes and are as much as possible uniform to keep it clear for the researcher as well for the respondents. Each question is constructed as ‘[Question] in 2025? And how does this differ from the current situation?’ In figure 1, all questions are posted, as stated in the first questionnaire.

Theme	Question
Application	What will be the main goals for applying HR Analytics in 2025? And how does this differ from the current situation?
Application	On what organizational themes / problems / challenges will HR Analytics be focused in

	2025? And how does this differ from the current situation?
Value	To what extent do organizations value HR analytics in 2025? And how does this differ from the current situation?
Value	To what extent will HR Analytics influence decision making in 2025? And how does this differ from the current situation?
Structure	Which internal and external actors are involved in conducting HR Analytics in 2025 and what are their roles and responsibilities? And how does this differ from the current situation?
Structure	How is HR Analytics positioned / organized within organizations in 2025? And how does this differ from the current situation?
System	How does information technology support HR Analytics in 2025? And how does this differ from the current situation?

**Figure 1: Questions as stated in the first questionnaire**

After round one the data is initially analyzed in a deductive way. To do so, a list of codes is conducted out of existing theory. Afterwards, the answers of the experts were analyzed in order to find some overlap with the different codes. When analyzing the data, some codes were redefined in order to create a greater accordance with the answers, given by the experts. After this deductive approach, the inductive is applied to find more codes for the second questionnaire. By using this inductive approach, the raw data is used to find possible codes for the second questionnaire. Most codes were found by conducting inductive research.

After analyzing the outcomes of the first questionnaire, the different answers were formed into a second questionnaire. Because of the short period of time for this research, there are only two rounds of questionnaires. This can be justified by statements that there is only a slight increase in the degree of consensus in the third and further rounds in comparison with the second round of the Delphi method (Weaver, 1971). In this second questionnaire, the respondents had to assign a total of ten points to a list of answers. The second questionnaire was made into a format, in which it is intended that 10 points got assigned for each time state, so a total of 10 points for the current situation and a total of 10 points for the situation in 2025. All questions were constructed as: '[Question] Assign 10 points to the answers for the current situation as well for 2025' Figure 2 is an example of a question in the second questionnaire.

Currently	2025	
		Identifying and managing drivers for organizational performance
		Making better decisions through better insights
		Connect Human Resources with other departments, like finance or marketing
		Proving that an HRA driven intervention realized a measureable improvement
		Predicting organizational challenges
		Measure and optimize added value of personnel
		To make organizational decision making

		more evidence-based
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**Figure 2: Question 1 of the second questionnaire: 'What will be the main goals for applying HR Analytics? Assign 10 points to the answers for the current situation as well for 2025'**

The outcomes of this second questionnaire are analyzed in a systematic way. First, all outcomes were put in excel sheets. Per question, this resulted in a sheet for the current situation, the situation in 2025 and a sheet with differences between these two situations. Figure 3 contains an example of the structure of such an excel sheet.

	Code 1	Code 2	Code ...	Code n-1	Code n	Total
Respondent 1						
Respondent 2						
Respondent ...						
Respondent 19						
Respondent 20						
Total						

**Figure 3: Analyzing second questionnaire; structure of the excel sheets**

Each column stands for a different answer of the second questionnaire. Each row stands for a particular respondent, and includes the assigned points for each answer and a total amount of assigned points, which can be seen as a kind of control variable. In order to overcome the problem that respondents can make mistakes in assigning exactly 10 points to a list of answers, the outcomes are measured in percentages of the total amount of points.

## 4. RESULTS

In this part of the thesis, the results of the second questionnaire are showed and discussed. Per theme, there is some general introduction. After that, every question is covered in the same way. First, a figure shows the raw outcomes of the second questionnaire. This is followed by some conclusions about the current situation and the situation in 2025. Next, there is a figure with the difference of point distribution between the current situation and the situation in 2025. This figure includes a difference in amount of points as well in %. The difference in amount of points is the main indicator. But, as stated before, there is also a percentage, in order to overcome the problem that not all respondents assigned 10 points per time frame. The percentages give, however, a somehow distorted view, because a relatively low amount of points in the current situation, will lead to differences of 100% to even 1000%. It is therefore important to take both outcomes into consideration. In the end there are some interpretations about the differences between these outcomes.

### 4.1 Application

The first central theme of this thesis is application. As said before, application can be defined as 'the action of putting something in operation.' Application is focused on why organizations implement HR Analytics in the first place. What are the main goals and what are the main themes, problems and challenges that occur.

The first question of the questionnaire contains ‘What will be the main goals for applying HR Analytics in 2025, and how does this differ from the current situation.’ This question resulted in the answers, as stated in figure 6.

Answers	Currently	2025
Identifying and managing drivers for organizational performance	14,74%	20,63%
Making better decisions through better insights	17,31%	19,38%
Predicting organizational challenges	8,33%	18,75%
Measure and optimize added value of personnel	10,26%	15,00%
To make organizational decision making more evidence-based	27,56%	13,75%
Proving that an HRA driven intervention realized a measureable improvement	7,69%	7,50%
Connect Human Resources with other departments, like finance or marketing	14,10%	5,00%

Figure 4: Answers to the question: ‘What will be the main goal for applying HR Analytics’

In the current situation the main goal of implementing HR Analytics is to make organizational decision making more evidence-based. Another important goal is making better decisions through better insights.

In 2025, however, the focus is not as much on making organizational decision making more evidence-based, or connect Human Resources with other departments, like finance or marketing. Other goals become more important, like identifying and managing drivers for organizational performance and predicting organizational challenges. Besides that, making better decisions through better insights still stays an important goal for implementing HR Analytics.

Answers	Points (+/-)	% (+/-)
Predicting organizational challenges	+17	+125%
Identifying and managing drivers for organizational performance	+10	+39,89%
Measure and optimize added value of personnel	+8	+46,25%
Making better decisions through better insights	+4	+11,94%
Proving that an HRA driven intervention realized a measureable improvement	0	-2,50%
Connect Human Resources with other departments, like finance or marketing	-14	-64,55%
To make organizational decision making more evidence-based	-21	-50,12%

Figure 5: Difference between current- and 2025 situation at the question: ‘What will be the main goal for applying HR Analytics’

The outcomes of this first question point out an important change in the way of thinking about HR Analytics. Where the main focus is currently relatively broad, in 2025 HR Analytics

will focus more on specific goals. These goals are more about predicting and identifying drivers. When these outcomes are linked with Cascio&Boudreau (2008), it can be concluded that HR Analytics in general will make a shifting from just counting and clever counting to insight and even influence. Stressing that counting and clever counting are still necessary to implement the higher levels of HR Analytics, insight tries to find the drivers from the trends, found by clever counting. Influence shapes outcomes rather than just measure them.

The second question ‘On what organizational themes/problems/challenges is HR Analytics focused in 2025 and how does this differ from the current situation’ resulted in the answers which are showed in figure 6.

Answers	Currently	2025
Focus on more integrative and predictive modelling	8,28%	24,22%
The connection of employee attitudes and engagement with customer service and financial result	10,19%	18,01%
Staffing utility; how investments in HR-programs produce financial outcomes and how to calculate them	4,46%	11,18%
Calculate the fully loaded costs of employee turnover, and incorporate them into a complete framework of turnover effects	7,01%	8,07%
Absenteeism: Estimation, interpretation, managing costs and other effects	13,38%	6,21%
Data privacy issues	11,46%	7,45%
Methods to assess the cost and benefits of employee assistance and worksite health-promotion programs	2,55%	5,59%
Financial effects of work-life programs	1,27%	5,59%
Data availability	26,75%	5,59%
Organizational structure; where is HRA placed in the organization	8,92%	3,11%
Finding the right balance between different types of contracts	1,91%	2,48%
The effect of alternative work forms like Flex rosters and Virtual teams	3,82%	2,48%

Figure 6: Answers to the question: ‘On what organizational themes/problems/challenges is HR Analytics focused’

In the current situation data availability is a hot item. Besides that, absenteeism, data privacy and the connection of employee attitudes and engagement with customer service and financial result are important themes within HR Analytics.

In 2025 the problem/theme of data availability is less important, regarding the decrease of 20%. Themes, challenges and problems that are more about the content of HR Analytics will become more and more important. Focus on more integrative and predictive modelling and staffing utility are examples of these themes. The connection of employee attitudes and engagement with customer service and financial result stays important.

Answers	Points	% (+/-)
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	(+/-)	
Focus on more integrative and predictive modelling	+26	+192,55%
The connection of employee attitudes and engagement with customer service and financial result	+13	+76,75%
Staffing utility; how investments in HR-programs produce financial outcomes and how to calculate them	+11	+150,75%
Financial effects of work-life programs	+7	+338,82%
Methods to assess the cost and benefits of employee assistance and worksite health-promotion programs	+5	+119,41%
Calculate the fully loaded costs of employee turnover, and incorporate them into a complete framework of turnover effects	+2	+15,25%
Finding the right balance between different types of contracts	+1	+30,02%
The effect of alternative work forms like Flex rosters and Virtual teams	-2	-34,99%
Organizational structure; where is HRA placed in the organization	-9	-65,17%
Absenteeism: Estimation, interpretation, managing costs and other effects	-11	-53,56%
Data availability	-33	-79,10%

Figure 7: Difference between the current- and 2025 situation at the question: ‘On what organizational themes/problems/challenges is HR Analytics focused’

The outcomes of this second questionnaire show again a shift from a broad perspective towards a more specific way of thinking. Currently there are still some themes/problems important that are not direct goals of HR Analytics. Examples are data availability and organizational structure. These themes are crucial for executing HR Analytics, but the respondents think that the focus in 2025 will be more on specific HR Analytics goals. Where ‘data availability’ and ‘organizational structure’ lost more than half of their points, themes like ‘staffing utility’, ‘financial effects of work-life programs’ and ‘focus on more integrative and predictive modelling’ doubled their points.

## 4.2 Value

Value, the second theme of this thesis deals, according to CAHRS with subjects as how much do organizations value using HR analytics and how do they communicate this to the larger organization (CAHRS, 2011). This results in two questions; ‘To what extent do organizations value HR Analytics’ and ‘To what extent does HR Analytics influence decision making’.

The third question of the questionnaire contains ‘To what extent do organizations value HR Analytics’ Hanson Wade (2014)

notes that “only 17% of business leaders believe HR analytics focus on the right business questions, and just 18% of them trust talent data and insights from HR”.

Answers	Currently	2025
Organizations consider HR Analytics as a necessary part of Human Resources	10,81%	26,09%
Organizations use HR Analytics as a (crucial) linkage in strategic decision making	2,03%	21,74%
Organizations consider HR Analytics as an influential partner of the organization in all aspects of business	2,70%	19,25%
Organizations consider HR Analytics as a tool that can make an organization more competitive	15,54%	15,53%
HR Analytics will have reached a maturity state from which it would be recognized business as usual and therefore undervalued	2,03%	12,42%
Organizations consider HR Analytics as something they can’t miss, but not as an activity that adds already a significant business value	34,46%	3,11%
Organizations consider HR Analytics as not ready to create added value	20,27%	1,86%
Organizations do not consider HR Analytics as important	3,38%	0,00%
Organizations do not take HR Analytics serious	8,78%	0,00%

Figure 8: Answers to the question: ‘To what extent do organizations value HR Analytics’

In the current situation, most of the organizations do consider HR Analytics as important, but think that HR Analytics are not ready to create added value. Besides that, organizations consider HR Analytics as something they cannot miss, but not as an activity that adds already a significant business value. Organizations also consider HR Analytics as a tool that can make an organization more competitive.

In 2025, organizations are no more doubting about HR Analytics. Organizations consider HR Analytics as a necessary part of Human Resources and as an influential partner of the organization in all aspects of business. Besides that they use HR Analytics as a crucial linkage in strategic decision making.

Answers	Points (+/-)	% (+/-)
Organizations use HR Analytics as a (crucial) linkage in strategic decision making	+32	+972,46%
Organizations consider HR Analytics as an influential partner of the organization in all aspects of business	+27	+612,42%
Organizations consider HR Analytics as a necessary part of Human	+26	+141,30%

Resources		
HR Analytics will have reached a maturity state from which it would be recognized business as usual and therefore undervalued	+17	+512,84%
Organizations consider HR Analytics as a tool that can make an organization more competitive	+2	-0,08%
Organizations do not consider HR Analytics as important	-5	-100%
Organizations do not take HR Analytics serious	-13	-100%
Organizations consider HR Analytics as not ready to create added value	-27	-90,81%
Organizations consider HR Analytics as something they can't miss, but not as an activity that adds already a significant business value	-46	-90,99%

**Figure 9: Difference between the current- and 2025 situation at the question: 'To what extent do organizations value HR Analytics'**

As shown in figure 9, there is a lot of change in assigning points between the current situation and the future state. In the 2025 situation, almost no points were given to statements who consider that HR Analytics does not create any added value, and zero points were given to the statements 'organizations do not consider HR Analytics as important' and 'organizations do not take HR Analytics serious. Statements that consider HR Analytics as important and/or necessary got 1, 5 or even 7 times more points than in the current situation. Especially 'Organizations use HR Analytics as a (crucial) linkage in strategic decision making' and 'Organizations consider HR Analytics as an influential partner of the organization in all aspects of business' got a lot more points in the 2025 situation.

The next question, 'To what extent does HR Analytics influence decision making', deals with the way that HR Analytics create added value.

Answers	Currently	2025
By providing predictive capabilities	9,80%	33,13%
By being a crucial linkage in the decision making process.	3,92%	19,38%
By providing supporting facts and figures	44,44%	17,50%
By sitting at the decision making table ensuring that the HR Analytics agenda always comes together with any aspect that includes people	2,61%	15,63%
By promoting an idea through tangible results that the business wants to see	14,38%	11,25%
By shaping the future by offering a detailed implementation plan	1,96%	3,13%
HR Analytics does not influence decision making	22,88%	0,00%

**Figure 10: Answers to the question: 'To what extent does HR Analytics influence decision making'**

At the moment, HR Analytics does only influence decision making by providing supporting facts and figures. They also

promote an idea through tangible results that the business wants to see.

In 2025 HR Analytics does influence decision making in different kind of ways. They provide predictive capabilities and they are a crucial linkage in the decision making process. HR Analytics still provides supporting facts and figures and they sit at the decision making table to make sure that the HR Analytics always comes together with any aspect that includes people.

Answers	Points (+/-)	% (+/-)
By providing predictive capabilities	+38	+237,88%
By being a crucial linkage in the decision making process.	+25	+394,06%
By sitting at the decision making table ensuring that the HR Analytics agenda always comes together with any aspect that includes people	+21	+497,66%
By shaping the future by offering a detailed implementation plan	+2	59,38%
By promoting an idea through tangible results that the business wants to see	-4	-21,76%
HR Analytics does not influence decision making	-35	-100%
By providing supporting facts and figures	-40	-60,63%

**Figure 11: Difference between the current- and 2025 situation at the question: 'To what extent does HR Analytics influence decision making'**

Currently, HR Analytics does not influence decision making, or does only by providing supporting facts and figures, figure 11 shows that these two statements got less points in the 2025 situation. Nobody assigned points to 'HR Analytics does not influence decision making' and 'by providing supporting facts and figures' lost even more points. These points were mainly assigned to statements in which HR Analytics does influence decision making, namely 'by providing predictive capabilities', 'by being a crucial linkage in the decision making process' and 'by sitting at the decision making table ensuring that the HR Analytics agenda always comes together with any aspect that includes people.

### 4.3 Structures

The third topic, structures, deals with the way HR Analytics is positioned within (or outside) the company and which parties are primarily involved in conducting HR Analytics.

The fifth question of the questionnaire includes 'Which internal and external actors are primarily involved in conducting HR Analytics'.

Answers	Currently	2025
HR Analysts	38,13%	28,75%
HR Managers/Partners	13,13%	15,63%
Business partners	10,63%	15,63%
(other) Data analysts	9,38%	11,88%
Higher level of management	6,88%	10,63%
Data privacy Legislation parties	6,25%	5,63%

Consultancy	10,63%	5,00%
Outsourcing parties	1,88%	3,75%
Universities	3,13%	3,13%

**Figure 12: Answers to the question: ‘Which internal and external actors are primarily involved in conducting HR Analytics’**

HR Analytics is something in which currently primarily HR Analysts are involved. In 2025 HR and other Business partners get more involvement within HR Analytics.

Answers	Points (+/-)	% (+/-)
Business partners	+8	+47,06%
Higher level of management	+6	+54,55%
(other) Data analysts	+4	+26,67%
Outsourcing parties	+3	+100,00%
HR Managers/Partners	+4	+19,05%
Universities	0	0,00%
Data privacy Legislation parties	-1	-10,00%
Consultancy	-9	-52,94%
HR Analysts	-15	-24,59%

**Figure 13: Difference between the current- and 2025 situation at the question: ‘Which internal and external actors are primarily involved in conducting HR Analytics’**

When looked at the difference in assigning points between the current and 2025 situation, it can be concluded that there is not a lot of change between both time states. Currently, HR Analysts are currently somewhat more represented than in 2025. Consultancy lost also about half of their points. This can be attributed to the fact that a lot of organizations are just started with HR Analytics and hire therefore some consultancy companies. When they acquire some more knowledge, they are capable to stand on their own and don’t need the consultancy no more.

The sixth question contains ‘How is HR Analytics positioned/organized within organizations.’

Answers	Currently	2025
HR Analytics is part of a business-wide Analytics department	3,13%	45,91%
HR Analytics is positioned within the HR department.	69,38%	27,04%
HR Analytics is outsourced	19,38%	14,47%
HR Analytics is placed outside the HR department as a linkage between HR and the business	8,13%	12,58%

**Figure 14: Answers to the question: ‘How is HR Analytics positioned/organized within organizations’**

At the moment, HR Analytics is mainly positioned within the HR department. HR Analytics is sometimes partly outsourced but almost never in a business-wide analytics department.

In 2025 HR Analytics has shifted within organizations. Where HR Analytics was most often set up within the HR department, in 2025, it is part of a business-wide Analytics department.

Answers	Points (+/-)	% (+/-)
HR Analytics is part of a business-	+68	+1369,18%

wide Analytics department		
HR Analytics is placed outside the HR department as a linkage between HR and the business	+7	+54,81%
HR Analytics is outsourced	-8	-25,34%
HR Analytics is positioned within the HR department.	-68	-61,02%

**Figure 15: Difference between the current- and 2025 situation at the question: ‘How is HR Analytics positioned/organized within organizations’**

The greatest difference between the current- and 2025 situation in terms of the positioning of HR Analytics contains a decrease of 68 points at ‘HR Analytics is positioned within the HR department’ and an increase of 68 points at ‘HR Analytics is part of a business-wide Analytics department’.

#### 4.4 Systems

The last subject is systems. Systems contains the contribution of information technology towards HR Analytics. The question that is asked is ‘How does information technology support HR Analytics in 2025, and how does this differ from the current situation.’

Answers	Currently	2025
Tools to execute analysis and visualization	9,94%	25,33%
Develop predictive analytics models	3,11%	20,67%
An integrated system of data for the whole business	4,97%	14,67%
Data storage and organizing data	29,19%	14,00%
Data privacy and Security	11,18%	12,00%
Use of information technology to generate and distribute reports	9,32%	8,00%
Presentation techniques to demonstrate findings	3,11%	5,33%
The software is not made for HR Analytics but based on dashboards and metrics.	24,22%	0,00%
No/less Information Technology support for HR Analytics	4,97%	0,00%

**Figure 16: Answers to the question: ‘How does information technology support HR Analytics’**

Currently, the software is not made for HR Analytics but based on dashboards and metrics. These software are mainly used for data storage and organizing data.

In 2025 the software is focalized on HR Analytics. With this software, analysts can execute analysis and visualization. Besides that they can develop predictive analytics models. There is an integrated system of data for the whole business.

Answers	Points (+/-)	% (+/-)
Develop predictive analytics models	+26	+524,13%
Tools to execute analysis and visualization	+23	+155,02%



An integrated system of data for the whole business	+15	+216,38%
Presentation techniques to demonstrate findings	+3	+61,07%
Use of information technology to generate and distribute reports	+1	9,82%
Data privacy and Security	+1	+6,59%
No/less Information Technology support for HR Analytics	-8	-100%
Data storage and organizing data	-24	-53,02%
The software is not made for HR Analytics but based on dashboards and metrics.	-38	-100%

**Figure 17: Difference between the current- and 2025 situation at the question: 'How does information technology support HR Analytics'**

Both currently and in 2025 information technology plays an important role regarding data privacy and security. Where currently a lot of software is not made for HR Analytics, there is no single expert who thinks that this will still be the case in 2025. In 2025, a lot of points were assigned to 'Develop predictive analytics models', 'Tools to execute analysis and visualization' and 'An integrated system of data for the whole business'. The experts think that in 2025, there is specific software that helps HR analytics by executing analysis.

## 5. CONCLUSION & DISCUSSION

To answer the research question;

*'What would be the state of the field of HR analytics in 2025?'*

As mentioned before, this question is answered by describing the four different topics of this research paper.

First of all, in terms of application, the main goals and themes of HR Analytics are in 2025 focused on the content of HR Analytics. Where currently 'side issues' like data availability, connecting Human Resources with other departments and making organizational decision making more evidence based, are the most important goals or themes, the focus will become more and more on specific HR Analytics goals. Examples of these goals are identifying and managing drivers for organizational performance, predicting organizational challenges and focus on more integrative and predictive modelling.

In terms of valuing HR Analytics, in 2025 organizations do consider HR Analytics as a necessary part of Human Resources, and as a crucial linkage in the decision making process. Currently, organizations consider HR Analytics as something they cannot miss, but not as an activity that creates already a significant added value. In 2025, HR Analytics will not only influence decision making by providing supporting facts and figures, but by providing predictive capabilities and by ensuring that HR Analytics always get involved with any aspect that includes people.

If looked at the differences between HR Analytics and HR metrics, as stated by Smeyers (2011), it can be concluded that most HR Analytics departments still focus on HR metrics instead of HR Analytics. Data is still based on the past and there is more focus on reporting than analyzing. Inostix (2011) tells about the HR value chain, as implemented by google. Metrics, the third step in the HR value chain, can show trends based on ratio and counts. The fourth step contains analysis. In this step it

is meant to draw correlations and show relationships. The next step is insight. This step leads to action and influence the decision making. The final step is action. In this step it is meant to change the process or policy. It is important for HR analysts to work towards the insight, and even action step, in order to have influence on the decision making process.

When looked at the structure of HR Analytics in 2025, there can be concluded that the biggest difference contains the positioning of HR Analytics. Where currently HRA is most often placed within the Human Resources Department, in 2025 HR Analytics is a part of a business wide analytics department. This could be further elaborated. How is this business wide analytics department organized and what could HR learn from other departments regarding analytics. In terms of internal and external actors who are involved in HR Analytics, there will be not much of a change. Something that can be further elaborated is the influence of external actors. Inostix (2015a) states that this is a hotly debated topic, with pros and cons. They summarized some reasons why companies turn to outsourcing HR Analytics. In this research, outsourcing seems to get less popular towards 2025. Consultancy get also less involved in HR Analytics in 2025. This outcome may occur due to the sample group. All of the experts are inside-HR Analytics employees. It may be interesting to also include some consultancy companies who are involved in HR Analytics.

Currently, software is often not made for HR Analytics but based on metrics and dashboards. In 2025, there is specific HR Analytics software whereby analysts can develop predictive analytics models and execute analysis and visualization.

In general, HR Analytics is currently to a large extent busy with prove themselves to the larger organization. In 2025, HR Analytics is recognized as a necessary part of Human Resources and therefore it can focus on the content.

With a sample group of 20 respondents, it means that every expert assigns about 5% of the total points. As long as every expert assigns his/her points to several answers, there is not a big issue, but when one expert assigns 10 points to a single answer, this may cause some bias. There is a significant difference if the answer gets 7% or 12% of the points. As stated before, this sample group consists a group of mainly HR Analysts. For further research, it could be interesting to involve some other actors, like higher management and consultancy companies.

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## 7. APPENDIX

### 7.1 First Questionnaire

#### Application

1. What will be the main goals for applying HR Analytics in 2025? And how does this differ from the current situation?

2. On what organizational themes / problems / challenges will HR Analytics be focused in 2025? And how does this differ from the current situation?

#### Value

3. To what extent do organizations value HR analytics in 2025? And how does this differ from the current situation?

4. To what extent will HR Analytics influence decision making in 2025? And how does this differ from the current situation?

#### Structure

5. Which internal and external actors are involved in conducting HR Analytics in 2025 and what are their roles and responsibilities? And how does this differ from the current situation?

6. How is HR Analytics positioned / organized within organizations in 2025? And how does this differ from the current situation?

**Systems**

**7. How does information technology support HR Analytics in 2025? And how does this differ from the current situation?**

## 7.2 Second Questionnaire

### Application

1. What will be the main goals for applying HR Analytics? Assign 10 points to the answers for the current situation as well for 2025.

Currently	2025	
		Identifying and managing drivers for organizational performance
		Making better decisions through better insights
		Connect Human Resources with other departments, like finance or marketing
		Proving that an HRA driven intervention realized a measureable improvement
		Predicting organizational challenges
		Measure and optimize added value of personnel
		To make organizational decision making more evidence-based

2. On what organizational themes / problems / challenges is HR Analytics focused? Assign 10 points for the current situation as well for 2025.

Currently	2025	
		Absenteeism: Estimation, interpretation, managing costs and other effects
		Calculate the fully loaded costs of employee turnover, and incorporate them into a complete framework of turnover effects
		Methods to assess the cost and benefits of employee assistance and worksite health-promotion programs
		The connection of employee attitudes and engagement with customer service and financial result
		Financial effects of work-life programs
		Staffing utility; how investments in HR-programs produce financial outcomes and how to calculate them
		Finding the right balance between different types of contracts
		Focus on more integrative and predictive modelling
		Organizational structure; where is HRA placed in the organization
		Data availability
		Data privacy issues
		The effect of alternative work forms like Flex rosters and Virtual teams

### Value

3. To what extent do organizations value HR analytics? Assign 10 points to the answers for the current situation as well for 2025.

Currently	2025	
		Organizations do not consider HR Analytics as important
		Organizations do not take HR Analytics serious
		Organizations consider HR Analytics as not ready to create added value
		Organizations consider HR Analytics as something they can't miss, but not as an activity that adds already a significant business value
		HR Analytics will have reached a maturity state from which it would be recognized business as usual and therefore undervalued
		Organizations consider HR Analytics as a tool that can make an organization more competitive
		Organizations consider HR Analytics as a necessary part of Human Resources
		Organizations consider HR Analytics as an influential partner of the organization in all aspects of business
		Organizations use HR Analytics as a (crucial) linkage in strategic decision making

4. To what extent does HR Analytics influence decision making? Assign 10 points to the answers for the current situation as well for 2025.

Currently	2025	
		HR Analytics does not influence decision making
		By providing supporting facts and figures
		By providing predictive capabilities
		By promoting an idea through tangible results that the business wants to see
		By shaping the future by offering a detailed implementation plan
		By being a crucial linkage in the decision making process.
		By sitting at the decision making table ensuring that the HR Analytics agenda always comes together with any aspect that includes people

**Structure**

**5. Which internal and external actors are primarily involved in conducting HR Analytics? Assign 10 points to the answers for the current situation as well for 2025.**

Currently	2025	
		HR Analysts
		HR Managers/Partners
		Business partners
		(other) Data analysts
		Higher level of management
		Universities
		Data privacy Legislation parties
		Outsourcing parties
		Consultancy

**6. How is HR Analytics positioned / organized within organizations? Assign 10 points to the answers for the current situation as well for 2025.**

Currently	2025	
		HR Analytics is positioned within the HR department.
		HR Analytics is placed outside the HR department as a linkage between HR and the business
		HR Analytics is part of a business-wide Analytics department
		HR Analytics is outsourced

## Systems

7. How does information technology support HR Analytics? Assign 10 points to the answers for the current situation as well for 2025.

Currently	2025	
		Data storage and organizing data
		An integrated system of data for the whole business
		Develop predictive analytics models
		Data privacy and Security
		Presentation techniques to demonstrate findings
		Tools to execute analysis and visualization
		Use of information technology to generate and distribute reports
		No/less Information Technology support for HR Analytics
		The software is not made for HR Analytics but based on dashboards and metrics.



