EMPLOYEE RETENTION FACTORS INFLUENCING IT COMPANIES IN CHENNAI CITY - AN ANALYTICAL STUDY

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Abstract
Employee Retention is one of the key difficulties confronted by IT Organizations in India. It has been watched that there is an incredible interest for talented IT experts inside India and abroad, which has brought about technocrats leaving the Organization looking for greener fields. The IT Organizations in today's setting can't stand to lose their basic workforce because of vulnerability of evolving economy, expanding rivalry and shortage of gifted workforce as this would thusly influence their primary concerns radically. This made the requirement for outlining compelling maintenance techniques. A comprehensive approach is basic to comprehend the variables controlling worker turnover in Indian IT and Multinational Companies by the HR Managers. However regarding certain statistic variables considered like aggregate understanding, position and supported confirmation programs, it was found that there was huge distinction between these organizations. The result of the review is relied upon to help the HR Managers of these Organizations in limiting the steady loss rate by creating successful maintenance techniques particular to their Organization.

Key words: Attrition Rate, Employee Retention, Retention Strategies, IT Sector.

Introduction

A set up where individuals come together and work in unison to achieve a common goal is called as organization. Individuals working together in an organization to earn their bread and butter as well as make profits are called employees. Employees are the lifeline of an organization and contribute effectively to its successful running and profit making. An organization can't survive if the employees are not serious about it and are more concerned about their personal interests. It is the responsibility of the line managers as well as the management to ensure that the employees are satisfied with their roles and responsibilities and the job is offering them a new challenge and learning every day. Employee Retention refers to the techniques employed by the management to help the employees stay with the organization for a longer period of time. Employee retention strategies go a long way in motivating the employees so that they stick to the organization for the maximum time and contribute effectively. Sincere efforts must be taken to ensure growth and learning for the employees in their current assignments and for them to enjoy their work. Employee retention has become a major concern for corporate in the current scenario. Individuals once being trained have a tendency to move to other organizations for better prospects. Lucrative salary, comfortable timings, better ambience, growth prospects are some of the factors which prompt an employee to look for a change. Whenever a talented employee expresses his willingness to move on, it is the responsibility of the management and the human resource team to intervene immediately and find out the exact reasons leading to the decision.

Hiring is not an easy process: The HR Professional shortlists few individuals from a large pool of talent, conducts preliminary interviews and eventually forwards it to the respective line managers who further grill them to judge whether they are fit for the organization or not. Recruiting the right candidate is a time consuming process. It is a complete wastage of time and money when an individual leaves an organization all of a sudden. The HR has to start the recruitment process all over again for the same vacancy; a mere duplication of work. Finding a right employee for an organization is a tedious job and all efforts simply go waste when the employee leaves.

When an individual resigns from his present organization, it is more likely that he would join the competitors: In such cases, employees tend to take all the strategies, policies from the current organization to the new one. Individuals take all the important data, information and statistics to their new organization and in some cases even leak the secrets of the previous organization. Strict policy should be made which prevents the employees to join the competitors. This is an effective way to retain the employees. The employees working for a longer period of time are more familiar with the company's policies, guidelines and thus they adjust better: They perform better than individuals who change jobs frequently. Employees who spend a considerable time in an organization know the organization in and out and thus are in a position to contribute effectively.

Every individual needs time to adjust with others: One needs time to know his team members well, be friendly with them and eventually trust them. Organizations are always benefited when the employees are compatible with each other and discuss things among themselves to come out with something beneficial for all. When a new individual replaces an existing employee, adjustment problems crop up. Individuals find it really difficult to establish a comfort level with the other person.

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After striking a rapport with an existing employee, it is a challenge for the employees to adjust with someone new and most importantly trust him.

It has been observed that individuals sticking to an organization for a longer span are more loyal towards the management and the organization: They enjoy all kinds of benefits from the organization and as a result are more attached to it. They hardly badmouth their organization and always think in favour of the management. For them the organization comes first and all other things later. It is essential for the organization to retain the valuable employees showing potential: Every organization needs hardworking and talented employees who can really come out with something creative and different. No organization can survive if all the top performers quit. It is essential for the organization to retain those employees who really work hard and are indispensable for the system.

Functional Turnover: Functional turnover occurs when people leaving the firm are underperformers. This is common in large consulting, accounting and law firms that employ an "up or out" philosophy. Employees in such a company must develop and improve to move up in the ranks. Those who are unable to progress are let go. Consequently, these firms have high turnover, but the employees who remain are the best and brightest.

Dysfunctional Turnover: Dysfunctional turnover is the exact opposite of functional turnover, as the best employees leave. This can happen for a variety of reasons, but a common cause is low potential to advance. The management must understand the difference between a valuable employee and an employee who doesn't contribute much to the organization. Sincere efforts must be made to encourage the employees so that they stay happy in the current organization and do not look for a change.

Information Technology (IT) is defined as the design, development, implementation and management of computer-based information systems, particularly software applications and computer hardware. Today, it has grown to cover most aspects of computing and technology. The largest firms globally include IBM, HP, Dell and Microsoft. The Information Technology-Enabled Services (ITES) industry provides services that are delivered over telecom or data network to a range of external business areas. Examples of such business process outsourcing (BPO) include customer service, web-content development, back office management and network consultancy etc. IT/ITeS industry has led India's economic growth and this sector's contribution to the national GDP has risen from 1.2 per cent in 1997-98 to an estimated 7.5 per cent in 2011-12. Today IT and ITeS sectors lead the economic growth in terms of employment, export promotion, revenue generation and standards of living. As per NASSCOM estimates, IT/ITeS sector (excluding hardware) revenues are estimated at USD 87.6 billion in FY 2012-13; and the industry is expected to grow by 19 per cent during FY 2013-14. The IT/ITeS sector has led to employment opportunities, both direct and indirect, of nearly 2.8 million and around 8.9 million respectively. This growth is expected to increase to more than 14 million (direct and indirect) by 2015 and to around 30 million by 2030. The market size of the industry is expected to rise to USD 225 billion by 2020 considering India's competitive position, growing demand for exports, Government policy support, and increasing global footprint. Employee retention refers to the various practices and policies which make an employee stick to organization for a longer period of time. The organizations invest time and money to groom a new joinee. They bring him at par with the existing employees and make him a corporate ready material. It is a complete loss of the organization when an employee leaves their job once they are fully trained. Various measures are taken into account in employee retention takes so that an individual stays in the organization for maximum period of time.
The procedure of retention management consists of six steps:
- Identification of the target and actual needs of the staff
- Analysis of the fluctuation risk of the staff
- The Analysis of factors of Motivation/De motivation of the retention group
- Identification of the targeted measures
- Implementation of the measures
- Evaluation of the measures

Employee turnover is very high in IT Organizations in India as skilled workforce has umpteen numbers of opportunities to choose from, prompting each organization to compete with the other in continuously developing attractive and innovative retention strategies to hold back their critical workforce and also to attract prospects. A clear understanding of consequences of employee turnover enables us to understand the importance of this study.

Reviews
Paul J Davis (2015) demonstrates how to build commitment and retain employees through a career-development strategy. Describes the five "Ps" of poor career development, the foundations of a career-development strategy and a number of career-development activities. Kevin J. Sigler, (1999) outlines the difficulty of retaining new employees covering the

problems, costs and methods used to retain productive employees. Suggests that there is often insufficient data regarding initial employee performance and the lack of incentives for better performers who are often treated equally with under performers. Considers the costs and benefits of using employment agencies. Briefly considers the use of pay as an incentive, including bonuses and stock ownership and job satisfaction through good job design to increase variety. Kate Pritchard , (2014) This feature seeks to demonstrate the importance of organizations understanding how they are perceived externally as an employer, and how regularly tracking the opinions of staff can ensure the best talent are engaged and stay with an organization. Advanced analysis of employee surveys can predict how employees are feeling to help organizations retain their most valuable staff.

Natalie Govaerts et al, (2011 The study was conducted with the aim of discovering the factors which maximally discriminate between those employees who intend to leave the organization and those who intend to stay with the organization. The primary motive was to find those factors which are strong predictors of intention to stay, so that employees who intend quitting are identified in advance, and remedial measures are taken to retain them, especially if they are key performers. Results showed that Affective Commitment, Normative Commitment and Goal Clarity were the best predictors of employees' intention to stay or leave the organization. Elisa Moncarz et al (2009) The purpose of this paper is to investigate US lodging properties' organizational employee-retention initiatives and practices, and to examine the impact of those initiatives on employee turnover and retention. Findings reveal that Corporate Culture, Hiring and Promotions and Training practices influence non-management employee retention. At the same time, Hiring and Promotion practices impact management retention, as well. Moreover, Organizational Mission, Goals and Direction, and Employee Recognition, Rewards and Compensation were found to positively reduce non-management employee turnover.
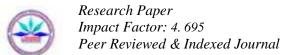
G. Stephen Taylor et al, (2010) Owner operators are an important group of truck drivers, yet have been the subject of very little academic research. Specifically, no research has explored retention issues among owner operators. Thus, this paper aims to employ a segmentation approach to owner operator retention, examining important independent variables that include: pay and compensation, top management support, time at home, and safety. Results show there are four different need-based driver segments, which means that specific driver retention programs must be developed for each segment. Robert Perrin (2016) This paper aims to warn that the short-term cost-cutting measure of laying off older employees can result in long-term problems. It stresses the value that older employees can add to organizations and offers insights on what employers should consider when trying to retain and attract older employees. The paper concludes that older employees help companies save money by sharing their wealth of experience and helping younger employees avoid mistakes they have made or witnessed in their own careers. The paper argues that to retain and attract the best older employees, companies need to be flexible, provide good compensation and offer work that is interesting and meaningful. Just like younger employees, many older employees want companies that provide time-off for family commitments and offer opportunities for advancement. Ing-Chung Huang et al (2006) The purpose of this paper is to examine the effect of individual-based, firm-based, and market factors on job retention, basing its hypotheses on human capital theory and signaling models. Marriage, gender, honored employee status, relative pay (both inter-firm and intra-firm wages), speed of promotion, and economic cycles had a significant impact on how long the employees retained their jobs, but education level and individual performance did not. Firm-specific human capital, wages, and signaling effects were proved to affect job retention. Firm-based factors had a significantly more pronounced impact on the ultimate decision than individual-based factors.

Statement of the Problem
Indian IT industry is portrayed by intense lack of gifted IT experts. Facilitate, the Liberalization strategy and consolation of business visionaries by the Indian Government cleared path for substantial number of local and also Multinational Companies to setup their improvement focuses in India making plentiful number of openings for work. The Indian IT experts are more looked for after everywhere throughout the globe. In this setting poaching and occupation jumping has turned into the request of the day bringing about abnormal state of steady loss among Organizations. Holding basic workforce in the Organization is in this manner a test postured by HR Managers of IT Organizations. The review goes for giving significant data required by HR Managers to devise Retention systems particular to the kind of Organization.

Objectives of the Study
The primary Objective of the review is to analyze the components impacting the maintenance of IT experts in Indian IT and Multinational Companies, as it structures the reason for outlining representative maintenance techniques implied for controlling whittling down rate in Indian IT Sector. A multilevel investigation of components that drove the representatives of Indian IT and Multinational Companies to leave their past Organization; the variables that were in charge of them to remain back in the present Organization; their state of mind towards work and work relationship and furthermore their essential desires from the Organization they were related with on need premise were completed to distinguish the distinction

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accordingly if any between these two gatherings, as it helps us to view maintenance elements from an all encompassing point of view. This is vital as it helps the HR Managers of these IT organizations to outline particular maintenance systems to control representative weakening successfully.

Research Methodology
The research has been conducted to find impact of Employee Retention towards a sustainable organization. It also helps to give employee perspective towards various roles of HR that have impacted the retention rate of the organization. Data has been collected via primary source taking a sample of employees from various organizations. The sample size consisting of 50 respondents were selected for the study. Since it is difficult to contact the entire population, sampling technique was adopted. The employees were interviewed using convenience sampling techniques. The research tools used to collect the primary data in this project are: Questionnaire and Personal Interview.
The collected data were analyzed by using Mean/SD with Test of Normality/ Regression

Table 1: Tests of Normality

Age wise		Kolmogorov-Smirnov[a]			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
Good work Environment	21 to 30	.305	50	.000	.784	50	.000
	31 to 40	.338	46	.000	.744	46	.000
	above 40	.310	21	.000	.784	21	.000
Exposure to latest technology	21 to 30	.320	50	.000	.797	50	.000
	31 to 40	.341	46	.000	.800	46	.000
	above 40	.233	21	.004	.871	21	.010
Job security	21 to 30	.262	50	.000	.824	50	.000
	31 to 40	.310	46	.000	.840	46	.000
	above 40	.205	21	.022	.899	21	.034
Attractive compensation	21 to 30	.288	50	.000	.843	50	.000
	31 to 40	.303	46	.000	.844	46	.000
	above 40	.268	21	.000	.887	21	.020
Growth Prospects	21 to 30	.294	50	.000	.855	50	.000
	31 to 40	.349	46	.000	.778	46	.000
	above 40	.308	21	.000	.793	21	.001
Attitude towards work	21 to 30	.172	50	.001	.913	50	.001
	31 to 40	.223	46	.000	.899	46	.001
	above 40	.214	21	.013	.895	21	.028
Work Relationship	21 to 30	.190	50	.000	.905	50	.001
	31 to 40	.198	46	.000	.891	46	.000
	above 40	.218	21	.011	.892	21	.025
General attitude towards superior	21 to 30	.275	50	.000	.851	50	.000
	31 to 40	.357	46	.000	.800	46	.000
	above 40	.285	21	.000	.829	21	.002
Career Development	21 to 30	.265	50	.000	.854	50	.000
	31 to 40	.293	46	.000	.852	46	.000
	above 40	.331	21	.000	.802	21	.001
Performance & Recognition	21 to 30	.217	50	.000	.886	50	.000
	31 to 40	.198	46	.000	.908	46	.002

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	above 40	.194	21	.037	.901	21	.036
Communication	21 to 30	.263	50	.000	.849	50	.000
	31 to 40	.243	46	.000	.863	46	.000
	above 40	.185	21	.059	.890	21	.023

a. Lilliefors Significance Correction

Table 2: Mean and SD with Skewness/Kurtosis

	Mean	SD	Skewness		Kurtosis	
			Statistic	Std. Error	Statistic	Std. Error
Good work Environment	4.05	0.63	-0.25	0.22	0.36	0.44
Exposure to latest technology	3.92	0.79	-0.82	0.22	1.32	0.44
Job security	3.85	0.91	-0.75	0.22	0.55	0.44
Attractive compensation	3.77	1.00	-0.87	0.22	0.51	0.44
Growth Prospects	3.66	1.15	-0.90	0.22	0.02	0.44
Attitude towards work	2.82	1.16	0.02	0.22	-0.95	0.44
Work Relationship	2.85	1.19	0.16	0.22	-0.93	0.44
General attitude towards superior	3.57	1.04	-0.48	0.22	-0.84	0.44
Career Development	3.70	1.02	-0.56	0.22	-0.59	0.44
Performance & Recognition	3.14	1.22	-0.04	0.22	-1.07	0.44
Communication	3.56	1.22	-0.41	0.22	-1.01	0.44

Table 3: Regression Analysis

R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
				R Square Change	F Change	Sig. F Change
.736[a]	.542	.494	.83751	.542	11.291	.000

a. Predictors: (Constant), Communication, Work Relationship, Job security, General attitude towards superior, Attitude towards work, Good work Environment, Career Development, Performance & Recognition, Attractive compensation, Exposure to latest technology, Growth Prospects/ b. Dependent Variable: Employee Retention

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.444	.754		1.914	.005
Good work Environment	.179	.159	.096	1.131	.026
Exposure to latest technology	.018	.126	.012	0.142	.008
Job security	.607	.117	.470	5.209	.000
Attractive compensation	.077	.097	.066	0.798	.042
Growth Prospects	.208	.088	.203	0.379	.001
Attitude towards work	.163	.078	.160	2.074	.004
Work Relationship	.307	.084	.311	3.661	.000
General attitude towards superior	.117	.090	.103	1.301	.019
Career Development	.294	.097	.254	3.016	.000
Performance & Recognition	.138	.078	.143	1.765	.008
Communication	.288	.083	.299	3.486	.000

b. Dependent Variable: Employee Retention

Normal P-P Plot of Regression Standardized Residual
Dependent Variable: Employee Retention

Finding of the study
From the above examination, it is comprehended that there is no critical contrasts in reactions between IT experts of Indian and Multinational Companies in India, as for the greater part of the statistic factors like age, sex, instructive capability, pay from different sources, accreditation, money related duties, family status, working hours, remove from the work environment, movement office, add up to involvement in past association and number of employments changed. Be that as it may, there was critical contrast in reactions between the two gatherings as for involvement in the present Organization, current position in the Organization and preparing programs experienced. With reference to the purposes behind leaving past Organizations; staying elements; disposition towards work and work relationship and desire of representatives in view of their inclination, it was found that there is no critical distinction accordingly among Indian IT Professionals.

Conclusions and Suggestions
The review demonstrated that there is no huge contrast accordingly among IT Professionals of Indian IT and Multinational Companies in India as for the vast majority of the things considered in the study. In this way reason the Indian IT Companies are in standard with Multinational Companies in different viewpoints. Having a powerful maintenance technique will help Organizations in pulling in and holding top ability. Best Management ought to view steady loss as a difficult issue and take measures to control it by including HR Managers and Business Leaders. An online framework or a discussion ought to be made wherein the IT experts can voice out input transparently and valiantly on different issues like their desires from the Organization, deficiencies in the Organization that hamper their execution that impacts Organization's execution. This would help in shaping the reason for creating maintenance systems. Associations ought to intermittently lead leave, engagement and culture studies to comprehend the changing desires of the basic workforce every once in a while and take every one of these contributions to have an all encompassing comprehension of the components impacting maintenance of representatives. It helps in creating representative particular maintenance systems to control steady loss. One of the maintenance procedures could give Flexible advantages where representatives have alternatives to pick benefits, which are more useful for them. It ought to thusly be endowed to the HR office who ought to be exclusively mindful and responsible for executing a powerful maintenance prepare, beginning from leading exploration to actualizing particular representative cordial systems. The statistic points of interest of the IT experts ought to likewise be considered while outlining the maintenance procedures as some of these factors have demonstrated to have impact on maintenance. Likewise in view of the changing monetary situation and supply-request of human asset, Organizations ought to embrace new activities and audit existing maintenance procedures. Always observing and seat denoting the maintenance methodologies of the contenders and making a proactive stride towards executing novel and alluring procedures superior to anything them to an expansive degree counteracts poaching of workers. Partaking in business reviews and keeping up top positioning likewise builds the workers' dedication towards the Organization and would be most looked for after by prospects.

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