

An Empirical Study on Employee Exit Management Practices in Software Industries

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Abstract:

Employee exit management describes the consciously designed separation process when an employee leaves the company, for which he has previously worked within the scope of a work or service contract. It deals with the formal processes revolving around an employee's exit from an organization either through voluntary resignation, layoffs or termination. The exit management study was conducted in Virtusa Polaris Pvt Ltd, Chennai in Tamil Nadu. The total number sample was 100. The data was collected from the software employees who are leaving organization and in notice period.

Keywords: Exit Management, Human Resource Management, Software Employee

1. Introduction:

Employee Exit Management is the process within organizations dealing with the termination of the employment of employees. It applies to both employees who have resigned voluntarily and those that have been terminated by the company through a layoff for dismissal. When an employee is terminated, a number of considerations that an organization needs to make and things that have to be handled in a professional manner in order to cleanly end the relationship between the company and the employee.

Note that companies legally have responsibilities to the employee which may extend beyond the period of employment.

The procedure should have the following steps:

1. Letter- The employer should send you a formal letter explaining the situation.
2. Meeting- The letter should be followed by a meeting to discuss everything face to face.
3. Verdict- The employer should then write to you expressing their final decision.
4. Appeal- You then have the right to appeal against your employer's decision

EMPLOYEE EXIT PROCESS

There are 5 stages in this process:

- STAGE 1: The employee submits the resignation letter.
- STAGE 2: The employee is given a certain notice period to serve before he/she relieved.
- STAGE 3: On the last day of the notice period the employee is subjected to an exit interview.

- STAGE 4: After this the interviews documents are forwarded to the regional HR Head who attaches to it the clearance form which states the final settlement amount for the employee. These documents are forwarded to the head office of Virtusa Polaris.
- STAGE 5: The employee is given the relieving letter.

2. REVIEW OF LITERATURE

According to Bharthvajan R (2015) stated that organizations are conducting exit interviews for gather the data for improving the organization and finding the underlying reasons for employee turnover. The exit interview helps the organization to retain the talented employees. The research was conducted for the employees working in Maruti Udyog Ltd.

According to Victoria L Pace (2017) stated that the role of employee voice in the strategic use of exit interviews and reveals that exit interview information's leads to positive results. The study was conducted in different levels i.e., micro and macro levels, interventions and outcome measures should be tracked over time. To maximize their effectiveness, exit interviews should incorporate employee voice and be aligned with other human resource processes. This research was describing a three step approach to the strategic use of exit interviews.

3. OBJECTIVES OF STUDY

- To study the Exit management process at Virtusa Polaris Consulting and services Ltd, Chennai.
- To understand the factors that is affected towards the employee exit at Virtusa Polaris.

4. Problem Statement

The main problems for employee to exit from the organization: Compensation & benefits, Experience while on the job (e.g., work with manager, impressions of leadership), Advancement opportunities.

5. Scope of the Study

The study is conducted in VIRTUSA POLARIS. It covers the employees belonging to various segments. To create a right relation between employee and organization, and to retain the employee, mainly undertaken to identify the level of employee's salary benefits, the dissatisfaction factors they face in the organization and for what reasons they prefer to change their job. Once the levels of employee's reasons are identified, it would be possible for the management to take necessary action to reduce exit level.

6. Research Methodology

- **Source of Data:** For the purpose of research data has been taken from the source i.e. Primary data.
- **Primary Data:** The data is collected through primary source. Sample size of employees is 100.
- Data is collected through structured questionnaires
- **Type of sampling:** To the present study Convenience sampling method is used to collect the data.
- **Tools of Analysis:** Chi-Square, percentage method was used in the analysis of data.
- **Period of study:** The study was conducted in the month of May 1st 2017 to June 29th 2017 i.e.59 days.
- **Research Instruments:** Research instrument used in the study is questionnaires.

1.7 Limitations Of The Study

- Locality: The survey held only in the Virtusa Polaris located in navalur, Chennai.
- Only Virtusa Polaris Employees are considered for the survey.
- The employees working in several departments are taken their opinions to the survey process.
- The time period taken to complete the survey is 59 days.

1.8 Data Analysis and Interpretation

Table No. 1: Gender

S. no	Dimensions	No. Of respondents	Percentage (%)
1	Female	46	46
2	Male	54	54
3	Total	100	100

Source: primary data

Analysis: From the table no. 1 it is observed that 46% of female employees and 54% of male employees in the organization.

Table No. 2: Designation

S. No	Dimensions	No. Of respondents
1	Associate consultant	34
2	Senior consultant	22
3	Engineer	10
4	Consultant	14
5	Analyst	8

6	Analyst programmer	4
7	Lead consultant	4
8	TOTAL	100

Source: primary data

Analysis: From the table no. 2 it is observed that 34% of the employees are associate consultants and 22% of the employees are senior consultants and 10% of the employees are engineers and 14% of the employees are consultants and 8% of the employees are analysts and 4% of the employees are analyst programmers and 4% of the employees are lead consultants.

Table No. 3: Reasons for leaving this company

S. no	Dimensions	No. of respondents
1	Personal reasons	34
2	Team fitment	14
3	Career opportunity	32
4	Others	20
5	TOTAL	100

Source: primary data

Analysis: From the table no.3 it is observed that 34% of the employee's reasons for leaving this company are personal reasons and 32% responded career opportunity and 20% of the employees stated that others and remaining 14% of the employee's reason is team fitment.

Table No. 4: Professional growth did you have at this company.

S. No	Dimensions	No. Of respondents
1	A great deal	36
2	A lot	26
3	A moderate amount	28
4	None at all	10
5	Total	100

Source: primary data

Analysis: From the table no. 4 it is observed that 36% of the employees have room for professional growth in the company is a great deal and 28% responded a moderate amount and 26% of the employees stated that a lot and remaining 10% is none at all.

Table No. 5: Employer's health insurance plan better, worse or the same as those of other employer.

S. No	Dimensions	No. Of respondents
1	Much better	36
2	About the same	40
3	Somewhat worse	18
4	Much worse	6
5	Total	100

Source: primary data

Analysis: From the table 5 it is observed that 40% of the employer's health insurance plan is about the same as those of other employer and 36% responded much better and 18% of the employer's stated that somewhat worse and remaining 6% much worse.

Table no. 6: Prompted you to seek alternative employment

S. No	Dimensions	No. of respondents
1	Type of work	28
2	Quality of supervision	26
3	Work conditions	24
4	Family circumstance	22
5	Total	100

Source: primary data

Analysis: From the table no 6 it is observed that 28% of the employees seek alternative employment is type of work and 26% responded quality of supervision and 24% stated that work conditions and remaining 22% family circumstances.

Table no. 7: Relationship with the reporting manager

S. No	Dimensions	No. Of respondents
1	Excellent	14
2	Very good	18
3	Good	48
4	Poor	20
5	Total	100

Source: primary data

Analysis: From the table no 7 it is observed that 48% of the employees relationship is good and 20% responded poor and 18% of the employees stated that very good and remaining 14% excellent.

Table No. 8 Recommend this company to a friend as a place to work.

S. No	Dimensions	No. of respondents
1	Yes, without reservation	34
2	Yes, with reservation	28
3	No	38

Source: primary data

Analysis: From the table no. 8 it is observed that 38% of the employees to a friend as a place to work and 34% yes without reservation and 28% of the employees stated that yes with reservation.

Table No. 9 Workload usually

S. No	Dimensions	No. Of respondents
1	Too great	20
2	Varied, but all right	40
3	About right	24
4	Too light	16
5	Total	100

Source: primary data

Analysis: From the table no. 9 it is observed that 40% of the employees was workload usually is varied, but all right and 24% responded about right and 20% of the employees stated that too great and remaining 16% too light.

Table No. 10 Infrastructure and equipment provided.

S. No	Dimensions	No. Of respondents
1	Excellent	10
2	Very good	62
3	Good	24
4	Poor	4

Source: primary data

Analysis: From the table no. 10 it is observed that 62% of the employees rate the infrastructure and equipment is very good and 24% responded good and 10% of the employees stated that Excellent and remaining 4% poor.

Table no. 11 Salary and employee benefits

S. No	Dimensions	No. of respondents
1	Excellent	14
2	Good	50
3	Fair	30
4	Poor	6
5	Total	100

Source: primary data

Analysis: From the table no. 11 it is observed that 50% of the employees feels that salary and employee benefits is good and 30% responded fair and 14% of the employees stated that excellent and remaining 6% poor.

Table No. 12 working with your employer, neither like nor dislike it, or dislike it.

S. No	Dimensions	No. of respondents
1	Strongly disagree	32
2	Disagree	20
3	Neutral	38
4	Agree	8
5	Strongly agree	0
6	TOTAL	100

Source: primary data

Analysis: From the table no 12 it is observed that 39% of the employees did you like working your employer is neutral and 33% responded strongly disagree and 20% of the employees stated that disagree and remaining 8% agree

Table No.13 Skills put to use at this company

S. No	Dimensions	No. of respondents
1	Strongly disagree	2
2	Disagree	6
3	Neutral	4
4	Agree	36
5	Strongly agree	52
6	Total	100

Source: primary data

Analysis: From the table no 13 it is observed that 52% of the employees strongly agree and 36% responded agree and 6% of the employees stated that disagree and 4% neutral and remaining 2% strongly disagree.

Table No. 14 Consistently did your supervisor reward you for good work

S. No	Dimensions	No. Of respondents
1	Strongly disagree	0
2	Disagree	4
3	Neutral	8
4	Agree	56
5	Strongly agree	24
6	Total	98

Source: primary data

Analysis: From the table no 14 it is observed that 51% of the employees strongly agree and 35% responded agree and 4% of the employees stated that disagree and 5% neutral and remaining 5% strongly disagree.

Table no. 15 Realistic were the expectations of your supervisor.

S. No	Dimensions	No. Of respondents
1	Strongly disagree	6
2	Disagree	4
3	Neutral	6
4	Agree	38
5	Strongly agree	46
6	Total	100

Source: primary data

Analysis: From the table no 15 it is observed that 46% of the employees strongly agree and 38% responded agree and 4% of the employees stated that disagree and 6% neutral and remaining 6% strongly disagree.

Table No. 16 Reasonable were the decisions made by your supervisor.

S. No	Dimensions	No. Of respondents
1	Strongly disagree	0
2	Disagree	8
3	Neutral	20
4	Agree	36
5	Strongly agree	36
6	TOTAL	100

Source: primary data

Analysis: From the table no 16 it is observed that 36% of the employees strongly agree and 36% responded agree and 8% of the employees stated that disagree and 20% neutral and remaining 0% strongly disagree.

Table no. 17 Supervisor listens to employee opinions when making decisions.

S. No	Dimensions	No. Of respondents
1	Strongly disagree	4
2	Disagree	4
3	Neutral	14
4	Agree	32
5	Strongly agree	46

Source: primary data

Analysis: From the table no 17 it is observed that 46% of the employees strongly agree and 32% responded agree and 4% of the employees stated that disagree and 14% neutral and remaining 4% strongly disagree.

Table no. 18 Resources you needed to job well at this company

S. No	Dimensions	No. Of respondents
1	Strongly disagree	0
2	Disagree	4
3	Neutral	4
4	Agree	36
5	Strongly agree	56

Source: primary data

Analysis: From the table no 18 it is observed that 56% of the employees strongly agree and 36% responded agree and 4% of the employees stated that disagree and 4% neutral and remaining 0% strongly disagree.

Table no. 19 paid for the work at company

S. No	Dimensions	No. Of respondents
1	Strongly disagree	2
2	Disagree	0
3	Neutral	10
4	Agree	26
5	Strongly agree	62
6	Total	100

Source: primary data

Analysis: From the table no 19 it is observed that 62% of the employees strongly agree and 26% responded agree and 0% of the employees stated that disagree and 10% neutral and remaining 2% strongly disagree.

Table No 20 Treated by your supervisor at this company

S. No	Dimensions	No. Of respondents
1	Strongly disagree	2
2	Disagree	2
3	Neutral	6
4	Agree	56
5	Strongly agree	34
6	Total	100

Source: primary data

Analysis: From the table no 20 it is observed that 34% of the employees strongly agree and 56% responded agree and 2% of the employees stated that disagree and 6% neutral and remaining 2% strongly disagree.

Table No 21 Employees to disagree with decisions made by your supervisor

S. No	Dimensions	No. Of respondents
1	Strongly disagree	6
2	Disagree	2
3	Neutral	42
4	Agree	34

5	Strongly agree	16
6	TOTAL	100

Source: primary data

Analysis: From the table no 21 it is observed that 16% of the employees strongly agree and 34% responded agree and 2% of the employees stated that disagree and 42% neutral and remaining 6% strongly disagree.

Table No 22 Members of your teamwork together to reach a common goal

S. No	Dimensions	No. Of respondents
1	Strongly disagree	2
2	Disagree	0
3	Neutral	16
4	Agree	30
5	Strongly agree	52
6	Total	100

Source: primary data

Analysis: From the table no 22 it is observed that 52% of the employees strongly agree and 30% responded agree and 0% of the employees stated that disagree and 16% neutral and remaining 2% strongly disagree.

Table no 23 in a typical week, how often did you feel stressed at work

S. No	Dimensions	No. Of respondents
1	Strongly disagree	8
2	Disagree	2
3	Neutral	22
4	Agree	48
5	Strongly agree	18
6	Total	100

Source: primary data

Analysis: From the table no 23 it is observed that 18% of the employees strongly agree and 49% responded agree and 2% of the employees stated that disagree and 42% neutral and remaining 8% strongly disagree.

Table no 24 Safe did you feel at your employer's workplace.

S. No	Dimensions	No. Of respondents
1	Strongly disagree	0
2	Disagree	2
3	Neutral	6
4	Agree	11
5	Strongly agree	35
6	Total	100

Source: primary data

Analysis: From the table no 24 it is observed that 65% of the employees strongly agree and 20% responded agree and 4% of the employees stated that disagree and 11% neutral and remaining 0% strongly disagree

Table No 25 Balance your work life and personal life while working at this company.

S. No	Dimensions	No. Of respondents
1	Strongly disagree	0
2	Disagree	6
3	Neutral	14
4	Agree	40
5	Strongly agree	19
6	TOTAL	100

Source: primary data

Analysis: From the table no 25 it is observed that 24% of the employees strongly agree and 51% responded agree and 7% of the employees stated that disagree and 18% neutral and remaining 0% strongly disagree.

Table no 26 Comfortable was your employer's work environment.

S. No	Dimensions	No. Of respondents
1	Strongly disagree	0
2	Disagree	2
3	Neutral	8
4	Agree	34
5	Strongly agree	52
6	TOTAL	100

Source: primary data

Analysis: From the table no 26 it is observed that 54% of the employees strongly agree and 36% responded agree and 2% of the employees stated that disagree and 8% neutral and remaining 0% strongly disagree

7. Hypothesis Testing:

H_a: Salaries and benefits are reasons for employees to leave the organization

H₀: Salaries and benefits are not reasons for employees to leave the organization

O	E	(O-E)	(O-E) ² /E
14	25	-11	4.84
50	25	25	25
30	25	5	1
06	25	-19	14.44
Total			45.28

Source: table 11

- Degree of Freedom = $n-1 = 4-1 = 3$
- Significance = 0.05
- Chi- Square Table value = 7.82
- Chi- Square Calculate Value = 45.28

Chi- square table value is lesser than calculate value, Hence H₀ is rejected.

i.e., Salaries and benefits are reasons for employees to leave the organization

8. Findings:

- It is observed that 46% of female employees and 54% of male employees in the organization.
- It is observed that 34% of the employees are associate consultants in the organization.
- It is observed that 34% of the employees say that there are personal reasons for leaving this company.
- It is observed that 36% of the employees say that it is a great deal for the professional growth in the organization.
- It is observed that 52% of the employees say that they are comfortable with the employer's work environment.
- It is observed that 40% of the employees strongly agree that it is easy to balance work life and personal life while working in the company.

- It is observed that 35% of the employees strongly agree that they feel safe at the work place.

9. Suggestions:

- By the observation and analysis there is employee exit to the organization, but to standardized and improve, some steps have to be taken.
- Employee satisfaction survey should be conducted. Employee motivation and morale survey should be conducted.
- Recognition and reward system should be reviewed and developed. Recognition, expectations be studied and then only be transformed into policy.

10. Conclusion:

- Overall, attitudes of most people leaving the Company remain positive towards the organization, with relationships with colleagues and managers both being rated particularly highly by leavers., The Company's culture, work/ life balance, job security and the Company's benefits were also rated highly. Leavers would recommend the Company as an employer.

References:

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