
Recent Advances in Employment Practices across Industries in India

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Introduction of Indian Job Market

Employment practices liability is an area that deals with wrongful termination, sexual harassment, discrimination, invasion of privacy, false imprisonment, breach of contract, emotional distress, and wage and hour law violations.

As one of the most promising future world markets, India attracts many workers from abroad. Thriving IT centers such as Bangalore, Madras or Hyderabad offers great career opportunities for expatriates.

Working in India demonstrates the willingness to work in a new culture and international market. As India's importance in world economy increases, work experience in this country will become increasingly profitable.

Overview of Indian economy

India's economy is one of the largest in the world and the third largest in Asia. If it keeps growing at current rates, it will become the third largest economy in the world within the next ten years. Though agriculture is becoming less and less important, more than 60 % of the Indian population still depends on it.

However, the Indian economy is visibly changing. Look no further than the IT parks that have sprung up like mushrooms. Today, more than 50% of India's GDP is generated through services.

The Indian government has made huge efforts in terms of market liberalization to attract foreign capital. Multi-national companies that were unable to invest in India 20 years ago due to strict regulations are now spending vast amounts of money creating ultra-modern infrastructure.

However there are still many obstacles when it comes to doing business in India. This is why India ranks as one of the most difficult countries for business.

Booming Sectors in India

India's billion person market is one of the largest in the world. In terms of spending power, India is the fifth-largest economy in the world. One of the fastest growing sectors in India is the IT-sector. Every year, many graduates from Indian universities enter the job market competing for the highest salaries. However demand in this sector is still high and likely to remain high. India has become one of the major exporters of software services within the last years, and around two thirds of worldwide off-shore IT services is based in India.

Engineering is another rapidly growing sector in India. As Indian companies start to expand globally, it becomes easier for foreigners to start their careers in India. Labour demand is especially high in the fields of biotechnology, aeronautics, auto industry and consumer electronics.

Positions in marketing and sales are also widely available. In international companies these positions are often given to foreign nationals.

Outstanding Companies in India

As one of the most promising future world markets, India attracts many workers from abroad. Thriving IT centers such as Bangalore, Madras or Hyderabad offers great career opportunities for expatriates.

Mercer's 2006 Best Companies to Work For in India:

- Infosys Technologies Limited (IT industry).
- MindTree Consulting (IT industry)
- Satyam Computer Services Limited (IT industry)
- Dr. Reddy's Laboratories Limited (pharmaceutical company)
- Sapient Corporation (business and technology consulting)
- Agilent Technologies (IT industry)
- Johnson & Johnson (consumer health care company)
- Covansys India (IT industry)
- HCL Comnet (IT industry)
- HSBC; Hong-Kong and Shanghai Banking Corporation (banking services)

Job Opportunities for Expatriates in India

Since India has a huge supply of cheap labor, good education is the key to success. A western college or university degree is a major advantage and a few years of work experience will improve your chances of finding a job in India.

India's growing economy creates huge demand for highly skilled workers. While sectors such as IT are popular among young Indians, others face the problem of a lack of qualified labour. There are many education and professional training possibilities in India, but they cannot yet meet the demand of qualified people. This has created opportunities for expatriates who want to work in the education and professional training fields.

Teaching English is always an option for expatriates and there are many jobs available at high schools, universities and at language schools. If we want to teach at international schools you will need to meet additional education requirements. Positions at these schools are limited. There are also teaching positions available at institutions focusing on international culture. Many of these institutions train employees for India-based call centers.

Literature Review

Some of the scholars and researchers have worked comprehensively on the same line. It is quite pertinent to mention work already carried out on the same and similar topic with different dimensions in the past. Some of the important work is illustrated here below:

1. SHRM/Kaplan University School of Business & Information Technology: Recruitment for Business and IT Employment Opportunities¹

This research, conducted in collaboration with Kaplan University School of Business & Information Technology, focuses on the recruitment for business and IT positions. The survey identifies the leading skills and strengths organizations search for and the recruiting tools they find to be the most useful in gaining the most qualified candidates. Aside from educational training, nearly all organizations reported communication skills to be the most valuable skills for a job applicant, at 94%, followed by critical thinking skills (73%) and previous work experience (52%). The survey also features advice from HR professionals for job seekers looking to gain a competitive advantage.

2. SHRM/Elevate: Employee Financial Stress²

SHRM, in collaboration with Elevate, conducted research on employee financial stress to explore how financial struggles can affect the workplace and what

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<http://www.shrm.org/Research/SurveyFindings/articles/pages/2014-business-it-recruitment.aspx>

2

<http://www.shrm.org/Research/SurveyFindings/articles/pages/2014-employee-financial-stress.aspx>

organizations are doing to help employees manage their financial difficulties. The research found that 61% of HR professionals described their employees' financial health as no better than fair.

3. Diversity and Inclusion at the Workplace: A Review of Research and Perspectives³

In recent years, the discourse on diversity has seen a shift to that of inclusion. While there is a rich body of research in the area of diversity, inclusion has emerged as a fairly recent area of exploration and the varied meanings and interpretations of the terms make it ripe for examining the literature on diversity and that of inclusion to offer a deeper and nuanced understanding of their meanings and conceptualizations. This review in attempting to do the same also examines the intersectional ties of leadership with diversity and inclusion, and offers insights for taking the research forward.

4. Best HR Practices- Great place to work⁴

Great Place To Work (GPTW) Institute, India (www.greatplacetowork.in) and Economic Times Conducted the Best Workplaces 2008 Study In India, The Fifth Study In India. As per that study, India's Top 50 companies scores over Top US/Brazil/Europe Companies in following aspects- A. Appreciation of Good Work B. Promotions for deserving employees. India's Top 50 companies lag over Top US/Brazil/Europe Companies in

³ <http://www.iimahd.ernet.in/faculty-and-research/research-and-publication.html&page=2&rnpid=13347>

⁴ <http://www.citehr.com/100762-great-places-work-india-top-25-best.html>

following aspects A. Unique & specified benefits B. Ability to take time off from work while required C. Welcome people when they Change work units. Here, in this study they have shared 108 lessons to learn for improving employment practices in India.

5. Chatterjee, S. R. (2007). Human Resource Management in India: 'Where From' and 'Where To?', *Research and Practice in Human Resource Management*, 15(2), 92-103

India is being widely recognized as one of the most exciting emerging economics in the world. Besides becoming a global hub of outsourcing, Indian firms are spreading their wings globally through mergers and acquisitions. During the first four months of 1997, Indian companies have bought 34 foreign companies for about U.S. \$11 billion dollars. This impressive development has been due to a growth in inputs (capital and labor) as well as factor productivity. By the year 2020, India is expected to add about 250 million to its labor pool at the rate of about 18 million a year, which is more than the entire labor force of Germany. This so called 'demographic dividend' has drawn a new interest in the Human Resource concepts and practices in India. This paper traces notable evidence of economic organizations and managerial ideas from ancient Indian sources with enduring traditions and considers them in the context of contemporary challenges.

Way to find-out jobs in India

The easiest way of finding a job in India is through your current employer or personal contacts. If you don't have any contacts or your contacts are not helpful, the best way to find a job is via Internet.

For lower positions, walk-in applicants are quite common in India. In branches with an especially high labor demand recruitment is done on university campuses.

1. Job websites

They provide a good overview of the job market. Usually you will be able to either directly browse through job offers or upload your CV. Most of the sites are available in English. Many companies also have listings of vacancies on their websites, so they are worth checking as well.

2. Jobs in newspapers

Indian newspapers usually have a job vacancy section. You should also check their websites for the most recent offers. Indian newspapers include:

- *The Times of India* (www.indiatimes.com)
- *The Hindu* (www.hinduonnet.com)
- *Indian Express* (www.indianexpress.com)

For expatriate jobs, some of the English magazines in India also has classified sections.

3. Recruitment agencies in India

Many international recruitment agencies and, to a lesser extent, Indian agencies, offer recruitment services in India.

Job seekers have to be aware that many agencies charge horrendous sums without offering any service. To make sure that your agency is trustworthy, ask Indian friends and co-workers to help you find an accredited agent. Compare prices in advance and never make payments without having received any service.

How to apply for a Job in India

As for many other countries, CV and cover letter determine whether or not your job application in India will be successful.

Job applications in India always include a Cover letter and Curriculum Vitae (CV). They follow international standards in structure and content, with some minor Indian peculiarities. For your initial application you do not need to include certificates or references, although they

should be mentioned. And at last, job interview is conducted for the final round and make the selection for the short listed candidates who have performed well as per the post requirement.

Employment Contracts

From a cultural perspective, contracts are not seen as binding in India as in many western countries. There are hardly ever court cases over employment contracts in India. It should include details about your position, responsibilities, salary, starting date, benefits and regulations for termination.

One has to sign an employment contract with an Indian company it is protected under Indian labor law. It should be in writing. It includes the same information as a letter of appointment. The length of the employment should be stated as well as your probation period. During a probation period, your employer is allowed to release you without giving prior notice and with no legal penalty. One has to especially careful with the listing of the salary details.

Termination conditions usually include a one month notification period. Company should provide a verbal and then a written warning before that.

Working conditions in India

Working conditions and salaries in India are different from the ones in western countries. The official work week in India runs from Monday to Saturday, from 10am to 6pm each day. In reality, overtime is the norm and most local companies do not compensate their workers for it. The Indian work culture is immensely diverse. There are major differences depending on whether you work for small, local companies, for big Indian corporations or for international companies. Business practices also vary between regions.

• Work practices in India

The importance of hierarchies in Indian culture can also be witnessed in the daily work environment. People of different management levels are treated differently. The behavior of superiors towards other

employees seems very rude from a Western point of view. This is normal in India. . Even though that might make you feel uncomfortable at first, you need to adapt to this as otherwise employees of lower hierarchy levels will try to take advantage of your kindness. They might treat you extra nice but then expect favors in return, such as help in getting a job in the West.

Communication within Indian companies is something many expatriates have trouble getting used to. Unlike rather relaxed business dinners, formality plays an important role in Indian work environment and instructions are direct (to the point of seeming bossy). It is also highly unlikely that you will address you co-workers with their first names.

- **Salaries in India**

Average salaries in India are only a fraction of Western salaries. However, they are rising at rates between 12 and 14 percent each year. Expatriates usually earn significantly higher salaries than Indians, though this depends on whether they work for Indian or international companies.

Indian salaries are stated in *lakhs*, increments of hundreds of thousands. This is confusing at first, but is ultimately much easier to handle than millions of Rupees. In addition to salary and standard benefits, international companies often provide special expatriate allowances, such as housing allowance, three to five weeks paid vacation, a round trip air ticket per year, full healthcare coverage etc.

For an Indian company, the situation changes dramatically. Salary will be significantly lower. Even though you still earn more than your Indian colleagues, one will never reach Western levels.

Most importantly, Indian companies usually do not offer the fancy expat benefits provided by international companies. However, fringe benefits are an important part of every Indians pay check and can account to up to 50% of the actual salary. Since fringe benefits are taxed at a lower rate than regular income

(Fringe Benefit Tax, FBT) they are commonly used to reduce the required tax payments. Typical benefits include paid vacation, sick leave, health insurance and maternity leave. Depending on your job and qualification the amount of healthcare benefits varies greatly but will usually be around Rs10,000 a month.

- **Vacation in India**

There are 15 to 20 paid public holidays, depending on where you work in India. Indian employees will additionally get a minimum of 12 days paid vacation. Expatriates are usually entitled to 18 to 30 days of paid vacation a year.

Globalization and Changing Business Practices in India

To respond to the worldwide trend in globalization, the Government of India has gone in for a major economic restructuring with a view to consolidating its position in the world market and achieving internal economic balance and growth.

Liberalization, in terms of major changes in the industrial policy and as a part of the economic restructuring programs, has brought in a lot of competition for the over-protected Indian industrial organizations in general. Allowing free flow of foreign capital and direct participation of multi-national organizations in the corporate sector has exposed the Indian industrial organizations to intense competition.

The effects of such liberalization in the domestic front on the Indian industrial organizations have been multiplied by certain developments at the international level, which are more in the form of global trade restrictions. Certification of the products of Indian industrial organizations as per the quality system standards developed by the International Organizations for Standardization is now almost essential for going global. Total quality management (TQM) is now a widely discussed issue in the corporate world.

Major economic restructuring at the macro level and the global changes taken together

have prompted the Government of India to start a National Renewal Fund (NRF) in order to give effect to the exit policy on the one hand and to upgrade the skills of the employees retained through intensive training on the other.

Training the employees on TQM strategy at a time when the Indian economy has gone in for major restructuring has assumed much importance primarily because today a corporate organization in India cannot expect to survive merely by developing a strategic plan based only on extrapolation of production and profit figures.

It has to survive in a highly competitive environment both at the domestic and the global fronts. Thus, restructuring of the production process in an organization based on technological dynamism has become imperative. The economic restructuring at the macro-level has an inevitable impact on the production process in an organization at the micro level.

Restructuring of a production process, as a natural consequence of economic restructuring, necessitates restructuring of manpower in organizations. Since trimming of surplus employees in an organization, by offering them golden handshakes under the VRS, is restricted only to those who opt for that, the only other effective way open is to redeploy the surplus employees after intensive need-based training. Keeping in mind the important performance areas in TQM strategy in the corporate sector, training programs are arranged for all categories of employees.

The duration of each training program varies from one week to two weeks depending on the participant's level and power of understanding. For managers and executives, TQM techniques, inter alia, calls for appreciating the following issues:

1. Formal education and age are not really the factors that determine the effectiveness or otherwise of learning of TQM techniques. TQM

techniques essentially have their roots in basic humanism. The conceptual and technical aspects of TQM can only be appreciated at a deeper level if training programs on TQVI genuinely have the humanistic tone.

2. Attitudinal changes at the top are important to operationalise TQM in an organization. Unless the top-level personnel change their attitudes— e.g., accepting a flatter organization structure, following an egalitarian approach, becoming receptive to change on a continuous basis, encouraging participative management and supporting group performance— it is not really possible to inculcate TQM culture in an organization.
3. The emerging issues for designing training programs in India, therefore, can be listed as follows:

- a. Total quality management
- b. Product familiarization
- c. Process familiarization
- d. Multiple-skill development
- e. Simple problem-solving techniques
- f. Statistical process control
- g. Quality circle concepts
- h. Total productive maintenance

4. Developing culture-specific management programs to appreciate the humanistic tone of TQM techniques. This dimension of TQM techniques was incorporated with rare precision and clarity in a number of ancient Indian texts, which are grossly misunderstood as ethico-religious.

Teachings of the Ramayana have, inter alia, underscored the role of enthusiasm as the driving force in all human endeavors. Similarly, the Srimad Bhagwat Gita has emphasized the significance of mutuality and cooperation in all spheres of human life. One of the important messages

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of the Srimad Bhagwat Gita is that the immanent role of man in the work environment can be effective, provided it continues to be guided in the light of a transcendent perspective about the work importance of group performance and

participative management, which have also been focused in the Ramayana and the Mahabharata. Indian psycho-philosophy recognizes that each human being is spontaneously bestowed with perfection within.

Key HRM Practices in Indian Organizations

HRM Practice	Observable Features
Job Description	Percentage of employees with formally defined work roles is very high in the public sector.
Recruitment	Strong dependence on formal labor market. Direct recruitment from institutions of higher learning is very common amongst management, engineering and similar professional cadres. Amongst other vehicles, placement agencies, internet and print media are the most popular medium for recruitment.
Compensation	Strong emphasis on security and lifetime employment in public sector including a range of facilities like, healthcare, housing and schooling for children.
Training and Development	Poorly institutionalized in Indian organizations. Popularity of training programs and their effect in skill and value development undeveloped.
Performance Appraisal	A very low coverage of employees under formal performance appraisal and rewards or organizational goals
Promotion and Reward	Moderately variable across industries. Seniority systems still dominate the public sector enterprises. Use of merit and performance limited mostly to globally orientated industries.
Career Planning	Limited in scope. The seniority based escalator system in the public sector provides stability and progression in career. Widespread use of voluntary retirement scheme in public sector by high performing staff. Cross functional career paths uncommon.
Gender Equity	Driven by proactive court rulings, ILO guidelines and legislature provisions. Lack of strategic and inclusion vision spread.
Reservation System	The central government has fixed 15 per cent reservations for scheduled castes, 7.5 per cent for scheduled tribes and 27 per cent for backward communities. States vary in their reservation systems.

Appreciating corporate practices and social systems in India, while designing training programs is therefore extremely important. Jobs in Indian industrial organizations are not specialized and fractionized to replace the intuition and ingenuity of the employees in general.

The future training programs in India, therefore, cannot merely sustain on

We can refer current data regarding employment in India here as below:

traditional skill up-gradation, conceptual, or technical issues, but most of the other general culture-specific and human issues will be required to translate the challenges of change into reality. This is the only reason why many training programs now emphasize the human dimensions.

SHRM ECONOMIC AND EMPLOYMENT REPORTS

The SHRM Leading Indicators of National Employment® (LINE®) Monthly Report

AUGUST 2015	MANUFACTURING	SERVICES
Employment Expectations	-3.8 ▼	+8.5 ▲
Recruiting Difficulty	+8.9 ▲	+8.3 ▲
New-Hire Compensation	+6.5 ▲	+7.2 ▲

Job Market at GlanceUnemployment rate in July- 2015 = **5.3%**Jobs created in July 2015 = **2,15,000**Job openings in June 2015 = **5.2 million****Conclusion**

The scenario of employment opportunities in Indian industries is quite encouraging for Indian as well as foreign job seekers. India is a country having conformations to all global standards in its premier companies. Good numbers of Indian companies are figuring out in Fortune 500 companies. Social security and labour welfare is on its high in India at present as employees are given various types of protection and financial support against job related hazards and risks. It is not a comparisons with any other country in the region, but looking to the heterogeneous social set up of the country, India is a country suitable for all global employees in all sectors.

⁵ <http://www.shrm.org/research/monthlyemploymentindices/pages/default.aspx>

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