

Attrition Control and Employee Skill Development by Internal Resource Utilization through Peer-to-Peer Learning & Development Framework in IT Industry

^{1*} Pradnya Purandare, ² Gaurang Agarwal

¹ Assistant Professor, Symbiosis Centre for Information Technology, Pune
Symbiosis International (Deemed University)

² Symbiosis Centre for Information Technology, Pune
Symbiosis International (Deemed University)

DOI: <https://doie.org/10.1220/Jbse.2024167371>

Abstract. Attrition in HR refers to the departure of an employee from an organization and is increasing for various reasons. The possible ones could be Employee Satisfaction, Low Pay-scale, Voluntary ground of Retirement, or something hidden as well. For ages, there have been multiple HR initiatives to resolve these issues. Profoundly many such frameworks have also worked, but in today's time, when the industries follow a hybrid model of work, where people are socially connected rather than physically, existing frameworks have drastically failed. The result is the exponential increase in the attrition rate. With the proposed framework, the paper aims to decrease the attrition rate and enhance the employee skill development process in the IT Industry.

Keywords: Attrition Control, Employee Skill Development, Peer-to-Peer Learning, Framework in IT.

Introduction

Attrition

We hear the word 'ATTRITION' a lot these days. This term has replaced Employee turnover in a company, which was formerly used. " Wearing down an opponent by continually beating him, or reducing the number of employees by not replacing those who leave the job."

With approximately 227 billion people directly working in the IT industry, has proven to be the most effective and growing market leaders in building capabilities and jobs for Indian geographic region.

Managing people, one of the most critical assets in the IT supply chain, has become increasingly difficult due to growth. For India to succeed in the IT value chain, the availability of competent workers at the right price is crucial.

The churn rate is the proportion of employees who leave a firm in a certain period of time owing to attrition (voluntary resignation), the same can also be extended to people who get terminated or debarred from the firm (involuntary resignation). Higher attrition can be ferocious to a business owing to the increased costs of training new employees, while higher rates are frequently more acceptable for unskilled labourers than for more highly skilled or trained staff. Employing highly trained individuals generally results in a lower churn rate, and corporations often use generous employment contracts to prevent various types of attrition.

Employee attrition may also be utilised to benefit a firm in some cases. In some cases, cutting labour expenses is important for a firm to remain profitable. It is possible to cope with this type of situation by laying off a number of employees, but this can have a negative impact on morale among the remaining workers. Just not recruiting new personnel might provide a long-term solution to the same problem if the attrition rate is known. Attrition will eventually result in some employees leaving or quitting, resulting in fewer employees and a corresponding reduction in labour costs.

As a result of various factors, employee attrition decreases employee strength. Involuntary attrition can be caused by either voluntary or involuntary actions, while layoffs initiated by employers are often excluded. Each sector has its own norms for acceptable attrition rates, which might also range between skilled and unskilled employment.

Employee turnover is often viewed as having a monetary cost due to the costs associated with training new staff. In some cases, a firm can use employee attrition to its advantage, such as when trying to minimise labour expenses without resorting to mass layoffs

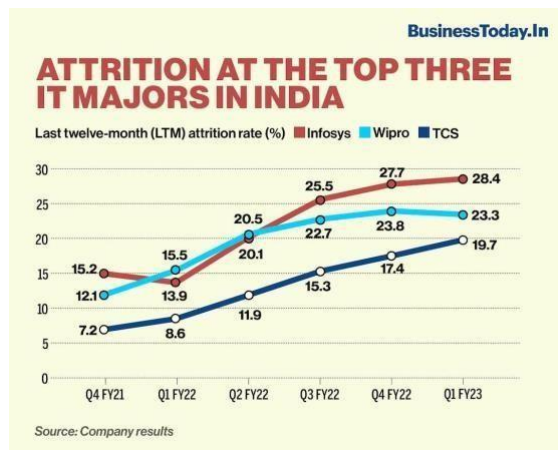


Fig. 1. Attrition Data in various companies

Employee Skill Development

Employee training and development is a programme that assists employees in learning a certain skill as well as information to increase employee performance and productivity in their present company or work role. It focused on higher employee growth and enhanced future performance. Businesses with extensive training and development plans may be more successful, retain more people, and have happier workers. Moreover, it helps the company minimise the costs linked to talent loss. Training and developing an individual not only helps them improve, but it also drives the organisation to expand. Similarly, it lets employees realise that they are appreciated in the organisation.

On the other side, employee development has a broader focus. It is a long-term endeavour that emphasises personal development. Employee development is the process through which people hone, develop, and acquire new skills in line with the objectives and vision of the business. An organisation attracts top talent and secures its long-term survival when it invests in the talent development of its workers and considers its future growth.

Learning & development of employee refers to any action that assists employees in increasing their knowledge and abilities, improving existing skills, or learning new ones. Word development vividly extends to meaning of skill acquisition, and adequate implementation of same to gather non-biased views and feedback on the same that provide people with new opportunities and responsibilities. Employee learning may take many forms, including coaching, mentorship, self-learning, informal learning, etc. Investment of effort, time, and money is required for employee training and development to improve the workforce for the organisation.

Employee training, on the other hand, focuses on improving the employee's present work performance. It focuses on assisting employees in solving challenges and developing the abilities necessary to do so. It is an advancement in the existing employment role.

Many disciplines are being used by organisations to promote a culture of learning and growth. There have been many creative HRM programmes created for staff development. Training programmes

are designed to be accessible to a larger number of employees while yet offering a largely 1-2-1 delivery experience.

Obstacles Encountered in Skill Development Process

Employee training and development is a huge field, and firms frequently struggle to establish the correct learning culture. Some of the difficulties encountered include:

Robust Training Department Missing

Disinterested Management & Low Support from them.

Weak Learning Culture

Employee Resistance towards training

Missing clarity over job roles and aligned training

Monetary Issues

Ambiguity in Company Rules & Regulation followed.

Businesses that understand the value of employee training and development also invest time and resources from their HR budgets in creating initiatives that will help them expand. Additionally, evaluations result in training. The visible gap may be identified by organisations with strong assessment systems, and it can then be filled with the appropriate training.

Some businesses are creating internal databases of specialised specialists, and in doing so, they've gotten really good at figuring out who the proper personnel are and what kind of skill-based training they should do. For workers who are new and have recently graduated from college, organisations have developed an internal training programme.

A company should be speculative in its level of readiness and attentive to potential market demands. and the strategic vision must to include the dual goals of fostering personnel growth as well as concurrent business success.

Companies like Capgemini make it a priority to develop expertise within the organisation and train their new hires on cutting-edge technologies. Moreover, the employer pays for this instruction.

Literature Review

What has been published in connection with this research is included in a literature review. The main objective is to gather data and concepts based on the prior setup and discover their strengths and flaws to further improve and update the integration.

Getzlaf, S. B., et al. (1984) employed Tinto's institutional attrition model to compare undergraduate students who left Washington State University (WSU) a year before to the research to a control group of students who stayed at WSU [11]. To operationalize Tinto's ideas on individual traits, prior educational experience, goal commitment, institutional commitment, social integration, and academic integration, data from precollege records, university academic records, and a post-withdrawal survey were used. Tinto's theory of college perseverance was examined further by Mallette, B. I., and Cabrera,

A. F. (1991) [12]. Dropouts have long been thought of as non-returnees, which asserts that such a strategy includes many withdrawal behaviours, the causes of which might differ based on the specific departure behaviour under consideration. It also examines whether the factors driving withdrawal decisions are the same as those influencing transfers to other universities among the incoming first-year class at a major southern university in 1984. Bean, J. P., and B. S. Metzner (1985) revealed that an increasing percentage of college student populations were composed of elderly, part-time, and commuter students [13]. It is unknown why these students leave school. This paper aims to explore the rise in unorthodox enrollments, define the atypical undergraduate student, and provide a theoretical model of attrition for these students. The fundamental difference between conventional and non-traditional student attrition is that non-traditional students are more impacted

by the external environment than regular students are by social integration traits.

According to Sengupta, S., and Gupta, A. (2012), India's market for business process outsourcing (BPO) is expanding at an unparalleled rate. The BPO industry has a high attrition rate, despite its fast development and promising future [15]. There are several factors that affect attrition in BPOs, and substantial research has been done in this area. By identifying the factors that contribute to it, examining the effects of the factors on attrition, and comparing the dimensions across the various demographic variables, they aimed to analyse the dimensions of attrition in this study.

Srivastav, A. K. (2010) figured out how the IT industry's organisational climate works. In IT firms, there are six organisational climate factors that were measured [17]. The major and secondary climates were Expert Influence and Extension. Affiliation was the most fragile environment.

There are three meta-climates active in the IT sector, according to an exploratory factor research of climate motives, three behaviors stand out:

Brazen Shirking, which combines increased Dependency and de-emphasized Affiliation

Empowered Collaboration, which combines increased Extension and de-emphasized Control

Obsession for Expertise, which combines increased Expert Influence and de-emphasized Achievement. These meta-climates, which mirror the reality of the IT industry, are described by the 70.30% variance.

According to Chandrasekar, K. (2011), The most precious asset of a business is its human capital. That is still common even in the computer era, when it is assumed that machines only play a minor part [14]. Computers have a role in the creation and maintenance of these programmes, even if physical labour is still necessary. Or, put another way, the need for human labour will never end since there is no alternative for it. In order to advance as an employee, attrition must be reduced. Daily attrition rates are rising, which reduces output and revenue.

It is interesting to examine the attrition rate in IT, ITES, and other software-based businesses. This has led businesses to study their workforce through research, especially to identify attrition problems. Although emphasising various other direct and indirect consequences of attrition on production, cost, discipline, and efficiency in the industry, this research gives information about employees' views towards the company and their positions in addition to providing information about those sentiments.

With on-the-job training opportunities and enhanced training and development methodologies, employee retention and commitment are increased. Employer loyalty increases as a result of employee empowerment and motivation provided through HR strategies. HR initiatives for hiring and training do not, however, necessarily result in increased employee loyalty to the company. Turnover is actually increased by HR strategies that try to teach current employees or attract talent in-house, by Patrick M. Wright, et. al [22].

Managers must provide adequate training to workers in order for them to meet the necessary KSA to perform better in order to maintain a low attrition rate. This will ensure that senior employees in the organisation are equally as competent as their less-experienced counterparts, by Ian M. Taplin, et al [23]. Employees that have been properly trained remain loyal to their employers. To promote older employee retention, it is crucial to have access to training, adapt training methods to fit the requirements of older workers, and implement an age awareness training program by Marjorie Armstrong-et. al [24]. Finally, it is critical to retain staff; otherwise, training resources would be wasted.

Objective

Bring out a new framework for employee skill development that can reduce cost and optimize efforts of both the employer as well as the employee

To align the newly designed framework with attrition control in IT organisation.

Research Design

The study is an exploratory investigation of how well employee skill development and attrition control policies are currently working. The exploration is designed with an approach of interviewing HR Heads, Business Partners and Executives to understand the current value system in attrition and employee development streams.

Data Collection

Interviews were conducted with various HR Heads, Business partners and Executives from RAMG groups of prominent IT companies. The interview focussed explicitly upon aspects mentioned below:

Logic & reasoning behind increasing attrition rate.

Employee skill development process and evaluation metrics.

Current Attrition control schemes and initiatives.

Data Analysis & Findings Contributing Factors to Attrition

The following most important factors were outlined from personal interview that contribute in increasing attrition rate. The factors are ordered in descending order based on implication rate.

Better Remuneration & Career Prospects

37% of the cases.

On-the-Go skill development and adequate alignment to career growth – 25% of the cases.

Organizational Culture – 18% of the cases

Shift Timings & Week Offs – 11% of the cases

Managerial Conflicts – 9% of the cases

Employee Skill Development Structure & Methods

Depending on the size, requirements, and activities of an organisation, businesses may execute a variety of staff training programmes. The following list of the most typical training programme kinds includes:

Orientation Training: An successful employee orientation programme gives new recruits the fundamental organisational knowledge they need to get ready for their job in the organisation. The orientation programme is advantageous to both the employee and the business since it informs new recruits, prepares them for success in their new positions, answers any concerns they might have, and enables them to contribute to the company straight away.

Compliance Training: A sort of workplace training called compliance training is required by law, rule, or policy. Employees are informed on the rules and laws that are relevant to their sector or job function.

Leadership Training: giving employees leadership training enables them to better comprehend their current responsibilities and acquire the skills necessary to become outstanding leaders in the future.

Technical Training: In every field, there are countless new software programmes and technological advancements. Employees must constantly embrace the newest technology or upgrade current ones to minimise the danger of falling behind the competitors. Your staff may develop fundamental technical skills and grasp the technical facets of their employment with the help of technical training.

Prominent methods of employee skill development in execution in current time are as follows:

Feedback Oriented Trainings

E-Learning

Trainer Based

Feedback Oriented Trainings

The greater facilitation of new approaches is ensured by a feedback mechanism. Feedback Oriented Training makes sure that what hasn't worked in the past and any possible gaps are found and fixed in subsequent programmes.

E-Learning

The global range of distribution makes e-learning a quick-fix training tool. An e-learning platform may be used as a one-stop training centre by businesses with a global reach and an emphasis on standard operating procedures. As e-learning is used, there is no requirement for a physical trainer or additional training costs, and the training database may be accessed as often as needed. There are a variety of methods that may be used for e-learning, such as making videos, slideshows, tests, polls, games, and more.

Trainer Based

The value of a physical trainer, who provides a wealth of knowledge and can unquestionably not compete with artificial intelligence, cannot be duplicated. The answers and methods a trainer possess are case-specific, unlike those found in standard training modules and Artificial Intelligence. A personal touch to learning is an unparalleled experience at any moment.

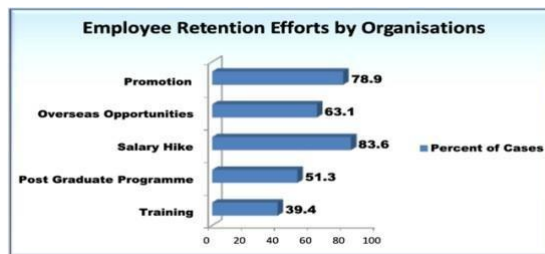


Fig. 2. Attrition Control Schemes & Initiatives

GAP Identified

With the data gathered and analyzed, it is identified that there is no standard process that can both reduce attrition and enhance the employee skill development process simultaneously. Factors like cost, employee resistance, management support, lack of adequate infrastructure, and proper & transparent evaluation structure keep on hampering employee growth, eventually leading to increased attrition in the IT industry.

Proposed Framework

Peer-to-Peer Learning Framework Interactions between peers or co-workers enhance knowledge and abilities through peer-to-peer learning and development. Through collaborative learning, people gain information, skills, and experiences from one another.

Students follow this concept by looking for opportunities to gain knowledge from others. As people pursue their professional and personal goals, peers can offer criticism, direction, and encouragement. Coaching, mentoring, peer reviews, group talks, and peer evaluations are ways that peers can learn from one another.

Benefits of Peer-to-Peer Learning Framework An effective peer-to-peer development framework offers the following benefits:

Learners are more engaged in their learning when they can interact with peers and contribute to the teaching of others.

Diversity of perspectives: Peer-to-peer learning allows individuals to learn from diverse experiences

and viewpoints.

Personalization: Learning from peers allows for a more personalized approach to learning, as individuals can tailor their knowledge to their needs and interests.

Flexibility: Peer-to-peer learning can occur in various settings, including in-person and virtual, making it more flexible than traditional forms of knowledge.

Implementation of Framework in the Company (IT)

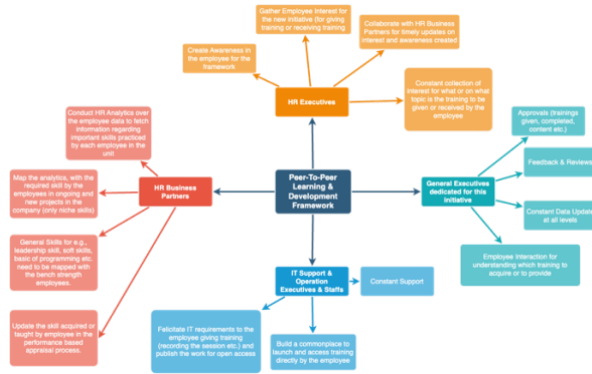


Fig. 3. Staff Based Responsibilities or Activities to successfully conduct Peer-to-Peer Learning

Managerial Implications of Peer-to-Peer Learning & Development Process

Peer-to-peer learning and development can significantly impact organizational learning and development, which has important managerial implications. The following are some managerial implications of this framework:

Developing a Learning Culture: Managers can encourage a culture of continuous learning and development within their organizations by promoting peer-to-peer learning. This can help to improve employee performance, increase productivity, and drive innovation.

Fostering Teamwork: Peer-to-peer learning can promote cooperation and collaboration within teams and across departments. This can improve communication, build trust, and lead to more effective problem-solving.

Developing Leadership Skills: Peer-to-peer learning can allow employees to develop leadership skills by mentoring and coaching others. This can help to identify emerging leaders and develop their potential.

Providing Feedback Recognition: Peer-to-peer learning offers opportunities for feedback and recognition, which can be a powerful motivator for employees. Managers can use this framework to recognize and reward employees who contribute to the learning of others.

Supporting Employee Development: Peer-to-peer learning can provide a cost-effective way for managers to support employee development. This framework can provide employees with new skills and knowledge, which can help them be more effective in their roles.

Future Research Directions

There are many topics of research in this domain that are ready to be investigated. These are some possible study topics:

Effectiveness of Peer-To-Peer Learning: One topic of study that may be investigated is how successful peer-to-peer learning is in contrast to other strategies for education and career development. The efficiency of peer-to-peer learning in different circumstances, such as online learning or classroom settings, might be examined in this study.

Peer-To-Peer Learning and Cultural Differences: Various cultures may approach peer-to-peer learning in different ways. Consequently, study might look at the cultural elements that affect peer-to-peer learning's success and the creation of peer-to-peer learning systems that are effective.

Peer-To-Peer Learning and The Promotion of Diversity, Equity, And Inclusion: Peer-to-peer learning initiatives may have the ability to advance these three concepts. As a result, studies might look into the ways that peer- to-peer learning initiatives can promote these significant values.

Conclusion

The peer-to-peer learning and development framework is robust for building skills, fostering collaboration, and driving personal and professional growth. The peer-to-peer learning and development framework can be an effective way for managers to foster a learning culture, build teamwork, develop leadership skills, provide feedback and recognition, and support employee development. By leveraging the power of peer-to-peer learning, managers can create more effective and productive organizations. The results from effectively utilizing the framework will also help organizations (specifically IT based) decrease their attrition rate.

References

[http://www.scribd.com/Attrition-Rates- Project](http://www.scribd.com/Attrition-Rates-Project)

<http://www.citehr.com/>

<http://www.businessdictionary.com/definition/attrition.html>

<http://www.citehr.com/33505-word-meaning-attrition-termination-policy.html>

<http://www.wisegeek.com/what-is-employee-attrition.htm>

Getzlaf, S. B., Sedlacek, G. M., Kearney, K. A., & Blackwell, J. M.. Two types of voluntary undergraduate attrition: Application of Tinto's model. *Research in Higher Education* 20(3), 257-268 (1984).

Mallette, B. I., & Cabrera, A. F. Determinants of withdrawal behavior: An exploratory study. *Research in Higher Education*, 32(2), 179-194, (1991).

Bean, J. P., & Metzner, B. S. A conceptual model of nontraditional undergraduate student attrition. *Review of educational Research*, 55(4), 485-540, (1985).

Chandrasekar, K.. Managing Attrition: The Real Problem Behind the Growth of Business Process Outsourcing (BPO) Companies. *Journal of Social Welfare & Management*, 3, (2011).

Sengupta, S., & Gupta, A. Exploring the dimensions of attrition in Indian BPOs. *The International Journal of Human Resource Management*, 23(6), 1259-1288, (2012).

Raman, R. Strategies to retain human capital in Business Process Outsourcing (BPO) industry. Kohinoor Business School, Khandala, Working Paper, (2006).

Srivastav, A. K. Organizational Climate: BPO Industry. *SCMS Journal of Indian Management*, 7(2), (2010).

Fleischman, M. J. Using parenting salaries to control attrition and cooperation in therapy. *Behavior Therapy*, 10(1), 111- 116, (1979).

Grace, H. A. (1957). Personality factors and college attrition. *Peabody journal of Education*, 35(1), 36-40.

Goel, D., & Thakur, P. (2007). India: an attractive BPO destination marred by alarming attrition insights into the causes, impact and mitigation actions. *Global Service Delivery Advisory Services, TPI*.

Williams, J. Learn While You Earn: Strategic Management of the Attrition Problem Within the Indian BPO sector. *Indian Journal of Economics and Business (Special Issue)*, 153-167, (2004).

Patrick M. Wright P.M., Timothy M. Gardner, Lisa M. Moynihan, "Strategically deploy HR practices to increase worker commitment and reduce turnover". Cornell University, Centre for advanced human resource studies, Research link No. 17 Aug 2011, (2011).

Ian M. Taplin, Jonathan Winterton. (2007), "The importance of management style in labour

- retention". International Journal of Sociology and Social Policy Vol. 27 No. 1/2, 2007 pp. 5-18.
- Marjorie Armstrong-Stassen, Andrew Templer , "Adapting training for older employees". Journal of Management Development Vol. 24 No. 1, 2005 pp. 57-67, (2004).
- Kyndt, N. G., Dochy, F., & Baert, H., "Influence of learning and working climate on the retention of talented employees". Journal of Workplace Learning Vol. 23 No. 1, 2011 pp. 35-55, (2010).
21. Cottrell, T., " Returns and investments “Retreat. Reveal. Retain” The Bottom Line: Managing library finances Vol. 25 No. 4, 155-158 ,2012
- Michael Hay," Strategies for survival in war of talent": Career development International 7/1 (2002)