A STUDY ON EMPLOYEE SATISFACTION TOWARDS BPO SECTORS IN COIMBATORE CITY

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Abstract

BPO industry being one of the significant contributors to the economic development of the nation, it is important to remove the major obstacles in the smooth and continued functioning of the industry. Being highly dependent on human resource, the major problems faced by the industry are attrition and UN employability due to inadequately skilled supply of manpower. This study conducted in Coimbatore region of Tamil Nodu tries to ascertain the major factors of Job Satisfaction and its level among the BPO employees using systematic sampling.

Introduction

Business Process Outsourcing (BPO) is outsourcing business processes that are done by white collar and clerical employees, with a view to save cost, get better quality and also so that the business can concentrate on their core competency level of primary business activity. An organizations has mostly outsource only processes or functions that are not the fundamental competency of the organization but functions that have to be done anyway for the smooth and unhindered operations of the organization. The organization selects a merchander from the many options available based on cost and quality standards. It is assured by the vendor organization. The vendor takes full responsibility for the end-to- end process of that function outsourced.

Some examples of processes that are outsourced like, payroll processing, customer service, inventory management, etc. Outsourcing began in the early eighties when organizations started delegating their non-core functions to an external organization that was specialized in providing a particular service or product. Business Process Outsourcing is an industry which we are Love to hate and hate to love''. Jobs in BPOs are generally divided into two categories, back office and front office.

Business Process Outsourcing means outsourcing non-core business functions, such as human resources, logistics, customer contract, and information technology services to a third party vendor for a fee. Vendors mean those who have expertise and good reputation for in time delivery of service.

BPO industry has mainly two stages. At first wave outsource business concentrate only labour intensive, manufacturing process now the current wave of outsourcing include knowledge intensive professional services such as research and development, accounting, and legal support (Teirlinck & Spithoven,2013). High rate of turnover is never good to the organization. It will decrease the morale and commitment towards of existing employee's.

BPO industry has tremendous growth in recent years. Human resource management has to follow by the better management practices to recruit qualified, skilled talents and also to retain these employees in the organization. The major variables identified from the earlier

academic literatures that lead to employee retention in BPO industry are mainly satisfaction, stress, quality of work life and supportive work environment (Lilian, 2012).

Job satisfaction is a positive emotional feeling towards the work. It depends on expectations of employee and what they actually get from it. Employee's job satisfaction depends on organizations reward systems, power distribution, individual differences, self-esteem. Management should take necessary steps for employee satisfaction, otherwise they will shift to other organization (Lankau & Scandura, 2002). Another study elucidated that occupational stress will adversely affect employees physically and mentally. So it leads to job dissatisfaction, low commitment and poor work performance. Stress directly affects employee's performance. This leads to decrease in organizational productivity, low production, and decrease profitability of the company and create negative impression in the market. Finally increased level of stress leads to high labour turnover, low morale and output (Omolara, 2008). As employees working in IT industry need to complete work within allotted time, they are forced to work at odd hours. It makes the work life balance more difficult compared to other industries. IT professional admits that they are not able to spend enough time with their family. Work life imbalance negatively affects their work (Shubham Goswami, 2014).

A supportive management can increase flexibility with respect to the working hours of employees and reduce conflict between work and life of the employees. Work life balance is very important to enhance job satisfaction. Quality of work life meet twin goals enhance effectiveness of organization and improve quality of work life of employee's (Barkha Gupta, Anukool, Manish and Hyde, 2016). Employees working in service oriented industry need good working environment for designing and implementing new services.

In this modern society of regular corporate restructuring and technological changes companies should concentrate on employees who are innovative and can adapt to new changes easily. Employees who are adaptive, social and productive are those who are mostly satisfied with their work. Job satisfaction an extremely useful weapon for evaluating and adjusting the management rules in accordance with employee opinion. An employee's level of satisfaction is very important factor for a manager or organization to predict an employee's rate of absenteeism, desire to resign or quit the job. Employee satisfaction is also based on his perceptions of the future development.

The factors affecting the satisfaction of the employee are good pay, promotions, good working conditions, work load and stress level, respect from co-workers, relationship with supervisors, financial rewards. By safeguarding these factors the company can ensure the job satisfaction of the employee, thereby improve the productivity and grow into a successful organization. If an employee is not satisfied with the job there are chances for absenteeism, low turnover, lower productivity, committing mistakes, diverting energy for different types of conflicts. Any kind of dissatisfaction relating to organizational or personal life will influence on the job performance. Therefore, a study on employee job satisfaction helps the organization in knowing employee opinion about the company.

This research study is aimed at analysing the level of Satisfaction of Employees in Business Process Outsourcing (BPO) Companies in Coimbatore and to suggest suitable measures to organizations to overcome the Persistent Issues faced with regard to Satisfaction of Employees, which ultimately leads to mutual growth of the Employees as well as

Employers. Although a lot of similar research has been done by many researchers in this field, it is still needed as there were no complete solutions available for the BPO Organizations. This project is a reflection of the finding of the survey that was conducted to understand what BPO companies are doing towards the retention of their employees. This project is finding the satisfaction of the employee in BPO sectors.

EMERGING TRENDS IN BPO SECTORS IN INDIA

It has been named as one of the largest and top Business Process Management (BPM) and Business Process Outsourcing (BPO) destinations around the world. With the reputation companies throughout the country are catering services to domestic and international customers facing the cut-throat competition in a market worth billions. In 2019, companies in the BPO industry that have met the expectations of the companies to the scale the business and allow growth have sustained. In the fast-paced business world we live in today, the BPO and BPM sectors are focusing their efforts on improving   customer experience in the digital scenario. Flexibility is essential to ensure that the companies in the BPO and BPM industry can implement software and tools across the entire business to change workflows for maximum effectiveness.

In the recent years, India has occupied the superior slot in Business Process Outsourcing. The unfathomable success rate is due to the fact that there is availability of resources required in this field. For nearly the past two decades, Business Process Outsourcing has been catering to a number of industries including Insurance, Retail, Banking and Finance, Mortgage, Healthcare, Telecommunications, Hospitality and so much more. Between 2012 and 2016, the global business process outsourcing (BPO) industry grew at a compound annual growth rate of 4.4% to reach total revenues of $140.3 billion in 2016.

Business process outsourcing is a subset of outsourcing that involves contracting third-party service providers for various business-related operations and responsibilities. While manufacturers initially used BPO, pretty much every industry you can think of around the world now uses it as part of their business models.

Businesses across all industries have adopted BPO because business process outsourcing solutions provide an array of opportunities for cost reduction and business growth. In 2017, the industry had significant concerns related to increased skill shortages, increased trade protectionism, and political gridlock. However, currently, the BPO industry is clearly showing increased optimism overall about market growth and reduced regulations.

Businesses are also encouraged by the benefits gained through innovative technologies such as cloud computing and process automation. Global outsourcing service providers are expected to use new technological innovations to effectively address market challenges, enhance product and services, and manage talent shortages – while helping keep operating costs low.

Over the years, the business process outsourcing industry has been providing businesses with cost-effective solutions. Emerging technologies such as cloud computing, social media, software, and automation are being used by BPOs to reduce costs and accelerate growth. India's BPO industry workforce is expected to shrink by 14% in 2021. On the plus side, automation can make way for more highly skilled employees. In the Philippines, around 700thousand medium and high skill jobs would be created by 2022. While it is an uphill task for many BPO service providers, the top players in the industry are

already working today to make robotic process automation part of their standard client services portfolio. This is important because automation is accessible to the customers of BPO service providers. Vendors or third party advisors can easily support the creation of onsite shared services teams to establish internal capabilities for robotic process automation. Therefore, if an outsourcing firm is unable to provide cost efficiencies that come from automation, its client may readily develop the process in-house.

This trend will dominate in 2020, and outsourcing companies will automate more processes to bring innovation to existing clients, improve productivity, and regain a labour cost advantage. Many BPO service providers are also investing in dedicated social media service teams. Working in tandem, social media teams and customer representatives can deal with customer grievances much faster, leading to higher customer satisfaction and better customer experience.

STATEMENT OF PROBLEM

The BPO industry promises a flourishing future to the Indian economy and society. However due to the attrition rate, there is anxiety towards the industry growth being heavily depends on the quality of performance from its employee. Unless the increasing employee turnover is managed at the industrial organizational level, it can be cause heavy financial loss through lower productivity ratios and finally impair the industry itself. Hence, employee retention is the only method to ensure the bright prospects for the BPO sector. The higher job satisfaction can lead to employee retention. Then assess the level of job satisfaction so that corrective measure if required can be provide. In a knowledge oriented industry like the BPO industry, human resources are the most valuable assets in the organization, especially the high performing employees. The organization is likely to face challenges if there is a high attrition in the organization and also if their employees deliver bad service to the customers, due to their dissatisfaction.

Set all at (2000) 60 pointed out that the organization can take appropriate steps to reinforce positive behavior amongst the employees, if they are able to identify the factors that lead to employee job satisfaction. The organization can identify such factors and take steps to provide opportunities like training and development, reward and recognition, growth opportunities, job security and many more in order to increase job satisfaction among the employees.

Across the country and especially in Tamil Nadu (Southern state in India) BPO industry, human resource challenges are one of the main issues faced. There are many human resource related challenges faced like high stress, health issues due to erratic timings and lack of career growth opportunities to name a few. And all of these issues are related to job satisfaction level of the employees. Apart from the stiff competition from global competitors retaining the talents is a bigger challenge faced by the BPO companies, in-spite of paying well, providing sample chances for advancement and flexible working schedules. Employees do leave their jobs either because they want more money, hate the working conditions, hate their co-workers, want a change or because their spouse gets a dream job in another state. This attrition factor is a huge problem to the BPO organizations to maintain the timely and quality service delivery to their customers.

OBJECTIVES OF THE STUDY

- To Know about the concept of Business Process outsourcing Sectors
- To identify the important factors affecting employee retention in the BPO sector.
- To identify the various expectations to determine the level of satisfaction of an

employee in BPO Sector

- To identify the challenges and problems are faced by the employees in BPO sectors

SCOPE OF THE STUDY

- The present study aims to examine the psycho social Concern, stress and job related issues and problem on employee working in the BPO sector.

- The population comprised of few selected BPO in this Coimbatore city the research examines the psychosocial Concerns, health, work, stress and job related effects on the employees and their job satisfaction.

- There are lots of global BPO companies moving their jobs for value addition to tackle competition in the international market.

- It involves huge employment opportunity the scope of study is to bring out the factors influencing job satisfaction of employees and to suggest measures to the BPO companies to overcome the issue of attrition.

SAMPLING DESIGN

The universe of population in BPO sectors located in Coimbatore city. The sample was selected from the random basis. The size of the sample was 200 employees selected from these BPO sectors. The researcher adopted convenient sampling technique for the study. The investigator collected the data from the employees with the help of HR BPO. Employees selected samples from team leaders and employees working in same level. These companies are situated at Pealamedu in Coimbatore district to explore the actual context of the employees among different districts

SAMPLE SIZE

The researcher has performed the study on 200 employees in the BPO sectors.

LIMITATIONS OF THE STUDY

This study was conducted using sample size of above 200 employees out of BPO sectors in Coimbatore city. These samples were selected on random basis. This limits the research findings only to one city, whereas there are several BPO sectors located at other cities and towns in India.

Further the sample size of 200 employees may not fully represent all the employees of BPO sectors. Since the primary data was collected through a structured questionnaire, all employees may not have fully disclosed their facts due to the confidentiality clause imposed on them by their employers. Hence the conclusion drawn on the basis of these samples may have some basis. Employee's retention and its factors analysed in the study are positively related. This study has certain limitations. Sample size of the study is limited to 200.It is small portion to represent entire BPO industry in Coimbatore. Employees working in BPO industry are busy in their work. It was difficult to meet them. Most of the HR managers denied request of the researcher to meet and collect data from employees. The findings of the study are based on information collected from employees, but majority respondents were fear to revealed information because they have limitations. The data collected from selected BPO companies. The impression of employees may change from those of the rest of BPO companies, so the results cannot be generalized. Job satisfaction and HR practices have been changed over time. The present study focus factors affecting employee retention are job satisfaction, stress etc. Future researchers can explore other factors relating to employee retention in BPO industry. In researcher observation government should arrange awareness

programs to companies for permit researchers in their organization because many firms denied giving BPO sector for studying factors affecting employee retention.

As human wants are unlimited this attitude may change from time to time from person to person. Since job satisfaction is mental attitude it cannot be assessed accurately. Time is a limiting factor for deep study and analysis. Accuracy of primary data collected depends upon the authenticity of the information filled in by the respondents in the questionnaire.

Analysis of Data

GENDER

Gender is a range of physical, mental and behavioural characteristics distinguishing between masculinity and feminity. It is one of the important determinants which decides about the capacity of the people having relationship with BPO sectors. The gender-wise distribution of the sample respondents are given below in the table 1.1

Table 1.1 Gender-wise classification

S.no	Gender	Respondents	Percentage
1	Male	119	60
2	Female	81	40
	Total	200	100

Source: Primary data

The table 1.1 indicates that male respondents constitute 59.5 percent while the female respondents constitute 40.5 percent of the sample employees. So it is observed that most of the peoples are males to work over their BPO Company and hence they are exposed to BPO Services.

Age wise Classification

Age is one of the decisive factors that decide the nature of venture. Thus, it helps to determine which age group employees are highly aware of BPO services. The composition of the respondents is given in table 1.2

Table 1.2

Age wise classification

S.no	Age	No.of.respondents	Percentage
1	20-30 years	180	90
2	31-40 years	12	6
3	41-50 years	8	4
4	Above 50 years	Nil	Nil

Total	200	100

Source: Primary Data

The table 1.2 clearly shows that 90 percent (180 employees) of the sample respondents are the age group of 20-30 years and 6 percent (12 employees) are the age group of 31-40 years and 4 percent (8 employees) of the age group of 41-50 years. It is inferred that the youngsters are mostly working in BPO sectors. Because they have more knowledge about BPO sectors.

EDUCATIONAL QUALIFICATION

Education is universally regarded as an instrument for the improvement and development of human's knowledge. Education motives people to save, think and to take proper decision. The Educational qualification of the respondents are analysed with a view to find whether they are highly educated in BPO services to work. The educational qualification of the sample respondents are given below in table 1.3

Table 1.3

Educational Classification

S.no	Educational qualification	No.of. Respondents	Percentage
1	Under graduate	115	57.5
2	Post graduate	54	27
3	Diploma	19	9.5
4	Professional	12	6
	Total	200	100

Source: Primary Data

The table 1.3 shows that Qualification of the employees 57.5 percent (115 employees) of the sample respondents are Undergraduates and 27 percent (54 employees) of the sample respondents are Post graduates and 9.5 percent (19 employees) of the sample respondents are Diploma and the least one is 6 percent (12 employees) are professionals. In case of the respondents with Professionals are difficult to work in this sectors.

4.13 OPINION ABOUT CURRENT JOB

Table 1.4
Opinion about Current Job

S.NO	PARTICULARS	SA	A	NO	DA	SDA	TOTAL	RANK
1	Freedom to plan my work	47 (235)	93 (372)	53 (159)	5 (10)	2 (2)	200 (778)	V

2	Autonomy in making decision	15 (75)	127 (508)	55 (165)	2 (4)	1 (1)	200 (753)	VIII
3	Involving variety tasks	34 (170)	127 (508)	36 (108)	2 (4)	1 (1)	200 (791)	II
4	Give me a feelings of monotony	16 (80)	116 (464)	62 (186)	5 (10)	1 (1)	200 (741)	IX
5	Tasks are simple and uncomplicated	32 (160)	120 (480)	43 (129)	3 (6)	1 (1)	200 (777)	VI
6	To analyse lot of information about my job	12 (60)	120 (480)	46 (138)	20 (40)	2 (2)	200 (720)	X
7	Friendly co-workers	31 (155)	97 (388)	68 (204)	3 (6)	1 (1)	200 (754)	VII
8	Required variety of skills	28 (140)	144 (576)	25 (75)	2 (4)	1 (1)	200 (796)	I
9	Easy to interact with outside peoples	43 (215)	107 (428)	45 (135)	4 (8)	1 (1)	200 (787)	III
10	Comfortable physical atmosphere	27 (135)	133 (532)	37 (111)	2 (4)	1 (1)	200 (783)	IV

Source : Primary data

The table 4.16 clearly shows that the statement of the sample respondents. It is evident that the first rank is given by the required variety of skills because it is scored at 796 points. The second rank is given to Involving variety tasks which is scored at 791 and the third rank is Easy to interact with outside peoples is scored at 787 points respectively and finally fourth and fifth rank is Comfortable physical atmosphere and Freedom to plan my work which is scored 783 and 778 points. Hence, it is analysed that required variety of skills having business process.

THE SCHEDULE OF WORKING HOURS

Working hours in most of MNC companies are 9 hours including 1 hours break with 5 days a week working. Some of the domestic call centres still having 10 hours shift including 1 hours break and have 6 days working. In 24*7 environment shift starts from 6 in the morning**.**

Table 1.5

The level of satisfaction about the schedule of working hours.

S.NO	PARTICULARS	VERY SATISFIED	SATISFIED	DISAGREE	STRONGLY DISAGREE	TOTAL	MEAN	RANK
	WEIGHT	4	3	2	1			
1	Work timing	9 (36)	34 (102)	115 (230)	42 (42)	200 (410)	2.05	IV
2	Hours of overtime	7 (28)	36 (108)	142 (2840	15 (15)	200 (435)	2.17	I
3	Time allocated for lunch break	8 (32)	37 (111)	135 (270)	20 (20)	200 (433)	2.16	II
4	Risky of work schedule	13 (52)	30 (90)	128 (256)	28 (28)	200 (426)	2.13	III

Source: Primary Data

The table 4.17 clearly shows that the statement of the sample respondents. It is evident that the first rank is given by the Hours of overtime because it is scored at (2.17) mean value. The second rank is given to Time allocated for lunch break because it is scored at (2.16). The third and fourth rank is given to Risky of work schedule and Work timing which is scored as (2.13) and (2.05) mean value. The level of satisfaction about hours of overtime is analysed in the sample respondents.

LEVEL OF SATISFACTION ABOUT JOB

Job satisfaction deal with the emotions that the employees have towards their jobs. This shows the attitude towards the 'job in general' or towards 'specific facets of the job'. Moreover the job satisfaction includes how far the outcomes of the work meet or exceed employee expectations**.**

Table 1.6

The level of job satisfaction among employees

S.no	Particulars	Very satisfied	Satisfied	Disagree	Strongly disagree	Total	Mean	Rank
	Weight	**4**	**3**	**2**	**1**			

1	Job security	8 (32)	34 (102)	104 (208)	54 (54)	200 (396)	1.98	V
2	Salary	5 (20)	33 (99)	134 (268)	28 (28)	200 (415)	2.07	IV
3	Incentive System	6 (24)	43 (129)	116 (232)	35 (35)	200 (420)	2.1	III
4	Promotion Scheme	11 (44)	40 (120	123 (246)	26 (26)	200 (436)	2.18	I
5	Appraisal System	7 (28)	41 (123)	126 (252)	26 926)	200 (429)	2.14	II

Source: Primary data

The Table 1.6 clearly shows that the statement of the sample respondents. It is evident to show that level of satisfaction with job context. The first rank is given to Promotion Scheme which is scored at (2.18) mean value. The second rank is given to Appraisal System it is scored at (2.14) mean value. The third rank is given to Incentive System which is scored as (2.11) mean value. The fourth and fifth rank is given to salary and job security which is scored as (2.07) and (1.98) mean value.

THE PROBLEMS ARE FACED BY THE BPO EMPLOYEES

The BPO industry is one of the fastest growing sectors. Various factors such as cost advantage, risk mitigation, utilization improvement, and high competency have all come together and played their own part in the massive growth of the BPO industry. The massive growth of the industry and high level of competition in this domain comes with its own set of challenges in the BPO management of these companies. Dealing with highly-demanding customers, tight budgets, crazy work hours and schedules, customer satisfaction are just some of the challenges faced by this industry. In this article we have listed some of the common challenges in BPO sector

Table 1.7

Calculation of Garret Value and Ranking

S.NO	FACTORS	RANKS GIVEN BY RESPONDENTS	TOTAL	PERCENTAGE	RANK								
		1	2	3	4	5	6	7	8	9	10		
1.	Workpl	3180	45	55	31	599	600	268	90	14	3	1518	76

No.	Problem											
	ace Harase ment		39	76	1						0	
2.	Lack of family support	3479	4056	2067	1010	240	200	446	352	69	2	11921	60
3.	Office Politics	1491	4152	1529	1087	1380	720	491	251	103	32	11236	56
4.	Insufficient training	3279	2414	4767	388	120	720	446	141	51	9	12335	62
5.	Health problems	2485	3090	1079	1476	1499	1200	335	261	31	4	11456	57
6.	Time pressure	2485	1642	3418	2330	839	1120	335	121	34	7	12331	61
7.	Inability to take breaks	3677	1255	2518	1787	1079	880	1004	191	38	1	12430	62
8.	Transport facility	1988	1931	2428	1087	1259	1000	335	181	86	9	10304	51
9.	Operating hours	4075	1642	3238	1398	719	1240	245	150	62	10	12779	64
10.	Lack of inter personal support	4373	2124	2338	1398	1139	1000	379	191	17	3	12962	65

Source: Primary data

The Table 1.7 shows that problems faced by the BPO employees. The respondents given the rank for all the problems faced by the employees. The ranks have obtained with the help of Garret ranking method.

Findings

1. Majority (59.5%) of the respondents are male in the gender.

2. Majority (90.0%) of the respondents are in the age group of 20-30 years.
3. Majority (57.5%) of the respondents are under graduated
4. Majority (819) points of the respondents in rest room facilities, the satisfaction level of physical environment.
5. Majority (76.0%) of the respondents are problems faced in workplace harrasement

Suggestions

From the analysis of the reports through questionnaire survey it is seen that employees satisfaction towards BPO sectors. Salary increment should be done properly and friendly environment is the best way to improve for all book companies. It should be maintained a single shift and Appraisal and promotion should be done properly should improve work life balance and atmosphere. In Bpo sectors to improve your basic knowledge's. They should conduct monthly medical camp for their employees. They have to improve initial salary packages and to earning profits. To serve even small companies also. Communication is more important in this BPO sectors. In employees of BPO sectors have to maintain coordination to do work.

Conclusion

It can be said that **Coimbatore** is also **emerging** as an IT and **BPO city**. **Coimbatore** is ranked at 17th place among th**e** global outsourcing cities. The city is the second largest software producer in Tamil Nadu, next only to Chennai. The software development is set to take an upswing with the launch of TIDEL Park and other private IT parks around the city. The BPO companies offer varied services such as customer support, technical support, data processing, internet and online web search. The number one destination for business process outsourcing, almost companies in the service providers.BPO industry has grown mainly due to the business of catering towards services to foreign clients mainly based in USA and Europe. Thus the industry is a versatile offering a gamut of services to their clients. A BPM system involves workflow automation, data imaging and features of enterprise application integration where in the business process, tasks and procedural steps of organization are defined analysed and integrated, thus providing a framework for the organization to deliver its business solutions in BPO sectors.

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