Key Talent Engagement & Retention – A Case of Software Industry

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Abstract

Employees are key to any industry and software industry is an employee intensive industry thereby attracting and retaining the employees, especially key talented work force becomes challenging in the competitive dynamic environment. This paper attempts to assess the organization as outstanding organization and evaluate the opportunities provided within the organization to engage talent and also understand the reasons why Key talent stay within the organization, attempt has been made to relook at the key Talent engagement drivers in the organization, understand the areas of concern and develop an action plan to have great retention strategies.

Keywords: employee retention, talent engagement, key talent, strategies

1. Introduction

IT / ITES (Information Technology / Information Technology Enabled Services) Industries are hitting the headlines more often in business literature. There are more number of IT and ITES companies setting their offshore unit and development centers in India. Due to this high rebellion in India in the IT Industry, there are huge job opportunities available and we should make ourselves well suited for the openings. But on the other hand, if we see the current attrition rate being is very high, it is really a tough challenge to retain an employee.

This paper provides insights about Talent engagement, attrition, retention, and strategies to retain employees in the organization.

Retaining an employee is a challenge, which is posed to the HR Managers in today’s scenario and it is very important to retain an employee to achieve a long term success of any business. Retaining best employee provides the edge through customer satisfaction, increase in product sales, Organization health will be good, effective succession strategy can be planned. Industry experts say that losing an employee at the tactical level will cost 100% of his salary and losing a strategic level employee will cost much more than that. In today’s scenario, employee retention has become primary business concern and is a business challenge for the HR managers. HR managers are under critical pressure to design strategies for retaining an employee. The IT and ITES industry had a overwhelming boom right from 1995 and in the year 2000, it had faced a recession period, but now the industry has become a buzz word in the media’s and it has a tremendous growth rate.

As per the survey conducted by NASSCOM in 2008 the IT / ITES has been forecasted to have a market size of $ 2325 Billion with a CAGR growth of 7.7 %. In the total market size, IT Industry is estimated to have $ 702 billion and ITES is estimated to have a revenue growth of $ 1199 billion globally. In this total estimated revenue, India’s revenue in IT & ITES industry would be to the tune of $ 41.56 billion in 2008 and expected to have 200% growth. IT / ITES sectors in India are expected to employ around one million people by 2008, but the challenge is to find quality human resources. According to survey by Delloite, Junior management level faces highest level of attrition in the ITes sector at 34%. Pharmaceutical, Healthcare & Life Sciences faces highest overall attrition at 22%. This is followed by ITes and Media & Advertising at 16%, Manufacturing and Energy & Resources faced lowest overall attrition at 8%

A HR manager in the IT/ITES sector should understand that attrition and retention are two sides of the same coin. Some organization works on talent management strategies to achieve the employee retention. Organizations should feel that employee retention is equal responsibility for all relevant departments to ensure retention of best talented personnel. Talent Management solutions integrates executives, management and employees into one system, provides information to all employees and their managers, will have a better communication of objectives and expectation from an employee and explain to employee as to how it is going to help them in their
careers. Talent management solution helps to retain the talents, Increase the employee morale, Increase the employee’s congenial climate and Increase the productivity.

2. Review of Literature

Talent Engagement is one of the key elements for any organization as they need to ensure that the organization keeps up its engagement and more of the employees at middle level to ensure enhanced, effective productivity and efficient performance. Though every organization utilizes various tools to boost the morale and engagement of the employee levels but yet HR and Internal Communications team have very limited tools to measure the impact of the morale and engagement of the employee. The concept of talent engagement crudely defined as ‘going the extra mile’ has attracted a lot of attention in the industry. It has become a new management mantra. Reily and Brown (2008) noted that the terms job satisfaction, motivation and commitment are generally being replaced now in business by ‘engagement’ because it appears to have more descriptive force and face validity. It is often loosely as a notion which embraces pretty well everything the organization is seeking to do with regard to the contribution and behaviour of its employees in terms of job performance, discretionary effort, organizational citizenship and commitment. Maslach (2001, p. 74) referred engagement as ‘a positive fulfilling work related state of mind that is characterized by vigour, dedication and absorption.’ Macey (2009) defines ‘engagement is an individual’s purpose and focused energy, evident to others in the display of personal initiative, adaptability, effort and persistence directed towards organizational goals.

On the basis of their research, MacLeod and Clarke (2009) define as ‘The way talent engagement operates can take many forms.’ Erickson (2005) described the job as the key antecedent of the state of engagement. Balain and Sparrow (2009) defines as ‘the individual’s involvement and satisfaction with as well as enthusiasm for work’. Robinson (2004) emphasised the organizational aspect of engagement and referred as positive attitude held by employee towards organization and its values.

2.1 Components of Engagement

Commitment is the strength of individual’s identification with and involvement in an organization. Organizational citizenship behaviour as defined by Organ (1988) is employee behaviour that goes above and beyond the call of duty, that is discretionary and not explicitly recognized by the employing organization’s formal reward system, and that contributes to organizational effectiveness. Motivation is the force that energizes, directs and sustains behaviour. It can be intrinsic, i.e. behaviour is affected by factors which may arise from the work itself and are self generated or extrinsic, which occurs when things are done to or for people to motivate them. The motivation element in engagement is intrinsic. As Macey et al (2009) observed that when the work itself is meaningful it is also said to have intrinsic motivation. This means that it is not the pay or recognition that yields positive feelings of engagement but the work itself, engaged employees feel that their jobs are an important part of what they are.

The institute of employment studies has modelled the components of engagement as depicted below.

<table>
<thead>
<tr>
<th>Antecedents of Engagement</th>
<th>Types of Talent engagement</th>
<th>Consequences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enriched and challenging jobs</td>
<td>Job engagement</td>
<td>Job satisfaction</td>
</tr>
<tr>
<td>Quality of employee - organization relationship (Perceived Organizational support)</td>
<td>Organizational engagement</td>
<td>Organizational commitment</td>
</tr>
<tr>
<td>Quality of employee- Supervisor relationship (perceived supervisor support)</td>
<td></td>
<td>Level of intention to quit</td>
</tr>
<tr>
<td>Rewards &amp; recognition</td>
<td></td>
<td>Organizational citizenship behaviour</td>
</tr>
<tr>
<td>Fairness of processes that allocate resources or resolve disputes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is considered just or right in the allocation of goods in the society (distributive justice)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2.2 Facets of Engagement

Alfes (2010) see engagement as having three core facets Intellectual engagement – thinking hard about the job and how to do better; Affective engagement – feeling positively about doing a good job; and the Social Engagement – actively taking opportunity to discuss work related improvements with others at work.
2.3 Drivers of Employee Engagement

Great Places to Work refers employee engagement as employees trust and pride with the organization and the key levers are respect, credibility, fairness, work contribution, team work, learning, career progression and sense of belongingness as family.

MacLeod and Clarke (2009) listed the engagement drivers as strong and transparent leadership, organizational culture, engaging managers, training and development programs, and employees should feel that they are able to voice their ideas and be listened to, creating a belief among employees that the organization lives its values and that exposed behavioural norms are adhered to, resulting in trust and sense of integrity.

Research conducted by the Institute for employment studies (Robinson, 2004) led to conclusion that an engaged employee will be willing to 'go the extra mile', Believes in and identifies with the organization, Wants to work to make things better, Understands the business context and the bigger picture, Respects and help colleagues.

2.4 Enhancing Engagement

Job engagement can be enhanced through good job design, learning and development programmes and improving the quality of leadership provided by managers. In addition, rewards in the broadest sense, i.e. non financial and financial can play a part. It was suggested by David Guest (2009) that organizational engagement can be enhanced through effective leadership of strong, positive culture that ensures that enactment of organizational values through strong management that supports employees work and well being; through careful design of systems and jobs to enable employees to contribute through full use of their knowledge and skills; through effective employee voice; and through provision of appropriate resources, tools and information to perform effectively.

Employee Retention is a biggest challenge for the employee intrinsic industry like software industry and to retain the talent with the organization a well strategies need to be planned and executed. According to Nasscom study by 2008 IT / ITES industry is predicted to employ about 1.1 million people and it is looked ahead as the next huge employment initiator. But on the ever-increasing demand and supply gap of professionals, it is going to be a hard-hitting task for the HR managers to identify right kind of people and quality professionals. The IT / ITES sector in India has about 30-35 percent of attrition rate approximately but when compared to the US (around 70 percent) it is far less.

2.5 Cost of Attrition

Attrition is defined as the action or process of gradually reducing the strength or effectiveness of someone or something through sustained attack or pressure. We can say that A reduction in the number of employees through retirement, resignation or death. It is very important and vital to know the cost allied with attrition. If we could understand the financial implications and cost associated with attrition then we can formulate effective and efficient retention strategy. The importance of the cost implied due to a person leaving a organization some of those are Cost Per Person, Recruitment Costs, Training Costs, Lost Productivity Costs, New Hire Costs. (“Cost of Employee Turnover” by William G. Bliss, “High Attrition Rate: A Big Challenge” by Sanjeev Sharma)

The Cost per Person includes cost involved in the backfilling of a position, because the position is vacant, we have to calculate the cost associated during the period of lost productivity at a minimum of 50% of the person's compensation and benefits if it is a few weeks. If it is vacant for a longer duration then calculate 100% of the person’s compensation and benefits, cost of conducting an exit interview, Time of the person conducting the exit interview, Administrative costs of stopping pay-roll, benefit deductions, benefit enrolments, cost of the manager, who works in the transition period till a person is replaced, cost of training the employee who is leaving and training provided to the new recruited employee, cost implied on departmental productivity, Cost of lost knowledge, and cost of skills and contacts that the person leaving is taking with them.

The Recruitment Costs includes the Advertisements cost, Agency cost, Employee referral cost, Web portal posting cost, cost of the internal recruit's time ,cost of developing and implementing a sourcing strategy, cost of the various candidate pre-employment tests , cost of pre-assessing the candidates, cost of background verification, cost of conducting interviews, cost of making employment offer. cost of on-boarding process, administrative cost during the on-boarding process like pay-roll creation, system allocation, network allocation , space allocation, security password allocations, identification cards, telephone lines, e-mail account creations etc; Calculate the cost of a manager's who spends his time to develop a trust and confidence among the new employees.

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The Training Costs includes the cost of orientation, cost of induction programs, cost of person conducting the orientation and material cost, Training cost (Trainer cost and material cost), cost of loss of productivity during the training period. A person joins in an organization takes a time to learn the job, policies, procedures and practices of the company; hence he will not be fully productive and so we have to calculate the cost productivity cost from the point of training to the employee is being fully productive. Cost of transition after training to be fully productive which generally takes about 20 weeks’ time to be fully productive and calculate the cost of mistakes the new employee makes during the period.

2.6 Tackling Attrition Head-On
To tackle the attrition the some of the companies have provided the following lucrative options to the employees, collaborating with institutes like BITS Pilani and the Symbiosis Institute of Management to provide distance learning programme for employees, six – month sabbatical to work with an NGO of their choice, scholarships of up to Rs. 50,000 to employees who want to enrol in distance learning programmes, multiple career paths with an option of technical professionals opting for different career options like project management, technical track or business development, succession planning for its employees and provides lots of training to its employees, domain trainings abroad or at customer places.

In general Around 60 – 65 percent of the call centre agents leave within one month of their joining when they recognize that the offerings by the organization are not in line with their expectations. Around 20 percent of the software engineer and trainee software engineers leave within one or two months of their joining when they realize that the offerings by the organization are not in line with their expectation. The mindset of the employee is to work with a larger corporation rather than working for a small company which is developing in nature. To seize this inclination of attrition organization looks ahead to various alternative like rewarding, flexible working hours, stronger succession planning etc.

In NASSCOM Summit which was held in recent times, HR specialist had a brain-storming session on various approaches to deal with the tremendous attrition rate they also discussed on how to deal this in more scientific and analytical approach. Compensation alone is not adequate to retain employees, but management also needs to consider other aspects like secure career, benefits, perks and communication. To control the attrition battle, we should start focusing on various ways to retain the employees and how to improve the organization climate, ambience, atmosphere, training, recognition and regarding and employee. Companies have to go in for a varied workforce. Diversity in turn results in innovation and success. The 80:20 rule also applies to recruitment, since studies showed that 80 percent of the company’s profit comes from the efforts and work of 20 percent of the employees. So IT/ITES need to focus on roles, which have the most significant impact. According to experts in the industry age should not be an obstruction for training employees and could, in fact, fetch in more firmness to the company. Experts from the industry also feel that the cost of attrition is about 1.5 times of the annual salary of an individual who leaves the organization.

2.7 Moving towards Tier II Cities
Due to the high demand and supply gap and scaling attrition numbers, many organizations have started setting up their operation in Tier II cities or B class cities like Chandigarh, Bhopal, Lucknow, Dehradun, Baroda, Indore, Noida, Gurgaon, Bhubaneshwar, Coimbatore, Trichy, Madurai, etc; to catch the attention of talents. Today there is a transformation in terms of employee profile, the organizations have started looking out for employee who is giving more important for their career as a whole and who will bring constancy to the organization they don’t look for people who just see their salary as a pocket money. Most of the employees of IT/ITES industry would be of middle and lower-middle income group, who are willing to put their maximum efforts, work hard, high dedication full commitment with a strong sense of responsibility towards their employers. The organization might face a scale up in training costs since this segment of people would lack in basic communication skills but the imperative effort put down would be a real worth.

2.8 Educating about Career Opportunities
It is essential for an organization to clearly define the career opportunities to their employees because generally in the ITES industry there is a misconception among the people that it is just an agent work who keeps on talking to people on the phone and there is no growth opportunities but in reality there is more to it. According to Saravana, Senior consultant Unisys, there is an immense opportunity for professionals and he believes that opportunities to grow are immense; it is up to the individuals to show the interest to get trained and be as a multi tasking person. He also added that the organization is ready to provide training to individual if he shows a real interest. So it is very important to an organization to make clear about the individuals growth in the company and
today organizations are expanding in different verticals and growth opportunities are immense. In ITES industry, the future growth would mostly from KPO, Transaction processing and Data management.

2.9 Government Initiatives

A new project has been commenced by Nasscom with various private players, training institutes and academia in Andhra Pradesh, Karnataka, and Kerala, for preparing an "employable" IT / ITES workforce. “People FIRST” is an initiative by Kerala Government the plan is to create a readily available employable manpower for the IT / ITES industry. The IT secretary of Kerala said that such a kind of program will open up huge employment opportunities in a range of disciplines in the IT / ITES sector. The programme was launched in the year 2004 and the training program has also commence subsequently this program was quite successful and after seeing the success of the program other states like Tamil Nadu, Maharashtra and West Bengal are also looking for implementing such an option.

3. Research Methodology

3.1 Objective

The objective of the study is to understand and analyze why employees stay in the organization which are employee intensive industry. The study primarily focuses on understanding the aspects of talent engagement and reasons why Key talent stay within the organization and also attempt to relook at the key talent engagement drivers in the organization, understand the areas of concern and develop an action plan to have great retention.

3.2 Need of the Study

• To make organizations an outstanding employer and provide employees challenging career opportunities and growth potential
• Understand from Key talent what makes their stay meaningful within the organization
• Relook at the Key talent engagement drivers in the organization and understand the areas of concern and develop action plan to have great retention
• The current study focuses on identifying the various strategies to retain employees and understanding the key talent engagement drivers with in the software company

3.3 Scope of the Study

The current study is to gain insight on key talent engagement practices and understand the reasons why employees stay within the software organizations and to suggest appropriate strategies for better sustainable talent engagement practices and retention strategies, recommend the talent engagement drivers, Increase employee retention in the IT / ITES industry and control the attrition and also recommend strategies to control the attrition and to increase the retention rate via talent engagement.

3.4 Data Collection Method

A sample of 400 respondents is randomly selected from the strata of key talent for the study. All the respondents selected are Key talent within the organization and their performance has exceeded the expectations. Study is administered through questionnaire, focus group discussions and telephonic discussions. All the questions in the questionnaire are rated on 5 point likert scale with 5 rating as Strongly Agree, Agree – 4, Undecided – 3, Disagree – 2, Strongly Disagree -1. For all the questions were the ratings are relatively low subjective responses are also elicited and analysed.

The Key sections of the Questionnaire are About Job, Growth Opportunities, Direct Supervision, Team Work, Performance Management, Accomplishments, L & D, Work / Life Balance, Retention, Motivation, and Overall feedback

3.5 Data Analysis & Interpretation

The critical analysis of the data collected is explained below with reference to critical questions asked under each subsection of questionnaire

Employees have expressed very positively on their job alignment with Company’s mission. They are well connected with the Organization. Employees feel a need for better training to deliver on their jobs. 50% of the employees interviewed felt that they could contribute better to the organization. The subjective responses revealed that the top 4 reasons the employees provide for not taking up the training programs to enhance the delivery in the projects / task assigned are Project pressures take precedence over training, Domain specific training is not given, No formal training on a new project, Planning of Training needs to be improved,
Employees feel underutilized in the jobs and feel that they lack confidence to take up the new roles, though they are experienced opportunities are not provided, long gestational period of projects.

Table 2. Survey set: job

<table>
<thead>
<tr>
<th>Survey Set – Job</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>I understand how my job aligns with the Company's mission</td>
<td>4.55</td>
</tr>
<tr>
<td>I feel like I am a part of the Company</td>
<td>4.54</td>
</tr>
<tr>
<td>I have the tools and resources I need to do my job</td>
<td>4.32</td>
</tr>
<tr>
<td>I feel valued as an employee</td>
<td>4.25</td>
</tr>
<tr>
<td>How meaningful is your work</td>
<td>4.24</td>
</tr>
<tr>
<td>I have the training I need to do my job</td>
<td>3.95</td>
</tr>
<tr>
<td>I feel underutilized in my job</td>
<td>2.51</td>
</tr>
<tr>
<td>How challenging is your job</td>
<td>3.79</td>
</tr>
<tr>
<td>My skills and abilities are fully utilized in my current job</td>
<td>3.68</td>
</tr>
</tbody>
</table>

Table 3. Survey set - growth & training

<table>
<thead>
<tr>
<th>Survey Set – Growth &amp; Training</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>My job gives me the opportunity to learn</td>
<td>4.17</td>
</tr>
<tr>
<td>I am aware of the advancement opportunities that exist in the Company for me</td>
<td>3.78</td>
</tr>
<tr>
<td>How many opportunities do you have to get promoted where you work?</td>
<td>3.00</td>
</tr>
<tr>
<td>I have the opportunity to further develop my skills and abilities</td>
<td>4.02</td>
</tr>
<tr>
<td>Employees receive the training necessary to do their jobs</td>
<td>3.86</td>
</tr>
<tr>
<td>Training opportunities are fairly allocated across employees or work units.</td>
<td>3.89</td>
</tr>
<tr>
<td>Supervisors/team leaders support employee efforts to learn outside the job</td>
<td>3.86</td>
</tr>
</tbody>
</table>

For the above responses we can infer that employees have few opportunities for growth and advancement and employees wanting to contribute in a bigger way are looking for training to get them ready for newer roles. Employees are conveying that they are aware that opportunities are few; and that road map for their growth is not being detailed and there are fewer opportunities for improving their skills & abilities. The subjective responses for the above set indicates that road map is not clear and there is no transparency & visibility with weightage of 7% followed by, Time phasing of promotion is too rigid, Aware opportunities are few, Organizational Policies / Changes / Issues affect growth opportunities. Employees feel that Project Pressures take precedence over Training and there are no discussions that took place to identify the training needs and there is no transparency on Nominations and Approval process. They also feel that budget plays a critical role.

Table 4. Survey set – performance management

<table>
<thead>
<tr>
<th>Survey Set – Performance Management</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Evaluation System in organization helps in making an objective assessment of your contribution / accomplishment</td>
<td>3.91</td>
</tr>
</tbody>
</table>

Employees perceive that there is scope for improvement in performance development and the areas are Objectivity of the performance development system, Employees would like to have Supervisor help them identify right / realizable goals and support in their achievement. Majority perceive that Bell Curve Normalization is not right; good performance is not yielding commensurate rewards / recognition, Subjectivity and inconsistencies, Inconsistency in awarding ratings during performance evaluation process.

Table 5. Survey set - rewards & recognition

<table>
<thead>
<tr>
<th>Survey Set – Rewards &amp; Recognition</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>I receive the right amount of recognition for my work</td>
<td>3.75</td>
</tr>
<tr>
<td>Which of the following best describes how senior management in your organization views employee recognition programs</td>
<td>2.27</td>
</tr>
<tr>
<td>Individuals appreciate the personal contributions of their peers</td>
<td>4.16</td>
</tr>
</tbody>
</table>

Most employees perceive that management views R&R as an Investment
Table 6. Survey set- motivation & retention

<table>
<thead>
<tr>
<th>Survey Set – Motivation &amp; Retention</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>How proud are you of your employer's brand</td>
<td>4.16</td>
</tr>
<tr>
<td>To what extent do you agree with the following statement: I would recommend this company as a good place to work</td>
<td>4.24</td>
</tr>
<tr>
<td>As overall, how would you rate organization to work for</td>
<td>4.21</td>
</tr>
<tr>
<td>How likely are you to look for another job outside the company</td>
<td>3.03</td>
</tr>
</tbody>
</table>

Employees are proud of the brand and rate it high, despite of these employees looked for a change in the past or are looking for a change going forward. Overall 57% of Employees surveyed have either looked for another job in the past or are actively looking for one currently. Low compensation, lack of job satisfaction, lack of growth opportunities and appraisal were the top 4 reasons for looking for a change.

Table 7. Survey set - supervisor

<table>
<thead>
<tr>
<th>Survey Set - Supervisor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is clear to me what my supervisor expects of me regarding my job performance</td>
<td>4.35</td>
</tr>
<tr>
<td>How often do the tasks assigned to you by your supervisor help you grow professionally?</td>
<td>3.88</td>
</tr>
<tr>
<td>My supervisor enables me to perform at my best</td>
<td>4.13</td>
</tr>
<tr>
<td>My supervisor evaluates my work performance on a regular basis</td>
<td>3.76</td>
</tr>
<tr>
<td>How improved is your performance after getting feedback from your supervisor about your work</td>
<td>3.90</td>
</tr>
<tr>
<td>My supervisor promotes an atmosphere of teamwork</td>
<td>4.22</td>
</tr>
</tbody>
</table>

Supervisor gets opportunities to work on new tasks (depriving us of first exposure), Some work is low end; documentation and such NVA do not help me grow professionally. For some work is not allotted by direct supervisor; there is no alignment between direct and matrix supervisor, Supervisor pushes us to work against deadlines without addressing how we achieve them.

Table 8. Survey set - team work

<table>
<thead>
<tr>
<th>Survey Set – Team work</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>People in my department communicate sufficiently with one another</td>
<td>4.39</td>
</tr>
<tr>
<td>It is easy to get along with my colleagues</td>
<td>4.55</td>
</tr>
<tr>
<td>My department encourages teamwork</td>
<td>4.44</td>
</tr>
<tr>
<td>The morale in my department is high</td>
<td>4.06</td>
</tr>
<tr>
<td>How much do your opinions about work matter to your coworkers</td>
<td>4.22</td>
</tr>
</tbody>
</table>

Survey reveals that team work is by and large encouraged; Employees get along well with each other and have good communication among them.

4. Conclusion

The conclusion of the analysis done with the data collected reveals the following that most training on a new project is on the job and there are formal training programs which are limited by pace and to an extent self-study, Training need Analysis, planning, timing & effectiveness of training needs to be improved substantially, project pressures take precedence over training and there is a need for specialized training, especially when role changes, travel budgets and availability of trainers are major issues. Employees feel that growth opportunities are few, roadmap is not clear; no transparency & visibility, time-phasing of promotion is too rigid, and always receive the inputs from supervisor as they are not ready, some opportunities exist, people from outside are occasionally picked; supervisor may desist from encouraging an associate as it can create conflict with peers in the team. Unless new technology comes in, new opportunities for growth would be limited. Internal Job posting needs to be improved and on-site opportunities should be encouraged. The opportunities to leverage skills across roles should be encouraged, Changes in designations (Tech Lead, Team Lead) affect chance, They are expected to do more on current role to be eligible for next role (and, later denied, because either because I do not have adequate years of experience or training for the next role). Growth opportunities are more for people-managers than for those in technical roles. Manager-specific, location-specific bias exists and when manager changes the growth opportunities get affected. Working on a long-gestation project reduces chances for growth, niche nature of work affects chances for growth, chances in specific departments are fewer, as you move up, may have to wait longer for next promotion or may grow up to a level and stop thereafter.
Training is being approached mechanically and the quality & quantity of training is coming down and the programs are not meeting employee's specific requirements and not in sync with project requirements. There is a need for both latest technical and behavioral training programs with transparent training nomination approval process. All the irrelevant trainings which are being covered under mandatory trainings need to be phased out. Organizations should explore more options in getting good university associations for the employees who want to continue their education.

Supervisors need to be trained on team management skills. They should continuously partner with HR to frame goals, learning plan, competency development programs for the team members. HR should get involved in to the people management portfolio of managers to maintain the harmony in the teams as well all the issues in the teams are addressed appropriately. The morale of the teams needs to be improved by effective communication, work life balance, employee friendly policies or practices, and providing better opportunities within the company.

The critical observations are

**Observation 1:** Training Function (planning for relevance, deployment, effectiveness) to be reviewed critically with a view to improve productivity thereby enabling employees to look for opportunities of enhanced contribution.

**Observation 2:** Employees have few opportunities for growth and advancement but they are yearning to contribute in a bigger way, and are looking for training to get them ready for newer roles however the road map for their growth is not detailed.

**Observation 3:** 23% of respondents feel that there is inconsistency in performance appraisal process.

**Observation 4:** There seems a case for improving communication as to how Management values R&R.

The overall employee engagement model is combination of several elements which are cited as model below

![Employee Engagement Model](image)

In general the Engagement Equation = My career + My recognition + My desire to work for the best + My connection to the company + My performance, my pay ,my work, however for the key talent or top performers in the organization the degree of these elements are high in the equation.

At work place employees seek the following

**Trust and integrity** – how well managers communicate and 'walk the talk'.

**Nature of the job** – Is it mentally stimulating day-to-day?

**Line of sight between employee performance and company performance** – Does the employee understand how their work contributes to the company's performance?

**Career Growth opportunities** – Are there future opportunities for growth?

**Pride about the company** – How much self-esteem does the employee feel by being associated with their company?

**Coworkers/team members** – significantly influence one's level of engagement

**Employee development** – Is the company making an effort to develop the employee's skills?

**Relationship with one's manager** – Does the employee value his or her relationship with his or her manager?
If the organizations address what employee needs then a path can be laid for effective employee engagement in
general and key talent in particular there by organization can be benefited by the value add work that employee
creates and delivers and also retain such a key talent within the organization and also have effective strategies to
enhance the retention and thereby reduce the attrition percentage which in turn controls the cost to the company.

5. Limitations and Future Research

The paper attempts to understand from employee point of view what makes them stay within the organizations
and organizations to understand the key drivers to engage the talent and retain the talent. The limitation of the
study is, it focuses on only key talent who has exceeded the expectations in their performance and the sample
selected is small to generalize the outcomes to the industry and to all employees irrespective of their
performance.

An attempt can be made to replicate the study on a larger sample size and sample should be picked irrespective
of the performance ratings so that holistically we can have a generic framework on engagement initiatives
against the retention.

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