ABSTRACT

‘Retention of expert employees is the need of hour in today’s competitive world…….’
Competent employees are definitely a key factor in an organization to achieve its objectives. Due to stiff competition, due to penetration of MNCs in an Indian market, organisations are compelled to have adequate, skilled and motivated manpower. After acquiring adequate required manpower, next vital step is how to retain them?
This research paper titled, “Conducting stay interview on quarterly basis improves employee retention in BPOs”, based on doctoral study carried out on the topic of ‘A study of Retention Strategies in BPOs of Pune, with special reference to International Call Centers’, through Tilak Maharashtra Vedyapeeth, Pune., during 2007 to 2010. Dr. S.G. Bapat, a renowned Corporate Trainer, and educationist has guided researcher for the period of three years for the doctoral research. In this study, researcher focuses on the importance of ‘Stay Interviews’ for improving employee retention in BPOs – Call Centers.

Key words: - BPO, Employee Retention, Stay Interview

1. INTRODUCTION OF THE TOPIC:-
‘Retention of expert employees is the need of hour in today’s competitive world…….’
Competent employees are definitely a key factor in an organization to achieve its objectives. In the era of globalization, we are witnessing a stiff competition, due to penetration of MNCs in an Indian market. This in turn compels organization to have adequate, skilled and motivated manpower, which can have a positive impact on business. Several sectors are struggling to find out new ways of retaining employees. Business Process Outsourcing (BPO) is one of such big sectors. Many BPOs are facing problems related to employees on each front. Today, every part of Pune is surrounded by several BPOs. This situation was not there ten years before. The scene is quite satisfying as we focus on number of BPOs increasing rapidly in Pune. The researcher intended to identify the nature of retention problems in B.P.O.s and probable solutions for retaining employees.

2. BUSINESS PROCESS OUTSOURCING (BPO):-
B.P.O. is basically an organization which provides services of completing major work for customers on producer’s behalf. This helps producer to concentrate on business i.e. core activity of the business. This is done by many organizations at the lesser cost than they pay in their country to their employees. India is one of the preferred destinations for outsourcing. As oil has changed the face of eastern countries, BPO has changed the face of India. This sector is facing a burning issue of retaining manpower. BPOs are trying hard to reduce attrition rate. There is a need for knowing what makes people uncomfortable at the workplace and how to minimize such problems to make the place of work healthier. Today, it is very difficult to manage employees, business and survive in the competitive market situations. Retaining employees has become a challenging task for management. Employees are getting
opportunities elsewhere and hence they are jumping from one organization to another. It is causing a constant change in the culture and performance of the teams. Hence it is important to trace what kind of strategies can be implemented in such organizations.

3. **Objectives of the research:-**

1. To study the nature of retention problems, different reasons which are affecting the decisions of the employees regarding leaving job?

2. To study the possibility of evolving a new strategy to retain manpower, that would be most suitable for BPOs - Call Centres.

4. **Research Methodology:-**

4.1. **Meaning of research:-**

Research in common parlance refers to a search for knowledge. One can also define research as a scientific and systematic search for pertinent information on a specific topic. In fact, research is an art of scientific investigation. The Advance Learner’s Dictionary on Current English lays down the meaning of research as “a careful investigation or inquiry especially through search for new facts in any branch of knowledge.” Redman and Mory define research as a “systematized efforts to gain new knowledge.” some people consider research as a movement, a movement from the known to the unknown. It is actually a voyage of discovery. We all posses the vital instinct of inquisitiveness for, when the unknown confronts us, we wonder and our inquisitiveness makes us probe and attain full and fuller understanding of the unknown. This inquisitiveness is the mother of all knowledge and the method, which man employs for obtaining the knowledge of whatever the unknown, can be termed as research.

4.2. **Research design**

a) **A clear statement of the research:-**

“Conducting Regular Stay Interview improves retention of employees”.

b) **Procedures for gathering information:-**

Secondary Data is used for this research. Data is collected from filled questionnaires of doctoral study as mentioned above, used here for this research.

4.3. **Sampling design**

i) **Universe:-**

There are total 35 international call centers in operation, in Pune. Total 40000 & above employees are working in such companies as on today. This information is collected through and based on website:-www.justdial.com.(2008)

ii) **Sample Size & Procedure:-**

‘Anonymous Questionnaires’ filled by 323 employees working in the call centers in Pune. Out of this 292 (90%) employees are in non-management cadre and 31 (10%) employees are in the management cadre, were used to collect the data and analysis carried out.

4.4. **METHODS OF DATA COLLECTION**

i) **Primary Data:-**

The primary data is that which is collected a fresh and for the first time and thus happen to be original in character. Primary data collected for this research is through anonymous questionnaire. These questionnaires don’t have name of the respondent or even name of the company.
ii) Secondary Data:-
The secondary data on the other hand, are those which have already been passed through the statistical process. In case of secondary data, the nature of data collection work is merely that of compilation. Secondary data such as conceptual theory of the topic, introduction & history of BPO etc. collected through books and journals. Secondary Data is used for this research, which includes filled questionnaires of doctoral study. The next chapter states theoretical background compiled by the researcher from texts and articles. It is helpful for the reader to relate theory and practice.

5. THEORETICAL BACKGROUND:-

a) BUSINESS PROCESS OUTSOURCING:- “Outsourcing is a major movement. Companies realize that they do not necessarily have to provide services internally – they can get higher quality if they use specialist service organizations which can provide this service as their business focus, allowing the attention of the executives to remain on their core business.” – Peter Senge, Learning Organisations.

Business Process Outsourcing is a general term used to describe the outsourcing of critical, but non-core, business processes or functions of an organisation to external vendors for long periods of time on a set of predetermined performance metrics. BPO services have gained prominence during the past couple of years as more and more organisations have recognised the practical and enhanced value of externally delegating processes as opposed to doing them in-house. BPO is generally discussed in the context of “services” organisations like banking, credit card, insurance, mortgage and other financial services etc. However, today’s organisations are very complex and even product manufacturers have “service” organisations embedded within them. e.g. customer service in a typical product company is a “service organization”. Hence BPO is relevant for such organizations as well. There are also certain kinds of organizational functions and processes that are amenable to outsourcing regardless of the precise activity that the organization is engaged in. Such activities are common across all kinds of organizations, whether they are in manufacturing or services. This also extends to organizations outside the commercial sector including those in Government, Non-Governmental Organizations, multi-lateral agencies etc. To conclude there are hardly any organizations for whom BPO is not relevant.

BPO is not new concept. Many larger organizations have been outsourcing non-core activities such as IT maintenance, housekeeping and security services for decades. These activities are relatively simple in nature and involve placement of low skilled labour on-site at the location itself. Critical activities were never on the agenda as companies were scared of losing control over such activities; moreover it was assumed that it would be costlier to outsource them than to do them in-house. All this has changed in the last 15-20 years. Improvements in technology in recent years have enabled companies to ‘virtually’ control processes outsourced to distant locations of third party vendors of outsourcing services. The rapid advances in internet technology and its omnipresence made this even simpler. This led to a trend of companies outsourcing more complex processes to outside vendors by keeping in touch with their vendors 24*7*365, thereby considerably reducing the risk associated with outsourcing work to a far-flung location. Another big reason for the acceleration of this trend is the change in mind-set and thinking on part of organizations as to what constitutes core and non-core activity, e.g. hardly anybody thinks that payroll processing is one of the most widely outsourced processes of organizations.

b) EMPLOYEE RETENTION:-

“An Effective HR manager is focused on heads that count rather than counting heads”. The most challenging job in today’s competitive world for any organization is to identify, recruit
and retain a high quality workforce. Employee retention is the foremost problem; which all organizations are now facing in the global competitive environment. Employee retention means many things to many people in each organization. There is no single definition of employee retention. Some views mentioned by J. Leslie Mckeown are as under: 'Employee retention means stopping people from leaving this organization.'; 'Employee retention is all about 'keeping good people.'; 'Getting our compensation and benefits in line with the market place.'; 'Stock options, crèche facilities, and other perks.'; ‘It's got to do with our culture and how we treat people.' In fact, the concept of employee retention arose in response to increasing number of employees leaving the organization due to various reasons.

c) RETENTION STRATEGIES:-

The concept of ‘Retention strategies’ is very simple to understand. To retain manpower organization adopt to various strategies such as promoting, giving incentives, recognizing their contribution and praising in public, rewarding employees, recognizing longevity of an employee and providing fringe benefits etc. and a like. These practices of HR departments of organizations are termed as ‘Retention Strategies’ for improving retention. Next chapter deals with major findings of this research, which are presented for the benefit of the reader.

6. MAJOR FINDINGS:-

Data collected through appropriately designed questionnaire, which was used as secondary data for this research. Detailed analysis conducted and responses were presented in the form of tables and graphs. Some of the important and major findings related to stay interview, are presented here for the benefit of the reader as under:-

1. It is found that, there is a need to recognize employee’s longevity of service. This is major reason due to which, experienced employees do not feel sense of belongingness and tend to leave.

2. Also found, that, there is no awareness among the employees about educational growth opportunities. Due to this also employees tend to leave job.

3. It is also found that, organisations do not conduct ‘Stay Interview’ (SI) of their employees, quarterly to find out the reasons, due to which people stay or leave the organization. In addition to this, many organisations do not conduct ‘Employees Satisfaction Survey’ (ESS), which verifies whether employees are satisfied or not?

7. CONCLUSIONS:-

Based on facts presented above, researcher would like to conclude, conducting ‘Stay Interview’ (SI) on quarterly basis to identify the reasons due to which employees leave organization, is very important from organisation’s point of view. SI questions, indirectly digs out the factors which creates unrest among the employees. This also helps to identify the factors which make employees feel good about their jobs. In addition to ‘Exit Interview’, ‘SI’ provides an opportunity for understanding and rectifying employee policies, work environment or any other reason of discomfort, before employee think of resigning from the job and in turn, organisations can improve employee retention.
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