## Cultural Factors Affecting Human Resource Management Activities Of Companies In Software Industry

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## **ABSTRACT**

Software industry has the world's largest technical workforces who are dealing with softwares running with over 3 million engineers, scientists, and other technologists. Human resources management in software industry has a distinctive approach to employment management that seeks to achieve competitive advantage through strategic deployment of employees. Culture of workforce diversity which means identity of the employees who do similar things, behave ways belongs to same country or region significantly affects HRM activities. Getting individuals employee from different cultural backgrounds and make them to work together is very difficult and tough task for a human resource management. The HR management has major impact on maintaining workforce diversity inside the software industry. The fact is that the success of any organizations fully relies on human resource management in maintaining workforce diversity between employees. The national culture dimensions significantly affect HRM activities. This study implies that how the cultural factors of the workforce diversity affects human resource management activities and how the HRM overcome those obstacles through strategic development to improve performance of industries.

## 1 INTRODUCTION

## 1.1 Software Industry

In software industry, more than millions of workers dealing with software's and also many industries are outsourcing to abroad. Workforce diversity in software industry includes age, gender, background, geographical conditions which gives identity of themselves to be a part of particular area.

# 1.2.HUMANRESOURCES MANAGEMENT

Human resources management is a employment management approach to achieve goal of an organization through strategic development of a highly committed in job and capable workforce, by using cultural, structural and personnel techniques. The major role of human

resource management is maintaining wokforce diversity between employees in organization.

## 1.3 CULTURE

Culture refers to characteristics ways of performing activities and behaving that make sense of people in a country or region has evolved over time. Culture helps people to make sense of themselves in part of world and provides them with an identity in that place.

## 2 DEMOGRAPHIC ENVIRONMENT IN SOFTWARE INDUSTRY

- Age composition of the employees
- Economic position of the employees
- Educational levels
- Languages
- Religion
- Race
- Educational attainment
- Employee Background
- Marital status
- Employee location

## **4 CULTURE FRAMEWORK**

According to Harris, Moran, there are 10 broad cultural factors that affects human

resource management in software industry. They are represented below.

- Sense of self and space
- Dress and appearance
- Food and eating habits
- Communication: Verbal and Nonverbal
- Time and time sense
- Relationships

## 4.1 SENSE OF SELF AND SPACE

Sense of self in the sense Self-identity of oneself and Self-perception towards any things. Some countries such as people in United States and India promote independence and creativity and people in countries such as Japan promote group cooperation.

Sense of space means unique ways of doing things. People in some countries like Indian's, Latin American's requires group cooperation and whereas American's requires more distance.

## 4.2 DRESS AND APPEARENCE

Dress and appearance includes outward garments. Many cultures wear unique clothing like Indian's wear the informal dress and sometimes formal during meeting. In some industries, cosmetics are allowed.

## 4.3 FOOD AND EATING HABITS

In some countries, the manner by which food is choose, prepared and presented an eaten are a big issues while dealing in business area. The food and eating habits provides insight to the people's culture in industries.

### 4.4 COMMUNICATION

### 4.4.1VERBAL COMMUNICATION

The employees from different places follows different languages. Translations made from one language to another can generate confusion based on style and context. For example, American says 'tabling' which means accepted but whereas in England, it means to discuss new something.

## 4.4.2NONVERBAL COMMUNICATION

Nonverbal includes signs, gestures and postures. For example, in the United States, one who does not look someone in the eye termed as sign of truth but in some countries, looking someone in the eye is a sign of aggression.

## 4.5 TIME AND TIME SENSE

Time is very important in India. Flexible about time is the major scenario in

today's world. Indian's live by time schedules, deadlines and agendas, and they hate to keep waiting but in some countries, people will not rush up. People who are rushing up are perceived as arrogant and untrust.

## 4.6 RELATIONSHIP

Cultures designate human and organizational relationship by age, gender, status and family relationship, power etc. Relationship among people may vary in some cultures. Elderly are honoured but in others, elders are ignored.

## 5 HOFSTED'S DIMENSIONS OF NATIONAL CULTURE

The four dimensions of national culture were found are explained below.

- Individualism versus Collectivism (IDV)
- Power Distance (PD)
- Uncertainty Avoidance (UA)
- Masculinity versus Femininity
   (MAS)

## **DESCRIPTION**

## 5.1 Individualism versus Collectivism (IDV)

Individualism means the person who take care of themselves and only their direct

families and individualists are more believe on personal achievements and individual rights. Moreover, they includes a low preference for benefits and a high preference for personal decision making and faces challenges for a job.

On the other hand, the people in collectivism refers, individuals can expect their relatives, loyalty rather on themselves. Social orientation culture, in which is they are more interested on social members versus interests of the group. They dependence on the organization for training, satisfactory in workplace conditions and benefits.

## **5.2 Power Distance (PD)**

Low Power distance, in which individuals accept the power is distributed unequally and they accept a hierarchical order. They prefer consultative styles and they prefer power unequilization. They are more power tolerance.

High power distance, in which they prefer less consultation between superiors and subordinates, they strive for power equalization. These members tend to accept power and authority of their superiors.

## **5.3** Uncertainty Avoidance (UA)

Strong Uncertainty Avoidance, in which people are not comfortable with the uncertainty and vagueness. They avoids cultures which are more belief and behaviour. They will not take risks and avoids additional responsibilities proposed by their superiors. These people dislike ambiguity and they avoid it.

In Weak Uncertainty Avoidance cultures relays people are more relaxed since they believe in practices rather than principles and the deviations is easily tolerated. They try to have few rules, and are not more opt missive of alternative opinions and behaviors.

## **5.4 Masculinity versus Femininity (MAS)**

Masculinity stands for courage, achievement, persistence, and success. They will not concern for others. They cares only present and not focus on future and past.

While, femininity stands for relationships, humility, caring and they are more responsible towards social activities. They measures their performance, roles between genders. They need equality.

## 6 HRM ACTIVITIES AFFECTED BY CULTURES

## **6.1 SELECTION AND RECRUITMENT**

In Selection and Recruitment, internal hiring and promotions are mainly to ensure loyalty and commitment to that company. But in collectivist culture, it is difficult for external recruited employees to get into strong social networks. In the high uncertainty avoidance cultures, organizations prefer internal hiring to maintain the status.

In the collectivist cultures, word-of mouth is a main announcing method of job openings where group members are usually benefited by other group members for the position in the software industries.

### 6.2 TRAINING AND DEVELOPMENT

Organizational training and development activities vary significantly based on the cultural differences. The training is implemented for improving individual or group performance, In collectivist cultures, such activities is given to employees to increase loyalty and commitment to the organization. So, that they will favor the organization by working hard.

Training and Development is a main tool to motivate employees and they give reward to them for their loyalty and commitment. By giving adequate training not only ignite the employees with necessary knowledge and also induce skills to perform their assigned duties. Cognition plays a vital role because cognitive abilities may vary from one person to another. Effective training may or may not reach the employees effectively to all employees.

## **6.3 INFORMATION SHARING**

In high power distance culture, sharing of information to fresh employee and opposite gender plays a vital role. In company top managers are not willing to share critical information with their subordinates because, they think, the will become more powerful and they may lose control of them.

## 6.4 DECENTRALIZATION AND TEAMWORK

Decentralization and teamwork are critical to organizational competitiveness, creativeness and innovativeness. Team activities create an work culture but not only improve cooperation and communication between employees. In software industries, employees are required to work in teams and

made group decisions to meet team and industry.

In HR activities, the cultural context of an organization will predominantly affect the level of decentralization and teamwork inside the organization. In collectivistic, high power distance cultures, employees are more conscious towards teamwork and decentralized decision making whereas in individualistic and low power distance cultures, employees prefer individual performance rather than group and requires individual rewards.

## 7 ROLE OF HR MANAGEMENT TO AVOID CONFLICTS

- Conduct more Diversity Training
- Be genuinely interested in the culture of other people.
- Learn the culture of employees.
- Create a responsive feedback mechanism for employees.
- Treat situations like racist comments and attitude seriously.

## **8 CONCLUSION**

Thus concluded, workforce diversity in software industry includes age, ethnicity, gender, ancestry, physical abilities/qualities background, geographic conditions significantly affect human resources

activities in software industry. With Hostfede's Dimensions, discussed various **HRM** activities like recuitment, selection, training and development etc affected by different cultures of workforce diversity. The role of HRM is to manage employees and adapt them in an organizational culture to improves industries performance. Hence, human resources management manages workforce diversity by implementing the organizational culture to the employees.

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