A STUDY ON EMPLOYEE RETENTION WITH SPECIAL REFERENCE OF BPO SECTOR IN SOUTHERN PART OF CHENNAI

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Abstract: Employee retention is one of the passionately disputed issues in business today. Understanding why people leave their jobs and putting the right policies in place to keep them can be very important. As a result, every organization strives to keep employee turnover as low as feasible. As a result, the goal of this study is to examine how human resource management practices affect employee retention in the business process outsourcing (BPO) industry in southern Chennai. Low retention is seen in almost all fields, but it is undoubtedly alarming in the B.P.O.s In a highly competitive market, it is essential for BPO organizations to investigate the reasons for low employee retention and create a plan for doing so. Increased employee turnover rates need to be closely monitored and managed because they eventually have an impact on how well outsourced organizations perform. The first step in creating employee retention strategy is to understand the reasons for low staff retention. Effective employee communication is provided by employee retention techniques to increase commitment and boost staff engagement for important corporate projects. A good talent retention plan must include elements like meaningful work, work-life integration, respect for the individual, job security, and a flexible work environment. The main focus of this study is on examining the various retention techniques used by BPO organizations to hold on to top staff.

Keywords: Employee retention, HR practices, adoption of employee retention strategies

INTRODUCTION

Employee retention is a new era of modern technology and competitive business environment. Organizations are continuously changing .This changing environment is not only effecting the organizations but also the employees working in it. In order to maximize organizational efficiency and for optimal utilization of the resources, human resources must be managed properly. Human resource management plays a vital role in this regard. They are responsible that how employees are treated in the organization. Employee retention is a vital issue and challenge to all the organizations now days. There are numbers of factors which promote the employees to stay or leave the organization. It may be external factors, internal factors and the combined effect of both. To understand the retention issues in organizations it important to explore them in detail. For that understanding, various Human Resource(HR) initiatives taken by organizations should investigated and it is important to see how these initiatives influence the retention of employees as HR policies are implemented to make employees happy and satisfied while working. Therefore, the current study will explore the impact of HRM practices in the BPO sector in Southern part of Chennai. This study will also help to provide directions for future researches on the impact of HRM practices on employee retention, in the BPO sector.

OBJECTIVE OF THE STUDY:

1. To measure the relationship between HR practices and employee retention.
2. To evaluate the strategies leading to continue in the organization.
3. To suggest the ways for reducing employee turnover.

RESEARCH METHODOLOGY

This study is based on primary and secondary data. Primary data would be collected by using a questionnaire from the employees of BPO sector in southern part of Chennai. Questionnaire was used as the research instruments where a Likert scale questions were used as it is much easier for the respondents to answer the questions. It covered demographic factors, HR practices, strategies and the employee retention. .The sample size will include all BPO companies in around southern part of Chennai. The study's limitation may include the data collected by the few respondents that might not a major impact of the research.

REVIEW OF LITERATURE

1. The study of **Munish, Rachana Agarwal** concludes with the importance of appropriate training and development, pay structures, autonomy, work-life balance, and work policies and arrangements, will help managers and management take a more comprehensive approach to employee retention and engagement.

2. **Rekha Vangala** "A study on employee retention of sun informatics" Retention is described as "a responsibility to maintain ongoing commerce or trade with a specific entity." The study's focus is on employee retention, specifically the effects of keeping staff. In order to establish suitable strategies that can assist the business in this sector, it is attempted in this study to analyse emphatically the effects of how employee retention methods are adopted and implemented as well as the phenomenon of staff retention at Sun Informatics in Hyderabad.

3. **Rai and Tripathi** had opined that empowerment should be provided at the workplace so that the employees can minimize their inter role distance and can increase job involvement

4. **Kumar and Gopinath** had conducted a survey and mentioned that getting job without experience and attractive life styles are motives for joining in BPO organizations. The primary reasons for leaving BPO sector are job stress and travelling distance followed by too much criticism at workplace.

5. **Sharma** had used factors like emotional intelligence while describing occupational stress in BPO sector. This is more significant in the IT In an industry that has embraced the contemporary corporate culture of rapid career advancement and opened up a variety of job prospects, IT professionals' mobility has steadily increased. Employees have the option of transferring employment regularly because there are so many IT companies

RESULTS AND DISCUSSION

Age * Retirement benefit

Crosstab

Expected Count

		Retirement benefit						Total
		1	2	3	4	5	11	
Age	1	32.0	14.5	23.6	29.0	25.2	.8	125.0
	2	6.1	2.8	4.5	5.6	4.8	.1	24.0
	3	3.8	1.7	2.8	3.5	3.0	.1	15.0
Total		42.0	19.0	31.0	38.0	33.0	1.0	164.0

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.666[a]	10	.024
Likelihood Ratio	22.630	10	.012
Linear-by-Linear Association	5.612	1	.018
N of Valid Cases	164		

a. 11 cells (61.1%) have expected count less than 5. The minimum expected count is .09.

Age * Fringe benefits

Crosstab

Expected Count

		Fringe benefits					Total
		1	2	3	4	5	
Age	1	12.2	9.9	22.1	38.9	41.9	125.0
	2	2.3	1.9	4.2	7.5	8.0	24.0
	3	1.5	1.2	2.7	4.7	5.0	15.0
Total		16.0	13.0	29.0	51.0	55.0	164.0

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	17.941[a]	8	.022
Likelihood Ratio	20.937	8	.007
Linear-by-Linear Association	2.029	1	.154
N of Valid Cases	164		

a. 7 cells (46.7%) have expected count less than 5. The minimum expected count is 1.19.

Age * Leave facil2es

Crosstab

Expected Count

		Leave facil2es					Total
		1	2	3	4	5	
Age	1	8.4	19.1	40.4	41.2	16.0	125.0
	2	1.6	3.7	7.8	7.9	3.1	24.0
	3	1.0	2.3	4.8	4.9	1.9	15.0
Total		11.0	25.0	53.0	54.0	21.0	164.0

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.276[a]	8	.009
Likelihood Ratio	21.613	8	.006
Linear-by-Linear Association	.651	1	.420
N of Valid Cases	164		

a. 8 cells (53.3%) have expected count less than 5. The minimum expected count is 1.01.

From the above table chi-square test results in, Since P value (0.009, 0.022, 0.24) is less than <0.05 we reject the null hypothesis and accept the alternate hypothesis. There is a significant difference between the age factors and the HR practices.

REASONS FOR LEAVING THE COMPANY

HR PRACTICES	PERCENTAGE OF RESPONDENTS
Rewards and recognition	15%
Career development	37%
Work life balances	28%
Promotion opportunities	20%

reasons for leaving the company
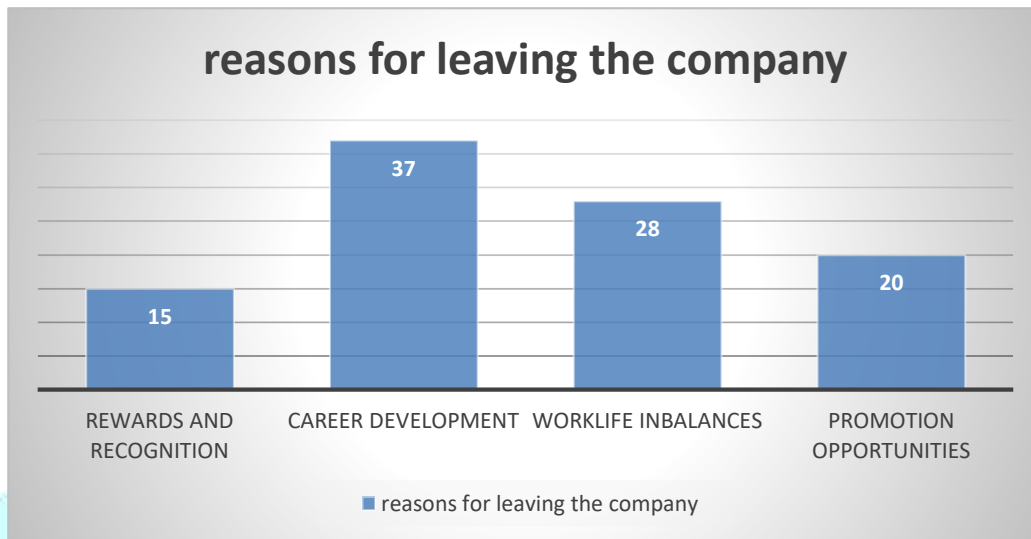
From the above chart it clearly concludes the major employees were not satisfied with the career opportunity in the BPO sector. The employee are moving to the other sector for the better career opportunity for their life balance and also employees fails to balance their work life and social life while working in a BPO sector.so these are the reasons that the employees were leaving the BPO.

EMPLOYEE LEVEL OF SATISFACTION TOWARDS EMPLOYEE STRATEGIES

HR strategies	PERCENTAGE OF RESPONDENTS
impartial recruitment	21
training and development	19
management support for higher education	9
high compensation packages	18
employees are treated with respect	33
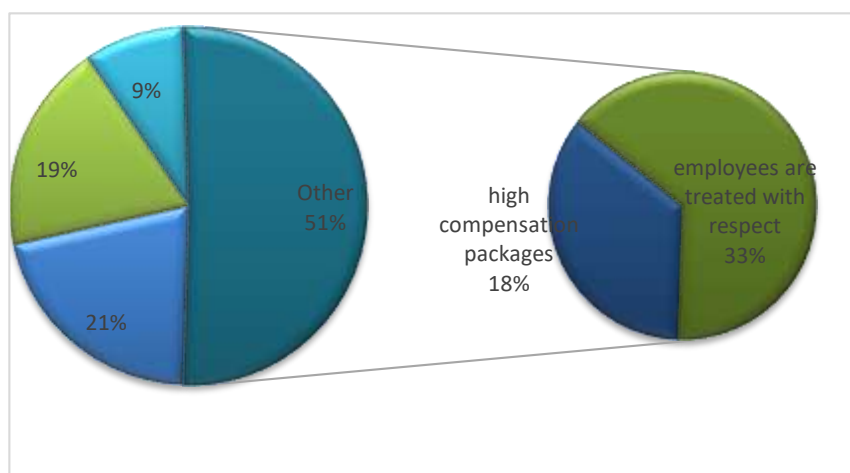
From this above chart and table that the HR strategies are satisfied to the employees they have been voted based upon their opinions. Majorly they are highly satisfied with the employees are treated with respect and high compensation packages (51%). Other strategies like impartial recruitment and selection, training and development and management support for higher education need to be considered for the welfare of employees.

SUGGESTION

The company should adopt new HR practices and policies like employee working condition and shifts, performance appraisal, good working environment, competitive activities, growth and development programs, family get together, annual hike in salary, medical check-up for regularly and travelling allowance etc. Performance, work life programs, safety and security provision of employees have emerged in retain strategies that most of the companies use to retain their employees. Stress involved in BPO sector jobs, company should organize various fun-filled activities for their spouse provide them differently on the floor recreational facilities. According to the survey youngsters are majority of the employees. Every employees are looking for a better career opportunity if the promotion and salary hike for every 6months, IJP appraisal implements the maximum count of employee could be satisfied. The best way to deal with attraction and retention issues to pay them a competitive pay package. That may feel the competitiveness of the salary structure keeps the employees from running to better paying jobs. So these are the suggestions that it could help to retain employees and also strategies to lead the employee retention and turnover.

CONCLUSION

Employee retention has become a major challenge for human resource managers. Design of effective retention strategy needs through understanding of employee expectation and also factors that foster organizational commitment among them. This study aims to measure the employee perceived factors that make them to retain in the organization. The majority of the respondents who participated in the survey satisfy with the retention strategy adopted by the company. Similarly, competing in the labor market requires an understanding of the employee's needs and the development of H.R. retention strategies to recruit and retain the best talent and motivate them to contribute their best to the organization. Above all, having the chance to make a major contribution to the business helps to motivate employees to stay with the company.

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