

HR Factor

HyTech Professionals – Doing usual things unusually



How does an emerging company in the software engineering services space that competes with diverse companies for talent manage to sustain a low attrition rate at 12%? One top-of-mind thought is high compensation. However, though HyTech Professionals definitely pays more than industry average, it is not in the highest percentile of paymasters. The secret could lie in the company's unusually high HR spend – 8% of total spend of the company goes towards training, certifications and HR professionals. In fact, the company has five people taking care of the HR function, while the employee strength in India is 98.

The Emerge team spoke to Damnish Kumar, the Director, to understand the vision and strategy behind this significant commitment to developing and nurturing employee competence.

HyTech Professionals was formed in 2004 by IIT alumnus. The founders decided that the guiding principles of the organization would be freedom and space to think. They believed that this was the way to get innovativeness in thinking and great output from people. "We wanted to build a fair company, in terms of processes and dealings," says Damnish.

That is great in terms of management vision, but how did they make sure the employees believed this?

"We did that at many levels. For starters, there is a uniform seating arrangement. Everyone, from a director to a developer have similar styled cubicles", says Damnish. No glass-encased corner offices that define boundaries to cross before one can talk to the Boss. A flat organizational structure, that defines roles based on ability and inclination and not just seniority, also goes a long way in fostering this culture of openness.

Key lesson #1 – It is important for an emerging company to foster a climate of openness and frank communication.

Communicate, communicate andthen more

Another critical aspect of an open culture is free flowing communication. HyTech Professionals devised interesting ways to make sure this happens.

A Public Forum is conducted on the work floor every month. Employees are given a chance to voice any concern of theirs. Damnish explains, "We ensure that one of the directors is present for each forum. Immediate decisions are taken by the director, or he/she appoints a team on the spot to look at the issue and come up with solutions."

Damnish concedes that most issues that crop up during such sessions are fairly day-to-day or routine. "But this is a platform for us to explain some measures/initiatives that could have been misunderstood, clarify certain points etc. Also, it sends a very strong signal - the management is willing to listen, and more importantly, act after listening."

The senior management also takes effort to develop a one-on-one connection with all 98 employees. Damnish says with pride, "All our directors know every one of our employees by name. For us, this is extremely important."

Serve employees interests first

HyTech Professionals has also acknowledged that people are best motivated when their self interests are served. Hence the company exhorts its employees to look at how best to augment their profiles and accelerate their career paths – and encourages them to take up certifications that would add value to them. This is an unusual spin, rather than emphasize what value such initiatives will add to the company.

The high level of motivation with which employees take up the certification courses can be seen in the results – in a recent Microsoft developer certification test, nine Hytech Professionals scored more than 950 on 1000.

Since the identification of training needs during appraisal is accurate, democratic and objective, optional Saturday training sessions witness high attendance rates – sometimes up to 90% of people identified for a course turn up.

Key lesson #2 – It may be important to question some established rules and practices while defining your HR strategy.

Transparent (and indisputable!) appraisal process

A 360 degree appraisal is done for and by every employee, every six months. Each of the 98 employees rate whoever they have worked with, the support function and the senior management.

An unusual aspect of the appraisal process is that the company uses actual case studies of people who have done well and derived good benefits. Damnish says, "Your employees are anyway going to compare notes and see who got what. Why not make it open?" At a team level, it is discussed and explained to every individual, why a particular employee has been promoted to the next level – what are the right things he/she did. As a derivative, it is also discussed what one needs to do to go to the next level – including training needs and certification. Such a transparent process, in which fixed parameters are used, ensures that appraisals and increments are not challenged.

Damnish also believes that there is a natural competitive environment that exists and employees thrive in such an environment.

Another indisputable parameter that is used in Hytech Professionals' appraisal process is client feedback. "Since we have tools that keep a record on which module of an application was done by whom, this is easily mapped back to client feedback," says Damnish. The company has a dedicated group whose mandate is to systematically collect and record client feedback.

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Key lesson #3 – Add a touch of novelty and bring interest and life into regular programs.

Rewards with a difference

During the Annual Awards, there are unusual categories such as "Best Project as appraised by customers", "Project that followed all quality standards", "Most Profitable Project" etc. By sensitizing employees to such parameters, HyTech Professionals gives them a deep sense of accomplishment that goes beyond 'just doing the job'. Of course it helps that in the process the company betters itself.

In addition to celebrating birthdays, the company also celebrates when an employee completes a year, 2 years etc. with an expensive gift. "The idea is to communicate that we truly value people, and to make the day of completion, a day that the employee will celebrate with enthusiasm," explains Damnish.

Don't forget the alumni

HyTech Professionals has a special quarterly newsletter for its alumni. Damnish believes in keeping the communication channel open with this group as they are an important referral channel for hiring. They also feel connected to the company, as they are abreast of the latest happenings there.

Selective hiring

HyTech Professionals has been growing organically for the last four years and the company has been very selective about hiring. On an average three to four people join every month. Damnish's HR team screens people carefully to judge technical competence, soft skills and more importantly, ability to fit the HyTech Professionals culture. " We have some specific questions about the person and the current work environment, how he/she relates to her peer group, that more or less gives us an accurate picture of the person," says Damnish.

What works for Hytech Pro

- . Constantly upgrading employees' skill sets , contributing to their career development
- . Giving space to individuals to think and innovate individual
- . A robust appraisal process based on quantitative, objective measures

Continuing Challenges

- . Identifying what makes a good employee
- . Attracting young talent in the absence of a well-known brand name
- . Making sure there are lots of opportunities for employees

From the horse's mouth

Puneet Mathur has been with HyTech Professionals for more than 2 years. He joined the company as project lead and has been promoted to Technical Operation Manager in this short span.

1. When you made the move to HyTech Professionals, what was the deciding factor?

I worked for a big software empire, with employee strength of around 5000+, for around 4 years. Though the initial exposure was good, I wondered about my identity in the company and my career growth.

I was very cautious in looking for a new opportunity as I did not want to join yet another empire and then get lost. That's where I got to know about HyTech. The role offered at HyTech was definitely the one which I was looking for, and that clinched the deal.

2. When you compare HyTech Professionals with other companies that you have worked for, what makes this company different?

A flat reporting structure that is free from bureaucracy is definitely another big plus here. One important thing which I missed earlier was - visible impact of my effort on client satisfaction and company growth. HyTech Professionals provides a very good platform for idea sharing and implementation, and this gives everyone the opportunity to suggest measures for better customer satisfaction.

3. What, in your opinion, is the most outstanding HR practice at this company?

In my opinion, the best HR practice is motivating people to do their career planning and go in for different certifications. This is a good way to add value to person, company and to our clients. Another good practice that I like is to celebrate with employees not only their birthdays but also year(s) of completion at HyTech.

4. What is it about this company that makes you want to come to work every day?

- . My Clients/Team - Our goal is smooth project delivery and every day I discuss new things with my clients and provide them solutions to their problems. Doing this with my team members gives me a great feeling.
- . Environment – An open environment gives everyone freedom to speak and a chance to put one's views. This gives the confidence and space to think and make innovative moves.

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