Factors influencing employee attrition in Indian ITeS call centres

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Abstract: The employee attrition is a painful area for the management of information technology enabled services (ITeS) call centres. In spite of providing attractive salaries, social security benefits, pick-up and drop facilities and swanky office spaces, the ITeS call centre employees are leaving the organisation. The management is bemused that why do employees actually leave? The current research explores the factors behind the high attrition in Indian ITeS call centres. Apart from extensive literature review, available till date, techniques like focus group discussion and semi-structured interviews with employees of Indian ITeS call centres, who have shifted their ITeS call centre job at least once in their career, have been conducted. It calls for reviewing the human resource policies of the call centre employees in light of employee policies implemented in other industries apart from providing better facilitation on pertinent issues like career planning, appraisal system, salary and timings to the ITeS call centre employees.

Keywords: attrition; ITeS call centre; human resource; HR; retention.

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1 Introduction

The Indian ITeS call centre industry is a heterogeneous with rapidly growing offshore market. In spite of global economic slowdown, the combined call centre earnings of top 20 Indian call centres increased from 15% in 2009-2010 to \$6.1 billion (www.cybermedia.co.in). This reflects the fundamental strength of the Indian call centre industry. The phenomenal growth over the years can be attributed to the technological advancements like the internet and mobile services that have reduced communication costs and facilitated the internationalisation of outsourcing business processes and services (Mahnke et al., 2005; Sarkar, 2007; Sze et al., 2010; Tapper, 2004). In an interdependent socio-economic structure, outsourcing is natural (Armstrong et al., 2007; Barreyre, 1988; Raman et al., 2007; Sachdeva et al., 2010; Schoenberger, 1982). It has already been used in the manufacturing sector but this has become more prevalent since last two decades (Gupta and Gupta, 2008; Raghu and Subramanian, 2006) because of advancement in the area of information technology (IT). All these have clubbed the world into a 'global village'. Also, IT-enabled services as a part of outsourcing sector have proved to be a boon for developing countries like India and China (Hirschheim et al., 2008; Raman et al., 2007; Ramachandran and Voleti, 2004; Willcocks et al., 2009). The key players in the outsourcing sector are: multinational captive subsidiaries (such as General Electric, British Airways, HSBC, etc.); international BPO companies (Convergys, IBM, Sitel, etc.); diversified (Daksh, Hero, Brigade, etc.) and IT companyowned call centres (such as Progeon, HCL, Spectramind, etc).

2 Outsourcing of IT services

Ross Perot pioneered outsourcing when he founded electronic data systems (EDS) in 1962. One of the first mega deals in the world of IT outsourcing was the \$3.2 billion contract between Xerox and EDS in 1994. The initiation of the IT offshore outsourcing took place during 1994–1995 (Erber and Ahmed, 2005; Gupta et al., 2010; Lacity et al., 2008).

In India, GE started outsourcing when it set up a facility in Gurgaon in the mid 1990s. Some other companies like American Express and British Airways were also operating their back offices in India since the mid 1990s. Initially low-ended work like data entry and call centre activity was outsourced to India, but with the increasing confidence of the companies in the capabilities of Indian operators, higher value added work like processing of human resource (HR) data, accounts and other non-core functions came to India. The success of these early pioneers encouraged the other multinational companies (MNCs) to set up their own back office operations in India. Banks like Citibank, HSBC and Standard Chattered, and other companies like Dell, Hewlett Packard also later set up their captive operations in India. Comparatively the new ones to join outsourcing sector

are large Indian software companies like Infosys, Wipro and Mahindra Satyam with their separate entities called as Progeon, Spectramind and Mahindra Satyam, respectively (Sachdeva et al., 2010; Shah, 2006).

2.1 Outsourcing dynamics in India

Today, India is increasingly recognised as the emerging 'service hub of the world' or 'electronic shopkeeper' with a large share of the offshored ITeS market. The expansion in this sector may be attributed to the leading IT giants, captive players and third-party service providers that dominate the Indian ITeS outsourcing market (Nayanathara, 2007; Willcocks et al., 2009). As per National Association of Software and Service Companies (NASSCOM), this industry accounts for almost \$11 billion in revenue and employs over 0.7 million professionals in terms of direct employment. The industry would meet its target of \$60 billion by 2010, account for nearly 2.5% of gross domestic product (GDP) growth in 2012 and generate direct employment of about three million professionals (The Economic Times, 2008). This phenomenon will lead to tier-II and tier-III cities as fresh hubs for rightly skilled talent pool for outsourcing sector. The World Bank also forecasted that by 2020, India could become the world's fourth largest economy (Mehta et al., 2006; Penter et al., 2009; Saini and Budhwar, 2004). India is having 5-6% share of the total call centre industry (Mahapatre Shilpa, 2007). India would require 0.97 million IT professionals for IT export services and 2.72 million professionals for ITeS by 2012 (NASSCOM, 2008). According to a joint report by NASSCOM and Mckinsey, global offshore outsourcing expenditure would reach \$110 billion by 2010 and India would be able to capture more than 50% of the market, if it overcomes the challenges like creation of a large pool of IT-skilled manpower and employee attrition issues.

3 Call centre and its typology in India

Call centres are unique workplaces with unique organisational cultures as they belong to multiple geographical spaces, e.g. domestic and overseas, high and low technology, particular country, city, organisation and workplace spaces (Levina Su, 2008; Shome, 2006). Their spaces and cultures offer arrays of possible structural positions, i.e. locations within work and non-work networks and discursive as well as socio-cultural resources, i.e. linguistic, historical and cultural devices that guide individual interpretations of events, action and influence their representations of self on which employees can draw when they choose their different identifications and reposition their identities (Hall, 1996; Kuhn, 2006; Kuhn and Nelson, 2002). Indian call centre work involves employees providing voice-to-voice service to clients dialling toll-free numbers from places like the USA, Europe and Australia. They learn foreign accents, work at night to cater to the foreign clients and adjust to an altered social and family life (Mirchandani, 2004; Shome, 2006). Call centre employees make telemarketing calls and cater to customers on insurance claims, credit cards, computer hardware, network connections, banking and financial plans. In general, a call centre is a place for incoming and outgoing telephone calls. The characteristics of a call centre include the following:

1 Calls go to a group of people, not to a specific person, i.e. agents are cross-trained to handle a variety of transactions.

- 2 Generally, a special telecommunications system called automatic call distributor (ACD) is used to distribute calls among agents and put calls in queue when all agents are occupied. They also play messages like all of our customer service representatives are currently assisting other callers.
- 3 Agents have quick access to current information, via specialised database programmes. This means that any agent has access to the current status of client account, products, services and other information (Sharma, 2006a).

Dell alone has a 30-site call centre network located in four major Indian cities and an expected 15,000 workers (Ribeiro, 2006). The call centre industry is well situated within India's global leadership with its offshore information technology and business process outsourcing industry increasing at an annual rate greater than 25% and expected to generate export revenues of \$60 billion by 2010 (NASSCOM, 2005; Srikant and Tyagi, 2007). India's call centre industry accounts for a quarter of all software and service exports from the country and employs 160,000 professionals as per NASSCOM (2008).

There are mainly two types of call centres that are operating in India. Inbound call centre is one that handles calls coming in from outside, most often through toll-free numbers. These calls are primarily service, support calls and inbound sales. The 24/7 inbound call centre caters to order processing, catalogue orders, help desk, interactive voice response, technical support and inquiry handling. Outbound call centre is one that handles outgoing calls from a call centre. The success of the outbound call centre depends on the extensive experience, technological solutions and commitment to customer service excellence. It is used as direct marketing tool. Services of the outbound call centre includes market segmentation, database selling, direct mail follow-up, lead generation, product promotion, debt collection, appointment scheduling, cross-sell campaigns and recording customer satisfaction. India is having over 270 odd companies comprising the ITeS call centre industry. But only select few cities have attracted the attention of the majority of the ITeS call centre companies. About 90% of all the ITeS companies are operating just in nine cities in India. The national capital region of Delhi that includes Gurgaon and Noida, Mumbai (including Navi Mumbai), Chennai, Kolkata, Bangalore, Hyderabad, Kochi, Ahmedabad and Pune.

3.1 Service lines in Indian outsourcing industry

The Indian outsourcing companies in different service lines are growing each year. The main areas of Indian outsourcing sector are customer care (such as remote maintenance, help desk and sales support), finance and administration which include data analysis, medical transcription, insurance claims and inventory management. It also includes services like HR and payment services like payrolls, credit card services, cheque processing, employee leasing and content development, i.e. digital content, research and development (R&D) and application maintenance (Hirschheim et al., 2008; Sachdeva et al., 2010). The USA remains the key market accounting for over two-third of the total ITeS call centre exports from India. Western Europe, primarily the UK, accounts for approximately 20% (Sharma, 2006a). Call centres are the backbone of Indian outsourcing sector. About 70% of the Indian outsourcing industry's revenue comes from call centres, 20% from high-volume, low-value data work and the remaining 10% from high-value information work (Nayanathara, 2007; Penter et al., 2009).

4 Human resource challenges in Indian ITeS call centres

The existing literature depicts two different images for the human resource aspects of call centres (Frenkel et al., 1998; Mehta et al., 2006). Some scholars have shown a positive image of the work in the call centres, where the employees are considered as semiprofessional and empowered who work in a positive environment (Batt, 1999; Batt and Appelbaum, 1995; Raman et al., 2007; Winslow and Bramer, 1994). These empowered employees provide customised solutions to the customer needs and are more productive than the routine employees (Batt, 1999; Batt and Appelbaum, 1995; Booth and Hamer, 2007; Penter et al., 2009). These employees take the work as challenging and the outcome of this is creativity, teamwork and participative decision-making in the employees. The call centres are staffed by cooperative team working employees 'smiling down the phone', talking to customers in a relaxed and professional manner in good regional accents (Bain and Taylor, 2000), whereas the other image has been referred to as the 'electronic sweatshop', 'panoptical wire cage' or 'assembly lines in the head' (Taylor and Bain, 1999), also as 'dark satanic mills' (IDS, 1997). This image has shown that employees work in isolation, where the work is allocated automatically that is being monitored and controlled by the management. The work is deskilled and monotonous. These jobs are regarded as 'dead end' and offer few career opportunities (Deery and Kinnie, 2004). Apart from these, the jobs are seen as having minimal selection criteria, poor wages and the jobs are considered as tightly scripted, repetitive and stressful (Batt, 1999; Gupta and Gupta, 2008; Kinnie et al., 2000). The reality of a call centre is seen as 'ongoing struggles marked by tensions and dilemmas' and 'a complex mix of attitudes, initiatives and adaptations' (Beirne et al., 2004; Mehta et al., 2006). The truth lies somewhere in between these two extreme images (Adhikari, 2009; Frenkel et al., 1998). In reality, call centres neither reflect the 'deeply pessimistic view' nor the 'strongly optimistic view' that are prevalent in the literature. In a typical call centre, the elements of both these pictures can be seen. The combination of tight control, heavy monitoring and scripted work coexists with fun, high motivation and high quality service levels in most of the organisations (Budhwar et al., 2006).

5 Attrition dynamics

The call centre industry in the country, which employs one million people, has been facing acute attrition problems along with issues like problem of finding quality human resources and stress management (Adhikari, 2009; Budhwar et al., 2006; Mckinsey, 1999; NASSCOM, 2001; Shah and Bandi, 2003). Although salaries and the other benefits are quite good, the average attrition is very high in this industry. Cost-effective human capital is the most important resource for Indian ITeS call centres. The locational advantage also plays favourable role for Indian ITeS call centres (Dasgupta, 2002; Doherty et al., 2007). The outsourcing industry is expected to face a shortage of about 0.3 million professionals by 2012 (NASSCOM, 2006). The attrition rate in India was 18% in 2003 but it has been increasing swiftly every year that has been found around 50% in 2006 (Sharma, 2006a).

As far as attrition rate is concerned, the USA has been facing it more than India. Also investment in the USA public education has not served the need for increased demand of better educated and highly skilled workers. Offshoring has been providing a relief to the

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US corporates, but because of attrition they have faced a problem of increased cost. Trowbridge (2007) has estimated that the cost of turnover is at around 150% of an employee's annual salary. With this kind of turnover, the customer service levels are suffering, and a high correlation has been found between departing employees and departing customers. A paper on internet opined that the customers leave at twice the rate employees leave. Fitz-enz (1997) stated that the average company loses approximately \$1 million with every ten managerial and professional employees who leave the organisation. Abbasi and Hollman (2000) also indicated that when an organisation loses a critical employee, there is negative impact on innovation, inconsistency in providing service to the customers and major delays in the delivery of services to customers may occur.

5.1 Key factors for employee attrition

There are two types of employee attrition. The 'drive attrition' is caused due to the employer while 'drag attrition' is caused due to an employee. Drive attrition takes place because of employer's policies, e.g. sometimes an employer keeps only most productive employees by terminating the other employees at regular intervals. The drag attrition is basically due to the insecurities and vulnerabilities linked with the career in a call centre. Only a very few employees get promoted to the level of team leader, and as soon as promotions are announced many of the frustrated employees quit (Brooker, 2008; Raman, 2006). It is a mistake to assume that all departures occur for the same reasons; infact one person's priority may differ from the other person, and moreover tolerance capacity of an individual may vary. Undoubtedly the attrition really requires a great attention of the HR professionals in an emerging economy like India. An exhaustive list of all the key factors responsible for employee attrition has been enumerated (Table 1) and obtained through an extensive literature survey.

 Table 1
 Key factors for employee attrition in an ITeS call centre

Sl. No.	Factors for employee attrition	Literature survey
1	Higher salary and monetary considerations	Ramlall (2003), Sharma (2004), Mehta and Mehta (2005), Budhwar et al. (2006), Dataquest (2006), Goel and Thakur (2006), Raman (2006) and Bhatnagar (2007)
2	Deskilled and boring work, monotonous	Taylor and Bain (1999), Deery and Kinnie (2004), Goel and Thakur (2006) and Budhwar et al. (2006)
3	Repetitive, mechanical and involves high transaction volumes	Taylor and Bain (1999), Kinnie et al. (2000), Budhwar et al. (2006) and Goel and Thakur (2006)
4	Tightly scripted, heavily monitored and controlled	Batt (1999), Taylor and Bain (1999), Kinnie et al. (2000), Babu (2004), Budhwar et al. (2006), Raman (2006), Sharma (2006b) and Raghu and Subramanian (2006)
5	Stressful job requirements	Batt (1999), Kinnie et al. (2000), Babu (2004), Mehta and Mehta (2005), Budhwar et al. (2006), Raman (2006) and Sharma (2006b)

 Table 1
 Key factors for employee attrition in an ITeS call centre (continued)

Sl. No.	Sl. No. Factors for employee attrition Literature survey				
6	Lack of promotions and career advancement opportunities	Singh and Jayashankar (2002), Ramlall (2003), Sharma (2004), Babu (2004), Mehta and Mehta (2005), Budhwar et al. (2006), Dataquest (2006), Goel and Thakur (2006), Raman (2006), Sharma (2006b) and Bhatnagar (2007)			
7	Health and psychological ailments	Chhabra (2004), Babu (2004), Mehta and Mehta (2005), Budhwar et al. (2006), Dataquest (2006) and Raghu and Subramanian (2006)			
8	Inadequate training and development opportunities	Ramlall (2003), Mehta and Mehta (2005), Goel and Thakur (2006), Raghu and Subramanian (2006) and Bhatnagar (2007)			
9	Non-favourable job content and inadequate job enrichment	Mehta and Mehta (2005), Budhwar et al. (2006) and Dataquest (2006)			
10	No personal life	Babu (2004), Sharma (2004), Dataquest (2006) and Raman (2006)			
11	Working environment	Goel and Thakur (2006) and Sharma (2006b)			
12	Non-transparent appraisal systems	Budhwar et al. (2006), Sharma (2006b) and Sharma et al. (2006)			
13	Hard to understand customer's accent	Budhwar et al. (2006)			
14	Problems with client handing	Babu (2004) and Mehta and Mehta (2005)			
15	Uneasy relationships with peers and managers	Sharma (2004), Dataquest (2006) and Raman (2006)			
16	Long working hours and work pressures	Mehta and Mehta (2005), Goel and Thakur (2006) an Sharma (2006b)			
17	Work load and targets	Kinnie et al. (2000)and Sharma (2006b)			
18	Shift timings	Goel and Thakur (2006) and Dataquest (2006)			
19	Ineffective leadership	Ramlall (2003) and Mehta and Mehta (2005)			
20	Lack of challenge and opportunity	Ramlall (2003) and Budhwar et al. (2006)			
21	Lack of trust in senior management	Ramlall (2003) and Mehta and Mehta (2005)			
22	Too long of a commute	Ramlall (2003) and Dataquest (2006)			
23	Misguidance by the company	Sharma (2004) and Dataquest (2006)			
24	Higher education	Sharma (2004), Budhwar et al. (2006), Dataquest (2006) and Raman (2006)			
25	Physical strain and unfitness	Sharma (2004), Budhwar et al. (2006), Dataquest (2006) and Raman (2006)			
26	Dissatisfaction with the work culture/cross cultural issues	Budhwar et al. (2006), Sharma (2006b) and Bhatnagar (2007)			
27	Insufficient leave and no national holidays	Babu (2004), Dataquest (2006) and Raman (2006)			
28	Non-conducive policies and procedures	Sharma (2004) and Dataquest (2006)			
29	Unpractical education system	Raghu and Subramanian (2006)			

Table 1 Key factors for employee attrition in an ITeS call centre (continued)

Sl. No.	Factors for employee attrition	Literature survey		
30	Marriage	Dataquest (2006)		
31	Friends moving out	Dataquest (2006)		
32	Mismatched resources	Goel and Thakur (2006)		
33	Wrong deployment of resources	Goel and Thakur (2006)		
34	No flexible work schedules	Ramlall (2003) and Dataquest (2006)		
35	Deficiencies in recruitment processes	Goel and Thakur (2006)		
36	Inadequate emphasis on teamwork	Ramlall (2003)		
37	Overall low job satisfaction	Ramlall (2003)		
38	Lack of recognition	Ramlall (2003)		
39	Social esteem and support	Sharma (2006b) and Bhatnagar (2007)		
40	Night shifts	Budhwar et al. (2006)		
41	Lack of responsibility and ownership	Budhwar et al. (2006)		
42	Lack of employee motivation	Mehta and Mehta (2005)		
43	Strong demand and limited pool supply in the market	Goel and Thakur (2006) and Schwartz (2007)		
44	Immature and inexperienced agents/career outlook	Budhwar et al. (2006) and Goel and Thakur (2006) $\!\!\!\!\backslash$		
45	Concentration of demand for talent in tier-I cities	Goel and Thakur (2006)		
46	Shortage of management pool	Goel and Thakur (2006)		

Methodology

The variables influencing employee attrition in Indian ITeS call centres were enumerated from the literature survey (Table 1). A focussed group discussion (FGD) was conducted with a group to discuss the variables for attrition. In FGD, a group is brought together to discuss a specific topic of interest (Kairuz, et al., 2007). The FGD gave an opportunity for freewheeling of responses, where the researchers explored deeper information into attrition issues and also why the call centre employees are leaving their jobs? Apart from FGD sessions, a total of 20 semi-structured interviews were conducted separately so as to validate their responses received during FGD, where each interview lasted for 30-45 min in a closed environment. The key questions asked during the interview explored the reasons for joining and also reasons behind leaving the ITeS call centre jobs. The demographic information about the participants has been shown in Table 2. The filter question ensured that all the respondents had shifted their ITeS call centre job at least once in their career. Out of all these 20 participants, 14 participants were from inbound call centre and 6 were from outbound call centre.

 Table 2
 Demographic profile of the respondents

		Gender		Job tenure (in months)			
Call centre type	Total participants	Male	Female	<3	3–6	6–12	12–24
Inbound	14	6	8	2	2	8	2
Outbound	6	6	0	2	0	2	2

7 Findings and discussions

The key factors that allure the young individuals to join a call centre are: salaries and good working environment with air conditioners, cafeterias, cab facility for pick and drop, etc. Kiran said,

"Who does not like to have good bucks and an attractive life style! I love to have colleagues of my age group... you know fun is always there then..."

Some of the participants have disclosed that the reason to join a call centre was just a time-pass option as they did not have any other option to work for. Rishi said,

"It was one of the best options while I was preparing to take admission in a reputed management institute; I took this job to earn pocket money...Moreover, I was free in the evenings."

A few respondents joined the call centres due to high growth opportunities. They opined that this industry is very lucrative, especially salary and facility wise as compared to the other industry in spite of few months of experience. Simran said,

"I was not absorbed in other industries because I was a fresher, but thank God! Call centre job saved me to bridge the gap."

Apart from these, quite a few joined call centres due to an opportunity for enhancement of soft skills and college-like atmosphere inside the company. Regarding HR practices, the respondents opined that the training is given to the employees at the time of their joining for three months which may be reduced depending upon the performance of employees, and further trainings of one month in case of change in the technology in the market. The respondents have revealed that after every nine months there was a salary review. In some rare cases, it may be done earlier too, depending upon the performance of the employee. Still a large number of the respondents were not satisfied with the performance appraisal process. Gursimrat said,

"I worked for one and half years, but I was never appraised although I was one of the deserving employees as was reflected in performance figures, but you know every organization have politics and the bosses love buttering that I never did..."

Non-transparency, favouritism and nepotism towards some of the employees by their team managers were the common reasons cited for prevailing discrepancy in performance appraisal. This caused frustration and employees quit the jobs so as to reduce dissonance

simmering within them. Many participants mentioned that night shifts were the worst part of this industry. Kavita said,

"My husband never allowed me to work at nights and that too for few...bucks...appraisals were not clear and you never know when they...would expel you without a prior notice."

All the FGD respondents included this factor, i.e. night shift as one of the topmost factors for the employee attrition in ITeS call centres. The call centre employees are left out of their social contacts, and sometimes they miss important occasions due to night shifts and insufficient holidays. Ritika said.

"I couldn't attend any of the birthday parties while I was working with call centres"

The respondents expressed that their personal life was minimal while they were working at call centres. The next important factor for attrition was inadequate career-planning opportunities. Many participants had left their jobs just for the higher education. Raman told,

"Neither you get promotions to the next management level nor the management is interested for introducing career planning programmes in the organization."

Some of the respondents have revealed work pressures as the contributing factor to attrition. Reema said,

"Our manager really treats us merely as a resource and never as a human being."

The employees have to meet their targets at any cost and if in case they are not able to meet, they may lose in their appraisals. To meet the desired targets, no holidays were given to them. Fairy said,

"I had to work continuously for two weeks many times even without a break that made me decide to shift my job."

Also the continuous night shifts aggregated the work pressures. Further, no gazetted holidays were given off which are the days when people plan out for social parties and outings. The other important factor for attrition was salary. Some of the respondents have left just because of salary issues. Vijay said,

"10,000-15,000 bucks per month is ok now. But what about once I get married and have family around!"

Apart from the above-mentioned factors, there are other factors too that are promoting the attrition in ITeS call centres. These include physical strain, monotonous and repetitive work, better job opportunities in other industries and the stressful job requirements. Last but not the least factor, manager's relation with their team members impacts the attrition. Sumit said,

"It is only my hard-headed manager who forced me to resign and shift my job. At times he used to get on to my nerves...I hope I will not have him again in my life."

The respondents revealed that it was very tough to work with such hard-headed managers.

Most of the times, it had been a headache for them to work for foreign clients by assuming artificial identities, for example Maya becomes Merissa, Simran becomes Stevan and Vijay becomes Victor. The respondents felt that call centre names provoked an 'identity crisis'. Agents engaged into voice-based profile are required to live as an Indian by day and westerner after sundown (Pall and Buzzanell, 2008; Babu, 2004). The respondents were very uncomfortable with these artificial identities. Virat said,

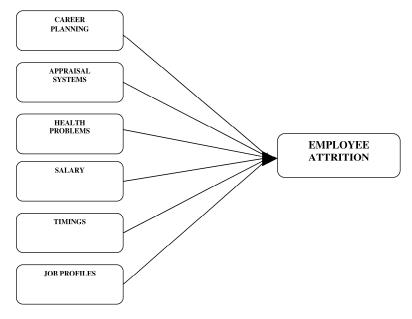
"It was very tough for me to come out from American hangover even at my home."

We found common key factors amongst the literature survey, FGD and the semi-structured interviews conducted with the respondents, who had shifted their ITeS call centre job at least once in their career (Table 3 and Figure 1).

 Table 3
 Key factors for employee attrition in Indian call centres

Sl. No.	Main factors	Sub-factors
1	Career planning	Lack of promotions
		• Lack of career advancement opportunities
2	Appraisal systems	Opaque appraisal systems
		Non-conducive policies and procedures
3	Health problems	Health and psychological problems
		Physical strain and unfitness
4	Salary	High salary and monetary considerations
		Better job opportunities in other industries
5	Timings	No personal life
		Long working hours and work pressures
		Shift timings and night shifts
		Insufficient leave and no national holidays
6	Job profiles	 Deskilled
		Boring work and monotonous
		Stressful job
		Work load and targets
		Working environment
7	Other factors	Uneasy relationships with peers and managers
		Lack of recognition
		Social esteem and support
		Higher education
		Overall low job satisfaction

Figure 1 Antecedents to employee attrition in Indian call centres



Managerial implications

The key factors for employee attrition in ITeS call centres that have emerged from literature survey, FGD and semi-structured interviews are career planning, opaque appraisal systems, health problems, salary issues, timings and job profiles.

Career planning: ITeS call centres should provide liberal sabbatical norms for the employees. The study revealed that though ITeS call centres had career planning provision but implementation was not up to the mark. It was virtually non-existent. Moreover, due to quite hectic work schedules and high job pressure, higher studies become a distant dream for the employees. The ITeS call centres may sign memorandum of understanding with technical institutes and business schools for providing higher studies to its employees. This will not only provide coveted higher education to the ITeS call centre employees on part-time basis, but also helps in attracting the best talent to the ITeS call centre that provides such higher education facilities. The bond structure for these higher studies undertaken by the employees would also keep them tied to the organisation for more number of years. It could be the one of best initiatives to check attrition in ITeS call centres.

Appraisal systems: The appraisal system in an ITeS call centre should be transparent, timely and on the basis of performance-based metrics. The employees' performance chart should be online so that she/he can check them and start improving her/his performance in order to get good rating results. Also, the performance appraisal should be at a regular interval and metrics should be pre-defined for performance evaluation. Performance appraisal should also take care of retention issues. HR department should make use of early warning system, which uses RAG analysis (red, amber and green) to identify employees who are likely to quit or stay. The employees falling in red bracket would like to leave within 30 days; amber belt would hang on for longer whilst green cluster is the happy lot. Red bracket employees could be asked about their issues. The organisations may give necessary counselling and due facilitations for retention of such employees.

Health problems: Stress, insomnia, ulcers, etc. are health issues that contribute directly to ITeS call centre attrition. Stress is like a ghost that continues to haunt ITeS call centre employees. Long working hours and long travel hours are increasing the scale of attrition rate. Many respondents left their respective organisations because of the killing work pressures. The working environment that is conducive should be given to work so that employees could give their best to the organisation. The work schedules should have adequate breaks both in a day and also weekly schedule wise, else productivity may suffer. The ITeS call centres may conduct psychometric profiling of applicants in order to choose employees with high stress-bearing capacity. The ITeS call centre employees should also be given counselling regarding stress handling, time management and healthy eating habits. This would help in reducing attrition.

Salary: Salary still remains one of the key motivation and retention tool especially when the majority of ITeS call centre employees in India is youth. The ITeS call centres should maintain salary range as per the ITeS call centre industry standard. The fringe benefits like bonus allowances, social security and leave provisions should be adequately provided as a part of compensation structure. It was also found during the research that ITeS call centre employees wanted transparent performance-linked incentives as a component of their salary structure.

Timings: ITeS call centre employees may be given flexible working hours along with better allocated shift timings. Many females left this industry after their marriage because Indian family culture did not promote the night shift work schedules. Apart from it, two off days in a week may be given rather than four off days after two weeks, i.e. length and frequency of breaks should be adequate in ITeS call centres.

Job profiles: The employees of ITeS call centres find their work to be deskilled, repetitive and boring. Their jobs may be rotated depending on their options and skill sets. Regular training programmes in ITeS call centres would help to update the knowledge base of the employees. Skill upgradation would not only motivate the employees of ITeS call centres, but also helps them prepare for the new assignments. This initiative would help in arresting attrition.

9 Conclusion

It is imperative for the management to be sensitive on these issues/factors and make relevant changes through HR interventions. This is pertinent as employees are leaving ITeS call centres to join other industries, which is proving disruptive for call centres' growth and customer satisfaction. High attrition rate also demotivates the other employees of the organisation apart from impacting its profitability. Other factors like relationship with peers and managers, social recognition and desire for higher education

are also contributing to the attrition. It is high time that ITeS call centre management strives to satisfy the employees' expectations from the organisation. A better employee job-fit, an open organisation culture, career planning, transparent appraisal system and competitive salary would go a long way in retaining the employees in ITeS call centres.

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