

# A STUDY ON RECRUITMENT AND SELECTION PROCESS AT L & T TECHNOLOGY SERVICES

KAVYA S

MASTER OF BUSINESS ADMINISTRATION, DEPARTMENT OF MANAGEMENT STUDIES

SRI RAMAKRISHNA ENGINEERING COLLEGE, Coimbatore-641 022

## ABSTRACT

*Recruitment and Selection can play a pivotally important role in shaping an organisation's effectiveness and performance. The effectiveness of recruitment has become increasingly popular as a measure for identifying the process of recruitment in the organization and as a tool for developing recruitment process. There is little empirical research that substantiates the efficacy of recruitment in this organization. Here the researchers have taken individual factors upon growing up various variables and tried to find the relationship between the demographic factors and the individual factors .*

## INTRODUCTION

### 1.1 INTRODUCTION TO THE CONCEPT OF THE STUDY:

Larsen & Toubro Limited (L&T) is an Indian multinational conglomerate company founded in 1938 and headquartered in Mumbai, India. The company has four main business sectors: technology, engineering, construction and manufacturing. L&T has revenue of around US \$ 14 billion and over 45117 employees with a global presence with 60 units in 25 countries. L&T Technology Services Limited (LTTS) is a global leader in Engineering and R&D (ER&D) services. With 472 patents filed for 51 of the Global Top 100 ER&D spenders

### 1.2 THEORITICAL BACKGROUND OF THE STUDY:

#### Talent Acquisition

Talent acquisition (TA) is defined as "a strategic approach to identifying, attracting and on boarding top talent to efficiently and effectively meet dynamic business needs". Recruiting and selecting forms a subset of TA, and includes the activities of sourcing, screening, interviewing, assessing, selecting and hiring. Key goals of the process are to attract talented individuals to work for the organization, complete the full cycle from planning to deployment in a timely manner, place the right people in the right positions and ensure a pool of readily available talent. Recruitment is the process of locating and encouraging potential applicants to apply for existing or anticipated job openings. Whereas, selection is the process of choosing individuals who have relevant qualifications to fill jobs in an organisation. Recruitment and selection practices has undergone a drastic change in the recent years. Retaining employees has been a tough task for all the employers and they are taking extra care while recruiting people. This is where effectiveness of recruitment and selection plays a major role. Recruitment is now a strategically aligned process.

## RECRUITMENT PROCESS

- The hiring manager submits a completed requisition to the HR department.
- The HR department will assign a requisition number to assist in tracking and reporting.
- The HR department will meet with the hiring manager to discuss the position and determine the most effective recruitment and selection process.

Recruitment sources will include some or all of the following:

- Internal posting.
- Online job boards.
- Social media sites (Facebook and LinkedIn).
- Newspaper advertising.
- Retained agency search.
- Temporary agency placement.
- Employee referrals.
- The HR department and hiring manager will review resumes of qualified candidates to identify the most appropriate candidates for interviewing.
- The HR department will conduct telephone pre-screens of identified candidates and schedule in-person interviews with the hiring manager.

## **INDIRECT METHODS OF RECRUITMENT**

### **INDIRECT METHODS:**

- ☐ Advertisements which include newspaper ads, television and radio ads

### **THIRD PARTY METHODS:**

- ☐ Private employment search firms
- ☐ Employment exchanges
- ☐ Gate hiring and contractors
- ☐ Unsolicited applications/walk-ins
- ☐ Internet recruiting

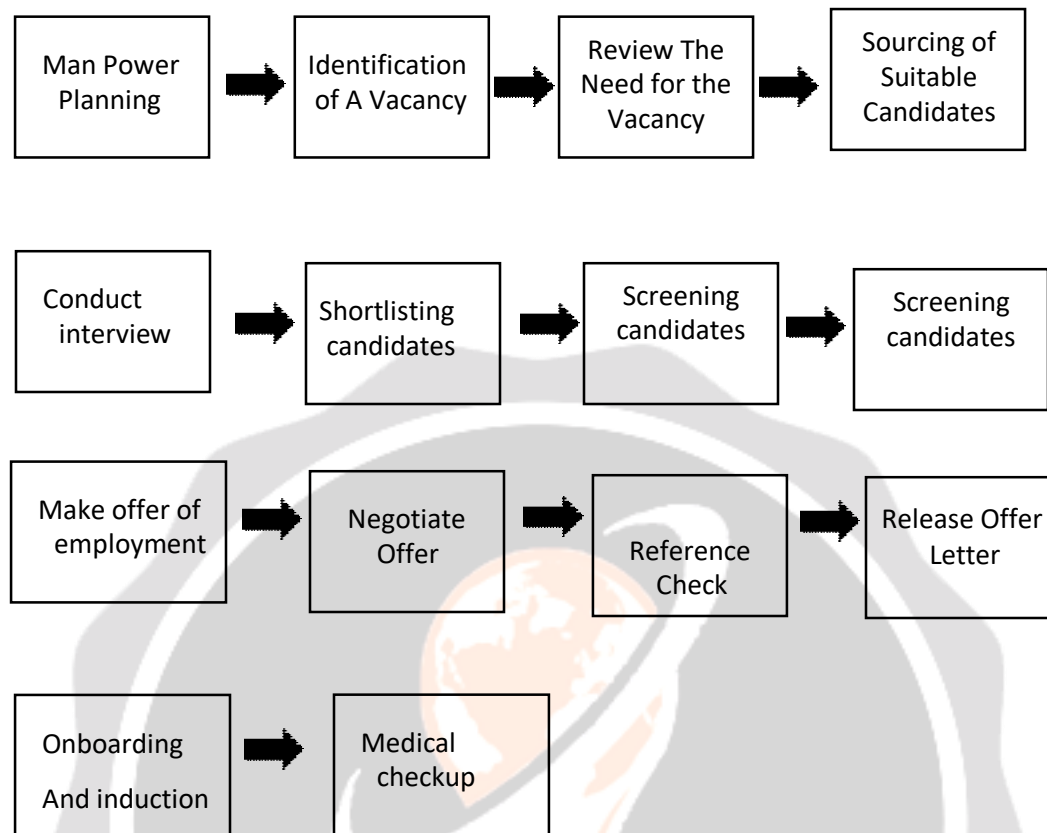
## **SELECTION PROCESS**

This process applies for external hires only.

- Hiring managers are responsible for conducting timely, effective interviews of qualified candidates. The HR department is available to advise hiring managers on interview techniques and final candidate selection.
- A candidate evaluation form will be completed for each candidate interviewed and will be used to make a final candidate selection.
- Upon the selection of the final candidate, the hiring manager and the HR department will collaborate to develop an appropriate offer of employment (including position title, compensation, etc.).
- The HR department or hiring manager will extend the verbal offer of employment to the candidate selected. The HR department will prepare a written offer of employment that is contingent upon the successful completion of required background checks.
- The HR department will conduct reference checks and background checks on the selected final candidate.
- Upon receipt of an offer letter signed by the candidate and the successful completion of background checks, the HR department will close out the requisition on the tracking report.

## **IMPORTANCE OF THE SELECTION PROCESS**

- Proper selection and placement of employees lead to growth and development of the company. The company can similarly, only be as good as the capabilities of its employees.
- The hiring of talented and skilled employees results in the swift achievement of company goals.
- Industrial accidents will drastically reduce in numbers when the right technical staff is employed for the right jobs.
- When people get jobs they are good at, it creates a sense of satisfaction with them and thus their work efficiency and quality improves.
- People who are satisfied with their jobs often tend to have high morale and motivation to perform better.



**Figure 1. Talent Acquisition Steps**

### 1.3 REVIEW OF LITERATURE

#### **BREAUGH, J.A., AND M. STARKE. (2000).**

Recent reviews of recruitment literature often have had a somewhat pessimistic tone. Reviewers have concluded that a great deal is still not known about why recruitment activities have the effects they do. In particular, recent reviews have criticized many of the studies conducted for being poorly designed, narrow in focus, and not grounded in theory. In order for future studies to result in a better understanding of the recruitment process, such studies need to be designed with an appreciation of the complexity of the recruitment process. In this regard, an organizing framework of the recruitment process is offered. In introducing this framework, the authors draw upon theories from a variety of research domains and give considerable attention to process variables (e.g., applicant attention, message credibility, applicant self-insight) that mediate the relationships between recruitment activities (e.g., recruiter behavior) and recruitment outcomes (e.g., the number of applications generated).

#### **WORK BY KORSTEN (2003) AND JONES ET AL. (2006)**

According to Korsten (2003) and Jones et al. (2006), Human Resource Management theories emphasize on techniques of recruitment and selection and outline the benefits of interviews, assessment and psychometric examinations as employee selection process. They further stated that recruitment process may be internal or external or may also be conducted online. Typically, this process is based on the levels of recruitment policies, job postings and details, advertising, job application and interviewing process, assessment, decision making, formal selection and training (Korsten 2003). Jones et al. (2006) suggested that examples of recruitment policies in the healthcare, business or industrial sector may offer insights into the processes involved in establishing recruitment policies and defining managerial objectives.

1. Breaugh, J.A., and M. Starke. (2000). *Research on employee recruitment: So many studies, so many remaining questions. Journal of Management*, 26, 405-434.
2. Korsten (2003) and Jones et al. (2006) “*Techniques of recruitment and selection and outline the benefits of interviews, assessment and psychometric examinations*”

#### **WORK BY ALAN PRICE (2007)**

Price (2007), in his work *Human Resource Management in a Business Context*, formally defines recruitment and selection as the process of retrieving and attracting able applications for the purpose of employment. He states that the process of recruitment is not a simple selection process, while it needs management decision making and broad planning in order to appoint the most appropriate manpower. There existing competition among business enterprises for recruiting the most potential workers in on the pathway towards creating innovations, with management decision making and employers attempting to hire only the best applicants who would be the best fit for the corporate culture and ethics specific to the company (Price 2007).

#### **ALLEN, D. B., MAHTO, R. V., & OTONDO, R. F. (2007). WEBBASED RECRUITMENT**

Recruitment theory and research show that objective characteristics, subjective considerations, and critical contact send signals to prospective applicants about the organization and available opportunities. In the generating applicants phase of recruitment, critical contact may consist largely of interactions with recruitment sources (e.g., newspaper ads, job fairs, organization Web sites); however, research has yet to fully address how all 3 types of signaling mechanisms influence early job pursuit decisions in the context of organizational recruitment Web sites. Results based on data from 814 student participants searching actual organization Web sites support and extend signaling and brand equity theories by showing that job information (directly) and organization information (indirectly) are related to intentions to pursue employment when a priori perceptions of image are controlled.

3. Alan price(2007) “*Process of recruitment and its process in a enterprise*”
4. Allen, D. B., Mahto, R. V., & Otondo, R. F. (2007)” *Webbased recruitment: Effects of information, organizational brand, and attitudes toward a web site on applicant attraction. Journal of Applied Psychology*, 92(6), 1696- 1708.

#### **WORK BY SILZER ET AL (2010)**

However, the process of recruitment does not cease with application of candidature and selection of the appropriate candidates, but involves sustaining and retaining the employees that are selected, as stated by Silzer et al. (2010). Work of Silzer et al. (2010) was largely concerned with Talent management, and through their work they were successful in resolving issues like whether or not talent is something one can be born with or is it something that can be acquired through development. According to Silzer et al (2010), that was a core challenge in designing talent systems, facing the organization and among the senior management. The only solution to resolve the concern of attaining efficient talent management was by adopting fully-executable recruitment techniques. Regardless of a well-drawn practical plan on recruitment and selection as well as involvement of highly qualified management team, companies following recruitment processes may face significant obstacles in implementation.

#### **BECKER, W. J., CONNOLLY, T., & SLAUGHTER, J. E. (2010).**

The researchers examined the relationship between a job offer being accepted and the time lag between a job applicant's final interview and an offer being extended. For samples of new college graduates and more experienced employees, the shorter the time lag, the more likely a job offer was to be accepted. Becker et al. also found that for each sample, having to relocate for a new job made it less likely that a job offer was accepted.

5. Silzer et al (2010) “*That was a core challenge in designing talent systems, facing the organization and among the senior management*”
6. Becker, W. J., Connolly, T., & Slaughter, J. E. (2010). “*The effect of job offer timing on offer acceptance, performance, and turnover. Personnel Psychology*, 63(1), 223-241”.

**CARLSON, K. D., & MECHAM, R. L. (2013).**

This chapter examines how recruitment effectiveness has been evaluated in past studies. Based on this review, Carlson and Mecham highlighted limitations of typical evaluation approaches (e.g., a heavy emphasis on applicant attitudes) and discussed how the evaluation approaches used have limited our understanding of the effectiveness of various recruitment practices as the recruitment process unfolds.

**CONNERLEY, M. L. (2013).**

Connerley reviewed research on recruiter characteristics (e.g., demographic variables, training, and behavior) and their association with applicant job pursuit intentions, perceptions of job-organization attraction and job choice decisions with a focus on how and why recruiter attributes could influence a job applicant's experience with the recruitment process.

**BURKS, S. V., COWGILL, B., HOFFMAN, M., & HOUSMAN, M. (2015).**

The value of hiring through employee referrals. These researchers examined the benefits to employers of hiring based on employee referrals. Compared to other types of job candidates, applicants referred by current employees were more likely to be hired, performed at a higher level and were less likely to quit. The lower cost of recruiting by means of employee referrals was an additional benefit of this approach.

- 
7. Carlson, K. D., & Mecham, R. L. (2013). "Research design in evaluating recruitment effectiveness: (pp. 184-214)."
  8. Connerley, M. L. (2013). "Recruiter effects and recruitment outcomes (pp. 21-34)."
  9. Burks, S. V., Cowgill, B., Hoffman, M., & Housman, M. (2015). "The value of hiring through employee referrals."

**KANAR, A. M., COLLINS, C.J., & BELL, B. S. (2015). CHANGING AN UNFAVORABLE EMPLOYER REPUTATION**

An unfavorable employer reputation can impair an organization's ability to recruit job seekers. The present research employed a four-week longitudinal experimental design to investigate whether recruitment messages can positively change an existing unfavorable employer reputation. Two hundred and twenty-two (222) job seekers rated their perceptions of an organization before and after being randomly assigned to receive a series of high- or low-information recruitment messages. As expected, job seekers receiving high-information messages changed their perceptions more than job seekers who were exposed to low-information messages. In addition, job seekers' initial familiarity with the employer was negatively related to change in their perceptions of employer reputation. Finally, there was some evidence that job seekers' familiarity with the employer influenced the impact of different recruitment messages. Implications for research and practice are discussed.

- 
10. Kanar, A. M., Collins, C. J., & Bell, B. S. (2015). "The roles of recruitment message-type and familiarity with employer. *Journal of Applied Social Psychology*, 45(9), 509-521

**1.4 STATEMENT OF THE PROBLEM**

- It is a difficult task for organizations to search, recruit, and select talented people in today's tight labor market. As there are fewer qualified talents available, the competition is intensifying. This shortage leads to absolutely essential for organizations to conduct effective recruitment, selection, and retain quality talents. What is more is that acquiring the right talent is becoming an increasingly complex and challenging activity.



- Candidates decline the offer at last minute due to cost to customer (CTC). In addition to this, Candidate with less experience are expecting more CTC which results to declination of offer.

### 1.5 OBJECTIVE OF THE STUDY

- To find out the complete recruitment process in LTTS.
- To analyze the effectiveness of the recruitment and selection process at LTTS.
- To make an attempt to address the problem of scarcity of available talent - a major challenge to recruitment.

### 1.6 SCOPE OF THE STUDY

- Dealing with the excess or shortage of resources
- Preparing the Recruitment policy for different categories of employees
- Analyzing the recruitment policies, processes, and procedures of the organization
- Identifying the areas, where there could be a scope of improvement
- Streamlining the hiring process with suitable recommendations

### 1.7 RESEARCH METHODOLOGY

The purpose of this section is to describe the methodology carried out to complete the work. The methodology plays a dominant role in any research work.

Survey research strategy is one of the most commonly used research strategy. Therefore, survey strategy includes different activities such as survey questionnaire preparation, data collection data analysis and findings.

#### SOURCE OF THE DATA

A structured questionnaire is prepared and being circulated to the respondent mail id's which contains set of statements so that the respondent will find it easy to give the level of agreement on the given statements.

#### DATA COLLECTION TOOLS

Primary data is collected from a survey questionnaire. Survey questionnaire is prepared for data collection purposes. Survey questionnaire included both open and close ended questions. Open ended questions are used to collect qualitative data and close ended questions are used to collect quantitative data. Survey questionnaire is handed over to employees of the company.

#### SAMPLE DESIGN

A questionnaire was send to all employees in HR department. Totally received 28 responses from the respondents.

#### TOOLS USED

The collected data were classified tabulated and analyzed with some of the statistical tools like

- Percentage Analysis
- Cross tabulation

#### PERCENTAGE ANALYSIS

After data has been entered, it can be analyzed using descriptive statistics. Descriptive statistics are commonly used for summarizing data frequency or measures of central tendency (mean, median and mode). We can use percentage analysis is one of the statistical measures used to describe the characteristics of the sample or population in totality. Percentage analysis involves computing measures of variable selected of the study and its finding will give easy interpretation for the reader.

## CHI SQUARE TEST

Chi-square test is a measure of association, primarily between the observed and the expected distribution. The measurement is made in a simply way: subtract the observed counts/ scores from expected counts/scores, square them and then divide the product by the expected and taking the summation as in:

$$\chi^2 = \sum \left[ \frac{(O - E)^2}{E} \right]$$

follows chi-square distribution with (r -1) (c -1) degrees of freedom, where 'O' and 'E' are Observe and Expected Frequency respectively.

## CROSS TABULATION

Cross tabulations are used to examine relationships within data that may not be readily apparent. Cross tabulation is especially useful for studying market research or survey responses. Pivot tables are a great way to search for patterns as they help in easily grouping raw data. Cross tabulation also known as cross-tab or contingency table is a statistical tool that is used for categorical data. Categorical data involves values that are mutually exclusive to each other.

## 1.8 LIMITATONS OF STUDY

- The un-cooperative attitude of many respondents many thought that the researcher have something to do with information given considering the sensitive nature, other than for academic purpose.
- Secondly, it is difficult for the researcher to collect data from some employees of the organizations of the case study.
- Finally, the constraints also contributed immensely to limit the extent to which the data are collected. Time constraints contributed to a measurable extent to the assumptions made because the researcher is working to beat the time stipulated for this work.

## 1.8 CHAPTER SCHEME

### Chapter 1: INTRODUCTION

This chapter gives an introduction about the research conducted. It deals with the background study, theoretical background of the study, review of literature, statement of the problem, objectives of the study, scope of the study, research methodology adopted and the limitations of the study.

### Chapter 2: ORGANIZATIONAL PROFILE

The chapter organization profile deals with the history of the organization, the management, organization structure, product profile and the market potential, competitive strengths of the company, future plans and the description about various functional areas.

### Chapter 3: MACRO-MICRO ECONOMIC ANALYSIS

The chapter micro-macro analysis gives an insight about the industry in the Global scenario as well as the Indian scenario.

### Chapter 4: DATA ANALYSIS AND INTERPRETATION

Analysis and interpretation deals with the analysis of the data collected for the study and the interpretation of the results obtained.

### Chapter 5: CONCLUSION

This chapter deals with the discussions on the findings and the suggested recommendations based on the findings.

### **HYPOTHESIS OF THE STUDY**

**H0:** There is no significant relationship between duration of selection process and Turnaround time for closing the requirements

**H1:** There is a significant relationship between duration of selection process and Turnaround time for closing the requirements.

## **ORGANIZATIONAL PROFILE**

### **2.1 History of the Company:**

Larsen & Toubro originated from a company founded in 1938 in Mumbai by two Danish engineers, Henning Hock-Larsen and Soren Kristian Toubro. The company began as a representative of Danish manufacturers of dairy equipment. Holdover, with the start of the Second World War in 1939 and the resulting restriction on imports, the partners started as all workshop to undertake jobs and provide service facilities. Germany's invasion of Denmark in 1940 stopped supplies of Danish products. The war-time need to repair and refit ships offered L&T an opportunity, and led to the formation of a new company, Hilda Ltd, to handle these operations. L&T also started to repair and fabricate ships signalling the expansion of the company. The sudden internment of German engineers in British India (due to suspicions caused by the Second World War), who were to put up a soda ash plant for the Tata's, gave L&T a chance to enter the field of installation.

In 1944, ECC was incorporated by the partners; the company at this time was focused on construction projects (Presently, ECC is the construction division of L&T). L&T began several foreign collaborations. By 1945, the company represented British manufacturers of equipment used to manufacture products such as hydrogenated oils, biscuits, soaps and glass. In 1945, the company signed an agreement with Caterpillar Tractor Company, USA, for marketing earth moving equipment. At the end of the war, large numbers of war-surplus Caterpillar equipment were available at attractive prices, but the finances required were beyond the capacity of the partners.

### **MANAGEMENT:**

- Mr. A. M. Naik- Non-Executive Chairman, L&T Technology Services
- Mr. S. N. Subrahmanyam -Vice Chairman, L&T Technology Services
- Dr. Keshab Panda - Chief Executive Officer and Managing Director, L&T Technology Services
- Mr. Amit Chadha - President, Sales and Business Development, Whole-time Director, L&T Technology Services Limited
- Mr. Bhupendra Bhate - Chief Operating Officer & Whole Time Director
- Mr. Sudip Banerjee - Independent Director

### **2.2 NATURE OF BUSINESS:**

L&T Technology Services are a leading global ER&D services company, backed by the rich engineering expertise and experience of our parent company, Larsen & Toubro Limited. Larsen & Toubro is an Indian multinational engaged in technology, engineering, construction, manufacturing and financial services with USD 17 billion in revenue. It operates in over 30 countries worldwide. A strong, customer-focused approach and the constant quest for top-class quality have enabled the Company to attain and sustain leadership in its major lines of business for over seven decades. L&T's integrated capabilities span the spectrum of 'design to deliver' solutions. With a strong focus on digitalisation, the Company is well equipped to provide smart solutions for city surveillance, intelligent traffic management systems, transport and logistics, as it partners the Indian Government in its Smart City mission, among other key national initiatives. With manufacturing facilities and offices spread across the world, and a global supply chain to back it, L&T operates to the highest benchmarks of sustainable growth and corporate governance to support its customer in their progressive journey.

- Infrastructure
- Real Estate Hydrocarbon
- Information Technology
- Defence
- Process Industry



- Products, Systems & Equipment
- Finance Technology Services

### 2.3 CORPORATE OVERVIEW:

L&T has to its credit some of the world's most iconic projects that stand tall on the global engineering landscape.

These include:

- Technological contribution to key missions: India's first nuclear- powered submarine and maiden missions to the moon and Mars
- Continuing support to smart cities in India
- First ever commercial network for grids for an American utility
- The world's longest heated and insulated waxy crude pipeline
- The world's largest coal gasifier, exported to China
- The world's biggest Ethylene Oxide reactor for a petrochemical complex in the Middle East
- One of Asia's largest nuclear-grade forging facilities
- Airports in India and the Middle East
- Metro rail systems for Riyadh, Qatar and major Indian cities
- Large infrastructure projects, including bridges and highways in Jordan and Malaysia
- Hydrocarbon projects in the Middle East, Africa, S.E. Asia and India
- Currently building the world's largest high-vacuum pressure chamber, the cryostat, for ITER
- Critical contribution to India's aerospace sector
- Shipyards on the LTTS and east coast of India

L&T is a trusted partner to isro in developing processes and tooling for producing the entire range of solid propellant mainboosters for all indian space launch vehicles. Building on over four decades of association with the Indian Space Programme, L&T has played an important role in the success of India's Maiden Mars Mission (Mangalyaan). The Company supplied critical launch systems and tracking equipment for the prestigious project.

The electronic packages LTTS are mounted on the upper stage of the satellite launch vehicle and the heat shield using honeycomb deck panels LTTS are manufactured at L&T's Advanced Composite facility at vadodara. The spacecraft was tracked using a Deep Space Network Antenna installed.

### VISION

- L&T shall be a professionally-managed Indian multinational, committed to total customer satisfaction and enhancing shareholder value.
- L&T-ites shall be innovative, entrepreneurial and team constantly creating value and attaining global benchmarks.
- L&T shall foster a culture of caring, trust and continuous learning while meeting expectations of employees.
- L&T Technology Services: An entity led by innovation

### OUR MISSION

- LTTS aim to be the best, lead the curve, nurture brilliance, obsess about customer delight and become the only partner of choice for our stakeholders.

### OUR VALUES

- Ethical and professional organization with respect for individual and diversified global talent.
- Social harmony & peaceful existence our business model LTTS offer customers flexible business models like Build Operate Transfer, End to End Managed R&D services, Fixed Price, Time & Material and Outcome based Pricing including Risk Reward, Transaction-based Pricing and Revenue share.
- Our ER&D services help customers reduce time-to-market for their products and services, innovate to create new products and solutions, reduce cost of development.

L&T Technology Services offers a portfolio of engineering services across industries. LTTS closely follow the technology trends in the ER&D industry and have focused on key technology areas that impact the various verticals in which LTTS operate. These include digital engineering, mobility and augmented reality, IoT (IIoT, NB-IoT), automation of knowledge, robotics, autonomous & near-autonomous vehicles, energy efficiency and imaging and video. LTTS not only focus on solutions in these areas but also build cross domain solutions for our customer. These cross-domain solutions, developed across verticals, can be applied by our existing and prospective customers to drive non- linear revenue growth for the Company. In order to execute this strategy, LTTS are also building and strengthening our alliances with technology companies. Our services across our business segments can be classified broadly into the following categories:

- Manufacturing Data Analytics
- Robots
- Manufacturing Automation
- Digital Clone or Simulation
- 3D Printing
- Manufacturing IoT
- Plant Cybersecurity
- Augmented Reality in Manufacturing
- Visual Analytics in Manufacturing
- Matured Capabilities
- Manufacturing on Cloud
- Virtual Reality in Manufacturing
- Small Batch Manufacturing

[illegible]

---

12355
www.ijariie.com
713

- Learning Management Learn, collaborate, innovate and succeed. There is no end to possibilities while at L&T Technology Services. Constant learning and skills up gradation of employees' behavioral, functional and technical skills are the fundamental premises of the Learning Management function. The function's objective is to ensure that the potential, capabilities, and skills of our employees are monitored & developed in line with the needs of the business.
- Learning Management @ L&T Technology Services Constant learning and skills upgradation of employees' behavioral, functional and technical skills is the fundamental premise of the L&T Technology Services Learning Management function as one of the important pillars of Human Resource Function. The objective of learning management is to ensure that the potential, capabilities and skills of the staff are monitored & developed in line with the Performance Oriented Development Plan (PODP) and needs of the business.
- Learning Management function at L&T Technology Services aims to provide
  - Behavioral
  - Functional
  - Leadership Learning

## 2.6 PRODUCTS AND SERVICES:

L&T Technology Services deals with Technology and Innovation, LTTS deals with 9 Industries and Plays a major role for innovation and Research & Development, the 9 industries are : Medical Devices, Consumer Electronics, Industrial Products, Media & Entertainment, Oil and Gas, Plant Engineering, Semiconductors, Telecommunications.

LTTS' expertise in engineering design, product development, smart manufacturing, and digitalization touches every area of our lives - from the moment LTTS wake up to when LTTS go to bed. With 40 Innovation and R&D design centers globally, LTTS specialize in disruptive technology spaces such as 5G, Artificial Intelligence, Collaborative Robots, Digital Factory, and Autonomous Transport.

LTTS believes in Innovation and Technology, it spends its highest share for Research and Development, It is one of the major Competitors in the field of innovation and Technology. Innovate or perish is the new business reality in the digital age. L&T Technology Services, LTTS've always been passionate about innovation – it feeds our need to create and our curiosity.

## 2.7 COMPETITORS INFORMATION:

- L&T Technology Services offers industrial product design, development, testing and consulting services.
- LTTS is headquartered in Bengaluru, Karnataka. Keshab Panda is the CEO of LTTS.
- LTTS's main competitors are Tata Consultancy Services, Infosys, Cognizant, Wipro, Accenture, Geometric PLM, IBM, Capgemini, HP, Deloitte.

## COMPETITIVE ANALYSIS

### TOP COMPETITORS

- TCS is LTTS's biggest rival. TCS was founded in 1968, and is headquartered in Mumbai, Maharashtra. TCS competes in the Business Support Services industry.
- TCS generates \$13.7B more revenue vs. LTTS.
- Infosys is one of LTTS's top competitors. Infosys's headquarters is in Bangalore, Karnataka, and was founded in 1981. Like LTTS, Infosys also works within the IT Services sector. Infosys generates 1,628% of LTTS's revenue.
- CTS is one of LTTS's top competitors. CTS is a Public company that was founded in 1994 in Teaneck, New Jersey. Like LTTS, CTS also works within the IT Services sector. Compared to LTTS, CTS has 246,919 more employees.

The top 10 competitors in LTTS's competitive set are TCS, Infosys, CTS, Wipro, Accenture, Geometric, IBM, Capgemini, HP and Deloitte. Together they have raised over 48.7M Bet LTTS their estimated 2.4M employees.

## 1.14. MANAGERIAL STRUCTURE:

The managerial structure in L&T Technology services is of the Hybrid structure. Overall organization is divided into 3 main streams-Delivery, Technology.

- **DELIVERY SYSTEM:**

All those employees who deals with cost of project, schedule, delivery, client management, etc and front ending with customer in terms of project delivery falls into this bucket.

- **TECHNICAL STREAM:**

Mainly focuses on solution development, working on innovation, new technologies, etc, they provide solutions to multiple projects/BU within a vertical.

- **ENABLEMENT FUNCTION**

Includes all non-billable hires for support functions like HR, Finance, Sales and Marketing etc. Within each of these streams, the managerial structure is Functional.

- **HYBRID STRUCTURE**

This structure is a form of departmentalization, which combines both functional and divisional structure. L&T Technology services adopts this structure to gain the advantages of both functional and divisional structures. Hybrid structure gives the benefit of specialized expertise and economies of scale in prime functional areas. It facilitates adaptability and flexibility in handling diverse product or service lines, territories, differing needs of customers, alignment of divisional and corporate goals, etc., because of the partial divisional nature.

## 2.8 STYLE:

L&T Technology Services follows Transformational leadership style. Transformational leadership is the ability of an individual or a group of individuals to foster significant change, often by leveraging new technology. The leaders possess the ability to embrace change and lead the organization through such change by anticipating the impact it will have on the organization and perhaps on the entire industry. They also embody leadership traits such as emotional intelligence, willingness to collaborate and empathy. Transformational leaders have a large capacity to deal with the exceptional rate of industry change and the ability to execute plans to recognizing the implications, especially around security and privacy, of these changes on other technologies. Some of the qualities that the leaders in L&T possess are:

- **SELF-MOTIVATION**

Leaders need to fuel their passion from within. Transformational leaders have passion and motivation that people can sense and feed off of it.

- **INSPIRATION:**

Transformational leaders, based on their personal passion, have the ability to inspire others and get them to buy into their vision and execute it on all levels of the company.

- **KNOW YOUR PEOPLE:**

Personal interaction is important. The leaders have the ability to impact each of the team on a personal level.

- **SET A COMPANY STANDARD:**

Transformational leaders model a company standard they expect everyone to follow. They clearly communicate their vision, expectations, and how this standard is to be carried out throughout the organization.

- **FOLLOW THROUGH:**

While it is a bit cliché, actions do speak louder than words and when leaders live according to the standard they set, people take notice. Leaders often promise a lot, but it is the follow through that has a true impact on a leader's ability to evoke change and get buy in.

## 1.15. STRATEGY:

- LTTS' strategy of focusing on its top 30 customers and large deals pursuits are paying rich dividends. The latest deal also complements the momentum achieved by the company in the areas of autonomous cars, electric vehicles, infotainment & embedded devices to name a select few.
- LTTS has put together a strong structure that supports the company's innovation promise.
- The unique 3600 frameworks for innovation helps LTTS build rewarding customer relationships, process efficiencies, and achieve sustained business growth.

#### **CULTURE:**

- A culture for innovation is the set of values embedded in an organization system, policies, and practices that promote innovation.
- Team workshops for cultural changes

#### **METRIC BASED RECOGNITION:**

HR policies to promote and foster innovation

#### **PLATFORM**

Platform for idea management – SPARK

#### **TOOLS & TECHNIQUES**

Innovation tools and techniques for idea generation like TRIZ etc

#### **COMMITMENT**

Innovation strategy should be aligned to organization business

#### **CLIMATE**

- Climate is the set of values, attitudes and competencies specific to innovation embodied by group members and influenced by its leaders.
- Leadership team workshops/ideation cells.

#### **TARGETED NEED**

For innovation by identifying those areas in every business practice that can benefit the most from technology adoption in line with global trends.

### **MICRO AND MACRO ANALYSIS**

#### **3.1 MICRO ANALYSIS:**

India's IT industry contributed around 7.7 percent to the country's GDP. IT industry employs nearly 3.97 million people in India of which 105,000 were added in FY18. The industry added around 105,000 jobs in FY18 and is expected to add over 250,000 new jobs in 2019.

IT Industry is fuelling the growth of start-ups in India, with the presence of around 5,300 tech start-ups in India.

The IT-BPM sector in India expanded at a CAGR of 10.71 percent to US\$ 167 billion in FY18 from US\$ 74 billion in FY10, which is 3-4 times higher than the global IT-BPM growth. It is estimated that the size of the industry will grow to US\$ 350 billion by 2025.

India is the leading sourcing destination across the world accounting for approximately 55 percent market share of the US\$ 185-190 billion global service sourcing business in 2017-2018.

India acquired a share of around 38 percent in the overall business process Management (BPM) sourcing market.

India's highly qualified talent pool of technical graduates is one of the largest in the world, facilitating its emergence as a preferred designation of outsourcing computer science/information technology accounts for the biggest chunk of India's fresh engineering talent pool, with more than 98 percent of the colleges offering this stream.



**EVOLUTION OF INDIAN IT SECTOR:****Pre-1995**

by early 90s,US-based companies began to outsource work on low-cost and skilled talent pool in India.

**1995-2000**

In this period they increase the investment in R&D India became a product development destination.

**2000-2005**

Firms in India grew in terms of their size and scope of services offered as more and more western companies' setup their bases in the country.

**2005-2016**

Firms in India became multinational companies with delivery centres across the globe.

India's IT sector is at an inflection point, moving from enterprise serving to enterprise solutions.

**2017**

The US\$ 167 billion Indian IT industry employs nearly four million people.

India ranks third among global start-up eco systems with more than 5300 tech star-ups.

Indian IT and BPM industry is expected to grow to UD\$ 350 billion by 2025.

**SEGMENTS OF INDIAN'S IT SECTOR:****IT SERVICE**

- ❖ Market size: US\$ 86 billion during FY18.
- ❖ Over 81 percent of revenue comes from the export market
- ❖ BFSI continues to be the major vertical of the IT sector.
- ❖ IT services had around 51.7 percent share in total Indian IT sector revenues in FY18.

**BUSINESS PROGRESS MANAGEMENT**

- ❖ Market size: US\$ 32 billion during FY18.
- ❖ Around 87 percent of revenue comes from the export market.
- ❖ Market size of BPM industry to reach US \$ 54 billion by FY25.
- ❖ BPM segment had around 19.2 percent share in Indian IT sector revenues in FY18.

**SOFTWARE PRODUCTS AND ENGINEERING SERVICES**

- ❖ Market size: US\$ 33 billion during FY18.
- ❖ Over 83.9 Percent of revenue comes from exports.
- ❖ The software products and engineering services segment grew 10.5 percent in FY17.
- ❖ It had around 19.8 percent share in Indian IT sector revenues in FY18.

**HARDWARE**

- ❖ Market size: Us\$ 15.4 billion in FY18.

- ❖ The domestic market accounts for a significant share.
- ❖ The segment had around 9.3 percent share in Indian IT sector revenues in FY18.
- ❖ Hardware exports from India are expected to grow at 7-8 percent in FY19.

#### **INDIA'S IT MARKET SIZE GROWTH:**

- ❖ IT BPM industry revenues (excluding hardware) was estimated at around US\$ 154 billion in FY2016-17 and grew to US\$ 167 billion in FY2017-18
- ❖ The contribution of the IT sector to India's GDP stood at 7.9 Percent in 2017-18.
- ❖ The domestic revenues of the IT industry are estimated at US\$ 41 billion and export revenue is estimated at US\$ 126 billion in FY18.
- ❖ The market size of India's IT-BPM sector is expected to grow to US\$ 50-55 billion out of the total revenue.
- ❖ Spending on information Technology in India is Expected to grow over 9 percent to reach US\$ 87.1 billion in 2018.
- ❖ Outsourcing of large technology contracts by clients is expected to accelerate the growth of the industry FY20.

#### **STRONG GROWTH OF IT AND ITeS EXPORTS:**

- ❖ Total exports from the IT-BPM sector (Including hardware) were estimated to have been US\$ 126 billion during FY18; exports rose at a CAGR of 12.26 percent during FY09-18.
- ❖ Export of IT services has been the major contributor, accounting for 57.00 percent of total IT exports (including hardware) during FY18.
- ❖ Total export revenue of the industry is expected to grow 7-9 percent year-on-year to US\$ 135-137 billion in FY19.
- ❖ BPO and R&D and software products exports accounted for 21.20 percent and 21.80 percent of total IT exports during FY18, respectively. R&D market is expected to grow to US\$ 42 billion by 2022 from US\$ 28 Billion Currently.

#### **3.2 MACRO ANALYSIS:**

- ❖ The global information technology industry surpassed \$4.5 trillion in 2017, according to the research consultancy IDC. If growth expectation materializes in the year ahead, spending will eclipse the \$4.8 trillion mark.
- ❖ The United States is the largest tech market in the world representing 31% of the total or approximately \$1.5 trillion for 2018. In the U.S as well as in many other countries, the tech sector is one of the most significant contributors to GDP.
- ❖ In the aggregate the Asia Pacific region which encompasses Japan, China, Australia, India and surrounding countries accounts for one third of the total APEC to share of the global IT driven by the rise of countries such as China and India and the slower growth rates experienced in parts of Europe and other markets.
- ❖ By 2032 China is projected to claim the mantle of world's largest economy.

#### **REGIONAL DISTRIBUTION OF IT SPENDING**

##### **Unpacking the Components of the IT Industry:**

The allocation of spending will vary from country to country based on a number of factors. In the mature U.S. market, for example, there is robust infrastructure and a large installed base of users equipped with computers devices and bandwidth. This paves the way for investments in the software and services that sit on top. These two categories account for nearly half of spending in the U.S. market compared to about one third of spending globally. Countries that are not quite as far along in these areas, tend to allocate more spending to traditional hardware and telecom services. In some cases, not having legacy infrastructure makes it easier to leapfrog ahead and adopts newer generations of technologies.

Another important dynamic in understanding the global information technology industry is the flow of tech goods and services from source country to consuming country. For the most recent years of available data, U.S. exports of tech products and services were an estimated \$309 billion in 2016. Exports amount for approximately \$1 out of every \$4 generated in the U.S. tech industry.

#### **DEFINING THE INFORMATION TECHNOLOGY WORKFORCE:**

Analysis of the tech workforce begins with an important distinction. As depicted in the Venn diagram below, there are two components to the tech workforce. All workers employed by U.S. technology companies represent tech industry employment. In 2017, an estimated 6.1 million workers were employed in this category, an increase of 2.0% over 2016. For 2018, the growth outlook should roughly mirror the previous year. Tech industry employment includes technical positions, such as software developers or network administrators as well as non-technical positions such as sales, marketing, and HR note: compentia's IT Industry Outlook includes workers employed by companies with payroll, also known as employer firms, plus self employed technology workers.

#### **GLOBAL INFORMATION TECHNOLOGY SERVICES MARKET 2017-2020:**

**Market is Expected to Grow from Over \$950 Billion in 2016 to Over \$1160 Billion in 2020 - Research and Markets:**

The global IT services market is expected to grow from over \$950 billion in 2016 to over \$1160 billion in 2020.

The report covers market characteristics, size and growth, segmentation, regional and country breakdowns, competitive landscape, market shares, trends and strategies for this market. It traces the market's historic and forecast market growth by geography. It places the market within the context of the wider information technology market, and compares it with other markets.

Cloud/Software as a Service (SaaS) - Over the past five years, cloud software solutions have been gaining acceptance from companies across all industries. Cloud is a software delivery method where a vendor hosts a software application in a remote server and customers can access it through the internet. Cloud software solutions are widely used in customer relationship management (CRM), HR/payroll, project management and accounting software systems. For example, Vodafone is utilizing Salesforce.com's software services to make connections through social media.

Internet of Things (IoT) was the latest trend observed in information technology services as of 2016. The IoT is the network of physical objects like devices, vehicles, buildings and other items which are embedded with electronics, software, sensors and network connectivity that enables these objects to collect and exchange data and has numerous applications. For instance, Microsoft and Rolls-Royce have announced a partnership centering on future Rolls-Royce intelligent engines, which will integrate Microsoft Suite into its service solutions to expand its digital capabilities.

#### **ECONOMIC GROWTH: THE RATE OF CHANGE OF REAL GDP:**

The information technology services market is relatively concentrated, with a number of large, global players. The top five competitors in the market made up around 30% of the total market share in 2016. IBM was the largest competitor, followed by Accenture, HPE, Microsoft, and SAP.

Annual percentage growth rate of GDP at market prices based on constant local currency. Aggregates are based on constant 2010 U.S. dollars. GDP is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources.

- Buildings & Factories
- Hydrocarbon
- Transportation Infrastructure
- Power Plants & Equipment
- Heavy Civil Infrastructure
- Power Transmission & Distribution
- Water & Effluent Treatment
- Metallurgical & Material Handling
- Smart World & Communication

### 3.3 PESTEL ANALYSIS

#### POLITICAL FACTORS THAT IMPACT L&T TECHNOLOGY SERVICES:

- Armed Conflict – There are no imminent threats to India from the disruption in the business environment because of military policies, terrorist threats and other political instability. L&T Technology Services has experience of handling operations in difficult circumstances.
- Regulatory Practices – L&T Technology Services has to manage diverse regulations in the various markets it is present in. Over the last few years India and other emerging economies have changed regulations regarding not only market entry but also how companies in Construction Services can operate in the local market.
- Government resource allocation and time scale – The India new government policies can improve the investment sentiment in the Capital Goods sector. Given the wider acceptance of the suggested policies among population, it is safe to assume that the time scale of these policies will be longer the mandated term of the present India government.
- Political stability in the existing markets – L&T Technology Services operates in numerous countries so it must make policies each country based on the Construction Services industry specific requirements. Given the recent rise in populism across the world I believe that India can see similar trends and may lead to greater instability in the India market.
- Importance of local governments in India – Unlike in most other countries, local governments play critical role in policy making and regulations in India. L&T Technology Services has to closely follow the states and territories it has presence in rather than devising nation-wide policies in India.
- Governance System – The present governance system in India has served its purpose for the long time and I don't think much will change in the process even though it may throw up leaders that can lead divergent policy making from the historical norm. L&T Technology Services has to keep a close eye on the industry wide government priorities to predict trends.

#### ECONOMIC FACTORS THAT IMPACT L&T TECHNOLOGY SERVICES:

Skill level of workforce in India market – The skill level of human resources in India is moderate to high in the Capital Goods sector. L&T Technology Services can leverage it to not only improve services in India but also can leverage the skilled workforce to create global opportunities.

- Exchange rate – The volatile exchange rate of India can impact L&T Technology Services investment plans not only in the short term but also in the long run.
- Downward pressure on consumer spending – Even though the consumer disposable income has remained stable, the growing inequality in the society will negatively impact consumer sentiment and thus impact consumer spending behavior.
- Increasing liberalization of trade policy of India can help L&T Technology Services to invest further into the regions which are so far off limits to the firm.
- Economic Cycles – The performance of L&T Technology Services in India is closely correlated to the economic performance of the India's economy. The growth in last two decades is built upon increasing globalization and utilizing local resources to cater to global markets.
- Economic Performance of India – They believe the economic performance of India in the near future 5-10 years will remain stable given – government expenditure, stable demand because of disposable income, and increasing investment into new industries.

**SOCIAL FACTORS THAT IMPACT L&T TECHNOLOGY SERVICES:**

- Leisure interests – the customers in the India are giving higher preferences to experiential products rather than traditional value proposition in Capital Goods sector. L&T Technology Services can leverage this trend to build products that provide enhanced customer experience.
- Gender roles – The gender roles are evolving in India. L&T Technology Services can test various concepts to cater to and support these evolving gender roles in India society.
- Education level – The education level is high in India especially in the L&T Technology Services sector. L&T Technology Services can leverage it to expand its presence in India.
- Migration – The broader attitude towards migration is negative in India. This can impact L&T Technology Services ability to bring international leaders and managers to manage operations in the country.
- Power structure – There is an increasing trend of income inequality in India. This has altered the power structure that has been persistent in the society for over last 6-7 decades.
- Attitude towards health and safety – With increasing liberalization the attitude towards health and safety are getting lax. L&T Technology Services needs to stay away from these attitudes as the cost of failure is too high in India.

**TECHNOLOGICAL FACTORS THAT IMPACT L&T TECHNOLOGY SERVICES:**

- Technology transfer and licensing issues for L&T Technology Services – In the Capital Goods sector there is no strong culture of technology transfer and companies often are reluctant to transfer or license technologies for the fear of creating competitors out of collaborators.
- Research and development investment at both macro level and micro level in India. If there is an environment of creative disruption and both government and private players are spending resources on developing new solutions.
- Latest technology based innovations implemented by competitors of L&T Technology Services – This can provide a good insight into what the competitors are thinking and where Construction Services business model future is.
- Intellectual property rights and patents protection – If India have higher safeguards for IPR and other intellectual property rights then more and more players are likely to invest into research and development.
- 5G and its potential – L&T Technology Services has to keep a close eye on the development and enhancement of user experience with increasing speed and access. This can completely transform the customer user experience in the Construction Services industry.
- Maturity of technology – The technology in the Construction Services sector is still not reached maturity and most players are vying for new innovations that can enable them to garner higher market share in India.

**ENVIRONMENTAL FACTORS THAT IMPACT L&T TECHNOLOGY SERVICES:**

- Climate Agreement has put real targets for the national government of India to adhere to. This can result in greater scrutiny of environmental standards for L&T Technology Services in India.
- Renewable technology is also another interesting area for L&T Technology Services. It can leverage the trends in this sector. India is providing subsidies to invest in the renewable sector.
- Waste management especially for units close to the urban cities has taken increasing importance for players such as L&T Technology Services. India government has come up with strict norms for waste management in the urban areas.
- Environmental norms are also altering the priorities of product innovation. In many cases products are designed based on environmental standards and expectations rather than catering to traditional value propositions.
- Regular scrutiny by environmental agencies is also adding to the cost of operations of the L&T Technology Services.
- Recycling is fast emerging as a norm rather than a good thing to do in India economy. L&T Technology Services has to make plans to adhere to regulations and expectations in the Capital Goods sector.

**LEGAL FACTORS THAT IMPACT L&T TECHNOLOGY SERVICES:**



- Environment Laws and guides – The level of environmental laws in the India and what L&T Technology Services needs to do to meet those laws and regulations.
- Data protection laws – Over the last decade data protection has emerged as critical part of not only privacy issues but also intellectual property rights. L&T Technology Services has to consider whether India have a robust mechanism to protect against data breaches or not.
- Legal protection of intellectual property, patents, copyrights, and other IPR rights in India. How L&T Technology Services will be impacted if there are not enough protection.
- Time take for business cases in court – some countries even though follow international norms but the time for resolution often run in years. L&T Technology Services has to carefully consider average time of specific cases before entering an international market.
- Employment law in the India and how they are impacting the business model of the Construction Services. Can these conditions be replicated or bettered in international market?
- Health and safety norms in the India and what L&T Technology Services needs to do to meet those norms and what will be the cost of meeting those norms.

### 3.4 SWOT ANALYSIS:

	Opportunities	Threats
<b>Strength</b>	Strength Opportunities (SO) Strategies, Leveraging brand recognition in new segments	Strength Threats (ST) Strategies, Investing into R&D to thwart Capital Goods industry disruptors.
<b>Weaknesses</b>	Weakness Opportunities (WO) Strategies, Investing into customer oriented services and supply chain	Weaknesses Threats (WT) Strategies, get out of the business and focus on growth areas

### STRENGTHS OF L&T TECHNOLOGY SERVICES:

#### WHAT ARE "STRENGTHS" IN SWOT ANALYSIS?

Strengths are the firm's capabilities and resources that it can use to design, develop, and sustain competitive advantage in the marketplace

- High margins compare to Construction Services industry's competitors - Even though L&T Technology Services is facing downward pressure on profitability, compare to competitors it is still racking in higher profit margins.
- Brands catering to different customers segments within Construction Services segment - L&T Technology Services extensive product offerings have helped the company to penetrate different customer segments in Construction Services segment. It has also helped the organization to diversify revenue streams.
- Success of new product mix - L&T Technology Services provides exhaustive product mix options to its customers. It helps the company in catering to various customers segments in the Construction Services industry.
- Talent management at L&T Technology Services and skill development of the employees - Human resources are integral to the success of L&T Technology Services in Construction Services industry.
- Diverse Revenue models - Over the years L&T Technology Services has ventured into various businesses outside the Capital Goods sector. This has enabled the company do develop a diversified revenue stream beyond Capital Goods sector and Construction Services segment.
- First mover advantage in the increasingly crowded market place. The new products are rapidly increasing L&T Technology Services market share in the Construction Services industry.

### WEAKNESSES OF L&T TECHNOLOGY SERVICES:

- Weaknesses of L&T Technology Services can either be absence of strengths or resources of capabilities that are required but at present the organization doesn't have. Managers must be certain if the weakness is present because of lack of strategic planning or as a result of strategic choice.

Gross Margins and Operating Margins which could be improved and going forward may put pressure on the L&T Technology Services financial statement.

- Low investments into L&T Technology Services's customer oriented services - This can lead to competitors gaining advantage in near future. L&T Technology Services needs to increase investment into research and development especially in customer services oriented applications.
- Declining per unit revenue for L&T Technology Services - competitiveness in the industry name industry is putting downward pressure on the profitability. A starting guide to manage this situation for company name is – objectively assessing the present value propositions of the various products.
- High cost of replacing existing experts within the L&T Technology Services. Few employees are responsible for the L&T Technology Services's knowledge base and replacing them will be extremely difficult in the present conditions.
- Niche markets and local monopolies that company's like L&T Technology Services able to exploit are fast disappearing. The customer network that L&T Technology Services has promoted is proving less and less effective.
- High turnover of employees at the lower levels is also a concern for the L&T Technology Services. It can lead to higher salaries to maintain the talent within the firm.

#### **OPPORTUNITIES FOR L&T TECHNOLOGY SERVICES:**

- Opportunities are potential areas where the firm can identify potential for - growth, profits, and market share.
- Increasing government regulations are making it difficult for un-organized players to operate in the Construction Services industry. This can provide L&T Technology Services an opportunity to increase the customer base.
- Local Collaboration - Tie-up with local players can also provide opportunities of growth for the L&T Technology Services in international markets. The local players have local expertise while L&T Technology Services can bring global processes and execution expertise on table.
- Lowering of the cost of new product launches through third party retail partners and dedicated social network. L&T Technology Services can use the emerging trend to start small before scaling up after initial success of a new product.
- Rapid Expansion of Economy As the US economy is improving faster than any other developed economy, it will provide L&T Technology Services an opportunity to expand into the US market. L&T Technology Services already have know-how to operate into the competitive US market.
- Increasing customer base in lower segments - As customers have to migrate from un-organized operators in the Capital Goods industry to licensed players. It will provide L&T Technology Services an opportunity to penetrate entry level market with a no-frill offering.
- Accelerated technological innovations and advances are improving industrial productivity, allowing suppliers to manufacture vast array of products and services. This can help L&T Technology Services to significantly venture into adjacent products.

#### **THREATS TO L&T TECHNOLOGY SERVICES:**

- Competitive pressures - As the new product launch cycles are reducing in the Capital Goods industry. It has put additional competitive pressures on players such as L&T Technology Services. Given the large customer base, L&T Technology Services can't respond quickly to the needs of the niche markets that disruptors are focusing on.
- Trade Relation between US and China can affect L&T Technology Services growth plans - This can lead to full scale trade war which can hamper the potential of L&T Technology Services to expand operations in China.
- Changing political environment with US and China trade war, Brexit impacting European Union, and overall instability in the middle east can impact L&T Technology Services business both in local market and in international market.

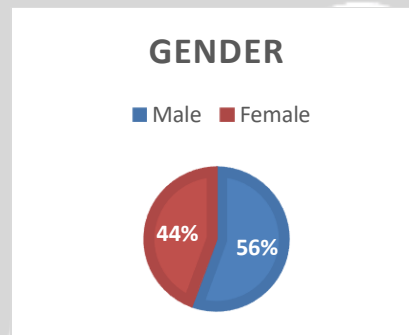
- Competitors catching up with the product development - Even though at present the L&T Technology Services is still leader in product innovation in the Construction Services segment. It is facing stiff challenges from international and local competitors.
- Growing technological expertise of local players in the export market - One of the biggest threat of tie-up with the local players in the export market for L&T Technology Services is threat of losing IPR. The intellectual property rights framework is not very strong in emerging markets especially in China.
- Changing demographics - As the baby boomers are retiring and new generation finding hard to replace their purchasing power. This can lead to higher profits in the short run for L&T Technology Services but reducing margins over the long run as young people are less brand loyal and more open to experimentation.

## ANALYSIS AND INTERPRETATION

### 4.1 PERCENTAGE ANALYSIS:

#### 4.1.1 GENDER:

The pie chart below shows the gender distribution of the employees working in a company

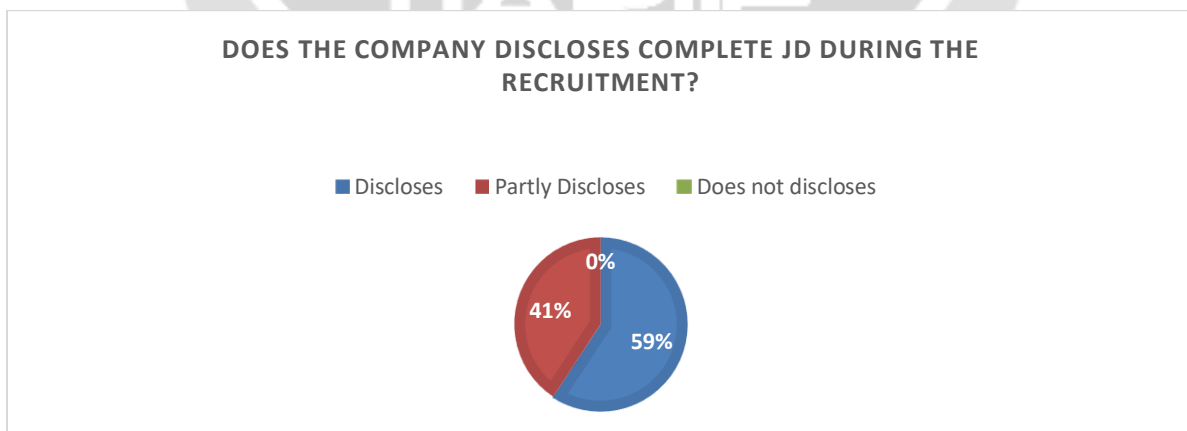


#### Interpretation:

The above pie chart Implies that the 44% gender respondent are male and 56% gender respondent are female.

#### 4.1.2 JOB DISCLOSURE:

The pie chart below shows their Views about Job Specification (JS) Disclosure.

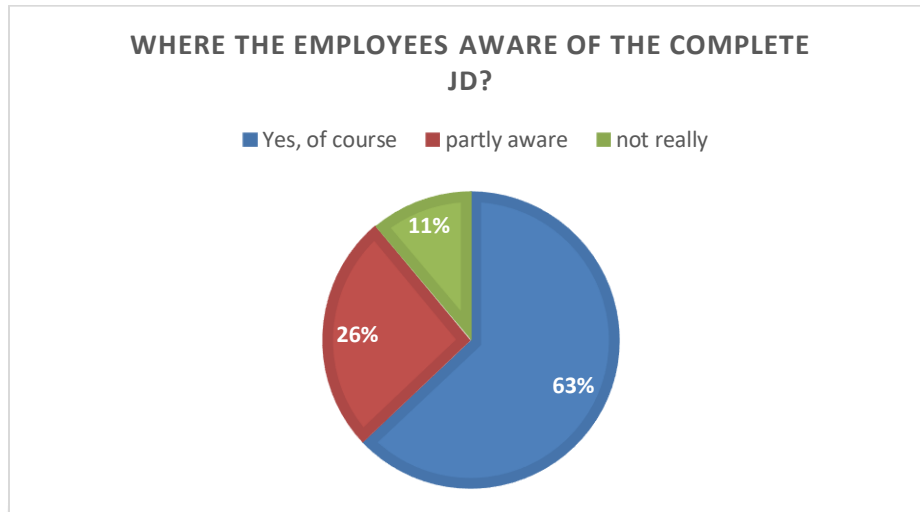


#### INTERPRETATION:

The above pie chart Implies that the 59% respondent says that company completely discloses JD, 41% responded says that company partly discloses JD during recruitment process.

#### 4.1.3. AWARE OF JOB DESCRIPTION

The pie chart below shows the employees understanding the proper job description.

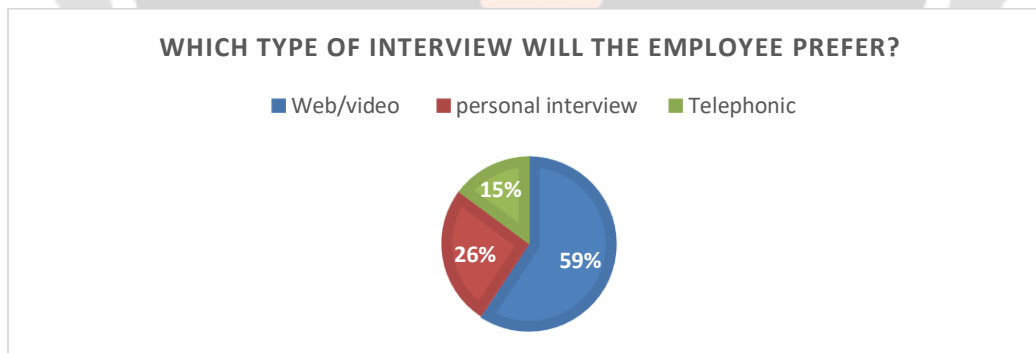


#### INTERPRETATION:

The above pie chart Implies that the 63% respondent are fully aware of JD, 26% respondent partly aware and remaining 11 % respondent are not aware of complete JD

#### 4.1.4. PREFERENCE OF INTERVIEW

The pie chart below shows the mode of interview preferred by the candidates.

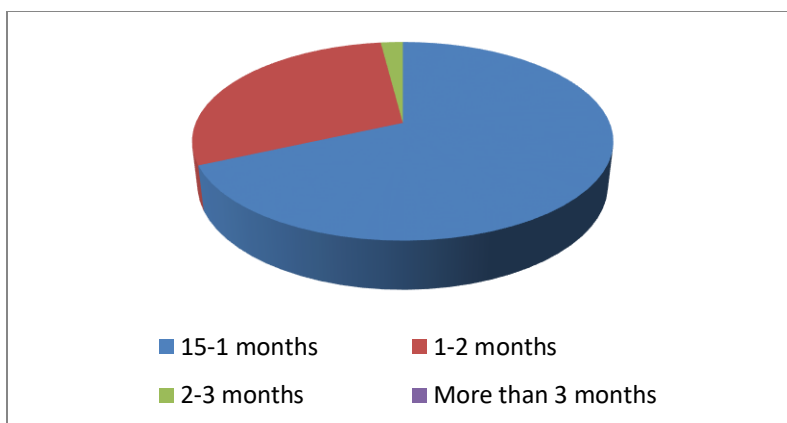


#### INTERPRETATION:

The above pie chart Implies that 59% of candidates prefer to attend the interview through web/video, 26% of candidates prefer personal interview and remaining 15 % of candidates prefer telephonic.

#### 4.1.5. TIME DURATION FOR CLOSING A JOB OPENING

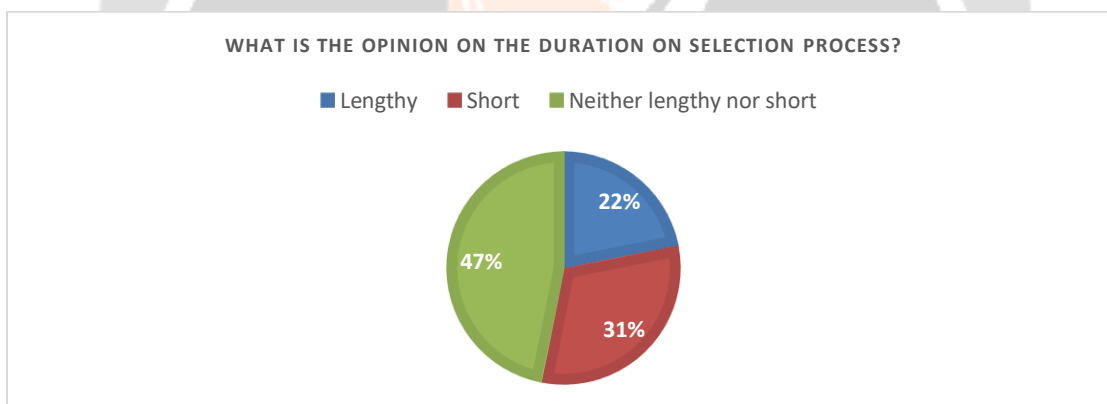
The pie chart below shows the duration of time taken by the employees to close a job opening.

**INTERPRETATION:**

The above table Implies that 67.6% respondent are closing between 15-1 months and 29.4% of respondent are closing between 1-2months and 2% of respondent are closing between 2-3 months and 0% of respondent are closing more than 3 months.

**4.1.6. TURNAROUND TIME TAKEN FOR SELECTION PROCESS**

The pie chart below shows the length of time taken by the employees to complete the selection process.

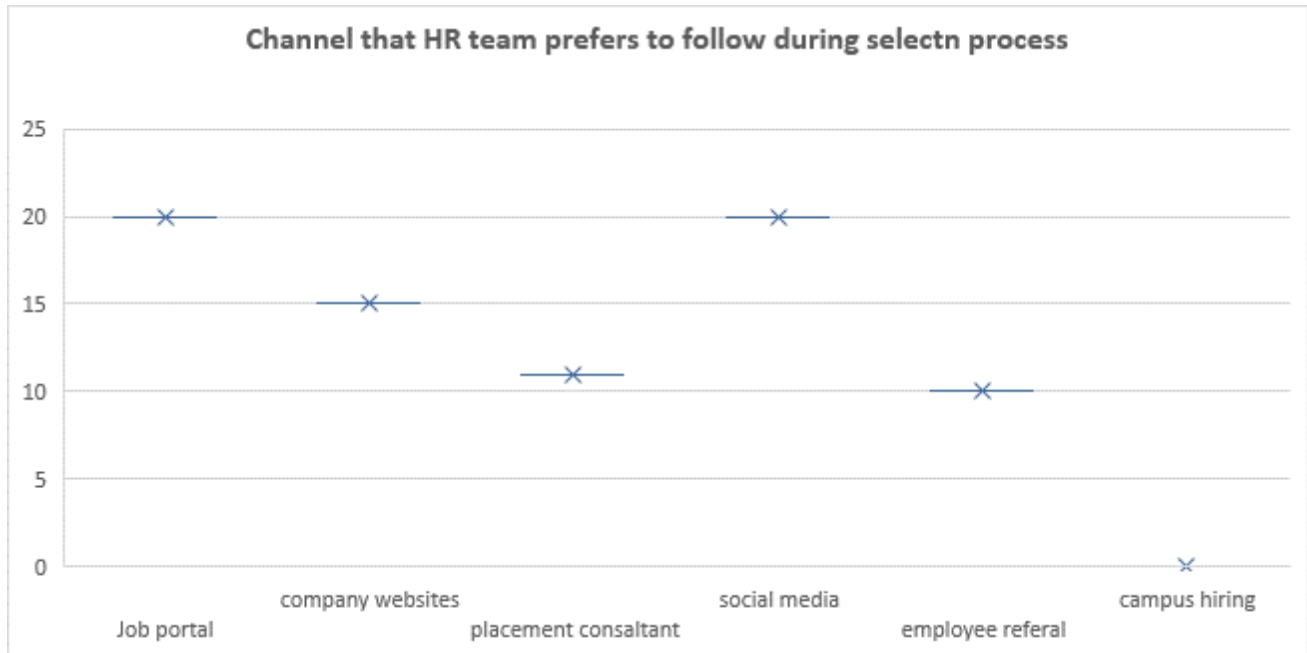
**INTERPRETATION:**

The above pie chart Implies that 22 % of respondent says that the selection process is lengthy and 47% of respondent say that the process is neither lengthy nor short and remaining 22 % of respondent says that the process is short.

**4.1.6. VARIOUS CHANNELS FOR SELECTION PROCESS**

The pie chart below shows the various channels followed by HR Team for selection process.





#### Interpretation:

The above diagram shows that 20% of HR team prefers Job portal, 15% of HR team prefers company websires, 12% of HR team prefers consultant and 20 % of HR team prefers social media and remaining 10% of HR team prefer employee referral.

#### 4.1.7. EMPLOYEE REFERRAL

The pie chart below shows the employee referral in an organization.

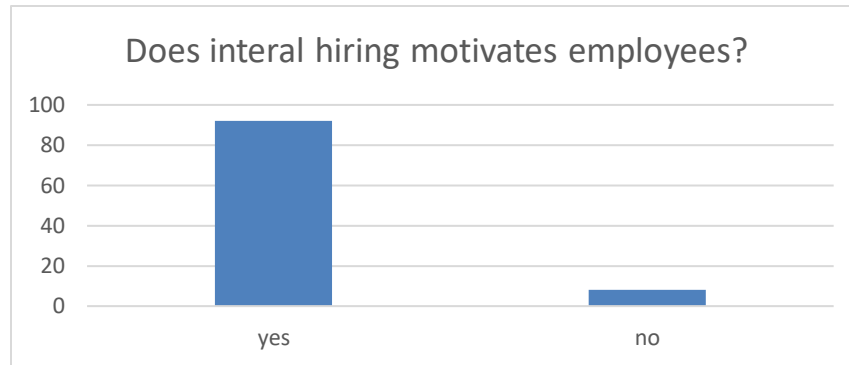


#### INTERPRETATION:

The above diagram shows that there is 100 % of respondent says that there is employee referral in an organization.

#### 4.1.8. INTERNAL HIRING

The pie chart below shows the motivation of internal hiring employees.

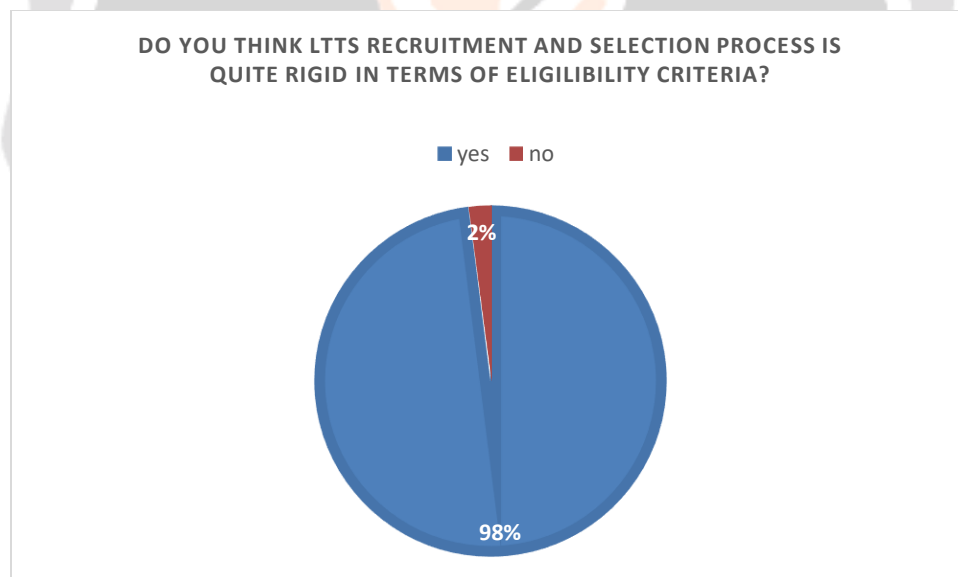


#### INTERPRETATION:

The above diagram shows that there is 80 % of respondent says that internal hiring motivates employees and remaining says that internal hiring does not motivates employees.

#### 4.1.9. ELIGIBILITY CRITERIA

The pie chart below shows the eligibility criteria followed by the HR team for hiring employees.

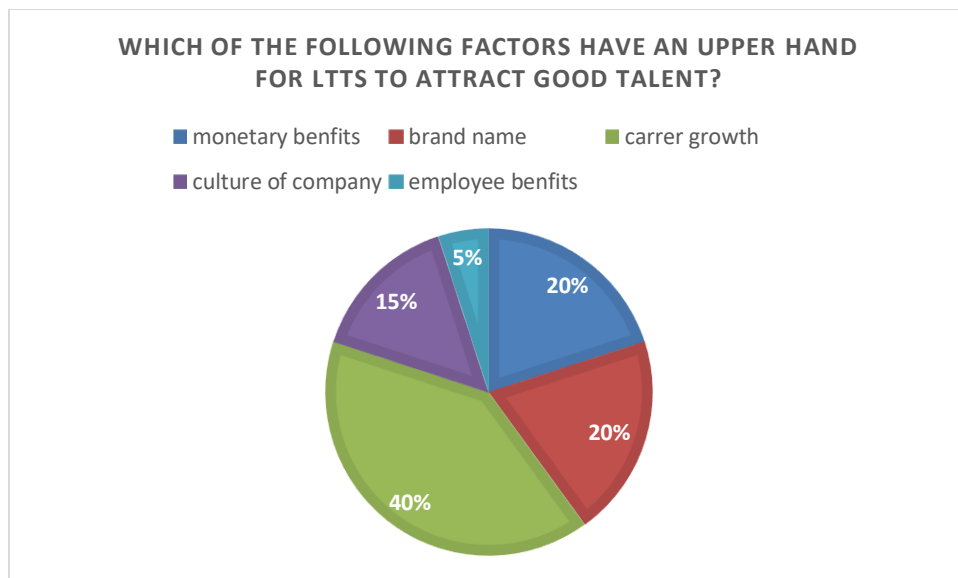


#### INTERPRETATION:

The above diagram shows that there is 98% of respondent says yes and remaining 2% of respondent says no.

#### 4.1.10. FACTORS TO ATTRACT GOOD TALENT CANDIDATES

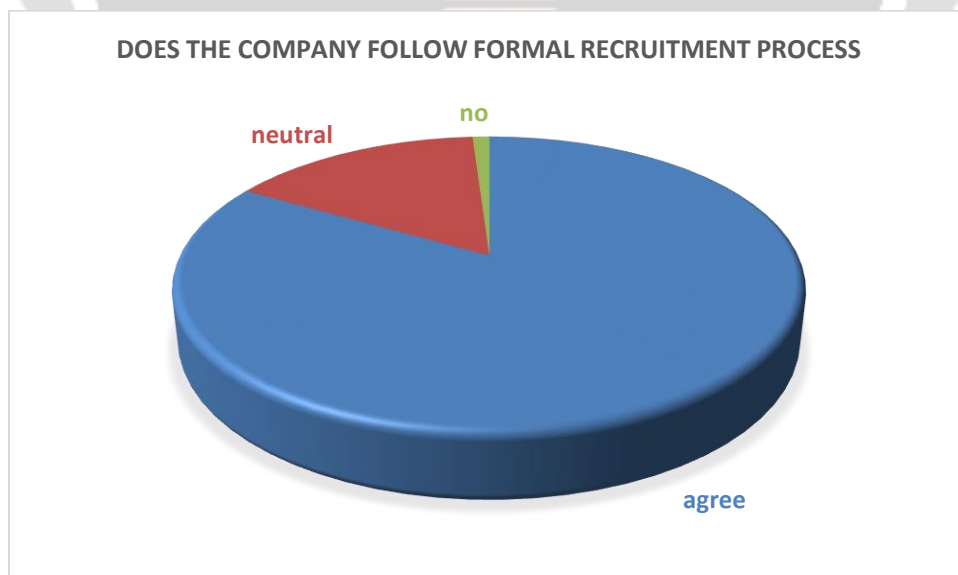
The pie chart below shows the factors to attract good talents to the company.

**INTERPRETATION:**

The above Pie chart implies that 40% of talent candidates can be attracted for career growth, 15% of talent candidates can be attracted for culture of the company, 20% are attracted by employees benefits, 20% for brand name, and remaining are attracted for monetary rewards.

**4.1.11. FORMAL RERUITMENT PROCESS**

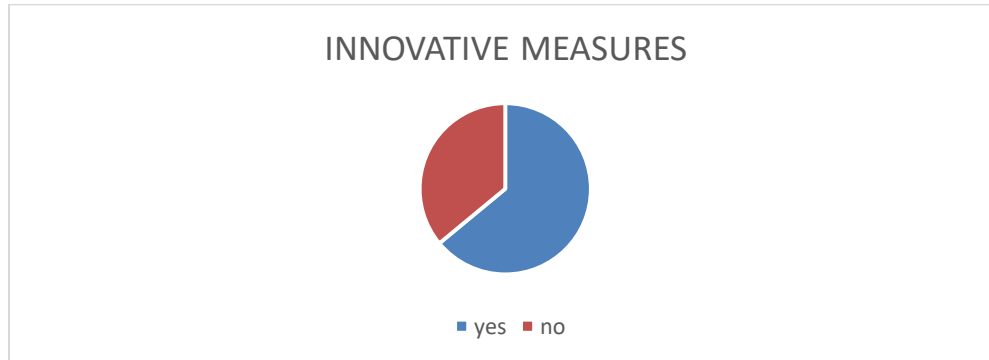
The pie chart below shows the whether the company follows formal recruitment process.

**INTERPRETATION:**

The above Pie chart implies that 80% respondent agree that the company follows formal recruitment process and remaining 19% respondent says neutral and remaining 1 % of respondent says no.

#### 4.1.12. STRESS LEVEL, PSYCHOMETRIC TEST

The pie chart below shows the employee wish towards implementing innovative measure like stress level, psychometric test.

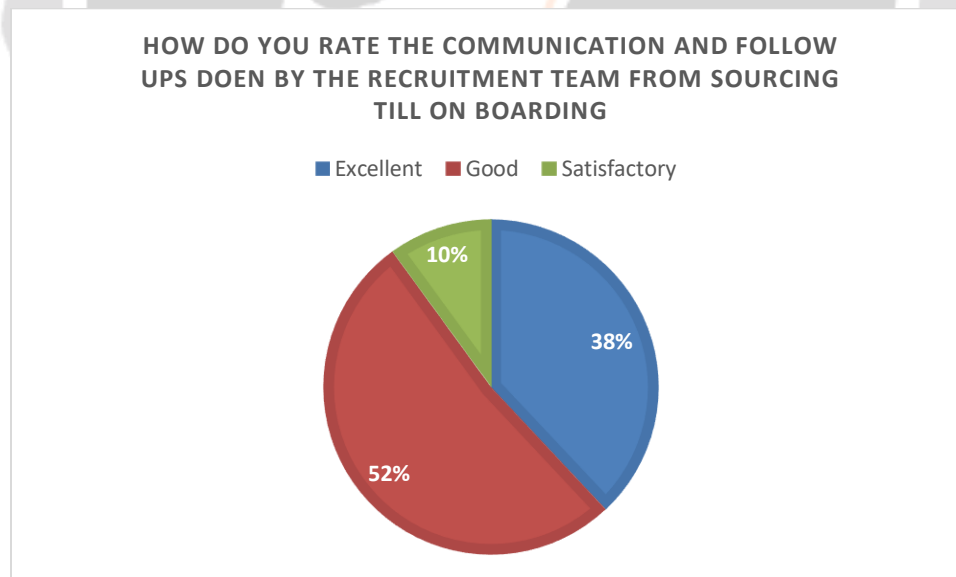


#### INTERPRETATION:

The above Pie chart implies that 64% of respondent says yes for innovative measures and 36% of respondent says no.

#### 4.1.13. COMMUNICATION AND FOLLOW UP BY THE HR TEAM

The chart below shows the views of the communication and follow up by the recruitment team during the process

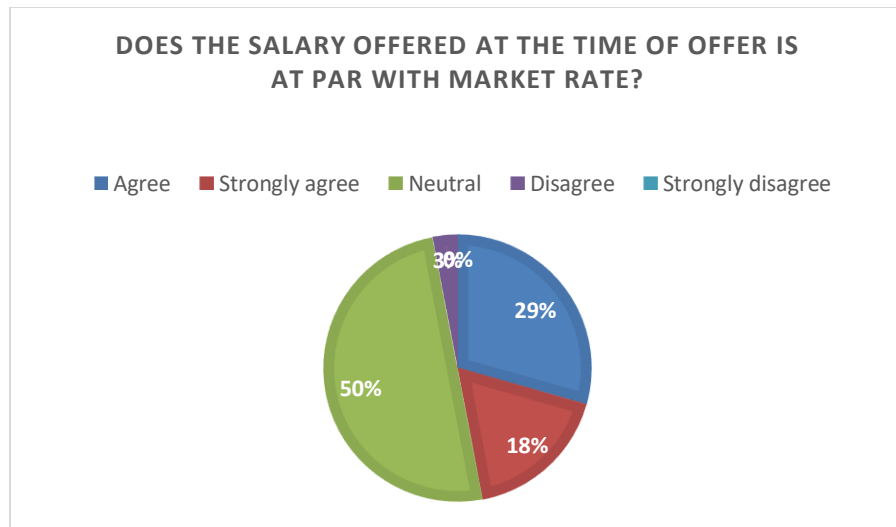


#### INTERPRETATION:

The above Pie chart implies that 52% of respondent says good for processes done. 38% of respondent says excellent and remaining 10 % of respondent are satisfactory with the processes done.

#### 4.1.14. SALARY OFFERED AT THE TIME OF OFFER IS AT PAR WITH MARKET RATE

The pie chart below shows the salary level offered at the time of offer is at par with the market rate.

**INTERPRETATION:**

The above table implies 29.4% of respondent agreed and 17.6% of respondent strongly agreed and 50% of respondent Neutral and 3% of respondent disagreed and 0% of respondent strongly disagreed.

**4.1.15. OVERALL SATISFICATION IN RECRUITMENT AND SELECTION PROCESS**

The pie chart below shows the overall satisfaction in recruitment and selection process

**INTERPRETATION:**

The above pie chart shows that 55% of respondent are satisfied with the current recruitment process, 42% of respondent are satisfied with the recruitment process and remaining are not satisfied with the recruitment process.

**4.2 CHI SQUARE TEST**

Chi-square test is a measure of association, primarily between the observed and the expected distribution. The measurement is made in a simply way: subtract the observed counts/ scores from expected counts/scores, square them and then divide the product by the expected and taking the summation as in:

$$\chi^2 = \sum \left[ \frac{(O - E)^2}{E} \right]$$



chi-square distribution follows (r -1) (c -1) degrees of freedom, where 'O' and 'E' are Observed and Expected Frequency respectively.

#### 4.2.1 RELATIONSHIP BETWEEN DURATION OF SELECTION PROCESS AND TURNAROUND TIME FOR CLOSING THE REQUIREMENTS

**Case Processing Summary**

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
durationonselectionprocess * turnaroundtime	35	100.0%	0	.0%	35	100.0%

**durationonselectionprocess \* turnaroundtime Crosstabulation**

Count		turnaroundtime				Total
		12. How	a. Easy	b. Avera	c. Diffi	
durationonselectionprocess	10. On a short	1	0	0	0	1
		0	1	4	1	6
	4	0	4	19	1	24
	5	0	1	2	1	4
Total		1	6	25	3	35

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	37.858 <sup>a</sup>	9	.000
Likelihood Ratio	11.542	9	.240
N of Valid Cases	35		

a. 15 cells (93.8%) have expected count less than 5. The minimum expected count is .03.

The above table 4.2.3.1 inferred about the relationship between duration of selection process and Turnaround time for closing the requirements. The calculated value (0.02) is lesser than the table value (0.05). Hence Null Hypothesis is rejected and Alternate Hypothesis is accepted. It shows that there is a significant relationship between duration of selection process and Turnaround time for closing the requirements.

#### 5.1 CROSS TABULATION:

Cross tabulations are used to examine relationships within data that may not be readily apparent. Cross tabulation is especially useful for studying market research or survey responses. Pivot tables are a great way to search for patterns as they help in easily grouping raw data. Cross tabulation also known as cross-tab or contingency table is a statistical tool that is used for categorical data. Categorical data involves values that are mutually exclusive to each other.

##### 5.1.1 Relationship between gender and internal hiring

Count of internal hiring	Column Labels		Grand Total
Row Labels	Female	Male	
No	1	3	4
Yes	16	8	24
<b>Grand Total</b>	<b>17</b>	<b>11</b>	<b>28</b>

#### INTERPRETATION

From the table, it is inferred that out of 17 females, 16 says yes for internal hiring and 1 says no that the internal hiring helps in motivating employees. In addition to that out of 11 males 8 says yes and 3 says no.

**Data Entry**

	B <sub>1</sub>	B <sub>2</sub>	B <sub>3</sub>	B <sub>4</sub>	B <sub>5</sub>	Totals
A <sub>1</sub>	1	3	-----	-----	-----	4
A <sub>2</sub>	16	8	-----	-----	-----	24
A <sub>3</sub>	-----	-----	-----	-----	-----	-----
A <sub>4</sub>	-----	-----	-----	-----	-----	-----
A <sub>5</sub>	-----	-----	-----	-----	-----	-----
Totals	17	11	-----	-----	-----	28

Chi-Square	df	P
1.05	1	0.3055
Cramer's V =		0.2988

df=1 the chi-square value reported is the Yates chi-square, corrected for continuity. The Pearson chi-square, uncorrected for continuity, is 2.5

P = 0.1138

from the about table, it is noted that there is no relationship between gender and internal hiring.

### 5.1.1 Relationship between years of experience and organization clearly defines objectives in the recruitment process

Count of organisation clearly defines all objectives in the recruitment process		Column Labels			
Row Labels	0-2 Yrs	2-4 Yrs	4-6 Yrs	6-9 Yrs	Grand Total
Agree	9	6	4		19
Strongly agree	5	1	2	1	9
<b>Grand Total</b>	<b>14</b>	<b>7</b>	<b>6</b>	<b>1</b>	<b>28</b>

### INTERPRETATION

From the above table it is inferred that, Candidates with 0-2 Yrs, 9 of them agree that organization clearly defines all the objectives and 5 of them strongly agree to it.

**Data Entry**

	B <sub>1</sub>	B <sub>2</sub>	B <sub>3</sub>	B <sub>4</sub>	B <sub>5</sub>	Totals
A <sub>1</sub>	9	5	-----	-----	-----	14
A <sub>2</sub>	6	1	-----	-----	-----	7
A <sub>3</sub>	4	2	-----	-----	-----	6
A <sub>4</sub>	0	1	-----	-----	-----	1
A <sub>5</sub>	-----	-----	-----	-----	-----	-----
Totals	19	9	-----	-----	-----	28

Chi-Square	df	P
3.22	3	0.3589
Cramer's V =		0.3391

From the about table, it is inferred that there is no relation between years of experience and organizational objectives.

**ANALYSIS AND FINDINGS****Findings**

- 1) 59% are fully aware of JD, 41% are partly aware of JD during recruitment process.
- 2) 59% candidates prefer to attend the interview through web/video, 26% of candidates prefer personal interview and remaining 15 % of candidates prefer telephonic.
- 3) 55% respondent are satisfied with the current recruitment process, 42% of respondent are satisfied with the recruitment process and remaining are not satisfied with the recruitment process.
- 4) 40% talent candidates can be attracted for career growth, 15% of talent candidates can be attracted for culture of the company, 20% are attracted by employees benefits, 20 % for brand name, and remaining are attracted for monetary rewards.
- 5) 52% respondent says that the follow up done by the HR as good, 38% of respondent says excellent and remaining 10 % of respondent are satisfied with the processes done.
- 6) 64% respondents feel that techniques like stress level test/psychometric test/Thoma Profiling should be adopted for all levels/roles of jobs. The remaining 36% feel that it is not necessary and that it should be adopted only for some levels/roles (mainly for the higher cadres).

**RECOMMENDATIONS**

- Techniques like stress level test/psychometric test/Thomas Profiling are used for higher cadre levels. The result of these tests should be seriously analysed and gauged so that we get the right candidates on board.
- The co-ordination between the technical team and the HR team should be enhanced for the recruitment to be more effective. If they do not go hand-in-hand, the company will not succeed in projecting a good impression about itself to the prospective candidates.

- To convince the people who are working for product based companies to shift to service based companies, the offer should be attractive. Along with the salary, the benefits (eg. medical allowance) they get in their current organisation are also remarkable.

## CONCLUSION

The focus of recruitment and selection is to match the capabilities of prospective candidates against the demands and rewards inherent in each job. Recruitment and selection process are important practices for human resource management, and are crucial in affecting organizational success. The company's main sources of recruitment are online job portals like Naukri, LinkedIn They also have an effective internal source of recruitment, the employee referral, where rewards are given to the employees for referring the potential candidates thereby helping the company to get good resources. This is a motivation factor for the employees as well.

## REFERENCES

1. Article: "A Study of the Recruitment and Selection process": SMC Global, Kumari Neeraj, ISSN 2224-6096, Vol 2, No.1, P.35.
2. Gurchiek, K. (2014, September 3). "Social and mobile recruiting delivers for UPS."
3. Breaugh, J.A. (2013). "Setting recruitment objectives and recruitment strategy development." *The Oxford handbook of recruitment* (pp. 361-381).
4. Williams, C. R., Labig, C. E., & Stone, T.H. (1993). "Recruitment sources and posthire outcomes for job applicants and new hires"
5. Breaugh, J. A. (in press). "The contribution of job analysis to recruitment." In H. Goldstein, E. Pulakos, J. Passmore, & C. Semedo (Eds.), *Handbook of the psychology of recruitment, selection, and retention*.
6. Gusdorf, M. L. (2008). "Recruitment and Selection: Hiring the Right Person. *Society for Human Resource Management*."
7. Richardson, M.A. (n.d.). "Recruitment Strategies. *Managing/Effecting the Recruitment Process*."
8. Billsberry, J. (2000) "Finding and keeping the Right People", 2nd edn, London, Prentice-Hall Cowling, A.G. and Mailer, C.J.B (1981) *Managing Human Resources*"
9. Taylor & Francis (2015) "Use of social recruitment sites as a e – recruitment tool"
10. SD Rozario, S Venkatraman, A Abbas (2019) "Challenges in recruitment and selection process"
11. M Son, H Lee, H Chang (2019) "Artificial Intelligence-Based Business Communication: Application for Recruitment and Selection"
12. D Jeske, KS Shultz (2016) "Using social media for screening- pros and cons"
13. G Kanagavalli, R Seethalakshmi (2019) "A systemic review on recruitment and selection process"
14. A Marie Ryan (2016) "Highlighting tension in recruitment and selection process"
15. DM Jepsen, S Grob (2015) "Sustainability in recruitment and selection: building a framework of practices"