CHAPTER VI

SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

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6.1 INTRODUCTION

In this last chapter, ‘Summary of Findings, Suggestions and Conclusion’, the important findings of the study generated through the interview schedule with the sample ITeS employees are presented. The results are derived from using certain statistical tools which are also given. The interaction of the researcher with the ITeS employees about HR practices with respect to recruitment, training, development, compensation, retention and attrition is also discussed in this chapter. As such, it is the concluding chapter which depicts the significant findings, statistical results and also the suggestions.

6.2 SUMMARY OF FINDINGS

This section represents the important findings of the study based on the third, fourth and fifth chapters.

The second chapter entitled ‘Review of Literature’, enumerated 52 reviews relating to HR practices on recruitment, compensation, training and development, attrition and retention.

In the third chapter, titled ‘Human Capital Management in ITeS industry – Concept of HRM and HR practices – A Conceptual Explanation’, the researcher made a detailed analysis over the HR practices in the ITeS companies and the various practices related to recruitment, compensation, training and development, attrition and retention of employees.

- Management matches up its technological needs with the people who have appropriate talent rather than training IT personnel who want to learn more about new technology (Mean rate: 3.47).
- Management provides job security rather than marketing their skills in the existing market (Mean rate: 2.87).
Finding another job as good as this one within a reasonable period is possible in the existing market (Mean rate: 2.81).

Job provides more importance in allowing the employees to take part in making decisions affecting them rather than providing freedom in deciding their job profile (Mean rate: 2.43).

It is clear that the employees have to work very fast, deal with backlog of work and under time pressure in this sector rather than working in comfort (Mean rate: 3.21).

It is observed that the employees feel emotionally drained from the work in this industry (Mean rate: 2.87).

It is noted that the employees were physically exhausted by the work in this industry (Mean rate: 3.21).

Personality of the employees matches with that of the industry (Mean rate: 3.11).

The fitness between the employees and the Job is more when the knowledge, skills and abilities match the requirement of the job (Mean rate: 2.87).

It is noted that the fitness between the employee and the group is more when the objectives of the organization as whole match with the team/group (Mean rate: 3.25).

It is noted that the organization encourages referring a friend based on the loyalty of the employee (Mean rate: 3.34).

It is clear that the employees are willing to put in a great deal of effort beyond what is normally expected in order to help the organization to be successful (Mean rate: 3.24).

It is noted that the employees are satisfied with the amount of personal growth and development that they derive from their job (Mean rate: 3.37).

It is clear that the selection process (Mean rate: 3.43) and exit interview (Mean rate: 3.27) process are considered to reach the highest level of
satisfaction on recruitment process, while experience is an unique criteria for selection process with a mean score of 2.87.

- It is observed that the respondents are satisfied with confidence in applying knowledge to novel area (Mean rate: 2.84), adequacy of training with (Mean rate: 2.78), inter-personal relationship (Mean rate: 2.58) and quality and quantity of training materials (Mean rate: 2.74).

- It is noted that the respondents are having good satisfaction level towards “The incentives are to be in the form of both financial and non-financial basis (Mean rate: 3.12) and their satisfaction level for compensation process is with (Mean rate: 2.84).

- It is observed that mobility enhances the quality of the employees (Mean rate: 2.83) is a healthy indicator. The mobility assures the employees with different experiences (Mean rate: 2.73). It is observed that mobility of labour will certainly enhance the performance quality of the employees.

- It is clear that attrition is the inherent feature of the industry, has a mean score of 2.78. Attrition is an influential factor responsible for better pay condition has got 2.64. It is clear that attrition is the inherent feature of the industry.

- It is noted that the respondents are unsure of career growth with a mean score of 2.90, power and politics (Mean rate: 2.89), low perceived value (Mean rate: 2.87), while poor mentoring (Mean rate: 2.38), lack of autonomy (Mean rate: 2.47) and emphasis on quantity over quality with a mean score of 2.42 are the reasons for the employees as the factor of attrition.

- It is observed that high pressure of work (Mean rate: 3.34), pressure from supervisors (Mean rate: 3.21), remuneration not at par with others (Mean rate: 3.17) while discrimination (Mean rate: 2.72), unclear job role (Mean rate: 2.74) are the reasons for leaving the company.

- It is noted that ‘Impact of transition on the end product(Mean rate: 3.11) and ‘Waiting period before the next employee takes charge(Mean rate:
2.85) are considered as the main consequences of attrition, while ‘cost of training, hiring another employee(Mean rate: 2.73) are considered as the consequence of attrition in ITES organization.

- It is observed that ‘Attrition affects the achievement of objectives of the company (Mean rate: 2.87), and ‘Attrition is sometimes responsible for loss of sales (Mean rate: 2.82), are considered as the main effect of attrition.

- It is observed that the Selection process (Mean rate:3.56), effectiveness of training, (Mean rate: 3.32) motivation with a mean score of (Mean rate: 3.23) are considered to reach the highest level of satisfaction on HRD practices.

**Results Through Correlation Analysis - Retention**

- Positive significant correlation is observed between matching the needs and retention \((r = 0.46)\). This shows that matching the employee needs retains the employees in the organizations by 46%.

- Positive significant correlation is observed between career and job security and retention \((r =0.52)\). This shows that improvement in career and good job security retains employees in the industry by 52%.

- Positive significant correlation is observed between fitness between employee and the organization and Retention \((r = 0.53)\). This shows that good relationship between employee and the organizations improves retention of employees in the organizations by 53%.

- Positive significant correlation is observed between fitness between employee and job and Retention \((r = 0.59)\). This shows that fitness between employees and their job improves retention in the industry by 59%.

- Positive significant correlation is observed between fitness between employee and their group and Retention \((r = 0.56)\). This shows that fitness between employee and their group increases retention in the organizations by 56%.
Positive significant correlation is observed between loyalty and retention \((r = 0.47)\). This shows that employees’ loyalty towards their organizations improves retention in the industry by 47%.

Positive significant correlation is observed between commitment and retention \((r = 0.51)\). This shows that employees’ commitment in the organization helps to retain the employees in the organizations by 51%.

Positive significant correlation is observed between job satisfaction and retention \((r = 0.65)\). This shows that employees’ satisfaction towards their job improves retention in the industry by 65%.

Positive significant correlation is observed between working condition and retention \((r = 0.63)\). This shows that better working conditions improve retention in the organizations by 63%.

Positive significant correlation is observed between span of control and retention \((r = 0.44)\). This shows that Span of control improves retention in the organizations by 44%.

Positive significant correlation is observed between motivation and retention \((r = 0.49)\). This shows that motivation given to the employees improves retention in the industry by 49%.

Positive significant correlation is observed between openness in communication and retention \((r = 0.42)\). This shows that openness in communication improves retention in the organizations by 42%.

Positive significant correlation is observed between employee participation and retention \((r = 0.44)\). This shows that employees’ participation in their organizations helps to retain the employees in the industry by 44%.

**Results Through Correlation Analysis - Attrition**

Positive significant correlation is observed between alternative employment opportunity and attrition \((r = 0.67)\). This shows that alternative employment opportunity provides way for attrition in the organization by 67%.
Negative significant correlation is observed between freedom of work and Attrition \( (r = -0.54) \). This shows that less freedom in work has caused attrition in the organization by 54%.

Positive significant correlation is observed between job demand and attrition \( (r = 0.49) \). This shows that high demand in job has increased attrition in the industry by 49%.

Positive significant correlation is observed between work stress and attrition \( (r = 0.62) \). This shows that increase in work stress has increased attrition in the industry by 62%.

Positive significant correlation is observed between burnout and attrition \( (r = 0.52) \). This shows that increase in burnout has increased attrition in the organizations by 52%.

Negative significant correlation is observed between intention and attrition \( (r = 0.47) \). This shows that increase in employees’ intention to quit the organization has increased attrition by 47%.

Negative significant correlation is observed between working condition and attrition \( (r = -0.53) \). This shows that dissatisfaction in working conditions in the organization has cost the attrition by 53%.

Negative significant correlation is observed between promotion policy and reward and attrition \( (r = -0.65) \). This shows that employees’ dissatisfaction towards promotion policy and reward in the organizations has caused the attrition in the industry by 65%.

Negative significant correlation is observed between performance appraisal and attrition \( (r = -0.61) \). This shows that dissatisfaction towards performance appraisal has increased attrition in the industry by 61%.

Negative significant correlation is observed between work environment and attrition \( (r = -0.58) \). This shows that poor work environment has increased attrition in the industry by 58%.
Influence of Demographic Variables of the Respondents on Training Process

i) Significant influence of age of the respondents on training is observed. Respondents with age of 31-40 years are more satisfied with training given in the organizations and the respondents with age of above 50 years are less satisfied with the training given in the industry.

ii) Significant influence of gender of the respondents on training is observed. This shows that men are more satisfied with the training offered in the organizations and women are less satisfied with the training provided in the industry.

iii) Significant influence of marital status of the respondents on training is observed. Respondents living as single are more satisfied than the married respondents with the training provided in the organizations.

iv) Significant influence of education of the respondents on training is observed. Respondents possessing Post Graduation with commerce background are more satisfied with the training provided by the organizations and the respondents possessing Graduation with science background are less satisfied with training process in ITeS industry.

Influence of Demographic Variables of the Respondents on Growth and Development

i) Significant influence of age of the respondents on growth and development is observed. Respondents with age above 50 years are more satisfied with their growth and development in their organizations and the respondents with age below 30 years are less satisfied with their growth and development in the industry.

ii) Significant influence of gender of the respondents on growth and development is observed. Women are more satisfied with their growth and development in the organization and the male respondents are less satisfied with their Growth and development in the industry.
iii) Significant influence of marital status of the respondents on growth and development is not observed.

iv) Significant influence of education of the respondents on growth and development is observed. Employees possessing Post graduation with science background are more satisfied with their growth and development in their organizations and the respondents possessing under graduation with commerce background are less satisfied with growth and development in the industry.

v) Significant influence of annual income of the respondents on growth and development is observed. Respondents earning more than Rs.6 lakhs per annum are more satisfied with their growth and development and the respondents earning less than Rs. 4 lakhs per annum are less satisfied with growth and development in the industry.

Influence of Demographic Variables of the Respondents on Compensation

i) Significant influence of age of the respondents on compensation is observed. Respondents with age below 30 years are more satisfied with their compensation and the respondents with age between 41 to 50 years are less satisfied with compensation in the industry.

ii) Significant influence of gender of the respondents on compensation is not observed.

iii) Significant influence of marital status of the respondents on compensation is observed. Respondents of married persons are more satisfied with their compensation and the respondents of single are less satisfied with compensation in the industry.

iv) Significant influence of education of the respondents on compensation is not observed.

v) Significant influence of annual income of the respondents on compensation is observed. Respondents earning less than Rs.4 lakhs as their annual income are more satisfied with their compensation and the
respondents earning more than Rs. 6 lakhs are less satisfied with compensation in the industry.

**Influence of Demographic Variables of the Respondents on Retention**

i) Significant influence of age of the respondents on retention is observed. Respondents with age above 50 years are retained in the organizations and the respondents with age below 30 years felt that they can be given more weightage to retain in the organization.

ii) Significant influence of gender of the respondents on retention is observed. Men are more satisfied with the retention rate of the organization than the women employees in ITeS organizations.

iii) Significant influence of marital status of the respondents on retention is observed. Married respondents are more satisfied with the retention rate than the respondents living as single in the industry.

iv) Significant influence of education of the respondents on retention is observed. Under graduation with commerce background are more satisfied with the retention and the respondents with educational qualification of Post graduation with commerce background are less satisfied with the retention rate in the industry.

v) Significant influence of annual income of the respondents on retention is observed. Respondents earning above Rs. 6 lakhs as their annual income are more satisfied with their compensation and the respondents earning below Rs.4 lakhs per annum are less satisfied with the retention rate in the industry.

**Influence of Demographic Variables of the Respondents on Attrition**

i) Significant influence of age of the respondents on attrition is observed. Respondents in age group of below 30 years are mostly involved in attrition and the respondents with age above 50 years are less involved in attrition in the organizations.
ii) Significant influence of gender of the respondents on attrition is observed. This shows that the male respondents are showing more involvement in attrition than the women employees in the industry.

iii) Significant influence of marital status of the respondents on attrition is observed. Respondents living as single are more involved in attrition than the married employees in the industry.

iv) Significant influence of education of the respondents on attrition is not observed.

v) Significant influence of annual income of the respondents on attrition is observed. Respondents earning below Rs.4 lakhs are more involved in attrition and the respondents earning above Rs.6 lakhs are less involved with attrition in the companies.

Influence of Selection Process, Source of Hiring, Selection Criteria and Nature of Employment on Recruitment

i) Significant influence of process of the respondents on selection/recruitment is observed. Employees recruited through Campus interview are more satisfied with their Recruitment process and the respondents recruited through telephonic interview are feeling less satisfaction towards recruitment process in the industry.

ii) Significant influence of source of hiring of the respondents on selection/recruitment is observed. Employees hired through placement consultants are more satisfied with Recruitment process and the employees hired through advertisements felt that they are less satisfied towards Recruitment process in the industry.

iii) Significant influence of selection criteria of the respondents on selection/recruitment is observed. Respondents recruited for experience are more satisfied with the recruitment process and the employees recruited for education qualification are less satisfied towards Recruitment process in the industry.
iv) Significant influence of employment nature of the respondents on selection/recruitment is not observed.

**Influence of Work Related Variables on Recruitment**

i) Significant influence of designation of the respondents on recruitment is observed. Team leader are more satisfied with their recruitment process and the Associates/Processing officers are less satisfied with recruitment process in the ITES sector.

ii) Significant influence of current experience of the respondents on recruitment is observed. Respondents working more than 6 years are more satisfied with their recruitment process and the respondents working less than 3 years are less satisfied with recruitment process in the ITES sector.

iii) Significant influence of employee size of the respondents on recruitment is observed. Employees working in organizations with less than 5000 employees are more satisfied with their compensation and the employees working in organizations with more than 10000 employees are less satisfied with compensation in the ITES industry.

iv) Significant influence of the employment nature of the respondents on recruitment is not observed.

**Influence of Work Related Variables on Training**

i) Significant influence of designation of the respondents on training is observed. Project leaders are more satisfied with the training provided by the organizations and Associates/Processing Officer are less satisfied with the training provided in the industry.

ii) Significant influence of current experience of the respondents on training is observed. Respondents with 3-6 years experience are more satisfied with the training provided by the organizations and the respondents with less than 3 years experience are less satisfied with the training process in the industry.

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iii) Significant influence of employee size of the respondents on training is observed. Respondents working in organization with employee size less than 5620 are more satisfied with the training provided by the organizations and the respondents working in organizations with employee size more than 6624 are less satisfied with the training provided in the ITES industry.

iv) Significant influence of employment nature of the respondents on training is not observed.

Influence of Work Related Variables on Growth and Development

i) Significant influence of designation of the respondents on growth and development is observed. Project leaders are more satisfied with their growth and development in the organization and the Associates/processing officers are less satisfied with growth and development in the industry.

ii) Significant influence of current experience of the respondents on growth and development is observed. Respondents with more than 6 years of experience are more satisfied with their growth and development and employees with less than 3 years of experience are less satisfied with growth and development in the ITES industry.

iii) Significant influence of employee’s size of the respondents on growth and development is observed. Employees working in organization with size of 5620-6624 employees are more satisfied with their growth and development in the organization and the employees working in organizations more than 6624 employees are less satisfied with their growth and development in the ITES industry.

iv) Significant influence of employment nature of the respondents on growth and development is observed. Permanent employees are more satisfied with their growth and development and the temporary employees are less satisfied with their growth and development in the industry.
Influence of Work Related Variables on Compensation

i) Significant influence of designation of the respondents on compensation is observed. Project leader are more satisfied with their compensation and the Associates/Processing officers are less satisfied with compensation in ITES sector.

ii) Significant influence of current experience of the respondents on compensation is not observed.

iii) Significant influence of employee size of the respondents on compensation is observed. Employees working in organizations with 5620 to 6624 employees are more satisfied with their compensation and the employees working in organizations with less than 5620 employees are less satisfied with compensation in the ITES industry.

iv) Significant influence of the employment nature of the respondents on Compensation is not observed.

Influence of Work Related Variables on Retention

i) Significant influence of designation of the respondents on retention is observed. Project leaders are more satisfied with the retention process in their organizations and Associates/Processing officers are less satisfied with the retention rate in the organizations.

ii) Significant influence of current experience of the respondents on retention is not observed.

iii) Significant influence of employee size of the respondents on retention is observed. Respondents employed in the organization with more than 10000 employees are more satisfied with the retention process and the employees working in organization with employee size less than 5520 employees are less satisfied with the retention process in the industry.

iv) Significant influence of the employment nature of the respondents on retention is observed. Permanent employees are more satisfied with the retention rate and the Temporary employees are less satisfied with the retention process in ITES industry.
Influence of Work Related Variables on Attrition

i) Significant influence of designation of the respondents on attrition. Associates/Processing officers are more involved in attrition and the Project leader are less involved with attrition in the companies is observed.

ii) Significant influence of current experience of the respondents on attrition is not observed.

iii) Significant influence of employee size of the respondents on attrition is observed. Respondents working in organization with 5620-6624 employees are more involved in attrition and the respondents working in organizations with more than 10000 employees are less involved in attrition.

iv) Significant influence of nature of employment of the respondents on attrition is observed. Temporary employees are more involved in attrition and the Permanent employees are showing less involvement in attrition in the ITES organizations.

Predictor Variables for Retention (overall)

- Variables such as career and job security, fitness between employee and organization, fitness between employee and job, fitness between employees and their group, commitment, job satisfaction and motivation are the significant predictors responsible for retention of employees in the ITES organizations.

Predictor variables forAttrition (overall)

- Variables such as alternative employment opportunity, freedom of work and performance appraisal are the significant predictors responsible for attrition in the ITeS companies.
Predictor Variables for Retention of Project Leader

- Variables such as matching the needs, career and job security, fitness between employee and the organization, fitness between employee and job, fitness between employees and their group and employee participation are the significant predictors responsible for retention of Project Leader in ITES organization. Predictor variables for Retention of Team Leader.

Predictor Variables for Retention of Project Leader

- Variables such as career and job security, fitness between employee and job, fitness between employees and their group, commitment, span of control and openness in communication are the significant predictors responsible for retention of Team Leader in the ITeS organizations.

Predictor Variables for Retention of Associates / Processing Officers

- Variables such as career and job security, fitness between employee and job, Fitness between employees and their group, job satisfaction and span of control serve as significant predictors for retention of Associates/ Processing Officers in the companies.

Predictor Variables for Attrition of Project Leader

- Variables such as alternative employment opportunity, freedom of work, working condition, promotion policy and reward, performance appraisal and work environment serve as significant predictors for attrition of Project Leaders in ITeS organizations.

Predictor Variables for Attrition of Team Leader

- Variables such as alternative employment opportunity, freedom of work, job demand, work stress, working condition and performance appraisal serve as significant predictors for attrition of Team Leaders in the ITeS sector.
Predictor Variables for Attrition of Associates / Processing Officers

- Variables such as alternative employment opportunity, freedom of work, work stress, performance appraisal and work environment serve as significant predictors for attrition of Associates/Processing Officers in the industry.

6.3 SUGGESTIONS

On the basis of the observations made by the researcher with the respondents and on the basis of the discussions held with the HR officials of the study area, the following suggestions are made to enhance the role of the HR Managers in ITeS Industry for better employer - employee relationship management with the industry.

The following are the problems identified in ITeS sector:

6.3.1. Recruitment

Recruitment of employees is an important task and the recruiters play a very vital role in any of the organisation. If the employees are not employed according to the requirements of the organisation, then the entire goal of an organisation will tremble. In this regard, the growing ITeS industry will be facing problems like:

- Culture fit of the new employees
- Willingness and flexibility of the candidates
- Not having right skill mix and not ready to learn.

The employees do not fit themselves with the existing culture even after accommodating themselves with the organisation. Now-a-days the industry is more of 24 x 7, so, the organisation needs people who can really work with flexible timings. But, the employees while taking up the opportunity accept for the needs and requirements of the organisation, but as and when they got employed, they do not show their willingness to work accordingly. This makes
the entire scenario a problematic one. There is also one more problem that is being faced by the HR Managers after recruitment. The candidates recruited do not have right skill mix and they are not ready to learn them even. This will vanish the entire concept of the organisation. Since today’s industry is growing technologically day by day, industry has to adopt the new existing technology. If the employees do not show interest in learning the new concepts, the employer will put into trouble.

**Suggestion**

To overcome this problem, the HR manager have to identifying the candidate who is having right skill by interviewing people and assess their attitude and willingness to learn along with technical skills. This is possible by recruiting candidates through proper source. Since the process of recruitment is a costly affair, employee referral is the best source today and for future to recruit right candidates who fit the culture of the organization. For better retention, campus recruitment is one of the effective methods.

**6.3.2. Training & Development**

Training and Development is the next prime important concept in an organisation so as to match the growing needs in the industry. Training an employee is the need of the hour. Every employee should be trained based on the technical and technological changes that affect the industry. Investment/Cost of each program is very high. So, training should be more effective in matching the needs of the industry. It is also in the hands of the employees to take up the training modules very seriously as the investment made in each program is very high. It is not only the employees taking it casually but also with the training team who lacks in innovation in the method of training. The team focussing on training people does not focus on future leader group.
Suggestion

Training and Development can be made effective by periodically identifying new technologies and updates on the existing technology and train the employees based on that. The organisation should sponsor higher education programme for high performing employees. It can create Certification Programme for Technical skills in order to motivate them to get trained. The organisation should also focus on training managerial skills training for future leaders so as to make the industry flourish with the growing needs.

6.3.3. Compensation

Compensation is another important factor in this industry. The aspiring candidates though fresh to the industry expect very high salary even at the entry level. Since the market is volatile and there is no benchmarking about compensation, it becomes a crucial problem due to which the rate of attrition goes on the higher side. The employee does not even bother from having a hop from one industry to another for sake of peanuts.

Suggestion

In order to overcome the problem of attrition, periodic benchmarking on the compensation taking into account the competitors should be made. The organisation should have a policy in maintaining at 75th to 80th Percentile of the Market. They also motivate by providing some innovative benefit schemes for Senior Employees so as to retain the talented and experienced employees. The industry should also focus on Tax benefit salary structure for all employees with a view to retain them.

6.3.4. - Retention/Attrition:

It is better to save a penny than to earn – This is the ideal proverb to explain the term Retention. Retaining the existing employee is always better than to employ new candidates. It may be cost effective with regard to the new candidates but the organisation has to pay a huge amount in order to train and
develop them to the existing need of the industry. As we know that the cost of training each programme is very high, it is highly advisable to retain the existing employees by motivating them through various aspects. Today tenure in each company is becoming really short i.e. Job hopping is high. There is no emotional bonding for employees with the organization. This in turn will lead in loosing employees with niche skills by the industry itself.

**Suggestion**

In order to overcome this problem it is better to focus on retaining High Performers by providing onsite opportunity and faster career growth. They should also provide customised roles and client facing roles for Management team so as to encourage them in their profile. The employees should be given with some ESOP and other benefits for Top performers in order to make them interesting in their profile and make them to work for the organisation at a longer run. Every employee should be provided with continuous learning opportunity for employees with niche skills so as to create a confidence in their performance. Last but not the least the organisation should create a healthy and motivating atmosphere in order to reduce the rate of attrition.

**6.4 SEM MODEL FOR HR PRACTICES IN ITeS INDUSTRY**

Structural Equation Modelling (SEM) is a statistical technique for testing and estimating causal relations using a combination of statistical data and qualitative causal assumptions. The definition of SEM was articulated by the geneticist Sewall Wright (1921), the economist Trygve Haavelmo (1943) and the cognitive scientist Herbert Simon (1953), and formally defined by Judea Pearl (2000) using a calculus of counterfactuals.

SEM allows both confirmatory and exploratory modelling applicable for both theory testing and theory development. Confirmatory modelling usually starts with a hypothesis that gets represented in a causal model. The concepts used in the model are then operationalised to allow testing of the relationship
between the concepts in the model. The model is tested against the obtained measurement data to determine how well the model fits the data. The causal assumptions embedded in the model often have falsifiable implications which can be tested against the data. The SEM can be used inductively by specifying a corresponding model and using data to estimate the values of free parameters. Often the initial hypothesis requires adjustment in light of model evidence. When SEM is used purely for exploration, this is usually in the context of exploratory factor analysis as in psychometric design.

A model was developed by using analysis of moment structure (AMOS 16.1). A model is fit to ensure the model for satisfaction on HR practices among the employees working in ITeS in Chennai. In this model, Matching the needs, Career and job security, Job demand, Work stress, Burnout, Alternative Employment opportunity, Freedom of work, Fitness between employees and the organization, Fitness between employees and their job, Fitness between employee and their group, Loyalty, Commitment, Job satisfaction, Intention, Working condition, Compensation, Growth and Development, Retention, Attrition and Satisfaction towards HR practices in the companies are taken as observed variables. e1, e2, e3,……, e19 and e20.

\( H_0: \text{The model fitted for satisfaction on HR practices in ITeS sample companies is good.} \)
Model for Satisfaction of the Respondents on HR Practices in ITeS in Chennai
Model Fit Summary

The model fit Chi-square $\chi^2 = 3.865$ and the model’s p-value is 0.142 which is insignificant at 5% level, which shows that the null hypothesis “The model fitted for satisfaction on HR Practices in ITeS sample companies is good” is accepted. As such, the model expresses that the respondents are satisfied with the HR Practices followed in the field. The goodness of fit index (GFI) is 0.921. The model shows reasonably good fit and its adjusted goodness of fit index (AGFI) is 0.913. The Root Mean Square Error of Approximation (RMSEA) is 0.088, a smaller value indicates better model, and Expected Cross Validation Index (ECVI) is 0.091, which are within the acceptable range indicating a better model fit.

6.5 SCOPE FOR FURTHER RESEARCH

The following research topics are offered for further research to strengthen the literature in this field:

- Impact of Attrition – A Comparative Study Between IT Industry and ITeS Industry
- Talent Recruitment, Retention and Development – A Study in ITeS Industry
- Commitment in Work Place – An Attitudinal Study on the Employees in ITeS Sector
- Electronic HRM – A Study of Implications in IT Industry
- Global Competitiveness and Strategic HR in ITeS Industry
- Changing Nature of Employer – Employee Expectations in IT Industry
- Impact of Information Technology on HR Management – Opportunities and Challenges.
- Recruiting Source Choices - Internal Vs. External Recruitment in ITeS Industry.
- Competency Based Pay – An Analysis of Pros and Cons in ITeS Industry.
- HR Management in Low Scale and High Scale Companies – A Comparative Study in ITeS Industry
6.6 CONCLUSION

HR Practices in ITeS industry depends on its recruitment, training and development, compensation, retention and attrition. Now a days, ITeS industry is leading the various other industries in the wake of the financial reforms. The reforms have opened new vistas for ITeS companies to change over to an employee-centric approach. A breed of HR Practices and its increasing use of modern technology have further enhanced reach and accessibility to the employees. Thus, the ITeS industry has changed entire scenario with an assurance that it should create a healthy and motivating atmosphere in order to reduce the rate of attrition. It is to be mentioned that a study relating to HR Practices on recruitment, training and development, compensation, retention and attrition is descriptive in the sense that it is mainly based on the opinion of the sample employees in Chennai Region. This will enable us to understand the nature of HR Practices followed in the ITeS industry in the new digital era.

The researcher has identified certain problems based on the opinion of the respondents and offered suggestions to formulate necessary policies to retain the employees and to reduce the rate of attrition.

If the present study helps the researchers in any way to undertake the studies of a similar nature in other areas, the researcher will feel happy. The researcher has a sense of satisfaction that she has undertaken a useful study.

GOD IS GREAT
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