



Investigation into Factors Influencing Employee Retention Among IT Professionals: A Perspective from India

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ABSTRACT

Employee retention poses a significant challenge for IT organizations in India, where skilled professionals are in high demand both domestically and internationally. The departure of technocrats in pursuit of better opportunities threatens the stability and productivity of these organizations, particularly in the face of economic uncertainty and fierce competition. To address this issue, effective retention strategies are crucial. This study adopts a holistic approach to investigate the factors influencing employee turnover in Indian IT and multinational companies, as perceived by HR managers. The research aims to identify the reasons for employee attrition, factors contributing to retention, attitudes toward work, work relationships, and basic expectations from the organization. Furthermore, the study seeks to determine if there are any significant differences in responses between IT professionals employed in Indian IT companies versus multinational corporations. Analyzing data collected from 30 IT professionals, the study found no significant difference in responses between these types of companies. However, differences were observed based on certain demographic factors such as total experience, position, and participation in sponsored certification programs. The findings of this study are expected to assist HR managers in developing tailored retention strategies to mitigate attrition rates within their respective organizations.

Keywords: Attrition Rate, Employee Retention, Holistic approach, Technocrats, Retention Strategies.

1. INTRODUCTION

Before the economic liberalization policy of the Congress Government (1991) in India, the scenario in Organizations were completely different from that which exists now in terms of stability of workforce as opportunities were very few at that time comparatively. In the early 50's and 60s more Government Organizations/semi-government Organizations and very few private players existed. People preferred working in government or semi-government Organizations, as it provided job security and quality of work life. People who entered the job market remained with one employer for a very long time, sometimes for the duration of their working life. If they change jobs it was usually a major career and life decision and someone who made many and frequent job changes was looked at as an incompetent person not able to survive anywhere, struggling to make both ends meet. In the 70's and later, external mobility increased dramatically posing a great threat to the Organizations. The Personnel/HR Managers of the Organizations found themselves with a new phenomenon to consider, the employee turnover. Moreover, voluntary turnover has now increased drastically, as the Indian market is opened to foreign players as well. Besides this, the government is also encouraging entrepreneurship, so there are many domestic players also entering the Indian market. This situation has resulted in stiff competition for competent workforce. Poaching and job-hopping has become the order of the day. As the Organization began to feel the impact of the rise of voluntary employee turnover, employee retention strategies emerged. IT the sunshine industry of India that contributed a major share towards the GDP (6.4% in 2011) of our country is faced with the challenge of retaining people as the attrition rate is high. In FY12, IT industry has witnessed an average attrition rate of 17-25% as compared to other sectors in India like manufacturing, banking and others, which is about 8%. It was also observed that the attrition has dipped down in FY12 from FY11 (55-60%) according to a recent industry specific survey carried out by the Associated Chambers of Commerce and industry of India (ASSOCHAM). From the survey it was found that the dip in attrition rate is due to the rise in retention and employee satisfaction programs undertaken by IT firms, but this has to be reduced further. Earlier studies on retention mostly focused on analyzing the causes for employees leaving the Organization, aiming at controlling attrition, and it was found that the causes varied from one Organization to the other. Later studies on employee retention focused on factors that influenced the employees to stay back in the Organization, to concentrate on those factors that hold back the employees. Last decade witnessed studies on attitude/behavioral changes of employees towards work and work relationships, as it was believed to predict turnover. Last but the least employees' expectations from the Organization on priority basis cannot be ignored. The above study on employee retention factors influencing IT professionals is a holistic approach involving all the above aspects from the perspective of employees of both Indian and Multinational IT Companies considered, to understand whether the strategies differ with respect to the background of the Organization they are associated with.

2. LITERATURE REVIEW

Numerous studies have been conducted on employee retention so far. The exponential growth of IT sector in India in the last few decades have prompted the Organization to focus on employee centered employment relationship to hold back the employees. A considerable amount of literature has been published on retention so far. Review of literature of the related studies gave an insight about the subject matter and also helped in analyzing the existing gap that could be taken up for further research.

Get Les Mckeown stated that employee retention is a systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their diverse needs. Earlier studies on employee turnover focused mainly on understanding causal mechanisms. Despite several studies carried out on employee retention, the strategic human resource researchers are still investigating the causal mechanisms between HR practices and firm's performance (Collins and Clark, 2003; Hatch and Dyer, 2004) mostly related to voluntary turnover as a critical component (Shaw, Gupta and Delery, 2005) as employee retention plays a vital role in bridging the gap between the macro strategies and micro behavior in Organizations. This is because it ensures stability and connects the experiences of individuals in Organizations on a continuous basis to the critical measures of success factors in the Organization. The decision of leaving the Organization is not easy for an individual employee as well as significant energy is spent on finding new jobs, adjusting to new situations, giving up known routines and interpersonal connection and is so stressful (Boswell, Boudreau and Tichy, 2005). Therefore, if timely and proper measures are taken by the Organizations, some of the voluntary turnover in the Organization can be prevented. The reasons for employee turnover may vary from external environmental factors such as economy that influence the business that in turn affects the employment levels (Pettman 1975; Mobley, 1982, Schervish, 1983; Terborg and Lee, 1984) to Organizational variables such as type of industry, occupational category, Organization size, payment, supervisory level, location, selection process, work environment, work assignments, benefits, promotions and (Mobley, 1982; Arthur, 2001). The other factors that influence employee turnover in Organizations include the individual work variables like demographic variables, integrative variables like job satisfaction, pay, promotion and working condition (Pettman, 1975; Mobley 1982; Arthur 2001) and the individual nonworking variables such as family related variables (Pettman, 1975; Mobley, 1982;). Any of the above factors could be the reasons, but the decision process to leave or stay in the Organization is to be periodically examined to understand the specific reasons that prompted them to take such a step and the Organizations should be mainly concerned about voluntary turnover and not involuntary turnover as it is within their control. Also it is found that employees who perform better and are intelligent enough have more external employment opportunities available compared to average or poor performance employees and thus they are more likely to leave (Trevor, 2001). High rates of voluntary turnover of such employees are often found to be harmful or disruptive to firm's performance (Glebbeck & Bax, 2004). When poor performers, choose to leave the Organization, it is good for the Organization (Abelson & Baysinger, 1984), thus it is important to differentiate between functional and dysfunctional turnover and accordingly encourage or discourage employee turnover. Further voluntary turnover of critical work force is to be differentiated into avoidable and unavoidable turnover (Barrick & Zimmerman, 2005). Estimates of the loses for each employee vary from a few thousand dollars to more than two times the person's salary depending on the industry, the content of the job, the availability of replacements and other factors (Hinkin & Tracey, 2000). In some industries chronic shortage of qualified employees has driven up the costs of turnover. Therefore, the acquisition, development and retention of talent form the basis for developing competitive advantage in many industries and countries (Pfeffer, 1994, 2005). Organizations failing to retain high performers will be left with an understaffed, less qualified workforce that ultimately hinders their ability to remain competitive (Rappaport, Bancroft, & Okum, 2003). Later studies on employee retention focused on the broad array of factors that influence a person's staying in a job termed as job-embeddedness construct by Mitchell et al in 2001. The dimensions considered show linked the employee has to other people, how she or he fits in the Organization and what the employee would sacrifice on leaving the Organization. He reported that job embeddedness was negatively correlated with intention to leave and predicted subsequent voluntary turnover. A subsequent study (Lee, Mitchell, Sablinski, Burton, & Holtom, 2004) on job embeddedness revealed that off-the-job embeddedness was significantly predictive of subsequent voluntary employee turnover and volitional absences, whereas on-the-job embeddedness was nonsignificant. Job embeddedness theory was further examined (Mallol, Holtom & Lee, 2007) and the findings suggest that while job embeddedness may vary in strength across different demographic groups, it is nonetheless a robust predictor of employee retention. Recently, Allen (2006) found that an organization's socialization tactics enable the organization to actively embed new employees. Specifically, collective, fixed and investiture tactics were positively related to on- the-job embeddedness. Further, on-the-job embeddedness mediated the relationship between some socialization tactics and turnover. Mossholder et al. (2005) also built on the logic advanced in the job embeddedness concept to examine the effect of relationships on turnover. They found that network centrality and interpersonal citizenship behavior were negatively related to turnover. Also, Zatzick and Iverson (2006) found that off-the-job embeddedness decreases turnover, especially among women. Allen, Shore and Griffeth (2003) who found that perceptions of supportive human resource practices (participation in decision making, fairness of rewards, and growth opportunities) contribute to the development of POS, which is negatively related to withdrawal. Given that employers are looking to increase the probability that valuable employees stay and less valuable employees leave, systematic investigations into the process of staying seem especially promising. The last decade has seen the initiation of a variety of interesting and rigorous studies that account for some of the complex and dynamic nature of the turnover process. Three studies incorporated attitudinal and/or behavioral changes over time to better predict turnover.

Sturman and Trevor (2001) found that quitters' performance over time did not significantly change while stayers' performance slope was positive. Demographic factors cannot be ignored as age, tenure, level of education, level of income, job category, gender have influenced employee retention and have been found to have stable relationship with turnover intention. Of the above demographic factors, age, tenure and income level was found to be negatively related to turnover intention (Arnold & Feldman, 1982; Cotton & Tuttle, 1986; Gerhart, 1990; Mobley et. Al, 1979; Price & Mueller, 1986; Wai & Robinson, 1998; Weil & Kimball, 1995); level of education is positively associated with turnover, the more educated the employees there is a tendency to quit (Berg, 1991; Cotton & Tuttle, 1996); With respect to job category, Wai & Robinson, 1998 and Price and Mueller, 1986 found that non-managerial employees are more likely to quit than managerial employees. Relationship between gender and turnover showed mixed result. Cotton and Tuttle (1986) and Weisberg and Kirshenbaum (1993) found females more likely to leave than males. Miller and Wheeler (1992) and Wai and Robinson (1998) reported no relationship between gender and turnover. A study conducted by Elaine (1997) and Summers and Hendrix (Mobley (1982) and Dickter, Roznowski and Harrison (1996) called for more research and theory pertaining to how the turnover process occurs over time. 1991) found males more likely to quit than females in favor of a more attractive job if their expectations are not met as they are the breadwinner for the family and females work to basically supplement the family income.

3. STATEMENT OF THE PROBLEM

Indian IT industry is characterized by acute shortage of skilled IT professionals. Further, the Liberalization policy and encouragement of entrepreneurs by the Indian Government paved way for large number of domestic as well as Multinational Companies to setup their development centers in India creating ample number of job opportunities. The Indian IT professionals are more sought after all over the globe. In this context poaching and job-hopping has become the order of the day resulting in high level of attrition among Organizations. Retaining critical workforce in the Organization is therefore a challenge posed by HR Managers of IT Organizations. The study aims at providing relevant information required by HR Managers to devise Retention strategies specific to the type of Organization.

4. RESEARCH OBJECTIVES

The main Objective of the study is to examine the factors influencing the retention of IT professionals in Indian IT and Multinational Companies, as it forms the basis for designing employee retention strategies meant for controlling attrition rate in Indian IT Sector. For realizing the above objective, personal and professional details of IT professionals of Indian IT and Multinational Companies were studied to understand whether significant differences existed in background of employees among these two groups. A multilevel analysis of factors that led the employees of Indian IT and Multinational Companies to leave their previous Organization; the factors that were responsible for them to stay back in the current Organization; their attitude towards work and work relationship and also their basic expectations from the Organization they were associated with on priority basis were carried out to identify the difference in response if any between these two groups, as it helps us to view retention factors from an holistic perspective. This is very important as it helps the HR Managers of these IT companies to design specific retention strategies to control employee attrition effectively.

5. HYPOTHESIS

Ho = The response is same for IT professionals in Indian IT Companies & Multinational IT Companies. H₁ = The response is not same for IT professionals in Indian IT Companies & Multinational IT Companies for all the items considered.

6. METHODOLOGY

A study on Employee Retention factors influencing IT Professionals of Indian IT Companies and Multinational Companies in India is empirical in nature. The purposive sampling technique was adopted to conduct the study. 30 IT professionals were considered for the study. Out of these, 12 respondents were from Indian IT Organizations and 18 respondents were from Multinational IT Organizations. Structured Questionnaire was used to elicit the data required for the study. The questionnaire comprised of 164 survey items framed on the basis of the previous related studies relevant for the study. The items given were measured using Likert 4point scale and 5-point scale. The questionnaire was segregated into various Parts-Company reasons influencing decision to leave previous. Organization Personal reasons for leaving an Organization; Organizational factors that influenced the employee to stay back in the current Organization; Personal factors that influenced the employee to stay back in the current

Organization; Attitude of the employees towards work and work relationships; Expectation of IT professionals from the Organization based on their preference. The data collected were organized and subjected to descriptive (number, percentage, mean & standard deviation) and inferential statistical analysis (Chi-square test for homogeneity).

7. RESULTS AND DISCUSSION

Table 1 Personal & Professional Profile of IT Professionals in Indian IT Companies and Multinational IT companies in India influencing Employee Retention

VARIABLES	CATEGORY	Classification of respondents						χ^2 Value
		Indian (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	0.34 NS
	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	1.67 NS
	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	

Personal Information: The overall response of IT professionals indicates that 60% of them were of age group 30-40 years. Majority of the respondents from both Indian IT companies and MNC's were of age group 30-40 years. The respondents of age group 30-40 from Indian IT companies (66.7%) were slightly more than that of the MNC's (55.6%), however there is no significant difference in age group between these two groups ($\chi^2=0.37^{NS}$). With respect to the gender-wise profile, overall there were 76.7% male respondents. There were slightly more male respondents from MNC (88.9%) compared to that of Indian IT Companies (58.3%), however there is no significant difference in gender between the two groups ($\chi^2=3.76^{NS}$). Overall 50% of the respondents were Engineering graduates, 40% of them were Post Graduates (MBA, MCA) and 10% non-Engineering graduates. In Indian IT companies considered, majority of the respondents (50% each) were Engineering graduates and 50% were Post Graduates (MCA & MBA). Majority of the respondents (50%) from MNC's were Engineering graduates. Though there is slight difference in educational background of Indian IT companies and MNC respondents, there is no significant difference in this respect ($\chi^2=2.5^{NS}$). With respect to self-income per annum, overall response of IT professionals indicated that more percentage of respondents fall in range 5-12 lakhs. Majority of the respondents from MNC's (50%) have salary in the range 5-12 lakhs per annum, slightly more than respondents from Indian IT companies (41.6% each) who were in the salary range upto 5 lakhs and 5-12 lakhs per annum. Overall 93% of the IT professionals in India have no other source of income other than their self-income. Majority of the respondents of MNC's (94.4%) do not have any other source of income other than their self-income, slightly more than the respondents of Indian IT Companies (91.7%) when compared. However there is no significant difference in their response in this respect ($\chi^2=0.09^{NS}$). With respect to the financial commitments, overall 86.6% of the IT professionals had some or the other kind of financial commitments. 91.7% of the respondents from Indian IT companies have financial commitment that is, slightly more than the respondents of MNC's (83.3%). However there is no significant difference in response between the two groups with respect to financial commitments ($\chi^2=0.43^{NS}$). With respect to the type of financial commitment the IT professionals have, from the overall response it is found that 63.3% have loan, 26.7% have more dependents and 10% have more responsibilities. More percentage of the Indian IT Company professionals (66.6%) have loan, slightly more than the respondents of MNC's (61.1%). With respect to residential status, the overall response of IT professionals in India indicated that (63.3%) stay in rented house. Majority of the respondents from MNC's (72.2%) are staying in rented house as compared to the respondents from Indian IT companies (50%). However, there is no significant difference in residential status between the Indian and MNC IT professionals ($\chi^2=1.53^{NS}$). From the overall response of IT Professionals, it is understood that most of the respondents (86.7%) belong to nuclear families. The respondents of Indian IT Companies (91.7%) indicate that they are

from nuclear families, slightly more than that of MNC’s (83.3%) when compared. However, there is no significant difference in response with respect to the family type between the respondents of Indian IT Companies and MNC’s ($\chi^2=0.43^{NS}$). The overall response of IT professionals indicates that majority of them (56.7%) have 4-5 members in their family. 58.3% of respondents from MNC have 4-5 members, slightly more than that of MNC respondents indicated as 55.6%. However, there is no significant difference with respect to number of members in the family between the Indian IT company professionals and MNC’s ($\chi^2=0.34^{NS}$). With respect to number of earning members in the family, the overall response of the IT professionals indicated that 43.3% of them had 2 earning members in their family. (50%) respondents from Indian IT companies had 2 earning members, slightly more than that of MNC (38.9%). However, there was no significant difference in response between the two group with respect to the number of earning members ($\chi^2=0.39^{NS}$).

Table 2

PROFESSIONAL BACKGROUND								
VARIABLES	CATEGORY	Classification of respondents						X ² Value
		Indian (n=12)		MNC (n=18)		Combined (n=30)		
		N	%	N	%	N	%	
Total Experience	1-5 Years	3	25	7	38.9	10	33.3	0.6 NS
	6-10 Years	4	33.3	4	22.2	8	26.7	
	11-15 Years	5	41.7	7	38.9	12	40	
Type of Management in the Current Organization	Private	7	58.3	15	83.3	22	73.3	2.30 NS
	Public Limited Co.	5	41.7	3	16.7	8	26.7	
Experience in the current Organization	1-4 years	5	41.6	15	83.3	20	66.7	5.63* S
	5 Years and above	7	58.3	3	16.7	10	33.3	
Experience in current position	1-2 Years	7	58.3	9	50	16	53.3	6.56*S
	3-4 Years	1	8.3	8	44.4	9	30	
	5+ Years	4	33.3	1	5.5	5	16.6	
Working Hours	6-8 Hours	2	16.6	6	33.3	8	26.6	1.02 NS
	8-10 Hours	10	83.3	12	66.6	22	73.3	
Distance from Residence to Company in Kms.	1-5 Kms	1	8.33	7	38.8	8	26.6	3.63 NS
	6-10 Kms	5	41.6	4	22.2	9	30	
	10+ Kms	6	50	7	38.8	13	43.3	
Mode of transportation	Public transport	3	25	3	16.6	6	20	5.94 NS
	Private transport	0	0	6	33.3	6	20	
	Own	4	33.3	6	33.3	10	33.3	
	Company vehicle	5	41.6	3	16.6	8	26.6	
Co. Sponsored Certification	Yes	3	25	3	16.7	6	20	
	No	9	75	15	83.3	24	80	
Training Programmes Undergone	Yes	9	75	6	33.3	15	50	5.00* S
	No	3	25	12	66.6	15	50	
Average Experience in the previous Organizations	No	1	8.3	4	22.2	5	16.6	1.18 NS
	1-3 Years	7	58.3	10	55.5	17	56.6	
	4+ Years	4	33.3	4	22.2	8	26.6	
No. of Jobs Changed so far	No	1	8.33	4	22.2	5	16.6	2.98 NS
	One	4	33.3	9	50	13	43.3	

Professional Background: From the overall response of IT professionals it is understood that majority (40%) of them have total experience ranging from 11-15 years. Majority of the respondents (41.7%) from Indian IT companies have total experience ranging from 11-15 years while the respondents in MNC’s have total experience ranging from 1-5 years and 11-15 years according to 38.9% respondents each. The Chi-square test indicates there is no significant difference in the response with respect to total experience between the IT professionals of Indian Companies and MNC’s ($\chi^2=0.6^{NS}$). The overall response of IT professionals with respect to the type of Management in the current Organization indicates that 73.3% of them work in Private Ltd companies. 83.3% of the respondents from MNC’s work in Private Ltd companies as compared to 58.3% respondents who work of Indian IT Companies. However, there is no significant difference in the type

of Management between Indian Companies & MNC's ($\chi^2= 2.30^{NS}$). The overall response of IT professionals with respect to the experience in the current Organization indicates that majority of them (66.7%) have experience ranging from 1-4 Years. 83.3% of the respondents from MNC have experience of 1-4 Years while majority of the Indian IT Company professionals (58.3%) have experience of 5 Years and above. The Chi-square test indicates that there is significant difference in response with respect to experience in the current Organization ($\chi^2= 5.63^{*S}$). With respect to experience in current position, the overall response of IT professionals indicates that 53.3% of them are in the same position from 1-2 years. Slightly more number of respondents from Indian IT Companies (58.3%) has 1-2 years' experience as compared to MNC's (50%). However, there is significant difference in response with respect to experience in the current position between the respondents of Indian IT Companies and MNC's ($\chi^2= 6.56^{*S}$). The overall response of IT professionals indicates that most of them (73.3%) work for 8-10 hours in a day. 83.3% of the MNC respondents work for 8-10 hours as compared to 66.6% of the respondents in Indian IT Company. However, there is no significant difference between the two groups with respect to working hours ($\chi^2= 1.02^{NS}$). With respect to the distance from the place of work to the residence, the overall response of IT Professionals indicated that majority of them travel more than 10 Kms. to reach their workplace. 50% of the Indian IT respondents travel more than 10 Kms from their residence to the workplace, while 38.8% each of the respondents from MNC's stay 1-5 Kms and 10+ Kms. respectively. However there no significant difference in response between the two groups with respect to distance from residence to place of work ($\chi^2= 3.63^{NS}$). From the overall response of IT professionals, it is understood that majority of the respondents travel by their own vehicle to their place of work. 41.6% of the respondents of Indian IT companies travel by the Company vehicle while 33.3% each from MNC's are travelling by private transport and own vehicle respectively. However, there is no significant difference in response between the two groups with respect to mode of transport to commute to and fro from residence to workplace. With respect to Company sponsored certifications, from the overall response of IT professionals it is understood that 80% have not received any kind of certifications sponsored by the Company. 83.3% of the respondents from MNC had no such privilege in MNC compared to Indian IT Companies respondents (75%) for the same. However, there is no significant difference in response in this aspect between the IT professionals of Indian Companies and MNC's ($\chi^2= 0.31^{NS}$). The overall response of IT professionals with respect to training program attended sponsored by the company indicated that 50% had the privilege in the company to do that. 75% of the respondents from Indian IT Companies underwent training programs in their company while 66.6% respondents from MNC's did not attend any training program. There is significant difference in response with respect to whether they were given training in the Company ($\chi^2= 5.00^{*S}$). With respect to the average level of experience in an Organization, the overall response of IT professionals indicated that 56.6% have an average experience of 1-3 years. 58.3% of IT Professionals from Indian IT Companies have average experience of 1-3 slightly higher than the MNC's (55.5%). However, there is no significant difference in response between Indian IT Company Professionals and MNC's with respect to average number of experience in each Organization ($\chi^2= 1.18^{NS}$). With respect to number of jobs changed so far in their career, overall response of the IT professionals indicated that majority of them (43.3%) have changed 1 job. 58.3% from Indian IT companies have changed 2 jobs so far and 50% of them from MNC have change 1 job. However, there is no significant difference in response between Indian IT companies and MNC's ($\chi^2= 2.98^{NS}$).

7.1. Factors that influenced the IT Professionals in their decision to leave Previous Organizations

It is classified into Company factors and Personal factors to determine if the Voluntary employee turnover in the Organization can be controlled or not. Under Company factors various aspects like Company policies, Salary, Benefits, Recognition, Work environment, relationship with Supervisor, Peers, Subordinates; Nature of work, Career Growth, Company Culture, transparency, exposure in advanced technologies, onsite opportunities, Working hours, Work life Balance, Job Security, Image of the Organization, Stability, Promotion, No Work (On bench), clarity in work, Communication, Politics, Work Pressure, Extended working hours, incompatibility in Salary based on eligibility, empowerment, Job satisfaction, transport facilities, canteen facilities, recreational facilities, township facilities, medical facilities, Insufficient Leaves, Poaching, more than one reporting Managers, Work from home and frequent travel were all taken into consideration to understand which of these factors led the IT professionals to leave the previous Organizations and to what extent. Similarly, the individual factors like proximity to place of stay, health reasons, decision to take time off from work to recoup, Self-employment, interest in new learning, family pressure, decision not to work after marriage, to pursue hobby, no proper connectivity to place of work, to take care of children and old parents, to give more attention to the family, to move to another industry of interest were also considered to understand which of these factors led them to take a decision to leave the previous Organizations. The study focuses on understanding if there is any difference in the causes between Indian IT Company professionals and MNC's. Based on the analysis of the above aspects the following is the result:

Table 2 Mean Response on Factors influencing decision to leave previous Organization **Company Reasons**

Company	Sample (n)	Statements	Max. Score	Response on Factors influencing decision to leave previous Organization				t' Value
				Mean	SD	Mean(%)	SD(%)	
Indian	12	39	195	99.00	29.9	50.8	15.3	1.22 NS
MNC's	18	39	195	85.70	29.5	43.9	15.1	

Combined	30	39	195	91.00	29.9	46.7	15.3	
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NS: Non-Significant, $t(0.05, 28df) = 2.048$

The overall mean response of IT professionals towards Company factors influencing decision to leave the previous Organization is 46.7%. The mean response of IT Professionals of Indian Companies was found to be slightly higher (50.8%) as compared to MNC (43.9%). However, the test result ($t=1.22^{NS}$) showed that the mean response on company factors influencing to leave Organizations shows no significant difference in response between the two groups.

Table 3 Mean Response on Factors influencing decision to leave previous Organization **Personal Reasons**

Company	Sample (n)	Statements	Max. Score	Response on Factors influencing				't' Value
				Mean	SD	Mean (%)	SD (%)	
Indian	12	13	65	29.50	12.3	45.4	18.9	0.92 NS
MNC's	18	13	65	25.60	9.9	39.4	15.3	
Combined	30	13	65	27.17	10.9	41.8	16.8	

NS: Non-Significant, $t(0.05, 28df) = 2.048$

The overall mean response of IT professionals with respect to personal reasons for influencing decision to leave previous Organizations is indicated as 41.8%. The mean response of IT professionals from Indian Companies is slightly more (45.4%) as compared to professionals from MNC in this respect. Further the mean response for personal factors influencing decision to leave the previous Organization considered shows no significant difference between the two groups in response ($t=0.92^{NS}$).

7.2. Factors influencing the stay of employees in the Current Organization

It is classified into Organizational and Individual factors and various aspects were considered to track the reasons that prompted the IT professionals to stay back in the Company. Organizational factors considered include policies of the company, transparency, keeping up promises made at the time of hiring, orientation of new employees, working conditions, Job expectation Vs. reality, role assigned, support from the project team, support from the reporting Manager, Flexibility and freedom in work, technology, Sufficient training opportunities to improve competencies on job performance, job satisfaction, salary, benefits, Opportunities for personal growth, Opportunity to express feedback and concerns, timely recognition of performance, Performance evaluation System, flexibility to manage work life balance, Job security, Image of the Organization, Stability, Empowerment, No work(on bench), Crèche facility, transportation facilities, Canteen facilities, Medical facilities, Recreational facilities, Family involvement, Option to work from home, Comfort level in the Organization and onsite Opportunity. Similarly, under individual factors various growth aspects in the Organizations that prompted the employees to stay back in Organization was taken into consideration like Overall performance, Quality of Work, Quantity of Work, Meeting deadlines, reliability, adaptability, initiative, effective communication, leadership skills, team spirit, Decision making skills, Creativity, Commitment, Competency enhancement, Value addition, Exposure and high learning Curve. The overall analysis of the same gave the following results, which enabled the comparison of difference in response between Indian IT companies and MNC Professionals.

Table 4 Mean response on factors in the current Organizations influencing the stay of employees **Organizational Reasons**

Company	Sample (n)	Statements	Max. Score	Response on Factors influencing				't' Value
				Mean	SD	Mean (%)	SD (%)	
Indian	12	33	165	95.25	23.5	57.7	14.3	1.22 NS
MNC's	18	33	165	105.11	18.6	63.7	11.3	
Combined	30	33	165	101.17	20.9	61.3	12.7	

NS: Non-Significant, $t(0.05, 28df) = 2.048$

The overall response of IT professionals indicated that the mean response towards Organizational factors to stay in the Organization is 61.3%. The mean response is 63.7% for respondents of MNC, slightly more as compared to the Indian IT company professionals (57.7%) when considered separately. However, there is no significant difference in response in this respect among the two groups ($t=1.22^{NS}$).

Table 5 Mean Response on Factors in the current Organizations influencing the stay of Employees **Individual Factors**

Company	Sample (n)	Statements	Max. Score	Response on Factors influencing Stay of employees in the Organization				't' Value
				Mean	SD	Mean(%)	SD(%)	

Indian	12	17	85	61.3	15.0	72.1	17.6	1.11 NS
MNC's	18	17	85	67.8	16.6	79.7	19.5	
Combined	30	17	85	65.17	16.0	76.7	18.9	

NS: Non-Significant, $t(0.05, 28df) = 2.048$

The overall mean response of IT professionals with respect to individual reasons for staying back in the current Organization shows 76.7%. The mean response of IT professionals in the MNC's (79.7%) was found to be more than that of the mean response of Indian IT companies (72.1%). However, the test results showed that there is no significant difference in the response provided by professionals of Indian IT companies and MNC's with respect to individual reasons for staying back in the Organization ($t=0.53$ NS)

7.3. Attitude towards work, work relationships, stability and other factors Several statements were framed to understand the attitude of IT professionals towards work, work relationships and other related factors influencing Employee turnover.

Table 6 Mean Response on overall attitude towards work, work relationship, Stability and other related factors

Company	Sample (n)	Statements	Max. Score	Response on Factors influencing				't' Value
				Mean	SD	Mean(%)	SD(%)	
Indian	12	60	300	180.17	31.4	60.1	10.5	0.53 NS
MNC's	18	60	300	174.00	31.8	58.0	10.6	
Combined	30	60	300	176.47	31.2	58.8	10.4	

NS: Non-Significant, $t(0.05, 28df) = 2.048$

The mean response on attitude towards work of Indian IT professionals was found to be slightly higher (60.1%) than that of MNC professionals (58.8%)

Table 7 Aspect wise Mean Response on Attitude towards work, work relationships, Stability and other general factors

No.	Aspects	State ment s	Attitude Response (%)						't' Value
			Indian (n=12)		MNC's (n=18)		Combined (n=30)		
			Mean	SD	Mean	SD	Mean	SD	
I	Attitude towards work	1	51.7	21.7	51.1	24.0	51.3	22.7	0.07 NS
II	Work Relationship								
a	General attitude towards superior	29	56.6	12.3	53.6	13.6	54.8	12.9	0.63 NS
b	Career Development	3	56.7	16.5	65.2	14.4	61.8	15.6	1.45 NS
c	Performance & Recognition	4	66.3	14.9	70.6	13.7	68.8	14.1	0.80 NS
d	Communication	3	61.1	19.5	63.3	15.4	62.4	16.8	0.33 NS
III	Stability	6	60.3 (3)	15.9	50.7 (5)	17.1	54.6 (5)	17.0	1.57 NS
IV	Other Reasons	7	59.0	14.2	56.2	14.0	57.3	13.9	0.53 NS
V	General Information	7	74.0	15.0	72.9	13.2	73.3	13.7	0.21 NS

NS: Non-Significant, $t(0.05, 28df) = 2.048$

The overall mean response of IT professionals with respect to attitude towards work is 51.3%. The mean response with respect to attitude towards work among Indian IT Professionals is slightly more (51.7%) than that of MNC (51.1%). However, there is no significant difference between Indian IT company professionals and MNC respondents in this respect ($t=0.07$ NS). With respect to attitude towards work relationship, the combined mean value of IT professionals indicates that the general attitude towards the superior is very low (54.8%) followed by that is Career Development (61.8%), Communication (62.2%) and Performance and Recognition (68.8%) in the ascending order. When the Indian IT Companies and MNC's professionals were considered separately, the mean value of Indian IT companies towards work

relationships for the given parameters was found to be low in case of general attitude towards superior (56.6%) followed by Career Development (56.7%), Communication (61.1%) and Performance and Recognition (66.3%) in the ascending order; The mean value of MNC professionals with respect to the same were found to be low in case of general attitude towards the superior(53.6%) followed by Communication(63.3%), Career development(65.2%) and Performance and Recognition (70.6%) in the ascending order. However, with respect to the parameters considered separately for Indian IT Companies and MNC's there is no significant difference with respect to General attitude towards superior ($t= 0.63^{NS}$); Career Development ($t= 1.45^{NS}$); Performance and Recognition ($t= 0.80^{NS}$) and Communication ($t=0.33^{NS}$) in response. With respect to Stability in the Organization, the overall mean response of IT professionals was found to be (54.6%). The mean response of IT Professionals of Indian Companies were slightly high (60.3%) compared to that of MNC's (50.7%), however there is no significant difference in response with respect to stability between these two groups ($t=1.57^{NS}$). The overall mean response of IT professionals with respect to statements pertaining to trait based characteristics was found to be (57.3%). The mean responses of IT professionals from Indian Companies with respect to these statements were found to be 59% slightly higher than that of the MNC's (56.2%). However, there is no significant difference between the Indian IT company professionals and MNC's with respect the given statements indicating personal traits ($t= 0.53^{NS}$). With respect to the perception about certain general observations related to employee retention, it was found that the overall mean response of IT professionals is (73.3%). The mean response of Indian Companies IT professionals was found to be slightly higher (74.0%) than that of the MNC's (72.9%). However, there is no significant difference in response between the two groups ($t= 0.21^{NS}$).

Table 8A Aspect Wise Mean Response on Preferential Ranking with respect to Expectation of employees from Organization

No.	Aspects	State ment s	Attitude Respons e						t' Value
			Indian (n=12)		MNC's (n=18)		Combined (n=30)		
			Mean	SD	Mean	SD	Mean	SD	
I	Good work Environment	7	3.50	2.4	2.33	1.6	2.80	2.0	1.48 ^{NS}
II	Exposure to latest technology	7	4.25	2.3	4.72	1.8	4.53	2.0	0.60 ^{NS}
III	Job security	7	2.75	1.7	3.50	2.0	3.20	1.9	1.10 ^{NS}
IV	Attractive compensation	7	3.83	2.1	4.11	2.6	4.00	2.4	0.32 ^{NS}
V	New learning	7	4.17	1.2	4.39	1.5	4.30	1.4	0.44 ^{NS}
VI	Growth Prospects	7	4.00	1.9	3.67	1.4	3.80	1.6	0.52 ^{NS}
VII	Open to address to concerns of employees	7	5.50	1.6	5.28	1.7	5.37	1.7	0.36 ^{NS}

NS: Non-Significant, $t(0.05, 28df) = 2.048$

The least mean response in each group of population among different aspects indicates the most preferential ranking and the other aspects follows in ascending order in the order of the ranking based on their mean value. Accordingly, the overall preferential ranking among IT professionals is in the order of preference- Good Work Environment (2.80), Job Security (3.20), Growth Prospect (3.80), attractive Compensation (4.00), New Learning (4.30), Exposure to latest technology (4.53), Open to address to concerns of employees (5.37). In case of Indian Company IT professionals, the preferential ranking is in the order Job Security (2.75), Good work environment (3.50), attractive Compensation (3.83), Growth Prospects (4.00), New learning (4.17), Exposure to latest technology (4.25), Open to address to concerns of employees (5.50). Whereas the preferential ranking in case of MNC IT professionals are Good work environment (2.33), Job security (3.50), Growth Prospects (3.67), Attractive compensation (4.11), exposure to latest technology (4.72), Open to address to the concerns of employees (5.28).

Table 8B-Aspect Wise Mean Response on Preferential Ranking with respect to Expectation of employees from the Organization in Percentage.

No.	Aspects	Attitude Response (%)						t' Value
		Indian (n=12)		MNC's (n=18)		Combined (n=30)		
		Mean	SD	Mean	SD	Mean	SD	
I	Good work Environment	50.0	33.6	33.3	23.5	40.0	28.7	1.50 ^{NS}
II	Exposure to latest technology	60.7	32.3	57.5	25.8	64.8	28.3	0.29 ^{NS}
III	Job security	39.3	24.5	50.0	29.1	45.7	27.4	1.09 ^{NS}
IV	Attractive compensation	54.8	30.4	58.7	36.6	57.1	33.8	0.49 ^{NS}
V	New learning	59.5	17.0	62.7	21.4	61.4	19.5	0.45 ^{NS}
VI	Growth Prospectus	57.1	27.9	52.4	20.2	54.3	23.2	0.50 ^{NS}

VII	Open to address to concerns of employees	78.6	23.2	75.4	24.4	76.7	23.6	0.36 ^{NS}
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NS: Non-Significant, $t(0.05, 28df) = 2.048$

Each parameters when considered separately, the mean response with respect to Good work environment was high (50%) in case Indian Company IT professionals as compared to MNC which is (33.3%); With respect to exposure to latest technology the mean response of Indian IT company professional is high (60.7%) as compared to MNC respondents (57.5%); With respect to Job security the mean response of MNC respondents is higher (50%) as compared to Indian IT company professionals which is 39.3%; With respect to attractive compensation the mean response of multinational company professionals (58.7%) are high compared to the Indian company IT professionals (54.8%); With respect to New learning, the mean response of MNC respondents are high (62.7%) compared to the Indian IT Company respondents (59.5%); With respect to growth prospectus the mean response of Indian IT professionals is more (57.1%) compared to MNC respondents which is 52.4%; With respect to Open to address to concern of employees, the mean response of Indian IT company professionals are 78.6% as compared to MNC respondents which is 75.4%. However, there is no significant difference in response between Indian IT professionals and MNC IT professionals in the various aspects given above like Good Work Environment, Exposure to latest technology, Job Security, Attractive compensation, New Learning, Growth Prospects, Open to address to concern of employees as indicated in the student t test result indicated as 1.50^{NS}, 0.29^{NS}, 1.09^{NS}, 0.49^{NS}, 0.45^{NS}, 0.50^{NS}, 0.36^{NS} respectively.

8. FINDINGS

From the above analysis, it is understood that there are no significant differences in responses between IT professionals of Indian and Multinational Companies in India, with respect to most of the demographic variables like age, gender, educational qualification, income from various sources, certifications, financial commitments, family status, working hours, distance from the place of work, conveyance facility, total experience in previous organization and number of jobs changed. However, there was significant difference in responses between the two groups with respect to experience in the current Organization, current position in the Organization and training programs undergone. With reference to the reasons for leaving previous Organizations; staying factors; attitude towards work and work relationship and expectation of employees based on their preference, it was found that there is no significant difference in response among Indian IT Professionals and MNCs

9. RECOMMENDATIONS

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.

9.1. SCOPE FOR FURTHER RESEARCH

The study on "A Study on Employee Retention factors influencing IT professionals of Indian IT Companies and Multinational Companies in India" "is limited to Bangalore City. The study can be further carried out in other cities of India as well, where IT Companies are located. The retention studies can be conducted in other sectors as well. Specific studies like Compensation as a retention tool, Career Planning and Development as retention tool, Work life Balance as retention tool etc. can be taken up for research to gain in-depth knowledge on the subject matter.

10. CONCLUSION

The study showed that there is no significant difference in response among IT Professionals of Indian IT and Multinational Companies in India with respect to most of the items considered in the survey. We can therefore conclude that the Indian IT Companies are in par with Multinational Companies in various aspects. Having a robust retention 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.

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