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10 Reasons Companies Consider Using Big Data In HR Decision-Making



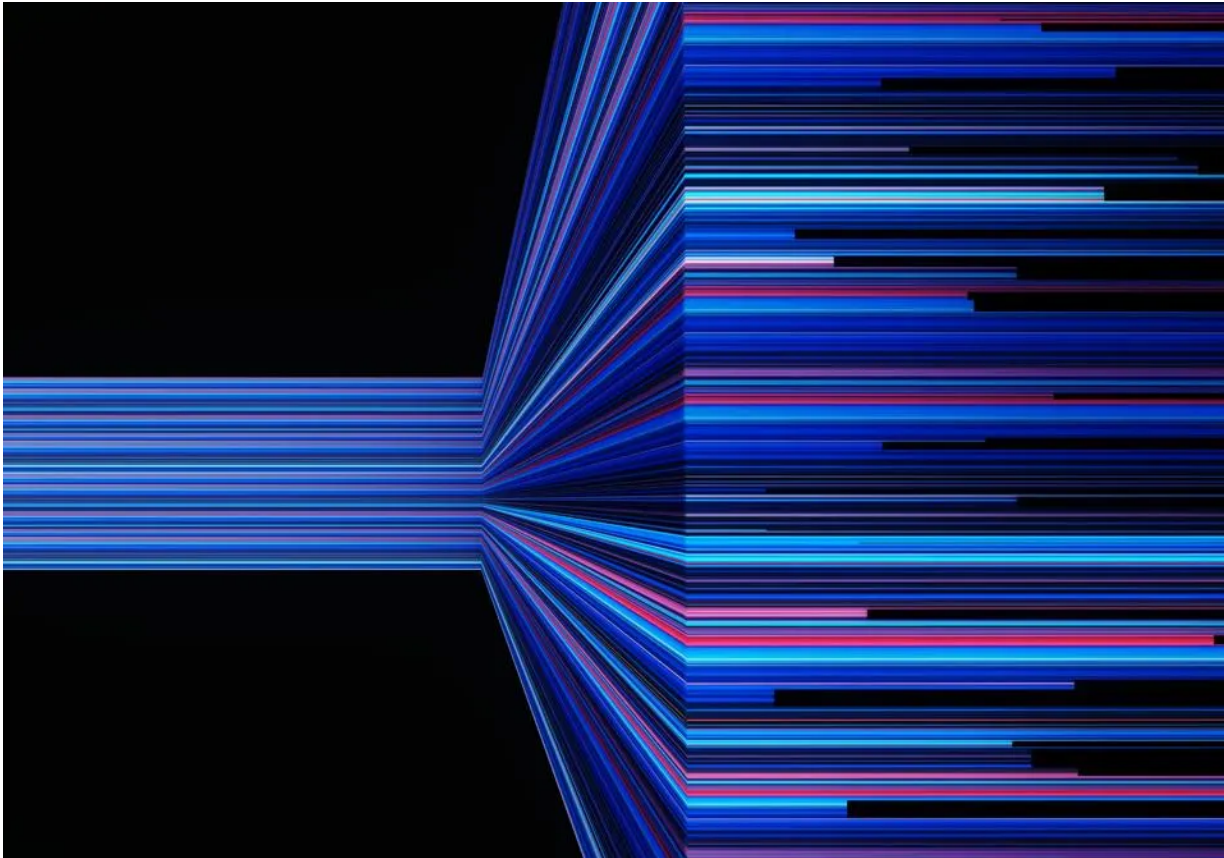
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Hiring the wrong people, struggling with employee retention and failing to make a significant business impact can be a serious headache for businesses. By using big data, HR professionals can make much better decisions leading to enhanced performance and higher productivity, which in turn can increase revenue. In my own experience, I've worked with clients who have seen positive changes after working more with data to influence their decision-making in recruitment, talent and team development.

With that in mind, I've gathered 10 benefits of using big data in HR and the potential advantages they can bring:

1. Speed up and improve the hiring process.

With data analytics, HR can identify the best candidates based on their skills, interests, values and other relevant factors. This approach can

help streamline the hiring process, reduce the time it takes to fill open positions and precisely predict the success rate of new hires. Data analytics can also help companies identify potential areas for improvement in their hiring process, such as high turnover rates or a lack of diversity in the applicant pool.

2. Understand and improve employees' engagement levels.

Happy employees equal productive employees—and with HR analytics, organizations can really start understanding and improving employee engagement like never before, properly analyzing the available data. By identifying the key factors that influence overall engagement, HR professionals can design strategies to improve it and work toward a more satisfied and productive workforce.

3. Understand attrition and uplift employee retention.

Losing talent can be costly and time-consuming. Thankfully, HR analytics can help identify the factors that lead to attrition—such as poor management, lack of recognition or inadequate compensation. By addressing these issues, HR can develop retention strategies that help to retain top talent, attract new talent and increase productivity along the way.

4. Use analytics to measure and increase business impacts.

By providing data-backed insights, HR managers can start prioritizing their efforts and focus on the areas that bring the most significant impact. HR analytics can help identify various important patterns and

trends in employee behavior, such as turnover rates or absenteeism. By analyzing these trends, HR can proactively address issues and implement bespoke strategies to improve employee retention and reduce absenteeism, leading to a more engaged and productive workforce.

5. Use analytics to increase employee productivity.

By analyzing employee data, HR professionals can identify the key factors that lead to reduced productivity, such as inadequate training, overall low morale and unfair compensation. Armed with this knowledge, HR can design strategies to improve productivity, leading not only to increased efficiency but even cost savings.

6. Improve workforce planning.

Anticipate future workforce needs and plan accordingly with data analytics—by analyzing trends, HR can identify skill gaps and invest in training, coaching or recruiting accordingly. This approach can lead to better workforce planning and more efficient use of resources.

Additionally, regularly evaluating the success of workforce strategies and adjusting them as needed can help organizations stay agile and adapt to changing market conditions like never before.

7. Influence managers more effectively.

Help managers make informed decisions with data-backed insights into employee behavior, engagement levels and productivity. By using HR analytics, HR can provide the necessary tools for effective leadership, leading to a more engaged and productive workforce. By fostering a culture of data-driven decision-making, HR can help managers

understand the importance of HR analytics and encourage them to leverage these insights to improve team performance and drive better business outcomes.

8. Identify ineffective HR processes and increase hiring efficiency.

By identifying bottlenecks and redesigning the recruitment process, HR can increase efficiency and reduce costs. With a more effective process, HR can identify the best candidates and reduce the time it takes to fill open positions. HR analytics can help track key recruitment metrics such as "time to fill" and "cost per hire," enabling the HR department to properly measure the effectiveness of their recruitment process and make improvements to continuously optimize their hiring strategy.

9. Increase corporate innovation.

Staying ahead of the competition can be done with innovative recruitment, training, coaching and talent management. HR analytics can help identify new approaches to increase competitiveness and innovation, leading to a more innovative and successful organization. Furthermore, companies can start fostering a culture of innovation by encouraging and truly rewarding creativity, risk-taking and experimentation.

10. Prioritize and funnel resources into the highest business impact areas.

By identifying the areas that bring the most significant impact to the business, HR can allocate resources accordingly, leading to better resource allocation and more efficient use of resources. By prioritizing and funneling resources into the highest business impact areas, HR can

also help organizations achieve their strategic goals and objectives. This approach can also facilitate the development of a culture of continuous improvement, where HR is constantly looking for ways to optimize the use of resources and increase the business impact of its initiatives.

By using big data and analytics, HR professionals can:

- **Improve the hiring process.**

Save time, money and resources with data-driven hiring processes. By using HR analytics, you can quickly and accurately identify the best candidates, streamline the hiring process and predict the success rate of new hires.

- **Increase employee engagement and retention.**

Happy employees lead to a more productive and efficient workforce. With HR analytics, you can identify the factors that influence employee engagement and design strong strategies to improve it. This leads to a more satisfied and productive workforce and increased retention rates.

- **Improve productivity.**

Inadequate training or low morale can lead to reduced productivity. With HR analytics, you can identify these factors and design strategies to improve productivity, leading to increased efficiency and cost savings.

- **Influence managers more effectively.**

Providing managers with data-backed insights into employee behavior, engagement levels and productivity is proving to be successful. By using

HR analytics, you can help managers make informed decisions and improve their leadership style, leading to a more engaged and productive workforce.

Ultimately, the use of HR analytics can lead to a more strategic, data-driven approach to HR that significantly impacts the organization's success. To summarize, data-driven HR truly is a huge game-changer, so consider how embracing data-driven decision-making might fit into your strategic planning to help your business.

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