



## Byte-Sized Brilliance: A Guide To It Workforce Retention

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### ARTICLE INFO

### ABSTRACT

The current study focuses on organizational strategies for retaining workers in Kerala's information technology industry in the Trivandrum District. The most challenging task for HR managers in this competitive era is luring and retaining workers of the twenty-first century. These days, almost every firm is driven by technology, yet human resources are still needed in order to employ technology to execute tasks. Therefore, the organization's lifeblood for survival, expansion, and development is its people resources. HR managers face a problem when it comes to long-term employee retention in a dynamic workplace. This is an attempt to investigate and assess retention tactics and how they affect the effectiveness of the organization with regard to independent variables. The primary objectives of the research are to scrutinize the variables, ascertain their impact on demographic attributes, and perform a comparative evaluation of the ways in which retention factors influence an employee's choice to remain employed by a company for a prolonged duration. In addition, this investigation used a range of statistical techniques.

**Key Words :** Employee Retention, IT Sector, Retention strategies, Retention factors, Kerala.

JEL Classification: J8, J80, J81.

### Introduction

When working for a firm that is competitive, keeping employees becomes essential. For instance, the administration must invest a significant amount of money in recruiting, selecting, and onboarding a new employee when an employee departs the organization. If a business wishes to retain its top talent for an extended period of time, it must implement an employee retention strategy. It should be mentioned that most companies invest time and resources in training new hires so they may accomplish organizational objectives and perform on par with more experienced employees in the workplace (Sri, Krishna, and Farmanulla, 2016). Through the implementation of an appropriate retention strategy, management can reduce costs and establish a sustainable competitive advantage.

Human capital is recognized as one of the key elements of long-term competitive advantage in all business contexts (Bassi and McMurrer, 2007; Memon et al., 2009). Furthermore, it should be emphasized that an organization's competitiveness affects how well it performs (El Toukhy, 1998; Olckers and Du Plessis, 2015). This makes the case that an organization's ability to draw in, nurture, and keep mentally well employees from all racial and ethnic groups who possess the aforementioned abilities and skills is a critical component of its competitiveness (Olckers and Du Plessis, 2015; Torrington et al., 2009). For the above reasons, talent management is gaining momentum in all organizations around the world. Most developed and developing countries around the world are interested in talent or employee retention strategies *Bennett and Bell (2004); Lewis and Heckman (2006); Lawler (2005); Branham (2005); Yeung (2006); Ruppe (2006); Dunn (2006); Chugh and Bhatnagar (2006)*. Initially, the notion of talent management was intended to improve the system for recruiting and developing individuals with the skills, competencies, and aptitudes required by modern enterprises (Chugh and Bhatnagar, 2006). However, according to *Shukla and Sinha (2013)*, the lack of competent and competent employees in a highly competitive environment has paved the way for attracting and retaining competent employees within the organization. (*Mahesh and Suresh, 2019*). Therefore, management needs to focus on various aspects such as recruitment, selection, entry, mentoring, career

planning, career development, performance management, compensation, awards, replacement planning, leadership programs, etc. (Heinen and O'Neill, 2004; Romans and Lardner, 2005; Fegley, 2006; Bhatnagar, 2007; Schweyer, 2010; Ncube, 2016; Jumade and Kulkarni, 2015).

In the age of globalization, all IT (information technology) organizations are undergoing dramatic changes within the roles and responsibilities of HR. The demand for talented people in the IT industry is growing rapidly due to the talent available, and employee retention is a major challenge for employers in all industries around the world. The gap between supply and demand for talent can widen, especially for advanced engineers and next-generation executives in the IT industry. Employee retention is not a function of the organization's reporting or recording. It is about understanding employee problems and responding to them quickly. Most firms are required to lower wear resistance in order to retain employees. It is a process that is encouraged to continue until the employee reaches the maximum term or project completion. Employees are important in both organizational and employee organizations.

### 1.1 Overview of Indian IT Industry

India's global sourcing business is still expanding quickly, especially when compared to the ITBPM industry. India is a major global provider, accounting for around 55% of the global service procurement market in 2019–20. The IT sector will account for 8% of India's GDP in 2020. In the first quarter of 2022, software exports from related IT enterprises were Rs. 1.20 (US\$16.29 billion), according to STPI (Software Technology Park of India). India is a major player in the global information technology industry, including outsourcing, consulting, and IT services. The IT sector will account for 8% of India's GDP in 2020. It is anticipated that the IT and BPM sectors would generate US\$194 billion in revenue in FY 2021, representing a 2.3% annual growth. The IT sector is predicted to generate US\$45 billion in revenue domestically and US\$150 billion internationally in the 2021 fiscal year. In March 2021, there were 4.5 million jobs in the IT-BPM sector. The IT-BPM sector in India has the highest employee attrition rate. Resignations from all levels of the sector have increased in recent years. Being a global outsourcing powerhouse, the Indian IT sector is infamous for misusing its access to inexpensive labor. Many fear that as the IT-BPM industry develops, artificial intelligence (AI) could lead to significant automation and employment losses in the coming years. India sells two thirds of its IT services to the US.

The most alluring industry for foreign direct investment in India is telecoms. In Budget 2021, the government has allotted Rs. 53,108 crore (US\$ 7.31 billion) to the telecom and IT sectors. The IT sector will account for 8% of India's GDP in 2020. Exports from the Indian IT sector are expected to increase 1.9% to US\$ 150 billion in FY21.

According to NASSCOM, the income of India's IT industry hit \$200 billion this fiscal year, marking a watershed moment for India's information services sector. It also solidified its position as India's largest private sector employer, with 5 million direct employees, with over 2 million added in the last two years. 450,000 of these were added in FY2022 alone, the biggest addition ever as enterprises increased hiring to meet surging demand. According to the Strategic Review report released on February 15 by the IT industry group NASSCOM, there were about 1.8 million women employees, with 200,000 employed in FY22.

The IT services, BPM, and captives business gained \$30 billion in incremental revenue and expanded 15.5 percent, the greatest rate since 2011. This was due to the quick adoption of technology and migration to the cloud following the epidemic, which increased demand for outsourcing services. According to the analysis, FY2022 sales for Indian technology services will be \$209 billion, with digital accounting for 3032 percent of the growth. According to the analysis, the industry's revenue is expected to reach \$350 billion by FY2026, with a growth rate of 1114 percent.

The IT industry is predicted to generate \$150 billion in export revenue in FY21. IT investment in India is anticipated to reach US\$ 98.5 billion in 2022 and US\$ 93 billion in 2021 (7.3% YoY growth), according to Gartner.

### 1.3 Factors of Employee Retention Strategies

Most CEOs employed various retention methods to deter employees from leaving or leaving the company in various ways. Employees are rewarded based on their successful performance, and supervisors and employees have a happy working relationship. It also creates a healthy and secure workplace (Casco, 2003).

In a similar vein, Dockel (2003) and McNeeetal (1998) identified six important characteristics that influence a company's ability to retain high-tech workers. These include things like pay, work conditions, opportunities for professional growth and training, management support, career opportunities, and work-life policies. Work qualities are described in terms of job autonomy and diversity of skills.

Hytter (2007) also found that aspects of the workplace such work-life balance, physical working conditions, leadership styles, career opportunities, remuneration, and training and skill development had an indirect effect on employee retention. It has a profound effect on me.

Comparably, the literature that is now accessible identifies a number of factors that are linked to employee retention, including opportunities for career growth, quality assurance, job stress, rewards, recognition for completed work, and the supply of fulfilling employment. Promotion, workplace culture, relationships with peers, work-life harmony, dialogue, and oversight.

A few of the variables influencing employee retention tactics were identified in this study. These are

1. Compensation
2. Training and Development
3. Rewards/ Recognition
4. Work-life balance
5. Job Satisfaction
6. Career Development

### **1. Compensation**

The majority of research has emphasized that compensation is one of the key factors in employee retention. These are a few of the reviews: These are

- "Salary and benefits policies are not being used strategically, within the organization to improve morale, reduce turnover, and achieve targets within an establishment," as noted by Davies et al. in 2001.
- According to Montcarz et al. (2009), compensation plays a significant role in lowering management turnover and raising employee involvement.
- It is made quite evident in Milkovich and Newman's book *Compensation* (2004) that "of all types of compensation, monetary payments are considered to be one of the most important and important factors in employee retention." I'm stating.

### **2. Training and Development**

Businesses typically expect a return on their investment when they invest in the training and development of their employees. One of the most important strategies for employee retention is this (Messmer, 2000; Hytter, 2007).

### **3. Rewards/Recognition**

Pay signals to staff members that they are important to the company (Silbert, 2005). For workers or employees who are respected, acknowledged, and valued at work, awareness is also crucial. According to Walker's (2001) research, "recognition from bosses, team members, colleagues, and customers enhances loyalty."

### **4. Work-life Balance**

One of the key factors influencing an employee's decision to remain with the company is work-life balance. Furthermore, by providing emotional support to employees through work-life balance, Karatepe (2013) found a connection between employee stay decisions and work-life balance. A direct connection was found with (Mehta et al., 2014). Therefore, companies need to enhance "harmonious" stability between work and life in order to encourage staff retention (Leners et al., 2006).

### **5. Job satisfaction**

Murray (1999) found that performance, devotion, productivity, and absenteeism are all significantly impacted by active joy. Moreover, the enjoyment of an activity not only helps with staff retention but also reduces the expense of hiring new staff.

### **6. Career Development**

Employee commitment to stay increases when personal and professional growth is acknowledged through opportunities for progress within the company. Personal and professional development is a crucial component in employee retention (Hiltrop, 1999). Most studies emphasized the value of opportunities for professional growth in boosting employees' loyalty to the company (Arnold, 2005; Herman, 2005; Cardy and LengnickHall, 2011; Kroon and Freese, 2013). Workers weigh opportunities for growth and promotion when deciding whether to leave or remain with the company. It is also recognized as a crucial factor in determining job prospects. They are Promotion Plans, Internal Promotions, and an Accurate Career Outlook, according to Prince (2005).

## **2. Review of Literature**

Current research focuses on determining the influence of employee retention methods on organizational and individual employee effectiveness in the information technology (IT) industry.

The review of pertinent literature is aligned in two segments

1. Research on staff retention tactics
2. Research on organizational effectiveness

### **2.1 Research on staff retention tactics**

**Kundu and Gahlawat (2016)** demonstrate that employers deliberately and methodically discover appropriate retention tactics in order to achieve higher performance, as well as the influence of various practices on organizational performance. It has been suggested that there is a need. Furthermore, firms establish and implement a number of policies and procedures in order to construct a strong organizational culture and present employees as a significant asset in order to boost the organization's overall performance. is required.

**Sathyanarayana et al. (2017)** studied the factors that influence employee involvement in the Indian IT sector. According to the report, the issue is not only in hiring, but also in keeping employees happy or content

with their allocated jobs and activities. Researchers found seven essential factors: supervision, work environment quality, information reliability, communication, information quality, pay and perks, evaluation procedure, satisfaction, and organizational commitment.

**Potgieter and Mawande (2017)** explored the association between personal variables and job retention in the financial services sector of South Africa. The poll provides information on employee self-esteem, employability traits, and factors influencing job retention. The findings revealed that general self-esteem, employability traits, and age all predicted employment retention factors in the financial services business. Job retention was clearly predicted by psychological components of self-esteem, general self-esteem, social self-esteem, and personal self-esteem. Furthermore, the employability characteristics of professional self-management, self-efficacy, career resilience, cultural ability, entrepreneurial orientation, positivity, sociability, and emotional ability were found to be strong predictors of employment retention factors.

**VuiYee and Paggly (2018)** investigated the relationship between work characteristics and employee retention. Based on self-determination theory, work characteristics comprise work and knowledge qualities. The findings indicated that work performance would play a mediating role, with gender and education level serving as control factors. In the interactions studied to promote employee retention in the workplace, there is no difference between the different age groups of Generation Y.

**Potgieter and Snyman (2018)** explored the influence of personal characteristics on employment retention in the banking services sector. Employees self-taught themselves about personal variables such as emotional intelligence and self-esteem, as well as elements influencing employment retention. Personal factors for predicting employee job qualities, career opportunities, management support, and work-life balance retention factors are shown by regression analysis. Furthermore, there was no substantial variation in personal and attachment characteristics based on geographic location.

### 3. Statement of the Problem

The primary goal of this research is to investigate the impact of retaining competent employees within the firm. Talented employees have clear expectations of their employers and a solid vision of what they need to achieve their career goals. Retaining talented employees is highly resilient in the current economic climate, as it has increased dramatically compared to the cost of maintaining within the organization. Employee retention becomes an issue when employees submit very large volumes beyond the organization's budget and simply don't want to compromise. Organizations also need to protect the interests of other employees and cannot afford to confuse them. The IT industry faces a serious shortage of qualified IT specialists. Many domestic and multinational companies are now establishing development centres in India to create multiple employment opportunities.

IT experts are in demand all over the world. Due to the many employment opportunities available to employees, they are looking for a job change, which creates layoffs between companies. Maintaining employee quality for IT organization personnel managers. The goal of this research is to provide valuable information about the elements that drive employee retention in the IT industry, Trivandrum, and retention strategies for IT companies.

#### 3.1 Research Gap

After reviewing domestic and international documentation on employee retention strategies and organizational efficiency. The investigator identified three overriding deficiencies.

They are

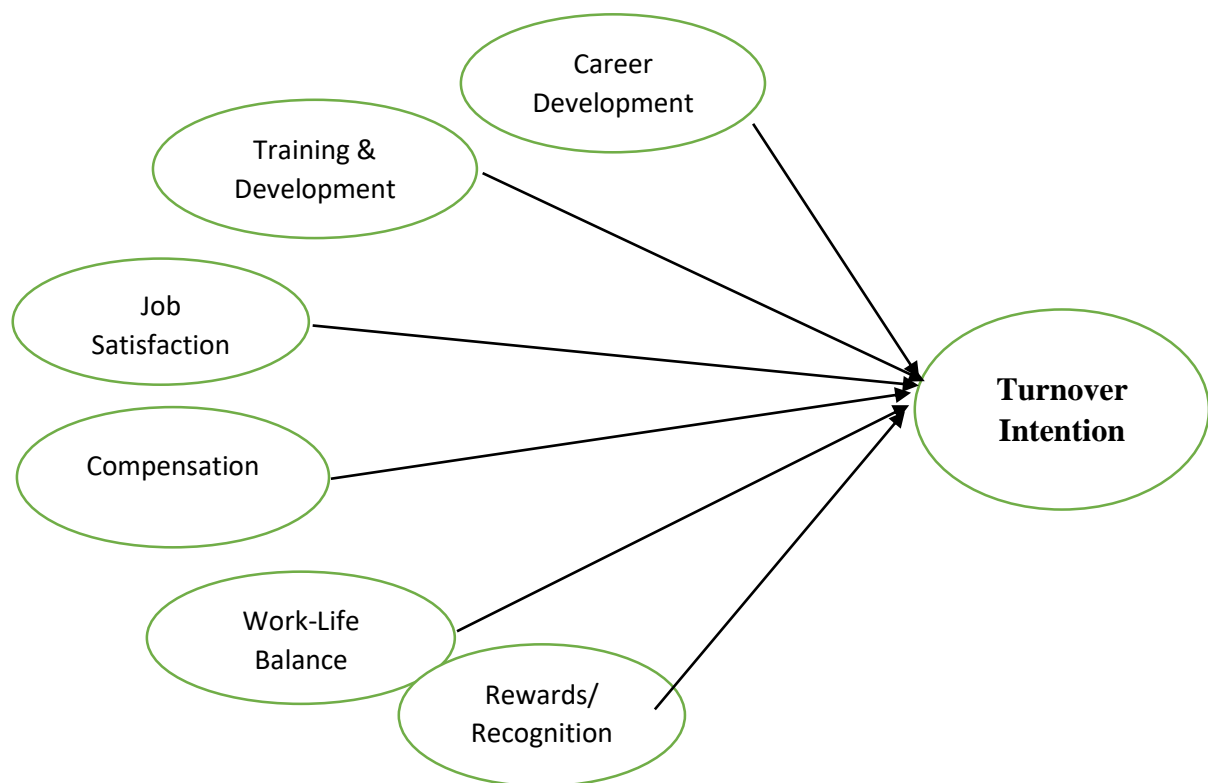
- I. There is no direct contact from the researcher concerning the reduction of elements of retention strategies.
- II. There is no direct measure of empirical data on organisational effectiveness.
- III. Previous research had not focused on the relationship between staff retention tactics and organisational effectiveness; as a result, the researcher's current study aimed to close this gap.

Every organisation must recognise and respond to employee retention concerns, not just to retain essential talent but also to manage morale and organisational effectiveness challenges associated to employee turnover. Employers must therefore be able to forecast how their staff will react to changes in the competitive talent market. When the economy is not stable, the employment rate declines, and employee mobility increases, businesses must watch and understand the reasons why their employees leave. Quit rates might easily increase if companies do not monitor and understand the reasons why their employees leave.

#### 3.2 Study Area

The current research focuses on Trivandrum's Information Technology (IT) sector. The study is realistic and important because Trivandrum is a hub for big IT companies. IT behemoths, as well as medium and small software companies, abound in the city. Kerala's capital, Thiruvananthapuram, is also known as Trivandrum. With the entry of IT companies into the economic realm, young and educated workers have seen their financial status improve. Trivandrum, being the country's capital, is a powerful symbol for workers from all walks of life. Technopark (Thiruvananthapuram), Info park (Kochi), and Cyberpark (Kozhikode) serve as regional hubs for satellite centres. Over 800 enterprises employ over 1 lakh IT specialists throughout the three IT parks. According to a top official from the state IT Parks, the information technology sector in Kerala is expected to

attract over Rs 6,000 crore in investments by 2023-24. The Rs 800 crore TCS Aerospace hub at Pallipuram's Techno city campus, the Rs 1,500 crore Taurus Downtown project in Thiruvananthapuram, and Brigade Enterprises' Rs 800 crore World Trade Centre are among the key projects slated to be completed by 2023-24. Kerala's IT sector will get an extra Rs 6,000 crore in investment after these projects are completed, resulting in the creation of at least 125,000 direct employment in the state over the following seven years. "In Kochi Info park, there are a number of projects that have been committed to, as well as ongoing activity. IBS is nearing completion on a massive plant that will be opened soon, and Caspian is a major partner in the project. In Thiruvananthapuram, the massive developer Taurus is constructing a 3.4 million square foot facility. Technopark Kochi Phase 1 is also the subject of discussion. "We want to do something big, but we need more land," said Kerala IT parks CEO John M Thomas.



**Fig. 1: Research Framework diagram**

## 4. Methodology

Data for this study were gathered via a survey of business personnel. The survey's statements are scored on a Likert scale from 1 to 5. Severe agreement with the statement is indicated by a number of 5, while severe disagreement with it is indicated by a value of 1. The Structural Equation Model technique and SMART-PLS 4.0 software were then used to evaluate the survey results. Which hypotheses are accepted or rejected will depend on the results of the analysis. The indications in each accepted hypothesis will be used to inform the development of a strategy to boost staff retention. As part of the Expert Judgment process, the suitability of executing the plan in the organization will also be assessed by asking the manager for an opinion. The expert's assessment of the suggested technique will next be used to analyze and rank the survey results. The priority of implementing a plan within the organization increases with its worth.

### 4.1 Research Variables

In this study, the exogenous variables are compensation, training and development, rewards and recognition, work-life balance, job satisfaction, and career development. Use of turnover intention as an endogenous variable.

### 4.2 Method of Analysis

Data analysis was done in two steps using the SMART-PLS 4.0 program. Measurement model analysis is the initial step in the analysis process. Evaluation of measurement models aims to assess the reliability and validity of research.

Analysis of the measurement model includes the following:

1. The extracted average variance (AVE). A valid indicator is one where  $AVE > 0.5$ .

2. Reliability composite (CR), If  $CR > 0.7$ , an indication is deemed credible.
3. The Fornell-Lacker Standard. If a construct's square root of the AVE is larger than its correlation with other constructs, the indicator is said to meet the discriminant validity criterion. The structural model analysis is the second analytical stage. The goal of the model's structural analysis is to evaluate the model's accuracy and test the hypothesis.

The following is included in the examination of the structural model:

1. VIF, or variation inflation factor. There is no collinearity issue if the variance inflation factor (VIF) is more than five.
2. R<sup>2</sup> Ratings; The R<sup>2</sup> score of 0.25 to 0.5 shows that the model's prediction is not very accurate. A moderate level of accuracy in the model's prediction is indicated by an R<sup>2</sup> score of 0.5-0.75. The R<sup>2</sup> score is greater than 0.75, which shows that the model's prediction is highly accurate.
3. Testing hypotheses. When the p-value is less than 0.05, there is a strong correlation between the two variables, and vice versa.

## 5. Result and Discussion

### 5.1 Respondent Characteristic

79 workers responded to the survey and took part in the study. There are 39% female respondents and 61% male respondents. 70% of those surveyed have finished their undergraduate degrees. The percentage of workers who have worked for the company for five years or more is merely 43%. Age-wise, 35% of employees are between 30 and 40 years old, 33% are between 25 and 30, and the remaining 12% are under 25.

### 5.2 Results of Measurement Model Analysis

1. Variance on average Value extracted  $> 0.5$  (Table 1). In order to deem the model valid
2. 0.7 or more for the Composite Reliability value (Table 2). For the model to be considered trustworthy
3. The Fornell-Lacker criterion's value (Table 3) demonstrates the model's strong discriminant validity.

**Table 1. Average Variance Extracted (AVE) Value**

Variable	AVE
Compensation	0.766
Rewards/ Recognition	0.698
Job Satisfaction	0.596
Career Development	0.638
Training and Development	0.621
Turnover Intention	0.858
Work-life balance	0.708

**Table 2. Composite reliability value**

Variable	AVE
Compensation	0.868
Rewards/ Recognition	0.902
Job Satisfaction	0.899
Career Development	0.875
Training and Development	0.891
Turnover Intention	0.924
Work-life balance	0.906

**Table 3. Fornell-Larcker Criterion value**

Variable	CO	RR	JS	CD	TD	TI	WB
CO	<b>0.875</b>						
RR	0.335	<b>0.836</b>					
JS	0.511	0.753	<b>0.772</b>				
CD	0.401	0.785	0.771	<b>0.799</b>			
TD	0.436	0.460	0.617	0.498	<b>0.788</b>		
TI	-0.360	-0.621	-0.704	-0.535	-0.748	<b>0.927</b>	
WB	0.163	0.573	0.623	0.539	0.336	-0.586	<b>0.842</b>

**Table 4. Variance inflation factor value**

Indicator	VIF	Indicator	VIF
CB1	1.395	CD5	1.837
CB3	1.395	CD6	1.863

RR1	2.120	TD1	2.748
RR2	1.521	TD2	2.494
RR3	2.528	TD4	1.972
RR4	2.368	TD6	1.603
JS13	1.766	TD7	2.198
JS15	2.036	TI3	2.065
JS5	1.993	TI4	2.065
JS6	1.899	WB4	1.939
JS7	1.931	WB5	2.997
JS9	1.796	WB6	2.851
CD1	1.356	WB7	1.674
CD4	2.018		

**Table 5. Hypothesis Test**

No	Hypothesis	P- values	Decision
1	Job satisfaction has a major influence on intention to leave.	0,0660	Reject
2	The intention to turnover is greatly impacted by career development.	0,0310	Accept
3	Training and development have a big impact on the intention to turnover.	0,0000	Accept
4	Compensation has a major influence on the intention to leave.	0,4220	Reject
5	Work-Life Balance has a major influence on the intention to turnover	0,0040	Accept
6	The intention to turnover is strongly impacted by rewards and recognition.	0,0120	Accept

**5.3 Structural Model Analysis Results**

1. Value of VIF 5 (Table 4). This result demonstrates that the research variables have no collinearity issues.
2. R2 is equal to 0.704. According to this number, about 70.4% of turnover intention may be attributed to compensation & benefits, training & development, work environment, employee recognition, performance evaluation, and job satisfaction. The remainder, meanwhile, is impacted by others. These findings indicate that the exogenous variables in this study have a little ability to predict turnover intention.
3. Testing hypotheses. The study's 5% error rate means that the hypothesis will be accepted if the P-Values are less than 0.05. The significance of the interaction between exogenous and endogenous variables is shown by P-Values 0.05. The influence of exogenous factors on endogenous variables is not significant if PValues > 0.05, according to [21]. Table 5 displays the results of the hypothesis test.

There are 4 approved hypotheses based on Table 5, including:

- I. H2: Performance evaluation strongly affects intention to leave
- II. H3: Training and growth have a big impact on wanting to leave.
- III. H5: The workplace environment has a substantial impact on intended turnover
- IV. H6: Employee recognition has a major impact on intended turnover

Section 4.4 will examine all of these findings.

**5.4 Discussion**

**5.4.1 H1: Job Satisfaction Significantly Impacts Turnover Intention**

As demonstrated in Table 5, the P-value for the relationship between work satisfaction and intention to leave is >0.05. This hypothesis is disproved since work satisfaction has no discernible effect on intention to leave. In contrast to the study's findings, "Conceptual framework on the relationship between human resource management practices, job satisfaction, and turnover." The results of this study indicate that the intention to quit a job is significantly and negatively impacted by job satisfaction. Work satisfaction is not the only element influencing employee turnover intention.

The results of this study show that employee turnover intentions are not significantly influenced by work satisfaction. Employee turnover won't be considerably impacted by work satisfaction levels either growing or decreasing. Put another way, employees may still wish to quit the company even when they are content with their positions. A weak corporate culture is one of the many potential causes of this disease. Even when employees are content in their roles, many leave the company because the corporate culture doesn't fit their personalities. Additionally, employment security might have an effect on this disease. People worry that they will lose their employment due to organizational changes even when they are content in their current positions. So that employees may choose to go from the company. This condition is also influenced by the availability of other career options. Even if employees are content in their current roles, they will nonetheless leave the

company if there are better-paying opportunities elsewhere. The desire of employees to advance in their professions and the availability of job opportunities at other companies are closely related.

#### **5.4.2 H2: Career Development Significantly Impacts Turnover Intention**

According to Table 5, the relationship between performance evaluation and intention to leave the company has a P-value of 0.031, which is less than 0.05. The premise that performance evaluation greatly affects turnover intention is therefore accepted.

Research conducted in Malaysia reveals that performance appraisal greatly influences employee turnover intention, which supports the claim made above. Employee turnover is more influenced by performance reviews than by training and development. Intention to leave a job is also strongly predicted by performance reviews. Thus, executing a fair, impartial, and free of political influence performance review will lessen employees' intents to leave the company. Employees will feel that they can grow within the company thanks to fair performance review, clear objectives, and objective evaluation criteria, which will promote a positive work atmosphere. As a result, turnover intention can be decreased.

#### **5.4.3 H3: Training and Development have a Significant Impact on Turnover Intention**

According to Table 5, the P-value for the relationship between training and development and turnover intention is 0.000, or less than 0.05. The hypothesis is accepted as a result, and it can be deduced that training and development have a major impact on turnover intention.

Employee turnover is highly impacted by training and development. A company's ability to retain employees can be improved by offering effective training and learning scholarships. The effectiveness of training programs can be improved by using a variety of training techniques, such as remote learning, on-the-job training, and off-the-job training. Increased employee satisfaction with the company's training initiatives will have a detrimental effect on the desire to leave. The desire to reduce turnover will, however, grow in the presence of other human resource management measures, such as promotions, career paths, and scholarships.

#### **5.4.4 H4: Compensation & Benefits Significantly Affect Turnover Intention**

According to Table 5, the relationship between compensation and benefits and turnover intention has a P-value higher than 0.05. Therefore, this hypothesis is disproved and it can be inferred that remuneration and perks have no appreciable effect on the intention to turnover.

The findings of this study are inversely correlated with those of a study on employee retention in IT firms, where remuneration and benefits have a substantial impact on intention to leave. Salaries and benefits have the greatest impact on staff turnover.

However, the author's research reveals that the firm compensation only has a substantial impact on employees' commitment to the organization, job satisfaction, and intention to leave. Employee turnover is more influenced by the elements of the company's benefits package. Employee turnover will be more significantly impacted by distributive justice or salary equality than by an employee's pay. In order to increase work satisfaction among employees and lower employee turnover, each position should have a uniform wage structure. Additionally, offering incentives like retirement plans and share ownership schemes will be more successful in lowering employee turnover than raising departing employees' compensation.

#### **5.4.5 H5: Work Environment Significantly Affects Turnover Intention**

According to Table 5, the P-value for the relationship between work-life balance and intention to leave is less than 0.05. Accept this premise: the work-life balance greatly affects the inclination to turnover.

The conclusions of this study are supported by the fact that the work-life balance has a substantial impact on the IT employees in Trivandrum's inclination to leave their jobs. The presence of auxiliary facilities, corporate management, the physical setting, and the application of occupational health and safety (K3) management are all factors in this work environment. Employee retention will increase in a relaxed, secure work atmosphere. Giving employees access to safety gear like fire extinguishers and safety shoes can improve workplace security and comfort, encouraging them to stick with the company. The likelihood that employees will leave the company will rise if they feel that it is not their home. The comfort of employees working for the company will enhance if they have the freedom to build their own workspace as long as they do so within safe parameters and legal requirements. Employee comfort at work will increase, which will have a large, unfavourable effect on turnover.

#### **5.4.6 H6: Employee Recognition Significantly Impacts Turnover Intention**

The effect of incentives/recognition on intention to leave the company is shown in Table 5 to have a P-value higher than 0.05. This supports the theory that rewards and recognition have a major impact on employees' intentions to leave their jobs.

According to the research, rewarding employees can boost their sense of belonging to the company, their level of pleasure, their self-esteem, and their interest in contributing to its success. As a result, incentives and recognition have a big impact on employees' intentions to leave. A crucial component of human resource management is rewards and recognition. Due to the possibility of increasing employees' feelings of importance and value to the organization.



### 5.5 Strategy to Increase Employee Retention in IT Companies

The research indicates that four factors significantly influence the intention to exit the IT Companies. These consist of career development, training and development, rewards and recognition, and work-life balance. Each variable's Beta/Path Coefficient value shows how much of an impact it has on the system under consideration (Table 6).

Training and development has the most impact on turnover intention, with a path coefficient of -0.538. Enhancing training and development will thereby reduce employee turnover. The report states that there are indications that the organization's procedures for training and development are inadequate. The response score of 2.95 (Moderate) indicates that my company covers the cost of my outside training. These findings suggest that the best course of action for companies trying to lower employee attrition through training and development is to provide employees with access to outside training facilities.

The workplace negatively affects the intention to leave, with a path coefficient of -0.257. Therefore, making workplace improvements will lower employee churn. One indication of the employees' work-life balance was rated inadequate by the poll. The indicator shows that "my efforts to do a good job are rarely hampered by strict bureaucracy" with a response value of 2.99 (Moderate). Based on these findings, firms are advised to streamline bureaucratic organizational processes in order to reduce turnover intentions through work-life balance.

With a path coefficient of -0.257, rewards and recognition have a detrimental effect on the intention to leave your job. Therefore, increasing employee recognition will lower staff churn. The survey's findings indicate that one measure of employee recognition within the company is not up to par. The indicator is "I receive an award for my work", with a response value of 3.42 (Moderate). Based on these findings, firms are advised to reward employee accomplishments by giving out certificates, formally applauding staff members, and expressing gratitude for meeting work-related goals. This will help lower the likelihood of staff turnover.

Career Development has the least negative impact on turnover intention, with a path coefficient of -0.214. Therefore, increasing career development will lower employee churn. One Career Development indication was identified in the survey as being below what the organization thought was ideal. The signal "I am satisfied with the promotion opportunities where I work" had a response value of 2.91 (Moderate). Based on these findings, the company's proposed solution to reduce intended turnover through career development is to regularly promote employees.

The proposed plan is then presented to the Manager to get input from the company's subject-matter experts. Within the company, eight managers responded to the suggested tactic. Managers of talent development, technical training, soft skills training, training assistance, great operations, organizational development, culture, and labor relations were among those who responded to the study. A survey of managers (expert opinion) yielded various actionable activities from the suggested plan for boosting business employee retention, as illustrated in Table 7. The importance given to implementing a strategy increases with its value.

**Table 6. Factors affecting turnover in IT companies**

Hypothesis	Beta Coefficient	P-values
CD -> TI	-0,214	0,031
TD -> TI	-0,538	0,000
WB -> TI	-0,257	0,004
RR -> TI	-0,245	0,012

**Table 7. Manager's Assessment of Strategies to Increase Employee Retention**

Strategy	Activities performed	Result
Establish facilities for employee training by outside parties.	As per the competence Standards for each role, offer external training.	3,8
	Pay for outside training in full	4,4
Make opaque and uncomplicated bureaucratic regulations.	Simplify the administrative procedures.	4,4
	Using technology to carry out administrative duties	4,0
Establish a program of awards for employees who fulfil certain goals.	Given out in recognition of reaching job goals for employees.	4,5
	Adopt the habit of expressing gratitude, either directly or indirectly, to staff members who meet their goals.	4,1
establishing transparent and quantifiable marketing campaigns	Establish promotion requirements and guidelines for staff members.	4,1
	Possibility of direct career advancement	4,4
	Don't send written or email feedback on a performance review.	3,5

	Competency tests, supervisor evaluations, and panellist evaluations are all combined into promotion tests.	4,0
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## 6. Conclusion and Suggestion

### 6.1 Conclusion

The investigation that was done produced the following results:

1. Work-life balance, employee recognition and rewards, career advancement, and training and development all significantly and adversely affect the intention to leave.
2. Strategies that can promote employee retention at the company include providing facilities for external employee training, simplifying and making explicit bureaucratic procedures, creating reward programs for accomplishing employee work goals, and creating quantifiable and clear promotion programs.
3. The following are a few priority-based implementation tasks for the suggested strategy:
  - a) Rewarding employees with gifts or other items in exchange for improvements and inventions, as well as expressing gratitude to them for attaining goals.
  - b) Offer job development opportunities in person by giving yourself a two-year break, and avoid sending them by email or in writing.
  - c) Creating standards and requirements for employee promotions and awarding promotions based on a mix of performance reviews, supervisor evaluations, and panellist evaluations.
  - d) Offering external training in accordance with company requirements and funding it
  - e) Making use of information technology to streamline business administrative processes

### 6.2 Suggestion

This study provides helpful recommendations for keeping workers in the IT industry.

They are listed below.

1. The usage of variables is one of this study's shortcomings. To get an R2 close to 1, further study is advised to include factors like workplace stress and work engagement.
2. Companies need to update their HR procedures by digitizing all employee-related work and leveraging technology to speed up hiring, on boarding, payroll processing, performance reviews, and employee self-service, and other processes. With paperless on boarding and online access to pay and benefit information, employees may handle data on their own.
3. Management needs to treat staff members as special as customers in order to increase engagement, retention, and the working environment. Higher authorities or direct supervisors need to support them and offer solutions to their problems if they are to function more efficiently.
4. Management needs to be honest and carry out impartial performance assessments, compensation benefits, staff training and development, and succession planning meetings in order to foster a clear and objective culture.
5. The company needs to better integrate employee goals with organizational objectives in a comprehensive and efficient manner. This encourages communication between managers and staff to foster a positive work atmosphere.
6. The creative IT industries are a constant source of inspiration for millennials and Gen Z millennials. Employee creativity and productivity have grown in the technology-enabled workplace. This enables management to retain staff members for extended periods of time.
7. To enhance the work environment, management should also endeavor to honor top performers. When they earn praise and appreciation at work, employees are motivated to work harder and more efficiently.
8. To truly make an impact, organizations must also cultivate a work atmosphere that allows employees to be more adaptable and innovative. Employees are encouraged to perform to the best of their abilities, which makes them stay on the job longer.
9. IT companies ought to encourage the retention of more seasoned employees because they possess a wide range of skills and in-depth knowledge necessary to manage challenging circumstances.
10. IT organizations should work to provide potential employees enough rewards and recognition in order to build emotional relationships with employees who plan to stay with the same organization. Career advancement is a significant component in employee retention.
11. When they don't have enough time to spend with their spouse or family, workers in the IT industry may become anxious and think of leaving. Increasing turnover rates are also a result of a lack of cohesiveness, cooperation, and teamwork. Therefore, IT companies should support their staff members in practicing effective coordination and spiritual teamwork, as well as allow them to work from home or on flexible schedules without facing consequences.
12. Good compensation, training and development, rewards and recognition, work-life balance, work environment, job satisfaction, welfare, communication, career development, management or organizational support, and respect and fairness are all factors that can contribute to increased organizational productivity in the IT industry.

13. Companies need to choose the top executives and managers. The majority of the time, poor managers are the reason why employees quit—not the company.
14. In order to play a major role in employee retention, organizations must embrace the opportunities for sociability, team building, and bonding events.

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