

# People Issues in Telecom Industry & HR Preparedness: A Study of Indian Companies

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*This paper examines how HR issues are being addressed by the three major telecom companies in India, i.e., Airtel, Vodafone & BSNL. The important challenges being faced by this industry are: shortage of skilled talent; managing employee turnover and employee engagement; dealing with lay-offs; and creating gender balance. In terms of the preparedness to deal with people-issues, HR departments of the companies are coming up with provisions to deal with these problems effectively. The private companies are found better prepared to deal with people-related challenges than the public sector company. The study comes out with some recommendations for dealing with industry-specific HR challenges effectively.*

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## Introduction

Today, India is the second-largest telecommunications market in the world with a subscriber base of 1.05 billion. It has registered a strong growth during the last decade and a half with India's tele-density increasing from 17.9 in 2007 to 92.59 in 2017. According to data provided by the Telecom Regulatory Authority of India (TRAI) for 2017, India has the 3rd highest number of internet users in the world. The country accounts for the fourth largest app economy in the world. International Data Corporation (IDC) predicts that in the coming years, India is likely to overtake US as the second-largest smartphone market globally and it will maintain a high growth rate over the next few years as more and more Indians are switching to smartphones and upgrading to 4G connections. Indians have become the biggest followers of Facebook, WhatsApp and Twitter and specifically on mobile, outside of the US. Indian enterprises and SMEs are adopting cloud-based services to increase the quality and reach of their offerings. E-tailers have become the first large business segment in India to exploit consumer analytics (PWC, 2015). As the Indian

telecom sector is growing rapidly it will contribute to India's gross domestic product (GDP) substantially. Today the telecommunications industry is a key enabler

**Table 1** Growth in Total Telephone Subscribers in India



of productivity and is a significant contributor to the expansion of economic activities within India. The liberal and reformist policies of the Government of India along with strong consumer demand have been instrumental for the rapid growth in the Indian telecom sector. A fair and proactive regulatory framework as well as easy market access to telecom equipment ensured availability of telecom services to the consumers at affordable prices. Another reason that has made the sector one of the fastest growing and a top five employment opportunity generators in the country is the deregulation of Foreign Direct Investment (FDI) norms. According to Nasit (2011) the Indian telecom sector has witnessed an exponential growth, after liberalization, which has helped the country for its economic development. It has also emerged as one of the major contributors to economic growth, as there exists a positive correlation between the penetration of mobile services and internet on the growth of

GDP of a country (Baruah & Baruah, 2014). An estimation by World Bank reveals that in the developing countries, an increase in mobile and broadband penetration increases the per capita GDP by 0.81 and 1.38 percent respectively (Joshi, 2014).

**The Indian telecom sector has witnessed an exponential growth, after liberalization, which has helped the country for its economic development.**

In recent times, India has witnessed significant transformation in the telecom industry. In the last decade the telecom sector has experienced a major transformation in terms of its market structure, technological content and growth (Shah, 2008) through joint efforts of the Government and private players (Tarab, 2012). This is an interesting sector in India to study, due to unprecedented tech-

nological breakthrough and high level of competition in the area, and the volatile nature of the industry. Currently, the telecom market is highly fragmented with only a few private players having stiff competition among themselves for market share, leading to a stiff price war among them to lure larger number of customers.

### **People in the Telecom Sector**

The unprecedented growth of business in the sector has placed a special focus on human resources. It is often argued that proactive HR measures are critical for organizations to achieve their objectives. Research indicates that human resource plays a crucial role in service companies (Schneider & Bowen, 1993) and to gain competitive advantage, service organizations are laying greater emphasis on human resource management practices for enhanced corporate performance (Som, 2008). In the VUCA (Volatile Uncertain Complex and Ambiguous) world, the telecom industry has been considerably affected because of unimaginable competition, sweeping revolutions in technology, growing consumer needs, and the evolving regulatory environment. In this backdrop, people-issues become quite important in the telecom industry.

Ernst & Young's (2014) Global Telecommunications Centre has highlighted some of the risks associated with the telecommunication industry as: failure to recognize new roles in the evolving environment; dearth of performance measurement to drive execution; failure to

comprehend customer values, and failure to embrace new routes to innovation. With the changing context, it is quite evident that Indian telecom industry is facing similar challenges in the HR domain, i.e., finding and creating a large number of sound technical workforce and imparting technical know-how to employees. The increasing job complexities have also a direct impact on the people-issues, and subsequently, impacting the existing HR practices.

### **Present Research**

Telecom industry has been selected here because of the importance of this sector to the overall growth of Indian economy and also because of the changing business scenario this industry is facing at this moment. In this research, an attempt is made to identify important people-related issues of the telecom industry in India and how these HR issues are being addressed by the selected telecom organizations. The study also seeks to identify the gaps, if any, between the HR practices being followed and the evolving people-issues in the telecom organizations. The analysis would help to put forth recommendations to improve the HR practices. Keeping the above in view this work is undertaken with the following objectives:

- To identify and understand people-related challenges in the telecom industry.
- To study the HR preparedness and practices being followed by some of the leading telecom companies to ad-

dress these issues and highlight the gaps, if any.

- To come up with recommendations to address the challenges effectively.

### Methodology

Three leading organizations in the telecom sector in India have been taken up for this study. These are Bharati Airtel, Vodafone-India and BSNL, the leading players in this field having the majority market share. They represented both private (Airtel, Vodafone) and public sector (BSNL). The case study method has been used for the study, which is based on secondary sources, i.e., the literature produced by the select companies, journals, articles, newspapers, websites and books. Data-driven approach was followed to study the objective and the practices being followed by the organizations using a 'research question-driven' approach.

### Shortage of Skilled Talent

Being the fastest growing sector in India, the telecom industry is expected to generate a large no of direct and indirect jobs over the next five years. According to the Job Outlook Survey 2016-17 employment opportunities are expected to be created because of a combination of government's efforts to increase penetration in rural areas and the rapid increase in Smartphone sales and rising internet usage. The IT and telecom sectors may, thus, hire the biggest numbers of employees in the coming years. But with this opportunity comes the challenge of skill-shortage to fulfill the de-

mands of the industry (Business Standard, 2017). Increased usage of Smartphone, roll-out of 4G technology, escalation in data storage capacity, introduction of digital wallets and constant increase in demand for technology are likely to lead to growing skill-gap in the telecom industry.

**Indian telecom firms are struggling to scale resources to meet the new challenges like technology shifts, where automation and artificial intelligence take over routine jobs.**

Indian telecom firms are struggling to scale resources to meet the new challenges like technology shifts, where automation and artificial intelligence take over routine jobs. A study carried out by Emeritus Institute of Management (2017) in India amongst the 350 c-suite level executives of IT/ITeS, manufacturing and Banking, Financial Services and Insurance (BFSI) sector, identified that nearly 85 percent of the IT services firms consider "mismatch between skills required and the skills that are available in the market" as the second most critical problem. This has been supported by another research carried out globally by the Ernst & Young in 2017. The report suggests that over half of all companies surveyed (53%), know that to achieve their stated objectives, they need to hire or acquire specific skilled talent. But there is a shortage in the market in this field. This bigger challenge of skilled employee shortage in the near future, leads to sub-challenges of hiring of right

talent and their skill-development through effective training.

### **High-attrition & Low Engagement**

Another important people-issue is the high attrition and low engagement. Speedy growth of the telecom industry has encouraged the government to allow more players in the field. The players' attempt to acquire larger market share has led to an intense price war leading to declining revenues per user and affected the balance sheets of most players. Post the entry of Reliance Jio and due to the impact of demonetization, the telecom industry at present is going through major HR hurdles. It is estimated that the attrition across levels will be high but it will not be easy to find jobs within the sector. This is because all telecom firms are facing cost-cutting pressures and only if there is a need that cannot be internally fulfilled, they will go for hiring from outside. The telecom players may not be able continually poach from other sectors like the FMCG which had previously lost its manpower to them.

Krishnan (2012) points out that in India the higher number of market players has led to increased migration of intellectual capital between organizations. Thus, managing employee turnover has become a major challenge and organizations are focusing more on the methods and techniques to increase employee engagement and reduce attrition. Krishnan and Sethuramasubbiah (2012) have tried to draw a relation between low-engagement of the employees in the telecom sector and the high-attrition it

faces. They argue that the high competition in the industry has led to a stiff price war responsible for dwindling revenues per user and data usage. In a competitive environment, where employees circulate among organizations, taking away the intellectual capital with them, the role of any organization in engaging and retaining employees becomes paramount. Ramachandran (2015), Director, HR, Vodafone-India agrees that it has "become incumbent for telecom operators today to be sharper in the way talent with the right skill sets are retained, rewarded and recognized, given the hyper competitive nature of the Indian telecom industry".

### **Lay-offs**

Because of the highly competitive price-war started by Reliance Jio Infocomm in the telecom market in 2016, hiring in India's telecom industry slumped by up to 40 percent because there was a no recruitment, to save cash. Operators and recruiters of various companies hold that in 2017, they will be cautious while taking decision to recruit to tide over severe financial stress (Sengupta & Banerjee, 2016). According to Centre for Monitoring Indian Economy (2017) about 1.5 million jobs were lost in January-April 2017, which means fewer avenues for employment in India in this sector in the days to come.

A recent front-page news in Economic Times by Lakshmikanth (2017) mentioned that in the last one year telecom sector lost around 75,000 employees, one fourth of its workforce. In

the face of aggressive operators, tower firms and vendors are struggling to consolidate their hold in order to remain afloat in the market. Many players are shrinking their operations, shutting down shops, and shedding workers to run their business. According to some estimates, about a year ago there were three lakh employees in telecom sector and in the last 12 months, 25 percent have lost their jobs (Ramachandran, 2017). At least 25-30 percent of those asked to quit were from the middle and senior levels having niche skills. As mergers are taking place and manpower is getting slashed, about 2.25 lakh employees left in the sector have started facing turbulence in this sector. Employees with niche skills are also finding it harder to adapt to other industries. With price wars likely to deepen further, the top line is going to face the axe and those retained are confronted with very low or no incentives.

### **Gender Diversity & Low Women Participation**

One major challenge in this sector is the low representation of women employees, who bring diverse skill-sets to the workplace like higher emotional quotient, active listening, innovative ways of problem resolution, conflict management etc. Hence, for this industry to work at its best, the involvement of women is highly desirable. According to the 'Gender Diversity Benchmark for Asia 2014 study', the telecom sector in India has an average of between 8 and 15 percent of women work force, far less than the 26.6 percent overall female participation rate in the country (Menezes, 2014).

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There are many reasons why women do not prefer this sector, but the major one is the nature of job itself. It requires travelling to far-flung remote areas, which are not always safe for women. Apart from difficulties involved in the operations and maintenance divisions, there is also internal pressure of building informal relationships with dealers and channel partners (Menezes, 2014), as this is a primarily sales-driven sector. Hence, women do not prefer such jobs even if it involves an attraction to work in one of the most buoyant industries in India. Another reason why women do not join this sector is that there is less likelihood of them being considered for critical global positions. While the nature of job of the telecom industry cannot be changed, there is a need to create a conducive ecosystem where women employees may feel encouraged to join and thrive. There is a need for creating gender balance in the telecom workforce, by having more policies conducive to women at the workplace.

### **Bharti Airtel**

For studying the HR practices three leading organizations namely Bharti Airtel, Vodafone and BSNL have been selected.

Formed in 1995, Bharti Airtel (popularly known as Airtel) is headquartered in New Delhi and operates in 17 countries. A survey by Business World in 2013 found it as the most respected in the field. Airtel continues to lead the market with 29.80 percent market share (ET Telecom, 23 October 2017). It has 14459 permanent, 17043 sub-contracted, 1377 women and 59 disabled employees. It focuses on creating a high-performance ecosystem and attributes its success to people who “consistently deliver in a world, where easy growth has become passe.” It is a multi-national, multi-ethnic and multi-business-line company with a multi-cultural global work-force. It is dealing with the challenges in the following manner.

**It focuses on creating a high-performance ecosystem and attributes its success to people who “consistently deliver in a world, where easy growth has become passe.”**

*Skill shortage:* Airtel maintains that through training, it can deal with this challenge. It provides more than 60 hours of training per employee and during the year 2014-2015, it organized over 190 unique training interventions, including 140 competency-based trainings and 45 functional and leadership-based trainings. Additionally, this issue was addressed through job-postings, as published on its online portal.

*High-attrition & Low-engagement:* The following four tenets are being followed to define the company’s people-centric approach. As per its claims, it came out with programs like (i) “*I know*

*what to do*” (to increase the ‘know-how’ of the jobs); (ii) “*I have a future here*” (providing long-term career path and growth prospects); (iii) “*I feel energized and connected*” (relating to employee motivation and engagement); and (iv) “*I am confident of delivering*” (overall psychological health an employee experiences). All this aims at building loyalty and cultivating a feeling of emotional connect with the company to give an employee confidence to deliver results.

The company also claims to take care of the employees’ health and safety, assuming that it would make them more committed, engaged and productive. It emphasizes on safety: workplace safety, women safety, health, road safety and emergency management and has aligned its safety-systems to international standards (Occupational Health & Safety Standard– OSHAS 18001). It rolled out a ‘Workplace Safety Policy Statement’ at its circle levels, asking the circle management to form a safety committee with details of the roles and responsibilities of the employees to provide and maintain a healthy and safe working condition.

*Lay-offs:* After a restructuring exercise, Airtel has made hundreds of jobs redundant and worked with an ‘ecosystem of partners to identify suitable placement opportunities’ (Economic Times, 2012) for laid-off employees using the services of specialist transition counseling organizations to help them define their new careers.

*Gender Diversity:* Keeping gender equality/diversity in view, Airtel takes

many steps to inspire women's trust in the organization. In compliance with the law on prevention of sexual harassment, Airtel has set up internal complaints committees consisting of a presiding officer (a senior level woman employee), a member with legal expertise and experience in social work dealing with such matters, a member from an NGO having relevant experience, and a member from the Ombudsperson's office. So far, six cases of sexual harassment have been dealt with and the guilt has been proven in three cases and the concerned employees have been punished. Women's safety remains an area of concern at Airtel and it organizes regular interactive, inspirational and motivational sessions, attended by its women employees. These sessions address women's issues/concerns which discourage them from joining sales-driven organizations.

### **Vodafone**

Vodafone India Ltd is an Indian subsidiary of the UK-based Vodafone Group plc, the world's second-largest mobile phone company. Its operational head office is in Mumbai. In terms of its subscriber base, it is the second largest telecom company in India after Airtel, with a subscriber base of 141, 519,840 (21.54 percent of the total 657,158,013 Indian subscribers).

The total average workforce of Vodafone worldwide was 105,970, as on March 31, 2015. Women comprise 20 percent of the workforce and the company hopes to increase the number to at least 30 percent. From just one female

zonal manager in 2013, the company increased the number to 17 in 2015.

Vodafone's tagline, 'Power to You' reflects its philosophy that 'the company is at its best when its people are at their best'. Accordingly, Vodafone-India has many practices and processes to invest in its people and turn them into loyal and productive employees. The company has evolved sound HR practices to deal with the following common challenges enumerated above.

**'Power to You' reflects its philosophy that 'the company is at its best when its people are at their best'.**

*Skill-Shortage:* Vodafone-India invests on training and claims that it follows the right recruitment strategy to deal with the challenge of shortage of skilled talent. It provides easy access to learning to its employees and follows the 70:20:10 principle that is 70 % on the job learning, 20 % on coaching, and 10 % classroom trainings. It has a structured plan for its new recruits. New senior leaders follow a 90-day monitored plan to learn essential technical skills and programs, meet the right people and get practical market experience. There is also a coaching for leadership-impact program which provides leadership-skills training to line-managers. Sufficient care is taken to develop cross-functional capabilities to enhance individual performance and productivity.

It has various programs to take care of the employees' higher studies needs.

It has an e-learning program, comprising customized modules, with access to 'Harvard Manage Mentor', a tie up with Harvard University. The employees can also access Quench Online library. Another initiative, Vodafone Scholars provides employees with assistance for management programs, through accredited institutes/universities, for business-related course work.

The company has developed a talent review process to identify high-potential employees and invest in their leadership development. The management undertakes regular succession planning discussions. Some initiatives taken for leadership development are: (i) a 12-month program 'Senior Leadership Acceleration Series', focusing on individual assessment and development; and (ii) 'Leading in the Vodafone way' program to internalize the values and vision of Vodafone-India.

To improve the recruitment practices to help bring down skill-shortage, Vodafone has an active online portal (<http://www.vodafone.in/careers/>) for job-postings and opportunities within the company for attracting right talent for right type of business-related needs. It also has a "Discover Campus Initiative" program to identify, retain, and develop high quality talent from good Indian educational institutes. Apart from recruitment, it grooms its junior managers for leadership roles through a rigorous program of cross-functional exposure through job-rotations. After one year of posting in important and strategic roles, their careers are tracked closely for 3.5 years. Across Vodafone Group, some of

the 'Discover Trainees' were given the opportunity to participate in 'Columbus', the 2-year International Assignment Program.

*High-attrition & Low-engagement:* The above-mentioned training and coaching programs are also effective tools for employee engagement and retention. Some of the other HR practices designed for this purpose at Vodafone focus on compensation, work-life balance, workplace safety, road safety and well-conceived rewards program.

Vodafone has a market-competitive compensation plan catering to employee needs and aspirations. It conducts annual surveys to get feedbacks from the employees about 'fairness' of the compensation given to them. This 'Demystifying the Black box' initiative is aimed at ensuring transparency in the reward system. An on-line e-module titled "Power to You", has been designed for about 2500 people-managers to facilitate their understanding of 'why they get paid and what they get paid'. Vodafone also takes inputs from its employees regarding their coaching and development needs throughout the year.

For better *Work-Life balance* Vodafone provides extended maternity leaves for 16 weeks instead of the standard 12 weeks. Male members can avail a paternity leave of one week from the day of birth of the baby. Once the new mother is back on job, she is eligible for flexi-hours for up to six months from the day of delivery, and entitled to work for only six hours a day.

To ensure *safety while commuting* for women employees working late hours, Vodafone provides home drop-facility and reimbursement for conveyance. It has come up with 'Absolute Rules' for its employees to follow the best safety-practices in five risk-areas: road safety, electricity, working at height, working with underground cables and working with contractors.

It has a fairly robust system of appreciation and recognition of high performers. Its employees are awarded titles at three levels: SSTars, Super SSTars, and Mega SSTars, for adhering to the company's core values: SSTars – Speed, Simplicity & Trust. Apart from this, there is a quarterly recognition program for best zone in each region called 'Region Stars'. To promote competition among circles, it has a 'Circle Combat' initiative. The front-ranking sales employees among best performers nominated by each circle are recognized as Vodafone's 'Strike force', and consistent high performers are recognized as 'Global Heroes'.

*Lay-offs:* Idea-Vodafone merger is likely to lead to 'the mother of all lay-offs', and take out 10,000 jobs in the telecom sector (Human Resources, India, 28 March 2017). However, according to Vodafone Group CEO, Vittorio Colao (Business Today online, 13 April 2017) there was 'no job threat' to employees after the merger. He admitted that there was no HR policy at Vodafone to deal with lay-offs.

*Gender diversity:* Currently Vodafone India has 18 percent women

employees, which is the highest in the sector in India. It is making a conscious effort to ensure gender diversity in its workplace and has undertaken multiple initiatives to strengthen diversity, inclusion and women empowerment. Measures like increasing women hiring rates consistently and placing women in high positions indicate the processes and the culture within the company encouraging women to take up strategic positions. Currently, 17 of the 95 zones of Vodafone-India are headed by women. There are around 21 women employees at the DGM, GM, Head, AVP levels. Under Vodafone's flagship campus hiring program, 'Discover', in 2017, 50percent of women trainees were hired, compared to 39.5percent in 2016. The company has taken several steps for making the atmosphere conducive to women employees. Besides extended maternity leaves, flexi-timings, home-drop facility, etc. it has 'Angel Stores', staffed only by women, at security, pantry, customer service, as well as management levels. Launched in 2013, with 15 stores across 13 states, at present there are 34 stores in 21 circles.

### **Bharat Sanchar Nigam Limited (BSNL)**

An Indian state-owned Telecom company, BSNL was established on September 15, 2000. It took over from the erstwhile Central Government Departments of Telecom Services (DTS) and Telecom Operations (DTO), with effect from October 1, 2000. Headquartered in Delhi, BSNL is India's oldest communication service provider. As of June, 2015 it had a customer base of 93.29 mil-

lion. With the largest market share of more than 60 percent in fixed-telephony, it is the largest provider of broadband services, and sixth largest mobile telephony provider in India.

BSNL reported a net loss of INR 823.4 million during 2014-15 (dnaindia.com, November 2015) and incurred a total loss of INR 702 million in 2013-14. The gap is widening on account of asset depreciation calculated as per the Companies Act, 2013. However, if calculated under the previous Companies Act, the net loss would have come down to Rs 5,370 crore, which is a turnaround showing a low debt-equity ratio.

In light of the above, it will be interesting to look at the HR challenges and practices of the company which currently has a large reservoir of highly-skilled and experienced workforce of about 3,57,000 personnel.

*Skill-shortage:* Much like Vodafone, BSNL focuses on training and recruitment to address the issue of talent shortage. It posts job vacancies on its sole official website, which takes care of various skill requirements of the company. This is a very active portal with continual notifications regarding recruitment drives.

BSNL also tries to address the shortage of skilled talent through skill-building/development efforts, which is taken very seriously in the company. Across the country, BSNL has state-of-the-art telecom training centers, well-equipped with telecom technology training and teaching aids, i.e., modern audio-visual

aids, libraries, hostels, lecture rooms etc where employees are trained for technology upgradation, modernization and computerization to meet technology-related challenges.

The apex training centers of BSNL “Advanced Level Telecom Training Centre (ALTTC) at Ghaziabad, and Bharat Ratna Bheemrao Telecom Training Centre at Jabalpur” are comparable to any world-class telecom training centre elsewhere. Moreover, 43 zonal training centers and a National Academy of Telecom Finance and Management have been running for several years now. In these centers, diverse curriculum is run for imparting technology-based training, training for attitudinal change, basic educational and skill development programs etc.

The annual report of the company (2015) states that “As part of the Skill Development Program of the Government of India, in addition to already existing programs, various new programs and schemes have been launched like National Skill Development Training under which 7674 students were allotted to BSNL. Under the skill-development initiatives taken under the New Telecom Policy 2012, 17 premier telecom training centers of BSNL have been registered so far, spearheaded by National Telecommunications Institute for Policy Research, Innovation and Training (NITPRIT), Department of Telecom (DoT).

*High Attrition, Low Engagement & Gender Diversity:* There is no specific information available on the practices being followed to deal with these challenges.

**Table 2 Comparison of the HR Practices Being Followed by the Telecom Companies to Deal with People Related Challenges**

People-related Challenges	Bharti Airtel	Vodafone	BSNL	Assessment
Shortage of skilled talent	Competency-based, functional and leadership training interventions. Robust training processes. Job postings on the online portal.	Various training programs at different hierarchical levels. E-learning. (Harvard Manage Mentor). Recruitment: 'Discover' campus initiative.	In-house technical trainings. Skill-development initiatives under the new telecom policy. Job postings on the online portal.	All the three companies seem to take this challenge seriously.
High attrition and low engagement.	High performance ecosystem focusing on the job-knowledge of employees; long-term career path; improving the confidence on the job; Focus on health and safety, workplace safety for better employee-engagement programs	Proper implementation of rewards and recognition programs; Fair compensation; Good work-life balance; Safety of women.	No specific practices.	Vodafone and Airtel are better equipped than BSNL.
Dealing with lay offs	No specific HR policy as such to deal with the issue of lay-offs.			No detailed information found in this regard.
Gender diversity	Focus on women's safety. Prevention of sexual harassment of women at the workplace.	18% women in workforce; Places women in high positions; 50% women hired under the 'Discover' initiative in 2017; Angel stores run by women employees.	No specific practices	Vodafone has undertaken multiple initiatives in this regard.

## **Discussion**

The Indian telecom industry is evolving at breakneck speed and struggling to keep pace with customer demands and sweeping changes in technology. It is making the overall business environment in this sector extremely competitive and volatile. Since the entry of Reliance Jio in September 2017, the telecom sector is reeling under INR 500,000 crore of debt and facing a sharp fall in revenue, profitability and free cash flows. Major players like Vodafone-India and Idea Cellular are on track for a merger, while Bharti Airtel has announced its intention to pick up the wireless business of Tata Teleservices. Reliance Communications has decided to withdraw most of its wireless business by December 2017, while Aircel is believed to be concentrating on a few niche circles and winding up business in others. The challenges faced by the companies in this sector have a direct impact on their human resource activities. The objectives of the present study are to identify and understand the people-issues being encountered by the telecom industry and to also to analyze the HR practices being followed by some of the leading telecom companies to address the evolving challenges in this sector. Keeping the increasing complexity

**The common people-challenges the telecom sector of India is facing today are: shortage of skilled talent; high attrition and low engagement; poor gender diversity and low participation of female workforce; and managing layoff.**

of the fast-changing business environment in view, the common people-challenges the telecom sector of India is facing today are: shortage of skilled talent; high attrition and low engagement; poor gender diversity and low participation of female workforce; and managing layoff.

It was found that most companies in this sector regarded shortage of skilled talent as an important challenge. Technology continues to fundamentally reshape the telecom world, and companies need people who are on a continuous learning mode as regards newer ideas and skills. With increased automation, this industry will continue to see a rise in high-skilled jobs and it is likely to face a dearth of sufficiently skilled manpower in the near future. To create the desired workforce in advance through recruitment and selection or by training is a daunting challenge. In terms of dealing with this challenge, all the three major players i.e. Bharti Airtel, Vodafone and BSNL seem to be quite well-prepared. The robust training processes followed at Airtel is focusing on competency-based, functional and leadership training. To deal with this particular challenge, Vodafone is executing various training programs continuously at different hierarchical levels; focusing on E-learning and on recruitment. Similarly, BSNL has robust processes for in-house technical trainings; skill-development initiatives and job postings on its online portal. Though the leading telecom players are showing high preparedness to deal with the challenge of skill-shortage, it will be interesting to see if the current practices have the capability to deal with this challenge fully.

Managing employee turnover has been identified as another major challenge for the Telecom industry in India. Insufficient payment, work pressure and external pressure contribute to high employee turnover rates in this sector. The increased number of market players has led to large-scale migration of intellectual capital between organizations. This can lead to low engagement, and motivation and low job satisfaction and it bodes trouble for the industry as a whole. Research suggests that high employee turnover arrests the productivity, thereby impacting growth and lower turnover is positively correlated with productivity (Glance, Hogg & Huberman, 1997). Employee engagement in telecom industry is a complex challenge and it cannot be guaranteed with a uni-dimensional approach of focusing on a single HRM practice. It seems telecom companies in India are realizing the importance of retaining their employees and engaging them at work and are trying to take appropriate measures to deal with this challenge. Airtel tries to address this issue by developing an ecosystem which focuses highly on performance. It has come up with various other practices like developing long-term career path; improving the confidence of the employees on the job; and focusing on health and safety of employees for better employee-engagement programs. Vodafone is trying to check employee-attrition by providing its employees fair and competitive compensation. For better employee-engagement, it is implementing reward and recognition programs; focusing on good work-life balance; and also on the safety of women. But surprisingly, there is no

such information about BSNL even identifying it as a challenge and aiming to deal with such an important human resource issue.

Another important HR issue for the industry is 'lay-offs'. The telecom sector has witnessed a 10-15 percent drop in hiring at senior management level and has noticed 25-33 percent drop in the overall workforce (Lakshmikanth, 2017). This is a clear indication that employees are operating in an uncertain environment and are unsure about their job. In this context, managing human resource is the biggest challenge. It is going to affect various HR practices like staffing, manpower planning, training & development, attrition and employee engagement. However, none of the companies taken up for this study has shared any critical information with regard to their strategies to deal with the lay-offs. This goes with the practice in India of leaving employees in the lurch during lay-offs. However, Airtel has started addressing this issue to some extent by expressing its willingness to work with specialist transition counseling organizations for laid-off employees.

Gender-balance remains a critical issue in this sector. It is observed that private players like Airtel and Vodafone are more willing to evolve policies conducive to women at the workplace than BSNL, which has no literature to suggest that it is concerned about the issue. Among the three companies taken up for study, Vodafone-India is seen to be consistently increasing the number of its women employees, while other two com-

panies still need to do a lot to ensure gender diversity. Vodafone has around 18 percent of women employees. In 2015, through the 'Discover' initiative it hired 58 percent of recruits as women. It has been placing women at senior level positions too. Airtel has come up with a few gender sensitive policies like focusing on women's safety and prevention of sexual harassment of women at the workplace. In case of BSNL, however, there is no mention of any practices in this regard. It is understood that being a public-sector company, it is obliged to provide the necessary facilities to its women employees, which are mandatory.

It was found that all the organizations are trying to deal with attrition by creating and implementing conducive HR policies for their employees, giving them career growth opportunities, conducting employee satisfaction surveys, trying to make appraisal, promotion and compensation just and fair. Hiring has also been emphasized in all the three organizations to overcome skills-shortage and all the industries pay special attention to it with dedicated hiring policies. All of them have their online portals to advertise the companies as dream employers, highlighting their work culture and to attract potential employees in their own separate ways.

### **Recommendations**

Based on the above findings, the present study has the following recommendations to improve the performance of the telecom companies in India operating in a highly fluid and dynamic technological environment.

As required skills are changing rapidly, telecom companies are looking inside their organizations for solutions, choosing to develop and train their own people. To meet the talent-shortage effectively the companies under study are required to spend sufficient effort in the area of skill-development and creation of a talent-pool for their future need. For this purpose, proper manpower planning needs to be done and necessary steps should be taken to hire employees having the right talent. The gap between the expected future talent and the existing talent within the company must be filled by taking appropriate steps in the right direction, that is, by providing timely training to the current employees across different hierarchical levels or through timely hiring of talent from outside. The companies may also start collaborating with various academic institutions to build ready talent for future recruitment.

Attrition issues can be handled to a great extent by creating the right opportunity for the young professionals. To deal with the challenge of high attrition of employees, the telecom companies need to hire the right employees. HR department needs to be absolutely sure that the candidate they are hiring is 'fit' not only for the job, but for the company culture as well. As this sector is going through a phase of transition characterized by uncertainty and complexity, companies should opt for people having the tolerance for ambiguity. It is also imperative to devise innovative practices to retain the key talent having high potential or in critical roles especially when organizations look forward to capturing ag-

gressive market share. Telecom companies may think of disproportionately rewarding the high performers and retaining them and helping them to grow with the organization.

Employee engagement is a complex phenomenon. At this juncture, employee engagement has become an essential thing for the telecom sector, especially to deal with the volatile environment. Showing a genuine interest in employees and investing time in understanding their needs and aspirations will help the companies to send the message that their contribution is valued. To improve employee-engagement, the telecom companies are required to provide attention to many human resource practices such as induction, appropriate role allocation, career development, fair and robust appraisal mechanism, competitive compensation and benefits, proper work-life balance etc. These companies need to highlight fostering right organizational culture and HR climate and learn from each other's practices to address this important issue.

Another ongoing challenge is the unprecedented lay-offs because of the uncertain environment. Letting people go is an emotional event — not just for those being laid off but for those who remain. Those who leave need help with the transition to new employment. The employees who survive the layoffs also need reassurance about their future and a clear understanding of the strategic goals behind the cuts. The companies need to have a proper policy regarding lay-offs to make the whole process transparent for

the satisfaction of everyone concerned. It is not only the HR managers, but also the line managers who need to have the skills to handle the lay-offs carefully. In this kind of business scenario, the telecom companies must collaborate with specialist organizations dealing with such transitional issues to provide outplacement service to their employees. It takes a combination of mature, progressive, employee-friendly measures and a passionate, brave and empathetic HR leader to convert a traumatic layoff decision into a dignified separation.

Poor gender diversity and low participation of female workforce is another challenge of the telecom sector which can be handled systematically. Somehow, telecom sector has not been very successful in this regard. Indian telecom companies should create an employer branding which helps in attracting more women candidates by having better women friendly policies and allowing women to move to leadership positions and minimize the existing gender-gap in this industry.

### **Conclusion**

In the virtual world by having 700 million internet users of the 4.7 billion global users by 2025, India is likely to emerge as a leading player, as per a Microsoft report. Internet economy is expected to touch INR 10 trillion (US\$ 155 billion) by 2018, contributing around 5 percent to the country's GDP. In fact, with a huge customer base, this sector has a great dependence on a well-motivated and highly-skilled flexible work

force. So, it becomes necessary for the telecom companies to know the people-issues and how to manage these issues effectively so as to get efficient and orderly service. HR has a chance to prove its value-creation role, only if it understands people-issues better. As found in this study, the common people-issues in the telecom sector are talent shortage, attrition, employee engagement, lay-offs. The unique problems associated more with the telecom sectors is the issue of gender-equality, which needs to be addressed urgently. The telecom companies ought to come up with more women-friendly policies to attract women talent. It will not only help them in bridging the talent-gap, but also give the confidence to women employees to join the sector.

**The private players are better prepared to deal with the people related challenges than the public sector.**

In terms of the preparedness to deal with the people-issues, one can conclude that in most of the cases, the HR departments of the selected companies are aware of the people-related challenges and they are coming up with provisions to deal with these problems successfully. If we make a comparison among the three companies, one would conclude that the private players are better prepared to deal with the people related challenges than the public sector. The private players are coming up with most innovative practices to deal with the people-related challenges. But, in the case of the public telecom company, clearer understanding

of the business ecosystem and fair practices to deal with evolving challenges is the need of the hour.

When people-issues are addressed effectively, it improves the performance of the organizations. Hence, for increased contributions from the employees, particularly to ensure their commitment and devotion, human resource managers should be managing the people-issues proactively. They need to review and reshape human resources in collaboration with the operational managers.

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