



ATTRITION IN IT INDUSTRY – A BIRDS EYE VIEW

Mr. P. Thangamuthu*

Ph.D, Research Scholar, Department of Business Administration, Annamalai University, Chidambaram, Tamilnadu. *Corresponding Author

Dr. M. Ramkumar

Assistant Professor, Department of Business Administration, Annamalai University, Chidambaram, Tamilnadu.

ABSTRACT

Employee attrition is referred as reduction in number of employees in an organization. For IT industry, employee attrition has become a known challenge since last 2 decades. Employees leave the organization for various reasons. A few reasons are, demand of high salary, change in technology or role, professional challenges and so on. High attrition leads to expensive over multiple attributes and functions in the company. Recruitment, Training and Development costs increases overall cost on the employees. The core reason of this attrition could be mismatch in expectations of organization and expectations of employees from each other. This study aimed to analyze the attrition reasons as well as understands the expectation of employees from the organization. The research used the data that was collected from experienced IT professionals in different categories based on their experience level and position in the organization hierarchy Research questions covered the inputs on employee expectations and major attrition reasons. Although the data was limited to a few IT company employees from Chennai, Managers and candidates share similar views and perspectives on 'Professional aspirations' aspect to be a major reason of attrition.

KEYWORDS : Employee, attrition, recruiting, organization etc...

INTRODUCTION

Employee attrition is gradual deliberate reduction of employees in an organization. This decline in number of employees over a period is defined as Rate of Attrition. Employees leave company due to non fulfillment of the expectation from the organization in return of the service towards their job. Employees leave the organization for various reasons. The cause could be higher salary in other organization, family, mobility, technology preference, and higher position and so on. This dissatisfaction prevails at individual level and no organization can have control over it. However, attrition leads to losses

High rate of employee attrition directly indicates frequent changes in the team and resources. These changes are not welcome by the service seekers of the organization. Frequent changes in the and extra expense to organizations. Organizations spend lot of time, resources and efforts in training and developing the employees to increase the efficiency level of their work. If employee leaves the company, he needs to be replaced with another one. This process demands same investment of time, efforts, and resources in recruiting a new one and train him. Most of IT organizations today are being hit badly with high rate of attrition resulting in various productivity and quality related issues. Hence, it has become critical to hire a right candidate for a job position. Resources lead to decline in quality of the service deliverables. Hence not only cost but quality and productivity are hampered.

One of the fundamental retention techniques could be to maintain healthy relationship with employees. Employee-employer relationship plays a vital role at any workplace. A strong and healthy employer-employee relationship results in employee feeling respected, encouraged, and supported. Satisfied employees are more likely to work their hardest and stick with their jobs for the long duration. Sometimes, role offered to the employee and role he ends up working on, has a huge difference. This new role does not help employee to enhance his professional skills and this de motivates him to stick to the team or organization. Lack of learning opportunities happens to be parallel reason for employees to leave the role. Many such requirements mismatch may lead to attrition.

OBJECTIVES OF THE STUDY

*To analyse the reasons for employee attrition in the IT

industry.

*To analyse perception of managers and candidates on expectations of candidates.

Data Collection And Reserch Methodology**METHODOLOGY:****Primary Data**

Primary data is collected through a field survey with the help of a structured self – administered Questionnaire. The survey consists of close ended questions by means of convenience sampling.

Secondary Data

Secondary data is collected by referring various Journals, research papers and published data, News paper, books and related website.

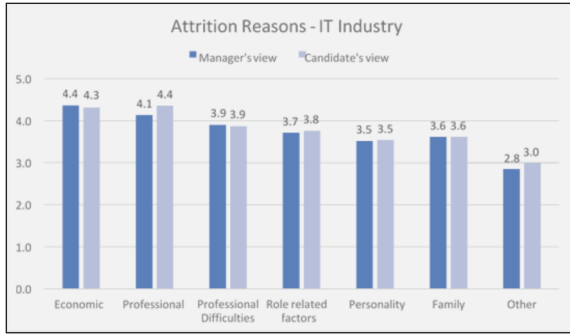
Sample Design

The nature of the sample is restricted to working professionals in Information Technology sector and is collected through the convenience sampling technique. The sample size is 120 respondents.

Reasons for Attrition

The was made to know attrition reasons in IT industry based on Individuals experience who are working in IT industry. Respondent's category is mentioned in the table above. Based on Literature review data, below are the parameters defined that were defined for this survey.

1. Economic Factors-Salary and Perks
2. Professional Aspirations – Technology, Domain, Role and Designation, Onsite Opportunity
3. Professional Difficulties – Inadequate Training, Poor performance, Difficult Manager, Stressful timelines, No independence, Conflict between organization goals and personal goals.
4. Role related factors – Lack of challenges, Lack of learning opportunities, Lack of excitement and Innovation
5. Personality Factors - No motivation, High Urge of change to tackle the boredom and fatigue
6. Family Mobility – Need to cater dependent family members in different geographical location,
7. Other reasons – Health issues, Higher education Marriage, Change in Spouse's work location



*There is a significant difference of perceptions in Manager's view and candidates view regarding Professional Aspiration. Most of the IT professionals look for enhancing professional capabilities and its only possible when the organization provide the opportunity.

Suggestions

Survey respondents who possess more than 12 years of experience give emphasis on a few points. Culture of a workplace, relationship with immediate lead, company policies is major factors to influence employees 'day to day work life. If an employee feels respected as an individual, supported and appreciated for his work, he is happy to work for longer time. Below are a few suggestions to cater the expectations of the employees and retain them:

- It is clearly stated and conveys the job description and expectations to the candidate so that chances of employing a wrong hire are less.
- Understand and note the expectations of candidates while hiring. This helps in mapping the 3 job requirements to his current and future needs that may arise. The needs could be professional aspirations or any personal need resulting from changes in his personal life.
- Use and provide best technology platform to work. This can be achieved by using or replacing old technologies by new ones as and when required.
- Provide competent yet fair growth opportunities to all the employees. Do not hold employees at one position just because he or she is best at it. Organizations to provide all sorts of training to the employees that may help them to perform very well in their job.
- Acknowledge and appreciate good work by individuals as well as teamwork.

CONCLUSION

Research findings suggest that attrition reasons in IT organizations primarily revolved around professional growth and challenges in the organization. Although economic factors happen to be the most influential factor, professionals may settle for second best criteria of their preference that is career growth and supportive work policies in the organization.

On the other hand, candidates who aspire to have a better job than the one in hand are more interested in securing the next job. Young talent wants to work on latest technology and functional domain. IT professionals who are young career makers are less influenced by Brand name or geographical area.

Organizations should state the requirements and expectations unambiguously. This helps candidates to decide upon to accept the job position or not. This eventually avoids further conflicts in the employment terms.

REFERENCES

1. Attrition: A Global Problem – Sabitha Niketh, HRM Review, March 2008 Issue, Pg.no.64- 67, ICFAI University Press, Hyderabad.
2. K.Malar Mathi and G.Malathi, (2012). "Analyzing the causes of Attrition in IT

industries-

3. Shahani Naveen G, (Sep, 2012) "Impact of retention of employees a critical study of selected software companies in Chennai reference time 2008 – 2012", Sinhgad Institute of Management, chapter 2-7
4. Mirchandani Bharati (Aug, 2016), "A study of employee attrition in small and medium enterprises causes and consequences", Chapter 3-7 Shodhganga
5. Cory Harris, Walden University 2018, "Employee Retention Strategies in the information Technology Industry" and mentioned the "Productivity declines when employees voluntarily leave and organization", Chapter 2- 6
6. Dr.Shikha N.Kheral, Ms.Karishma Gulati2, Delhi 2012, "Human Resource Information System and its impact on Human Resource Planning: A perceptual analysis of Information Technology companies", IOSR Journal of Business and Management (IOSR) BM
7. DR.Ravi.B(June2016) , "Recruitment and Selection Process in IT industries", International Journal of Creative Research Thoughts, P 223-232