ELEMENTS OF HUMAN RESOURCE MANAGEMENT IN IT COMPANIES A STUDY WITH REFERENCE TO CHENNAI.

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Introduction

Human resource management gains prime importance as it involves the whole gamut of activities from acquisition, development till optimum utilisation. The congruence between individual and organisational goals creates greater bondage of employees with the organisation, resulting in loyalty. It is the art of managing people at work in such a manner that they give their best to the organisation.

According to Decenzo and Robbins (1973), "HRM is concerned with the people dimension in management. Since every organisation is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organisation are essential to achieving organisational objectives. This is true, regardless of the type of organisation – government, business, education, health, recreation, or social action".

The competencies of employees are expressed in terms of their knowledge, skill, attitude and values. The nature of the job profile is constantly changing depending upon the unprecedented changes in the external environment and internal changes. HRD not only aims at effective performance of the present job but also provides opportunities to develop potential for nurturing future competencies to perform future jobs. Highly motivated employees working in conducive work environment and healthy organisational climate contribute maximum productivity. Learning orientation is inculcated in the HRD system automatically.

The business environment is changing drastically; it is plausible that the value orientation of HRD professionals has also changed. There are many value orientations practiced by HRD professionals in India. The professionals have come a long way from the Traditional Welfare Approach for the successful HRM practices.

Literature Reviews

Charles W. Read, Brian H. Kleiner (1996) - This paper sought to replicate on the importance of training and the importance of learning theory. Ten learning methods were identified to be the best namely videotapes, lectures, one-on-one instruction, role plays, games/simulation, case studies, slides, computer-based training, audiotapes and films. The study also detailed on the factors considered for selecting the training method and the various ways of evaluating the trainees after completing the program.

Mark Stam, Eric Molleman (1999) - This article highlighted the role of career development and strategic training policies among IT companies and young IT professionals. The study examined the ability of the IT professionals to integrate the business processes, strategic issues and handling information technology. Organisations were expected to plan both for short and long term, quantitatively and qualitatively for IT professionals by means of strategic training policy and being a part of the learning organisation sharing knowledge.

Abdelgadir N. Abdelhafiz Elbadri (2001) - This comprehensive study was attempted to examine the emphasis given for training activities both internal and external to maintain competitiveness in the market. The study was conducted among 30 Polish companies to determine the training needs, developing programs and assessing outcomes. The results revealed that many companies neglected to assess training needs and evaluate outcome properly, providing for suggestions and improvements.

Shawn Kent (2001) - This article examined the values of Mentor system prevailing in the organisations. The employees who became more productive, derived greater career satisfaction and enjoyed accelerated career growth were identified. Mentoring was considered to be a mutually advantageous way to both attract and retain employees. Mentoring programs were inexpensive, to inspire future leaders, improve management and staff relationship and prepare people to succeed an aging workforce. Mentors could provide just in time, development to those employees aspiring.

GAPS in the Literature
After reviewing the national and international literature the researcher identified two predominant lacunae. The first gap encounters with the direct validation of the elements of HRM in IT companies. The second gap came out of an unraveled issue of relationship between Human resource Management and Organizational Effectiveness. These two gaps induced the researcher to venture upon the present research work.

Objectives of the Study
The following objectives of framed for this paper based on the gaps in the literature:
1. To study the factors of HRM in IT companies.
2. To verify the relationship between HRM and its various elements.

Hypothesis
1. The factors of HRM do not differ significantly.
2. There is no significant relationship between HRM and its elements.

Methodology
This study is based on both primary and secondary data. Primary data is obtained from the well structured questionnaire with statements regarding Human Resource Management and Organizational elements in likert's five point scale.

The structured questionnaire is subjective to three steps namely pretesting, pilotstudy and main study. The researcher collected 67 samples from top 5 IT companies. To refine statements the likert's five point scale cronbach alpha method is applied on the statements of HRM and Organizational effectiveness and found the values are above 0.75 for all the variables. It shows that the refinement is appropriate and researcher can be elevated to carry out the research in the domains of pilot study.

The pilot study stage the researcher collected 100 samples for cross verifying the statements and scales. The exploratory factor analysis is done to verify the cross loading within the factors. Those statements are eliminated and further refinement is achieved in this stage.

During the main study the researcher is able to collect 221 responses from the top 5 IT companies in Chennai city. The applications of confirmatory factor analysis and linear multiple regression analysis validated the present research work.

Analysis and Discussion

In order to underpin the elements of HRM, the researchers used confirmatory factor analysis for the 10 elements recruitment, performance appraisal system, career development, executive development, potential appraisal, organizational development, training and development, management policies, goal setting and inter personal relationship. At the initial stage, it is the duty of the researcher to check the reliability of the instrument used to collect the responses from employee of IT companies. Hence the researcher used cronbach alpha method to check the reliability and the results are presented below:

Table 1. Reliability of HRM Factors

Factors	No. of Items	Cron Bach Alpha
1.Recruitment	5	0.900
2.Performance appraisal system	5	0.897
3.Career development	5	0.894
4.Executive development	5	0.775
5.Potential appraisal	5	0.794
6.Organisational development	5	0.829
7.Training and development	5	0.837
8.Management policies	5	0.791
9.Goal setting	5	0.801
10.Interpersonal relationship	5	03896

From the above table, it is found that all the cronbach alpha values are greater than 0.75. It implies that all the factors of HRM are highly reliable and they are very much popular among the employees of IT companies. They are very comfortable in expressing their responses regarding HRM practices. After the verification of reliability the researcher intended to validate all the responses pertaining to HRM practices. The application of cronbach alpha method derived the following results.

Table 2. Fit Indices of Confirmatory Factor Analysis

Fit indices	Value	
Chi square value	0.541	>0.05
Goodness of fit index	0.951	>0.9
Comparative fit index	0.940	>0.9
Normed fit index	0.929	>0.9
Root mean square error of approximation	0.08	<0.08

From the above table, it is found that all the five fit indices satisfy the bench mark value for the validity of 10 elements of HRM. Hence HRM is considered as unobserved factor and 10 elements of HRM recruitment, performance appraisal system, career development, executive development, potential appraisal, organizational development, training and development, management policies, goal setting and inter personal relationship are taken up as observed factors. This leads to the results

1. There is a relationship between recruitment and HRM practices.
2. There is a relationship between performance appraisal system and HRM practices.
3. There is a relationship between career development and HRM practices.
4. There is a relationship between executive development and HRM practices.
5. There is a relationship between potential appraisal and HRM practices.

6. There is a relationship between organizational development and HRM practices.
7. There is a relationship between training and development and HRM practices.
8. There is a relationship between management policies and HRM practices.
9. There is a relationship between goal setting and HRM practices.
10. There is a relationship between inter personal relationship and HRM practices.

The application of confirmatory factor analysis and deemed fit indices revealed that all the ten hypothesis are rejected at five percent level and concluded that the elements of human resource management in IT companies have deep relationship with HRM practices in the IT companies.

Findings and Conclusions
It is found that in IT companies the elements of human resource management are the popular HRM practices and employees perceived that these practices lead to individual efficiency, organizational efficiency, productivity increase and cultural changes within the organisation. The IT companies are very meticulous in recruiting the employee and give both off job and on job training to executive work based on their management policies. The smooth interpersonal relationship among the employees assure the executive development, career growth to the employee and hem them to achieve their pre defined goals within a stipulated time with impeccability. It is also found that these factors are influenced by the demographic and organisational variables of employees.

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