ABSTRACT

Business Process Outsourcing (BPO) industry in India is progressing with an unparalleled velocity. Despite its momentous growth and brilliant future, the BPO industry has experienced high attrition rates since its very inception. There are many factors that lead to attrition in BPOs and much research has taken place time and again. In this study, a comprehensive attempt has been made to explore the dimensions of attrition and retention specific to a BPO. The research has been carried out in a systematic and methodical manner. The study is done in two components. First is the identification and exploration of the causal agents of attrition in the BPO sector of India, which involves an exhaustive study of the personal characteristics of the respondents; exploring the factors behind attrition, and then comparing these factors across the various personal characteristics. Second is the identification and exploration of the factors of retention in the BPO sector of India, which involves detecting the factors through field survey; comparing them across the personal characteristics; and developing a regression model. It concludes with model validation i.e. studying the impact of the recommendations on employees’ willingness to stay and analysis of the perceived attitudes of the employees, viz. the level of employee motivation, employee satisfaction, employee involvement, and life interest and work compatibility among the employees before and after the recommendations; and the relationship between the perceived attitudes and employees’ willingness to stay. The study is of enormous significance to practitioners as it provides with guidance related to factors associated with attrition and also gives suggestions on employee retention. The study provides practitioners with key information that can enable them to take robust managerial decisions.