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## TEAM LEADERS: INSTRUMENTAL IN RETAINING EMPLOYEES - AN EMPIRICAL STUDY DONE ON BPO FIRMS

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**Abstract:** *Employee satisfaction is one of the many significant factors in building organization success and employee retention. In general, satisfaction from the job generates positive vibes and ensures sustenance of the employees in an organization through enhanced employee performance and reduced costs to acquire new employees. Employee satisfaction generally evolves from the nature of job, organization climate and relationships with the boss and the peers. Relationship with the boss has gathered insurmountable importance in the recent years, as one of the major reasons for employees leaving the organization has been attributed to their incompatibility with the boss. This paper attempts to explore the impact of relationship with team leader over employee satisfaction and its subsequent effect on employee retention with respect to a BPO setting. The main objectives of the study were to find out the relationship between satisfaction derived from the various aspects of a team leader and the resulting motivation; the relationship between satisfaction derived from the various aspects of a team leader and the willingness of the employee to sustain in the organization; the relationship between motivation received from the team leader and the willingness to sustain in the organization; to find out the association of the various demographic factors like age, gender, education, marital status and tenure with overall satisfaction from the team leader and if the team leader is directly responsible for employees' sustenance in an organization.*

*The results indicated positive correlations between satisfaction and motivation from the various aspects of the team leader. There was positive relationship between satisfaction derived from each of the aspect of team leader and willingness to stay in the organization. Positive relationship was also found between motivation from each of the aspect of team leader and willingness to stay in the organization. Independent t-test and ANOVA were done to find out the difference in level of satisfaction from team leader among the various categories of the selected demographic variables. Independent t-test was conducted for gender, and marital status as the samples had only two categories i.e. male and female for gender; and single and married for marital status. ANOVA was done for variables like age,*



education and tenure as the number of categories was more than two in each case. The mean satisfaction level of female was slightly higher than that of male. There was a slight difference between the mean satisfaction level of singles and married employees. The former was slightly higher than latter. There were four categories of age and the satisfaction level was highest for the age bracket of more than 35. The satisfaction level was highest for the undergraduates. It was closely followed by post graduates and then graduates. The satisfaction level was highest for them whose tenure was less than 1 year age. The study also divulged that dissatisfaction from team leader was strongly associated with unwillingness to stay for variables like gender and tenure; whereas satisfaction from team leader was strongly associated with willingness to stay for variables like age, education and tenure. Most of the results proved that dissatisfaction with the team leader either drove them away from the organization or satisfaction from the team leader made them sustain in the organization.

**Keywords:** BPOs, Team Leader, Employee Satisfaction, Employee Motivation, Willingness to stay

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## **I. INTRODUCTION**

Employee satisfaction is one of the many significant factors in building organization success and employee retention. In general, satisfaction from the job generates positive vibes and ensures sustenance of the employees in an organization through enhanced employee performance and reduced costs to acquire new employees. Employee satisfaction generally evolves from the nature of job, organization climate and relationships with the boss and the peers. Relationship with the boss has gathered insurmountable importance in the recent years, as one of the major reasons for employees leaving the organization has been attributed to their incompatibility with the boss. People leave managers not companies write Buckingham and Coffman (1999). According to HR experts, of all the abuses, employees find humiliation from the boss the most intolerable. The employees work in close coordination with their immediate supervisor, i.e. their manager, or boss or team leader, who in turn has a momentous effect upon the performance of his subordinates, their involvement in the job, their motivation and also their satisfaction (Premji 2006). Mounting dissatisfaction among the employees leads to straining out of motivation in them, which in turn results in dispirited efficiency, hence their leaving the job (Gupta et al, 2008). The recent developments and trends in the corporate world reveal that the employees no longer need be managed, rather they demand leadership.

It can be undisputedly mentioned that leadership has evolved through these years and in the recent times; it is something that holds the employees back if practiced in a positive manner. Team leaders are in close touch with their members, defining their tasks, communicating with them, monitoring their performances, motivating them hence, striking a well balanced and a strong relation. Leadership is a behavior enacted through communication. Specifically, communication shapes the perceptions of a leader's charisma, and it can be divided into the content of the leader's messages and the presentation of those messages (Holladay and Coombs 1993). Researchers have also suggested that subordinates who perceive their supervisors' behaviors to exhibit both relationship orientation and task orientation report being the most satisfied (Castaneda and Nahavandi 1991). Thus, a charismatic leadership and positive relationships with the subordinates can result in employee satisfaction to a large extent which in turn can largely lead to their sustenance in the organization.



The BPO industry is characterized by monotonous nature of job, long working hours, high employee turnover etc. The industry also exhibits robust group dynamics as the entire process works in teams. The low and middle level executives work under the supervision of a team leader, who closely inspects the quality and the quantity of the work done by the members. Regular feedbacks, communication of the targets, team outs, perks, recognition and appreciation for work are all handled and managed by the team leaders. It has been seen that a high level of attrition is the major problem with the BPO firms. According to some analysts, in general, the attrition rate fluctuates between 20% and 40%, while in the best companies, it averages around 15% (BPO India, 2004). As per NASSCOM (2004) report, the outsourcing industry would have a shortage of 262,000 professionals by 2012. Employees leave the organizations because of some or the other nature of dissatisfaction ranging from growth prospect to dissatisfaction from boss. It is a fact that attrition lowers when the satisfaction level of the employees soars. Although satisfaction can be measured from a number of dimensions like nature of job, company culture, salary and fringe benefits, relationships with team leader and peers etc., satisfaction from team leader is quite an important one and has direct relation with the retention of the employees. A lot of research has been done in past on employee satisfaction, leadership, work team motivation and relations etc. but not much work was founding this aspect with relation to BPOs which combines all three aspects i.e. employee satisfaction, relationship with team leader and employee retention.

This paper attempts to explore the impact of relationship with team leader over employee satisfaction and its subsequent effect on employee retention with respect to a BPO setting. Specifically, the study focuses on the following research questions:

1. What is the relationship between satisfaction derived from the various aspects of a team leader and the resulting motivation?
2. What is the relationship between satisfaction derived from the various aspects of a team leader and the willingness of the employee to sustain in the organization?
3. What is the relationship between motivation received from the team leader and the willingness to sustain in the organization?
4. What is the association of the various demographic factors like age, gender, education, marital status and tenure with overall satisfaction from the team leader?



5. Is team leader directly responsible for employees' sustenance in an organization?

Section II develops the theoretical support from previous literature on employee satisfaction, leadership and outsourcing. It also states the hypotheses developed for the research. Section III presents the data and findings. Section IV discusses the results and implications. The last section i.e. Section V presents conclusions and future scope.

## **II. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT**

Leadership and employee satisfaction has been very intricately dealt with by a number of researchers. Innumerable parameters have been studied in various different settings, with a diverse band of respondents. Each study has divulged a distinct story about employee satisfaction and leadership and its impact on employee performance. In a study done in the public and private sectors of the Greek labor market, it was found out that job satisfaction is affected partly by a common set of correlates, such as wages, gender, hours of work, working overtime, and employment status and partly by individual and sector-specific characteristics (Demoussis and Giannakopoulos 2007). In another study done on job satisfaction among school teachers in India, it was found that each and every aspect of the job played a role in job satisfaction: superior's behavior, colleagues' behavior and society, promotion and recognition, students and physical environment, level of occupation, pay, gender, age, marital status and nature of job i.e., government or private (Sharma and Jyoti 2006). It should be noted here that according to the study, behavior of superiors came out as an extrinsic factor leading to job satisfaction and there was a high degree of correlation between boss' behavior and job satisfaction. Another study found positive relationships between a leader's use of motivational language and their perceived effectiveness, their communication competence, and their subordinates' job and communication satisfaction (Sharbrough et al.2008).

Effective leadership and smooth relationship has a positive impact on satisfaction arousing from job; but at the same time friction with leaders or bosses can generate huge quantum of dissatisfaction among the subordinates. The most common factors leading to worker stress and dissatisfaction are those originating from the nature of the job itself, within which interpersonal relationships between employees and supervisors take place (Barnett & Brennan, 1997; Rodwell, Kienzle, & Shadur, 1998). A deterioration of relationships in organizational settings resulting from reduced interpersonal communication between



workers and supervisors negatively influences job satisfaction and sometimes leads to employees leaving their jobs (Korte and Wynne, 1996). Korte and Wynne found a strong relation between supervisor communicator competence and employee communication satisfaction, whereas a moderate relationship was found between supervisor communicator competence and employee job satisfaction.

A study on Nigerian managers in the oil industry revealed that any particular aspect of job satisfaction i.e. satisfaction with present job, pay, promotion, supervision, coworkers, and overall job satisfaction may have significant impact on a manager's overall job satisfaction, and vice versa (Okpara et al 2006). In a study done on the employees of Wal-mart supercentre, it was found that only three variables were significant predictors of job satisfaction: equal treatment of co-workers by boss, sex (females were more satisfied than males) and seeing a future in that job. Research done on recent graduates in financial services, showed that realization of expectation, company support, attitude, relations with fellow workers, pay, and gender were significant determinants of job satisfaction (Devany and Zhan). However, in a research done on academic professionals in tertiary institutions in Zimbabwe it was found that inter-personal relationships, job security, supervision, opportunities for personal development and working experience did not significantly affect job satisfaction (Chimanikire et al 2007).

A lot of work has been done in the arena of leader-member relationship. According to leader-member exchange theory (Dansereau, Graen, and Haga, 1975), leaders develop different relationships with different followers, and thus differentially affect members within their group. It is rightly said that to make teams work effectively, it is essential to make use of the group dynamics in a positive manner. Group dynamics is a function of both individual level traits as well as group traits. To motivate a team, individual goals in the team must be aligned both horizontally (i.e., with other members individual goals), and vertically (i.e., with the team's goals). As Shamir (1990) suggests, individual-level motivational states should be positively related to team-level emergent motivational states so as to enhance the productivity and performance of the team. Team-level performance is quite common in BPOs. Therefore it is important for us to know the functioning and group dynamics at team levels.



There have been several researches done on BPO industry about its challenges, opportunities, HRM systems etc. A study done on its challenges and opportunities disclosed that its middle level managerial challenges mainly pertained to HR, organizing and motivation (Mehta et al. 2006). According to the study, middle-level managers have difficulty retaining good employees, motivating them to put in their best effort, and keeping them happy. Often managers are not trained to work with teams and directing and motivating numerous teams simultaneously is what is most challenging. In another study done on the HRM systems of BPO in India, it was found that employees complain about favoritism by the management towards selected individuals regarding appraisals and promotions (Budhwar et al 2006). According to this study, in such cases boss or the team leader is directly attached when it comes to favoritism. This shows even unjustified goodwill among subordinates can generate feeling of dissatisfaction. Such dissatisfaction from team leaders or bosses possibly forces employees to leave the organization. However, supporting and an encouraging environment driven by team leaders can actually contribute to curbed employee turnover and help them sustain in the organization.

Different researchers have considered different set of variables to study the overall satisfaction level from the job. The most widely accepted variables include pay, promotion, supervision, fringe benefits, nature of work, colleagues, company culture to name a few (Sharon and Zhan 2003, Scott 2005, Shah and Sharma 2006, Chimanikirel et al 2007, Demoussis and Giannakopoulos 2007, Weidmer 2009). After the exhaustive literature review, few aspects pertaining to a team leader were considered for the study. The selection was made because with reference to team leaders in the BPO industry, the employees get to see and react to these traits of the team leader. Our study aimed at assessing the satisfaction derived from these selected aspects of a team leader and its ensuing impact on their willingness to stay in the organization. These aspects included recognition given by the team leader, style of supervision of the team leader, authority given by the team leader, accountability to the team leader, and relationship with the team leader. Recognition meant how often the respondent's work was noticed and praised by the team leader. Style of supervision included the way of monitoring subordinate's job; the extent of independence given to the subordinates and how closely the job was watched. Authority meant the right to take decisions. It assessed how much the subordinate felt

empowered and how often he could take decisions. Accountability to the team leader meant how much the subordinate felt responsible for the tasks assigned to him. And relationship with the team leader meant the kind of connection and relatedness a subordinate felt with his team leader, i.e. whether it was good, neutral or bad.

On the basis of the literature review, a model is proposed which connects satisfaction derived from these selected aspects of a team leader, the resulting level of motivation from it, various demographic variables and the eventual willingness of the employee to continue in the same organization.

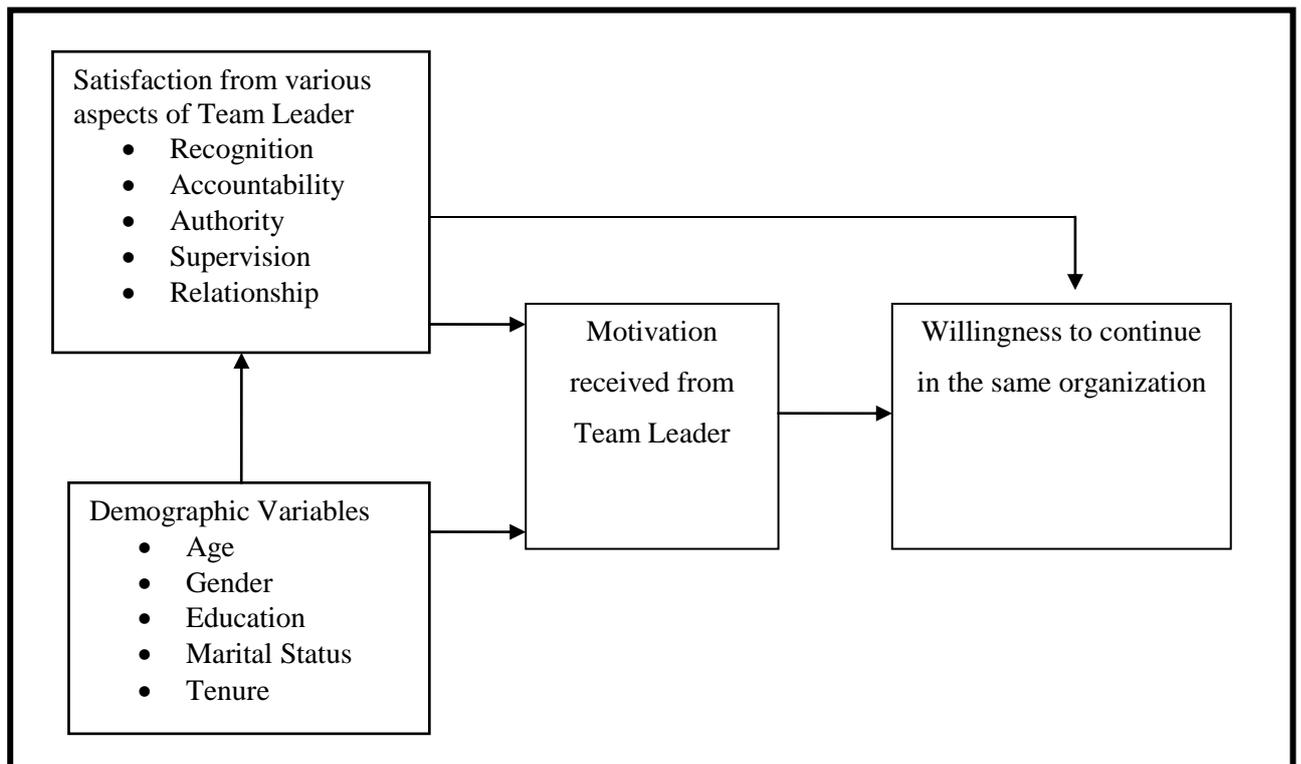


Figure 1. Proposed Model of Retaining Employees in Organizations

Decisions related to employee retention in BPO may be driven by many perspectives. Of all these, our study specifically focuses on how team leaders or immediate bosses can be utilized to aid employee retention. The model proposes the effect of relationship of the employees with the team leader, the association of the demographic characteristics of the employees with their willingness to continue in an organization and the effect of motivation level of the employees on their willingness to continue in the organization. The Indian BPO industry has been explored so as to uncover a few truths about the roles played by team leaders. On the basis of the research questions discussed in the introduction, the following hypotheses have been formulated:



H1: There exists a positive relationship between satisfaction derived from the various aspects of a team leader and the resulting motivation.

H2: There exists a positive relationship between satisfaction derived from the various aspects of a team leader and the willingness of the employee to sustain in an organization.

H3: There exists a positive relationship between motivation received from the team leader and the willingness to sustain in an organization.

H4: There is a difference in satisfaction level from team leader among the various categories of the selected demographic factors like age, gender, education, marital status and tenure.

H5: There is an association of the selected demographic factors and willingness to sustain in the organization with respect to their satisfaction with the team leader.

### **III. METHODS AND PROCEDURES**

#### ***Data Collection***

Data was collected from 399 respondents in various BPOs in NCR. These respondents hailed especially from the lower level and middle level job bands, who report directly to their team leaders or immediate managers (in few cases).

#### ***Instrumentation***

To study the various factors that lead to satisfaction from the team leader and how it affects overall employee satisfaction, a questionnaire was specifically designed. These factors included recognition from the team leader, accountability to the team leader, supervision style of the team leader, accountability and relationship with the team leader. This instrument was also used to measure the correlation between satisfaction from team leader and willingness to stay in an organization. Demographics of the respondents viz., age, gender, marital status, tenure, education, and salary were also gauged using the same questionnaire. The age was boxed in four brackets i.e. 18 to 24, 24 to 28, 28 to 32 and 32 and above. Other than that, marital status included single, married, separated, and divorced as its options. Education was broken down into categories like under graduate, graduate, and post graduate. Tenure was categorized as less than one year, one to three years, three to five years and more than five years. A list of statements was put to measure the satisfaction derived from the various aspects of a team leader as noted above. These statements were rated on a 5-point rating scale ranging from strongly disagree to strongly



agree. The instrument was also utilized to study the relationship between overall employee satisfaction and employee retention.

Variable definitions and measurement from the instrument are presented in Table 1. A review of relevant literature was used to develop measures for variables applied in this study, which was then supplemented and adapted to the study context.

**Table 1. Variable definitions and measurements, N = 399**

Variable name	Details of measures
<b>Willingness to continue in the organization (Dependent Variable)</b>	Willingness to continue in the same organization was based on how motivated the employees felt in the current organization. The level of motivation and satisfaction from the current organization was measured in the variables discussed below. Direct question was put in the instrument to denote the level of willingness to continue in the same organization on a scale of 1 to 5; 5 being highly willing and 1 not at all willing. Average score was 3.70.
<b>Motivation from the team leader</b>	Two factors contributed to the level of motivation among the employees. One was the factors responsible for satisfaction from the team leader and the other was demographic variables like age, gender, marital status, education and tenure. To capture the level of motivation of the employees from the first factor, the respondents were asked how much each of the aspect of the team leader encouraged them to work. The aspects were recognition for work; accountability for work; amount of authority given by team leader; style of supervision of the team leader; and relationship with team leader. Statements were rated on a scale of 1 to 5, where 5 was strongly encourages and 1 was does not encourage at all. The reliability of the scale (cronbach alpha) was 0.891. Average level of motivation was 3.7747. For the second factor, association of the demographic variables with motivation was calculated.
<b>Satisfaction from the team leader</b>	Here also, two factors contributed to the level of satisfaction. One was the aspects of the team leader and the other was the demographic variables. To capture the level of satisfaction of the employees from the various aspects of the team leader, the respondents were asked how much they were satisfied from each of the aspect. The aspects were same as taken above i.e. recognition for work; accountability for work; amount of authority given by team leader; style of supervision of the team leader; and relationship with team leader. Statements were rated on a scale of 1 to 5, where 5 was highly satisfied and 1 was highly dissatisfied. The reliability of the scale (cronbach alpha) was 0.755. Average level of satisfaction was 3.5986. For the second factor, association of the demographic variables with satisfaction was calculated.
<b>Demographic variables</b>	The demographic variables selected for the study were age, gender, marital status, education and tenure. Age was categorized in 4 brackets 18 to 24, 24 to 28, 28 to 32 and 32 and above. Gender had two options male and female. Marital status also had two options married and single. Education was broken down into categories like under graduate, graduate, and post graduate. Tenure was categorized as less than one year, one to three years, three to five years and more than five years.



### Reliability and Validity

The instrument used in the survey was checked for its reliability and validity. Cronbach alpha was calculated to measure the internal consistency reliability of the instrument. The Kaiser-Meyer-Olkin test was done to measure the homogeneity of variables and Bartlett's test of sphericity was done to test for the correlation among the variables used. The cronbach alpha of the instrument came out to be .903 showing high degree of consistency and validity of the instrument. The KMO measure of sampling adequacy of the instrument was .681 and the Bartlett test showed significance of .000, thus showing a high degree of correlation. Table 2 shows the results of the reliability and validity of the instrument.

**Table 2. Reliability and Validity of the Instrument**

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.903	.908	21
KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.681
Bartlett's Test of Sphericity	Approx. Chi-Square	9781.077
	df	210.000
	Sig.	.000

### Data Analysis

Data was analyzed using the Statistical Package for the Social Sciences (SPSS® Version 16.0 for Windows). Descriptive statistics including means and standard deviations were used to summarize the data about demographic profiles, the level of satisfaction and the level of motivation of the respondents. Pearson's correlations were computed to test H1, H2, and H3. Independent t-test and one way ANOVA was done to test H4 i.e. to check for the difference in satisfaction level among the various categories of the selected demographic factors. Chi square test was also done to check the association between the two. Finally, cross tabulations and chi square tests were done to check for the degree of association between selected demographic profiles and their willingness to sustain in the organization with respect to their satisfaction with the team leader i.e. H5.

## IV. DATA AND FINDINGS

The summary of the respondents who participated in the survey is shown in Table 3.



**Table 3: Frequencies of the demographic profiles of the respondents**

AGE		GENDER		EDUCATION		MARITAL STATUS		TENURE	
Age Bracket	%	Gender	%	Education	%	Marital Status	%	Tenure (years)	%
22-25	30.2	Male	45.9	Undergraduate	2.8	Single	75.4	< 1	26.1
26-30	61.1	Female	54.1	Graduate	65.1	Married	24.6	1-3	31.3
31-35	6.0			Post Graduate	32.2			3-5	37.3
>35	2.8							> 5	5.3
Total	100		100		100		100		100

Table 4 shows the mean and standard deviation of the level of satisfaction from the team leader and the level of motivation of the respondents on a scale of 5.

**Table 4: Descriptive Statistics of the level of satisfaction and motivation from team leader**

	Minimum	Maximum	Mean	Std. Deviation
Overall Level of Satisfaction from team leader	1.00	4.86	3.5986	.71301
Overall Level of Motivation from team leader	1.29	4.86	3.7747	.66571

In this study, it was found that the mean level of motivation from the team leader of the employees was slightly higher than the mean level of satisfaction from the team leader. That shows the sample was above average motivated by their team leader. The following findings provide a better understanding of factors driving the willingness to continue in the same organization. The findings are presented hypotheses wise.

*H1: There exists a positive relationship between satisfaction derived from the various aspects of a team leader and the resulting motivation.*

Pearson's correlation was computed for satisfaction derived from each of the aspects of the team leader and its resulting motivation. The results indicate positive correlations between satisfaction and motivation from the various aspects of the Team Leader, thus supporting H1. Relationship with the Team leader topped the chart with a value of 1, thus showing a perfect correlation between satisfaction arising out of the relationship shared with the team leader and subsequent motivation. Authority and Accountability also had relatively strong



correlation. All the correlations were statistically significant at 0.01 level. Table 5 shows the correlations between satisfaction from team leader in each aspect and respective level of motivation.

**Table 5. Correlation between satisfaction from team leader  
in each aspect and respective level of motivation**

Aspects of Team Leader	Correlation
Relationship with team leader	1.00**
Authority given	.885**
Accountability	.754**
Recognition	.510**
Style of Supervision	.265**

\*\* Correlation is significant at the 0.01 level (2-tailed)

*H2: There exists a positive relationship between satisfaction derived from the various aspects of a team leader and the willingness of the employee to sustain in an organization.*

Pearson's correlation was computed for satisfaction derived from the various aspects of a team leader and the willingness of the employee to sustain in an organization. Table 6 shows positive relationship between satisfaction derived from each of the aspect of team leader and willingness to stay in the organization, thus supporting H2. Satisfaction derived from the kind of relationship with the team leader topped the chart with a high degree of positive correlation of .708 followed by a close second which was accountability to the team leader.

**Table 6. Correlation between satisfaction from team leader in each aspect and  
willingness to stay in the organization**

Aspects of Team Leader	Correlation
Relationship with team leader	.708**
Accountability	.656**
Authority given	.521**
Style of Supervision	.180**
Recognition	.127**

\*\* Correlation is significant at the 0.01 level (2-tailed)



H3: There exists a positive relationship between motivation received from the team leader and the willingness to sustain in an organization.

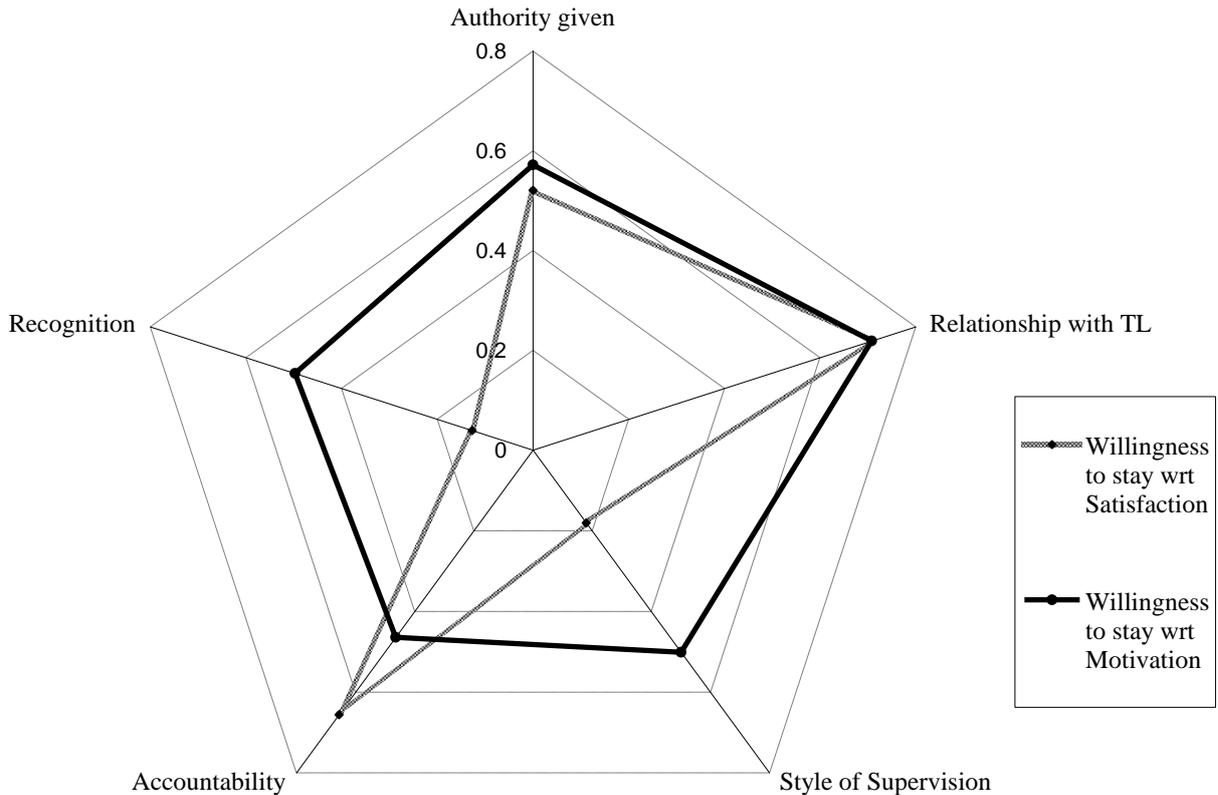
Pearson's correlation was computed for motivation received from the various aspects of a team leader and the willingness of the employee to sustain in an organization. Table 7 shows positive relationship between motivation from each of the aspect of team leader and willingness to stay in the organization, thus supporting H3. Relationship with team leader topped the chart again, with a high degree of positive correlation followed by authority.

**Table 7. Correlation between motivation from team leader in each aspect and willingness to stay in the organization**

Aspects of Team Leader	Correlation
Relationship with team leader	.708**
Authority given	.572**
Style of supervision	.501**
Recognition	.497**
Accountability	.464**

\*\* Correlation is significant at the 0.01 level (2-tailed)

The contribution of satisfaction and motivation from the various aspects of team leader to their willingness to stay in an organization has been graphically presented in Figure 2. Thus to summarize, relationship with team leader was most important in both the categories.



**Figure 2: Graphical representation of the factors contributing to willingness to stay**

*H4: There is a difference in satisfaction level from team leader among the various categories of the selected demographic factors like age, gender, education, marital status and tenure.*

Independent t-test and ANOVA were done to find out the difference in level of satisfaction from team leader among the various categories of the selected demographic variables. Independent t-test was conducted for gender, and marital status as the samples had only two categories i.e. male and female for gender; and single and married for marital status. ANOVA was done for variables like age, education and tenure as the number of categories was more than two in each case.

**Gender:** The mean satisfaction level of female was slightly higher than that of male. Independent Samples t-test was done to compare the variance in the satisfaction level of males and females. The t value was 3.742 and the result was significant at 0.01 level; thus showing that there was difference in variance between the satisfaction level of males and females.



**Table 8(a): Mean level of satisfaction from team leader of males and females**

GENDER	N	Mean	Std. Deviation	Std. Error Mean
Male	183	3.4940	.70703	.05227
Female	216	3.7196	.59771	.04067

**Table 8(b): Independent Samples t-test with respect to gender**

Independent Samples T Test (Gender)									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	10.994	.001	-3.742	397	.000	-.26381	.07049	-.40240	-.12523
Equal variances not assumed			-3.653	330.031	.000	-.26381	.07222	-.40588	-.12174

**Marital Status:** There was a slight difference between the mean satisfaction level of singles and married employees. The former was slightly higher than latter. Independent Samples t-test was done to compare the variance in the satisfaction level of single and married. However, the t value was 1.519; thus showing that there was no significant difference between average satisfaction level of single and married employees.

**Table 9(a): Mean level of satisfaction from team leader of single and married employees**

MARITAL	N	Mean	Std. Deviation	Std. Error Mean
Single	300	3.6286	.64074	.03699
Married	98	3.5027	.89815	.09073



**Table 9(b): Independent Samples t-test with respect to marital status**

Independent Samples T Test (Marital Status)									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	16.490	.000	1.519	396	.130	.12590	.08289	-.03707	.28887
Equal variances not assumed			1.285	130.762	.201	.12590	.09798	-.06793	.31973

**Age:** One way ANOVA was done to check for the variances in satisfaction level from the team leader with respect to age. There were four categories and the satisfaction level was highest for the age bracket of more than 35. It was closely followed by age bracket of 22 to 25 and then 26-30. One way ANOVA was done to compare the variance in the satisfaction level of employees in various age brackets. The f-value 26.341 was statistically significant in this case; thus showing that there was significant difference of average satisfaction level across the various age brackets.

**Table 10 (a) Mean satisfaction level across the age brackets**

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
22-25	120	3.7964	.81555	.07445	3.6490	3.9438	2.14	4.86
26-30	243	3.5849	.49680	.03187	3.5221	3.6476	2.43	4.43
31-35	24	2.7083	.46431	.09478	2.5123	2.9044	2.00	3.00
>35	12	3.2857	.00000	.00000	4.2857	4.2857	4.29	4.29



**Table 10 (b) Anova with respect to age**

ANOVA (Age)					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	28.848	3	9.616	26.341	.000
Within Groups	143.836	394	.365		
Total	172.684	397			

**Education:** Education had three broad categories undergraduate, graduate and post graduate. One way ANOVA was done to check for the variances in satisfaction level from the team leader with respect to it. The satisfaction level was highest for the undergraduates. It was closely followed by post graduates and then graduates. One way ANOVA was done to compare the variance in the satisfaction level of employees in various brackets of education. The f-value 22.698 was statistically significant in this case; thus showing that there was significant difference of average satisfaction level across the various brackets of education.

**Table 10 (a) Mean satisfaction level with respect to education**

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Undergraduate	11	4.2857	.00000	.00000	4.2857	4.2857	4.29	4.29
Graduate	259	3.4374	.74603	.04636	3.3461	3.5287	1.00	4.43
Post Graduate	128	3.8625	.54513	.04818	3.7672	3.9579	3.00	4.86
Total	398	3.5976	.71362	.03577	3.5272	3.6679	1.00	4.86

**Table 10 (b) Anova with respect to education**

ANOVA (Education)					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	20.840	2	10.420	22.698	.000
Within Groups	181.333	395	.459		
Total	202.173	397			

**Tenure:** Tenure of the employees was divided into three categories less than 1, 1 to 3 years, 3 to 5 years, more than 5 years. One way ANOVA was done to check for the variances in



satisfaction level from the team leader with respect to it. The satisfaction level was highest for them whose tenure was less than 1 year age. It was closely followed by the tenure bracket of 1 to 3 years. The f-value 23.693 was statistically significant in this case; thus showing that there was significant difference of average satisfaction level across the various tenure brackets.

**Table 11 (a) Mean satisfaction level with respect to tenure**

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Less than 1 year	104	3.7553	.89354	.08762	3.5815	3.9290	2.14	4.86
1-3	125	3.7017	.51906	.04643	3.6098	3.7936	2.14	4.29
3-5	149	3.4871	.46082	.03775	3.4125	3.5617	2.57	4.14
MORE THAN 5	21	3.0000	1.44914	.31623	2.3404	3.6596	1.00	4.00
Total	399	3.5986	.71301	.03569	3.5284	3.6688	1.00	4.86

**Table 11 (b) Anova with respect to tenure**

ANOVA (Tenure)					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	30.857	3	10.286	23.693	.000
Within Groups	171.477	395	.434		
Total	202.335	398			

*H5: There is an association of the selected demographic factors and willingness to sustain in the organization with respect to their satisfaction with the team leader.*

Cross tabulations were done to test H5 that there was an association between selected demographic profiles and their willingness to sustain in the organization with respect to their satisfaction with the team leader. Table 12 shows the percentage of satisfied and non-satisfied employees with respect to the selected demographic variable and their respective willingness to stay in the organization. Few of the associations were statistically significant and few were insignificant. The association between willingness to stay in the organization and the demographic variables was decided by the level of satisfaction. Dissatisfaction was strongly associated with unwillingness to stay for variables like gender and tenure.



Satisfaction was strongly associated with willingness to stay for variables like age, education and tenure. Most of the results proved that dissatisfaction with the team leader either drove them away from the organization or satisfaction from the team leader made them sustain in the organization. However, one result i.e. 84% of the dissatisfied employees whose tenure was 1-3 years showed their willingness to stay in the organization. The selected cases were further analyzed and it was found that such employees were otherwise satisfied by the company culture and growth prospects of their respective organizations which made them sustain there.

**Table 12: Cross tabulations and Chi square test for each of the selected demographic variables**

		Demographic Variable	Not Willing to stay	Willing to stay	Statistical Significance
<b>GENDER</b>	Dissatisfied	Male	84.6%	15.4%	Pearson Chi Square : 5.762 Asymp. Sig. (2 tailed) : 0.016
		Female	100.0%	0%	
	Satisfied	Male	26.8%	73.2%	Pearson Chi Square : 2.627 Asymp. Sig. (2 tailed) : .105
		Female	19.3%	80.7%	
<b>AGE</b>	Dissatisfied	22-25	88.2%	11.8%	Pearson Chi Square : 1.324 Asymp. Sig. (2 tailed) : 0.516
		26-30	94.6%	5.4%	
		31-35	100%	0%	
		>35	0%	0%	
	Satisfied	22-25	8.7%	91.3%	Pearson Chi Square : 31.136 Asymp. Sig. (2 tailed) : .000
		26-30	32.5%	67.5%	
		31-35	0%	100%	
		>35	0%	100%	
<b>EDUCATION</b>	Dissatisfied	Graduate	93.4%	6.6%	Pearson Chi Square : Asymp. Sig. (2 tailed) :
	Satisfied	Under graduate	0%	100%	Pearson Chi Square : 8.214 Asymp. Sig. (2 tailed) : 0.016
		Graduate	19.2%	80.8%	
		Post Graduate	29.7%	70.3%	
<b>TENURE</b>	Dissatisfied	<1	100%	0%	Pearson Chi Square : 61 Asymp. Sig. (2 tailed) : 0.000
		1-3	16%	84%	
		3-5	100%	0%	
		>5	100%	0%	
	Satisfied	<1	2.2%	97.8%	Pearson Chi Square : 39.414 Asymp. Sig. (2 tailed) : 0.000
		1-3	36.4%	63.6%	
		3-5	27.2%	72.8%	
		>5	0%	100%	



## **V. RESULTS AND IMPLICATIONS**

The results emerging from the findings of the research helped us to establish our proposed model with some improvements. It was evident from the study that team leaders are quite instrumental in retaining employees of an organization. Satisfaction derived from the various aspects of a team leader was positively and significantly related to motivation. Motivation was in turn positively and significantly related to willingness to stay in an organization. The results of the study can be summarized as follows:

**H1:** There was positive correlation between satisfaction derived from each of the aspects of team leader and its respective level of motivation. Satisfaction derived out of the relationship with team leader, authority given by team leader and accountability to team leader had high degree of correlation with its level of motivation. It is well justified that the strength of relationship with one's boss plays an essential role in getting motivated. The more satisfied with your boss, the more motivated you feel. The team leader can also encourage his subordinates by giving him proper authority and empowering him to take vital decisions. This gives the employees a feeling of belongingness and being responsible. Also, the more satisfied an employee is out of his accountability, the more motivated he feels. This is an important trait of the team leader to be able to motivate his subordinates.

**H2:** There was positive correlation between satisfaction derived from each of the aspects of team leader and willingness to stay in the organization. The highest contributing factor was relationship with the team leader, followed by accountability. No wonder, if an employee has a strong relationship with the team leader, and is satisfied with the kind of tuning he has with his boss, he does not feel like moving out of the organization. After all, he reports to him, he performs for him, he follows him. Thus the leadership skills of the team leader greatly influence the retention of the employees. Also, if the employee is satisfied with the kind of accountability to his team leader, he feels comfortable working in his zone and so, shows his willingness to stay in the organization.

**H3:** There was positive correlation between motivation acquired from each of the aspects of the team leader and willingness to stay in the organization. The highest contributing factor was once again the relationship with the team leader, followed by the motivation caused by authority given. A team leader can significantly motivate his subordinates by the kind of relationship he builds with them. Such motivation can make him stay in the company for



long. Secondly, employees get quite motivated if they are given authority by their team leaders. It encourages them to take decisions and gain experience of handling situations. If such motivation is provided in an organization, the employees feel the workplace as a great learning school and thus tend to stay longer and gain experience.

**H4:** The mean satisfaction level from the team leader was higher among females and also had lesser standard deviation than males. The difference in variance was statistically significant too. Single employees showed more satisfaction from their team leaders than married employees. However, this wasn't statistically significant, thus satisfaction does not really depend on the marital status of the employees. The employees whose age was between 22 and 25, who were undergraduates, and had tenure less than 1 year were the most satisfied of all. All three results were statistically significant. These three findings are closely associated with one another and just one fact describes it all. The kind of work environment a BPO provides is generally eyed by youth who are looking for fast money and flashy life style, or who take it as a gap filler job, while looking for some another. The mentioned age bracket represents people who are at the entry level. Therefore they get along well with their team leaders in the initial years of their service and are more satisfied. When undergraduates join BPOs, they do so for getting a handful income. Fast money coupled with a vibrant work culture is what gives them much pleasure in their job. And that is what keeps them satisfied in their initial years.

**H5:** Willingness to stay was closely associated with satisfaction with respect to employees' age, education, and tenure. The finding clearly depicts that employees who are satisfied show high degree of willingness to continue in the same organization. A decent number of employees in the age bracket of 22 to 25 and more than 31, who were satisfied with their team leaders showed high degree of willingness to continue. Approximately 75% of graduate and post graduate employees who were satisfied with their team leaders showed willingness to stay in the same organization. 97.8% of the employees who were just less than one year old in the organization were willing to stay in the organization. Similar results were seen among the ones whose tenure was more than 3 years old. On the other hand, dissatisfaction was a cause for showing unwillingness to continue in the organization, and this was quite prominent as well as statistically significant in case of female employees, and employees who were less than 1 year old and more than 3 years old in the organizations.



100% of female employees who were dissatisfied with their bosses showed unwillingness to stay in the same organization. Similarly 93.4% of dissatisfied graduates had no intention of continuing in the same organization. Surprisingly, 84% of dissatisfied employees who were 1-3 year old in the organization showed willingness to continue. This might have been caused due to other bright prospects like promotions, growth, other policies, company culture etc, for which the employees despite being dissatisfied with their team leaders would like to continue.

It was seen that satisfaction derived from the kind of relationship with the team leader had a perfect correlation with the ensuing level of motivation. Thus, a team leader can actually generate positive reinforcement in his subordinates if his relationship is smooth and encouraging. Moreover, equally strong and positive strong correlation was found between relationship with the team leader and willingness to stay in the company. Thus, considering these two dimensions i.e. relationship with team leader and satisfaction from team leader a matrix can be formed. It needs to be mentioned here again that satisfaction from the team leader also depends on various other factors besides relationship alone. These factors include recognition given by the team leader, authority given by the team leader, style of his supervision, accountability etc. Cross tabulations were done between satisfaction with the team leader and their willingness to stay in an organization with respect to the strength of relationship with him. Based on the results, a matrix has been formed as depicted in Figure 3.

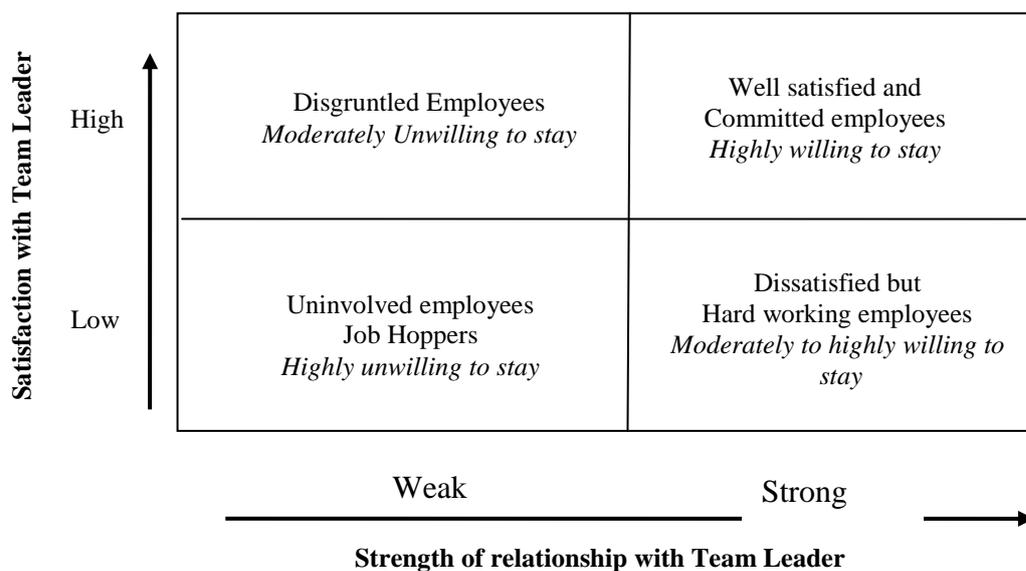


Figure 3. Willingness to stay with respect satisfaction from the team leader and strength of relationship with the team leader



Figure 3 shows the likelihood of willingness to stay in an organization as a result of their relationship with the team leader and satisfaction from him. When the relationship is weak and satisfaction is low, the employees tend to be completely uninvolved in the job and show a high degree of unwillingness to stay. However, in cases when the employee has a weak relationship with his team leader but is satisfied with him for other reasons, he feels disgruntled but shows moderate signs of continuing in the same organization which arises due to other factors like growth prospects, company culture etc. When the relationship with the team leader is pretty high but the satisfaction is low (due to lack of recognition or style of supervision etc.), the employees tend to become a little dissatisfied, yet they keep up the hard work and show moderate signs of continuing in the same organization. However, when the relationship with the team leader is pretty high and the employee is also quite satisfied, it is a case of sheer utopia, where employees show a high degree of willingness to sustain in the same organization.

## **VI. CONCLUSIONS AND FUTURE SCOPE**

Attrition in BPOs has been seen as a major problem. There are many factors that lead to attrition in BPOs as monotonous job, odd working hours, low perceived value, low career growth etc. but not all can be controlled because of the nature of the job. However, factors like company culture, supervision, policies and relationship with boss which cause attrition can be tackled effortlessly. The aim of the research was to specifically investigate the impact of the employee –team leader relationship on employee satisfaction and its consequent effect on employee retention in BPOs.

The study was conducted through a field survey and data was gathered from 399 respondents working in various BPOs across the NCR. Data was statistically analyzed and conclusions were drawn. It was found that there exists a positive correlation between the employee- team leader relationships with the amount of motivation that generates as its consequence. Apart from relationships, it was also found that recognition given by the team leader; the style of his supervision; accountability and authority given by him also play a positive function in enhancing the employees' willingness to stay in the organization. A positive correlation was also found between satisfaction derived from each of the aspects of team leader and its respective level of motivation and willingness to stay in the organization. Significant inferences were also drawn about the association of demographic



variables like age, gender, marital status, education and tenure with the level of satisfaction from the team leader and the willingness to stay in the organization. The mean satisfaction level from the team leader was higher among females and also had lesser standard deviation than males. The employees whose age was between 22 and 25, who were undergraduates, and had tenure less than 1 year were the most satisfied of all. It was found statistically that marital status did not affect the level of satisfaction. Willingness to stay was also closely associated with satisfaction with the team leader with respect to employees' age, education, and tenure. Thus, it was seen that the team leader plays a major role in motivating his subordinates, hence instilling a sense of belongingness and loyalty towards the organization.

It should be noted that the study was conducted in the National Capital Region (NCR) of India. Further research can be conducted by adding a couple of facets to it. The study can be replicated in other sectors where team leaders have a significant role to play. IT industry has close similarities with that of a BPO industry with an equally alarming rate of attrition. Similar study can also be done in sectors like hospitality, infrastructure, retail, education etc. where satisfaction from bosses/ supervisors can be assessed and play a major role in employee performance. Moreover, the dimensions like communication styles, leadership styles, personality traits and attributes, etc. of the leader can be added to evaluate the satisfaction level of the subordinates.

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