



Best HR Practices of IT Industry

KEYWORDS

Human Resources Practices, Company, Industry, Motivation

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ABSTRACT India's growing stature in the Information Age enabled it to form close ties with both the United States of America and the European Union. However, the recent global financial crises has been deeply impacted the Indian IT companies as well as global companies. As a result hiring has dropped sharply, and employees are looking at different sectors like the financial service, telecommunications, and manufacturing industries, which have been growing phenomenally over the last few years. This paper is aimed at understanding the HR practices existing in various software companies to know the best HR practices of IT industry, to know about employee engagement and to understand about the organizational climate and motivation.

INTRODUCTION

The globalization of Indian economy was seen during 1990s and the IT industry is the one that has got maximum advantage from this. It can be told that the first decade of this 21st century belongs to the software industry in India. The income generated from software industry has created millions of new Millionaires in India and has created employment opportunities to lakhs of technically qualified people and paved way to several lakhs of software engineers to visit foreign countries as a part of their profession and create new technical inputs and thoughts for furthering the IT industry growth. Despite of phenomenal growth of opportunities, ambient atmosphere created by the industry, wealth creation in the country, the industry started witnessing a peculiar problem of highest rate of attrition from its IT employees.

OBJECTIVES OF THE STUDY

- To know the best HR practices of IT industry
- To study about Employee Engagement
- To analyze the Organizational Climate and Motivation

RECRUITMENT

Recruitment is the process of searching for and obtaining applicants for the job, from among whom the right people can be selected. Recruitment is said to end with the receipt of applications, but in practice is the activity extends to the screening of applications so as to eliminate those who are not qualified for the job.

Recruitment refers to the process of receipt of applications from job seekers. In reality, the term is used to describe the entire process of employee hiring. There are recruitment boards for railways, banks, and other organizations. In newspapers too, recruitment is frequently used to connote the process of employment.

RECRUITMENT CYCLE TIME:

To bring in more effectiveness in the recruitment process, HR would follow a specific project deadline of 38 days (from the day it had received the approved Manpower Requisition) to hire a new employee. The process specific schedule break-up is mentioned below

Phase	Activities	Time frame
I	Role Identification, Job Description, CV Sourcing & Initial HR short-listing	15 days
II	Organizing the Written Tests	5 days
	Organizing the First Technical Interviews	5 days
	Organizing the Final Interviews	4 days
	Sessions to take the final decisions	3 days
III	Preparing the Salary Proposal, Negotiate with the selected candidates & offer closure	6 days

RECRUITMENT PLANNING

The first stage in recruitment process is planning. Planning involves the translation of likely job vacancies and information about the nature of these jobs into a set of objectives or targets that specify the number and types of applicants to be contacted.

STRATEGY DEVELOPMENT

Once we know how many and what type of recruits are required, serious consideration needs to be given to (1) make or buy employees (2) technological sophistication of recruitment and selection devices (3) geographical distribution of labor markets comprising job seekers (4) sources of recruitment and (5) sequencing the activities in the recruitment process.

MAKE OR BUY – Firms must decide whether to hire less skilled employees and invest on training and education programmes, or they can hire skilled labor and professionals. Essentially, this is the make (hire less skilled workers) or buy (hire skilled workers and professionals) decisions. Organizations which hire skilled labor and professionals shall have to pay more for these employees.

Buying employees has the advantages in the sense that the skilled labor and professionals can begin the work immediately and little training may be needed. But the high remuneration that the skilled workers and professionals demand may outweigh the benefits.

TECHNOLOGICAL SOPHISTICATION

The second decision in strategy development relates to the method used in recruitment and selection. This decision is mainly influenced by the available technology. Technological advancement has made it possible for job seekers to gain better access. They have begun sending videotapes about themselves to a number of companies without wasting time and without spending money on travel.

INTERNAL RECRUITMENT

- Present employees
- Employee referrals
- Former employees
- Previous applicants

EXTERNAL RECRUITMENT

- Professionals or Trade unions
- Advertisements
- Employment exchange
- Campus recruitment
- Walk-ins, Write-ins and Talk-ins
- Consultants
- Contractors

- Radio and Television
- Competitors
- E-recruiting

EMPLOYEE ENGAGEMENT:

Employee engagement is the level of commitment and involvement an employee has towards their organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. It is a positive attitude held by the employees towards the organization and its values.

Engagement at work was conceptualized by Kahn, (1990) as the 'harnessing of Organizational members' selves to their work roles. In engagement, people employ and express themselves physically, cognitively, and emotionally during role performances. Employees are said to be engaged when they show a positive attitude toward the organization and express a commitment to remain with the organization.

Job engagement is a characteristic where an individual approaches his or her work with enthusiasm, energy, focus, and commitment such that the person is entirely present in his/her work and is able to bring his or her full potential to the work effort.

Stay – Desire to be a member of the organization

Say – Speak positively about the organization

Strive – Go beyond what is minimally required.

Importance of Employee Engagement:

An organization's capacity to manage employee engagement is closely related to its ability to achieve high performance levels and superior business results. Some of the advantages of Engaged employees are:

- Engaged employees will stay with the company, be an advocate of the company and its products and services, and contribute to bottom line business success.
- They will normally perform better and are more motivated.
- There is a significant link between employee engagement and profitability.
- They form an emotional connection with the company. This impacts their attitude towards the company's clients, and thereby improves customer satisfaction and service levels
- It builds passion, commitment and alignment with the organization's strategies and goals
- Increases employees trust in the organization.
- Makes the employees effective brand ambassadors for the company.

ORGANIZATIONAL CLIMATE:

Climate for an organization is somewhat like personality for a person. "Just as every individual has a personality that makes each person unique, each organization climate that clearly distinguishes its personality from other organizations". The concept of organizational climate has been assessed by various authors, of which many of them published their own definition of organizational climate.

According to JOE KELLY, "climate may be thought of as the perception of the characteristics of an organization".

For those interested in understanding organizational climate, it is important to make some distinctions. First, climate and culture are both important aspects of the overall context, environment or situation. Culture tends to be shared by all or most members of some social group; is something that older members usually try to pass on to younger members; shapes behavior and structures perceptions of the world. Cultures are often studied and understood at a national level, such as the American or French culture. Culture includes deeply

held values, beliefs and assumptions, symbols, heroes and heroines, and rituals. Culture can be examined at an organizational level as well. The main distinction between organizational and national culture is that people can choose to join a place of work, but are usually born into a national culture.

Organizational cultures are generally deep and stable. Climate, on the other hand, is often defined as the recurring patterns of behavior, attitudes and feelings that characterize life in the organization. Although culture and climate are related, climate often proves easier to assess and change.

CHARACTERISTICS OF ORGANIZATIONAL CLIMATE:

Although similar types of organizations will share certain common features and norms, each organization will have its own, different and distinctive features. The normative climate of a particular organization reflects the history of its internal and external struggles, its work processes, physical layout, patterns of communications, type of people employed and the exercise of authority. Distinctive features of collective feelings and beliefs will be passed on to the new group of members.

A healthy organizational climate is expected to exhibit the following characteristic features.

- Integration of organizational and personal goals.
- Flexible structure with a network of authority, control and communication and with autonomy for individual members.
- Style of leadership and support among the different levels of the organization.
- Mutual trust, consideration and support among the different levels of the organization.
- Recognition of individual differences and attributes and/or of people's needs and expectations at work.
- Attention to the job design and the quality of work life.
- Challenging and responsible job with high performance standard.
- Equitable system of rewards based on positive reinforcement.
- Justice in treatment and fair policies for, personnel and industrial relation practices.
- A sense of identity and loyalty to the organization.
- A sense of being needed as important members of the organization.

In addition to the arrangement for carrying out organizational processes and the execution of work, management has a responsibility for creating an organizational climate in which people are motivated to work willingly and effectively.

It deals with the following dimensions of organizational climate.

- Participation
- Succession Planning
- Human Resource Information
- Organization Development
- Training
- Appraisal
- Counseling
- Career Planning
- Reward and Welfare
- Job enrichment

IMPACT OF ORGANISATIONAL CLIMATE:

Organizational climate is the perceived aspects of an organization's internal environment, but within the same organization there may be very different organizational climates. This might happen because people with different lengths of experience or at different levels of organizations hierarchy, may perceive internal environment of an organization differently. Personal characteristics such as values, needs, attitudes and exceptions determine the manner in which an individual is likely to perceive the various aspects of the internal working environment of the organization.

MOTIVATION:

Motivation is a chief factor playing important and unique role in behavior of the people it is deciding the behavior and action of human being toward their work. The motivation has been developed in the mind of the people by creating comfortable working environment and encouraging, supporting leadership. Also the motivation may influence by social factor, work factor and leadership factor. Based on motivation the person attitude or performances are varying to the task. It is difficult to describe the motivation of the group of workers in general.

CONCLUSION

A recent report says that failing to retain one's best people can cause a company to lose up to 40% of its profit. An individual is in a great place to work if he trusts the people he works for, takes pride in the work he does and enjoy the company of the people he works with. So, trust, pride, personal safeties are the corner stone's. The company has to use Best HR practices to retain the employees which lead to prosperity for the company.

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