Changing Face of Hiring

Prasanth Nair, Alok Nigam, Ashok Grover, Prasad Kurian

Sheena S. Minhas & D. N. Singh
Can behaviours, thoughts and actions be predicted?

Aparna Sharma
independent Director on the Board of T.S Alloys Ltd. (100 percent subsidiary of Tata Steel) and author of “Reality Bytes - The Role of HR in Today’s World”, Mumbai

Times flies! There was an era of Manpower Planning...also Sales Forecasting & different techniques were used to do so...accurately to the extent possible.

Now, we talk of Workforce planning which is more exhaustive than Manpower Planning or to put it simply, Workforce Planning includes Manpower Planning, Sales Forecasting for the Annual Business Plan (ABP), later became Rolling Sales Plan, however this was a controversial one...since it was more about a build up on last year...may have discounted sandbagging or dumping...however, the market was/is not always predictable! Now, it is the era of Predictive Analytics-from hard data like attrition, retention, consumer demographic patterns to soft data such as consumer behaviour, career growth path of a hi-po (High Potential) employee in the organisation, an employee's probable tenure in the organisation— attempt is being made to “Predict IT All”.

Management is as much a Science as much as it is an Art- then, can we predict everything about every human resource-thoughts, actions, behaviour? What are we trying to do & why?

Predictive analytics is the branch of the advanced analytics which is used to make predictions about unknown future events. It uses many techniques from data mining, statistics, modelling, machine learning, and artificial intelligence to analyze current data to make predictions about future. Often, the unknown event of interest is in the future, but it can be applied to any type of unknown whether it be in the past, present or future. It is widely used to solve real-world problems in business, government, economics and even science-from meteorology to genetics. Experts use predictive analysis in healthcare primarily to determine which patients are at risk of developing certain conditions like diabetes etc.

As super computers get more and more super, you'd think that eventually we'd be able to calculate the position and interactions of every atom in the universe and be able to accurately predict the future. Science, government and private enterprises are asking if they can predict future events by creatively crunching massive amounts of data made available by you! There is a frenzy around this & we are trying to play demi-gods by trying to predict everything including “the art of managing people”-Please note that it is an Art!!!

Predicting turnover is the most common area where predictive analytics is being used by Human Resource professionals in organizations. Others include assessing the quality of hires, and forecasting the benefits and return on investment of training programs. However, today, many companies are still grappling with the question of how predictive analytics can improve talent management issues. Despite a slow start, we see that the HR function/professionals are starting to embrace data. In 2013, Deloitte reported that 57 percent of HR departments increased their investment in measurement and analytics.

Challenges:
Firstly, data has to be compiled from disparate systems that don't always talk to each other and often don't agree
Even to headstart a new outfit, what's the role of human resources? Is there a right mix?

**Start-ups should start with HR**

Meghna Hareendran, MBA Student in HR, ICFAI Business School, Hyderabad

It's tough out there for start-ups to survive in this bubble burst, especially after central government's initiative 'Start-Up India Movement'. According to NASSCOM Report published in 2015, India was ranked third globally in number of start-ups getting registered. Statistics have surged with time with the ease in doing business and generation of funds. But who can manage all these responsibilities? Doesn't a Start-up need the right mix of Human Resources to get the head start?

Regardless of what the government offers it is the founders who should conceive the best for the business to succeed. Trick to tick is to concentrate on Human Resources that build up any business. According to YourStory report the most common reason for failures among our respondents was the lack of a cohesive team, or differences with co-founders.'

So what can be done to avoid this peril? An easy answer to this is to have an HR person or HR perspective. At first, one would focus on maximizing profits more than developing an HR perspective. But every entrepreneur is familiar about the fact that sustaining a business in the market is always a tougher challenge than starting one. So, better sow a seed of HR perspective and see yourself reap long term benefits.

Did you know 34.4% of Start Ups blame the improper teams for their failures? Saurav Karmakar, Founder of SASLAB Technologies, stated, getting the right team as one of the major problems. He eventually started up again and hired the right people. So, injecting an HR perspective to the foundation of a business helped SASLAB Technologies start again. Frequently asked question following Karmakar's statement is 'how can one hire the right people?' An HR person has the skill to recognize the traits and competencies and create a kind of workplace that encourages a deep sense of engagement, collaboration, and commitment. Founders can recruit the right set of competencies instead of best or efficient employees. They must focus on competencies of a creator rather than a doer.

But when your employee has the right set of competencies which you respected and admired while recruiting, recognizing them consistently depending on usage of those skills which leads to performance, is a bigger challenge. Recognition followed by rewards becomes a major reason for motivation. Rewarding critical skills which a start-up looks for and providing appropriate remuneration or benefits can be controlled by an HR person. Cost effective techniques like Management by Objectives (MBO) for an initial period in an employee's tenure and later shifting to Objective Key Results (OKR) technique. The reason being, MBO is more employer decision centric while OKR is more employee decision centric. But eventually performance management should be focused on individual performance rather than relative performance.

All of the above challenges can be addressed with ease via proper communication. An effective communication of values and expectations of the business is essential, followed by strategies being made in alignment with the goals of the business. Antipathy toward HR can leave start-ups unprepared to handle typical workforce challenges, such as harassment. What would be better is to invest money and more importantly time in human resources is the key to help your start-up succeed or sustain. Having an HR perspective if not an HR person will initiate a paradigm shift in the way a start-up functions resulting in reduction of start-up failure rates from 90% to less.