



A STUDY ON EMERGING TRENDS IN RECRUITMENT AND SELECTION PRACTICES ADOPTED IN INFORMATION TECHNOLOGY INDUSTRY WITH REFERENCE TO SELECT IT COMPANIES IN HYDERABAD

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ABSTRACT

In this day and age, employees or human capital is considered as most valuable assets in any company. The availability of skilled and efficient employees is very rare. Therefore recruitment process is the heart of any organization. Selection of right candidate for the described job is really a herculean task because it provides the way for the development and growth of any Companies. The best human capital availability in organizations makes them competitive advantage and as well as they become the real life blood of the organizations. Recruitment and selection lie at the heart of how businesses procure human resource required to maintain a sustainable competitive advantage over its competitors. Information technology essentially refers to the digital processing, storage and communication of information of all kinds. The IT sector is likely to give employment to 48.5 million people in India by 2022. The IT industry accounted for 8% of India's GDP in 2020. According to STPI (Software Technology Park of India), software exports by the IT companies connected to it, stood at Rs. 1.20 lakh crore (US\$ 16.29 billion) in the first quarter of FY22. This study mainly deals with various methods of recruitment process and vital problems faced in recruitment process in IT companies. The main objective of this paper is to identify common practices that companies follow to recruit and select employees. In this paper focuses on the various methods of recruitment process adopted in IT companies with controlling the recruitment cost, choosing right man for the right job with effective interviewing for the best selection and also focuses on how efficiently the IT sector follows the recruitment & selection processes along with the satisfaction level of IT professionals in select IT companies located in Hyderabad region of Telangana State. The study concluded that positive and effective recruitment practices are being followed by IT companies in Hyderabad.

Keywords: Recruitment, Selection, IT Companies, Organization Development, Hyderabad.

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1. INTRODUCTION

With an increased and cutting edge completion across the globe, recognition and attraction of the best available talent have become a top management concern. Currently, attracting a large number of applicants is not a big issue but recruiting the right applicants is the primary concern of many employers. A number of recent studies on personnel selection have acknowledged the main trends and developments in recruitment and selection techniques and their reasons over recent years. In today's globalized environment, there is a considerable increase in competition in all the sectors of the economy. The emphasis on organizational efficiency and effectiveness has been increased, in which the human resources of organization play a very crucial role. So, these days human resource has become the first and most important resource of any organization, the quantity and quality of human resource has major impact and decides the competitive ability of the organization. Recruitment is the first step in human resource management, which directly effects the development of organizations. It is a kind of image display of the organization. It involves attracting, screening and selecting potential and qualified individuals who might join an organization. Without the right person, at the right position neither a company nor individual can achieve optimum performance and success.

The organizations have found many innovative ways in recruiting and staffing practices to adjust themselves to peaks and troughs in man power planning. Since it has become very difficult to find and sustain talented people in an organization, recruitment is one of major human resource management practice these days. Organizations are putting in lots of efforts, time and money for the recruitment and retention of talent with them. These days human resource has become the first and most important resource of any organization, the quantity and quality of human resource has major impact and decides the competitive ability of the organization. Recruitment is the first step in human resource management, which directly effects the development of organizations. It is a kind of image display of the organization. It involves attracting, screening and selecting potential and qualified individuals who might join an organization. Information technology essentially refers to the digital processing, storage and communication of information of all kinds.

IT can be defined as computing and telecommunication technology that provides automatic means of handling information. IT includes software and hardware. The role of IT in services i.e., IT –led services includes the following: Product support process outsourcing, hardware and software maintenance, training and education, IT out sourcing, system integration and application development. Therefore IT can potentially be used in every sector of the economy. Frame Work of IT Industry The important factor or the driving force for the Indian IT services and ITES industry has been the changing global business landscape, which has exerted performance pressures on multinational enterprises. Our nation has emerged as an important venue for the services sector including financial accounting, call centers, and business process outsourcing. Technology and Bio informatics, which are on Government's priority list for development, offer scope for FDI.

Telangana state especially Hyderabad has consistently performed well in promoting and nurturing the Information Technology/ITES industry. Hyderabad comprises of the capital city and several other areas of the state. Prominent among these areas are Gachibowli, Financial District, Madhapur, Uppal and Pocharam IT Corridors. It has become one of the fastest growing economic regions of India, accounting for 7-8% of the nation's total GDP. Its proximity to government institutions, the presence of a business friendly infrastructure and a burgeoning entrepreneurship culture make the city a viable IT hub. Consequently, several companies have set up their delivery centers and liaison offices in Hyderabad in order to take benefits of high quality infrastructure, manpower, real estate and supportive government policies. Hyderabad has the presence of the biggest information technology and software companies in Telanagana. The state government has laid emphasis on the IT sector ever since the formation of Telangana seven years ago. The youngest state has achieved a manifold growth in terms of IT exports i.e., 14.25 percent CAGR since the formation of the state and employment generation, thanks to factors such as good civic infrastructure, connectivity, law and order, and a business-friendly environment. Measures taken to combat the COVID-19 pandemic too have helped the state to maintain a steady growth in the IT/ITES sector. This paper identified the recruitment practices used by IT sector in Hyderabad region. The study identifies the factors affecting the recruitment practices and level of satisfaction of IT professionals. It has been found that job portals and campus recruitment are the major source of recruitment in this sector.

2. REVIEW OF LITERATURE

Naveen S. & Raju D. N. M. (2021) identified the general practices that organizations used to recruit and select its employees in cement, electronics and sugar industries in Krishna Dist., Andhra Pradesh. The study shows that the recruitment and selection process adopted in three selected industries is effective. However, the HR managers of these industries have to focus on campus placements, job.com, data banks, and etc. sources of recruitment.

Darkoh Mavis Adu (2020) identified employee recruitment and selection practices in the construction industry in Ashanti region, Ghana. The research found that, out of the 16 identified recruitment and selection methods, the most frequently used medium in the order of highly recognized methods are newspaper advertisement, internal recruitment, labor office, employee referrals, and radio advertisement and at last internet recruitment.

Djabatey E. N. (2019) assessed the effectiveness of the recruitment and selection practices and procedures of HFC Bank, Accra. The results indicated that, advertisement of job vacancies and employee referrals are mostly the sources of recruiting the potential employees.

Mohammed Nurul Absar (2018) states that Recruitment and selection is one the most important functions of human resource management. The present study aims at exploring differences and similarities between the public and private sector manufacturing firm of Bangladesh with respect to recruitment and selection practices, sources of recruitment and selection devices.

Nair Aishwarya (2017) studied the effectiveness of recruitment process in HCL Technologies –BPO Chennai. The detailed analysis showed the positive attitude of staff towards the recruitment practices followed by Medias and contacting sources.

Rao Pramila (2016) conducted a detailed analysis of senior level staffing practices in five software companies in India. The research identified that, internal recruitment, employer references, succession planning, interviews, personality tests, professional search agencies and bio-data are the dominant senior-level staffing practices used mostly in India.

French ray and Rumbles sally (2015) says that the important role of recruitment and selection within the process of leading, managing and developing people. Recruitment and selection is pivotal in this regard in certain important respects.

Ongori Henry and Temtime Z (2014) has to investigate the recruitment and selection practices of SMEs and suggest appropriate strategies on how to improve human resource management practices to enhance organizational performance. Recruitment and selection practices are the key factors to the entry point of human resource to any organization which also tends to determine the success and sustainability of SMEs. These practices are said to encourage innovation, survival and growth of SMEs if taken seriously by owner/managers.

3. OVERVIEW OF RECRUITMENT AND SELECTION PROCESS

Recruitment and selection is a core function of the Human Resource department. It can be regarded as one of the most important functions performed by the HR department. Also commonly known as the staffing function, it involves the following phases: Job analysis, Manpower planning and Recruitment and selection

A. Job analysis: All staffing requirements require a detailed job analysis. Job analysis helps in determining the major characteristics and scope of a job. Job Analysis is a 'process to identify and determine in detail the particular job duties and requirements and the relative importance of these duties for a given job. Its fundamental purpose is to establish and document the job relatedness of employment procedures such as training, selection, compensation, and performance appraisal. Job analysis involves examining how tasks are performed, why they are performed, and when they are performed. It involves assessing jobs in certain context such as physical environment under which the job is performed, social environment, and financial conditions attached with the job. This refers to salaries, wages, bonuses, benefits etc. attached with the performance of the job.

B. Man power planning: Simply put man power planning refers to forecasting the number of workers required for the performance of a task or a job at some future point in time. Its main purpose is to 'ensure that it has the right number of people, and the right kind of people, at the right places, at the right time, doing things for which they are economically most useful. Today Manpower planning methods are undergoing rapid changes and innovation. Other than forecasting future employee needs, it must also be able to predict turnover in employees and make arrangements to fill the resulting gap. It must ensure no shortages or surplus in the employees.

C. Recruitment and selection: This is the phase where the actual prospective candidates are selected and hired by the company. It is a long and arduous process. Recruitment and selection can follow only after man power planning has ascertained the demand for new workers. Recruitment and selection process varies from company to company however the following are steps generally common to all companies.

Application form: Usually the first step in the selection process. Details are sought about the prospective candidates. Information is normally categorized into bio data, education, work experience, recreation etc.

Preliminary interview: These are brief interviews conducted to quickly ascertain suitability of candidates for the job. Its main aim is to eliminate those candidates that are unsuitable for the job. It is an important step as it ensures that the company invests time and effort only with prospective candidates that can perform the task.

Employment tests: These are sets of tests conducted to ascertain qualities and characteristics of potential candidates. Many different types of employment tests can be conducted. Each test is designed to measure a specific characteristic or capability of a prospective candidate. The main aim is to match an individual's physical, mental and temperamental capability with the requirements of the job.

Employment interview: This is the most common method for hiring new recruits and is widely used by all organizations. The main objective is to ascertain the suitability of the candidate. It provides opportunity to the organization to know the candidate better i.e. their motivation, ambition, outlook etc.

Physical examination: May or may not be part of selection process. In certain jobs like the military and police physical examination is mandatory due to the requirements of the job. However for most white collar jobs physical examination may not be required. Generally the candidate's age is a reflection of his physical ability. Final selection: Refers to the final selection of the candidate. At this stage selected candidates are issued employment letters. Initially all new hires are hired on probationary period. During this time candidates are assessed for their work ethic, dedication, motivation, honesty, integrity etc. The probationary period can last from 6 months to a year. Should the candidate successfully meet all the requirements, they will then be hired on a permanent basis.

Placement and Induction: New hires are assigned office space. Induction may be conducted of new candidates. Induction may be a formal process or an informal process. The objectives of the induction process is to familiarize candidates with organizational procedures, rules and regulations. It is also aimed at boosting the confidence of the new recruits, instilling a sense of belonging, trust, and loyalty.

4. EMERGING TRENDS IN RECRUITMENT AND SELECTION

Currently the recruitment and selection approach is undergoing tremendous changes fueled by technological innovations and changes in strategic outlook. The following section examines some of the key trends impacting recruitment and selection process.

4.1. Corporate Talent Network

Corporate "talent networks" are online platform for promoting the company brand name. Its main objective is to attract new talent from a variety of sources which includes job candidates, fans, employees, alumni, partners, suppliers and even customers. It is very popular among the big firms and are increasingly being adopted by smaller and medium size firms as well. A talent network serves as a advertising and promotional hub for the company brand name. It is used to communicate job openings, career information, and other company information. The contents are usually tailored and targeted for each specific candidate.

4.2. Building an End-to-End Talent Brand

More and more companies today are focusing on building end to end talent brand. A talent brand refers to how the company is being perceived by its current employees, past employees and prospective employees. It is a method for communicating and showcasing the company corporate culture in real time. Companies today are developing strong talent brand strategy to reduce their cost per hire and lower turnover rates. A talent brand is something that is created via the joint efforts of the marketing department and the HR department.

4.3. Use of applicant Tracking Software (ATS)

One fast emerging trend is rapid adoption of Applicant Tracking Software (ATS). ATS are software designed specifically to meet the recruitment needs of a company. These software focus on managing the entire recruitment process, monitoring ad campaigns, and creating an excellent candidate experience. ATS can be used to post job openings, screen resumes, and generate interview requests to potential candidates by e-mail. Other features include individual applicant tracking, requisition tracking, automated resume ranking, customized input forms, pre-screening questions and response tracking, and multilingual capabilities.

4.4. Develop Mobile Recruitment Strategy

Recent surveys indicate that increasingly large number of prospective candidates use mobile devices to access the internet and carry out personal tasks including job search. Hence, a growing trend among large firms is to create a mobile career site built specifically to meet the needs of the mobile device users. The aim is to use mobile recruitment to post jobs and create postings that can be easily shared on social media and readily responded to.

4.5. Growing Emphasis on using Social Networks

Over the past few years, social networking sites such as LinkedIn and Facebook have rapidly gained prominence amongst internet users. These sites provide wealth of information on prospective candidates. Sites such as LinkedIn, and to an extent Facebook, provide specific recruitment related tools and analytic software to improve the recruitment process. Their aim is to help companies identify and locate the right talent for their company. Not surprisingly many firms have actively started using social networking sites for soliciting and recruiting new talents. The top preferred site is LinkedIn followed by Facebook and others.

4.6. Increased Focused on Passive Candidates

Traditionally recruiters have focused on active candidates-those actively seeking new jobs. However, research has shown that vast majority of prospects (as high as 73%) are passive candidates, that is they are not actively seeking jobs but are open to new opportunities and offers. This was found to be especially true in the case of social networking sites such as LinkedIn where vast majority of prospects were passive candidates. Hence, firms today are providing more and more emphasis on passive candidates. Indeed, much of the mentioned trends are aimed at attracting passive candidates.

5. OBJECTIVES

- To identify the various sources of recruitment used in IT sector.
- To identify the factors affecting the recruitment practices in IT sector.
- To know the level of satisfaction of IT Professionals with the recruitment practices and processin adopted in the organization.

6. METHODOLOGY

The study is based on primary data. The sample frame is the major IT companies in Hyderabad. The sample size is 200 ITprofessionals working in largest IT companies include TCS, Infosys, Wipro, and IBM. The distribution of the sample can be seen in Table 6.1

Table 6.1 Distribution of Sample

Name of the IT Company	Number of IT Professionals
TCS	50
Infosys	50
Wipro	50
IBM	50
Total	200

7. ANALYSIS & RESULTS

Table-7.1 Recruitment Practices followed in Select IT Companies

Recruitment Practices	TCS	Infosys	IBM	Wipro
Employee Referrals	7		10	5
Campus Recruitment	9	18		
Advertisement	7			14
Recruitment Agencies	15	12	15	10
Job Portals	2	5		11
Poaching	3		5	
Social Media	4	10	15	10
Internal Recruitment	2	5	5	
Any Other	1			

Table 1 describes the various recruitment practices adopted by the select IT Companies in Hyderabad. From the above table it is also inferred that TCS focuses on recruitment agencies (29.89%) mainly, Infosys depends on campus placement (37.45%), IBM focuses on both recruitment agencies and social media equally and finally Wipro depends on advertisement (28.4%).

Table-7.2 Overall Opinion of IT professionals regarding effective practice of recruitment and selection in select IT companies

Sources	Weighted Mean
Direct Applicants	4.04
Placement Consultants	3.51
Job Portals	4.01
Employee Referrals	4.07
Campus Recruitment	4.22
Body Shopping	2.83
Employee Poaching	3.10
Social Media	3.52
Internal Recruitment	3.70

The result shows that Campus Recruitment is the most effective method of recruitment according to IT professionals followed by Employees Referrals, Direct Applicants and Job Portals. Further, Internal Recruitment, Social Media, Placement Consultants and Employee Poaching are the moderately effective methods of recruitment in IT sector. The Body Shopping is ineffective method of recruitment.

Table-7.3 Internal factors that affects recruitment in IT Companies

Internal Factors	Weighted Average
Companies pay package	4.19
Quality of work life	4.30
Organization Culture	4.23
Career advancement opportunities	4.24
Company's size and operations	3.92
Role of trade unions	3.47
Cost of recruitment	3.50
Company's image	4.34
Foreign assignments	3.88
Flexible work timing/ work from home	4.03

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Table 7.3 revealed that, company's image and quality of work life (weighted mean 4.34 and 4.30 respectively) are the most prominent factors among internal factors that affect recruitment strategies and practices in IT companies. The career advancement opportunities and organization culture are also important factors that affect recruitment practices. The role of trade unions has least affect over the recruitment practices and process.

Table-7.4 External factors affect recruitment practices IT Companies

External Factors	Weighted average
Socio-economic factors	3.93
Supply and demand factor	3.76
Employment rate	3.89
Political and legal factors	3.56

From the external factors, socio-economic factors have highest affect over recruitment practices followed by employment rate in an economy. While political and legal factors does not have much affect over recruitment practices.

Table-7.5 Overall level of satisfaction of IT Professionals on existing recruitment policies in IT companies

Level of Satisfaction	Percentage of Respondents
Highly Satisfied	15
Satisfied	51
Neutral	30
Unsatisfied	4
Highly Unsatisfied	0
Weighted Mean	3.77

Table 7.5 reveals that, majority of respondents i.e. 51% are satisfied from the existing recruitment practices. 30% respondents are neither satisfied nor unsatisfied and 15% are highly satisfied. Only 4% are unsatisfied and none of respondents are highly unsatisfied.

Table-7.6 Sample responses and Most Likely responses regarding recruitment techniques

Practices /Company	Infosys	IBM	Wipro	TCS
Direct applicants	0.831	0.996	0.902	0.9575
Placement consultants	0.906	0.938	0.935	0.9839
Job portals	0.812	1.000	0.902	0.9972
Employee referrals	0.878	0.959	0.951	0.9914
Through temporary staffing	0.634	0.886	0.659	0.8998
Head hunting	0.709	1.000	0.772	0.9997
Advertisement in newspapers	0.662	0.882	0.724	0.8778
Maintaining company web- site	0.784	0.969	0.87	0.9835
% of G-square explained	-----	67.0825	-----	57.1985

Impact of recruitment on selection of right candidate with the desired set of skills

H₀: There is no impact of recruitment on selection of right candidate with desired set of skills, knowledge and ability leading to cost effectiveness.

H₁: There is a strong impact of recruitment on selection of right candidate with desired set of skills, knowledge and ability leading to cost effectiveness

Table-7.7: ANOVA Analysis for Desired Set of Skills

ANOVA Analysis		Sum of Squares	dof	Mean Square	F	Sig.
Communication Skill	Between Groups	.383	1	.383	.687	.409
	Within Groups	82.610	148	.558		
	Total	82.993	149			
Writing Skill	Between Groups	.036	1	.036	.047	.828
	Within Groups	113.704	148	.768		
	Total	113.740	149			
Self-Managing Skill	Between Groups	.029	1	.029	.037	.848
	Within Groups	116.804	148	.789		
	Total	116.833	149			
Punctuality Loyalty	Between Groups	1.127	1	1.127	1.606	.207
	Within Groups	103.833	148	.702		
	Total	104.960	149			
Time Management	Between Groups	.067	1	.067	.080	.777
	Within Groups	123.106	148	.832		
	Total	123.173	149			
Positive Attitude	Between Groups	.042	1	.042	.094	.759
	Within Groups	65.458	148	.442		
	Total	65.500	149			
Flexibility Skill	Between Groups	2.870	1	2.870	2.992	.086
	Within Groups	141.990	148	.959		
	Total	144.860	149			
Adaptability to change	Between Groups	.712	1	.712	.731	.394
	Within Groups	144.148	148	.974		
	Total	144.860	149			

8. FINDINGS

It has been found that, Job portals, campus recruitment and employee referrals are the widely used sources of recruitment in IT sector in Hyderabad. However, all the other sources of recruitment were also used but for recruiting very small numbers of candidates. The study also evidenced the use of employee poaching as a source of recruitment. Campus Recruitment is the most effective method of recruitment according to IT professionals followed by Employees Referrals, Direct Applicants and Job Portals. Internal Recruitment, Social Media, Placement Consultants and Employee Poaching are the moderately effective sources of recruitment in IT sector. The company's image and quality of work life are the most prominent factors among internal factors that affect recruitment strategies and practices in IT companies. Among the external factors, socio-economic factors have highest affect over recruitment practices followed by employment rate in an economy. Majority of respondents are satisfied from existing recruitments practices and process followed in IT companies. It implies that positive and effective recruitment practices are being followed by selected companies.

9. CONCLUSION

Recruitment and selection remains one of the most important functions of the HR department. As competition increases between firms, selecting and recruiting the right and qualified talents become all the more important. Traditionally companies have largely relied upon prospective candidates to find the firm however today head hunting is an active function of the HR department. Firms not only need to head hunt but also must retain existing employees. The entire recruitment and selection strategy has changed and evolved to a new form where the

onus lies on the firms to advertise, attract, and retain top talents. Internet based technologies and various other software and information systems have provided new capabilities like never before. There is a growing trend amongst firms to adopt and utilize these technical solutions. The future is bound to see an increased role of internet based solutions in recruitment and selection process. Finally, the conclusion is drawn from the study regarding the recruitment and selection that any company growth and successes depends on efficient working of its employees and hence make it significantly important for the organizations to choose the experienced and qualified candidates. The process of recruitment and selection requires a rigorous and thoughtful planning so that a lot of care needs to be taken while recruiting the man power for any organization. The organizations have found many innovative ways in recruiting and staffing practices to adjust themselves to peaks and troughs in man power planning. Since it has become very difficult to find and sustain talented people in an organization, recruitment is one of major human resource management practice these days. Job portals and campus recruitment are the most widely used sources of recruitment in IT sector in Hyderabad. Campus recruitment is the most effective source of recruitment in the sector, as it may give good candidates both in terms of quality and numbers. The company's image and quality of work life are important internal factors and socio-economic factors are external factors that have impact on recruitment practices. The positive and effective recruitment practices are being followed by IT companies in Hyderabad.

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