

# Human Resources in Information Technology: Best Practices for Talent Retention in High-Performing Information Technology Organizations in India

Badrinarayan Srirangam Ramaprasad<sup>1\*</sup>, K. P. Nandan Prabhu<sup>2</sup>,  
Lakshminarayanan Sethumadhavan<sup>2</sup> and P. Yogesh Pai<sup>2</sup>

<sup>1</sup>Justice K.S Hegde Institute of Management, NMAMIT Campus, Nitte – 574110, Karnataka, India;  
sr.badrinarayan@nitte.edu.in

<sup>2</sup>Manipal Institute of Management [MIM], Manipal Academy of Higher Education [MAHE], Manipal – 576104,  
Karnataka, India; nandan.prabhu@manipal.edu, sl.narayanan@manipal.edu, yogesh.pai@maipal.edu

## Abstract

Against the backdrop of the key issue of 'talent retention' that IT organizations increasingly experience in today's competitive business environment, the authors motivated by the desire to get deeper insights on how IT organizations manage their IT professionals in general and software engineers in particular, embarked upon a qualitative field study for this research endeavor. This approach was adopted to identify Human Resource (HR) practices that were most widely operationalized by IT organizations to curb the issue of voluntary turnover among software engineers by augmenting favorable employee attitudes. Accordingly, the findings of this study offer in-depth insights on the 11 HR practices and the key attributes and themes that organizations take into consideration while designing and implementing these HR practices. The findings further offer implications for managers to operationalize these HR practices for effective talent management.

**Keywords:** HR Practices, India, IT Organizations, Qualitative Study, Talent Management

## 1. Introduction

Experts posit that Information Technology (IT) professionals perform to the best of their abilities when they - possess an astute understanding of their individual roles towards their employer; their contribution's impact on overall organizational performance; develop feelings of a deep connect or coherence between their own value systems and that of their employer and their general perception that the company leadership ruthlessly and consistently endorses the organizational values<sup>1</sup>. In this regard, IT organizations and Human Resource (HR) practitioners in particular do possess the ability to offer and facilitate an 'enabling'

work-environment that holds the potential to augment favorable employee experiences in line of their expectations. Extant literature available in the domain of IT point towards unfavorable individual and organizational outcomes resulting from excessive work-load, exhaustion, job burn-outs, role ambiguity, non-meaningful work, poor appraisals and feedback mechanisms, work stress, poor work-life balance, fear of retrenchment and unwarranted administrative tasks<sup>2,3</sup>. HR practitioners' and line managers' ability to conceptualize, operationalize and implement robust HR practices have the capacity to alleviate the levels of work-stress that not only leads to poor work-performance but to voluntary turnover among

\*Author for correspondence

IT professionals; a problem that has significant impact on an organization's productivity, profitability, cost and employee morale<sup>4,4</sup>. Accordingly, IT organizations can, to a greater extent, harmonize work related needs of IT professionals with its own goals and culture by operationalizing robust HR practices<sup>5</sup>. Expected benefits of HR practices notwithstanding, an overview of empirical articles in the domain of HR reveals that researchers have adopted several combinations of HR practices so as to examine their effects on different individual and organizational-level outcomes in the Information Technology (IT) domain. However, no consensus seems to have emerged on the specific HR practices that should be integrated and included into a comprehensive HR practices-checklist (in the IT sector) so as to delineate an appropriate HR system<sup>6</sup>. This issue is further amplified by inconsistent findings across studies, in different industries, functionalities and domains, with regard to the ability of specific HR practices to influence myriad performance outcomes<sup>7</sup>. Scholars<sup>6,8</sup> attribute the lack of consensus on 'universally beneficial' HR practices on inadequate methods that researchers espouse in their studies to identify HR practices that best reflects the proposed theoretical framework. In this connection, researchers have been found to use a pre-specified list of HR practices on either employers or employees, and rarely on both, to test their research models - supporting their choice of specific HR practices by quoting extensively from the past research<sup>6</sup>. The key focus of this study is to identify best HR practices for the Indian IT professionals that are beneficial in augmenting employee job-attitudes and accordingly mitigating unfavorable organizational outcomes; voluntary turnover in particular. The researcher used a qualitative approach to gain deeper insights on best HR practices in the Indian IT industry. This is because, some scholars<sup>6,8</sup> argue that the use of qualitative research approach would help the researchers get deeper insights on the actual operationalized HR practices. It has to be noted that quantitative studies, on their own, may fall short of offering an in-depth understanding of the observed phenomenon in spite of their perceived objectivity<sup>9</sup>. The qualitative approach is expected

to allow the researchers to draw inferences and explain the observed phenomena in depth as well as breadth<sup>10</sup>. Against the background of the focus of this research, the researcher attempted to answer the following research question: 'What HR practices do IT organizations operationalize to manage their IT professionals in general and software engineers, in particular? Also, what are the key considerations that HR decision makers take into account while designing and operationalizing these HR interventions?'

## 2. Methods and Procedures

### 2.1 Research Approach and Design

The researcher adopted a qualitative approach. In this connection, as one of the key purposes of this study was to gain deeper insights on different HR practices that are operationalized by IT organizations for their respective employees and software engineers in particular, the researcher approached and interviewed a key respondent (i.e. corporate HR representative or senior HR manager) from each participating IT organization. The source of information for this study was, therefore, the corporate HR representatives because they are expected to be most knowledgeable of their respective organization's intended (i.e., as planned by the top-level management) and operationalized (i.e. as executed by line-level managers) HR practices. The data from expert interviews were captured at a single point of time between February 2016 and April 2016. Therefore, this phase of the study adopted a cross-sectional design. Moreover, since the single key respondents from each organization gave information on the operationalized HR practices, the level of analysis of data in the first phase of this study is, therefore, at the organization-level.

### 2.2 Sampling Technique

For this study, the researcher adopted a judgmental sampling approach. Initially, the researcher decided to invite those IT organizations for the study that were headquartered in India, with a unit-level workforce of more than 500 employees, situated in the city of Bengaluru. IT organizations

that are operational in Bengaluru contribute significantly to India's total IT exports, and also, the city of Bengaluru hosts a maximum number of start-ups, medium-scale, and large-scale IT organizations. Further, the researcher drew the list of IT organizations, meeting the criteria above, from the NASSCOM database<sup>11</sup>. Accordingly, 34 IT organizations were identified for the study. Subsequently, the researcher mailed a letter to the corporate HR executives/HR decision makers of these IT organizations inviting them to participate in the two-phased (i.e. HR manager interviews and employee survey) doctoral study. The letter also apprised the potential participants of the purpose of the research endeavor. The contact details of corporate HR representatives, wherever available, were obtained from the NASSCOM database. In cases where the contact details of the HR decision makers were not directly available from the database, the researcher approached a focal representative from each such company to gather details on the same. Also, as there are likely to be multiple functional units of IT organizations within the city of Bengaluru, only one unit of each IT organization that fulfilled the criteria of a unit-level workforce greater than 500 employees was approached and considered for data collection in both phases of the study.

### 2.3 Data Collection

For this study, the researcher collected data on various aspects of the operationalized HR interventions in different IT organizations through structured telephonic interviews. The concerned respondent(s) (e.g. in this case – the corporate HR executives) decided the potential date and time of the interview schedule of each participating organization and was communicated to the researcher by e-mail. The telephonic interviews were conducted between February 15, 2016, and April 14, 2016. The duration of interviews ranged between 53 minutes and 72 minutes. The interviews primarily focused on capturing information on the implemented HR practices adopted in the organization and the key attributes that were taken into consideration while designing and implementing

HR practices. Further, the researcher also gathered information that related to the respondent's demographic details, company profile and additional comments on the issue of attrition, recession, and the underlying reasons for the success or otherwise failure of HR practices. The information from the qualitative study was used by the researcher to identify the HR practices to be considered in the research model in phase II of this study that involved employee survey. Furthermore, the emergent categories from the findings of the qualitative study allowed the researcher to identify items from the extant literature available in the domain of HR, which would measure the key dimensions of HR practices appropriately.

### 2.4 Sample Size

In all, 12 IT organizations agreed to participate in this research endeavor. These 12 IT organizations participated in the qualitative interviews. As mentioned elsewhere in this section, each unit was represented by a key respondent. The participating respondents were assumed to be most knowledgeable of the HR practices of their respective organization.

### 2.5 Respondent Profile

Table 1 offers insights on the respondent profiles. In all, 6 (50%) male respondents and 6 (50%) female respondents participated in phase I of the study. Majority of the sample (i.e., 8; 67%) fell in the age group of 40 to 55 years. The rest (i.e., 4; 33%) belonged to the age group of 35 to 40 years. The total work experience of all the respondents was well over 10 years. Further, out of the 12 respondents, three (25%) respondents had spent five years with their current employer, while nine (75%) respondents had spent more than five years with their current employer. Furthermore, six respondents (50%) held the position of senior HR managers with their respective organizations. Similarly, four respondents (33%) held the position of vice-president HR, while two respondents (17%) held leadership positions (i.e., Leader – HR compliance; Leader – Talent acquisition).

**Table 1.** Respondent profiles

Variables	Categories	Frequency	Percent	Cumulative Percent
1. Respondent Gender	Female	6	50.0	
	Male	6	50.0	100
2. Respondent Age	30-35 years	0	00.0	
	35-40 years	3	25.0	
	40-45 years	3	25.0	
	45-50 years	4	33.3	
	>50 years	2	16.7	100
3. Organizational- tenure	1-5 years	3	25.0	
	5-10 years	4	33.3	
	>10 years	5	41.7	100
4. Total Work Experience	5- 10 years	0	00.0	
	10 – 15years	0	00.0	
	15 – 20 years	7	58.3	
	> 20 years	5	41.7	100
5. Designation/position held	Senior HR managers	6	50.0	
	Vice-President	4	33.3	
	HR - Leader	2	16.7	100

Source: Authors' own

## 2.6 Company Details

Table 2 presents the profiles of IT organizations that participated in the qualitative survey between February 2016 and April 2016. Four (33%) out of the 12 IT units that participated in the study had a workforce of between 500 and 1000 employees. Further, four (33%) IT units had a workforce between greater than 1000 but less than 2500. Furthermore, four (33%) IT units had a workforce more than 2500.

## 2.7 Data Analysis

### 2.7.1 Content Analysis

The researcher adopted the manifest and latent content analysis technique to analyze the data that emerged from qualitative interviews of this study. In this process, the researcher transcribed, verbatim, the interviews conducted as a part of

the research process. Further, the researcher used manifest analysis to identify the HR practices that are most widely used in IT organizations. For this purpose, the researcher developed a coding template to extract the content on the information that was related to the operationalized HR interventions and their respective methods. Furthermore, the researcher coded the transcribed text in accordance with the coding template (i.e. based on the title/label of the HR interventions and methods). After the completion of the manifest analysis, the information was extracted in terms of frequencies/usage and charted in an excel file for ensuring the ease of summarizing the results.

As regards the purpose of identifying the key attributes that organizations considered while designing and implementing HR practices, the researcher adopted latent analysis to capture the underlying meanings from the qualitative text to arrive at relevant sub-categories and categories.

**Table 2.** Participant IT organizations' profile for Phase I

S.No.	Year of establishment	Total workforce	Unit workforce	Approx. software engineers (percent)	Client Base (in percent)	Location
IT1	1997	+22,000	2,800	60	Domestic – 19; Europe – 35; USA – 27; Other – 18	Electronic City Phase - I – 560100
IT2	1993	+35,000	2,790	65	Domestic – 15; Europe – 62; USA – 17; Other – 06	Electronic City Phase - II – 560100
IT3SU	2004	580	580	60	Domestic – 12; Europe – 33; USA – 37; Other – 18	JP Nagar – 560078
IT4	1999	+3700	1190	65	Domestic – 19; Europe – 31; USA – 23; Other – 27	Whitefield – 560066
IT5	1997	+5000	1300	65	Domestic – 21; Europe – 23; USA – 39; Other – 17	Electronic City Phase - I – 560100
IT6 SU	2003	575	575	70	Domestic – 31; Europe – 33; USA – 19; Other – 17	Domlur – 560071
IT7 SU	2002	712	712	65	Domestic – 52; Europe – 17; USA – 21; Other – 10	Infotech park – 560005
IT8 SU	2006	600	600	65	Domestic – 54; Europe – 10; USA – 23; Other – 13	Bommanahalli – 560078
IT9	1998	+5000	1755	60	Domestic – 30; Europe – 22; USA – 18; Other – 30	Whitefield – 560066
IT10 SU	1999	+5000	2600	65	Domestic – 22; Europe – 29; USA – 31; Other – 18	Electronic City Phase - I – 560100
IT11	2003	+3000	1130	70	Domestic – 30; Europe – 30; USA – 20; Other – 20	Whitefield – 560066
IT12	1999	+10000	2720	65	Domestic – 23; Europe – 21; USA – 29; Other – 27	Electronic City Phase - I – 560100

**Note** – <sup>SU</sup>IT organizations had only one functional unit all over India operational in the city of Bengaluru.

**Source:** Authors' own

For this purpose, as a first step, the researcher read the text pertaining to each of the 12 respondents, line by line and open-coded the transcript for each HR practice independently. This process was carried out multipletimes of times to verify and cross-verify the correctness of the open codes. The researcher, then, scrutinized the open-codes to arrive at relevant codes (i.e. a condensed form of open codes) for each HR practice for all the 12 respondents independently. Further, all the identified codes were transferred to a new sheet. Thereafter, the entire codes specific to individual HR practices that were similar in meaning and context were grouped into appropriate sub-categories. Furthermore, related sub-categories were collapsed to a higher order category. The process followed is illustrated by an exemplar in Table 3.

### 2.7.2 A Note on the Trustworthiness

Evidence of 'trustworthiness,' in qualitative studies, is offered by the dimensions of 'credibility,' 'dependability' and 'transferability'.

### 2.7.3 Credibility

In order to offer evidence of credibility, the researcher has elucidated at length on the study context, choice of respondents and the reasons thereof, method adopted for data collection and data analysis techniques. Further, the researcher adopted member checking and peer debriefing to ensure that the sub-categories and categories identified through content analysis encompassed the qualitative data adequately and appropriately. The researcher shared relevant documents related to this qualitative study with two subject matter experts who were familiar with this research endeavor. The documents included raw data/texts of the interview transcripts, information on the data collection and the data analysis process and the findings that included the identified sub-categories and categories. Subsequently, the subject matter experts performed the peer review of the data, methods, procedures and findings. The researcher was an active participant in the peer review process. The researcher also

**Table 3.** Sample coding patterns

Sample Open Code	Code	General Category	Main Category
We follow a very rigorous employee selection process in this organization.	Rigorous selection process	Scientific selection techniques	Merit-based selection
In fact, our selection process involves multiple tests that gauge the prospects on his/her knowledge, skills, and aptitude for the respective roles that they are going to assume if selected.	Multiple tests to gauge a candidate's knowledge, skills, and aptitude		
The process of selection stays the same for all the prospective hires who apply for a job with us irrespective of the source that we recruit from. That is, we do not change the process even if the candidate comes with a strong recommendation or employee referral.	Same selection process irrespective of the source of recruitment	Procedural fairness	
Our decision to select an individual is directly subject to his or her respective performance in the test and interviews. That is the benchmark for us. We do not dilute the mechanism even under extreme conditions.	Selection decisions based on the results of the tests and interviews.		

**Source:** Authors' own

identified three respondents out of the 12 participating HR practitioners at random. The researcher then shared with them a template that comprised their comments on specific areas pertaining to HR practices, identified codes, sample or postulated sub-categories and the main categories. By doing this, the researcher sought their views on the 'appropriateness' of the sample sub-categories and the main categories (i.e. whether or not the postulated sub-categories and categories present the underlying theme of the qualitative response/text appropriately). Further, a confirming feedback from the HR decision makers/participants on the methods, process, codes and categories allowed the researcher to proceed confidently to the next phase of the doctoral study (i.e. finalizing the HR practices to be considered for the employee survey and also identifying relevant statements from the pre-existing HR practices scales so as to appropriately measure the construct of HR practices).

### 2.7.4 Dependability

Wherever applicable, the researcher has adequately demonstrated by using tables and quotes a link between the qualitative data and the subsequent results.

### 2.7.5 Transferability

The IT organizations, who participated in the qualitative phase of the study are in operations for more than 10 years in the city of Bengaluru, having a well-established client base spread across the world. Also, the workforce headcount of the participating units ranged from 580 to 2800. Further, the informants of the qualitative phase are the HR decision makers (i.e. corporate HR executives and managers) of their respective companies. They are assumed to be the most knowledgeable individuals on matters relating to the operationalized HR practices in their respective companies. Qualitative data sourced from 12 IT organizations, which participated in the doctoral study, suggests that the representative sample of the study was adequate.

## 3. Results and Discussions

The findings from the interviews reveal that IT organizations use myriad HRM practices to source,

develop, motivate, and retain their respective IT workforce (Refer Figure 1; Table 4 and Table 5). Manifest content analysis of interviews reveals that 11 out of 17 HRM practices (i.e. selective hiring, organization socialization, training and development, job design, performance evaluation, career management, compensation and benefits, rewards, employee participation, information sharing and family-friendly interventions) are consistently operationalized on software engineers across all levels of hierarchy in the 12 IT organizations that participated in this qualitative study.

### 3.1 Best HR Practices

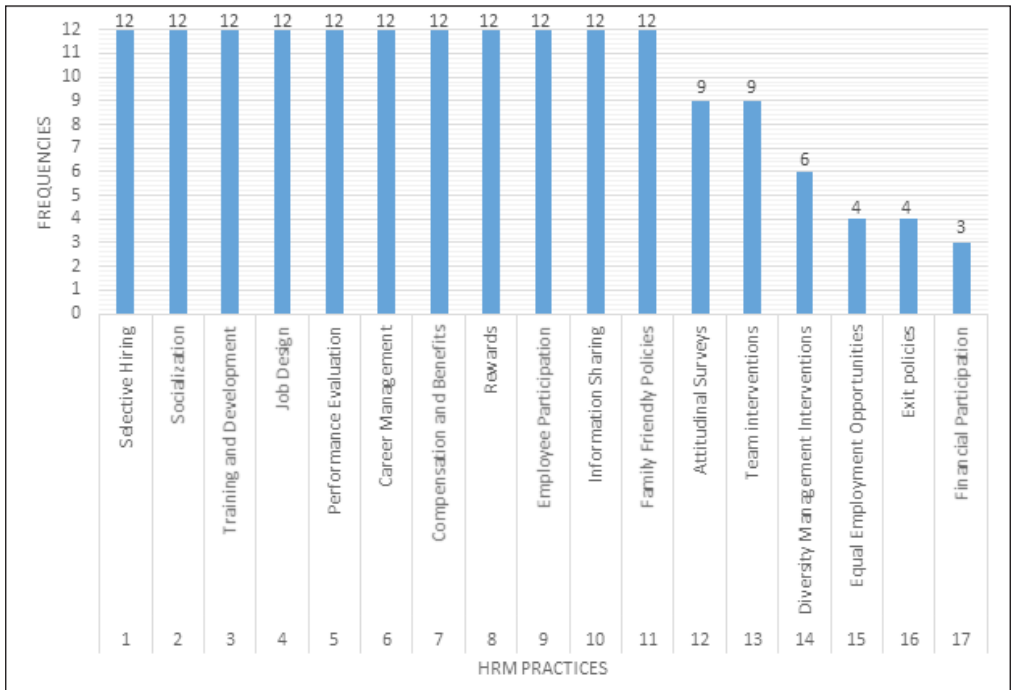
#### 3.1.1 Selective Hiring

##### 3.1.1.1 Recruitment

IT organizations meet the need for software engineers through multiple sources of recruitment such as advertisements in newspapers, employee-referrals, internal job-postings, hiring consultants, campus drives, IT training institutions, internet-job portals, social media (i.e., LinkedIn) and job fairs. Where IT organizations consider campus drives and IT training institutions to be the most potent sources for entry-level software engineers, they consider employee-referrals, hiring consultants, newspaper ads and LinkedIn to be most beneficial as sources of recruitment for middle-level and higher-level management positions. Moreover, HR managers consider employee-referral to be the most resourceful, time-saving, economical and productive technique to source potential hires for middle and senior management positions.

##### 3.1.1.2 Selection

IT organizations operationalize scientific selection techniques to select the most suitable candidates from a pool of job applicants. These comprise different tests (i.e. aptitude, technical and in some cases psychometric tests) and interviews (i.e., technical, HR and top-management). It is interesting to note that notwithstanding the sources of recruitment and the hierarchy of the position sought to be filled, IT organizations adopt a very rigorous and robust selection process for staffing



**Figure 1.** IT HRM practices – Frequencies.

**Source:** Authors' own

purposes. Further, technical, team-working and communication are the most sought-after skills among IT professionals. Furthermore, IT organizations espouse aspects such as employer brand, attractive compensation packages, training opportunities, education, career opportunities, onsite project deputation possibilities, benefits packages, performance culture and employee testimonials to attract potential hires during the staffing process.

## 4. Socialization

IT organizations predominantly adopt formal onboarding processes for all the new-hires regardless of the departments and/or teams that they were expected to join. Though formal in nature, the socialization methods and procedures adopted for new-hires differ greatly across organizations. For example, the duration of formal onboarding program varied anywhere between two weeks and three months. Further, some IT organizations have dedicated training facilities or units where all the

new-comers are expected to undergo mandatory on-boarding and training program for a specific period. Furthermore, some IT organizations, in particular, use 'serial-induction program' for new-hires who were replacing IT professionals'/ software engineers holding positions in middle-level management. In this technique, the employer usually pairs a new-hire with the one whom he/she was expected to replace. Some organizations have integrated a 'Buddy' system in their socialization program. In this technique, the employer chooses and allocates a 'buddy' to a new hire, usually from the same project/work-team, who helps and navigates the new-joiner on various job-related matters during the gestation period.

Notwithstanding the different techniques used for new-hire induction, consistent with the extant literature available in the domain of organizational socialization, HR managers view 'socializing' new-comers as a key 'person-focused' high performance HR practice and further opine that it is most crucial in building 'trust' among new-hires



**Table 4.** HRM practices categories and purpose

S. No	HRM practices categories	Purpose
1	Selective Hiring 12	To recruit and select the most suitable candidates against available job openings.
2	Socialization 12	To orient, on-board, and induct employees to their respective organizations and departments.
3	Training and Development 12	To enhance current skills and to assist employees to acquire new skills and competencies for future roles and technologies.
4	Job Design 12	To enrich employees work experiences.
5	Performance Evaluation 12	To evaluate and appraise IT employee performance. Also, to objectively use the performance data for matters that relate to rewards, promotions, training needs identification, and layoffs.
6	Career Management 12	To provide opportunities for career advancement conditional to acceptable individual job performance.
7	Compensation and Benefits 12	To remunerate employees for their work and contribution.
8	Rewards 12	To recognize and reward exemplary work performance by employees.
9	Employee Participation 12	To empower employees and motivate them to participate in important discussions.
10	Information Sharing 12	To assist employees to perform better by sharing of all relevant information.
11	Family Friendly Policies 12	To promote work-life balance.
12	Attitudinal Surveys 9	To capture employee attitudes towards their respective role, job, and organization.
13	Team interventions 9	To facilitate team-work.
14	Diversity Management Interventions 6	To manage work-force diversity that exists in the form of caste, religion, gender, and nationalities.
15	Equal Employment Opportunities 4	To offer equal opportunities for employment to individuals irrespective of their social and religious diversities.
16	Exit policies 4	To have a system to facilitate termination through voluntary turnover, layoff, and retrenchment.
17	Financial Participation 3	To offer 'in-kind' benefit to employees and promote a culture of employee-owned organizations.

**Note** – Superscripts refer to the number of organizations operationalizing HRM practices across all levels of software engineers.

**Source:** Qualitative interviews (content analysis)

towards their respective organizations, departments, and teams during the early stages of their organizational-tenure. They also opine that effective onboarding, founded on the pillars of relevant information, effective communication, follow-up and integrity is crucial to building an effective Employee-Organization Relationship (EOR), the

team and individual effectiveness. In this connection, the IT organizations use socialization approach to help steer the new-joiners through the initial documentation processes related to the HR department, introduce them to and clarify on issues that relate to organizational mission, vision, objectives, rules, policies, procedures,

**Table 5.** Identified categories – HRM practices

	HRM Dimension(s)	HRM Practices	Main Categories
HRM	Ability	1. Selective Hiring	Merit-Based Selection
		2. Socialization	Internalization
		3. Training and Development	Utility
	Motivation	4. Job Design	Meaningful Work
		5. Performance Evaluation	Procedural Justice
		6. Career Management	Growth Opportunities
		7. Compensation and Benefits	Equity
	Opportunities	8. Rewards	Recognition
		9. Information Sharing	Relevance
		10. Employee Participation	Empowerment
		11. Family-Friendly Policies	Work-Life Balance

**Source:** Qualitative interviews (content analysis)

management styles and practices, and further, familiarize them with the available departmental resources. Though HR managers stress the role of ‘supervisors’ in effectively socializing new-hires, some HR decision makers, emphasize the pivotal role that many ‘actors’ within the organization play in successful socialization endeavor. For example, one of the respondents commented –

... Our star employees are also a part of the delivery mechanism [on-boarding]. They share their success stories with the new-hires and chart their own story of progress in the organization. Nothing better than the success stories of our employees to motivate new-hires to perform. Is it not? [...]

## 5. Training and Development

IT organizations broadly acknowledge the benefits of robust and continuous training and development interventions, use multiple individual-specific and team/work-group specific training techniques, customize training interventions to match performance goals of employees, teams and the organization and use different means to encourage and motivate their employees to get trained. In this

connection, IT organizations use formal training program for their software engineers. These training and development modules are characterized by a high degree of customization and structure. IT organizations use both internal and external trainers. External trainers include, in particular, subject matter experts in the field of business leadership, emergent technologies, language and project management. Also, some IT organizations use ‘on-the-job’ training using experienced ‘peers’ within project teams. Further, IT organizations analyze the training needs of employees systematically.

Methods that IT organizations exploit to identify training needs of software engineers include, for example, individual and team performance assessment reports, project requirements, requests from clients and supervisors, self-requisition and workforce scorecards/audits. Software engineers who were expected to be deputed on ‘on-site’ project assignments are given training on the host country’s culture, norms, and value systems. On an average, IT organizations mandate 32 hours of compulsory training for their software engineers on some identified areas of skills.

Furthermore, HR managers from IT organizations evaluate ‘training effectiveness’ through different means. Where some IT organizations, for

this purpose, use periodic skills and performance tests, others use employee surveys and feedback (i.e. predominantly informal) from team leaders, project managers and supervisors. Moreover, all the IT organizations use training top-performing IT professionals on leadership and management skills to develop them for future roles consequently. As a part of the employee development policy, IT organizations encourage its software engineers to opt for professional certifications in advanced technologies, higher education and also non-technical skills and competencies. For this purpose, IT organizations offer benefits such as paid sabbaticals, tuition and certificate fee reimbursement, and within-organization career growth opportunities.

### 5.1 Job Design

IT organizations use different work arrangements to motivate and extract the desired performance outcomes from their IT professionals. The focus of the HR decision makers and supervisors is, therefore, on designing and exposing their respective IT professionals to challenging work assignments. These practices include opportunities to be a part of cross-functional teams, job-enrichment initiatives and lateral job-rotations across different projects and technologies.

### 5.2 Performance Evaluation

IT organizations cognize the importance of a well-designed Performance Management System (PMS), appraise individual and team performances periodically, adopt customized performance evaluation techniques and use performance data for multiple purposes. In this connection, IT organizations use formal performance appraisal techniques for their software engineers.

IT organizations affirm that PMS is broadly designed to assess the performance of individuals against the pre-set benchmarks objectively, assist decision making relating to the career of employees (i.e. promotion, transfer, role reallocations and retrenchment), systematically identify training and development needs and support reward and recognition schemes.

The frequency of performance appraisal, however, varies across different IT firms. Where, for example, six IT organizations participating in this study reviewed employee and team performances on a yearly basis, three IT organizations in particular adopted a half-yearly cycle. Further, three IT organizations reported reviewing performance every quarter. A point worth mentioning, in this connection, is that irrespective of the time lag between two formal performance-reviews (i.e. 12 months, six months or three months) all HR managers encourage their supervisors to facilitate frequent scheduled informal meets with their respective employees to discuss and deliberate on issues that relate to performance. The frequency of such informal performance review meets is, however, at the discretion of the supervisors. These informal meets are essentially used as a mechanism to track and monitor work progress, objectively assess the extent of goal accomplishment in short periods, divulge and address any emerging concerns that may relate to the relevant need for resources and training, and occasionally reassign tasks and roles if necessary. Also, IT organizations continuously encourage their supervisors to create an enabling performance culture. In this regard, a senior HR personnel commented –

Our managers and supervisors are not authorized to chastise performance blunders. On the other hand, we encourage our supervisors to use such opportunities to find further avenues for relevant training and development [...]

Further, the findings reveal that the majority of IT organizations adopt a combination of multiple techniques of appraisal to evaluate employee performance. In particular, they espouse a combination of Management by Objective (MBO) approach along with 360° feedback mechanism or paired comparison method. Furthermore, IT organizations use customized performance rating scales. Employees are actively involved in the goal-setting process in organizations that use the MBO approach for performance evaluation. Moreover, some organizations also adopt the bell-curve

method to evaluate employee performance. Notwithstanding the technique that the organizations use, the criteria for performance evaluation broadly includes the aspects of organizational, team and individual goals, team-work and individual traits and behaviors. The promotion decisions are broadly based on performance ratings, years of experience in the role, peer feedback and client feedback.

### 5.3 Career Management

Majority of the HR managers recognize the importance of career management interventions in the context of high employee turnover that they encounter in their respective organizations. In this connection, organizations use career advancement opportunities as a pivotal tool to motivate their employees to perform and subsequently retain the top-performing employees by moving them to roles that offer greater authority and benefits. For this purpose, IT organizations espouse different lateral and vertical career progression policies subject to performance, on-site deputation opportunities, fast-track career movement schemes, succession planning for leadership positions and within-organization career planning and mapping for top-performers.

Participating HR decision makers broadly believe that career management allows their respective organizations to plan for within-organization lateral and vertical movements of top-performers and also increase organizational loyalty among employees citing to clarity on their individual career path. Further, they believe that effective career management practices coupled with robust performance management and training and development interventions satisfy employees 'growth' and 'autonomy' needs.

### 5.4 Compensation and Benefits

The results from the qualitative analysis of interviews points to the prevalence of a standard remuneration structure that is adopted by Indian IT organizations. Further, IT organizations espouse competitive remuneration and benefits package to the source, incentivize employee performance and retain the best of software engineers

in the industry. Furthermore, IT organizations use job evaluation (predominantly point factor and factor comparison method), industry benchmarking (data collected through periodic surveys), cost of living index, individual work experience, role requirements (e.g. skills, autonomy and authority), designation/grades and employee performance (data collected from formal performance appraisals) as guiding tools to design robust compensation packages.

IT organizations also adopt an attractive benefits package to support and motivate their IT professionals. Moreover, the benefits offered by IT organizations are statutory and non-statutory benefits. Major non-statutory benefits offered by IT organizations include, but are not limited to, health insurance coverage schemes for the employees and their families, yearly retreats, performance bonus and paid-offs. Some innovative benefits packages include employee child fee/loan payoff (conditional to employee having spent more than 5 years with the organization), maternity leaves and parental breaks ranging from 20 weeks to even 12 months, paid volunteering breaks, team outings and retreats, stress counseling, self-defense workshops for women, career sabbaticals and yoga/Zumba classes. Some organizations even offer six-week paid sabbatical every year to employees with an organizational-tenure greater than five years to pursue their personal creative interests (e.g., music, painting, etc.).

### 5.5 Rewards

Rewards programs operationalized by the IT organizations for exemplary performance as demonstrated by their employees/teams range from verbal/written appreciation (social) to high-value awards (symbolic and tangible). Further, the rewards system operationalized are common in principle for all within an organization and continual in nature, allowed for recognizing achievements both at individual and at the team-levels, are linked to performance and organizational goals, are meaningful and desirable to employees/teams and included accountability.

Rewards offered are both monetary and non-monetary in nature. However, the findings of this

study reveal that majority of the IT organizations are inclined towards non-cash based recognition practices as they exercise a relatively more significant impact on employee motivation and employer goodwill when compared with a cash-based reward system. Furthermore, supervisors and performance managers are seen to play a vital role in this intervention. As one manager stressed –

Supervisors are encouraged and authorized to identify and praise employees for all the jobs/task that are well-performed. To this end, supervisors and managers here share the success stories of their employees/teams by publishing in our monthly newsletter, company portal, sending congratulatory emails. Where we organize a formal employee recognition programme every six months, we have had some instances where team-leaders/ supervisors have voluntarily hosted lunches/dinners/parties for their respective teams. They have full freedom to do so. This is integral to our culture [...]

## 5.6 Information Sharing

IT organizations adopt different communication strategies to share information that helps individuals and teams with their performance and keep them well-informed and updated with all the policy decisions and news that related to company's business processes and initiatives.

## 5.7 Employee Participation

Extant literature in the domain of HR suggests that organizations that adopt HPWS to manage their workforce share relevant information, on a continual basis, that is deemed necessary for desirable employee performance, allow employees to get involved and participate in key deliberations, discussions and decision making processes that concern problem-solving and fosters two-way communication and feedback mechanism on issues that relate to optimizing business processes and quality of services.

Findings from this study do not necessarily deviate from the points above. Consistent

with employee participation and involvement approaches, IT organizations encourage employee participation and involvement so as to solve problems and assist supervisors and managers in key decision-making processes. In this connection, where few organizations operationalize dedicated work councils and quality circles for problem-solving, others use teams to share relevant knowledge and develop workable and sometimes innovative solutions to problems that relate to both technical and non-technical nature of work. Organizations emphasize the importance of using a collaborative two-way approach (i.e. one that involves both the subordinates and the supervisors/managers), wherever feasible and necessary, for effective decision making. This they achieve through one-on-one communication/consultations involving employees and supervisors/managers or through teams. Moreover, IT organizations strive for creating an enabling work-environment that fostered communication and employee feedback. Organizations further take the necessary efforts to implement relevant ideas and suggestions that emerge from employees. Indeed, employee participation is useful only when it is influential. That is participation must lead to influence to achieve its potential motivational effect.

## 5.8 Family-friendly Policies

HR managers consider IT work-environment to be extremely challenging, stressful and demanding on IT work-force. In this connection, they attribute the stressful environment to issues such as inefficient supervision, inexorable customer expectations, un-realistic project-deadlines, inadequate staffing, tight schedules and in some cases extremely long work hours. Further, they also note that the afore-mentioned issues had the propensity to lead to work-family conflicts. Extant literature in the domain of job-stress suggests that good EOR (i.e. in this case between IT workforce and their respective supervisors/managers) reduced the work-stress significantly among employees. In support of this, HR managers in IT organizations believe that positive supervisor-employee relationship is crucial to managing work-stress successfully and also mitigate work-family conflicts. They also

support the idea of employees prioritizing personal and family commitments even before they consider work-commitments. To that extent, one senior HR managers commented–

... To me, my family comes first. I believe that it is true for others too. We have policies in this firm to support this philosophy. We encourage and support members who too prioritize their personal and family commitments [...]

To support and promote this philosophy, managers advocate employees taking advantage of organizational policies and practices that promoted sound work-life balance. For instance, HR managers encourage employees to utilize company benefits such as compensatory offs, yearly vacations, parental leaves and flexible work hours that their organizations had to offer. Flexi-timings, family accommodations and telecommuting are, however, offered on a case-to-case basis to their employees in IT organizations. Managers also invite and include family members of employees in social gatherings and events. Managers use these events to express their gratitude to the family members for the support that they extend to employees.

## 5.9 Identified Main Categories through Content Analysis

### 5.9.1 'Merit-based' Selection

As regards the HR practice of selective hiring, all the HR informants participating in the qualitative interviews in phase I of this study accorded due importance to considering 'merit' while hiring prospective employees. In fact, the HR managers believed and emphasized that 'merit-based selection' is the key to hiring the best available talent in the job market. For example, one of the senior HR managers interviewed opined –

... We take much pride in our employees and believe that they are among the best. No wonder we have continued to offer the best of both products and services to our elite

client list right from the inception of this firm. All these are attributed to our relentless investment and trust in our workforce. Right from the beginning, by adopting a robust and scientific selection mechanism we ensure that we hire talented and competent prospects on merit. A strong selection process also ensures that the people whom we choose to work with us fit well with their job and also our organization [...]

From an organizational perspective, merit-based employee selection is in consonance with the Resource-Based View (RBV) of strategic HR, which articulates that competent and talented workforce is indeed the source of competitive advantage for the organizations<sup>12,13</sup>. Interestingly, from the employees' perspective, a merit-based selection which follows the rigorous competitive selection process endows employees with a sense of pride as such selection acts as a proof of one's worth and competence. This sense of one's worth is further expected to facilitate the fit between one's job and one's sense of identity. In fact, experts contend that as people strive to explore their core identities in life and work<sup>14</sup>, matching their core identity with their role identity becomes crucial to them as it brings meaningfulness in them. In this connection, the theories of identity argue that human beings explore their individual identity through the roles that they perform in their workplace in such a manner that their definition of 'who they are' merges itself with 'what they want to be' in the eyes of significant others. Accordingly, they will be interested in working with those organizations that satisfy their ideas of individual and social identities. Therefore, if the selection for jobs happens rigorously in those organizations, the sense of self-worth gets reinforced and thus, it helps individuals meet their idea of who they are. Merit-based selection is also expected to facilitate the choice of significant others from whom individuals seek verification of their social identity. Therefore, selective hiring based on merit satisfies, at least at the entry level, the need for a person-job fit that satisfies their need for matching their identity with the job that they do.

### 5.9.2 'Internalization' through Socialization

As regards the HR practice of socialization, the majority of the HR decision makers remarked that their organization's socialization intervention centered on facilitating the new-hires in internalizing organizational practices, policies, and culture. One respondent stated-

... Our socialization program focuses on aiding the new-hire in internalizing our work culture. This we do by making them understand, in clear terms, the key goals of this organization. In this process, we brief them about the overall policies, rules, and regulations of our organization and thus getting them conversant with the chain of command existing within the organization. Not only do we project our expectations, but we also communicate explicitly how their roles are expected to contribute to our success and for this, what are they expected to do and how. This also helps them attain person-organization fit in the longer run [...]

HR practice of 'socialization' provides much-desired orientation to employees regarding organizational policies<sup>15</sup>. To this end, scholars<sup>16</sup> define organizational socialization as "the process by which a new member learns the value system, the norms and the required behavior patterns of the society, organization or group which he is entering". Indeed, extant literature in the domain of HR and OB offers critical perspectives on 'how' organizational socialization tactics lead to favorable individual and organizational level outcomes. Experts<sup>15,17</sup> posit that the vital information shared by employers during the induction process alleviates significantly the uncertainty that relates to the expected tasks, roles and policies. Conversely, effective socialization augments the new-hire learning in the areas that relate to organizational goals, available resources and expected role contributions. Effective internalization and learnings are, therefore, expected to positively influence individual-level attitudes and behaviors and consequently organizational level outcomes.

Further, the socialization process helps employees internalize the work culture of the organization that employs them. This internalization of an organizational culture that facilitates role and organizational identification would further enable employers to build higher employee morale, greater effectiveness, brand image, and Person-organization fit (P-O fit). In particular, building P-O fit makes it easier for organizations to help employees align their individual goals with organizational goals. The pace at which internalization of work culture happens decides the duration of 'time for profit,' levels of role stress, satisfaction, organizational commitment, employee work withdrawal motives, and role conformity; an idea articulated in the literature on high-performance work practices<sup>17</sup>. Therefore, employers facilitate socialization-related HR practices so as to ensure early internalization of organizational culture, policies, procedures, and role among employees so that it leads to favorable individual and organization level proximal and distal outcomes.

Furthermore, selective merit-based hiring is expected to lead to Person-job (P-J) fit. However, it does not assure the automatic presence of psychological contract between employer and employee, which forms the bedrock of employee trust. In this connection, HR practices related to socialization help employees with the process of understanding, in-depth, employer and job expectations. Thus, this would build a healthy psychological contract between employers and employees resulting in increased psychological well-being in employees<sup>18</sup>. Accordingly, employees are expected to perceive a sense of comfort and organizational belongingness and, therefore, perform better.

### 5.9.4 'Utility' of Training and Development Interventions

As regards the HR practice of training and development, HR decision makers in IT organizations accord due importance to considering 'utility' while designing and operationalizing training and employee development modules. Skill-sets that software engineers require in IT organizations are constantly changing<sup>1</sup> and, therefore, it can be argued that IT professionals become sources of

competitive advantage only if their current skill sets match the current technologies and organizational requirements<sup>19</sup>. That is to say, though training and development interventions that the high-performance IT organizations operationalize as part of their HR practices are expected to increase employees' ability to perform in accordance with the organizational expectations, these interventions become successful only if they inculcate among employees' skills that are utilitarian and industry-relevant<sup>20</sup>.

Alternatively, drawing from the norms of reinforcement, expected change in employee behavior and performance is a function of awareness of both positive and negative consequences of their actions. From this point of view, if employees learn that their obsolete skill sets aren't organizationally useful and therefore, their jobs would be probably lost, their inclination to upgrade themselves regarding changing requirements of organizationally-beneficial skill sets would also get strengthened. Furthermore, the possibility of not just retention of jobs but also the career advancement resulting from additional skill sets would make employees true sources of competitive advantage. Therefore, the desire to upgrade one's skill sets that result in the wake of awareness of the consequences of one's actions lead to behavior modification of employees in accordance with organizational expectations. It is, in this context, that training and development programs assume their importance. Thus, the organizational practices related to training and development pave the way for employees to achieve within-organization high-performance, productivity, and also possible career growth.

Indeed, all the participating respondents emphasized the need to integrate performance goals with training need to alleviate the possibility of technological obsolescence<sup>1</sup>. For example, one HR decision maker commented –

... Here, the project managers and counselors are empowered to identify personal and performance goals of each team member and assess what it takes [in terms of competencies] to achieve these [goals]. Our

project supervisors actively involve team members in identifying training needs. In fact, we encourage employees and project supervisors to have a series of two-way discussion to identify training needs that may be relevant to our performance and also that of the employees [...]

Further, institutionalization and customization of training and development programs are no less critical for organizations than they are for employees mainly because they would lead to appropriate skill updating processes to guarantee the desired mode and end state of employee performance. This has become all the more important now as the need for continual adaptation to emerging technologies and performance processes has been on the rise in the IT industry. This is essential for organizations to gain the multiplier effect of technology adoption on the quality and time of delivery of final product or service. Therefore, organizations should adopt relevant, sufficient, and worthwhile training programs. Such programs are expected to lay their focus on cultivating new, relevant, and organizationally useful skill sets among employees who undergo the training and development process<sup>21</sup>. Further, these training and development programs should be effective enough in contributing towards employee development. These programs' effectiveness should be evaluated, among other relevant criteria, their ability to eliminate performance gaps that may be either currently existing in employees or those that may possibly arise because of ever-changing technological advancements.

### 5.9.5 Design of 'meaningful work'

Experts contend that the nature of the job (e.g. variety, significance and challenge) that employees undertake influences significantly their motivation at work. In a work setting, work motivation among employees is considered to be the 'driving force for behavior'. In fact, the degree of work motivation is ascertained by the direction, intensity and persistence of efforts undertaken by employees to fulfill their respective tasks and organizational objectives. In this connection, work motivation can be both intrinsic and extrinsic. However, experts argue



that job characteristics that augment intrinsic work motivation among employees lead subsequently to the superior job and organizationally beneficial performance outcomes<sup>22</sup>. As regards the construct of job-design in the context of this study, HR respondents contend that a high-performance organization's job-design interventions focus primarily on offering employees with '*meaningful work*'<sup>23</sup>. In this connection, an HR vice-president participating in the study pointed –

... Should one believe that upgradation of employee skill sets through T&D alone motivate employees to increase their job performance? What if the jobs that they perform do not provide any meaning to them? I believe the challenge before us, therefore, is to make jobs meaningful to motivate our staff. This is expected to improve their job performance [...]

Indeed, prior research has sought to achieve this by transforming job design so that it makes work more meaningful and worthwhile for the employees. Interviews conducted for this study reveals that effective job-design presumably helps employees to get beyond their problem of the monotonous nature of the job and work alienation, facilitates self-work integration by enabling merger of their core identity with their role identity, and allows for the opportunities for multi-skilling. Accordingly, this becomes organizationally beneficial as it is expected to bring about person-job fit and thus result in increased motivation and therefore, augmented employee performance.

The idea of 'meaningful work' has its roots in job design theory which calls for job specialization, job rotation and job enlargement. However, these readjustments in the nature of the job that one performs have brought to light the futility of these otherwise superficial changes in their ability to create the 'sense of challenge' in the nature of the job and in the process of satisfying psychological needs of human beings. Therefore, the idea of job enrichment led to the emphasis on attaining worker satisfaction, autonomy and achievement by paying attention to the psychological needs of

employees. Accordingly, the job characteristics model talked about enabling employees to have 'experienced meaningfulness' by integrating into one's job the features such as skill variety, task variety and task significance. In essence, experts contend that job-enrichment augments both satisfaction and performance by developing jobs that are challenging and demand employee responsibility and employee accountability.

Also, the desire for 'meaningful work' and its beneficial effect on the individual and organizational-level outcomes when experienced are expected to be relatively greater in employees who report higher levels of skills, knowledge and growth needs when compared to their counterparts. The afore-mentioned viewpoint was corroborated by a senior HR manager who commented on the nature of IT employees –

... Employees here want to grow faster. They want to be updated and trained on all the relevant skills that will make them perform well and also improve their market worth. Youngsters are dreamers. They are well qualified and highly demanding. For them, the sky is the limit. They are on the constant lookout for challenging assignments and projects; something that they feel is worth pursuing [...]

Further, the academic discipline of positive organizational behavior has contributed to the task of enlarging the scope of the notion of 'meaning' by including the components such as meaningful tasks and jobs; sense of joy; larger good; and 'something which is viewed as important in life'<sup>24</sup>. Accordingly, it is argued that work is "a vocation and a calling as a way to create greater meaning and identity in the workplace"<sup>25</sup>.

Against the backdrop of the afore-mentioned points it can be argued that the extent of diversity and significance of work, the degree of the challenge that the work offers, the opportunities that the work provides for one's expression and assume accountability and the extent to which skills and abilities are used in one's work are expected to intrinsically motivate IT professionals and mold

their job attitudes to achieve individual, teams, and organizational goals.

### 5.9.6 A 'Procedurally Just' Employee Performance Evaluation System

As regards the HR practice of performance appraisal, the HR decision makers accord due importance to ensuring 'procedural justice' while operationalizing performance management interventions. As one of the senior HR manager from an IT major, that adopted a rating system based on the combination of MBO and 360° feedback opined –

... Our performance measurement system is entirely transparent and objective. Right from the time we set performance goals for a particular calendar to the time the actual performance is appraised, and decisions are taken, we ensure that at each stage the process is fair and just. To this end, we have started training our managers and supervisors on how to objectively appraise performance and also avoid favoritism and errors in judgment [...]

In fact, extant literature in the domain of HR finds support for such management approaches towards performance evaluation. In this connection, scholars suggest that employee PMS that are underpinned on the essential elements such as role clarification, transparency, goal-setting, objectivity, feedback, periodic performance measurement and fair distribution of rewards effectively integrates individual employee behaviors and organizational goals. Further, a well-designed and robustly operationalized PMS is also argued to enhance employee motivation to perform their respective tasks by augmenting employee perception of organizational fairness and procedural justice.

Moreover, it can be argued that if an employer accords due regard to fair and just operationalization of PMS, it will point to the presence of an employer's concern for the sense of the individual dignity of employees. Also, the effective operationalization of a well-designed PMS conveys and elicits the sense of mutual respect and trust in an

EOR. Respect and trust in the organizational leadership emanate due to the employer's concern for making performance appraisal as objective as possible leading to broader acceptance of the system provided there exists shared acceptance of the system prior to its implementation. In essence, IT organizations that involve employees in the goal-setting process, sets objective and realistic performance goals and standards, communicates to employees on how performance would be measured and utilized, periodically assesses employee performance and offers performance-oriented feedback, are expected to add to motivation among employees' and thereby achieve augmented performance.

### 5.9.7 'Growth' Oriented Career Opportunities

Is the monetary compensation the only reward that the employees are looking for? This kind of sweeping assessment regarding human expectations from their jobs goes against the fundamental notions relating to human needs. As articulated by McClelland's theory of needs, human beings strive for achievement, power, and affiliation. In this context, employees perceive their organization to be worth working for provided they experience growth opportunities within their organization<sup>26</sup>. For example, one senior HR manager participating in the interview commented–

... We have fast-track programs. Top-performers are identified and given opportunities to climb the career ladder quickly within the organization. This means that good performers jump-levels and attain important positions and roles much quicker when compared to their counterparts. These roles come with greater decision making authority, resources, and benefits that motivate them, I guess. Top-performers also come into the limelight of the organization leadership. This thrills them to perform even better [...]

Therefore, organizations have a compelling need to institutionalize HR practices relating to career

management of their employees. This facilitates within-organization career and in some cases succession planning for entry, middle and top-level positions. Formalizing the process of within-organization career planning creates a required degree of synchronization with the existing organizational values and culture. Accordingly, this increases organizational loyalty among key employees because of the clarity on their within-organization career path. Similarly, HR practices related to career management of employees help employees in their identity verification process through the satisfaction of their growth needs. Therefore, career management interventions that promote vertical and lateral growth opportunities by filling job positions from within the organization, embrace merit-based and performance-driven promotion decisions, present a clear career path to the employees, offer opportunities for career advancement and promotions consequent upon the acquisition of required qualifications and also offer security of employment are expected to lead to favorable individual (e.g. career success, career progress, OC and work behavior).

### 5.9.8 'Equity' Centric Compensation Structures

As regards the HR practice of compensation, the majority of the HR decision makers opine that they position 'equity' as a key dimension to develop a robust compensation system for their respective employees. For example, one respondent remarked –

... We are seen as one of the best payment masters in the Industry. It is a major draw for our people and also prospective hires. Our employees get compensated for what they do. The remuneration that our people draw is comparable with the best; I would say – even better. This surely is one aspect that makes us an organization to work for [...]

Further, employees expect to be remunerated fairly in relation to those who engage in similar jobs and roles in other establishments within an industry. Moreover, employees also expect to be

compensated adequately for the relative worth of their specific jobs within their respective establishments<sup>27</sup>. When these afore-mentioned employee expectations are met, employees perceive the presence of 'equity' in both external and internal pay. In this connection, organizations may claim to operationalize a procedurally just and objective performance evaluation system. However, if the compensation drawn by the employees is not commensurate with their efforts and what the competitors pay for the same job, it is expected to have a detrimental effect on employee work motivation. Therefore, HR practices relating to employee compensation serve the purpose of operationalizing equity among employees while rewarding their efforts. For example, the 'effort-reward' equilibrium that an employer is able to achieve while deciding upon an amount of compensation that is commensurate with employees' efforts and position will bring about the sense of 'fairness' among employees. For that reason, it is expected to bring about the sense of 'equity' among employees as it is always relative in nature and, therefore, difficult to realize. However, the 'effort-reward expectancy' decides the valence of employee efforts. As a result, HR practices on compensation are crucial to ensure the presence of equity (i.e., both internal and external) and the resultant motivation among employees.

Importance of designing appropriate compensation can be articulated by invoking the central propositions of self-determination theory (SDT)<sup>28</sup>. Intrinsic motivation arises if the activities that employees perform in their jobs are intrinsically interesting to them. However, it is quite probable that a job may not be intrinsically interesting to employees. In this case, how do we explain the sources of employee motivation? It is in this context that the importance of designing an appropriate compensation system, which has motivating potential, arises. The self-determination theory explains how individuals will get motivated even if a job may not be intrinsically interesting but extrinsic motivators can provide what it calls as 'autonomous motivation' to individuals. The theory classifies motivation into two categories (i.e. autonomous motivation and controlled

motivation). Autonomous motivation emerges from within though its source could be either the task enjoyment that the interesting activities provide or the instrumentality of extrinsic motivators in achieving one's goals or consonance with one's values that reinforce one's idea of self. Controlled motivation emanates essentially from outside, i.e. regulations inherent in a job. The theory proposes that the autonomous motivation and controlled motivation is a continuum, in which the degrees of motivation varies from controlled motivation to autonomous motivation between which there are three successive manifestations of increasingly higher degrees of autonomous motivation, i.e. introjected regulation, identified regulation and integrated regulation. In these three forms of extrinsic motivation, employee behavior is externally regulated and, therefore, they represent increasingly higher expressions of internalization of what is externally regulated through extrinsic motivators. For instance, individuals go beyond contingent reward-punishment dichotomy and perceive work to be worth engaging themselves because it provides them with a sense of self-worth which is what introjective regulation is all about. Extrinsic motivators such as compensation that the employees receive may act as levers that bring about this sense of self-worth in them.

Further, individuals may immerse themselves in work because such immersion is perceived by them to be in consonance with their goals, values and organizational regulations. This is termed as identified regulation, which consists of the higher degree of autonomous motivation in which employees may consider the compensation that they get is likely to contribute to the achievement of their goals, the practice of their values and therefore, increase the willing adherence to work regulations. Integrated regulation, the next higher form of autonomous motivation, in which employees perceive coherence among work regulations and their goals and values as a result of which the internalization of work regulations is so complete as to make this form of extrinsic motivation as equivalent to intrinsic motivation in terms of the degree of autonomous motivation. Therefore, appropriate compensation

can also create autonomous motivation even if the job does not contain intrinsic motivators provided there exist complete internalization of job regulations that come into being due to congruence between employee goals and values and job regulation. Against the backdrop of the aforementioned points, it can be argued that a compensation system founded on the dimension of equity and will fairly and adequately incentivize employee work performance and also facilitate organizations in hiring and retaining<sup>29</sup> the best software engineers in the country.

### 5.9.9 'Performance Recognition' as Reward

Do employees seek only the monetary compensation from their jobs? Human beings attempt to go beyond their deficiency needs so as to satisfy their growth needs. In this connection, the organizational HR practices on the rewards structure serve the function of providing much-needed employee recognition. It becomes an act of providing individualized consideration to employees, a transformational leadership behavior that acts as a motivational mechanism, in itself. The recognition that the rewards carry with them would become a source of intrinsic motivation for employees. In fact, all the participating IT organizations in this study accorded due importance to 'recognizing' employee performance by monetarily rewarding and/or acknowledging and appreciating their contribution to teams and organizations' success. For example, as one manager pointed out –

... Employees not getting due recognition and appreciation for their performance achievements can have a sickening effect on the individual and/or team performance. When as an organization we do so, we use it as an opportunity to express our gratitude and say "thank you" and that "you matter" [...]

In fact, recognition is argued to be a significant driver to work motivation, work attitudes, performance, and task-related behaviors. From the employees' perspective, recognition programs

signal to them their respective organization's leadership's commitment towards merit, performance and quality.

Meta-analysis of prior research on intrinsic motivation has shown that intrinsic motivation becomes essential if its rewards are directly related to performance<sup>30</sup>. However, the prior research on the interactive effect of importance of intrinsic motivation remains intact even while extrinsic motivation in the form of incentives is provided and is, therefore, considered to be important in contributing to quality of work performance (Ibid) while extrinsic motivation is found to be a significant contributing factor that influences the quantity of work performance. Further, the meta-analytic findings of laboratory experiments on cognitive evaluation theory have confirmed that employee recognition expressed in the form of positive feedback increases intrinsic motivation and tangible rewards undermine the same<sup>28</sup>. Therefore, the reward structure and the implicit employee recognition that emanates from the same are likely to bring about autonomous motivation among employees, albeit through what the self-determination theory of motivation has called as integrated regulation (Ibid) that represents congruence between employee goals and values with organizationally dictated, extrinsic job regulations. This will create the same degree of autonomous motivation in employees even in those jobs that are not intrinsically motivating due to otherwise uninteresting activities as do the intrinsically interesting and therefore, intrinsically motivating jobs to create. Though the reward structure is externally regulated and controlled, it can still lead to the willing exercise of autonomy in employees in their job performance provided the reward structure for each employee is perceived to be contributing to his or her goals and values. In these cases, though the reward structure is an extrinsic motivator, it will still provide the same degree of autonomy in job performance that employees perceive if their jobs were to be intrinsically motivating. Designing a reward structure that provides autonomous motivation to employees becomes essential for organizations to produce a motivated job performance on the part of their employees. Therefore,

against the backdrop of afore-mentioned points, one may argue that when organizations design and operationalize reward system structured around recognizing and celebrating employee success, they signal to their employees that their presence and contribution is valued. This in its turn will motivate the employee to strive harder for the organizations and teams' success.

### 5.9.10 'Relevance' of Information

Information sharing process demands the presence of 'trust' between leader and employees within the organization structure. In this connection, organizational HR practices relating to information sharing among employees bring about 'transparency'. Mutual reciprocation regarding information sharing at all organizational levels would create mutual trust between employer and employees. Therefore, the degree of mutuality and harmony in employer-employee relationships would also consequently increase. This is because, by sharing relevant information, organizations not only keep their employees updated with important decisions and policy matters but also assist employees to augment their performance and attain results that are desirable for both them and the concerned organization.

In this connection, one HR manager commented –

... We keep our employees updated with all the important information that matters to them [...]

The process of information sharing is facilitated by leader trustworthiness and followers' propensity to trust the leader when the information shared is 'relevant'. Integrity or the match between what one says and what one does, the benevolence of the leader in caring for one's interests though such interests are not in line with others' interests and confidence in leader's ability to get the work done would create leader's trustworthiness. It is only against the backdrop of sharing of relevant information that trusts between leader and followers would emanate. Therefore, the importance of information sharing can be best

understood from the point of view of the power of information on work roles in meeting performance goals. Further, the shared information on one's job-related functions will also contribute to increased self-efficacy of employees. The presence of well-developed information sharing system, inter-departmental communication of information to resolve problems and meet deadlines and regularity of communication regarding company goals, financial performance and performance of competitors are the constituent elements of a robust information sharing framework.

### 5.9.11 'Empowerment' Centric Participation Interventions

What should organizations do in order to motivate and retain those employees whom it considers to be the assets of the organization and therefore, who have future leadership potential? It is against this backdrop that organizations conceptualize and operationalize the employee empowerment practices<sup>31</sup>. In this connection, it is worth noting that organizations desire to retain those employees who perform consistently well and whom they consider to be essential for continually increasing organizational performance. Therefore, they would be keen to empower their employees. They would do this by institutionalizing participatory management practices. As one participating manager quoted –

... In many cases the supervisors authorize employees to take decisions where they feel employees are more adept and competent to deal with the issue. One has to remember that some employees come with a truckload of experience on technical and non-technical matters and that needs to be acknowledged and respected. This approach makes employees more accountable for their decisions. More often than not it works [...]

Empowering employees leads to innovative solutions and ideas that emerge from not only the key managerial employees but also from organizational rank and file. Further, it will lead to a higher quality of employee efforts. Employee-generated

innovative solutions and ideas address organizational and operational problems, and high quality of employee work is positively impacted by employee freedom that manifests in the wake of the participatory decision-making process, which is central to the idea of employee empowerment. Empowerment is, accordingly, defined as "a process of enhancing feelings of self-efficacy among organizational members through the identification of conditions that foster powerlessness and through their removal by both formal organizational practices and informal techniques of providing efficacy information".

The process of empowering employees is closely linked with expectancy and self-efficacy theories<sup>32</sup>. There are two aspects in the expectancy theory, i.e. effort-performance expectancy and performance-outcome expectancy, which are interlinked with the notion of self-efficacy. Effort-performance expectancy presupposes that a given effort leads to a given level of performance. This 'can do' notion, which emanates in the wake of effort-performance expectancy, is the notion of self-efficacy. Its presence is implied in effort-performance expectancy hypothesis. Even if performance-outcome expectancy hypothesis, which signifies the expectancies regarding the probability of a given performance leading to expected outcomes, isn't guaranteed the self-efficacy can still be prevalent because of the continued presence of effort-performance expectancy despite the contrary outcomes. This entire process of intermixing of expectancy and self-efficacy comes into being provided there is an empowering process. Accordingly, the presence of self-efficacy itself acts as a lever of effort-performance expectancy.

It is, for this reason, that empowerment is conceptualized as a motivational construct rather than as a relational construct. If empowerment is viewed only as a relational construct, it implies sharing authority and consequently, the process of delegation and sharing of resources and, at best, is viewed almost synonymously with participation in decision making. However, this conceptualization of empowerment does not view it as an experience of participants and, therefore, it views empowerment from the standpoint of those who delegate. Thus, it

captures only the top-down viewpoint of empowerment and not the bottom-up viewpoint. Therefore, the acts of delegating and sharing resources are not considered as the only methods of empowering employees. This is because it need not necessarily capture the empowering experience of employees but it does capture only the empowering process. However, if empowerment is conceptualized as a motivational construct, it would portray empowerment as a motivational mechanism, in itself, by portraying the motivational strength of employee empowerment. In essence, the self-efficacy inherent in effort-performance expectancy that results from employee empowerment acts as a strong motivator for increased performance regardless of outcomes generated. Therefore, empowerment of employees is as much a top-down organizational process as it is an experience that emanates bottom-up. Participation in decision making, free exchange of opinions on work, the sufficiency of work autonomy, the scope for discussion on training need requirements, and an adequate and efficient grievance redressal mechanism are the constituent elements of the operationalized construct of employee empowerment.

### 5.9.12 Work-life Balance

Though all IT organizations claim to have dedicated mechanisms to attenuate work-stressors (e.g. monitoring and regulating workload, prioritizing tasks, arranging for additional staff if necessary), they do eventually concede that the efforts that facilitate employees to balance their work and family demands reap the best outcomes (i.e. both in terms of reduced work-stress and improving supervisor-subordinate relationship). In fact, family-friendly work policies constitute one of the growing HR practices that reflect organizational willingness to provide humane treatment to employees so that they would be able to experience work-life balance. There are three theories that provide an extensive explanation regarding why it is essential to institutionalize family-friendly policies by organizations. The demand-control-support model has argued that employees perceive a higher degree of decision-making latitude, it would help them address the negative issues

arising out of increased job demands as, for example, stress and thus, it would assist them in coping with job-related problems and their spillover effects on work-life balance. Further, the theory has also argued that the presence of social support that employees perceive, as manifested in the form of family-friendly policies, will reduce the negative effects of job demands on employees' stress relating to work-life balance.

The mixed evidence relating to the role of social support in reducing stress, research discourse on job demands developed the job demands-job resources model to explain the independent effects of job resources such as social support in reducing disengagement and depersonalization in jobs<sup>33</sup> the two of the three dimensions of the construct of burnout, while job demands increase emotional exhaustion, another dimension of burnout. These findings showed that the role of social support need not be limited to their buffering effect in the relationship between job demands and employee burnout. Therefore, the research evidence suggests that social support exerts a direct effect on the dimensions of burnout going beyond the moderating effect that it was hypothesized to exert. Supportive policies for working parents, favorable working conditions in order to balance work and life and the freedom to rearrange one's work schedule in case of emergencies are the constituent elements of sound family-friendly work policies.

## 6. Summary and Conclusion

The findings of this study reveal that IT organizations use myriad HR practices (i.e. selective hiring, organization socialization, training and development, job design, performance evaluation, career management, compensation and benefits, rewards, employee participation, information sharing and family-friendly interventions) to source, develop, motivate and retain their respective IT workforce. As regards the key attributes that organizations take into consideration while designing and implementing HR practices, the findings of this study reveal that HR decision makers accord due

importance to operationalizing selection procedures based on 'merit'. Further, IT organizations place importance on institutionalizing socialization interventions that facilitate 'internalization' of organizational norms and values among the new-hires, adopting 'utilitarian' and relevant training and development interventions, designing jobs that are 'meaningful' and worthwhile and managing career progression of employees by offering internal 'growth opportunities'. Furthermore, IT organizations give weight to operationalizing a 'procedurally just' performance evaluation system, offering remuneration to employees that is based on 'equity', duly recognize and reward exemplary performances, share 'relevant' information, foster 'empowerment' and autonomy by exercising participative management and lastly 'balance work-life' by adopting myriad family-friendly policies.

## 7. References

1. Major DA, Davis DD, Germano LM, Fletcher TD, Sanchez-Hucles J, Mann J. Managing human resources in information technology: Best practices of high performing supervisors. *Human Resource Management*. 2007; 46(3):411–27. <https://doi.org/10.1002/hrm.20171>
2. Lim VKG, Teo TSH. Occupational stress and IT personnel in Singapore: Factorial dimensions and differential effects. *International Journal of Information Management*. 1999; 19:277–91. [https://doi.org/10.1016/S0268-4012\(99\)00027-4](https://doi.org/10.1016/S0268-4012(99)00027-4)
3. Rajeswari KS, Anantharaman RN. Development of an instrument to measure stress among software professionals: Factor analytic study. Proceedings of the 2003 ACM SIGMIS Conference on Computer Personnel Research, Philadelphia, PA; 2003. p. 34–43. <https://doi.org/10.1145/761849.761855>
4. Srirangam Ramaprasad B, Lakshminarayanan S, Pai YP. The relationship between developmental HRM practices and voluntary intention to leave among IT professionals in India: The mediating role of affective commitment. *Industrial and Commercial Training*. 2018; 50(6):285–304. <https://doi.org/10.1108/ICT-01-2018-0001>
5. Glen P. *Leading geeks: How to manage and lead people who deliver technology*. San Francisco, CA: Jossey-Bass; 2003.
6. Boselie P, Dietz G, Boon C. Commonalities and contradictions in HRM and performance research. *Human Resource Management Journal*. 2005; 15(3):67–94. <https://doi.org/10.1111/j.1748-8583.2005.tb00154.x>
7. Paauwe J. HRM and performance: Achievements, methodological issues and prospects. *Journal of Management Studies*. 2009; 46(1):129–42. <https://doi.org/10.1111/j.1467-6486.2008.00809.x>
8. Khilji SE, Wang X. 'Intended' and 'implemented' HRM: The missing linchpin in strategic human resource management research. *The International Journal of Human Resource Management*. 2006; 17(7):1171–89. <https://doi.org/10.1080/09585190600756384>
9. Johnson B, Christensen L. *Educational Research: Quantitative, Qualitative and Mixed Approaches*. Boston, MA: Pearson; 2004.
10. Johnson B, Turner LA. Data collection strategies in mixed methods research. A. Tashakkori, and C. Teddlie (Eds.). *Handbook of Mixed Methods in Social and Behavioural Research*. Thousand Oaks, CA: Sage Publications; 2003. p. 297–319.
11. Paul AK, Anantharaman RN. Influence of HRM practices on organizational commitment: A study among software professionals in India. *Human Resource Development Quarterly*. 2004; 15(1):77–88. <https://doi.org/10.1002/hrdq.1088>
12. Mitchell R, Obeidat S, Bray M. The effect of strategic human resource management on organizational performance: The mediating role of high-performance human resource practices. *Human Resource Management*. 2013; 52(6):899–921. <https://doi.org/10.1002/hrm.21587>
13. Massingham PR, Tam L. The relationship between human capital, value creation and employee reward. *Journal of Intellectual Capital*. 2015; 16(2):390–418. <https://doi.org/10.1108/JIC-06-2014-0075>
14. Stets JE, Burke PJ. Identity theory and social identity theory. *Social Psychology Quarterly*. 2000; 63(3):224–37. <https://doi.org/10.2307/2695870>
15. Chao GT. *Organizational socialization: Background, basics and a blueprint for adjustment at work*. S. W. J. Kozlowski (Ed.), *Oxford Library of Psychology. The Oxford Handbook of Organizational Psychology*. Vol. 1. New York, NY, US: Oxford University Press; 2012. p. 579–614. <https://doi.org/10.1093/oxfordhb/9780199928309.013.0018>
16. Schein EH. Organizational socialization and the profession of management. *Organizational Influence Processes*. 2003; 36(3):283–94.
17. Saks AM, Ashforth BE. A longitudinal investigation of the relationships between job information sources, applicant perceptions of fit and work outcomes. *Personnel Psychology*. 1997; 50(2):395–426. <https://doi.org/10.1111/j.1744-6570.1997.tb00913.x>
18. Gruman JA, Saks AM. Organizational socialization and newcomers' psychological capital and well-being. Bakker A. B (ed.). *Advances in Positive Organizational Psychology* Emerald Group



- Publishing Limited. 2013. p. 211–36. [https://doi.org/10.1108/S2046-410X\(2013\)0000001012](https://doi.org/10.1108/S2046-410X(2013)0000001012)
19. Cohen DJ. HR past, present and future: A call for consistent practices and a focus on competencies. *Human Resource Management Review*. 2015; 25(2):205–15. <https://doi.org/10.1016/j.hrmr.2015.01.006>
  20. Harel G, Tzafrir S, Baruch Y. Achieving organizational effectiveness through promotion of women into managerial positions: HRM practice focus. *International Journal of Human Resource Management*. 2003; 14(2):247–63. <https://doi.org/10.1080/0958519021000029108>
  21. Gardner TM, Wright PM, Moynihan LM. The impact of motivation, empowerment and skill-enhancing practices on aggregate voluntary turnover: The mediating effect of collective affective commitment. *Personnel Psychology*. 2011; 64(2):315–50. <https://doi.org/10.1111/j.1744-6570.2011.01212.x>
  22. Kanfer R, Chen G, Pritchard RD. The three C's of work motivation: Content, context and change. New York, NY: Routledge, Taylor and Francis Group; 2008. <https://doi.org/10.4324/9780203809501>
  23. Steger MF, Dik BJ. Work as meaning: Individual and organizational benefits of engaging in meaningful work. P. A. Linley, S. Harrington, and N. Garcea (Eds.), *Oxford Library of Psychology*. Oxford Handbook of Positive Psychology and Work. New York, NY, US: Oxford University Press; 2010. p. 131–42. <https://doi.org/10.1093/oxfordhb/9780195335446.013.0011>
  24. Jurkiewicz CL, Giacalone RA. A values framework for measuring the impact of workplace spirituality on organizational performance. *Journal of Business Ethics*. 2004; 49(2):129–42. <https://doi.org/10.1023/B:BUSI.0000015843.22195.b9>
  25. Milliman J, Czaplewski AJ, Ferguson J. Workplace spirituality and employee work attitudes: An exploratory empirical assessment. *Journal of Organizational Change Management*. 2003; 16(4):426–47. <https://doi.org/10.1108/09534810310484172>
  26. Colvin AJS, Batt R, Keefe J. The impact of employee voice and compliance mechanisms on absenteeism, discipline and turnover. Working Paper (WP01-04). Center for Advanced Human Resource Studies. Ithaca, NY: Cornell University; 2005.
  27. Subramony M. A meta-analytic investigation of the relationship between HRM bundles and firm performance. *Human Resource Management*. 2009; 48(5):745–68. <https://doi.org/10.1002/hrm.20315>
  28. Gagné M, Deci EL. Self-determination theory and work motivation. *Journal of Organizational Behavior*. 2005; 26(4):331–62. <https://doi.org/10.1002/job.322>
  29. Cappelen AW, Nielsen UH, Tungodden B, Tyran JR, Wengstrom E. Fairness is intuitive. *Experimental Economics*. 2016; 19(4):727–40. <https://doi.org/10.1007/s10683-015-9463-y>
  30. Cerasoli CP, Nicklin JM, Ford MT. Intrinsic motivation and extrinsic incentives jointly predict performance: A 40-year meta-analysis. *Psychological Bulletin*. 2014; 140(4):980–1008. PMID: 24491020. <https://doi.org/10.1037/a0035661>
  31. Mathieu JE, Gilson LL, Ruddy TM. Empowerment and team effectiveness: An empirical test of an integrated model. *Journal of Applied Psychology*. 2006; 91(1):97–108. PMID: 16435941. <https://doi.org/10.1037/0021-9010.91.1.97>
  32. Bandura A. The explanatory and predictive scope of self-efficacy theory. *Journal of Social and Clinical Psychology*. 1986; 4(3):359–73. <https://doi.org/10.1521/jscp.1986.4.3.359>
  33. Bakker AB, Demerouti E. The job demands-resources model: State of the art. *Journal of Managerial Psychology*. 2007; 22(3):309–28. <https://doi.org/10.1108/02683940710733115>