CHAPTER VI

SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION
CHAPTER VI
SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

The most important resource on which the information technology and information technology enabled services depends is human capital. apart from the location advantage the country has, the factor for the country’s immense success in the overseas markets, is its abundant and cost effective human capital which is one of the key assets that has kept India sustain its edge in the ITES sector. Human resource professionals all over the world, working in call-centre or contact centre or business process outsourcing industry are leaving no stone unturned to formulate strategies to retain human capital, but in spite of all their trials the average attrition rate in the BPO this sector is still very high. The greatest HR challenge facing globally distributed back-office and customer care centres is the retention of talented employees. Interviewees described attrition rates ranging from 15 to 40 percent in particularly active labour markets within countries such as India. While some attrition in this industry is expected and may be beneficial, firms are concerned about not recouping their upfront investments in people. Clearly, employee retention is being influenced by a number of factors. The demand for experienced individuals, particularly at the supervisory level, is prompting firms to use signing bonuses and salary increases to entice talented individuals to switch
firms. Also, these back-office and customer care centres – particularly those that are focused on working directly with customers – are often high-pressure, stressful environments. Contact centres are often required to meet fairly stringent service level agreements regarding expected call volumes and average call length. These expectations cascade down to employees, and, as a result, many front-line workers face extremely demanding workloads. Given these conditions, many workers opt to leave the company soon after the firm has invested in their recruitment and training.

The reason for the high rate of attrition in the BPO sector particularly call centre segment range from lack of comfort of enrichment potential in terms of career growth. The growth of BPO industry is mainly depending on the cost effectiveness and quality of the manpower. Attrition is not a new problem and it has existed earlier and will continue to exist in any industry. In spite of the salaries and facilities being high, especially for a graduate who starts his / her career with a BPO company the average attrition rate is very high in this industry. There are numerous reasons for the attrition to be high which can be categorized into two broad classifications. The companies do not have a particular day as weekly off for its employees. The employees are not even entitled for national holidays declared by Government of India, as the company works with client calendar. The call agents can avail leave (which should not affect the schedule) only with prior consent, and any unauthorized absence is a sufficient reason for terminating an employee.
The human resource strategies to control attrition rate are:

- Group Medi-claim and Personal Accident Insurance Scheme;
- Subsidized Food and Transportation;
- Company Leased Accommodation;
- Recreation, Cafeteria, ATM and Gym facilities;
- Personal Health Care;
- Loans;
- Giving employees a choice of rewards;
- Performance Incentives;
- Recruitment Strategies.

India is the hottest destination for any company that wants to outsource its business processes. From a negligible size in early 2000 to a gigantic size today, the BPO sector has been growing at an unprecedented rate. In 2003, India accounted for 75 percent of the total BPO offshore delivery value that was expected to increase by 55 percent annually over the next five years. India’s revenue from BPO operations has grown from approximately $1 billion in 2002 to $32 billion in 2013 and its share of supply from around 10 per cent to 57 percent of the offshore BPO market in the same period. According to NASSCOM, the Indian IT-BPO industry (including domestic market) recorded an overall growth of 28 per cent (currency adjusted), clocking revenues of $108 billion in 2012-13 up from $39.6 billion in 2006-07. The year 2008 was a year of revolution for the Indian IT – BPO sector, as it began to re-engineer
challenges posed by macroeconomic environment, with the worldwide spending aggregate has reached $1.6 trillion, a growth of 5.6 per cent over the previous year. The domestic market has grown higher than that of the foreign market in 2012-13 compared to the previous year, while IT and ITES export has grown by around 10 per cent in 2012-13.

India has been one of the top most destinations as far as outsourcing of business activities is concerned. Many countries continue to outsource their business activities to India, through which the IT and ITES sector has been growing at a faster rate. It has attracted lakhs and lakhs of students to pursue education to get employment in this sector and thousands of them to in fact get employed year after year. The relatively higher level of salary being provided in this sector attracts thousands of young and fresh graduates to enter this sector, which is also the reason for the higher level of attrition. However, this higher level of attrition directly affects the BPO sector.

There is a dire need of reducing the problem of attrition in the BPO industry of India and ensuring long term retention of employees. Where attrition largely depends on the negative attributes of a BPO job like monotonous nature of job, unusual working hours, dearth of motivation, ineffective supervision etc; retention is all about the intrinsic factors associated with a job like self-esteem, participation, involvement, accountability etc. Tackling the reasons for attrition may help reduce the probability of quitting an organization by employees, but may not actually increase their willingness to sustain in the
organization. For these reasons, the need for studying employee attrition and employee retention emerges. There is need to develop a concurrent strategic method, an innovative development paradigm that can be utilized to curb the ever-increasing attrition rate in the BPO industry. Thus the need for this study can be clearly defined in two points. First, attrition is a burning problem for the promising industry of BPO, especially because it fails to tap the full utilization of the human resources and wastes much of its time, money and resources. Second, employee retention must be managed in such a robust manner that it ensures long term sustenance of employees in a BPO organization.

The need for the study lies in the detonation of the BPO industry in the recent years. Where on one hand the sector is growing with leaps and bounds, on the other the employee turnover has been alarmingly high, thus costing a lot to the company. The middle level and low level employees are victims of dearth of motivation and employee satisfaction also seems to be brandishing. The study is an attempt to assess the patterns of attrition in BPO and analyze the relationship among employee motivation, job satisfaction and employee retention, so as to utilize employee motivation to retain employees in an organization. Thus, not only is it significant for academicians but also for professionals who can exploit it to control the employee turnover.

The review of the related literature in the area of attrition and retention of employees in the BPO industry indicates that while the efforts have been made separately to examine the issues of attrition and retention, no effort has been
made to do a holistic attempt. Moreover, no one has so far attempted to test the recommendations in real life situations, by taking a set of employees from a BPO firm and to check whether the recommendations really work. The present study makes an attempt to fill these gaps in the literature. In this background, the objectives of the study are to identify and rank the factors of attrition in BPOs based on secondary data; to examine the demographic characteristics of the sample employees in the BPOs with the help of primary data; to identify the factors influencing the level of attrition among the sample employees in the BPOs; to explore and analyze the dimensions of attrition in BPOs based on primary data collected from field survey; to identify and explore the dimensions of employee retention in BPOs based on primary data collected from field survey; to develop a regression model for escalating the stay of employees in BPOs and give recommendations based on the model; and to assess the existing level of employee motivation and validate the model by studying the impact of recommendations.

The startling surge of attrition at all levels in the BPO industry has opened up an unexplored arena for research. It motivated many researchers to work on BPOs, and related areas like stress and attrition in the industry, growth of the industry and employment opportunities that it is breeding. Various works done on BPO unearthed details about attrition, prevailing employee satisfaction, existing stress and also about the growth of the industry. On closely monitoring all the work done and all the relevant literature in this field, it
is found that not much of an exhaustive and structured work has been done collaborating attrition and retention with respect to employee motivation, employee involvement, employee satisfaction etc in the BPO industry. Owing to this lacuna, the present study aimed at intensely exploring the issue of attrition and contributing to retention in the BPO industry in India. It endeavoured to find out the causes of attrition through secondary and primary data, identify factors for retention and propose a model for employee retention. The findings of the study are quite remarkable and have immense implications for the BPO industry. This chapter summarizes the findings, states the implications of the research, enlists the recommendations, and puts forward the future scope of the research.

**SUMMARY OF FINDINGS**

In order to gain a deeper understanding about the phenomenon of high attrition, and identification of the factors behind it, a lot of literature on BPO, has been studied in detail.

Major causal factors for high attrition in Indian BPO industry identified in this study are based on qualitative research using secondary data. These have been compared with causal factors for attrition identified through personal interview with a number of BPO employees in the study area.

There is a close similarity between the two results, authenticating the qualitative research on causal agents for attrition identified in this study.
The study ranks low perceived value and monotonous work as number one factor attrition. Rank two is shared by high salary expectation and unusual working hours.

Next factor is disillusioned employees; rank four is shared by stress and burnout, pressure to perform on metrics, and lack of motivation. Finally rank five is jointly shared by lack of security and social interaction. On the basis of these ranks and factors, an inference has been drawn.

Low perceived value stands out as the most significant factor for attrition. Increased dissatisfaction leads to reduced motivation, which in turn results in lowered efficiency. When the efficiency is lowered, employees are not able to deliver their expected output which results in their leaving the job. When employees quit, the perceived value is further lowered. Thus, a vicious circle is formed. Moreover, it gives rise to the prevalent gap in motivation in this industry.

BPO industry is growing at a sweltering pace, but the gap between the actual and expected level of employee motivation in the industry is increasing due to the formation of a vicious circle. New employees join the industry with excitement resulting in higher levels of motivation. However, they soon get disillusioned as the realities strikes in.

Employee motivation gets a beating at a fast pace. Gap between the actual and expected level of employee motivation increases as the employee spends longer time in BPO industry. Motivational measures appropriate for
BPO employees need a close examination and implementation on a high priority.

In order to identify and evaluate the factors behind attrition based on primary data, factor analysis is done. Principal component analysis is the method of extraction and the Kaiser rule for number of factors to extract is applied. 8 factors have been extracted viz. dispirited perceptual factors, unfavourable working conditions, hostile organizational culture, discontented personal factors, substandard nature of job, uncongenial organizational support, low self-fulfilment, and mystified career path.

The next step involved computing the correlations between the independent variables and the dependent variable in order to find out the relationship between the two. Substandard nature of job, dispirited perceptual factors, discontented personal factors, uncongenial organizational support, and hostile organizational culture have significant correlations with the dependent variable that is probability of quitting the organization.

All the correlations are positive. It should be noted here that the dependent variable in the equation is the employee’s probability of quitting the organization and all the independent variables are positively correlated with it. This suggests that these pessimistic dimensions like substandard nature of job, dispirited perceptual factors, discontented personal factors etc are positively correlated with the employees’ probability of quitting an organization.
The only three variables which do not have a significant correlation are low self fulfilment factors, mystified career path and unfavourable working conditions. That means it cannot be said with statistical significance that probability of quitting increases with the increase of uncertainty of career growth or poor mentoring or even achievement not being recognized. Regression analysis has also been done in order to find out the contribution of these factors to the stay of an employee.

Substandard nature of the job, discontented personal factors, uncongenial organizational support, dispirited perceptual factors and hostile organizational culture are the main determinants of attrition in the BPO industry.

An employee tends to leave the organization because of the substandard nature of the job, discontented personal factors, uncongenial organizational support, dispirited perceptual factors and hostile organizational culture.

These dimensions are then compared across all the personal characteristics i.e. age, gender, marital status and education. In the gender dimension, factors like dispirited perceptual factors, unfavourable working conditions, discontented personal factors, monotonous nature of job, and low self fulfilment factors had significant difference in the mean values of males and females. Dispirited perceptual factors, discontented personal factors, and low self-fulfilment factors were ranked higher by male employees.
In the **marital status** dimension, significant difference is found in the mean values of dispirited perceptual factors, unfavourable working conditions, discontented personal factors, hostile organizational culture, uncongenial organizational support and low self-fulfilment factors. Uncongenial organizational support, hostile organizational culture, low self-fulfilment factors, discontented personal factors, and dispirited perceptual factors as factors responsible for attrition are ranked higher by married employees as compared to unmarried employees.

In the **education** dimension, all the factors except for mystified career path have significant differences in mean and standard deviation values between graduate and post-graduate respondents. Factors like hostile organizational culture, uncongenial organizational support, and dispirited perceptual factors are highly significant as compared to others. Hostile organizational culture, uncongenial organizational support, monotonous nature of job, discontented personal factors, and unfavourable working conditions were all ranked higher by graduates as compared to post graduates. Post graduate employees rank perceptual factors and self-fulfilment factors as important reasons for leaving an organization.

In the **age** dimension, dispirited perceptual factors and monotonous nature of job show highly significant differences in mean and standard deviation values. Mystified career path, unfavourable working conditions and hostile organizational culture were other significant factors. Organizational
culture, working conditions, nature of job is ranked highest by employees less than 25 years of age. Dispirited perceptual factors along with mystified career path are ranked highest by employees more than 30 years of age than other less aged employees.

When the dimensions are compared across the three tenure groups, uncongenial organizational support, hostile organizational culture, low self-fulfilment factors, and discontented personal factors show significant differences in mean and standard deviation values. Unfavourable working conditions, dispirited perceptual factors and substandard nature of job do not have any significant difference in the mean values or standard deviations. F-value is highest in case of organizational support. This factor is ranked highest by respondents with less than 1 year of job. Hostile organizational culture, discontented personal factors, and mystified career path is ranked highest by respondents with more than 3 years of experience. Employees with 1 to 3 years of experience rank low self fulfilment factors as the highest.

A series of statistical analyses have been done for the fulfilment of the fifth objective. It begins with factor analysis, followed by mean tests to compare the dimensions across various characteristics and ends with the computation of correlations. In order to identify and evaluate the factors behind retention based on primary data, factor analysis is done.

Principal component analysis is the method of extraction and the Kaiser rule for number of factors to extract is applied. A total of 4 factors have been
extracted viz. intrinsic motivation factors; hygiene; life interest and work compatibility factors; and involvement factors. The dimensions of retention so formulated after the factor analysis are then compared across the various personal characteristics of the respondents chosen for the study.

On the basis of gender comparison, extrinsic hygiene factors, involvement factors and life interest and work compatibility factors have their mean values significantly higher in case of females as compared to males. On the basis of marital status comparison, the mean value of involvement factor is higher in case of married employees than unmarried ones. On the basis of education, all the factors except involvement factors have significant differences in mean and standard deviation values between graduate and post-graduate respondents.

Life interest and work compatibility factors, intrinsic motivation factors and extrinsic hygiene factors are all ranked higher by post graduates as compared to graduates. On the basis of age comparison, extrinsic hygiene factors, life interest and work compatibility factors and intrinsic motivation factors show highly significant differences in mean and standard deviation values. Extrinsic hygiene factors; life interest and work compatibility; and intrinsic motivation factors are ranked higher by employees more than 30 years of age than other less aged employees. On the basis of tenure groups, intrinsic motivation factor and life interest and work compatibility is ranked highest by the respondents with more than 3 years of tenure. Involvement
factor is ranked highest by the second tenure group i.e. with 1-3 years of tenure in the present organization.

Relationships have also been found out between various retention factors and the perceived attitudes of the employees. All the correlations have positive and significant coefficients, thus stating the fact that if an organization is able to exploit the retention factors, viz. motivation factors, hygiene factors, involvement factors, and life-interest and work compatibility, the employees can readily and voluntarily express their willingness to continue.

For the sixth objective, regression analysis is done. The dependent variable is the sustenance in an organization, and the independent variables are personal characteristics viz. age, gender, education, marital status, and retention factors viz. motivation factors, extrinsic factors, involvement factors, and life interest and job compatibility factors.

All these eight factors are put in the model as independent variables and willingness to continue in the organization is kept as the dependent variable. Intrinsic motivation factors, employee involvement factors, age and education are the main determinants of retention. It states that 56 per cent of the retention in a BPO is explained by these factors.

An employee’s sustenance in an organization can be rightfully explained by these factors. After forming the regression model, value for each respondent’s willingness to stay in the organization has been calculated. These predicted values are then compared to the actual values as given by the
respondents. There is a strong correlation between the actual and predicted values. The correlation came out to be 0.659** which is significant at 0.01 level. Thus, on the basis of the regression model, it is concluded that intrinsic motivation factors; and involvement factors are quite instrumental in retaining the employees in an organization and at the same time, age and education negatively contribute to the sustenance of the employees in the organization. Employee involvement is a proven tool to motivate and retain employees and according to the result here, it can be constructive in the Indian BPOs too.

Employee participation adds to employees’ growth needs and sense of achievement through a healthier deployment of their dexterity and potential. Employee participation in planning and decision making and in articulating new policies also acts an important tool to improve employee motivation. Finding ways to intrinsically motivate employees to improve effectiveness and performance can have long lasting impact on their sustenance too.

For the final validation of the regression model, a small patch test has been done on a sample of 50 employees. A few concrete recommendations have been made and the organisation has been asked to stringently apply these recommendations.

The employees chosen for this study are the ones who had said they would leave the organization if they were offered work with the same pay elsewhere. Data which has been collected, after three months of implementation, was analyzed statistically. The response scores have been put
in the regression equation as derived from the sixth objective and the resultant willingness to stay in the organization has been calculated.

The comparison with their original scores clearly reveals that there has been an escalation in the scores. Also, the predicted scores and the actual scores of the willingness to continue in the organization has been put under correlation. It is found that both the values are strongly and significantly correlated with each other, with coefficient as 0.66**. Finally, employees are classified under four broad categories based on their level of involvement and motivation viz. detached, disgruntled, strugglers and stars.

**ANALOGY WITH ESTABLISHED THEORIES**

The regression model for the retention of employees in a BPO explains two important factors i.e. intrinsic motivation factors and involvement factors. This result is robustly analogous with all the prevalent and established theories of motivation viz. Herzberg's theory, Maslow's theory, Alderfer's Theory, McClelland's Theory. According to all these theories, the higher order needs revolve around self esteem, or self-actualization in one way or the other. According to Maslow's theory, the higher-level needs are self-esteem and self-actualization. Only when one need is satisfied, another higher-level need emerges and motivates the person to do something to satisfy it. A satisfied need is no longer a motivator. Only the next level of needs in the hierarchy will act as motivators. Once a level of needs has been satisfied they no longer act as motivators and the individual then directs attention towards the next level of
needs in the hierarchy. Herzberg draws a parallel with Maslow’s theory but with a subtle difference. According to his theory, motivator factors are factors that are intrinsic to the job, such as the content of the work itself and the availability of opportunities for responsibility, advancement and recognition for achievement. The motivator factors, which Herzberg described as complex factors leading to this sense of personal growth and self-actualization, would then be able to act on that employee and increase job satisfaction and productivity. Thus, according to this theory, in order to motivate workers towards higher productivity, it is important to ensure that the motivators are utilized to arouse the instinct of the employees. Herzberg’s motivator and hygiene factors can be mapped onto Maslow’s hierarchy of needs with the motivator factors corresponding to the higher order needs of ego and self-actualization.

According to Alderfer’s ERG theory, growth needs involve the intrinsic desire for personal development and include the intrinsic element of Maslow’s esteem category as well as self-actualization needs. Finally, according to McClelland’s theory, people with a high achievement need have a compelling drive to succeed. They strive for personal achievement rather than rewards and have a desire to do something better or more efficiently than it has been done before. They seek situations where they can attain personal responsibility for finding solutions to problems, where they can receive rapid feedback on
their performance so they can tell easily whether they are improving or not, and where they can set moderately challenging goals.

The established theories correlate motivation with performance and productivity. The study done here finds the correlation between motivation and willingness to continue in the organization. It is an established truth, that if the employee feels intrinsically motivated to work and also engenders sense of belongingness and involvement with his work, he is likely to stay longer with the organization. The intrinsic motivation factors take account of the feeling of self-fulfilment, prestige inside the organization, opportunity for advancement, opportunity for growth, authority connected, feeling of self-esteem, role at the current job position and opportunity to help others. Factors like self-fulfilment, self-esteem, prestige, advancement, growth and authority are closely connected with the higher order needs of Maslow and Herzberg and growth needs or need for achievement by Alderfer and McClellend respectively. Thus, in a BPO job, in order to retain employees it is important to infuse the sense of fulfilment and esteem, by giving recognition, independence, job variety, expanding the span of their control. Their career graph has to be judiciously managed so as to provide them with a lucid picture of their growth and sustainability in the organization. Authority renders empowerment and empowerment inspires a positive feeling for the job and organization to the employee. All these factors, along with ingraining a spirit of involvement in the
employee, can actually be utilized to retain the employees for a fairly longer term.

**SUGGESTIONS**

The following suggestions are made on the basis of the analysis:

**Inculcating the retention culture**

The most important aspect of inculcating the retention culture is to emphasize upon the employees that the organization values them. Culture of retention should prioritize the I-I-I model i.e. Introduce-Inculcate-Involve.

- **Introduce** to the employees that the organization holds high degree of attachment towards them values them and believes in sustaining them.
- **Inculcate** the culture in the organization communicating to the employees that retention of employees is not just a segregated task of the H.R, but is the responsibility of the whole family. Season the work culture that is in sync with the philosophy of retaining the employees.
- **Involve** employee more in planning retention strategies as co-workers understand better than supervisors.

Few ways to create a culture of retention should include taking care of the intrinsic motivation needs of the employees, and involvement factors. For creating a culture of retention in the organization the following need to be noted:
**Even the ordinary has something extraordinary:** No role within the organization should be viewed as "ordinary". Everyone should be given the opportunity and the goal of being extraordinary.

**Create a mission, act upon it, and feel proud about it:** A mission which a team can take pride in should be created.

**Shape up a free atmosphere; break away redundant policies:** People should not be strangled by micro-managing or by burying them in policies and procedures. Only the necessary guidelines and tools should be given. A free and liberated atmosphere should be given to the employees.

**Celebrate activities, not just performance.** Small little progresses should also be celebrated and recognized. Activities, efforts, and modest improvements instead of big results should be noted and praised.

**Create, Innovate, and Designate:** Empowering employees for decision making, innovation and creativity is the key to foster a positive atmosphere and enhance employee involvement. Allowing the employees to play, have fun and experiment with newness; encouraging them to contribute to others (employees, customers and the community) in extraordinary, innovative and novel ways; designating employees with expansion of their responsibilities horizontally, and empowering them can have multiplying effects on the loyalty of the employees.

Organizations should have a proactive retention strategy which helps in reducing employee turnover. Retention plan strategies should be different for
different level of employees, because their roles are different; their needs are
different; what motivates them are different and what makes them leave are
also different. Based on the study it has been seen that dimensions of
satisfaction and motivate are significantly different for employees on the basis
of age, gender, marital status and education. Thus, based on the findings, it is
suggested that if the employees are motivated and involved in the work they
can be retained. The ease of retention would depend on their degree of
motivation and involvement. It is desirable to plan employee retention strategy
by an organization, which should cover following aspects:

➢ Reciprocity: Employees are investors in the company and expect a
return on investment. The return can be in the form of recognition, empowermen
and authority.

➢ Retention must be part of the organization’s culture: Successful
organizations have woven retention and engagement deeply into their
structure.

➢ Loyalty is never given: Loyalty must be earned; even satisfied
employees sometimes leave. Therefore, develop sense of loyalty among
the employees.

➢ Organizations must be seen as employers of choice: One has to
compete on compensation and benefits, but win on culture, learning and
development.
➢ Each generation of employees has different reasons for staying. For the first time in modern history, there are varied generations working side-by-side in most companies of this industry.

➢ Generational differences continue to pose new challenges to today’s employers. Thus, retaining them needs a generation-centric approach.

➢ Mentor widely and in both directions. Build learning relationships in all directions and hold all partners responsible for the success.

➢ Train intelligently: Provide on-going retention training in manageable bites – make it a continuous effort and find ways to size the retention plan to the specific demographics of the organization.

➢ Create a development culture: Career development is the right thing for the organization (identifying and developing future leaders), the right thing for the employee (creating a development environment), and a key retention component.

➢ Recognize managers who keep employees. Meaningful recognition remains a potent energizer for employees and managers alike.

Short Term Mitigation Plan Break Even Period

One of the objectives at this level should be on retention for a specified period of time (break even period) so as to recover the cost incurred on the employee. This should be formally included as a process such that the organizations include this in consideration while recruiting candidates. Break even period here refers to the minimum stipulated time for which an employee
must be retained so as to recover the cost of training and expenditure incurred on the employee. This may include factors like his average salary, training cost, expenditure made on the employee, commission paid to recruiting agencies, revenue generated by each employee. Similarly, many other heads can also be included in the calculation of the break even period. This will ensure that the employee stays with the organization at least for the time so as to recover the amount spent on him.

**Small Tenure Bonds**

Once this period is calculated, strict actions can be taken to ensure that employees do not leave the organization before completion of this minimum timeframe. One such measure is getting a bond signed between the employee and the employer and making the employee pay an exit penalty if he so withdraws before the expiry of the contract.

**Short Term Contingency Plan**

This plan will focus on the work environment that enhances employee motivation for the job. It includes work conducive and fun filled environment, informal work culture suiting to the needs of the young employees. This is essential for compensating the affected social life owning to the nature of the job. Certain measures that can be included are having crèche in workplace would also help for the same, flexible salary structure, variable pay package based on performance, working from home when required for a short term,
providing job rotation amongst department such as quality, operation etc on a periodic basis such that employees get bored with the same monotonous work.

**Long Term Mitigation Plan**

The long term mitigation plans are steps taken by the management to minimize the impact of attrition such that the firm does not face losses on the long term basis. Defining job roles would help in mitigating the effects of attrition. Clear documentation of the process and the jobs performed so that the process is not dependent upon an employee. Succession planning for the critical positions in the organization for faster replacement is yet another way to ensure minimum impact of attrition. An assessment and certification can also be helpful in creating an employable talent pool with benchmarked-requisite skill for frontline management.

**Long Term Contingency Plan**

The long term contingency plans are attempts by the industry to reduce the attrition as a whole. To minimize the training costs, the industry needs to work with the government to introduce courses at private levels, which are in line with the requirements of the ITES-BPO industry. To reduce poaching of employees within the industry, bilateral agreements between companies need to be signed. Basic norms are being put in place and code of ethics is being stressed upon by industry. A common database should be maintained by all the players of the industry to ensure that they are not cannibalizing each others resources. The industry should look at Tier II and Tier III cities, where it can move its operations. These would increase the resource pool as well as would
minimize the attrition. Awareness needs to be spread in these cities about the industry through advertisements. Focus should be on having education and ongoing learning for the workforce, sponsoring employees on post-graduate programs and treating applicants and employees in the same way as one treats customers.

CONCLUSION

Based on the findings derived after the in-depth and comprehensive study, few conclusions are made about employee retention. Employee retention is vital to the long term health and success of any business organization, especially in case of BPOs where the organizations spend so much in the recruitment and their initial and ongoing training of the employees. Organizational issues such as time and investment involved in training; knowledge lost due to attrition; mourning and insecure co-workers and a costly replacement of candidate costs a lot to the organization. Employee retention does matter. The concept of employee retention should be very distinctly understood and realized by organizations. It is not just about retaining one single or a group of employees, but it is about the future of retaining competitive sustainability of most effective manpower-key asset of any organization. Many organizations have understood the value of human asset of an organization, but only few have worked towards it. In most organizations retention strategies are paper struck but neither are they applicable in the purview of employee desk nor are they translated into actions. The reason can
be many. Such strategies are sometimes not communicated appropriately to the employees; they are sometimes unachievable, and often non-executable.

The retention strategies designed should be such that the retentive forces are maximized and the debilitating forces minimized. Attempt should be made not to orchestrate the retention strategies in isolation but ensuring that it forms a part of the overall strategies for fortifying the pull on the human talent, which include sourcing, staffing and development strategies in addition. It should also be noted here that retention policies should be highlighted at par with other policies so as to ascertain that the employees feel they are highly valued. Once the employees working in the organization are made to feel that the organization holds high degree of attachment towards them, it shall be easy to incorporate retention strategies. The organization should inculcate the value of people asset and the duty of retention across all levels.

**SCOPE FOR FURTHER RESEARCH**

It should be noted that the study is conducted in the capital city of Tamil Nadu, Chennai. Further research can be conducted by adding a couple of facets to it. The study can be replicated in other sectors where attrition has become a common problem.

A comparison can be made by taking respondents from the Tier I and Tier II cities in the same industry.
IT industry has close similarities with that of a BPO industry with an equally alarming rate of attrition. Similar study can also be done in sectors like hospitality, infrastructure, retail, education etc. as intrinsic motivation becomes a pillar for performance, loyalty and eventual sustenance almost everywhere.