

**STRATEGIC SHRM- IN IT SECTOR****Dr. R. Jeevarekha¹, Mrs. C. Subha²**

Article History: Received: 10.05.2023**Revised:** 24.06.2023**Accepted:** 18.07.2023

Abstract

The IT sector is a rapidly growing industry, and in order to keep up with the pace, organizations need to have a competent and reliable workforce. In this context, the role of human resource management (HRM) in the IT sector becomes critical. The Society for Human Resource Management (SHRM) is an important organization that provides guidance and support to HR professionals in the IT sector. The SHRM's focus is on providing resources and tools for employee recruitment, retention, training and development, compensation, and benefits management. In addition, the SHRM provides guidance on managing employee relations, workforce diversity, and legal compliance in the IT sector. This paper explores the significance of the SHRM in the IT sector and highlights the challenges and opportunities faced by HR professionals in this field. The paper also discusses the key HR practices that can help organizations in the IT sector to attract, develop, and retain a talented workforce, thereby driving business success.

¹MBA, MPhil, PhD Associate Professor²Assistant Professor M.A.M.B-School, Siruganur, Trichy**DOI: 10.31838/ecb/2023.12.s2.392**

1. Introduction

The IT sector is a highly competitive industry, with companies vying for top talent and striving to stay ahead of technological advancements. As a result, the role of human resource management (HRM) in the IT sector has become increasingly important, as companies seek to attract, retain, and develop a skilled and motivated workforce. The Society for Human Resource Management (SHRM) is a leading organization that provides resources and support to HR professionals in the IT sector, helping them to navigate the challenges and opportunities of managing people in this fast-paced industry. Through its research, publications, and networking events, the SHRM offers a wealth of information on best practices in HRM, as well as insights into emerging trends and issues affecting the IT workforce. The SHRM's focus on areas such as talent acquisition, performance management, employee engagement, and workplace culture can be especially valuable for IT companies looking to build a competitive edge and foster a high-performing organizational culture. However, as with any industry, the IT sector also faces its own unique challenges and HRM issues, such as skills shortages, remote work arrangements, and diversity and inclusion initiatives, which the SHRM can help organizations to navigate effectively.

Overall, the SHRM plays a crucial role in supporting HR professionals in the IT sector, providing them with the tools and knowledge they need to manage their workforce effectively and drive business success in a rapidly changing environment. The IT sector is a rapidly evolving industry, and organizations operating in this field face unique challenges when it comes to managing their human resources. With the shortage of skilled workers and intense competition for top talent, HR professionals in the IT sector need to be proactive and strategic in their approach to

attracting and retaining employees. The Society for Human Resource Management (SHRM) is a global organization that provides guidance and support to HR professionals across industries, including the IT sector.

The SHRM offers a range of resources, training, and certification programs to help HR professionals stay up-to-date on the latest HR practices and industry trends. In the IT sector, the role of HR is crucial in ensuring that organizations have a skilled and motivated workforce that can keep up with the demands of the industry. HR professionals in the IT sector need to be well-versed in areas such as employee engagement, talent development, performance management, and compensation and benefits. Through its focus on research, education, and advocacy, the SHRM is helping to shape the future of HR in the IT sector and supporting the development of best practices that can drive business success.

Review of Literature

Kavanagh and Johnson (2018) argue that HRM is critical to the success of IT organizations, given the intense competition for skilled talent and the rapid pace of technological change. They suggest that HR professionals in the IT sector need to be strategic and proactive in their approach to talent management, focusing on areas such as workforce planning, talent acquisition, training and development, and employee engagement.

Gubbi and colleagues (2013) note that the success of organizations in the IT sector depends heavily on their ability to attract, develop, and retain talented employees. The authors argue that HR practices that are aligned with business strategy are critical to achieving this goal.

In their study of the Indian IT sector,

Thite and colleagues (2015) highlight the importance of employee engagement and empowerment in promoting organizational performance. They suggest that HR practices that focus on these areas can lead

to improved employee retention and productivity.

A study by Haider and colleagues (2017) explores the role of HR practices in promoting innovation in the IT sector. The authors find that HR practices that encourage knowledge sharing, collaboration, and risk-taking are key drivers of innovation in this field.

In their review of the literature on HR practices in the IT sector,

Varma and Budhwar (2016) identify several key areas where HR can make a significant impact. These include recruitment and selection, training and development, performance management, and employee engagement.

A study by Jyoti and Sharma (2016) focuses on the role of HR in managing workforce diversity in the IT sector. The authors argue that HR practices that promote diversity and inclusivity can lead to improved employee morale and a more innovative and productive workforce. In their review of the challenges faced by HR professionals in the IT sector, Rehman and colleagues (2018) identify issues such as talent shortages, high turnover rates, and changing skill requirements. The authors suggest that HR practices that prioritize employee development and engagement can help organizations address these challenges.

A study by Wasti and colleagues (2018) explores the impact of HR practices on employee well-being in the IT sector. The authors find that HR practices that prioritize work-life balance, job security, and employee recognition can lead to improved employee satisfaction and well-being.

Becker et al. (2016) highlight the importance of HR analytics in the IT sector, noting that data-driven decision making is becoming increasingly critical in a rapidly changing industry. They suggest that HR professionals need to be able to use data to identify workforce trends, assess the impact of HR programs, and

make evidence-based decisions that can help drive business success.

Dhar et al. (2019) emphasize the importance of employee engagement in the IT sector, given the significant impact that engaged employees can have on productivity, innovation, and customer satisfaction. They argue that HR professionals in the IT sector need to focus on creating a positive work culture, promoting work-life balance, and providing opportunities for career growth and development in order to foster employee engagement.

Jansen et al. (2016) highlight the challenges of managing a diverse workforce in the IT sector, given the industry's global reach and the diverse backgrounds and cultures of its employees. They suggest that HR professionals need to be able to navigate the complexities of cross-cultural communication, understand the needs and expectations of employees from different backgrounds, and create an inclusive work environment that can support diversity and innovation.

Tonelli et al. (2017) argue that HRM is critical to managing the risks associated with outsourcing in the IT sector, given the potential impact that outsourcing can have on employee morale, customer satisfaction, and the overall reputation of the organization. They suggest that HR professionals need to be able to manage the challenges of outsourcing, such as cultural differences, language barriers, and different legal frameworks, while also ensuring that employees are engaged, motivated, and productive.

"The Importance of Human Resource Management in the IT Industry," HR expert Susan Heathfield emphasizes the need for organizations in the IT sector to prioritize HR management to remain competitive. She highlights the role of SHRM in providing guidance and support to HR professionals in the industry.

Objectives of Studying SHRM in IT Sector

To provide a platform for HR professionals and researchers to share best practices, insights, and case studies related to the management of human resources in the IT sector.

To explore the latest trends and challenges in HR management in the IT sector, including issues related to talent acquisition, retention, training, development, and compensation.

To examine the role of HR in promoting innovation, diversity, and sustainability in the IT sector, and to highlight best practices in these areas.

To showcase research and empirical studies that can help organizations in the IT sector to better understand the relationship between HR practices and business performance.

To highlight the role of the Society for Human Resource Management (SHRM) in supporting HR professionals in the IT sector and to provide insights into the resources and tools available through the SHRM.

To identify emerging issues and opportunities in HR management in the IT sector, and to provide guidance and recommendations for HR professionals looking to stay ahead of the curve.

To foster collaboration and knowledge-sharing among HR professionals, academics, and other stakeholders in the IT sector, with a focus on promoting best practices and driving business success.

Conceptual Framework of SHRM

1. Idealized Model for SHRM

Strategic Human Resource Management (SHRM) involves aligning an organization's human resource practices with its strategic goals and objectives. In the IT sector, there are various idealized models of SHRM that organizations can adopt to improve their performance and gain a competitive advantage. Here are a few examples:

The Resource-Based View (RBV)

Model: This model is based on the idea that a company's employees and their skills and knowledge are valuable resources that can help the company gain a competitive advantage. In the IT sector, companies can use this model by investing in employee training and development programs to enhance their skills and knowledge. This can help the company to create a workforce that is better equipped to handle complex IT projects and drive innovation



The High-Performance Work System (HPWS) Model:

This model emphasizes the importance of creating a work environment that fosters employee

engagement and high performance. In the IT sector, companies can use this model by providing their employees with a supportive work environment that

promotes collaboration, creativity, and continuous learning. This can help to boost employee morale and productivity, leading to improved business outcomes.

The Best Practices Model: This model suggests that there are certain HR practices that are universally effective and can be adopted by any organization to improve its performance. In the IT sector, some of the best practices include recruitment and selection of top talent, training and development programs, performance management, and employee engagement initiatives. By adopting these practices, companies can create a high-performing workforce and achieve better business results.

The Configurational Model: This model emphasizes the importance of aligning an organization's HR practices with its business strategy. In the IT sector, companies can use this model by identifying the key competencies and skills required for their IT projects and then designing HR practices that support the development of those competencies and skills. This can help to ensure that the company has the right people with the right skills to deliver on its strategic objectives. **The Strategic HRM Model:** This model emphasizes the need for HR practices to be aligned with business strategy in order to maximize organizational performance. In the IT sector, HR professionals can use this model to develop HR strategies that are closely linked to the organization's goals and priorities, such as expanding into new markets, developing new products or services, or enhancing customer experience.

The Talent Management Model: This model focuses on the identification, development, and retention of key employees who are critical to the success

of the organization. In the IT sector, where there is intense competition for top talent, this model can be particularly useful for HR professionals looking to build a skilled and motivated workforce that can help the organization stay ahead of the curve.

The High-Performance Work System Model: This model emphasizes the importance of creating a work environment that supports and encourages high levels of employee performance. In the IT sector, where innovation and agility are key drivers of success, this model can be especially relevant for HR professionals looking to foster a culture of creativity, collaboration, and continuous improvement.

The Diversity and Inclusion Model: This model highlights the importance of creating a workplace that is diverse, equitable, and inclusive, where employees from different backgrounds can feel valued and respected. In the IT sector, where diversity of thought and perspective can drive innovation and problem-solving, this model can be particularly valuable for HR professionals looking to attract and retain a diverse and talented workforce.

The Employee Engagement Model: This model focuses on creating a work environment that fosters high levels of employee engagement and satisfaction, leading to improved performance and reduced turnover. In the IT sector, where burnout and stress can be common, this model can be useful for HR professionals looking to create a supportive and engaging workplace that promotes employee well-being and productivity. These idealized models of SHRM can serve as a framework for IT organizations to develop effective HR strategies that align with their business goals and improve their overall performance.

Dimensions of Effective SHRM



Strategic Human Resource Management (SHRM) involves aligning an organization's human resource practices with its strategic goals and objectives. In the IT sector, there are several dimensions to consider when developing SHRM strategies. Here are some key dimensions to consider:

Talent Management: Talent management involves identifying, attracting, developing, and retaining the right people to meet the organization's strategic objectives. In the IT sector, talent management is crucial because technology is constantly evolving, and companies need employees who can keep up with the latest trends and developments.

Training and Development: Training and development programs are essential for building and maintaining a skilled workforce. In the IT sector, technology is constantly changing, and companies must ensure that their employees have the necessary skills to keep up with the latest trends and developments.

Recruitment and Selection: Recruitment and selection involve identifying and hiring the right people to meet the organization's needs. In the IT sector, companies must be able to identify and attract top talent to meet their staffing needs.

Performance Management: Performance management involves setting goals, monitoring performance, providing feedback, and recognizing and rewarding good performance. In the IT sector, performance management is essential for ensuring that employees are meeting their performance goals and contributing to the organization's overall success.

Diversity and Inclusion: Diversity and inclusion involve creating a work environment that respects and values differences and promotes equal opportunities for all employees. In the IT sector, diversity and inclusion are important for fostering innovation and creativity, as different perspectives can lead to new ideas and solutions.

Employee Engagement: Employee engagement involves creating a work environment that fosters employee motivation, commitment, and satisfaction. In the IT sector, employee engagement is crucial for attracting and retaining top talent and improving overall business outcomes.

Compensation and Benefits: Compensation and benefits are important for attracting and retaining employees. In the IT sector, companies must ensure that their compensation packages are competitive and offer attractive benefits to attract and retain top talent.

Talent Acquisition: The first dimension of SHRM in the IT sector is talent acquisition, which involves identifying and recruiting top talent with the right skills and experience. This requires an understanding of the specific skills and knowledge required for the IT roles, and a strategic approach to sourcing and hiring the best candidates.

Talent Management: Once the talent is acquired, the next dimension of SHRM in the IT sector is talent management, which involves developing and retaining the best talent through performance management, training, and development programs. This requires a focus on continuous learning and development to keep up with the rapidly evolving IT landscape.

Workforce Planning: Workforce planning is another critical dimension of SHRM in the IT sector. This involves understanding the organization's long-term strategic objectives and identifying the workforce needs required to achieve those objectives. Workforce planning can help to ensure that the right people with the right skills are in place to support the organization's growth.

Compensation and Rewards: The IT industry is highly competitive, and it is essential to offer competitive compensation and rewards to attract and retain top talent. This dimension of SHRM involves designing and implementing a compensation and rewards system that aligns with the company's strategic objectives and provides incentives for employees to perform at their best.

Diversity and Inclusion: The IT industry is diverse, and it is essential to foster an inclusive work environment that encourages diversity and equity. This dimension of SHRM involves developing policies and practices that promote diversity and inclusion and addressing any

barriers that may prevent employees from reaching their full potential.

Employee Engagement: Employee engagement is a crucial dimension of SHRM in the IT sector. Engaged employees are more productive, committed, and motivated to contribute to the organization's success. This requires a focus on employee well-being, creating a supportive work environment, and providing opportunities for employees to contribute and grow.

By considering these various dimensions of SHRM in the IT sector, organizations can develop effective HR strategies that align with their business goals and improve their overall performance.

Why SHRM is Important in IT Sector

SHRM, or Strategic Human Resource Management, is important in the IT sector for a few reasons:

IT talent is highly specialized and in-demand: IT talent is highly sought after, and there is a shortage of skilled workers in the IT industry. This means that companies need to be strategic in their HR efforts to attract and retain top talent.

Technology is constantly evolving: Technology is constantly changing, and this requires IT professionals to continuously update their skills and knowledge. SHRM can help companies develop training and development programs to ensure that their employees stay up-to-date with the latest technologies and trends.

Employee engagement is critical: Employee engagement is a critical factor in the success of any organization. IT professionals, in particular, may be highly motivated by challenging work, opportunities for professional development, and a strong sense of purpose. SHRM can help companies develop strategies to keep their employees engaged and motivated.



Succession planning is important: In the IT sector, there may be key employees with highly specialized skills that are critical to the success of the organization. Succession planning is important to ensure that the organization can continue to operate smoothly in the event that key employees leave the company.

In summary, SHRM is important in the IT sector because it helps companies attract and retain top talent, stay up-to-date with the latest technologies and trends, keep employees engaged and motivated, and plan for the future.

2. Research Methodology in SHRM

Surveys: Surveys are a commonly used research methodology in SHRM research. Surveys can be used to collect data from a large number of participants, and can provide insights into the opinions and experiences of employees and managers in the IT industry. Surveys can be designed to measure factors such as employee engagement, job satisfaction, and perceptions of HR practices.

Case studies: Case studies can be used to explore the experiences of specific organizations in the IT sector. Case studies can provide detailed insights into the HR practices of these organizations, and can be used to identify best practices and areas for improvement. Case studies can involve interviews with employees and managers,

and can also include analysis of HR documents and other organizational materials.

Experimental research: Experimental research involves manipulating one or more variables to test the effects on outcomes such as employee performance or job satisfaction. Experimental research can be used to test the effectiveness of different HR practices in the IT sector. For example, an experiment could be designed to test the impact of a particular training program on employee performance or the effectiveness of a new hiring practice in attracting top talent.

Secondary data analysis: Secondary data analysis involves analysing existing data that has been collected for other purposes. Secondary data sources in the IT sector may include government statistics, industry reports, and HR data from large organizations. Secondary data analysis can be used to identify trends and patterns in HR practices in the IT sector, and can also be used to compare the HR practices of different organizations.

Interviews: Interviews can be used to collect in-depth qualitative data from employees and managers in the IT sector. Interviews can be structured or unstructured, and can be used to explore a wide range of topics related to SHRM, such as employee engagement, job satisfaction, and perceptions of HR

practices. Interviews can provide rich data that can be used to inform HR strategy and policy in the IT sector.

Experimental research: Experimental research can be used to test the effectiveness of different SHRM practices in the IT sector. For example, an experiment could be designed to test the impact of a training and development program on employee performance, or the impact of a diversity and inclusion initiative on employee engagement.

Content analysis: Content analysis can be used to analyse the content of job postings, employee handbooks, and other HR-related documents to identify the SHRM practices that organizations in the IT sector are prioritizing. This can provide insights into emerging trends and areas of focus in the field of SHRM.

Quantitative analysis: Quantitative analysis can be used to analyse large datasets related to SHRM practices and their impact on employee and business performance in the IT sector. This can involve statistical analysis of survey data, financial data, and other relevant data sources.

Approaches in SHRM in IT Sector

There are several approaches to Strategic Human Resource Management (SHRM) that companies can use to align their HR strategies with their overall business objectives. Here are a few examples:

Resource-Based View (RBV) Approach:

The RBV approach focuses on identifying and developing the unique resources and capabilities that give an organization a competitive advantage. HR strategies are developed based on an analysis of the company's existing resources, and the goal is to maximize the value of those resources through effective management practices.

Best Practices Approach: The Best Practices approach involves identifying the HR practices that have been most effective in other companies, and then implementing those practices in one's own organization. This approach assumes that there are certain HR practices that are universally effective, and that companies can achieve better results by following these practices.

Contingency Approach: The Contingency approach recognizes that there is no "one-size-fits-all" approach to HR management, and that the best HR strategies will depend on the specific context of the organization. This approach involves identifying the unique circumstances of the organization, such as its industry, culture, and size, and developing HR strategies that are tailored to those circumstances.

High-Performance Work System (HPWS) Approach:

The HPWS approach focuses on creating a work environment that encourages high levels of employee engagement and productivity. HR strategies are designed to support employee development, provide opportunities for involvement and participation, and promote a culture of continuous improvement.

Integrative Approach: The Integrative approach involves combining elements of the other approaches into a single, comprehensive HR strategy. This approach recognizes that effective HR management requires a multi-faceted approach that takes into account the unique circumstances of the organization, the available resources and capabilities, and the best practices that have been proven to be effective in other companies.

Overall, the approach to SHRM that a company chooses will depend on its specific circumstances and objectives. A good approach should align the company's HR strategies with its overall business objectives, while also taking into account the needs and capabilities of its employees.

Findings & Suggestions

Here are some possible findings and suggestions related to Strategic Human Resource Management (SHRM) in the IT sector:

Findings:

IT talent is in high demand: The IT sector is facing a shortage of skilled workers, which means that companies must be strategic in their HR efforts to attract and retain top talent.

Employee engagement is critical: IT professionals may be highly motivated by challenging work, opportunities for professional development, and a strong sense of purpose. Employee engagement is a critical factor in the success of any organization, and this is particularly true in the IT sector.

Training and development are important: Technology is constantly evolving, and this requires IT professionals to continuously update their skills and knowledge. Companies that invest in training and development programs are more likely to attract and retain top talent.

Diversity and inclusion are important: Diversity and inclusion are important factors in creating a positive work environment and promoting innovation. Companies that prioritize diversity and inclusion in their HR strategies are more likely to attract and retain top talent.

Suggestions:

Develop a comprehensive SHRM strategy: Companies should develop a comprehensive SHRM strategy that aligns their HR practices with their overall business objectives. This strategy should take into account the unique circumstances of the organization and the needs of its employees.

Offer competitive compensation and benefits: To attract and retain top talent, companies must offer competitive compensation and benefits packages. This may include flexible work arrangements, healthcare benefits, retirement plans, and other incentives.

Invest in training and development: Companies should invest in training and development programs to ensure that their employees stay up-to-date with the latest technologies and trends. This may include on-the-job training, workshops, conferences, and other forms of professional development.

Foster a culture of innovation: To promote innovation, companies should create a work environment that encourages experimentation, creativity, and collaboration. This may include initiatives such as hackathons, brainstorming sessions, and cross-functional teams.

Prioritize diversity and inclusion: To create a positive work environment and promote innovation, companies should prioritize diversity and inclusion in their HR strategies. This may include initiatives such as employee resource groups, diversity training, and inclusive hiring practices.

Overall, the findings and suggestions related to SHRM in the IT sector highlight the importance of developing a comprehensive HR strategy that takes into account the unique circumstances of the organization and the needs of its employees. By prioritizing employee engagement, training and development, diversity and inclusion, and other key factors, companies can attract and retain top talent and promote innovation and growth.

3. Conclusion

In conclusion, Strategic Human Resource Management (SHRM) is a critical component of success in the IT sector. As

a result of the high demand for skilled workers in this industry, companies must be strategic in their HR efforts to attract and retain top talent. The findings related to SHRM in the IT sector highlight the importance of employee engagement, training and development, diversity and inclusion, and other key factors in creating a positive work environment and promoting innovation. The suggestions provided for SHRM in the IT sector include developing a comprehensive SHRM strategy, offering competitive compensation and benefits, investing in training and development, fostering a culture of innovation, and prioritizing diversity and inclusion. By implementing these strategies, companies can create a work environment that attracts and retains top talent, promotes innovation and growth, and helps them stay ahead in this rapidly evolving industry. In conclusion, Strategic Human Resource Management (SHRM) is a critical element of success for companies operating in the IT sector. The IT sector is facing a shortage of skilled workers, and companies must be strategic in their HR efforts to attract and retain top talent. This requires a comprehensive SHRM strategy that aligns HR practices with overall business objectives, taking into account the unique circumstances of the organization and the needs of its employees.

The findings related to SHRM in the IT sector highlight the importance of employee engagement, training and development, diversity and inclusion, and fostering a culture of innovation. These are all key factors in attracting and retaining top talent, promoting innovation, and driving growth and success in the IT sector. To compete in the fast-paced and ever-changing world of technology, companies must prioritize SHRM as a core element of their business strategy. By developing a comprehensive SHRM strategy that aligns HR practices with business objectives and the needs of employees, companies can attract and

retain top talent, promote innovation, and position themselves for long-term success in the IT sector.

4. References

1. Beitz, C., & Siebert, M. (2018). Strategic Human Resource Management in the Digital Age: An Analysis of Technology Firms. *Journal of Business and Media Psychology*, 9(1), 29-43.
2. Chen, Z., & Huang, J. (2019). The effects of strategic human resource management on innovation in the IT industry. *Journal of Business Research*, 96, 365-376.
3. Dey, S., & Chaudhuri, S. (2018). Exploring the relationship between SHRM and organizational performance: a study of Indian IT companies. *Asia-Pacific Journal of Business Administration*, 10(1), 5-23.
4. Kapoor, N., & Rastogi, R. (2020). Strategic human resource management practices in the Indian IT sector. *South Asian Journal of Management*, 27(1), 68-90.
5. Kavanagh, M. J., & Johnson, R. D. (2017). Human resource information systems (HRIS) and technology trust: Impacts on strategic human resource management (SHRM). *International Journal of Human Resource Management*, 28(14), 2016-2038.
6. Hossain, M. M., & Alam, M. N. (2020). Strategic human resource management and its impact on employee productivity in the IT industry. *Journal of Business and Economics*, 11(3), 330-342.
7. Priyadarshini, S., & Suresh, S. (2019). Strategic human resource management practices in IT industry: A study on select companies in India. *International Journal of Scientific Research and Management*, 7(9), 558-565.

8. Ramlall, S. J. (2016). Strategic human resource management practices and organizational performance in the digital age. *Journal of International Business and Management*, 1(1), 1-12.
9. Sambasivan, M., & Siew-Phaik, L. (2016). The effects of strategic human resource management practices on firm performance in the Malaysian ICT industry. *Asia Pacific Journal of Management*, 33(2), 531-551.
10. Wang, M., & Wang, X. (2017). Strategic human resource management and firm performance in the Chinese IT industry: The mediating role of social capital. *Journal of Chinese Human Resource Management*, 8(1), 59-73.