

Analysing reasons for High Attrition in IT Industry - A Comparative StudySneha Garg¹, Rashmi Banka², Elisa Kujur³, Sonal Gupta⁴¹Sneha Garg, Student, B.Com(H), Hansraj College, University of Delhi, Delhi, India, snehagargsn257@gmail.com²Rashmi Banka, Student, B.Com(H), Hansraj College, University of Delhi, Delhi, India, rashmibanka46@gmail.com³Elisa Kujur, Student, B.Com(H), Hansraj College, University of Delhi, Delhi, India, kujuraelisa@gmail.com⁴Sonal Gupta, Associate Professor, Department of Commerce, Hansraj College, University of Delhi, Delhi, India, sonalgupta@hrc.du.ac.in**Abstract**

Human resources are one of the most valuable assets of an organisation. They are viewed as a source of sustainable competitive advantage as they possess high skills, good market responsiveness and innovative ideas. Their perspective and unique way of thinking makes them easily adapt towards the dynamic environment. Companies provide their employees huge monetary and non-monetary incentives like good work culture, bonus, ESOPs etc. But it has been observed that high attrition rate has adversely affected the Indian IT services industry. According to Daniela Costa, employee attrition is defined as the unpredictable and uncontrollable, but normal, reduction of the workforce due to resignations, retirement, sickness, or death. The employee attrition rate measures the number of people who move out of a company and are not replaced. Having a clear view of attrition rate is significant as it is the major problem faced by many significant industries. Due to this, companies are incurring huge losses as there is inadequate manpower, huge workload and huge cost on recruitment. Information Technology Industry is a vast industry which comprises all organisations or departments within organisations that develop, maintain or operate the Information Technology systems. In recent years, it has been noticed that the IT Industry is facing high employee attrition as compared to other industries due to lack of recognition, long time commitments and inadequate pay etc. Hence, this is need of the hour to address this issue and find solutions to overcome this. According to the latest Livemint report, TCS registered an attrition rate of over 21% in Q2FY23, other IT majors like Infosys (27.1%), Wipro (23%) and HCL (23.8%) also reported alarmingly high rates. Based on market capitalization, the top three leading IT companies – Infosys, Tech Mahindra and TCS were taken for the study and their published annual reports were referred to check the attrition trend and their respective human resource strategies and initiatives. It has been observed that these three IT companies that are Infosys, Tech Mahindra and TCS are moving in the same direction in terms of HR management and are facing high employee attrition inspite of giving huge monetary and non-monetary incentives .Due to their significant market capitalization and significant influence on the IT industry, it is crucial to understand the factors contributing to Infosys, Tech Mahindra, and TCS' rising attrition rate as well as their HR policies and procedures. Firstly, we looked at the causes of the high attrition rate in the IT sector as a whole, and then we considered the reasons in the top three IT firms, Infosys, Tech Mahindra, and TCS. After that we contrasted the causes of high attrition in general with the causes in each of these individual companies. We've determined the attrition rate in all IT organisations is increasing. The HR policies and practises in these three IT organisations have also been compared, and we have come to the conclusion that the retention strategies are essentially the same. The companies are able to control attrition upto a certain extent but still this remains the biggest problem. The study investigates the problem by taking into consideration 5 selected dimensions and offers some suggestions to tackle this situation. This includes fixed working hours, work life balance, growth opportunities, rewards and recognition etc. After comparing these companies, we have come to the conclusion that all IT companies experience a significant attrition rate due to similar reasons. Management should take into consideration the problems of the employees more seriously. Also, employee engagement should be increased. They should have a feeling of belongingness towards the organisation. They should be given adequate training and career development opportunities. It is important for an organisation to retain its personnel in order to fulfil organizational goals efficiently and effectively, hence, policies that cater to the requirements of the employees should be developed and implemented.

Keywords: Attrition rate, IT industry, Retention, Work life balance, Rewards and recognition

Introduction:

Human resources are one of the most valuable assets of an organisation. They are viewed as a source of sustainable competitive advantage as they possess high skills, good market responsiveness and innovative ideas. Their perspective and unique way of thinking makes them easily adapt towards the dynamic environment. Companies provide their employees huge monetary and non-monetary incentives like good work culture, bonus, ESOPs etc. But it has been observed that high attrition rate has adversely affected the Indian IT services industry. Commonly referred to as a 'churn rate,' a company's attrition rate is the rate at which employees leave. If you break it down, it is the number of employees who have left the company, divided by the average number of employees over a period of time. Typically, it is expressed as a percentage (%)¹.

Information Technology Industry is a vast industry which comprises all organisations or departments within organisations that develop, maintain or operate the Information Technology systems². It includes companies that produce software, hardware or semiconductor equipment, and companies that provide internet or related services, consulting and outsourcing³. In recent years, it has been noticed that the IT Industry is facing high employee attrition as compared to other industries due to lack of recognition, long time commitments and inadequate pay. The Indian IT services industry has been badly affected by high rate of attrition, which started to climb

steadily since the quarter ended June 2021 (Q1 FY22) with a total of 4.89 lakh employees leaving the top eight companies, including Tata Consultancy Services, Cognizant, Infosys and Wipro, in the last five quarters (Simhan, 2022). This can be seen in Figure 1. Survey of 263 companies across 19 sectors shows that although the overall hike of salary in India was 10.3%, the attrition rate remains very high. Retail displayed the highest voluntary attrition rate of 19.4%, ecommerce saw the voluntary attrition rate of 20.4%. It was reported that the attrition rate ranges between 18% and 32% in mid-level positions. On the other hand, it ranges around 40-50% in the junior level (Bhattacharya, 2017). Therefore, the current study is urgently needed to seriously address the worrisome issue of attrition in IT organisations and ensure long-term retention.

According to Agarwal, R. N., & Mehta, A. (2014) software services industry has witnessed the twin forces of alluring talent from rival companies, on the one hand, and retaining key professionals on the other. The researcher covered many internal and external dimensions which are reflective of why performance appraisal and working environment are not having any relation with and impact on job satisfaction. Saini, K., Nimje, M., & Kalra, S. (2022), describes that higher the attrition rate, the lower the efficiency in achieving organisational goals, which has a direct or indirect impact on profitability. HR needs to look into its culture and formulate strategies in order to create and maintain healthy work

environments for everyone in the organisation. Cost savings, increased productivity, better talent acquisition and retention are some of the key benefits that can be achieved. According to research findings, the primary reasons for attrition in IT organisations are professional growth and organisational challenges. Candidates who aspire to have a better job are more interested in securing the next job. The majority of IT professionals believe that challenging work motivates them to stay interested in their jobs. **David, S., Kaushik, S., Verma, H., & Sharma, S. (2015)** emphasises that the privatisation of the IT sector has led to various reasons for attrition as mentioned in the findings. Employees now have to be retained by providing the stressbusters, deserved recognition, fair treatment and growth opportunities. Salaries are no longer a retention tool and employees would love to work at a place that keeps up their interest and growth in balance with the work and organisational goals. **Pallathadka, H., Leela, V. H., Patil, S., Rashmi, B. H., Jain, V., & Ray, S. (2022)** studies that the entire company is responsible for a high level of attrition especially the Management and leadership team. Along with an attractive salary, employees also expect growth, engagement, reward and recognition. Only a progressive and insightful leader can understand what the team needs.

It can be summarized that the primary reasons for employee attrition in IT organisations are lack of professional growth and organisational

challenges. So, the companies need to look into its work culture and formulate strategies in order to retain employees and increase their productivity.

Objectives of the paper

This article aims to compare some major IT companies to observe the reasons for high attrition rate and will give some suggestions to solve this problem.

1. To identify the major reasons of high attrition in IT Industry.
2. To study the attrition rate of 3 IT companies namely Infosys, Tech Mahindra and TCS.
3. To compare the company specific reasons with the general reasons of high attrition in IT Industry
4. To discuss viable solutions based on the comparative study.

Methodology

The Research Methodology is the important way to achieve the research objectives. This paper takes into consideration 3 remarkable IT Industries i.e., Infosys, Tech Mahindra and TCS. We have considered these companies because they hold a huge market share in the Indian market and comparative analysis on these 3 companies has not been conducted so far. We have taken into account their published annual report and many articles. Statistical tools like graphs and bars have been used to interpret the data.

Significance of the Study

The key responsibility of employees is to accomplish the organisation's goals. However,

if they continue to leave the organisation, it will suffer a great loss. High attrition causes companies to face high recruitment cost, deteriorate company's reputation, lack of coordination among employees and decreased employees morale. Some of the reasons of high attrition rate are lack of recognition, long time commitments, inadequate pay, lack of career advancement opportunities, low job satisfaction and less monetary incentives. Therefore, it is clear that high attrition rate decreases the profitability of the company to a great extent.

The Information Technology (IT) industry is an essential component of the technology-driven knowledge economy of the 21st century. In fact, globally India has been recognised as a knowledge economy due to its impressive IT industry (Sirohi, 2020). India has a flourishing IT industry, and earned a well-deserved place in the global market. Accounting for 7.4 percent of the GDP in the financial year 2022, the IT-BPM has played a significant role in India's socio-economic growth, so much so that it could be the future driver of modern India. In fiscal year 2021, the total revenue generated by export from the IT industry was estimated to be 150 billion U.S. dollars. This sector was growing due to strong global demand and the presence of local expertise. IT service exports from India were estimated at about 149.1 billion U.S. billion dollars in the fiscal year 2021. The banking, financial services and insurance (BFSI) services dominated the export with 61.4 billion dollars. The IT exports dominated the industry

and constitute the majority of the total revenue. However, the domestic market had shown encouraging trends as well. The information technology sector in India was estimated to spend over 101 billion U.S. dollars on a variety of sections in 2022. The device and the telecommunication services accounted for the majority of earmarked spending. As far as the various divisions within the industry are concerned, IT services were the leading segment with more than half of the export market share in the country. According to a survey on the best Indian city to work in for IT professionals in 2020, about 45 percent of the respondents chose Bengaluru. It was noted during the survey that Bengaluru offered the best in everything that an IT professional aspired from their career perspective⁴. It is clear that IT Industry plays a significant role in India's Economy. In spite of many accomplishments in IT Industry, it is still facing very high attrition of about 20% (Sengupta, 2022). One-third of new employees quit after about 6 months, this is a significant number and one that needs to be addressed with some urgency if employers want to fix this problem in their company⁵. Hence, this is need of the hour to address this issue and find solutions to overcome this.

Till now there have been several studies on attrition, but none of them look at the present attrition pattern and comparison of the three significant IT industries (Gupta & Singh, 2017). The aim of this paper is to study the causes of high attrition and the HR policies and practices

that companies are adopting to curb this issue.

Reasons of high attrition rate:

1. **Long hours and unusual pay structure:** David, S., Kaushik, S., Verma, H., & Sharma, S. (2015) has noticed that the work targets are set too high that the workers are bound to work overtime to complete the given targets on time. But the employees are not paid a fair salary in comparison to the efforts that they put in to achieve the set goals. As a result, the employees feel demotivated and cheated, so they try to find a new job, which pays them a fair salary for their efforts. The same has been supported by Naresh, B., & Rathnam, B. V. (2015).
2. **Toxic work environment:** Agarwal, R. N., & Mehta, A. (2014) has described about positive work environment. It refers to a space in which employees feel motivated to work and they enjoy social, mental and physical wellbeing. But there are some organisations that lack crucial amenities like health care services, retirement benefits etc. Internal conflicts with superiors or colleagues can also pollute the work environment. David, S., Kaushik, S., Verma, H., & Sharma, S. (2015) and Swetha, M. V. (2019) have also observed the impact of work environment on high attrition.
3. **Stress to achieve unrealistic targets:** Saini, K., Nimje, M., & Kalra, S. (2022) observed that the reasons of Employee Attrition are: - Retirement, Financial, Life events, Career progression, Evolution of the organization, Industry shift, Skills gap. David, S., Kaushik, S.,

Verma, H., & Sharma, S. (2015) discussed that Job matters further include stress level: these jobs bring lots of pressure and the stress levels are high. Swetha, M. V. (2019) studied that there are several reasons why people quit from one organization to another or why people leave organization. The experience of job-related stress (job stress), the range factors that lead to job related stress (stressors), lack of commitment in the organization; and job dissatisfaction make employees to quit. It is often seen that targets set in an organisation are unrealistic and very difficult to achieve which leads to mental stress and anxiety. This situation can be seen in Amazon which is constantly criticised for setting its targets too high. The employees are not appraised for their performance which ultimately leads to dissatisfaction and job insecurity.

4. **Lack of career progression:** Saini, K., Nimje, M., & Kalra, S. (2022) said that the elements affecting Employee Attrition are: - Age, Economy, Perks and benefits, Industry, Lack of profession mobility and challenges, Slow profession boom of inner capabilities, Workplace, Huge degree of strain and also absence of work and personal life equilibrium, job timings, dullness of the same routine, Insufficient education and improvement opportunities, Lack of activity clarity. David, S., Kaushik, S., Verma, H., & Sharma, S. (2015) observed lack of promotion as one of the major reason of attrition. Swetha, M. V. (2019) observed that there are economic aspirations,

professional aspirations, family aspirations and all kinds of aspirations and ambitions that affect a person's desire to move. It is rare not to have such career aspirations. Personal growth is an integral part for an employee working in an organisation. The companies act as an intermediary between the employee and his career prospects. Today's youth is looking for opportunities which can help them gain experience and knowledge for their ultimate goal. After gaining the required experience, they tend to leave the organisation to achieve their desired goal which in turn leads to a high attrition rate.

5. **Willingness to work independently:** Pallathadka, H., Leela, V. H., Patil, S., Rashmi, B. H., Jain, V., & Ray, S., (2022) believes that employees must be given the freedom to make judgments and the ability to openly submit suggestions. Further Naresh, B., & Rathnam, B. V., (2015) also believes that his initiates a sense of belongingness among the employees which motivates them to work towards achieving the goals of the organisation.
6. **No Innovation and boredom:** According to Pallathadka, H., Leela, V. H., Patil, S., Rashmi, B. H., Jain, V., & Ray, S (2022), employees feel bored when they have to do the similar kind of work every day. As a result, they don't get a chance to increase their skills and learn something new. They are bound to follow the same rules that are laid down every day. Hence, there is no scope of innovation and they tend to leave the organisation. Sukriket, P.

(2014) has also observed that no innovation and boredom

COMPARATIVE ANALYSIS

The following is the comparative analysis of three IT giants of our economy which have a major share in the market capitalization. They have been battling a high attrition rate inspite of giving monetary and non-monetary incentives to their employees.

Infosys Limited was incorporated in 1981 by Narayan Murthy. Infosys is a multinational IT services and consulting company. Having an annual revenue of 16.3 billion U.S. dollars in fiscal year 2022, Infosys is India's second largest software companies, trailing only Tata Consultancy Services. A bulk of Infosys' net sales comes from providing services to clients from the financial services sector; energy and utilities, communication and services are other key business segments. North America is the company's largest regional market, followed by the Europe; despite its Indian origin, Infosys only made 3.2 percent of its 2022 revenue in the home country⁴.

As of November 2022, it is the 163th most valuable company in the world (Mittal, 2020). Most employees want to work at Infosys for about one to two years. Over 37% of employees quit the company after that. This demonstrates the significant attrition rate⁶. The attrition rate of Infosys was 10% in Q3FY21. It has risen to 20.10% by Q2FY22. It nearly doubled as shown in Figure 2. Some of the reasons of high attrition rate are low salary, average yearly appraisal, limited career growth opportunities, leave policy, exit policy or notice period⁷.

Tech Mahindra was established in 1986 by Anand Mahindra. It is a leading provider of digital transformation, consulting and business re-engineering services and solutions. Its attrition rate increased to 23.5% in the year 2021-22 (Maloo, 2021). Tech Mahindra Limited, a subsidiary of Mahindra Group, had over 151 thousand employees in the fiscal year 2022. The Indian technological giant had 203 offices and 55 development centres spanning across India, Europe, Australia, and Africa, the company showed a strong international presence⁴.

It is now ranked as the 1193th most valuable company in the world as of November 2022⁸. After working for one to two years, more than 38% of employees quit the company. This illustrates the high rate of attrition⁹. The attrition rate for Tech Mahindra was 12% at the beginning of Q3FY21 and increased to 21% by Q2FY22 as shown in Figure 3. Extremely low employee morale, candidates choosing other well-known IT companies, rigid work schedules, a demand-supply gap, didn't strictly follow a rotational policy lack of salary hikes etc. are some of the reasons of high attrition etc¹⁰.

TCS On April 1, 1968, Tata Consultancy Services was established as a division of Tata Sons with the goal of developing a market for downstream computer services through management and technology consulting¹¹. IT services firm Tata Consultancy Services (TCS) saw attrition for the September quarter (Q2FY23) come in at 21.5%¹². This can be seen in Figure 4.

It is now ranked as the 68th most valuable company in the world as of November 2022 (Team, 2022). A plurality of employees at TCS stay for 1-2 years. 38% of TCS employees stay at the company for 1-2 years. It's rare for an employee to stay with TCS for 8-10 years. Only 6% of TCS employees stay at the company for 8-10 years.

It is evident from the aforementioned findings that the causes of the high attrition rates in the three largest IT organisations are similar. These explanations are comparable to the general ones for the rising attrition in the IT sector. Therefore, it can be stated that high attrition is a problem that all IT organisations face and most of the reasons of high attrition are similar in all IT companies as depicted in Figure 5.

TABLES

Table 1: Study of attrition rate in different quarters in FY22

Source: Compiled by authors (Based on Company reports)

	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22
Infosys	13.9%	20.1%	25.5%	27.7%
Tech Mahindra	17%	20%	21%	24%
TCS	8.6%	11.9%	15.3%	17.4%

COMPARATIVE SUMMARY

BASIS	INFOSYS	TECH MAHINDRA	TCS
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Compensation	<p>The nomination and remuneration committee continuously reviews the compensation to align both the short-term and long-term business objectives of the Company and to link compensation with the achievement of goals.</p> <p>The average annual increase in the salaries of employees was 14.6% in India, after accounting for promotions and other event-based compensation revisions.</p>	<p>The overall remuneration to the employees includes a fixed component and a variable component. The percentage of the variable component increases with increasing hierarchy levels, as the Company believes employees at higher positions have a far greater impact and influence on the overall business result.</p> <p>The median remuneration of employees of the Company during the Financial Year was 0.527 million.</p>	<p>Compensation levels are merit based, determined by qualification, experience levels, special skills if any, and individual performance. Compensation structures are driven by prevailing practices in each country that TCS operates in. The merit based, democratized, transparent talent framework – Elevate, is designed to establish a tighter linkage between learning, skill development, career and reward. The company regularly benchmarks its compensation plans and benefits with the market to ensure competitiveness.</p>
Career Advancement	<p>It has programs, partnerships and initiatives that give our employees opportunities to learn continuously and be rewarded with faster growth. At Infosys, professional growth runs in parallel with career growth.</p> <p>Infosys Career Gambit is a comprehensive career initiative designed to help employees gain new skills, seek guidance, gauge progress, define career goals, and assist them to get future ready.</p>	<p>It strongly endorses the belief that skill is the new currency as we go about creating a FutureReady organisation and characterise our approach through the democratisation of Learning, giving our associates the freedom, choice, and onus for continual learning.</p> <p>We have built Ai-enabled, digital new-age learning ecosystem - NAD Learn to facilitate scale and speed of learning while ensuring best-in-class learning experience. We have also launched various Learning Academies, COEs and Finishing Schools for super-specialised and Niche Upskilling.</p>	<p>TCS has multiple initiatives to help employees grow in their careers: Xcelerate, iConnect, Mentoring and Talent Review. Commitment to organic talent development, best in class learning and development, linkage of career growth to learning, and preference to internal talent for new leadership positions, all incentivize planning of longer-term careers in TCS.</p>
Health And Safety	<p>The Infosys employee well-being journey is two decades strong. We continuously strive towards enhancing the well-being of our employees through our award-winning HALE (Health Assessment and Lifestyle Enrichment) program, that is aimed at increased awareness, reduced stress levels, safe work environment and improved productivity levels, resulting in good health and well-being.</p>	<p>At TechM, the health, safety, and well-being of one and all are of utmost importance and a critical part of our success. Our focus on #WellnessFirst exemplifies our approach to health and safety in the form of Wellness Before Business. The scope of HSE at TechM includes all operational activities including associates who are full-time associates, contractual workforce, support staff, and vendors.</p>	<p>Health and safety training is imparted to employees as a part of the induction module at the time of joining to achieve minimum mandatory health and safety (H&S) competence combined with an annual refresher web based training. TCS has a well-defined Occupational Health and Safety (OHS) policy and supporting processes to ensure the safety and well-being of its employees. Safety lead and lag indicators are measured across the organization and reported. The board-level Stakeholders' Relationship Committee reviews the company's health and safety performance on a half yearly basis. Over 96% of the workforce is represented in joint management-</p>

			employee health and safety committees that monitor, advise and drive occupational, health and safety initiatives
Retention Strategies	Premium compensation for specialised talents, aligning pay to market trends in cloud-related domains, big data analytics, and specialisation, increased internal promotions, doubled its employee stock ownership plan (ESOP) coverage	They spend a lot of money and effort to train employees, professional growth opportunities. Rewards and recognitions	TCS has always had the best retention rate in the industry. Its values-driven culture, progressive HR policies, and philosophy of investing in people and empowering them have made it an industry benchmark in talent retention practices. They undertook several other tactical measures to cope with the supply side challenges, including generous promotions, retention bonuses and increased use of sub-contractors.
Work Environment	Infosys is committed to providing a positive work environment free of discrimination and harassment. Equal opportunity and fair treatment are part of our Code of Conduct to which all employees subscribe. The Company has also instituted multiple channels to address employee grievances, such as ASHI (Anti-Sexual Harassment Initiative), HEAR (Hearing Employees and Resolving their concerns) platform, the Grievance Redressal Body, the Whistleblower Policy, and iCARE.	Diversity of governance bodies and associates enables a better work environment, empowers the organisation's culture, increases efficiency and productivity, and allows diverse perspectives to flourish. They provide equal employment opportunities, ensure fairness, create a harassment-free, safe work environment and respect fundamental rights	These are key enablers of TCS' Location Independent Agile model, and represent the next generation work environment that facilitate greater collaboration among teams. It is characterized by partition-less open offices, informal seating, interactive surfaces for information capture, and modern collaboration devices for increased productivity.
Reasons for high attrition	Most employees are leaving due to external market demand according to our analysis. It is also due to other personal reasons such as location preference and flexibility (in work) post-pandemic.	Reasons for high attrition rate include people centric industry, candidates opting for branded organizations, plenty of opportunities available – leading to low retention, Fast changing technologies, objectivity in evaluation of the skills, flexi hours, and demand supply gap existent in the IT manpower market etc. Amongst other reasons, the crux behind the high attrition rate of Tech Mahindra is the extreme demotivation of employees.	Low salaries are one of the main reasons for high TCS turnover. The pay packages are lower as compared to industry standards. sluggish growth, low salaries, high work pressure, work life imbalance, monotonous work, stagnant work life, hierarchy, office politics, post-Covid evaluation, project process, inflexibility, decreased exposure, etc. are some of the biggest concerns of TCS employees that can influence retention decisions.

Source: Compiled by authors (Based on Company reports)

SUGGESTIONS

It is not easy to acquire talented employees to fit the needs of the company. But when such employees join the company, the management

should make every attempt to retain them with the company. In this context, the following measures may be taken (Chhabra, 2021, p. 5.26):

(a) Acquisition of Right Talent: It is essential to hire right people for the right job. Employees placed on the right jobs are likely to stay longer with the organisation. The management should ensure that the talents of the employees are utilized properly. Further, the employees should perceive their jobs to be challenging and satisfying. If there is a misfit between the employee and the job, the employee should be transferred to another suitable job and even given necessary training so that he/she might use his knowledge and skills effectively.

(b) Offering Attractive Compensation Package: The management should offer competitive pay package to attract talented people for various jobs and also to retain them with the company for a sufficiently long period of time.

(c) Promoting Employee Engagement: The HR manager must take steps to engage the employees so as to make them feel as a vital part of the company. Engaged employees usually have greater job satisfaction, are more productive, stay with the company longer, and are committed to the organisation.

(d) Meaningful Work Assignments: Intrinsically motivated employees want work that is challenging and meaningful. They tend to get bored and lose focus if they are not doing work they feel is valuable to them and to the company. Meaningful work would make them feel that they are a valuable asset to the company. To retain such employees with the

company, the management should give them meaningful tasks and compliment them when they successfully meet their goals.

(e) Praise and Recognition: Employees expect praise and recognition for exceptional performance. Management should give due recognition to the employees for better work to satisfy their psychological and esteem needs. It would motivate them further to work more for the company and stay with the company.

(f) Career Development: Talented employees want careers, i.e., they want personal and professional growth. The management should provide them clear career paths and arrange for their training for their promotion or career advancement.

(g) Job Security: Many employees prefer secured jobs rather than going for unsecured jobs in other organisations that pay higher salaries. Thus, management must make them feel secure in their jobs with the company. In case an employee feels job insecurity, he would leave the organisation for a secured job somewhere else, whenever he gets a chance.

(h) Positive Work Environment: A congenial organisational climate is very important in every company to retain the talented employees. There should be an atmosphere of open communication, mutual trust and cooperation throughout the enterprise. Management should support work-life balance for the employees and also social gatherings to celebrate birthdays, achievements, etc. of the employees.

FIGURES



Source: BusinessToday.in

Figure 1: Attrition at Top 3 IT Major in India



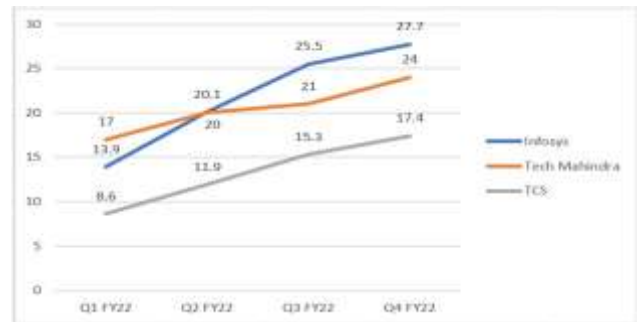
Source: Compiled by authors (Based on company reports)

Figure 4: TCS Attrition Rate



Source: Compiled by authors (Based on company reports)

Figure 2: Infosys Attrition Rate



Source: Compiled by authors (Based on company reports)

Figure 5: Attrition rate in different quarters in FY2021-22



Source: Analytics Indian Magazine

Figure 3: Tech Mahindra Attrition Rate

Conclusion

All three leading IT companies i.e., Infosys, Tech Mahindra and TCS have similar reasons for high attrition rate. Companies are using significant retention strategies but none of them is very successful. This has forced companies to spend huge amount on attracting the best personnel and decreasing attrition rate (Gupta & Singh, 2017). The most frequently cited cause

of attrition is work load, which has forced some employees to leave their positions. This might be lowered by setting up different management games, cultural events relating to employees' interests, and fostering a welcoming workplace. Additionally, there is a lack of confidence among employees in their managers, which essentially results in no retention and no incentive. Motivational seminars ought to be held at regular intervals. Lack of appreciation for one's work as well as the prospect of future progress may be factors in attrition. Fair treatment and respect for employees are put at risk, which prevents employees from providing promised services (David, S., Kaushik, S., Verma, H., & Sharma, S., 2015). When the attrition rate increases, it has a severe impact on organisational goals because it decreases the efficiency as well as profitability of the company (Saini, K., Nimje, M., & Kalra, S., 2022).

After comparing these companies, we have come to the conclusion that all IT companies experience a significant attrition rate due to similar reasons. Some of them are lack of career progression, low salary hike, Toxic work environment and no fixed working hours. Management should take into consideration the problems of the employees more seriously. Also, employee engagement should be increased. They should have a feeling of belongingness towards the organisation. They should be given adequate training and career development opportunities. It is important for an organisation to retain its personnel in order to fulfil organizational goals efficiently and effectively, hence, policies that cater to the

requirements of the employees should be developed and implemented (Saini, K., Nimje, M., & Kalra, S., 2022).

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