

BIG DATA IN HR: CHALLENGERS IN THE NEAREST FUTURE

Future is exciting. Especially when the humankind is on the eve of the 4th Industrial Revolution which is about to dramatically change all aspects of our life. One of the recently emerged phenomena deeply impacting the reality is Big Data. This phenomenon has triggered active discussion in narrow scientific circles as well as in the society. Business is not an exception.

In the 21st century the use of Big Data in various spheres means the guarantee of success and an impetus of further development for many companies. The most common spheres of the Big Data implementation are the analysis of market, health care, nature disasters prediction, crime prevention, research of space. This is today. Tomorrow looks even more promising, for example the sphere of human resources management.

It is a common place that social capital is one of the leading factors in any business success and sustainability, hence the increasing role of HR departments in the performance of a company. Productivity growth, decreased staff turnover, better engagement, higher level of creativity, more efficient recruitment process are only some of the facets that could be impacted due to Big Data use. Contemporary HR managers possess not only the “traditional” information about employees’ background and their performance efficiency, but the “advanced” data such as the real feeling of the employees about their employers, the effectiveness of the reward system, the potential of using external versus internal sources of recruitment. Big Data technologies open for the HR managers the opportunity to use the information not only from the company’s HRIS but from social networks, learning management systems, performance and rewards systems, and other digital sources. To know the sources for data collection is not enough. To be efficient the data obtained from different sources are to be correctly processed and interpreted. Different data types require different treatment to avoid the negative effects and to obtain maximum benefits [1, p.1]

Based on the above mentioned the first challenge is correct treatment of the data array. To what extent can a recruiter’s choice be substituted with the choice made by a computer application? Will face-to-face interviews with candidates be substituted with on-line testing? Do machines have enough big arrays of data to predict all the nuances of the human behavior in certain context? For example, a company is searching for a candidate with leadership qualities. I believe that there are certain circumstances that each great person faces in his or her life and the impact of which makes that person a great leader. There might be a life-turning choice while overcoming some difficulties or a decision to attend some additional classes after school or person’s environment. The Big Data basically holds all those facts about each person on the planet so if those data are collected, processed and interpreted correctly it will help the HR department to perform the selection of candidates for a position and to predict his or her further engagement in the company. But to enable the machine to correctly extrapolate this information to a certain candidate is the question still to be solved.

The second challenge is the ethical one. The legislation of each country regulates the issues of privacy and protection of personal information. The discussion is going around substituting of individual consent with “social consent”, “contextual integrity”, “group membership” and “public benefit” concepts [2, p.1]. Kirsten E. Martin suggests that Big Data should be defined as a separate industry to allow the systematic analysis of the risks of using Big Data [3, p.1].

Successfully meeting these challengers will provide HR managers with a powerful instrument to increase the performance efficiency of business.

But is Big Data a universal miracle cure without any adverse effect? It is certainly not. Even today, at the very beginning of the history of Big Data we realize that along with the positive it has its negative effects: location-based stalking, discrimination in health care, in admissions to colleges and universities, price discrimination [4, p.1]. Peter Cappelli in his article for Harvard Business review is rather pessimistic about such thing as Big Data in HR providing several sound reasons in support of his opinion such as insufficiently big data arrays in this sphere and the use of traditional techniques which prevail in theory and practice of HR management [5, p.1]. In my opinion these reasons can explain the comparatively slow implementation of predictive statistics in HR, but eventually some new tools based on Big Data analysis will be included in HR arsenal.

In conclusion I would like to say that the rapid development of Big Data sphere requires united efforts of all stakeholders involved in the process to get better understanding and elaborate corresponding policies on different aspects including legal, commercial, and ethical.

References:

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