

## **SYNOPSIS**

### **Title: IMPACT OF RECESSION ON HR POLICIES IN IT SECTOR**

#### **ABSTRACT**

IT is a very dynamic industry and even after 20 years in India we do not have and standards for salary. The industry is not yet matured. Recruitment is totally depend on the need and if companies want resource then that time they are ready to pay anything just to attract the resource. During recession people with more pay are in problem. Increasing the living standard is easy but coming back is bit tough.

IT is the cornerstone of each sphere. Fluctuations are always a part of IT, so the cycle of ups and downs keep on moving. This time IT is in recession mode (due to rupee appreciation) and how it affects the various policies of HR in different sectors (IT sector) is the main significance of my study. As retention is always a challenge for HR managers. This study also lay emphasis on the attrition rate and other factors like salary cut down, hiring and firing etc.

#### **INTRODUCTION**

There are confirmed reports that IT budgets in a number of industries in the US and UK, have been nearly halved. A number of Indians in the US have been sent back, after project cancellations, lay-offs etc. Recent survey from Reuters has also proved the recession that we all are going to witness. The report also says that unlike the previous one, which lasted for just 8 months, this one is expected to last longer.

Some people are welcoming this recession. Even though this might appear strange but this is true, as just we are likely to see a price drop here as well. Some services companies are happy for the fact that they have managed to increase their H1B pool, this recession may literally suppress all this happiness straight.

As expected, the slowdown in IT has percolated it's way into India and is affecting HR policies

It will be interesting to see what strategies our services companies adopt to overcome recession

and also stay profitable at the same time.

The main concept is to know about various changes in HR policies due to slowdown. In this case we are seeing how HR Policies are affected by slowdown in IT. As SLOWDOWN has not only impacted IT sector only, rather it has affected many other sectors like banking sector, BPO'S and other FMCG sector **So to show the impact of slowdown on HR, I have taken IT sector**

And the HR POLICIES include

- 1.) Hiring and Firing
- 2.) Salary countdowns
- 3.) Attrition Rate
- 4.) Motivational level of employees

### **FOCUS OF PROBLEM**

The main focus of the problem is to know how HR deals with the IT slowdown i.e. during the recession mode is there any change in the HR policies of a company like in recruitment, attrition rate, salary packages, or is this slowdown affecting the motivation level of employees and hence effecting productivity.

## **OBJECTIVES OF THE STUDY**

### **Main objective:**

To study the impact of slowdown on HR Policies in IT sector.

### **Other objectives:**

To know how IT slowdown affects the attrition rate.

To know how recession mode in IT create panic among employees due to their salary cut downs.

To know about hiring and firing policy during slowdown.

## **LIMITATIONS OF THE STUDY**

Every coin has two sides in the same way while during our project analysis we also come across such things that created a problem for us. These are listed below:-

**1. Sample Size:**

Sometimes sample size taken for the study is not enough to carry out the analysis as the result may not be generalized for the whole population.

**2. Time Factor:**

To carry out the project more time is required so as to gather and compare data from every possible source because of less time the study has a limited scope

**3. Geographical area** covered in the survey can be limited.

**4. Biasness** on part of the respondents can be there. Most often respondents show biasness; in this case biasness can be shown on the part that their company HR policies are best in the phase of slowdown.

**5.** Many respondents wanted an additional aid to fill in response. So the information gathered may include some errors.

**6.** Most of the IT companies don't like to give their internal data like of salary cut downs, hiring processes etc as this will affect their reputation as their competition in IT.

# **RESEARCH METHODOLOGY**

## **RESEARCH DESIGN**

As the study is based on IT so the Analytical method will be best suited for this study. And the impact on HR is to found so for going into the detail of HR Descriptive should be followed.

Descriptive and Analytical survey method

## **UNIVERSE**

The set of objects which has to be clarified before carrying out a study is known as Universe. It may be finite or infinite. In my research universe is finite & it will be in **IT INDUSTRY in India**

## **SAMPLE**

This refers to the number of items to be selected from the universe to constitute the sample.

Sample:-TCS, HCL, INFOSYS

## **SAMPLING TECHNIQUE**

### **Random Sampling**

These sampling techniques will be applied to know about the views of different employees simultaneous; it will make the study easier the study is based on different sectors.

**SAMPLING SIZE-** 50 Respondents

**SAMPLING UNIT-** Single unit

## **COLLECTION OF DATA-**

The data can be collected by two ways:-

PRIMARY SOURCE

SECONDARY SOURCE

## **PRIMARY DATA**

The data collected for the first time by the researcher himself is called primary data. There are several methods of collecting primary data like questionnaire, Personal interviews etc.

The method adopted for the study will be:

- **Questionnaire**
- **Personal interviews**
- **e-mails**

## **SECONDARY DATA**

The data already available is called secondary data. This data may be present in the form of journals, publishing's etc. under this report the information will be collected from different sources like:

- Internet
- Magazines
- Newspapers
- Company bulletins
- Journals
- Fact sheet
- books etc

## **CHAPTERISATION**

**Detailed/final Project Report will include the following chapters**

### **CHAPTER –I**

- Introduction
- Significance of the study
- Need of the study
- Objective and scope of study
- Methodology
- Limitations
- Scope

(Details of methodology used in studying and collecting the data and issue will be described)

### **CHAPTER –II**

- Literature review
- Theoretical study

### **CHAPTER –III**

- Industry & company profile

### **CHAPTER –IV**

#### **Analysis of the topic & Interpretation**

(Descriptive work on the topic, this chapter will include analysis and interpretation of data tabulation and categorization)

### **CHAPTER –V**

- Recommendation
- Bibliography
- Appendix

## **BIBLIOGRAPHY**

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2. [www.cipd.co.uk/podcasts/\\_articles/hr-trends-episode-15.htm?view=transcript](http://www.cipd.co.uk/podcasts/_articles/hr-trends-episode-15.htm?view=transcript) - 39k –
3. [news.in.msn.com/business/article.aspx?cp-documentid=1256745](http://news.in.msn.com/business/article.aspx?cp-documentid=1256745) -