



## A study on implementation intensities of alternate career paths in the IT sector

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**Abstract:** *This paper concentrates on ACP as it helps both the parties, i.e., organisation as well individual employees' benefit mutually. IT industry is today the fastest growing, offering careers to 17 million worldwide and 1.5 million in India, overtaking conventional industries like Automobile, Real Estate etc, and research in career development in IT industry today is conceptual, logical and relevant to academics. The industry has played a significant role in transforming India's image from a slow moving bureaucratic economy to a land of innovative entrepreneurs and a global player in providing world class technology solutions and business services. Therefore, a huge competition has taken place between organizations in IT sector where attracting and retaining personnel has become a major challenge. This led to the need for implementing effective career development programs. Career development has become primary activity of organizations in order to make a pool of talented employees as well as improve their career satisfaction. Employee career development systems employ a mixture of career development practices in where alternate career path is one among them.*

**Key Words:** *alternate career paths, career development, career satisfaction*

### Introduction:

Liberalization, Privatization and Globalization certainly is a watershed in Indian business result inevitably; the winds of liberalization that swept through the nation opened a variable Pandora's Box, with far-reaching implications for human resource management. Alternate career paths program in Information and Technology industry facilitate a deeper focus on an employee's aims and aspirations—from identification of the pitfalls being faced by an employee in attaining his goals to the solutions in terms of re-skilling or reassignment. This focus acts as a key motivator for an employee to outshine and go beyond the targets. "It facilitates influential personal and professional development. One approach to alternate career pathing involves incorporating the skills employees already have with what their hearts want to do". It can

involve changing career and lifestyles for more meaningful and fulfilling work arrangements (Rhodes, 1995). Creating alternative career paths often includes incorporating other career development interventions, such as flexitime or job enrichment. Workers seeking an alternative career path may find themselves downshifting or moving sideways (Hudson, 1997). Alternative career paths should not be confused with dual career paths. Another instance of creating an alternative career path would be a situation where recent graduates have followed their dream in their studies, but are having difficulty finding a job in their specific field. Alternate Career Paths could be decided based on the organizational goals and direction from top down.



### Need for the study

The Indian Software Industry has grown from a mere US \$ 150 million in 1991-92 to US \$ 5.7 billion in 1999-2000 to a staggering US \$ 47.3 billion in 2008-2009. Indian information technology (IT) industry has played a key role in putting India on the global map, hovering to become a US\$ 225 billion industry by 2020. With the market opening up, attrition was at an all-time high over the first two quarters of 2010. According to India's largest headhunting firm Ma Foi Randstad, the attrition rate in 2010 is between 15 to 16 percent as compared to 10 to 12 percent last year. As per the reported results of large IT players, there seem to be increased attrition as compared to the same period last year. Apart from stiff competition for seasoned professionals, today's organizations are facing higher demands in a global market with the retirement of the Baby Boomers and the widening talent gap. Currently, there seems to be more emphasis on Alternate Career Paths of the Senior Executive rather than midlevel managers. Hence the need to develop Alternate Career Paths and leadership development strategies for midlevel managers is critical. Today, leadership development initiatives are considered as an integral part of the organizational strategies in most of the global organizations.

Therefore, in this study an effort is made to measure the process of Alternate Career Paths and its impact on organizational performance in Indian IT sector and specific recommendations are made for improving the quality of Alternate Career Paths and organizational performance. This study is based on the statistical analysis of data collected from IT firms companies situated in and around Hyderabad and

Bangalore cities. An attempt was made to review the related literature in respect of the Alternate Career Paths and its impact on organizational performance. The end result of this review is to formulate conceptual frame work regarding the selected topic of research.

### Cope of the study:

This is the study on the Alternate Career Paths and its impact on organizational performance of the companies, which are based in and around Hyderabad and Bangalore. As such, it is alleged that the results obtained through the present study will be of great value to the companies involved in implementing Alternate Career Paths. Further, the study would help companies to formulate suitable programs and use appropriate methods to improve the organizational performance through the practice of succession planning.

### Statement of the problem:

Though Alternate Career Paths is not a new concept to Indian corporate world, we still have many problems to overcome. In order to have a deeper understanding of the problems faced by the corporate sectors in India and subsequently develop solutions, a systematic and comprehensive study has been made. The main objective of this study is to measure the practice of Alternate Career Paths and its impact on organizational performance in selected group of companies based in Hyderabad and Bangalore cities and to recommend suggestions based on the findings.

### Objectives of the study

1. To evaluate and ascertain the implementation intensities of 'Alternate Career Paths', 'domain



based ACP' and organizational goal based ACP and Industry Technology'.

2. To evaluate and ascertain the implementation intensities of 'Freelancing Opportunities' and Consultancy'.

### Hypotheses:

H<sub>0</sub> 'Alternate Career Paths' programs of IT firms have no influence on IT employees

- H1: 'Domain Based ACP' programs of IT firms have no influence on IT employees
- H2: 'Organizational Goal based ACP' programs of IT firms have no influence on IT employees
- H3: 'Industry Technology' programs of IT firms have no influence on IT Employees
- H4: 'Freelancing Opportunities' programs of IT firms have no influence on IT employees

H5: 'Consultancy' programs of IT firms have no influence on IT employees

### Methodology:

This study mainly aimed at finding the facts, which falls under descriptive study.

The method adopted to collect data is questionnaire method.

### Sources of data:

Both primary and secondary data were collected. The primary data for this study

has been collected through administering questionnaire to the Employees of the respondent units. Secondary data for this study has been collected from company literature, books, journals, magazines, newspapers, previous research works and the internet. Questionnaire method was adopted to collect the data. The researcher administered questionnaire to each of the six firms of both the cities selected for the study.

**Sampling Plan:** The sample IT industries selected for the study is confined to the geographical region to Hyderabad and Bangalore cities. Further, the employees of the Information Technology firms are drawn as sample respondents they are also drawn from various levels of the firms. A Sample size of 746 respondents is determined adhering to scientific principles and methodology of sampling.

**Sample Unit** sample unit defines the single unit of the pre decided sample which is to be drawn from the selected IT organizations, a respondent who finds a place will be a male or female, in the age group 21 yrs to >45 yrs, with any occupational title or hierarchical position, and with the income level presupposed.

### Limitations of the study:

This study had the normal limitations of funds, time and other constraints commonly faced by single researcher. These limitations led to the purposive selection of only six Companies situated in Hyderabad and Bangalore as the locale of the study.



Table 1. Sampling procedure

Gender	Hyderabad	Bangalore	Total
Male	187	356	543
Female	69	135	204
Total	256	491	747

**Data Analysis:**

**Alternate Career Paths**

Table: 1(a): Effectiveness of Alternate career paths – Age wise

Age Element	Bangalore							Hyderabad						
	21-25	26-30	31-35	36-40	41-45	>45	CWA	21-25	26-30	31-35	36-40	41-45	>45	CWA
Domain Based ACP	3.77	3.90	3.79	3.50	3.23	3.55	3.62	3.81	3.73	3.64	3.41	3.55	3.34	3.58
Organizational Goal based ACP	2.91	2.96	2.58	2.38	2.33	2.27	2.57	2.74	2.77	2.62	2.52	2.27	2.39	2.55
Industry Technology	3.17	3.12	3.18	3.30	3.07	3.00	3.14	3.16	3.22	3.11	3.13	3.10	3.00	3.12
Freelancing Opportunities	2.09	2.19	2.21	2.23	2.13	2.09	2.16	2.22	2.19	2.44	2.26	2.07	2.17	2.19
Consultancy	3.06	3.19	3.15	3.09	3.13	3.09	3.12	3.21	3.12	3.35	3.11	3.17	3.17	3.14
Average	3.00	3.07	2.98	2.90	2.78	2.80	2.92	3.01	3.01	2.97	2.88	2.83	2.81	2.92

Source: Field Survey ; CWA: Cumulative Weighted Average



Table 2: Chi-Square Effectiveness of Alternate Career Paths – Age wise

Element	Chi Square computed Value		Table Value	Significance Level	Degree of Freedom
	Bangalore	Hyderabad			
Domain Based ACP	21.322	8.931	31.410	5	20
Organizational Goal based ACP	47.228	16.568	31.410	5	20
Industry Pre Requisites Based ACP	18.287	21.509	31.410	5	20
Freelancing Opportunities	16.159	28.031	31.410	5	20
Consultancy	25.104	10.462	31.410	5	20

Chi-square test is applied for research data to further reinforce the meaningful interpretation; the same are presented against the demographic factor. From the above table  $\chi^2$  is less than  $\chi^2$  table value, at 20 d o f and 5% level of significance for all elements represented

except for Organizational Goal based ACP at Bangalore. Hence  $H_0$  is accepted for all and rejected for one element. Thus the study reinforces the influence of all elements of Alternate career path except for one.

Table 3: Effectiveness of Alternate career paths – Gender wise

Element	Bangalore			Hyderabad		
	Male	Female	CWA	Male	Female	CWA
Domain Based ACP	3.49	2.93	3.21	3.28	3.26	3.27
Organizational Goal based ACP	2.73	2.59	2.66	2.19	2.39	2.29
Industry Technology	3.15	3.33	3.24	3.21	3.26	3.23
Freelancing Opportunities	2.78	2.74	2.76	2.22	2.42	2.32
Consultancy	3.47	2.94	3.20	3.24	3.17	3.20
Average	3.12	2.91	3.02	2.83	2.90	2.91

Source: Field Survey; CWA: Cumulative Weighted Average

Table 4: Chi-Square Effectiveness of Alternate Career Paths – Gender wise

Element	Chi Square computed Value		Table Value	Significance Level	Degree of Freedom
	Bangalore	Hyderabad			
Domain Based ACP	17.346	7.458	9.488	5	4
Organizational Goal based ACP	4.837	1.392	9.488	5	4
Industry Pre Requisites Based ACP	9.212	6.068	9.488	5	4
Freelancing Opportunities	0.920	2.708	9.488	5	4
Consultancy	18.582	2.790	9.488	5	4

Source: Field Survey



Chi-square test is applied for research data to further reinforce the meaningful interpretation; the same are presented against the demographic factor. From the above table  $\chi^2$  cal is less than  $\chi^2$  table value, at 20 d o f and 5% level of significance for all elements represented

except for Domain Based ACP and Consultancy at Bangalore. Hence  $H_0$  is accepted for all and rejected for two elements. Thus the study reinforces the influence of all elements of Alternate career path except for two.

Table 5: Effectiveness of Alternate career paths - Education wise

Education Element	Bangalore						Hyderabad					
	M. Tech	B. Tech	MC A/M Sc	M B A	Ot her s	C W A	M. Tech	B. Tech	MC A/M Sc	M B A	Ot her s	C W A
Domain Based ACP	3.42	3.38	3.37	3.55	3.56	3.46	3.37	3.36	3.29	3.58	3.29	3.34
Organizational Goal based ACP	2.36	2.66	2.48	2.45	2.56	2.50	2.44	2.54	2.44	2.35	2.45	2.47
Industry Technology	3.42	3.37	3.36	3.55	3.52	3.44	3.44	3.36	3.32	3.63	3.19	3.39
Freelancing Opportunities	2.21	1.88	2.04	1.77	2.21	2.02	2.07	2.11	2.20	2.07	2.39	2.17
Consultancy	3.42	3.44	3.36	3.55	3.44	3.44	3.56	3.63	3.20	3.58	3.26	3.44
Average	2.96	2.95	2.92	2.98	3.06	2.97	2.98	3.00	2.89	3.04	2.92	2.96

Source: Field Survey; CWA: Cumulative Weighted Average

Chi-square test is applied for research data to further reinforce the meaningful interpretation; the same are presented against the demographic factor. From the above table  $\chi^2$  cal is less than  $\chi^2$  table value, at 20 d o f and 5% level of significance for all elements represented except for Freelancing Opportunities at Bangalore. Hence  $H_0$  is accepted for all and rejected for one element. Thus the study reinforces the influence of all

elements of Alternate career path except for one.



Table 6: Chi-Square Effectiveness of Alternate Career Paths – Education wise

Element	Chi Square computed Value		Table Value	Significance Level	Degree of Freedom
	Bangalore	Hyderabad			
Domain Based ACP	19.018	8.659	26.296	5	16
Organizational Goal based ACP	20.488	11.374	26.296	5	16
Industry Pre Requisites Based ACP	13.724	12.003	26.296	5	16
Freelancing Opportunities	28.416	5.347	26.296	5	16
Consultancy	14.396	8.894	26.296	5	16

Table 7: Effectiveness of Alternate Career Paths – Occupation wise

Education	Bangalore							Hyderabad						
	DELIVERY HEAD	ARCHITECT	PROJECT MAN	TEAM LEADER	SSW	SWE	CWA	DELIVERY HEAD	ARCHITECT	PROJECT MAN	TEAM LEADER	SSW	SWE	CWA
Domain Based ACP	3.00	3.12	3.26	3.50	3.42	3.56	3.31	3.00	3.00	3.05	3.48	3.11	3.25	3.15
Organizational Goal based ACP	2.20	2.46	2.28	2.07	2.03	2.20	2.21	2.67	2.21	2.18	2.03	2.09	2.02	2.20
Industry Technology	3.10	3.23	3.23	3.50	3.39	3.44	3.31	3.17	3.00	3.05	3.48	3.06	3.08	3.14
Freelancing Opportunities	2.20	1.81	2.28	2.07	2.03	1.99	2.06	2.67	1.93	1.91	1.94	2.09	2.02	2.09
Consultancy	3.10	3.00	3.21	3.35	3.48	3.59	3.29	3.33	3.14	3.18	3.48	3.19	3.27	3.27
<b>Average</b>	<b>2.72</b>	<b>2.72</b>	<b>2.85</b>	<b>2.90</b>	<b>2.87</b>	<b>2.96</b>	<b>2.84</b>	<b>2.97</b>	<b>2.66</b>	<b>2.67</b>	<b>2.88</b>	<b>2.71</b>	<b>2.73</b>	<b>2.77</b>

Source: Field Survey; CWA: Cumulative Weighted Average



Table 8: Chi-Square Effectiveness of Alternate Career Paths –Occupation wise

Element	Chi Square computed Value		Table Value	Significance Level	Degree of Freedom
	Bangalore	Hyderabad			
Domain Based ACP	17.166	16.018	31.410	5	20
Organizational Goal based ACP	34.073	23.774	31.410	5	20
Industry Pre Requisites Based ACP	21.217	14.830	31.410	5	20
Freelancing Opportunities	18.713	14.856	31.410	5	20
Consultancy	24.209	6.451	31.410	5	20

Chi-square test is applied for research data to further reinforce the meaningful interpretation; the same are presented against the demographic factor. From the above table  $\chi^2$  cal is less than  $\chi^2$  table value, at 20 d o f and 5% level of significance for all elements represented

except for Organizational Goal based ACP at Bangalore. Hence  $H_0$  is accepted for all and rejected for one element. Thus the study reinforces the influence of all elements of Alternate career path except for one.

Table 9: Alternate Career Paths – Income wise

Element	Bangalore							Hyderabad						
	2L-3.5L	>3.5L-5L	>5L-6.5L	>6.5-8L	>8L-9.5	>9.5	CWA	2L-3.5L	>3.5L-5L	>5L-6.5L	>6.5-8L	>8L-9.5	>9.5	CWA
Domain Based ACP	3.58	3.13	3.15	3.41	3.50	3.30	3.35	3.08	3.05	3.39	3.09	3.36	3.50	3.24
Organizational Goal based ACP	2.08	2.05	2.00	2.05	2.12	2.10	2.07	2.17	1.93	2.10	2.68	2.07	2.08	2.17
Industry Technology	3.66	3.23	3.15	3.41	3.42	3.40	3.38	3.01	3.02	3.39	3.09	3.14	3.42	3.18
Freelancing Opportunities	1.97	2.05	2.00	1.95	2.12	2.10	2.03	1.96	1.93	2.10	1.91	2.07	2.08	2.01
Consultancy	3.62	3.13	3.15	3.41	3.50	3.10	3.50	3.17	3.05	3.42	3.05	3.36	3.17	3.20
Average	2.98	2.72	2.69	2.80	2.93	2.80	2.86	2.86	2.60	2.88	2.76	2.75	2.85	2.79

Source: Field Survey ; CWA: Cumulative Weighted Average



Table 10: Chi-Square Effectiveness of Alternate Career Paths – Occupation wise

Element	Chi Square computed Value		Table Value	Significance Level	Degree of Freedom
	Bangalore	Hyderabad			
Domain Based ACP	17.519	23.284	31.410	5	20
Organizational Goal based ACP	9.051	14.222	31.410	5	20
Industry Pre Requisites Based ACP	53.818	28.758	31.410	5	20
Freelancing Opportunities	42.185	16.713	31.410	5	20
Consultancy	48.754	23.125	31.410	5	20

Chi-square test is applied for research data to further reinforce the meaningful interpretation; the same are presented against the demographic factor. From the above table  $\chi^2$  cal is less than  $\chi^2$  table value, at 20 d o f and 5% level of significance for all elements represented except for Industry Pre Requisites Based ACP, Freelancing Opportunities and Consultancy at Bangalore. Hence  $H_0$  is accepted for all and rejected for three elements. Thus the study reinforces the influence of all elements of Alternate career path except for three.

### Findings and suggestion

This is the pre concluding part of the study presenting the findings in the backdrop of demographic factors of selected respondents in IT industry from Bangalore and Hyderabad. Findings of the study are presented precisely in consistency and sequence of the objectives articulated for the research. High ratings are registered in all demographic groups for 'Domain Based ACP'. Neutral ratings are registered in all demographic groups for 'Organizational Goal based ACP'. High

ratings are registered in all demographic groups for 'Industry Technology'. Neutral ratings are registered in all demographic groups for 'Freelancing Opportunities'. High ratings are registered in all demographic groups for 'Consultancy'.

High rating by respondents for 'Domain Based ACP' by the researcher recommends for Sustenance of management efforts for the above. Neutral rating by respondents for 'Organizational Goal based ACP' is by the researcher recommends for intensification of management efforts for the above. High rating by respondents for 'Industry Technology' by the researcher recommends for Sustenance of management efforts for the above. Neutral rating by respondents is for 'Freelancing Opportunities' by the researcher recommends for intensification of management efforts for the above. High rating by respondents for 'Consultancy' by the researcher recommends for Sustenance of management efforts for the above.



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