



EMPLOYEE INVOLVEMENT IN DECISION MAKING AMONG IT COMPANIES IN HYDERABAD- A FOCUSED STUDY

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Abstract

Employees play an important role in the IT industries of the country. Hence, organisations have to secure the cooperation of employees in order to increase the production and to earn higher profits. The cooperation of employees is possible only when they are fully satisfied with their employer and the HRM Practices on the Company. This study is conducted within IT industries of Maharashtra. There is a good scope for the study as Maharashtra has all the IT firms from all over the world located at different IT parks. As attrition is a serious problem concerning the companies, the study will help to have overlook. It is found that, all the Human Resources Management practices were positively correlated to continuance organizational commitment, except for selection, induction / socialization, and training. These relationships were significant.

Keywords: HRM Policies, Employee retention, IT industry, etc.

Introduction

Even a single day without computers leaves us feeling paralytic. Information Technology (IT) has made us completely dependent for even the simplest day to day task. The recent incident of system failure at key Swiss government ministries has brought Geneva to a standstill. This proves how information Technology has drastically transformed the way we carry out day to day activities.

India's much-vaunted Information Technology (IT) sector is composed of two parts: the software sector, and the IT-enabled sector (ITES). In both cases, work that was earlier done in the developed world, particularly the US, has been 'outsourced', or contracted out, to locations in India. In the case of the ITES, the activities outsourced include call centres, medical transcription, data entry, ticket-reconciliation, claims processing, credit card administration, and such other routine office work as can be performed at remote locations. While this work requires knowledge of English, it does not require superior education or skills.



A particular industry that has been instrumental in the growth of the Indian economy is the IT sector. The design, development, implementation or management of information systems is referred to as information technology. It describes the production, storage, manipulation and dissemination of information. IT industries account for 6% of the GDP of India and provide employment directly or indirectly for over 2.3 million people. It also contributes very significantly to India's exports: accounting for around 18% in 2001. India produces roughly 150,000 technically and socially adept engineers every year. Most of them migrate to developed countries and form an integral part of the workforce there, thus becoming India's most beloved export. In the 21st century, India has risen to the position of one of the largest IT capitals of the world. As of 2006, technologically inclined services sector in India accounted for 40% of the country's GDP and 30% of export earnings.

In an I.T. Industry, people are employed by the organisation and not by individual projects. This implies that the relation between employees and the organisation generally goes beyond the time scope of an individual project.

Projects, flexibility, cross-functional teams, and deadlines are buzzwords in today's IT industries. Mainstream management rhetoric refers to the ideal 'project worker' as competent and knowledgeable, flexible, a team worker, and responsible for staying employable. Projects are the everyday work environment for these individuals. Their competence and careers are built upon project participation; their performance in the projects is what gives them reputation and makes them wanted for future projects. Several studies suggest that contemporary firms to a greater extent perform their operations by the means of projects, project management and various types of project-like structures in order to increase flexibility and integrate knowledge resources in a more efficient way. For example, Whitley (2006) argues that temporary work systems and IT Industries can be interpreted as representing a 'new logic of organising'. Similarly, Midler (1995) refers to fundamental changes in companies, where the number of projects to be managed is multiplied, and the broad study by Whittington, et al. (1999) gives empirical support to the increased use of project-based structures.

Need for and the study

Employees play an important role in the IT industries of the country. Hence, organisations have to secure the cooperation of employees in order to increase the production and to earn higher profits. The cooperation of employees is possible only when they are fully satisfied with their employer and the HRM Practices on the Company. In the past, industrialists and



the employers believed that their only duty towards their employees was to pay them satisfactory salaries. In course of time, they realised that Employees require something more important. Employers have a need to keep employees from leaving and going to work for other companies. This is true because of the great costs associated with hiring and retraining new employees. The best way to retain employees is by providing them with job satisfaction and opportunities for advancement in their careers. This study is conducted within IT industries of Telangana Region in general and Hyderabad in particular. There is a good scope for the study as Hyderabad has all the IT firms from all over the world located at different IT parks. As attrition is a serious problem concerning the companies, the study will help to have overlook.

Literature Review

According to Valmikam V. (2016), the employee retention is one of the biggest issues for information technology industry. The purpose of this research study is to identify some of the factors which lead to turnover intention among employees in information technology. The result of this study states that employees in information technology need competitive compensation packages and role clarity for reducing turnover intention in among the employees. A structured questionnaire had been used for primary data collection. The independent factors in the research model are role clarity, participatory management, pay & rewards satisfaction and training & development. The dependent factor is turnover intention.

Mak and Sockel (2001) had conducted a study on information systems (IS) employees motivation and stated that hidden motivation has an impact on hidden retention, with job satisfaction and perceptions of management on career development as indicator variables for the former, and burnout, loyalty, and turnover intent as indicator variables for the latter. The factors like supervisor leadership style, longer period of stay in organization and compensation have an influence on employee retention (Chan & Morrison, 2000). The employees retention is positively influenced by age and learning opportunities provided by the organization. The working conditions should be maintained properly for retention of talented employees (Govaerts, Kyndt, Dochy, & Baert, 2011).

Yiu and Saner (2014) had stated that many leading industries in India are facing high attrition rates. It is essential for Indian organizations to enhance job satisfaction and organizational commitment among the employees instead of giving higher compensation for attaining employee retention. The core competency of Indian information technology sector is availability of skilled and knowledgeable employees at low cost. The ten factors which are



financial compensation, training and development, promotion, recognition, challenging work, innovation and creativity, leadership style, autonomy, work-life balance, and job satisfaction have been used for studying employee retention in software industry by Tseng and Wallace (2009).

Kim (2004) had explained how job characteristics, work environment, and human resource management practices influence state IT employee turnover intentions. According to Mosen and Boss (2009) role ambiguity leads employee to quit the job. To attain employee retention in IT sector, the managers need to identify the employees who are passionate about continuous learning and challenges, triggered through a continuous positive employee relationship (Bhatnagar, 2007).

Research Objectives

1. To elicit the opinion of quality of facilities provided to employees working at different IT companies in and around Hyderabad.
2. To study the extent of involvement of employees working in Hyderabad in the decision-making process
3. To bring out the perception of employees on the statement that their organizations celebrate success with their employees and encourage the sharing of information, knowledge and resources.

Data Collection

Data is collected through Primary Data Sources and Secondary Data Sources. Primary Data Sources are collected specifically for the purpose of research study through structured questionnaire. Secondary data source is already collected data. In the present research, secondary data is collected through journals, magazines, newspapers, etc.

Research Design

In the present research descriptive research design technique is used to describe the factors representing HRM policies and its impact on employee retention in IT industries.

Sample Design

Non-probability sampling method for data collection for the study was used. The present research data was collected from total 500 the employees working at IT industries in Hyderabad among employees of 15 IT Companies. For the purpose of this survey, Non-probability sampling technique of Quota Sampling was employed as the sample size was small and fixed and the sampling unit was clearly defined.

Facilities provided to employees by IT Industry

The information about quality of facilities provided to employees working at different IT companies in and around Hyderabad city is shown in following Table.

Items	Excellent	Good	Average	Below average	Worst	Total
Safety Equipment	56 (11.2%)	102 (20.4%)	249 (49.8%)	86 (17.2%)	7 (1.4%)	500 (100%)
Drinking Water facility	41 (8.2%)	154 (30.8%)	221 (44.2%)	75 (15%)	9 (1.8%)	500 (100%)
Ventilation	-	79 (15.8%)	124 (24.8%)	281 (56.2%)	16 (3.2%)	500 (100%)
Toilets	-	-	312 (62.4%)	141 (28.2%)	47 (9.4%)	500 (100%)
Tools	72 (14.4%)	159 (31.8%)	214 (42.8%)	37 (7.4%)	18 (3.6%)	500 (100%)
Cleanliness	23 (4.6%)	57 (11.4%)	189 (37.8%)	174 (34.8%)	57 (11.4%)	500 (100%)
Working Space	43 (8.6%)	101 (20.2%)	297 (59.4%)	56 (11.2%)	3 (0.6%)	500 (100%)
Parking	32 (6.4%)	159 (31.8%)	210 (42%)	82 (16.4%)	17 (3.4%)	500 (100%)
Pollution Control	21 (4.2%)	101 (20.2%)	185 (37%)	121 (24.2%)	72 (14.4%)	500 (100%)
Light Arrangement at the work site	21 (4.2%)	231 (46.2%)	154 (30.8%)	87 (17.4%)	7 (1.4%)	500 (100%)

It is observed that out of sample total of 500 respondents working at IT industries in and around Hyderabad, according to 249(49.8%) respondents safety equipment available in the industry were of average quality, whereas number of respondents reporting drinking water facility, ventilation, toilets, tools, cleanliness, working space, parking and pollution control were of average quality was 221(44.2%), 124(24.8%), 312(62.4%), 214(42.8%), 189(37.8%), 297(59.4%), 210(42%) and 185(37%) respectively. In addition to this according to 231(46.2%) respondents' light arrangement available at work site was of good quality.

Thus, it is observed from the Table that majority of employees working at companies in and around Hyderabad facilities such as safety equipment, drinking water facility, ventilation, toilets, tools, cleanliness, working space, Parking and pollution control are of average quality whereas light arrangement available at work site was of good quality.

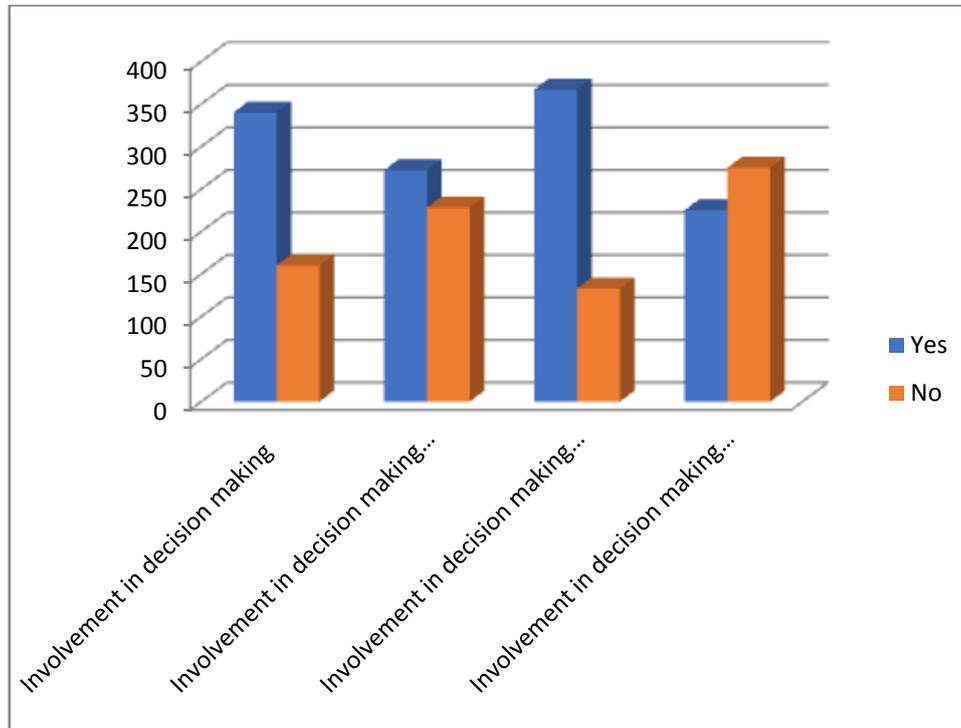


Fig. 1 Involvement in decision making

Fig. 1 shows that 68% of the respondents are involved in the decision-making process. Moreover, results show that the majority of the respondents ask for the incorporation of trust in the decision-making process; on the average, respondents think that involvement in decision making necessitates interest and willingness on the part of the management as well as capabilities, expertise, competencies, and management style on the part of the employees.

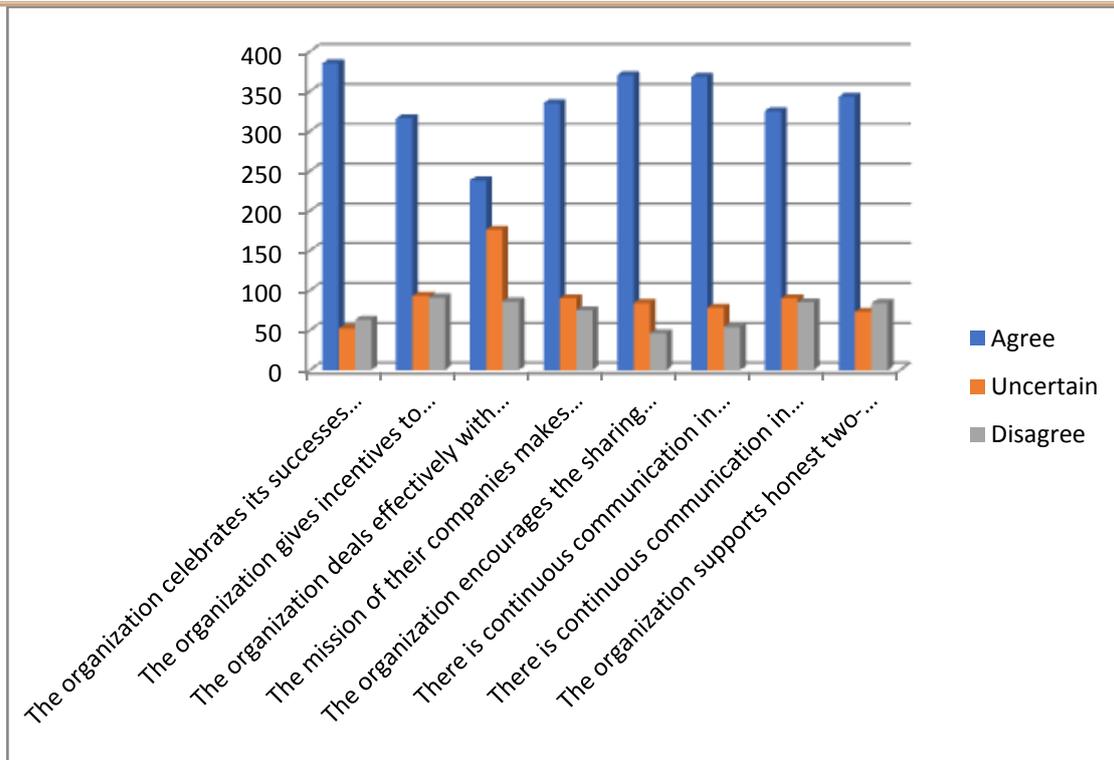


Fig. 2 Organisational culture

Fig. 2 shows that respondents appreciate the fact that their organizations celebrate success with their employees and encourage the sharing of information, knowledge and resources. However, they marginally agree that their organizations provide incentives, share new developments, and support mutual interchange of ideas between them and the managers. Moreover, surprising results are attained as to the respondents not agreeing much (47.6% agree and 35.3% uncertain) with the statement that their organizations deal effectively with poor performance.

Conclusion

This study confirms that for a majority of employees working at companies in and around Hyderabad facilities such as safety equipment, drinking water facility, ventilation, toilets, tools, cleanliness, working space, Parking and pollution control are of average quality whereas light arrangement available at work site was of good quality. It is also evident that involvement in decision making necessitates interest and willingness on the part of the management as well as capabilities, expertise, competencies, and management style on the part of the employees and that their organizations provide incentives, share new developments, and support mutual interchange of ideas between them and the managers.



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