



A STUDY ON EMPLOYEE ATTRITION FROM EMPLOYEES' PERSPECTIVE AT IT COMPANIES IN COIMBATORE

Mr. Abinivesh.RV¹, Mr. Selva Kumar M²

¹MBA, Sakthi Institute of Information and Management Studies, Pollachi

²Assistant Professor, Sakthi Institute of Information and Management Studies, Pollachi

ABSTRACT

Employee attrition has become a major challenge in the Information Technology sector due to increasing competition, changing employee expectations, and better career opportunities. High attrition rates affect organizational productivity, increase recruitment and training costs, and reduce organizational stability. This study examines employee attrition from employees' perspective in IT companies in Coimbatore. The study focuses on factors such as job satisfaction, salary satisfaction, career growth opportunities, work-life balance, and work stress that influence employee attrition. Data were collected through a structured questionnaire and analysed using percentage analysis and Chi-square test. The findings reveal that organizational factors and employee perceptions significantly influence attrition intention. The study aims to provide insights into employee retention strategies and emphasizes the importance of effective Human Resource practices in reducing employee attrition and improving organizational performance.

KEYWORDS: Employee Attrition, Employee Retention, Job Satisfaction, Work-Life Balance, IT Sector.

INTRODUCTION

In recent years, the rapid growth of the Information Technology (IT) sector has significantly transformed employment patterns, especially in emerging cities like Coimbatore. The expansion of IT companies has created numerous job opportunities, attracting a large number of young professionals. However, this growth has also led to increasing concerns regarding employee attrition, which has become a major challenge for organizations in maintaining a stable and skilled workforce.

Employee attrition refers to the gradual reduction of employees due to resignation, job switching, or other factors. In the IT sector, attrition rates are relatively high due to factors such as competitive job opportunities, evolving career expectations, and dynamic work environments. Employees today seek not only financial rewards but also job satisfaction, a supportive work environment, work-life balance, and opportunities for career growth.

The work environment plays a crucial role in influencing employee satisfaction and retention. Factors such as organizational culture, workload, management support, and recognition significantly impact employees' overall experience. Similarly, compensation and benefits, including salary, incentives, and career advancement opportunities, are key determinants of employee commitment and decision-making.

Despite organizations implementing various retention strategies, many employees still choose to leave, indicating a gap between employee expectations and organizational practices. Understanding these factors from the employees' perspective is essential for identifying the root causes of attrition and developing effective solutions.

This study focuses on analysing employee attrition from the employees' perspective in IT companies in Coimbatore, with particular emphasis on work environment, job satisfaction, and

compensation and benefits. The findings aim to provide insights that can help organizations enhance employee retention, improve workplace practices, and ensure long-term organizational success.

REVIEW OF LITERATURE

N. Krishnamoorthy and Ambreen Aisha (2021) conducted an empirical study on employee retention in the IT sector and found that factors such as HR policies, compensation, work pressure, and leader-employee relationships significantly influence employee satisfaction and retention. The study emphasized that employee dissatisfaction leads to higher attrition.

V. Suneel Kumar and Dr. P. Raghunadha Reddy (2024) identified key causes of employee attrition in the IT sector, including poor work environment, limited career growth opportunities, work stress, and inadequate compensation. The study highlighted that these factors play a major role in employees' decision to leave.

Dr. B. Sankar Naik, Dr. G. Sreenivasa Reddy, and Dr. T. Shesadri Kiran (2024) analysed employee attrition in the Indian IT industry and found that lack of career advancement, poor work-life balance, and low salary levels contribute significantly to employee turnover. The study stressed the importance of organizational culture in retention.

Sonal Gupta and Sukhvir Singh (2021) examined employee attrition trends in leading IT companies and concluded that job dissatisfaction, stress, lack of rewards, and insufficient career growth opportunities are the primary reasons for employee turnover.

K. Balasubramanian (2022) studied retention factors influencing IT professionals and found that work environment, career progression, and employee expectations are critical in determining whether employees stay or leave an organization.



The study suggested adopting employee-centric HR practices to reduce attrition.

RESEARCH OBJECTIVES

- To identify the major factors influencing employee attrition in IT companies.
- To find out the measures that help reduce employee attrition in IT companies in Coimbatore.

RESEARCH METHODOLOGY

The study adopts a descriptive and analytical research design to examine employee attrition from employees' perspective in IT companies in Coimbatore. Both primary and secondary data were used for the study. Primary data was collected through a structured questionnaire from employees working in IT companies. Secondary data was gathered from journals,

articles, books, and online sources related to employee attrition and employee retention practices.

A convenience sampling technique was used to select respondents for the study. The sample consists of employees working in selected IT companies in Coimbatore. The questionnaire included close-ended questions such as Likert scale and multiple-choice questions. Data analysis was carried out using percentage analysis and Chi-square test. Percentage analysis was used to analyze demographic factors and employee responses, while Chi-square test was used to identify the relationship between employee attrition intention and factors such as job satisfaction, salary satisfaction, career growth opportunities, and work-life balance. The study is limited to selected IT companies in Coimbatore and is based on employees' perceptions regarding factors influencing employee attrition and retention practices.

DATA ANALYSIS AND INTERPRETATION

TABLE 1: DEMOGRAPHIC PROFILE OF RESPONDENTS

Particulars	Frequency	Percent
Male	250	65.1
Female	134	34.9
Age 21–30	198	51.6
Age 31–40	124	32.3
Above 40	62	16.1
Fresher	96	25.0
1–5 Years	172	44.8
Above 5 Years	116	30.2

INTERPRETATION

The data reveals that the majority of respondents (51.6%) belong to the 21–30 years age group, indicating higher employee participation from younger professionals in the IT sector. Male respondents account for 65.1% of the sample, while female respondents represent 34.9%. In terms of work

experience, employees with 1–5 years of experience constitute the largest group with 44.8%, followed by employees with above 5 years of experience (30.2%) and freshers (25.0%). This indicates that employees with moderate work experience form a significant portion of the workforce in IT companies.

TABLE 2: RELATIONSHIP BETWEEN EMPLOYEE ATTRITION INTENTION AND ORGANIZATIONAL FACTORS

Employee Attrition and Job Satisfaction	Value	df	Asymptotic Significance (2-sided)
Job Satisfaction and Attrition Intention	42.876	3	0.000
Work-Life Balance and Attrition Intention	36.214	3	0.001
Career Growth Opportunities and Attrition Intention	18.567	1	0.000
Salary Satisfaction and Attrition Intention	11.921	2	0.003

INTERPRETATION

The Chi-Square test was conducted to examine the relationship between employee attrition intention and organizational factors such as job satisfaction, work-life balance, career growth opportunities, and salary satisfaction. The results show that the significance values for all variables are less than 0.05. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. The analysis indicates that job

satisfaction, work-life balance, career growth opportunities, and salary satisfaction significantly influence employee attrition intention in IT companies. Employees experiencing dissatisfaction with salary, limited growth opportunities, poor work-life balance, and lower job satisfaction are more likely to leave the organization. Hence, these factors are identified as the major causes influencing employee attrition



TABLE 3: MEASURES TO REDUCE EMPLOYEE ATTRITION

Measures	Number of Respondents	Percentage
Promotion	163	42.4
Recognition	146	38.0
Training	49	12.7
Others	26	6.7
Total	384	100

INTERPRETATION

The above table shows the measures preferred by employees to reduce employee attrition in IT companies. A majority of respondents (42.4%) stated that promotion opportunities are the most effective measure for reducing attrition. Recognition of employee performance is considered important by 38.0% of respondents. Training and development programs are preferred by 12.7% of respondents, while 6.7% suggested other measures. The findings indicate that career advancement opportunities and employee recognition play a major role in improving employee retention. Organizations should therefore focus on promotions, recognition programs, training initiatives, and supportive workplace practices to reduce employee attrition in IT companies in Coimbatore.

FINDINGS

The findings of the study reveal that employee attrition remains a major challenge in IT companies due to factors such as job dissatisfaction, work stress, inadequate salary, limited career growth opportunities, and poor work-life balance. The study also indicates that employee satisfaction and supportive workplace practices play an important role in improving employee retention and organizational stability.

Further, the study highlights that employees prefer organizations that provide better career development opportunities, competitive compensation, positive work environment, and effective work-life balance practices. The analytical results also suggest that there is a significant relationship between employee attrition intention and factors such as job satisfaction, salary satisfaction, career growth opportunities, and work-life balance. Overall, the discussion indicates that effective Human Resource practices and employee-centric retention strategies are essential for reducing employee attrition in IT companies.

SUGGESTIONS

- Organizations should provide competitive salary packages and performance-based incentives to improve employee satisfaction and retention.
- Companies should introduce career development and training programs to enhance employee growth opportunities and reduce attrition intention.
- Organizations should promote healthy work-life balance practices and flexible working arrangements to reduce employee stress.
- Management should strengthen employee engagement and maintain supportive workplace relationships to improve organizational commitment.

- Companies should regularly recognize employee performance and provide constructive feedback to improve employee morale and motivation.
- Organizations should create a positive work environment and effective HR policies to reduce employee turnover and improve long-term retention.

CONCLUSION

The study concludes that employee attrition in IT companies is mainly influenced by factors such as job satisfaction, salary satisfaction, career growth opportunities, work stress, and work-life balance. The findings reveal that organizational factors significantly affect employees' intention to leave the organization. Therefore, organizations should adopt effective employee retention strategies, improve workplace culture, and provide better career development opportunities to reduce attrition and improve organizational performance.

REFERENCES

1. N. Krishnamoorthy & Ambreen Aisha (2021). *Employee retention in the IT sector in Bangalore*.
2. V. Suneel Kumar & Dr. P. Raghunadha Reddy (2024). *Employee attrition in Indian IT companies using statistical analysis*.
3. Dr. B. Sankar Naik, Dr. G. Sreenivasa Reddy & Dr. T. Shesadri Kiran (2024). *Causes of attrition in the IT industry and employee retention strategies*.
4. Hemalatha R. G. & Rashimalalu Swati Vinod (2022). *Employee attrition and organizational performance in the IT sector*.
5. Sonal Gupta & Sukhvair Singh (2021). *Attrition trends and employee turnover in leading IT companies*.