

Tech Cos Try Mind-Reading While Hiring

Tech Mathwork

NEW PRACTICES FOLLOWED BY COS

WIPRO

Adopting predictive analytics tools to make more intelligent hiring decisions

TCS

Predictive hiring project being incubated

INFOSYS, HCL TECH

Working on similar programmes

HOW IT WORKS

Predictive algorithms study candidates' background

This includes socio-economic factors like household income

New predictive algorithm to help recruiters ensure that candidates stick on in the company for long

Anirban Sen & Jochelle Mendonca

Bengaluru | Mumbai: Imagine algorithmic tools and programmes that can predict whether a candidate who is being interviewed for a position in a company will be a good hire. Or whether the person will stick around for several years and not want to leave after a few months.

For decades, top software firms such as Tata Consultancy Services (TCS) and Infosys have been hiring fresh engineering graduates in the thousands to write codes for back-office software projects of companies like General Electric and Citigroup. India's \$146 billion IT industry currently employs more than 3 million people but with job growth expected to slow, companies need to get better at identifying the right candidate and, perhaps more importantly, make sure that people stick around. The idea is to make the process smarter.

In the past few years, companies have gathered socio-economic data from incoming engineers such as the educational qualifications of parents and household incomes. Armed with such information, human resource (HR) departments are able to use algorithms and analytics in recruitment.

More of Data-driven Decision Making >> 20

HR Relying more on Data-driven Decision Making

►► From Page 1

Wipro is one of the companies seeking to deploy such tools. "People sciences — basically, what we're saying is, how can we look at data?" said Saurabh Govil, senior vice-president and global head of human resources at Wipro.

"Not to make go or no-go decisions, but get to see trends. And then use them as inputs for decision making. The world of HR is moving towards more and more of data-driven decision making rather than gut-based decision making. And that's what we're doing."

Govil said the project was still at an early stage.

"We're not going hammer and tongs at it right now — but directionally, that's the intent of where we want to move, especially in our industry where the scale is so big," he said. It "shows how data will drive the behaviour of how companies manage their people."

India's top IT firms typically pour millions of dollars into building campuses for new employees and then hire and train them. Attrition rates are typically higher in this industry. According to a Deloitte study, in FY15, the highest voluntary attrition across sectors was seen in the IT

MONEY FOR GOOD USE

India's top IT firms typically pour millions of dollars into building campuses for new employees, then hire and train them

services sector at 21.9%, whereas the lowest was in the energy and natural resources sector at 10.5%.

This coupled with slower growth across India's IT services sector is persuading companies to use analyt-

ics to help ensure that the right people are hired and that they stay put. At HCL Technologies, such tools help predict which employee is likely to quit, based on factors such as leave applications and searches for job profiles elsewhere.

"For example, (when) a person is looking for jobs from our network, taking more leaves, raising more and more negative feedback on the internal network," said Prithvi Shergill, chief human resources officer at HCL Technologies. There's a 75% positive correlation between a prediction using analytics and what actually happens.

At TCS, India's No. 1 software ex-

porter, a predictive hiring project is being incubated, according to people with knowledge of this. If the tests are successful, it will be rolled out by TCS in the near future.

"We have a platform called Campus Commune that engineering students can enter when they join the college," said an executive who didn't want to be named. "It has quizzes and tests. We have a lot of information about the strong points of the students even before they sit for the interview. We can use that information to make better hiring decisions."

TCS declined to comment.

(Additional reporting by Neha Alawadhi in New Delhi)