

# An Empirical Study on Employee Engagement and Retention Strategies in BPO Companies in India

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**Abstract---** *Human Capital is an essential resource for any organization. Retaining the employees in BPO industry has been an issue in many organizations for quite a long time. The HR managers have been facing an intense time in finding a suitable replacement with required experience and capacity, to fill the vacancies made by virtue of the way out of key employees. Numerous reputed employers in the business have experienced this smash of talent retention. The BPO sector is contributing a lot to the Indian Economy furthermore making employment opportunity, particularly in the adolescent and thus the impression of youth towards this sector is observed to be positive. This study comprehends the purposes for why do BPO employees switch their occupations, to know why retention is required and to understand the different strategies received by BPO industry for retaining their employees.*

**Keywords---** *Employee Engagement, Convenience Sampling, ANOVA, Correlation Technique*

## I. INTRODUCTION

EMPLOYEES are the beneficial resource for each organization. It is vital to ensure this imperative resource as capable and motivated employees play an urgent part in general development and in the accomplishment of the organization, however attrition is the major problem faced by BPOs in this trend. The Attrition rate in the BPO industry is more than the attrition rate in various segments. It is essential to control this attrition rate. Numerous retention plans are executed in BPOs for retaining the employees. A solitary tool like training alone is not adequate for employee retention. The best results for employee retention can be accomplished by applying retention tools. The organizations need to bring creative and propelling retention tools and methods for retaining employees. Attrition in BPOs has a terrible impact on the organization. The high attrition cost builds the expense of organizations as well. The more attrition cost increases, it also increases the organization cost. Since this study can measure the degree of an importance to check attrition for an individual firm and for the entire business productivity.

## II. OBJECTIVE OF THE STUDY

To discover the retention strategies followed by the employers in the current BPO Sector.

To investigate the consequences given by employers for employees and the handling of retention in current scenario.

To examine the preference of employees towards BPO sector.

To propose the various ways for reducing employee attritions.

## III. RESEARCH METHODOLOGY

The confidence level is expressed as a percentage and represents how often the true percentage of the population who would pick an answer lies within the confidence interval. In this study, the confidence level is 95% with a population of 800000 and sample size of 384, where 400 sample size is taken.

- Sample Size: 400 respondents
- Sampling Method: Convenience sampling
- Method of Data Collection: Questionnaire
- Analysis of Tools:
  - Percentage Analysis
  - One-way ANOVA
  - Rank correlation

Table 3.1: Factors to Join BPO Sector

Factors	Total Score	Rank
No experience required	470	1
Attractive lifestyle	460	2
Minimum qualification & Good communication	440	3
Timing Flexibility	405	4
Freedom	385	5
Transport facility	360	6
Salary	345	7
Excellent working environment	325	8
Benefits	290	9
Place to convey my computer skills	275	10

## IV. INTERPRETATIONS

The above table-3.1 shows that no experience required is given the 1st preference by the respondents to choose to work in BPO sector, 2nd reason why respondents prefer to join the BPO sector is that it has attractive lifestyle, a 3rd reason to join BPO is Minimum qualification & Good communication, 4th rank is Timing flexibility, 5th rank is freedom. 6th rank is Transport facility, Salary is given 7th rank, 8th rank is given Excellent working environment, 9th rank is given to the benefits and the least rank is given to place to convey my computer skills. In recent trends, youth mostly prefers to work in BPO sector because experience is not essential where it raises employment for the Freshers.

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Table 4.1: Factors that Affect to Leave BPO Sector

Factors	Total	Score	Rank
Job Stress	490		1
Travelling Distance	460		2
Too much criticism	435		3
Less attitude of workforce	410		4
Less time to concentrate on family	395		5
Inter-politics	370		6
Lack of Career growth	355		7
Improper training	340		8
Policies are not favorable	310		9
Physical strains	305		10

From the above table-4.1 shows that the major reason why respondents leave the BPO sector is because of Job Stress, 2<sup>nd</sup> reason is less attitude of the workforce, Inter-politics is the 3<sup>rd</sup> reason, 4<sup>th</sup> rank is job stress, 5<sup>th</sup> reason is improper training, less time to concentrate on family is given 6<sup>th</sup> rank, 7<sup>th</sup> rank is given

to career growth, 8<sup>th</sup> rank is to improper training, 9<sup>th</sup> rank is to Policies are not favorable, 10<sup>th</sup> rank is to Physical Strains.

Table 4.2: Respondents Attitude towards Acknowledgement at Work

Satisfaction Level	No. of Respondents (f)	Points(x)	fx	Value
Strongly agree	48	4	192	0.48
Agree	165	3	496	1.24
Disagree	168	2	336	0.84
Strongly disagree	19	1	19	0.05
Total	400		1043	2.61
Mean Value				2.5

The above table- 4.2 shows that the respondents agree that they are acknowledged at work. It is evidently known that from the table, that the calculated value 2.61 is greater than normal mean value.

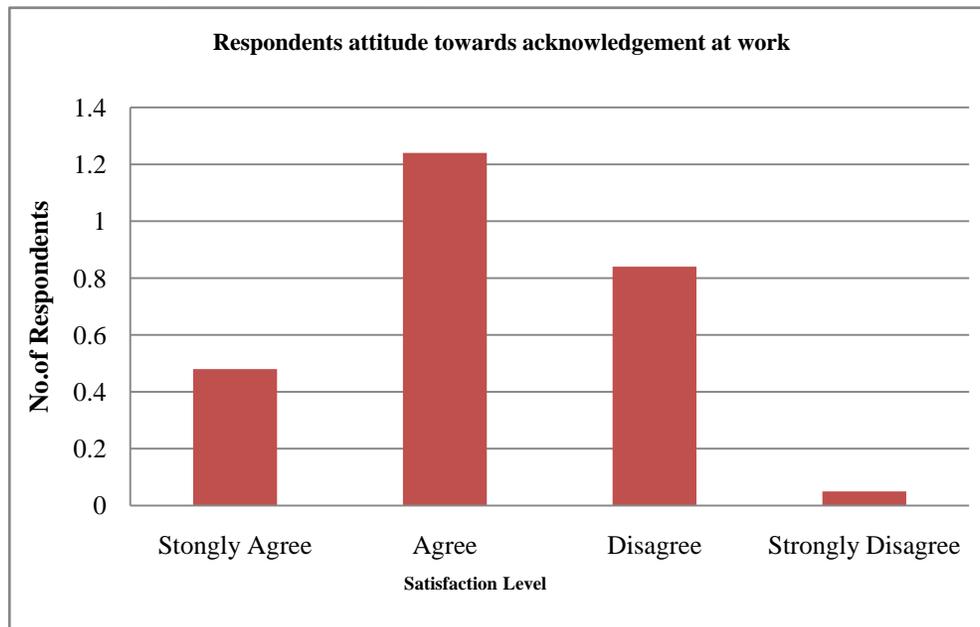


Figure 4.1: Respondents Attitude towards Acknowledgement at Work

The above Figure 4.1 represents the attitude of the respondents towards the acknowledgement at work where the x-axis is marked as the Satisfaction Level and the y-axis is marked as the number of respondents. The satisfaction level has four categories Strongly Agree is 0.48, Agree has the highest percent of 1.24, Disagree has 0.84 and the Strongly Disagree with the percent 0.05.

Table 4.3: Respondents attitude towards Working Circumstances

Satisfaction Level	No. of Respondents (f)	Points(x)	fx	Value
Strongly agree	85	4	341	0.85
Agree	141	3	424	1.06
Disagree	85	2	171	0.21
Strongly disagree	88	1	88	0.22
Total	400		1024	2.35
Mean Value				2.5

The above table-4.3 shows that the calculated scale value 2.35 is slightly greater than normal mean value. Hence respondents agree that their job has good working circumstances.

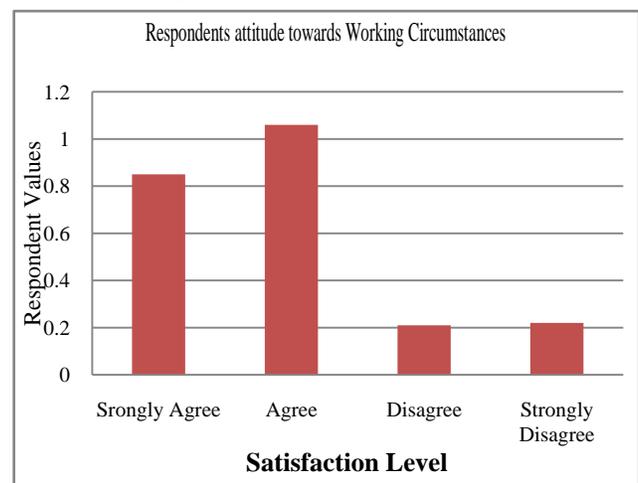


Figure 4.2: Respondents attitude towards Working Circumstances

The above Figure 4.2 represents the attitude of the respondents towards the working circumstances where the x-axis is marked as the Satisfaction Level and the y-axis is marked as the number of respondents. The satisfaction level has four categories Strongly Agree is 0.85, Agree has the highest percent of 1.06, Disagree has 0.21 and the Strongly Disagree with the percent 0.22.

Table 4.4: Correlation between Age And Satisfaction Level Hypothesis

Age	High	Medium	Low	Total
Below 25	148	96	44	288
26-30	26	34	22	82
31-34	12	4	12	28
Above 35	0	2	0	2
Total	186	136	78	400

No significant correlation between the age and the satisfaction level is depicted.

The above table 4.4 explains that correlation between the Age and Satisfaction Level Hypothesis where for categories of age are given with three factors High, Medium and Low

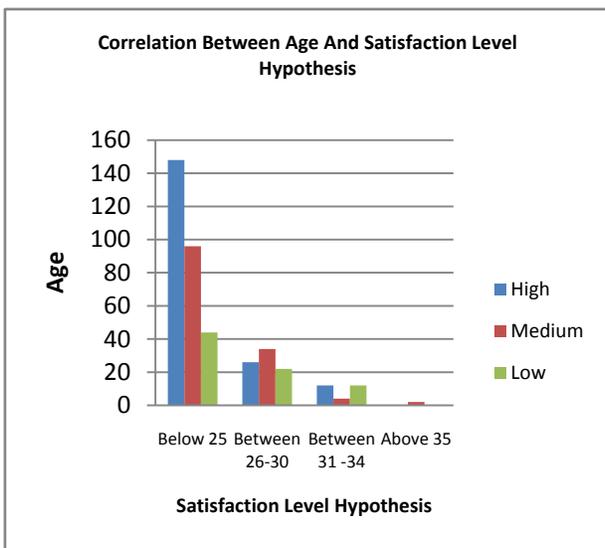


Figure 4.3: Correlation between Age and Satisfaction Level Hypothesis

From the above figure 4.3 the correlation between the Age and the Satisfaction Level is plotted with the bar chart, where three categories are divided for the satisfaction level High, Medium and Low.

Hypothesis: There is no significant correlation between the monthly earnings and satisfaction level.

Table 4.5: Correlation between Monthly Earnings And Satisfaction Level

Monthly Earnings	High	Medium	Low	Total
Below 8000	14	18	44	76
8001-12000	50	46	28	124
12001-15000	36	56	24	116
Above 15000	22	36	26	84
TOTAL	122	156	122	400

The above table 4.5 explains the correlation between the Monthly Earnings and the Satisfaction Level with four categories of age and with the three values for Satisfaction level.

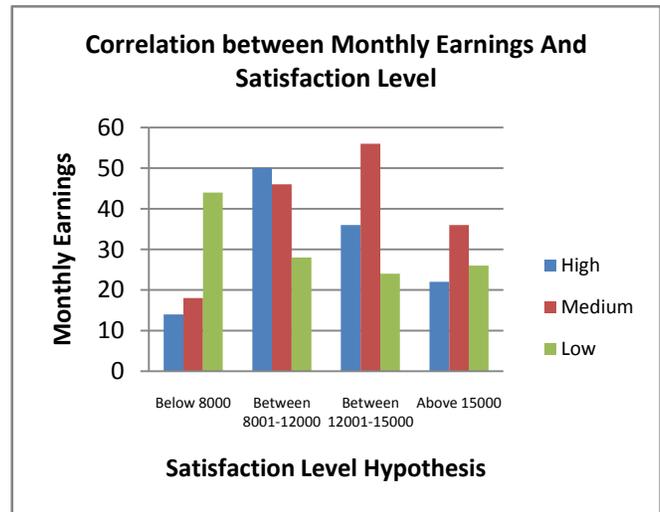


Figure 4.4: Correlation Between Age and Satisfaction Level Hypothesis

From the above graph the x-axis is the Satisfaction Level where it has three categories High, medium and Low, where the y-axis is the Monthly Earnings.

V. FINDINGS

- A Total of 62% of the respondents are working in BPO sector.
- 84% of the respondents have no overtime.
- 58% of the respondents face mental pressure on BPO sector.
- 46% of the respondents earn between 12,000 to 15,000.
- 68% of the respondents are unmarried.
- Youth are preferred to join BPO because no experience needed.
- The huge of the respondents say reason to leave the BPO sector is due to job stress.
- The majority of the respondents agrees that there is an opportunity for promotion.
- The majority of the respondents agree that their supervisors keep them well informed on their work.
- Many of the respondents agree that they have a good working environment.
- Most of them say that the job is interesting.
- Timing is flexible is agreed by many respondents.
- Most of them agree that they have an excellent working environment.
- They are not happy with the procedures
- The Majority of the respondents agrees that the employers are loyal.
- The study found that there is no significant relationship between the gender and satisfaction level.
- There is no significant relationship between the age and satisfaction level.
- There is a significant relationship between the educational qualification and satisfaction level.
- There is a significant relationship among monthly earnings and satisfaction level.

## VI. SUGGESTIONS

The Employee turnover is started within three months of their service.

- The organization must provide care and support to the freshers. This support helps in improving the retention and helps in reducing the recruitment of employees again.
- In the BPO sector the women play an important role so the organization must employ women HR's to attain female employees. It is recommended that the management should also provide treatment and security to women employees in order to retain the women employees in organization.
- Organizations have to look for a wide variety of suitable and effective strategies to retain the employees so the combined effect is useful in retaining the employees.
- The organizations should aware the employees that they are important for the organization. Good recognition by the employer is the best motivation and morale. Identifying their weakness, putting forward their strengths and helping the employees to improve in their unskilled areas.
- Proper training should be given by the organization and sharing sessions have to be conducted in order to know the ideas of the employees.
- Work life balance is the most important. Flexible timing hours, urgency leave, providing health care for self, family are the most important for many people.
- Nowadays all are seeking job in BPO sector to lead an attractive lifestyle. Organizations should provide extra benefits which make them feel the increasing standard of living.
- Offer outstanding career growth prediction. Encourage and groom employees take up higher positions. If the employees don't get opportunities within the sector they will search out.

## VII. CONCLUSION

The Indian BPO sector is wildly growing, but has its own set of challenges. Young professionals are the incoming employees in BPOs in huge numbers so; it has become critical to recognize their characteristics and opportunity from the workplace. Retention is the key challenge for BPO sector and how it is maintained by keeping the employees in the organization for a long time. For the BPO employees there are a wide range of opportunities, there is a high attrition rate so the organization are responsible for reducing the attrition rate. Most of the employees leave job due to job stress, lack of growth and low salary.

The management should try to retain the employees. In the current scenario, in this study the factors responsible for the attrition and retention of the employees are found and if the management is ready to give all the facilities the employee retention is possible.

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