

Recruitment and Selection Process for Sustainability in IT Industry – An Overview

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ABSTRACT

The Information technology industry in India has gained a brand identity as a knowledge economy. In this paper, the researcher has studied and discussed the recruitment and selection policies and practices in IT Industry in India. The objective of this paper was to understand the recruitment and selection policies in IT Industry with respect to Indian perspective and to understand the difference between the recruitment and selection criteria of a lateral hire and fresher in IT Industry. The study involves the usage of both primary & secondary data. Information was obtained from the top level, middle level and low level Management playing significant role in decision making regarding recruitment and selection, training and development, and workforce extension/reduction. Secondary data was derived from the databases. The study is cross sectional in time dimension. The findings of the study suggests that Companies are moving away from only academic criteria for recruitment. They are now looking at intangible things such as entrepreneurship, passion, learning from failures, other ambitions in life - all these to test whether the companies are hiring a complete person. It is found that lateral hire is testified in different way than the fresher. He is tested on domain knowledge. The process of recruitment and selection in well reputed IT companies is standard and up to the mark.

Keywords: Recruitment and Selection, IT Industry, Human Resource Management.

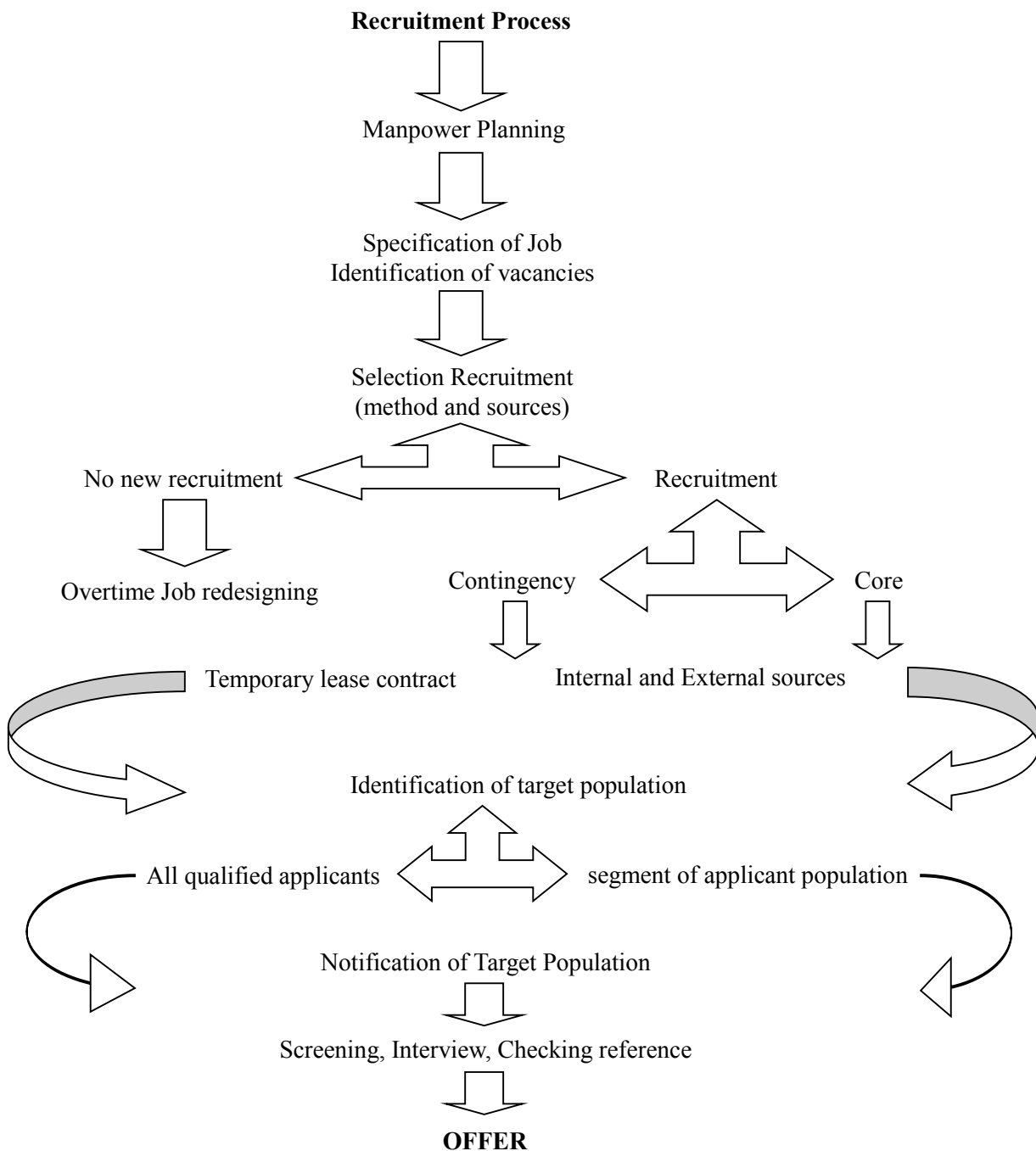
INTRODUCTION:

Recruitment is defined as, “a process to determine the sources of manpower to meet the requirement of the staffing plan and to employ effective dealings for appealing that manpower in adequate numbers to facilitate effective selection of an efficient workforce. (N. Anderson & M ECQLBN, 2001) considers selection processes from the applicant's perspective. Conflicting the considerable past attention by work psychologists on administrative decision-making in selection procedures, “Edwin B. Flippo defined recruitment as “the process of penetrating for potential employees and simulating them to apply for jobs in the organization. “Recruitment is a “linking function” – joining together those with jobs to fill and those seeking. HRM is important source of innovation (Catano, 2009) Changes in recent development in recruitment and selection process of IT industry is taking place at a fast pace. The study aims to comprehend the procedure of recruitment and selection in IT industry and to study the difference between the recruitment and selection process for lateral hires and fresher’s in the IT Industry. (Ahmad, S., & Schroeder, R. G, 2002) Management literature discusses that the behavioural traits of employees can play a vital role of total quality management (TQM). However, less experiential research exists in this regard. The latest deviations an trends in IT companies is outsourcing, poaching, e –recruitment to get the best candidate and save on the cost. (Caers, R., & Castelyns, V, 2011) investigated whether recruitment and selection (R&S) professionals use LinkedIn and Facebook during their R&S procedures and to what extent. The shift is taking place at faster rate from conventional recruitment to latest trends in recruitment. Well designed organisations cannot excel by quality design alone (G. Roberts, 1997)

Recruitment & Selection Process:

(Budhwar, P. S., 2000) examined the perceptions of top Indian and British personnel specialists regarding their function. The influence of national culture, national institutions and dynamic business environment on HRM is evaluated. Communicating the right job profile and then ensuring that the candidate gets the opportunity to work on it is key to recruitment and also retention, Companies are moving away from only academic criteria for recruitment. They are now looking at intangible things such as entrepreneurship, passion, learning from failures, other ambitions in life - all these to test whether the companies are hiring a complete person. Several organizational difficulties trouble Indian IT industry, mainly because of its substantial reliance on international markets and ensuing lack of attention to emerging domestic market (D’Costa, 2004). The undercurrents of both the local/regional and international/global business setting in which the steady functions should be given serious consideration . (Schuler, R.S., Budhwar, P. &Florkowski, G.W. ,2002), The Internet has affected on the way in which recruitment and selection is done.(D Bartram, 2000)

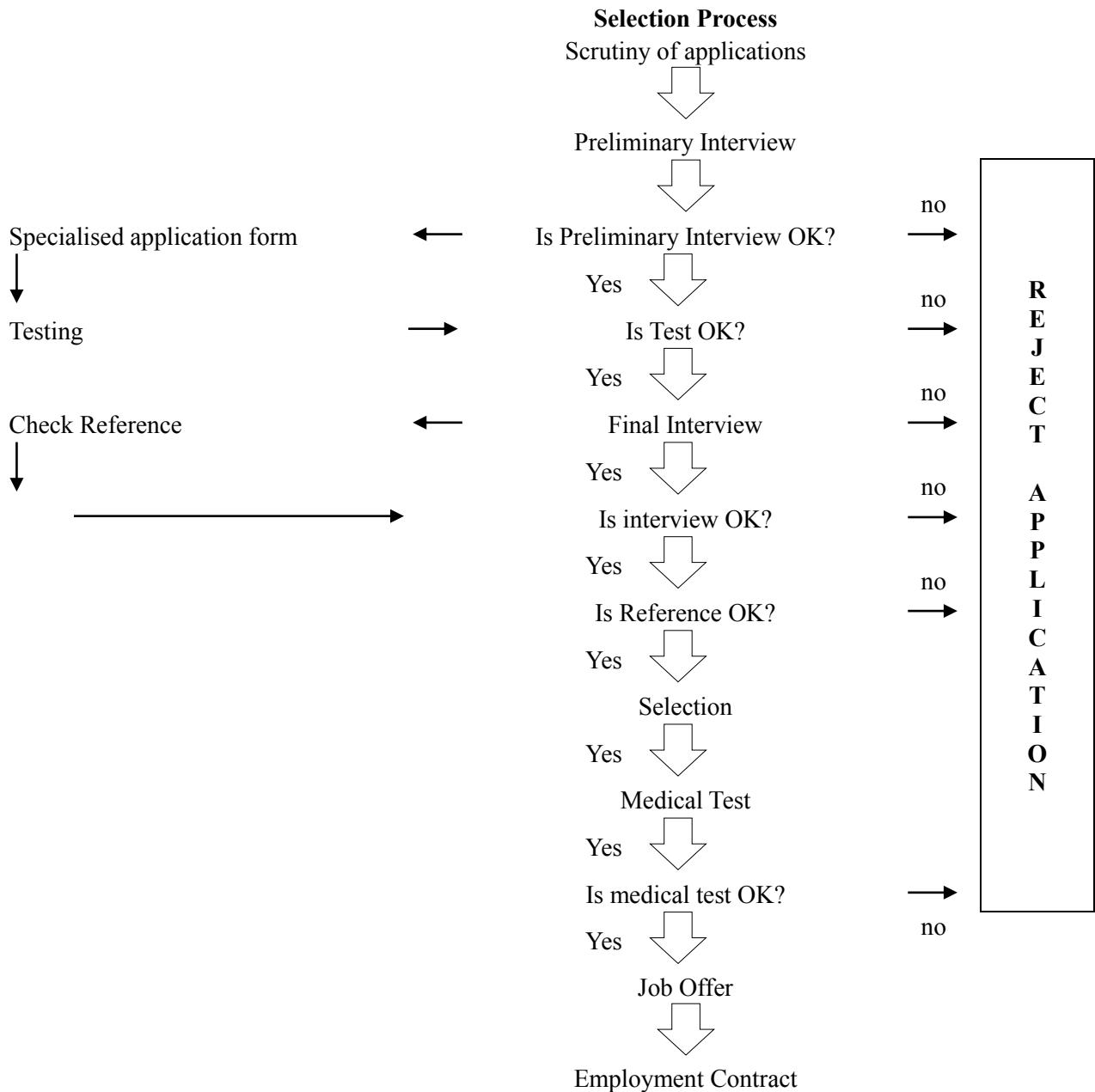
Figure 1 (Recruitment Process)



Selection Process:

(Leisink, P., & Steijn, B,2008) Attraction of right applicants is vital for the achievement of an organization and therefor acceptable recruitment and selection procedures are an indispensable component of every good scheme of human resource management

Figure 2 (Selection Process)



Employment Contract Staffing function is premeditated to any business. For any company it is essential to have the correct people. Topmost IT companies choose people with urge; people who have faced failure, and are ready to learn and people with attainment of objectives in life with vision and a right action plan. Selection is the process of eliminating the unsuitable candidate and selecting the best for a particular job to achieve success in future. In IT Industry the process of selection differs for freshers and lateral hires.

(Zhao, H., & Liden, R. C, 2011) hypothesized that both organizations and interns make efforts to impress the other party during the internship if they intend to hire or be hired. The companies generally look at the technical skills, communication skills ,professionalism and willingness to perform. Further, weak area skill of Indian firms leads to lower output and returns per employee. Software export earnings per person from India while on the rise have not been particularly high for software companies.(Arora, Arunachalam, Asundi, & Fernandes, 2001)

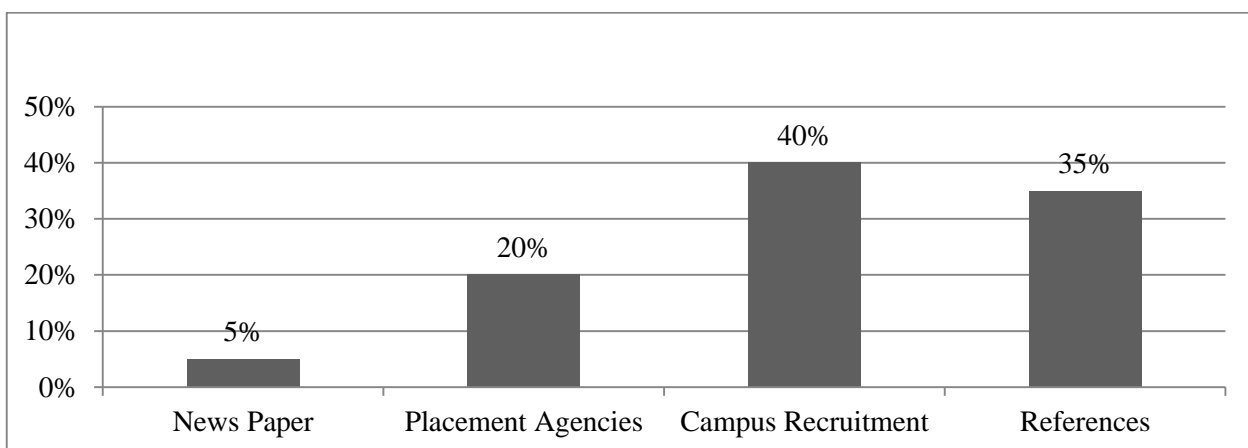
RESEARCH DESIGN:

Research design is systematically framed. The study involves the usage of both primary & secondary data. Primary data was collected through personal interview, questionnaire method and through general observation on the whole. The secondary data in this research is collected from the college library reference books, website of the company & also references of various records such as interview status reports, absenteeism records, accession separation reports, exit interviews etc. Also, it was derived from databases like ProQuest, Science Direct, EBSCO, SCOPUS, Emerald and Springer. It includes extensive literature review, survey-based research, from Ebsco, Emerald, Scopus, Jstor, Thomson Reuters and Google Scholar. For the study, the researcher had decided to follow a quantitative approach and therefore the study is a descriptive study.

The researcher collected the primary data through a survey method by distributing questionnaires to the top level, middle level of management employees (System Engineer, Project leader Assistant consultant, Associate consultant, Senior consultant and Portfolio Managers) of the selected I.T companies. The questionnaires were carefully designed by taking into consideration the parameters of research study. However, after approaching the companies for data it was found that they were shying away from giving the information on the pretext of the Companies policy of not disclosing the confidential information. This prevailing situation in the IT industry posed a challenge for the researcher in the process of data collection. This challenge increased the urge of the researcher for the data collection and the researcher started finding out other alternatives of collecting the information. To sort out this problem the researcher approached 30 experts working in well reputed IT industries. Initially, they were also reluctant to share the confidential information, then, the researcher convinced them that the information gathered would be used only for the research purpose and will not be misused. Finally, they agreed to share the information on the condition of anonymity. All the experts work in the well reputed Companies at the top and middle level management. For the convenience, the researcher has referred to them the research study by their designation instead of revealing the identity. The researcher also requested them to get the questionnaire filled in by few employees of their company informally. The researcher conducted interviews with top level employees and could successfully get questionnaires filled by the employees of IT industries. It was the crucial task for the researcher but researcher completed the survey by gathering authentic and accurate information. Obtainability of competent and capable human resource at minimum cost in developing economies is one of the advantages of the Indian software industry (Budhwar et al., 2007).

DATA ANALYSIS:

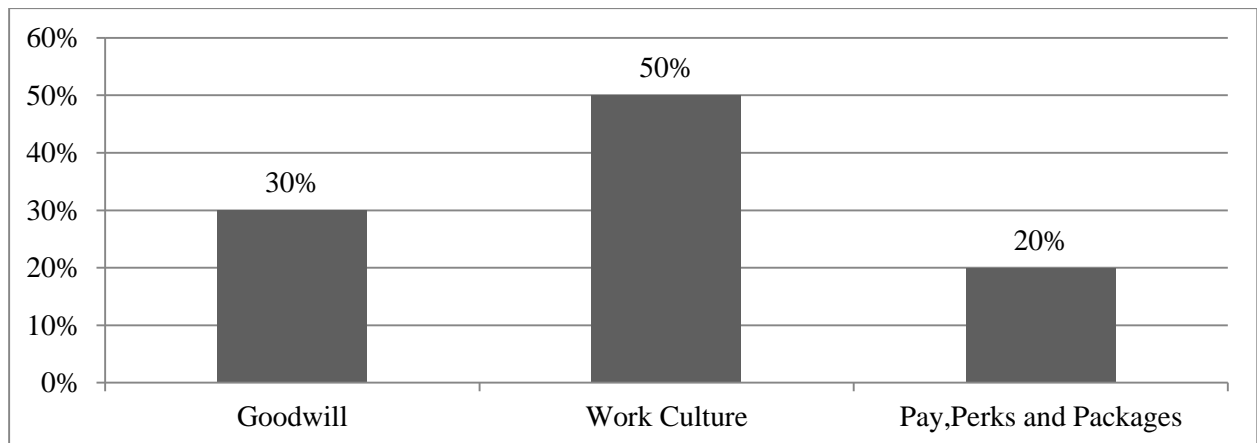
Applied: Statistical tools applied in the present study are Bar diagrams, Pie diagrams, Lines, Histograms etc. Following is the statistical and graphical analysis and interpretation of data on the basis of Questionnaire - Sources of recruitment followed by different companies in IT industry is as follows



Interpretation:

It was quite surprising to know that reference is equally popular source of recruitment like campus recruitment. Researcher found that campus recruitment is source used for recruiting freshers in IT industries. References are mostly used for recruiting top and middle level management employees. Placement agencies act as head hunters for the HR departments but it is not as important source like campus recruitment. News paper as a source of recruitment is used by few companies.

-Preferences given by candidates while applying in IT company



Interpretation:

It was astonishing for the researcher to know that work culture and environment, goodwill play significant role as compared to pay, perks and packages for a candidate to decide while applying for a company. In IT industry job offers at a generic level is very good mainly in well reputed company that’s why candidate give more consideration to work and goodwill. For example – ‘I work in Wipro’ stating this itself is stating a brand.

In the questionnaire it was asked to employees – Do you think candidates are appropriately screened in a preliminary interview? As per the survey analysis the result was 100% yes, which indicates that the selection process in well reputed IT companies is diligent, up to the mark and properly scanned and screened candidates are selected after the preliminary interview.

In the questionnaire employees were asked – What was the purpose of selection test that was administered to candidates in the recruitment process. IT industry considers human resource as a very important asset. They do man power planning in advance. All the employees stated that the purpose is to select good candidates for better future of an organisation and not to compromise with the average ones.

Criteria’s ranked by the employees in the questionnaires as per the weightage given at the time of Interview was as follows.

Interpretation:

Mode was computed by the researcher from the above observations. Mode is the value which occurs most frequently in a set of observation. It is denoted by Z. On an average first rank was given to work experience, second rank was given to domain knowledge, third rank was given to soft skills and fourth rank is given to educational qualification.

Difference between Fresher and lateral hire

Criteria’s ranked by employees as per the weightage given at the time of interview is as follows

Criteria for Ranking	Lateral Hire	Fresher
Work Experience	1 st Rank	4 th Rank
Educational Qualification	4 th Rank	1 st Rank
Domain Knowledge	2 nd Rank	2 nd Rank
Soft skill	3 rd Rank	3 rd Rank

Depending on the level of experience, the focus shifts progressively to work experience. Focus on the skills developed and the accomplishments.

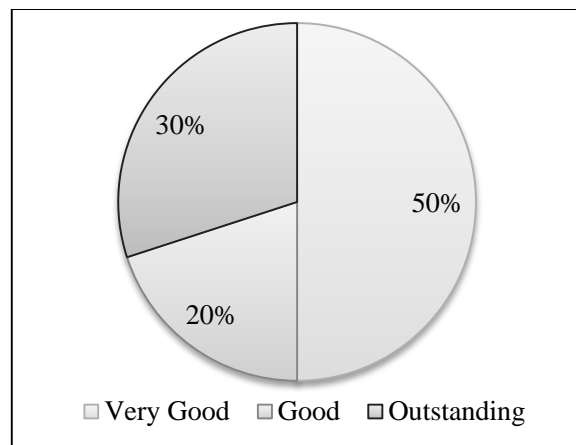
Researcher noticed that when open position needs to filled in quick time lateral are preferred since they can make a running start in the new job where as Fresher first needs to be trained.

Researcher found that Laterals have the interference of not being considered for basic programme. More importantly, researcher expect the laterals to lack the within firm tacit knowledge, accumulated “at-the-water-cooler” over the years and perhaps strengthened through joint work on project teams and other formal or informal social networks, embodying networked learning effects of not-what you-know-but-who-you-know.

Mechanisms of formal training and networks influence how intellectual capital is created and disseminated in workgroups.. Thus, it is expected that lateral hires, who do not have the peer level networks to enhance their knowledge, would benefit more from formal training.

Compton, R. L. (2009) has discussed guidance on the critical issues surrounding **recruitment** and **selection** and changes in legislation. Researcher also noted that for top level management first ranking is given to soft skills. There are plenty of examples of senior executives from one industry taking top post in another industry. When thousands of people come under one person, domain knowledge becomes secondary to leadership and vision as well as the ability to execute according to a formulated plan. One such example is Louis V. Gerstner Jr. leading IBM through turbulent times as CEO without prior IT domain knowledge when coming on-board. Both domain knowledge and soft skills matter. In a software development company , the most ideal condition would be that all the associate and senior level professionals are having good soft skills and the team lead or tech lead is having exceptionally good domain knowledge. Such team is guaranteed to produce an excellent product

- Impressions about HR policies and strategies adopted by well reputed IT companies.



Interpretation:

The above analysis shows that the HR department plays a significant role in retaining employees because employees rated the HR policies and strategies as very good, positive and effective.

FINDINGS BASED ON INTERVIEW SCHEDULE WITH EXPERTS:

The basic of recruitment and selection process is providing job description, proper screening and background verification, diligent interview process and to do man power planning Objective of recruitment and selection process is to screen the potential candidates and to select the right candidates with right salary with matching industry standards. Skills required for effective selection and recruitment process are communication skill, negotiation skill, knowledge of job portals and internet, domain knowledge and technical skills. Strategies adopted at International level by the organisation are multiple.(Pounder, D. G., & Young, I. P,1996) emphasised on how Effective recruitment and selection of organisations continues to be one of the more challenging human resource administration functions.

Business needs to know the growth strategy in different countries. (Budhwar, P. S,2003) differentiated between the white collar and blue collar job recruitment and selection process. To globalize it needs to recruit from local market considering the social aspect and cultural differences. To save cost international recruitment is done through in-house sourcing. Elements of effective recruitment and selection are not to delay for campus interview, keeping very clean criteria, training policies, to tell about the brand image of the company to prospective employee, to make the candidate adjust with company values and organizational culture and selecting and retaining the right person. Purpose of job analysis in the process is to see that the qualified candidate fits into the job profile. For example clarity is needed while appointing one language programmer in regard to multiple level of expertise. There is direct correlation between job profile and specific recruitment. The effect of recruitment and selection is on culture, talent and revenue of an organisation. It can make or break the brand image of an organisation. Nowadays the feedbacks with anonymity are given on internet. IT industry is big in number. So the number of people recruited is very high. It focuses on channel of sourcing, it is adherence to job description. It is very challenging for IT industry to retain employees as the leaving rate is very high

because too many job offers are available to employees.

CONCLUSION:

Recruitment and selection process is different from what we read in books. Even telephonic interviews are conducted to select the candidates. The process is different at different levels of management. (Newell, S. 2005) talked about the enlarged global rivalry coupled with boosted customer prospects means that the growth, or even survival, of a firm is tough. It is found that lateral hire is testified in different way than the fresher. He is tested on domain knowledge wherein he already has an experience. IT industry is growing at fast pace recruiting high number of people and developing globally. The process of recruitment and selection in well reputed IT companies is standard and up to the mark. Special practice and policies are opted to retain the employees for a long duration.. Best practices include: Choosing the best (academically and with passion) from Tier 2 engineering and business schools Offering them the right and best job profile. Testing their analytical, written, verbal and listening skills. Strategies internationally are that Hire locally in emerging and developing markets and get them to India for on-the-job training on business and technology skills. (Ramaswamy, E. A., & Schiphorst, F.B, 2000) aimed at employee empowerment within a context of strong industrial relations in India. The pressure put on profit margins by a competitive business environment is forcing an increasing number of Indian enterprises to view employee empowerment as a serious strategic option. Transfer knowledge to clients in the international markets. IT industry provide youngsters opportunities to be groomed in recruitment and selection. They get a chance to sit with seniors in interviews on how to recruit and select. Top management provide them with skills to talk passionately about the company, its vision, mission and core values. One key message to the interviewers is "Would you select this candidate if it was your own company?" For retention, IT companies do the following: Provide staff with the right job profile, Create and maintain an environment of transparency and communication with staff, Participate in their growth through the model of guru/disciple grooming and mentoring ,Job analysis is very important and it is the first thing that attracts candidates to apply for the job.

LIMITATIONS:

The study is conducted at a point of time and covers various aspects of recruitment and selection in IT Industry at Macro Level. It is important to consider that there could be biasness from the experts.

FURTHER RESEARCH DIRECTIONS:

The study can be conducted with structured questionnaire on a larger sample size. Researchers can repeat this research in different cities to boost the generalization of the findings. This will help researchers gain insight into the notion and perception of recruitment and selection in different states and cities in India. A similar study may be conducted in other cities in India for expanding the area of investigation.

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