Geeta Sachdeva and Naresh Kumar (2011)\(^1\) have stated that employee turnover is far more expensive than most people realize. In the worst case scenarios the loss of a single individual can put at risk a major project, with implications for the long term viability of the company. Turnover has become a central issue in the organization. In the present study an attempt has been made to study the level of work motivation dimensions i.e. need for Personal Growth, need for Achievement, need for Self Control, need for Monetary Gains, need for Non-financial Gains, need for Autonomy & Self Actualization, need for Social Affiliation & Conformity, overall work motivation and the level of turnover intentions of Bank employees working in North Zone of India. An attempt has also been made to study the relationship between various dimensions of work motivation and turnover intentions. The findings of the present study reveal that respondents (Banking employees) have highest need for personal growth and lowest need for monetary gains amongst all the dimensions of work motivation. It has also been observed that overall work motivation level is high. Further, the findings reveal that the general trend of relationship between dimensions of work motivation and turnover intentions is negative but non significant. The findings of the present study further reveal that the dimensions of work motivation are not significant predictors of turnover intentions.

\(^1\)Geeta Sachdeva and Dr. Naresh Kumar, “Turnover Intentions In Relation To Work Motivation Of Banking Employees”, International Journal of Research in Finance & Marketing, Volume 1, Issue 2, pp.163-177. (June, 2011)
Chun-Hsien Lee, Mu-Lan Hsu and Nai-Hwa Lien (2006)² have stated that employee turnover is a serious problem and the question of how to retain highly talented and valued people is very important. Previous employee turnover studies were mostly focused on the individual level but rarely from the standpoint of the business or firm. This study examines the impacts of four kinds of benefit plans on firm-level employee turnover issues, namely, retirement fund, pension, severance pay and fringe benefit. The present study uses the Census Bureau Employment Movement Survey of the Directorate General of Budget, Accounting and Statistics in Taiwan. The two models used to examine the overall manufacturing industry were: (1) the inducement model which tests the ‘with or without’ effect; and (2) the investment model which tests the ‘the more the better’ effect. Results reveal that, with respect to the firm’s employee turnover rate, retirement fund and fringe benefits are negative while severance plans are significantly positive. These results are consistent with the transaction costs theory that total expenditure on these plans to retain employees (bureaucratic cost) is less than the market arrangements (transaction cost). In addition, the impact of pension plans is negative in respect of employee turnover in larger or more highly educated firms, but positive in firms with a lower educational level. Moreover, the firm size is negative while the firm’s average employees’ educational level is positive with respect to the workforce leaving their jobs. These results are consistent with the perspective of resource-based theory and human capital theory. Incidentally, this study also reveals insignificant differences between the ‘with or without’ effect and the

‘the more the better’ effect existing as a sub-group industry rather than across the entire industry.

C. B. Barfoot (1969)\(^3\) presents some comments on Bonder's paper on the Lanchester attrition-rate coefficient, which indicate that a valid prediction of average attrition is obtained by using the harmonic mean of the variable attrition rates rather than the arithmetic mean. This change results in a constant Lanchester attrition-rate coefficient being defined as the reciprocal of the expected time to kill a target. An alternate and more general method for obtaining the constant coefficient is presented and some comparative results are displayed. An appendix indicates the conditions for which it is appropriate to use the harmonic and arithmetic means of rates in general.

Tariq Mehmood, M. Rashid Salaria and Dr. Gobind M Herani (2009)\(^4\) have conducted a study to know about the practices of Telecom industry, regarding their employees and to know how they keep up with the intense competition in the industry. The study focuses on factors effecting employees’ turnover and those factors that play an important role in retaining the employees of Telecom industry. The universe of this study was all the employees of Telecom industry in Islamabad, Karachi and Lahore. For this purpose, survey method was used by using questionnaire as a tool for data collection. The results have shown that Salary, Working


environment and Benefits are three significant factors effecting employees’ turnover and correlated with each other. The study was faced by certain limitations, which include time constraints and resources constraints, which limit this research to only Islamabad, Karachi and Lahore offices of the organizations in telecom industry of Pakistan. The present study found support for an independent variable with Employees turnover. Significant negative correlations have been found for the Salary, Work environment and Benefits. Therefore, organizations need to focus on how to develop better Salary plan and reduce strain in the workplace. If staff voluntarily leaves, it is a great loss to the telecom industry. It is expensive to hire, train, and “bring up to speed” new replacements. It is, therefore, important to understand the antecedents of turnover intent of employees before they decide to quit.

Chen, Ying-Chang, Ching Kuo, Taiwan Wang, Wen Cheng (2010) proposes human resource management features based on the analysis of the reasons for the brain drain in the hotel. There were several main findings from their empirical analyses. They were (1) Providing career advancement opportunities is critical for retention. (2) A mentoring program can help decrease the employee turnover of the small- and- medium –sized hotels. (3) High-quality communicating is valuable for hotel policy. (4) Pay and welfare also indicate significant position in Human Resource Management in the hospitality industry. The investigation of working satisfaction reflects the status of human resource in the hotels, through this, positive reactions can be made, and encouragement system can be adjusted, so that employees

---

get more satisfaction, employee turnover is reduced and performance can be improved.

Long, L., Dubois, C. & Faley, R. (2009) examined utilization of online training courses in a Midwest-based landscaping company in the United States. The company had implemented online training to facilitate employee development for their 5,000 employees who were in locations throughout the United States. The courses had been in place for about a decade before the organization attempted to evaluate their effectiveness. In the 14-month process of collecting data to evaluate course effectiveness, researchers discovered that only 21% of employees who enrolled in online training during this time period actually completed the training. This finding surprised researchers and company management and motivated an investigation into the causes underlying this high rate of attrition. Attrition survey data revealed that attrition was not due to dissatisfaction with course design, technology, or content. Rather, lack of time available both at work and at home was the principal factor that contributed to course attrition. Additional contributing factors included course enrollment procedures, low employee motivation, and employee turnover. Recommendations for implementation of online training in organizational settings are offered.

Bo H. Eriksen (2010) in his research on organizational learning curves argues that employee turnover reduces learning rates but so far studies have failed to demonstrate this empirically. This paper provides a

---


firm-level analysis of the impact of the in- and outflows of human resources on organizational learning using hierarchical regression analysis. Drawing on a unique longitudinal dataset of 2929 Danish manufacturing firms that combine individual-level data with firm-level data, the paper shows that in- and outflows of human resources moderates the effects of organizational learning negatively.

Kenneth J. Meier and Alisa Hicklin (2008)\(^8\) in their empirical studies of public employee turnover, particularly using turnover as an independent variable, are rare; and most of the literature assumes turnover to have a negative impact on organizations. This study examines a provocative but little supported hypothesis that has recently emerged in the private sector literature—that turnover may provide positive benefits to the organization, at least up to a point. Using data from several hundred public organizations over a nine-year period, we test the proposition that moderate levels of turnover may positively affect organizational performance. We find that while turnover is indeed negatively related to performance for the organization's primary goal, it does have the hypothesized nonlinear relationship for a secondary output that is characterized by greater task difficulty.

Zeynep Ton and Robert S. Huckman (2008)\(^9\) examined the impact of employee turnover on operating performance in settings that require high levels of knowledge exploitation. Using 48 months of turnover data from


U.S. stores of a major retail chain, they found that, on an average, employee turnover is associated with decreased performance, as measured by profit margin and customer service. The effect of turnover on performance, however, is mitigated by the nature of management at the store level. The particular aspect of management on which they focus is process conformance—the extent to which managers aim to reduce variation in store operations in accordance with a set of prescribed standards for task performance. At high-process-conformance stores, managers use discipline in implementing standardized policies and procedures, whereas at low-process-conformance stores, managers tolerate deviations from these standards. They found that increasing turnover does not have a negative effect on store performance at high-process-conformance stores; at low-process-conformance stores, the negative effect of turnover is pronounced. Their results suggest that, in settings where performance depends on the repetition of known tasks, managers can reduce turnover's effect by imposing process discipline through standard operating procedures.

Jason D. Shaw (2011)\(^\text{10}\) reviewed the burgeoning literature on turnover rates and dimensions of organizational performance, and concludes that substantial evidence indicates that turnover rates have negative implications for several dimensions of organizational performance (e.g., safety, productivity, and monetary aspects), that the content of turnover rates plays a role in the magnitude and form a relationship between turnover rates and organizational performance, and that turnover rates affect distal measures (e.g., profitability, financial performance) through decreased

\(^{10}\) Jason D. Shaw, “Turnover rates and organizational performance, Review, critique, and research agenda”, Organizational Psychology Review August 2011 vol. 1 no. 3, pp. 187-213
productivity and losses in human and social capital. A roadmap is provided for future theory-building and empirical work in this area.

Henry Ongori (2007)\(^{11}\) states that “Employee turnover” as a term is widely used in business circles. Although several studies have been conducted on this topic, most of the researchers focus on the causes of employee turnover but little has been done on the examining the sources of employee turnover, effects and advising various strategies which can be used by managers in various organisations to ensure that there is employee continuity in their organisations to enhance organizational competitiveness. This paper examines the sources of employee turnover, effects and forwards some strategies on how to minimize employee turnover in organisations.

Heathfield, S. M. (2009)\(^{12}\) focuses on the results of a recent Adecco survey. It appears as though the greatest threat to employers may be the end of the recession. According to the Adecco survey results, employees are willing to make sacrifices during the recession; however, 54% of them plan to look for a new job when the economy recovers. The results are even stronger for younger workers, with 71% of those aged 18-29 indicates that they plan to look for a new job at the end of the recession. The author suggests that employers need to make improvements to the work environment if they plan to keep their top talent after the job market recovers.

---


N Bennett, T C Blum, R G Long, P M Roman (1993) in their article examined the role of firm characteristics, work force characteristics, location and employee benefits practices on employee turnover. Most research on turnover has been conducted at the individual or job-level, examining the cognitive processes that precede a jobholder's decision to leave a firm. Regardless of the reason, turnover clearly is consequential for organizations. It has been suggested that some solutions to problematic turnover may be linked to the manipulation of organizationally controlled variables. One likely explanation for the lack of firm-level turnover research is the difficulty associated with obtaining data on turnover and it possible correlates with a heterogeneous sample of firms. A second explanation is the lack of a cogent theoretical model to guide such an effort. The purpose of this study is to examine, at the firm level, variables that have been linked to employee turnover in micro-level investigations and to industry turnover rates in macro-level investigations.

Ho, Jessica Sze Yin, Downe, Alan G. and Loke, Siew-Phaik (2010) in their study has witnessed the growth of the Malaysian services industry which has become a critical factor in regional business development. But it is dependent largely on the availability of human capital with required technical and non-technical skills. The success of the service industry is, in part, dependent on recruiting and retaining workers with the right combinations of skills, but is threatened by high rates of staff attrition and job-hopping. Using survey, focus group and interview techniques, this study

---

explores the factors influencing the intention to turn-over among young, well-educated professionals within the Malaysian service industry. The results showed that there was a high tendency for this group of young employees to switch jobs. This was motivated by both push factors (interference with work-family-lifestyle balance, poor relations with co-workers, work stressors, unsatisfactory supervisory relationships) and pull factors (offers of better compensations, more interesting work, promotion opportunities, desire to return for academic studies). The importance of human capital management in the service industry has been linked to maximizing all employees’ values to reach the firms’ objectives. By identifying these push and pull factors, it provides valuable insights to Malaysian employers to understand.

Neeraj Pandey and Gagandeep Kaur (2011)\textsuperscript{15} have stated that the employee attrition is a painful area for the management of Information Technology Enabled services (ITeS) call centres. In spite of providing attractive salaries, social security benefits, pick-up and drop facilities and swanky office spaces, the ITeS call centre employees are leaving the organisation. The management is bemused that why do employees actually leave? The current research explores the factors behind the high attrition in Indian ITeS call centres. Apart from extensive literature review, available till date, techniques like focus group discussion and semi-structured interviews with employees of Indian ITeS call centres, who have shifted their ITeS call centre job at least once in their career, have been conducted. It calls for reviewing the human resource policies of the call centre employees in light

of employee policies implemented in other industries apart from providing better facilitation on pertinent issues like career planning, appraisal system, salary and timings to the ITeS call centre employees.

Santoshi Sen Gupta and Aayushi Gupta (2008)\(^{16}\) have stated that business Process Outsourcing (BPO) is growing at a phenomenal pace. It has become a mantra of employment. Despite its momentous growth and bright future, the BPO industry continues to suffer from very high attrition rates. New employees come with a lot of enthusiasm but their motivation gets depleted as job realities unfold with the passage of time. Reviewing the earlier research, the paper identifies the main causal agents responsible for high attrition in the BPO industry and argues that there is a vicious circle of attrition because 'Low Perceived Value' drives the employees to quit which further lowers the perceived value. This has implications for further research on BPO industry.

R Decoooman, S Gieter, R Pepermans, S Hermans, C Bois, R Caers and M Jegers (2009)\(^{17}\) examined the relation between employees work values and their organizations values (personorganization fit). With a two year time interval, 140 respondents participated in a longitudinal study. After entry, socialization served to enhance homogeneity. The work values underwent small changes and the perception of fit with the organization grew. Despite high retention rates results confirmed the attrition effect. Results indicated that the lower the perceived match between own and

---


organizational values at entry, the more likely it was that someone left the organization over time. We concluded that socialization as well as attrition mechanisms were present at the same time.

Shahnawaz M.G., and Jafri Md.Hassan (2009)\textsuperscript{18} examined the relationship between job attitudes and employee turnover intentions among two categories of employees, labelled as stayers and leavers. The study aims at exploring how job satisfaction and organizational commitment predict employee turnover intention for stayers and leavers. Employees who had changed their jobs two or less than two times in the past four years were defined as stayers while those who had changed jobs two or more than two times in the similar period were considered as leavers/hoppers. Data were collected from 80 managers, selected randomly, from two Information Technology Enabled Services (ITES) organizations situated in Delhi (NCR). Results showed that job attitudes were highly related with intention to leave the organization among both categories of employees. Job satisfaction predicted turnover intention in stayers while organizational commitment especially the affective and normative commitment predicted turnover intention better in leavers/hoppers.

Rhokeun Park, Eileen Appelbaum and Douglas Kruse (2010)\textsuperscript{19} studied the effects of employee involvement and group incentives on organisational commitment and turnover intention they examined using data from a survey of over 4,000 employees in 29 manufacturing companies. Using the


mediated moderation model, they investigated the moderating role of capital intensity on the relationships between employee involvement and group incentives and these outcomes, and the mediating role of organisational commitment on the effects of employee involvement and group incentives on turnover intention. The findings revealed that employee involvement is more effective in capital-intensive companies than in labour-intensive companies, but group incentives are more effective in labour-intensive companies. The moderated effects on turnover intention were mediated through organisational commitment. Implications for company policies and future research are discussed.

Laura J. Owen (1995)\textsuperscript{20} in her paper examined that the decline in turnover of manufacturing workers during the 1920s was a response to new employment policies which increased workers' cost of voluntary (and involuntary) separation. Case studies of four firms are used to illustrate that the incentives to change employment procedures were the reduction of costly labor turnover and the motivation of worker effort. Firms' new employment practices reduced labor turnover through the direct effect on their workers and the equilibrium effect on the aggregate labor market.

Sagar Chakraverty (2006)\textsuperscript{21} has stated that there was a heavy exodus of employees from one organisation to another especially in the IT / BPO sectors in India and the biggest challenge for the HR managers were to retain employees. The battle for head hunting had become fierce and the organisations adopted all possible means to recruit the available talent pool.


\textsuperscript{21} Sagar Chakraverty, “Employee attrition in IT/BPO Sector: Cost and Consequences”, Human Resource Management Case Study, Case Code: HRM0019B.
The rampant practice of poaching and bulk recruitment with lucrative offers were important catalysts to accelerate the high attrition rates. The mushrooming placement consultancies and job web websites had played a big role as catalyst too. Formulation of amicable retention strategy was a good option but, there was no clear cut formula to devise the strategy. A particular strategy could work for few organizations and could fail for others. Therefore, was the employees were supposed to shoulder the entire blame for attrition.

Antony and Jiju (2010)\(^\text{22}\) have come out with a case study that aims to illustrate the application of Lean Six Sigma into the human resource (HR) function of a service industry corporation. The study draws on process information and primary data from a real project. The study describes improvements in the HR management attributable to Lean Six Sigma: decrease of employees' voluntary turnover and increase in employees' satisfaction. Although being extremely successful in the last two decades in the manufacturing sector, the application of Lean Six Sigma to the service industry in general, and HR management in particular, has been a controversial topic. This study illustrates how its application can reduce employees' voluntary turnover rate and increase their satisfaction, hence increasing the return on investment of human capital.

Xueyan Wei; Hui Liu; Ningxin Wang and Long Hai (2009)\(^\text{23}\) investigated the relationships between Chinese employee's turnover


\(^{23}\) Xueyan Wei; Hui Liu; Ningxin Wang; Long Hai, “Chinese Employee's turnover intentions in relation to organizational identification, work values in modern service sector”, Service Systems
intentions and organizational identification and work values from a sample of 264 belonging to 25 service firms. The study's result shows that organizational identification, work values of payment and social status were robust predictors of turnover intentions in modern service sector. Employee's work values partially moderate the relationship between organizational identification and turnover intentions. And social status work value positively moderate relation between organizational identification and turnover intentions.

James S. Boles, Lawrence E. Ross and Julie T. Johnso (1995)\textsuperscript{24} were of the opinion that understanding and managing employee turnover are important dimensions of the hospitality manager's job objectives. One way to improve the understanding of this nagging managerial problem is to better understand how selection techniques can influence turnover levels. In a series of regression analyses, different preemployment demographics are tested for their predictive strength. Education, work experience, and income potential were significant predictors. Ironically, the variables that are now legally restricted as hiring criteria like gender and age-showed no significant relationship with regard to propensity to leave.

Malini Nagabushan (2004)\textsuperscript{25} has stated that during 2004, call centres were the fastest growing segment of the Indian Information Technology enabled services (ITES), BPO (Business Process Outsourcing) sector with


\textsuperscript{25} Malini Nagabushan, “Indian Call Centers (A): Rising Employee Attrition”, HRM / Organizational behaviour Case Study, ase Code: HRM0003
historic growth rates of 112% in revenues and about 75% in employees. The competitive advantage that India enjoyed was the combination of a huge pool of technically qualified English speaking graduates who were willing to work for lower pay than their counterparts in the US or the UK. However, the Indian companies now faced the problem of increasing attrition among its workforce – 30-35% in 2003, from 20-25% in 2002 and 10% in 2001. This problem, if left unchecked could seriously affect India's competitive advantage of high quality, low cost service offering.

Muhammad Sani Umar and Usman Ahmad Karofi (2007) examined the impact of non-work factors on labour turnover among female employees in Kebbi State Civil Service. The hypothesis of the study states that the higher the perception of prevalence of certain non-work related factors, the earlier the decision by female workers to disengage from the civil service. A questionnaire was administered on 172 former female civil servants in Kebbi State. The major findings of the study are that non-work factors identified in the study were statistically significant determinants of female labour turnover. Secondly, pressures from the matrimonial homes were very strong, standing out as the strongest of all the non-work factors responsible for female labour turnover. The study recommends that high-quality public childcare should be provided at work places and that the government should also look at ways of making work–environment reflect the culture of the society.

P.K. Suri and Rachna Soni (2007) have stated that staff attrition is a problem often faced by software development organizations. They used process modeling and simulation to estimate the effect of different staffing policies on the project cost. A simulation technique has been used for analyzing the effect of the policies pertaining to replacement for engineers who leave the project, and also overstaffing in the beginning of the project. This paper presents the simulation technique for optimizing the cost of staffing by analyzing replenishment level and replenishment strength with respect to attrition.

Thite, Mohan; Russell and Bob (2010) in their empirical study of four large Indian call centers have examined specific aspects of HR practice for their effect on retention in the very different context of Indian labor markets. The relationship between HR practices and the realities of the call-centre labor processes operating within a buoyant labor market that offers plentiful job alternatives are explored. The findings suggest that the contribution of HR to employee retention is necessary but not sufficient for retention in the context of Indian call centers.

Yu Yan and Sun Huimin (2009) have stated that the employee turnover of private auto parts enterprises was one of the important aspects of the employee relationship management. This paper analyzes the factors influencing employee dimension inside the private auto parts enterprises in

---

three dimensions: macro environment factor, organization factor, individual factor, and then deeply studies the different indexes of each dimension. The author established a multi-variable model and proves that among the factors of job satisfaction, the satisfaction with the supervisors and colleagues were two key factors. The author further proves the negative correlation between the employee satisfaction and the employee dimension.

Connie Zheng and David Lamond (2010) have stated that high employee turnover rates among multinational companies (MNCs) in Asia have become an organisational issue, which cannot be sufficiently addressed at the individual level. In this paper, they examined the issue of employee turnover at the organisational level. A group of organisational variables (e.g., training, size, age, industry, percentage of expatriate managers and headquarters’ national base) were tested, using a sample of 529 MNCs in six Asian countries. The standard multiple regressions show that training, size, the length of operation in local subsidiary and nature of industry were significantly related to turnover. An effect of the percentage of expatriate managers present in the local subsidiary on employee turnover appears to be moderate. These results fill a research gap by identifying organisational variables (as opposed to individual characteristics) and contribute to better explanation of employee turnover at firm level.

Thomas Hugh Feeley, Shin-Il Moon, Ryan S. Kozey and Anne Solbu Slowe (2010) have introduced Erosion Model (EM) of employee turnover

is introduced to explain the previously observed negative relationship between network centrality and employee turnover. The EM hypothesizes that social support moderates the centrality–turnover relation as those more active in the organization's social network experience less job strain due to esteem provided by work peers. Three EM hypotheses were supported using meta-analytic procedures with significant relations identified between centrality and turnover (k=5, r=.29), social support and centrality (k=7, r=.23), and social support and turnover intentions (k=17, r=.35). Future research for EM expansion and practical applications are proposed.

Woods and Kathryn (2009)\textsuperscript{32} in their study examined 76 Bank of America banking centers in Tennessee to determine the relationship between employee turnover rate and customer satisfaction levels. A moderate, significant, negative relationship was found between the variables in all three years included in the study. The research also revealed that employee turnover rates in banking centers retaining the same manager for three or more years were significantly lower than banking centers in which the manager position turned over at least once in three years. Additionally, employee turnover rates in urban banking centers were significantly higher than banking centers located in rural areas in all three years.

Ankita Srivastava, Yogesh Tiwari and Hradesh Kumar (2011)\textsuperscript{33} in their research aims to identify the root causes of attrition and retention in BPOs, analyzing the level of employee motivation, satisfaction and involvement, generate a model for maximizing sustenance of employees in

\textsuperscript{32} Woods, Kathryn, “Relationship between employee turnover rate and customer satisfaction levels for banking centers”, Trevecca Nazarene University, 2009, 119 pages; 3366129.

the organization and come up with concrete recommendations, which will eventually be valuable to the organizations to retain their employees for a long term.

Mastri and Annalisa (2008)\textsuperscript{34} in their paper investigated how work-family policies were linked to the attrition of female employees and firm’s profitability. Using longitudinal data on approximately 1,400 law firms over ten years, they estimate models with firm fixed effects that allow credible estimation of these relationships in the presence of firm heterogeneity. There were three main findings. First, they found that Employee Assistance Plans, dependent care flexible spending accounts, and emergency child care were associated with increases in the percentage of associates who were female. Second, these policies were linked to reductions in the turnover rates of associates. This, combined with the first finding which indicates that work-family policies help retain female employees. Third, by linking a subset of the firm-level data to supplemental data on firm profitability over the same period, they also show that providing such benefits does not hurt firm profitability or lead firm’s to go out of business. The results of the study were generalizable to other large firms with similar organizational structures and a similar workforce composition, such as consulting and accounting firms. Overall, these findings suggest that firm provision of work-family policies can play an important role in retaining female employees without hurting firm profitability.

Steers, Richard M.; Mowday, Richard T.; Krackhardt, David; McKenna, John and Porter, Lyman W. (1978)\textsuperscript{35} examined the effects of experimentally introducing a participative goal-setting program which aimed at reducing employee turnover in fifty branches of a West Coast bank. One half of the branches received the goal-setting treatment (focusing on employee development goals), while the matched control groups received no treatment. Results showed that, for those branches that implemented the goals, turnover has reduced significantly compared to the matched control groups. Moreover, the extent to which the goals were actually implemented was found to be influenced by the efficiency level of the individual branches. Results were discussed in the light of relevant goal-setting and turnover literature.

McConnell CR (2007)\textsuperscript{36} has stated that turnover is a relatively simple and easily described concept. However, considerable confusion often results when addressing turnover because of differences in how it is defined; that is, what is counted, how it is counted, and how the turnover rates are expressed. Turnover is also costly, although not enough attention is paid to its cost because so much of it is indirect, and thus, not readily visible. There are a variety of causes of turnover, some which can be corrected and some of which cannot be avoided. Reducing or otherwise controlling the turnover requires continuing management attention to its causes and constant recognition of what can and should be controlled and what cannot be


controlled. Ongoing attention to turnover is an essential part of the department manager's role.

Peter W. Hom, Frederick T.L. Leong and Juliya Golubovich (2010)\textsuperscript{37} have applied three of the most prominent theories in vocational and career psychology to further illuminate the turnover process. Prevailing theories about attrition have rarely integrated explanatory constructs from vocational research, though career (and job) choices clearly have implications for employee affect and loyalty to a chosen job in a career field. Despite remarkable inroads by new perspectives for explaining turnover, career, and vocational formulations can nonetheless enrich these – and conventional – formulations about why incumbents stay or leave their jobs. To illustrate, vocational theories can help clarify why certain shocks (critical events precipitating thoughts of leaving) drive attrition and what embeds incumbents. In particular, this chapter reviews Super's life-span career theory, Holland's career model, and social cognitive career theory and describes how they can fill in theoretical gaps in the understanding of organizational withdrawal.

Levent Yilmaz (2007)\textsuperscript{38} in his paper has presented an agent-based simulation study that explores the effects of team behavior on the efficiency and effectiveness of software development organizations that pursue incremental and iterative processes. The conceptual model underlying the

\textsuperscript{37} Peter W. Hom, Frederick T.L. Leong, Juliya Golubovich (2010), Insights from vocational and career developmental theories: their potential contributions for advancing the understanding of employee turnover, in Hui Liao, Joseph J. Martocchio, Aparna Joshi (ed.) 29 (Research in Personnel and Human Resources Management, Volume 29), Emerald Group Publishing Limited, pp.115-165

simulation framework is based on the fundamental tenets of organization theory. The organization-theoretic perspective to simulation modeling of software processes entails characterizing the components of organizational design, as well as types of team cooperation mechanisms that are associated with selected team archetypes. It presents the simulation framework Team-RUP and use it to examine the extent of the impact of turbulence (i.e., employee turnover) on the effectiveness of software development under various team archetypes. It has been observed that asynchronous team cooperation models were less predictable than synchronous models. Also, teams that utilize bottom-up coordination strategies were more adept at responding to change.

Punia, B.K. Sharma and Priyanka (2008)\textsuperscript{39} have stated that attrition and retention were the buzz words in the IT industry at global level in general and in India in particular. Using sample of 1000 IT professionals, the study attempts to find out the prominent alternative employment factors and also the leading retention approaches that may be used to keep the IT professionals intact. The study brings out the fact that the IT professionals regard the working conditions as the most important factor followed by compensation and the family circumstances as the major influencing factors that may be considered while planning a job change professionals. A family friendly policy, identification, recognition and motivation of key performers and flexible work schedule have emerged as the top runner retention strategies as suggested by the IT professionals.

Emily Thaden, Lynette Jacobs-Priebe and Scot Evans (2010) have examined the factors related to employee attrition in a US State Social Service Organization (SSSO) that administers welfare, food stamps, and Medicaid. Semi-structured telephone interviews were conducted with 132 former SSSO employees. Qualitative analyses found that informants reported insufficient resources to do their jobs, inconsistent or inadequate training experiences, negative perceptions of the organizational culture and management (e.g. minimal recognition and inadequate support for professional growth or innovation), and typically positive perceptions of co-worker relationships during their tenures at the SSSO. To examine the relative impact of these factors and background variables (age, race, office location, and position) on duration of employment, a multiple linear regression was conducted. Age, office location, position, and perceptions of organizational culture significantly predicted duration of employment ($F(7,123) = 24.19, p < .001, R^2 = .56$). Findings suggest that organizational culture may be an important change target for retaining workers in SSSOs.

Bill Macaitis (1985) have stated that, following the expansion of its Engineering Department to accommodate a large capital works program, the Metropolitan Sanitary District of Greater Chicago initiated an attrition program primarily aimed at reducing the staffing of its Engineering Department to approximately a pre-program level. The attrition environment required that special attention be given to maintaining productivity. The motivations and needs of the employees were analyzed. Management actions

---


directed at productivity have been focused at the individual employee, as well as at general work production. The attrition program has been successful, and the objectives of the Engineering Department have been consistently obtained throughout the program.

Dr. D. Venkatramaraju and R. Suresh Babu (2011)\(^\text{42}\) states that attrition is the biggest problem faced by BPOs these days. Attrition rate in BPOs is more than the attrition rate in any other sector. It is very important to control this attrition rate. Many retention schemes are applied in BPOs for retention. A single tool like training alone is not sufficient for employee retention. The best results for employee retention can be achieved by applying different tools strategically. Human Resource Development holds the key for looking after employee’s welfare. Just as how customers are important for organization, employees are equally important to win battles in the competitive business environment. Retention of key employees is critical to the long-term health and success of any organization. However, there are some common reasons that especially cause people to leave. Surveys have listed night shifts, money, inability to handle various types of stress, monotonous work; company policies, lack of career growth, problems with those in senior positions etc., as some of the most common reasons listed by BPO employees, as reasons for quitting jobs. This paper discusses about the Human Resources department which must address these issues, and states that along with the management need to evolve strategies to retain employees at all levels.

Rakesh Yadav (2011) in this paper analysed the factors affecting the attrition from HR perspective. Based on the attrition rate of some of the major IT companies, the problem was treated as HR issue but it should be treated as business problem. This paper adds to the conceptual literature of on the relation between attrition rate and HR policies. An implication of this study is that HR policies of the IT companies are not appropriate for keeping the attrition rate low. This conceptual paper demonstrates that HR policies of the companies are inefficient in keeping the attrition rate low.

Muhammad Ehsan Malik, Rizwan Qaiser Danish and Yasin Munir (2011) states that all over the globe organizations have realized that skilled labor and technocrat people exploit the organizations for better incentives. Reducing employees’ turnover intention is a very pivotal challenge for today’s HR managers. To analyze employee’s turnover intention and its impact on organizational outcomes 277 questionnaires were distributed in hundred organizations from 5 major industries i.e. Manufacturing, Higher Education, Banking, Telecommunication and Hospitality industry of Pakistan. Two hundred complete surveys were received at a response rate of 72%. This study provides favorable results and directions for HR directors to reduce employees’ turnover intentions. Future directions and major limitations were also discussed in this study.

44 Muhammad Ehsan Malik, Rizwan Qaiser Danish, Yasin Munir, “Employee’s Turnover Intentions: Is this HR Failure or Employee’s better employment opportunity?”, 2011 International Conference on Innovation, Management and Service IPEDR vol.14, IACSIT Press, Singapore
Bo H. Eriksen (2011)\textsuperscript{45} in his study has explored different mechanisms that influence how employee turnover affects organizational performance in an empirical analysis of 2,921 Danish manufacturing firms during 1995-2001. The key findings are that loss of firm-specific human capital from employee turnover reduces organizational performance at a declining rate but that substitution of labor resources for capital resources moderates the negative turnover effects. These findings contrast with recent single-firm studies of service sector organizations that find an inverted U-shaped relationship, and suggest that for manufacturing firms human capital losses and technology choice dominate any positive sorting effects.

Fred F. Easton and John C. Goodale (2002)\textsuperscript{46} have stated that most of the labor staffing and scheduling models presume that all employees scheduled for duty reliably report for work at the beginning of their shift. For industries with even moderate turnover or absenteeism, this assumption may be quite costly. They have presented a profit-oriented labor scheduling model that accounts for the day-to-day flux of employees and capacity induced by voluntary resignations, new hires, experience curves, and absenteeism. The proposed model also anticipates revenue losses due to reneging by customers whose patience decays exponentially with queue time. Their computational studies suggest that firms with comparatively high transaction volumes, long transaction times, and/or relatively tight profit margins may experience significant benefit from this approach. Compared with conventional labor scheduling models, the proposed method boosts


average expected profits by more than 10 percent in certain operating environments.

Khatri, Naresh; Fern, Tze F. and Budhwar, Pawan S. (2001)\(^{47}\) have stated that employee turnover is giving sleepless nights to HR managers in many countries in Asia. A widely-held belief in these countries is that employees have developed 'bad' attitudes due to the labour shortage. Employees were believed to job-hop for no reason, or even for fun. Unfortunately, despite employee turnover being such a serious problem in Asia, there is a dearth of studies investigating it; in particular studies using a comprehensive set of variables were rare. This study examines three sets of antecedents of turnover intention in companies at Singapore: demographic, controllable and uncontrollable. Singapore companies provide an appropriate setting as their turnover rates were among the highest in Asia. Findings of the study suggest that organisational commitment, procedural justice and a job-hopping attitude were the three main factors associated with turnover intention in Singapore companies.

Margaret A. Deery and Robin N. Shaw (1999)\(^{48}\) have attempted to explore the existence of a turnover culture in the hotel industry. Data collected from non-supervisory staff at the four Melbourne-based properties of a hotel chain were analyzed using cluster analysis. The analysis yielded seven clusters, two of which were subsequently defined as a turnover culture and a work culture. The seven clusters were examined, with particular


\(^{48}\) Margaret A. Deery and Robin N. Shaw, “An Investigation of the Relationship between Employee Turnover and Organizational Culture”, Journal of Hospitality & Tourism Research November 1999 vol. 23 no. 4, pp. 387-400
attention given to the culture groups. Finally, the implications for management were discussed.

Haines, Victor Y., Jalette, Patrice and Larose, Karine (2010) have tested the influence of thirteen human resource management practices on voluntary turnover rates the following year while controlling for workplace size, the presence of a separate human resources management unit, union density, industry, and region. Analysis of data from 4,160 workplaces in a representative distribution of Canadian industries found that employer-provided training is associated with higher turnover, whereas internal labor markets and formal dispute resolution procedures were associated with lower turnover. The findings are consistent with predictions that some human resource management practices reduce workers’ desire to leave and that training may actually make their leaving easier.

Dr. Alaknanda Dhotre (2010) has stated that the pharmaceutical industry is growing exponentially; there is a constant thirst for the best and the brightest of employees. After Information Technology, the pharmaceuticals industry is grappling with the highest level of attrition rate at 30 to 35 per cent, according to a recent survey of Indian pharmaceutical companies by Interlink Marketing Consultancy. The article discusses current attrition rates of various companies. The attrition patterns of major pharmaceutical companies like Ranbaxy, Sun Pharma, Pfizer, Novartis, Merck, Sanofi Aventis etc. were discussed. The causes of attrition like

---


money factor, working conditions, organization’s culture, opportunities for growth, organization behavior, supply and demand imbalance etc. were discussed. Watson Wyatt India Total Rewards Survey TM was studied. The causal theory of attrition was summarized in tabular form based on Watson Wyatt Survey. Roles of human resource management in meeting organizational needs and tasks were discussed. The Parameters for attracting potential employees are given in terms of percentage in tabular form. Factors used to differentiate rewards for superior performers like salary rise, growth opportunities, training programmes, etc. were also given in terms of percentage. Strategies to retain talented people, psychological environment, and career track management were discussed. Finally, it has been concluded that organizational environment like work culture, engaged leaders, effective communication practices, challenging assignments, international exposure, flexible work-time, quality of life, work-life-balance, etc. can increase employee engagement and improve productivity.

William J. Von Hagel Jr. and Leslie A. Miller (2011)\textsuperscript{51} have stated that voluntary turnover rate of Information Technology (IT) professionals within defense contracting organizations has increased by 12.6% since 2003. The perceptions and lived experiences of IT professionals in the defense contracting industry were explored in a phenomenological study to better understand the precipitating events, or shocks, that led to their decision to voluntarily leave an organization. Twenty IT professionals at a small, service-based, government contracting organization supporting the intelligence community in Ft. Meade, Maryland, were interviewed until data saturation was achieved. Analysis of interview responses revealed that

managing relationships at multiple levels between employees, corporate management, and the direct supervisor or manager is one way that organizations can decrease their overall voluntary employee turnover. The results of the study can be used by business leaders to create innovative retention plans and enact positive organizational change to reduce the voluntary employee turnover of IT professionals.

Ammu Anantharaja (2009)\textsuperscript{52} has stated that employee turnover reflects a company's internal strengths and weaknesses. New hires need to be constantly added, further costs in training them, getting them aligned to the company culture, etc., all pose a challenge. Organizations also face difficulties in retaining the remaining employees as well as attracting potential employees. High attrition rates also lead to a chronic or systemic cycle. All this has a significant impact on the strength of a company in managing their business in a competitive environment. This study is conducted to find out the main causes which increase the employee turnover in BPO companies and to find out the way to control attrition. The work is descriptive in nature. This study was carried out in BPO companies in and around Bangalore. In this study, the opinion of 110 employees was taken for the analysis. The tool used for collecting the data was a structured questionnaire.

Jen-Te Yang, Chin-Sheng Wan and Yi-Jui Fu (2011)\textsuperscript{53} have stated that in the past decades, high employee turnover has been an important issue for many hoteliers and a focus of academic interest. Although hoteliers often

\textsuperscript{52} Ammu Anantharaja, “Causes of Attrition in Bpo Companies: Study of a Mid-Size Organization in India”, The IUP Journal of Management Research, IJMR20911.

\textsuperscript{53} Jen-Te Yang, Chin-Sheng Wan, Yi-Jui Fu, “Qualitative examination of employee turnover and retention strategies in international tourist hotels in Taiwan”, International Journal of Hospitality Management (October 2011).
use retention techniques to retain capable employees, the turnover rate remains high. The purpose of this study was to explore determinants of management-level employee turnover and to identify existing practices in human resource retention strategies. In this study, interviews with Taiwan hotel workers revealed that more than 80% of the respondents had resigned from a job to pursue career advancement while 70% had experienced recruitment propositions from other hotels. Another factor of turnover may be that relating to differences between expectations and reality. This study indicates that managers need to understand more fully the needs of subordinates when providing career advice, and relevant training programs should be introduced to enhance career opportunities.

Mowday RT (1984)\textsuperscript{54} has stated that for many organizations facing high rates of employee turnover, strategies for increasing employee retention may not be practical because employees leave for reasons beyond the control of management or the costs of reducing turnover exceed the benefits to be derived. In this situation managers need to consider strategies that can minimize or buffer the organization from the negative consequences that often follow from turnover. Strategies organizations can use to adapt to uncontrollably high employee turnover rates were presented in this article. In addition, suggestions were made for how managers should make choices among the alternative strategies.

I. McEvoy, Glenn M.; Cascio and Wayne F. (1985)\textsuperscript{55} have investigated the relative effectiveness of realistic job previews (RJPs) and

\textsuperscript{54} Mowday RT, “Strategies for adapting to high rates of employee turnover”, Hum Resour Manage 1984; Vol.23, No. (4), pp.365-80.

job enrichment as turnover reduction strategies. A thorough literature search located 20 experiments dealing with attempts to reduce turnover in field settings. Several meta-analysis techniques showed that variation in the outcomes of job enrichment studies can be attributed to sampling error alone, whereas variation in the outcomes of RJP studies cannot. A search for moderators in the latter case revealed moderate support for the notion that the task complexity affects RJP outcomes. Furthermore, the meta-analyses indicated that job enrichment interventions were about twice as effective at reducing turnover as RJs. Based on the calculated effect sizes, estimates of savings from turnover reductions were provided.

RESEARCH GAP

The summary of the above research stream states an urgency of research needs to identify interlink or integrated approach on influence on turnover intention, influence on work environment and implementation of retention strategy. None of the research shows the integrated approach of all these dimensions and further no research is conducted in select manufacturing and service sector together in Coimbatore district of Tamilnadu. To fulfill the gap of the lacuna, the present study shows its uniqueness of developing a relationship between turnover intentions, work environment and implementation of retention strategy.