

Recognition vs. Retention: Understanding Turnover Intention Across Tiered IT Companies in India

This study aimed to explore whether company recognition plays a role in influencing turnover intention (TI) among IT employees working in different tiers of companies in India. The research focused on employees from Tier 1, Tier 2, and Tier 3 companies, with data collected through a structured survey. The objective was to investigate the relationship between the recognition of the company an employee works for and their intention to leave the organization.

Methodology and Statistical Analysis:

A hypothesis test was conducted to examine whether there is an association between company recognition and turnover intention. The null hypothesis posited that there is no association between the recognition of the company and the level of turnover intention among employees. The significance level was set at 1% ($p < 0.01$). The statistical analysis led to the rejection of the null hypothesis, as the p-value was found to be less than 0.01, indicating a significant association between the two variables.

Key Findings:

The study revealed distinct differences in turnover intention levels among employees working in companies of varying recognition levels (Tier 1, Tier 2, and Tier 3):

Tier 1 Companies:

Employees in Tier 1 companies, which are typically well-recognized and offer competitive work environments, showed the following turnover intention levels:

41.5% exhibited low levels of turnover intention (TI).

29.7% exhibited moderate levels of TI.

43.3% exhibited high levels of TI.

Despite the higher recognition of Tier 1 companies, a significant proportion of employees (43.3%) expressed high levels of turnover intention, which may suggest other factors influencing retention beyond company recognition.

Tier 2 Companies:

Employees in Tier 2 companies, which have moderate recognition, showed the following distribution of turnover intention:

51.9% exhibited low levels of TI.

46.2% exhibited moderate levels of TI.

38.3% exhibited high levels of TI.

In Tier 2 companies, there was a larger proportion of employees with moderate levels of TI compared to Tier 1 employees, suggesting that company recognition may play a less significant role in retention at this level.

Tier 3 Companies:

Employees working in Tier 3 companies, which are less recognized in the industry, reported the following turnover intention levels:

6.6% exhibited low levels of TI.

24.1% exhibited moderate levels of TI.

18.4% exhibited high levels of TI.

Interestingly, a smaller proportion of employees in Tier 3 companies reported high levels of turnover intention, and a larger percentage exhibited low levels of TI, which could indicate a stronger attachment or lack of better opportunities, potentially due to the lower recognition of these companies.

Interpretation of Results:

The findings suggest a significant association between company recognition and turnover intention. Employees working in Tier 1 companies, despite their high recognition, exhibited the highest levels of turnover intention. This could be due to factors such as high job expectations, greater competition, or other organizational challenges that drive employees to seek opportunities elsewhere.

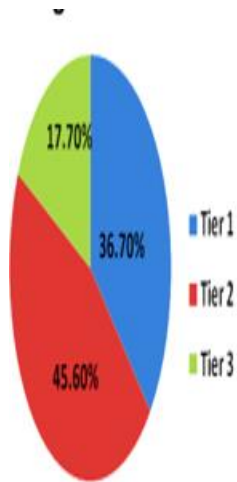
In contrast, employees in Tier 2 and Tier 3 companies showed lower levels of turnover intention, which could be attributed to fewer career opportunities elsewhere, a stronger sense of job security, or lower expectations. Employees in these companies may feel less likely to leave due to limited options in the job market or because they are more accustomed to working in environments with lower recognition.

Conclusion:

The study confirms that company recognition does indeed play a role in shaping employees' turnover intention levels. While Tier 1 companies show higher turnover intention, employees in Tier 2 and Tier 3 companies tend to have lower turnover intention, potentially due to different job market dynamics and opportunities.

Organizations, particularly those in Tier 1, might benefit from exploring additional strategies to reduce turnover, such as improving employee engagement, offering career development opportunities, or addressing work-related stressors. For Tier 2 and Tier 3 companies, improving

company recognition and creating a more attractive work environment could help retain talent in the long run.



Frequency distribution of recognition of IT companies in India

Company Recognized	Level of Turnover Intention			Total	Chi-square Value	P value
	Low	Moderate	High			
Tier 1	119 (31.5%) [41.5%]	137 (36.2%) [29.7%]	122 (32.3%) [43.3%]	378 (100.0%) [36.7%]	47.688	<0.001**
Tier 2	149 (31.7%) [51.9%]	213 (45.3%) [46.2%]	108 (23.0%) [38.3%]	470 (100.0%) [45.6%]		
Tier 3	19 (10.4%) [6.6%]	111 (61.0%) [24.1%]	52 (28.6%) [18.4%]	182 (100.0%) [17.7%]		
Total	287 (27.9%) [100.0%]	461 (44.8%) [100.0%]	282 (27.4%) [100.0%]	1030 (100.0%) [100.0%]		

Note: 1. The value within () refers to Row Percentage

2. The value within [] refers to Column Percentage

3. ** Denotes significant at 1% level