Developing Talent – a unique way to business: A study of Talent Management with reference to 'People Analytics' practiced by Google

Shabista Booshan

Asst Professor and Academic Coordinator
Symbiosis Institute of Media and Communication

(Email – shabista.booshan1@gmail.com)

Abstract:

Devising a unique HR mechanism to ensure the stability of the employees as well as growth of the company is the need of this hour. But how many companies do we know who are really indulging in this kind of a practice or at least are devising something new in this area of concern. It takes fraction of a second for me to relate the TV commercial of Naukari.com. The very famous advertisement of HariSadu…that claims loudly that if you are caught in a wrong job the next thing is to quit the job and take up another one where you fit the bill.

Yes 'fit the bill' probably should be the mantra in today's time for all the HR practitioners. The HR team must make sure that either the candidate hired, already possesses the matching quality of the position given to him or else the existing employees must be given appropriate training to be on par with the requirement of the position. In any given case the JD and the skill of the hired employee must match and only then can any company can achieve its goal and growth.

Unlike olden days of where there used to be a huge gap between the management and the laborers or employees today CEOs and senior-level executives make an effort to know employees personally, and they often participate in onboarding, training, recognition and company celebrations. When employee and employer values and visions align, we see companies succeeding, followed by effective productivity and innovation. These are the few best practices that some of the best companies to work with have taken up. One of the top in the list is Google.

Always looking to increase productivity and reduce overhead, companies from various industries are turning to this big data-driven approach, and Google is leading the charge. When it comes to best practices Google is famed for not only it's one of the most unique feature/service of search engine but it is also illustrious since this is the only company that has a unique HR function on the planet that is managed based on "people analytics"

Key Words: Talent Management, People analytics, People Management

Introduction

Google has constantly been among the most valuable firms in the world. Though one of the youngest Google's market success can be attributed to what can only be labeled as extraordinary people management practices that result from its use of "people analytics."

India's best 20 companies to work for
India TV Business [Updated 07 Dec 2013, 15:16:57]

Google says that when engineering to insurance, retailers, sports to even Presidents of the countries can use analytics then why HR department can't! This paper has tried to understand how a budding company can become the best in such a short span of time by not only adopting very smart HR practices but innovating something unexceptional. Google being one such company, has certainly found a new path and that is 'people analytics'.

Call it new path or innovations it can come only from people and this is what Google got it right. Understanding its people and understanding them well. Encouraging them to take up new path and bring in innovation. As a result they got this new work mechanism called People Analytics and this in turn has paved the way of success for the company marking it to number one position.

How did People Analytics Happened in Google:

HR at Google is vividly different from many other HR practices. At Google the HR department is not called as Human Resources Department instead, the function is called "people operations." Under the function of people

operations HR decisions are guided by the powerful "people analytics team."

In the process of making this mechanism Google has adopted the methodology that applies in engineering. It has blended a technical aspect of analytics and algorithm to functional aspect of HR practices to attain to 100% zero defect HR system.

Two key quotes from the team highlight their goals:

- *"All people decisions at Google are based on data and analytics."*
- The goal is to … *"bring the same level of rigor to people-decisions that we do to engineering decisions."*

Google is replacing the 20th century subjective decision-making approach in HR. Although it calls its approach "people analytics," it can alternatively be called "data-based decision-making," "algorithm based decision-making," or "fact or evidence-based decision-making."

So what is People Analytics?

It is just maintaining a data and working in it in the area of human resources. All the details about current trends in management are stored in the form of series of data and relevant action is taken based on the data. It means that all the decisions that are taken are totally supported by data so that it gives a concrete background to the decisions that are very crucial on a long run.So now with the help of this new mechanism HR has come out of its traditional reliance on relationships and rather has adopted more practical and technical tool of analytical decision-making.

How does Google's People Analytics Work:

Google follows a very systematic functioning process for the people analytics team.The team reports directly to the VP and it has a representative in each major HR functional area. As the objective of the people analytics is to formulate the policies and functional rules based on data base it also endeavors to ascertain insightful associations and to provide recommended actions. Each and every suggestion and idea is recorded in a form of data and the outcomes are then generated and again recorded. Whatever is been practiced

under HR function in Google is always recorded and maintained in a database.

"All people decisions at Google are based on data and analytics" says Kathryn Dekas, a people analytics team manager at Google. The people analytics team takes decisions covering all areas of HR including management psychology. One of the recognized projects by this team is the Oxygen Project. This project aims to identify the keys to successful management.The people analytics team also develops strategies and techniques that identified struggling, under confident and stressed managers and takes all the significant measures to increase their performance.

Google's many most attractive HR practices include free food, 20% time, and wide range of fun activitiesetc.but each of these areapplied and are maintained based on data. Several other Google's people analytics approaches as well are veryuncommon, incredible and splendid.

Just as no one in marketing, finance or supply chain would ever put forward a solution in their area without a detailed description with the help of charts, graphs, and data to support it, similarly people analytics team exactly follows the suit and managespeople and employee related issues analytically with the help of all possible charts and graphs.

Google has also identified trends in hiring and promoting using analytics. Using this method google could understand various reasons for inflation of middle managers in the company, and as a result Google could bring in many relevant changes in its hiring and promotion or leave policies. Using the data information mined from their vast stores of data, it was easy for the company to understand skills of its employees more specifically, resulting in giving a fair chance to the existing employees by promoting them and hiring new employees as juniors subsequently.

In direct contrast, Google's success has to be attributed in large part to the fact that it is the world's only data-driven HR function. Google's business success should convince executives at any firm that wants to grow dramatically that they must at least consider adopting the data and analytically based model used by Google. Its approach has resulted in Google producing amazing workforce productivity results that few can match (on average, each employee generates

nearly $1 million in revenue and $200,000 in profit each year).

Google's successful people management practices in its data-driven approach:

1. **"Project oxygen"**- This procedure identifies eight characteristics or qualities of managers and based on this the managers are evaluated twice a year and given training or promotions based on the results of the evaluation.

2. **The PiLab** — Google's PiLab is anexceptionalsubdivision. It conducts applied experiments within Google to understand the most effective methodologies for managing people. This method helps the evaluating team to understand the employee better in one on one basis and hence this method gives a personalized attention to each employee. Be it rewarding the employee or taking care of the health of the employee. For example if there is a requirement for a particular employee to cut down on his calorie count keeping in mind his health hazard this data records the same and then the size of the plate and the food type are taken care for that individual employee.

3. **Mathematical algorithm**—This approach successfully helps inunderstanding the problems related to retention. In this method the data is generated and recorded in such a way that it gives a clear detail to the analytics team to understand which employee may be a problem in future in regards to his/her retaining in the company for long run.Thus this approach helps in taking the action on time to avoid attrition.

4. **"What if" analysis**–This model totally works on forecasts and predictions? It uses "what if" analysis to foresee the management problems and opportunities and keep the solutions ready to solve them. It also uses analytical data to come out with more significant workforce planning which is necessaryfor the right shaping up of an aspiring developmental firm.

5. **Improving diversity** – This approach again uses analytical datato solve diversity problems. The team records a data based on the issues related to diversity in terms of employees gender, religion, race etc. and designs solutions for the same. This method again ensures low attrition rate especially in case of women employees.

6. **Hiring algorithm** – This approach works on the recruiting method scientifically, and brings in an algorithm that predicts which candidateis most efficient in succeeding in their various work related projects and tasks. Under this method Google has adopted a unique method of hiring and appraising performance where a group plays a vital role in evaluating the candidate and just one manager is not assigned this task alone. This method thus helps in eradicating bias decisions.

7. **Top performersAnalytics** – Under this approach the analytics team an exceptional technologist and an average one (as much as 300 times higher). This helps the company to hire, retain, and develop extraordinary talent.

8. **Discovery, collaboration, and fun**– Google's analytics team has very consciously designed workplace in such a way where employees from different departments often get to meet each other and talk, debate and brainstorm their subject of interests in such a way that this again becomes a data leading to discoveries and innovations.

Methodology:

The study consists descriptive information. This study is based totally on the secondary data. The data was collected through internet.

Objective of the Study:

1. **To understand what innovation can be brought in the HR practice to ensure best business.**
2. **To determine what is Peoples Analytics all about.**
3. **To provide an insight in to how this new HR methodology works.**

4. **To establish the fact that this method is a boon and must be taken up seriously by our Indian corporate sectors.**

Conclusion:

People analytics or the data-driven approach is turning out to be the boon for Google and couple of other companies practicing it. It is an inevitable process and it is going to become a mandatory mechanism for companies soon. People-related issues, such as hiring, performance appraisals, leaderships, compensation, promotions etc. are greatly tackled and sorted by this approach.

Just as Google has seen a revolutionary transformation in its working pattern and has recorded its achievement in less than the time it required to be in the number one position, I think that it's high time that our Indian firms and all other MNC's situated in India must also take up this methodology very seriously. The kind of transition corporate sector has gone through from the time privatization has arisen to now, I think this is the right time for corporates to take up People Analytics as one of the serious HR affairs and ensure the development of the company, their business and their employees. Smart steps may come with difficulties but smart steps must be taken.

References:

http://www.applieddatalabs.com/What-is-people-analytics

https://www.tucana-global.com/conference/people-analytics

http://www.amcham.ie/download/Helen%20Tynan%20AmCham%20talk%2031102013%20(1)%20(1).pdf

http://www.tlnt.com/2013/02/26/how-google-is-using-people-analytics-to-completely-reinvent-hr/

http://www.volometrix.com/blog/people-analytics-forever-changing-the-way-you-manage-your-business