MANAGEMENT THESIS -I

ON

Different Methods & Problems in Recruitment of Trainee IT Professionals in IT

Industry by Career Call
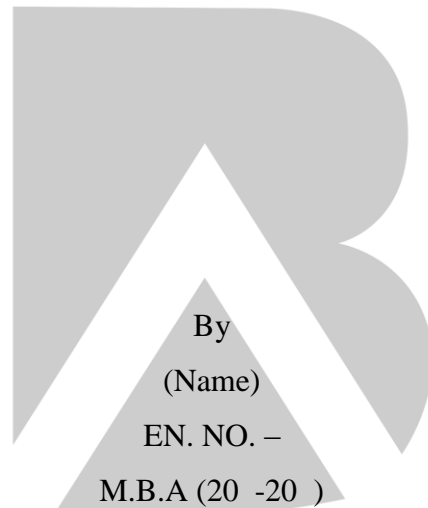
By

(Name)

BIZASTRA

Let's Business

Career Call

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EN. NO. –

M.B.A (20 -20)

A report submitted in partial fulfillment of

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(Institute name)

Acknowledgment

I take this opportunity to express my deep sense of gratitude and whole hearted thanks to ICFAI national College to give a golden opportunity do my project in company known as Career Call.

I am also thankful to _____**(MD of the company) and Mr.** _____ **(Faculty Guide)** for their invaluable guidance and constant encouragement. It is because of them that I was able to synchronize my efforts for completing this final Report.

Contents

Abbreviations

IT -------------------- Information Technology

ITES----------------- IT enable services

RPO ----------------- Recruitment Process Outsource

HR ------------------- Human Resource

E-Recruitment ----- Electronic recruitment

Summary

Recruitment is the process of seeking & attracting the right kind of people to apply for a job in a organization. Many big IT companies outsource there recruitment process ie. The process is taken by agencies or consultancies. Career Call is a consultancy which is under leadership hiring for IT & ITES companies .A major factor that determines the success of recruitment program is the reputation of the organization. Even Career Call has made his reputation in the market.

There are many recruitment process but Career Call in going for E-Recruitment, Referral recruitment, job posting etc . The criteria for selection of the candidates are skills, experience, qualifications etc.

INTRODUCTION

Recruitment is the process of seeking & attracting the right kind of people to apply for a job in the organization. There are various sources of recruitment available for an organization. The organization has to choose the most suitable ones depending on the recruitment need & recruitment policy. The different sources are internal sources (recruitment from with in the organization) & External sources like advertisements, campus recruitment, employment agencies etc.

A recruitment policy is based on organization's objective, complies with the government policy result in successful placement in the organization at the minimum cost & time. It provide the basic framework in the form of guidelines procedures & source of recruitment

Recruitment strategies, objectives, polices & the sources & the methods need to be evaluated continuously to ensure their alignment with corporate strategies, objectives & policies The effectiveness & efficiency of the recruitment tools & sources can also be evaluated from time to time & changes made , to match the current & future recruitment needs of the organization.

Company Detail

Career Call is a consultancy established on 2003 by Megha Tamboli. It deals with ITES & IT companies. Career Call is offering ITES & IT industry a range of services, which are enabling it to build a base of trained manpower on the job skill. Company is into leadership hiring. It has flat hierarchy.

IT Sector

IT professionals typically fill roles in:

- IT services (eg internet and web design services)
- Technology development
- Systems analysis and testing
- Programming

The IT sector is divided into two parts:

- Those working in the IT industry
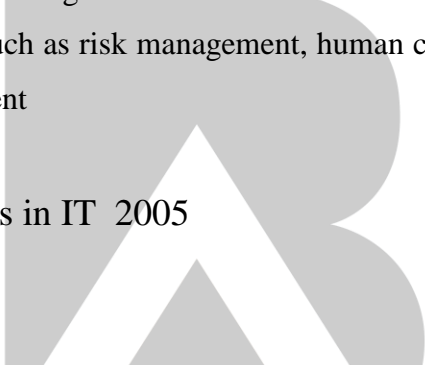- IT professionals working in other areas.

Introduction To IT Industry

Over the past decade, the Information Technology (IT) industry has become one of the fastest growing industries in India, propelled by exports (the industry accounted for more than a quarter of India's services exports in 2004-05). The key segments that have contributed significantly (96 percent of total) to the industry's exports include – Software and services (IT services) and IT-enabled services (ITES) i.e. business services. Over a period of

time, India has established itself as a preferred global sourcing base in these segments and they are expected to continue to fuel growth in the future.

These segments have been evolving over the years into a sophisticated model of operations. Indian IT and ITES companies have created global delivery models (onsite-near shore-offshore), entered into long term engagements with customers, expanded their portfolio of services offerings, built scale, extended service propositions beyond cost savings to quality and innovation, evolved their pricing models and have tried to find sustainable solutions to various issues such as risk management, human capital attraction and retention and cost management

Employment levels in IT 2005

IT/Telecoms managers	32%
Technical support staff	28%
PC support staff	9%
Systems designers	7%
Systems developers	6%
Programmers	5%
Software engineers	5%
Operations staff	3%
Networking staff	3%
Internet professionals	2%
Database staff	1%

Future Forecasting of IT industry

The demand for employees who have advanced or higher-level IT skills is expected to increase.

The following skills will be needed at a higher level in the next three years:-

- Strategy and planning (particularly amongst programmers and network engineers);

- Systems development (particularly for those working in technical support roles);

- Systems design (for programmers, network engineers and technical support staff);

- Database design and development (for programmers and technical support staff);

- Internet (required by all staff, but more so for those in programming and technical support roles);

- Programming, software engineering, networking, database administration and operations (for all or most IT staff).

Recruitment

Recruitment refers to the process of finding possible candidates for a job or function, usually undertaken by recruiters. It also may be undertaken by an employment agency or a member of staff at the business or organization looking for recruits.

Suitability for a job is typically assessed by looking for skills, e.g. communication skills, typing skills, computer skills. Evidence for skills required for a job may be provided in the form of qualifications (educational or professional), experience in a job requiring the relevant skills. Employment agencies may also give computerized tests to assess an individual's "off-hand" knowledge of software packages or typing skills. At a more basic level written tests may be given to assess numeric and literacy. A candidate may also be assessed on the basis of an interview. Sometimes candidates will be requested to provide a résumé (also known as a CV).

History of Recruitment

While temporary, contingency and executive search firms have provided staffing services for many decades, the concept of an employer outsourcing the management and ownership of part or all of their recruiting process was not realized till late 1990s.

It is claimed that the impetus for RPO was a shortage of skilled labour created by the dot-com boom and RPO was created to fill the gap. Cutting costs is often cited as the main reason for other forms of business process outsourcing and this may also be the case for RPO. However, in most instances when organizations consider RPO it is not necessarily to cut costs, but rather to make their recruitment costs more variable and more closely aligned to organizational business cycle dynamics.

Sources Of Recruitment

The objective of recruitment is most likely to be achieved if the recruitment sources used are suitable for the kind of position that is o be filled. The selection of recruitment sources should be economically viable for the organization.

- Internal Recruiting :-

     Many organizations try & identify from within the organization going for organization to be groomed to take on higher position. Organization which go for in for internal   search announce the vacancy through the display on the notice board, circulars sent to the different department . Candidates from within the organization send there application in respond to the job posting. The management then evaluates all the applicants & makes the final selection.

- External Recruiting :

     An organization will have a much greater choice in human resource if it decides to go for external recruitment. There are various sources of external recruitment.

Types of External Recruitment

1. Through Agency :

    Agencies act as independent contacts between their client companies and the candidates they recruit for a position. They can specialise in client relationships only (sales or business development), in finding candidates (recruiting or sourcing) & supplying it to the client.

2. E-Recruitment:

    E-Recruiting or electronic recruiting is the process of using internet based software to attract, screen and recruit suitable job candidates. E-Recruiting reduces the cost of the recruitment process, reduces the time taken to identify appropriate candidates and helps organizations improve the quality and quantity of the applicant pool.

3. Head Hunting :

    Requirement of specific person from specific place is called as head hunting. A company would employ a head-hunter when the normal recruitment efforts have failed to provide a viable candidate for the job. Head-hunters are generally more aggressive than in-house recruiters.

4. Referral recruitment :

    Referral recruitment is a process whereby vacancies are promoted and filled by recommendations rather than by traditional methods such as direct classified job advertisements or by employing a headhunter. Proponents of this recruitment method claim that since each candidate comes with a personal recommendation behind them, the applicants are likely to be better suited to the job and the applicant already has a referee

5. Through Advertisement :

    Advertising is a part of the recruiting process, and can occur through several means: through online, newspapers, through professional

publication, using advertisements placed in windows, through a job centre, through campus graduate recruitment programs, etc.

6. Job Posting:

Job posting is the process of advertising and publicizing job openings to employees. This might be accomplished by physically posting the opening on bulletin boards or by electronically posting them on the company's intranet or internet. It is then up to the employee to actually apply for the position.

7. Job Bidding:

Job bidding is similar to job posting and is more common in unionized environments. *Job bidding* permits an employee to apply for a position even if no openings exist. The employee's application is then held for a period of time, usually for a year, and the employee receives automatic consideration should the position come open. The process is often referred to as *automatic consideration*. Job bidding might be more efficient when openings for a job come open quite frequently. The employer can go to the job bid list without having to post each opening separately.

8. Media Advertising:

Media advertising refers to recruitment using radio, television, newspapers, and so forth. This is a technical area requiring expertise not normally available within the HR function. Writing effective advertisements frequently calls for professionals in the field. Professionally done media advertising can be an extremely effective and cost-efficient recruitment method. It allows the organization to reach a large number of potential applicants, often resulting in significant savings in hiring costs. By use of appropriate outlets targeted protected groups can be reached, which facilitates diversity and affirmative action efforts. However, when poorly done media advertising can be extremely expensive.

9. Campus Recruiting:

College and university recruiting is a good source of entry- and mid-level managers and professionals. In general, college recruiting requires a continuing relationship with the organization and its placement office, and a history of hiring the college's graduates. These together tend to put the organization at the front of the referral queue. However, this is often an expensive proposition requiring expenditure of both staff and financial resources. Sponsoring professional clubs and providing scholarships and internships can be expensive if the organization never hires individuals from the college. Many organizations have scaled down their college recruiting efforts to focus on a few schools where they can maintain a continuing presence and hire excellent candidates in a cost-effective manner.

10. Employee Referrals:

Many organizations have active formal employee referral programs, particularly in tight job markets or where the employer has difficult-to-fill or high-turnover positions. These programs reward employees for referring applicants to the organization. Other organizations have less formal programs and encourage employees to refer potential applicants, but do not provide an incentive for doing so.

Advantages and Disadvantages of Internal V\S External Recruiting

Recruiting	External Recruiting
Advantages	Advantages
Promotes high morale.	Brings new ideas and methods into the workplace.
Employees are familiar with the organization.	Might facilitate diversity and affirmative action initiatives.

Recruiting	**External Recruiting**
Employee's performance and skill levels are already known.	Might bring in expertise not currently available internally.
Promotes employee commitment.	A lack of knowledge of current internal processes and procedures might facilitate innovation.
Provides a career path for employees.	Employee starts with a clean slate and has no internal political affiliations.
Provides opportunities for the employee to increase his or her salary.	Might reduce training costs and time if the employee comes to the organization with skills to do the job.
Reduces recruiting costs.	
Reduces orientation costs because the employee already is familiar with the job and organizational culture.	
Can negatively affect morale and commitment of those not promoted.	Individual might not be a good fit with the organization and organizational culture.
Advantages	**Disadvantages**

| Recruiting	External Recruiting
Does not encourage new and innovative ways of doing things.	Might lower morale and commitment of current employees that are deprived of promotion opportunities.
Promotes individual competition for promotion, which can affect cooperation and collaboration.	Must be oriented into organization, potentially resulting in increased time to adjust and reach full performance level.
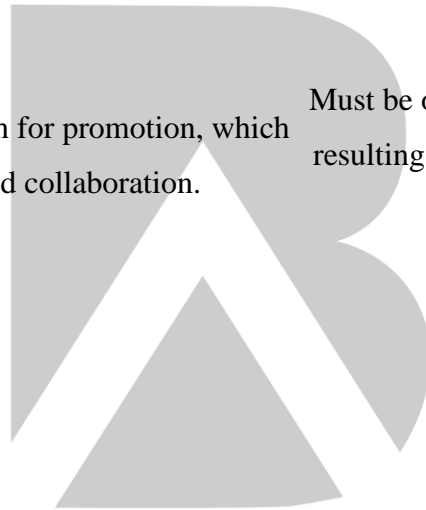
Perhaps the most significant influences on the industry at the moment are:

- Outsourcing - the concept of taking internal company functions and paying an outside firm to handle them

- Off shoring - the relocation of IT services to a lower cost location, usually overseas

Benefits of Recruitment Agencies

RPO's promoters claim that the solution offers improvement in quality, cost, service and speed.

RPO providers claim that enables them to offer recruitment processes at lower cost while economies of scope allows them to operate as high-quality, specialists.. Economies of scale and scope are said to arise from a larger staff of recruiters, databases of candidate resumes, and investment in recruitment tools and networks.

RPO solutions are also claimed to change fixed investment costs into variable costs that vary with fluctuation in recruitment activity. Companies may pay by transaction rather than by staff member, thus avoiding under-utilization or sacking recruitment staff when activity is low.

India's 10 biggest employers in IT Industry

Company	Employees
Wipro	41,857
Tata Consultancy Services	40,992
Infosys Technologies	35,000
HCL Ltd	22,034
Satyam Computer Services	20,000
Cognizant Technology Solutions	17,000

Patni Computers	10,000
BFL Mphasis	8,375
Polaris	6,003
i-flex	4,747

Three largest multinational IT employers in India

IBM	23,000 (as of Dec 2004)
Hewlett-Packard	13,000 approximately
Accenture	7,000 in IT services

Problems in Recruitment

Outsourcing of company processes may fail or prove a poor organisational fit. Improperly implemented RPO could reduce the effectiveness of recruitment.

The costs charged for recruitment transactions may total more than the cost of the internal recruitment department.

RPO service providers may fail to provide the quality or volume of staff required by their customers.

Placing all recruitment in the hands of a single outside provider may discourage the competition that would arise if multiple recruitment agencies were used.

An RPO solution may not work if the company's existing recruitment processes are performing poorly. An RPO solution may not work if the service provider has inadequate recruitment processes or procedures to work with the client.

RPO may not resolve difficulties that organizations have hiring staff when they are perceived negatively by potential employees. This will instead require improved branding and an adjustment of image.

Organizations with efficient hiring process that are viewed as employers-of-choice by potential staff may stand to gain negligible benefits from RPO

Recruitment policy

The recruitment policy of an organization would normally be in alignment with the objective & policies of the organization. It lays down the objective of recruitment & the channels & source of recruitment

Recruitment policies:-

- Complies with government policies on hiring.
- Provide optimum employment security & avoid frequent lay-offs or lost time.
- Assure the candidates of the management's interest in their development.
- Prevent the formation cliques which result in employing the member of the same household or community in the organization
- Is in alignment with the objective & the people- policies of the organization
- Is flexible enough to accommodate changes in the organization.
- Stresses & reflects the important of job analysis
- Is cost effective for the organization.

Evaluating Recruitment Effectiveness

Effectiveness measures are those that evaluate the long-term strategic impact of the recruitment program., "Human Resource Development," in the context of evaluation of training and development there is often an inverse relationship between the value of data and analysis and its difficulty. The HR must develop metrics that strategically evaluate recruitment efforts in terms of their impact on organizational effectiveness and strategic success.

The effectiveness of recruitment efforts should be evaluated in terms of eventual employee performance and retention. Yet these data are the ones that allow the organization to fine-tune current operations. Organizations that have effective recruitment evaluation programs periodically (usually yearly) evaluate a sample of hires from previous years, correlating retention, promotion rates, and performance data with recruitment sources, selection tests, and other employment practices. Evaluation of individual recruiters can also be done using the same process. These data provide rich information as to the long-term effectiveness of recruitment programs. The potential value of these types of evaluations is, however, moderated by the nature of the organizational environment and the organizational strategies. These data have the greatest impact in planning and engaging in activities to improve the recruitment program when the environment is relatively

Objectives

- To Understand of Recruitment process of Career Call
- To know the components of recruitment for IT Industry

Limitations

- Time constraint :- Lack of sufficient time in data collection
- Non-availability of data :- Company was very small so data regarding company was not available
- Since it was one-person company availability, & collection of data was difficult task.

Methodology

Primary Data:

The primary data was collected by interviewing M D of the company Miss Megha Tamboli

Secondary Data:

Secondary data was collected from books & net

Review Of Literature

Author : Derous

This article considers personnel selection from a counseling perspective by investigating applicants' and recruiters' perceptions of the selection procedure. A survey was conducted among 700 applicants and 140 recruiters to investigate whether applicants' and recruiters' preferences for and expectations of the selection procedure were similar or dissimilar. Results of analyses of variance and t tests showed that applicants preferred a tailor-made treatment, facilitating transparency and negotiation. Recruiters preferred a standardized objective approach to negotiation. Applicants' expectations of the selection procedure differed from the way recruiters actually treated applicants during the selection procedure. Apparently, applicants' and recruiters' perceptions do not correspond.

Author : Naylor, Michele

The perceptions of human resource (HR) managers and information technology (IT) professionals regarding the influence of industry-sponsored credentials (ISCs) on recruitment, training, career development, and selected organizational outcomes were examined. Data were collected from 33 (66%) of 50 HR executives surveyed and from a Web-based survey completed by 245 IT employees from 13 organizations employing a total of 13,236 workers. HR executives still considered a traditional 4-year college degree in an IT-related field over an ISC to be the desired credential held by job applicants. Although they credited ISCs with making the recruitment process easier and time efficient, most HR executives believed that ISCs reduce employees' sense of teamwork, camaraderie, and ability to solve problems creatively. More than two-thirds of the IT employees had one or more ISCs, and most believed that ISCs have positive impacts on recruitment, reduce organizations' training costs, reduce the time required for new employees to learn their jobs, and increase new employees' chances for success. However, ISCs appeared to have a negative (albeit not statistically significant) impact on employees' level of organizational commitment. .

Author: Jeffery W; Turner-Meikeljohn,

This document contains three papers from a symposium on recruitment and training. "College Choice: The State of Marketing and Effective Student Recruitment Strategies" (Fredrick Muyia Nafukho, Michael F. Burnett) reports on a study of the recruitment strategies used by Louisiana State University's admissions office and College of Agriculture that identified student financial aid, geographic location, mail sent to prospective students, campus visitation programs, and outreach programs as the most efficient student recruitment practices. "The Perceived Influence of Industry-Sponsored Credentials on Recruitment and Training in the Information Technology Industry" (Kenneth R. Bartlett, T. Marshall Egan, Minu Ipe, Sujin Kim, Yuwen Liu) summarizes a study in which a sample of 33 senior human resource executives from large U.S. firms and 423 of their information technology (IT) employees were surveyed regarding the influence of industry-sponsored credentials on recruitment and training in the IT industry. "The Role of Training and Development in Newspaper Recruitment Advertisements" (Kenneth R. Bartlett, Harriett R. Porter) discusses a study that compared newspaper job advertisements from three major U.S. metropolitan areas for 1-week periods in 1991 and 2001 to determine whether the use of references to training and development as a benefit of employment is increasing.

Findings

Different Methods Adopted by Career Call for recruitment process

- E-Recruitment

E-Recruiting or electronic recruiting is the process of using internet based software to attract, screen and recruit suitable job candidates. E-Recruiting reduces the cost of the recruitment process, reduces the time taken to identify appropriate candidates and helps organizations improve the quality and quantity of the applicant pool.

- Referral recruitment

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- Head Hunting

Requirement of specific person from specific place is called as head hunting. A company would employ a head-hunter when the normal recruitment efforts have failed to provide a viable candidate for the job. Head-hunters are generally more aggressive than in-house recruiters.

Elements in a selection

process

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        │   Organizational    │
        │     Objectives      │
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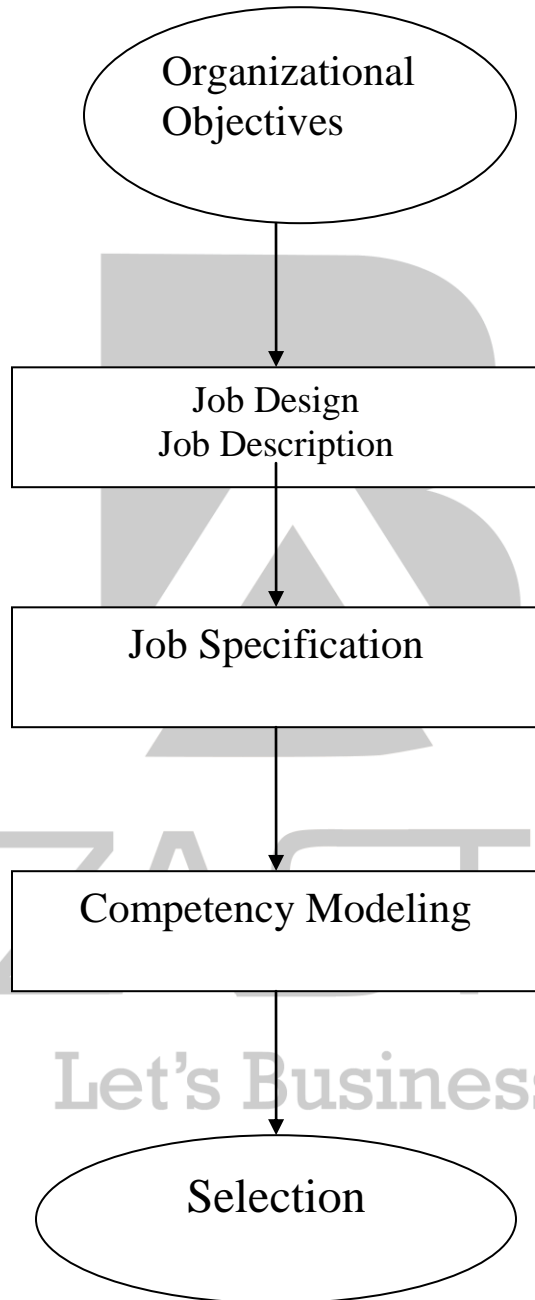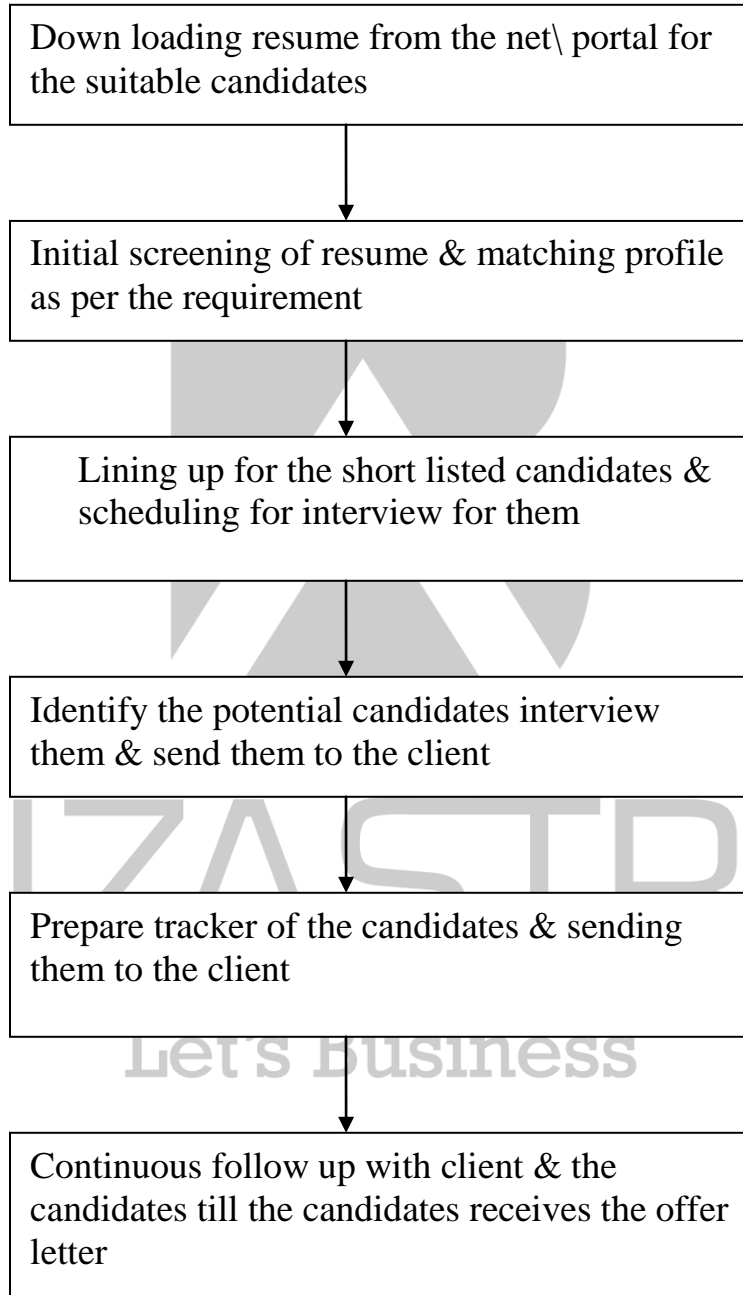
Steps in selection

process

Down loading resume from the net\ portal for the suitable candidates

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Initial screening of resume & matching profile as per the requirement

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Lining up for the short listed candidates & scheduling for interview for them

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Identify the potential candidates interview them & send them to the client

↓

Prepare tracker of the candidates & sending them to the client

↓

Continuous follow up with client & the candidates till the candidates receives the offer letter

Criteria for selection

You will need to have established criteria for the kind of person you need in terms of

- Skills

- Experience

- Qualifications

Need of Recruitment Agencies

- They are cost effective human resource

- Allow the organization to do more & focus their work

- To improve the human touch of the organization

- Provide the best or most qualified employee

- They are pioneers of a developing organization

<u>Conclusions</u>

- Recruitment process is very important for a company & any problem in the process may later lead to problems in the company

- Company invests huge sums of money in the recruitment process , so the agency handling the process has to be very careful regarding selection of the candidates

- In the entry level of recruitment candidates are fresher so the recruiter has to be careful.

<u>RECOMMENDATION</u>

- The company Career call should go for some other recruitment process for recruitment
- Number of employees in the company needs to be increased so that the company can concentrate on other requirements
- Corresponding to the above mention point the number of computers in the company should be increased.

Glossary

Flat organization: - This is characterizes by wide span of control & limited number of levels in the organizational hierarchy

HR Policies - A set of guidelines that determine the way in which employee are to be treated in the organization

HR Policy: - A set of proposal & action that act as a reference point for managers dealing there employee

In-Depth Interview: - An interview the job applicants are questioned extensively in core area of knowledge & skills pertaining to the job.

Job Analysis:-The systematic collection, evaluation &organization of information related to job.

Job Description: - A written statement that explain the duties, working condition, & other aspects of a specified job

Job Enlargement: - The process of increasing the length & hence the operating time of each cycle of work for the job holder

Job Evaluation: - The systematic process of analyzing jobs to determine the relative worth of a job within the organization

Job Posting: - The process used by managers to provide information about job openings to employees.

Job Specifications: - The process of listing the qualification, knowledge, skills, experience, personal characteristics, etc. required, for the incumbent to perform the job successfully.

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