Big Data or Big Brother?

What is the impact of HR Analytics on Employee Trust in the Employer in Switzerland?
Imagine a workplace, where …

Good things come from Sysco®
You might have noticed already …

… it’s reality in Business!
Why is it relevant to study HR Analytics and Trust?

*Big Data is HR‘s most important natural resource* (cf. Smedley, 2015)

**BUT**

- Oftentimes, HR Analytics are used in a careless manner  
  (cf. Lewis & Liao, 2014)
- HR „competence gap“  (cf. Madden, 2014)
- Media reports on ethical breaches of organizational integrity
- Creates a perfect control illusion and might thus lead to micromanagement

**AS A RESULT**

- **Expected sceptic reaction of the workforce!**
Agenda

1. NFP75 Project Overview
2. HR Analytics Tools
4. Discussion
1. NFP75 – Project Overview

Sounding Board with Experts to validate, discuss and transfer results along all 4 modules

- Syst. Literature Overview + 20 Expert Interviews
- Swiss-wide Benchmark Survey
- Multiple Embedded Case Studies
- Swiss-wide Factorial Survey

1. Concept Specification & HR Analytics Morphology
2. State of the Art of HR Analytics, Theoretical Sampling Device
3. Set-up of a causal model (IV, DV, Mod, Med)
4. Test of Salient Causal Relationships
Research Question:
What is the impact of big data-based HR Control Practices on Employees’ Trust in the Employer?

What on earth are we talking about when we refer to big data-based HR control practices?
2. Concept Specification & Overview

Organizational Control Literature (cf. Weibel et al., 2016; Cardinal, 2001; Sitkin, Cardinal & Bijlsma-Frankema, 2012)

→ Big data based “formal HR control practices” (Snell, 1992; Snell & Youndt, 1995)

Integrating Various Data Sources
- consolidates profiles of employee data
  - Angrave et al. (2016)

Non-task related Performance
- Non-task related performance
- Employee behavior outside the workplace
- Mood, Emotions
  - Kopp & Sokoll (2015)

Predict Behavior and Performance
- Not just describe status quo but predict likelihoods (of turnover, absences …)
  - Son (2015); Voegli (2016)

Machine Learning, AI
- Decision automation (Hiring and Firing by Algorithm)
  - Hongo (2015)

That’s it? → We need an organizing framework of HR Analytics Tools
2. Concept Specification & Overview, cont’d

• Analytical & conceptual fuzzyness
• No detailed exploration on specific dimensions, categories, building blocks and/or constituting features of HR Analytics Tools

What is our Independent Variable?
3. Our approach: Design Thinking

Design Thinking allows us to:

→ be abductive (both deductive and inductive at the same time)

→ be non-linear and iterative between theory and reality
  
  (Dubois & Gadde, 2002)

→ continuously compare our findings with literature and expert/peer/informant validation, throughout the entire DT/research process (analysis + data gathering)

→ pave the way to a formative theoretical construct

→ investigate multidimensional, multilayered problems, difficult to quantify (Ritchey, 2006; 2012)

→ come up with relevant (interdependent) parameters and their respective dimensions
  
  (Frow et al., 2015) → thick description

→ select specific dimensions of each parameter, which create a „morphotype“, hence represent „a solution to the issue under study“
3.1 Design Thinking – *Problem Space*

**Systematic Literature Search & Synthesis**

1. More fine-grained understanding of HR Analytics Tools
2. First attempt to organize HR Analytics Tools
3. HR Manager / Leadership Perspective

**Consecutive semi-structured interviews with 20 Experts in CH**

- Microsoft, IBM (GER, CH), CISCO, SwissRe, Siemens, UBS, Oracle, ABB + non-MNCs, such as Cognizant, OrganizationView

1. Enrich our Framework - Further HR Analytics Tools / Functionality / Usability / Technical Issues
   - Analytical Organization of HR Analytics Tools
     - Higher level of detail

2. Flip the Perspective! – since we want to study the impact on Employees’ Trust

3. Empirically ground the Questionnaire Items (Module 2)
3.2 Solution Space

This is, on what we are currently working on!

Happy to discuss our proposals!
3.3 Module 2: Swiss-wide Benchmarking Survey

Aim: Device for Theoretical Sampling of Theory Building Case Studies (Module 3; Eisenhardt, 1989) + further Empirical Validation of Solution Space

- We ask HR-Managers (AND/OR related functions) on the application and use of big data based HR-control practices (IV)
  - Example: To what extent do you use HR Analytics Tools, such as [XXX]? How do you expect the maturity level of HR Analytics inside your company?

- For means of theoretical sampling, we also need to ask proxies for employees’ trust in the employer (DsV)
  - We focus on HR-Managers’ perception of his/her company’s HR philosophy (Miles et al., 1978), corporate trust climate/culture (Huff & Kelly, 2003; Butler, 1999), HR Role Models (Caldwell, 2003), Transformational Leadership Climate (Menges et al., 2011), Strength of HR Systems (Bowen & Ostroff, 2004), Type of HR use (Ulrich, 1997), inter alia.
3.3 How does the Survey impact Case Sampling?

1. Deviant Cases – «Prediction Outliers»
   → Formulation of propositions

2. Extreme Cases – «Model-Fit Outliers»
   → Improvement of model coherence and internal validity
   (Eisenhardt, 1989; Gerring, 2006; Yin, 2013)

3. Embeddedness Dimensions:
   - Before the advent of big data / now
   - Future scenarios after the enactment of GDPR

4. Result: testable model (Module 3) for salient causal relationships in Module 4
Happy to answer questions and discuss!
Literature


