



Research Article

## Employee Retention Strategy in BPO Sector (Infosys Company, Bangalore)

Mansi <sup>1\*</sup>, Likhitha S <sup>2</sup>, Dr. Veena Ishwarappa Bhavikatti <sup>3</sup>

<sup>1-2</sup> Student, PGDM, Dayananda Sagar Business School, Bengaluru, Karnataka, India

<sup>3</sup>Assistant Professor, Dayananda Sagar Business School, Bengaluru, Karnataka, India

Corresponding Author: \*Mansi

DOI: <https://doi.org/10.5281/zenodo.19588671>

### Abstract

This paper examines the issue of employee retention at Infosys Bangalore based on primary information obtained from the employees. The results show that work-life balance and employee engagement have a positive effect on retention, whereas job stress has a negative effect on employee commitment. The research gives a suggestion on the strategic way of how to enhance retention in IT organisations. The Business Process Outsourcing (BPO) industry has one shockingly high churn rate of 30-50 per cent, despite being one of the key sectors of the worldwide economy. This paper focuses on exploring the effectiveness of the existing employee retention strategies in the BPO industry with a particular consideration of both local and global contexts. Primarily, the focus of the study is on such variables as job happiness, pay, work environment, career growth, and organisational culture. Retention strategies in the BPO industry are evaluated in terms of the study based on primary and secondary information. Findings indicate that growth opportunities, motivation and employee satisfaction have a significant role in reducing attrition and contributing to organisational effectiveness.

### Manuscript Information

- ISSN No: 2583-7397
- Received: 13-03-2026
- Accepted: 10-04-2026
- Published: 15-04-2026
- IJCRM:5(2); 2026: 627-630
- ©2026, All Rights Reserved
- Plagiarism Checked: Yes
- Peer Review Process: Yes

### How to Cite this Article

Mansi, Likhitha S, Bhavikatti V I. Employee Retention Strategy in BPO Sector (Infosys Company, Bangalore). Int J Contemp Res Multidiscip. 2026;5(2):627-630.

### Access this Article Online



[www.multiarticlesjournal.com](http://www.multiarticlesjournal.com)

**KEYWORDS:** Employee retention, work-life balance, job satisfaction, compensation, BPO sector.

## 1. INTRODUCTION

The specialisation and affordability in the services offered by the BPO industry have transformed business in the world. Nevertheless, the company has a reputation for burnout due to high-pressure targets, low variety in work, and night-time shifts. Retention is no longer a strategic prerequisite of the existence of an organisation, but of an HR function. BPO expansion in India has given rise to the culture of job-hopping, wherein employees change jobs regularly at the expense of very low wage increments. In this introduction, the system of analysis on how firms can shift to systematic retention practices, rather than gimmicks (like office parties), is developed. The BPO industry is one of the fastest-developing parts of India that contributes significantly to the employment rate and the economy of the country. Nevertheless, one of the issues that is of great concern to the industry is the fact that the turnover rate among employees is at times 30-40 per cent. This increases the cost of recruitment and training of new workers. The schemes and processes of the companies to maintain their employees in the company over a long period of time are known as employee retention. Unfamiliarity with the work environment in the BPO industry can be affected by various factors, such as stress, monotony, work at night, and professional development. Hence, to maintain worker stability and high productivity, the organisations should develop effective retention strategies.

## 2. OBJECTIVES

- To determine the main reasons why the BPO sector has a high rate of attrition.
- To propound effective employee retention strategies.
- To study the monetary and non-monetary benefits that affect employee stay intentions.

## PROBLEM STATEMENT

Despite the good HR policies, Infosys encounters challenges that include:

- High employee attrition
- Project pressure due to work stress.
- Work-life imbalance

**Question:** To establish the main factors that influence employee retention in Infosys Bangalore.

## 3. REVIEW OF LITERATURE

1. Agrawal (2024): Dissected "Failure Factors" with work stress and lack of career development being the major catalysts of leaving.
2. Varma et al. (2023): Studied Employee Voice in Hyderabad BPOs, and indicated that the open-door policy is a major morale-enhancer.
3. Cabaluna & Mbaw (2021): Concluded that transformational leadership styles were found to cause high job satisfaction as opposed to transactional leadership styles.
4. Sun and Bunchapattanasakda (2019): Examined employee engagement as a performance-based HR practice mediator in retention.

5. Tomer & Singh (2015): Known that half of Indian BPO workers turn over due to poorer career prospects, which is due to a lack of skilled labour.
6. Sengupta (2010): Investigated aspects of attrition in urban BPOs and discovered that the retention strategies have to be segmented in terms of age and marital status.
7. Muthuswamy (2005): Specifically, about the Coimbatore BPO centre, the author brings out the most sensitive issue concerning the industry of best talent withholding.
8. Dockel (2003): Found six high-retention factors, which included compensation, job characteristics, training, supervisor support, career opportunities, and work-life balance.
9. Miller, Erickson & Yust (2001): It was established that the feeling of belongingness and privacy at the working place is a universal driver of retention.
10. Richie (2000): Pointed out that the culture in an organisation is the bond that helps in keeping the employees loyal during economic collapses.

## RESEARCH GAP

Despite several studies having researched staff retention in the BPO industry, there are still numerous gaps in the research. Most of the studies are old-fashioned and fail to consider more contemporary issues such as digital transformation and working environments. Moreover, such psychological factors as stress and burnout that are essential in the BPO industry get less consideration. Moreover, both the longitudinal and regional studies are still lacking, and the aspirations of the Gen Z workforce are understudied. Moreover, the existing studies lack practical models of implementation, as well as fail to adequately compare the expectations of employees and organisational practices. This report will bridge these gaps by providing an in-depth and up-to-date discussion of employee retention strategies in the BPO sector.

## RESEARCH MODEL

The application of Abraham Maslow in employee retention draws to light that employees are retained by an organisation when their needs of hierarchy are satisfied. On the first level, physiological needs should be met, including salary and compensation, because incomplete compensation means dissatisfaction and increased turnover. Safety needs, such as job security, work-life mix, and without any excessive stress in the job, are critical in that employees feel safe and stable in the organisation. Work-life balance was also found to be an important factor in retention in the Infosys Bangalore setting, though high job stress adversely affected retention intentions. At the upper levels, the social and esteem needs are satisfied by employee engagement and recognition as well as by the supportive workplace, which increases emotional attachment towards the organisation. Lastly, career advancement, development of skills and promotion of advancement are all ways of fulfilling the needs of self-actualization, which promote a long-term commitment. The primary data analysis shows that compensation is required, but other factors, such as work-life balance and engagement, are more determining in retention. Maslow's theory, therefore, furnishes organisations with a well-

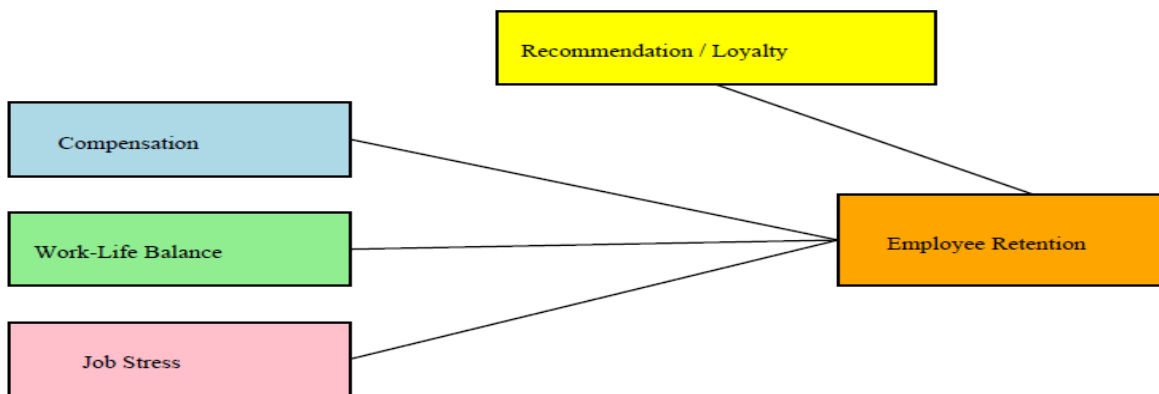
organised structure on which they can develop effective retention strategies by working on the needs of their employees at various levels.

**4. RESEARCH METHODOLOGY**

- **Type:** Quantitative
- **Sampling Method:** Convenience sampling

- **Sample Size:** 100 employees
- **Data Type:** Primary (survey), and Secondary (Infosys reports)
- **Tool:** Structured questionnaire

**RESEARCH FRAMEWORK**



**DATA ANALYSIS**

From the collected data:

- i. Compensation → Mostly (60–80)
- ii. Work-Life Balance → High (80)

- iii. Job Stress → High (80)
- iv. Retention → Mixed (60–80)

Variable	Mean Score	Total
Compensation	6	100
Work-Life Balance	6.8	100
Job Stress	6.8	100
Retention	6	100

Response Category	Points Allotted
Very Dissatisfied	20
Dissatisfied	40
Neutral	60
Satisfied	80
Very Satisfied	100
Strongly Disagree	20
Disagree	40
Neutral	60
Agree	80
Strongly Agree	100

**INTERPRETATION**

➤ Compensation, employees have moderate satisfaction.

- Highly stressed employees have low retention.
- Work-life balance can be managed by the employees.

## 5. FINDINGS

Work-life balance is one of the most important organisational factors that affect employee retention because it has been shown that when employees have a strong willingness to remain, it is largely due to work-life balance. On the contrary, job stress significantly contributes to a negative effect, which usually lowers the retention rates by causing stress and dissatisfaction in employees. Compensation, though significant, seems to have a mediocre impact, which means that salary is not enough to guarantee long-term commitment. Also, the research results indicate that employee loyalty is strongly associated with their chances of recommending the organisation as a good place to work, which indicates that good experiences with employees lead to retention and employer branding.

## 6. CONCLUSION

Work-life balance and stress management in Infosys Bangalore are better incentives to retain employees, compared to higher pay alone. Organisations need to aim at promoting the welfare of their employees, work flexibility, and engagement.

## RECOMMENDATIONS

Companies should aim for the practice of flexible working hours, which will assist employees to balance their work and life better and be more satisfied with their job. Moreover, workload pressure needs to be reduced in order to decrease stress and burnout, which could adversely affect retention. There could also be an increase in employee reward schemes that can motivate the employees, as they would appreciate their efforts and contributions. Finally, more career advancement opportunities, including training and promotions, can motivate the employees to develop in the organisation and enhance their commitment in the long run.

## REFERENCES

1. Ramachandran K, Voleti S. Business process outsourcing (BPO): emerging scenario and strategic options for IT-enabled services. *Vikalpa*. **2004**;29(1):49–62.
2. Kumar XJL, Gopinath T. An empirical study on employee engagement and retention strategies in BPO companies in India. *Benefits*. **2016**; 290:9.
3. Poptani S. A study of employee retention practices adopted by business process outsourcing (BPO) units. *Notion Press*; **2025**.
4. Infosys Limited. Effective employee retention strategies that work. *Infosys BPM*. **2025**. Available from: <https://www.infosysbpm.com/blogs/human-resource-outsourcing/effective-employee-retention-strategies>
5. Al-Suraihi WA, Samikon SA, Al-Suraihi AHA, Ibrahim I. Employee turnover: causes, importance and retention strategies. *Eur J Bus Manag Res*. **2021**;6(3):1–10.
6. D’Cruz P, Noronha E. Employee dilemmas in the Indian ITES–BPO sector. In: *Offshoring and working conditions in remote work*. London: Palgrave Macmillan UK; **2010**. p. 60–100.
7. Bhatnagar J. Dynamics of HRM systems in BPO firms operating in India. [**year unknown**].

8. Dhillon M. Employee retention strategies in the Indian information technology sector. *Int J Manag*. **2020**;11(12).
9. Singh S. A study on HR practices for employee retention in select Indian IT organisations. **2015**.
10. Panigrahi A, Joshi V. Study of job satisfaction and its implications for motivating employees at Infosys. *Strategy*. **2016**;14.
11. Mahadevi R, Suryaramya K, Vanisri K. Study of job satisfaction and its implications for motivating employees at Infosys. [**year unknown**].
12. Anandanatarajan K. Impact of knowledge sharing and job satisfaction among employees in India with reference to information technology companies in Bangalore. **2017**.
13. Sengupta S, Gupta A. Exploring the dimensions of attrition in Indian BPOs. *Int J Hum Resour Manag*. **2012**;23(6):1259–1288.
14. Muthuswamy R. Employee attrition in the BPO sector: a study of Coimbatore. **2005**. (Unpublished dissertation).
15. Tomer S, Singh P. Employee attrition in the Indian BPO sector: causes and challenges. **2015**. (Conference paper).
16. Agrawal R. Failure factors influencing employee attrition in the BPO sector. **2024**.
17. Varma A, et al. Employee voice and organisational outcomes in Indian BPOs. **2023**.
18. Miller NG, Erickson A, Yust BL. Sense of place in the workplace: the relationship between personal objects and job satisfaction. *J Inter Des*. **2001**;27(1):35–44.
19. Dockel A. The effect of retention factors on organisational commitment. *University of Pretoria*, **2003**.
20. Ritchie M. Organisational culture: an examination of its effect on employee commitment. **2000**.
21. Cabaluna C, Mbaw C. Transformational leadership and employee satisfaction. **2021**.
22. Sun L, Bunchapattanasakda C. Employee engagement: a mediator between HR practices and retention. *Hum Syst Manag*. **2019**;38(3):1–12.

### Creative Commons (CC) License

This article is an open-access article distributed under the terms and conditions of the Creative Commons Attribution–Non-Commercial–No Derivatives 4.0 International (CC BY-NC-ND 4.0) license. This license permits sharing and redistribution of the article in any medium or format for non-commercial purposes only, provided that appropriate credit is given to the original author(s) and source. No modifications, adaptations, or derivative works are permitted under this license.

### About the corresponding author



**Mansi** is a postgraduate student pursuing PGDM at Dayananda Sagar Business School, Bengaluru, Karnataka, India. She has a keen interest in human resource management, organisational behaviour, and business analytics. Her academic focus includes employee engagement, retention strategies, and contemporary management practices, aiming to contribute effectively to the corporate and research domains.