

International Journal of Advance Research in Computer Science and Management Studies

Research Article / Survey Paper / Case Study

Available online at: www.ijarcsms.com

The Best Training and Development Practices Followed by IT Companies in Mysore

Dhanalakshmi P

Associate Professor

DOS in Business Administration, PBMMEC

KRS Road, Metagalli

Mysore – 570016 - India

Abstract: *It is always a challenge for any company more so for IT companies where employee attrition is high, to retain high performing employees in the company. In any IT company HR department plays an important role to retain employees by practicing good HR policies. Good HR policies would definitely contribute in building the positive employee morale, creating contributing employees, facilitate employee retention and ensure employee satisfaction. Employee satisfaction is very important for any IT company as employee satisfaction is directly related to the work effectiveness and also work efficiency. It is rare that a satisfied employee would be willing to change his organization. This research paper explores such best HR practices followed in the area of Training and Development by IT companies in Mysore.*

Keywords: *Training and Development, Best HR Practices, Employee Satisfaction, Employee Retention.*

I. INTRODUCTION

“An empowered and motivated employee is a great asset to any company”.

Salary is not the only criteria which motivates and keep employees contented. There could be other factors in the form of HR practices and policies that could keep the employees happy and loyal to the company. One such HR policy is continuous learning through Training and Development which helps the employee in enhancing his knowledge, skills and also in shaping his attitude thereby helping in achieving the organizational outcome.

Training and Development: The training and development function gives employees the skills and knowledge to perform their jobs effectively. Training is a short-term process utilizing a systematic and organized procedure by which personnel acquire technical knowledge and skills for a definite purpose.

In addition to providing training for new or inexperienced employees, organizations provide training programmes for experienced employees whose jobs are undergoing change. Large organizations often have development programmes which prepare employees for higher level responsibilities within the organisation. Training and development programmes provide useful means of assuring that employees are capable of performing their jobs at acceptable levels.

II. OBJECTIVES

Employee attrition is high in IT companies and hence retaining employees of good performance is very vital for it. Good HR policies and practices can provide help in keeping the employees motivated and satisfied and also help the employees to grow with the organization thus, inspiring employees to continue work in the same organization, thereby helping the organization in retaining its employees.

To accomplish the above said goal, there could be various HR measures in the area of Training and Development undertaken by the companies. This study is conducted to unearth such best HR practices in the area of Training and Development followed by IT companies in Mysore.

III. LITERATURE REVIEW

Delaney and Huselid (1996) outline that, HRM best practices are designed to enhance the overall performance of employees within the organization, ultimately resulting in increased organizational performance. Delaney and Huselid (1996) continue by stating that commitment plays a major role within HRM best practice. Commitment shown by the employer with regard to areas such as training and development for example, is consequently reciprocated by the employee, with this increased commitment toward the organization. Performance increases as employees are more skilled and committed to the profession, resulting in a 'win – win' situation for both parties.

Pfeffer opines that one of the most credible methods for improving and developing not only the employee but also the organization is through the provision of, as well as the use of, training and development opportunities. These can apply to work specific practices, thus improving the performance of the firm or simply to the development of the employee in non work related areas. The rationale behind this is that the employer has shown commitment to the employee through the training and development program, therefore this commitment is reciprocated by the employee, and with the end result being improved organizational performance (Producing sustainable competitive advantage through the effective management of people. Academy Of Management Executive, 9(1). Pfeffer, 1995).

The aim of training and development within an organization is to provide staff with the necessary skills and knowledge to fulfill the organization's corporate and business plan (Johnson, 2000). This however, is not simply related to specific training for a work practice, as training of any type is essential as it creates a learning ethos (Pfeffer, 1996). It has been proved that training can provide a competitive advantage to those firms who have the wisdom to use it (Pfeffer, J., & Veiga, J. (1999). Putting people first for organizational success, Academy Of Management Executive, 13(2).).

Burke and Hutchins speak about the best practices for supporting training transfer. They have proposed a refined model of transfer to extend human resource development (HRD) theory in the area of transfer. (Burke, L. A. and Hutchins, H. M. (2008), A study of best practices in training transfer and proposed model of transfer. Human Resource Development Quarterly, Volume 19, Issue 2.)

Russell, Terborg and Powers (1985) examined the relationship between training, organizational support, and performance of organizations in a sample of sixty-two retail stores. The findings provided evidence that both training and organizational support was positively and significantly related to store performance.

IV. RESEARCH METHODOLOGY

- A. *Data Sources:* The HR managers, HR executives of various IT companies in Mysore
- B. *Collection Methods:* The primary data was collected through Mailed questionnaire method, Personal Interview method and Telephonic Interviews. The questionnaire comprised of both closed and open type questions for collection of the primary data.
- C. *Sampling Method:* The random sampling method was used

V. DATA ANALYSIS AND RESULTS

The questionnaires were administered to the Human Resource executives of thirty (30) Information Technology companies. Out of these the data was collected from twenty one (21) IT companies. Other means of data collection was through websites as well as through telephonic calls to the HR executives of the company.

The data received from the IT companies for the Training and Development policy was analyzed using percentage analysis and chi square test which is a non parametric test and the results of the analysis are as detailed below.

Training and Development

- **A. Ratio of Internal trainers to External trainers:** It is interesting to know that in case of 'Ratio of Internal trainers to External trainers', all the companies have both internal trainers as well as external trainers and the ratio varies from company to company. The analysis shows that, even though companies invite external trainers for certain training programmes, the dependency on internal trainers by the company is high.
- **B. Employee training needs part of performance appraisals:** Most of the software companies who are into software development depend on performance appraisals to identify the training needs of employees. Here the employees have the choice of identifying the training required by them. But the project manager or the department head recommends the training depending on the project requirement or on the organization requirement. As per the analysis 57% of the companies consider the performance appraisal for identifying the training needs and 43% of the companies do not consider the performance appraisals for identification of training needs.

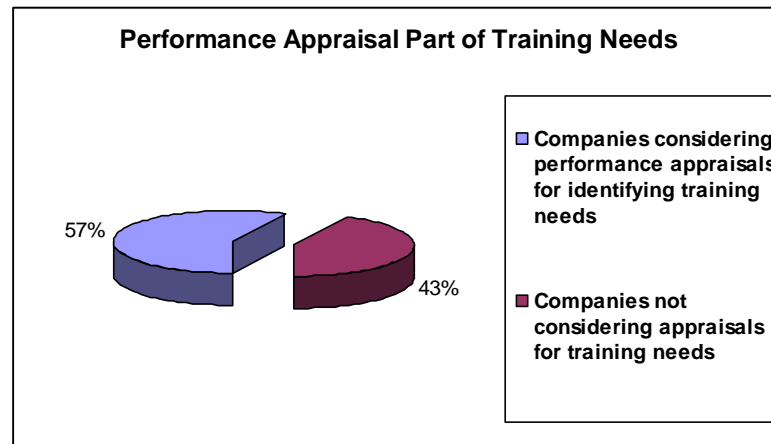


Fig. 1 Performance Appraisal part of Training Needs

- **C. T&D needs part of organization budget:** Major IT players in Mysore include T&D need in the organization's Budget. Such companies account for 52% and for the remaining 48% of the companies it is not included in the organization's budget.

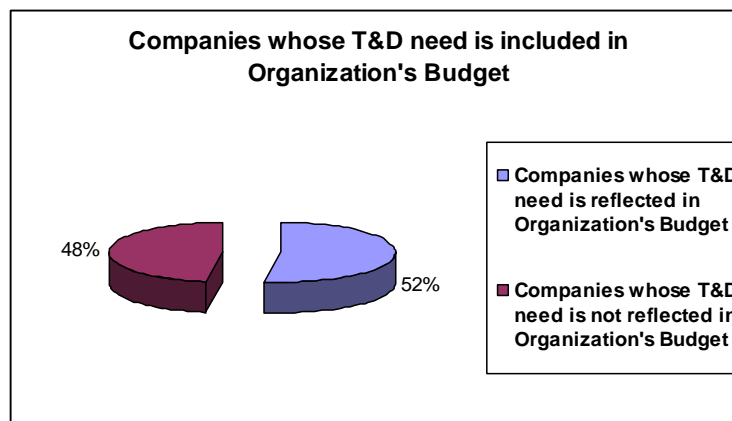


Fig. 2 Training Need is included in organization's Budget

- **D. TNI preparation:** 72% of the companies prepare their Training Need Identification (TNI) at the beginning of the financial year. Only 14% of the companies watch out for the new technology or software release to get their employees trained. Remaining 14% of the companies TNI are prepared based on the projects which they undertake.

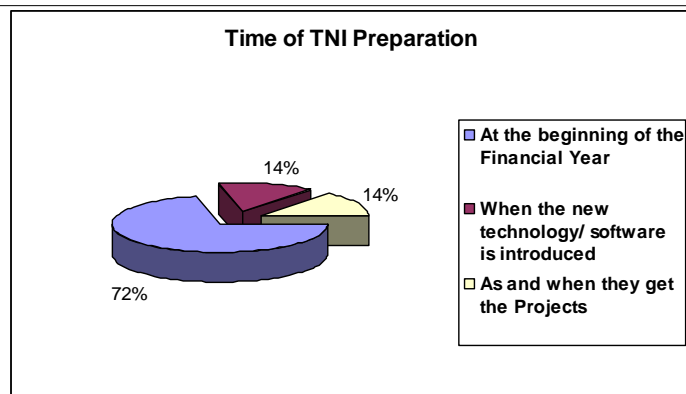


Fig. 3 Time of TNI Preparation

- *E. Training Hours:* All the IT companies in Mysore have a minimum of 40 hours of training for its employees.
- *F. Type of Evaluations:* 71% of the companies are following the post evaluation during the training schedule where as 29% of the companies meticulously follow the Pre-Mid-Post evaluations during the training schedule.

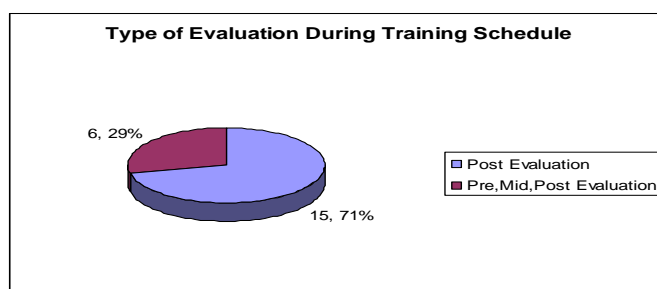


Fig. 4 Type of Evaluation during Training Schedule

- *G. Evaluation of Trainers:* Companies evaluate their external trainers through certification process. Companies while evaluating its internal trainers consider following parameters.
 - Communication skills
 - Facilitation
 - Subject knowledge
 - Presentation
 - Content development
 - Presentation
- *H. Training Calendar Preparation:* For 24% of the companies the training calendar is prepared by the Training Heads. For 38% of the companies it is prepared by the HR head and for remaining 38% of the companies the training calendar is prepared by the Director himself.
- *I. Monitoring and Evaluation the results of Training Programs:* 100% of the companies monitor and evaluate the results of training programs.
- *J. Subscription to Professional T&D Journals:* Only 33% of the companies have subscribed for the professional T&D Journals where as 67% have the subscription of HR magazines only.

Non Parametric Test (Chi Square Test):

Hypothesis for the preference towards the type of methodology adopted for training analysis: The HR executives of different companies view different methodology for training analysis. 10 HR executives give importance to Organizational

need, 7 HR executives depend on Job need and 4 HR executives depend on Individual need for training analysis.. Based on this the NULL hypothesis is given below.

Null Hypothesis:

H₀ : There is no preference for the type of methodology for training analysis

Observed and expected values for the Type of methodology adopted for training analysis is shown in Table I.

TABLE I OBSERVED and EXPECTED VALUES for TYPE of METHODOLOGY

Preference	Organizational Need	Job Need	Individual Need
Expected (E _i)	7	7	7
Observed (O _i)	10	7	4
(O _i - E _i)	3	0	-3
(O _i - E _i) ² / E _i	1.29	0	1.29

Chi Square Value is given by

$$X^2 = \sum_{i=1}^k \frac{(O_i - E_i)^2}{E_i}$$

Result:

The calculated value of Chi Square is **2.57**

From the Chi Square distribution table the critical value at 5% level of significance and degree of freedom = 2 is **5.99**.

Since the calculated value 2.57 is well within the critical value 5.99 the Null Hypothesis is accepted.

Thus the survey indicates that there is no preference for the type of methodology for training analysis.

VI. FINDINGS

- It was found that 43% of the HR executives in IT companies prepare the employee training needs without considering the performance appraisal. These executives believe that employees training needs are based on the organizational need.
- Companies extensively use their employees as internal trainers.
- Companies have taken up T&D seriously. This has been evident from the finding that all the companies monitor and evaluate the results of training programmes.
- Through Chi Square Test it was also found that there is no preference for the type of methodology for training analysis.
- Many of the companies yet to subscribe for the professional T&D journals. This means that these companies lack the information related to the latest research happening in the world with reference to Training and Development.

VII. CONCLUSION

The study on the “The Best Training and Development Practices Followed by IT Companies in Mysore” has helped in bringing out the analysis on different parameters in the area of Training and Development.

In summary, the study has been successful in unearthing the best Training and Development practices being followed by IT companies in Mysore.

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