

Leveraging human capital

Companies are increasingly looking at upgrading the skills of their mid-level personnel to handle growth and retain talent during the post recession recovery period

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The post recession recovery period has seen most companies seeking to regain lost ground and making intense efforts to not just catch up but also make the most of the opportunities available. From diversifications to expansions, every route to propel growth is being explored and that has thrown up a new challenge - the need for a greater number of leaders at the top level.

While a couple of years ago, the obvious solution would be to call a head hunter, these days companies are increasingly opting for the internal growth model instead. Their rationale is simple; rather than incur a high cost towards recruiting a new person who may or may not fit into the company's work culture, they prefer to identify potential 'risers' and groom them for management positions in the near future.

This trend is visible across sectors and has been even resulted informal tie-ups with management institutes in the case of certain companies.

Manuel D'Souza, Chief Human Resource Officer, Intelenet Global Services, points out that dynamic and growth-oriented organizations do require effective management of people in today's fast changing environment. Organizations flourish only through the efforts and competencies of human resources.

"Hence we at Intelenet believe in providing our Human capital the added impetus for self-improvement. We currently have a tie-up with ICFAI wherein employees can pursue a three year part-time MBA. We also reimburse a substantial part of the course fee on successful completion of the MBA which provides employees a great boost to pursue further studies.

We have started an interesting new program in finance and accounting (F&A) that grooms employees in this vertical to better their skills on the job. When employees in F&A complete their CA, we reward them with a promotion instantly," he explains.

On the issue of whether companies are looking at upgrading the skills of their mid-level personnel to handle growth/ diversification plans/ expansions post recession, he opines that human resources constitute the most valu-

able asset in the context of development. Even the gains from the intervention of superior technology in any field are closely related to its interface with human factor with corresponding skills as well as attitude.

"At Intelenet, for example, we have programs which continuously upgrade the skills of our mid and senior level management irrespective of the recession. We believe that individual development is linked to the organizational growth. All training programs are centered around building competencies required for the role. Training is imparted through different mediums - classroom, experiential, on the job, nominations to select seminars/conventions or special programs. Identification of KCR's and their career development plans and succession plans, opportunity to handle 'New projects' eg Poland set up, etc. to few chosen individuals and most successors chosen from within, for example the new grade of Dy. COO's.

He explains that the costs which are undertaken by the company to hire a new employee would first involve Recruitment cost (includes the following factors plus 10% for incidental such as background screening, time spent on recruitment and selection, background / reference screening and training if any.

Training and development Cost would involve Training material, Technology, Employee benefit and Trainer's time.

Administration cost would include having to map employee communications system to HR system, set up the new workspace and certain things like setup ID card, new bank accounts, etc.

However when it comes to an employee who is already a part of the organization and knows the culture, systems and processes - it is fairly simpler to nurture and cultivate leadership skills in those individuals.

If carefully analyzed, the decision regarding staying or leaving one's current job is guided by emotions. Intelligent employers always realize the importance of retaining the best talent. Retaining talent has never been so important in the Indian scenario; however, things have changed in recent years. Retention of key employees and treating attrition troubles has never been so important to companies, he feels.