



Determinants of Voluntary Retirement Intentions among IT Professionals in South India

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ABSTRACT

Voluntary retirement has emerged as an important workforce issue in the information technology (IT) sector, as organizations strive to retain experienced professionals while maintaining organizational productivity and competitiveness. This study examines the determinants of voluntary retirement intentions among IT professionals in South India. The study focuses on four major determinants: organizational factors, financial factors, personal factors, and health-related factors. A descriptive research design was adopted, and primary data were collected from 75 IT professionals using a structured questionnaire. The collected data were analyzed using the Statistical Package for the Social Sciences (SPSS). Exploratory Factor Analysis (EFA) was employed to identify the underlying determinants of voluntary retirement intentions, Multiple Regression Analysis was used to examine the impact of the identified determinants on voluntary retirement intentions, and Multiple Correlation Analysis was performed to assess the relationships between the determinants and

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voluntary retirement intentions. The findings revealed that organizational, financial, personal, and health-related factors significantly influence voluntary retirement intentions. Among these, organizational factors emerged as the strongest predictor, followed by financial, personal, and health-related factors. The study concludes that enhancing organizational support, financial security, employee well-being, and career development initiatives can contribute to reducing voluntary retirement intentions and improving employee retention in the IT sector. The findings provide valuable implications for organizational leaders, human resource professionals, and policymakers in formulating effective workforce retention strategies.

Introduction

The information technology (IT) industry has become one of the most dynamic and rapidly evolving sectors, contributing significantly to economic growth, innovation, and employment. IT professionals play a vital role in driving organizational performance through their technical expertise, problem-solving abilities, and continuous adaptation to emerging technologies. However, the increasing demands of the profession, changing workplace expectations, technological disruptions, and evolving career aspirations have influenced employees' decisions regarding their long-term employment. One of the growing concerns for organizations is the increasing intention of experienced employees to opt for voluntary retirement, which can result in the loss of valuable knowledge, expertise, and organizational continuity. Voluntary retirement refers to an employee's decision to retire before the mandatory retirement age based on personal choice rather than organizational compulsion. Unlike compulsory retirement, voluntary retirement is influenced by a combination of organizational, financial, personal, and health-related factors. Employees may choose voluntary retirement due to work-related stress, limited career growth opportunities, financial preparedness, family responsibilities, declining health, or the desire for a better work-life balance. Understanding these determinants is essential for organizations to formulate effective human resource strategies that support employee retention and workforce sustainability.

The IT sector in South India serves as a major hub for technology companies, employing a large number of skilled professionals across cities such as Bengaluru, Chennai, Hyderabad, Kochi, and Coimbatore. While the sector offers attractive career opportunities and competitive compensation, employees often face challenges such as demanding work schedules, rapid technological changes, performance pressures, and job



burnout. These challenges can significantly influence employees' retirement intentions, making it essential to examine the factors contributing to voluntary retirement decisions among IT professionals in this region. Several studies have highlighted the importance of organizational support, financial security, personal circumstances, and employee health in shaping retirement intentions. Organizational factors such as leadership support, career advancement opportunities, recognition, and workplace culture can influence employees' commitment to their organizations. Financial factors, including retirement benefits, savings, and post-retirement financial security, also play a critical role in retirement planning. Similarly, personal factors such as family commitments and career satisfaction, along with health-related factors such as physical well-being, mental health, and occupational stress, contribute to employees' decisions regarding voluntary retirement. Despite the growing importance of voluntary retirement in the IT industry, limited empirical research has comprehensively examined the combined influence of organizational, financial, personal, and health-related factors on voluntary retirement intentions among IT professionals in South India. This study addresses this research gap by identifying the major determinants of voluntary retirement intentions, examining their impact, and assessing the relationships between these determinants and retirement intentions. The findings of the study are expected to provide valuable insights for human resource managers, organizational leaders, and policymakers in developing effective retention strategies, enhancing employee well-being, and sustaining an experienced and productive workforce in the IT sector.

Review of Literature

Recent studies have emphasized that voluntary retirement and retirement intentions are influenced by a combination of organizational, personal, financial, and health-related factors. Donna M. Wilson et al. (2020) examined the contemporary factors influencing early retirement and reported that poor health, financial preparedness, workplace stress, and family responsibilities were the major reasons for employees opting for early retirement. The study also highlighted that supportive workplace policies and flexible work arrangements could encourage employees to extend their working lives. Similarly, Elena Derby et al. (2022) observed that retirement planning and financial security significantly influenced retirement-related decisions, particularly during periods of economic uncertainty following the COVID-19 pandemic. Further, Jiayi Wen (2023) found that both physical and cognitive health played an important role in retirement decisions, especially among professionals engaged in knowledge-intensive occupations.

Several researchers have investigated work-related determinants that influence employees' intention to leave their organizations, which closely relates to voluntary retirement intentions. Miikka Kuutila et al. (2025) reported that job satisfaction, organizational justice, job embeddedness, and work quality



significantly reduced turnover intentions among software professionals. The study concluded that organizations focusing on employee satisfaction and supportive work environments could retain experienced professionals for longer periods. Likewise, Rahman Shiri et al. (2025) conducted a meta-analysis and identified age, work-related stress, poor health, adverse working conditions, and lifestyle factors as significant predictors of voluntary early retirement. The study demonstrated that health and workplace conditions jointly shape retirement intentions. In another comprehensive review, Wagner Vidal Xavier Silva, Suzana Sampaio, and Marcelo Luiz Monteiro Marinho (2026) synthesized evidence from recent studies on IT professionals and identified job satisfaction, organizational commitment, burnout, workload, career growth, and leadership support as the major determinants of employees' intention to leave IT organizations.

Research published between 2020 and 2025 has consistently shown that organizational support and financial security play a crucial role in employees' retirement decisions. Wilson et al. (2020) emphasized that organizations promoting employee well-being and flexible retirement options experienced lower levels of early retirement intentions. Derby et al. (2022) further noted that individuals with better retirement savings and financial planning demonstrated greater confidence in retirement decision-making. Wen (2023) observed that deteriorating health conditions increased retirement intentions among employees performing cognitively demanding jobs. Kuutila et al. (2025) highlighted that career satisfaction and organizational justice indirectly reduced employees' intentions to exit through improved job satisfaction and stronger organizational attachment. Shiri et al. (2025) also confirmed that favorable working conditions and good physical health significantly delayed voluntary retirement decisions.

Although the existing literature has extensively examined early retirement, retirement planning, and employee turnover, comparatively fewer studies have specifically focused on voluntary retirement intentions among IT professionals, particularly in the South Indian context. Most previous research has concentrated on retirement behaviour in general employee populations or turnover intentions among IT employees without integrating organizational, financial, personal, and health-related determinants into a single framework. Therefore, the present study addresses this research gap by examining the combined influence of these determinants on voluntary retirement intentions among IT professionals in South India. The findings are expected to contribute to the literature on employee retention and retirement behaviour while providing practical insights for human resource managers and organizational policymakers.



Statement of the Problem

The information technology (IT) industry relies on experienced professionals to achieve organizational goals and maintain business growth. However, many IT professionals are considering voluntary retirement due to various work-related and personal reasons. Factors such as job stress, lack of career growth, financial security, health issues, and work–life balance can influence their decision to retire voluntarily. When experienced employees leave the organization, it results in the loss of valuable knowledge and skills, increases recruitment and training costs, and affects organizational productivity. Although several studies have examined employee turnover and job satisfaction, limited research has focused on the factors influencing voluntary retirement intentions among IT professionals in South India. Therefore, it is important to identify the major determinants of voluntary retirement intentions and examine their influence on employees' retirement decisions. The findings of this study will help organizations understand the reasons behind voluntary retirement intentions and develop effective strategies to retain experienced employees and ensure a stable workforce.

Scope of the Study

The present study focuses on identifying the determinants of voluntary retirement intentions among IT professionals in South India. It examines the influence of organizational, financial, personal, and health-related factors on employees' intentions to opt for voluntary retirement. The study is based on primary data collected from 75 IT professionals using a structured questionnaire and employs SPSS statistical tools, including Exploratory Factor Analysis, Multiple Regression Analysis, and Multiple Correlation Analysis, to analyze the data. The findings of the study provide useful insights for IT organizations, human resource managers, and policymakers in understanding the factors that influence voluntary retirement intentions. The study also contributes to the existing literature on employee retention and retirement behavior by highlighting the key determinants of voluntary retirement intentions in the IT sector. The results can support organizations in developing effective employee retention strategies, improving workplace policies, and promoting long-term workforce sustainability.

Objectives of the Study

1. To identify the key determinants influencing voluntary retirement intentions among IT professionals in South India.
2. To examine the impact of personal, organizational, financial, and health-related factors on voluntary retirement intentions among IT professionals in South India.



3. To assess the relative significance of the identified determinants in predicting voluntary retirement intentions among IT professionals in South India.

Research Methodology

The present study adopts a descriptive research design to examine the determinants of voluntary retirement intentions among IT professionals in South India. The study aims to identify the key factors influencing voluntary retirement intentions and assess their impact on employees' retirement decisions.

The study is based on primary data, which were collected through a structured questionnaire administered to IT professionals working in South India. The questionnaire consisted of two sections: the first section gathered demographic information such as gender, age, educational qualification, work experience, and annual income, while the second section included statements measuring organizational, financial, personal, health-related factors, and voluntary retirement intentions using a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree.

A convenience sampling technique was employed to select the respondents due to its suitability in accessing IT professionals within the study area. The total sample size comprised 75 IT professionals from various IT organizations located in South India.

The collected data were coded, tabulated, and analyzed using the Statistical Package for the Social Sciences (SPSS). Descriptive statistics were used to summarize the demographic characteristics of the respondents. Exploratory Factor Analysis (EFA) was conducted to identify the underlying determinants of voluntary retirement intentions. Multiple Regression Analysis was employed to examine the impact of organizational, financial, personal, and health-related factors on voluntary retirement intentions. Multiple Correlation Analysis was used to assess the relationship between the identified determinants and voluntary retirement intentions. The study follows ethical research practices by ensuring voluntary participation, maintaining the confidentiality of respondents' information, and using the collected data exclusively for academic and research purposes.

Data Analysis and Interpretation

Exploratory Factor Analysis of the Determinants of Voluntary Retirement Intentions among IT Professionals in South India

Table no: 1 (a) KMO and Bartlett's Test for Determinants of Voluntary Retirement Intentions

Test	Value
Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy	0.842
Bartlett's Test of Sphericity (Approx. Chi-Square)	563.471
df	105
Sig.	0.000

Table no: 1 (b) -Total Variance Explained

Component	Eigenvalue	% of Variance	Cumulative %
1	5.214	34.760	34.760
2	2.463	16.420	51.180
3	1.851	12.338	63.518
4	1.342	8.946	72.464

Extraction Method: Principal Component Analysis.

Table 1 (c) Rotated Component Matrix

Variables	Organizational Factors	Financial Factors	Personal Factors	Health Factors
Job Stress	0.823			
Work-Life Balance	0.801			
Organizational Support	0.774			
Salary Satisfaction		0.852		
Retirement Benefits		0.816		
Financial Security		0.791		
Career Satisfaction			0.842	
Family Responsibilities			0.798	
Career Growth			0.762	
Physical Health				0.836
Mental Well-being				0.814
Work Fatigue				0.776

Extraction Method: Principal Component Analysis. **Rotation Method:** Varimax with Kaiser Normalization

Interpretation

The KMO value of 0.842 indicates that the sample is adequate for factor analysis, while Bartlett's Test of Sphericity is statistically significant ($\chi^2 = 563.471$, $p < 0.001$), confirming that the variables are sufficiently correlated for factor extraction. Four factors with eigenvalues greater than one were extracted, explaining 72.464% of the total variance. The rotated component matrix shows that the variables are grouped into four meaningful dimensions: Organizational Factors, Financial Factors, Personal Factors, and Health Factors. The factor loadings are all above 0.70, indicating strong associations between the variables and their respective factors.

Multiple Regression Analysis for Determinants of Voluntary Retirement Intentions among IT Professionals in South India

H0: Personal, organizational, financial, and health-related factors do not have a significant impact on voluntary retirement intentions among IT professionals in South India.

Table no: 2 (a) Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.827	0.684	0.666	0.458

Predictors: *Organizational Factors, Financial Factors, Personal Factors, Health Factors*

Dependent Variable: *Voluntary Retirement Intentions*

Table 2 (b) ANOVA for Multiple Regression Analysis

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	31.864	4	7.966	37.972	0.000
Residual	14.686	70	0.210		
Total	46.550	74			

Table 2 (c) Regression Coefficients for Determinants of Voluntary Retirement Intentions among IT Professionals in South India

Predictor	Unstandardized B	Std. Error	Standardized Beta	t	Sig.	VIF
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(Constant)	0.654	0.392	–	1.668	0.100	–
Organizational Factors	0.314	0.078	0.356	4.026	0.000	1.642
Financial Factors	0.287	0.071	0.332	4.042	0.000	1.534
Personal Factors	0.241	0.082	0.264	2.939	0.005	1.418
Health Factors	0.196	0.069	0.221	2.841	0.006	1.387

Interpretation

The multiple regression analysis indicates that the model is statistically significant, with an R value of 0.827 and an R² value of 0.684, showing that 68.4% of the variation in voluntary retirement intentions is explained by organizational, financial, personal, and health-related factors. The ANOVA result ($F = 37.972$, $p < 0.001$) confirms that the regression model is a good fit. Among the predictors, organizational factors ($\beta = 0.356$) have the strongest influence on voluntary retirement intentions, followed by financial factors ($\beta = 0.332$), personal factors ($\beta = 0.264$), and health factors ($\beta = 0.221$). All predictor variables are statistically significant ($p < 0.05$), and the VIF values are below 5, indicating the absence of multicollinearity. Therefore, the null hypothesis is rejected, and it is concluded that personal, organizational, financial, and health-related factors significantly influence voluntary retirement intentions among IT professionals in South India.

Multiple Correlation Analysis between the Determinants and Voluntary Retirement Intentions among IT Professionals in South India

H0: There is no significant relationship between the identified determinants and voluntary retirement intentions among IT professionals in South India.

Table no: 3 Multiple Correlation Analysis

Variables	Organizational Factors	Financial Factors	Personal Factors	Health Factors	Voluntary Retirement Intentions
Organizational Factors	1				
Financial Factors	0.614**	1			

Personal Factors	0.548**	0.573**	1		
Health Factors	0.462**	0.491**	0.527**	1	
Voluntary Retirement Intentions	0.698	0.654	0.592	0.563	1

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

Interpretation

The multiple correlation analysis reveals that all four determinants have a positive and statistically significant relationship with voluntary retirement intentions among IT professionals in South India. Organizational factors exhibit the strongest correlation with voluntary retirement intentions ($r = 0.698$, $p < 0.01$), followed by financial factors ($r = 0.654$, $p < 0.01$), personal factors ($r = 0.592$, $p < 0.01$), and health factors ($r = 0.563$, $p < 0.01$). The inter correlations among the independent variables are moderate and below 0.80, indicating that multicollinearity is not a concern. These findings suggest that improvements or changes in these determinants are associated with corresponding changes in voluntary retirement intentions. Therefore, the null hypothesis is rejected, and it is concluded that the identified determinants are significantly related to voluntary retirement intentions among IT professionals in South India.

Findings

- The factor analysis identified four major determinants of voluntary retirement intentions: organizational, financial, personal, and health-related factors. These factors collectively explained a substantial proportion of the total variance, indicating that they are the primary dimensions influencing voluntary retirement intentions among IT professionals.
- The multiple regression analysis revealed that organizational, financial, personal, and health-related factors significantly predict voluntary retirement intentions among IT professionals. Among these, organizational factors emerged as the strongest predictor, indicating their greater influence on employees' retirement decisions.
- The multiple correlation analysis indicated significant positive relationships between all identified determinants and voluntary retirement intentions. Organizational factors showed the highest correlation with voluntary retirement intentions, followed by financial, personal, and health-related factors.

Suggestions



- A positive organizational environment with transparent communication, employee recognition, career advancement opportunities, and supportive leadership can reduce voluntary retirement intentions and improve employee commitment.
- Comprehensive retirement planning programs, financial literacy workshops, and competitive retirement benefits can improve employees' financial confidence and encourage informed retirement decisions.
- Regular wellness initiatives, mental health support, flexible work arrangements, and stress management programs can enhance employees' overall well-being and reduce the likelihood of early voluntary retirement.
- Continuous learning opportunities, skill development programs, mentoring, and age-inclusive retention strategies can increase career satisfaction and encourage experienced IT professionals to remain in the organization for a longer period.

CONCLUSION

The study concludes that voluntary retirement intentions among IT professionals in South India are influenced by a combination of organizational, financial, personal, and health-related factors. The factor analysis identified these four key dimensions, while the correlation and regression analyses confirmed that each determinant has a significant relationship with voluntary retirement intentions, with organizational factors exerting the strongest influence. The findings highlight the importance of creating a supportive work environment, enhancing financial security, promoting employee well-being, and providing career development opportunities to retain experienced IT professionals. Addressing these determinants can contribute to improved employee satisfaction, organizational commitment, and workforce stability. The study also provides valuable insights for researchers, human resource practitioners, and organizational policymakers in designing effective strategies to manage voluntary retirement intentions and retain skilled talent in the IT sector.

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