

Organizational Commitment and Attrition among Business Process Outsourcing Employees in Chennai

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Abstract

Context: Business Process Outsourcing (BPO) has been the latest mantra in India today. A BPO work organization is "high-strain" due to the heavy workloads, tight rules and procedures, electronic monitoring and employees are given little or no autonomy.[1] Ultimately it creates physical, psychological and behavioral deviations among them. Repetitive tasks, such as responding to telephone calls more than 100 times a shifts have resulted in absenteeism and attrition among many young employees.[2]² **Aims:** 1) To study the organizational commitment to work in business process outsourcing organization. 2) To find the association between income and educational qualification with attrition in BPO sector. **Methods and Material:** A Cross sectional study was undertaken among 90 BPOs in a private organization in Chennai. A standard pretested questionnaire was used to find the organizational commitment, relationship of attrition to qualification and income. **Statistical Analysis Used:** The data was analyzed using Microsoft excel and spss - version 17 Results: Almost two-fifth of the participants feel that they should move from the existing company. Only 38.9% felt to be part of the organization. Majority of the participants feel that company requires some change. It was estimated that statistically significant ($p < .05$) relationship exist between income and qualification of employees with attrition **Conclusions:** Employees of BPO sector were not satisfied with their work and their commitment to work was low. Attrition was related to the income and qualification of employees.

Keywords: Business process outsourcing employees; Physical exhaustion; Stress; Work load.

Introduction

The Business Process Outsourcing (BPO) sector is one of the fastest growing sectors in the global scenario. When a company concentrates on the core business and outsources its non-core activities like payment services, Customer services and administration, then it is referred as Business Process Outsourcing. The BPOs provides all these services to the local as well as the

international customers through a wide telecom, web and database network.[3] Typically, each BPO employee responds to a minimum of 100 phone calls per shift.[2]

The information technology and ITES-BPO industry in India has grown rapidly, registering a compound annual growth rate of 26 percent over the last decade. The number of information technology and ITES-BPO professionals employed in India increased from 2,84,000 in 1999-2000 to over 1.6 million in 2006-07.[4] With 70 percent of the workforce in the age group 26 - 35 years, the IT-ITES industry is likely to become one of the largest employers of young adults in India. Currently Bangalore, Mumbai, the National Capital Region (NCR), Hyderabad, Pune, Chennai and Kolkata account for 90 percent of the total direct employment in BPO sector.

Aside from attractive salaries, the attractive work environment and benefits offered by the BPO sector have motivated many young adults

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to seek employment in this sector.[5] Although, The BPO sector has opened up vast career opportunities for young adults, but at the same time employment in the sector has an impact on young people's lives. With the availability of higher disposable incomes, many young people have reported lifestyle changes.[6]

Among the work related problems across 26 occupations, BPO sector was identified as having worse than average scores on three factors namely physical, psychological well being and job satisfaction.[7]

BPO has been the latest mantra in India today. For many employed in the call center sector, "the daily experience is of repetitive, intensive and stressful work which frequently results in employee "burnout".[8] While employment in the BPO sector has meant that young adults are reaching their career milestones and financial goals much earlier than before, surveys and anecdotal evidence show that workers in the BPO sector experience high levels of stress as a result of working in closely monitored environments with pressure to meet ambitious performance targets. Besides the stress, the working hours of call centers may cause sleep disturbances and disturbances in biological rhythm.[9] A growing number of employees also experience physical and emotional problems such as panic attacks, depression, relationship problems, alcoholism and sleeping disorders. Job pressure at call centers also may adversely affect social health.[8] Repetitive tasks, such as responding to telephone calls more than 100 times a shifts have resulted in absenteeism and attrition among many young employees.[2]

The problems of BPOs are multi-dimensional in nature. Several studies have shown that employee having lower stress have lower rate of both turn over and absenteeism, have better health and live longer and they carry over the satisfaction delivered out of their job to their life outside the job. The complex issue of BPOs is worth investigating. It was therefore decided to carry out the present study among BPOs, as it was felt that they may have scholastic problems of having to cope with the burden

of stress and work, in addition to various health problems resulting in increased attrition.

Objectives

- 1) To study the organizational commitment to work in business process outsourcing organization.
- 2) To find the association between income and educational qualification with attrition in BPO sector.

Subjects and Methods

The study was carried out in Cadent Info Solutions Limited, one of the Business process outsourcing services in Chennai working for Multinational companies.

- a) *Type of Study*: Cross sectional study.
- b) *Place of Study*: Cadent Info Solutions Limited
- c) *Sources of Data Collection*: Primary Data - Survey method was employed to collect the data from the respondents and the data was collected with the help of Questionnaire.
- d) *Parameters studied*:
 1. *Background*: The following was studied among all employees in the study: age, gender, education, occupation, monthly income.
 2. *Organizational Commitment*
 3. Association between income and qualification of BPOs with attrition.
- e) *Technique and Tools Used*: All the participants chosen were given a pre-tested self-administered questionnaire to fill.
- f) *Procedure*: The Managing Director (MD) of the organization was contacted, the purpose of the study was explained to him in detail and permission was obtained to conduct the study. The total number of employees enrolled in the