ATTRITION IN BPOs: A STUDY OF BPOs IN HYDERABAD & SECUNDERABAD

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ABSTRACT

In the recent years BPOs have drawn a lot of attention as it has contributed enormously to the economy as well as generated scores of jobs. Despite its recent arrival on the Indian scene, the industry has grown phenomenally and has now become a very important part of the export oriented IT software and services environment. It initially began as an activity confined to multinational companies, but today it has developed into a broad based business platform backed by leading Indian IT software and services organizations and other third party service providers. It offers customers around 40 percent cost savings.

Inspite of the bright future that the BPOs have, it faces many challenges. The biggest challenge facing the BPOs units is attrition. Though this feature is common to all industries but in the case of BPOs the problem is even more pronounced. The average attrition in manufacturing industry is in the range of 10% to 20% whereas in the case of BPOs is to the extent of 35% to 40% and in some cases it is as high as 60%. The situation being so alarming it is important to study the factors that are responsible for the attrition.

A careful study of these causes by Business Process Outsourcing units will enable to put in place measures that would help to remove points of dissatisfaction leading to better utilization of manpower and consequent reduction in attrition.

KEY WORDS: Attrition, Socio-economic, Psychographic, Two Factor Theory, Organizational Culture.