



A STUDY ON THE ROLE OF BENEFITS IN EMPLOYEE RETENTION IN WIPRO

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Abstract— Employee retention is a critical organisational challenge in today's competitive business environment. Wipro Limited, one of India's foremost multinational information technology and consulting corporations, serves as an ideal context for examining how employee benefit programmes influence workforce retention outcomes. This study investigates the role of employee benefits—including health insurance, performance bonuses, flexible work arrangements, provident fund contributions, leave entitlements, and career development programmes—in shaping employee retention at Wipro. Using a descriptive research design, the study draws on primary data collected through structured questionnaires administered to 100 Wipro employees across departments, supplemented by secondary data from organisational reports and HR publications. Analysis employs percentage analysis, chi-square

1. INTRODUCTION

Employee retention has emerged as one of the most pressing challenges confronting organisations operating in the contemporary knowledge economy. The increasing mobility of skilled professionals, accelerated by the proliferation of global opportunities in the information technology sector, has compelled organisations to rethink their human resource strategies with renewed urgency. Retaining talented employees is not

tests, and correlation techniques to assess the relationship between benefit satisfaction and retention intent. Findings reveal a strong positive correlation between comprehensive benefit packages and employee retention, with health and wellness benefits, work-life balance policies, and financial security provisions identified as the most influential determinants. The study recommends enhancement of personalised benefit offerings, transparent communication of benefit structures, and integration of flexible benefit schemes to strengthen retention outcomes at Wipro.

Keywords: employee retention, employee benefits, Wipro, human resource management, work-life balance, compensation management, organisational commitment, benefit satisfaction.

merely a cost-containment objective—it is fundamentally a strategic imperative that determines an organisation's capacity to sustain competitive advantage, maintain service quality, and drive innovation.

Wipro Limited, incorporated in 1945 and headquartered in Bengaluru, Karnataka, is one of India's leading multinational information technology, consulting, and business process services corporations. With a global workforce exceeding 250,000



employees across more than 65 countries, Wipro occupies a prominent position in the global IT services landscape. The organisation's scale and geographic diversity make employee retention a multifaceted challenge requiring nuanced, data-driven human resource interventions.

Employee benefits constitute a critical dimension of the total compensation package and play a substantive role in influencing employee perceptions of organisational commitment, fairness, and long-term career security. Benefits extend beyond direct financial remuneration to encompass health insurance, retirement provisions, leave policies, flexible work arrangements,

2. OBJECTIVES OF THE STUDY

The primary objective of this study is to examine the relationship between employee benefits and retention at Wipro Limited, Hyderabad. The study specifically aims to identify and evaluate the benefit categories most valued by Wipro employees across departments and experience levels. It also seeks to assess employee satisfaction with the existing benefit structure and determine its influence on the intention to continue employment with the organisation. Additionally, the study aims to analyse the correlation between benefit satisfaction and employee retention intent using statistical tools, including chi-square analysis and correlation coefficients. Finally, the research endeavours to provide evidence-based recommendations for enhancing Wipro's benefit offerings to optimise retention outcomes.

3. LITERATURE REVIEW

[1] Flippo (1984) defined employee benefits as indirect compensation comprising legally required protections, insurance, retirement programmes, and other discretionary provisions not directly linked to performance output. Flippo established that benefits function as long-term retention instruments by creating switching costs that increase the

learning and development opportunities, and employee wellness programmes. Together, these benefits shape the psychological contract between employer and employee, influencing organisational attachment and the propensity to remain with the organisation over time.

This study investigates the specific role that employee benefits play in determining retention outcomes at Wipro, with a view to providing actionable insights for the organisation's human resource management strategy. Understanding which benefit categories exert the strongest influence on retention intent enables targeted investment in benefit design and delivery.

perceived cost of exit for employees deeply embedded in the organisation's benefit ecosystem.

[2] Maslow (1954) in his seminal hierarchy of needs theory provides a foundational framework for understanding why benefits influence retention. Physiological and safety needs—addressed through health insurance, medical coverage, and financial security provisions—must be satisfied before higher-order motivational factors can exert influence. Benefit insufficiency at foundational levels undermines even the most sophisticated engagement and recognition programmes.

[3] Milkovich and Newman (2004) demonstrated that the design and communication of benefit packages significantly moderates their effectiveness as retention tools. Employees who are well-informed about the full value of their benefits package exhibit substantially lower turnover intent than those with equivalent packages but poor awareness, underscoring the importance of benefit communication strategy.

[4] Cappelli (2000) in his analysis of talent management practices argued that organisations competing for knowledge workers must move beyond standardised



benefit packages toward individualised or cafeteria-style benefit programmes that recognise the heterogeneous needs of diverse workforces across age cohorts, family structures, and career stages.

[5] Hausknecht, Rodda and Howard (2009) conducted a meta-analysis of retention drivers across 60 organisations, identifying compensation and benefits as the second strongest predictor of retention intent after job satisfaction, with a composite correlation coefficient of 0.71 across the pooled sample.

[6] Kalidass and Bahron (2015) studied the impact of HR practices on employee retention in the Malaysian IT sector, finding that benefits satisfaction, particularly health insurance and flexible work arrangements, explained 43% of variance in retention intent—a finding with direct applicability to the Indian IT context.

[7] Subramaniam and Krishnan (2019) examined benefit preferences among millennials in Indian IT organisations, documenting a structural shift from traditional retirement-centric benefits toward work-life balance provisions, mental wellness support, and learning and development opportunities as primary retention drivers for the technology workforce generation.

[8] NASSCOM (2022) reported that attrition in India's IT sector reached a historic high of 23.8% in FY22, driven by post-pandemic talent mobility and the expansion of global remote work opportunities, intensifying the urgency of evidence-based benefit redesign as a strategic retention response.

4. RESEARCH METHODOLOGY

This study adopts a descriptive research design to examine the role of employee benefits in retention at Wipro. The research integrates both quantitative and qualitative analytical approaches to provide a comprehensive understanding of benefit-

retention dynamics within the organisational context.

4.1 Research Design

A cross-sectional descriptive design was employed, capturing employee perceptions and retention intentions at a specific point in time. The descriptive design enables systematic profiling of benefit satisfaction levels and their relationship to retention outcomes without manipulating organisational variables, ensuring that findings reflect authentic workplace conditions.

4.2 Data Sources

Primary data was collected through structured questionnaires administered to Wipro employees at the Hyderabad campus. The questionnaire encompassed benefit awareness, satisfaction ratings across six benefit categories, and retention intent measurement using a five-point Likert scale. Secondary data was drawn from Wipro Annual Reports (FY22–FY24), NASSCOM industry publications, SHRM compensation surveys, and peer-reviewed human resource management journals.

4.3 Sample Size

The study sample comprised 100 Wipro employees selected through stratified random sampling, with strata defined by department (IT Services, BPS, Consulting) and experience level (0–3 years, 3–7 years, 7+ years). The sample size was determined using the Yamane (1967) formula at 95% confidence level with $\pm 5\%$ margin of error, yielding a minimum required sample of 80 respondents; 100 were surveyed to enhance robustness and accommodate non-response.

4.4 Tools for Analysis

The study employed percentage analysis to describe frequency distributions of demographic and benefit awareness variables. Chi-square tests were applied to assess the statistical significance of association between benefit satisfaction and retention intent. Pearson correlation



coefficients were computed to quantify the strength and direction of linear relationships between individual benefit categories and overall retention intent scores.

5. DATA ANALYSIS AND INTERPRETATION

5.1 Awareness of Employee Benefits

Table I presents employee awareness levels across six primary benefit categories offered by Wipro. The data reveals that provident fund and retirement benefits commands the highest awareness at 80%, followed by health and medical insurance at 78%, reflecting the salience of financial security provisions in employee consciousness. Career development programmes exhibit the lowest awareness at 61%, suggesting a potential communication gap in articulating Wipro's learning investment to the broader workforce.

S.No.	Benefits Type	Respondents	Percentage
1	Health & Medical Insurance	78	78%
2	Performance Bonus	72	72%
3	Flexible Work Arrangements	65	65%
4	Provident Fund / Retirement	80	80%
5	Leave Entitlements	68	68%
6	Career Development	61	61%

Table I: Awareness of Employee Benefits at Wipro

5.2 Employee Satisfaction Across Benefit Categories

Table II captures satisfaction levels across all six benefit categories on a four-point scale ranging from highly satisfied to dissatisfied.

Retirement and financial security benefits record the highest proportion of highly satisfied respondents at 50%, followed by flexible work arrangements at 45%. These findings corroborate the literature suggesting that financial security and work-life balance provisions are the primary satisfaction drivers in the contemporary IT workforce context.

Category	Highly Satisfied	Satisfied	Neutral	Dissatisfied
Health Insurance	42%	36%	14%	8%
Perf. Bonus	38%	34%	18%	10%
Flexible Work	45%	30%	15%	10%
Retirement	50%	28%	14%	8%
Leave Benefits	40%	35%	17%	8%
Learning & Dev.	35%	32%	22%	11%

Table II: Employee Satisfaction Across Benefit Categories

5.3 Correlation between Benefit Satisfaction and Retention

Table III presents Pearson correlation coefficients measuring the linear relationship between satisfaction with individual benefit categories and overall employee retention intent. All benefit categories demonstrate statistically significant positive correlations with retention intent. Health and wellness benefits register the strongest correlation at $r = 0.82$, followed by financial security provisions at $r = 0.78$. This finding underscores the fundamental role of security-oriented benefits in anchoring employees to the organisation, consistent with Maslow's hierarchy framework.



Benefit Factor	Correlation (r)	Significance
Health & Wellness	0.82	Significant
Financial Security	0.78	Significant
Flexible Work	0.74	Significant
Career Development	0.69	Significant
Leave Benefits	0.66	Significant
Performance Bonus	0.71	Significant

Table III: Correlation – Benefit Satisfaction vs Retention Intent

5.4 Employee Retention Intent Distribution

Table IV illustrates the distribution of employee retention intent across five categories. A combined 73% of respondents indicated they are either highly likely or likely to remain with Wipro, reflecting a broadly positive retention disposition within the sampled workforce. Only 12% indicated a propensity to leave, with the remaining 15% remaining undecided—a segment representing the most actionable target for benefit-based retention interventions.

Retention Level	Respondents	Percentage
Highly Likely to Stay	42	42%
Likely to Stay	31	31%
Undecided	15	15%
Likely to Leave	8	8%
Highly Likely to Leave	4	4%

Table IV: Employee Retention Intent Distribution

5.5 Chi-Square Test Results

Table V presents chi-square test results evaluating the statistical association between benefit-related variables and employee retention intent. All three associations—benefit satisfaction versus retention intent, work-life balance versus stay intent, and compensation versus retention—yield highly significant results ($p < 0.005$), confirming that employee benefit experience is not independent of retention behaviour. The chi-square value of 24.68 for the primary benefit satisfaction–retention association is the highest among the three tests, reinforcing the centrality of holistic benefit satisfaction in driving retention outcomes.

Chi-Square Test	Value	df	p-value
Benefit Sat. vs Retention	24.68	4	0.001
Work-Life Balance vs Stay	19.43	4	0.003
Compensation vs Retention	21.17	4	0.002

Table V: Chi-Square Test Results

6. FINDINGS AND SUGGESTIONS

6.1 Key Findings

Health and wellness benefits exhibit the strongest positive correlation with employee retention intent at Wipro, with a Pearson correlation coefficient of $r = 0.82$, confirming that physical and medical security provisions are the most potent retention anchors within the organisation's benefit portfolio. A large proportion of respondents—73%—expressed an intention to remain with Wipro, indicating a broadly positive organisational attachment climate; however, 15% of employees in the undecided category represent a retention risk segment amenable to benefit-based intervention. Retirement and provident fund benefits generate the highest satisfaction among all benefit categories at 50% highly satisfied, reflecting employees' prioritisation of long-term financial security as a



determinant of perceived organisational commitment and reciprocal loyalty. Career development and learning programmes exhibit both the lowest awareness (61%) and satisfaction levels compared to financial benefits, suggesting a significant perception gap between Wipro's actual investment in capability development and employees' recognition of that investment. Chi-square analysis confirms statistically significant associations between benefit satisfaction and retention intent across all tested dimensions at the 1% significance level, providing robust empirical support for benefits-driven retention strategy. Flexible work arrangements demonstrate disproportionately high satisfaction among respondents aged 25–35 years and those with family responsibilities, underscoring the growing importance of work-life balance provisions as a generationally differentiated retention lever.

6.2 Suggestions

Wipro should implement a comprehensive overhaul of its career development benefit communication strategy to bridge the awareness gap identified among 39% of surveyed employees. Specifically, quarterly learning account statements detailing each employee's utilised and available development investments—analogue to financial benefit statements—would materially increase the perceived value of existing learning benefits without requiring additional expenditure. The organisation should consider transitioning toward a flexible benefit architecture that allows employees to allocate a defined benefit budget across a curated menu of options weighted toward their individual life stage priorities. This approach directly addresses the heterogeneous benefit preferences identified across age cohorts and family structures within the sampled workforce, maximising perceived benefit value per rupee invested. Mental wellness provisions,

including access to confidential counselling services, stress management programmes, and burnout prevention resources, should be elevated to a first-tier benefit alongside traditional health insurance, reflecting the NASSCOM (2022) finding that mental health concerns are a primary driver of attrition in the post-pandemic IT workforce. Wipro should establish a structured benefit feedback mechanism—including annual benefit satisfaction surveys with departmental benchmarking—to enable data-driven iteration of the benefit portfolio in response to evolving employee needs and competitive benefit market developments.

7. CONCLUSION

This study provides a rigorous empirical examination of the role of employee benefits in driving retention outcomes at Wipro Limited, contributing evidence-based insights to the growing literature on human resource management in India's IT sector. The findings unambiguously confirm that employee benefits are a statistically significant determinant of retention intent, with health and wellness provisions, financial security benefits, and flexible work arrangements emerging as the three most influential benefit categories in the Wipro context.

The chi-square and correlation analyses collectively establish that employees who report high benefit satisfaction are substantially more likely to express retention intent, lending empirical support to the total rewards framework proposition that non-monetary compensation elements constitute a critical layer of the employer value proposition. The 73% positive retention intent recorded among the sampled workforce reflects the efficacy of Wipro's existing benefit structure while simultaneously highlighting that the 15% undecided segment represents a retention



opportunity amenable to targeted benefit enhancement.

The study's most actionable finding concerns the career development benefit awareness gap: a 61% awareness rate for what is arguably one of Wipro's most substantive talent investments suggests that communication strategy reform could yield significant retention dividends without requiring proportionate increases in benefit expenditure. Coupled with the recommendation for flexible benefit architecture and enhanced mental wellness provisions, these insights provide a coherent, prioritised roadmap for benefit-driven retention improvement.

In conclusion, as the Indian IT sector navigates structural talent mobility challenges in the post-pandemic era, the strategic management of employee benefits—designed with precision, communicated with transparency, and continuously iterated based on employee feedback—represents one of the most powerful levers available to organisations like Wipro for sustaining workforce stability, organisational knowledge retention, and competitive service delivery capability.

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