

A RESEARCH STUDY OF FACTORS INFLUENCING TALENT RETENTION IN BPO INDUSTRY

Ritu Arora

Associate Professor, Department of Management Studies, DAV Institute of Management, Faridabad, Haryana, India

Abstract *The most challenging job in today's competitive world, for any organisation is to identify, recruit and retain a high quality workforce. It is an established fact that talent retention is a strategic tool to ensure competitive and corporate performance. In the war for talent, talented employee retention is getting harder day after day and continues to be the top priority for CEOs'. Low retention is seen in almost all fields but it is certainly alarming in the BPOs. In an extremely competitive market, it has become imperative for BPO organisations to look into the causes of low retention and come up with a strategy for retaining one's employees. This study attempts to find out the reasons of low employee retention in BPO (ITeS) industry and found that in order to prolong the employees' stay in the organisations, BPO companies must maintain a conducive organisation culture and should adopt a competitive rewards and recognition policies along with best of the facilities which can further help employees to maintain work life balance. The BPO (ITeS) employees appended greater value to organisation's atmosphere, supportive top management in comparison to salary and other monetary benefits.*

Keywords: *Attrition and Retention, BPO, Work Force Diversity, Organisation Culture, Work Life Integration.*

1. INTRODUCTION

Today's organisations are increasingly afflicted with issues of employee retention. Most forward thinking managers today's realise that having valued employees is what differentiates them from competitive organisations. Good people make an organisation survive and flourish. With this understanding, comes the rapidly increasing focus on retaining key talent. This key talent represents the total of the inherent abilities, acquired knowledge, capabilities and skills. Inarguably, diversity in workforce i.e. difference in age, sex, qualification, experience, capabilities, perception, quality etc. - has brought up more, not fewer retention issues. While some amount of employees leaving an organisation is considered unavoidable but high turnover is a matter of concern. High employee turnover is seen in almost all the fields but it is certainly more alarming in the BPOs that too specially in ITeS (35-50%). In an extremely competitive market, it has become imperative for organisations to look in to the causes of this high turnover and come up with a strategy for retaining one's employees. Increased attrition levels need to be monitored and managed carefully as they eventually affect the overall performance of the employees. The focus has surely needs a shift from 'Recruitment' to 'Retention'. Another reason for organisations to retain their

employees and curb employee turnover is the costs attached with it. The combined direct and indirect costs associated with one employee ranges from a minimum one year's pay and benefits to a maximum of two year's of pay and benefits including the loss of corporate memory, affecting productivity, profitability, product and service quality, negatively affecting employment relationships, morale and workplace safety. (Prakash, S. and Chowdhury, R.). This problem of low employee retention can be addressed through a variety of proactive retention strategies, workplace policies and practices which not only help to offset negative impact of low retention but also work proactively to increase employee retention. There is strong evidence in the literature that usually more creative, more productive employees' looks for a change and their retention is positively associated with not-so-obvious factors which are well within the control of management. This paper tries to bring out the various factors which affect employee's retention in an organisation.

The Indian BPO (ITeS) industry, set an inspirational target of touching \$50 billion in revenues and the size of Indian BPO market will likely to be around \$12-18 billion by 2012 and will generate 2 million jobs if five fold growth is achieved but facing high rates of employee turnover. Thus, it has been chosen as the area of research for this paper.

2. REVIEW OF LITERATURE

In order to gain a deeper understanding of the low retention in BPO industry, its causes and concerns, review of earlier studies on the subject is of prime importance. Most of the sources consulted in this study stress that not one but there are many factors which affects employee retention depending upon their priorities and life styles. Verma, Anju. and Pooja, Garg (2011), after doing a comparative study of work life balance among male and female employee working in BPO companies, contended that causes of attrition are different in relation to the gender. Results shows that female employees' feels more stressed because of work life imbalances and leaves job at the early stage of their career. Ramiya. Bhas (2008) advocated that the top reason for talent attrition is "External Equity of Compensation", He also stated that 27 percent of the employees in their exit interviews mentioned compensation as primary reason whereas Limited career opportunities and Role Stagnation are stated as another two reasons for low retention. Thus, despite the fact that there is general agreement about the importance of competitive compensation for employee retention, there is also a growing consensus that high or even generous compensation will not independently guarantee that an organisation will be able to keep its key employees. Jeswani, Saket. and Souren, Sarkar. (2008), mentioned that Talent Engagement is necessary to retain an employee as disengaged employee disturbs the system and multiply the dissatisfaction levels in organisation which results in decreased motivation, high talent turnover and diminished performance. They mentioned that raising and maintaining employee engagement is in the hands of an organisation and requires a perfect blend of time, effort, commitment and investment to craft a successful endeavour. A survey by Mercer Human Resources Consulting Services (2006), showed that salaries soared higher as employers battled to attract and retain staff in the tightest labour market in 30 years. The survey revealed that the real challenge for human resources managers is to maintain the right salaries and other variable rewards in a tight market. Pillai, Anandan (2006) attempt to bring out the amount of monetary losses; company suffers because of high employee attrition along with the causes and strategies to handle the same. According to this study major factors responsible for low employee retention are higher salary expectations, lack of promotion opportunities and work life imbalances. D.Raina, Anupama (2006) by means of series of surveys, observations and interviews ascertained that employees' attrition in higher between the age group of 20-25 years and within three months of joining, young professional's leaves the job because of slow career growth, poor relations with seniors/colleagues, health problems, work-life imbalance and for higher studies.

Meyer et al, (2003) said that building "affective commitment" involved much more than paying well, and that retention

based on "compensation based commitment" was of course sensitive to changes in compensation within the company. They said that employers those based their retention on compensation based commitment were always vulnerable to the possibility that their competitors would offer better wages and thus lure away their employees. Similarly, Smith (2001), argued that "money gets employees in the door, but it doesn't keep them there." Writing from the employer's perspective, Dibble (1999) did include money in her discussion of financial incentive but she also argued that money is not always a fitting reward. In a survey that she conducted, about one fourth of the respondents said that they changed their current jobs because they did not feel cherished or appreciated in their current organisation.

Experts such as Lawler (1990) advocated that the key issue in retention was the amount of total compensation relative to the levels offered by the organisations. "Organisations that have high levels of compensation," he wrote, "have lower turnover rates and large number of individuals applying for them." In addition he said that high wage workplace may create a "culture of excellence."

3. OBJECTIVES AND METHODOLOGY

NASSCOM report has clearly indicated that BPO industry is expected to face a shortage of 2, 62,000 professionals by 2012 and employee retention is, no doubt is- the call of the day and is fast emerging area of research in human resource management. So, there is no dearth of published and unpublished literature on employee retention. The literature available was reviewed and used in conceptualizing the concepts. The research focuses on the following research objectives:

- To study the factors that have led to low employee retention in BPO industry;
- To examine the relationship of selected Personal/ Demographic variables with employee retention;
- To study the relationship of selected organisational variables with employee retention;

The research has studied the various factors which lead an employee to depart from the organisation through an empirical survey of employees of selected BPO companies and aimed at analysing and suggesting strategies of retaining employees and then managing it in such a way that an employee maintains his organisational citizenship. The study also tried to find out the perception of the employees regarding the company policies, facilities, management and their probable strategies to face the threats and exploit opportunities.

The research methodology adopted to carry out the study is both exploratory and confirmatory in nature. The descriptive design was applied in this study to describe the characteristics

of groups of employees and to find out the variance as well as relationship among different variables. This implies that study attempts to identify the factors which affect employee decision to stay or leave the organisation. The study has been conducted in the form of a survey using questionnaire and interview method that includes the information on different aspects of the research problem. The present study makes extensive use of primary data gathered through 250 employees serving in 25 BPO (ITeS) organisations. For the purpose of collection of data probability sampling has been used. The respondents were between 20-40 years of age. Out of the total sample the respondents were found to be in the ratio of 51.6: 48.4 percent on gender basis i.e. the majority of the respondents were male. 51.6 percent of the respondents were Post Graduates and 42.4 percent were simply graduates whereas only 6 percent were holding diplomas of their concerned job fields. Total work experience of the respondents was also divided in to four categories with 41.2 percent falling in to the category of 3-5 years of experience, of which 46.4 percent had an experience of between 2-3 years in the present organisation. Further 23.6 percent had less than one year experience in the present organisation (Table 1). The data so collected have been analysed by using statistical tools and techniques like Mean Score, Standard Deviation, Factor Analysis, Student's

t-test, F- Test (ANOVA). The entire analysis was done using SPSS 17.0 version.

4. MAJOR FINDINGS AND DISCUSSIONS

Analysis of the questionnaires was carried out in two parts: (1) Demographic Analysis of the Respondents, and (2) Descriptive Analysis. To find out the various factors affecting employee retention *Factor Analysis* through the *Principal Component Analysis (PCA)* and *Varimax Rotation* were carried out over 82 statements for employees. Items having loadings greater than $\pm .40$ were retained and only 75 statements in context of employee satisfaction were kept for further analysis. The factor analysis reduced the 75 statements to 20 factors. The results obtained are shown in Table 2. Then by using the *Extraction Method of Principal Component Analysis* it seems that these 20 extracted factors together account for 70.17% of cumulative variance. It means, it seems adequate to retain 70% of information by 20 extracted factors and this way only 30% of information is lost. The scale of variables was also put to reliability test, high value of KMO 0.873 (>0.8) indicates that a factor analysis is quite useful for the data being used in this study. Similarly, the significant value for Barlett's test of sphericity is 0.000 which indicates that there exists a significant

Table 1: Demographic Profile of the Respondents

Demographic Variables	Categories	Respondents	
		Number	Percentage
Gender	Male	129	51.6
	Female	121	48.4
Age (in years)	Below 21	8	3.2
	21-25	107	42.8
	26-30	82	32.8
	31-35	40	16.0
	36-40	13	5.2
Total experience (in years)	Less than one year	42	16.8
	1-3 years	49	19.6
	3-5 years	103	41.2
	Above 5 years	56	22.4
Qualification	Graduate	106	42.4
	Post Graduate	129	51.6
	Diploma Holders	15	6.0
Association with the organisation (in years)	Less than one Year	59	23.6
	1-less than 2 Years	54	21.6
	2-less than 3 Years	116	46.4
	More than 3 Years	21	8.4
Type of BPO	Domestic	40	16.0
	International	210	84.0

Source: Primary Data

Table 2: Total Variance Explained

Component	Initial Eigen values			Extraction Sum of squared loadings			Rotation sun of Squared loadings		
	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %
1	8.51	10.26	10.26	8.51	10.26	10.26	8.33	10.03	10.03
2	5.72	6.89	17.16	5.72	6.89	17.16	4.99	6.01	16.05
3	5.18	6.24	23.40	5.18	6.24	23.40	4.22	5.08	21.14
4	4.76	5.74	29.14	4.76	5.74	29.14	4.12	4.96	26.11
5	3.89	4.69	33.84	3.89	4.69	33.84	3.69	4.45	30.56
6	3.67	4.43	38.27	3.67	4.43	38.27	3.37	4.06	34.62
7	3.13	3.77	42.04	3.13	3.77	42.04	3.34	4.02	38.65
8	2.76	3.33	45.38	2.76	3.33	45.38	2.63	3.17	41.83
9	2.50	3.02	48.40	2.50	3.02	48.40	2.26	2.72	44.56
10	2.42	2.91	51.32	2.42	2.91	51.32	2.24	2.70	47.27
11	2.33	2.81	54.13	2.33	2.81	54.13	2.21	2.66	49.93
12	2.10	2.53	56.67	2.10	2.53	56.67	2.20	2.65	52.59
13	1.91	2.30	58.98	1.91	2.30	58.98	2.16	2.61	55.20
14	1.77	2.14	61.12	1.77	2.14	61.12	2.14	2.58	57.78
15	1.70	2.05	63.18	1.70	2.05	63.18	1.90	2.29	60.08
16	1.50	1.80	64.98	1.50	1.80	64.98	1.80	2.17	62.25
17	1.44	1.73	66.72	1.44	1.73	66.72	1.74	2.10	64.36
18	1.38	1.67	68.40	1.38	1.67	68.40	1.68	2.03	66.39
19	1.38	1.66	70.06	1.38	1.66	70.06	1.65	1.99	68.38
20	1.28	1.54	71.60	1.28	1.54	71.60	1.48	1.78	70.17

Source: Primary Data

Extraction Method: Principal Component Analysis

Rotation Method: Varimax with Kaiser Normalisation

relationship among variables. The obtained value shows that *Cronbach's Alpha* of the scale was 0.81, which is also deemed satisfactory.

4.1. Overall Status of Factors Affecting Employee Retention in an Organisation

The factor being established henceforth, an attempt has been made to measure the dimensions of employees satisfaction related to policies and systems of the organisation, which ultimately decides employee retention. A comparison of mean values and standard deviation along with the dimensions of employee satisfaction are represented in Table 3. High mean value shows the factors most required to retain employees in an organisation i.e. if top management includes these factors in its system than very less employees might leave the organisation. Although compensation is commonly thought to be the single most important factor in case of a job change but results indicate otherwise that “*Organisation Culture*” is the real reason why employees

leave (mean score of 4.25). Conducive and supportive organisation culture controls the majority of the reasons people leave. An environment of the workplace should be where employees feel more passionate about their work and exhibit the behaviour that organisations need to drive better results. In today's scenario when jobs are creating more and more stress, employees look for second home at workplace only. Next to this, Work Life Integration, Rewards and Recognition, Compensation and flexible benefits are highly weighted factors affecting employee retention. Employee Training, Career Advancement and Promotion Opportunities, Information Management and Communication, Leadership, Overall Effectiveness, Job Clarity, Employee Involvement, Feedback and Performance Appraisal, Work Place, Group Conformity and Team work, Job Safety and Security and Job satisfaction are the next equally important dimensions as rated by the respondents. Proper matching between the job and person fit, Fringe benefits, and Innovation with mean values below 3.00 indicates lesser importance of these dimensions on employee retention.

Table 3: Overall Status of Factors affecting Employee Retention

Factors No.	Factor Ranking	Factors affecting Employee Retention	Mean	Std. Dev.
F1	II	Work Life Integration	4.25	0.473
F2	XIV	Group conformity and Team work	3.18	1.291
F3	XVIII	Proper matching between job and the person	2.90	1.505
F4	III	Rewards and Recognition	4.19	0.487
F5	IV	Compensation and Flexible Benefits	4.12	0.760
F6	XII	Employee Involvement	3.34	0.374
F7	VII	Career Advancement and Promotion Opportunities	3.84	0.656
F8	XIX	Fringe Benefits	2.88	0.961
F9	XX	Innovation	1.65	0.531
F10	XIII	Work place	3.27	0.765
F11	VIII	Leadership	3.75	0.801
F12	X	Overall effectiveness	3.64	1.254
F13	IX	Feedback and Performance Appraisal	3.74	0.918
F14	XI	Job Clarity	3.59	1.148
F15	XVII	Job Satisfaction	3.04	1.222
F16	XV	Job Security and Safety	3.08	0.853
F17	XVI	Transparency	3.08	0.853
F18	I	Organisation culture	4.29	0.501
F19	VI	Employee Training	3.86	1.504
F20	V	Information Management and Communication	3.90	0.750

Source: Primary Data

4.2. Perceptual Variations across Demographic Variables

To study the perceptual variations of the respondents the following hypothesis were drawn:

H₀: Demographic and HR factors have no effect on employee retention.

H₁: Demographic and HR factors (Like Age, Qualification, Sex, person organisation fit, rewards and recognition, remuneration, training and career development, challenging job opportunities etc.) affect employee retention.

H₀: Organisational factors (Like Leadership behaviour, Company Culture and Policies, Teamwork relationship, Satisfactory work environment etc.) affect employee retention.

H₂: Organisational factors do not influence employee retention

Employees may have different views regarding factors affecting their retention in the organisation. To find out whether there is any significant difference between the mean score of employee satisfaction related to gender, age, total experience, qualification, experience in current organisation

Student's t-test and F-Test has been applied. Table 4 depicts mean, t-test and significance level of various factors affecting employee retention between genders of the respondents. The study also emphasised the importance of *work life integration* and considered as one of the important reasons behind low employee retention as both male and female employees have recognized the need of the same during the course of data collection. They clearly stated that BPO jobs are highly stressful and they fail to create a balance between their personal and professional lives, feel unsatisfied and are looking for another viable option in the market. The t values of various dimensions show that there is no significant difference between mean scores of the respondents across the gender except for factors "Job Satisfaction", "Job Safety and Security" and "Training". Thus, in the gender group of respondents almost equal agreement is found regarding each of the factor affecting employee retention. Null hypothesis is hence accepted that there is no significant difference between male and female respondents regarding various factors affecting employee retention. The factors, "Job Satisfaction", "Job Safety and Security" and "Training" have values less than 5 percent significance level, which clearly show that males and females views vary on these three aspects. Females prefer to stay in an organisation which provides her safety and security on the job along with satisfaction in

Table 4: Gender-wise Comparison of Factors affecting Employee Retention

Factors (F)	Male (N=129)		Female (N=121)		t-value	Sig. Value
	Mean	S.D	Mean	S.D		
F1	4.24	.56	4.33	.41	-1.44	.149
F2	4.25	.46	4.25	.48	-.02	.984
F3	4.21	.45	4.18	.51	.48	.629
F4	4.09	.80	4.15	.71	-.60	.547
F5	3.89	.76	3.90	.74	-.10	.917
F6	3.93	1.96	3.79	.74	.73	.464
F7	3.84	.66	3.84	.65	.00	.999
F8	3.79	.78	3.70	.81	.88	.377
F9	3.77	.86	3.71	.97	.43	.663
F10	3.62	3.66	3.66	1.29	-.28	.776
F11	3.53	1.14	3.66	1.15	-.95	.342
F12	3.33	.35	3.35	.39	-.36	.714
F13	3.31	.79	3.22	.73	.91	.360
F14	3.20	1.29	3.16	1.29	.23	.818
F15	2.95	.85	3.22	.83	-2.47	.014*
F16	2.95	.85	3.22	.83	-2.47	.014*
F17	2.96	1.23	3.13	1.20	-1.10	.269
F18	2.79	1.50	3.00	1.50	-1.10	.272
F 19	3.02	1.00	2.73	.89	2.42	.016*
F 20	1.66	.50	1.64	.56	.32	.745

Source: Primary Data

Significant at 0.05 percent level.

Table 5: Age-wise Comparison of Factors affecting Employee Retention

Factors (F)	A1 (N=8)		A2 (N=107)		A3 (N=82)		A4 (N=40)		A5 (N=13)		F value	Sig. Value
	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D		
F1	3.90	0.60	4.26	0.45	4.28	0.46	4.26	0.51	4.27	0.45	1.81	.317
F2	2.45	1.13	3.09	1.32	3.22	1.25	3.30	1.28	3.78	1.23	1.58	.178
F3	2.12	1.55	2.72	1.46	3.08	1.46	3.00	1.60	3.30	1.65	1.47	.209
F4	4.04	0.73	4.22	0.45	4.21	0.43	4.10	0.55	4.29	0.67	.83	.506
F5	3.87	0.86	4.15	0.69	4.01	0.85	4.19	0.76	4.48	0.50	1.45	.217
F6	3.20	0.53	3.40	0.35	3.34	0.33	3.19	0.43	3.44	0.34	3.04	.018*
F7	3.37	0.42	3.86	0.63	3.75	0.72	3.96	0.55	4.13	0.68	2.44	.047*
F8	2.97	1.03	2.70	0.83	3.06	1.01	3.03	1.06	2.70	1.11	2.05	.088
F9	1.62	0.51	1.67	0.54	1.62	0.53	1.75	0.49	1.46	0.51	.86	.487
F10	3.59	0.88	3.36	0.80	3.23	0.72	3.13	0.74	2.94	0.49	1.72	.146
F11	3.71	0.77	3.66	0.80	3.93	0.73	3.65	0.83	3.67	0.93	1.63	.165
F12	3.50	1.30	3.40	1.32	3.96	1.08	3.72	1.26	3.46	1.33	2.48	.044*
F13	4.25	0.92	3.69	0.94	3.73	0.87	3.70	0.99	4.12	0.75	0.93	0.44*
F14	4.25	0.92	3.76	1.08	3.44	1.09	3.45	1.21	3.23	1.58	2.11	0.07
F15	3.06	1.17	3.01	1.23	3.09	1.25	3.12	1.17	2.73	1.20	0.30	0.87
F16	2.79	0.79	3.15	0.85	2.89	0.78	3.30	0.92	3.20	0.86	2.25	0.06
F17	2.79	0.79	3.15	0.85	2.89	0.78	3.30	0.92	3.20	0.86	2.25	0.06
F18	4.41	0.23	4.33	0.46	4.25	0.55	4.23	0.50	4.25	0.49	0.64	0.63
F 19	3.25	0.88	3.81	0.71	4.01	2.40	3.75	0.79	4.11	0.65	0.70	0.59
F 20	3.87	0.74	3.86	0.78	3.91	0.76	4.02	0.67	3.80	0.66	0.39	0.81

Source: Primary Data

* Significant at 0.05 percent level.

Note: A1- Below 21 years, A2- 21-25 years, A3- 26-30 years, A4- 31-35 years, A5- 36-40 years

relation to policies and procedures of the organisation. On the contrary, males are more in favour of Training for their Career Development and Growth. Null hypothesis is hence rejected that there is a significant difference between male and female respondents regarding various factors affecting employee retention.

Age of an employee also came out as important factor, which influences their decision to stay or leave as employees under 35 years of age rate balance and flexibility as more important than their relationship with their bosses, and identify organisation culture as one of the reason to stay with their employers. Where employees above 35 years of age give preference to an organisation which offers them competitive pay package and benefits. At the younger generation level (18-21 years of age), most people join BPOs to gain exposure to an international work environment and also because of the fascinating infrastructure that BPOs provide. It is not only just for "Quick money" they join but more importantly for a "luxurious lifestyle" (Table 5). The comparison of factors between different age groups of respondents regarding factors affecting employee retention does not differ significantly except on four factors i.e. Employee involvement (F6), Career

advancement and Involvement (F7), Overall Effectiveness (F12), Feedback and Performance Appraisal (F13). For these factors their responses differ significantly at 0.05 levels. Study clearly stated that because of the difference in age, employee priorities also change, at one point of time he gives more preference to salary and at another point of time he is more in favours of supportive organisational culture, Career Development. He needs regular feedbacks and appropriate appraisals. Hence, the null hypothesis is rejected and alternate hypothesis accepted for these factors.

Employees having less than five years of work experience are more attracted towards the BPO industry because of its diverse work culture and relatively high salaries. Employees having experience of more than one year in same company give priority to work life balance whereas employees with specialisation prefer higher salary and other fringe benefits (Table 6). The F values for Work Life Integration (F1) and proper matching between the job and the person (F3) are significant at 0.05 level indicating different opinions among the respondents having different experiences. The null hypothesis thus stands rejected and alternate hypothesis accepted stating that respondents experience does invite

Table 6: Total Experience (TE)-wise comparison

Factors (F)	TE1 (N=42)		TE2 (N=49)		TE3 (N=103)		TE4 (N=56)		F value	Sig. Value
	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D		
F1	4.10	0.46	4.30	.49	4.23	.45	4.38	.46	3.11	.027*
F2	2.89	1.31	3.34	1.25	3.19	1.27	3.23	1.34	0.98	.400
F3	2.35	1.30	2.79	1.42	3.00	1.56	3.19	1.53	2.86	.037*
F4	4.25	0.59	4.26	.34	4.14	.49	4.19	.48	.81	.489
F5	3.91	1.04	4.15	.75	4.14	.67	4.21	.65	1.44	.231
F6	3.34	0.40	3.37	.33	3.32	.40	3.6	.34	.27	.843
F7	3.64	0.71	3.85	.73	3.92	.61	3.83	.58	1.86	.137
F8	3.03	0.88	2.90	.90	2.86	1.00	2.78	.98	.56	.636
F9	1.64	0.53	1.61	.49	1.71	.54	1.58	.53	.88	.449
F10	3.20	0.70	3.25	.74	3.34	.82	3.20	.71	.53	.657
F11	3.79	0.71	3.73	.79	3.78	.78	3.68	.91	.21	.887
F12	3.40	1.41	3.60	1.37	3.78	1.16	3.60	1.18	.98	.400
F13	3.76	0.94	3.84	1.03	3.74	.93	3.64	.74	.39	.757
F14	3.66	1.01	3.71	1.11	3.56	1.21	3.50	1.17	.37	.772
F15	3.08	1.08	2.93	1.29	3.01	1.25	3.16	1.21	.34	.794
F16	2.99	0.85	3.11	.85	3.10	.90	3.10	.77	.20	.891
F17	2.99	0.85	3.11	.85	3.10	.90	3.10	.77	.20	.891
F18	4.26	0.37	4.37	.43	4.26	.539	4.29	.56	.58	.627
F19	3.76	0.72	3.89	.68	3.72	.76	4.18	2.86	1.23	.296
F20	3.73	0.76	3.76	.77	4.02	.71	3.92	.76	2.17	.092

* Significant at 0.05 percent level.

Note: TE1- Less than 1 year, TE2- 1-3 years, TE3- 3-5 years, TE4- More than 5 years

Table 7: Qualification-wise comparison

Factors (F)	Q1 (N=106)		Q2 (N=129)		Q3 (N=15)		F value	Sig. Value
	Mean	S.D	Mean	S.D	Mean	S.D		
F1	4.17	0.45	4.33	0.47	4.21	.52	3.27	.039*
F2	3.00	1.25	3.31	1.30	3.30	1.35	1.80	.167
F3	2.77	1.46	3.07	1.51	2.26	1.48	2.63	.074
F4	4.22	0.51	4.17	0.46	4.26	.53	0.424	.655
F5	4.16	0.73	4.06	0.79	4.31	.54	1.102	.334
F6	3.36	0.33	3.35	0.39	3.20	.41	1.263	.285
F7	3.88	0.71	3.81	0.61	3.81	0.63	0.371	.690
F8	3.09	1.02	2.71	0.88	2.84	0.94	4.474	.012*
F9	1.62	0.54	1.63	0.52	2.06	0.25	4.926	.008***
F10	3.25	0.72	3.28	0.79	3.26	0.88	0.059	.943
F11	3.81	0.82	3.71	0.79	3.70	0.66	0.455	.635
F12	3.48	1.30	3.76	1.18	3.73	1.38	1.511	.223
F13	3.70	0.97	3.77	0.87	3.80	0.89	0.162	.851
F14	3.58	1.08	3.59	1.20	3.70	1.13	0.063	.939
F15	3.04	1.24	3.12	1.18	2.40	1.22	2.384	.094
F16	3.07	0.85	3.11	0.87	2.88	0.67	0.502	.606
F17	3.07	0.85	3.11	0.87	2.88	0.67	0.502	.606
F18	4.30	0.48	4.28	0.50	4.28	0.61	0.063	.939
F 19	3.91	2.14	3.89	0.73	3.30	0.75	1.149	.319
F 20	3.84	0.75	3.96	0.73	3.80	0.79	0.802	.449

*Significant at 0.05 percent level.

** Significant at 0.01 percent level

*** Significant at 0.00 percent level

Note: Q1- Graduate, Q2- Post Graduate, Q3- Diploma in specialized areas.

Table 8: Type of BPO wise (Domestic and International) Comparison

Factors (F)	Domestic (N=40)		International (N=210)		t-value	Sig. Value
	Mean	S.D	Mean	S.D		
F1	4.40	0.46	4.23	0.47	2.09	0.041*
F2	3.17	1.31	3.18	1.29	0.04	0.965
F3	3.45	1.48	2.79	1.49	2.55	0.013**
F4	3.92	0.66	4.25	0.42	2.99	0.004***
F5	4.01	0.54	4.14	0.79	1.22	0.226
F6	3.14	0.47	3.38	0.34	3.07	0.004***
F7	3.83	0.69	3.84	0.65	0.07	0.940
F8	2.12	0.53	3.02	0.95	8.43	0.000***
F9	1.62	0.49	1.66	0.54	0.42	0.669
F10	3.25	0.81	3.27	0.75	0.18	0.857
F11	3.65	0.76	3.77	0.80	0.88	0.382
F12	3.90	1.12	3.59	1.27	1.521	0.134
F13	3.71	0.97	3.75	0.90	0.205	0.838
F14	3.76	1.03	3.56	1.16	1.076	0.286
F15	2.97	1.43	3.06	1.18	0.360	0.720
F16	3.05	0.83	3.09	0.85	0.301	0.764
F17	3.05	0.83	3.09	0.85	0.301	0.764
F18	4.21	0.56	4.30	0.48	0.943	0.350
F 19	4.01	0.73	3.84	1.60	1.068	0.288
F 20	4.01	0.67	3.88	0.76	1.086	0.282

* Significant at 0.05 percent level.

** Significant at 0.01 percent level.

significant difference on opinions in the context of retention factors. The result from Table 7 shows that the significant level taken for analysis is 0.05 and 0.01. The mean score on the different factors affecting employee retention is highest on Organisation Culture (F18) for graduates, Work Life Integration (F1) for post graduates and Compensation and Flexible benefits (F5) for Diploma holders/other qualifications. The lowest mean value is on Innovation (F9) for all. Thus, it can be said that graduates, mostly in the age group of 20s gives preference to organisation culture, specially in case of BPO organisations where they enjoy late night parties, western culture, frequent team dinners, get together, functions etc. International BPOs provides western culture to their employees, which generally enjoyed by our Indian youth and they give preference to join/stay in these companies, whereas Post graduates gives preference to work life integration i.e. a balance between their professional and personal so that they can enjoy their social life also.

Table 8 represents the mean values of domestic and international BPOs regarding all the factors affecting employee retention. The mean value regarding “work life balance” is higher in the case of domestic BPOs ($\bar{x}$ = 4.40) in comparison to international ($\bar{x}$ = 4.23) BPOs. The t value is 0.04, which is significant at 5 percent level. It reveals that for the employees of domestic BPO companies maintaining work life balance is the major issue for leaving their jobs because of stress and other variable factors than the employees of international BPO where employees feels than organisation culture is the major factor which influences their decision of staying or leaving the organisation. The other factors that have significant difference in its mean value are proper matching between job and person, rewards and recognition, employee involvement and fringe benefits. The extent of mean values also conveys the same. The t value endorses a significant difference ($p \leq 0.011$) between the two companies. The same is also indicated by the mean values. However, both kinds of companies have one factor in common which prompts an employee to think about leaving an organisation that is Innovation

5. CONCLUSION

The results clearly shows that there is significant difference between the opinions of respondents having different age, qualification, gender, experience regarding factors affecting their retention on the dimensions Organisation Culture, Rewards and Recognition and Work Life Balance. Whereas respondents having different qualifications, significantly differ on the dimension Fringe Benefits of employee

retention. In nutshell, the results of this study illustrate that the employee's decision to stay or leave the BPO-ITeS sector, in Indian perspective depends mainly on the organisation culture. This is probably due to the fact that working conditions influence the performance level as also the job satisfaction of the employees. The next in the order of the importance is the work life balance. This is quite as anticipated, especially in the Indian context where family is given the utmost importance and family reasons are keys in deciding where an individual would go to work.

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