EFFECTIVENESS OF NEED BASED TRAINING IN IT COMPANIES HIRING FRESHERS FROM ERODE ZONE

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ABSTRACT

Information Technology as sector is an evolving one, with technologies being customized, based on the need. A workforce that involves in software development and end users has to be engaged, in order to ensure development product software and productive usage. Productivity in a short span of time can become a reality, only if the workforce can use the tools. Need based training is becoming a norm in IT industry, because of such extraordinary and compulsive factors. Culture fits are an important factor for success, in the relationship between an employee and a company. Training the existing employees and keeping them, the queue will avoid problems arising out of cultural fits, while at the same time reinforce productivity and learning orientation, among the employees. Competency Mapping has become a significant activity, in this context and it maps the relevant but yet to be collaborated areas. Competency mapping with cross sectional and longitudinal views envisions leadership.

KEYWORDS: Need Based Training, Queuing Theory, Competency Mapping and Competent Resource Pool

INTRODUCTION

Training can be defined, as an activity to impart skill in an individual, for performing their current day to day work effectively and efficiently. In industry, training is becoming necessary for the fresher, as well as lateral hires. Though training exists in all the industries, it is more pronounced in IT industry, since it involves a wide range of technologies say legacy, matured and evolving. On IT industry, training varies in product based and service based company, for fresher from IT based graduation and Non-IT based graduation. It further varies, based on the role an individual is expected to take up. Roles can classified as software development, maintenance & support engineer, tester, monitoring, etc. With each having its own sub-categories, based on the technologies used and the business into which the client is in.

Training given at any point of time, depends mostly on the business requirements because, the software engineers are expected to re-skill themselves, when there is a need. Apart from the technology based training, there are other training requirements, a software engineer is oblique to complete. Behavior skill is first among the non-technical skill, taught while it is followed by business domain functionality training. Finally, client specific quality standards necessitated will be taught, which actually varies between companies and software service provider.

A freezer is expected to complete the above said training, before joining a billable project. From the day, the candidate is being billed, and he is expected to be one hundred percent productive and need to assistance or supervising to

perform his/her role. He is expected to take his own decisions, whenever needed. Only in the critical cases, he will be assisted or supervised.

For lateral hires or experienced candidates, training will be given mostly based on their future role requirements. These are for either promotions or candidate change projects, or change in customer requirements.

A thoroughly trained resource is set, to break best performances set by his predecessors. In most cases, thoroughly trained candidates have walked through the corporate ladder quite seamlessly.

NEED BASED TRAINING

Training can be defined as the imparting of knowledge and skill, for performing current tasks. It will help the candidate to become effective in their existing job (William Fitzgerald, 1992). Development can be defined as the acquisition of knowledge and skill, that will help in performing future job. It is for preparing the candidate, to perform his role effectively as the organization grows. The development looks beyond today (William Fitzgerald, 1992).

IT Industry

Information Technology emerged, as an Industry in the later part of the 20th century. It helped every other industry in managing its business better, by its ability to monitor seamlessly, plan operations effectively; avoid resource leakages, saving cost, etc. Implementation of Activity Based Costing has become a reality, after the advent of Information Technology. IT products are lean and agile, end user companies and service providers are engaging more, to ensure they come out with a software application that is more suitable for their cause, by opting for customizations as much as possible. Generalized products are not the choice of most of the IT users. Companies that map human resources with competency requirements are more successful, than its peers (Shippmann, J. S., Ash, R. A., Battista, M., Carr, L., Eyde, L. D, Hesketh, B, Kehoe, J., Pearlman, K., & Sanchez, J. I, 2000). So, with each customized product; there is a new technology, which differentiates from former versions being developed and used. Software developers train their human resource, for using the newer technologies, for serving their clients while they do support and train their client resources, in using the end user applications. Hence, need based training is becoming a mandatory process in IT Industry. A learning organization that is agile and lean will come effective and efficient (Shandler, D, 2000). Recycling employees is better than retrenching employees, since it involves emotional values (Spencer, L M. In Cherniss, C. and D. Goleman, eds, 2001).

Queuing Theory

Queuing Theory helps organizations, in scheduling their resource supply in such a way that, it can manage planned and unplanned resource requirements. It makes an organization agile and lean (Tijms, H.C, 2003). IT industry is more dynamic because, of its unique nature of being in the emerging and mature segment. Mature segment comes up with human resource requirements, for filling openings arising out of retirement and voluntary attritions. The emerging segments come up with adhoc requirements, to meet the human resource needs, where a well trained resource can be hired from the market, or a fresh resource has to be hired and trained accordingly. So, the human resource requirements arising out of voluntary attritions and ethic requirements, for lateral resources are both dynamic and cannot be predicted. There could be a possibility of productivity loss, because of not filling the openings, arising out of these cases. Creating models that project competency requirements of the future and keep our resources ready, for the future is a significant part of the company's future readiness program (Spencer, L. M, 2004). The competence of the human resource decides the

competence of the company and hence, their success in their business (Spencer, L., & Spencer, S, 1993). Queuing theory helps companies, in meeting their requirements in all probable cases (Sundarapandian, V, 2009). Effectiveness of the company and its systems increases, by leveraging queuing theory (Harchol-Balter, M, 2012).

Corporate Companies follow Queuing theory, to handle such situations. They keep two parallel queues. They can be called by; queue and make queue. Buy queue is one, where the company will keep human resources in each stage of recruitment and selection pipeline, where the resources will be hired from the market. There will be job applicants, interview completed, applicants, results pending applicants and joining date pending applicants. Make queue is one, where the company trains existing human resources in additional areas, where they don't have sufficient employees backup, if there is an unforeseen absence of existing employees. In this case, employees will have one primary responsibility or deliverable is given a secondary responsibility to learn. Companies invite applications from existing employees, for internal job openings and keep a queue, as mentioned above. Buy queue comes with an overhead, that hired employee will fit into the new company's culture and behavior pattern of colleagues (Schmidt, F.L., & Hunter, J.E. 1998). Value Proposition of HR aligned with company decides whether buy or make suits the company (Ulrich, D. and Brockbank, W, 2005). Competency based recruitment and selection model helps recruiters, in meeting their business requirements and help their internal customers achieve their performance metrics (Wood. R., & Payne, T, 1998).
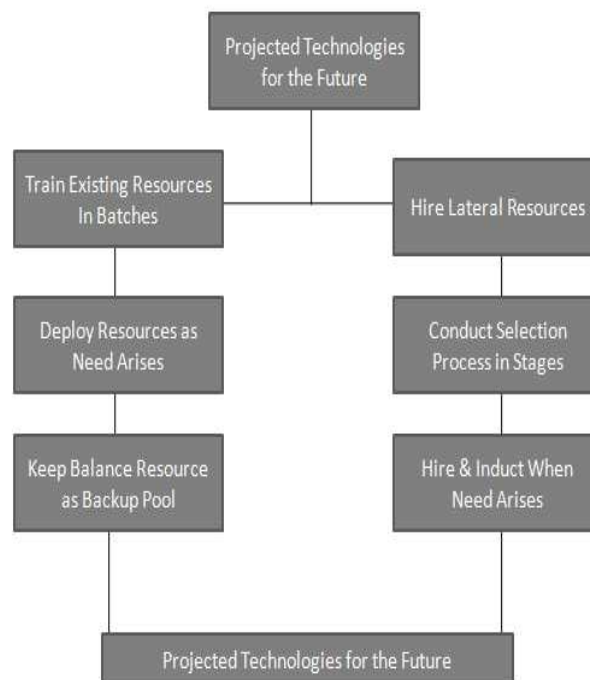

Figure 1: Queuing Theory for Make & Buy Model

CONCEPTUAL MODEL

Companies that train resources, based on need are more successful in meeting the customer commitments. After developing a pool of trained resources and keeping those in a queue, for the expected job opening help them meet the customer demands, in a timely manner. Companies that follow make queue are most successful, in meeting the customer requirements than the one that follow by queue.

Hypothesis

H1: Need based training improve customer satisfaction.

H2: Keeping pool of trained resources helps in serving customers better.

H3: Make a queue improves customer satisfaction.

Most of the Engineering and Arts & Sciences Colleges are visited by IT companies, for recruiting and selecting fresh engineering graduates. They will be trained in technology, business and soft skills, during their induction. They hire students from across the stream, not limiting themselves to IT related courses. Erode city has over dozen Engineering and Arts & Science Colleges, and their companies visited for recruitment were surveyed to understand how they use need based training and queuing theory.

98% of them opening that, they hire fresher and train them, for the need arising out the business they do and for the businesses that are projected to materialize in the immediate and foreseeable future. Each and every client is unique. They may be different geography, economy, demography, culture, business, etc. Even companies operating in the same or similar geography, economy, demography, culture, business, etc. are different in most of the aspects. So, employees have to be trained for serving each client, with aspects that are more specific to them and not on generalized aspects. Doing so, has helped them serve their clients better and get repeat business opportunities. Competitions are history, going by this formula, to serve clients. H1: Need based training improves customer satisfaction is true.

88% of the companies opening those business proposals are never ending matter. They remain with the customer, for scrutiny and we keep submitting them with enhancements. One cannot exactly say, by when a business proposal will get approved and we have to start the project. So, keeping the resources ready in the technologies, we recommended in the proposal is important, to reduce turnaround time and we can launch the project in no time. This will avoid unnecessary over working, with employees, which generally results in burnt and reduced productivity. Faster turnaround time, quick launching of projects and employee satisfaction are possible, because of queuing theory. H2: Keeping pool of trained resources helps in serving customer, better is true.
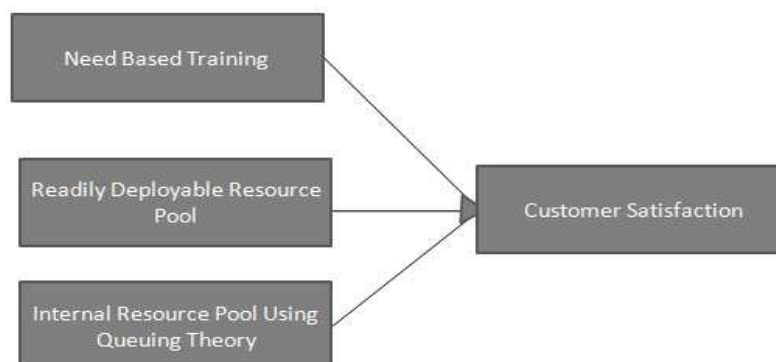

Figure 2: Conceptual Model

Table 1: Hypothesis

Assessment Area	% of Participated Companies
Trainings resources based on current or future requirements	98
Keep readily deployable resources	88
Follow internal resource pooling and re-Skilling	92

Companies, when they hire laterals from the market, for urgent project requirements are facing trouble of the compatibility of the new employee, with existing culture of the company. Soundness in Technology alone cannot be sufficed, for better delivery and customer satisfaction. Everything is a team work and every module is developed, test and launched in collaboration, between numerous teams and human resources. Cultural sync, among them must for better delivery and customer satisfaction. 92% of the time companies are not facing such issues, when source employees through internal openings leveraging Queuing Theory. H3: Make a queue improves customer satisfaction is true.

KEY FINDINGS

Customer satisfaction is a key, for the success of employee, self employed, businessmen and investor. Every customer is unique and has unique requirements. Unique requirements cannot be met, with generalized software and generically trained resources. To delight a customer, one must train their human resource, specific to the customer business and customer business culture. So, need based training improves customer satisfaction.
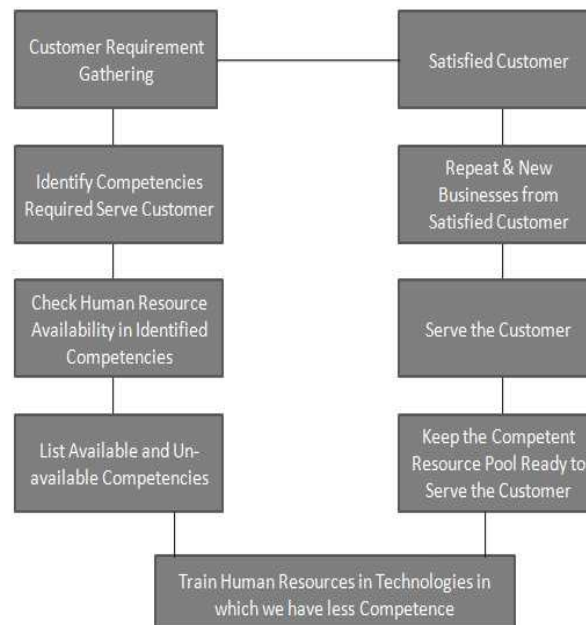
Figure 3: Customer Satisfaction Framework

There are many technological frameworks and technologies available, for use. Based on a customer's business, technologies currently being used, vendors, customers and future prospects one very well extrapolate the customer's software needs. With that prediction in hand, the company can train and develop human resources, for the future requirements. This can help in a seamless transition of technologies, as well as human resources. Once, the human resource is lean and agile, then the company become lean and agile, and hence, the customers too. So, keeping a pool of trained resources helps in serving customers better.

Table 2: Interventions and Engagement Activities

Assessment Area	% of Participated Companies
Hiring Fresher Every Year	94
Engage Colleges in Grooming Student along with Academics	84
Engage Colleges in Grooming Student After Hiring	88
Use Studies to understand future technological trends	96
Use Competency Mapping to understand competency and resource availability	92
Follow Queuing Theory in Fresher Hiring	86
Follow Queuing Theory in Lateral Hiring	86

For adhoc requirements, which could be predicted by extrapolation or other means, one can always rely on hiring from the market. Cultural fit and personality traits being taken care, a lateral adds a variety and bring best practices, from peer companies. Taking care of adhoc requirements, from customers at a faster pace keeps your customer's business, moving without losing momentum. Following queuing theory helps in meeting the adhoc human resource requirements. So, make a queue improves customer satisfaction.

Implications

Companies that follow need based training are better off, than their competitors in retaining the client and ensuring satisfaction of the client. Make queues; are complementing the need based training and both strategies should go hand in hand. Companies in IT sector can opt for need based training, for developing resources for projects at the same time, they can leverage Queuing theory, to keep a pool trained employees already deputed in different projects, but has backup ready to relieve them, when there is a requirement.

Limitations

Above study is limited to Information Technology companies, operating out of Chennai and recruiting fresher from Engineering and Arts & Science Colleges, in Erode region. This study cannot be generalized to other sectors and companies in other geographies.

Suggestions

Information Technology companies are suggested to leverage; need based training, for meeting their human requirements in their projects. It is also suggested that, they follow queuing theory to pool trained resources, inside the company to leverage them when the need arises.

With advent of Technological evolution, the introduction of new technologies and technological frameworks, for meeting the customized needs are the norm of the day. Companies can collaborate and engage with Colleges and Universities, for grooming students to meet their specific requirements, that are projected to evolve in the time to come.

IT Industry predicts that, by 2021 Internet of Things, Blockchain and Data Science are going to take over the existing frameworks and technologies. So companies can engage with colleges, where the students are going to spend good four years and leverage the college, and the university ecosystem to impart necessary skills, in a structured and time bound manner.

It can help in developing a larger pool of competent resources, that can ensure the not only the specific company, but also the industry benefits out of the available resources. In the IT industry projects are executed, by more than one

company, based on the size of the project so if the ecosystem to ready, then that ecosystem will individual companies to succeed leveraging the interdependencies.

CONCLUSIONS

Our study conclusively says that; need based training the best mode of training, for serving the customer requirements. Keeping a pool of trained human resource, among the existing employees in various stages of the queue will help to meet the urgent human resource requirements, quicker and at the same time, ensure customer satisfaction. Customer satisfaction and retention are paramount to the successful conduct of business. Need based training and queuing the trained internal resources, are complementary to best conduct of business.

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