
A STUDY ON THE DEMOGRAPHY OF THE EMPLOYEES OF THE BPO SECTOR

Mrs. V. Savitha¹,

Head of The Department, Department Of Business Administration, Bishop Appasamy College Of Arts And Science

Dr. E. Vijila²

Director, Kct Business School, Kumaraguru College of Technology

ABSTRACT

The present study focuses to find the association between Demography and Work Design, Job Satisfaction, Stress, Organizational Commitment and Turnover Intention of the employees of the BPO sector. The target population for this study consist of non-voice BPO professionals. To analyze the objective Pearson's chi-square analysis is performed to examine the association between demographic characteristics and the factors considered in the study. The present research tested, supported and confirmed the hypotheses. Permanent employees are found to be more in the study and it is an influential factor for the BPO organizations to convert probation employees as permanent workers in order to retain them. A good performance tracking and evaluation system is also needed to assist the company in making fair promotion decisions. To attract more youth towards BPO sector, organizations can provide performance based incentives and make them feel young achievers to get high package in the initial stage of their career. Under graduate employees may be given an option to earn while learning by providing option for post graduation. Family benefits like free or discounted education system, insurance schemes, housing schemes, monthly provision schemes, travelling allowance and medical reimbursement may be provided to make the employees more committed towards organizations. For work to be meaningful and pleasurable to the person who performs it, organizations must correspond to the employees in the field of interest, allow individual to exercise their skills and judgement, show creativity in problem solving and have a say in the decisions that concern them, stimulate development of potential and allow them to achieve goals effectively. Therefore, the results of the present study of the BPO organizations can be generalized to the BPO sector in India.

Keywords: Job Satisfaction, Work Design, Stress, Organizational Commitment and Turnover Intention

Introduction

Business Process Outsourcing (BPO) has emerged as one of the leading business and economic issues of our time (Thomas and Rick, 2005). Technology innovations in India in the last two decades have led to restructuring and reorganization of work in organisations. BPO sector has become one of the most significantly growth catalyst for the Indian economy (Sundharan and Sajikumar, 2013). The emergence of information and technology-driven economies has expanded the service sector and redefined notions of time, space, distance, production, consumption and boundaries on the global stage.

Computers becoming the ground floor of every activity be it education, surgery, scientific research or marketing, information technology is continuing to be a growth area (Ramesh and Padmaja, 2014). It has changed the social, economic, cultural and political environment and the nature of global interaction. Services once considered non-tradable across international borders as they involve person-to-person contact are now taken for granted. New communications technologies and investment in

telecommunications infrastructure have made the long-distance transfer of information realizable and inexpensive (Suchet Kumar, 2012).

Review of Literature

Employee turnover is giving sleepless nights to HR managers in many ITES firms in India (Malar and Malathi, 2013). A widely held belief in these companies is that employees have developed bad attitudes due to labour shortage (Naresh et al., 2001). Employees are believed to change jobs for no reason or even for fun (Agarwal and Phadatare, 2014). The unfriendly working conditions, late night work shifts, high tension jobs acts as a deterrent for people to stick to this industry for long time. BPO organizations earlier paid huge salaries to attract large number of employees. Though the high packages and sophisticated work environment in BPO's succeeded to attract a large pool of youngsters, they failed to sustain the pool, and the reasons range from physiological fatigue, psychological stress to fear of an elusive future (Madhavi, 2014). The present study investigates the association between demography and work design, job satisfaction, stress, organizational commitment and turnover intention of the employees of the BPO sector. The employees with uncomfortable work design will show their turnover intention towards the organization. According to Munasinghe (2006), the workers with favourable job assessments have a lower and flatter tenure-turnover profile. Job Satisfaction is one of the criteria of establishing a healthy organizational structure in an organization (Hafiza and Rubina, 2014). A person with a high level of job satisfaction holds positive feelings about his or her job, while a dissatisfied person holds negative feelings (Jitendra and Mini, 2013). Rajib and Manju, (2008) in their study reveal that software professionals are experiencing high degree of stress due to nature of work, working environment, time pressure, scope of the job, role ambiguity, lack of commitment, role conflict and rewards. Organizational Commitment is a very good indicator of the quality of work life (Estelle, 2008). Employees who are highly committed do not leave the organization because they are dissatisfied and tend to take challenging work activities (Meyer and Allen, 1997). Safdar (2012) indicates that turnover needs to be managed effectively to avoid high costs. Advertising, hiring and training are common investments in any organization for employee recruitment. These processes cause turnover to be expensive consequences. Hence the present study focuses on the demographic influence on work design, job satisfaction, stress, organizational commitment and turnover intention of the BPO employees.

Objective of the Study

To study the association between Demography and Work Design, Job Satisfaction, Stress, Organizational Commitment and Turnover Intention of the employees of the BPO sector.

Hypothesis of the Study

There is significant association between demographic variables and Work Design, Job Satisfaction, Stress, Organizational Commitment and Turnover Intention of BPO employees.

Population of the Study

The target population for this study consist of non-voice BPO professionals from BPO organizations of Coimbatore region.

Sampling Frame

In the first-stage, simple random sampling was used to select 17 BPOs out of 53 available BPOs in Coimbatore region. In the second stage, for the sampling purpose, employee list was obtained from the human resource department from each of the 17 BPOs and from the consolidated list of 7600 employees, 430 employees is selected through simple random sampling which is about 5% of the total employee strength out of 7600 employees. The sample comprises of both genders with varied background and occupational characteristics.

Methodology

The instrument used for this study is a questionnaire, which included the demographic profile of employees on their BPO jobs. Personal characteristics are included to describe the respondents and to establish relationships among the variables. The instrument is divided into six parts which includes, Demographics details, Work Design details, Job Satisfaction, Organizational Commitment, Stress and Turnover Intention. To understand the profile of the respondents and to know the perception among the BPO employees towards the BPO jobs the following demographics namely, gender, marital status, age group, educational background, number of members in family, income, duration in the industry and status of service were studied.

Statistical tool

The chi-square test of association is used to discover if there is a relationship between two categorical variables. The objective of the research is to study the differences in Work Design, Job Satisfaction, Stress, Organizational Commitment and Turnover Intention across the demography of the employees of BPO sector. Hence to analyze the above objective Pearson’s chi-square analysis is performed to examine the association between demographic characteristics and the factors considered in the study. In the light of the above research objectives, the following hypothesis is developed: There is significant association between demographic variables and Work Design, Job Satisfaction, Stress, Organizational Commitment and Turnover Intention of BPO employees.

The results are discussed below:

Table 1: Demographic Profiles and Work Design

Demographic Profile	Category	Work Design			Total	Chi-Square Value	Df	Sig
		Low	Medium	High				
Gender	Male	73	100	86	259	8.02	2	S
	Female	69	48	54	171			
	Total	142	148	140	430			
Age	Below 20yrs	14	25	15	54	19.02	6	S
	20-29 yrs	122	115	110	347			
	30yrs&above	6	8	15	29			
	Total	142	148	140	430			
Education	Below UG	33	39	27	99	13.52	6	S
	UG	103	91	91	285			
	PG& Professional	6	18	22	46			
	Total	142	148	140	430			
Monthly Income	Below Rs.10000	50	59	55	164	25.19	6	S
	Rs.10001-15000	35	29	49	113			
	Rs. 15001& above	57	60	36	153			
	Total	142	148	140	430			
Marital Status	Unmarried	25	34	28	87	1.30	2	NS
	Married	117	114	112	343			
	Total	142	148	140	430			
Size of Family	2 members	9	14	15	38	11.58	6	NS
	3 members	51	42	26	119			
	4 members	62	70	78	210			
	Above 4 members	20	22	21	63			
	Total	142	148	140	430			
Years of Experience	< 1 yr	95	80	80	255	9.07	6	NS
	1-3 years	36	48	49	133			
	3-5 years & above	11	20	11	42			
	Total	142	148	140	430			

Status of Service	Permanent	75	105	88	268	27.83	6	S
	Probation	30	33	37	100			
	Contract	37	10	15	62			
	Total	142	148	140	430			

Table 1 provides the cross tab and chi-square details between demographic and work design factors. Chi-square has been carried out to test the association between demographic factors and the perception of work design among the respondents of the BPO. The results of Chi-square analysis on eight types of factors based on 430 respondent’s socio economic background are discussed here below. The demographic factors gender, age, education, monthly income and status of service have significant influence ($P < 0.05$) on employees perception of work design. This implies that the employee perception for work design varies with gender, age, education, monthly income and status of service. The factors which are not significant ($P > 0.05$) to the study are the marital status, size of family and years of experience. This implies that the employee perception for work design remains the same for these variables.

Table 2: Demographic Profiles and Job Satisfaction

Demographic Profile	Category	Job Satisfaction			Total	Chi-Square Value	D f	Sig
		Low	Medium	High				
Gender	Male	89	96	74	259	4.86	2	NS
	Female	53	52	66	171			
	Total	142	148	140	430			
Age	Below 20 yrs	21	21	12	54	12.89	6	S
	20-29 yrs	106	122	119	347			
	30 yrs & above	15	5	9	29			
	Total	142	148	140	430			
Education	Below UG	26	48	25	99	28.78	6	S
	UG	92	91	102	285			
	PG & Professional	24	9	13	46			
	Total	142	148	140	430			
Monthly Income	Below Rs.10000	48	63	53	164	23.51	6	S
	Rs.10001-15000	40	25	48	113			
	Rs. 15001-25000	39	33	33	105			
	Above Rs. 25000	15	27	6	48			
	Total	142	148	140	430			
Marital Status	Unmarried	30	34	23	87	2.01	2	NS
	Married	112	114	117	343			
	Total	142	148	140	430			
Size of Family	2 members	12	13	13	38	5.56	6	NS
	3 members	45	42	32	119			
	4 members	61	71	78	210			
	Above 4 members	24	22	17	63			
	Total	142	148	140	430			
Years of Experience	< 1 yr	78	91	86	255	13.27	6	S
	1-3 years	43	41	49	133			
	3-5 yrs & above	21	16	5	42			
	Total	142	148	140	430			
Status of Service	Permanent	78	95	95	268	20.86	6	S
	Probation	31	42	27	100			
	Contract	33	11	18	59			
	Total	142	148	140	430			

Table 2 provides the cross tab and chi-square details between demographic and job satisfaction factors, carried out to test the association between demographic factors and the level of job satisfaction among the respondents of the BPO. The demographic factors age, education, monthly income, years of experience and status of service have significant influence ($P < 0.05$) on the level of job satisfaction

among the respondents. The factors which are not significant ($P > 0.05$) to the study are the gender, marital status and size of family.

Table 3: Demographic Profiles and Stress

Demographic Profile	Category	Stress			Total	Chi-Square Value	D f	Sig
		Low	Medium	High				
Gender	Male	80	82	97	259	3.82	2	NS
	Female	64	58	49	171			
	Total	144	140	146	430			
Age	Below 20 yrs	23	22	9	54	15.32	6	S
	20-29 yrs	111	107	129	347			
	30 yrs & above	10	11	8	29			
	Total	144	140	146	430			
Education	Below UG	21	41	37	99	25.80	6	S
	UG	113	84	88	285			
	PG & Professional	10	15	21	46			
	Total	144	140	146	430			
Monthly Income	Below Rs.10000	59	39	66	164	26.49	6	S
	Rs.10001-15000	28	44	41	113			
	Rs. 15001-25000	48	33	24	105			
	Above Rs. 25000	9	24	15	48			
	Total	144	140	146	430			
Marital Status	Unmarried	44	23	20	87	14.63	2	S
	Married	100	117	126	343			
	Total	144	140	146	430			
Size of Family	2 members	18	6	14	38	13.22	6	S
	3 members	32	49	38	119			
	4 members	69	71	70	210			
	Above 4 members	25	14	24	63			
	Total	144	140	146	430			
Years of Experience	< 1 yr	88	72	95	255	15.72	6	S
	1-3 years	49	48	36	133			
	3-5 yrs & above	7	20	15	42			
	Total	144	140	146	430			
Status of Service	Permanent	102	75	91	268	21.93	6	S
	Probation	31	31	38	100			
	Contract	11	34	17	62			
	Total	144	140	146	430			

Table 3 provides the cross tab and chi-square details between demographic and stress factors faced by the respondents and is carried out to test the association between demographic factors and effect of stress among the respondents of the BPO. The demographic factors age, education, monthly income, marital status, size of family, years of experience and status of service have significant influence ($P < 0.05$) on the effect of stress. The factor which is not significant ($P > 0.05$) to the study is the gender. This implies that the effect of stress varies with age, education, monthly income, marital status, size of family, years of experience and status of service except for gender.

Table 4: Demographic Profiles and Organizational Commitment

Demographic Profile	Category	Commitment			Total	Chi-Square Value	D f	Sig
		Low	Medium	High				
Gender	Male	76	73	110	259	15.01	2	S
	Female	53	74	44	171			
	Total	129	147	154	430			
Age	Below 20 yrs	12	15	27	54	12.51	6	S
	20-29 yrs	111	123	113	347			
	30 yrs & above	6	9	14	29			
	Total	129	147	154	430			
Education	Below UG	38	36	25	99	41.35	6	S
	UG; PG & Professional	91	111	129	331			
	Total	129	147	154	430			
Monthly Income	Below Rs.10000	32	51	81	164	35.53	6	S
	Rs.10001-15000	34	36	43	113			
	Rs. 15001-25000	42	39	24	105			
	Above Rs. 25000	21	21	6	48			
	Total	129	147	154	430			
Marital Status	Unmarried	21	32	34	87	1.79	2	NS
	Married	108	115	120	343			
	Total	129	147	154	430			
Size of Family	2 members	9	14	15	38	11.24	6	NS
	3 members	48	35	36	119			
	4 members	57	70	83	210			
	Above 4 members	15	28	20	63			
	Total	129	147	154	430			
Years of Experience	< 1 yr	76	68	111	255	22.57	6	S
	1-3 years	41	59	33	133			
	3-5 yrs & above	12	20	10	42			
	Total	129	147	154	430			
Status of Service	Permanent	77	102	89	268	30.99	6	S
	Probation	19	31	50	100			
	Contract	33	14	15	62			
	Total	129	147	154	430			

Table 4 provides the cross tab and chi-square details between demographic variables and organizational commitment. The demographic factors gender, age, education, monthly income, years of experience and status of service have significant influence ($P < 0.05$) on the organizational commitment of the employees. The factors which are not significant ($P > 0.05$) to the study are the marital status and size of family. Out of 154 employees who have high level of organizational commitment, 110 are male and 44 are female. The number of employees who experience high organizational commitment differs between male and female. Male employees are committed more compared to female employees.

Table 5: Demographic Profiles and Turnover Intention

Demographic Profile	Category	Turnover Intention			Total	Chi-Square Value	Df	Sig
		Low	Medium	High				
Gender	Male	100	62	97	259	2.20	2	NS
	Female	74	31	66	171			
	Total	174	93	163	430			
Age	Below 20 yrs; 30 yrs - 50 yrs & above	32	6	45	83	34.71	6	S
	20-29 yrs	142	87	118	347			
	Total	174	93	163	430			
Education	Below UG	27	18	54	99	25.14	6	S
	UG; PG & Professional	147	75	109	331			
	Total	174	93	163	430			
Monthly Income	Below Rs.10000	62	49	53	164	15.73	6	S
	Rs.10001-15000	55	17	41	113			
	Rs. 15001-25000	42	18	45	105			
	Above Rs. 25000	15	9	24	48			
	Total	174	93	163	430			
Marital Status	Unmarried	39	19	29	87	1.12	2	NS
	Married	135	74	134	343			
	Total	174	93	163	430			
Size of Family	2 – 3 members	51	33	73	157	21.62	6	S
	4 members	90	48	72	210			
	Above 4 members	33	12	18	63			
	Total	174	93	163	430			
Years of Experience	< 1 yr	94	61	100	255	16.14	6	S
	1-3 years	67	20	46	133			
	3-5 years & above 5 yrs	13	12	17	42			
	Total	174	93	163	430			
Status of Service	Permanent	107	58	103	268	10.98	6	NS
	Probation	35	25	40	100			
	Contract	32	10	20	62			
	Total	174	93	163	430			

Table 5 provides the cross tab and chi-square details between demographic variables and turnover intention. The demographic factors age, education, monthly income, size of family and years of experience have significant influence ($P < 0.05$) on the turnover intention of the employees. The factors which are not significant ($P > 0.05$) to the study are the gender, marital status and status of service.

Findings and Suggestions

The chi-square analysis between demographic variables and employee perception of Work Design shows that there is significant association between all the demographic profiles of the respondents and work design except for monthly income and family size of the respondents. The analysis reveals that monthly income and family size of the respondents shows no impact on the work design of the BPO jobs. The chi-square analysis between demographic variables and Job Satisfaction, predicts that there is significant association between all the demographic profiles of the respondents and job satisfaction except for gender, monthly income, size of family and years of experience of the respondents. This shows that gender, monthly income, size of family and years of experience has no impact on the factor job satisfaction of the BPO employees.

The chi-square analysis between demographic variables and stress shows there is significant association between all the demographic profiles of the respondents and stress except for gender of the

respondents. This shows that gender has no impact on the stress factor of the BPO employees. The chi-square analysis between demographic variables and organizational commitment, predicts that there is significant association between all the demographic profiles of the respondents and commitment except for size of family and marital status among the respondents. Size of family and marital status of the employees has no impact on the organizational commitment of the respondents. The chi-square analysis between demographic variables and turnover intention shows that there is significant association between all the demographic profiles of the respondents and turnover intention except for gender and family size among the respondents and that it does not show any impact on the BPO jobs of the respondents.

Conclusion

Employee retention is vital to the long term health and success of any business organization, especially in case of BPOs where the organizations spend so much for the recruitment and the initial and ongoing training of the employees. The present research tested, supported and confirmed the hypotheses. Permanent employees are found to be more in the study and it is an influential factor for the BPO organizations to convert probation employees as permanent workers in order to retain them. Promotion schemes will have an effect on turnover intention, it is thus important for the organizations to offer opportunities for promotion and develop fair promotion procedures. At the same time, employees need to be given opportunities to continuously enhance their skills by providing relevant training and development programs. A good performance tracking and evaluation system is also needed to assist the company in making fair promotion decisions. These proposed initiatives will be useful in improving the employees' satisfaction with promotion and eventually enhance the company's ability to retain qualified employees.

To attract more youth towards BPO sector, organizations can provide performance based incentives and make them feel young achievers to get high package in the initial stage of their career. Top performers can be given star of the period recognition with monetary benefits. Organizations can divide the nature of work between married and unmarried employees, to bring in convenience to work and make them feel comfortable in future too, to retain them. Under graduate employees may be given an option to earn while learning by providing option for post graduation. Family benefits like free or discounted education system, insurance schemes, housing schemes, monthly provision schemes, travelling allowance and medical reimbursement may be provided to make the employees more committed towards organizations.

For work to be meaningful and pleasurable to the person who performs it, organizations must correspond to the employees in the field of interest, allow individual to exercise their skills and judgement, show creativity in problem solving and have a say in the decisions that concern them, stimulate development of potential and allow them to achieve goals effectively. Therefore, the results of the present study of the BPO organizations can be generalized to the BPO sector in India.

References:

- Agarwal, R. and Phadatare, R. (2014). A Study of Employee Attrition at International Automotive Components, Pune, *European Journal of Academic Essays*, 1(1):17-21.
- Estelle Morin, (2008). The Meaning of Work, Mental Health and Organizational Commitment", *Psychological health*, Studies and Research Projects, Report-R-585, 11-18.
- Hafiza, Z. F., and Rubina, B., (2014). Job Satisfaction among LIS Professionals of Universities in the Punjab Province, *Pakistan Journal of Information Management and Libraries*, 15(1), 30.
- Jitendra, K. S., and Mini, J., (2013). A Study of Employees' Job Satisfaction and its impact on their performance", *Journal of Indian Research*, 1(4), 105.
- Madhavi, Challa., (2014). Quality of Working Life of BPO Employees: Literature Review, *International Journal of Management and International Business Studies*, Research India Publications,4(3), 357-360.

Madhura, S., Subramanya, P., and Balaram, P., (2014). Job Satisfaction, Job Stress and Psychosomatic Health Problems in Software Professionals in India, *Indian Journal of Occupational and Environmental Medicine*, 18 (3), 153-161.

Mahapatra, S., and Jena, K., (2012). BPO World: An Analysis of the Emergence of BPO Industry in India, *Research Journal of Management Sciences*, 1(3), 25-29, October.

Malar, M. K., and Malathi, G., (2013). Employer and Employee Perception on Job Attrition in IT industry: A Gap Analysis, *International Journal of Engineering and Management Research*, 3(3), March, 4.

Meyer, J. P., and Allen, N. J. (1997). *Commitment in the Workplace*, Sage publication, Inc, Thousand Oaks, C.A.

Munasinghe, L., (2006). Expectations Matter: Job Prospects and Turnover Dynamics". *Labour Economics*, 13, 589-609.

Naresh, K., Chong, T.F., and Pawan, B., (2001). Explaining Employee Turnover in an Asian Context, *Human Resource Management Journal*, January, 11(1), 54.

Ramesh and Kasturi. Padmaja, (2014). Factors Affecting Attrition in Information Technology Sector in India, *Intercontinental Journal of Human Resource Research Review*, Volume. 2, Issue. 10, October, p. 41.

Rajib, L. D., and Manju, B., (2008). Job Stress, Coping Process and Intentions to Leave, *Harvard Business Review*, 9(1), 41-54.

Sherry, E. S., and Rabbi, S. B., (1992). Organizational Stress, Job Satisfaction and Job Performance: Where do we go from here? *Journal of Management*, 18(2), 353-374.

Suchet Kumar, (2012). Call Centres in India: A Globalization Boon or Bane? *International Journal of Research in Social Sciences*, May, Volume 2, Issue 2, P. 323 – 337

Sundharan and Sajikumar, (2013). Structure, Growth and Performance of Indian It-BPO Industry, *International Journal of Economics, Commerce and Management*, Vol. 1, Issue 2, United Kingdom.

Thomas N. Duening and Rick L. Click, (2005). *Essentials of Business Process Outsourcing*, John Wiley & Sons, Hoboken, New Jersey, United States.