Keywords:

Keywords: Project-oriented Company; Managing of projects; Managing by projects; Human resource management

***Keywords-information technology firm; human resource slack; product innovation; information technology firm management; Ushapedcurve; software application; empirical analysis***

*Keywords— human resources; organizational slack; human resource slack; technological innovation*

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BACKGROUND

***What is HRM?***

In project oriented software development Human Resource Management includes the processes required to make most effective use of the people who involved with the project [PMBOK]. The following are the major process that involves in HRM they are Organizational planning, staff acquisition and Team development. Human resource management deals with the tools and techniques for team development, inputs to team development and Human resource practices in Software development companies.

***What is its importance?***

In this technological era there are companies which develop software products for the huge market and there are also companies which develop software and deliver IT services to the customers in automating their businesses [R2]. In these companies software development is project oriented, in the project teams there are different kinds of people involved in technical department, project management depart and administrative department. These departments make up Human resources which drives whole project until its completion. Hence effective Human Resource Management is the highest priority and very crucial. Human Resource Management is of strategic importance in every organization [R1]. It plays a crucial role in taking the technology driven projects in IT industry to the great success [R3]. HRM also create competitive edge for the organization, the way HRM practices and policies take shape also affects the employee’s experiences of work and employment relationship [R1]. Some of the researchers articulated that there is a relationship between human resource slack and innovation and performance in IT industry. Human resource slack can be effectively used to deal with problems and take advantage of opportunities which lies outside the realm of existing business [R5]. In a company with more professional skills employee, more experienced employee (technology or product on which he/she working) with more training will have more product innovation efficiency [R4]. Employees should have strong technical and professional skills, knowledge and experience; these rich attributes of employees reinforce the chances to complete the project with a great success and should get customer appreciation. If the project team members lack technical/ management skills steps must be taken to restaff the project appropriately[PMBOK]. This further takes the reputation of organization to next level in strategic business and creating it value in market. Likewise there are innumerable advantages when software development firms look after the pool of human resources. But in recent years there is a degrading significance in Human Resource Management in software development firms worldwide. Which results in creating so many issues and challenges in the realm of Human Resource Management in Software development firms, hence there is a great demand and importance in magnifying our focus in highlighting the issues and getting an insight about the challenges that are being faced by Human resources during project oriented software development in both Service oriented and product development firms.

***What are the challenges and issues that resides in the realm of HR?***

Project oriented companies have some characteristics temporary nature of the work processes and dynamic nature of the work environment throws specific challenges to HRM department and whole organization [R1]. Temporary nature of the project causes some challenges, whenever a new project or program started in company human resource configuration will change and certainly it creates great pressure and impacts on working organization. It creates a need for searching appropriate personnel who fits for the new project [R1]. Dynamism of project-oriented companies in software industries also creates some challenges in ensuring employees-well being and their ethical treatment. In project oriented company there is no constant role throughout their career; roles are conflicting changing from one project to another. Employees in project may play a role of project manager, but he take up a role of team member in another project this degrades the performance of employees [R6][R7][R8]. There are communication challenges that exist among the cross team communication creating loss of valuable information and coordination challenges [R9]. In large company’s software developers were feel bogged down by administration and bureaucracy it affects the productivity of the developer creating low quality and bugs in the software developed [R2]. There are also some area which are suffering with challenges caused by Mirco Management by Managers in IT industry. Micro Management distracts the senior manager’s adequate time and energy on important issues pertaining to staff under control. It also couldn’t find time for long-term strategic planning, focusing on trivial issues than important tasks and in delegating the issues of employees[R10]. There are some other issues like cultural affect on team employees while they are coordination work across geographical boundaries, knowledge management, lack of training for employees, lack of building team cohesiveness and poor professional skills. Thus there are so many issues which are need to be brought under the light to improve the practice of Human Resource Management. In this report authors were motivated to explore the challenges that are existed in Human Resource Management in project oriented software development Industries.

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