CHAPTER – 2
REVIEW OF LITERATURE

In this chapter an attempt has been made to present the literature review of the relevant research work done by researchers in the area of Human Research Management Practices in Soft Ware Industries. Since a few studies alone have been conducted in this area, the availability of literature is very scant. However the researcher has been able to manage in reviewing the available literature which is as follows.

Acharya S.R (1997)\(^1\) in his study ‘Changing concept of labour and management – a new perspective’, observes that as a first step towards proper treatment of labour, the term itself has been substituted by the term human resource and efforts are being directed for the best utilisation of these precious resource by giving proper training, physical facilities and morale boosting. In the organisational interest, both the management and labour have to join hands and march ahead side by side.

Agarwal N.P and Priti Gupta (1997)\(^2\) in their essay ‘Human Capital Structure’ published in the Management Accountant (July 1997), make it clear that just like capital structure, the human capital structure consists of various types of employees in an organisation. The study outlines the various human capital valuation and accounting methodologies. They conclude that structural change improves the human efficiency of the organisation.

Anil Kumar V (1995)\(^3\) in his study indicates that in order to motivate the employees and to raise their efficiency, the management should adopt measures to
evaluate the merit of the employees and to make them feel that their merit is appreciated by the management.

Arora (2001)\(^4\) observed that although the software sector is human capital intensive, the Indian software industry does not require exceptional skills beyond academic training at the first degree level. The bulk of the work to produce software in India is relatively non-technical in nature. It requires mostly logical and methodical work and familiarity with software development tools and languages. Fresh graduates from a good college after having few months of orientation will have the ability to take up programming assignment. Indian software firms do not really require highly talented young software professionals for the activity they are involved in. Most of the firms hire graduates from private training institutes having diploma degree. Bulk of the engineering graduates who are not trained as software engineers or in computer Science also join in software sector because of the marked preference for engineers of all types, not just software engineers or computer Scientists.

Ashish Arora and Surendra Kumar Bagde (2006)\(^5\) in their study on “the Indian Software Industry, the human capital story” have empirically investigated how the software exports by certain states in India are influenced by local levels of human capital. The importance of availability of skilled man power in the success of Indian Software exports, has been recognized by several research studies. A note worthy feature of Indian software industry is the predominant share of engineers among software professionals in India.

The authors argue that some states were favoured locations for software industries as they had higher stocks of human capital and they allowed private engineering colleges to operate, earlier than other states. It is also related to a recent
literature that examines inter state variation in institutions and policies. The bulk of Indian software industry is concentrated in a few centers like Bangalore and Chennai.

Bhowmick Amalendu (1998)\(^6\), a management consultant, in an article ‘GATT and its impact on Trade, Industry and HRM Personnel Today’ stresses the original aim of GATT to promote world trade by reducing trade barriers like customs, duties and quotas among the contracting nations. Gradually it has proved to be the most effective instrument of world trade liberalisation. He states that this is a very sensitive issue in the Human Resource Management area even for India where so many protective labour laws have been enacted for promotion of health, safety, welfare of working class, social security benefits and also improvement in their working conditions and service conditions.

Budhwar Pawan (1996)\(^7\) in a published paper ‘Development of Human Resource Management – An analytical Review of American and British Model’, highlights the recent development of human resource management in the Western World. The increased level of competition in national and international markets combined with slow rate of productivity and growth in the U.S and West Europe demanded a strong intervention for restructure and reorganisation. All these developments made the academicians and practitioners to realize the significance of human resource in combating these challenges. Human Resource Management was originally developed in the U.S. in the 1980’s. The development of human resource is the direct concern of top management as part of the strategic planning process of the organisation.

Chauhan Daisy (1995)\(^8\) in his research work, ‘Challenges for Human Resource Development in the changing environment’ indicates that through a systematic and effective human resource management system, ordinary people can be converted into
extra ordinary performers. It is necessary for the organisations to invest in human resources not only for its growth and development but also for the very survival of the organisation in an increasing competitive and fast changing environment.

In recent decades software industry has become an increasingly important part of advanced Industrial economies. But Japanese companies have not generally achieved major global market shares in most areas of software industry. The relative lack of Japanese success has been attributed to the conflict between the need of software development process for individuality and creativity and the organizational characteristics, in particular the Human Resources Management practices of the Japanese firms (Cusumano. 1991)\(^9\).

Catherine Truss (2001)\(^{10}\) argues that the resource based view of human resource is overly rationalistic, unitarist and internally focused, compared with organizations from the sociological institutionalism perspectives. She contends that the more recent Complex Adaptive Systems perspective constitutes a more promising basis upon which to advance our knowledge in this area, since the I.T industry is an emerging industry and H.R practices in such an industry have to be necessarily strategic, dynamic and flexible in nature, considering the changing business environment.

Deepu D.S (1998)\(^{11}\) in a study conducted in the area mention the need to teach proper work methods and techniques in order to increase productivity as well as recognition of meritorious services and concern for their well-being.

Dey Bata K (1994)\(^{12}\), in a study points out gross weakness of Indian Management System pertaining to HRM and HRD. He also analyses the concept of HRM and HRD in a broad spectrum as well as their significance and relevance at a general level. He argues that HRM, needed to be equipped with an inspiring mission,
thorough going professionalism, innovative creativity, risk taking adventurism and achievement oriented motivation.

Erin White (2007) 13 the article “Call centers in small towns can run into problems” reports on the actions taken by 1-800-flowers.com incorporation in response to high attrition problems at its call centers in two small southwestern towns. The company faces employment problems because of the small populations in the towns. In relation to this, the 1-800-flowers changed its staffing method by increasing employee retention efforts and expand its home based workers.

Two new surveys from Business Publishing PR Web (2006) 14 show that although HR executives feel employee retention is a hot-button issue these days, they’re not at all confident that they’re doing what it takes to retain their valued employees. In the first survey, 78% said retention was at or near the top of their priority list. Only 5% said it wasn’t. But our second survey suggests that only 20% of companies are taking proactive measures to ensure that their best people stick around. Retention is a Top Priority, but Most Companies Aren’t on Top of it.

Fay Hansen 36 (2007) 15 the article “Lackluster performance” deals with the need for companies in the US to improve their performance management systems to be able to retain employees. Companies across the country still face sweeping condemnations of their performance management system from employees, managers and c level leadership. A 2007 survey from Towers pen-in found that most base pay, incentive and performance management programs are not effective tools for talent management.
Freada Kapor Klein (2007) the article “The Real Exit Interview” discusses the significance of effective exit interviews, and the basic reasons why employees leave their employers. It cites that some of the factors that motivate employee departure include the workplace unfairness, unjust salary and negative work culture.

Dhavan R.K (1994) in his study ‘HRM – Human Values and Excellence’ stresses the importance of human values to buildup attitude and behavior. In order to be an effective human being, the manager should properly manage himself, his workplace, family, society and the nation. The ingredients of manifesting human values are positive attitude, self confidence, strong will power, high goals, gaining knowledge, self help, constant practice, hard work, courage of conviction, sense of responsibility, spirit of service, empathy etc.

David Needle (1989) puts forth two important claims ie Human Resources Management is distinctive in nature and managing human resource is not the responsibility of any particular individual / group in the organization, rather than it is the responsibility of each and every member of the organization to conduct and manage all of them. The researcher further opines that Human Resources management practices of an organization needs to be looked at a frame work where the complexities of managing people are worked out in a pragmatic way.

Many research studies have found that the growth of a particular region is influenced by the initial level of human capital of that area. Glaeser et al (1995) observed that human capital level in the 1960s influenced the growth of cities between 1960 and 1990.
Similarly Simon et al (2002) found that cities that have higher level of human capital initially grow faster in the long run. Thus, initial level of human capital seems to be advantageous to cities and regions in attracting knowledge based Industries. The regional differences in the level of human capital also explain geographic differences in firm formation rates with regions endowed with higher level of human capital, having higher firm formation rates. (Acs 2004). This is one mechanism through which initial differences in human capital can affect industry growth.

The Survey of Heather Galler CEO of JobKite (2006) reveals Employers Boosting Work-Life Balance Benefits. More than half of private and public companies have increased their employee benefits for recruiting and retention purposes over the last six months, according to a recent nation wide survey of hiring managers, recruiters, and human resource professionals. But unlike the flashy perks and glitzy giveaways some offered in the frenetic late 1990’s, companies are now increasingly focused on ‘bennies’ that support their employees’ sense of work-life balance. “In the late 90’s, it was commonplace to hear about companies with recruiting campaigns that included extreme employee perks such as company cars, game rooms with foosball tables, huge sign-on bonuses, and chef-prepared lunches,” says Heather Galler, CEO of JobKite.com. “That ship has sailed.” The JobKite survey revealed that 56 percent of the 263 responding companies have made some significant enhancements to the employee benefits they are offering for retention or recruiting purposes, with most geared toward improving the quality of employees’ work and home lives.

Jose A.V (2000) in a study reviews the traditional role of Trade Unions, the impact of changing work environment on unions and their responses to the same, with
special emphasis on the different economic, political and geographic settings of Unions the world over – The changing economic and political environment has necessitated the adoption of new approach and strategy on the part of Trade Unions to enable them to contribute substantially towards dynamic and equitable growth. The ongoing trend towards liberalization, privatisation and globalisation has thrown up new challenges as well as opportunities to unions for playing a meaningful and effective role in the society.

Johnson (1987) contents that the issues that have to be dealt with in managing the strategy of an organization are of a different nature from many of the day-to-day activities of managing. Strategic decisions are likely to be decisions concerned with change. Implementing strategic decisions is therefore likely to involve the pursuasion of people to change from what they are used to doing.

Kiran Karnik (2002), in the NASSCOM white papers, gives a comprehensive backdrop to the software industry in India. He talks about it being one of the fastest growing sectors in India, with a compounded annual growth rate in excess of 50%. Despite the global recession and competition emerging from countries such as China, Russia, Ireland and Israel, the Industry is likely to grow by 30%. An important contributory factor according to him has been the supportive and progressive framework provided by government policies. Though Indian IT Industry is doing well, the world wide economic slow down has certainly had its impact. The statistics they provide show the growing importance of the information technology industry as we are now moving into the 4th wave – i.e. “The Knowledge Era” and the practice of HR in a knowledge driven era has assumed greater significance since we are looking for knowledge workers today, and hence management of people has become extremely important.
The Resource Based View (RBV) of HRM practice as a theoretical body presents that there is an inter relationship between performance and HRM. According to Wright and McMahan (1992) the Resource Based View treats human resources as a pool of skills that can provide a resource to serve as a sustained competitive advantage. In a sense, this theory provides a strong theoretical foundation to the subject of Human Resource Management.

Jena McGregor, Manjeet Kripalani (2007) the article “The Employee is Always Right” discusses the Indian company HCL TECNOLOGIES which publishes employee reviews of management on the company’s intranet. Although many companies use 360 degree reviews to allow employees to give feedback about managers; HCL may be the first company to publicize the results. The company is attempting to improve employee retention by responding aggressively to employee complaints.

Judy Schriener (2007) the article “Firms must adjust strategy to attract and retain staff” discusses the highlights of the build business conference conducted by society for marketing professional services and the professional services management association, held in Washington, DC. Research from society for marketing professional services foundation presented at the event shows that few design and construction firms are doing the right things to recruit new employees or retain valued ones. Also, clashing cultures between older and younger staffers and lack of knowledge management contribute to the problem.

Leo D’Angelo. Fisher (2007) the article “The Coming of Age” examines the policies of Australian companies when it comes to retaining their older workers. According to the author, it is in the interest of both businesses and the community that employers enable older workers to enjoy an equal partnership in the workplace. The
author adds that if Australian employers do not implement strategies to keep older employees working, they risk losing their most experienced people.

According to Wernerfelt (1984) resources are those tangible and intangible assets which are tied semi permanently to the firm. Another definition is offered by Barney which includes “all assets, capabilities organizational processes, firm attributes, information, knowledge etc controlled by a firm that enable the firm to conceive of an implement strategies that improves efficiency and effectiveness. This definition is comprehensive and all encompassing and more appropriate, it suggests that resources of an organization are invariably under the control of the organization. It also suggests that organizational resources are not passive rather they are the factors which play a vital role in the growth and development of the organization.

Laxman Kumar Tripathy and Kumuda Tripathy (2008) in their study “Human Resources Management Practices in I.T industry – a Complex Adaptive System Perspective (2008), argues that HRM practices being complex and adaptive in nature, the complex Adaptive System (CAS) theory is closely aligned with the prevalent knowledge and information on the unique nature of human resources management practices of I.T industries in India. As such this can be regarded as a more advanced theory on Human Resources Management in comparison to Resource Based View (RBV).

Mark A Huselid (1995) in his study “On the Impact of Human Resource Management Practices on turn-over, productivity and Corporate Financial Performance” has comprehensively evaluated the links between systems of high performance work practices and Firm performance. He argues that the use of high performance work practices including comprehensive employee recruitment and selection procedures, incentive, compensation and performance management systems,
and extensive employee involvement and training can improve the knowledge, skills and abilities of a Firm’s current and potential employees, increase their motivation, reduce shirking, and enhance retention of quality employees while encouraging non-performers to leave the organization.

Meyer and Allen (1997)\textsuperscript{34} in their study supports the notion that the work practices of the organization influence perceptions of commitment. Among these practices are open communication, employee’s specific investments in training, decision making and empowerment, promotion opportunities and the use of performance based rewards. They argue that there is a positive relationship between organizational commitment and performance. Organizational commitment represents an individual’s identification and involvement with an organization. (Porter, Steers, Mowday and Boulin (1974)\textsuperscript{35}).

Mathews J A (2002)\textsuperscript{36} emphasizes the importance of linkages (to foreign markets through multinational clients), leverage (of existing cost advantages) and learning (of technology and processes) as the key element of success of East Asian Firms. Similar processes were also true in the case of capability building of Indian Software Companies. The main reason for the success of Indian Soft Ware Firms in the 1980s, were the cost advantage of engineering talents due to low wage rates. By the end of 2001 the leading Indian Firms possessed unique capabilities in out sourcing across a range of services to large multinational clients.

Podder C.K. (1996)\textsuperscript{37} in his paper ‘Retention of Employees – H R Manager’s Challenge’ published in the Opportunity – Hindu Daily dated January 10, 1996 states that retention of employees in organisation will be the greatest challenge human resource managers will be facing in the coming years. Employees will look for greener pastures elsewhere irrespective of their length of service in the organisation.
Talent flow will increase manifold and the public sector under takings would face the biggest casualty. This is because the existing job does not provide enough satisfaction and the challenge to prove their competence. If an organisation cannot provide challenging jobs, career growth and job satisfaction to its employees, the organisation will be a great loser. Analysis of feedback and appropriate remedial measures are the most ideal solutions to such critical issues.

As per the survey of Mercer Human Resource Consulting\textsuperscript{38}, “China companies see staff turnover rise, paying more for retention” Forbes (2006) Companies in China are struggling to retain professional and support staff and must pay higher salaries or high recruitment costs. The human resources and financial consulting firm surveyed 114 companies in China and found that 54 pet have experienced higher turnover for professional staff since last year, while 42 pet experienced increased turnover for support staff in the same period. The average tenure for employees aged between 25-35 years - the age bracket targeted by most multinational firms - fell to just 1-2 years in 2005 from 3-5 years in 2004, Mercer said in a statement. ‘The employment market in China has ignited in recent years, as more multinational organizations set up operations there and local companies expand. Individuals with transferable skills have become a valuable commodity and companies are battling to keep hold of them,’ Mercer said.

Michelle Conlin (2007)\textsuperscript{39} the article “Netflix: Recruiting and Retaining the Best talent” reports on how Netflix is recruiting and retaining the best talent. Chief executive officer Reed Hastings keeps the employees motivated with hefty compensation and luxe perks, including lots of time off. In return, he expects ultra high performance. His 400 salaried employees are expected to do the jobs of three or four people. The mission, in this case, is trying to outmaneuver blockbuster, Amazon,
the cable companies, and apple in the race to become the leading purveyor of online movies.

Monster Retention Study, (2006)\(^{40}\) Interbiznet Bugler, Monster conducted a study of HR managers to assess their attitudes toward worker retention and identify best-in-class strategies they plan to implement in 2006. Key highlights of the research include: The majority of HR managers feel that worker retention is a current concern for their organizations and expect it to become an focal issue in coming years.

Prakasan Rajappa (1976)\(^{41}\), in his research study ‘Human Factor in Industrial productivity’ found that occupational level has some influence over the Satisfiers and dissatisfiers of employees. In higher level occupation, motivation factors act as Satisfiers but in a lower level occupations, both motivator and hygienic factors seem to act as Satisfiers and dissatisfiers.

Persis Mathias (2001)\(^{42}\) states that it is hard work engaging Indian software talent by the software industry, which is spawning ground for I.T professionals. It is also a stalking ground for companies on the hunt for prized talent which means that companies here must work extra hard to hold on to their key people. Retention of employees then is a major task before HR professional managers. AMR (attract, motivate, retain) is a big concern in IT industry. According to the Hewitt survey done on the software companies in Bangalore, in order to meet the domestic and international demand for computer software, India plans to enhance its IT workforce to half a million personnel by 2008. The most recent statistics show that 19 of the 26 state governments have already announced IT policies and many others have formed high level task force. Nevertheless, initiatives by the Government have proven slow to match the reality that there just aren’t enough experienced IT workers to go around. Persis says that companies were often forced to place junior professionals in roles that
they are not adequately qualified to manage. This has resulted in a number of problems for companies in terms of leadership, people management, project management, client interaction and good domain knowledge. Training function assumes an important role here. Owing to talent shortage, companies are forced to groom junior professionals to take on management roles; these companies therefore focused on building capabilities in terms of leadership, people management, project management, Client interaction and good domain knowledge – great emphasis is therefore placed on training and providing quick and steep growth paths.

According to this study IT companies are doing anything and everything they can to keep hold of their best employees. Almost all companies position their people in the top quarter of the market. High performers and those with critical skills are put on an even higher pay scale – salary increases but an average of 25% employees are trying to create an environment that makes the company a best place to work. Sports and gym facilities, concierge services, high-end tools and technology are some of the other benefits these companies offer to retain their people. Some of the larger companies have also built a brand name for themselves that in itself helps to attract and retain talent. The survey recommends that employees should widen their scope from retention to engaging employees.

This research study corroborates the contention that today the most important resource is the “people” resource and to retain good people it is necessary to have a conducive environment of trust and openness. Flexibility of HR practice is essential if empowerment and accountability are to be granted to the employees.

Paul A.K. and R.N. Anantharaman (2003) in their article “Impact of People Management Practices on Organizational Performance – Analysis of a casual model” based on a study on Indian Software Companies has attempted to link HRM with
organizational performance through an intervening process. Their study has found that not even a single HRM practice has direct casual connection with organization’s financial performance. At the same time it has been found that each and every HRM practice under study has an indirect influence on the operational and financial performance of the organization. Further HRM practices such as training, job design, compensation and incentives directly affect the operational performance parameters, viz employee retention, employee productivity, product quality, delivery system and operating cost.

Rao. S.S (1996)\textsuperscript{44} in his study ‘Performance Appraisal in Public Sector undertakings’, argues that performance of an employee is appraised by the superior officers in various angles which includes innovation, resourcefulness and earnestness in discharging duties and main consideration is efficiency and not sycophancy. Hence only deserving employees are elevated to higher positions in organisations. The real qualities of a manager can be best known through his subordinates and his ability in maintaining cordial relations with the employees will also surface now which is a prerequisite for accomplishing the desired target of an organisation.

T.V. Rao, Raju Rao and Tara Yadav (2001)\textsuperscript{45} have comprehensively examined various HR practices followed by Firms in Asia and other European countries which has direct relevance to software industries, this was developed by Curtis and his team (1995) called P. CMM Approach VIZ People Capability Maturity Model- aims at providing guidance on how to improve the ability of software organizations to attract, develop, motivate, organize and retain the talent needed to improve their software development capability.

According to Robert Half Technology, a staffing agency IT firms pay to keep talent, Vancouver Sun (2006)\textsuperscript{46} is talking louder as companies begin to deal with a
renewed problem of retaining key technology workers. Its survey of chief information officers found pay hikes and bonuses were among popular strategies for keeping key talent. Of 270 small and medium-sized companies surveyed, 40 per cent listed compensation and 39 per cent listed bonuses as one of their retention strategies. The most popular method of keeping IT workers, however, was “providing training or professional development,” a strategy used by 58 per cent of employers surveyed. Offering flexible schedules, listed by 41 per cent of employers, was also among popular responses.

Sarah Protzmman (2007) in the article “Group Takes on Employee Retention Industry Leaders at WWD’s HR Leadership Forum examine ways to find and keep valuable workers” reports on the WWD human resource forum, which took place in New York City in October 2007. The primary topic of the forum was how to find and keep good employees. The forum featured retail and apparel leaders who are known for attracting people with high character and retaining them, either through promoting from within or recruiting its best customers.

Sridharan N.C (1997) in his article ‘Changing Attitude at the Workplace’ published in Hindu Daily (Feb 12, 1997) suggests that to survive in the emerging highly competitive environment, organisations have to invest their resources and effort in technology up gradation as well as developing human resources. Most of the Indian companies do not have a HRD or HRM Department. Also very little efforts are taken to communicate with employees as to what is happening in the business scenario. For this the organisations have to take initiatives to make the employees value driven.

Sajeev S (1994) in his research work, ‘Trade Unions in Kerala An empirical study’ opines that Trade Union leaders in Kerala showed too much affiliation to
political parties. Majority of them were either members or sympathisers of some political party or other.

Sen Gupta. K. Anil (1995) argues that if participation has to succeed, the management must strongly support it and ensure employee participation. Employee Participation in management has become a necessity for the survival and growth of the organisation in India in the context of globalisation and liberalization. Participation failed in the country in the past, primarily due to the lack of support from the management. The need of the hour is the emergence of an industrial relation which centers around constructive and cordial relationship between the employer and the employee.

Sonara C.K. (1999) in his paper ‘Human Resource Reporting – Practice and Problems in India’ published in the Management Accountant, makes a plea for Statutory evaluation and reporting of human resource. A proper reporting of human resource in the financial Statement of a company will go a long way to give a fair and complete view of accounting information, infuse confidence among the people working in the organisation, boost their morale and help the management in fulfilling their social responsibility.

Suma S Athreye (2005) in her essay “the Indian Software and its evolving Service capability” examines the growth of dynamic capabilities among firms in the Indian Software Industry by looking in some details at the changing constraints, opportunities and competition facing incumbent firms. It emphasizes the important role played by tight labour market conditions, inducing investment in process capability and the role of entrepreneurial experimentation in evolving a business model that was best suited to limited resource advantages of Indian software firms.
Sarah Beecham et al. (2007)\textsuperscript{53} in their research article ‘Motivation in software Engineering - A systematic Literature Review’, stress the importance of motivation in software engineering. Their objective was to identify on what motivates and demotivates software developers and how existing models address motivation aspects. The study indicates that software engineers form a distinguishable occupational group, and they are likely to be motivated according to their “characteristics” (their need for variety), “internal control” (their personality) and “external moderators” (their career stage). Models of motivation in software Engineering are disparate and do not reflect the complex needs of software Engineers in their different career stages, cultural and environmental settings.

Thomas Jacob (2001)\textsuperscript{54} in his research work ‘Human Resource Management and Organisational Commitment’ mentions that the greatest competitive advantage of any organisation depends on the quality of its human resource and the effectiveness with which they are deployed. Acquisition of adequate and appropriate kind of human resource is perhaps the most crucial, complex and perpetual task of management of any enterprise.

Tom Siekel (2002)\textsuperscript{55} argues that the advocates of Customer Relationship Management (CRM), have moved on to Employee Relationship Management (ERM) as human resource is recognized to be resource which will yield rich returns for a company. He states that today, a new relationship has been defined between the employer and employee. It can be described as a contract through which individual needs and those of the organization are well balanced. The role of leadership is to create an environment where employees take responsibility for their own learning.
Venkataraman T.S. (1995)\textsuperscript{56} points out that considering the present trends and anticipated developments in the field of HRM, one can firmly believe that increasing attention will be given to human problems in the years to come. To face the challenges in the dynamic business environment, the H.R function must expand strategically in four key areas viz. information system, technical expertise, strategy development and implementation and cultural development. The employees on their part will be required to meet the challenges of working situations with an enlightened outlook and rationalistic view. The process of self development and self introspection of employees will gain importance.

Steve Rosenbush (2007)\textsuperscript{57} the article “CFOs are feeling the Heat” reports that turnover among Chief Financial officers (CFO) was up to 23 percent in 2006 from 2005, according to a report from Liberum Research. At businesses with more than ibillion dollar in revenues, CFO turnover was up to Sopercent.average tenure OF CFO’S dropped to 30monthes half of what it was in2002.

Stuart Basefsky (2007) \textsuperscript{58} the article “The Personal Information Trainer” focuses on personal information trainer, a professional librarian or information specialist in charge of individuals considered to be essential to company or institution’s success. The author explains why personal information trainer is an employee benefit and how all parties in the organization benefit from them. Personal information trainers who are designed to attract and retain talented employees, is responsible in keeping individuals and their office updated on latest resources useful for productivity and creativity.

Vikhe Patil Balaseheb (2000)\textsuperscript{59} in his paper ‘Economic Reforms and Human Resource Development’ published in the Indian Journal of Labour Economics, strongly recommends a renewed focus on the labour policy that views development as
a sustainable process of expanding the capabilities of people and one which seeks to mobilise human resources. In 1991 India witnessed significant changes in its economic policy when we adopted the economic reform measures in the wake of acute Balance of payment crisis and mounting fiscal deficits. However, it has been the declared policy of the Government to carry out these reforms while giving them a human face. The major challenges before our policy makers and planners is how to achieve efficiency and higher productivity while providing adequate social security measures to the workers.

Viramani B.R and Kala Rao (1994) in their paper ‘Technology Transfer – Assimilation and Human Resource Management’ published in the Personnel Today (1994) discuss some of the issues connected with transfer of technology and the preparedness of the organisation to assimilate the same including some of the factors which help or hinder the process of assimilation, with special reference to the human resource aspect. They come to the conclusion that even though Indian organisations are technologically weak they are gifted with the vast marketing potential. To overcome this problem, gradually organisations should develop long term and short term technology assimilation policy which eventually will help in building up the image of the organisation.

A number of software companies in Technopark and Infopark are BPO companies. Outsourcing is an emerging area which generates new employment opportunities. A recent study conducted by Catherine Mann at the Institute of International Economics predicted that around 3.3 million jobs would have moved to developing countries including India by the end of 2015. Even though there was an initial opposition in the U.S against out sourcing software related jobs, it would be
good to U.S economy in the long run. As a result of trade liberalisation there is a constant decline in the prices of computers which led to increased demand for highly trained experts in computer science. Out sourcing is to be seen in terms of the overall process of globalisation. There is no alternative to globalisation and globalisation is a win – win game to both developed and developing countries.

The present study therefore positioned as a conclusive study to understand the human resource management practices in the software industries in Kerala, focusing on the major factors influencing the people to opt for a career in software companies, their working conditions in motivating and retaining the talents in the organizations, to study and understand whether job security is an important determinant among the employees of software companies and to suggest measures to improve the HRM practices currently followed by the companies in Kerala based on the study.

From the above review of literature it can be seen that many of the researchers have contended that HRM practices add significant value for organizations. Secondly various components of HRM were studied by the researchers in piecemeal. The present study is a comprehensive approach on HRM practices in managing people in the software industries of Kerala. As such the researcher perceives that no such integrated and comprehensive study of HRM practices in the software industries of Kerala has been made earlier.
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57. Steve Rosenbush (2007). “CFOs are feeling the Heat”,Business Week, 11/5 Issue :4057, p.15

