Preface

The increasing size and complexity of organizations, the intensive use of technology, combined with changing socio-cultural norms have contributed with immense complexity to Human Resources Management aspects of managing people in organizations. The Information Technology (IT) Software Industry in India has attracted worldwide attention recording phenomenal rates of growth, achieving the status of an economy driver for a country, emerging as a superpower of the Twenty First Century. It is equally vital that this trend continues in the midst of global challenges and competition. While the system in vogue has been meeting the current challenges, little research has been done to determine the effectiveness of recruitment and selection system for the IT Software Industry in India. The purpose of this research was to determine an effective recruitment and selection system and assist the IT Software Industry in India in meeting the challenges of the future. The data was collected from the IT Software Companies in India, with a structured questionnaire, using online survey. Of the approximately 105 IT Software Companies that were addressed in the final questionnaire, 78 responded and only 50 of these responses were found to be complete.

To work out effectiveness of the selection and recruitment system, the hypotheses that were put forward were based on examining inputs in form of some controlled factors and uncontrolled factors against the output response from IT software companies that were in terms of percentage growth in sales, net profit margin, revenue / profit growth and average profit per employee. Multivariate analysis, linear regression, Independent Samples Kruskal-Wallis Test and Independent Samples Mann-Whitney Test were used to evaluate, how well the objective was met
while analyzing both qualitative and quantitative data. The multivariate analysis of data pertaining to hypotheses, that most factors that take a combination of interviews, group tests, psychological tests, intelligence tests, technical tests and others do not have much better results to their bottom line than companies who undertake only few of these tests revealed that there was no significant difference in the output variables in the companies, that took two or less tests than from the companies that took four or more tests. The data pertaining to hypotheses that academic record, socio-economic conditions, overall work experience and experience in the field does not affect the results of companies was substantiated by all output variables except one output variable (growth in sales percentage). This rejection of only one variable could be attributed to the fact that companies which do not value academic record hire people who have real world knowledge which directly impacts sales. Such people also have lesser mobility and rely on sales commissions for career growth. The data pertaining to hypotheses that most factors companies evaluate are not relevant to output variables, taking into account the company turnover revealed a mixed result of two output variables retaining the hypotheses (net profit margin, and average profit per employee) and two variables rejecting the hypotheses (growth in sales and revenue/profit growth). These results are significant and would help identify the model, IT Software Companies require, to make the recruitment and selection system effective.

The results of the present research lead to the conclusion that there are attributes that most IT software companies consider as essential for the potential employees involved in software development. The research brings out that significant increase in number of tests, during the selection process does not of yield a major advantage for a better recruitment and selection system for the IT Software Companies. Also, while socio-economic conditions do not have any major
impact on the selection system, some impact is experienced in the growth rate of companies while considering academic record. Considering the attributes for aptitude identified by the IT software companies, the research has identified these attributes along with certain other input factors, which could be utilized for evolving a model that can give better growth in sales, margin of profit, revenue / profit growth and finally average net profit per employee. Thus by utilizing the model evolved by employing input, controlled and output variables used in this research, the IT software companies have a feasible model for an effective recruitment and selection system for the IT Software Industry in India.

Key Words: Effective, recruitment, selection system, IT Software Industry, India