

A Study of Human Resource Management (HRM) Strategies in I.T Companies in India

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Abstract

Human resource practises are most successful when they are aligned with an organization's strategic goals. The importance of human resources practises in a company's performance is expanding fast in the current globalised environment, as numerous sectors expand. Human knowledge is without a doubt the most essential strength presently, given the rise of Indian companies in the knowledge-verticals. Competency mapping is gaining traction as a way to ensure that a firm hires the appropriate individual for the right role and manages its human resources effectively. As a result, HR methods to recruit the greatest people, provide a pleasant working environment, and enable the firm to retain talent are designed, executed, and found to be effective by IT companies in India. The purpose of this article is to look at the Indian software industry's strategic human resource practises and policies, as well as the efficacy of SHRM in software firms.

Keywords: *Strategy, Management, Information, Firm, Human.*

I. INTRODUCTION

As a result, Human Resource Development (HRD) is becoming increasingly important in the success of every industrial firm. Human resources contribute to an organization's ability to grow, develop, and achieve its goals, as organisations have realised. Human resource development (HRD) aims to develop all of an organization's employees in a planned manner, not only to acquire and apply their existing capabilities, but also their inner potentials, and to assist in the creation of a climate with strong interpersonal bonds that aids the organisation in achieving its objectives. HRD has traditionally referred to the development of human resources in order to boost economic productivity and, as a result, a nation's wealth, which is inextricably related to economic outputs. However, there is a greater emphasis on the human components of HRD in current definitions and discussions, particularly in poor nations. As a result, in the context of development, the terms "human resources development" and "human development" are highly intertwined. Human resources must be created in response to changes in the organization's peripheral environment; hence, HRD aids in the adaptation of such changes through the development of current human resources in terms of skill and knowledge. Economic, social, and environmental growth are all dependent on human resource development. It's also an important aspect of accomplishing internationally agreed-upon sustainable development goals, such as the Millennium Development Goals, and expanding opportunities for everyone, especially the most vulnerable groups and individuals in society.

Human resource development has been characterised as empowering individuals by cultivating the contributing capacities that they may contribute to the improvement of their own quality of life, as well as the quality of life of their families, communities, businesses, and society. Human resource development has developed through time from focusing exclusively on individual capability to including creating institutional capacity at the national level through socioeconomic policies and development plans and strategies. As a result, human resources development is viewed as facilitating the development of national human capacities in order to promote sustainable, inclusive, and equitable development while also improving individual well-being. As a result, human resource development plans are becoming an increasingly important aspect of national development planning, and they are critical for policymakers to understand.

II. HRM IN INDIAN CONTEXT

In India, there are greater opportunities to implement HR strategies to boost employee productivity. In comparison to other industrialised nations such as Japan and Canada, where an ageing population is a problem, India has distinct personalities, and the 20–25-year age bracket represents a window of opportunity known as the demographic dividend. This demographic dividend means that India has a larger proportion of working-age people than other big developing and developed countries. As a result, the reliance ratio is low, giving the economy a cost advantage and increased competitiveness.

As a result, there are greater opportunities to bring new processes into Indian businesses and position them as global competitors. Furthermore, the worldwide skilled workforce shortfall is predicted to reach 56.7 million by 2020 as a result of the ageing economic problem. With the worldwide trend of outsourcing jobs, India has the potential to become a global reservoir of trained people, with 28 of the world's lowest-cost nations accounting for 28 percent of the graduate talent pool. India has a distinct edge over other countries in that it can meet both its domestic demand for Human Resources (skilled personnel) and the labour shortages in other countries. To impact its position as a provider of educated Human Resource (skilled people) to the globe, the government is taking aggressive initiatives to bridge the existing skill gap.

III. RESEARCH METHODOLOGY

The study's scope and aims are to investigate the HRM techniques used by Indian IT enterprises and to compare and contrast the practises of a few organisations.

Sample: Four CMM Level 5 certified organisations, Tata Consultancy Services, Infosys, Wipro, and HCL Technologies, were chosen for the study. CMM Level (Capability Maturity Model) is a methodology designed by the Software Engineering Institute (US) to examine and check the dependability of a company's operations. Managers and supervisors from the selected firms were the study's responders. The information was gathered by mailing questionnaires by mail (using Google forms) and social media sites, with a total of 400 replies.

Instrument for research: The questionnaire was divided into two sections: the first piece included statements about the respondents' demographic profile, such as age, gender, organisation affiliation, and position within the company; the second section included 41 items about the businesses' HR procedures. The HR practises of IT organisations were assessed using a self-structured questionnaire. The statements were created after researching innovative HR practises and scales of HR practises in firms all around the world. The survey used a five-point Likert scale, with responses ranging from strongly disagrees to strongly agree.

Cronbach alpha was used to determine the scale's reliability, and the value was found to be 0.80, demonstrating internal consistency in answers. Reliability alone is insufficient to demonstrate that the device is suitable for data gathering. Validity is also essential for the instrument's constructs to be validated. Validity refers to a scale's capacity to measure what it claims to measure. The scale's convergent validity was attained when the average variance explained for each construct was more than 0.50. The discriminant validity for all constructs was determined by determining that the AVE for all constructs was greater than their correlations.

IV. DATA ANALYSIS

Demographic profile: The demographic profile of the respondents is presented in Table 1. As seen in the chart, 42.7 percent of IT personnel are between the ages of 30 and 40, while 20.3 percent are between the ages of 20 and 30, meaning that 63 percent of employees are from generation Z, commonly known as the i-generation. The larger ratio of men (59.1%) implies that the IT industry is dominated by men. According to other descriptive statistics, 46.7 percent of employees work in management positions, 41.9 percent in supervisory roles, and 11.5 percent in junior level positions. The findings of the poll show that Infosys has the greatest proportion of workers (27.5%), followed by TCS and Wipro with 25.9% apiece, and HCL with 20.8 percent.

Table-1 Demographic Profile of Respondents (N= 400)

| Respondents Characteristics | Categories | Percentage |
|-----------------------------|------------|------------|
| Age | 20-30 | 20.3 |
| | 30-40 | 42.7 |

| | | |
|--------------------------|-----------------------|------|
| | 40-50 | 25.1 |
| | 50 & above | 12 |
| Gender | Male | 59.1 |
| | Female | 40.9 |
| Organisation Affiliation | TCS | 25.9 |
| | Infosys | 27.5 |
| | Wipro | 25.9 |
| | HCL | 20.8 |
| Current Position | Managerial | 46.7 |
| | Supervisory | 41.9 |
| | Junior Level Employee | 11.5 |

Descriptive statistics were utilised to achieve the study's main goal, which was to measure the degree of various HRM techniques implemented by the selected IT organisations. Tables 2 and 3 show the findings of the experiment.

Table-2 Descriptive Statistics of HR Practices of Indian IT Industry (N=400)

| S. No. | HR Practice | Standard Mean | Observed Mean | Standard Error of Mean | t-value | Sig.(2-tailed) p-value |
|--------|---------------------------|---------------|---------------|------------------------|---------|------------------------|
| 1. | Human Resource Planning | 24 | 27.34 | 0.50 | 6.62 | 0.00 |
| 2. | Recruitment and Selection | 21 | 23.76 | 0.46 | 5.90 | 0.00 |
| 3. | Training and Development | 15 | 17.03 | 0.34 | 5.88 | 0.00 |
| 4. | Performance Appraisal | 18 | 20.25 | 0.41 | 5.47 | 0.00 |
| 5. | Compensation System | 21 | 23.84 | 0.48 | 5.88 | 0.00 |
| 6. | HRM strategies | 24 | 27.69 | 0.53 | 6.93 | 0.00 |
| | Total | 123 | 139.91 | | | |

Human resource planning, recruitment and selection, training and development, performance assessment, pay system, and HRM strategies are among the HR activities under scrutiny. The standard error of the mean for each HR practise has been determined, which illustrates the extent to which HR practises are prevalent in the IT business. In addition, a one-sample t-test was used to see if the observed and standard means differed substantially.

HRM techniques with an observed mean of 27.69 have been found to be highly practised in IT organisations, according to table-II. HRM solutions include allowing workers to work from home and having flexible work hours so that they may adjust their schedules according to their requirements. To assist employees, recuperate energy and peace of mind, tech businesses provide leisure amenities such as sports complexes, gyms, and relaxation lounges, as well as yoga centres, within their workplaces. The study also found that the IT industry is interested in arranging gatherings of employees' families outside of the workplace through social events and family get-togethers, since this improves work-life balance. In addition, the industry provides Employee Stock Option Plans to its employees as a form of remuneration, making them feel like owners of the company. The businesses have well-managed succession planning programmes in place to identify and train individuals for critical jobs ahead of time. Back-office tasks linked to human resources, technology, and services are also managed and automated using effective and efficient ERP software.

All of the HR practises' observed means are higher than their respective standard means, indicating that HR practises are more prevalent in industry than expected.

The difference between the standard mean and the observed mean for HRM methods is statistically significant ($t=6.93$, $p<0.05$) according to the findings of the t-test.

Table-3 Descriptive Statistics of HRM strategies in Selected Indian IT Companies (N=400)

| S. No. | Practices | Organisation Affiliation | Standard Mean | Observed Mean | Standard Error of Mean | t-value | Sig.(2-tailed) p-value |
|--------|----------------|--------------------------|---------------|---------------|------------------------|---------|------------------------|
| 1. | HRM strategies | TCS | 24 | 29.19 | 0.98 | 5.29 | 0.00 |
| | | Infosys | 24 | 25.44 | 1.04 | 1.38 | 0.14 |
| | | Wipro | 24 | 27.08 | 1.10 | 2.79 | 0.00 |
| | | HCL | 24 | 29.30 | 1.07 | 4.96 | 0.00 |

TCS, Infosys, Wipro, and HCL had a mean score of 29.23, 25.52, 27.14, and 29.30, respectively, for HRM strategies, compared to a standard mean of 24 as shown in table 3.

This means that among the four IT behemoths, HCL, with a mean score of 29.30, is the best. HCL has shown itself to be quite receptive to new rules and procedures. Employee socialisation and family get-togethers are prioritised by the company, which also assists employees in achieving a work-life balance. By integrating ERP software and utilising internal talent to replace critical empty jobs through succession planning, HCL enables free flow of internal knowledge and information. The organisation allows workers to work from home and choose their own working hours in order to promote a healthy work-life balance and the flexibility to make their own decisions. With gym, sports complex, and relaxation room facilities, the company encourages its employees to live a healthy lifestyle.

In terms of HRM strategies, TCS comes in second with a mean score of 29.19, despite the statistical difference being quite small. With a mean score of 27.08 and 25.44, Wipro and Infosys behind TCS. TCS places a premium on its workers' mental health and well-being, as seen through leisure amenities such as a sports complex, gym, hobby courses, and relaxation room. The organisation also organises family activities and social gatherings in order to build healthy connections among employees. The organisation also places a premium on internal talent filling critical roles, as seen by active succession plans. TCS also offers its workers the option of working from home, which helps them maintain a work-life balance.

Wipro, on the other hand, allows its workers to work from home and choose their own schedules. The company is likewise eager to adopt new rules and practises that will help it improve the efficiency and effectiveness of its procedures. Maintaining the mental health and well-being of Wipro's workers is also a top focus for the company. Even though Infosys is placed last in this category, the company is exceptionally adaptable and agile

when it comes to modifying established business practises. The company places a high value on making effective use of internal data and resources, thus it has established an ERP system and has active succession plans in place.

TCS, Infosys, Wipro, and HCL all have significant differences between their observed and standard means, with $t=5.29$, $p0.05$, $t=1.38$, $p0.05$, $t=2.79$, $p0.05$, and $t=4.96$, $p0.05$, suggesting that these companies employ HRM techniques well. In the instance of Infosys, however, the t-test indicates no significant difference ($t=1.45$, $p>0.05$), suggesting that the company should embrace and develop HRM policies.

V. CONCLUSION

The current study was carried out in the Indian IT industry to determine the degree of HRM strategies and compare them in a few firms. The demographic profile of employees working in the Indian IT business was examined using descriptive statistics, which revealed that 42.7 percent of respondents are between the ages of 30 and 40, and 20.3 percent are between the ages of 20 and 30, showing that IT is a youth-oriented industry.

Companies are battling a lot of skill shortages, talent crisis, and attrition in today's competitive environment, which has reached historically high levels, making internal customers feel just as essential as external customers. As a result, every company strives to develop innovative HR practises in order to attract the best talent and provide them with a pleasant working environment, allowing the company to retain talent. The above-mentioned practises have been conceived, implemented, and found to be successful by India's leading companies. It has been discovered that convergence of practises of various firms in different HR sectors, if any organisation wishes to use such practises, would enhance the company's capacity to become more competitive in the global market and develop their commercial operations on a continual basis.

It may be inferred that the adoption of employee-oriented and creative human resource practises in the Indian IT sector, where success is rewarded and individual requirements of employees are met, leads to proactive employees who urge others to increase the efficacy of their job.

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