

Attrition in bpo industry: a survey report

[Business](#)



ATTRITION IN BPO INDUSTRY: A SURVEY REPORT Abstract The BPO industry is undoubtedly considered as one of the biggest fields of employment in India and stands number two worldwide after Philippines.

However, it is facing a phenomenal increase in attrition rate which is the biggest challenge. The current attrition rate is 55 %. (Source: 13 Oct, 2011, The Financial Express) as compared to the last year of 51%. Nasscom, in a report said that that the outsourcing industry is expected to face a shortage of 2, 62, 000 professionals by 2012. This is owing to the fact that retaining manpower at mid and senior management levels, where there is a visible significant movement has become quiet challenging. The another interesting feature of this industry in that as the industry moves up and become a full scale BPO player, attrition rate will further decreases.

In the study released by Associated Chambers of Commerce and Industry of India claimed that the high attrition is due to bad working hours and a perceived lack of long term growth. In this paper an attempt is being made to build a model which contributes to high attrition rate. . Introduction HR professionals all over the world are breaking their heads to formulate Retention Strategies for employees working in Call-Center or Contact Center or BPO industry but nothing is working in their favor. No perks, no rewards, just nothing is working. Some of these factors are no growth opportunities, policies and procedures are not conducive, uneasy relationship with peers or managers, higher education etc.

Fundamental changes are taking place in the work force and the workplace that promise to radically alter the way companies relate to their employees.

Hiring and retaining good employees have become the chief concerns of nearly every company in every industry. Companies that understand what their employees want and need in the workplace and make a strategic decision to proactively fulfill those needs will become the dominant players in their respective markets. There is an emerging trend seen in the employees or new generation of workers that they want to strike a balance between their personal and professional life. Smart employer makes strategies to understand what their employee wants

2. Research Objectives *

Assess the profile of employees who quit.

* Determine the reasons for employees leaving the organization. * To find a solution to the recurring problem of employee turnover.

3. Theoretical Framework. The proposed theoretical framework is as under

4. Research Hypotheses *

H1: Men are more intended to leave the organization.

* H2: The intention to leave will not be the same for different educational levels of each group of employees. * H3: The intention to leave will not be the same for different age group levels of employees. H4: As fair remuneration decreases, intention to leave increases * H5: As stagnation increases, intention to leave increases * H6: As the shifts is more inconvenient, intention to leave increases. * H7: More the autonomy less is the intention to leave. * H8: As the dissatisfaction is more, intention to leave increases

5. Methodology The data collection method used is Questionnaire as it is free from the bias of the interviewer.

In this case the respondents have adequate time to think and reply. This method is convenient as those respondents who are not easily approachable

can be reached conveniently. It was mailed to the respondents who were expected to read & understand the questions and write down the reply in the space meant for the purpose. Respondents are the employees of various BPO's and a sample size of 55 is collected by convenience sampling. 6. Data Analysis Research Hypothesis1: Ho: There will no difference between men and women in their intentions to leave the organization H1: Men are more intended to leave the organization.

Conclusion: The research hypothesis cannot be substantiated as the p value of the test statistics is 0. 81; 05%. (Refer table 1. 1 ; 1. 2) Research Hypothesis2: Ho: The intention to leave will be the same irrespective of the four educational levels of each group of employees. H1: The intention to leave will not be the same for different educational levels of each group of employees.

Conclusion: Since the p value (. 006) is less than . 05 therefore, the research hypothesis is substantiated and it can be concluded that the intention to leave differs among different educational levels. (Refer table 2) Research Hypothesis 3: Ho: The intention to leave will be the same irrespective of the four Age group levels of each group of employees. H1: The intention to leave will not be the same for different age group levels of employees.

Conclusion: since p value is more than 0. 05 therefore the null hypothesis is retained. (Refer table 3) Research Hypothesis 4: Ho: Fair remuneration and intention to leave are independent. H1: as fair remuneration decreases, intention to leave increases. At 10% level of significance the research hypothesis can be substantiated and therefore, it can be concluded there is

relationship between the fair remuneration and intention to leave. (Refer table 4) Research Hypothesis 5: Ho: Stagnation and intention to leave are independent H1: As stagnation increases, intention to leave increases.

Conclusion: Since p value (.000) is less than .05, therefore the alternate hypothesis can be substantiated and it can be concluded that as stagnation increases intention to leave increases. (Refer table 5) Research Hypothesis 6: Ho: Inconvenient shifts and intention to leave are independent. H1: As the shifts are more inconvenient, intention to leave increases.

(Refer table 6) Conclusion: Since p value (0.886) is more than level of significance (5%) therefore the null hypothesis is retained. (Refer table 6) Research Hypothesis 7: Ho: Autonomy and intention to leave are independent. H1: More the autonomy less is the intention to leave.

Conclusion: Since p value (0.868) is more than level of significance (5%) therefore the null hypothesis is retained.

(Refer table 7) Research Hypothesis 8: Ho: Job dissatisfaction and intention to leave are independent. H1: As the dissatisfaction is more, intention to leave increases. Conclusion: Since p value (.000) is less than .05, therefore the alternate hypothesis can be substantiated and it can be concluded that as dissatisfaction increases intention to leave increases.

(Refer table 8) Research Hypotheses Summary: Sr. No. | Hypothesis | Result |
1| Men are more intended to leave the organization. | Not Substantiated |
2| The intention to leave will not be the same for different educational levels of each group of employees. | Substantiated |
3| The intention to leave will not be the same for different age group levels of employees. | Not Substantiated |

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4| As fair remuneration decreases, intention to leave increases|
 Substantiated| 5| As stagnation increases, intention to leave increases|
 Substantiated| 6| As the shifts is more inconvenient, intention to leave
 increases.

Not Substantiated| 7| More the autonomy Less is the intention to leave. | Not
 Substantiated| 8| As the dissatisfaction is more, intention to leave increases.
 | Substantiated| 7. Conclusion and Recommendation: Of the various
 hypothesis tested, Stagnation, remuneration, educational levels, and job
 dissatisfaction are the most influential factors for attrition. One of the best
 ways to curb attrition is to develop a synergy between the work and the
 employee's innate talents. The best way to retain employees is to encourage
 the employees to enhance their skills and grow.

The companies will also need to evolve HR programmes and development
 initiatives for this. In fact, these strategies are already being implemented by
 many leading BPO houses. For instance, Unisys Global Services has set up
 the Unisys University that allows the employees to evolve their skill sets
 while working within the company. For BPOs their employees are the most
 important assets, so they need to them for long term growth of the
 company. 8. Bibliography: 1.

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Times 7. [www. bpoindia. org/research](http://www.bpoindia.org/research) 9. Appendix Table1.

1 Table1. 2 Table2 Table3 Table4 Table 5 Table 6 Table 7 Table 8