

# **Business Analytics for Talent Management: Lessons from Theory and Practice**

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## **Abstract**

The primary focus of this research is to examine the extant research on the identification of individuals who have high potential for success in leadership roles, to review leadership theory as it applies to talent analytics, to identify current assessments that are available for predicting high leadership potential, and to examine the use of analytics tools in the field of human resources. The collaborative design method for career attraction, processing, education, empowerment, engagement and retention, for an employee-retaining organization is discussed in this study.

Workforce analytics have transformed ways of managing a diversified workforce and can help human resource (HR) management specialists to be more effective in the digital era. It can be helpful in workforce planning, management and improvement of business performance, learning and development, retention, and compensation. Companies that correlate pre-hire assessments with ongoing employee performance results are 24% more likely than everyone else to have a greater percentage of employees who exceed performance expectations. The use of pre-hire assessments also results in a 39% lower turnover rate amongst high potential talent. One of the most helpful aspects of pre-hire assessments is how they empower HR, hiring managers, and companies overall to select the very best fits for themselves and not just for the candidates. The biggest barrier keeping HR from implementing assessments, as reported by 36% of all companies, is a lack of urgency amongst senior management. In order to overcome this barrier, as well as many other barriers, such as lack of budget, and inability to link assessments to business metrics, and an inability to prove return on investment, HR needs to prove the value of such an implementation and demonstrate to the organization and corporate leaders that if they have the tools to best identify top performers, high potentials, even individual contributors, the sky is the limit. The correlation between analytics and assessments is hard to deny and the key to success is making sure that the assessment data is used consistently to drive decisions throughout the employee lifecycle, from recruitment to retention. Various workforce-related and defined parameters and indicators can provide service managers with the insights and inputs that help them with customer satisfaction levels, service delivery costs and contact center workforce performances.

What should be the new talent strategy to attract, process, educate, empower, engage and retain the best? Can talent/workforce analytics move people specialists to the center of decision-making? Talent/workforce analytics and the metrics to assess and evaluate its success has interesting implications for theory and practice.