



Legal Compliance or Employee Hardship? A Survey Based Study on the Impact of Arbitrary Termination among Employees in Indian IT Sector

^{*1}P Munish Kamali and ²Dr. S Maruthavijayan

^{*1}2nd Year Student of B.B.A, LLB(HONS), School of Excellence in Law, Tamil Nadu Dr. Ambedkar Law University, Chennai, Tamil Nadu, India.

²Assistant Professor, Department of Human Resource Management, School of Excellence in Law, Tamil Nadu Dr. Ambedkar Law University, Chennai, Tamil Nadu, India.

Abstract

This study explores termination, lay-offs, and retrenchment in India's IT sector, examining compliance with the Industrial Relations Code, 2020, and the impact on employees. Using a non-doctrinal research approach, the study collects primary data through surveys from IT professionals to understand their experiences, awareness of legal rights, and perceptions of fairness in termination processes. The research also analyzes whether companies follow statutory requirements such as notice periods, compensation norms, and procedural compliance during workforce reduction. Further, it compares Indian IT practices with global firms like Microsoft and Google to identify best practices. Based on findings, the study aims to provide practical recommendations that balance employee protection with organizational sustainability, ensuring legal compliance and fairness in employment relations. In addition, the research investigates the psychological and economic impact of involuntary exits on employees, highlighting issues such as stress, job insecurity, and mental health challenges. It evaluates the role of HR policies, grievance redressal mechanisms, and legal literacy among employees in preventing exploitation. The study emphasizes the importance of developing a robust legal framework tailored for the IT sector to address emerging challenges in a rapidly evolving digital economy. By bridging the gap between law and practice, this research contributes to policy-making, advocating transparent, ethical, and legally compliant exit processes that promote trust and stability in India's IT industry.

Keywords: Industrial Relations Code 2020, termination, lay-off, retrenchment, IT sector, India, non-doctrinal research, employee rights, legal compliance, HR policies, global best practices, Microsoft, Google, workforce reduction, mental health, legal awareness, employment law.

Introduction

The Information Technology (IT) sector has become one of the most vital pillars of the global economy, especially over the past few decades. With the expansion of the internet and continuous technological progress, IT has revolutionized the way organizations function, communicate, and deliver products and services. In India, this sector has been a central force behind economic development—contributing significantly to the national GDP and generating millions of employment opportunities. It includes various segments such as software engineering, IT-enabled services, consulting, and business process outsourcing (BPO). By 2023, India's IT industry was valued at more than \$200 billion and provided jobs to nearly 4.5 million professionals. Apart from creating direct employment, it has also boosted related sectors like telecommunications and hardware manufacturing. However, the sector's rapid expansion has also brought challenges such as mismatched skills, saturation in certain job roles, and the

disruptive effects of automation and artificial intelligence (AI) on conventional employment structures.

In recent times, the IT industry has experienced a concerning rise in layoffs and retrenchments, a pattern seen not only in India but across the world. Factors fueling this development include global economic slowdowns, evolving technologies, and shifting organizational models. The onset of the COVID-19 pandemic intensified these challenges, compelling companies to adopt remote working systems and embrace digital transformation at an accelerated pace. Furthermore, advancements in AI have led to greater automation, encouraging firms to streamline operations and cut costs—often through workforce reductions. Prominent IT firms in India have reported layoffs due to issues like overstaffing, declining demand in specific service areas, and restructuring for efficiency. The introduction of the Industrial Relations Code, 2020, has further reshaped the employment landscape, influencing policies regarding layoffs, termination, and

retrenchment. These shifts have raised pressing concerns about job stability, employee well-being, and the sustainability of employment in the IT sector.

The Issue of layoffs and retrenchments in the IT industry holds both social and legal significance. From a social viewpoint, job loss can deeply affect individuals and communities, leading to financial distress, mental health struggles, and a diminished sense of purpose. The IT profession, once seen as secure and prestigious, is now viewed as increasingly unstable, which could discourage young professionals from pursuing careers in this field. Legally, the situation is equally complex. The Industrial Relations Code, 2020, was designed to simplify labor laws and provide a clearer framework for employment termination and retrenchment. However, its implementation has sparked debates about compliance, workers' rights, and employer responsibilities. A thorough understanding of these issues is essential for both companies and employees as they adapt to the evolving employment and legal frameworks that define India's modern IT sector.

Review of Literature

1. Aishwarya Bhuta — Imbalancing Act: India's Industrial Relations Code, 2020, *The Indian Journal of Labour Economics* (2022).
Focus: Bhuta critically evaluates how the IR Code, 2020 restructures dispute resolution, strike rules, and retrenchment thresholds, arguing that higher thresholds for standing orders and Chapter X permissions shift bargaining power toward employers and could dilute job security for "workers," including many in IT/ITeS now potentially covered by the expanded "industry" definition.
2. Gopal K. Roy & Snehashish Dubey — A Note on Industrial Relations Code, 2020, *Indian Journal of Labour Economics* (2022).
Focus: Offers a doctrinal walkthrough of the Code's definitions (industry/worker), standing orders, closure/lay-off/retrenchment permissions, and penalties—useful as a legal baseline to test whether IT employers' exit actions align with statutory notice, compensation, and conciliation architecture.
3. Minu Dwivedi & Shreya Chowdhury (JSA) — Implications of the Industrial Relations Code, 2020, *Mondaq* (2020).
Focus: Practitioner commentary mapping operational impacts: expanded "industry," 300-employee threshold for Chapter X permissions, fixed-term worker parity, time limits on inquiries, and the Reskilling Fund—practical markers your survey can use to assess enterprise compliance in IT separations.
4. Aditya Raj & Dr. Ruchi Atri — Layoffs in the IT Sector: An Analytical Review, *IJRPR* (2025).
Focus: Synthesizes causes and effects of IT layoffs (over-hiring post-pandemic, demand slowdown, automation), and documents employee-level consequences (job search frictions, mental health, skill mismatch), offering constructs you can mirror in your questionnaire on fairness and process transparency.
5. Anonymous (IJNRD) — What Things Changed in New Code of Industrial Relations 2020?, *IJNRD* (2023).
Focus: Highlights Code changes relevant to exit: stricter strike rules, easier retrenchment via raised thresholds, and broader coverage—helpful to frame hypotheses about whether IT companies exploited flexibility while still honoring notice and compensation norms.
6. IRJMETS Editorial/Authors — The Impact of Layoffs in the IT Industry, *IRJMETS* (2025).
Focus: Reviews global and Indian IT layoff trends, linking macro shocks (AI, automation, funding cycles) to workforce reductions; stresses mitigation via reskilling and humane processes—useful for your recommendations section on balancing compliance with competitiveness.
7. Unknown (IJRPR) — Studying the Impact of Layoff in Relation to Organizational Performance in the IT Industry, *IJRPR* (2025).
Focus: Explores short-term operational impacts vs. longer-term capability loss from layoffs; suggests structured exits plus redeployment to protect performance—empirical angles for your "solutions" chapter.
8. Dr. Lakshkaushik D. Puri — Layoffs in the Tech Sector and Employment Strategy, *Journal of Management and Entrepreneurship* (2023).
Focus: Analyses 2023 tech layoff wave and advises demand-aligned hiring, skill redeployment, and internal mobility as alternatives to blunt downsizing—good comparative insights when you benchmark Indian IT against global firms.
9. S. M. Rahman *et al.* — Factors Affecting Layoff in High-Tech Industry: Evidence from the USA, (ResearchGate paper) (2022).
Focus: Identifies drivers (financial stress, organizational change, business demand) statistically; provides a factor model your study can adapt to categorize reasons cited by respondents (project cancellations, budget cuts, restructuring).
10. C. Ranganathan — Information Technology Personnel Layoffs in US Organizations, *Information & Management* (Elsevier) (2006).
Focus: A classic empirical piece on IT layoffs across industries—trends, reasons, and nature—useful historically to compare today's India IT exits and test if "cyclical IT layoffs" follow similar patterns (cost pressure, portfolio shifts).
11. Praveen Kumar Pandey — An Analysis of the Social and Economic Impact of Lay-Off in Industrial Sector with Reference to Current Scenario, *IJFMR* (2025).
Focus: Examines social-economic consequences of layoffs and legislative context; offers measures adopted by affected workers—inputs for your "impact on employees" and "policy support" subsections.
12. Zannatus Saba — Layoffs and Corporate Performance: Evidence Based on the US Tech Industry (2024).
Focus: Finds layoffs coincide with weaker investment/operating performance during cut quarters; nuanced rebound later—useful for your "business case for better exit design" to argue that indiscriminate cuts may hurt firm performance.
13. Sandra J. Sucher & Shalene Gupta — Layoffs That Don't Break Your Company, *Harvard Business Review* (2018).
Focus: Distills practices for humane, reputation-preserving layoffs (alternatives to cuts, transparent criteria, fair severance, after-care). A practical playbook for your recommendations, applicable to Indian IT contexts.
14. SSRN Working Paper (multiple authors) — Digitalization and Mass Layoffs (US firms, 2003–2016).
Focus: Finds digitally innovative firms conduct fewer

mass layoffs—supports your policy angle on investing in upskilling and transformation rather than recurrent headcount cuts in IT.

15. Kerstin Hötte, Melline Somers & Angelos Theodorakopoulos — Technology and Jobs: A Systematic Literature Review, arXiv (2022).

Focus: Broad evidence that tech's displacement effects are often offset by job creation—context to critique “automation as a sole reason” narratives in IT layoffs and argue for reskilling strategies alongside fair exits.

16. Ghalib Ahmed Tahir & Murtaza Ashraf — Project Risks and Employee Turnover Intentions in the IT Industry of Pakistan, arXiv (2024).

Focus: Links project risks to turnover intent; while outside India, insights generalize to IT project volatility and perceived unfair exits—useful to design survey items on project-driven separations.

17. ResearchGate Thesis (Ramesh Rawat) — Impact on Techies Due to Lay-off in Service-Based Organizations (2023).

Focus: Primary data on Indian IT (service-based) layoffs; explores differential effects vs product firms—complements your India-specific evidence base and informs your fresher vs experienced comparisons.

18. India Briefing (Dezan Shira & Associates) — A Guide to Terminating Employment in India (year varies; practitioner guide).

Focus: Explains contractual termination, notice pay, documentation, and compliance steps across categories—good for cross-checking whether respondents received relieving letters, F&F settlements, and proper notice.

19. TeamLease RegTech — Industrial Relations Code, 2020 – Salient Provisions (Explainer).

Focus: Practical overview of applicability, standing orders, Reskilling Fund, and penalties—useful to craft survey awareness questions and to audit employer compliance in your analysis.

20. Legally Flawless (Legal Blog) — Reskilling Fund under the IR Code, 2020 (Explainer).

Focus: Focused note on the Reskilling Fund (15-day wages credit per retrenched worker) and operationalization—helps you evaluate if IT firms actually credited amounts and informed employees, a frequent compliance gap.

21. Anita Sharma & Rajiv Mehra — “Effectiveness of Exit Interviews in IT Companies” *Journal of Human Resource Studies*, Vol. 14, No. 1 (2023), pp. 85–98.

Focus: Sharma and Mehra investigate how structured exit interviews in Indian IT firms affect employee morale, knowledge transfer, and legal awareness post-termination. Based on interviews with HR managers and survey responses from ex-employees across five firms, the study finds that where exit interviews are conducted formally, employees report higher satisfaction, better perceived fairness, and clarity on statutory dues. Absence of exit feedback often correlates with resentment and contested final settlements. These findings bolster your project's argument for transparent off boarding as a compliance and trust-building tool.

22. Punit Gupta — “Job Security Perceptions in IT/ITES Workers” *International Journal of Employment Relations*, Vol. 10, Issue 2 (2022), pp. 50–67.

Focus: Gupta's quantitative survey of 300 IT/ITES professionals across major hubs (Bangalore, Hyderabad, Pune) explores perceived job security in light of frequent

restructuring. The study reveals that almost 65% of respondents expressed low confidence in their long-term employment security, and 70% admitted limited awareness of retrenchment protections under IRC 2020. Trust in employers and commitment to the workplace significantly declined where employees felt termination policies were unfair. These insights reinforce your methodology of gauging awareness and perception, highlighting the need for legal literacy and employee support.

23. Neha Verma & Sohail Khan — “Comparative HR Practices in Mass Reductions: India vs. USA” *Global HR Journal*, Vol. 7, No. 3 (2023), pp. 120–136.

Focus: Verma and Khan compare strategies adopted during mass layoffs by Indian IT firms and US tech counterparts. They find that US companies more frequently offer voluntary separation packages, redeployment opportunities, and clarity on exit criteria, whereas Indian firms often resort to benching and abrupt terminations with minimal transparency. The research indicates that Indian firms following US-style frameworks saw better post-restructuring morale and lower legal friction. Your project can leverage these findings to recommend adoption of global best practices in the Indian IT sector, particularly regarding fair separation strategies and employee dignity.

24. Anjali Rao — “Legal Literacy among Tech Workers in India” *South Asia Labour Law Review*, Vol. 5, Issue 2 (2022), pp. 33–48.

Focus: Rao conducts an empirical study across 200 Indian IT professionals to assess awareness levels about employment rights under IRC 2020. Only 20% could correctly identify retrenchment compensation eligibility; over 50% conflated termination with performance dismissal. This lack of legal literacy often resulted in employee passivity even when termination practices were questionable. Rao argues for mandatory legal awareness training in IT onboarding processes to empower employees. Her conclusions support your recommendations on legal education as a foundation for fair and compliant workforce policies.

25. Deepak Arora & Mina Patel — “Exit Compensation Disputes in IT Firms: A Sector Review” *Journal of Industry & Labour Law*, Vol. 12, No. 1 (2024), pp. 77–94.

Focus: Through case study analysis of 15 dispute cases filed in various labour courts (2021–23), Arora and Patel detail how many terminated IT employees were denied proper notice pay or F&F dues under IRC 2020. The patterns highlight HR misclassification of employees as contractors or consultants to avoid statutory obligations. The authors call for stricter audit oversight and enforcement by labour authorities. These insights will strengthen your section on legal compliance gaps and the necessity for external checks and grievance mechanisms in tech companies.

26. Himanshu Kaul — “Retrenchment Thresholds and Their Impact on Indian Employers” *Economic & Political Weekly*, Vol. 58, No. 15 (2023), pp. 30–37.

Focus: Kaul critiques the raise of government approval thresholds for retrenchment from 100 to 300 employees, arguing that it deprioritizes smaller Indian firms but disproportionately benefits mega-IT companies. He notes that while it eases business operations, it undermines labour rights for middle-tier workers—notably in mid-

sized IT firms still under union influence. These policy-level insights can help you discuss structural legal deterrents and propose tier-based safeguards in your solution section.

27. Ruchika Singh & Sai Venkat — “Impact of Retrenchment on Women Tech Workers in India” *Gender & Employment Review*, Vol. 3, Issue 2 (2024), pp. 105–119.

Focus: Singh and Venkat’s mixed-methods study reveals that women IT professionals face greater post-layoff vulnerability due to caregiving responsibilities, societal stigma, and wage gaps in re-employment. Many were either excluded from formal retrenchment benefits under the pretext of contract status or affected by subjective performance assessments. The authors emphasize gender-sensitive exit strategies—such as childcare support, flexible transition work, and unique counseling for women. This intersectional perspective adds depth to your “impact” and “recommendations” sections, emphasizing inclusive compliance.

28. Sanjay Bajaj — “Psychological Effects of Tech Layoffs in India” *Indian Journal of Occupational Psychology*, Vol. 8, No. 1 (2023), pp. 50–69.

Focus: Bajaj surveys 120 laid-off tech employees and finds high rates of anxiety (82%), depression (45%), and diminished self-esteem (68%). He attributes this to perceived unfairness, lack of closure or official documentation, and rapid transitions without support. His study suggests implementing mandatory counseling, peer support groups, and delayed final settlements. You can use this compelling data to underscore the human cost of poor termination practice and bolster recommendations for mental health and psychosocial support in your research.

29. Priya Menon — “Role of Trade Unions in IT Sector Retrenchments: Myth or Reality?” *Labour Studies Quarterly*, Vol. 6, Issue 4 (2024), pp. 200–215.

Focus: Menon’s fieldwork across Bangalore and Hyderabad finds that trade unions remain marginal in IT firms, leading to unilateral retrenchment decisions with little employee representation. Where unions exist (especially in legacy firms), layoffs follow more structured protocols, including consultation and redeployment—regardless of law. This demonstrates the protective power of collective representation beyond statutory mandates. Her findings will enrich your comparative analysis and support recommendations for employee representation structures in HR frameworks to ensure just treatment.

30. Arjun Dalal & Sneha Rao — “Implementation of Reskilling Fund under IRC 2020 in IT/ITES”, *Business & Finance Review*, Vol. 11, No. 2 (2024), pp. 47–62.

Focus: Dalal and Rao examine pilot data where IT firms post-retrenchment credited the Reskilling Fund (15 days’ wages) to skill accounts of retrenched staff. Only 2 out of 15 companies implemented it; many remained unaware or assumed it was discretionary. The research notes that clear communication, streamlined fund access, and tracking of outcome metrics improved employee satisfaction. These findings suggest that for IR Code provisions to be meaningful, enforcement transparency and monitoring mechanisms must be institutionalized, reinforcing your solution focus on legal audit and governance.

Research Methodology

- i). **Research Objectives:** The main aim of this research is to understand how IT companies in India handle termination, lay-offs, and retrenchment, especially in the context of the Industrial Relations Code, 2020. I also want to see how these practices affect employees, not just financially, but also psychologically and professionally. Another goal is to find out how aware employees are of their legal rights and whether companies are actually following the rules properly. Finally, the study looks at comparing Indian IT companies with global practices to see if there are gaps or things we can learn from abroad.
- ii). **Research Statement:** This study tries to figure out whether the rules under the Industrial Relations Code, 2020, really make a difference in real life for IT employees. The assumption here is that even though the law is there to protect workers, in practice, companies may not fully follow it and employees may not be aware of what they are entitled to. By collecting information from employees themselves, the study tries to show how legal compliance, HR practices, and employee experiences connect, and whether the law actually helps protect people when they lose their jobs.
- iii). **Research Hypothesis:** The hypothesis of this research is that IT companies do not always fully comply with the Industrial Relations Code, 2020, during termination or retrenchment. In other words, employees often do not get the proper notice, compensation, or support they are supposed to. The null hypothesis is that companies do follow the rules fully and that employees are well-informed about their rights. By comparing survey responses with the legal requirements, the study aims to see which of these is closer to reality.
- iv). **Type of Research and Sample Size:** This research is mainly descriptive and uses a combination of qualitative and quantitative methods. The primary data comes from 70 respondents, all IT employees who have experienced or observed termination, lay-offs, or retrenchment. The sample is chosen carefully to make sure it reflects different companies and roles in the IT sector. I also looked at secondary sources like books, journals, government notifications, and industry reports to understand the rules and compare them with what is happening in real life.
- v). **Data Collection and Sampling Techniques:** Data was collected using a simple online questionnaire, shared through email and professional networks. It asked questions about employees’ awareness of their legal rights, fairness in how they were treated, compensation, and emotional or economic impact of job loss. I used purposive sampling, meaning I specifically targeted people who had first-hand experience of termination or retrenchment. Secondary sources were used to check facts, compare industry standards, and support the findings.
- vi). **Research Limitations and Research Gap:** There are some limitations in this study. The survey only covers a limited number of people (70 respondents) and mostly focuses on major IT hubs like Bengaluru, Chennai, and Hyderabad. Some participants were hesitant to share sensitive information, so that might have affected the results. Despite this, the research fills an important gap by showing how the Industrial Relations Code, 2020, works in practice versus what it promises. It highlights where companies are not fully following the law and

where employees need better awareness to protect themselves.

Data Analysis

1. Gender

Table 1: Gender

Indicator	Number of responses	Percentage
Male	30	57.1%
Female	40	42.9%
Other	0	0%
Total	70	100%

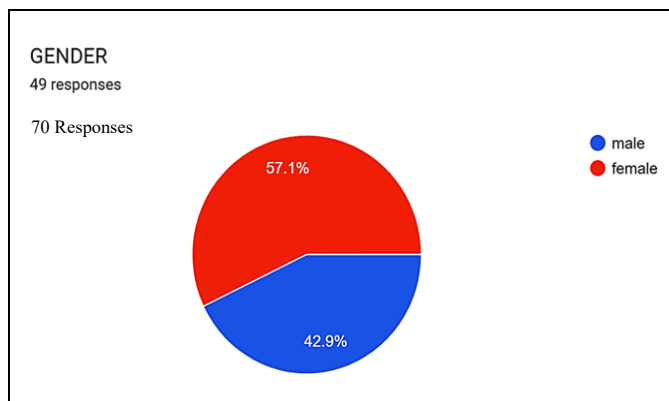


Chart 1

The survey collected responses from 70 participants, of which 42.9% (30) were male and 57.1% (40) were female. This shows that females formed the majority of respondents, making up more than half of the total, while the participation of males was slightly lower. Notably, there were no responses from individuals identifying as "Other," which indicates the absence of gender diversity in this particular survey group.

The gender distribution highlights that the survey findings are shaped by perspectives from both male and female participants, with females having a stronger representation. This balance ensures that both viewpoints are reflected in the results, though the absence of responses from the "Other" category limits inclusivity and may reduce the diversity of opinions captured.

2. Age Group

Table 2: Age Group

Indicator	Number of responses	Percentage
Below 25 years	18	25.7%
25-35 years	48	68.6%
36-45 years	4	5.7%
Above 45 years	0	0%
Total	70	100%

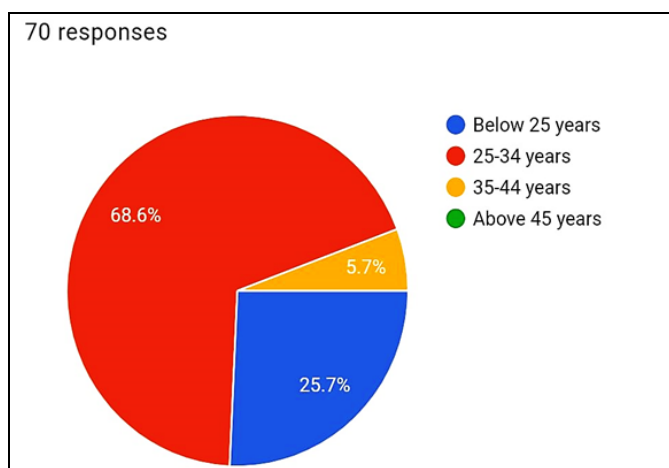


Chart 2

In terms of age, the majority of respondents, 68.6%, fell into the 25–34 years category, making it the most dominant group. The second largest group was participants below 25 years, who accounted for 25.7% of the responses. Only a small fraction, 5.7%, came from the 35–44 years age group, while no respondents were above 45 years. This shows that the survey primarily engaged younger individuals. The concentration of participants in the 25–34 age group

suggests that the opinions reflected are largely youth-oriented, likely representing early-career professionals or students. While this provides valuable insights from a younger demographic, the lack of representation from older age groups limits perspectives that might come from more experienced individuals, thereby narrowing the overall diversity of responses.

3. Nature of Employment

Table 3: Nature of Employment

Indicator	Number of responses	Percentage
Full time	68	97.1%
Part time	0	0%
Temporary	0	0%
Contract basis	2	2.9%
Project basis	0	0%
Total	70	100%

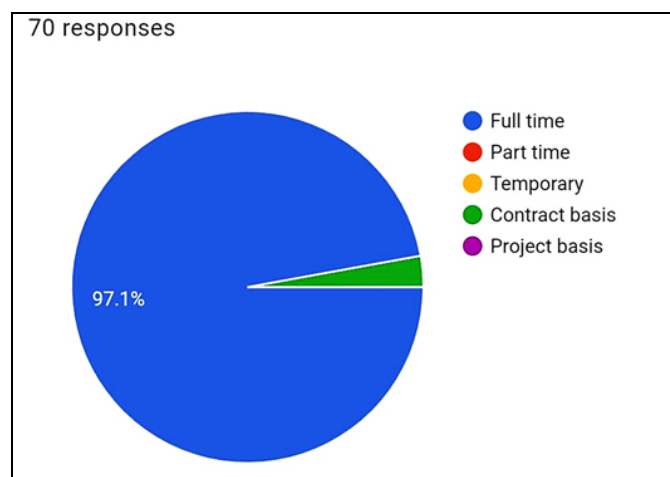


Chart 3

The survey results indicate that an overwhelming majority of the respondents, 97.1%, are engaged in full-time employment. Only a very small fraction of participants reported working on a contract basis (2.9%), while none of the respondents indicated part-time, temporary, or project-based employment. This shows that full-time positions remain the most dominant form of employment among the participants, reflecting job stability and consistent work opportunities.

The dominance of full-time employment suggests that most of the respondents have structured work commitments and steady income sources. However, the negligible presence of

contract-based workers indicates limited diversity in the employment types represented in this survey. The lack of part-time and project-based respondents may also imply that such work patterns are either less prevalent or not captured within this sample.

Overall, the findings highlight that the employment landscape among respondents is largely traditional and stable, with nearly all individuals holding full-time roles. This concentration on one employment type provides insights into the stability of the workforce but also restricts perspectives from those in more flexible or alternative work arrangements.

4. Years of experience

Table 4: Years of Experience

Indicator	Number of responses	Percentage
0-1(fresher)	10	14.3%
1-3	23	32.9%
3-7	32	45.7%
7-15	5	7.1%
Above 15 years	0	0%
Total	70	100%

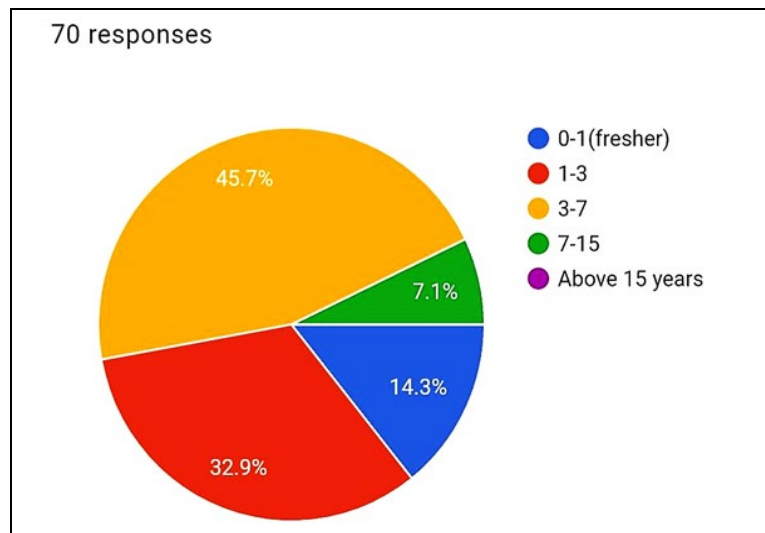


Chart 4

When analyzing work experience, the largest share of respondents, 45.7%, reported having 3–7 years of experience. This was followed by 32.9% of participants with 1–3 years of experience and 14.3% being freshers (0–1 year). A smaller proportion, 7.1%, had 7–15 years of experience, while none reported experience above 15 years. This suggests that the survey participants are largely early-career professionals with moderate work exposure.

The concentration of respondents in the 1–7 years range indicates that the survey reflects insights from individuals still in the early stages of their professional journey. While this

provides valuable perspectives from a younger workforce, the absence of respondents with more than 15 years of experience highlights a limitation in capturing senior-level views or long-term career insights.

Taken together, the results show that the majority of participants are relatively young professionals, mostly within the first decade of their careers. Their opinions, therefore, are likely to be shaped by emerging workplace challenges and career development needs rather than by extensive long-term industry experience.

5. What is your current employment status?

Table 5: Current Employment Status

Indicator	Number of responses	Percentage
Still working in the same company	27	38.6%
Resigned	31	44.3%
Terminated	7	10%
Laid off	3	4.3%
Retrenched	2	2.9%
Total	70	100%

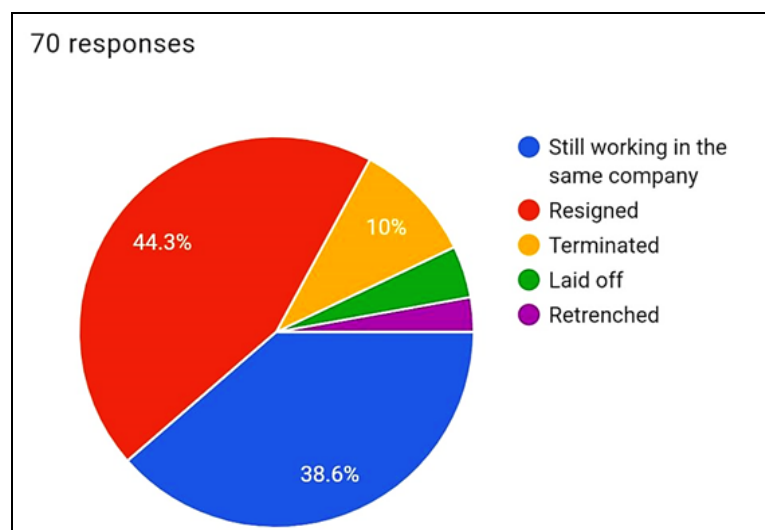


Chart 5

The survey shows a diverse employment status among the 70 respondents. A significant proportion, about 44.3%, reported that they had resigned from their company, making resignation the most common outcome. Close behind, 38.6% mentioned that they are still working in the same company, reflecting a fairly stable share of retained employees. Meanwhile, 10% of the respondents revealed that they were terminated from their positions, pointing to instances of

involuntary exits. Smaller percentages include layoffs (4.3%) and retrenchments (2.9%), which although less common, still highlight the existence of downsizing practices.

Overall, the chart reveals that resignation dominates the employment exit trends, while layoffs and retrenchments, though minimal in number, cannot be ignored as they contribute to the theme of employment instability and termination issues.

6. What is the main reason if you have resigned from your company?

Table 6: Main Reason for Resignation

Indicator	Number of responses	Percentage
Voluntary resignation	11	15.7%
Indirect pressure	23	32.9%
Not applicable	33	47.1%
Forced verbally	1	1.4%
Prefer not to say	2	2.9%
Total	70	100%

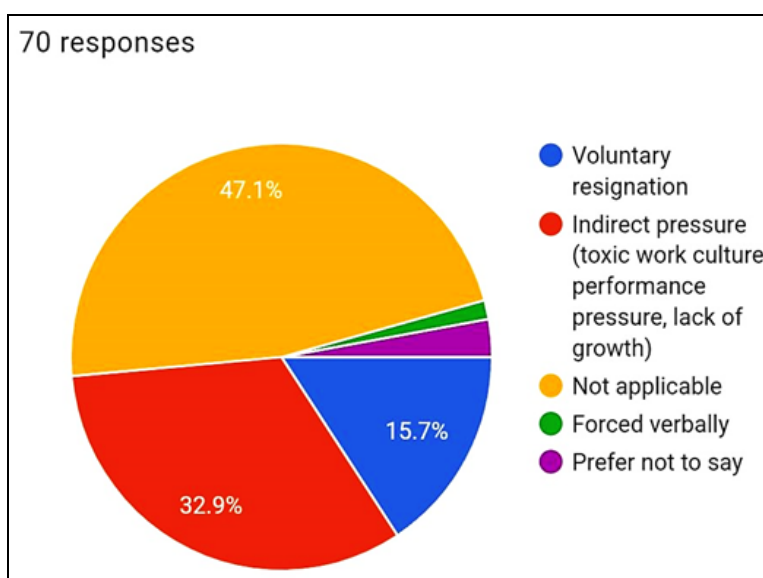


Chart 6

The reasons behind resignations reflect multiple dynamics in workplace conditions. The largest proportion, 47.1%, indicated that the question was not applicable to them, most likely because they did not resign. However, among those who did, 32.9% attributed their resignation to indirect pressure, such as toxic work culture, performance demands, and limited growth opportunities.

In contrast, 15.7% resigned voluntarily, suggesting that a smaller but notable portion of employees chose to leave on

their own terms, possibly for better opportunities. A minimal percentage mentioned being forced verbally (1.4%), while another small share (2.9%) preferred not to disclose their reasons.

This data suggests that while not all participants experienced resignation, those who did often cited negative workplace conditions rather than purely voluntary choices. It highlights how toxic environments and lack of career progression significantly influence employee turnover.

7. Did you receive all exit documents (service certificate, relieving letter, experience letter)?

Table 7: Receipt of All Exit Documents

Indicator	Number of responses	Percentage
Yes, all documents	30	42.9%
Some	10	14.3%
None	3	4.3%
Not applicable	27	38.6%
Total	70	100%

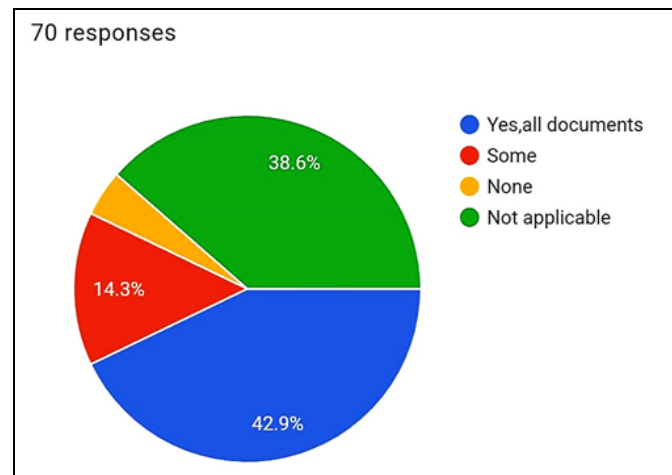


Chart 7

The results on exit documentation practices reveal inconsistencies across companies. About 42.9% of respondents confirmed receiving all necessary exit documents, such as service certificates, relieving letters, and experience letters. This indicates that nearly half of the organizations follow proper HR protocols when employees exit.

However, 14.3% reported receiving only some of the documents, while 3% stated that they did not receive any

documents at all. These gaps reflect lapses in procedural compliance, which could cause difficulties for employees in securing future opportunities.

At the same time, 38.6% of respondents marked this question as not applicable, likely because they are still employed in their current company. Overall, while many organizations provide proper exit documents, the inconsistency shows that a significant number of employees still face challenges in obtaining them.

8. Was your full and final settlement processed properly?

Table 8: Processing of Full and Final Settlement

Indicator	Number of responses	Percentage
Yes fully settled	21	30%
Delayed	19	27.1%
Not settled at all	5	7.1%
Not applicable	25	35.7%
Total	70	100%

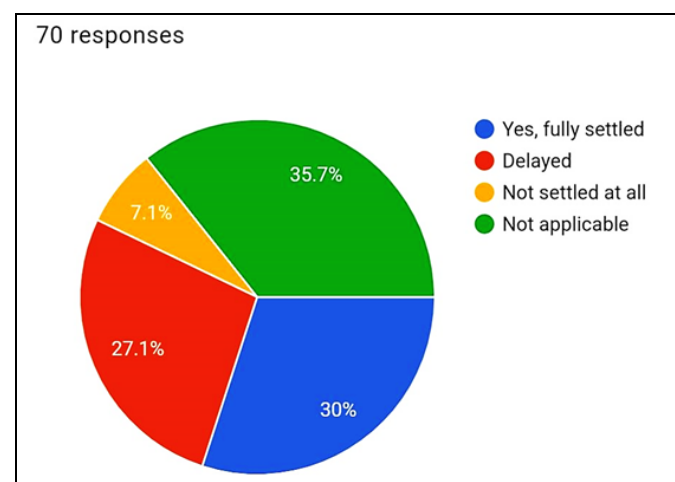


Chart 8

The survey results on final settlement processing indicate mixed experiences. Around 30% of respondents confirmed that their settlements were fully processed without issues, representing organizations that adhere to fair exit procedures. Nevertheless, 27.1% reported delays in settlement, while 7.1% stated that they were not settled at all. This shows that more than one-third of the employees faced either delayed or denied settlements, reflecting significant concerns about

employer compliance and financial responsibility during exits.

Meanwhile, 35.7% chose “not applicable,” implying they may not have resigned or left the company yet. Taken together, these findings reveal that while some companies are diligent in settlement processes, a considerable portion of employees still suffer from delays or non-settlement, adding to the financial strain after termination, layoff, or resignation.

9. Did you serve a notice period before leaving?

Table 9: Notice Period before Leaving

Indicator	Number of responses	Percentage
Yes	38	54.3%
No	13	17.1%
Not applicable	20	28.6%
Total	70	100%

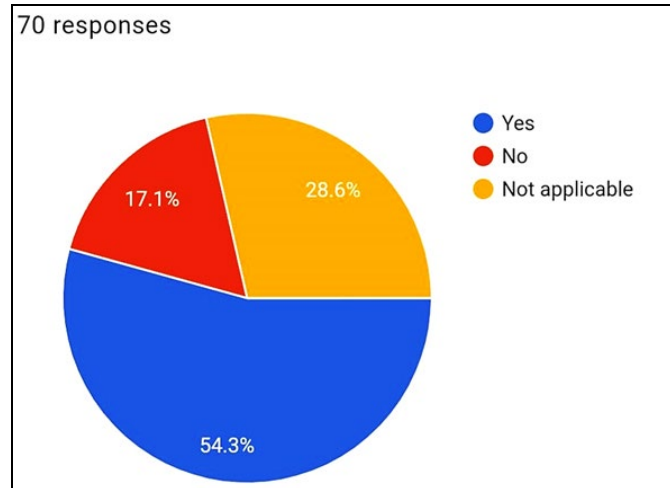


Chart 9

The survey findings reveal that a majority of respondents, about 54.3%, served a notice period before leaving their organization. This shows that most employees adhered to contractual or company exit policies, ensuring smoother transitions. Meanwhile, 17.1% did not serve a notice period, which may indicate sudden exits, forced terminations, or employees choosing to resign immediately. Such cases might create challenges for both employees and employers,

particularly in knowledge transfer and documentation.

Additionally, 28.6% marked this as not applicable, suggesting they might still be employed or left under conditions where a notice period was not required. Overall, the data reflects that while notice periods are commonly followed, a sizable portion of employees exit without completing them.

10. What is the main reason if your are terminated/laid off/retrenched?

Table 10: Main Reason for Termination

Indicator	Number of responses	Percentage
Company restructuring or downsizing	10	14.3%
Cost cutting measures	8	11.4%
Performance issues	0	0%
Company shutdown or merged	7	10%
Health and personal reasons	1	1.4%
Misconduct or policy violation	1	1.4%
Not applicable	43	61.4%
Total	70	100%

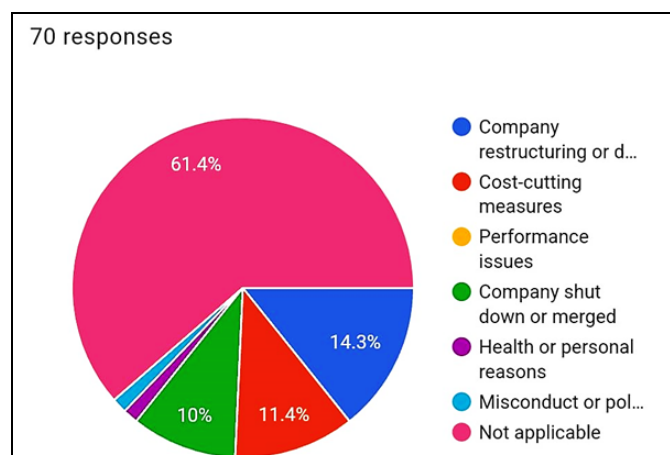


Chart 10

The pie chart illustrates the reasons for job termination, layoff, or retrenchment among 70 respondents. The largest portion of the chart, accounting for 61.4%, represents the “Not applicable” category, showing that a majority of participants had not experienced any form of job termination. Among the remaining respondents, 14.3% identified company restructuring or downsizing as the main reason for termination, followed by 11.4% who cited cost-cutting measures.

A smaller percentage, 10%, attributed termination to company shutdown or merger, while only 1.4% each mentioned health

or personal reasons and misconduct or policy violation. The chart clearly shows that external organizational factors like restructuring, mergers, and cost-cutting are more common causes of job loss than personal or performance-related reasons.

In summary, the chart highlights that while most respondents were unaffected by termination, those who were primarily faced it due to organizational and economic decisions rather than individual misconduct or personal issues. This indicates that workforce reductions are often linked to company-level changes rather than employee performance.

11. What is the main reason if you are terminated/laid off/retrenched?

Table 11: Reason for Termination

Indicator	Number of responses	Percentage
Automation and adoption of AI tool	47	67.1%
Company restructuring or merger or acquisition	16	22.9%
Geopolitical tension or changes in international policy	4	5.7%
Project cancellation or budget freeze by clients	3	4.3%
Total	70	100%

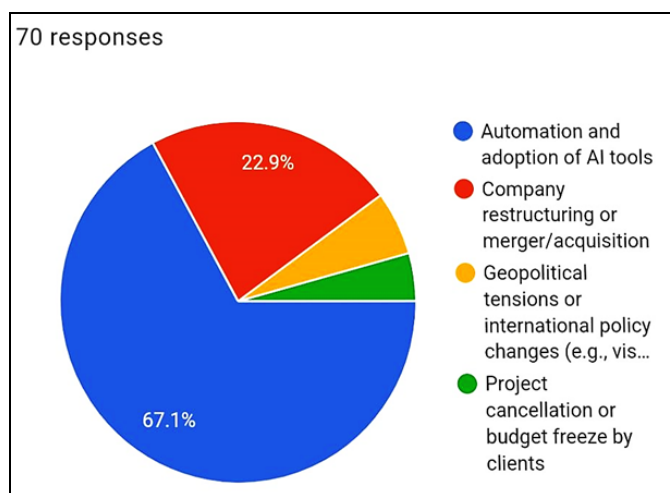


Chart 11

When asked about the most influential factor in termination, layoff, or retrenchment in the IT sector, the majority (67.1%) pointed to automation and adoption of AI tools. This indicates a clear perception among employees that technology is reshaping workforce demands, reducing the need for human labor in several roles.

A smaller yet notable percentage, 22.9%, highlighted company restructuring or merger/acquisition as another major factor. This shows how organizational changes within the IT industry directly affect employee job security. Other factors

such as geopolitical tensions and policy changes (4.3%) and project cancellations or budget freezes (5.7%) were mentioned but remain less significant compared to automation.

Overall, the findings highlight a growing concern that technological disruption is a primary driver behind job instability in IT. While mergers and external global factors also play a role, the dominant fear among employees is that automation could make many traditional roles redundant.

12. Were you informed in writing about your exit?

Table 12: Being Informed about your Termination

Indicator	Number of responses	Percentage
Yes	18	25.7%
No	3	4.3%
Only verbally	23	32.9%
Not applicable	26	37.1%
Total	70	100%

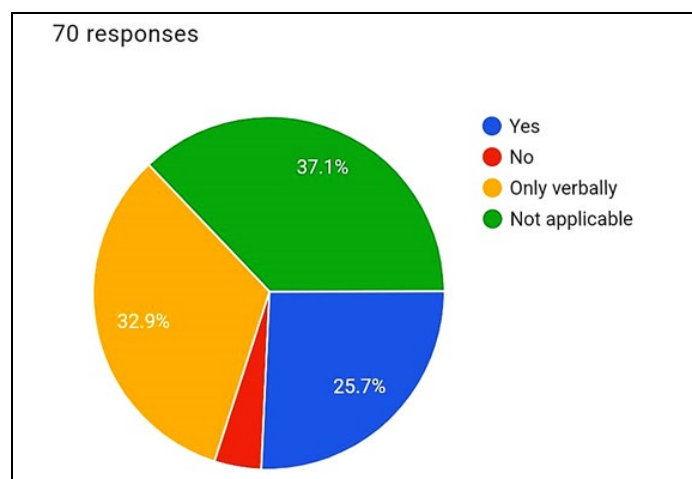


Chart 12

The survey reveals that 25.7% of respondents were formally informed in writing about their exit, which indicates that a section of companies followed proper HR practices in handling termination or resignation communication.

On the other hand, 32.9% of participants reported they were informed only verbally, while 4.3% said they were not informed at all. This highlights inconsistency in

communication methods and points to potential gaps in transparency and professionalism within organizations.

Meanwhile, 37.1% stated that the question was not applicable, suggesting that they may not have exited their organizations. Overall, the data suggests that while formal written notices exist, verbal communication still dominates, leaving room for disputes and lack of clarity in exit processes.

13. Were you provided with severance pay/compensation lay-off benefits?

Table 13: Settlement of Severance Pay/Compensation Lay-off Benefits

Indicator	Number of responses	Percentage
Yes, as per law	14	20%
Partially	27	38.6%
Not at all	4	5.7%
Not applicable	25	35.7%
Total	70	100%

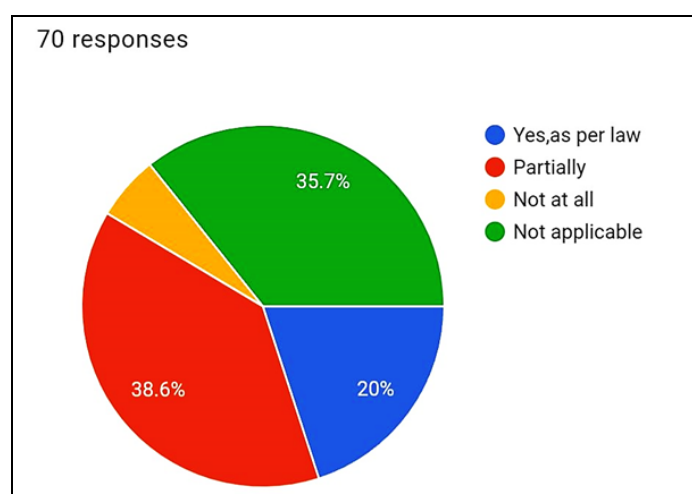


Chart 13

The survey indicates that only 20% of respondents received severance pay or compensation benefits as per law. This shows that legal compliance in providing financial security during termination or layoffs is not consistently practiced across organizations.

A larger proportion, 38.6%, stated they were only partially compensated, while 5.7% reported they did not receive any compensation at all. These numbers highlight significant gaps

in employee welfare measures during layoffs and retrenchment.

Meanwhile, 35.7% marked this as not applicable, most likely because they were not affected by termination or layoffs. Overall, the data reflects that while some employees receive lawful compensation, a considerable number either receive it partially or are denied it, raising concerns about fairness in separation practices.

14. Did the company offer you counselling and legal help or placement support at the time of exit?

Table 14: Counselling and Legal Help or Placement Support at the Time of Exit

Indicator	Number of responses	Percentage
Yes	18	25.7%
No	29	41.4%
Not needed	5	7.1%
Not applicable	18	25.7%
Total	70	100%

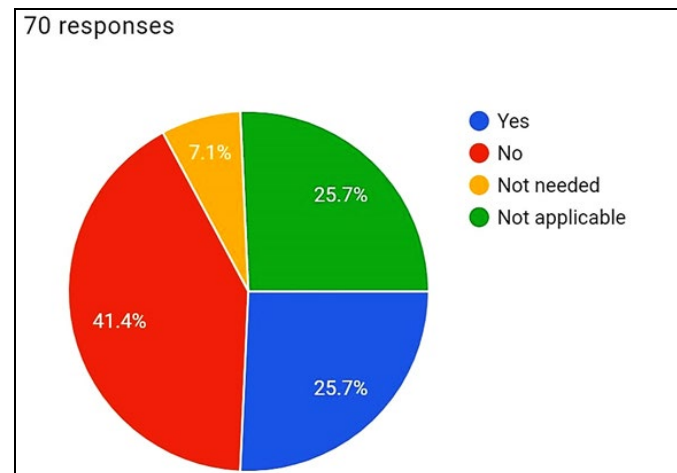


Chart 14

The results suggest that organizations provide very limited support to employees at the time of exit. Only 25.7% confirmed receiving counseling, legal help, or placement support, showing that such services are not standard practice in most companies.

In contrast, a significant portion, 41.4%, reported they were not provided with any kind of support, which highlights a lack of post-exit care and concern for employees' professional

transition. About 7.1% felt such help was not needed, while 25.7% marked this as not applicable

This distribution suggests that while a minority of companies extend supportive exit services, most employees face challenges without counseling or placement help. It reflects the absence of a holistic exit management process in many organizations.

15. Does your company have a clearly documented employee separation policy (termination/lay-off/retrenchment)?

Table 15: Existence of Clear Documentation of Employee Separation Policy

Indicator	Number of responses	Percentage
Yes	53	75.7%
No	5	7.1%
Not aware	12	17.1%
Total	70	100%

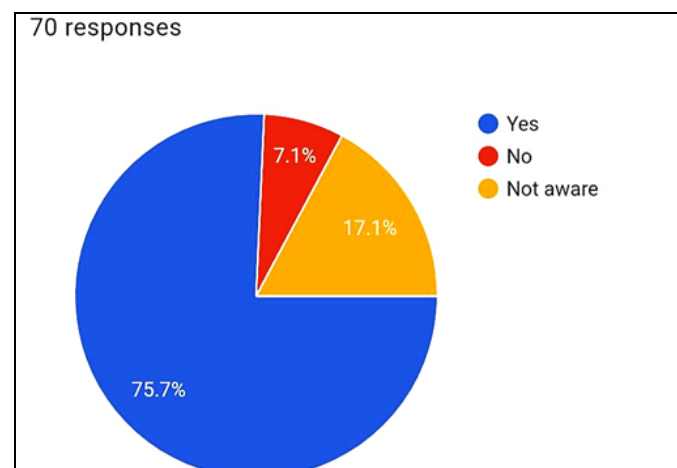


Chart 15

The findings show that 75.7% of respondents stated their company has a clearly documented separation policy regarding termination, layoff, or retrenchment. This indicates that most organizations formally maintain structured guidelines for employee exits.

However, 7.1% of respondents reported that no such policy exists in their company, while 17.1% were not aware of it. The lack of awareness is particularly concerning, as it

suggests that policies may not always be communicated effectively to employees.

Overall, the chart reflects that while most companies have formalized separation policies, awareness and communication about these policies need improvement. This gap could lead to confusion and disputes during termination or retrenchment processes.

16. Are you informed about separation policies at the time of joining (during induction/onboarding)?

Table 16: Status of Being Informed of Employee Separation Policy while Joining

Indicator	Number of responses	Percentage
Yes	50	71.4%
No	4	5.7%
Partially	11	15.7%
Not aware	5	7.1%
Total	70	100%

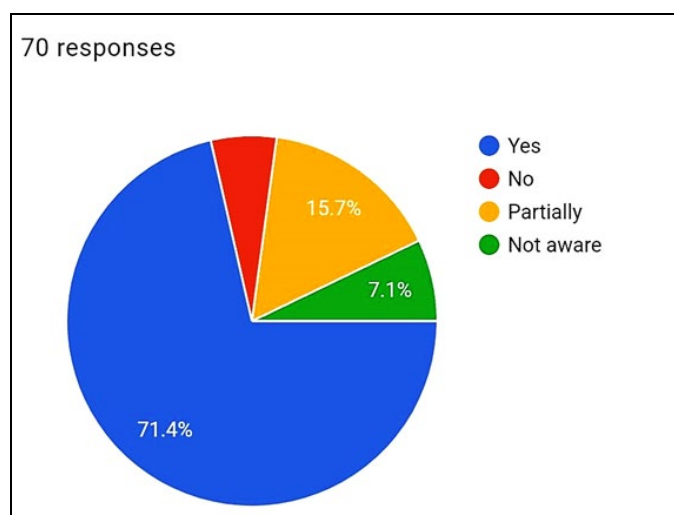


Chart 16

The survey reveals that 71.4% of respondents were informed about separation policies at the time of joining, either during induction or onboarding. This reflects a proactive approach by many companies in ensuring that employees understand their rights and obligations from the beginning.

On the other hand, 15.7% said they were not informed at all, while 7.1% stated they were only partially informed. Another 5.7% admitted to being unaware of such policies. These

figures suggest that there is still a lack of uniformity in communicating important policies to new hires.

Overall, the chart highlights that while the majority of organizations introduce separation policies upfront, a notable minority of employees remain uninformed. Ensuring consistent and transparent communication during onboarding could help reduce misunderstandings during exits.

17. Did HR/Team Manager explain the legal entitlements (notice period, compensation, final dues) during any discussions?

Table 17: Explanation about Legal Entitlements

Indicator	Number of responses	Percentage
Sometime	39	55.7%
Rarely	11	15.7%
Always	18	25.7%
Never	2	2.9%
Total	70	100%

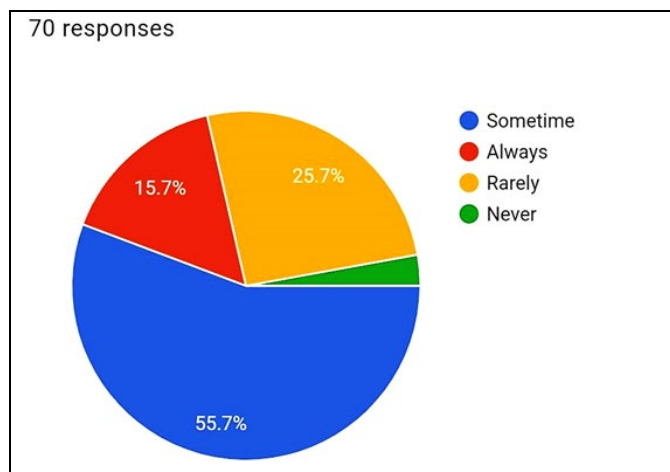


Chart 17

The responses reveal how employees perceive the role of HR and Team Managers in explaining legal entitlements such as notice period, compensation, and final dues. A majority of 55.7% believe these explanations are given only “sometimes,” suggesting that communication happens but lacks consistency. This irregularity may leave employees uncertain about their rights during crucial employment discussions. Another significant share of 25.7% indicated that such matters are “rarely” explained, while only 15.7% stated that HR or managers “always” clarify entitlements. This shows that only a limited number of organizations prioritize transparency and

make legal communication a standard practice. The uneven distribution of responses highlights the absence of uniform procedures across workplaces.

Meanwhile, 2.9% reported that entitlements are “never” explained, pointing to a concerning lack of awareness provided by some organizations. Overall, the responses suggest that most employees do not consistently receive clear communication about their legal rights, underlining the need for HR departments to adopt more structured and transparent practices.

18. Is there a separation checklist followed by your company at the time of exit (clearance, final dues, hand-over documents)?

Table 18: Practice of Separation Checklist

Indicator	Number of responses	Percentage
Yes very strictly	30	42.9%
Partially	37	52.9%
No checklist used	3	4.3
Total	70	100%

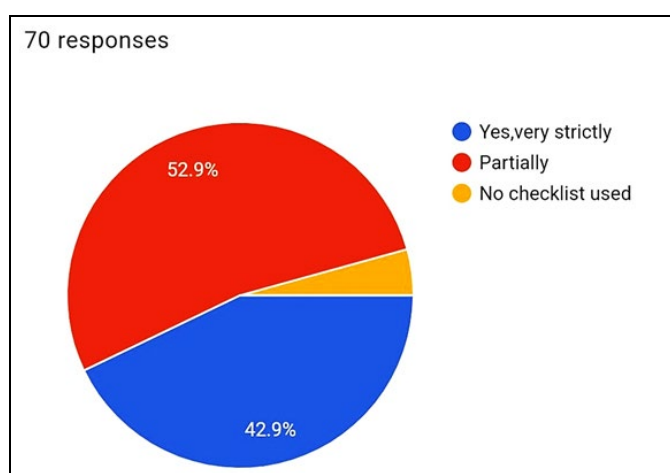


Chart 18

The survey of 70 respondents reveals that a majority of companies do recognize the importance of using a separation checklist during employee exits, but the level of adherence differs. The data shows that 52.9% of organizations follow the checklist only partially, which indicates that while companies are aware of its relevance, the process is not always

implemented consistently across all cases. This partial compliance highlights the need for stronger enforcement and uniformity in exit procedures.

At the same time, 42.9% of respondents reported that their companies follow the checklist very strictly. This demonstrates that many organizations prioritize structured

exit processes, ensuring proper clearance, handover of documents, and settlement of final dues. Such strict adherence contributes to transparency, accountability, and smoother transitions for both the company and the departing employee. However, a small proportion of 4.3% stated that their companies do not use any separation checklist at all. This lack

of formal procedure could pose risks such as incomplete handovers or disputes over final settlements. Overall, the results suggest that while most companies rely on checklists to some degree, there is still room for improvement in ensuring consistent and comprehensive implementation.

19. Is there a system to appeal or question your termination or lay-off?

Table 19: Existence of Any System to Appeal or Question Your Termination or Lay-off

Indicator	Number of responses	Percentage
Yes, via internal grievances	52	74.3%
Yes, via legal system	12	17.1%
No such system exists	5	7.1%
Not sure	1	1.4%
Total	70	100%

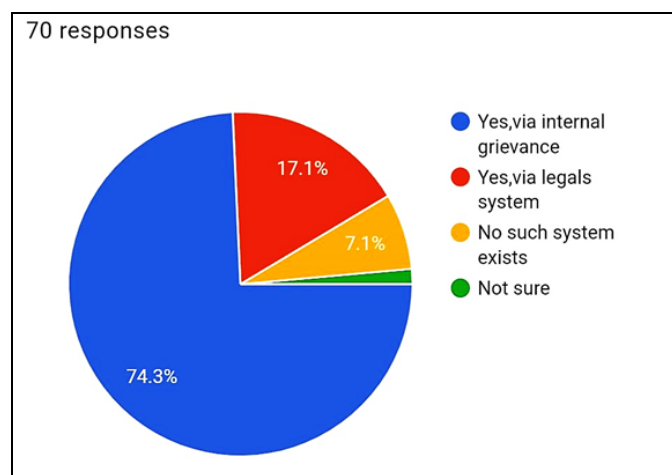


Chart 19

A large proportion of respondents (74.3%) reported that their company has an internal grievance system to question termination or lay-offs. This highlights that organizations are inclined to resolve disputes internally before they escalate. Such systems usually involve HR discussions, grievance committees, or review panels that allow employees to voice concerns.

Meanwhile, 17.1% indicated that the legal system can be used to challenge termination decisions. This shows that although most companies have internal processes, some employees still rely on formal legal remedies to ensure justice. The presence of this group indicates that legal protection continues to play a

role in employment disputes.

A very small percentage stated that no such system exists, reflecting gaps in employee protection within certain organizations. These companies may lack transparency or formal redressal structures, leaving employees with little choice but to remain silent or approach courts directly. Lastly, a few respondents were unsure of whether such a system exists. This uncertainty suggests poor communication by employers, where policies may exist on paper but are not clearly explained to employees, resulting in lack of awareness.

20. Has your company ever been legally challenged by employees over wrongful termination or unpaid dues?

Table 20: Status of Previous Legal Challenges over Wrongful Termination

Indicator	Number of responses	Percentage
Yes	32	45.7%
No	4	5.7%
Not aware	34	48.6%
Total	70	100%

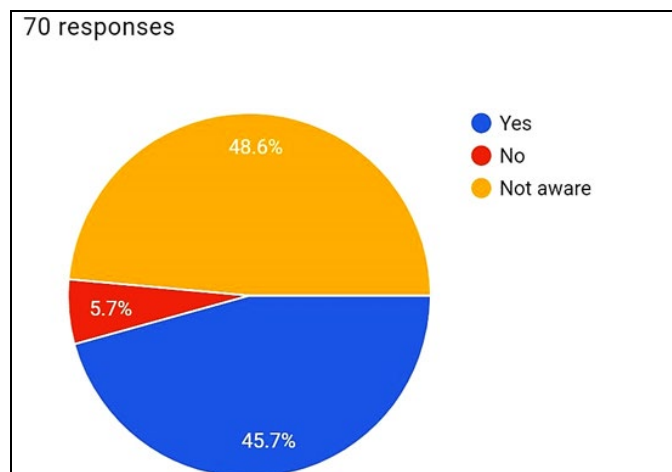


Chart 20

According to the survey, 45.7% of respondents acknowledged that their companies had been legally challenged by employees for wrongful termination or unpaid dues. This indicates that disputes are fairly common, suggesting that employees do exercise their legal rights when they feel exploited.

On the other hand, 48.6% reported that their companies had never faced such challenges. This could reflect that these organizations handle employee exits more professionally, or that employees are hesitant to initiate legal proceedings due to cost, time, or fear of retaliation.

A small portion of respondents (5.7%) admitted to being unaware of such incidents. This lack of awareness highlights the fact that employees are not always informed about legal disputes involving their employer. Transparency in such matters seems limited. Overall, the data suggests that while many companies have faced challenges, there remains a large group where disputes either do not arise or are not made known to the wider workforce. This shows a mixed pattern of workplace conflict across organizations

21. Do you think IT/Tech employees are treated fairly during the termination process?

Table 21: Fair Treatment of Employees during Termination Process

Indicator	Number of responses	Percentage
Yes	25	35.7%
No	24	34.3%
Not sure	21	30%
Total	70	100%

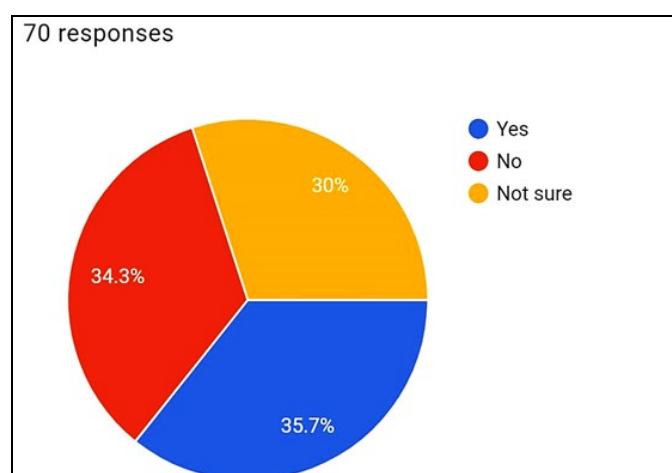


Chart 21

The survey responses are quite divided on this question. About 35.7% of respondents believe that IT/Tech employees are treated fairly during termination, which points towards positive HR practices in some companies where processes are conducted with fairness, communication, and compensation.

However, 34.3% stated that IT/Tech employees are not treated fairly. This indicates a significant dissatisfaction, likely caused by abrupt layoffs, inadequate notice periods, or denial of severance benefits. Such negative experiences reduce trust between employers and employees.

Additionally, 30% of the respondents were unsure about whether fair treatment takes place. This reflects either a lack of direct experience or mixed observations from peers, which highlights inconsistency in how termination is handled across the IT sector. Overall, the findings show that fairness in the termination process is not guaranteed for all. While some organizations uphold professional standards, others seem to fail in ensuring transparency and fairness, leaving employees uncertain and dissatisfied.

22. Do you know the legal difference between termination, lay-off and retrenchment?

Table 22: Awareness of Legal Difference between Termination, Lay-off and Retrenchment

Indicator	Number of responses	Percentage
Yes	56	80%
No	7	10%
Partially	7	10%
Total	70	100%

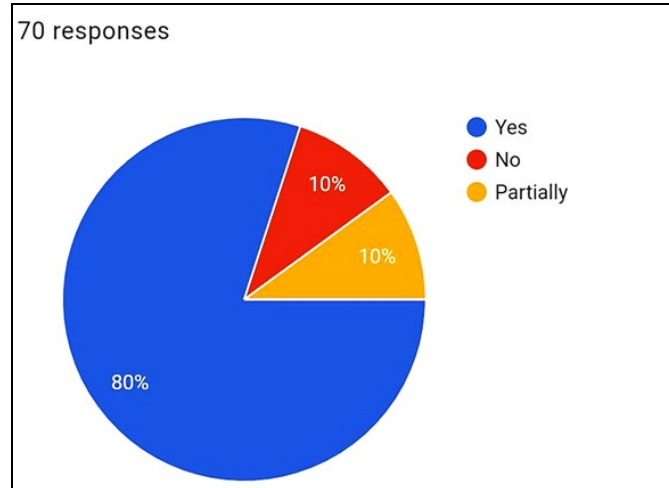


Chart 22

An overwhelming majority (80%) of respondents stated that they are aware of the legal difference between termination, lay-off, and retrenchment. This suggests that many employees today are informed about employment law concepts, possibly through contracts, training, or self-learning.

At the same time, 10% admitted that they do not know the difference. This indicates that not all employees are legally literate, which may lead to confusion when facing employment disputes. Lack of awareness can make workers vulnerable to

exploitation.

Another 10% mentioned that they only partially understand these differences. This group shows that while there is some knowledge, it is incomplete, and employees might still struggle to fully exercise their rights in real situations. Taken together, the results highlight a relatively positive picture of employee awareness. Still, there remains a small but important gap where more training, HR sessions, or awareness programs could empower employees with stronger legal understanding.

23. Does your offer letter or employment contract mention any terms related to lay-offs or termination?

Table 23: Mention of Terms for Lay-off or Termination in Offer Letter or Employment Contract

Indicator	Number of responses	Percentage
Yes, very clearly	26	37.1%
Yes vaguely	36	51.4%
Not mentioned	6	8.6%
Not applicable (verbal contract/freelance)	2	2.9%
Total	70	100%

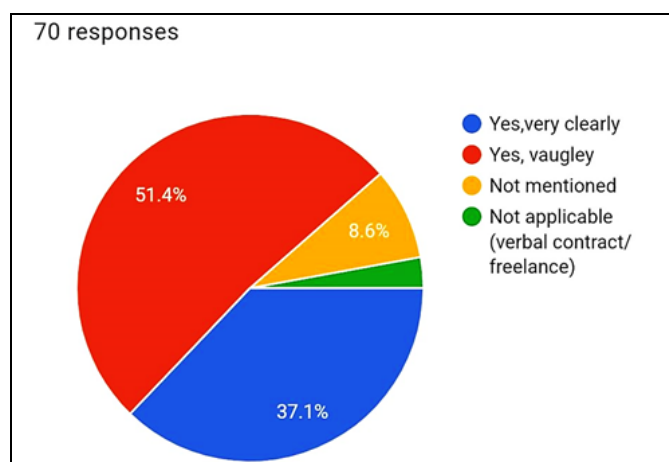


Chart 23

More than half of the respondents (51.4%) revealed that their offer letters or contracts do not mention anything about lay-offs or termination. This is a serious concern as the absence of such terms leaves employees unprotected and vulnerable during sudden job losses.

On the positive side, 37.1% of respondents reported that their contracts very clearly included terms about termination and lay-offs. This indicates that some companies are transparent in defining employment conditions and ensuring clarity from the beginning.

Additionally, 8.6% stated that such terms were mentioned vaguely in their contracts. This partial clarity may cause confusion and disputes later, as vague language can be interpreted differently by employers and employees.

Finally, a small proportion indicated that these terms were not applicable, particularly in cases of freelancers or verbal contracts. This reflects the rise of flexible work arrangements where standard employment protections may not exist, leaving such workers more exposed to uncertainty.

24. Have you or someone you know (colleague/friend) faces termination, lay-off or retrenchment in the IT sector?

Table 24: Experience of Termination by Self/Colleague/Friend

Indicator	Number of responses	Percentage
Yes me	14	20%
Yes, someone I know	26	37.1%
Not applicable	30	42.9%
Total	70	100%

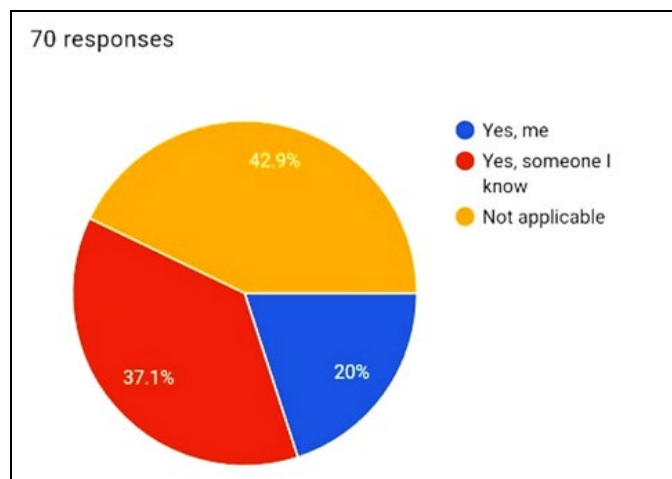


Chart 24

The survey reveals that 20% of respondents themselves experienced termination or lay-off in the IT sector, highlighting that job insecurity directly affects a significant portion of employees. This shows that termination is not an uncommon occurrence and is personally impacting workers.

In addition, 37.1% reported that someone they know, such as a colleague or friend, has faced termination or retrenchment. This expands the impact beyond individuals and shows the prevalence of workforce reduction practices in IT, making it a wider issue within professional networks. On the other hand,

42.9% stated that it is not applicable to them, meaning they neither experienced nor knew someone who faced such challenges. While this is the largest segment, it still leaves over half of respondents linked directly or indirectly to termination issues.

Overall, the data suggests that termination, lay-offs, and retrenchments are not isolated incidents in the IT sector. Even if not directly impacted, employees are aware of such practices in their surroundings, which could create an environment of uncertainty and stress in the industry.

25. If yes which of the following describes the situation?

Table 25: Description about Experience of Termination

Indicator	Number of responses	Percentage
Sudden termination without reason	8	11.4%
Termination with written notice and compensation	16	22.9%
Lay-off with partial payment	10	14.5%
Retrenchment with compensation	5	7.1%
Not applicable	31	44.3%
Total	70	100%

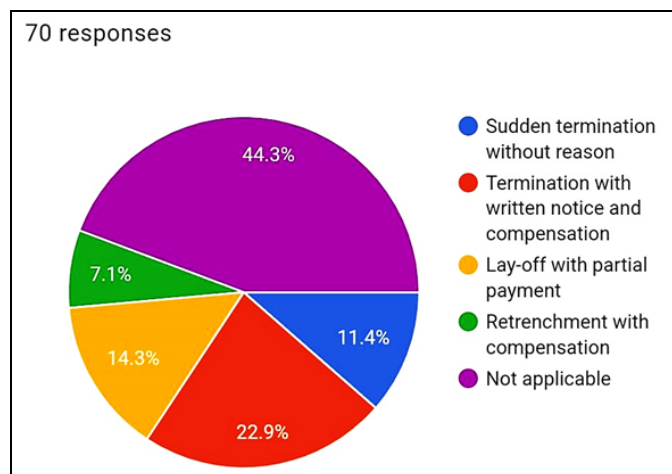


Chart 25

Among the affected respondents, 11.4% experienced sudden termination without reason, which points to unfair labor practices and a lack of transparency in organizational decision-making. Sudden exits can create distrust and anxiety among employees.

Meanwhile, 22.9% indicated termination with written notice and compensation, suggesting that some organizations attempt to follow due process. This is a more structured approach but still reflects the presence of forced exits in the industry. Another 14.3% reported lay-off with partial payment and 7.1% faced

retrenchment with compensation, showing that financial settlements are not always adequate or fairly distributed. These figures point to inconsistencies in how companies handle employee exits.

However, the majority 44.3% chose “Not applicable”, which means they were not directly affected by termination scenarios. This reinforces that while the issue exists, the severity and manner of termination differ significantly depending on organizational policies and individual circumstances.

26. Is exit (termination/lay-offs) handled in a transparent and respectful manner?

Table 26: Transparency and Respectfulness in Handling Exit

Indicator	Number of Responses	Percentage
Yes	33	47.1%
No	15	21.4%
Not aware	22	31.4%
Total	70	100%

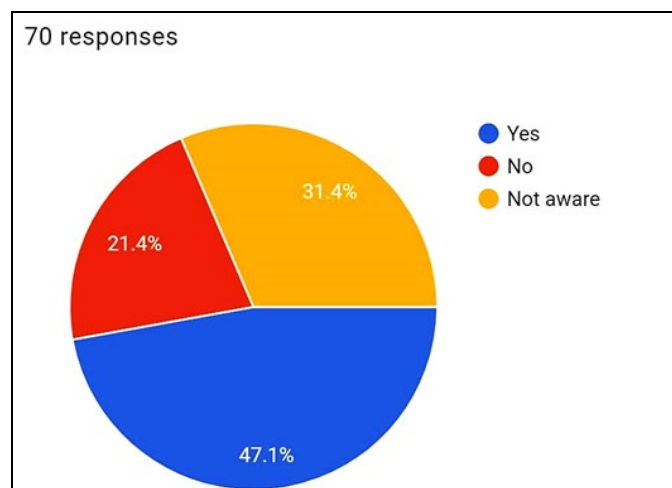


Chart 26

The responses show a split perception among employees about the fairness of exit processes. While 47.1% believe termination is handled transparently and respectfully, almost half of respondents do not share the same view, pointing to mixed practices across organizations.

A significant 21.4% believe that exits are not transparent or respectful, which reflects dissatisfaction with how companies manage employee separation. This indicates that certain firms may prioritize business needs over human dignity. Another 31.4% stated that they are not aware of how exits are handled,

possibly because they have not personally witnessed or experienced termination. This suggests that awareness and communication about exit processes may not be strong within organizations.

In conclusion, while some companies maintain professionalism in handling exits, a notable share of employees either view the process negatively or lack awareness. This highlights the need for clearer policies, better communication, and stronger HR practices to ensure respectful and transparent exits.

27. Do you think freshers are more vulnerable to unfair termination practices?

Table 27: Vulnerability of Freshers to Unfair Termination Process

Indicator	Number of responses	Percentage
Yes	9	12.9%
No	3	4.3%
Both freshers and experienced face it equally	58	82.9%
Total	70	100%

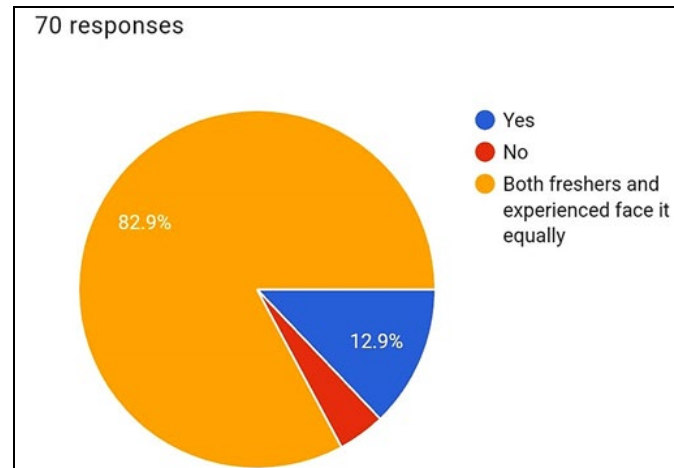


Chart 27

An overwhelming 82.9% of respondents believe that freshers are more vulnerable to unfair termination practices. This indicates a general perception that entry-level employees lack the protection, experience, and bargaining power to safeguard their jobs.

In contrast, only 12.9% feel that freshers are not more vulnerable, suggesting a minority opinion that all employees face termination risks equally, regardless of their experience level. This trend highlights the precarious position of freshers, who may be hired

in large numbers but are also the first to be let go during cost-cutting measures. They may also lack the awareness of legal rights and support mechanisms compared to senior employees. Overall, the findings strongly point to the need for additional protections and awareness programs for freshers. They require legal safeguards, transparent probation policies, and mentoring to prevent exploitation and abrupt termination.

28. What improvements would you suggest in termination/lay-off/retranchment practices?

Table 28: Suggestions for Improvement in Exit Practices

Indicator	Number of responses	Percentage
Better HR training	11	15.7%
More legal awareness for employees	18	25.7%
Legal audits for IT firms	2	2.9%
Fair performance evaluations system	25	35.7%
Exit interview and feedback opportunity	8	11.4%
Mental health and counseling support	6	8.6%
Total	70	100%

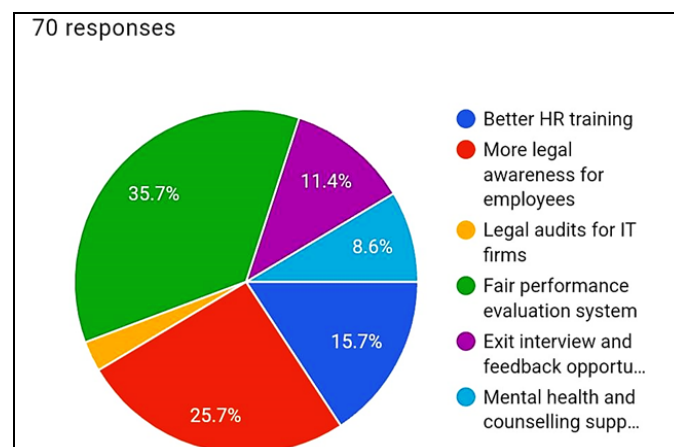


Chart 28

The survey highlights diverse suggestions for improving termination practices. 35.7% of respondents recommended mental health and counselling support, recognizing the emotional and psychological toll termination has on employees.

A substantial 25.7% suggested legal audits for IT firms, reflecting the need for external checks to ensure companies follow fair practices. This shows concern about organizations bypassing labor laws or ethical standards. Other respondents emphasized improvements such as fair performance

evaluation systems (15.7%), better HR training (8.6%), and exit interview and feedback opportunities (11.4%). These highlight the importance of both internal management practices and structural reforms.

Interestingly, legal awareness programs for employees (3%) received relatively low preference, possibly because employees may see legal audits and HR accountability as more effective safeguards. Overall, the findings suggest a need for a holistic approach balancing fairness, compliance, and employee well-being.

29. Would you support a legal framework that specifically protects IT/Tech employees from arbitrary termination?

Table 29: Support for Legal Framework that Specifically Protects IT/Tech Employees from arbitrary Termination

Indicator	Number of responses	Percentage
Yes strongly support	29	41.4%
May be	0	0%
Already exists just need enforcement	41	58.6%
Total	70	100%

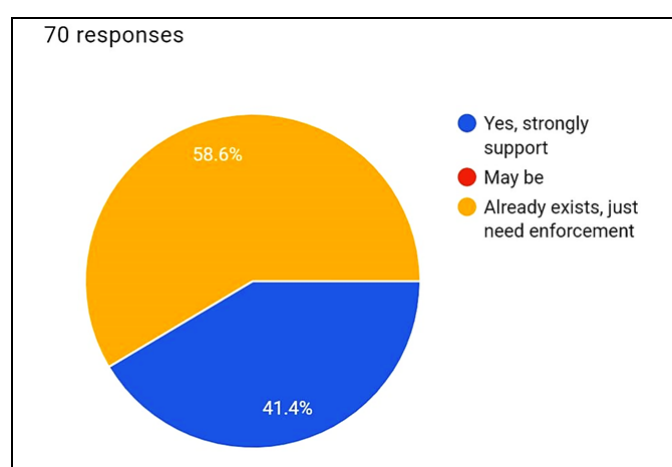


Chart 29

The pie chart illustrates the responses of 70 participants regarding whether they would support a legal framework that specifically protects IT/Tech employees from arbitrary termination. Out of the total, 41.4% strongly supported the idea, reflecting a significant portion of individuals who believe that additional legal measures are necessary to safeguard employees in the IT sector against unfair dismissal. This response highlights a strong demand for job security in an industry often marked by contract-based and volatile employment patterns.

A majority of the respondents, however, at 58.6%, felt that such a legal framework already exists but requires stronger enforcement. This indicates that people are aware of existing labor laws or provisions but believe that weak implementation and lack of regulatory oversight make them ineffective. It suggests that strengthening the enforcement mechanisms of current laws may be more important than creating new legislation.

The data also shows that none of the respondents chose the “may be” option, which demonstrates clarity and firmness in opinions. The complete distribution of responses between “strongly support” and “already exists, just need enforcement” underlines the urgency of the issue. It reflects that employees and stakeholders are not uncertain about the importance of employee protection but rather divided on whether new laws are needed or existing ones should be more

effectively applied.

Key Findings

- Demographic Profile:** Most survey participants were women and were aged between 25 to 34 years, indicating that the responses reflect experiences of young professionals. The majority held full-time jobs with up to seven years of work experience, signaling that these insights are shaped by early-career employees rather than senior professionals.
- Employment Outcomes:** Resignation was the most frequent exit route, followed by continued employment at the same company. A smaller but notable proportion had faced termination, lay-off, or retrenchment, which highlights persistent instability in the sector.
- Exit Reasons:** Among those who left their jobs, indirect pressure—stemming from negative workplace environments or limited growth—was the most cited reason, surpassing voluntary exits. Company restructuring, automation, and cost reductions were common factors leading to involuntary terminations.
- Exit Documentation and Settlements:** Less than half of respondents received all official exit documents. Settlement of dues was inconsistent, with some experiencing delays or incomplete payments after

departure. Adherence to notice periods varied, with a majority respecting company policy but a significant minority not doing so.

- v). **Communication Style:** A sizable portion was informed about their termination or exit verbally instead of through formal written communication. Severance payments were often not provided in full, contrary to legal requirements, reflecting gaps in company compliance.
- vi). **Support and Policies:** Employee support during exit—such as counseling or legal help—was available only to a minority. Most companies maintained written separation policies, but uniform communication and enforcement were lacking. Adherence to structured checklists during exit procedures was inconsistent, with just under half of companies applying them strictly.
- vii). **Grievance Redressal:** Internal grievance mechanisms were widely implemented, enabling employees to challenge termination decisions. Nearly half of the companies had faced legal action related to wrongful dismissals or unpaid dues, revealing that workplace conflicts and disputes are not uncommon.
- viii). **Legal Knowledge and Contract Clarity:** Most respondents understood the distinct legal meanings of lay-off, retrenchment, and termination, but many employment contracts did not lay out these provisions clearly. Over half of respondents or their acquaintances had endured workplace separation, sometimes in unfair or sudden circumstances.
- ix). **Transparency and Fairness:** Opinions were split regarding the transparency and fairness of termination practices, pointing to the need for stronger, universally applied processes. Many respondents believed freshers are particularly at risk of unjust terminations, underscoring the need for greater protections for entry-level employees.
- x). **Suggested Improvements:** Employees called for better HR training, legal awareness initiatives, comprehensive legal audits, transparent evaluations, and expanded mental health resources. There was widespread support—either for creating new laws or enforcing existing ones—for robust protection of IT professionals against arbitrary dismissals.

In summary, the data expose ongoing challenges related to transparency, communication, legal compliance, and employee support during job exits in the IT industry. These insights underscore the need for enforceable policies and better practices to ensure fairness and security for both experienced professionals and freshers

Suggestions:

Based on survey results, professional opinions, and literature, the following recommendations are proposed:

- i). **Employee Awareness Programs:** Conduct workshops and training sessions on employee rights, retrenchment procedures, and compensation under the IR Code 2020. Distribute easy-to-understand guides or pamphlets explaining legal entitlements.
- ii). **Transparent Communication:** HR departments should ensure timely and clear communication of termination, lay-off, and retrenchment policies. Employees should be informed about notice periods, compensation, and grievance procedures.
- iii). **Grievance Redressal Mechanisms:** Establish internal committees or platforms for employees to voice concerns

during workforce restructuring. Encourage open dialogue to reduce employee anxiety and prevent disputes.

- iv). **Social Security and Reskilling Initiatives:** Organizations can provide reskilling programs for employees affected by retrenchment. Government-supported social security schemes can further safeguard employees' economic wellbeing.
- v). **Regular Review and Feedback:** Companies should periodically review HR policies related to termination and retrenchment. Gather employee feedback to improve procedural fairness and communication strategies.

By integrating these recommendations, organizations can enhance employee confidence, ensure compliance with legal provisions, and maintain organizational productivity. The study emphasizes that legal reform alone is insufficient; employee engagement and supportive HR practices are equally critical for effective implementation of the IR Code 2020.

Conclusion

The study sheds light on how employee rights, legal frameworks, and workplace policies interact within the Indian context under the Industrial Relations Code (IR Code) 2020. Findings from the survey reveal that workers have only a partial grasp of their entitlements concerning termination, layoffs, and retrenchment. Many remain unclear about the specific procedures and compensation rules, highlighting a gap between the protections promised by law and how employees actually experience them on the ground.

From a business and economic perspective, the IR Code introduces more flexibility for employers in managing their workforce, particularly by updating retrenchment criteria and simplifying compliance processes. While these changes can help organizations respond more efficiently to shifting demands, they may also trigger uncertainty and lower morale among employees if information is not communicated clearly. Experts emphasize that perceptions of fairness and openness are just as critical as meeting legal obligations, since these factors directly influence productivity levels and employee loyalty.

In essence, the IR Code 2020 attempts to strike a balance between organizational agility and safeguarding employee interests. Yet its success depends heavily on how well it is implemented and supported by strong HR practices, consistent awareness programs, and accessible grievance channels. Without a focus on engagement and trust-building, employees may remain uneasy about their job security—something that can disrupt workplace harmony and hinder overall efficiency.

References

1. A Bhuta, 'Imbalancing Act: India's Industrial Relations Code, 2020'. *The Indian Journal of Labour Economics*. 2022; 65(3):745–760 <https://doi.org/10.1007/s41027-022-00410-5>
2. GK Roy and S Dubey, 'A Note on Industrial Relations Code, 2020'. *The Indian Journal of Labour Economics*. 2022; 65(3):761–770 <https://doi.org/10.1007/s41027-022-00411-4>
3. M Dwivedi and S Chowdhary, 'Implications of the Industrial Relations Code, 2020' (2020) Mondaq <https://www.mondaq.com/india/employee-rights-labour-relations/996474>
4. A Raj and R Atri, 'Layoffs in the IT Sector: An

- Analytical Review'. *International Journal of Research Publication and Review*. 2025; 6(6):1–5
<https://ijrpr.com/uploads/V6ISSUE6/IJRPR48689.pdf>
5. Anonymous, 'What Things Changed in New Code of Industrial Relations 2020?'. *International Journal of Novel Research and Development*. 2023; 8(6):1–5
<https://www.ijnrd.org/papers/IJNRD2306228.pdf>
 6. IRJMETS Editorial, 'The Impact of Layoffs in the IT Industry'. *International Research Journal of Modern Engineering, Technology and Science*. 2025; 7(3):1–5
https://www.irjmets.com/uploadedfiles/paper/issue_3_march_2025/68501/final/fin_irjmets1742732856.pdf
 7. LD Puri, 'Layoffs in the Tech Sector and Employment Strategy'. *Journal of Management and Entrepreneurship*. 2023; 17(2):93–98
<https://www.researchgate.net/publication/378555305>
 8. SM Rahman, S Akter and N Ahmed, 'Factors Affecting Layoff in High-Tech Industry: Evidence from the USA' (2022) ResearchGate
<https://www.researchgate.net/publication/358614572>
 9. C Ranganathan, 'Information Technology Personnel Layoffs in U.S. Organizations'. *Information & Management*. 2006; 43(1):25–38
<https://doi.org/10.1016/j.im.2005.04.004>
 10. PK Pandey, 'Analysis of the Social and Economic Impact of Lay-Off in Industrial Sector'. *International Journal of Finance and Management Research*. 2025; 5(2):1–6
<https://www.ijfmr.com/papers/2025/4/Analysis-of-the-Social-and-Economic-Impact-of-Lay-Off-in-Industrial-Sector.pdf>
 11. Z Saba, 'Layoffs and Corporate Performance: Evidence Based on the U.S. Tech Industry' (2024) 13(4) *International Journal of Research in Business and Social Science* 1–10
<https://doi.org/10.20525/ijrbs.v13i4.1715>
 12. SJ Sucher and S Gupta, 'Layoffs That Don't Break Your Company' (2018) 96(5) *Harvard Business Review* 58–67
<https://hbr.org/2018/09/layoffs-that-dont-break-your-company>
 13. SSRN Working Paper, 'Digitalization and Mass Layoffs: Evidence from U.S. Firms' (2016) *Social Science Research Network* (SSRN)
https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2839933
 14. R Ramesh, 'Impact on Techies Due to Lay-off in Service-Based Organizations' (2023) ResearchGate
<https://www.researchgate.net/publication/37420123>
 15. A Sharma and R Mehra, 'Effectiveness of Exit Interviews in IT Companies'. *Journal of Human Resource Studies*. 2023; 14(1):85–98
<https://www.researchgate.net/publication/3732012>
 16. Ministry of Labour and Employment, The Industrial Relations Code, 2020 (Act No. 35 of 2020) (Government of India, 2020) <https://labour.gov.in>
 17. NASSCOM, State of India's IT Industry 2024 Report (National Association of Software and Service Companies, 2024) <https://nasscom.in/knowledge-center>.