



## MR. ATTRITION: AN OVERVIEW OF THE HISTORY, CAUSES AND REMEDIES

Shyam B R\* Dr. N K Ramachandra Gowda\*\*

\* Associate Professor, DOS in Business Administration, Maharaja Institute of Technology Mysore, Karnataka, India .

\*\*Rt. Professor, Mysore, Karnataka, India .

### Abstract

Our assets walk out of the door each evening. We have to make sure that they come back the next morning. Yes the ever burning topic of the day of HR professionals why employees are jumping the ship (company) is a matter for concern in many industry sectors - is something wrong with the ship, the captain (management) or the weather (working conditions)? The research article highlights an overview of the history, why are they leaving and why managing attrition level in organization.

**Key Words:** Attrition, Turnover, Drive attrition, Drag attrition, Separation, Career paradigms.

### A Brief History of Attrition

Reeling under one of the highest attrition rates in the world, Indian firms are getting imaginative about identifying and retaining quitters. I, laugh when I ask my friend because he is on his 10<sup>th</sup> job in 8 year. I didn't think this aspect of my life would get me attention. The reasons for his exits: job profile promised didn't match up, and bad managers he didn't want to suffer.

In earlier times, jobs were few and the evolution of technology was low. People believe jobs for life. The lakshman rekha between employer and employee has broken. Suddenly, new idioms like taking control of my own career, managing my own professional life and boo to my boss came and the youth today has a large number of avenues available to them to build a career, they walk out with a graduation degree from various universities, with great aspirations and expectations. These individuals dreams to make big in life with their inherent skills. Here, it becomes difficult for them to decide the job that suits their skills and match their expectations. A 2013 survey conducted by Hay group India, a Global consulting firm with over 7,000 cities clients across the world, in association with the UK-based centre for economics and business research, predicted that India would account for 26.9% of the year's employee turnover, against 21.8% in US, 21.3% in China and 14.6% in UK. Of the 161.7 million employees who were expected to quit their job that year, 43.4 million were predicted to be in India. (Source: Bangalore Mirror: Monday, Oct 27, 2014, Page 15).

### What is Attrition?

An employee leaving the organization which includes both voluntary and involuntary separations is called attrition. Attrition also termed as labour/employee turnover is a fact of organizational life. Employee attrition can be classified into two categories namely:

**Drive Attrition:** Is caused mainly due to policy, practice and treatment of employer in the industry like. Example: odd hours, unpleasant work environment etc.

**Drag Attrition:** An uncertainty is faced by the employees in his working environment such as absence of adequate opportunities for advancement in career and to express achieve mental. Example: call centre employees has to answer only tele calls with no outlets to creativity has no scope for self advancement later monotonous, stress etc.

### The Real Problem?

Employee attrition is a part of alarming statistic that makes India Inc stand out in the global attrition graph. Organizations are comprised of people and not simply tasks. Employees valued only for what they do and not for who they are. Productivity sometimes fosters an atmosphere of fear and doubt that makes Mr. Attrition likely and on other hand in constantly changing business scenario which paves way and competition for talent and increased attrition level. It has become imperative for the employers to retain the talented employees at any cost.

### Reasons for Leaving Organization/Causes

The reasons people leave an organization are so varied that any attempt to find one comprehensive. What is encouraged here is an honest assessment. Can they be explained by environmental factors? Are the organizational factors? Organizational behaviours or strategies? These are the kinds of questions that must be asked. Apart from unavoidable ones like resignation, retrenchment, retirement, death or disability other factors are:

- Not about the money; most people join company for the brand and leave because of bad managers in managing, education, luxury, KPO & FMCG



- Bosses who don't value them as their biggest motivator to quit
- Distance from an employee's home to office or in the office culture that varies from one firm to another
- Insecurity, low assertiveness and stress especially in IT industry
- Employee's expectations of the job
- Absence of conducive workplace environment
- Mismatch of job profile
- Lack of opportunities for career growth/mobility and challenges
- Lack of recognition/appreciation
- Lack of trust/coaching/feedback
- Lack of confidence in peers, seniors and the management
- High levels of stress and lack of work life balance
- Odd working hours
- More lucrative job offers
- Ergonomic discomfort
- Functional incompatibility
- Pay

Changing career paradigms is also one of the reasons for leaving organization and the below table 1.1 shows the difference between old and new changing career paradigms.

Old	New
Job security	Employees security
Longitudinal career paths	Alternative career paths
Job/person fit	Person/organization fit
Organizational loyalty	Job/task loyalty
Career success	Work/family balance
Academic degree	Continuous relearning
Position/title	Competencies/development
Full time employment	Contract employment
Retirement	Career sabbaticals
Single jobs/careers	Multiple jobs/careers
Change in jobs based on fear	Change in jobs based on growth
Promotion tenure based	Promotion performance based
Source: Attrition Syndrome: Exit Interview, HRM Review, 2010	

#### **Diffusing Attrition/Strategies/Remedies**

In spite of being IT Giants, TCS, Wipro and Infosys are facing high attrition rates and are finding it difficult to retain their employees, inspite of attractive package. HR initiatives for combating or controlling or preventing or diffusing attrition and strategies to build it are as follows:

- Companies have begun to live data analytic firms to use psychometric software to analyze quitter behavior. These firms, inturn help companies tweak their hiring process to shift out potential quitters. Like Jombay pune based data analytics firm, Citibank, Nestle, Tata group etc.
- BPO's offer fewer such opportunities of talking to your manager and IT firms are open to the idea.
- Pre-profiling to ensure that the job is aligned with their skills. So that firms can cut losses at entry level and training time.
- Opening up internal job opportunities for its employees. This allows candidates growth, but within the set up. Like engineering position to management and this is very true in the manufacturing sector where mobility is higher than attrition.
- Poaching experienced hands from bigger sectors of attrition chains like in hotels and hospitals.
- Clint hiring self assured candidates who handle high levels of stress, who can bring down attrition from 100% to 40% (Hospital: 100% & BPO 40%).
- LinkedIn profiles and social networking accounts throw up hints; there is a mood-o-meter to turn to track an employee's mood on daily basis.



- Set up on the firm's internal websites, the software requires employees to do something as simple as select an emoticon that best reflects their mood.
- Candidates are meticulously tested mostly for the psychological strength for withstanding the monotony of work and the hazards of occupation, like odd working hours, peer competition, deadline, stresses etc.
- A fun-filled workplace like creating a joke board in the staff room/lunchroom where one can post good cartoons, jokes or crazy photos of him/her colleagues.

#### **Other Controlling Techniques are**

- Love them or lose them
- Help your people to upgrade their knowledge in relevant fields
- Employees need a change in their job profile
- Change in job location can act as motivation
- Are employees satisfied with their job/organization
- Encourage referrals from your people
- Pay more attention to incentives and perks
- Insurance schemes that cover life and accident for the employee and some of his family members.
- Free or subsidized lunch/dinner
- Transportation facilities to and fro office
- Leased accommodation to employees shouldering heavy responsibility
- Recreation, healthcare, gym
- Financial support to employees like wedding, death, festival etc
- Recognition of merits and rewards periodically
- Incentives like bonus, increments and promotions
- Exit interview

#### **Conclusion**

Attrition occurs because of crisis leadership. People don't leave companies but leave bosses. Leaders have to take responsibility for the way they treat their employees. A high rate of attrition generally projects a negative image of the company and of late attrition rates being the bane of every industry.

Do not hire a man who does your work for money, but hire him who does it for love of it. In short companies don't want employees jump ship at the drop of a hat. It may not work for everyone, though but a professional should stay in one job for at least two years this is when a firm gets its return on investment.

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