A CASE STUDY ON "ANALYSIS OF ATTRITION IN BUSINESS PROCESS OUTSOURCING (BPO) INDUSTRY"

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Genpact Industries, has been in the field of BPO for more than 10 years.In the 10 years the company had faced number of ups and downs especially in the area of turnover, profit and employee attrition. Compared to other factories, employee attrition had played a vital role on destablise the company. In the initial period, the attrition was 30% after the 10 year of operation, the employee attrition level increased to 40% . So, the company has appointed a consultant to identify and find out the solutions for the employee attrition.

Abstract:

The present study is mainly concerned with the analysis of attrition in Business Process Outsourcing (BPO) industry. This is an effort to analyse the problems of attrition in the BPO industry. The result infers in that case as a consultant to find out the reasons are employees recognition more than monetary rewards, performance incentives, bonus, skill upgradation of the employees, employee engagement activities, relaxation techniques etc.

Keywords: Attrition, Performance, Monetary Rewards, Skills Upgradation, Employee Engagement, Employee Turnover

Introduction:

In Genpact industries, employee attrition is a major issue in the business process outsourcing sector. While there are opportunities a plenty in the market, youngsters are more impatient and want to become managers quickly and focuses. Employee absenteeism is another major problem for the industry.

Statement of the Problem:

1. Do youngsters keep moving only for a higher salary?

2. **Lack of creativity**

3.Career growth.

4.Monotony of work

5.Stressful job

6.Drive towards Higher education

Reasons for the problem:

1. The average age in the BPO sector is 24-25. Senior managers are getting older while entry-level employees are young. The level of patience among youngsters has declined when compared to 10-15 years ago. Everyone wants to be a manager today itself. A person joins after college at the age of 21-22, and by 23 he is questioning: 'why am I not a manager?' We have a career progression plan wherein an employee in 6-7 years can become a senior manager and earn ₹2 lakh a month from a joining salary of ₹15,000. One can even make ₹4-5 lakh but those are one or two jobs. Youngsters don't want to wait for seven years. They have realised that they can jump around companies and get those high salaries.

For a call centre, the entry-level salary could be as low as ₹18,000 and as high as ₹30,000. For coding, it could be ₹20,000. All our workforce members are graduates. Because of attrition, you continuously bring more people.

2. Absenteeism is another major issue. Within 6,000 employees, one in 10 is not present at any point of time.Every month, there is nearly 10 per cent absenteeism in the BPO industry. I don't know what it is in the manufacturing industry. But, it is a serious issue for us.

3. The job of a call center agent (to start off) can be compared to a telemarketing or a telephone operator. Hence the scope to take up any other job (in case needed) or change of field is ruled out, as the experience gained in a call center will not be an iota of importance. Many others quit, as the chance to climb up the corporate ladder is bleak. Only a few very get promoted to the cadre

of team leader and as soon as promotions are announced the many of the frustrated employees quit.

4. The job remains same as to call clients and talk business. Same kind of lines repeated in the calls from the login point to logout point. Employees are bored of the same talks all through their working hours which lead to mental fatigue. Also the same kind of techniques and no manual intervention, everything is done technologically which makes a person as a robot and ultimately leads to fatigue.

5. Also the nature of job in a typical BPO company is psychologically very stressful. The working hours are artificially created which affect the natural rhythm of human body. The symptoms of chronic fatigue, gastrointestinal problems, peptic ulcer, insomnia and even ? The daily targets fixed to achieve push employees to work harder and harder leading to stress.

6. Most of the employees with professional degrees like BE, MCA and others appear for higher education or grooming them, for highly specialized courses quickly move out.

Solution to the problem:

1. Performance Incentives; Bonuses and incentives are paid after every quarter if the employee sustains in the organization and he gets extra rewards if his performance exceeds the target assigned to him.

2. The work in the BPO Company needs no new creativity which adds to the enthusiasm of the employee. Voice Calls are the only thing which governs the activity of the BPO. Further BPO company work does not provide any scope for skill up gradation for the employee. The employer trains the employee to speak good English and nothing else which adds to the Drive attrition rate.

3. Employees decide to switch over from one job to another for career growth and expectation of high salary.

Final Conclusion:

As a consultant, I found out the major issue is high level of attrition is because of low salary given to the employees. Not only that, the Genpact industries which have been somewhat successful in tackling attrition have identified major reasons behind the problem. They are :

1. Majority of employees value recognition more than monetary rewards.

2. Mutual respect and courtesy are valued higher than monetary compensation for majority of employees.

3. Healthy and positive engagement of management with grass-root level staff is a major success factor in curbing attrition.

You may try the following techniques to reduce attrition rates in the organization are:

1. Promote employee engagement activities.

2. Have a regular reward and recognition mechanism in place.

3. Have CSR activities planned for local institutions.

4. Engage your employees in surveys about your firm, your industry, etc.

5. Have your line supervisors maintain cordial professional relations with their team members.

6. Ensure that your line managers have a KYC (Know Your Customer) activity conducted for each team member.

7. Have a buddy-program for new joiners. This greatly helps in reducing attrition in the 0-6 months vintage range.

8. Have a Wall of Fame to promote recognition of stellar performers in the different teams.

9. Ensure salaries are paid on time and accurately.

10. Ensure that all employee grievances are heard and addressed timely by the HR team.

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