chapter V shows positive sign but at the same time it indicates that the IT/ITES-BPO industry has to follow thoroughly professional approach in every aspect of employee recruitment and retention in order to prevent the employee attrition rate from falling down further. As a guideline to this problem, Hackman and Oldham’s (1976) job characteristics model has been proposed/modified and presented in the chapter VII.

6.0 INTRODUCTION

This chapter analyse the research findings and suggestions for best employee recruitment and retention. Recruiting, developing and retaining exceptional employees are fundamental goals for all organizations. Particularly in IT/ITES-BPO industries in India the best employee recruitment and retention process is the need of the hour. Using effective recruitment methods and tools to select Suitable manpower is the fundamental requirement to control employee attrition. Then maintaining good training and development, motivation, leadership, organization culture, commitment, good employee welfare measures etc also play a crucial role in retaining the talented employees for a long tenure which will in turn help the employer, employee, society and the nation.

MAJOR FINDINGS

The major finding of this study on recruitment and retention practices of IT/ITES-BPO companies in Tamil Nadu state reveal several insights. The following major findings of this study include the variables such as employee recruitment process, employee welfare measures, why do people joining IT/ITES-BPO jobs, training, motivation, leadership aspects, organizational culture aspects and factor analysis.

6.1 RESEARCH OBJECTIVE- 1. RECRUITMENT PROCESS

A) Sources for finding jobs in ITES/BPO in Tamil Nadu

In Small size IT/ITES-BPO companies, 4.94 percent of the respondents’ source of information to find jobs is Advertisement, for 17.9 percent Relatives & friends and for 1.85 percent it is Job
fairs. In medium sized companies, 9.26 percent of the respondents source is Advertisements, 6.17 percent get information from Relatives & friends, 3.09 percent face Campus interviews and 16.67 percent attend Job fairs. (Table 5.1.6). In large companies, 19.14 percent of the respondents get news from advertisements, 6.17 percent tap Relatives & friends, 3.09 percent pass through Campus interview and 11.73 percent get news from Job fairs. So advertisements, visual and print media, are the major agency to attract the candidates for interview.

B) Job preview during interview by the recruiter

It is understood that in small companies 19.75 percent of the respondents, in medium companies 31.48 percent of the respondents and in large companies 39.51 percent experienced elaborate job preview by HR managers. (Table 5.1.12). Here large and medium industries provide good Job previews to the candidates than the small companies. But the preview is short. Elaborate job preview should be provided to candidates at the time of the interview so that the not interested and the unables will not join the concern and be clogs in the wheel.

C) Recruitment process to hire candidates

A. Aptitude test: only 0.62 percent of the respondents stated very low importance was given by the employer during recruitment to the Aptitude Test, 12.96 percent of the respondents stated it was given low importance, 31.48 percent stated it was neither low nor high, 51.85 percent found it high and 3.09 percent found it very high importance was given by the employer (Table 5.2.2.b). The IT/ITES-BPO companies have to provide little bit more concern about the aptitude test.

B. Technical skills: Regarding Technical Skills only 0.62 percent of the respondents stated very low importance was given by the employer during recruitment, 9.26 percent felt it was given low importance, 28.4 percent of the respondents found it neither low nor high, 45.68 percent
stated it was high and 16.05 percent stated it was very high (Table 5.2.2.b). This is also an important aspect in recruiting a skilled work force.

C. Latest recruitment tools: Regarding the latest Recruitment tools 12.35 percent of the respondents stated their use was very low during recruitment, 35.19 percent found it given low importance, 32.1 percent stated as neither low nor high, 17.28 percent stated it was high and 3.09 percent stated it was very high. (Table 5.2.2.b). Using the latest recruitment tools while recruiting will bring candidates of the highest calibre so that the quantity and the quality of work could be ensured.

D. The English language: Regarding English communication only 0.62 percent of the respondents stated it was given very low priority, 1.86 percent found it of low importance, 14.29 percent said it had neither low nor high, significantly 19.25 percent found it enjoyed high priority and 63.98 percent it had very high importance for the employer during the recruitment. (Table 5.2.2.b).

E. Energy level: Regarding Energy Level 6.79 percent of the respondents stated it was given low importance, 40.12 percent stated it was neither low nor high, 46.91 percent found it given a high place and 6.17 percent stated it was given very high importance during the recruitment.

F. Assertiveness: Regarding Assertiveness only 1.85 percent of the respondents stated it has very low importance given by the employer during recruitment, 6.79 percent of the respondents stated it had low importance, 43.21 percent stated it was neither low nor high, 43.83 percent stated it was high and 4.32 percent state it was given very high importance.

G. Social ability: Only 1.23 percent of the respondents stated social ability got very low importance, 11.11 percent stated it got low importance, 46.91 percent stated it constituted neither low nor high, 37.04 percent stated it got high priority and 3.7 percent stated it got very high importance.

H. Family circumstances: Regarding Family Circumstances only 1.85 percent of the respondents stated it got very low importance, 11.11 percent stated it had low importance, 50.62 percent stated it was neither low nor high, 32.72 percent stated it was high and 3.7 percent stated it was given very high importance.
I. Psychological tests: Regarding Psychological tests only 1.23 percent of the respondents found it getting very low importance, 11.73 percent found it got low importance, 46.91 percent stated it was neither low nor high, 38.27 percent stated it was high and 1.85 percent stated it was very high.

J) Career ambitions: Regarding Career Ambitions only 1.85 percent of the respondents stated it was of very low importance, 7.41 percent said it had low importance, 38.27 percent stated it was neither low nor high, 47.53 percent stated it was high and 4.94 percent stated it was very high.

The analysis shows that regarding the factor “Aptitude Test” 51.58 % of the respondents’ stated high importance was given. 45.68 % stated high importance was given for the factor “Technical Skills”. Regarding Latest Recruitment Tools 35.19 % of the respondents’ felt it was given low importance. “English Communication” 63.98 % felt very high importance, 49.61 % respondents’ stated high importance was given to Energy Level, 43.83 percent saw high importance given to Assertiveness, 46.91 percent saw neither low nor high importance given to Social Ability & Psychological Test, 50.62 percent stated as neither low nor high importance was given to Family Circumstances and 47.53 percent of the respondents’ stated high importance was given to Career Ambitions.

Since the P value for Aptitude Test, Technical Skills, English Communication, Energy Level, Assertiveness, Social Ability, Family Circumstances and Psychological Test is less than 0.01 it shows there is highly significant difference in the mean importance scores in these among the size of companies. As the P value for Latest Recruitment Tools (MBTI, FIRO B etc.,) is less than 0.05 it shows there is significant difference in the mean importance scores for Latest Recruitment Tools among the all size of companies. But the P value for Career Ambitions is greater than 0.05 and it shows there is no significant difference in the mean importance scores of Career Ambitions among the many sizes of companies.

The Friedman chi-square tests the null hypothesis that the ranks of the variables do not differ from their expected value. For these rankings, the chi-square value is 466.18. Degrees of freedom are equal to the number of variables minus 1. Because ten variables were being ranked, there were 9 degrees of freedom. The asymptotic significance is the approximate
The probability of obtaining a chi-square statistic as extreme as 466.18 with 9 degrees of freedom in repeated samples if the ranking of each variable is not truly different. Because a chi-square of 466.18 with 9 degrees of freedom is unlikely to have arisen by chance, we conclude that the respondents do not have equal preference for all the variables. It could be noted from the table that among the ten variables English Communication was ranked first. It is followed by Technical Skills and Energy Level was ranked third -Diagram-11.

6.2. RESEARCH OBJECTIVE -2. WELFARE MEASURES

The respondents’ opinion on the Welfare measures and their influence on opting for the job is described in this section. The variables considered under the study are Canteen & Rest Room Facilities, Resolving Complaints, Grievances and Problems, Monitory Benefits, Flexibility of Working Time, Growth Opportunities/Promotion, Transport Facilities, Medical Facilities, Present Salary Revision Period and Other Non Monitory Benefits. The distribution of satisfaction with the various variables was shown in Table No. 5.4.1.

A. **Job security**: Regarding the factor Job security 2.47 % of the respondents’ opinion is poor, 14.81 % of the respondents’ opinion is fair, 30.25 % of the respondents’ opinion is neither poor nor good, 41.36 % of the respondents’ opinion is good, and 11.11 % of the respondents’ opinion is excellent. (Table 5.4.1)

B. **Resolving complaints, grievances and problems**: Regarding the factor “Resolving Complaints, Grievances & Problems” 3.7 % of the respondents’ feel it is poor, 17.9 % feel it is fair, 26.54 % feel it is neither poor nor good, 45.68 % feel it is good and 6.17 % feel it is excellent.
C. Monitory benefits: Regarding the factor “Monitory Benefits” 2.47 % of the respondents’ say it is poor, 19.14 % say that it is fair, 27.16 % opinioned it is neither poor nor good, 43.83 % feel it is good, 7.41 % feel it is excellent.

D. Flexibility of Working Time: Regarding the factor “Flexibility of Working Time” 3.09 % of the respondents’ feel it is poor, 12.35 % feel it is fair, 37.04 % feel it is neither poor nor good, 40.12% feel it is good and 7.41 % it is excellent.

E. On the job trainings provided: Regarding the factor “On the Job Trainings” 1.85 % of the respondents’ feel it is poor, 17.9 feel it is fair, 14.2 % feel it is neither poor nor good, 51.23 % feel it is good and 14.81 % of the respondents’ feel it is excellent.

F. Motivational programmes provided: Regarding the factor “Motivational programmes” 1.85 % of the respondents’ feel it is poor, 18.52 % feel it is fair, 17.9 % feel it is neither poor nor good, 50 % feel it is good and 11.73 % of the respondents’ feel it is excellent.

G. Rating of on the job trainings: Regarding the factor “rating of on the Job Trainings provided by the employer” 2.47 % of the respondents’ feel it is poor, 13.58 % feel it is fair, 19.75 % feel it is neither poor nor good, 50.62 % feel it is good and 13.58 % of the respondents’ feel it is excellent.

H. Rating of motivational programmes: Regarding the factor “rating of Motivational programmes provided by the employer” 1.85 % of the respondents’ feel it is poor, 19.14 % feel it is fair, 46.91 % feel it is neither poor nor good, 45.68 % feel it is good and 13.58 % of the respondents’ feel it is excellent. The significant difference between the mean scores of Training & Motivation is tested with respect to the Size of company, Education, Age, Salary per month, Source, Way of selection, Job Number and Duration of working, using the inferential statistics of Analysis of variance (ANOVA) and the Independent t test is used to test the significant difference between the mean scores of Training and Motivation with respect to gender.

Null Hypothesis: \( H_0 \): There is no significant difference between the mean scores of Training & Motivation with respect to personal profile factors. Because ten variables were being ranked, there were 9 degrees of freedom. The asymptotic significance is the approximate probability of
obtaining a chi-square statistic as extreme as 44.55 with 9 degrees of freedom in repeated samples if the rankings of each variable is not truly different. Because a chi-square of 44.55 with 9 degrees of freedom is unlikely to have arisen by chance, we conclude that the respondents’ opinions do not have equal preference for all variables. It could be noted that among the 10 factors “Job Security” was ranked first. It is followed by the “Growth Opportunities/Promotion” and “Monitory Benefits” was ranked third-Diagram-12.

(Diagram-12 Influencing variables)

An attempt has been made to study the opinion regarding the level of welfare facilities after converting the qualitative information into a quantitative one using a five point scale; the average scores were obtained from the respondents’ opinions on various issues to determine the opinion regarding the Level of welfare facilities. The significant difference between the mean scores of welfare facilities is analyzed using the inferential statistics of the Analysis of variance (ANOVA) test after verifying the normality assumption by the Q-Q Plot technique. Test for mean scores was tested with the ANOVA test procedures and the results of the analysis are given in Table 5.4.1.b.

6.3. RESEARCH OBJECTIVE-3 FACTOR ANALYSIS

The companies are satisfying its majority of the employees through retention factors such as leadership, motivation, organization culture, employee training and development.
The rotated component matrix indicates a clear separation. Table 5.6.2. shows the first rotated factor F1, explaining 54.73 % of total variance which reveals strong associations between On the Job Trainings, Motivational programmes, Use of on the Job Trainings, Use of Motivational programmes with loadings of 0.778, 0.774, 0.77 and 0.708 respectively on factor 1. This suggests that factor 1 is a combination of these variables. Therefore this factor can be interpreted as “Training & Motivation”. Now for factor 2 we see Leadership quality, Relationship with immediate supervisor/manager, Supervising qualities, and Hierarchical structure with loading of 0.844, 0.795, 0.76 and 0.652 respectively. These variables can be clubbed into a single factor called “Leadership and interpersonal relations” factor.

As for factor 3 it is evident that Environment, Work Culture, Adequate Feedback, Communication System and Recognition and Praise and Policies and Procedures have the loadings of 0.78, 0.77, 0.74, 0.642, 0.60 and 0.52 respectively and this factor can be termed as “Organizational culture and open system”. As for factor 4 it is evident that Fair and Equal Treatment, Creativity Aspects, Chances for Advancements and Company's care about professional development and career goals have loading of 0.677, 0.672, 0.584 and 0.53 respectively and this factor can be termed as “hygiene factor-personal care and career growth”. Further all the aspects of these variables are positive and it is clear that the industries satisfy the majority of their employees.

6.4. RESEARCH OBJECTIVE-4. DIFFERENCES AMONG THE SIZE OF THE COMPANY

In order to find the relationship between the opinion regarding the level of importance considered by the employer during recruitment and the size of the company, a chi-square test was used and the result of the test is shown in Table.5.3.1a. It is noted from the table that the ‘p’ value is less than 0.01 and hence the result is highly significant at the 1% level. Hence the hypothesis opinion regarding level of importance considered by the employer during recruitment and Size of Company are not associated not hold well. From the analysis it is concluded that there is highly significant association between the opinion regarding the level of importance considered by the employer during
recruitment and the size of the company.

**Null Hypothesis:** $H_0$: There is no significant difference between the sizes of companies regarding the welfare facilities. (Table.5.4.1.a and Table.5.4.1.b).

Further the research findings reveals that there is considerable percentage of differences among the companies of small, medium and large size regarding recruitment process during manpower hiring and providing welfare measures. Regarding recruitment, the process and the tools used are simple in small size companies. The process and tools used are moderate in medium size companies and it has high standard in large size companies. Regarding the welfare measures, the satisfaction level is in an ascending order, that is regarding small sized companies the satisfaction level is positive and better. Regarding medium sized companies the employee satisfaction level is better than small size. Whereas in large sized companies the employee satisfaction level is higher than the small size and medium size companies.

**6.5. OTHER MAJOR FINDINGS – A) Why people left the IT/ITES-BPO jobs?**

This study reveals that during recruitment the recruiters are concerned about the recruitment aspects such as Aptitude test, technical skills, Using latest recruitment tools, English communication, energy level, etc. But the candidates family circumstances and candidates career ambitions are not taken into consideration seriously. Very importantly the job previews explained to the candidates at the time of recruitment is not 100% reached. Still considerable percentage of candidates not received the elaborate job preview. Further the level of job preview decreases as the size of the company decreases. So we come to a conclusion that poor job preview is also one of the major reason for employee attrition in IT/ITES-BPO sector-Diagram-13. (Table 5.2.2 and 5.1.11-Chapter V).

**Top three aspects that are not taken into consideration seriously during recruitment that leads employee attrition**

1. Candidates family circumstances
2. Candidates career ambitions
3. Poor job preview at the time of interview
The followings are the six major reasons behind for left the jobs namely, Monotonous nature of works, Company policies and procedures, Heavy work/heavy work load/torture by superiors to complete the work, medical facilities, canteen and rest room facilities and growth opportunities/promotions are not satisfying the candidates as much-Diagram-15. (Table 5.4.1 and 5.1.21-Chapter V).

B) Why people join the IT/ITES-BPO works in Tamil Nadu?

The Friedman chi-square tests the null hypothesis that the ranks of the variables do not differ from their expected value. For these rankings, the chi-square value is 203.43. Degrees of freedom are equal to the number of variables minus 1. Because ten variables were being ranked, there were 7 degrees of freedom. The asymptotic significance is the approximate
probability of obtaining a chi-square statistic as extreme as 203.43 with eight degrees of freedom in repeated samples if the rankings of each variables are not truly different. Because a chi-square of 203.43 with 7 degrees of freedom is unlikely to have arisen by chance, we conclude that the respondents do not have equal preference for all variables. It could be noted that among the eight variables “Rate of pay” was ranked first. It is followed by the “Type of work” and “Dream job” was ranked third-Diagram-15. (Table 5.2.1 – Chapter V).

C) IT/ITES-BPO WORKS ARE STOP GAP ARRANGEMENT FOR 37.65% OF RESPONDENTS. THIS ALSO CONSIDERED AS A MAJOR REASON FOR HIGH EMPLOYEE ATTRITION. (Table 5.1.12-Chpater V).
6.6. RESEARCH OBJECTIVE-5.

SUGGESTIONS FOR BEST RECRUITMENT AND RETENTION PRACTICES.

For formulating an effective and successful strategy, the strategy should cover the following elements:

I. Identifying and prioritizing job recruitment at various levels in every organisation: it is almost a never-ending process. It is impossible to fill all the positions in one go. Therefore, there is need to identify the positions requiring immediate attention and action. To maintain the quality of the recruitment activities, it is useful to prioritize the vacancies -whether to focus on all vacancies equally or to focus on key jobs first.

II. Candidates to be targeted for recruitment process can be effective only if the organisation completely understands the type of candidates required and will be beneficial for the organisation.

This covers the following parameters.

A. Performance level required: Different strategies are required for focusing on hiring high
performers and average performers. B. Experience level required: The strategy should be clear as to what the experience level required by the organisation. The candidate’s experience can range from being a fresher to being an experienced senior professional. C. Category of the candidate: The strategy should clearly define the target candidate. He/she can be from the same industry, different industry, unemployed, top performers of the industry, etc. D. Interest of the candidate: During the interview the interest of the candidates should be taken into consideration. So that early departure would be reduced and also saved the cost of Induction, training and development. E. Sources of recruitment: The strategy should define the sources of recruitment whether it will be external sources or internal sources or both. This includes searching for the right profile also. Internal Recruitment source are trade union, through the working employees, etc. External Sources are Networking-Developing relationships with institutions that have direct or indirect access to culturally diverse candidates. Internet-Searching web databases, placing advertisements at various career sites geared toward a diverse array of individuals, attending on-line career chats. Resume service- Purchasing a packet of resumes that match identified hiring criteria and contain a significant level of diversity. Direct Mail Campaign - Systematically sending recruitment materials to culturally diverse individuals who meet the hiring criteria and organizations that have access to such individuals. Employment/Job Fairs -participating in job and career fairs that cater to culturally diverse job seekers. Newspaper/Periodical Advertising - Placing job advertisements in periodicals that cater to culturally diverse individuals. Radio and Television Advertising – Visual and printing medias are more useful for recruitment such as placing job advertisements in televisions, place advertisements at people gathering locations through flex boards, advertisements in FM radios, etc. Professional Associations - Becoming actively involved in a professional association that caters to underrepresented members of a particular profession

F. Trained recruiters: The recruitment professionals conducting the interviews and the other recruitment activities should be well-trained and experienced to conduct the activities. They should also be aware of the major parameters and skills (e.g. Communication skills, behavioural, technical, etc.) to focus while interviewing and selecting a candidate. g. Evaluating
the candidates: The various parameters and the ways to judge them i.e. the entire recruitment process should be planned in advance and the various parameters and the ways to judge the candidates also applied suitably like the rounds of technical interviews, personal interviews, HR interviews, written tests, psychometric tests, etc.

Recruitment return on investment understands and compares the elements, costs and risks of a recruitment related project to the expected benefits, for example, recruitment technology, recruitment centre implementation or process re-engineering.

Recruitment ROI can assist in building a business case for the organization's decision makers to evaluate the benefits and estimated return on the investment to upgrade an organization's recruitment function. In summary, the recruitment ROI process would address the following: 1. Tangible and intangible benefits to the organization, including increased quality and savings in time and money through implementation. 2. Estimated cost of services and associated technology. 3. Investment/payback period of the recruitment project. 4. Issues and costs associated with not proceeding with the recruitment project.

In connection with measuring the effectiveness of recruitment process, collecting data and calculating the ratios is only the first step. Metrics are a tool for a larger analysis of recruiting effectiveness. Metrics don't just mean time and cost. It's about looking for every point of transaction with a candidate and tracking it from the time and cost perspective every activity that pulls a candidate into the process and the path that takes the candidate through to an accepted offer. Recruitment metrics measure the effectiveness of the recruitment function. These metrics deliver valuable and relevant information back to business stakeholders. The purpose and benefits are to: 1. Demonstrate the real value of the recruitment function. 2. Gain the buy-in of business decision makers to invest in and optimize the recruitment function. 3. Provide an accurate picture of current costs and outcomes. 4. Demonstrate changes and impacts to the organization over time. 5. Establish shared accountability between the Recruitment Centre, Hiring Managers and/or business units. 6. Manage costs. 7. Analyze productivity. 8. Assist in the identification and evaluation of risks.
6.7. A GOOD HR SPECIALIST MUST BE IN A POSITION TO ANSWER THE FOLLOWING;

A. How much time and expense does the administrative staff members expend to open, respond, and route resumes to the hiring team? The best way to do this is to figure out an average cost per resume and track how many resumes are received for each job to be able to calculate the administrative cost per job.

B. How much time does the hiring team/recruiter spends screening through resumes? This may also be an average cost per resume received for the job. If an organization conducts preliminary phone interviews, how many were conducted and how much time was spent by the recruiter to prepare, conduct, summarize and communicate the results of those interviews?

C. Does a company have an automated applicant-tracking program? This is an indirect cost that it may choose to pro-rate across hires for a specific period of time, somewhat like depreciating a new television on taxes.

D. Did the hiring team or the interviewee incur any travel expenses reimbursed by the company? How much time were spent scheduling interviews? How many staff members were involved in the interviews? How long was each interview held? How many interviews? What is the average cost of the interviewers’ time?

E. How much was the time and what was the cost for follow-up with candidates for negotiations and notifying that those were not hired? What was the cost of referral fee from a recruiting agency or an employee referral?

F. What costs will the company be paying for the new hired to relocate? Some costs may include moving company airplane tickets, hotel accommodations, temporary housing and house hunting visits, assistance with sell/buy, or spouse/dependent assistance.

G. What was the cost of background investigations and/or reference checks? If there was a signing bonus, how much was it?
H. What costs does the company typically incur to bring someone onboard - orientation, mentor, benefits enrolment, computers, cell phones, uniforms, etc.?

I. How long did it take to fill the position from start to hire date? What could a company have done to reduce the time to hire?

J. What was the impact on productivity while the position was left vacant? This is a very difficult to calculation to conduct especially depending on the position. However, it does have an impact on the hiring manager and the organization as a whole. If it can't be quantified, at least it has to be kept in mind.

K. How satisfied was the hiring manager/organization with the hire? This assessment can be done following the hiring but should be repeated again 3 - 6 months after the employee has been on the job to get a real sense of how successful the hire has been.

L. How to provide the job preview to the candidates elaborately during the interview? How the HR team has prepared a pre-recruitment presentation about the company to the candidates with the help of over head projector, power point presentation, etc.

6.8. EMPLOYEE RETENTION

A) This is a company’s commitment to improving the partnership between employees and employer: Employers can stay engaged with their employees by actively seeking to understand and act on behalf of the expectations and preferences of employees.

B) Employee perceptions of job importance: “employees’ attitude toward jobs and the company have greater impact on loyalty and customer service than the other entire employee factors combined.”

C) Employee clarity of job expectations: "If expectations are not clear and basic materials and equipment not provided, negative emotions such as boredom or resentment may result, and
the employee may then become focused on surviving more than thinking about how he could help the organization succeed."

**D)** Career advancement/improvement opportunities: "supervisors and managers indicated that many plant improvements were being made outside the suggestion system, where employees initiated changes in order to reap the bonuses generated by the subsequent cost savings."

**E)** Regular feedback and dialogue with superiors: "Feedback is the key to giving employees a sense of where they're going”.

**F)** Quality of working relationships with peers, superiors, and subordinates: "if employees' relationship with their managers is fractured, then no amount of perks will persuade the employees to perform at top levels. Employee engagement is a direct reflection of how employees feel about their relationship with the boss." In particular good working relationship with the immediate supervisor is very important in IT/ITES-BPO industries.

**G)** Perceptions of the ethos and values of the organization: Inspiration and values are most important aspects in employee retention.

**H)** Effective Internal Employee Communications: Which convey a clear description of "what's going on". If the employees want to be involved in what they are doing then this trend is clear .This will applicable from small businesses to large global organisations. The effect of poor internal communications is seen at its most destructive in global organisations which suffer from employee annexation where the head office in one country is buoyant (since they are closest to the action, know what is going on, and are heavily engaged) but its annexes (who are furthest away from the action and know little about what is happening) are disengaged. In the worst case, employee annexation can be very destructive when the head office attributes the annex's low engagement to its poor performance when its poor performance is really due to its poor communications.

**I)** Reward: The employees should look at employee benefits and acknowledge the role of incentives. "An incentive to reward good work is a tried and tested way of boosting staff morale
J) Employee retention through motivation: Employee motivation describes an employee’s intrinsic enthusiasm about and drives to accomplish. Every employee is motivated about something in his or her life. Motivating employees about work is the combination of fulfilling the employee's needs and expectations from work and workplace factors. These variables make motivating employees challenging. Some people work for love; others work for personal fulfilment. Others like to accomplish goals or to feel they contribute to something larger than themselves. Whatever the personal motivation for working, the bottom line is that almost everyone works for money. Unlike traditional models that are backward looking, a competency-based employee-development program is a forward-looking approach to managerial/supervisory employee selection, development and retention. It provides the foundation for recruiting and promotion decisions. It also structures individual employee’s professional development and identifies an organization’s most talented employees.

6.9. CONCLUSION
The employee recruitment is a process to select carefully ‘the best suitable human resource’ and retention is providing ‘the best satisfaction’. Regarding IT/ITES-BPO industry in India, theories and concepts on qualities of leadership, motivation, Training organization culture, loyalty and commitment, Job satisfaction, all monetary and non monetary benefits etc, could play not only for the organizations growth and development but also are concerned with employee retention. So these factors must be applied in managerial and administrative process of IT/ITES-BPOs in India which would contribute to effective employee retention.