Job Shadowing in Information Technology Projects: A Source of Competitive Advantage

Shrihari S. Sohani, Indian Institute of Management-Ahmedabad, Gujarat, India

ABSTRACT

High-value turnkey projects in Information Technology firms are susceptible to multiple risks. Inappropriate staffing is one of the major risks that can impact deliverable negatively. The greatest fallacy that comes up is the incongruence between HR managers and line managers while staffing critical experience based roles. HR managers being aligned with the firm’s strategy to maintain a low resource bench figure are driven to staff these positions with less than suitable resources from the firm’s internal labor market. The line manager under pressure to deliver on time and budget need resources with appropriate skills and experience and hence are not averse to hire from external labor market. This incongruence in goals creates friction between HR and line manager. The research paper presents a framework to balance the twin priorities of HR and line manager and also assist in creating a human resource-based non-replicable strategic advantage for the IT firm.

KEYWORDS

Information Technology Companies, Job Shadowing, Labor Markets, Project Staffing, Staffing Framework, Strategic Human Resource Management, Turnkey Information Technology (IT) Projects

INTRODUCTION

The motivation for the present research stems from the interest in understanding the dynamics that come into play at the time of staffing any new information technology (IT) project in an IT firm. The different perspectives of human resource manager and line manager, when the question of staffing strategic resources comes into picture, runs contra to the concept of strategic alignment of goals of human resources and line managers for firm success (Barney, 1991). The different perspectives emerge due to the inherent pressures of differing macro and micro strategy. The human resource department as a corporate function is aligned with the business strategy of the firm (Baird & Meshoulam, 1988; Schuler & Jackson, 1987) and is dedicated to maintain bench strength of employees (employees who are not allocated to any project and are not billable) to a minimum to boost utilization.
The pressure to force allocate members of the internal labor market in critical roles that are based on expertise in specific skills and the inherent inertia of line managers to staff these positions with less than appropriate candidates from internal labor market creates a situation of conflict and incongruence. The relative dynamics between HR managers and line managers at the time of staffing a project is shown in Figure 1.

The current pressures on billing rates and inflating bench strength are a cause of concern for the firm and its HR department. If it has to utilize its human resources as a strategic non-replicable advantage, the HR department has to continue to groom them for new technologies and higher roles. This includes trying to push them into projects on new technologies so that they continue to develop.

This fitting of HR strategy in the firm’s business strategy can at times create rigidity and inflexibility that can be detrimental for the firm and this fact also finds mention in the literature (Lengnick-Hall & Lengnick-Hall, 1988). Researchers have therefore stressed on having a feedback loop in order to fine tune HR strategy so as to be in line with the firm-level strategy specifically in a dynamic environment (Krishnan & Singh, 2011). Firms that do not evolve and continue to stress on increasing operational effectiveness and attempt similar kind of projects tend to get sedated. Such firms tend to go on a downward spiral as soon as there is a market disruption. Shrinking project base and consequent attrition of employees for better opportunities lead to non-sustainability. Also, employees who have intention to quit tend to stop performing, and this results in negative outcomes for the firm (Krishnan & Singh, 2010).

The line manager’s first responsibility is to finish the project in the given time and budget. They try to staff the project with a mix of low skilled and high skilled employees with the structure resembling that of a pyramid with the low-skilled workers forming the base of the pyramid and the high qualified and experienced employees above them. They are comfortable to hire low-skilled employees from the internal labor market but are inherently resistant to hiring a non-suitable candidate that is being pushed on them by HR managers from the internal labor market and would prefer to hire from the external labor market for such positions.

It is to be understood that if the HR managers continue to hire from external labor market for specific skills then it will consequentially add to the bench strength of the firm in the long run and hence will be contra to the business strategy of high utilization. It will also be against the basic tenets of the resource-based view of nurturing human resource for the firm that is “valuable, rare, inimitable and non-substitutable” (Barney, 1991).

Figure 1. Dynamics of HR managers and line managers at the time of staffing a pure turnkey information technology project.
A Case Study of the Adoption and Use of Information Systems Technology in a Business-Format Franchise
[www.igi-global.com/article/case-study-adoption-use-information/38908?camid=4v1a](www.igi-global.com/article/case-study-adoption-use-information/38908?camid=4v1a)

Empathy as a Major Contributing Factor to Sustainability in the Global Supply Chain
Maria Lai-Ling Lam (2014). *Inventive Approaches for Technology Integration and Information Resources Management* (pp. 53-67).
[www.igi-global.com/chapter/empathy-as-a-major-contributing-factor-to-sustainability-in-the-global-supply-chain/113175?camid=4v1a](www.igi-global.com/chapter/empathy-as-a-major-contributing-factor-to-sustainability-in-the-global-supply-chain/113175?camid=4v1a)

Application of Fuzzy Logic to Fraud Detection
[www.igi-global.com/chapter/application-fuzzy-logic-fraud-detection/13569?camid=4v1a](www.igi-global.com/chapter/application-fuzzy-logic-fraud-detection/13569?camid=4v1a)