CHAPTER - II

RESEARCH METHODOLOGY

In this chapter the research methodology used in this study, including qualitative and quantitative aspects is discussed. The qualitative research comprises of a comprehensive literature study in which content, items and subject terms were identified for inclusion as a set of factors considered in the study, and the development of the questionnaire/s. The discussions on quantitative aspects include a sample, drawing procedures and analysis techniques.

HRD CHALLENGES IN INFORMATION TECHNOLOGY SECTOR

The IT boom has brought with it, its own set of challenges to organizations major being in the field of Human Resource Management. This led researchers to the fact that the creativity, innovativeness, knowledge and skill of the employees are the important assets. How managers are able to manage these assets is the challenge that the IT industry is facing. It is not capital or finance or marketing management that gives the competitive edge, rather how well a manager is able to manage his human resources whose intellectual applications drive the information technology business.

Recruitment has become an important sub system in HR especially in the IT industry. When the major asset is Human Resources, it is important that quality people join organizations. How managers are able to fine tune the recruitment process in a manner that enables to get the best talent available and how well managers have been able to put systems in place so that the people that are recruited are a perfect fit for the job and the organization has become top priority.

The challenge does not stop with recruiting the right person but with how to manage the performance of the employees. The challenge would be to create a performance culture wherein opportunities are provided for enhanced performance and where giving out optimum performance becomes a way of life.

Training and Development is another area where challenges arise. In the IT industry training takes a new connotation. It will not be just identifying training needs and giving the required training. It is foreseeing and anticipating the requirements and develop suitable training so that the employees are well equipped to handle the challenges forehand.
The IT industry is one of the high paying industries. Since it is also very competitive, vying with each other to attract the best talent, offering the best possible compensation package to their employees is in itself a challenge.

But the real challenge is how to incorporate all the sub systems in HR and help them in achieving the ultimate goal – exceptional performance. In a high performance driven industry like IT, this becomes all the more important. People have to be groomed to get in tune with the performance culture. Creating an environment that stimulates the creation of knowledge, its sustenance and its dissipation throughout the organization is a challenge for organizations in the future.

How to go about doing this will fall on the HR department. No longer will the HR department carry on with its traditional functions. HR will have to involve the whole organization in this process and act as a guide, counselor and facilitator. In the future the competitive edge that the IT organizations will get will only be through their human resources. How IT organizations are able to manage them, will determine whether they will run the race or be left behind.

**RESEARCH DESIGN**

Research design includes plans that guide "the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure" (Sellitz et al., 1965, quoted in Terre Blanche and Durrheim, 1999). It is the design and planned nature of observations that distinguishes research from other forms of observation. Research is a creative activity, and there are different forms of research, resting on different combinations of paradigm, purpose technique and situation (Terre Blanche & Durrheim, 1999). Depending on the purpose of the research intent, it may vary along a continuum from inflexible and technical on the one side, e.g., surveys, and on the other side to flexible and pragmatic guides for action e.g., qualitative induction (Terre Blanche & Durrheim, 1999).

This investigation took place in two phases. During the first stage of research, qualitative research was conducted in the form of a content analysis and literature survey. The questionnaire was subsequently formulated from the contents identified in the literature study. During the second phase of the research, the questionnaire was applied on a sample of information technology personnel and the managements of IT companies to determine compensation practices, recruitment criterion, top retention factors and job satisfaction.
The literature study has been comprehensively discussed infused with introduction in chapter I to ensure understanding of the contextual background. The content drawn from the literature study through data collection, analysis and reduction identified the most relevant factors of attraction for IT professionals, compensation preferences, recruitment and nurturing/retention policies and job satisfaction and then assimilated them in developing a questionnaire.

The main source of material for this study was collected from books and journals available in the libraries. Dissertation Abstract International and Indian Periodical Guide were the most prominent sources tapped on. Full text journals as available on the internet were also scanned thoroughly. All research based articles and books that were used were based on surveys and polls previously conducted in high technology industries. Content analysis involves systematically coding information into categories, which allows qualitative analysis.

Analysis was based on counting the frequency of some objective measure. In this study it was the frequency of certain words. This is known as coding the manifest content of the text. Because it is relatively simple to count the number of particular words, manifest content is very reliable.

All the articles reviewed in the literature were specifically investigated for recruitment and retention challenges, factors of attraction, motivation organizational commitment and job satisfaction. One hundred and six articles were used to address the research question, i.e. What are the specific factors of attraction and motivation for IT professionals to stay in the profession and in a specific firm? How it induces organizational commitment? This enabled the researcher to identify the important factors that would lead employees to commit to the organization and thus continue their employment. A contextual framework of research effort along with factors is presented below:

**RECRUITMENT:**

The conflicting demand and supply position of the IT professionals carries a big question - should one compromise on skill and quality of work, and if not, how the talent rich professionals be recruited and retained? The prominence of the question is compelling because the competing firms in the information technology have run into a trade wherein competent personnel are simply picked up from competitor's firm at higher price making the whole recruitment game complex and exerts additional pressure on the HR manager.
This study has carved out very carefully the recruiting practices followed in the industry in order to understand the corrupt gaming it is in. As the demand has outstripped the supply, studying how the IT professionals’ expectations have changed over time with respect to recruitment, benefits and retention has become even more important.

**COMPENSATION:**

The motivation of IT professionals is one of the major problems of HR managers. Effective levels of performance and morale depend heavily on the manager’s ability to build and sustain the IT professionals’ motivation. To motivate their IT professionals, managers often rely on elaborate incentive schemes besides making the usual pay structure very attractive for the staff and others. Numerous studies exist on how financial incentive programmes contribute to professionals’ motivation (Harry 2000, Ralph & Peter 2001, John 2001, Frederick 2002, Richard 2003). Yet, little systematic research has been done on the contribution of financial as well as non-financial incentives to professionals’ level of job satisfaction (William 2000), motivation and attraction especially in field of information technology.

This study circumvented upon bringing to fore the effect of rational compensation structure including financial and non-financial incentives among the IT professionals given by various information technology companies.

The study determines the satisfaction of the IT professionals with the compensation structure prevalent in their companies. It was also intended to examine the relationship between job satisfaction and the amount of incentive/s, financial or otherwise, which the IT professionals feel they receive from management. This way the HR managers are likely to become cognizant of the factors of the compensation that leads to the satisfaction and dissatisfaction of the IT professionals which are in great demand these days and the most crucial HR resource for the IT companies.

**RETENTION:**

After a thorough scan of literature it was determined that authors and researchers have taken a different set of attributes considered to be representative of job satisfaction & retention strategies adopted by different organizations and at different times. Considering the nature of the organizational set up of the Information Technology, it was decided to present the 19 attributes (see exhibit 2.1) to all Information Technology sector employees and they were asked to cite
their opinion at one point of the scale ranging from 1 to 5 on these attributes on the basis of five different criteria.

**First:** on the basis of how important these attributes are for job satisfaction.  
**Second:** How satisfied is that employee on each of these.  
**Third:** As reasons for leaving their last company.  
**Fourth:** As reasons for joining their present company.  
**And last:** As reasons for which they would consider a job shift today.

**Exhibit 2.1**

1. Leadership, Planning, and Communications  
2. Corporate Culture  
3. Teamwork and Cooperation  
4. Working Conditions  
5. Employee's Role  
6. Recognition and Rewards  
7. Supervisor Ratings  
8. Training  
9. Employee Suggestions for Improvement  
10. Company's Image  
11. Job Content/Career Development  
12. Compensation and Benefits  
14. Facilities/Resources/Support  
15. Technology  
16. Work Climate/Organization Culture  
17. Training & Development  
18. Interpersonal Relationships  
19. Performance Appraisal System

Statements concerning these 19 attributes were framed with the help of the literature survey and have been presented in the questionnaire appended in the last.

The variables taken for the study were first delineated and defined before establishing the proper relationships. Information about the support systems was collected personally during the personal interviews with the employees.

**JOB SATISFACTION:**

A major part of any person's life is spent in work which is a social reality and social expectation to which man seem to confirm. Even then only economic motive has never satisfied men/women. It is always of greater interest to know why men/women work and at which level and how he/she satisfied with the job.
Hoppock noted that job satisfaction depends upon the extent to which the job, we hold meets the needs that we feel it should meet. The degree of satisfaction is determined by the ratio between what we have and what we want. By law of nature as we have more, we want more, hence the level of satisfaction remains less. Job satisfaction is dynamic, as it can go as quickly as it comes. It is a positive emotional state that occurs when a person's job seems to fulfill important values, provided these values are compatible with one's needs. Job satisfaction is a pleasurable or positive emotional state resulting from the appraisal of one's job experience. In short job satisfaction is a synchronization of what an organization requires of its employees and what the employees are seeking of the organization.

Examining determinants of job satisfaction:

Job satisfaction is derived from and is caused by many inter-related factors. Although these factors can never be completely isolated from one another for analysis, they can by the use of statistical techniques, be separated enough to give an indication of their relative importance to job satisfaction. In the context of IT industries, literature is rife with the following set of factors for job satisfaction:

A) Personal Factors

1) Sex: Most investigations on the subject have found that women are more satisfied with their jobs than men are. This is so despite the fact that women are generally discriminated against in job competition and pay, quite possibly the reason is that women's ambitions and financial needs are less.

2) Number of Dependents: The more dependence one has, the less satisfaction he has with his job. Perhaps the stress of greater financial need brings about greater dissatisfaction with one's job. The difference in satisfaction among employees with different number of dependents is however small.

3) Age: Studies have found different results in different groups on the relationship of age to job satisfaction. There was higher intrinsic job satisfaction among older employees, but lower financial and job status satisfaction among this group. However, different studies reveal different impact of age related with job satisfaction.

4) Time on Job: Several investigations have indicated that job satisfaction is relatively high at the start, drops slowly to the fifth or eighth year, then rises again with more time on job.

5) Education: There is a great deal of conflicting evidence on the relationship between education and job satisfaction, different studies have indicated different amount of impact of education on job satisfaction.
B) Factors Inherent in the Job

1) Type of work:
The most important factors inherent in the job is type of work. Several studies have shown that varied work brings about more job satisfaction than does routine work. Job satisfaction varies almost from 0 to 100 percent, depending on the job.

2) Skill required:
Skill in relation to job satisfaction has a bearing on several other factors, kind of work, responsibility and others. A study of the relation of skill to job satisfaction concluded that "Where skill exist to a considerable degree, it tends to become the first source of satisfaction to the workman, satisfaction in condition of work or in wages becomes predominant only where satisfaction on skill has materially decreased".

3) Occupation status:
Occupation status is related to, but not identical with job satisfaction. Occupational status is always valued in terms of others opinion. It has been seen that employees who are working at the lower position seems to look for other job. Where they can have greater job satisfaction? It has been seen that employees are more dissatisfied in jobs that have less social status and prestige. These values are rather constant within a country, but they do vary among some countries and they probably vary from time to time within a country under some conditions.

4) Size of organization:
In a small organization, employees get a greater chance to interact with other employees and can seek cooperation of others very easily. While in a large organization this can be possible but depending upon requirement of the organization and the task which it has assigned to the employees.

C) Factors Controllable by Management

1) Security:
An average employee will think of job security first rather than other factors to get settle in life. It has been seen that employees secured in job are more satisfied in their job. But security is of less importance to the better educated person, perhaps because there is not so much fear of layoff in the kind of jobs that the highly educated obtain, or the highly educated are justifiably more confident of being able to find other jobs if necessary.

2) Pay:
The importance of pay as a factor in job satisfaction has been greatly over emphasized by management. Most studies have found that pay ranks well below security, type of work etc. The relative importance of pay will probably change with the labor market, economic conditions and with employees beliefs about the job situation.

3) Opportunity for advancement:
In today's time this factor is of greater importance. Young ones are more interested in advancing because it is possible only in his earlier years. Belief that individual merit is rewarded would appear to be closely related to belief that there is chance to
advance even where a person does not believe that he deserves a promotion it is still highly important to him that the best man be prompted.

4) Working conditions:
Working conditions rank variously from second to ninth in importance, there seems to be a tendency for working conditions to be ranked lower, perhaps because they have been improved.

5) Co-workers:
One's association has frequently been mentioned as a factor in job satisfaction. Certainly this seems reasonable as people want to be near their friends.

6) Supervision:
Good supervision ranks about average in importance of the first ten things people want in a job. To the worker his supervisor is the company, hence worker's feelings towards his supervisor are usually similar to his feelings towards the company. Supervision is without question, one of the most important factors related to job satisfaction, which is correlated with factors that also are important.

OBJECTIVES OF THE STUDY

Based on contextual framework described above, now it is in fitness of the things to describe the objectives of the research.

1. To determine the factors that attracts and motivates the employees to work for an IT firm. What are the recruitment and retention practices and hence the challenges for the HR managers? What are the reasons for the shift in jobs vis-à-vis the importance of on-the-job facilities such as training etc.?

2. What is the current level of satisfaction with the financial and non-financial pay and incentives of the IT professionals. The financial factors include base salary, commission, gifts both cash and kind, incentives, contest prizes etc. etc. Whereas the non-financial incentives include status pay, privilege pay, and power pay? Various compensation practices prevalent in the IT industry thus have been brought to the fore.

3. What are the retention factors, which have the biggest impact on organizational commitment? Is there a significant correlation between the different identified independent (retention factors) and dependent (organizational commitment) variables? Can it be concluded which retention factor/s is the cause of the organizational commitment effect?

Sample Frame

The purpose of the research methodology section is to describe the procedure for conducting this study. It includes the research design, sample size, data collection methods, procedure of analysis etc. In most cases of research studies it
becomes impossible to examine the entire universe, the only alternative, thus, is to resort to sampling. This is true to the present study as well. Due attention was given while selecting such a sample, so that it may be convenient in terms of size and also on the other hand representative of the universe under study. The bigger the size of the sample the more representative it is likely to be. On the other hand, time and money take their toll by way of constraints. Therefore, it is logical that a sample be neither too big nor too small. So as to retain its representative ness while being manageable in nature, sampling design not only seeks to determine the size of the sample but also the sampling unit.

Partially it was an exploratory study limited to the professionals operating in the IT industries or in other industries but operating over the computers and earning their livelihood from computers. The firms operational in Delhi state, Noida, Gurgaon and Chandigarh were taken into considerations.

Exhibit 2.2 lists all the different core or non-core information technology firms from where the sampled items were selected based on purposive sampling.

Sampling is the process used to select cases for inclusion in a research study. A purposive sample is a sampling technique that selects non-randomly from the population, but for a particular reason. The main problem with purposive sampling is that an error in judgment on the part of the researcher in selecting the sample may influence the results (McBurney, 1994). Almost these samples can be considered to constitute a population.

Exhibit 2.2

| Computer Hardware firms |
| Computer Network Equipment firms |
| Computer Services firms |
| Computer Software firms |
| Data Processing firms |
| Internet Services firms |
| Management Information Systems Firms |
| On-line Services firms |
| Telecommunication services firms |

Exhibit 2.3 provides a detailed description of the demographic characteristics of the sampled items. Exhibit 2.4 explains the distribution of respondents in

59
dominant functions considered of the information technology sector (both in the hardcore IT companies and non-core business firms supplementing their operations with various applications in the field of information technology). A total of 100 organizations were finally roped in for data analysis after a hurricane effort and data collected from recruitment/administrative heads besides conducting personal interviews with senior staff at their convenience.

Exhibit 2.3

Demographic Variables and IT Professionals

<table>
<thead>
<tr>
<th>Variable</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age</strong></td>
<td></td>
</tr>
<tr>
<td>&lt; 20 years</td>
<td>13.9</td>
</tr>
<tr>
<td>20 - 40 years</td>
<td>62.22</td>
</tr>
<tr>
<td>&gt; 40 years</td>
<td>23.88</td>
</tr>
<tr>
<td><strong>Full-time or Part-time Status</strong></td>
<td></td>
</tr>
<tr>
<td>Full-time</td>
<td>47.3</td>
</tr>
<tr>
<td>Part-time</td>
<td>51.4</td>
</tr>
<tr>
<td>Did not answer.</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Supervisory Job</strong></td>
<td></td>
</tr>
<tr>
<td>Supervisor</td>
<td>45.2</td>
</tr>
<tr>
<td>Non-supervisor</td>
<td>53.8</td>
</tr>
<tr>
<td>Did Not Answer</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Company size (number of employees)</strong></td>
<td></td>
</tr>
<tr>
<td>400+</td>
<td>23.8</td>
</tr>
<tr>
<td>251-400</td>
<td>28.9</td>
</tr>
<tr>
<td>151-250</td>
<td>19.2</td>
</tr>
<tr>
<td>125-150</td>
<td>6.9</td>
</tr>
<tr>
<td>&lt;125</td>
<td>18.8</td>
</tr>
<tr>
<td>Did Not Answer</td>
<td>2.4</td>
</tr>
<tr>
<td><strong>Marital Status</strong></td>
<td></td>
</tr>
<tr>
<td>Married</td>
<td>75.9</td>
</tr>
<tr>
<td>Living with partner</td>
<td>4.6</td>
</tr>
<tr>
<td>Single</td>
<td>9.0</td>
</tr>
<tr>
<td>Separated, divorced</td>
<td>8.3</td>
</tr>
<tr>
<td>Widowed</td>
<td>1.1</td>
</tr>
<tr>
<td>Did Not Answer</td>
<td>1.1</td>
</tr>
</tbody>
</table>

Education Level (highest degree)

| Diploma Holders    | 1.0 |
| College degree     | 49.8|
| Master's and/or professional degree | 32.4|
| Certification from reputed companies | 7 |
| Did Not Answer     | .8 |

Sex

| Women | 34.8 |
| Men   | 65.2 |

\[n = 363\]

Exhibit 2.4
Distribution of respondents in dominant function of information technology

<table>
<thead>
<tr>
<th>Functional Areas in Information Technology</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programmers/Information Scientists/System Analysts/ System Engineers</td>
<td>25.5</td>
</tr>
<tr>
<td>Computer Software Engineers/Computer Support Specialists</td>
<td>17.4</td>
</tr>
<tr>
<td>Data Base Administrators</td>
<td>11.7</td>
</tr>
<tr>
<td>Network and Computer system Administrators</td>
<td>10.5</td>
</tr>
<tr>
<td>Computer Hardware Engineers</td>
<td>6.6</td>
</tr>
<tr>
<td>Network systems and data communications analysts</td>
<td>6.4</td>
</tr>
<tr>
<td>Computer systems and Hardware engineers</td>
<td>6.1</td>
</tr>
<tr>
<td>Others</td>
<td>38.2</td>
</tr>
</tbody>
</table>
Software professionals were given due representation as they are in the limelight today, with most software companies doing extremely well. There is a lot of attention, hype, hoopla and glamour associated with software engineers. Not surprisingly, therefore, they are the most sought after people by employers, body-shoppers and the likes. There is some application of software in every area of our life. If someone were to ask, what computers could be used for, one would pose the counter question, “What is that computers cannot be used for?” In fact, it is only a matter of cost/benefit analysis to decide whether or not to use computers, as they have ubiquitous applications and can be used everywhere. This is a simple way of explaining the market for the software services industry which extends across countries, governments, organizations and homes, affecting professional, Business, personal and even social lives. In short, the software industry provides support to all other industries-manufacturing sales, marketing or other service sectors.

The nature of software industry is such that it is not confined to any boundary-geographical or physical. It is truly international (The level of software products and services are more or less the same across the world) and highly flexible. It is quite easy to set up, operate, relocate or uproot a software company as compared to any other, since essentially one needs only qualified people and computers to run a software enterprise.

Questionnaires were sent to all the respondents. The sample was limited to these specialist groups, and thus the whole population was represented in the sample.

**MEASURING INSTRUMENTS**

A questionnaire can be defined as a group of written questions used to gather information from respondents, and it is regarded as one of the most common tools for gathering data in the social sciences (Vogt, 1993, referenced in Terre Blanche and Durrheim, 1999). A questionnaire usually consists of a number of measurement scales, open-ended items for qualitative responses, as well as questions that elicit demographic information of the respondents. Designing a questionnaire is a complex procedure. It is influenced by project considerations, research design and the concerns that are inherent in any written or oral form of research (McBurney, 1994).

**Developing questions**

The majority of the questions were developed from the literature study. The majority of items in this questionnaire were close ended questions to elicit a
standardized set of responses from all respondents. This makes it easier for comparative data analysis (McBurney, 1990).

Scaled questions consist of statements or questions, followed by a rating scale where respondents indicate the degree to which they agree or disagree (Terre Blanche & Durrheim, 1999). Two sets of questionnaires were framed one for the working IT professionals and the second for the responding organizations. The questionnaire presented in the form of a five-point or seven point Likert scale was distributed among various information technology employees. This format is appropriate as it allows for a wide range of responses from strongly disagreeing to strongly agreeing.

Primary data was collected using a questionnaire that contained measures of job satisfaction (satisfaction with pay, satisfaction with nature of work, and satisfaction with supervision), organizational commitment, organizational justice (distributive and procedural), job-hopping, perceived alternative employment opportunities, and turnover intention. In addition, the questionnaire included questions on demographic characteristics of the respondents.

There is no existing measure of job-hopping. Consequently, the researcher developed a measure specific to this study. Interviews were conducted with practitioners, academicians, and employees to generate questions. A three-item scale to measure job-hopping. Three items in the scale are:

"To me, switching jobs is kind of fun";
"I switch jobs because my colleagues do so"; and
"I tend to change jobs for no apparent reason".

The items measuring turnover intentions, organizational commitment, OCB and HR practices are presented in questionnaire in Appendix. The criterion variable was measured using a two-item scale developed by Meyer et al. (1993). The ten items used to construct the commitment scale were derived from Meyer and Allen (1990). OCB was measured using a 5-item scale adopted from Podsakoff et al. (1990) and Williams and Anderson (1991). Specifically, respondents were asked to think how their supervisor would evaluate their own helping behaviors on 7-point Likert-type scales. In terms of HR practices, recognition was measured using a 6-item scale adapted from Tremblay et al. (2000a). Empowerment was measured by a 4-item scale developed by Tremblay et al. (1997), and adapted by Tremblay et al. (2000a). Two scales were designed to measure the different types of organizational
justice (Tremblay et al. 2000b). The first scale (distributive) comprises 5 items while the second scale (procedural) includes 6 items. Competence development practices were measured using a 6-item scale mainly based on the work of Tremblay et al. (2000a). Work-life policies were measured using a 5-item scale based on Beehr et al.’s (1976) study of work overload and Kopelman et al.’s (1983) work on work-family conflict.

All four compensation variables were each measured by one item. The salary measure was based on annual salary in current position. Annual bonus was also measured using categories. In addition, the number of formal job offers received by the respondent was measured using a Likert-type scale ranging from 1) no job offers to 7) several job offers. Last, age and organizational tenure were each measured.

Questionnaires were administered with the help of human resource managers of each organization. Employees were informed that the purpose of the exercise was to assess their feelings and thoughts on various aspects of their jobs and that as such there were no right or wrong answers to questions included in the study. Respondents were assured of the strict confidentiality of their responses and were told that the completed questionnaires would be sent directly to researchers and that no one in their organization would ever see the completed questionnaires, thus anonymity was guaranteed.

To increase the response rate and to encourage objective and truthful responses, an envelope was provided along with each questionnaire so that employees could insert the completed questionnaire in the envelope, seal the envelope, and return it to the box placed in the human resource department.

**Research approach**

Descriptive statistics and analysis-of-variance techniques was employed to gain insights into the practices followed and current level of satisfaction with the recruitment policies and strategies, compensation practices, and turnover intentions of IT professionals. The research has been approached from a functional, practical and emotional perspective. This partial exploratory research approach is suitable for finding out what is actually happening in the industry; seeking new insights and knowing what questions to ask. Such studies combine qualitative and quantitative data analysis. This is necessary since the aim is to establish how people feel about IT industry from both an emotional and practical perspective. The qualitative approach assisted in gaining an insight into the more emotive issues that cause the formulation of these opinions.
The research process began with a series of in-depth interviews with a group of IT professionals. The group was stratified according to gender, or as a public sector professional or private sector professional or belonging to any of the four zones considered for this study viz. Gurgaon, Noida, Delhi and Chandigarh. The interviews were conducted using a structured discussion guide. The aim was to uncover specific issues, feelings and thoughts people had regarding the compensation, recruitment and retention in the information technology industry. These results have then been tested more rigorously with the help of quantitative research by means of a questionnaire.

**Techniques of Data Analysis**

The quantitative data was fed into computer and the software package SPSS was used to determine the correlations, statistical variations and the tests of significance. The performance variables were correlated with satisfaction and compensation variables.

The analysis of the data was undertaken with a view to give a clear cut idea about the employees of the information technology sector and determine the gender differences, effect on compensation practices, retention policies, job hopping, recruitment strategies etc. Various tables and figures have been incorporated to make it more useful and easy to understand. Various statistical tools of standard deviation, correlation etc have been used besides applying various tests of significance.

**Chapter Scheme**

Chapter I highlights the need for undertaking such a study along with brief description of the recruitment and retention challenges, compensation structure and satisfaction and its correlates and the role played by the job satisfaction in increasing the overall efficiency of the organization in the Indian context and a host of variables delineated for this study. Importance of demographic differences has been brought to the fore. The chapter also covers review of literature wherein the gaps, if any have been delineated and thus objectives specified or modified.

Chapter II describes the Research Methodology and describe the research instrument/s developed, sample items selected, research design and method of conducting the present study.
Chapter III presents the results concerning the recruitment and selection of employees, compensation practices, turnover intentions and job satisfaction in IT industry, and Chapter IV consists of conclusions and recommendations.

In the last Appendices have been attached specifying the questionnaires used and the bibliography.

The respondents in the sample for management part included 62 information technology managers/heads in firms who had information technology staff supervisory responsibility. Although titles varied somewhat from one firm to another. In addition to questions on age and sex of the respondent, information technology managers were also asked to provide an indication of the number of information technology personnel in their scope of supervision unit.