CHAPTER II

REVIEW OF LITERATURE

Employee turnover is a much researched topic in all industries but not in IT and ITES industry in India. There is a voluminous review of literature available on the reasons for voluntary employee turnover sixty decades ago. By designing different models that combine the factors contributing to turnover and empirically testing the models researchers have been attempting to predict why individuals leave organizations.

II.1 JOB SPECIFIC FACTORS (IN VOLUNTARY ATTRITION)

II.1.1. WORK ENVIRONMENT

McNall et al. (2010) examined the relation between the availability of two popular types of flexible work arrangements, flextime and compressed workweek and work-to-family enrichment and, in turn, the relation between work-to-family enrichment and job satisfaction and turnover intentions. An important contribution of the present study is that it adds to the understanding of the work–family enrichment process, which begins to provide a more balanced conceptualization of the overall work–family interface. In particular, we found that availability of flextime and compressed workweek schedules influences work-to-family enrichment, which in turn relates to job satisfaction and turnover intentions. This study, coupled with the growing body of research on the positive side of the work–family interface, suggests that it may be just as important to look for ways to facilitate enrichment, and that by doing so; positive outcomes are likely to ensue. Thus, the availability of flexible work arrangements such as flextime and
compressed workweek seems to help employees experience greater enrichment from work to home, which, in turn, is associated with higher job satisfaction and lower turnover intentions.

Pashankar (2012) attempt to explain the problems faced by the ITES / BPO workers within the legal context in which they work. It also tries to bring to fore, the problems faced while implementing the legislature and the consequences of exemptions granted by state level laws to encourage ITES sector. This study appeared that the higher-end the process is, the less attrition there is, and attrition seems to be a much larger problem in voice operations such as call centres, then in other BPO/ITES work. This study has suggested ITES/BPO work may be improved through rotating jobs between workers, rotating shifts, and giving all employees some opportunity for non-scripted work or non-standard jobs during some of their working hours. Likewise surveillance may be necessary for security, monitoring of work may be necessary for quality control, and night work may be necessary to cater to the overseas market however performance targets need not be set so high that stress and burn-out are almost inevitable.

Sowmya & Panchanatham (2012) attempted to study the relationship between organizational politics and turnover intention of employees in educational institutions. In this study relationship between turnover intention and organizational politics was analyzed using the Pearson’s correlation analysis. In addition the influence of gender on the turnover intention of faculty members in the educational institutions was analyzed using Independent T-Test. Multi-stage probability sampling method was adopted to choose the sector, and the respondents from the chosen sector. The finding from this study has demonstrated the usefulness of examining workplace politics in relation to turnover intent. This study suggested that there were several
studies on relationship between job satisfaction, commitment etc. and turnover intention but sparse research available on the relationship between organizational politics and turnover intention.

Mankikar (2013) attempted to check the cause and effect relationship between infant attrition and employee satisfaction. This study also assessed the relationship and impact of job description discrepancies, organization leadership style, stress, and employee discrimination on infant attrition. Due to various reasons employees used to left the organization within the six months of their joining or within the probation period of employees. Employee satisfaction was most important for an organization, if the employee were not satisfied then the productivity of the employees hence the organization would go down and dissatisfaction would lead to employee attrition in an organization. It was found that infant attrition does exist in the IT industry and there were so many influencing factors like job description discrepancy, stress, employee discrimination, organization culture etc. among those job description discrepancies was having major influence in infant attrition.

Narmadha (2014) expressed the importance of the ITES/BPO industry in India and its impact on the Indian economy. This study also provided statistics of various dimensions of ITES industry and attrition which poses to be a major concern for its growth. This research also highlighted the key causes of attrition and touches upon the significance of employee retention. The BPO industry was facing severe challenges in respect of shortage of skilled and educated workers as the attrition rate in India’s BPO sector has raised phenomenally at the rate of 55 percent with a significant visible movement in mid and senior management levels, in relation to an industry specific analysis of the Associated Chamber of Commerce and Industry of India
The Indian ITES-BPO industry has revolutionized global sourcing and has emerged as one of the sunrise sectors for the country. In this context, it was concluded that attrition management has become the strategic focus and compelling necessity of businesses today. Thus, ignoring the problem of rising attrition level can have devastating consequences for the business, Industry and thus the economy of the country.

Pankaj & Venkat (2014) analyzed employee turnover in organized services sector in Delhi and NCR region. Talented employee have been considered as long term assets for the growth of organizations and retaining them has become a challenge for HR managers. Services sector is considerably contributing to the growth of Indian economy and at the same time is struggling with employee attrition problem. It has been found that employees working in organized services sectors that is, IT & ITES, banking, insurance and telecommunication industries considered the factors like perceived value for job, organization culture, job security, growth opportunities, working environment, compensation, job targets, role stagnation, work life balance, job stress, learning opportunities, organization politics and outside attractive pay offers are the reasons of employee turnover. This study has been concluded that employees also started viewing lack of learning opportunities to develop their multiple skills provided by company and office politics are reason to leave the organizations.

II.1.2. JOB STRESS

Avey et al. (2009) designated in the introductory discussion for this study, challenge stressors that is, those that people apprise as potentially promoting their personal growth and achievement, such as workload or time urgency are negatively related to job search behaviors’. Alternatively, hindrance stressors that is, those that are viewed as constraining a person’s work-
related accomplishment, such as inadequate resources or role overload are positively related to turnover intentions and withdrawal behaviour. Such findings indicated that stressors are not created equal, and future research needs to investigate whether the use of scales that treat stress as a single, one-dimensional construct may mask important effects. The results from the study can still firstly supported the concept that the newly recognized core positive resource of psychological capital relates to both the perception and potential outcomes of workplace stress. The study concluded with practical strategies aimed at leveraging and developing employees’ psychological capital to help them better cope with workplace stress.

Paille (2011) investigated the extent to which job satisfaction mediates the relationship between job stress work outcomes, such as intention to leave the employer and citizenship behaviour. Job satisfaction is examined as a mediator between stress and intention to leave, and citizenship behaviour. This study selected this mediating effect in a high turnover environment. This study revealed that no relationship was found between perceived stressful work and citizenship behaviour, perceived stressful work increased the desire to leave the employer. Job satisfaction had a positive negative effect on citizenship behaviour and a strong negative effect on intention to leave. Job satisfaction fully mediated the relationship between perceived stressful work and intention to leave the employer. It was concluded that an employee satisfied with job can deal with stressful work conditions inherent in the professional environment.

Awang et al. (2013) observed the relationship between some job behavioural factors with turnover intention among employees in the firm. Job satisfaction, job stress, organizational commitment, job enrichment and person organization fit are the job behavioural factors selected
for the study. The results of this study suggested that the extent to which employees receive intrinsic and extrinsic rewards related to their jobs would affect their intent to leave the organization. Indeed, the empirical evidence of this study provides a better understanding of the factors contributing to the development of positive or negative work attitudes. The result support previous studies when job satisfaction is high turnover intention among the employees become lower, and when job stress is high the tendency for employees to leave the organization also high.

Qureshi et al. (2013) attempted to find out the relationship among job stressor, workload, and work place environment and employee turnover intentions. Structural modeling was used for empirical analysis of data. This study was identified that the experience of job related stress make employees to quit the organization. Results showed that with the increase in workload turnover intentions are also increased, which supports the hypothesis of negative relationship between work overload and turnover intention. Results depicted that employee turnover intentions are positively related with job stressor, with the increase in job stress employee turnover intentions increases. This study provided the empirical evidence that employee thinks to leave the job when they are over burden. This study proved that a good and health work environment will lead to the less employee turnover intentions. Conclusion revealed that employee turnover intentions are completely related with stressor and workload.

Shah (2013) revealed that call center employees were experiencing high level of call monitoring, dialog scripting, time pressure, work overload and monotonous work, such experiences in turn give rise to job stress, however regression analysis reveal call monitoring and work overload are significant indicators of job stress. Further the findings revealed quitting
intention of call center employees are high and regression analysis revealed high job stress, low job security and lack of promotion chances are significant reasons behind turnover intention among call center employees; however salary was not found to be a significant reason of turnover intention among call center employees. Thus it would be appropriate to conclude that most of the call centers are not bothered about the psychological wellbeing of their employees, their only consideration is the output calls received / made.

II.1.3. JOB SATISFACTION

Westlund & Hannon (2008) examined facets of job satisfaction that are most significantly correlated with software developer turnover intentions. Surveys were collected from a sample of software developers across the United States. Correlations were assessed through multiple linear regression and parametric measures of association. The results indicated a significant predicting relationship between the software developers’ turnover intentions and nine facets of job satisfaction. Also found was a significant negative relationship between satisfaction with the nature of work and turnover intentions when controlling for the effects of the other independent variables. The results of this study furthered that research by showing that satisfaction with the nature of work had the greatest influence on turnover intentions among these software developers.

Bapna et al. (2009) engaged on explaining the turnover intentions of IT professionals with a variety of factors playing a significant role. These include job satisfaction, work exhaustion, fairness of rewards, and more recently life-career goal frustration. This study also examined IT worker attrition in the context of offshore outsourcing. IT professional working within business firms primarily seeks to contribute to their firm’s effective leverage of IT. They
are motivated to make strong internal contributions, but do not typically contribute directly to revenue and are often considered to be cost centers. High attrition levels have a negative influence on firm’s ability to service overseas clients effectively. When an employee leaves, an offshore IT firm must incur several kinds of costs to make up for their move. It was concluded that continuous and high levels of employee churn results in a low levels of firm specific knowledge and constrains sustainable organic growth for the firm.

Ganapathi et al. (2010) explored the prevailing reasons for increasing attrition rate in BPO’s/ Call Centers in India. The employee’s satisfaction towards their job, work environment, interpersonal relationship and benefits enjoyed by them, employers’ opinion on the increases in employee attrition rate, and factors that influence the employees to leave their firm analyzed. The major findings of the study revealed that a majority of employees who have moved from one company to another company in the field of BPO industry belong to the age group of 25-30 years. Lack of safety and more career opportunities elsewhere were the topmost reasons for the employees to quit their jobs. In this background, the supply of jobs was higher than the demand and thus attrition was rampant, as people look for higher pay packages, better lifestyle and convenient work timings. It was recommended that the BPO companies should continuously modernize their reward and recognition programs to keep their professionals on their rolls and to attract prospective employees.

Deepa & Stella (2012) conducted this study with the objective to find the level of job satisfaction, safety measures, retaining the employees, working conditions & work load and its reason for employee turnover in IT industries. This research study used various methods to
analyze the reasons and causes for employee turnover in IT businesses. The study attempted to check some of the factors which may be the possible reasons for an employee to leave the organization. This research will help the organization to make the necessary measures to retain the employees. This will certainly bring down the causes for employee turnover and helps the management to reduce the employee turnover level. To reduce the employee turnover rate the company has to concentrate more on working condition and safety measures. It was concluded that the IT Industry has to implement the retention plan by compensation policies, changes in work requirements and improvement in working conditions.

Medina (2012) explored the relationship between job satisfaction and employee turnover intention in the context of organizational culture, using data from the quality of work life module, a sub-section of the general social survey. Job satisfaction, the independent variable, assessed overall job satisfaction, while the dependent variable, turnover intention, measures intent to find a new job, with another employer, within the next year. This study revealed that organizational culture influences employee’s job satisfaction, and in prior studies, high job satisfaction has been associated with better job performance. This study found that job satisfaction was inversely associated with turnover intention and that organizational culture moderated the magnitude of this relationship. Sub-group analyses revealed that job satisfaction is more predictive of turnover intention for younger workers. Conclusion revealed that each additional unit increase in job satisfaction is associated with a decrease in turnover intention; and, holding job satisfaction constant; employees with high workplace cultural satisfaction have lower turnover intention compared to employees with low workplace cultural satisfaction.

II.1.4. SUPERIOR RELATIONSHIP
West (2007) determined if conflict between employees and their superiors has an impact on the level of turnover in an organization, and if manufacturing versus non-manufacturing industry type makes a difference. The purpose of this study was to determine the relationship between levels of employee-supervisor conflict and the levels of turnover in the organization, and to compare this relationship in manufacturing and nonmanufacturing industries. The other main focus of this study was on the differences in the conflict-turnover relationship between manufacturing and non-manufacturing, or service, industries. The prevalent literature on turnover is often focused on companies and occupations in the service industry, such as nursing, hotels, and call centers as they often have some of the highest rates. This finding supported the line of thought that some amount of conflict can stimulate employees to increase their abilities, and express divergent opinions to increase productivity and quality of work; therefore conflict can be an effective part of work that does not necessarily lead to turnover

Mudor & Tooksoon (2011) attempted to propose a conceptual framework consisting of three human resources management practices like supervision, job training, and pay practices along with job satisfaction and turnover and to explain the relationships among these variables. This study revealed that job satisfaction played an important role to employee’s turnover because it would lead employee resigned when their job satisfaction is low. The results indicated that human resource management practice positively and significantly correlated with job satisfaction. In addition, the negative relationship of HRM practice and turnover is clearly enlighten the important of providing a good supervision, training, and pay practice in order to reduce turnover rates of employees. Besides, job satisfaction is directly effect on turnover with negative relationship. In other words, job satisfaction can reduce turnover of employee when
there is high job satisfaction, vice versa. Therefore, it was concluded that the organization needs to take a consideration about job satisfaction and apply HRM practice in the workplace in order to reduce turnover and gain the organization goals.

II.1.5. HR POLICIES

Chandrasekar (2011) expressed that human resource is considered to be the most valuable asset in an organization. It continues to play, even in the computer age, when everybody feels that men have a little role to play. It was true that computer, to some extent, does play a role, but programming and feeding such programme require manual operations. In other words, the application of manpower has no substitute and therefore, it has a continuous role to play. The main problem against the manpower development is attrition. The rate of attrition is increasing every day so that production and profit decrease. Noteworthy is the continuously growing rate of attrition among the IT, ITES and other Software based companies. This has made the companies to take up research studies based on their employees, especially to identify the factors of attrition. This research study helped to know about the employees' attitude towards the company and the work, also highlighted various other direct and indirect effects of attrition on production, cost, discipline and efficiency in the industry.

Yadav (2011) carried out this seminal work to study the attrition and HR initiatives in Indian information technology enable services industry. Business process outsourcing is the delegation of one or more IT intensive business processes to an external provider that in turn owns, manages and administers the selected process based on defined and measurable performance criteria. According to this study attrition in BPOs are of two types, drive attrition and drag attrition. The drive attrition happened because of employer and organizational factors
where as the drag attrition resulted in because of the employee related factors. In terms of retention policies, there was no uniformity in employee retention strategies initiated by various organizations. At time the client company’s insistence on employee training and development activities become the bench marks and in case of other companies the seriousness of attrition affecting the industrial unit and its commitment and financial might may put the limit. It was concluded with the suggestion that business need to look at attrition as a business problem rather than mere human resource problem.

Long et al. (2012) extensively discussed on the impact of human resource practices that can alter the negative effect on the organization due to high employee’s turnover. This study emphasised the importance of HRM in the organization and that the impact on the organization due to turnover can have detrimental repercussions on the organization due to several factors as discussed. Therefore the intention of the research in examining these models and relating them to the research intent is to provide a general view of what the management need to know and expect and what are the various avenues available for future consideration to address acute issues pertaining to HRM and turnover.

James & Faisal (2013) intended at addressing high employee attrition by identifying the critical factors which causes high attrition. The data has been collected through a structured questionnaire survey. In the study, the attrition factor, employee’s salary has been emerged as the most critical factor affecting high attrition in the BPO companies. It further clarified the need to pay immediate attention on introducing highly competitive salary packages in BPO sector organizations for addressing the high attrition problem. It was revealed that both in Karnataka
and Kerala states, absence of good HRM practices is also one of the critical factors causing high attrition. BPO management also has to ensure that their employees are paid enough for the work they do in the organization in which they are working. It was found that the attrition factor employee’s salary has emerged as the most critical factor affecting high attrition in the BPO sector of the above two states.

II.1.6. JOB CHARACTERISTICS

Berry & Morries (2009) examined the hypothesized relationship between the selected work-related predictor variable on the outcome variable through the mediator variable, job satisfaction. The study of the relationship helps to fill a gap in the literature as employee engagement is a fairly new term and has not been linked to both job satisfaction and turnover intent as described. First, employee engagement factors, those factors that encourage employee engagement in the workplace, may be assessed. Second, job satisfaction may be measured either globally or in a multi-facet manner as with the job descriptive index. Third, turnover intent may be measured through brief survey questions. This study also revealed that understanding more clearly the turnover intent process and how job satisfaction and employee engagement feed into an employee’s decision to leave can be a critical first-step for HRD in retaining and engaging these key workers. This study was concluded that there was an enormous return on investment potential for organizations when employees were more fully engaged and the retention of highly productive employees was increased.

McKnight et al. (2009) performed this study to determine whether workplace factors affected IT turnover intention as much as did job characteristics. IT employees were often more
loyal to their profession than they were to their firm, and this study felt that this might manifest itself by a heightened concern for workplace characteristics. It found that both job and workplace characteristics had a significant effect on turnover. However, workplace characteristics had the greatest impact. In this study of one large corporate IT shop, it found workplace characteristics constituted the more important turnover factor. Job characteristics were also important, but their effects on turnover were fully mediated by job satisfaction and work exhaustion. This means that organizational workplace factors play a vital role in IT retention, especially for programmer/analysts. Since IT management can influence all four of the workplace factors that studied, this research suggested management could reduce turnover by employing these workplace factors as managerial levers.

Chiboiwa et al. (2010) deliberated at achieving the following objectives: identify the causes of employee turnover in the organisation, examine the current retention practices in the organisation, establish the effectiveness of the practices, and attempt a workable retention practice that could reduce the high rate of employee turnover in the organisation. Qualitative research design was employed using structured interviews as well as administering research questionnaire to all category of employees. The result of the research showed that labour turnover is higher amongst non-managerial employees. Similarly, majority of the employees would soon quit the organisation and lastly, the high rate of employee turnover in the organisation is largely attributed to poor reward system administration. The study found that labour turnover is very high amongst non-managerial employees. This was manifested in the tenure analysis which put the average tenure of managerial employees at five years. Results of
the interview conducted at the organisation attributed the high turnover rate amongst this category of employees mostly to poor remuneration, poor working conditions and job insecurity.

II.2 PERSONAL FUNCTIONAL FACTORS (VOLUNTARY ATTRITION)

II.2.1. ANTECEDENTS AND EXPECTATIONS

Allen & Meyer (1990) carried out this seminal work to assess the measurement and antecedents of affective, continuance and normative commitment on the organization indicated three components of commitment & these components were a negative indicator of turnover. They also investigated the nature of the link between turnover and the three components. These commitments were affective commitment, continuance commitment and normative commitment. Affective commitment refers to employees emotional attachment to, identification with and involvement in the organization; continuance commitment refers to commitment base on costs that employees associate with leaving the organization; and normative commitment refers to employees feelings of obligation to remain with the organization., employees with strong affective commitment stay with an organization because they want, those with strong continuance commitment stay because they need to, and those with strong normative commitment stay because they feel they should.

Griffeth et al. (2000) expressed that pay and pay-related variables have a modest effect on turnover. Their analysis also included studies that examined the relationship between pay, a person’s performance and turnover. They concluded that when high performers are insufficiently rewarded, they quit. If jobs provide adequate financial incentives the more likely employees remain with organisation and vice versa. There are also other factors which make employees to
quit from organisations and these are poor hiring practices, managerial style, lack of recognition, lack of competitive compensation system in the organisation and toxic workplace environment. All these factors contribute to high employee turnover in the sense that there is no proper management practices and policies on personnel matters hence employees are not recruited scientifically, promotions of employees are not based on spelled out policies, no grievance procedures in place and thus employees decides to quit.

Kalliath & Beck (2001) tried to answer the question of what determines people's intention to quit by investigating possible antecedents of employees’ intentions to quit. To date, there has been little consistency in findings, which was partly due to the diversity of employed included by the researchers and the lack of consistency in their findings. Therefore, there were several reasons why people quit from one organisation to another or why people leave organisation. The experience of job related stress, the range factors that lead to job related stress, lack of commitment in the organisation; and job dissatisfaction make employees to quit. This clearly indicated that these were individual decisions which make one to quit. There were other factors supported like personal agency refers to concepts such as a sense of powerlessness, locus of control and personal control.

Rainayee (2012) endeavoured to investigate employee turnover intentions with a manageable number of its presumed antecedents. These antecedents include organization, job and economy. The study further reveals that training is an important complementary to the retention of call centre employees. The overall results exhibited an association between job factors and turnover intentions (R=.54), which explains a variance of 29% on employee turnover
intentions. The data analyses also revealed that attitudes like person-organization fit and organizational commitment determine high voluntary retention or attrition intentions. Effective leadership, supportive organizational polices, and flexible organizational environment however predict low voluntary turnover. Precisely, this study highlighted some key factors for effective retention of call centre employees. However, among the three factors identified, organizational factors were found most influencing the employee turnover intentions. Furthermore, it has to be acknowledged that among the variables studied, organizational commitment, organizational policies, challenging assignments, and salary are the important tools of employee retention. The study concluded that the antecedent of organization has a significant impact on employee turnover intention.

Sreerekha & Kamalanabhan (2012) targeted at testing a conceptual model connecting variables of the internal and external work environment to ITES/BPO employee turnover. An attempt has been made in this research to investigate on the employee turnover antecedents of ITES/BPO sector in India. Data for this study was collected from the employees working in five ITES/BPO Organizations located in Chennai, India. The data was collected via a questionnaire made up of multiple questions. This study has also posed certain human resource challenges to the practitioners and the biggest challenge of them happens to be the retention of the ambitious and the transitory workforce in these sectors. In this study, employee turnover intention was studied from two dimensions: individual and organization level. Based on the gaps identified from the literature, the study seeks to examine the influence of the intervening variables such as organizational commitment on turnover intentions of employees.
Gill et al. (2013) explored the antecedents of organizational commitment and turnover intention specifically the impact of factors on organizational commitment, which, in turn, affected turnover intention and the direct impact of these factors on turnover intention as well as the impact of person organization fit on job stress. If the antecedents of turnover intention can be identified, appropriate HRM practices may reduce dysfunctional turnover of high quality employees. The current study tried to find the antecedents of turnover intention. According to the results organizational commitment is largely influenced by job security and person organization fit which ultimately influence intention to quit. Job security, Job stress and person organization fit have direct impact on turnover intention as well. Further, given their importance in quitting intentions, managers need to focus all these antecedents of turnover intention specifically job security, person organization fit and organizational commitment. This in turn may reduce turnover intention and subsequent turnover, thereby saving organizations the considerable financial cost and effort involved in the recruitment, induction and training of replacement staff.

II.2.2. EMPLOYMENT OPPORTUNITIES

Shani and Divyapriya (2013) conducted a study on the relationship between knowledge management and career development among IT professionals. The ideas were that, to meet the new challenges and retaining good employees, organizations should have to develop the knowledge management practices to enhance awareness regarding career development, sharing knowledge regarding career plans, career counselling, from the very beginning of their careers. It was found out that lack of training and lack of knowledge sharing is the main cultural barrier among knowledge management, and information overloaded is a big problem for the retention of knowledge. So, they find out that most important factors that are related to the knowledge management and career development are Promotion and professional specialization that can be
affected. It was concluded that for IT professional’s impact of knowledge management is important to develop the career of employees. It was recommended that to enhance the knowledge it is important to share latest knowledge, providing monetary and non-monetary rewards, quality of knowledge should be given with support and appreciation to enhance their career development efforts.

Shujaat et al. (2013) aimed to determine the relationship between career development opportunities available to the employees and their job satisfaction. The study determined that there is positive relationship between career development and employee job satisfaction in banking sector. Employees are satisfied with career development activities that are offered at their organizations. Corporate world has become more competitive hence employees have become more conscious to career development. The findings of the research is beneficial for management of banking sector to design career development programs in such a way that increase the job satisfaction and promote work environment among employees in Pakistan. It was couched that employees’ job satisfaction is dependent on career development opportunities in their respective organizations in the banking sector. It can be generally concluded that banking sector in Karachi is providing career development opportunities.

Kadam & Thakar (2014) conducted to find out the main causes behind the increase in employee attrition in software Industries and to find out the ways to control attrition. From results it can be concluded that there are various reasons behind employee attrition. These reasons are best offer next door, overseas opportunities, boss relation problem, higher package, further overseas studies, shifting of cities due to marriage, family and personal problem,
improper time schedule and parent’s health requires moving to other cities. Voluntary attrition rate is high between the ages of 24-28 years. After getting the 2-4 years’ experience IT professionals got higher opportunity so the growth opportunity is the main reason of the voluntary attrition. This research paper proposed a remedial measure if implemented and executed properly would help concern organization to understand their employees’ needs with regard to their career, job, and family and follow the above mentioned remedies and retained their talented workforce, thereby meeting their expectations and requirements, and thus reducing employee attrition.

II.2.3. DEMOGRAPHIC/ ENVIRONMENTAL VARIABLES

Randhawa (2007) revealed that there were significant correlations between turnover intention and demographic variables such as age, qualification, designation and it was found that age, designation and experience are negatively and significantly correlated with turnover intentions. This showed that the intentions of an individual to leave the organization are greatly influenced by age, designation and experience of the individual. The negative correlations revealed that with increases in age, experiences and status in the organization the intentions to quit decreases significantly.

Bhattacharya et al. (2012) explored the effects of the socio-demographic characteristics on attrition of healthcare knowledge workforce in northern parts of India that have a wide gradient of rural and urban belt, taking into account both public and private healthcare organizations. The data has been collected from a random sample of 807 respondents consisting of doctors, nurses, paramedics and administrators to explore the relationships between various factors acting as antecedents in affecting the job satisfaction, commitment and intention of a
healthcare professional to stay in the job. Six factors of attrition namely compensation and perks, work life balance, sense of accomplishment, work load, need for automation and technology improvement, substandard nature of work have been identified as the main factors with a data reliability of 0.809%. It has also been identified that the intention to shift is a major decision maker that affects attrition and in turn affected by job satisfaction dimensions. It could be concluded than implementation and adoption of technology and best practices would result in simplifying healthcare delivery processes.

Kannan & Vivekanandan (2012) investigated the turnover intentions among new entrants in software testing professionals who are working in software industry. The study investigated the organizational satisfaction, job satisfaction; interpersonal relationship with supervisor’s and life satisfaction has significant impact on turnover intentions among new entrants. The study can be extended to compare and contrast with a variety of other sectors. The study concludes that employee is the biggest asset for the organization. The organization has to revise the current policies for the new entrants and needs to motivate them. As well as the supervisors has to be more open mind in providing consistent performance feedback and give more opportunity for the new entrants to learn new things in the current technology in order to retain the talented young employees. The results were interpreted and the findings given for the software industry to understand perception of employees towards employers and take necessary steps to reduce the turnover intentions.

Mohammed et al. (2012) expressed about the significant associations between turnover intention and demographic variables of gender, age, marital status, dependent children, education
level, nursing tenure, organisational tenure, positional tenure, and payment per month. The primary health care nurses in this study also indicated low satisfaction with their quality of work life and a high turnover intention. There is a significant association between quality of work life and turnover intention of primary health care nurses. Sustaining a healthy work life for primary health care nurses is crucial to improve their quality of work life, increase retention, enhance performance and productivity and promote safe nursing care.

Agyeman & Ponniah (2014) attempted to analyze the various employee demographic characteristics and their effects on turnover and retention in MSMEs. The objectives of the study are to examine the major factors that affect employee retention in MSMEs, to examine the relationships between the demographic variables and retention of employees and to identify the negative effects of voluntary turnover of key employees on MSMEs. To examine the hypotheses of the study, regression and chi-square analyzes were employed for analyzing the study variables. The findings reveal that retention factors are strongly associated to different demographic characteristics. Further, voluntary turnover of key employees have a number of adverse consequences for MSMEs, including, lowered productivity and profitability. It was therefore concluded that increasing job satisfaction, providing good working environment and career development opportunities, increasing recognition and rewards are some of the strategies that can help minimize the turnover rate.

II.2.4. PERCEPTION ON JOB

Blankertz (1996) conducted this research work to check employee turnover in community mental health organization. This study observed that recruitment and retention of direct service workers can be a major problem for administrators of community mental health organizations.
This paper, based on a nationwide study of psychosocial rehabilitation of workers and administrators, examines the congruity of worker and administrator perceptions of worker motivation for entering and leaving the field. Workers were motivated by the intrinsic nature of the work to enter into and stay in the field. Job burnout is as important as low pay in forcing workers out of the field. Money was a major motivating factor for workers to enter the field and perceive external opportunities as forces that pull them away. Thus, administrators must address their workers' needs if their agencies are to offer quality services.

Taylor & Chin (2004) presented the notion that traditional measure of job satisfaction may not fully capture the reason for staying or quitting. A new construct was presented that examines the congruence of fit between the job and the person’s quality of life goals. The purpose of this study was to evaluate whether or not job satisfaction is a broad enough measure of a person’s overall feelings about their job or whether a new construct that measures the congruence of fit between the job and the person’s goals for quality of life would be a better predictor of turnover. This research model used both job satisfaction and congruence of fit to predict each of the three turnover decision constructs of thoughts about quitting, expectation of quitting and intention to quit. It was therefore concluded that measures of job satisfaction do not necessarily reflect the congruence of fit with overall quality of life goals and thus a new measure could improve the prediction power of a voluntary turnover model.

Baylor (2010) determined the antecedents to the intention to quit in an occupation characterized by a high degree of voluntary attrition. This study posited that job satisfaction and affective commitment are antecedents to voluntary turnover. The study concerned the application
of Herzberg’s Two-Factor Theory to determine the influence of intrinsic and extrinsic job satisfaction factors and affective commitment on the intention to quit among drivers in the solid waste management industry. The results revealed opportunities for employers to align human capital strategies with key job satisfaction factors to gain affective commitment and improve operational performance. The results of this study supported the conclusion that affective commitment carries more weight than job satisfaction in the determination of whether to stay or leave an organization in the solid waste management industry.

Khatri & Khushboo (2013) conducted this study to understand the perception of employees pertaining to the level of empowerment and engagement with respect to variables like, job security, work-life balance, concern from top management, performance review etc. The study was conducted in Delhi NCR region wherein the respondents were selected through multistage sampling. Data was collected through self-constructed questionnaire, demographic differences were also explored as male and female employees are treated differently at BPOs. Relationship between the level of empowerment and engagement was also analyzed. The study provided that insight to top management and corporate practitioners of BPOs, who can use advanced techniques to develop an empowered culture thus, promoting engagement. The findings of this study will provide invaluable insights to BPO managers so that they can redesign or improve the work patterns.

Kessler (2013) presented the reasons for voluntary turnover of employees in the IT sector in Israel from the IT employees’ perspective. A broad analysis of the field literature led to the following groups of causes affecting voluntary turnover: organizational causes: human resource
management related, organizational culture, job related, leadership and internal marketing related; extra organizational causes: individual and, respectively, labour market related causes. It was found that job satisfaction indirectly affects voluntary turnover intentions and that emotional variable such as commitment; motivation and loyalty mediate voluntary turnover intention. This finding was supported partially in the literature which only pointed out commitment as a mediating factor in the relationship between job satisfaction and voluntary turnover intention. The findings of this research revealed that IT organizations should develop a way to prevent voluntary turnover among IT employees and develop a route to increase their employees job satisfaction and from that point to reduce voluntary turnover intention and retain this expensive IT human resource.

Malarmathi & Malathi (2013) attempted to analyse employer and employee perception of job attrition in IT industry. The major findings from the analysis are the opinion of employer and employee are differs in following aspects with respect to job attrition. This issues covered non-motivational issue, work stress, non-adjustability and no freedom to upgrade, career hurdle, recognize and job imparity. The findings revealed that the management should consider the causes, in order to reduce employee attrition. Management should implement some new activities and innovative human resources practices in order to solve employee issues, which will be beneficial for the management to reduce attrition and increase employee attitude and to sustain in the organization. It was concluded that the companies should take several steps which would be helpful to reduce the employee’s attrition in the company and well as the employees will be motivated and there will be raise in employee attitude towards the organization and they will sustain in the organization.
II.3 PERSONAL DYSFUNCTIONAL FACTORS (VOLUNTARY ATTRITION)

II.3.1. FAMILY PROBLEMS/DEATH

Gupta (2009) attempted to assess the patterns of attrition in BPO and analyse the relationship among employee motivation, job satisfaction and employee retention with the influence of family problems, so as to utilize employee motivation to retain employees in an organization. This study was expressed that attrition is a burning problem for the promising industry of BPO, especially because it fails to tap the full utilization of the human resources much of its time, money and resources due to this. This research aimed to produce a model for employee retention conjoining it with other aspects of perceived attitudes like employee motivation, employee satisfaction, employee involvement and life interest and work compatibility and so on. It was found that factors that contribute to attrition are quite different from the factors that contribute to retention. It was concluded that assume that personal characteristics and job characteristics together lead to the level of satisfaction, motivation and involvement in an employee, which further leads to their sustenance in the organization for a long term.

Ghayyur & Jamal (2012) inquired the work-family conflicts in relationship with turnover intention. It was found that work-family conflicts exist and possess positive relationship towards turnover intention. It was concluded that work to family and family to work conflicts positively and significantly correlated to turnover intention. Work-family conflicts empirically tested with turnover intention for demographic that include gender, marital status and designation in these all categories work-family conflicts were found in positive impact on the turnover intention. The
findings were empirically tested; therefore, work-family conflicts create problems for the workforce that positively influences their intention to leave. It was suggested that these organizations need to develop compatible human resource practices to manage dual career responsibilities of both genders and all designations of the workforce.

II.3.2. NO RECOGNITION

Cottini et al. (2009) contributed to the emerging strand of the empirical literature that takes advantage of new data on workplace-specific job attributes and voluntary employee turnover to shed fresh insights on the relationship between employee turnover, adverse workplace conditions and HRM environments. It was evidenced that worker in hazardous workplace conditions are indeed more likely to separate from their current employers voluntarily while High-Involvement Work Practices (HIWPs) reduces employee turnover. Furthermore the turnover-increasing effect of physical hazards is found to be significantly reduced by the presence of strong information sharing whereas the adverse effect on turnover of the use of fixed night shift is also found to be significantly mitigated by the authority delegation to workers by management. As such, this evidence lends support to those who advocate the use of HIWPs for those firms with employee turnover problems due to hazardous workplace conditions.

Pathak (2014) investigated the relationship between job hopping and turnover intentions and explored the mediating effect of employee engagement on recognition parameters. The results showed that job hopping attitude contributed statistically significantly to high turnover intention and low employee engagement. Employee engagement found to be negatively correlated with turnover intentions. Employee engagement fully mediated the relationship
between job hopping attitude and turnover intention. The findings of the present study will help managers broaden their horizons for what motivates an employee to be at work and what not. In fact, managers need to be aware that employee perceptions of the organizational and supervisory support impacts their job hopping attitude on turnover intentions, and therefore they need to focus more on the employee engagement programs to increase the commitment level of employees and reduce the turnover intent.

II.3.3. LOWER COMPENSATION

Gialuisi (2012) analyzed the factors influencing voluntary turnover in small businesses and how owner-managers retain key employees in the concern. Respondents reported that varied work roles and responsibilities is a facet of small businesses that they valued as it encourages skill development and workplace learning. The final small business characteristic reported as enhancing key employee retention was the availability of flexible working arrangements through avenues such as tailored work schedules and approved leave requests that were made at short notice. The findings revealed that voluntary turnover of key employees have a number of adverse consequences for small businesses, including, but not limited to, lowered productivity and disrupted business continuity. A lack of financial resources to retain staff and limited long term career prospects, amongst other factors, were identified as common reasons for actual and intended turnover amongst key employees.

Nienaber & Masibigiri (2012) reported on the factors perceived to influence the turnover intent of Generation X public servants. The findings of the study showed that the factors influencing the turnover intent of the Generation X public servants correspond to some of those
proposed in the literature, including the nature of the job, traditional attitudes, and organisational context, both on the macro- and the micro-levels. Furthermore, these factors were also congruent with the drivers of engagement as set out in the literature, specifically content, coping, compensation, community and career. The research that was reported in this study set out to determine the perceived factors that influence the turnover intent of Generation X employees. On the strength of the findings of this research it was concluded that, despite the obvious importance of employees to the organisation, it would seem that not all organisations succeed in giving their staff – their most important asset – the attention they deserve. In view of the skills shortage and employee mobility this approach of organisations towards their staff may be detrimental to their long-term sustainability.

Gamage & Herath (2013) examined the relationship between job related factors and intention to stay among IT Professionals in Sri Lanka, which is a continuous challenge for IT companies in Sri Lanka. In this study three main job related factors namely career development, job stress and pay satisfaction have been selected under independent variable and evaluate the effect of these factors on IT professionals’ intention to stay in the current employment. The objectives of the study included that identifying the relationship of intention to stay with career development, job stress, and pay satisfaction. The statistical results of the study revealed that job related factors: career development and pay satisfaction were positively and significantly related with intention to stay among IT professionals in Sri Lanka and job stress has an adverse relationship with intention to stay. The results of the study exhibited that reducing job related stress from professionals, introducing satisfied pay scales and good career improvement paths, increase the intention to stay among IT professionals.
II.4 TURNOVER INTENTIONS

II.4.1. CAUSES AND REMEDIES

Shaw et al. (1998) revealed that while increasing financial incentives and job stability, the role of employer funded professional development and training is significant and positive in mitigating employee attrition. While their study was conducted in the context of the US trucking industry, there has been scant attention to the effectiveness of the various levers for controlling attrition of IT workers. Studying this phenomenon in the context of a fast growing emerging market that is tightly coupled to the global consumption of IT products and services provides the opportunity to make insightful contributions to this stream of literature. In summary, while some initial guidelines are available for IT firms to control their attrition rates, there is lack of a systematic econometric study that establishes whether the levers that had an impact on attrition in the context of other industries carry weight in the IT industry as well. Further, there was no evidence of the relative effectiveness and economic significance of these levers in controlling attrition in the IT industry.

Iqbal (2004) investigated the causes of attrition rate in ITES industry, with the objectives of testing impact of attrition, and to find out ways of managing and reducing attrition rate in this sector. Attrition in the BPO industry needs to be tackled using a multi-level approach. Maslow's Hierarchy of Needs is a multilevel model which primarily identifies the needs which were likely to act as factors of motivation for any human behaviour. Adding to this was the issue of maintaining consistency in performance and keeping the motivation levels high, despite the monotonous work. The toughest concern for an HR manager was however the high attrition rate. Usually in the developing countries, the average attrition rate in the BPO sector was
approximately 30-35 percent. It was ascertained that to retain them, suitable day-shift opportunities should be provided from time to time with flexible timing and monthly party may avoid attrition in the sector.

Narkhede & Chaudhari (2009) examined the faces of attrition within the global organization of today; and attempts to offer some insight that may alleviate future problems. In the current scenario where every organisation wants to be at its competitive best, high attrition rate can really act as a threat to success. Attrition is a very serious challenge especially to rapidly growing organizations. Before it explodes, the organizations should seriously workout strategies to reduce the turnover so that the organizations should not suffer. Organisations planning for the future should be giving close attention to why attrition is occurring in the present. Attrition has been a never-ending problem for every organization especially the developing countries like India due to either lack of appreciation or lack of proper job sculpting. It not only affects the morale of other employees but also on the financial position of the organization. As it becomes very necessary for the HR managers to understand the factors that prompt employees to quit an organization, firms are adopting many retention strategies to combat the attrition problem.

Abdali (2011) carried out this study with the purpose to find out the effect of employee turnover on sustainable growth of organization in computer graphics sector of Karachi, Pakistan. This study specifically found that the main causes and ground realities of the problem of employee turnover on sustainable growth of organization. The findings of this research on employees of computer graphic sectors found that only professional qualification of the employees may be higher intentions of turnover in these organizations, while age, level of
education, tenure in the organization, level of income may not impact the causes of turnover in employees of computer graphic sectors. The study had also found that there is a significant difference between the strategies of younger and older employees of computer graphics companies of in order to control employee turnover for the sustainable growth of organization. It was recommended that in order to avoid employee turnover or reduce its impact on the organizational growth, the management has to be considered all the causes and co-relations of employee turnover.

Adhinarayana & Balanagurunathan (2011) engaged on the causes of attrition in IT/ITES industry with special reference to Bangalore. The main purpose of this study was to find out the main causes, which increase the employee turnover and find out the way to control attrition. The impact of attrition has received considerable attention by senior management, HR professionals and industrial psychologists. It has proven to be one of the most costly and seemingly intractable human resource challenges confronting organization. In this study opinion of 110 employees and 5 HR managers were taken for analysis. The tools used for collecting data were structured questionnaire and unstructured interview. The results revealed that career growth and compensation were the important causes for increasing employee turnover in companies; employee, employer and supervisor all are responsible for increasing turnover. Employees intend to consider another job mostly in 1-3 years. High cost like training cost, recruitment cost, new hire cost, lost productivity cost, cost due to personal leaving associated with attrition. This can be concluded that exit interview help to control the employee turnover.
Basak et al. (2013) analyzed the effects of job satisfaction, organizational commitment’s components, perceived organizational support, and job stress on white-collar employee’s intention to leave in Turkey. The results also showed that intention to leave is explained by job satisfaction, affective commitment and normative commitment. It is found that job satisfaction is the most important antecedent of intention to leave. The results implied that the satisfied employees will be less likely to quit their jobs. Another result of this study is that affective commitment is explained by perceived organizational support and job satisfaction, whereas normative commitment is only explained by perceived organizational support. In conclusion, this study provides a better understanding of the influence of the factors on the intention to leave among white-collar employees.

Kaur (2013) conducted this study to find attrition in India. India’s IT sector is worst hit with attrition followed by the BPO sector. This study aimed to explain why companies in India were facing highest attrition rate and some the remedial steps to avoid or reduce the turnover rate. Attrition rate in Indian labour market is as high as 20% in most of the industries and this rate is 50% in IT industries. There were several factors are responsible employee attrition, and it can be resolved with the suitable corrective action. Controllable factors can be controlled by the organisations like the incentives and benefits being offered and uncontrollable factors are the reasons like employee shifting to some other geographical location, leaving job for higher studies, and so on. It was concluded that there was no universal attrition management solution for every organization. Each organization has to build its own motivation system based on compatibility between organizational and individual goals. It was recommended that the
companies should calculate their attrition rate on regular basis and should also calculate the cost attached to it.

Negi (2013) attempted to find out the causes of attrition from different dimensions. It undertakes the effect of the same on employer and employee both. The literature on past studies revealed that organizational commitment and job satisfaction were crucial factors that influence turnover intention. It was also identified that attrition takes place because new employees compare their actual experience with their past work experiences. Past work experiences plays significant role in taking decision to quit in case the new worker’s expectations are not met. Job stress as a cause of attrition, the employees in organization may tend to leave when they start experiencing signs of occupational stress. This study was concluded that there were other factors like inefficient and poor recruitment practices, style of management, lack of recognition, work place conditions, and a lack of competitive compensation system that cause employees to quit the organization.

Shashikala & Ravindra (2013) investigated this research to study the causes for frequent job switching and the impact of attrition on the organization productivity. The golden objective of achieving remarkably low attrition rates was possible, only few factors were to be taken care of and have to be dealt with somewhat emotional attitude. This certainly was an ambitious and rewarding endeavour for any organisation, but the strategies that flow from these analyzes often yield insights into your base capabilities that can dramatically transform entire attrition chaos if implemented in proper way. This study found that due to high attrition rate, cost of the organization increases due to training, development, socialization also affected productivity and
other costs on the employees. This study was concluded that fair compensation alone didn’t guarantee employee loyalty, but offering below-market wages make it much more likely that employees to change organization.

Kadam & Thakar (2014) conducted to find out the main causes behind the increase in employee attrition in software Industries and to find out the ways to control attrition. The study was carried out in software companies in Pune. From results it can be concluded that there are various reasons behind employee attrition. These reasons are best offer next door, overseas opportunities, Boss relation problem, higher package, further overseas studies, shifting of cities due to marriage, family and personal problem, improper time schedule and parent’s health requires moving to other cities. This research paper proposed a remedial measure if implemented and executed properly would help concern organization to understand their employee’s needs with regard to their career, job, and family and follow the above mentioned remedies and retained their talented workforce, thereby meeting their expectations and requirements, and thus reducing employee attrition. The other results indicated that job satisfaction was explained by perceived organizational support and job stress. It was concluded that attrition rate increased because of dissatisfaction with pay, lack of career advancement, compensation and boss relation.

II.5 STRATEGIES TO REDUCE ATTRITION DUE TO JOB SPECIFIC FACTORS

II.5.1. TRAINING & DEVELOPMENT

Brewster and Larsen (1992) defined the concept of development as the degree to which HRM practices involve and give responsibility to line managers rather than personnel specialists. Hence in new scenario the scope of HRM is extended from HR professional to each line
managers. There are different causes of high attrition rates such as compensation levels, cultural mismatch, computer vision syndrome, stress, lack of role models in workplace etc. The Gartner group specializing in the management of human capital in IT organizations has observed that the average tenure for an IT professional is less than three years. Further, the use of new technologies, treating employees as customers, the support of learning and training, and a challenging environment ranked higher than competitive pay structures as effective retention practices. A survey of 1028 software professionals from 14 Indian software companies, showed that while the professional gave importance to personal and cultural job-fit, HR managers believed that the key to retention was salary and career satisfaction. Money was a prime motivator for starters, but for those into their third or fourth jobs, their value-addition to the organization was more important.

Scholl (2003) the importance of ensuring employee retention following training may lie in the strategic approach that is utilized. Companies can seek to achieve organizational goals through a variety of human resource strategies and approaches. One such approach, a commitment strategy, attempts to develop psychological connections between the company and employee as a means of achieving goals. In an attempt to ensure that the employee remains with the company following training, employers may implement a strategy to training that fosters commitment. Training that attempts to increase employee commitment may serve to counter the numerous direct and indirect costs associated with turnover. Although a commitment strategy can be tied to all company human resource practices; recruitment, selection, performance evaluation, and so on, the focus of this paper will be to determine whether training can lead to an increase in employee commitment and in turn foster employee retention.
Janani (2014) stressed that most of the IT companies even the top most companies are facing turnover due to many factors. Employee turnover has been a never ending problem faced in Indian organizations due to no fairness compensation, less opportunity in career growth, dissatisfaction with superiors and so on. The most important of all reasons is compensation, because plenty of opportunities are there in the market for experienced, well qualified employees if they switch over to other companies and they will pay more. There were many push, pull and personal factors were involved and initiating the thought of turnover among employees. IT companies should be alert and frame some necessary strategies to reduce attrition so that they can reduce the expenditure of employees for recruitment, training and development. It was concluded that it becomes very necessary for human resource managers to understand the factors that prompt employees to quit an organization.

II.5.2. EXIT INTERVIEW

Raman (2006) carried out with the objective to understand the retention strategies adopted by various Indian BPO companies and propose innovative strategies that these companies can adopt to get a better solution to this herculean problem that the BPO industry is facing. Non-retaining employees are backed with the following reasons like lack of growth potential, less chance for promotion, poaching, higher education, stress and so on. Companies have different kinds of strategies adopted to tackle the problems of retaining human capital. Companies offer cash incentives, scholarship for further study, rent-free accommodation, monotony handling, career path development counseling and conducting exit interview are the few strategies, which has been efficiently working to retain the talent employees.
Chordiya (2013) ascertained that retaining information technology and BPO sector employees has been a problem in many organizations for decades. It was found that retention strategies can be classified into two categories that were monetary and non-monetary strategies like performance linked incentives, rewards, increment in salary, job rotation, job enrichment, exit interviews, participation in management, and public recognition of achievements and so on. It was also found that most of the employees leave an organization because of frustration and constant friction with their superiors or other team members. It was concluded that most of the employees in BPOs were retained due to the following factors such as competitive compensation, encouragement and recognition, well equipped and safety environment, infrastructure, potential talent and job involvement.

Yadav (2013) analysed the challenges human resource faces in Information technology industry of India. The focus of HR practitioners should not be only on to attract, motivate and retain key knowledge workers by conducting exit interview. But HR practitioners must also play a proactive role in IT industry. Profitability and sustainability of company in long run cannot be ensured without focusing on HR Management practices. This paper added to the conceptual literature of on the challenges for the HR policies. The focus should not be only on to attract, motivate and retain key knowledge workers, but also on how to reinvent careers when the loyalty of the employees is to their brain ware rather than to the organization. With lifetime employment in one company not on the agenda of most employees, jobs will become short term. Today's high-tech employees desire a continuous up-gradation of skills, and want work to be exciting and entertaining a trend that requires designing work systems that fulfill such expectations. As
employees gain greater expertise and control over their careers, they would reinvest their gain back into their work.

II.5.3. FLEXIBILITY IN WORK/TIME

Ongori (2007) assessed the sources of employee turnover, effects and forwards some strategies on how to minimize employee turnover in organisations. Employees are the backbone of any business success and therefore, they need to be motivated and maintained in organisation at all cost to aid the organisation to be globally competitive in terms of providing quality products and services to the society. And in the long-run the returns on investments on the employees would be achieved. Management should encourage job redesign-task autonomy, task significance and task identity, open book management, empowerment of employees, recruitment and selection must be done scientifically with the objective of retaining employees. It was concluded that managers should examine the sources of employee turnover and recommend the best approach to fill the gap of the source, so that they can be in a position to retain employees in their organisation to enhance their competitiveness in the this world of globalization.

Malik et al. (2011) revealed that reduction of employee turnover is the major challenge for human resource department in almost every company in every nation, for this purpose human resource department engages employees in fair motivational activities. In this study, nine variables employee’s turnover intension, managerial attitude, job satisfaction, job involvement, communication levels, flexible work environment, training consistency, employee priorities and organizational outcomes are considered to measure employee’s turnover intension and its impact on organizational outcomes. This study strongly indicate that less job satisfaction, less
communication level among employees and management and lack of training consistency are important factors which may be the cause of employee’s turnover intension while managerial attitude and flexible working environment are observed insignificant or less important factors for employee’s turnover intensions. So directors of human resource department should take significant measures for employees satisfaction, inter communication level of employees and management and for consistent training activities. Lack of training consistency also indicates HR management failure.

II.5.4. RECOGNITION/REWARD

Ebinezar et al. (2013) attempted to discuss the growth of employment opportunities in IT/ITES industry and also discuss the various human resource challenges faced by the IT/ITES industry in India. It also stressed that IT/ITES industry is an important engine of economic growth for developing countries like India. The employees were the key resource in software industry. The HR managers of Indian IT industry face baffling challenges which include India becoming expensive, lack of managerial skills, ageing factor, gender issues, cross cultural issues, sexual harassment, technological obsolescence, customer service, selecting the best talent, retaining skilled people and work-life balance issues. It was concluded that the industry will find suitable ways and avenues for deploying the potential workforce in the years to come. This industry is look into advanced processes, innovation and product development that require a human resource with specialized skills.

Vibha (2013) focused on recruitment and retention challenges that the IT/BPO industry currently faces and to examine ways to reduce high turnover rates among first year employees in
the leading domestic call center based in Indore. According to the department of human resources, turnover rates for permanent agents/executives were 15.6% in 2009 and 35% in 2012. Department of human resources which also tracks attrition of temporary employees measured the turnover rate for temporary employees to be 77% in 2012. The monetary cost of such high turnover is enormous. By tapping into the voices of those who have left M-Source BPO on the one hand, and feedback from the present employees on the other hand, this research begins to illuminate what organizational conditions obstruct the retention of workers. The findings imply that employees need manageable workloads, support and recognition from their co-workers and management, and opportunities for growth and innovation.

II.6 RETENTION MEASURES DUE TO PERSONAL FACTORS

II.6.1. CAREER DEVELOPMENT

Vos & Meganck (2009) indicated that career development plan for the employees play a vital role in the retention of employees. Providing these career development opportunities restrict employees from leaving the organization and increase in loyalty. This study also suggested that to prepare and develop plans to get best talent as successful organizations are working on this to avoid future deficit of the required competent employees because there is always room for the improvement in recruitment process. It was also suggested that companies must adjust their desires and necessities according to the market situation so that retention of employees can be made possible. This study argued that future opportunities for the employees also help in retaining employees because these opportunities are associated with more pay, additional work responsibilities, superior work environment and different incentives plans. Money is not sole factor but it has significant effect while recruiting the employee.
Anilkumar (2011) expressed that retention has become key tool for success but retention has become a tough job for the sector as attrition is on the rise due to various reasons. Employer should concern the people and provide flexible shift and weekend off so that employees will feel comfortable & the next day they will be able to spend some time with their family. Retention has become a key challenge for the BPO industry. With the help of retention the company can save investment on recruitment and can turn it as cost effectiveness. As the sector is open and people has various choice to work therefore attrition is on the rise & to minimize it, the sector should plan the career path of people and provide them rewards and promotions on time and keep them satisfied so that employees should not think about alternative employer.

Goswami & Jha (2012) presented an insight into the various issues surrounding the problem of attrition and what major challenges were being faced in retaining the employees. Organizations face a formidable challenge of recruiting and retaining talents while at the same time having to manage talent loss through attrition be that due to industry downturns or through voluntary individual turnover. This study revealed that losing talents and employees result in performance losses which can have long-term negative effect on companies especially if the departing talent leaves gaps in its execution capability and human resource functioning which not only includes lost productivity but also possibly loss of work team harmony and social reputation. Goodwill of the company gets hampered due to more employee turnover rate and the competitors start poking their nose to recruit best talents from them. It was concluded that organizations should create an environment that fosters ample growth opportunities, appreciation
for the work accomplished and a friendly cooperative atmosphere that makes an employee feel connected in every respect to the organization

Kumar & Dhamodharan (2013) aimed at developing insight on how employee retention was relevant in present business context. The major dimensions such as, organizational fit, remuneration and recognition, career development, challenging opportunities, leadership, team relationship, organizational policies, communication, working environment, organizational policies, communication, working environment, organizational commitment were taken to measure their influence in employee retention. In this study it was found that most of the employees in BPO companies were retained due to the following factors such as challenging assignments, remuneration & recognition, and opportunities to learn new things, infrastructure, potential talent and the prospective roles. If organization is going to practice these factors, the employee retention is possible. In the long run it will fetch a good result for the organizations.

II.6.2. COMPENSATION BENEFITS

Hansen (2002) argued that pay more to the employees in order to achieve better financial position and retain those employees who lead from the front to attain business goals. Short and long term incentives should be given according to the goals of business that will help to have more organized and strong management team for long term results. This study also stated that in these days organizations are competing for talent rather than counting employees loyalty. They are focusing on attracting, hiring and retaining the required talented persons. For this purpose organizations must utilize those practices which are in favour of both employees and employers leading them towards higher performance levels. It is important to recruit strategy driven and
shrewd employees because it creates sense of alignment between employee and organizational values and goals. It was concluded that employees feel connected with the organization if they get support from their supervisors which lead them to return the favour to the supervisors and organization through retention.

Hope and Mackin (2007) explored the relationship between employee turnover and firm size as it relates to compensation using the National longitudinal survey of youth. The purpose of the study was to examine whether employee turnover differences between small and large firms are the result of differences in wages and benefits or of some form of self-selection where employees of small businesses are simply more prone to high turnover rates than those in larger firms. Employees of large establishments stay in their jobs longer than employees of small establishments. Offering benefits improves employee retention. When a firm offers benefits, it decreases the probability of an employee’s leaving in a given year by 26.2 percent and increases the probability of staying an additional year by 13.9 percent. The earnings results based on the relationship between establishment size and earnings show that firm size has a positive impact on earnings for service and manufacturing occupations.

Yiu & Saner (2014) contributed to the measurement of Indian HR function by reporting the finding of a survey of attrition in Indian companies and by discussing the possible strategies chosen by them to counter costly labour turnover. This study questioned the causal link assumed by the large number of Indian companies that higher attrition can be contained through the payment of higher compensation packages. Employee turnover was a symptom pointing to underlying labour market imbalances and inadequate responses by enterprises afflicted by
unwanted high employee turnover. High employee turnover is a serious business problem which cannot be simply smothered by salary increases and other costly extrinsic incentive alone. This study was concluded and recommended that efforts can also be made in detecting factors that negatively affect employee engagement with the company early on so that social-psychological interventions could be made provided that the existing working conditions were of acceptable level and of appropriate decent standard.

II.6.3. FRIENDLY CULTURE

Rivera (1999) revealed that why personnel leave a career or organization early, which department were so impacted and how executive leaders influenced employee loyalty and retention. This study sought to ascertain how attrition affected departments and what measures were used by these departments and how the local fire fighters evaluated the same questions within their department. Both surveys used in this report, sought to determine the reasons for attrition that affects some departments negatively. In the national survey respondents were asked to rate given reasons for the attrition in their department. The survey taken within the author’s department gave choices for which individual fire fighters would leave the department. After calculating responses and speculation on trends revealed by the results of this survey, one fact was too obvious to ignore. Personnel who left were not motivated to stay. The research revealed that internal communication was not as effective as some believed. Recommendations included reviewing attrition rates and the possible causes which are normally under almost total control or the executive leader.

Aparna (2013) attempted to bring out employee retention approaches, strategies for knowledge workforce, for achieving competitive advantage. This study also stressed that
employee retention is most critical issue facing corporate leaders as a result of the shortage of skilled labour, economic growth and employee turnover. Successful strategy starts with the management’s right mindset, which ensures that the strategy adds value throughout the organization, implementing processes sincerely, that the top management is fully involved and their enthusiasm in it is of critical importance. This paper concluded that employee retention can be practiced better by motivating the employees in the aspects of open communication which enforces loyalty among employees.

Dhamodharan & Elayaraja (2013) determined the impact of job satisfaction and organizational commitment on employee talent retention with specific reference to ITES companies in Chennai. This study was listed the main issues to the ITES industry are employee turnover and attrition. Employee retention to a large extent depends on job satisfaction and organizational commitment. This study stressed that when an employee leaves, they take with their valuable knowledge and information about the company, customers, current projects and past history. Often much time and money has been spent on the employee in expectation of a future return. The cost of employee turnover adds hundreds of thousands of money to a company’s expenses. While it is difficult to fully calculate the cost of turnover, industry experts often quote one-fourth of the average employee salary as a conservative estimate.

Suhasini & Babu (2013) performed this study to find out the factors which influence employee retention and reasons for employee leaving the organization. It was observed that organizations should aim at developing effective employee retention policies and practices which increases employee commitment level, loyalty and engagement. Employee commitment and
involvement have impact on employee productivity and retention. Organizational culture and compensation have a significant impact on employee retention. It was concluded that organization has aim to design integrated approach to employee retention which includes best retention strategies like conducive organizational culture, adequate competitive pay package, non-monetary motivation and effective employee development programs for attaining competitive advantage in business environment. This study suggested that some recommendations for employee retention in IT sector with special reference to study of selected IT companies.

II.6.4. EMPLOYEE VALUE & LOYALTY

Tumwesigye (2010) investigated the role played by organisational commitment in the relationship between perceived organisational support and turnover intentions. The results reported here indicated that western theories and behavioural expectations linking POS to organizational commitment and turnover intentions can be manifested in Uganda and those linkages between human attitudes might be similar across societies. This study was concluded that affective commitment, normative commitment and continuance commitment mediate the relationship between POS and turnover intentions. The study results indicated that an employee who believes that his organisation does not care about his or her well-being has a higher tendency to want to leave and seek employment in more rewarding organisations. On the other hand, an employee who feels that the organisation values his contribution and cares about his well-being will be more likely to want to maintain membership in that organisation. The results provided evidence that organisational commitment had a significant mediating effect on the relationship between perceived organisational support and turnover intentions.
Zacharian & Roopa (2012) aimed at examining the reasons for employees leaving the organization, staying back factors, their attitude towards work, work relationships and their prioritized basic expectations from the organization but also aims at finding out if there is any significant difference in the response among IT professionals of Indian IT and multinational companies. The study showed that there was no significant difference in response among IT professionals of Indian IT and multinational companies. However with respect to certain demographic factors considered like total experience, position and sponsored certification programs, it was found that there was significant difference between these companies. Therefore it was concluded that the Indian IT companies are in par with multinational companies in various aspects. It was suggested that the outcome of the study was expected to help the HR managers of these organizations in minimizing the attrition rate by developing effective retention strategies specific to their organizations.

Nappinnai & Premavathy (2013) presented a holistic view of attrition and retention of employees in this competitive scenario. In the global competitive scenario as there is no dearth of opportunities for talented persons in this world, given a chance, employees are prone to move from one organization to another. Corporate were facing the problem of attrition at this time of economic revival. Organisations spend a lot of effort, time and money on employee’s retention because losing a valued employee proves to be costly in the form of lost knowledge, worried co-workers and lost money. Retention is more economic than going for fresh recruitment. Organisations should have an effective retention plan to keep the current employees. It was concluded that the companies have to work proper retention policies and resolve the employee’s problems could increase the volume of business.
II.6.5. HR INITIATIVE

Blanchard & Blanchard (1999) maintained that some factors that impact retention were not as well-known because very few employees feel comfortable telling employers the real reasons that they have decided to leave in fear of burning bridges or because they simply think nothing will be done about it anyway. Furthermore, this study noted that it was not surprising to learn that 90% of managers believe that employees leave organizations for better career opportunities or for higher salaries because this is what most employees report when they leave an organization. This study also identified worker dissatisfaction, primarily as another factor that impacts retention. It was concluded that the factors contributed to worker dissatisfaction include limited career-growth opportunities, lack of support and respect from management, compensation, unchallenging jobs, work hours, managers’ lack of leadership skills, poor working condition, lack of recognition, internal politics, employee favoritism and the list goes on and on.

Srivastava et al. (2011) identified the root causes of attrition and retention in BPOs, analyzed the level of employee motivation, satisfaction and involvement, and generated a model for maximizing sustenance of employees in the organization. This study developed a regression model for escalating the stay of employees in BPOs and give recommendations for the same. 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. Then, the regression model revealed that intrinsic motivation and involvement factors, as well as age and education level contribute to the sustenance of employees in the organization. Thus based on the findings, it can be said if the employees are motivated and involved in the work they can be retained.
Johari et al. (2012) examined the relationships between human resources management practices and intention to stay. Four dimensions of HRM practices are training and development, career development, compensation and benefits, and performance appraisal and achievement. All of these sub-factors were assessed as the predictor of employee intention to stay. Based on result, all the human resource management practices have positive and significant relationships with intention to stay. Career development also had a significant relationship with intention to stay among technicians in the study. This may infer that intention to stay among the technicians is significantly correlated with the presence of meaningful work, opportunities to upgrade their capability, and importantly promotion. This study reported a significant correlation between performance appraisal and achievements and intention to stay among the manufacturing technicians. The research results have provided support for the key propositions. More importantly, this study has succeeded in answering all of the research questions despite some of the limitations.

Singh (2013) scrutinized the phenomenon of worker retention in the ITES sector in the Tri-City of Chandigarh, Mohali and Panchkula in order to develop appropriate strategies, which can help the organizations in this sector to retain their valuable talent. It has been found statistically that as the worker gains more and more experience of working in this sector, the probability of his attrition rises significantly. On the basis of the frequency distribution, age and educational qualifications were also reported to be relatively significant factors affecting the worker retention in this industry. Contrary to the prevalent belief, marital status was reported to be as highly insignificant factor by one-third of the respondents. It was concluded that the
retention of knowledge worker has become extremely critical for the success of a business organization in the present scenario especially in the service sector with lot of people interface. HR department has to play a key role in designing the policies, practices and strategies, which can enable an organization to retain the human resources contributing significantly to the business.

Jha & Singhal (2014) stressed that the biggest challenge facing the corporate houses these days is not attracting the prospective employee but retaining the talent. Attrition has been a never-ending problem for every organization especially the developing countries like India due to either lack of appreciation or lack of proper job sculpting. Employee retention is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. To recognize and cultivate these valuable assets is one of the surest ways to build an organization that leads rather than follows in domestic and global markets. Thus, organizations should create an environment that fosters ample growth opportunities, appreciation for the work accomplished and a friendly cooperative atmosphere that makes an employee feel connected in every respect to the organization. It was concluded that the retention plans are an inexpensive way of enhancing workplace productivity and engaging employees emotionally.

Saleem & Affandi (2014) carried out this study to know the impact of human resources practices on employee retention, considering perceived organizational support as a mediating variable. The results indicated that both the human resource practices were significantly related with employee retention with perceived organizational support as a mediating variable. As
shown in the results it was concluded that organizations are less likely to retain employees when there is unfairness in rewards and lack of growth opportunities. The results showed that growth and fairness of rewards are negatively associated with employee turnover. This research showed that perceived organizational support was positively and significantly related with Fairness of rewards and growth opportunities, as well as with employee retention. So to retain skilful employee there must be opportunities for growth and fairness in reward system.

II.7 JOB ATTRITION

Khatri et al. (1999) suggested that employee turnover problem in Singapore is more due to poor management than bad employee attitudes. Factors under the control of management were found to explain much greater variance in the turnover model than were factors not under the control of management. This study examined the contribution of these factors as a group to the turnover model to test the validity of the implicit theories. The classification of turnover antecedents into demographic, controllable, and uncontrollable factors provides a good diagnosis of the employee turnover problem. Singapore companies provide an appropriate setting as their turnover rates are among the highest in Asia. Findings of the study suggest that the extent of controllable turnover is much greater than uncontrollable turnover and that poor management practices are the major source of employee turnover.

Ang & Slaughter (2004) examined employee turnover from a structural perspective. It also investigated the impact of IT turnover of organizations’ internal labour market strategies. ILM strategies include human resource rules, practices, and policies including hiring and promotion criteria, job ladders, wage systems and training procedures. The results of the study
showed that organizations adopt distinct ILM strategies relate to differential turnover rates. This study analyzed the variations across organizations and found that some organizations chose to organize their technically-oriented IT jobs in a craft ILM strategy while other organizations preferred an industrial ILM strategy. It was concluded that differences in the need for flexibility, cost minimization and predictability as manifested in institutional and industry factors and the focus on IT were associated with an organization’s choice of a particular ILM strategy for its technically-oriented IT jobs.

Samuel & Chipunza (2009) looked at the extent to which identified intrinsic and extrinsic motivational variables influenced the retention and reduction of employee turnover in both public and private sector organisations. The research was aimed at achieving the following objectives: identify and establish the key intrinsic and extrinsic motivational variables being used by selected public and private sector organisations in retaining their employees. This study adopted the cross-sectional survey research design and examined two public and two private sector organizations in South Africa. The result showed that employees in both public and private sector organisations were, to a very large extent, influenced to stay in their respective organisations by a combination of intrinsic and extrinsic motivational factors. The following motivational variables were found to have significantly influenced employee retention in both the public and private sector organisations: training and development, challenging/interesting work, freedom for innovative thinking, and job security.

Renjithkumar (2011) aimed to identify the causes of turnover of employees, it focused on the gender, age, experience and departmental analysis to find out the factors that induces
employees for turnover. A sample of 138 employees is taken for the study. The study showed that the turnover of employees is mainly due to low salary. There is also a lack of good relationship between superior and subordinate, training, recognition of job, evaluation of job performance, proper direction, promotion and participation in decision-making. These factors have affected the satisfaction which resulted in the lack of commitment of the employees. This led the way for increased turnover in the organization. Moreover it was also tested and proved that turnover is more from experienced, high performing male employees. The findings presented in this paper provides a clear picture regarding low salary of the employees, dissatisfaction of employees, and the lack of major factors that dissatisfies the employees which ultimately leads to turnover.

II.8 RESEARCH GAPS

II.8.1 Research Gap 1 (Indian Information Technology Industry)
There are studies galore about statistics on projects, revenue, growth and recession, and emerging markets. However, most research has been undertaken mainly by NASSCOM or Rating agencies. There are hardly any studies using causal models.

II.8.2 Research Gap 2 (Human Resource Management / Development)
Research on I.T. industry in India has been predominantly in the areas of operations and marketing management. Very few studies have tried to address issues related to Human Resource Management (HRM) except those focusing on outsourcing, payroll management, working in
shifts, talent management and workforce diversity. *This research will focus on employee integration and maintenance which is key to HR Return on Investment.*

**II.8.3 Research Gap 3 (Attrition Types)**

The majority of research has been focusing on involuntary attrition. Negligible research has been carried out on voluntary attrition. *This research addresses the need of studying both involuntary and voluntary attrition and related issues.*

**II.8.4 Research Gap 4 (Holistic Model)**

Most research has been focusing on attrition issues and antecedents besides consequences. However, the research has not been extended to ascertain behavioural intentions of employees based on the impact of various factors determinants. *This research fosters a holistic view (model).*