Human Resource Management Challenges in the Information Technology Industry of Pakistan

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Abstract: The Information Technology Industry has expanded in Pakistan in last decade. This expansion entailed many Human Resource Management Challenges with it. There are many projects that fail in Pakistan and the operations of the organizations do not go in a desired way because the Information Technology Organizations are not able to cope with these Human Resource Management Challenges. The Ministry of Science and Information Technology claimed in brochure published in 2016 that 15% of information technology organizations are unable to cope with the human resource management challenges because the management lack the knowledge of Human Resource Management. In order to provide the Information Technology Industries the knowledge of these challenges, the researchers carried out this research and as a result of this research, they listed the most important Human Resource Management Challenges that the Information Technology Industry of Pakistan has been facing for last few years. These challenges are listed in descending order (i) change management (ii) successful planning (iii) compensation (iv) staffing (v) retention of staff (vi) development of leadership. These challenges are strictly related to Information Technology Industry of Pakistan. The researchers found these challenges through the review of literature. The instrument used was a questionnaire. The respondents were requested to rank and score these challenges. In order to rank and score these challenges, criticality index and criticality score was used. This criticality index and criticality score is taken from the research carried out by Sarosh Lodhi.

Keywords: Information Technology, Human Resource Management Challenges, Questionnaire, Criticality Score, Criticality Index.

1. Introduction

The Information Technology Industry has been expanding in Pakistan for last decade. The Information Technology and Science Ministry of Pakistan claimed in 2005 that Information Technology exports increased about 50% and reached to 48.5 million USD. The global Information Technology report (2014) by the World Economic Forum ranked Pakistan as 111\textsuperscript{th} among 144 countries. Tech Juice (30 Dec, 2016) claims that Pakistan has the fourth longest base of freelance Information Technology professionals. It also claims that Pakistan has more than 2000 software houses.

The report published by the Ministry of Science and Information Technology in 2016 that 15% of Information Technology Organizations are unable to cope with Human Resource Management Challenges because these organizations do not know that these challenges actually exist. In order to provide the Information Technology Organizations with the knowledge of Human Resource Management Challenges, the researchers carried out the research and listed six challenges that Information Technology Organizations in Pakistan face more frequently than those of the others.

2. Literature Review

According to Dana Wikiland and Joseph C (2009) twenty five (25%) of Information Technology projects fail because the organizations are unable to cope with the change management. Joseph (2012) also considers change management as the most important challenge that the Information Technology organizations face. He says that the organizations should be more focused on providing training to develop competencies in order to deal with the change management. Azmi Jaffery (2014) says that the leadership development is not the priority of Information Technology organizations in Pakistan. According to him, this is one of the biggest HR Management Challenges that Information Technology Industry is facing Joseph Gulla(2012) lays emphasis on successful planning and leadership development. He says that Information Technology organizations do not emphasize on successful planning because of the lack of knowledge of developing plans. He says that the training should be
provided to the employees about the development of plans. Azmi Jaffery (2014) says that the staffing policy of Information Technology organizations of Pakistan is not according to the predefined standards. According to him, the organizations do not hire people who have the knowledge, ability and capacity to carry out the desired functions. According to Tech Juice Report (2016) the biggest challenge of Human Resource Management in Pakistan is low compensation. Resources are under compensated in Pakistan and because of this reason, retention of the resources has become one of the biggest problems of Information Technology organizations in Pakistan.

3. Research Work

For this research, the researchers listed (i) Human Resource Management Challenges through literature review (ii) Questionnaire was developed and (iii) data was gathered and analyzed.

4. Research Methodology

(i) Questionnaire was developed – it consisted of two parts Part A & B. Part A had (i) work experience (ii) individual designation and Part B consisted the HR management challenges gathered through literature review.

(ii) Questionnaire was send to 100 desired people in the big Information Technology organizations of Islamabad, Karachi, Lahore and Peshawar. The contacted people were managers and senior managers who have more than 10 years of working experience in managing human resource. Eighty (80) people responded to the questionnaire. Multi-staged sampling was done to determine the size of sample.

(iii) Assessment of the feedback was done.

5. Analysis

The researchers analyzed the responses. Criticality index for each Human Resource Management Challenge is calculated, and the criticality assessment criteria is adopted from the research done by Muhammad Saqib, Rizwan U. Farooqi and Sarosh H. Lodhi.

<table>
<thead>
<tr>
<th>Mean Factor Score Range</th>
<th>Critically Index</th>
<th>Critically Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0 - 2.5</td>
<td>1</td>
<td>Least significant towards project success</td>
</tr>
<tr>
<td>&gt; 2.5 - 5.0</td>
<td>2</td>
<td>Mildly towards project success</td>
</tr>
<tr>
<td>&gt; 5.0 - 7.5</td>
<td>3</td>
<td>Moderately significant towards project success</td>
</tr>
</tbody>
</table>

The above mentioned criteria was developed by Muhammad Saqib, Rizwan U. Farooqi, Sarosh H. Lodhi.

Table 2. Human Resource Management Challenges are listed that the Researchers found out through Literature Review.

<table>
<thead>
<tr>
<th>HR Challenges</th>
<th>Mean</th>
<th>Mode</th>
<th>Criticality Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>7.7</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Unsuccessful Planning</td>
<td>8.7</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Development of leadership</td>
<td>6.625</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>Change Management</td>
<td>8.875</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Staffing</td>
<td>7.7</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Retention of Staff</td>
<td>7.4</td>
<td>10</td>
<td>3</td>
</tr>
</tbody>
</table>

6. Analysis and Conclusion

After analysis of the data through criticality index and criticality score, it was concluded that the change management is the biggest Human Resource Management Challenge followed by the unsuccessful planning, compensation, staffing, retention of staff and development of leadership.

7. Limitation of Research

This research is only limited to the Human Resource Management Challenges faced by the Information Technology organizations of Pakistan and this research is not applicable to other parts of the world.

8. References