
CHAPTER – 8

SUMMARY, CONCLUSIONS AND SUGGESTIONS

This chapter consists of summary, conclusions and suggestions. A summary of the problem, objectives, methodology and profile of the company and respondents selected for the purpose are given. Conclusions drawn on the basis of the analyses given in earlier chapters are given. Based on the conclusions, wherever possible, suggestions are given.

8.01 Introduction

Human resources play a very important role in the success of the organization. Human resources are the people that staff and operate an organization. Human resource management is an organizational function that deals with the people and issues related to people such as compensation, hiring, performance management, and training. Hence human resource management is vital to the organisation. Efficient management of the finances and markets depend upon human resources. Hence there is the need for effective management of human resources irrespective of the size and nature of the organization.

Human resource management aims at obtaining capable people for achieving the objectives of the organization and for ensuring effective utilization of their services. As the success of any organization largely depends on the quality of its human resources and the extent to which they are motivated, human resource management acquires special significance in an organisation.

Human resource policy, practices and procedures constitute human resource management. Goal directed policy, well accepted practices and well designed procedures contribute to the successful execution of the vital and critical human resource function. Of them human resource practices play a significant role in shaping, influencing and enhancing the morale, motivation, capability, commitment and ultimately performance of the employees.

In short human resource management relates to the total set of knowledge, skills and attitudes that firms need to compete. It involves concern for and action taken in the management of people. It deals with issues like recruitment and selection, training and development, wage and salary administration, performance appraisal etc. Such actions may be bound together by the creation of an HRM philosophy.

8.02 Human Resource Practices in IT Industry

Now-a-days software is an important industry. India's software industry is growing at a rapid pace. The industry is expected to grow by 30 per cent. India's IT industry now employs more than one million people in the country. At present there are more than 500 software firms in the country.

Country's software exports reached total revenue of Rs 46,100 crores. The share in the total exports forms 4.9 per cent in 1997 and 20.4 per cent in 2002-03. It is expected that the industry will generate a total employment of around four million people, which accounts for 7 per cent of India's total GDP in the year 2008.

Software industry, in just a few decades, has grown enormously, employing millions of people worldwide. Human resource practices play a significant role in shaping, influencing, and enhancing the capability of the employees in the industry. This is because the provision and utilization of physical and tangible assets to meet the organizational goals depend solely on the capability, knowledge and skill of

human resources. The IT industry is a service industry. The quality service offered determines the success of an organization. This leads to the fact that creativity, innovativeness, knowledge and skill of the employees are important.

The strategic HR role focuses on aligning HR practices with business strategy. The HR professional is expected to be a strategic partner contributing to the success of business plans, which to a great extent depends on HR policies pertaining to recruitment, training, and rewarding. Therefore attracting, training, motivating and retaining are the critical success factors of the industry.

Recruitment and selection, training and development, wage and salary administration and reward system have become important subsystems of human resource management, especially in IT industry because of the need for and importance of skilled manpower in the industry. It is very essential to tune these processes in a manner that the industry is able to get and retain the best talent available in the market.

8.03 IT and Changing Role of HR

Human resources are critical in the software industry. Human resources are not only the drivers and principal value-creators but also intellectual property of the industry. Therefore attracting, training, developing, appraising, compensating and rewarding are the critical factors. Keeping in view their importance it is thought necessary to study HR practices in software industry.

8.04 Need for the Study

Software industry is in boom. Though industry runs through machines, it is the fact that these machines are managed by men. Hence they are considered as valuable resources. Moreover the success of any organization depends on the performance of people in the organization. There must be a proper

fit between business strategy and human resource strategy. Hence organization needs to formulate best strategies for its human resources and facilitate in the achievement of organizational objectives. The present study focuses on various human resource management practices in IT industry.

8.05 Statement of the Problem

Many studies were undertaken on IT industry but no effort has been made to study exclusively Human Resource Management practices emphasizing Recruitment, Training and Development, Performance Appraisal and Reward system. Though some sporadic attempts were made and stray articles are found on HRM practices in IT industry, but no study is so far carried out on HRM practices in one of the leading companies like SUBEX LIMITED, BANGALORE. Hence, the present study is imperatively called for.

8.06 Objectives of the Study

The main objective of the present research is to study, know and analyze human resource management policies, practices and procedures in the select software company on the basis of the respondents' perceptions, opinions and experiences. This main objective can be delineated into the following sub-objectives.

1. To know and analyze the recruitment and selection process, procedures and practices in the selected software company.
2. To study and evaluate the employee training and development related programmes and practices in the selected software company.
3. To analyze the employee perceptions on performance appraisal system in vogue in the selected software company.

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4. To study the analyze employee perceptions on the reward management in the selected software company.
 5. To study the promotion policy and practices in the selected software company.
 6. To offer suggestions if any for improving human resource management practices in the company.

8.07 Hypotheses

Based on the objectives of the study the following hypotheses have been formulated. Those hypotheses provide direction to the study.

1. The recruitment and selection policy, practices and procedures are mostly acceptable to the employees of the company.
2. The training and development related practices in the company are mostly acceptable the employees.
3. The performance appraisal system in vogue in the selected software company is good and agreeable to different types of employees.
4. The promotion policy and practices in the selected software company is agreeable to majority of the employees.
5. The employees are satisfied with reward management in the selected software company.

8.08 Scope

HR management consists of many activities. However, the present research is confined to a study and examination of select human resource practices – recruitment and selection, training and development, performance appraisal and reward system in the select software company.

8.09 Methodology

For the purpose, SUBEX LIMITED, Bangalore has been selected as a sample organization and a detailed and micro level study has been carried out on HRM practices in software industry. A structured questionnaire has been used for the purpose of collecting data on human resource practices in the selected company from the selected employees. The questionnaire covers human resource practices such as recruitment, performance appraisal, training and development and reward system. The responses to most of the statements have been structured on a five-point scale.

For the purpose of the study 218 employees were selected on random basis. Data were collected through a questionnaire. The data so collected were classified and presented in the form of tables. For the purpose of analysis statistical measures such as simple percentages and weighted average scores were used.

8.10 Industry Overview

The information technology (IT) industry has become one of the most robust industries in the world. IT, more than any other industry or economic facet, has an increased productivity, particularly in the developed world, and therefore is a key driver of global economic growth. Economies of scale and insatiable demand from both consumers and enterprises characterize this rapidly growing sector.

Information technology encompasses all possible aspects of information systems based on computers. Both software development and the hardware involved in the IT industry include everything from computer systems, to the design, implementation, study and development of IT and management systems. Owing to its easy accessibility and the wide range of IT products available, the demand for IT services has increased substantially over the years. The IT sector has emerged as a major global source of both growth and employment.

The Indian information technology (IT) industry has played a key role in putting India on the global map and is now envisioned to become a US\$ 225 billion industry by 2020. Over the past decade, the Indian IT-BPO sector has become the country's premier growth engine, crossing significant milestones in terms of revenue growth, employment generation and value creation, in addition to becoming the global brand ambassador for India.

According to a research report published by National Association of Software and Service Companies (NASSCOM), 'IT-BPO Sector in India: Strategic Review 2011,' the sector is estimated to aggregate revenues of US\$ 88.1 billion in FY2011, with the IT software and services sector (excluding hardware) accounting for US\$ 76.1 billion of revenues. The report estimates export revenues to gross US\$ 59 billion in FY2011 and contribute 26 per cent as its share in total Indian exports (merchandise plus services), employing around 2 million employees.

8.11 Profile of the Company

SUBEX is a leading global provider of Operations Support Systems solutions with a mission to empower communication service providers to achieve competitive advantage through business optimization and service agility and deliver new service experiences to subscribers. SUBEX's customers include 36 of the world's 72 biggest telecommunications service providers. The company has more than 300 installations in over 70 countries. SUBEX ranks as the world's number 1 provider of Fraud Management and Revenue Assurance solutions, the world's number 2 provider of Service Activation solutions and the pioneer of the Data Integrity Management solutions. SUBEX limited is a national leader in pioneering the concept of a revenue operations centre.

SUBEX Ltd., Bangalore can broadly be divided into Engineering and Non- Engineering functions. The engineering division develops the products (software) and looks after its maintenance, whereas the non-engineering division supports the engineering division.

In the engineering division there are three business units. They are: (a) RMS (Revenue Maximization Solutions), (b) FAS (Fulfillment & Assurance Services) and (c) BT (British Telecom). Business unit-wise number of the employees are RMS – 369, FAS – 230 and BT – 38 thus making a total of 637.

Designation/Grade-wise number of employees (Engineering) are: (a) Sr. Vice-President (M5) – 1, (b) Vice-President (M4) – 1, (c) Product Unit Head (M3) – 3, (d) Sr. Project Managers (M2) – 8, (e) Project Managers / Architects (M1) – 45, (f) Project Leads / Technical Anchors (E3) – 98, (g) System Analysts (E2) – 363, (h) Software Engineers (E1) – 59, and (i) Software Engineer Trainees (T1) – 58.

In the Non- Engineering division, there exist the following departments. They are: (a) HR, (b) Finance, (c) Marketing, (d) Legal, (e) Engineering, and (f) Facilities. HR team consists of around 20 members, finance team comprises of 25 members, marketing team comprises of about 20 members, legal team around 10 and engineering around 800+. Services like security and housekeeping are outsourced.

8.12 Facilities, Benefits and Rewards

Many facilities, benefits and rewards, which come under HR practices, are provided by the company to its employees. They are given in detail in the profile chapter. However they are given in brief here. Facilities provided to the employees include transportation, late night drop, cafeteria, occupational health centre, personal services, life skills catalyst, library, gymnasium, recreation and play facilities, auditorium, parking facility etc. Benefits at the Company include leave facility, insurance and gratuity benefit, employees' stock option plan, children's education, broadband connection, SIM connection etc. In addition to that flexible benefit plans like house rent allowance, reimbursement of medical expenses, car lease scheme, vehicle maintenance, leave travel allowance (LTA), meal vouchers worth Rs. 1300 per month, higher education assistance to employees up to level E3 with minimum 6 months of service at Company, contingency loans to the employees at all levels up to a maximum of Rs.

30,000, young Subexians' Assistance to assist young employees etc. In addition to the facilities and benefits mentioned above certain rewards are also provided. They are: Subexian Pride Award, Pat on the Back (Spot Award), Hats Off Award (Team Award), GuruCool Award (trainer award) and Long Service Awards.

8.13 Employees Profile

- Majority of the respondents are male members, are less than 30 years of age, are unmarried, and are members of joint families.
- Majority of the respondents belong to Hindu religion and to forward castes.
- Majority of the respondents possess MCA/M.Tech degree at the time of joining and there is little improvement in qualifications after joining the job.
- Majority of the respondents have joined as trainees. After joining the company many have got promotions and drastic changes in the designations of the employees have taken place.
- Majority of the respondents have 1 to 5 years of experience in the company.
- Majority of the respondents were employees at the time of joining the company.
- Majority of the trainees were unemployed at the time of recruitment.
- Majority of the software engineers, system analysts and project leaders were employed at the time of selection to this company.
- Majority of the project managers were students at the time of selection to this company.
- Majority of the respondents have joined the company because of better salary and challenging job. Better working conditions and reputation of the company are other reasons for joining the

company. A few respondents have joined the company because they could not get any other better job.

8.14 Conclusions on Recruitment Practices

- a) **Status at the time of joining:** It seems the company is not biased towards any status of the person at the time of employment. Students, unemployed and already employed are equally preferred. Status of the person is not the criteria for selection.
- b) **Reasons for joining the Company:** A major portion of employees have opted the company for better salary, the next preference is given to challenging job and better working conditions which the company is providing.
- c) **Sources of Recruitment:** The Company mainly uses three sources of recruitment. They are employee referrals, consultants and campus recruitment in that order. For recruiting B.E./B.Tech. qualified people campus recruitment is more popular. For recruiting M.Tech./M.C.A. qualified respondents employee referrals appears to be more popular. Recruiting through consultants is the second most popular source. More number of men gained entry into the company through the reference of other employees whereas most of the women gained entry into the company through the consultancy services. Major source of recruitment for trainees is campus recruitment. In case of others the major source is employee referrals.
- d) **Deciding factor in employee selection:** Survey results show that factors like qualification, merit and work experience are considered at the time of selection. In case of fresh candidates, where work experience is not applicable as a criterion, merit is considered. Comprehensive, simple and unbiased are the opinions expressed by the respondents over the selection process in the company.

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- e) A great majority of the respondents are satisfied with the placement, probation and confirmation procedures and practices followed by the company.
- f) **Opinion on Induction:** More than 40 per cent of the selected employees accepted that class room method of induction is followed in the company; remaining respondents feel that in addition to classroom method, other methods like pamphlets, discussion with superiors and online circulation of information are also used in the company. To communicate different sorts of information, different methods are used. For example information about the company is provided in the form of pamphlets, class room method is followed to explain all the HR policies followed at Subex etc. A majority of the selected employees also of the opinion that induction program is important.
- g) **Overall opinion on acquisition function:** More than 95 per cent of the employees, selected for the purpose, are either fully satisfied or satisfied with various aspects of acquisition function in the company.
- h) **Registration with online employment agencies:** Irrespective of education, gender and designation a great majority of the respondents have registered themselves with online employment agencies. Many of them have registered themselves with more than one online employment agency. This shows how popular are the online employment agencies. Among the online employment agencies Naukri.com and Monster.com are more popular among the respondents.
- i) **Opinions of the respondents on better source of recruitment:** On the basis of the responses to the question that “In your opinion which source of recruitment is better?” it can be said that a great majority of the respondents (71.10 per cent) think that campus recruitment is better than the other sources. It is followed by referrals (70.18 per cent), walk-ins (63.76 per cent), direct

applications (56.88 per cent), job melas (52.75 per cent), advertisements (38.53 per cent), friends and relatives (37.61 per cent), and employment agencies (37.61 per cent) in that order.

j) **Opinions of the respondents on usefulness of “advertisements in news papers”:** Irrespective of education, gender and designation a great majority of the respondents opine that “advertisements in news papers” is useful. *From this it can be concluded that advertisement in newspapers is useful.*

k) **Opinions of the respondents on “usefulness of advertisements in professional journals”:** Though a majority of the respondents agree upon usefulness of the advertisement in professional journals, graduate respondents carry a more positive opinion than the postgraduate respondents, male respondents carry a more positive opinion than the female respondents and trainees/software engineers and system analysts carry more positive opinion than the project leaders/managers. *From this it can concluded that advertisements in professional journals is useful and is a desirable HR practice.*

l) **Opinions of the respondents on “usefulness of advertisement on internet”:** An analysis of the responses from the selected employees shows that an over whelming majority of the respondents agree upon usefulness of advertisement on internet. None of the respondents think that either it is not useful or not at all useful. A perusal of the weighted average scores shows that concurrence with the statement that “advertisement on the internet is useful” is ‘very high’ among the respondents. *From this it can concluded that advertisements on the internet is very useful and is a desirable HR practice.*

m) **Opinions of the respondents on “usefulness of advertisement in other media”:** An analysis of the responses from the selected employees shows that a majority of the respondents are either undecided or think that advertisement in other media is not useful. A perusal of weighted

average scores shows a low level of agreement over the usefulness of the advertisement in other media. *From this it can be concluded that advertisement in other media is not useful.*

- n) **Opinions of the respondents on “usefulness of employment agencies”:** A majority of the B.E./B.Tech. graduates, majority of both male and female respondents, and majority of the trainees/software engineers and system analysts are of the opinion that employment agencies are either very useful or simply useful but a majority of the M.C.A./M.Tech degree holders and project leaders/managers do not think so. A considerable number of the respondents are undecided. Weighted average scores show existence of a high level of agreement over the usefulness of the employment agencies among all the respondents except project leaders/managers. *From this it can be concluded that the employment agencies are also useful. But a considerable number of the respondents are undecided. From this it can also be assumed that many of the software specialists do not make use of ordinary employment agencies.*
- o) **Opinions of the respondents on “usefulness of online or .com employment agencies”:** An overwhelming majority of the respondents are of the opinion that online or .Com employment agencies are useful. A perusal of weighted average scores also shows existence of a very high level of agreement over the usefulness of the online or .com employment agencies among all the categories of the respondents. *From this it can be concluded that online or .com employment agencies are very useful.*
- p) **Opinions of the respondents on “usefulness of campus recruitment”:** An overwhelming majority of the respondents think that campus recruitment is useful. A perusal of weighted average scores also shows existence of a very high level of agreement over the usefulness of campus recruitment among all the categories of the respondents. *From this it can be concluded that campus recruitment is popular and is very useful.*

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- q) **Opinions of the respondents on “usefulness of casual calls”:** Majority of the respondents do not think casual calls are useful. It seems at higher level this source is to some extent used. A considerable number of the respondents are undecided over this. *From this it can concluded that usefulness of casual calls is doubtful.*
- r) **Opinions of the respondents on the “usefulness of the source ‘recommendations’”:** Weighted average scores show a high degree of agreement over the statement. That means many of the selected employees do think that the source ‘recommendations’ is useful. A considerable number of the respondents are undecided. *From this it can concluded that usefulness of ‘recommendations’ as a source of recruitment cannot be ruled out.*
- s) **Deciding factor(s) in the selection:** Qualifications, work experience and merit are the three factors considered at the time of selection. Relatively more number of the respondents are of the opinion that the three – qualification, work experience and merit – were considered at the time of selection.
- t) Five stages are generally used in the selection process. They are (a) Written Examination, (b) Group Discussion, (c) Technical Round I, (d) Technical Round II and (e) HR Round. Qualification, work experience and merit are generally considered at the time of selection. For system analysts project leaders/managers no written examination and group discussion are conducted. Sometimes for selecting software engineers also neither the written examination nor the group discussion is conducted.
- u) Many respondents think that selection procedure is unbiased and comprehensive but 17.07 per cent of the trainees/software engineers think that it is biased.
- v) A great majority of the respondents are satisfied with placement, probation and confirmation in the organization.

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- w) A great majority of the respondents opine that they are sufficiently informed of their duties, responsibilities and nature of the work.
- x) **Methods of Induction:** *Methods of induction used in the organization include class room orientation, discussion with superiors, booklets and pamphlets, and online, either collectively or separately.* Analysis also shows that higher the designation lesser the use of 'class room orientation' method for induction. As far as the methods, 'discussion with superiors' and 'booklets' and 'pamphlets' are concerned reverse is the trend. A very few respondents say online induction method is used.
- y) **Importance of Induction Programmes:** *A majority of the respondents opine that the induction programmes are important.* B.E./ B.Tech. qualified respondents carry a more positive opinion than the M.C.A./M.Tech qualified respondents. Male respondents carry a more positive opinion than the female respondents. Level of acceptance of induction programmes as important is higher among trainees/software engineers and system analysts than the level of acceptance among the project leaders/managers. On the whole the respondents carry a positive opinion about importance of the induction programmes.
- z) **Overall Opinion on Acquisition Function:** *On the whole the respondents carry a high level of satisfaction with acquisition function of the respondents.* More than 99 per cent of the respondents are of the opinion that executives/superiors take interest and spend time with new recruits during induction. All the project leaders/managers and more than 74 per cent of others know recruitment policy of the company.

8.15 Practices/Opinions on Training and Development

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- More than three-fourths of the respondents know of the training policy of the company and the others do not. Education-wise analysis shows more number of the MCA/M.Tech qualified respondents know of the training policy when compared to B.E./ B.Tech. graduates. Gender wise analysis shows that awareness about the training policy is more among male respondents when compared to the female respondents. Designation-wise analysis shows that awareness about the training policy among the project leaders/managers is more when compared to awareness among the system analysts and trainees/software engineers. To conclude a great majority of the employees are aware of training policy of the company.
 - Irrespective of education, gender and designation more than 80 per cent of all categories of the respondents either strongly or simply agree with the statement “training policy in the company is structured, widely shared and based on the business needs.” Weighted average scores of all categories of respondents show a very high level of agreement with the statement. Hence it can be concluded that training policy in the company is a structured, widely shared and based on the business needs.
 - **Participation of the employees in determining the training needs:** Majority of the respondents think that ‘employees in the organization participate in determining the training they need’. Education-wise analysis of the responses shows that, though majority of the respondents are of the opinion that “employees in the organization participate in determining the training needs, MCA/M.Tech qualified respondents carry more positive opinion than the B.E./ B.Tech. qualified respondents. Gender-wise analysis of the responses shows that more of male respondents are of the opinion that “employees in the organization do participate in determining the training they need” when compared to female respondents. Designation-wise analysis of the responses shows that more of project leaders/managers are of the opinion that “employees in the

organization participate in determining the training needs” when compared to system analysts and trainees/software engineers. *From this it can be concluded that generally ‘employees in the organization participate in determining the training needs’.*

- **“Employees are Helped to Upgrade their Technical Knowledge and Skills through Training”:** Irrespective of education, gender and designation an over whelming percentage of the respondents either strongly or simply agree with the statement “employees are helped to upgrade their technical knowledge and skills through training.” Weighted average scores of all categories of respondents show a very high level of agreement with the statement. *From this it can be concluded that “employees are helped to upgrade their technical knowledge and skills through training”.*
- **Number of the Training Programmes Attended by the Respondents:** Except one all the respondents have attended training programmes. A large percentage (85.78 per cent) of the employees has attended one to five training programmes. From this it can concluded that training is given on a continuous basis and at regular intervals to the employees at all levels in the company.
- **Satisfaction with Training Methods in the Company:** On the whole a large percentage of the respondents are either highly or simply satisfied with the training methods in the company. Weighted average scores show a very high level of satisfaction among the respondents. Educational qualification-wise analysis shows that, though more than 90 per cent of the both B.E./ B.Tech. qualified and MCA/M.Tech qualified respondents are satisfied with training methods in the company, relatively more number of MCA/M.Tech qualified respondents are satisfied than B.E./ B.Tech. qualified respondents. Gender-wise analysis shows that slightly a

higher percentage of the male respondents are satisfied with training methods used in the company than the female respondents. Designation-wise analysis of the responses shows that more of system analysts are satisfied with training methods in the company than the trainees/software engineers and project leaders/managers.

- **Satisfaction with Course Contents in the Training:** On the whole large number of the respondents is satisfied with the course contents in the training. Weighted average scores too show a 'high' level of satisfaction among the respondents. Educational qualification-wise analysis shows that MCA/M.Tech qualified respondents are more satisfied than the B.E./B.Tech. qualified respondents with the course contents of the training in the organization. Gender-wise analysis of the responses shows that the male respondents are more satisfied than the female respondents with the course contents of the training in the company. Weighted average scores show existence of a 'very high' level of satisfaction among the male and a 'high' level of satisfaction among the female respondents as far as the course contents of the training in the organization are concerned. Designation-wise analysis of the responses shows that relatively more number of trainees/software engineers are satisfied with course contents in the training programmes than the system analysts and project leaders/managers. Weighted average scores show existence of a 'very high' level of satisfaction among trainees/software engineers and project leaders/managers, and a 'high' level of satisfaction among system analysts. *From this it can be said a great majority of the respondents are satisfied with the course contents in the training and the level of satisfaction is more among postgraduates, male members and the trainees/software engineers than the others.*
- **Satisfaction with Supply of Course Material:** On the whole majority of the respondents are satisfied with the supply of course material. Weighted average score of the responses further

confirms this opinion. Education-wise analysis shows that both the categories of employees are highly satisfied, but the level of satisfaction among M.C.A./M.Tech. qualified employees is higher than that of B.E./ B.Tech. qualified employees. From this it can be concluded that a majority of the respondents, irrespective of designation, are satisfied. Weighted average scores of the responses also show a high degree of satisfaction with the course material supplied at the training and development programmes. But the level of satisfaction with the course material supplied is lower among the system analysts when compared to others. Gender-wise analysis shows that both male and female respondents are highly satisfied, but the level of satisfaction among male respondents is higher than that of level of satisfaction of the female respondents.

- **Satisfaction with Quality of the Faculty in the Organization:** Majority of the respondents are satisfied with quality of the faculty in the organisation. Weighted average score of the responses too shows a very high level of satisfaction with quality of the faculty in the organization. Education-wise analysis shows that a great majority of the B.E./ B.Tech. qualified and M.C.A./M.Tech qualified employees are satisfied. Weighted average scores of the responses show that both the categories of employees are very highly satisfied. The level of satisfaction among both the categories of the respondents is almost the same. Gender-wise analysis shows that a great majority of the male and female respondents are satisfied. Weighted average scores of the responses show that both male and female respondents are very highly satisfied, but the level of satisfaction among female respondents is slightly higher than that of the level of satisfaction among the male respondents. Designation-wise analysis shows a very high level of satisfaction with quality of the faculty in the organization.

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- **Satisfaction with Evaluation in the Training Programmes:** On the whole weighted average score of the responses show a very high level of satisfaction with evaluation in the training programmes. Education-wise analysis shows that both the categories of employees are very highly satisfied. The level of satisfaction among both the categories of the respondents is almost the same. Gender-wise analysis shows that a great majority of the male and female respondents are satisfied. Weighted average scores of the responses show that both male and female respondents are very highly satisfied, but the level of satisfaction among female respondents is slightly higher than that of the level of satisfaction among the male respondents. Designation-wise analysis shows a high to very high level of satisfaction with evaluation in the training programmes.
 - **Satisfaction with the Training Programmes Attended:** On the whole weighted average score of the responses show a high level of satisfaction with the training programmes attended. Education-wise analysis shows that both the categories of employees are highly satisfied with the training programmes attended by them. The level of satisfaction among M.C.A./M.Tech qualified respondents is higher than the level of satisfaction among the B.E./ B.Tech. qualified respondents. Gender-wise analysis shows that a great majority of the male and female respondents are satisfied. Weighted average scores of the responses show that both male and female respondents are highly satisfied, but the level of satisfaction among male and female respondents is almost the same. Designation-wise analysis shows that a high to very high level of satisfaction with the training programmes attended.
 - **Assessment of the Existing Training Programmes in the Company:** On the whole the responses show a high level of satisfaction with the existing training programmes in the company. Education-wise analysis shows that both the categories of employees are highly satisfied with

the training programmes in the company. The level of satisfaction among M.C.A./M.Tech qualified respondents is slightly higher than that of the level of satisfaction among the B.E./B.Tech. qualified respondents. Gender-wise analysis shows that a majority of the male and female respondents are satisfied the training programmes in the company. Weighted average scores of the responses show that both male and female respondents are highly satisfied, but the level of satisfaction among female respondents appears to be slightly more than that of the level of satisfaction among the male respondents. Designation-wise analysis shows a high to very high level of satisfaction with the existing training programmes in the company.

- **Periodical Evaluation and Improvement of the Training Programmes:** Irrespective of education, gender and designation more than 95 per cent of all categories of the respondents either strongly or simply agree with the statement “training programmes in the company are evaluated and improved upon every year.” Weighted average scores of all categories of respondents show a very high level of agreement with the statement.

Software industry is a technology based industry requiring continuous upgradation of the skills of the employees in both software and hardware related aspects. It seems the company, under study, too has realized the need and giving training to its employees on a continuous basis. It seems it is has an appropriate training policy, right procedures and practices. Most of the employees irrespective of education, gender, and designation are satisfied with many of the aspects relating to training policy, procedures, methods and training as a whole.

8.16 Performance Appraisal

- a) **Knowledge about the Performance Appraisal Criteria:** A majority of selected employees are aware of criteria adopted for performance appraisal in the company. Performance appraisal

criteria should be known by all the employees irrespective of education, gender and designation. Hence the company should try to increase awareness among all the employees.

b) Awareness of the Respondents Regarding the Person Making Performance Appraisal:

Performance is generally appraised by human resources manager, department head or immediate superior. Majority of the respondents irrespective of education, gender and designation (except system analysts) are of the opinion that immediate supervisor appraises the performance. But a few selected employees are also of the opinion that HR manager and departmental heads also appraise the performance. Differences in the opinions may be due to differences in the perceptions, experiences and awareness based on their positions, placements and education. In this case all are well educated. Some though educated may not be interested in knowing things. Performance appraisal can be done by themselves (self appraisal), by the superiors, by the peers and by the subordinates depending upon the method they use in the organization. However, *knowledge relating to the person or persons appraising the performance of the employees in the organization is not either adequate or not the same among the selected employees.*

c) Frequency of Performance Appraisal: Irrespective of education, gender and designation a great majority of the respondents are of the opinion that appraisal is done once in six months. *From this it can be understood appraisal is done once in six months in the organization.*

d) "Performance Appraisal is Linked to....": A majority of the selected employees agree that the performance appraisal process in the company is linked to both 'Training and Development', and 'Reward and Promotion'. A few employees think that performance appraisal is linked with one of the two.

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- e) **Availability of Feedback Useful in Identifying the Shortcomings:** Majority of the respondents are of the opinion that they get feedback necessary for identifying their shortcomings. Relatively a higher percentage of the M.C.A./M.Tech qualified respondents, female respondents, system analysts and project leaders/managers are of the opinion that they get feedback necessary for identifying their short comings than the B.E./ B.Tech. qualified respondents, male respondents, trainees/software engineers respectively.
- f) **Satisfaction with the Criteria of Performance Appraisal Followed in the Company:** Majority of the respondents are satisfied with the criteria of performance appraisal followed by the company. M.C.A./M.Tech qualified respondents are 'very highly satisfied' whereas B.E./ B.Tech. qualified respondents are only 'highly satisfied' with the criteria of performance appraisal followed by the company. Gender-wise analysis shows both male and female respondents are 'highly satisfied' with the criteria of performance appraisal followed by the company. Designation-wise analysis shows that all the three categories of the respondents are 'highly satisfied' with the criteria of performance appraisal followed by the company.
- g) **Clarity about Job Responsibility:** A great majority of the selected employees agree that their job responsibility is well defined. From this it can be concluded that the Job responsibilities and targets are determined well in advance for all employees in the company and the employees are comfortable with the procedure.
- h) **Career Paths are Laid Down for Every Employee with Opportunities Clearly Specified:** Majority of the selected employees are of the opinion that career paths are laid down for every employee with opportunities clearly specified. The weighted average score of the responses show that they are well in agreement with the statement. Education-wise analysis shows that MCA/M.Tech qualified respondents agree more with the statement than the B.E./ B.Tech.

qualified respondents. Gender-wise analysis shows that a larger percentage of men than women agree with the statement. Weighted average scores of the responses of all categories of the respondents show a high degree of concurrence with the statement. *From this it can be concluded that majority of the employees are of the opinion that “career paths are laid down for every employee with opportunities clearly specified” in the organization.*

- i) **Employee Empowerment and Autonomy to Plan, Organize and Perform:** Majority of the selected employees are of the opinion that “career paths are laid down for every employee with opportunities clearly specified” in the organization. However a considerable number of the selected employees are uncertain. Hence it can be concluded that employees are uncertain in their decision regarding laying down the career paths for employees in the company.
- j) **“Employees regularly receive feedback about their potential for higher level jobs”:** Majority of the respondents agree with the statement that “employees regularly receive feedback about their potential for higher level jobs”. Weighted average scores of both technical graduates and postgraduates show a high degree of agreement with the statement that “employees regularly receive feedback about their potential for higher level jobs”. A higher percentage of M.C.A./M.Tech. respondents than the B.E./ B.Tech. qualified respondents, women respondents than the men respondents, trainees/software engineers than the system analysts and project managers/leaders agree with the statement. *From this it can be understood that majority of the employees are of the opinion that “employees regularly receive feedback about their potential for higher level jobs”.*

To develop the human resources in the organization, continuous feedback should be provided to the employees about their strengths and weaknesses. With the help of the feedback one can get to know about their present capabilities and workout the needed things to achieve

the desired position. So, the companies should help employees by providing continuous feedback on their strengths and weaknesses.

k) **“The Performance Appraisal Provides an Opportunity for Self Review & Reflection”**: Self appraisal is a good practice in performance appraisal. To know whether it is practiced in the organization or not, the responses of the selected employees have been collected, analyzed and presented in table 5.11. Majority of the respondents agree with the statement that “the performance appraisal provides an opportunity for self review and reflection”. Weighted average scores show a high degree of agreement with the statement. However postgraduates agree more with the statement than the graduates. *From this it can be understood that majority of the employees are of the opinion that “the performance appraisal provides an opportunity for self review and reflection”.*

l) **“The Appraisal System Provides for a Frank Discussion for Both the Appraiser and the Appraised.”**: Irrespective of the level of education, gender and designation, majority of the selected employees opine that the appraisal system provides for a frank discussion for both the appraiser and the appraised. But a considerable number of the selected employees could not say anything. This causes concern. *From this it can be understood that majority of the employees are of the opinion that “the appraisal system provides for a frank discussion for both the appraiser and the appraised.”*

8.17 Conclusions on Promotion Policy

A majority of the respondents irrespective of education, gender and designation think that:

- There are many promotion opportunities in the organization. Generally project leaders/managers are experienced hence they have got more number of promotions.

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- Seniority-cum-merit is the most preferred basis for promotion.
 - Employees of the Company, in general, are satisfied with the existing promotion policy in the company. (However MCA/M.Tech qualified employees and Project leaders/managers carry more positive opinion than the others.)
 - Many employees of the Company are of the opinion that promotion policies are well defined and shared with all the employees. (However MCA/M.Tech qualified employees and Project leaders/managers carry more positive opinion than the others.)
 - Many employees of the Company carry a opinion that promotion decisions are based on suitability of the employee rather than on favoritism

8.18 Conclusions on Reward Management

The agreement level of the respondents with the following statements is **very high**.

- a) My salary is sufficient to meet the needs of my family.
- b) I am satisfied with allowances provided by the company.
- c) There is an improvement factor in my salary whenever it is revised.
- d) I am satisfied with the welfare measures provided by the company.

The agreement level of the respondents with the following statements is **high**.

- a) My job provides sufficient incentives, leave facilities and benefits.
- b) I am satisfied with the periodical review of salaries and other benefits.
- c) On the whole satisfied with the reward functions in the company.
- d) My salary level is comparable with the salary levels of the similar jobs.
- e) My job gives economic security by way of regular employment and regular income.
- f) My salary is in commensurate with the efforts I put in on my job.

g) I am satisfied with the increments provided by the company.

h) My dearness allowance (D.A.) neutralizes the increase in cost of living.

From this it can be concluded that respondents are either **satisfied** or **very much satisfied** with various practices relating to reward management in the company. Hence it can be said that the existing HR practices relating to reward management are either good or acceptable to the management so they can be continued.

Respondents are **very highly satisfied** with medical insurance, bonus, transport facilities, cultural activities, first aid centre, canteens, and accident insurance.

Respondents are **highly satisfied** with encashment of leave, pay for holidays, life insurance, pay for sick leaves, tuition fee refunds for educational courses, lunch allowance, vacations with pay, leave travel concessions, pay for rest periods, counseling, stock options, conveyance allowance, night shift allowance, maternity benefits, pension plan, and study permission.

Respondents are **less satisfied** with baby crèche, and discounts on purchase.

8.19 Suggestions

Wherever possible and wherever thought fit suggestions have been given. In this study opinions of the respondents have been collected:

- to study some of the important human resource practices and procedures in software industry,
- to know the desirability of the those human resource practices and procedures and
- to assess the level of satisfaction of the respondents with those practices and procedures.

The data so collected have been analysed in different chapters and conclusions have been drawn. Wherever possible and whenever thought fit suggestions also have been given. But the major

suggestion is the HR practices with which the respondents have expressed their satisfaction have to be treated as best practices and are to be continued and vice versa. As software industry is a knowledge based industry, as it employs a large number of people, as it comes under formal or organized sector, the industry hires specialists, takes expert advice and the best practices. Most of the selected employees are satisfied with the existing practices hence they can be continued. In some of the cases not many but a considerable percentage of the respondents are undecided. Hence care should be taken to avoid such a situation.

8.20 Hypotheses Testing

At the commencement of the study five hypotheses have been set. They have been given not only in the first chapter but also in the summary part of this chapter. Those hypotheses have provided direction to the study. Now it is thought appropriate to see whether they are proved or disproved.

H1: The recruitment and selection policy, practices and procedures are mostly acceptable to the employees of the company.

Survey results show that:

- *A great majority of the Respondents are of the opinion that advertisement in newspapers, professional journals and on the internet is very useful and is a desirable HR practice. But a majority of the respondents do not think so about advertisement in other media. Majority of the respondents think that online or .com employment agencies are very useful. They do not make use of ordinary employment agencies. As per the opinion of majority of the respondents campus recruitment is popular and is very useful, usefulness of casual calls is doubtful, usefulness of 'recommendations' as a source of recruitment cannot be ruled out.*

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- A majority of the respondents are of the opinion that selection procedure is unbiased and comprehensive, *induction programmes are important*, and that they are sufficiently informed of their duties, responsibilities and nature of the work.
 - A great majority of the respondents are satisfied with the placement, probation and confirmation procedures and practices followed by the company. In other words they are satisfied with various aspects of acquisition function in the company.

All these lead us to conclude that H1 “the recruitment and selection policy, practices and procedures are mostly acceptable to the employees of the company” is proved.

H2: The training and development related practices in the company are mostly acceptable the employees.

A majority of the employees:

- are aware of training policy of the company,
- are aware that the training policy in the company is a structured, widely shared and based on the business needs,
- think that ‘employees in the organization participate in determining the training they need’,
- either strongly or simply agree with the statement “employees are helped to upgrade their technical knowledge and skills through training.”
- say that the training is given on a continuous basis and at regular intervals to the employees at all levels in the company,
- are either highly or simply satisfied with the training methods in the company,
- are satisfied with the course contents in the training,
- are satisfied with the supply of course material,

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- are satisfied with quality of the faculty in the organization,
 - satisfied with evaluation in the training programmes,
 - satisfied well with the training programmes in the company, and
 - either strongly or simply agree with the statement “training programmes in the company are evaluated and improved upon every year.”

From this it can be concluded that H2 “the training and development related practices in the company are mostly acceptable the employees” is proved.

H3: The performance appraisal system in vogue in the selected software company is good and agreeable to different types of employees.

Majority of selected employees:

- are aware of the criteria adopted for performance appraisal in the company,
- have knowledge relating to the person or persons appraising the performance of the employees in the organization,
- know that appraisal is done once in six months in the organization,
- agree that the performance appraisal process in the company is linked to both ‘Training and Development’, and ‘Reward and Promotion’,
- are of the opinion that they get feedback necessary for identifying their shortcomings,
- are satisfied with the criteria of performance appraisal followed by the company,
- agree that the job responsibilities and targets are determined well in advance for all employees in the company and the employees are comfortable with the procedure,

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- are of the opinion that career paths are laid down for every employee with opportunities clearly specified,
 - agree with the statement that “employees regularly receive feedback about their potential for higher level jobs”,
 - agree with the statement that “the performance appraisal provides an opportunity for self review and reflection”, and
 - are of the opinion that “the appraisal system provides for a frank discussion for both the appraiser and the appraised.”

All these lead us to conclude that H3 “the performance appraisal system in vogue in the selected software company is good and agreeable to different types of employees” is proved.

H4: The promotion policy and practices in the selected software company is agreeable to majority of the employees.

A majority of the respondents, irrespective of education, gender and designation, think that there are many promotion opportunities in the organization. are satisfied with the existing promotion policy in the company, are of the opinion that promotion policies are well defined and shared with all the employees, and carry an opinion that promotion decisions are based on suitability of the employee rather than on favoritism. From this it can concluded that H4 “the promotion policy and practices in the selected software company is agreeable to majority of the employees” is proved.

H5: The employees are satisfied with reward management in the selected software company.

Data analyses given in chapter seven and conclusions drawn there upon, show that the respondents are either **satisfied** or **very much satisfied** with various practices relating to reward management in the company. Hence it can be said that the existing HR practices relating to reward

management are either good or acceptable to the management so they can be continued. From this it can be said that H5 “the employees are satisfied with reward management in the selected software company” is proved.

8.21 Scope for Further Research

The quest for knowledge is unending. Whatever may be the research carried on till now there exists a scope for further research. In fact the existing research opens the doors for further research. This study is not an exception to that.

For the purpose of this study only one company has been taken, but the same research can be carried on by taking more number of units to make interfirm comparisons, by taking different units belonging to different sectors to make inter sectoral comparisons, by taking units of different areas/countries to find out interregional / inter country / intercontinental differences if any or by taking firms of different sizes to compare HR practices in the units/firms of different sizes etc. Further research can be conducted by expanding horizon of the aspects or by using different methodologies and techniques.