

Factors Influencing the Retention of It Employees in Coimbatore

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Abstract — Employee retention remains a major challenge in the IT sector, with high turnover impacting productivity and organizational growth. This study aims to identify the key factors influencing employee retention among IT professionals in India. A convenient sampling method was employed, combining survey data from 75 employees. Results indicate that Work-life balance, Job Role and Work Engagement and Managerial support by the managers are the most significant drivers of retention. The findings suggest that organizations should prioritize employee development programs and flexible workplace policies to reduce turnover and enhance organizational stability. These insights contribute to strategic HR practices that support long-term workforce sustainability.

Keywords: Employee Retention, Employee Turnover, Human Resource Management

I. INTRODUCTION

Employee retention in the Information Technology (IT) industry has become a critical concern due to the sector's dynamic and competitive nature. Rapid technological advancements, global opportunities, and high demand for skilled professionals make it increasingly challenging for organizations to retain top talent. High turnover not only raises recruitment and training costs but also disrupts workflows, reduces productivity, and creates knowledge gaps. Beyond competitive salaries, employees today value career development, work-life balance, recognition, and a positive organizational culture. Retention, therefore, is not just HR function but a strategic necessity that fosters stability, innovation, and long-term growth. Companies that invest in effective retention strategies such as fostering loyalty, offering professional advancement opportunities, and creating supportive work environments gain sustainable competitive advantages. In the IT field, where expertise and creativity drive success, retaining employees ensures organizational resilience, enhanced morale, and continuous innovation, ultimately securing both workforce stability and business growth.

II. REVIEW OF LITERATURE:

Michael O Samuel and Crispen Chipunza on "Employee Retention and Turnover: Using motivational variables as a panacea" in South Africa, determined the extent to which motivational variables influence employee retention and turnover. The study found out that the employees in both public and private sector organisations are significantly influenced to stay by a combination of intrinsic and extrinsic motivational factors.

Nausheen Shakeel and Sahar But (2015) conducted research on "Factors Influencing Employee Retention: An Integrated perspective", and observed factors that influence employee retention. This study also proposes that financial,

intrinsic work – related and non – work related factors are positively related to employee retention.

C. Balakrishnan et al., in the study "Employee Retention through Employee Engagement – A Study at an Indian International Airport examines the relationship between employee engagement and employee retention. This study found out that the employee retention can be improved by increasing employee engagement and focusing on non - financial drives. This study also found out the improvement of employee engagement can lead to better retention without requiring financial expenditure.

Daisy Ofosuhene Kwenin et al., conducted a study on "The Influence of Employee Rewards, Human Resource Policies and Job Satisfaction on the Retention of Employees in Vodofone Ghana Limited". This study found that adequate reward system led to increased retention and equity. The study also revealed that the improving reward systems, enhancing job satisfaction and implementing strategic human resource policies can significantly boost employee retention.

Harpreet Kaur Rakhra (2018), conducted research on "Study on Factors Influencing Employee Retention in companies". This study found that most employees feel undervalued and plan to leave if conditions do not improve, indicating a need for better retention strategies. The study also found out that the key factors influencing employee retention include work environment, retention strategies, wages and compensation, job satisfaction, welfare measures and brand image and career progression. The study also provided insights into how these factors vary by gender, age and organizational level, emphasizing their importance in reducing staff turnover and retaining top talent.

III.OBJECTIVE OF THE STUDY:

– To identify the key factors influencing retention of IT workers.

HYPOTHESES OF THE STUDY:

- H₀₁: There is no significant association between age group and factors influencing the retention of IT employees.
- H₀₂: There is no significant association between years of service and factors influencing the retention of IT employees.

III. RESEARCH METHODOLOGY

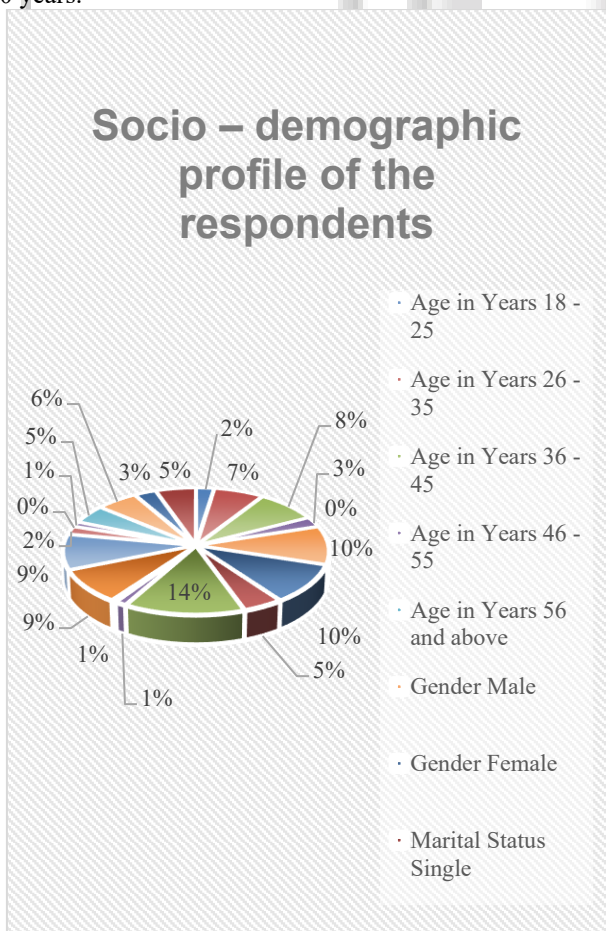
A sample has been collected from 75 respondents working in IT sector in Coimbatore adopting convenient sampling method. The primary data was collected from IT Workers through structured schedule. Percentage analysis and Chi-square test were used to analyse the data.

IV. DATA ANALYSIS AND INTERPRETATION

Demographic Variables	Classification	Percentage
Age in Years	18 – 25	12
	26 – 35	33.3
	36 – 45	41.3
	46 – 55	13.4
Gender	Male	49.3
	Female	50.7
Marital Status	Single	22.7
	Married	68
	Divorced	6.7
	Widowed	2.6
Qualification	Undergraduates	44
	Postgraduates	45.3
	Professional Certification	10.7
Work Experience	Less than 1 year	6.6
	1 - 3 years	24
	4 - 7 years	28
	8 - 10 years	14.7
	More than 10 years	26.7

Table 1: Socio – demographic profile of the respondents

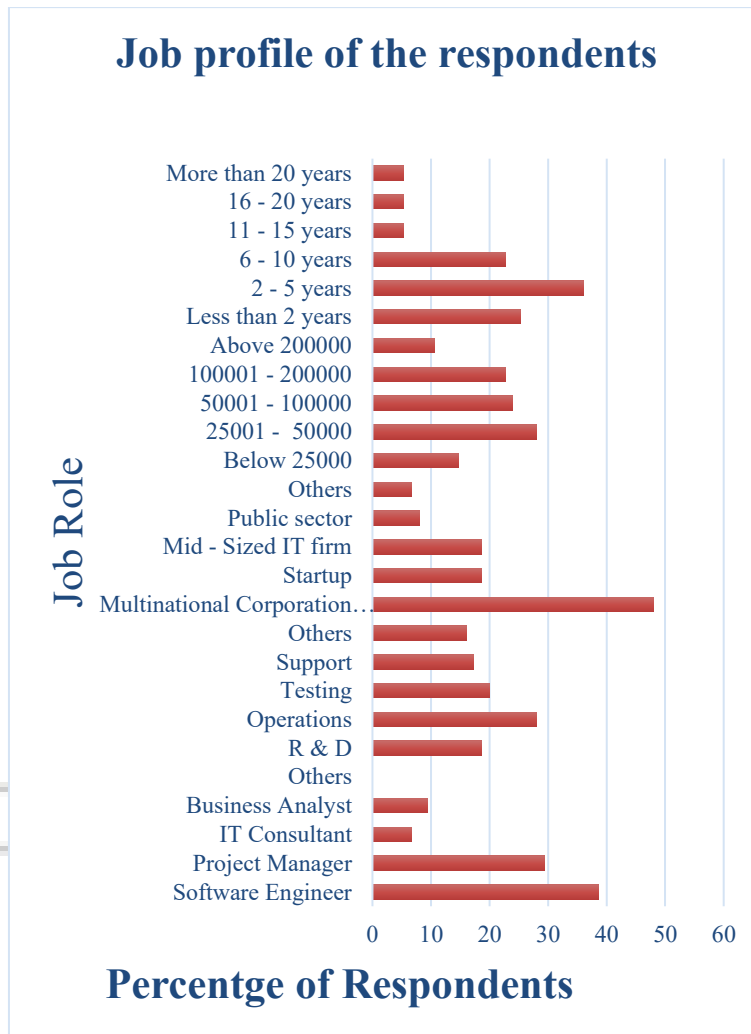
It is inferred that 41.3 percent of respondents were in age group of 36 – 45 years, 50.7 percent of respondents were female, 68 percent of the respondents were married, 45.3 percent of the respondents were post graduates, 26.7 percent of the respondents had work experience of more than 10 years.



Job Profile	Classifications	Percentage
Job Role	Software Engineer	38.7
	Project Manager	29.3
	IT Consultant	16
	Business Analyst	6.7
	Others	9.3
Department	R & D	18.7
	Operations	28
	Testing	20
	Support	17.3
	Others	16
Employer Type	Multinational Corporation	48
	Startups	18.6
	Mid - Sized IT firm	18.7
	Public sector companies	8
	Others	6.7
Monthly Salary	Below Rs.25000	14.6
	Rs.25001 -Rs.50000	28
	Rs.50001 – Rs.100000	24
	Rs.100001 – Rs.200000	22.7
	Above Rs.200000	10.7
Years of Service	Less than 2 years	25.3
	2 - 5 years	36
	6 - 10 years	22.7
	11 - 15 years	5.3
	16 - 20 years	5.3
	More than 20 years	5.4

Table 2: Job profile of the respondents

It is observed that 38.7 percent of respondents are Software engineers, 18.7 percent of respondents working in R & D department, 48 percent of the respondents were employed in Multinational Corporation, 22.66 percent of the respondents earn Rs.100001 – RS.200000 per month and 22,7 percent of the respondents had 6 – 10 years of experience.



Factors	Number of Respondent					Total	Total Score	Rank
	Highly Agree	Agree	Neutral	Disagree	Highly Disagree			
Score	5	4	3	2	1			
The Organization offers career development and learning opportunities to retain employees.	47	22	5	1	0	75	340	XII
Compensation and benefits play a significant role in employee retention	23	47	5	0	0	75	318	XI
The organization values the work life balance of the employees by offering flexible work arrangements to retain the employees	15	17	38	4	1	75	266	I
A safe, clean and positive work environment of the employee can impact employee retention	22	25	21	7	0	75	287	VI
The job role and work engagement of the employees with innovative projects, reasonable workload and decision making retain employees more	18	30	19	6	2	75	281	II
The managerial support by the superiors plays a critical role in employee retention	15	34	21	3	2	75	282	III
The internal mobility of the employees to move between teams and on-site roles create impact on retention of employees.	15	32	25	3	0	75	284	V

Employees who are satisfied with their jobs are more likely to stay with the organisation.	20	37	16	2	0	75	300	X
Job flexibility plays a vital role in retaining employees of any age	16	37	21	1	0	75	293	VIII
The organizational stability and reputation of the companies retain more employees	12	38	21	4	0	75	283	IV
Effective communication improves employee identification which helps in employee retention	16	35	24	0	0	75	292	VII
Organizational culture of employees which align with values and mission and are more likely to stay with the organisation	17	40	17	1	0	75	298	IX

Table 3: Factors Influencing the Retention of IT Employees

Results indicate that work-life balance, job role and work engagement and managerial support found to be the most significant drivers of retention.

Hypothesis	Chi-square test		Degrees of freedom	Results
	Calculated value	Table value		
H ₀₁ : There is no significant association between age group and factors influencing the retention of IT employees.	77.8324	271.7	236	Accepted
H ₀₂ : There is no significant association between years of experience and factors influencing the retention of IT employees.	236.2414	339.38	295	Accepted

Table 4: Results of Hypothesis Testing

There is no significant association between age, years of experience and factors influencing the retention of IT employees.

V. FINDINGS:

The Findings of the study are:

- Majority of the respondents (50.7 percent) were female.
- Most of the respondents (45.3 percent) are post graduates.
- Around 50 percent of the respondents were working in multinational corporations.
- Work-life balance is the major factor influencing retention of IT employees.
- Most (28 percent) of the respondent's monthly salary ranged between Rs.25001 – R.s 50000 per month.
- One fourth of the employees had less than 2 years' experience.
- There is no significant association between age, years of experience and factors influencing the retention of IT employees.

A. Future Research

Further studies could examine retention strategies across different regions or IT sub-sectors, as well as the long-term impact of hybrid work models on employee loyalty.

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