A Study on Employee Retention Strategies in Select IT/ITES Companies in Hyderabad

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Abstract: Retaining good staff is essential to the long-term viability and accomplishment of any organization Customers are happy, sales are up, colleagues and employees are happy, succession planning is simple and the knowledge of the organization is deeply ingrained when the best personnel are kept on board. Flexible hours, entertaining work, training and development opportunities, bridging the gap and working with friends are some of the unique retention strategies/practices that organizations are using. The goal of this article is to learn about the retention techniques used by chosen IT/ITES companies in Hyderabad and examine the alternatives to reduce attrition without compromising cost competitiveness. An understanding of staff retention and its reasons is critical to a company's competitive advantage, according to this article. Organizations need to take immediate action to strengthen their retention efforts in order to prevent the negative and costly consequences of rising turnover. Organizations must educate their managers and create an atmosphere where today's top talent can thrive in this era of high stakes and unpredictable market and organizational developments.

1.INTRODUCTION

IT companies in India face a major difficulty when it comes to retaining their employees. The Organization has seen that there is a high demand for IT professionals in India and overseas, which has resulted in the departure of technical experts. Due to the changing economy, increased competition, and scarcity of talented workers, IT organizations in today's climate cannot afford to lose their vital staff. This would have a significant impact on their bottom lines. This necessitated the development of efficient retention strategies.

The HR Managers of Indian IT and Multinational Companies must take a holistic approach to identify the variables that contribute to employee turnover. Major policy changes included recognizing software as an industry capable of investment and making it eligible for incentives similar to those available to other domestic industries, lowering import tariffs, and announcing a CSDT policy that opens up the country's software export market to the latest technologies and allows it to compete on a global scale.

The Indian Government's strategy of liberalization in 1991 greatly boosted the IT industry in India. As a result of its high potential, high quality and cost-effective manpower resources, proactive policy framework, specialized organizations and facilities, state-of-the-art infrastructure and quality of service, India's IT industry has gained global visibility in the last few decades. International media and business interest have been drawn to it.

In the global IT market, Indian IT specialists are in high demand. IT experts in India are also well-compensated and provided with first-rate perks. A career in the information technology sector, then, is an ambition for many Indians fresh out of college. Additionally, they have the possibility to work and live overseas while earning a respectable salary. Because to the rise of the Indian IT industry, the urban middle class has seen radical transformations in terms of lifestyle, sociality, family structure, sense of self, and outlook. In the past, IT experts had a higher social prestige and were frequently respected.

Conceptual Overview of Employee Retention:

Developing the ability to retain personnel is referred to as "employee retention." There is a simple metric that can be used to represent staff retention (for example, a retention rate of 80 percent usually indicates that an organization kept 80 percent of its employees in a given period). The efforts employers make to keep their employees in their workforce are often considered a component of employee retention. In this way, retention becomes a strategy rather than an end result. Keeping the smartest and brightest staff is one of the most difficult tasks facing today's organizations. Due to globalization, the demand for talent in countries like India has risen significantly.

Globalization has had a profound effect on both the corporate world and the mentality of the people who live in it. It is in everyone's best interest to take advantage of such a competitive environment. Employee loyalty concerns, business restructuring attempts, and intense competition for key talent are driving employee retention difficulties to the forefront of today's workforce management challenges. When it comes to a manager's long-term success, retaining the best employees is a crucial part of the process.

Employer retention was initially mentioned in the business world about 1970 and the early 1980s. There had until then been a general assertion of the status quo: "You come to work for me, do an excellent job, and I will continue to employ you as long as the economic conditions allow". After entering the workforce in the 1950s and '60s, many people stayed with one employer for the rest of their lives".

Need of the study:

IT companies in Hyderabad, India, have a high rate of employee turnover since the city's talented candidates has a wide range of options to pick from, resulting in a constant competition between companies to find new ways to keep their most important employees and recruit new employees, as well. The significance of this study may be appreciated if we have a thorough grasp of the repercussions of turnover rates.

Objectives of the study

The study's primary objective is to assess the strategies used by IT/ITES companies to retain employees, with a focus on three particular ITES companies. It also assesses how each company handles attrition through its varied strategies, such as staff retention and training and development programs implemented for the

successful retention of the workforce. The study depends heavily on secondary data culled from annual reports of selected software companies, studies produced by NASSCOM and the Ministry of IT, and other independent reports issued by IT and software agencies and firms. Additionally, data is gathered through the usage of pamphlets, newspapers, magazines, journals, and websites.

2.REVIEW OF LITERATURE:

Representative maintenance is significant on the grounds that in the twenty first century the main practical wellspring of upper hand for any organization is its "HR". To keep up with stable labor force representatives should purposely participate in maintenance exercises. An association's capacity to hold the sort of workers it requires straightforwardly affects its benefit and viability.

To foster an intensive comprehension of the calculated develops and experimental examination for the current review, broad audit of writing was embraced. This has not just aided in ID of the holes in the current assortment of information yet has additionally empowered to set up a relationship of the current review with what as of now exists. Various analysts inspect the impact of promotion on deals and utilization. The investigations of different analysts showed the impact of hierarchical culture on the representative maintenance Among these examinations, the ability the board in associations was analyzed Customer fulfillment and administration quality estimation rehearses in call communities in India was assessed Talent the executives and its relationship to levels of worker commitment was likewise researched of the review managed individuals the board issues in Indian KPOs human asset the board (HRM) frameworks of call focuses in India was additionally concentrated on The Conner factors influencing State Government IT worker turnover expectations were likewise revealed The thriving Indian programming administrations industry by zeroing in on one of its basic difficulties: human asset the executives was additionally considered assesses evaluation of the significant writing tending to maintenance issues for ladies and minorities in IT labor force The issue of representative maintenance in the area of radiology was investigated and talked about Some of the procedures

and strategies that associations are utilizing to draw in and hold ability was additionally announced Gering and inspected the essential way to deal with worker maintenance.

3.RESEARCH METHODOLOGY:

Exploration configuration is a blue print or system which determines the subtleties of the methodology essential for acquiring the data expected to structure or tackle research issues. Distinct Research Design has been utilized in the current review to characterize the responses to what, why and how of the various elements of the worker maintenance in the ITeS business in the Hyderabad city.

Factors That Influenced the IT Professionals in their Decision to Leave Previous Organizations:

It is characterized into Company elements and Personal elements to decide whether the Voluntary representative turnover in the Organization can be controlled or not. Under Company factors different viewpoints like Company strategies, Salary, Benefits, Recognition, Work climate, relationship with Supervisor, Peers, Subordinates; Nature of work, Career Growth, Company Culture, straightforwardness, openness in cutting edge innovations, on location openings, Working hours, Work life Balance, Job Security, Image of the Organization, Stability, Promotion, No Work (On seat), clearness in work, Communication, Politics, Work Pressure, Extended working hours, incongruence in Salary dependent on qualification, strengthening, Job fulfillment, transport offices, bottle offices, sporting offices, municipality offices, clinical offices, Insufficient Leaves, Poaching, more than one announcing Managers, Work from home and incessant travel were completely thought about to comprehend which of these elements drove the IT experts to leave the past Organizations and how much. Essentially, the individual elements like vicinity to place of stay, wellbeing reasons, choice to put a hold on from work to recover, Self-business, interest in new learning, family pressure, choice not to work after marriage, to seek after leisure activity, no legitimate network to work environment, to deal with kids and old guardians, to concentrate on the family, to move to one more industry of interest were additionally considered to comprehend

which of these variables drove them to take a choice to leave the past Organizations.

The review centers around comprehension in case there is any distinction in the causes between Indian IT Company experts and MNC's

Factors Influencing the Stay of Employees in the Current Organization:

It is ordered into Organizational and Individual variables and different perspectives were considered to follow the reasons that provoked the IT experts to remain back in the Company. Hierarchical elements considered incorporate strategies of the organization, straightforwardness, keeping up guarantees made at the hour of recruiting, direction of new representatives, working conditions, Job assumption Vs. reality, job appointed, support from the undertaking group, support from the detailing Manager, Flexibility and opportunity in work, innovation, Sufficient preparing freedoms to further develop capabilities on work execution, work fulfillment, compensation, benefits, Opportunities for self-improvement, Opportunity to communicate input and concerns, convenient acknowledgment of execution, Performance assessment System, adaptability to oversee balance between serious and fun activities, Job security, Image of the Organization, Stability, Empowerment, No work(on seat), Crèche office, transportation offices, Canteen offices, Medical offices, Recreational offices, Family association, Option to telecommute, Comfort level in the Organization and on location Opportunity.

Likewise, under individual variables different development perspectives in the Organizations that provoked the representatives to remain back in Organization was thought about like Overall execution, Quality of Work, Quantity of Work, Meeting cutoff times, dependability, versatility, drive, successful correspondence, initiative abilities, camaraderie, Decision making abilities, Creativity, Commitment, Competency improvement, Value expansion, Exposure and high expectation to learn and adapt. The general investigation of the equivalent gave the accompanying outcomes, which empowered the examination of contrast accordingly between Indian IT organizations and MNC Professionals.

4.RESULTS AND DISCUSSIONS

Majority of the organizations reported that they have put in specific women related practices in order to retain the female employees. The provision of Fair and Equitable Treatment as well as Security at Work Place were reported as the most significant practices implemented by the respondent organizations for retaining their female work force. Provision of Concession in the Number of Night Shifts for the women employees was not felt to be of greater significance in relation to the other factors that were examined in the present study. Top Management should view attrition as a serious problem and take measures to control it by involving HR Managers and Business Leaders.

An online system or a forum should be created wherein the IT professionals can voice out feedback openly and fearlessly on various issues like their expectations from the Organization, shortfalls in the Organization that hamper their performance that influences Organization's performance. This would help in forming the basis for developing retention strategies. Organizations should periodically conduct exit, engagement and culture surveys to understand the changing expectations of the critical workforce from time to time and take all these inputs to have a holistic understanding of the factors influencing retention of employees.

It helps in developing employee specific retention strategies to control attrition. One of the retention strategies could be providing Flexible benefits where employees have options to choose benefits, which are more beneficial for them. It should therefore be entrusted to the HR department who should be solely responsible and accountable for implementing a robust retention process, starting from conducting research to implementing specific employee friendly strategies.

The demographic details of the IT professionals should also be considered while designing the retention strategies as some of these variables have proved to have influence on retention. Also based on the changing economic scenario and supply-demand of human resource, Organizations should adopt new initiatives and review existing retention strategies. Constantly monitoring and bench marking the retention strategies of the competitors and taking a proactive step towards

implementing novel and attractive strategies better than them to a large extent prevents poaching of employees. Participating in employer surveys and maintaining top ranking also increases the employees' commitment towards the Organization and would be most sought after by prospects.

Table: Personal &Professional Profile of IT Professionals in Hyderabad IT Companies and Multinational IT companies in India influencing Employee Retention

VARIABLES	CATEGORY	Classification of respondents						χ^2 Value
		Hyderabad (n=12)		MNC (n=18)		Combined (n=30)		
		N	%	N	%	N	%	
PERSONAL BACKGROUND:								
Age	20-30 years	4	33.3	8	44.4	12	40	0.34NS
	30-40 years	8	66.7	10	55.6	18	60	
Gender	Male	7	58.3	16	88.9	23	76.7	3.76 NS
	Female	5	41.7	2	11.1	7	23.3	
Educational Qualification	Non-Engineering Grads	0	0.0	3	16.7	3	10	2.5 NS
	Engineering Graduates	6	50	9	50	15	50	
	Post Grads (MBA&MCA)	6	50	6	33.3	12	40	
Self-Income per annum	Up to 5 Lakhs	5	41.6	2	11.1	7	23.3	4.16 NS
	5-12 Lakhs	5	41.6	9	50	14	46.6	
	12-17 Lakhs	2	16.6	7	38.9	9	30	
Other Source of Income	Yes	1	8.3	1	5.6	2	6.7	0.09 NS
	No	11	91.7	17	94.4	28	93.3	
Financial Commitment	Yes	11	91.7	15	83.3	26	86.6	0.43 NS
	No	1	8.3	3	16.7	4	13.3	
Type of Commitment	Loan	8	66.6	11	61.1	19	63.3	1.67NS
	More Dependents	2	16.7	6	22.2	8	26.7	
	More Responsibility	2	16.7	1	5.5	3	10	
Residential Status	Own House	6	50	5	27.8	11	36.7	1.53 NS
	Rented	6	50	13	72.2	19	63.3	
Type of family	Nuclear	11	91.7	15	83.3	26	86.7	0.43 NS
	Joint	1	8.3	3	16.7	4	13.3	
Total members in the family	2-3	3	25	6	33.3	9	30	0.34 NS
	4-5	7	58.3	10	55.6	17	56.7	
	6 and above	2	16.7	2	11.1	4	13.3	
Number of earning members	One	3	25	6	33.3	9	30	0.39 NS
	Two	6	50	7	38.9	13	43.3	
	Three	3	25	5	27.8	8	26.7	
	Two	7	58.3	5	27.7	12	40	

Source: Primary Data

The general reaction of IT experts demonstrates that 60% of them were old enough gathering 30-40 years. Larger part of the respondents from both Indian IT organizations and MNC's were old enough gathering 30-40 years. The respondents old enough gathering 30-40 from Indian IT organizations (66.7%) were somewhat more than that of the MNC's (55.6%), but there is no critical distinction in age bunch between these two gatherings (χ^2= 0.37 NS). Concerning the sex shrewd profile, generally speaking, there were 76.7% male respondents. There were somewhat more male respondents from MNC (88.9%) contrasted with that of Hyderabad IT Companies (58.3%), but there is no huge distinction in sex between the two gatherings (χ^2= 3.76 NS). By and large, half of the respondents were

designing alumni, 40% of them were Post Graduates (MBA, MCA) and 10% non-Engineering graduates.

In Hyderabad IT organizations considered, greater part of the respondents (half each) were Engineering graduates and half were Post Graduates (MCA and MBA). Greater part of the respondents (half) from MNC's were Engineering graduates. However there is slight distinction in instructive foundation of Hyderabad IT organizations and MNC respondents, there is no critical contrast in this regard (χ^2= 2.5NS). Regarding self-pay per annum, by and large reaction of IT experts showed that more level of respondents fall in range 5-12 lakhs.

Larger part of the respondents from MNC's (half) have compensation in the reach 5-12 lakhs per annum, somewhat more than respondents from Indian IT organizations (41.6% every) who were in the compensation range up to 5 lakhs and 5-12 lakhs per annum. Generally, 93% of the IT experts in India have no other type of revenue other than their self-pay.

Greater part of the respondents of MNC's (94.4%) don't have some other kind of revenue other than their self-pay, somewhat more than the respondents of Hyderabad IT Companies (91.7%) when looked at. Nonetheless, there is no huge contrast in their reaction in this regard (χ^2= 0.09NS). Regarding the monetary responsibilities, generally speaking 86.6 % of the IT experts had a few or the other sort of monetary responsibilities. 91.7% of the respondents from Indian IT organizations have monetary responsibility that is, somewhat more than the respondents of MNC's (83.3%). Be that as it may, there is no critical contrast accordingly between the two gatherings regarding monetary responsibilities (χ^2= 0.43NS). Concerning the kind of monetary responsibility the IT experts have, from the general reaction it is found that 63.3% have advance, 26.7% have more wards and 10% have more liabilities. More level of the Hyderabad IT Company experts (66.6%) have advance, somewhat more than the respondents of MNC's (61.1%). As for private status, the general reaction of IT experts in Hyderabad demonstrated that (63.3%) stay in leased house.

Larger part of the respondents from MNC's (72.2%) are remaining in leased house when contrasted with the respondents from Hyderabad IT organizations (half). Be that as it may, there is no critical contrast in private status between the Hyderabad and MNC IT experts (χ^2= 1.53NS). From the general reaction of IT Professionals, it is perceived that the greater part of the respondents (86.7%) have a place with family units.

The respondents of Indian IT Companies (91.7%) show that they are from family units, somewhat more than that of MNC's (83.3%) when looked at. Nonetheless, there is no huge contrast accordingly as for the family type between the respondents of Indian IT Companies and MNC's (χ^2= 0.43NS).

The general reaction of IT experts demonstrates that greater part of them (56.7%) have 4-5 individuals in their family.58.3% of respondents from MNC have 4-5 individuals, somewhat more than that of MNC respondents showed as 55.6%.

Nonetheless, there is no huge contrast as for number of individuals in the family between the Hyderabad IT organization experts and MNC's (χ^2= 0.34NS). As for number of procuring individuals in the family, the general reaction of the IT experts demonstrated that 43.3% of them had 2 acquiring their relatives. (half) respondents from Hyderabad IT organizations had 2 acquiring individuals, somewhat more than that of MNC (38.9%). Notwithstanding, there was no critical distinction accordingly between the two gathering concerning the quantity of acquiring individuals (χ^2= 0.39NS).

5.CONCLUSION:

The learning show that readily available is no important difference in answer in the middle of IT Professionals of Hyderabad IT and Multinational Companies in Hyderabad with respect to most of the items considered in the survey. We know how to consequently bring to a close that the Hyderabad IT Companies are in par with Multinational Companies in an assortment of aspects. Having a robust preservation strategy will help Organizations in attracting and retaining top talent. If the above recommendations can be considered attrition can be controlled to a large extent.

The skill recognition, satisfaction towards work place, both statutory and non-statutory welfare measures are the key criterions which not only decide the employee's commitment to the company but also reflect the employee productivity to organization's goal. Employees today are well aware that they need to continually update their skills. Especially in view of rising demands of new projects, better technology upgrading, employees see great value in training that allows them to attain their goals. Training is a "win-win" situation for the employee and the employer.

Employees get to increase their knowledge and skills, and employers have highly trained and motivated employees working toward the company goals. Creating stress free environment, respecting the employee's feelings and providing the healthy work environment will further boost employee zeal and commitment towards their responsibilities. Further, the salary enhancement, job security and better grievance settlement were found as the important factors.

Future Research:

In this study only job-related variables are considered for the analysis. Future research can aim to find out the relationship between the demographic variables of the respondents such as age, sex, marital status, tenure, education etc. and employee intention to stay along with job related variables. The present study is confined to lower and middle level IT/ITES companies professionals. Future research can study the influence of these dimensions on the stay of top-level IT professionals.

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