

MEASURING ASSOCIATION AMONG HUMAN RESOURCE MANAGEMENT STRATEGIES AND MOTIVATIONAL FACTORS OF EMPLOYEE ATTRITION IN IT INDUSTRY

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Abstract

The software company being one among the snappiest developing industries inside the nation assumes an exceptionally imperative job in the Indian economy. A software company can possibly progress toward becoming as motor of growth and profitability for the economy of the nation. Software is a riches and job making industry. With the enhanced information technology and blasting of the economy, the employment opportunities in the business environment are on the expansion too. The fast growth and section of late players have brought about the preparation of employees in high numbers. Compensations at the section level have up 10-15% while 25-30% at the most abnormal amount. High efficiency and performance of most organizations couldn't be acknowledged without employee's help and commitment. This is on the grounds that employees are mostly in charge of the accomplishment of association's objectives and strategy. So managers should worry on issues and issues experienced by employee in organizations. Attrition has dependably been a delicate subject with software organizations. In spite of the fact that giving among the absolute best pay rates over all business sections, the organizations have been confronting attrition no matter how you look at it, quite inside the previous couple of years. The consistently developing pay expansion and attrition rates have put edge weights on software organizations. Generally riding high on outsourcing wave, included with the steady risk of losing the best employees to the challenge, Employee attrition is a urgent issue that the software company faces nowadays.

Keywords: HRM, HRM Strategies, Employee Retention, Employee Attrition, Motivation.

Introduction

Employee attrition is a testing issue in the business world. It significantly affects the focused quality of an organization. According to the Report on Absenteeism, Labor turnover, Employment and labor cost, prepared by the Ministry of Labor and Employment; Labor Bureau, Employee attrition in the car division in India is 40 percent. Employee attrition makes endless issues in an association. The effect of employee attrition has been acknowledged by industrialists amid the recent years. Higher rate of attrition demonstrates employee agitation and absence of stability in the labor compel which isn't useful for aggressiveness, growth and development of an association. The association faces questionable cost, unsettling influence underway and work environment, cost of recruitment, selection, training and development and so on. These vulnerabilities bring up an issue in regards to the purposes behind attrition in industries.

Turnover and attrition are matter of fact and Human resource terms, there are a few sorts of turnover, for example, sales turnover, creation turnover yet attrition more often than not can be depicted as a decrease in the work compel. Employee turnover or employee attrition is characterized as the rate of progress in the working faculty of an association amid a predetermined period". Labor turnover might be characterized as "the rate of progress in working staff of a worry amid a positive period" Labor turnover might be communicated as level of specialists left amid a particular period like one year out of the complete labor drive utilized.

Employee attrition by and large alludes to the loss of employee through various conditions, for example, abdication and retirement. The reason for attrition might be either voluntary or involuntary'- shrewd greek.com. Labor turnover has been characterized as "the rate of progress in the working staff of a worry

amid a clear period". The Webster Dictionary terms employee attrition as "decrease in number more often than not because of acquiescences, retirement or passing". For this exploration work a study has been led to discover the purpose for renunciation by managers in vehicle producing car industries in Bangalore.

Attrition is the decrease in employees in an association because of retirement, abdications and passings. Regularly, attrition and turnover are utilized reciprocally. Attrition might be voluntary and involuntary. Voluntary attrition contains functional and dysfunctional attrition. Functional attrition is the exit of good entertainers. Employees who leave an association all alone circumspection are instances of voluntary attrition. It is the voluntary and functional attrition, which influences the performance, makes costs to the association and is problematic to the standard functioning of the organizations.

There are numerous issues influencing turnover in the Indian organizations. They are essentially worldwide challenge, moving loyalties of new age experts, lack of skilled engineers – qualification for use specifically by the segment, and so forth. Then again, in an aggressive economy, employees are looked with opportunities with higher remuneration, testing jobs and enhanced employee offers, which pull the employee from the leaving organizations. Also, the disappointment and its forerunners push the employee far from the current organizations. It is the draw and push factors, which impact the aim to turnover. The organizations put in their earnest attempts to obtain, create and hold the employees by defining imaginative retention strategies and going for turning into the employer of decision. Rejections, exits because of genuine disease and retirements are instances of involuntary attrition. Voluntary attrition includes functional, which is the exit of best entertainers and dysfunctional which is the exit of poor entertainers. Attrition of employees is a worldwide phenomenon and additionally a noteworthy concern. Employees in their initial careers treat jobs as wares and move from job to job and continue looking for their preferred organization. Most job residencies last under three years. Normal job residency varies crosswise over industry areas.

Job hopping, turnover, attrition, stopping, laborer portability, job move; "readiness to change organizations"; work processes have been utilized reciprocally in the analysts' point of view. Employee turnover is seen in various diverse ways. Employee turnover alludes to the number or level of specialists who leave an association and are replaced by new employees. The turnover can be Involuntary, Voluntary, Desirable and Undesirable.

The previous incorporate factors like unavoidable job dissatisfaction, distrust and withdrawal. Be that as it may, it has been demonstrated that job search, and the ensuing turnover aim, isn't identified with the employee dissatisfaction, as it is connected to some off the-job "stun" or jostling occasion, for example, accepting a spontaneous job offer or a relative's expansion or death. It might be appropriate to note here that researchers have recognized "job searching" from "leverage-seeking search" as in the previous is connected to change of the jobs, the last is demonstrative of seeking leverage against the present employer, seeking leverage infers utilizing the accessible job options as a leverage against the present employer with the end goal that his/her present association will endeavor to improve a counter-offer and try endeavors to hold him/her. Other extraneous factors responsible for job hopping incorporate low responsibility, and common job choices reported that there existed a positive adjusted normal correlation between saw employment choices and turnover. Different factors which have been credited to job hopping are accessibility of sufficient job opportunities in the market, organization conclusion, absence of job security in the present place of employment, technological obsolescence, higher pay offered by the opponent organizations, better promotion avenues, better livens related with the future positions, saw brand picture of the adversary organization; "cohort effects"; Hobo disorder (characterized as the propensity of people to change jobs as a training and so on.

Seen from an expansive point of view the procedure of job hopping initiates with the dissatisfaction experienced by a person with his present job pursued by his search for options, trailed by a correlation of those choices with his present place of employment utilizing a normal value-like choice process, and, at last, the choice to leave if any of the options is declared to be best than his flow circumstance or position. Much research has demonstrated the distinctions among the diverse organizations in a similar area opposite job hopping, attrition; turnover expectations and so on. This might be ascribed to factors like apparent brand picture of the adversary organizations and the preferred opportunities in the opponents over the present one pay scattering.

There are different factors in charge of employee attrition. So as to control high rate of labor turnover, it is imperative to know and understand the causes that lead an individual to leave an association. The management should attempt to keep the employee turnover rate as low as conceivable on the grounds that it includes gigantic costs and it's a major misfortune for an association.

There are different factors in charge of attrition which may fluctuate from individual to individual. According to an overview directed by ASSOCHAM on two thousand five hundred employees to discover the explanation behind leaving the job, misbehavior by supervisor or manager was discovered the principle purpose behind leaving the job. The respondents additionally said that a decent modern air could really compare to salary. Faulty human resource policies and strategies especially identified with salary, benefits, exchange, promotion, absence of training and development, poor initiative and supervision, poor working conditions, doubtful job targets, raising exclusive standard frame employees are a portion of the faulty human resource policies which result in employee attrition.

Many a period employees contrast their salary and different benefits and their companions, friends, and relatives, and when they find that others are showing signs of improvement returns when contrasted with them they begin searching for new jobs in different organizations and it builds employee attrition. There are different circumstances which additionally cause attrition. The mental unrest hampers creation as well as has antagonistic effect on the soundness of an employee. At the point when employees feel questions and absence of job security it diminishes their confidence and they feel de spurred, discouraged and debilitated. The unfriendly outcomes of low resolve, despondency and de-inspiration are high rates of absenteeism and labor turnover.

Employees who are not fulfilled in their career in the present association may endeavor to search for an appropriate job in different organizations. Unsuitable salary and benefits, poor authoritative culture, relational relationship, social, individual and situational reasons are a portion of the reasons for employee attrition. Sometimes absence of career development and job satisfaction are the primary factors for attrition of employees. Career development by changing job starting with one organization then onto the next organization is likewise a purpose behind employee attrition. Job stress can make numerous issues employees of an association. It might be because of internal issues, outside issues or individual issues. It tends to be seen that alcoholism and drug abuse are the result of job stress. It additionally influences the well-being of an employee. It is a typical perception that harassment by seniors prompts mental unsettling influence, loss of rest, melancholy and even suicide among youngsters. Every one of these factors de-inspire the employees and can have a crippling impact of pressure and high stress level which again is one reason of employee attrition. despite getting handsome salary, when an employee accomplishes results past the desire however it isn't perceived by the management and he isn't valued or rewarded for it, this may prompt frustration and he may consider leaving the present association and look for employment somewhere else. A few reasons for attrition are avoidable which can be controlled and some are unavoidable which are wild. The avoidable causes are because of the blame of management. Employees may leave on account of the accompanying avoidable causes.

Conceptual Foundation

Globalization has changed over the entire world into one market. Because of the progression, privatization and globalization the size of activity and generation has expanded hugely. Employees have picked up a vital place in the assembling segment. In creating nations like India the significance of employees can't be disregarded. The expense related with attrition is high which incorporates: At the point when an employee at the managerial level leaves an association the recruitment costs increments since it includes time and endeavors for talking appropriate candidates for replacement. Training cost increments as it includes the season of the supervisor, individual division and cost of the coach. Loss of production in the interim between leaving of a current employee and replacement by the new. The compensation of student is in overabundance of his profitability. Accident rate of new employee is commonly higher as the new employee may not be as experienced when contrasted with the employee who has left an association. Extra wages as additional time pay must be paid in light of high attrition of employees. It additionally makes issues in supply of merchandise at foreordained conveyance dates.

K. R. Sreerexha and Dr. T. J. Kamalanabhan (2012) conducted a far reaching study on the factors causing employee attrition in BPOs in India. The study concentrated because of the interceding variables, for example, organizational commitment on turnover goals of employees. The study demonstrated that the precursors of turnover were significantly connected with employee turnover aim mediated by organizational commitment. Their analysis uncovered that organizational commitment is a significant mediator between organizational equity, job satisfaction and organizational help opposite turnover goals. They contended that it is for the management to appreciate helping employees to create positive work frames of mind by redesigning the job and emITing the employees to settle on self-decisions and to appreciate more opportunity in executing their obligations and stressed upon the significance of communication for the successful presence of an organization. However, it is understood that in a ring focus set, work is much formulated and firmly controlled and PC technology abrogates management employee relations. The study proposed that management should set up an open divert of communication in accordance with the day by day schedules to emIT employees to express their emotions, ideas and perspectives. This can help the management in getting information with respect to employee job satisfaction. Aside from this, management can likewise assist employees with managing their stress particularly among the cutting edge representatives in call focuses who experience large amounts of stress while managing demanding clients. The discoveries recommend that organizations need to concentrate on advance commitment, upgrade job satisfaction and to offer help so as encourage employee retention regardless of the accessibility of elective hob opportunities.

Joshi, Upasna (2014) distinguished four factors to be specific 'Late night work', 'Absence of explicit training and education', 'Disagreeable working conditions' and 'High pressure job' as the drivers of high attrition in the BPO industry. These four factors included multiple causes viz. Trouble in keeping up a harmony between family duty and work obligations, absence of rest and working against organic tickers, deficient occasions and strict leave arrangements were grouped under 'Late night work'. Absence of legitimate training for the performance of job, rather than training existing staff organizations were recruiting new experienced individuals from outside the company at whatever point another process is to be commenced, nonattendance of mentoring and guiding which lead to aggravation of even little issues were grouped under 'Absence of explicit training and education'. Job related health issues, requirement for migrating from littler urban areas to seek after job in a BPO, Lack of recognition and energy about great work with respect to employer, Lack of agreeable relations at work put, Tight supervision, Nagging policies and procedures of the company were grouped under 'Antagonistic working conditions'. 'High pressure job' could be disclosed because of issues like High Workload, Monotonous nature of the job, Lack of Opportunities for growth and promotions and no value expansion with work experience.

Ananthraja A. (2009) inspected the factors in charge of employee turnover in business process outsourcing organizations. The study recommends a high level of correlation between employee turnover and a few variables of job satisfaction opposite age, gender, conjugal status, local place and experiences. The researcher presumed that most noteworthy percentage of attrition is in voice – based process of Business Process Outsourcing industry. The researcher examined some central point in charge of attrition of employees which are - Business Related Factors (disdaining the idea of work, absence of assortment in work, befuddle of intrigue, restrictive technology does not increase the value of bio-data, potential outcomes of less cooperation with end clients); System - Related Factors (changing policies of company, absence of technical career advancement, absence of chance for continuous up-degree of skills, delay in promotion, absence of straightforwardness in appraisal and promotion policies, postgraduates are not given any extra benefits, out of line appraisals, uncertain future, constrained career growth opportunity); Personal Factors like marriage, moving with life partner, guardians' health require moving to other city, not ready to handle circumstance emphatically, needed a job abroad, peer weight, going to main residence, need to work in new technologies). The researcher recommended that each organization should concentrate on employee relationship management (ERM) to retain their employees. Satisfying the sensible desires for employees ought to be a continuous process.

Bhaduri, A. (2008) opines that life span in an organization is tied in with doing everything that careers are about. He contended that so as to handle attrition, organizations host depended on tricks like weekend gatherings, branded bistro in the office, exercise center office, outings and so on such measures turn out to be of transient importance so on the off chance that organizations need to manage attrition in the long haul, it needs to give careful consideration to career working of its employees. When the employee has begun the first assignment the manager needs to begin distinguishing an unmistakably concurred career way that works

for future jobs through job pivot, projects, and momentary assignments and so on. Along these lines organization will be capable make a pool of able employees and retaining such employees who have been sustained should be possible through reward and recognition. He recommends that one should begin by taking a gander at the performance management arrangement of the organization. As he would see it, each manager ought to be enough trained to give candid criticism and likewise to mentor the individuals in his team in order to impel them towards learning and exceeding expectations in performance and in this manner encouraging their career growth which is a strong tool to battle attrition over the long haul.

Sudha S. (2008) has completed a detailed study on the factors behind attrition in BPO industry in India. As indicated by her discoveries, the organizations were thinking that it's difficult to retain their employees and there were scores of professional and individual purposes behind leaving, this made the whole issue extremely perplexing and therefore no single factor approach could be received to determine the issue. However, as a solution thereof, she recommended that organization ought to keep up steady association with its employees to think about their satisfaction and dissatisfaction and treatment each case based on its legitimacy so able employees could be retained in the organization.

Shanthi and Bhargava, H (2007) in their research paper examined the effect of outsourcing industry on society and people in India. Based on field study, perspectives of couple of employees and employers of this industry were gotten, different issues have become visible; these are stress, restlessness, and despondency, weakness and hearing ailments and stress for relatives. Additionally it was discovered that various factors like call-volume, work-timings, and repetitive processes added to stress. The creators likewise pointed that there is a significant change in way of life of individuals working in BPOs.

Shah, Hardik and Sharma, Vinay (2007) have explored the relationship between Job Satisfaction and Individual Performance with regards to a BPO unit and have finished up about job satisfaction and individual performance is that there is certainly a relationship, most likely higher than the well-referred to however not as high as standard way of thinking expected that "upbeat workers are productive workers". They further opined that learning to wind up, increasingly mindful of factors of dissatisfaction for BPO employees is the first real advance towards overseeing them viably. The study brought up that Nature of Work, Working Conditions and Colleagues were the significant wellspring of dissatisfaction. Therefore, a few mediations were proposed to relieve the issues which included enabling greater adaptability and opportunity to employees in order to lessen the job repetitiveness. Offering clean alluring well composed well place with appealing feeling in order to keep up the level of motivation to work, Steady and benevolent conduct of immediate prevalent and advancing concordance between collaborators, Selection of individuals cordial, customer arranged employees, Organizing standard training refreshes, Adopting reasonable and straightforward performance appraisal framework, Monetary rewards for outstanding work. It has been felt that such concerns which are straightforwardly influencing the performance of people in BPO sector must be tended to carefully, normally and adequately which thus brings the larger amounts of job satisfaction with more elevated amounts of individual yield for the organizations.

Employee attrition adverse affects the prestige of an association in the human resource advertises on the grounds that overabundance turnover may make an awful picture of the association and it might discover trouble in pulling in candidates for job. High attrition bothers the production plan, the quality and quantity of yield in light of the fact that in the majority of the expansive scale industries the production is large scale manufacturing and production activity proceed with one by one. Poor workplace because of any reason prompts poor yield as far as quality and quantity. There will be ascend in leave, absenteeism, and turnover of employees will be high.

Research Methodology

This section initially counted various techniques that were usually utilized as a part of these sorts of studies. Since the examination is descriptive in nature, survey method was chosen for this examination. Along these lines, this part introduced the study configuration, test and information accumulation techniques, survey plan, and pilot testing was also considered. All measures utilized as a part of this investigation were presented and the reliability and validity of the research questionnaire were evaluated utilizing Cronbach's alpha and confirmatory factor analysis. When all is said well-done, measures in this examination had great reliability, and validity. In the light of pros and cons of various research methods the

present study is descriptive in nature and non-probability sampling methods has been used to collect the responses in close ended valid & reliable questionnaire through scheduling a survey of employees of IT industry conveniently from Metro cities of the India to test the following hypothesis of the study.

H_0 - There is no significant relationship exist among Human resource management strategies e.g. Job Role, Remuneration, welfare, Recognition and motivational factors of employees Attrition in context of IT industry of selected metro cities in India.

Four hundred questionnaires were distributed on the basis of Quota sampling method for the sake of convenience, among the Employees of leading private and public sector IT firms employees in Bengaluru, New Delhi, Chennai, and Pune. All the responses have been taken in five point Likert scale from strongly disagree to strongly agree for 30 questions asked in schedule, apart from the demographics of respondents. For this study total 373 completed questionnaires were perceived useful for data analysis to make inferences, giving a response rate of 93.3% of the original sample. The respondents were from various age, gender, education, pay, and functional role and experience. Information was gathered by means of self-report surveys (schedule method) that were administrated in the chosen IT firms' premises, and prime location referrals. For the purpose of testing below hypothesis of the current study we used multiple regression analysis to find out the association between HRM strategies and motivational factors of Employee Attrition of selected IT industry in chosen Metro cities of India.

These assumptions also encourage the current researchers too to conduct an empirical investigation to better understand the phenomena in the frame of retention and attrition of IT services. To better understand the whole spectrum of the employee behavior towards IT services the current study determined to get the exact picture systematically, the current researchers framed following objectives to be studied. Hence forth to establishing relationship among organization's HRM strategies and motivational factors of employee attrition in the IT organizations in metro cities of India becomes the prime objective of the present study.

Data Analysis

For the purpose of testing below hypothesis of the current study we used multiple regression analysis to find out the association between HRM strategies and motivational factors of Employee Attrition of selected IT industry in chosen Metro cities of India.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.728	.530	.527	.87422

a. Predictors: (Constant), Job Role, Remuneration, Welfare, and Recognition.

Table 1, Source: This Study

This table 1 tells the percentage of variability in the dependent variables is accounted for by all of the independent variables together. The coefficient of multiple determinations R^2 is 0.530; therefore, about 53% of the variations in the Employee Attrition are explained by Job Role, Remuneration, welfare, and Recognition in IT industry phenomena.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	425.381	3	141.794	185.531	.000 ^a
	Residual	377.544	494	.764		
	Total	802.926	497			

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b. Dependent Variable: Employee Attrition						

Table 2, Source: This Study

This ANOVA table 2 gives an F -test to determine whether the model is a good fit for the data. According to this table p -value is less than 0 .05, thus model is good fit for the data.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.109	.204		5.438	.000
JOB ROLE	-.170	.060	.149	2.851	.005
REMUNERATION	-.604	.031	.646	19.611	.000
WELFARE	-.156	.028	.171	5.475	.000
RECOGNITION	-.550	.028	.664	19.754	.000
a. Dependent Variable: EMPLOYEE ATTRITION					

Table 3, Source: This Study

In the above Table: 3 Coefficients has been summarizing statistic as following expressions;

- $H_0: \beta = 0$
- We Reject H_0 , since all $P < .001 < 0.01$.
- EMPLOYEE ATTRITION = 1.109- (.170) JOB ROLE - (.604) REMUNERATION - (.156) WELFARE - (.550) RECOGNITION.

- The regression equation appears to be very useful for making predictions.
- In the above table - the Coefficient section of the table tells about which variables contribute to the model and the β (slopes) represents the marginal change in the dependent variable associated with one unit change in the corresponding independent variable, if other independent variable remain constant. The $p < .05$ means that we'll be wrong no more than 5% of the time and it is also confirm that the coefficients value comes just not due to a sample error.

The above information reflects that the model is fit to predict the associations between Human Resource Management strategies e.g. Job Role, Remuneration, welfare, and Recognition have strong and negative relationship with Employee Attrition in IT industry in metro cities in India. The Recognition negatively influences the Employee attrition in IT industry followed by Remuneration, Job Role, and welfare Human Resource Strategies imposed by IT industry.

Conclusion

This study develops an integrated approach to deepen our understanding of IT industry employee's demographics attributions, Strategic Human Resource Practices and their consequent results in forms of employee attrition. It provides answers for questions regarding how employee's demographics influence their reactions to Strategic Human Resource Practices of the IT organizations, and how IT organizational Strategic Human Resource Practices attributions affect employee attrition. The individual employees participated in the study are from different types of Job Functional positions, Job locations, Marital Status,

Gender, Education, Age and also have Work experience of IT industry in different metro cities of India have been selected for this study. The investigation analysis showed that vital enlistment and determination affected representative execution in the IT industry in metro cities and explicitly in a positive way. In a relationship examination the discoveries shown that there was solid negative and noteworthy connection between human resource management strategies and motivational factors of Employee Attrition in the IT industry in metro cities of India. The study finds that Employee Attrition is strongly and negatively influenced by Employee Recognition followed by Employee Remuneration, Employee Job Role, and Employee welfare in selected IT organizations in chosen metro cities of India.

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