



Evaluation Of New Hire Performance And Its Implications For It Industry

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Abstract

The employees are the backbone of the organization and the accomplishments or issues experienced by the organization are contingent to the performance of its employees. The enhanced capabilities, knowledge, and skills are the foundation for the organization's competitive advantage in today's global market. Hence the objective of the paper is an evaluation of new hire performance in IT industry based on certain measures like engagement of employees, turnover rate, unplanned absences, training program and its impact on employee's performance. The current research is of exploratory type discussing the evaluation of new hire performance and its implications for IT Industry under study. It is of empirical nature and based upon the data collected. It is observed that the employees who remain in an organization over a set period compared to the total number of employees who worked there during that time is minimum in IT Industry. The employees of IT industry agree that the training program provided in the organization impacts their knowledge, skills, and performance and in turn, affects the company's efficacy. Finally paper concludes by mentioning that the evaluation of new hire performance can help determine the scope of growth in an employee's career and the level of motivation with which he/she contributes to an IT organization's success in the study area. The evaluation of new hire performance lets an employee understand where he/she stands as compared to others in the organization.

I. INTRODUCTION

The New hire performance evaluation typically includes reviewing how employees' work duties and habits compare with company expectations. Regular evaluations help employees do assigned tasks more efficiently, understand what's expected of them, improve communication between management and employees, and give employees proper recognition for their work. Learn how to evaluate employee performance and measure employee performance so your team can function at their best. The New hire Performance evaluations allow an employer to set clear expectations, evaluate employee performance and measure the employee's success. The information gathered in an overall performance evaluation can help drive decisions about pay raises, promotions, and layoffs.

Often, performance reviews include the manager's evaluation of the employee's overall performance and a self-evaluation conducted by the employee about their own evaluation of their success. A proper assessment is judged against specific goals using clearly defined metrics.

Employees are the backbone of the organization. The accomplishments or issues experienced by the organization are contingent to the performance of its employees. Therefore, it is vital for organizational leaders to recognize the importance of training and development in employee performance and evaluation. Enhanced capabilities, knowledge, and skills are the foundation for the organization's competitive advantage in today's global market. Although a large number of research have been accomplished in the field of training and development in employee performance, it appears that organizational leaders still experience gaps and challenges in this regard.

Objective of the study

The objective of the paper is an evaluation of new hire performance in IT industry based on certain measures like engagement of employees, turnover rate, unplanned absences, training program and its impact on employee's performance.

II. RESEARCH METHODOLOGY

The current research is of exploratory type discussing the evaluation of new hire performance and its implications for IT Industry under study. It is of empirical nature and based upon the data collected. The hypotheses framed are tested using quantitative methods.

Primary Data:

The primary information were gathered by using a survey method with the help of structured questionnaire. The questions explore the practices adopted by the IT Industry. The test questions were generated using the theoretical constructs defined in previous literature. As the variables to be estimated represent evaluation of new hire performance and its implications for IT Industry they are measured on a five point likert scale. The scale is coded from 1- Strongly disagree to 5- Strongly agree.

Extra information about demographics like respondent's designation, respondent's experience in current role; type of IT services offered is also sought through the questionnaire. The conversation with the respondents helped in understanding current issues and barrier in executing the Evaluation of New hire Performance practices.

Secondary Data:

For IT Industry profile, company information was downloaded from their websites. As the study universe have large number of IT companies in Western Maharashtra, data for sample 20 IT companies was gathered.

For the present study Journals, research papers, articles, and various websites were referred. The data collected through the published material was studied and the necessary information was cited for the present study by the researcher.

Other sources of secondary data include the online databases of research journals like J-Gate, Scopus by Elsevier, JSTOR, as well as Emerald Insight.

III. DATA ANALYSIS:

The collected data have been examined with the help of appropriate mathematical tools and techniques. The researcher has used the software like SPSS, MS-EXCEL for data analysis. The data compiled through primary and secondary source were tabulated in structured tables followed by the text. The percentage, mean, standard deviation, coefficient of variation and correlation was used for the purpose of analysis. On the basis of data analysis the researcher used the various types of charts and diagrams such as column charts, bar diagram, and pie diagram making the study more visible. The analysis and interpretation of the primary data related to the employees which have been collected in field study from selected IT Industry. The primary collected data were processed as classification, editing, coding, feeding, tabulation, by use of software's such as SPSS and MS-Excel.

Exploratory Factor Analysis (EFA) & Cronbach Alpha: Principal Components Factor Analysis for Human Resource Management practices Items. The Human Resource Management practices Items scale was developed and tested by two steps. Preliminary step was item generation according to conceptual

explanation of concept Human Resource Management practices. Second step was Exploratory Factor Analysis and Measures of Internal Consistency: A questionnaire was designed using the factors identified in the literature Human Resource Management practices.

In study area, 200 employees from selected 20 IT Industry rated their responses on 8 items on a five point Likert Scale (0 to 5). Most widely used Likert scale points are 5-point. When respondent answer on a continuous scale by drawing lines or assigning numbers to their opinion, thus creating interval level measures (Scherpenzeel, 2002).

IV. RESULTS AND DISCUSSION

1) Engagement of employees in their work in the organization is effective.

Variables	N	Minimum	Maximum	Mean	Std. Deviation
The employees are happy in their work	200	2.00	3.00	2.50	0.47
The employees received sufficient training to perform in their role	200	3.00	4.00	3.50	0.51
The employees have a good relationship with their colleagues	200	4.00	5.00	4.50	0.50
The employees recommend this organization as an employer to others	200	4.00	5.00	4.50	0.51
Valid N (list wise)	200			3.69	0.50

(Source: Compiled by Researcher)

Engagement rate is the share of employees engaged in their work in the organization. In a survey, aim to stick to a maximum of five questions, such as: Are you happy at work? Have you received sufficient training to perform in your role? Do you have a good relationship with your colleagues? Would you recommend this organization as an employer to others?

The above table shows that all four items related to Engagement of employees in their work in the organization attributes of profitability of IT Business based on the assessment of New hire Performance in the Organization. The employees' perceptions of the attributes assessment of New hire Performance 4: The employees recommend this organization as an employer to others had the highest mean score 4.55 and SD 0.51. The employees' perceptions of the attributes profitability of IT Business 1: The employees are happy in their work have the lowest mean scores 2.30 and SD 0.47. The overall mean score of the composite variable assessment of new hire Performance was 3.69 and SD 0.50.

Further the table disclosed that the descriptive statistics of Engagement of employees in their work in the organization attribute of profitability of IT Business based on the assessment of New hire Performance in the Organization of IT Industry. There are five variables related to Engagement of employees in their work in the organization have been discussed with the employees out of which one variable is omitted from the analysis because of these variables revealed ambiguities. It is observed as per the employee's perception assessment of New hire Performance 4: The employees recommend this organization as an employer to others had highest mean score 4.55 and SD 0.51 while assessment of New hire Performance 1: The employees are happy in their work had lowest mean score 2.30 and SD is 0.47. The assessment of New hire Performance 2: is related to The employees received sufficient training to perform in their role had mean score 3.50 and SD is 0.51 and assessment of New hire Performance 3: The employees have a good

relationship with their colleagues means score is 4.40 and SD is 0.50 which is also in highest as compared to assessment of New hire Performance variables first and second.

It is inferred that the employees have given more importance to different variables (like employees happiness in their work, sufficient training provided to perform their role, employees good relationship with colleagues, employees recommendation to an organization as an employer to others) of assessment of New hire Performance attribute which results that there is a great importance of assessment of New hire Performance attribute of IT Industry in the study area. A low engagement rate could indicate weaknesses in your hiring, onboarding, and training processes and will help you start to tackle these. Equally, employee engagement will show you who your star players are—the ones who are prepared to put in extra time, effort, and attention to their work and will go above and beyond for the business—and it's crucial that you don't let these employees slip through the cracks.

2) The employees who remain in an organization over a set period compared to the total number of employees who worked there during that time is minimum.

Sr. No.	Scales	Frequency	Percentage
1	Strongly Disagree	0	0
2	Disagree	0	0
3	Neutral	100	50.0
4	Agree	100	50.0
5	Strongly Agree	0	0
	Total	200	100

(Source: Compiled by Researcher)

The above table indicates that frequency distribution of item: Focused on The employees who remain in an organization over a set period compared to the total number of employees who worked there during that time is minimum. In this 200 employees from 20 different IT industries located in study area had expressed their opinion on above item. There was no any missing data for this item. 50 percent employees have a neutral opinion. Neutral response states that the 50 % (100) employees have neither too positive nor negative opinion. 50 percent (100) employees disagree.

These responses indicate that 50% employees agree and 50% employees have a neutral opinion in respect of IT industries focused on the employees who remain in an organization over a set period compared to the total number of employees who worked there during that time is minimum. Turnover rate averages vary greatly across industries. For example, a 50% annual staff turnover rate wouldn't be considered poor in fast-churn sectors like IT Industry or retail. Turnover rate is an important metric to track because it can reflect your company culture and current HR processes.

3) The unplanned absences during a set period, whether due to illness, stress, a fake sick day, or anything else, but does not include holidays or lateness is excellent.

Sr. No.	Scales	Frequency	Percentage
1	Strongly Disagree	0	0
2	Disagree	0	0
3	Neutral	0	0
4	Agree	50	25.0
5	Strongly Agree	150	75.0
	Total	200	100

(Source: Compiled by Researcher)

The above table indicates that frequency distribution of item: The unplanned absences during a set period, whether due to illness, stress, a fake sick day, or anything else, but does not include holidays or lateness is excellent. In this 200 employees from 20 different IT industries located in study area had expressed their opinion on above item. There was no any missing data for this item. 25 percent (50) employees agree the item. 75% (150) employees strongly agree.

This data states that the majority of employees agree about the unplanned absences during a set period, whether due to illness, stress, a fake sick day, or anything else, but does not include holidays or lateness is excellent. Generally, 1.5% is deemed a healthy absence rate, given that it's impossible to prevent illnesses all of the time. However, it's important to note that certain illnesses (such as the flu or Covid-19) can result in an employee being absent for a few weeks, which would bring their absenteeism rate up to over 4%. But an absenteeism rate higher than 1.5% can often indicate the absence is due to something more serious such as stress or burnout, lack of engagement, or conflict with team members. Anything significantly lower than 1.5% can also be a cause for concern—are employees afraid to call in sick, so they come into work unwell? This can lead to a drop in productivity, poor health, and even exhaustion in the long run. The absenteeism rate provides insight into the health of your organization. Analyzing average rates across teams and departments can help highlight where the problems are and address them.

4) The training program provided in the organization impacts an employee's knowledge, skills, and performance and in turn, affects the company's efficacy.

Sr. No.	Scales	Frequency	Percentage
1	Strongly Disagree	0	0
2	Disagree	0	0
3	Neutral	0	0
4	Agree	100	50.0
5	Strongly Agree	100	50.0
	Total	200	100

(Source: Compiled by Researcher)

The above table indicates that frequency distribution of item: The training program provided in the organization impacts an employee's knowledge, skills, and performance and in turn, affects the company's efficacy. In this 200 employees from 20 different IT industries located in study area had expressed their opinion on above item. There was no any missing data for this item. 50 percent (100) agree. 50 percent (100) employees strongly agree.

This indicates that the majority of employees agree that the training program provided in the organization impacts an employee's knowledge, skills, and performance and in turn, affects the company's efficacy. Measuring your training effectiveness can help you gauge how useful your current offerings are and how you can improve them. Organizations invest a great deal of resources into training programs; therefore, you must monitor them closely to see what's working, what's not working, and why. More effective training results in greater employee performance and satisfaction, improved team morale, and a higher ROI.

5) The Cost per hire to hire a new employee costs very much to an organization.

Sr. No.	Scales	Frequency	Percentage
1	Strongly Disagree	0	0
2	Disagree	90	45.0
3	Neutral	110	55.0
4	Agree	0	0
5	Strongly Agree	0	0
	Total	200	100

(Source: Compiled by Researcher)

The above table indicates that frequency distribution of item: The Cost per hire to hire a new employee costs very much to an organization. In this 200 employees from 20 different IT industries located in study area had expressed their opinion on above item. There was no any missing data for this item. 45 percent (90) employees disagree. 55 percent (110) employees have neutral opinion. Neutral response states that the 55% employees have neither positive nor negative opinion.

Therefore it can be inferred that 55 percent employees opined that the Cost per hire to hire a new employee costs very much to an organization. Cost per hire is one of the most valuable and most used HR and recruiting metrics. It helps you forecast what budget you need to hire over the next period and demonstrates how recruitment contributes to the bottom line. It also helps HR teams optimize the

recruitment process by investing their resources in recruitment channels and initiatives that bring in high-performing candidates and cutting spending on avenues that aren't bringing in a high ROI.

6) The percentage of employees that move through an organization promotions, transfers, and demotions is effective.

Sr. No.	Scales	Frequency	Percentage
1	Strongly Disagree	0	0
2	Disagree	0	0
3	Neutral	0	0
4	Agree	110	55.0
5	Strongly Agree	90	45.0
	Total	200	100

(Source: Compiled by Researcher)

The above table indicates that frequency distribution of item: The percentage of employees that move through an organization promotions, transfers, and demotions is effective. In this 200 employees from 20 different IT industries located in study area had expressed their opinion on above item. There was no any missing data for this item. 55 percent employees (110) agree. 45 percent (90) strongly agree.

Therefore it can be inferred that majority of the employees agree the percentage of employees that move through an organization promotions, transfers, and demotions is effective. Internal mobility rate alone is often not enough to create a clear picture, so it's important to analyze other HR metrics alongside it. For example, let's say you have an internal mobility rate of 5% and a turnover rate of 5%. This indicates that most of your open positions are being filled by the existing talent in the organization. For this to be true, the organization is likely good at succession planning, has a strong pool of skilled employees, clearly defined career paths, and effective mentoring and development programs in place.

However, if internal mobility is at 5%, but turnover is at 25%, it suggests that few open roles are being filled with existing talent, which means more resources are being used to hire externally. The greatest source of talent for any organization is its existing employees, and a solid internal mobility program can help businesses utilize this and reduce time to fill and cost per hire in the process.

7) The total cost spends per full-time employee by a company is optimum/effective.

Sr. No.	Scales	Frequency	Percentage
1	Strongly Disagree	0	0
2	Disagree	0	0
3	Neutral	0	0
4	Agree	70	35.0
5	Strongly Agree	130	65.0
	Total	200	100

(Source: Compiled by Researcher)

The above table indicates that frequency distribution of item: The total cost spends per full-time employee by a company is optimum/effective. In this 200 employees from 20 different IT industries located in study area had expressed their opinion on above item. There was no any missing data for this item. 65 percent (130) employees strongly agree. 35 percent (70) employees agree.

Therefore it can be inferred that majority of employees agree that the total cost a company spends on Human Resources per full-time employee is optimum/effective. HR cost per employee helps HR professionals stay aware of their departmental costs, measure overspending or underspending, predict future recruiting costs and calculate ROI.

8) The percentage of employees actively using the new technology at work is highly satisfactory.

Sr. No.	Scales	Frequency	Percentage
1	Strongly Disagree	0	0
2	Disagree	0	0
3	Neutral	0	0
4	Agree	100	50.0
5	Strongly Agree	100	50.0
	Total	200	100

(Source: Compiled by Researcher)

The above table indicates that frequency distribution of item: The percentage of employees actively using the new technology at work is highly satisfactory. In this 200 employees from 20 different IT industries located in study area had expressed their opinion on above item. There was no any missing data for this item. 50 percent (100) agree. 50 percent (100) employees strongly agree.

This indicates that the majority of employees agree the percentage of employees actively using the new technology at work is highly satisfactory. User adoption plays a significant role in the overall success of an organization. A low adoption rate can signal a lack of sufficient training or understanding of how the new technology can help employees perform in their roles at work. There may also be extra features or tools needed to utilize the technology effectively. With this data, HR teams and business leaders can make improvements and track progress.

V. FINDINGS AND SUGGESTIONS

Findings:

- 1) It is noted that the employees have given more importance to different variables (like employees happiness in their work, sufficient training provided to perform their role, employees good relationship with colleagues, employees recommendation to an organization as an employer to others) of assessment of New hire Performance attribute which results that there is a great importance of assessment of New hire Performance attribute of IT Industry in the study area. A low engagement rate could indicate weaknesses in your hiring, onboarding, and training processes and will help you start to tackle these. Equally, employee engagement will show you who your star players are the ones who are prepared to put in extra time, effort, and attention to their work and will go above and beyond for the business—and it's crucial that you don't let these employees slip through the cracks.
- 2) It is found that 50% employees agree and 50% employees have a neutral opinion in respect of IT industries focused on the employees who remain in an organization over a set period compared to the total number of employees who worked there during that time is minimum. 50% annual staff turnover rate wouldn't be considered poor in fast-churn sectors like IT Industry or retail. Turnover rate is an important metric to track because it can reflect your company culture and current HR processes.
- 3) The majority of employees agree about the unplanned absences during a set period, whether due to illness, stress, a fake sick day, or anything else, but does not include holidays or lateness is excellent. Generally, 1.5% is deemed a healthy absence rate, given that it's impossible to prevent illnesses all of the time. However, it's important to note that certain illnesses (such as the flu or Covid-19) can result in an employee being absent for a few weeks, which would bring their absenteeism rate up to over 4%. But an absenteeism rate higher than 1.5% can often indicate the absence is due to something more serious such as stress or burnout, lack of engagement, or conflict with team members.
- 4) It is found that the employees agree the training program provided in the organization impacts an employee's knowledge, skills, and performance and in turn, affects the company's efficacy. Measuring your training effectiveness can help you gauge how useful your current offerings are and how you can improve them. More effective training results in greater employee performance and satisfaction, improved team morale, and a higher ROI.
- 5) It is noted that 55 percent employees opined that the Cost per hire to hire a new employee costs very much to an organization. It helps HR teams optimize the recruitment process by investing their resources in recruitment channels and initiatives that bring in high-performing candidates and cutting spending on avenues that aren't bringing in a high ROI.

- 6) It is found that the employees agree the percentage of employees that move through an organization promotions, transfers, and demotions is effective. Internal mobility rate alone is often not enough to create a clear picture, so it's important to analyze other HR metrics alongside it. For example, let's say you have an internal mobility rate of 5% and a turnover rate of 5%. This indicates that most of your open positions are being filled by the existing talent in the organization. For this to be true, the organization is likely good at succession planning, has a strong pool of skilled employees, clearly defined career paths, and effective mentoring and development programs in place.
- 7) It is found that the employees agree that the total cost a company spends on Human Resources per full-time employee is optimum/effective. HR cost per employee helps HR professionals stay aware of their departmental costs, measure overspending or underspending, predict future recruiting costs and calculate ROI.
- 8) It is found that the active use of new technology by the employees at work is highly satisfactory. User adoption plays a significant role in the overall success of an organization. A low adoption rate can signal a lack of sufficient training or understanding of how the new technology can help employees perform in their roles at work.



VI. SUGGESTIONS:

- 1) Every IT leader wants to create a fast, efficient, and innovative IT organization. After all, in today's rapid-paced business world, a creative, productive IT team is vital for staying ahead of the competition, increasing revenue, and becoming a market leader.
- 2) To establish a high-performing IT culture, IT leaders should be able to push their teams to the limit without crippling morale. Improving IT team performance is a constant, ongoing effort.
- 3) In order to retain employee's in the organization, company managers should explain about the jobs to new hired employees. The new hires should be welcomed by their managers and colleagues and integrated into their teams. They should have on top of pay equity, and should offer competitive benefits to them that value.
- 4) Prioritizing transparent communication should be developed to maintain positive team morale. When approaching your team about performance improvements, present the specific challenge areas and propose solutions to drive the desired results. This will show the team that leadership has put real consideration behind the approach and is willing to assist when needed. A full-team communication approach also demonstrates a strong commitment to working through challenges as an organization rather than as individuals. Transparent communication gives teams a better understanding of important issues, including clarity about why and where there's need for improvement. Being able to address specific concerns that need to change is key to keeping team morale high, as opposed to providing generalized feedback.
- 5) There should be encouragement to team members to communicate openly — listening to their concerns and providing opportunities for skill development is essential. This strategy is advantageous because it links individual development to overall team performance, thereby fostering a sense of purpose. Prioritizing a collaborative and supportive culture allows for consistently high performance while maintaining high IT staff morale.
- 6) IT companies should invest in teams and make sure everyone has the skills necessary to take advantage of the technologies, especially in today's fast-paced AI-driven era where change is the only constant. At the same time building an environment that encourages and provides continuous learning opportunities is essential. Beyond boosting morale, consistently upskilling and reskilling the existing workforce helps IT teams free time to deliver on high-value projects that drive performance and prepare the organization for an era of AI-driven intelligence.
- 7) Managers should help the team feel more engaged and motivated. Creating a culture of inclusion, combined with purpose-led daily acts, can also help team members feel connected to each other and to the shared purpose of the organization. Engagement is a critical success factor that leads to a highly successful business and fuels superior performance,
- 8) Company should promote a healthy work-life balance, encouraging breaks, vacations, and flexible schedules is essential. A well-rested, rejuvenated team is a productive team. It's also important to recognize and reward both individual and collective achievements. Foster a positive, supportive environment where everyone feels appreciated for their contributions.
- 9) A flexible working from home policy should be used which could help reduce absenteeism. If employees are paid a full day's work even when absent, you might consider rewarding and incentivizing the employees with the lowest absenteeism rates on a quarterly or annual basis through a small bonus or gift.

VII. CONCLUSION:

The IT industry and its operation have attracted the concentration of a considerable number of academicians and researchers in the last decade, as the industry has proven its uniqueness in nature, operation, contribution to GDP and HR practice. The IT industry is distinguished from other industries, by fast changing technology, quality conscious and multinational clients, stiff international competition and shortage as well as fast obsolesce of skill, although the success of IT companies depends on its' talented and skilled workforce. As a result, measurement and management of performance of individual, team and the organization as a whole is a requisite.

Evaluation of New hire Performance can help determine the scope of growth in an employee's career and the level of motivation with which he/she contributes to an IT organization's success in the study area. Evaluation of New hire Performance lets an employee understand where he/she stands as compared to others in the organization.

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