

Reasons for Attrition among Employees in Chennai Ascendas- International Tech Park

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ABSTRACT

This study is focused on the investigation of reasons behind the attrition among the employees in the IT and ITES sector of India, by choosing the Chennai Ascendas International Tech Park as an area of study. The study is descriptive study in nature and simple random sampling method is adopted for collecting the primary data consisting of 200 samples. Percentage analysis is used for the analysis and interpretation of the primary data. The findings revealed that most of the employees are below 25 years, unmarried and working in the lower level of organisation in nature. Management's decision, working environment and pay package are pointed out as the factors stimulating the attrition among employees. Most of the employees backed their manager's leadership style and freedom in the working environment. Both primary data and secondary data were used for this study.

Key Words:

Attrition, labour turnover, stress, job satisfaction and employee's motivation

Introduction

The outlook of the Indian industries after the post liberalization era, changed massively in the past two decades. The Indian private service sector received an overwhelming support from the fresh graduates rather than the government jobs. Jobs from IT and ITES companies attracted the youth in general for their lucrative package of emoluments. In the initial stage of recruitment, employees of these sector was driven by the good package of salary, quick promotions and factors like get-together arranged by the employers to burn out the work stress among the employees, etc. The present scenario changed more in the ITES field. Proficiency in the field, job



security, satisfaction and the self respect of the employees tend to drive the employment and not the currencies they earn. Hence, employees are searching for a suitable job for the peaceful life in long run. The impact is high rate of labour turnover in the ITES sector. Throughout the year; round the clock, employers are recruiting new faces and try to control the employees' turnover. But, it is a high pressurized task for the HR officials.

This employees turnover in corporate is technically termed as '*Attrition*'. Corporate world can't handle the attrition problem as just like the simple one. Because, it will be result in the depletion of skilful and valuable human resources from the concern in the competitive driven industrial environment. It creates restlessness in the minds of incumbent employees. It also reduces the company's integral strength and also highlights the weakness of the company among the competitors and its own employees. Routine recruitment increases the training and other relevant cost to the employers. In this connection, the present study is focused on the reasons for attrition among the employees in Chennai Ascendas-International Tech Park, one of the land marks of Chennai ITES industry.

Chennai Ascendas-International Tech Park

Ascendas-International Tech Park is a quality product of Ascendas India, the auxiliary unit of Ascendas Pvt. Ltd, which is one of the leading business space solution providers in the Asian continent. It is located in the IT corridor of Chennai with 15 acres of space. It provides around 2,00,000 lakhs sq. ft. premium office space to more than 50 IT and ITES companies which are running with more than 20,000 professionals. The

Tech Park addresses a collection of companies in main industries, including information technology, R&D, banking and financial services, software development, data analysis, e-publishing and other IT enabled services.

Objectives of the Study

The following are the objectives of the present study: (1) To study the reasons for Attrition in Ascendas IT Park, Chennai. (2) To study the factors that stimulates attrition among employees of Ascendas IT Park, Chennai and (3) To suggest the measures that will reduce the attrition rate in Ascendas IT Park, Chennai.

Need of the Study

The survival of any business house depends on the nature of work culture and the quality of employee. If the work culture is not supportive to the employees, then the quality of workers is not will be in par with requirement. The Ascendas IT Park, Chennai is located in the prime location of Chennai with more than 20,000 employees representing more than fifty IT and ITES companies. Hence, the study is helpful in the identification of employees' mind-set, frustration issues and the reasons behind their job switch over. It will be helpful to the administration to take crucial action to diminish the level of attrition in the IT Park. This study helps know why the employees have a preference to change their job and which factors make the employee to dissatisfy. It will be a support to nearly fifty IT and ITES companies in the Ascendas IT Park, Chennai. Hence, the study is getting weight at this point of time.

Review of Literature

A collection of work done in the particular field is known as literature and the



eagle view on the previous findings in the literature will familiarize in the area of study. They are:

Dua (1994) depicted that youngsters were more stressed than older staff members.

Ben-Baker et al. (1995) found that employees below 30 years old were more uncomfortable in job.

Chandraiah et al. (2003) in their work on effect of age on stress and job satisfaction among managers found that managers in the age group of 36-45 and 46-55 were having lesser amount of job stress and high level of satisfaction in their jobs.

Luhman (2006) found that alienation in the job environment as the familiar situation of present-day chap and also concluded that dictatorial organizations indulgence workers as juvenile, which make a payment to this alienation. This alienation leads to attrition in organizations.

Vanhala and Ahteela (2011) established that worker's trust in the whole organization is attached to perceptions of the fair working of HR officials. It is therefore used to build the image of the organizational reliance, which will reduce the level of attrition.

Muthukumar. K (2014) found that (1) working hours (2) changing working conditions (3) emoluments (4) competitive work culture (5) harassments (6) administrative problems (7) management support and (6) Role performance in the job are the main sources of stress in the organisation which leads to the high labour turnover.

Ramasethu. A (2014) said that Human Resource is the summation of awareness, talents, creativeness, capacity, propensity, approach and principles of the personalities (employees) engaged in the affairs of the business. Attrition will be reduced by accepting the above reasons and affiliating the same among the employees.

Limitations of the Study

The following are the limitations identified for this study: (1) The study is restricted to the geographical area of Chennai Ascendas International Tech Park. (2) The responses of the samples are subjective in nature. (3) The accuracy of the study is more, when more samples are considered.

Research Methodology

The study is descriptive in nature, which depicts the characteristics of the population. Secondary data are used for the review of literature and the profile of the study area and primary data are used for the main study. Questionnaire was prepared with Open-ended, Close-ended and Multiple choice questions. Data collection is done on the basis of simple random sampling method. The study is carried out with 200 samples from Ascendas-International Tech Park, Chennai. The study was conducted between the periods from October 2014 to November 2014. Percentage analysis method was used for analysis and interpretation of the primary data.

Findings of the Study

From the analysis and interpretation of the primary data collected, the findings are summarized as below:

- The sample consisted 70% of employees in the age group of below 25 years, followed by 28% of employees in the age group of 26-35 and 2% of employees in the age group above 35 years.
- Out of the samples analysed, 32% were married and the rest were unmarried. 72% of employees are working in the lower level, followed by 20% in the middle level and 8%



in the top level of the organisation structure.

- Employees with below one year of experience consisted of 56% of the total sample size, followed by 36% with 1-2 years of experience and 6% of employees with 2-3 years of experience and only 2% of the have experience more than 3 years.
- Employees of 36% pointed out that management's decision is a disturbing factor for attrition, followed by 34% as Working Environment, 16% as pay structure and 14% as work pressure.
- It is found that 36% pointed out that pay structure is the reason for moving from one concern to another, followed by 14% for health issues and 10% for family problems, 40% said others as their choice in this issue.
- Out of the total sample size, 44% of the employees felt that their manager's leadership style is good, followed by 30% as very good, 18% as neutral and balance 8% as bad one.
- 70 % of the sample size pointed out that they have the freedom to convey their problems to their higher officials and rest of them stand in the opposite side of the view.
- It is found that 78% of the employees accepted that their management considered their creativity for the sake of company's future goodness. Rest of the samples took a reverse stand on this issue.
- Even though, it is found that 64% of the employees in the samples were dissatisfied with the performance appraisal process of their management, 36 % have accepted the PA process.

- It was found that working environment is the area to be improved, which was suggested by 50% of the sample size employees, followed by 40% as monetary benefits and 10% as employee's motivation.
- 72% of the employees are not willing to work with their present employer in future and rest of them took quite opposite stand in this regard.

Suggestions for the Reduction of Attrition Level

Based on the findings of the study, the following were suggested for the reduction of attrition among the employees of Ascendas IT Park, Chennai:

- Majority of the employees fall in the category of below 25 years age group, unmarried, working in the lower level of the organisation structure and also having below one year of experience. These employees are always in search for better chances for their panorama in future. Hence, managements of Ascendas IT Park-Chennai must try to work out a plan which creates a secured state of mind among its employees.
- The HR policy of these companies may be changed and importance must be give to experienced hands in the concern. Generally, corporate sectors try to suck the efforts of the youthful employees and throw them out in the age of late 30s.
- A considerable portion of employees (not major portion) said that the decisions taken by the management is the disturbing factor and at the same time they try to move to another concerns for the reason of salary package. It showed that



Ascendas IT Park-Chennai's employees are disappointed with their employers' attitude and tends to settle in their life, in a short span of time. Hence, the attitude of the employers has to be changed according to Indian employees' working sentiments.

- Major portion of the employees recognized that their managers are good in leadership quality and also accepted that their management considers their creativeness in work. At the same time, they are in the negative mood towards the PA (Performance Appraisal) process of the managements. Hence, the PA process should be used only for appraisal purpose and not for retrenchment purpose.
- Half of the employees suggested to improve the working environment for the reduction of attrition among employees. Hence, work culture and environment must be changed to create the industrial harmony among the employees of Ascendas IT Park-Chennai.
- Majority of the employees were not willing to work with the present employer in future. It shows that loyal workers are not available in the corporate environment. It is not good for any industry; hence, loyalty among the employees must be created in the long run among the employees of Ascendas IT Park-Chennai.

Conclusion

The basic objectives of a corporate company is survival and to be profitable. They have to be more connected with their employees to achieve the same. Hence,

employees who are working for the same concern for long period are a fixed asset to employers. Therefore the employers, including Ascendas IT Park-Chennai have to retain their employees. The study identified that there is an unidentifiable distrust prevail between the employees and the employers at Ascendas IT Park-Chennai. Identification and removal of the distrust (between employees and employers) will reduce the attrition level among the employees.

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