



Transforming HR Management: Exploring The Benefits of Tools for HR Analytics in The Pharmaceutical Industry

Alden Nelson^{1,*}, Gladys Christiani², Tesalonika Sembiring³, Wynne Lie⁴, Eric Gilbert Saputra⁵, R. Abdulloh Hamdatudin⁶

^{1,2,3,4,5}Department of Management, Universitas Internasional Batam, Indonesia

⁶Department of Industrial Engineering, Institut Teknologi Bandung, Indonesia

E-mail: alden.nelson@uib.ac.id¹, 2141158.gladys@uib.edu², 2141011.tesalonika@uib.edu³, 2141174.wynne@uib.edu⁴, 2141063.eric@uib.edu⁵, abdullohadzmatkhan@gmail.com⁶

*Corresponding Author

Abstract

This study explores the transformative impact of Human Resource (HR) analytics tools within the pharmaceutical industry, focusing on their capacity to optimize HR processes, enhance decision-making, and improve workforce management. In an industry characterized by high demand for data-driven insights, HR analytics tools serve a critical role in identifying patterns and trends, assessing employee performance, and formulating strategic HR decisions. The research underscores the integration of digital tools like HR Information Systems (HRIS), data visualization software, and Artificial Intelligence (AI)-driven analytics. These technologies provide valuable insights that help pharmaceutical companies to align their HR strategies with organizational goals, improve productivity, and foster employee engagement. By delving into the structure, processes, and outcomes associated with HR analytics, this study sheds light on the importance of these tools in driving the HR transformation necessary to sustain competitive advantage in a rapidly evolving market.

Keywords: data-driven decision-making, digital transformation, HR analytics, pharmaceutical industry, workforce management

Introduction

Transformation in Human Resource (HR) management refers to a fundamental change in the approaches, processes, and technologies used in human resource management in an organization. HR transformation aims to improve efficiency, productivity, and employee engagement, and to ensure that the HR function can support the organization's overall vision and business strategy (Sudianti et al., 2023). HR management transformation stands as a critical step for organizations to remain relevant, competitive and responsive to the rapidly changing business environment. By adopting best practices in human capital management and continuously innovating, organizations can ensure that their employees become valuable strategic assets in achieving their business goals (Muktamar et al., 2024).

The benefits of HR analytics tools in the pharmaceutical industry provide HR data benefits to identify patterns and trends, evaluate employee performance, optimize HR processes and make better HR-related decisions. It also helps companies in planning more effective and efficient HR strategies and improving the overall productivity and profitability of the company (Komara & Firmansyah, 2021). The use of these tools aims to support data-based decision-making related to human resources, as well as assist companies or organizations in

formulating more effective and efficient human resource strategies (Basuki, 2023). Therefore, research on tools for HR analytics has important significance in developing better and more effective HR analytics applications or systems. Therefore, research on tools for HR analytics has important significance in developing better and more effective HR analytics applications or systems. Thus, companies can optimize the potential of their human resource data and improve overall company performance (Arora et al., 2021).

In a digital era characterized by advances in information technology and rapid digital development, the use of HR analytics tools within companies has become increasingly crucial in making strategic decisions related to human resources. In managing the ever-growing HR data, companies can rely on HR management applications and systems to collect data automatically (Mufti et al., 2022). However, processing such large amounts of HR data can be complicated and complex without the right HR analytics tools. Various tools are used to support HR analytics, such as Human Resource Information System (HRIS) to manage employee data, statistical analytics tools such as International Business Machines Statistical Package for the Social Sciences (IBM SPSS) and Statistical Analysis System (SAS), and dashboards and data visualization tools such as Tableau and Power Business Intelligence (BI). Machine Learning (ML) and Artificial Intelligence (AI) technologies are also applied for predictive analytics. Therefore, HR analytics tools play an important role in analyzing HR data, generating valuable information, and supporting better decision-making regarding human resources. Therefore, research on tools for HR analytics is essential to serve as a reference in developing better and more effective HR analytics applications or systems. Thus, companies can maximize the potential of their HR data and improve overall company performance (Hamilton & William, 2020).

HR analytics relates to an approach that involves collecting, analyzing, and understanding data related to human resources in an organization. HR analytics has the role of generating valuable information and knowledge that can be used in human resource management and strategic decision-making (Francisco et al., 2022). HR analytics focuses on improving efficiency in human resource management by providing precise and relevant data and information on matters such as employee performance, training and development needs, compensation, employee well-being, and the effectiveness of performance management programs (Rahmah & Hadiwijaya, 2021). In addition, the use of HR analytics tools can also improve the efficiency of human resource processes and enhance the employee experience. By conducting accurate data analysis, companies can identify factors that contribute to employee performance. This helps to increase the company's productivity and profitability and strengthen employee engagement with the company (Jannah & Irfani, 2021).

Research Methods

Research methodology is one of the important things used in research, because it is one part of achieving goals. The type of research conducted by researchers is descriptive qualitative (Hunter et al., 2019). Descriptive research is a research method in order to determine the value of an independent variable, whether it is one or more variables without any comparison or connection with other variables. Descriptive methods are used to determine past and present events whose function is to assess problems that occur while conducting research (Sibatuara et al., 2023). This research is based on the use of secondary data sources including professional literature, previous research reports and published scientific articles. The research method can use library research, which is a method with data collection by understanding and studying theories from various literature or references (Riswan et al., 2022). The data collection uses a way of finding sources and constructing from various sources, for example such as books, journals and research that has been done.

Results and Discussions

A. Human Resource Management Transformation

With reference to Evidence Based Management, dynamic capabilities, and the Resource-Based View, (McCartney & Fu, 2022) proposed a chain model in which access to HR analytics technology allows for improved organizational performance and suggests a transformation in human resource management. The impact of digitalisation on the competencies and skills of human resource professionals and the changes faced in work structures, ways of working, and companies' needs for employee skills make it necessary to transform HR competencies and skills in the face of rapid technological change (Masyitah et al., 2022). As a demanding situation evolves in this ever-changing economy, HR Analytics is transforming HR departments with automation (Rajbhar et al., 2017). In the context of the pharmaceutical industry, the transformation of human resource management through HR analytics can improve workforce management and organizational performance. HR technology enables the collection and analysis of complex workforce data, helping pharmaceutical companies make better, data-driven strategic decisions, ultimately improving overall efficiency and performance.

B. Human Resource Analytics in the Pharmaceutical Industry

The pharmaceutical industry has started adopting various HR analytics tools to improve human resource management. One of the leading companies in the industry has leveraged HR analytics to collect, integrate and analyze employee data in real-time. The use of HR analytics allows the company to gain deep insights into various aspects of HR such as the number of employees, attendance rate, turnover, as well as the composition of the workforce by age, education, and job title. Thus, the pharmaceutical industry can make more informed strategic decisions and improve operational efficiency and workforce quality. (Momin & Mishra, 2016) highlighted the use of HR Analytics software in addressing various issues faced by organizations, thereby increasing employee productivity and company revenue. The use of HR Analytics in optimizing employee performance and making data-driven strategic decisions is particularly relevant in the context of the pharmaceutical industry. This shows how HR Analytics has a key role to play in improving human resource management in the industry. (Shoaib & Waseem, 2024) discussed that innovation is needed in human resources, innovation capabilities, innovative work behaviors, digital adoption, transformational leadership, and employee performance in the context of the pharmaceutical industry so it is necessary to analyze the factors and how they are interrelated to understand their impact on organizational outcomes within the pharmaceutical industry.

C. Human Resource Analytics Process in the Pharmaceutical Industry

The process of implementing HR analytics in the pharmaceutical industry involves several systematic stages. (V.S.K. Annepu & Sowdamini, 2022) discusses how HR analytics can be used to predict employee performance and motivate them, which is relevant to the HR analytics process in forecasting workforce needs and managing performance in the pharmaceutical industry. Likewise, (Momin & Taruna, 2015) mentioned that HR analytics has improved workforce performance in organizations, which relates to monitoring and analyzing employee performance in the context of the pharmaceutical industry. Here is the process:

- 1) **Setting HR Analysis Objectives:** The purpose of human resource (HR) analysis in the pharmaceutical industry is to improve workforce performance and achieve organizational success. This includes identifying and solving HR issues such as succession planning, recruitment, HR planning, and turnover prediction. In addition, HR analytics also aims to increase transparency in performance appraisals, identify high-performing employees, and reduce employee turnover.

- 2) **Data Collection:** The HR analytics data collection process in the pharmaceutical industry involves collecting employee data from various sources, including existing HR systems, learning and development systems, and other data collection approaches such as cloud-based systems and mobile devices. The data collected includes employee profiles, performance statistics, compensation and promotion history, training, employee engagement, employee retention, and absenteeism.
- 3) **HR Metrics Assessment:** HR analytics in the pharmaceutical industry assesses various HR metrics relevant to measuring employee performance and achieving organizational goals. This involves assessing metrics such as succession planning, skills demand prediction, identification of reasons for employee turnover, performance management and appraisal, and measurement of overall organizational performance.
- 4) **Data Analysis:** The HR analytics data analysis process involves the use of analytical techniques such as predictive analytics and real-time analytics to identify trends and patterns in employee performance. These analyses help HR professionals make data-backed decisions and predict future employee performance.
- 5) **Decision Making Stage:** At the decision-making stage, HR analytics is used to make strategic decisions in human resource management. This includes ensuring transparency in performance appraisals, designing incentive programmes based on performance predictions, identifying and enriching high-performing employees, and developing employee development strategies based on data analysis results.

Posthumus et al., (2018) describes how HR analytics is used to understand and manage these factors in the recruitment process of high potential employees. In addition, the text also discusses how the combination of HR attitudes and opinions with access to technical capabilities determine the segmentation and targeting tools applied, reflecting an analytical approach to managing human resources in the pharmaceutical industry.

D. Human Resource Management System in the Pharmaceutical Industry

The HR management system in the pharmaceutical industry includes the use of various tools and systems to effectively manage employee data. HRM should concentrate on the attraction of skilled individuals and the recruitment of qualified personnel, the retention of adept employees, and the provision of training. The selection of adept employees and the retention of current staff members represent the primary responsibilities undertaken by HRM in the Pharmaceutical sector (Boya & Rao, 2019). This simplifies the process of payroll, leave management, and performance appraisal. In addition, the integrated HR management system also supports a more effective employee development planning process, by providing information on training and development needs that can be tailored to the needs and potential of each employee. (Suksod & Cruthaka, 2020) indicate that the enhancement of employee commitment within the company can be achieved through the utilization of HRM strategies like performance appraisal systems, job security, information dissemination, and emphasis on promotions. It is advisable for the HR manager to prioritize the adoption of these practices to enhance employee commitment.

E. Tools for HR Analytics in the Pharmaceutical Industry

Pharmaceutical industry uses various HR analytics tools to support human resource management. One of the main tools used is the HR dashboard, which plays an important role in collecting, integrating, and analyzing employee data (Agustino et al., 2023). In addition, the company also uses an integrated employee data management system, which helps in the comprehensive management of employee data. The use of these HR analytics tools provides a

number of significant benefits, including increased efficiency and accuracy in HR decision-making, identification of trends and patterns, and management of employee performance based on measurable and objective data. AI-based technologies in human resource initiatives can also be used to improve the effectiveness of the pharmaceutical industry. (Rajni et al., 2023) highlighted the importance of AI-powered tools in the context of HR, including in the processes of hiring, training, performance evaluation, and employee retention.

Conclusion

The conclusion contains the main points of the article. Conclusions should not repeat what has been written in the Results and Discussion section, but discuss important results, applications and developments of the research carried out. This section should also be able to show whether the research objectives can be achieved. Conclusions are written in description paragraph form. Avoid using bulleted lists.

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