SUMMARY OF FINDINGS & SUGGESTIONS
CHAPTER – 6
SUMMARY OF FINDINGS AND SUGGESTIONS

This chapter presents key aspects of the research methodology used for this study to start with. The summary of findings are presented in an orderly manner and the appropriate suggestions which would specifically address the shortcomings are presented. These are intended to help the IT industry to bring in the needed HR interventions so that the HR challenges confronted by the IT industry could be addressed to some extent. The other important purpose is to highlight the significance of using HR Audit as a tool for organisational development.

How this study has bridged the identified research gap is also presented elaborately. There are specific directions given to different stakeholders including academic researchers as to how they could use the inputs of this study for academic and research purposes. A clear cut road map for further research in the area of Human Resource Audit is also discussed at length. The limitations of the study are also presented so that the researchers in future could ensure to the extent possible to cover these in their studies.

6.1 REVISITING RESEARCH METHODOLOGY

Certain important aspects of research methodology are presented here with a view to assess to what extent the study has met the objectives and fulfilled the research gap.

6.1.1 Need for the study

- The long term sustainability of an organization depends largely on the effective functioning of the Human Resources. Since, IT industry is a human capital intensive one with full of knowledge workers, it is becoming a huge challenge to keep the bunch of people satisfied. The industry is plagued with severe employee turnover and other pressing problems in the domain of Human Resources. Hence through this study, a humble attempt is made to contribute some inputs which would help this important industry to surmount some of the challenges it is encountering on HR front.
In general, organizations continuously look for innovative and best practices to stay ahead of the competitors and at times to remain in the race as well. Effective Human Resource Management Practices linked to the strategic business goals hold the key for the success and sustenance. An appropriate assessment of HRM practices through HR Audit would yield useful outcomes that would show a new direction and a way forward.

Review of literature in the area of HR Audit has indicated in clear terms the lack of adequate research effort in IT industry in India. There were studies conducted in other industries and in other countries, but a comprehensive effort covering IT industry was missing. Considering the significant role the industry is playing in shaping the Indian Economy, this study was considered needy, apt and appropriate.

6.1.2 Statement of the problem

In a literally tough competitive world, there are many issues encountered by the organizations on a day to day basis. The booming IT sector has been experiencing a host of HR related problems since the inception. Talent management has become the key factor for success and many an organization finds it difficult to do this effectively. Regular evaluation of HR function provides the leads as to where the improvements have to be brought about. Since HR Audit in a comprehensive manner has not been attempted in this sector, there is a dire need to identify various independent variables which have a direct influence on the HR Function so that all HR activities could be undertaken effectively.

6.1.3 Objectives of the study

The study has the following as its key objectives:

1. To examine and assess HRD Profile and HR Competencies in IT companies
2. To assess the HR Systems in IT companies using HR Audit tools.
3. To find out the Commitment levels of Top Management and Head – HR to HR Function in IT companies.
4. To list out the current HR Challenges faced by the IT companies.
5. To suggest suitable HR interventions for addressing the challenges faced by the Indian IT companies.
6.1.4 Hypotheses

Based on an extensive review of literature, the following research hypotheses have been formulated for this study:

H1: Top Management’s Commitment has a significant influence on the HR Function Effectiveness.

H2: HR Head’s Commitment has a significant influence on the HR Function Effectiveness.

H3: HR Department Profile has a significant influence on the HR Function Effectiveness.

H4: HR Competencies have a significant influence on the HR Function Effectiveness.

6.1.5 Research design

It is basically a causal research that was conducted primarily to find out the effect of four independent variables viz., a) Top Management Commitment, b) HR Head’s Commitment, c) HR Department Profile and d) HR Competencies on the dependant variable, ‘Effectiveness of HR Function’. The descriptive research has been used to develop insights into the way various HR subsystems are handled in IT industry. The study has covered three leading IT companies based in Hyderabad employing more than 500 software professionals. Systematic sampling technique was used to pick the 210 respondents, 70 each from the three organisations. Besides these, 3 CEO’s, 3 HR Head’s, 12 senior managers and 18 HR professionals were contacted to generate the primary data. Structured questionnaires developed by the pioneers in the area of HR Audit T.V.Rao, Uday Pareek and M G Jomon were used to elicit the data.

6.1.6 Definition of variables

1. Independent Variables:

   A. Top Management’s Commitment: It refers to the commitment of MD/CEO or a representative of the CEO towards HR Function.
B. HR Head’s Commitment: It refers to the commitment of HR Chief Functionary towards HR Function in the organization.

C. HRD Profile: It refers to the Human Resource Department structure, no of positions, personal profile of human resource functionaries working in the organization.

D. HR Competencies: It refers to the knowledge, skill and attitudes of human resource functionaries in the organization.

2. Dependent Variable:

HR Function Effectiveness: It includes various HR Systems, Sub Systems and cover whole range of human resource activities including policies, strategies, methods, procedures and programs.

6.1.7 Instruments

All in all six sets of questionnaires were used for the purpose of this study. All these were the proven ones developed by the pioneers of HR Audit research.

G. HR Audit questionnaire (slightly modified) to assess the effectiveness of HR Systems developed by T V Rao & Uday Pareek.

This is a detailed one literally covering every aspect of human resource function. It envelops exhaustively five HR Systems and the details of which include:

6. Career System: It further contains three sub systems such as;
   g) Manpower Planning and Recruitment
   h) Potential Appraisal and Promotions
   i) Career Planning and Development

7. Work Planning System: It has the following three sub systems;
   g) Role Analysis
   h) Contextual Analysis
   i) Performance Appraisal System
8. Development System: It contains four sub systems;
   i) Learning Systems / Training
   j) Performance Guidance and Development
   k) Other Mechanisms
   l) Worker Development

9. Self – Renewal System: It has three sub systems that include;
   g) Role Efficacy
   h) Organisation Development
   i) Action Oriented Research

10. HRD Systems: It includes a total of seven sub systems;
    o) HRD Climate
    p) Values in the Organisation
    q) Quality Orientation
    r) Rewards and Recognition
    s) Information
    t) Communication
    u) Empowerment

H. *HRD Profile questionnaire* (slightly modified) developed by T V Rao & Uday Pareek.
   It covers the following aspects;

9. Significance given to HR function by the top management
10. HRD Structure
11. Adequate Staffing
12. Qualified and Experienced Professionals
13. Competent and Well trained Professionals
14. Aiding Performance
15. Organisational Culture
16. Positive Climate
I. *HR Competencies questionnaire* (slightly modified) developed by T V Rao & Uday Pareek.

It covers among other things the following key competencies of HR Professionals;

12. Knowledge of HR philosophy, policies and practices
13. Knowledge of Potential and Performance Appraisal Techniques
14. Knowledge of Career Planning and Development Techniques
15. Knowledge of Job Analysis and Job Enrichment
16. Knowledge of Personality Theories and Conflict Management
17. Knowledge of Group Dynamics and OD Interventions
18. Communication and influencing skills
19. Counselling and Problem Solving skills
20. Stress Management skills
21. Values driven
22. Inner drive to excel

J. *A modified questionnaire on Top Management’s commitment to HR Function* (Others perception) developed by MG Jomon.

Some of the aspects that are covered in this include;

11. Adequate Funding to HR Function
12. Time and Attention to HR Department
13. Continuous Support to HR Department
14. Creates Congenial Work Atmosphere
15. Focus on Employee Development
16. Shares Vision, Mission and Values
17. Humane and Values Driven
18. Autonomy to Employees
19. Shares the Business Goals
20. Have Sound Knowledge of HR Systems and Business Linkages

K. *A modified questionnaire on Top Management’s commitment to HR Function* (Self-perception) developed by MG Jomon.

It contains all those aspects mentioned in the above questionnaire.
L. A modified questionnaire on HR Head’s commitment to HR Function (Self – perception) developed by MG Jomon.

It contains some of the things mentioned in the top management’s commitment questionnaire. The additional ones are;

6. Leads from the front
7. Takes appropriate HR Decisions
8. Takes initiative in structuring and strengthening the department
9. Delegates the tasks to subordinates
10. Works as an effective Team Member.

6.2 SIGNIFICANT FINDINGS AND SUGGESTIONS

A total of twenty HR variables constituting HR Function effectiveness and four independent variables influencing the HR Function were covered in this study. The tables presented in chapter 5 using descriptive statistics indicate the actual picture and they can be used to develop better understanding about each variable.

However, the summary of key findings (the ones that require immediate attention) and point by point suggestions are presented here variable wise, so that there would be more clarity leaving no scope for any ambiguity.

6.2.1 Manpower Planning & Recruitment (CS)

Key findings

5. Long term plans concerning manpower – 3.36
6. Sharing of adequate information with job applicants – 3.38
7. Effective utilisation of employee capabilities – 3.54
8. Interviewing capabilities of line managers and others – 3.66
9. Linkage between Manpower Planning and Business Plans – 3.75
10. Objectivity in Selection process – 3.75

Suggestions

1. Making long term manpower plans gives organisations lot of flexibility and prepares them to face any exigencies.
2. Whatever reasons organisations may have in not disclosing job related information, on the flip side sharing right information makes the applicants to take the right decision. Some may miss the bus, some may regret for having exercised the option.

3. Underutilisation of employees may affect their motivational levels. It proves to be detrimental for the organisations in the long run.

4. Right selection decisions are dependent on the capabilities of people interviewing the job applications. Organisation needs to ensure right people are assigned this important task and also they have to ensure objectivity in selection process.

5. Linking of manpower plans with business plans has to be the basic rule.

6.2.2 Potential Appraisal & Promotions (CS)

*Key findings*

9. Promotion polices are known and shared with employees – 3.23
10. Key competencies required for the job are identified – 3.25
11. Adequate feedback from seniors – 3.27
12. Good performances are considered in taking promotion decisions – 3.30
13. Objectivity in promotion decision making – 3.34
14. Availability of developmental mechanisms – 3.38
15. Promotions are strictly based on needs – 3.42
16. Satisfaction with promotion policies – 3.57

*Suggestions*

1. When it comes to promotions, the organisation has to ensure that: a) Employees are aware of the promotion policies, b) There is objectivity in promotions, c) These are strictly based on needs and performance based and d) Employees are satisfied with the promotion policies.

2. Once job profiles are developed, the required key competencies have to be spelt out in clear terms.

3. There has to be adequate feedback from the superiors on the performance, qualities and the potential that their subordinates have.
4. Progressive organisations do care for employee growth and development. The developmental mechanisms at any point of time have to be in place.

6.2.3 Career Planning & Development (CS)

Key findings

6. Career paths are clearly laid for employees – 3.43
7. Awareness about career opportunities – 3.48
8. Career related advice and information from seniors – 3.50
9. Succession planning is done well in advance – 3.57
10. Seniors sharing diversification and expansion plans – 3.58.

Suggestions

1. Clear career paths are essential for every employee.
2. Organisations must have inbuilt mechanisms to create awareness about career opportunities. Superiors have to share information and pass timely advices.
3. Where there succession plans, replacements happen smoothly. Organisations need to focus on systematic succession planning and it really helps.

6.2.4 Role Analysis (WPS)

Key findings

8. Identification of KPA’s for each employee – 3.40
9. Employees say in planning their work – 3.47
10. KPA’s providing role clarity and direction to the employees – 3.52
11. Help received from seniors in planning their work – 3.55
12. Clarity about the tasks to be performed – 3.56
13. Clarity about expectations from appraising officers – 3.58
14. Giving feedback to subordinates – 3.58
Suggestions

1. Key Performance Areas have to be well defined for each employee and by doing so they will be clear about their roles and get right direction to work.
2. Father of modern management, Peter F Drucker has coined the concept Management By Objectives (MBO) to set goals jointly so that employees would do self-monitoring of their performance. Valuing their contributions also develops a true sense of belongingness.
3. Performance standards have to be well defined and this brings in the clarity about expectations of management.
4. Extending support to needy ones has to be made an integral part of the organisational value system.
5. Giving feedback and receiving feedback are really important tasks. Timely feedback helps people to perform better.

6.2.5 Contextual Analysis (WPS)

Key findings

7. Mechanism of preparing comprehensive annual performance plans – 3.33
8. How realistic and challenging these are – 3.39
9. Whether these plans are shared with the departments – 3.53
10. Departments make their own plans based on these – 3.53
11. Business strategies and business development plans are widely shared – 3.52
12. Mechanisms available to help employee plan his work independently – 3.51

Suggestions

1. Realistic, challenging annual performance plans have to be drawn up and these have to be shared well in time with all the concerned departments so they in turn could work out individual departmental plans.
2. Organisations need to ensure that every employee is aware of the business development plans. This is one way of preparing them to do justice when a new mantle is thrust upon them.
3. Create an environment where employees can plan their work on their own.
6.2.6 Performance Appraisal System (WPS)

Key findings

8. The appraisal system is clear to the employees – 3.37
9. The appraisal system ensures that both appraisee and appraiser are clear about the job – 3.42
10. The appraisal system has scope for correcting biases – 3.50
11. The appraisal system helps the appraisee to seek assistance – 3.51
12. The appraisal system helps the managers to plan their work – 3.52
13. It provides an opportunity for self-review – 3.53
14. It provides an opportunity to discover the potential – 3.53

Suggestions

1. One of the main reasons for performance problems is lack of a well-defined appraisal system that is clear to everyone. If this is in place expectations are clear and there is no scope of any kind of biases.
2. The appraisal system has to provide an opportunity for self-review and also to make employees discover their true potential.
3. It should be designed in an employee friendly manner.

6.2.7 Learning Systems/ Training (DS)

Key findings

14. Induction training is well planned – 3.12
15. Norms and values are well explained to new entrants – 3.34
16. Induction programs periodically evaluated and improved – 3.11
17. Employees are imparted technical knowledge through training – 3.02
18. Sponsoring employees for training based on development needs – 3.20
19. Sponsored employees take training seriously – 3.34
20. Briefing and debriefing sessions for employees sponsored for training – 3.10
21. External training programmes are carefully chosen based on quality – 3.32
22. HR department prepares training strategy in light of business policy – 3.34
23. Most of the training leads to action – 3.23
24. Methods used to help the participants to reflect and learn – 3.27
25. In company programmes are handled by the competent faculty – 3.40

Suggestions

1. Proper planning and timely evaluation of induction programmes is highly essential. These set the tone as the fresh ones start off their career. All the important things like work culture, value system etc., have to be shared during the course of induction programmes.

2. Training is a key HR activity impacting the performance of the organisation. Things that are to be borne in mind are: a) Training programmes have always have to be designed based on the developmental needs, b) Right knowledge and skills have to be imparted, c) These programmes have to be taken seriously by both management and trainees, d) Competent trainers have to run these programmes, e) Right methods are picked for people to learn and reflect.

3. Transfer of learning has to be ensured after the completion of the training programmes and also a thorough evaluation of these have to done so as to design them better and run them effectively.

6.2.8 Performance Guidance & Development (DS)

Key findings

7. HR department reviews and discusses with line managers – 3.12
8. Line managers spend time and discuss with subordinates – 3.30
9. Reporting officers help the appraisees to plan for next year – 3.38
10. Self-appraisal system is practiced in this organisation – 3.43
11. Performance review discussions are taken seriously by the managers – 3.47
12. HR department follows up the identified training needs – 3.49
Suggestions

1. Line managers have to function like true mentors. They should help their subordinates to plan their work for the next year and spend time analysing the performance of their subordinates. It is an essential activity.
2. Performance review meetings have to be facilitated by HR department and it should follow up with the identified training needs.
3. Organisations should seriously explore the possibilities and encourage self-appraisals.

6.2.9 Other Mechanisms (DS)

Key findings

7. Use of task force and small groups for employee development – 3.02
8. Seminars and discussions organised internally for better learning – 3.11
9. Well laid out job rotation policies – 3.20
10. Employee mistakes and failures are used as learning experiences – 3.34
11. A system of Mentoring is followed here – 3.48
12. Multitasking is encouraged – 3.51

Suggestions

1. Better priorities have to be given to employee development. Use of small groups focused on the development would augur well. The other developmental initiatives like organising seminars, well planned job rotation and full-fledged mentoring system have to be introduced.
2. Create an environment where employees are encouraged to learn from their failures and also go for multitasking.

6.2.10 Worker Development (DS)

Key findings

4. Training programs are conducted regularly for workers – 3.10
5. Training programs offered are helpful and effective in motivating them - 3.40
6. Personal growth is emphasized in worker training – 3.51
Suggestions

1. The lower level employees training and developmental needs also have to be taken care of properly to ensure their personal growth and keep their motivational levels intact.

6.2.11 Role Efficacy (SRS)

Key findings

7. Feel proud of doing something significant in my job – 3.32
8. Getting help from others and helping others – 3.40
9. Freedom to use my discretion – 3.44
10. Learning new things and grow
11. Solving problems – 3.45
12. Contributing to the larges goals of the society – 3.51

Suggestions

1. Feelings of people do matter most. Great and positive feelings induce better performance. The organisations need to ensure that employees take pride in their job.
2. Organisational value system has to have sharing and caring as an important value.
3. Employees should be given freedom to operate, plan their learning and also independence in solving the problems. They should also be oriented to the larger goals of the organisation and the society.

6.2.12 Organisation Development (SRS)

Key findings

7. Formation of task forces and cross functional teams – 3.40
8. Role clarity, Role effectiveness etc., - 3.59
9. Team building exercises and interventions – 3.61
10. Customer satisfaction surveys / workshops both internal & external – 3.61
11. Diagnosis of organisation culture and climate – 3.63
12. Role based interventions – 3.63
Suggestions

1. Timely OD interventions are required to keep the psychological climate of the organisations in good stead. Formation of right task forces and cross functional teams in accordance with the situation has to be done.

2. Roles have to be well defined leaving no scope for any ambiguity. Role based interventions help the organisations.

3. Team building exercises, conducting satisfaction surveys, workshops and a regular diagnosis of organisation culture have to be part of inbuilt mechanisms.

6.2.13 Action Oriented Research (SRS)

Key findings

6. Periodic studies are conducted on personnel matters – 3.63

7. HR department responds to requests and assist them – 3.64

8. Executive summaries of the studies are communicated to the top management – 3.66

9. Findings of the studies conducted by outsiders are used to reflect and learn – 3.66

10. Employees respond seriously to the survey conducted 3.68

Suggestions

1. Action oriented research activities have good positive effects and hence this has to be encouraged to personnel matters.

2. HR department has to be proactive and respond to the requests positively.

3. Top management has to be kept in the loop and everyone concerned need to reflect on these studies and imbibe new learning.

6.2.14 HRD Climate (HRDS)

Key findings

5. People lacking competence are helped to acquire it – 3.55

6. People in this organisation are helpful to each other – 3.58

7. Seniors take active interest in helping juniors – 3.64

8. Managers believe people can be developed any time – 3.64
Suggestions

1. HRD climate can be improved by redefining the work culture and value systems. All the pressing issues can be addressed at one go.

6.2.15 Values in the Organisation (HRDS)

Key findings

6. Facing problems (confrontation) – 3.10
7. Trust and trustworthiness – 3.15
8. Taking initiative and being proactive – 3.33
9. Collaboration and team work – 3.33
10. Openness – 3.51

Suggestions

1. Values matter most. Confronting challenges rather than avoiding them sends a right signal to everyone. In general people have this avoidance tendency and that needs to be eschewed.
2. Developing trust in others and making ourselves trustworthy has to be the main agenda of every employee.
3. Proactiveness, Collaboration and Openness have to be not only encouraged but these should be part of an organisations well defined value system.

6.2.16 Quality Orientation (HRDS)

Key findings

6. Most of the employees have pride in doing good quality work – 3.38
7. Employees believe that total quality is key to success – 3.42
8. Organisations collect information for total quality improvements – 3.43
9. Quality improvements are monitored and feedback – 3.76
10. Emphasis is given on process improvements based on data analysis – 3.76
Suggestions

1. Quality, quality and quality. This is how quality consciousness has gone into the minds of people. Organisations have to ensure that employees are conscious about this and believe strongly that it holds key to success.

2. Well-designed quality improvement programmes have to be in place. These have to be monitored on a regular basis. Based on the results of these, process improvements should be planned.

6.2.17 Rewards & Recognition (HRDS)

Key findings

6. Variety of rewards including non-financial ones are provided – 3.26
7. Type and amount of rewards given are adequate – 3.28
8. Rewards given here have motivating effect on employees – 3.30
9. Good no of employees are rewarded – 3.32
10. Good work is recognised and is recognised in time – 3.41

Suggestions

1. Rewards and recognition keeps the morale high. Organisations needs to explore lot of non-financial rewards and ensure that they are adequate and have better motivational effect.

2. The system should be such that good no of employees are always rewarded and more importantly the good work is noticed and recognised.

6.2.18 Information (HRDS)

Key findings

8. Annual company performance details – 2.87
9. Short term plans and goals of the company – 3.05
10. Changes in environment having implications – 3.17
11. Performance of competitors – 3.34
12. Internal changes in the organisation that affect my work – 3.33
13. Technology associated with the work I do – 3.38
14. Market perceptions and performance of various products – 3.42
Suggestions

1. Information adequacy is a must to make well informed decisions. Organisations have to ensure that right information related to the statements listed above is passed on to employees at right time.

6.2.19 Communication (HRDS)

Key findings

4. Attention to infrastructure – 3.66
5. Good corporate communication cell is present – 3.70

Suggestions

1. Corporate communication has to be a professional activity. If there is no cell in existence, then it has to be created. The thumb rule is that communication channels have to be open to all the stakeholders all the time.
2. Needed communication infrastructure has to be created.

6.2.20 Empowerment (HRDS)

Key findings

6. Decentralization at departmental level in financial decisions – 3.04
7. Employee participation is sought in decisions that affect their work – 3.30
8. Shop floor committees are seen useful by superiors – 3.33
9. Seniors delegate responsibility and authority to juniors – 3.34
10. Delegated powers are effectively used – 3.36

Suggestions

1. There is so much of talk on employee empowerment. Is it really happening at the ground level is the moot point?
2. Decentralisation, Delegation and Employee participation truly determine the level empowerment that exists in the organisations.
6.2.21 Top Management Commitment (Independent Variable)

Key findings

9. It leaves people to themselves and believes in their abilities to do well – 3.37
10. It ensures that the personnel policies lead to employee development – 3.33
11. It goes out of its way to ensure that people enjoy their work – 3.50
12. It gives adequate time and attention to HR department – 3.51
13. It supports HR department in setting up HR systems & processes – 3.58
14. It works as member of a team in sharing the vision, mission etc., – 3.57
15. It is more human and values the growth and development – 3.57
16. It uses HR as a developmental tool for organizational effectiveness – 3.58

Suggestions

1. What exactly are the employees expectations from the top management to HR function are listed above in detail?
2. Work independence needs to be encouraged. Warren Buffet’s management style could be adopted.
3. Employee development has to be the main focused area than anything else. A satisfied group of employees would do that extra mile and deliver.
4. Work place restrictions should not be there and a sort of congenial atmosphere needs to be created where employees enjoy their work. Google’s model is a case that can be looked at.
5. Despite of huge commitments to other activities, top management should never ever lower their commitment to HR function and should always be there when needed and spend the required time, independent of their tight schedules.
6. Giving free hand to HR department pays rather than unnecessary interference.
7. Human approach under all circumstances has to be the watch word. They should play the role of a big brother rather bossing over in times of difficulties.
There are areas where the perceptual differences of software professionals are more regarding their commitment to HR function. One way of addressing or narrowing the gap is reaching out to people and sending clear communications at regular intervals. Other thing is to focus on the real issues and make the disheartened employees happier by meeting their expectations.

6.2.22 HR Head’s Commitment (Independent Variable)

Key findings

8. Discusses problems freely and confronts issues – 3.52
9. Arouses learning needs in people within the organization – 3.53
10. Delegates HR functions to subordinates and supports them well – 3.55
11. Leaves people to themselves and believes in their abilities to do well – 3.57
12. Takes initiative and strengthens HR department – 3.58
13. Exhibits learning capabilities and goes for self-learning – 3.58
14. Makes concerted effort to communicate vision, mission & strategies – 3.59

Suggestions

1. What exactly are the employees expectations from the HR Head to HR function are listed above in detail?
2. Issues and challenges have to be confronted rather than avoiding them. People in higher positions should keep this as a thumb rule.
3. Centralisation of activities is required but what matters is more of decentralisation and delegation.
4. Giving freedom to employees to operate always pays rich dividends. Trust has to be reposed in the employees for better delivery.
5. Chief of any function needs to be more proactive and lead by example.
6. More dependence on some top performers makes them complacent. When trusted lieutenants desert the organisations, they find themselves in tough situations. To prevent this kind of scenario’s they have to focus on continuous self-learning. This way the dependence factor also comes down.
7. Sharing the departments and organisation’s vision, mission and goals with everyone in the organisation brings a different kind of commitment from
employees. No one should be kept in dark about such important things. By doing so it would be possible to develop better insights as everyone start reflecting on achieving the stated mission and organisational objectives.

There are many areas where the perceptual differences of software professionals are more regarding their commitment to HR function. One way of bridging the gap is reaching out to people and sending clear communications at regular intervals. Other thing is to focus on the real issues and make the disheartened employees happier by meeting their expectations.

**6.2.23 HR Department Profile (Independent Variable)**

*Key findings*

8. HR activities have created a positive climate in the organization – 3.47
9. HR activities have aided the company to improve performance – 3.50
10. HR professional network makes them to deliver better – 3.53
11. HR activities help in building good organizational culture – 3.54
12. HR activities help line managers to do their work effectively – 3.55
13. HR professionals are competent and well trained – 3.56
14. HR department is equipped with professional people – 3.57

*Suggestions*

1. HR professionals focus should be on creating a positive climate in the organisation and ensure that the HR activities are helpful to achieve organisations goals.
2. Good professional network, and well envisaged training programmes for HR professionals make the profile of the HR department strong.
3. A well organised structure with right kind of professionals manning each HR position has to be in place at any given point of time. Based on the strategic decisions of the top management, the structure needs to be changed and newer set of employees have to be roped in to handle the new assignments. At times when the organisations suffer the reverse of this also needs to be down. That is more of downsizing, taking out certain levels and going for leaner structures.
6.2.24 HR Competencies (Independent Variable)

Key findings

7. HR professionals motivational drive is strong – 3.06
8. HR personnel have adequate skill in handling stress – 3.45
9. HR personnel have adequate HR systems designing skills – 3.47
10. HR personnel have adequate counseling and problem solving skills – 3.52
11. HR Personnel are driven by values – 3.62
12. HR personnel have adequate skills to monitor HR systems – 3.65

Suggestions

1. HR professional’s competencies in terms of right skills and knowledge that are job specific have to be ensured. Highlighted knowledge and skill deficiencies have to be addressed so that they competence in performing their respective roles goes up.
2. The outside world should always notice that people are bubbling with enthusiasm and rearing to go. The motivational levels have to be kept intact even during trying circumstances.
3. The pronounced values of the organisation have to be adhered to under all circumstances. In addition good personal values can also be brought into play to do an inspirational job. Good work gets notices and it will be infectious causing positive changes.
4. Proper and continuous monitoring of designed HR systems and subsystems is required. This way the deficiencies could be noticed and the required modifications brought about.

There are many areas where the perceptual differences of software professionals are more regarding the department profile of HR and its competencies. One way of reducing the gap to focus on the real issues and bring in required the changes. Once the systems are well planned, designed and monitored, the disgruntling will end. Another important thing that needs to be borne in mind is sharing of HR policies, strategies, procedures etc., with people in the organisation. People dissent being kept in the dark. Many of the software professionals have voiced their concerns
about not having enough information on certain things, whether it is promotion policy, basis for the rewards and recognition or standards of measurement.

### 6.2.25 THE RESEARCH MODEL

![Diagram of the Research Model](image)

**Figure 3.1 Research Model**

The model suggests that the effectiveness of the HR function is dependent on the four independent variables. Each one of them is equally important and the absence of any of these or any deficiencies in them will derail the HR effectiveness. The study has revealed that this model is statistically significant. So the assumptions which were based on the existing literature to form this model have been proved right. Only HR Department profile is seen not having significant influence on HR Effectiveness, otherwise all other remaining variables were found to have a highly significant influence on the dependent variable.

### 6.3 PRESENT STUDY AS A GAP FILLER

- When the existing literature was surveyed exhaustively, so much of scope for further research could be figured out. All those gaps that were identified at the outset are being filled to some extent with the inputs of this study.
- The existing studies have focused on evaluation and assessment of HR Systems independently or assessed a combination of them. This study fills the gap quite effectively as it has covered virtually every available HR system.
Most of the studies have tried to correlate the effectiveness of the HR function with the organization performance. This study’s main focus was on HR function effectiveness as a whole. Such an exclusive attempt has filled a void which hitherto remained and thus it has opened a new avenue to explore.

This study’s contribution would be seen as a positive sign as the sparse literature that is available in the field of HR Audit would get a fill up with the inputs provided by this study and this itself addresses one significant research gap.

Except a sporadic attempt, no prominent research was conducted in an extremely important sector like IT. This study fills that huge gap with good leads that would certainly augur well not only for IT industry but other industries as well.

This study has taken into account the views of different groups of people working in the organization’s starting from software professionals to the CEO and in between touching many others as well. The data were generated from multiple sources unlike in other studies where the target group of respondents was drawn from one or two groups of employees.

6.4 LIMITATIONS OF THE STUDY

- The independent variables covered for the study are not comprehensive enough as variables like management styles, organisation characteristics were left out.
- Owing to certain difficulties a small sample was picked for the study which could perhaps be a limiting factor as it defies the popular perception that a large sample is expected to yield better results.
- An element of personal bias in filling of the questionnaires cannot be ruled out.
- Since the questionnaire used is an elaborate one there could be some inconsistencies in responses in different sections.
- The study was limited to only a three leading IT companies in Hyderabad city.
6.5 IMPLICATIONS TO THE INDUSTRY PLAYERS

- The first and foremost benefit does accrue to IT industry as the study is conducted in that sector. CEO’s and HR functionaries would certainly find the results of this study immensely useful to tide over the current HR challenges confronted by them.
- Organisations in other sectors too could certainly take a leaf out of this research and find solution to many of the issues they are facing in their zone of operation.
- This study has highlighted the significance of conducting HR Audit at regular intervals to have deeper insight into various performance problems and arrive at better decisions to ensure smooth functioning of the organisations. It is hoped that organisations by and large would make it part of their process and system to conduct HR Audit as a matter of routine activity from now on.
- Now that the field has emerged and good no. of qualified and competent HR Auditors are available, their services could be utilised to conduct the Audit. It is not a must or mandatory to have internal auditors.

6.6 IMPLICATIONS TO THE ACADEMicians

- Though this study is conducted as an academic exercise having real good implications for IT industry, there are certain good leads it has provided to the academic fraternity as well.
- The research model could go into the text books and provide a new perspective on HR Audit. The model could be used for academic experiments and as well to render some serious consultancy to organisations.
- The new literature that is added in this field could be used to generate some new concept papers and postulate new hypotheses. Aspiring scholars and students could be prompted to reflect and test this new knowledge.
- Change is the only constant phenomenon and not field is an exception to it. Like some new knowledge is created through this study, the academic fraternity must explore newer and better ways in future to fine tune many things connected with HR Audit.
6.7 FUTURE RESEARCH DIRECTIONS

- In this study 20 HR variables were considered and in a way an exhaustive coverage of all the possible subsystems are covered. However there are still some more variables that could not be included in this study. For instance, Human Resource Accounting, HR Analytics, Industrial Relations and for that matter HR Audit itself could have been made as another variable. Hence the studies in future could make it more comprehensive by including those variables that could not be covered in this study.

- The influence of all the independent variables considered in the study has impacted the effectiveness of HR function to a great extent. Like the HR variables, there are other independent variables like Management Style, Organisational Characteristics etc., could be explored and a set of new research hypotheses could be formulated and tested to contribute new knowledge.

- The Research Model that is developed and tested in IT industry could be tried out in other sectors as well. When it comes to usage of HR Audit in organisations it is more like a piece meal approach that could be experienced. Now that a full-fledged mechanism is in place, the benefits of this could be availed by going for a comprehensive HR Audit. All organisations across all the sectors could experiment this in future.

- HR Audit Methodology itself has been evolving gradually over the years. A time tested method handed out by T.V.Rao and Uday Pareek is used for this study. There are lot of new tools that have emerged and may be a combination of these could be tried in future.

- The researchers need to consider the limitations of this study, so that the research studies that would be taken up in future could be prevented from facing these issues as enough awareness is created about these.
6.8 SUMMING UP

A sincere research effort is made to make some significant contribution to the IT industry which has become the virtual backbone of our country and many parts of the world are thriving due to the rapid strides this industry has made over the years. HR challenges are there in every sector and this industry has been battling with many of these primarily because of the pace at which it has been evolving. During different stages of evolution certain new challenges keep cropping up. It is in this context, HR Audit comes in quite handy to assess the situation, figure out the issues and suggest timely HR interventions to keep the organisation going.

The well-defined research objectives set for the study are realised and it is earnestly and fervently hoped that all the stakeholders would find the inputs from this study quite useful in their respective domains. If each of the HR challenge is examined in the light of the findings of the study, the solution could be found instantaneously. The grey areas identified with respect to all the variables considered in the study are the ones that would answer the challenges of IT industry.