Research Methodology

Research Design

The study is descriptive in nature. It is an analytical study made in Mumbai taking inputs from the directors and top level executives of the 31 IT companies as well as from their employees. All the data collected from respondents shall be subjected to suitable procedures of tabulation and analysis. The collected data shall be coded and further checked for the second time. After the completion of scoring and codes the data shall be entered through SPSS package for final analysis.

The methodology to be used for the study has been described in terms of a) Locale of research b) Research plan c) Sample design d) Data collection methods and e) Data analysis.

Research Locale

Mumbai has been chosen as locale for conducting this research. The reason for selecting Mumbai are:

1. Mumbai has large number of IT services companies in the small sector.

2. Many IT hubs have comeup in the state of Maharashtra and Mumbai being its capital city, most companies have their offices located in Mumbai area.

3. Mumbai is a multi-cultural metropolis and employees working in the IT companies in Mumbai represent the diversity of India.

4. The researcher is based out of Mumbai and it is most suitable city to complete the research in a time bound manner and in a most cost effective manner.

Research Plan

The research will be conducted in two phases. In the first phase, which is also the main phase of the study a multiple site and multiple method procedure will be adopted. A pilot using a survey method will be conducted and the results will be used to modify the questions of the survey. In the second phase also a multiple method procedure will be adopted. The overall methodology will be quantitative. Since the objective of the study is to study the extent of implementation of SHRM implementation and its impact on operational efficiency of the company, a quantitative approach is most appropriate. Secondly, the operational efficiency of the firm can be best expressed in quantitative terms. Quantitative approach will also disallow any subjective influences the respondent may have due to closed ended responses.
The research procedure will employ a multi-method research design which is explained as follows:

1. The first phase shall be a two-stage survey questionnaire administered via email and in some cases through structured personal interview. This will involve the directors, top level executives, senior management and HR heads of the companies.

2. The second phase shall be a survey questionnaire administered over the internet and in some cases through form filling. This will involve the employees of the companies.

**Sample Design**

The subject of study involves small IT services companies. A small IT company for the purpose of this research has been defined as a company that provides IT services not including BPO and KPO services, has a staff strength between 40 people to 200 people and has a turnover between Rupees one crore and Rupees 20 crore. The reason to define the companies in this manner is to make the population of study a homogeneous one so as to make meaningful comparisons. Secondly, the preliminary studies done by the researcher indicate that companies any smaller in size are run in a more chaotic manner with no consistent policy framework. The companies larger than the defined population are generally said to be adopting systematic HRM processes and have been covered in some of the prior research work such as by Chanda and Shen (2009).

**Sampling Method and Size.** The sample has been drawn from the list of IT companies available in NASSCOM membership directory, shops and establishment office and Software Technologies Parks of India, Mumbai. A total of 46 companies met the small IT company criterion as defined above. A sample of 31 companies was picked up based on simple random sampling method. A larger sample has been chosen to increase reliability of data and protection against any bias. The second sample includes the employees of these 31 companies. 40 percent employees from each of the 31 companies were picked up based on a simple random sampling method. A total of 770 employees of the total 1930 employees comprised the sample. The sample size is highly representative of the total number of employees to provide reliable and bias free data.

**Data Collection Methods**

For phase 1 of the study a close ended questionnaire shall be administered to the selected sample. The first stage questionnaire will obtain responses concerning the extent of SHRM implementation. The second stage questionnaire shall be designed to obtain responses to determine the operational efficiency of the firms. The instrument will be subjected through a pilot survey and the results obtained used to modify the questionnaire. The questionnaire, based on Likert Scale format, would address all the six dimensions of SHRM. The survey will be administered via email and in some cases structured personal interviews will also be conducted by the researcher.
to seek responses to the questionnaire. Personal interviews have been considered necessary to increase the chances of receiving a response.

The second phase of research will comprise a close ended questionnaire to be administered to the employees of the companies. This questionnaire is aimed to obtain data regarding the employee engagement, loyalty and other SHRM practices. A pilot survey shall be conducted and the results obtained used to modify the questionnaire. The survey will be administered via email and internet. In some cases forms will also be filled up in order to increase the chances of obtaining a response. The responses shall be maintained in an anonymous manner to safeguard the identity of the employees. This will prevent any biases that may occur due to fear of retribution.

Data will also be collected from the forms, registers, audited financial results of the companies to the extent made available. A sample check of approximately 5% companies financial data will also be done from the Registrar of Companies (ROC) database. These measures will increase the data reliability and remove any biased reporting of data. The following secondary sources of data shall be used for the purpose of this study.

1. HR Manuals, Quality manuals, registers and forms being used by companies (wherever permitted)
2. Books, research papers, conference proceeding compendiums, and articles from related journals, newspapers and magazines and Internet
3. Research publications of Society for HRM, Human Resource Development Network (HRDN), Cite HR and NASSCOM

Data Analysis and Statistical Techniques

The statistical techniques to be employed in the study shall include use of (i) percentage analysis and (ii) correlation.

The percentage analysis shall be done to make comparisons wherever necessary. For calculating percentage the frequency of the concerned data element would be divided by the total number of respondents in each category and multiplied by 100. The percentages shall be corrected to whole numbers.

Correlation analysis shall be used to find out the association between two sets of variables. This will be done using computers. Computers shall also be used to determine the reliability, internal consistency and normality of the data.