

# Chapter 11

## AI Implication and Data-Driven Decision Making for Organizational Performance

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### ABSTRACT

*HR analytics, also known as people analytics, involves using data-driven decision-making in HR management to improve various aspects of business and people outcomes. It gained prominence around 2019 and offers substantial benefits to organizations. However, its adoption is not widespread, and it's still in its early stages. Data-driven HRM involves collecting and analysing data from various sources to inform HR decisions across functions like talent acquisition, performance evaluation, employee engagement, training, compensation, diversity and inclusion, compliance, and strategic planning. Implementing HR analytics requires investments in technology, analytics capabilities, and employee training while ensuring data ethics and security compliance. In essence, this study seeks to examine existing challenges and barriers related to HR analytics, with a core aim of providing recommendations*

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*to enhance its effectiveness and streamline its integration. Additionally, it intends to evaluate how well HR analytics is currently functioning within organizations.*

## **BACKGROUND OF THE RESEARCH**

Many MNC's have transferred their decision making to HR analytics and have seen a good growth in their financial terms. Data-driven choice making includes utilizing information and analytics to make strides HR hones. This prepare incorporates collecting and analysing information from different sources, such as worker records and overviews, to advise HR choices. It can be connected to different HR capacities, counting ability procurement, execution assessment, worker engagement, preparing, stipend, maintenance, differences and incorporation, compliance, and vital arranging. Data-driven HRM makes a difference organization make more educated, evidence-based choices and adjust HR techniques with generally trade destinations. Be that as it may, it requires speculations in innovation, analytics capabilities, and representative preparing whereas guaranteeing information morals and security compliance.

The HR board oversees matters pertaining to employees, including enrolment, readiness, compensation, training, motivation, communication, and planning. The five primary responsibilities that go along with it are representation and employment connections, work comfort and well-being, upgrading, training, staffing, and human resource management. Within each of these centres, HR conducts several exercises aimed at enhancing employee welfare. The following are some ways that the capabilities of human resources are communicated: job inspection and work planning; hiring and assigning retail representatives; preparing and improving the quality of work. (Levy & Murnane, 2012). There is a great transition in HRM from the administrator of legal and mandatory human resource practices to the strategic view of value creation for the business (Ulrich and Dulebohh, 2015). Many of the HR Process been centralized in the form of collection and processing of the employee data (Kavanagh et al., 2015). Data was collected to track the employee information, to focus on meeting the requirements. To understand the employee efficiency and track the progress of employee information and meeting the requirements. As, the understanding of employee efficiency and the potential contribution of HRM in it increased, more diverse data started to be collected and, gradually, the role of HRM began to change A major driving force behind this evolution has been the rapid development of information technology (Albrecht, S. L., Bakker et al., 2015). The advent of Strategic HRM links the concept of HR to the business and also the basis for the critical HRM activities developed in order to achieve the strategic goals of the firm's profitability (Walsh et al., 2010). HR can also fully redeem its role as a

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