MAJOR RECENT TRENDS IN RECRUITMENT AND SELECTION IN INDIAN INDUSTRIES, WITH SPECIAL REFERENCE TO IT SECTOR

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ABSTRACT

Purpose: The main purpose of the present study is to identify new trends in recruitment and selection visible in the Indian industries with special reference to Information technology (IT) sector, quoting suitable examples and relevant figures.

Research Design: The present study is primarily descriptive in nature as it highlights the new trends emerging in recruitment and selection in the Indian industries with special reference to Information technology (IT) sector.

Universe: The universe of the present study is the Indian industries with special reference to Information technology (IT) sector.

Data Collection and Research Instruments: The relevant Data / information have been collected through secondary sources like related literature available on the subject, journals, magazines, and so on.

Objectives: The main objective of the present study is to identify the recent main trends in the Indian industries with special reference to Information technology (IT) sector with regard to recruitment and selection of manpower.

Findings and Conclusion: So far as the use of technology in the recruitment and selection is concerned, the latest developments witness the use of internet, online, video interviews and conferences, ATS software, chat bots, programmatic recruitment, block chain, virtual reality, recruitment marketing software, facial recognition, HRM analytics, recruitment CRMs, "GIG" apps, job aggregators, digital technology, and artificial intelligence (AI) recruitment software, etc. In this regard the examples IBM, Tech Mahindra, THYSSENKRUPP Industrial Solutions, Godrej & Boyce, OneForma, Taskmo, etc., can be cited. Another major development in the process of recruitment and selection in Indian industries with special reference to Information technology (IT) sector refers to the adoption of "skill-first" approach wherein the requirement of college degree as the eligibility condition is being side lined provided the candidate has the required new-age skills. The initiators in this regard may include IBM, Accenture, Apple, HP, Tech Mahindra, THYSSENKRUPP Industrial Solutions, Godrej & Boyce, etc. However, the requirement of college degree continues and will continue in case of certain categories of job. It will take time to catchup substantially with the aforesaid trends though the beginning is very encouraging, and it is hoped that the Indian industries, including IT sector, will not only follow but will also surpass the US entrepreneurs who between 2017 and 2019 reduced degree requirements for 46% of middle-skill positions and 31% of high-skill positions.

Introduction

The success of any organization and for that matter any industry depends to a great extent on the quality of its workforce, which, in turn, depends on the methods and processes of its recruitments and selection. That's why there have been frequent improvements in the methods and processes of recruitment and selection. Starting from the very crude or unscientific method of recruitment selection, these methods have graduated from *crude* to *pseudo – scientific* that include astrology[1], phrenology[2], graphology[3], physiognomy[4], caste and creed[5], pigmentation[6], height and weight[7], to *scientific or modern methods* of recruitment and selection. However, the recruitment and selection methods and processes in IT sector have not passed through such strenuous journey as the IT industry has emerged and flourished only during the last few decades. Though there are many trends visible in the process of recruitment and selection, specially in the IT sector, but it is the increasing use of technology and adoption of "skill-first" approach that attract everybody's attention. Of late, more and more organisations are getting bewitched towards the trend of increasing use of technology and following the "skill-first" approach in the process of recruitment and selection. However, before going into the details of use of technology and "skill-first" approach, it is desirable to understand, in brief, the two terms viz., 'recruitment' and 'selection'. According to Edwin B. Flippo, recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organization[8]. Hence, it is considered to be a positive concept. As against this, selection is the process by which all candidates are divided into two groups viz., those selected and those rejected[9]. As a matter of fact, all the activities designed to find out whether a candidate is suitable for a job, collectively constitute the selection process[10]. Since, selection is the process of eliminating less deserving candidates, it is viewed by many as a negative process.

Recent Trends In The Process of Recruitment and Selection.

The recent major trends in the recruitment and selection methods and processes are as follows:

1. Increasing use of technology:

Of late, one of the noticeable changes in the process of recruitment and selection, especially in the case of

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IT sector, is the increasing use of technology. Today, *Internet* is being used to advertise vacant positions. Applications are often filled out using *online* forms. A *data base* is created and used to store information relevant to the candidates applying for positions within an organization. *Video Conferencing* on a PC or smartphone is being made use of for conducting *online tests, interviews and assessments.* Besides, *messages are automated* and sent to as many applicants as desired at scheduled intervals. Not only this, response time too can be minimized substantially. *Applicant Tracking Systems (ATS) Software* is now being used to collect and track applicants as they apply to various job listings in and organization. Of late, the use of *Chat Bots* which is a tool to reach out to the candidates, *Block Chain Programmatic Recruitment, Virtual Reality, Recruitment Marketing Software, Facial Recognition, HRM Analytics, Recruitment CRMs, "GIG" Apps, Job Aggregators, Digital Technology Recruitment,* etc., are getting more popular.

Another notable development is the Artificial Intelligence (AI) – based recruitment which refers to the use of artificial intelligence in the process of talent requisition. It involves from auto screening candidates to managing communication, to more effectively interviewing and assessing candidates. For example, gig marketplace Taskmo uses artificial intelligence to screen resumes when they are uploaded on their application. Like OneForma where before onboarding and gig worker, a test is given to him/her in his his/her core area of competence, Taskmo also has a technical test based on the roles candidates are applying for, before gig workers are onboarded. The platform also normally tracks the work they have already done. They must show the platform the links to their work. It looks at all that and confirms if it matches the skills mentioned in the resume.[11] Today, while 17% of gig workers are hired through external job portals, 9% through internal job portals, 22% through company websites, 34% through referrals and the remaining through other sources.[12] Artificial intelligence is helpful in recruiting professionals, hire faster and smarter and without any bias and prejudice. *AI Recruitment Software* can be designed to source and hire faster. Another plus point is that it can be tailored according to the requirements of HR teams, headhunters, recruitment agencies, associations, etc.

1.1. Benefits of using technology in the processes of recruitment and selection.

The use of technology in the process of recruitment and selection eliminates or, at least, *minimizes human error* to a great extent and also reduces *human dependence* to a significant level. The use of technology provides to the HR professionals *freedom from routine work* to a very large extent. Automation of the processes of recruitment and selection not only *eliminates paperwork* but also *speeds up the execution* of many tasks. It *reduces time* in completing the processes besides *minimizing expenditure* involved. Use of the above have enabled

making international recruiting not only easier but also at a very less cost and consuming relatively very less time.

1.2 "Skill-First" Approach

Till recently, usually the corporate sector, including IT organisations, used to insist that the prospective candidates must have the required degree(s) recognised by the regulated authority. However, most candidates having prescribed degrees do not possess the new-age skills and therefore, if appointed the companies have to spend a lot of time and money on developing these new-age skills among the new appointees. On the other hand, of late, the easy availability of online certifications courses is creating a new breed of candidates who may not have a college / university degree but possess the right skills to do the job. Hence, headhunters have been grappling with the problem of match making for quite some time and, of late, have warmed up to hiring candidates with required certification but no college degrees. It had become all the more necessary because according to think tank ORF's data, thirty three percent of companies in India require to hire additional workers owing to the introduction of new technologies, while a manpower Group Report showed that sixty three percent of Indian companies reported talent shortages. In this regard, it will be relevant to quote the biggest example of *Python* which happens to be a relatively new-skill in the field of data science that twenty years ago, somebody would not have gone and got a degree in. IBM CHRO Nickle LaMoreaux remarks that "now, why do I care if I learned *Python* at an IIT or you taught yourself at night from your home."[13] It is all about whether the candidate has the right skills. As a matter of fact, certification makes the candidate stand out. There is no doubt college degrees will always hold value in building a successful life and career, but industry experts highlight that today organisations want people to showcase their skills and not just their degrees. A college degree no longer guarantees to make the candidate job ready. Entry-level professional certificates on courses are seeing great traction and impactful leading to diversify hiring and increase workplace equity.

It is good that faced with an acute shortage of new-age skills, major IT companies and other industries are already tweaking some aspects of their talent strategy. The implementation of "skill-first" approach in different industries is as under:

1.2.1 "Skill-First" Approach in Information Technology (IT) Sector

The trend of "skill-first" approach is quite visible in the IT sector is quite obvious in the recent past, as is evident from the following examples:

1.2.1.1 International Business Machines (IBM)
International Business Machines (IBM) which ranks among the world's largest information technology (IT) companies and provides hybrid cloud and artificial intelligence (AI) solutions implemented the "skill-first" approach in United States in 2012 and

abandoned the four-year college degree requirement from around fifty percent of its jobs. Ten years thereafter, twenty percent of the IBM US employees in software and consulting do not have a college degree. In India also, IBM India now adopts a "skill-first" approach, where college or university degrees have lost their relevance and do not matter in several cases.

1.2.1.2 Tech Mahindra

Another example which may be quoted here is that of Tech Mahindra which on 25th June, 2013 declared the completion of its merger with Mahindra Satyam so as to create India's fifth largest software services company with a turnover of US$ 2.7 billion. The following remark of the Global Chief People Officer and Head-Marketing, Tech Mahindra, "we continue to focus on skill-based hiring across emerging technologies, leveraging a digital-first strategy post-pandemic business challenges," is self-explanatory.

1.2.2 Other Examples in IT Industry

From the figures appended below, it is amply clear that in most of the big IT players, there is a trend towards "skill-first" approach as, for instance, the requirement of college degree across firms of Software QA Engineer postings is being attached less importance though there is a stark difference among various IT companies:

Prevalence of requiring a degree across firms of Software QA Engineer posting:

Accenture	26%
IBM	29%
Apple	90%
HP	92%
Intel	94%
Oracle	100%

Source: Based on Harward Business Review and Emsi Burning Glass

It is evident from the above figures, that for the job of software quality assurance engineer only 26% of Accenture position contained a degree requirement. This was 29% at IBM. However, Oracle had 100%, followed by Intel 94% and Apple 90%.

1.2.3 "Skill-First" Approach in Industry Other Then IT Industry

"Skill-First" approach is also being adopted in industries other than IT sector. A number of major technical giants like Thyssenkrupp Industrial Solutions, Godrej & Boyce, Merck, etc., are all in different kinds of "Skill-First" approach. They are already tweaking some aspects of their talent strategy. They are all in different kinds of "skill-first" approaches as they build a talent pipeline for future. For example, *Thyssenkrupp Industrial Solutions*, a leading partner for engineering construction and services of all industrial plants and systems, does not consider graduate engineering as the basic qualification. However, there are outliers, in case, the candidates who show promise without this basic qualification, are available, the company does not shied away having them. With regard to *Godrej & Boyce*, while building skills and competencies of its employees, the company is also conscious of hiring fresh talent from outside with new-age skills and competencies in niche areas and functions.

Conclusion

The process of recruitment and selection has travelled a long and strenuous journey from crude methods to pseudo-scientific, to highly sophisticated methods resulting in the use of technology and "skill-first" approach. However, it is primarily the newer industries like IT sector, where the impact of latest developments in recruitment and selection process is relatively more visible.

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