

Changing Patterns of Employee Engagement and Workforce Attrition in India: A Secondary-Data Analysis, 2012–2025

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Abstract

Employee engagement and attrition (employees leaving an organisation) are important for human resource management because they affect organisational performance and workforce stability. This study examines how engagement and attrition have changed in India and what this means for HR practice. It uses secondary data from Gallup's State of the Global Workplace reports (2012–2025), Aon's Annual Salary Increase and Turnover Survey (2023–2025) and EY's 2025 Work Reimagined Survey. A descriptive design was used, and the data were analysed using percentage-point differences and relative changes. Engagement in India rose from 9% in 2012 to a peak of 33% in 2022 and then fell to 23% in 2025, while the share of not-engaged employees rose to 59%. Between 2024 and 2025, manager engagement fell from 39% to 30%, and engagement of individual contributors fell from 24% to 19%. Between 2023 and 2025, attrition also fell, from 18.7% to 16.2%. Bonuses and flexible schedules were among the main priorities reported by employees and employers. The study suggests that engagement and attrition can move differently, so HR strategies should consider both. The findings are descriptive and do not prove cause and effect.

Keywords: *Employee Engagement, Workforce Attrition, Employee Retention, Human Resource Management, Reward Management, Workplace Priorities, India.*

1. INTRODUCTION

Employee engagement is an important part of human resource management. It shows the emotional connection and commitment that employees bring to their work and organisation. Kahn [1] described personal engagement as people putting their full selves into their work roles, and Schaufeli et al. [2] described it as a positive work-related state with three parts: energy (vigour), dedication and absorption. Engagement is linked to better productivity, customer outcomes and organisational performance, and to lower employee turnover [3]. It is influenced by organisational support, job design, fairness and support from managers [4], [5]. Workforce attrition, which means employees leaving the organisation, is also a major concern because it affects the stability of the workforce. However, an employee staying in an organisation does not always mean that the employee is engaged. Employees may stay for other reasons, such as strong links with colleagues, a good fit with the job, or the cost of leaving [6].

In India, engagement rose from 9% in 2012 to a peak of 33% in 2022, but fell to 23% in 2025 [7]. Over 2023–2025, attrition also fell, from 18.7% to

16.2% [8]. These trends show why engagement and attrition should be studied together. This study therefore (i) analyses engagement trends in India from 2012 to 2025, (ii) compares the engagement of managers and individual contributors, (iii) examines engagement and attrition trends during 2023–2025, and (iv) looks at selected employee and employer workplace priorities and what they mean for HR practice.

2. MATERIALS AND METHODS

2.1 Research design

The study is descriptive and uses only secondary data, which means data already published by other organisations. It covers several years: trend analysis is used for the 2012–2025 engagement series, and comparison tables are used for the job-level, attrition and priorities data. No primary data were collected and no human participants were involved.

2.2 Data sources

Data were taken from publicly available reports accessed on 3 October 2026. Table 1 lists the sources, coverage and variables used.

Table 1: Secondary data sources used in the study

Source	Coverage	Variables used
Gallup State of the Global Workplace 2026 [7], [9], [10]	India, 2012–2025; three-year rolling averages	% engaged, not engaged, actively disengaged; job level; job climate
Aon Annual Salary Increase and Turnover Survey 2025–26 (32nd edition) [8]	India; 1,400+ organisations, 45 industries; 2023–2025	Overall attrition rate (%)
EY 2025 Work Reimagined Survey [11]	India; 800 employees, 50 employers	Reward and flexibility priorities (%)

Source: Compiled by the author.

2.3 Research propositions

Because the data are totals for groups of employees, formal hypothesis tests are not possible. Instead, four propositions (statements to be checked) are assessed through description. **P1:** India’s engagement has fallen since its 2022 peak. **P2:** The recent fall is steeper for managers than for individual contributors. **P3:** Attrition has fallen while engagement has also fallen, which suggests that employees are staying without being engaged (“retention without engagement”). **P4:** Employees and employers give similar importance to flexible schedules but differ on pay-related rewards.

2.4 Analytical approach

Change is shown in percentage points (pp), which is the simple difference between two percentages, and as relative change, which is the change divided by the starting value. Only three years (2023–2025) are available for both engagement and attrition, so this comparison shows direction only. No correlation or significance test is reported, because three data points are too few. All figures were taken from the publishers’ own reports or from reputable news coverage of them; blogs were not used as a source of figures.

3. RESULTS AND DISCUSSION

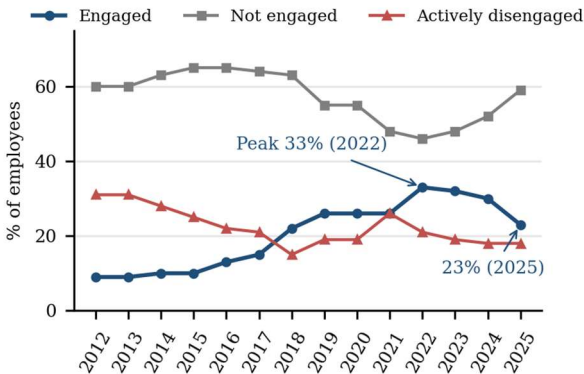
3.1 Engagement trend in India (P1)

Figure 1 and Table 2 show that engagement in India rose from 9% in 2012 to a peak of 33% in 2022, an increase of 24 percentage points (pp). It then fell to 23% in 2025, a drop of 10 pp from the peak, or about 30% in relative terms. In the latest year alone, it fell by 7 pp (from 30% to 23%), a relative fall of about 23%.

The type of employees who were lost from the engaged group is also important. The share of actively disengaged employees (those who are

unhappy at work and may work against the organisation) stayed at 18% in the last two readings, far below 31% in 2012. The employees lost from the engaged group moved into the not-engaged group, which rose from 46% in 2022 to 59% in 2025 (+13 pp). These employees are not against the organisation, but they are mentally checked out and do only what is required, a pattern often called “quiet quitting” [7]. India is still above the South Asia average (21%) and the global average (20%), which is the lowest global level since 2020 [10], [12].

Fig. 1: Employee engagement in India, 2012–2025 (% of employees)



Source: Gallup [10], also published in [7]. Three-year rolling averages.

Table 2: India engagement profile, 2012–2025

Year	Engaged (%)	Not engaged (%)	Actively disengaged (%)	Total (%)
2012	9	60	31	100
2013	9	60	31	100
2014	10	63	28	101
2015	10	65	25	100
2016	13	65	22	100
2017	15	64	21	100
2018	22	63	15	100
2019	26	55	19	100
2020	26	55	19	100
2021	26	48	26	100
2022 (peak)	33	46	21	100
2023	32	48	19	99
2024	30	52	18	100
2025	23	59	18	100
Change 2022–25 (pp)	–10	+13	–3	—
Change 2024–25 (pp)	–7	+7	0	—

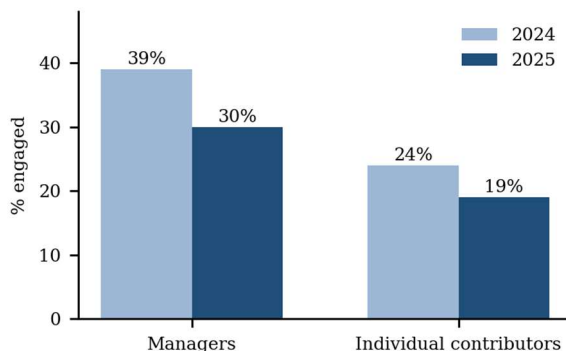
Source: [7], [10]; three-year rolling averages; totals differ from 100 in some years because of rounding in the source. Changes calculated by the author. pp = percentage points.

P1 is supported. The fall since 2022 is clear. The 2025 level (23%) is slightly below the 26% recorded in 2019–2021, although Gallup describes it as in line with those years [7].

3.2 Managers and individual contributors (P2)

Managers are still more engaged than individual contributors (30% versus 19%), but their engagement has fallen more since 2024: by 9 pp (about 23% in relative terms) compared with 5 pp (about 21%) for individual contributors (Fig. 2, Table 3). The gap between the two groups has narrowed from 15 pp to 11 pp. Gallup notes that the share of managers among workers in South Asia has also fallen, which suggests that employers are cutting management roles and that remaining managers may have to lead larger teams [7], [12].

Fig. 2: Engagement by job level in India, 2024 vs 2025 (%)



Source: [7].

Table 3: Change in engagement by job level, India

Job level	2024 (%)	2025 (%)	Change (pp)	Relative change (%)
Managers	39	30	-9	-23.1
Individual contributors	24	19	-5	-20.8
Gap (manager – contributor)	15	11	-4	—

Source: [7]; relative change and gap calculated by the author.

P2 is supported in absolute terms (-9 pp versus -5 pp). The difference in relative terms is small (about 2 pp), so the result is better described as managers falling more from a higher starting level. Because managers influence team engagement [5], [7], this fall is still a concern.

3.3 Engagement and attrition (P3)

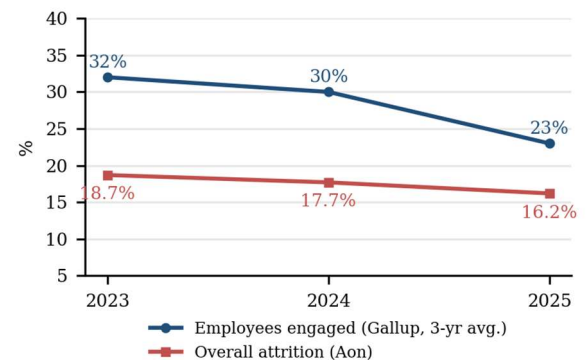
Aon's survey of more than 1,400 organisations reports that attrition fell from 18.7% in 2023 to 17.7% in 2024 and 16.2% in 2025 [8]. Over the same years, the share of engaged employees fell from 32% to 30% to 23% (Table 4, Fig. 3).

Table 4: Engagement and attrition in India, 2023–2025

Indicator	2023 (%)	2024 (%)	2025 (%)	Change 2023–25
Employees engaged (Gallup)	32	30	23	-9 pp (-28.1%)
Overall attrition (Aon)	18.7	17.7	16.2	-2.5 pp (-13.4%)
Engagement, year-on-year (pp)	—	-2	-7	—
Attrition, year-on-year (pp)	—	-1.0	-1.5	—

Source: [8], [10]; changes calculated by the author. Gallup figures are three-year rolling averages; Aon figures are yearly.

Fig. 3: Engagement and attrition both falling, India, 2023–2025



Source: [8], [10]. The two sources cover different groups; see Section 3.8.

If engagement and attrition were closely linked in the usual way, falling engagement would be followed by more employees leaving. Instead, both fell in each year. Several reasons may explain this. First, job embeddedness [6] suggests that employees may stay for reasons other than engagement. Second, the job market may limit exits: 53% of Indian employees say it is a good time to find a job in their area, which is 3 points lower than the previous three-year average [10], and Business Today reports that voluntary attrition also eased, from 13.4% to 12%, which an Aon expert linked to a softer job market [13]. Third, an industry expert has noted that lower attrition is not only the result of good engagement strategies [13].

Aon's own report, in contrast, links lower attrition to a greater focus on engagement and a more stable and engaged workforce [8], while Gallup's employee survey shows engagement falling [10]. The two sources measure different things (exits reported by companies and engagement reported by employees), but together they show why attrition alone can give a misleading picture. So "retention without engagement" is possible, but it is only an interpretation: the data cannot prove cause and effect, and the sources cover different groups.

P3 is partly supported in direction, but the evidence is weak because there are only three years of data and the sources differ.

3.4 Employee and employer priorities (P4)

The EY 2025 survey included 800 employees and 50 employers in India. Employees most often chose bonuses (40%), flexible schedules (33%), pay linked to the cost of living (32%) and wellbeing benefits (31%). Employers chose bonuses (35%), flexible schedules (33%) and AI skill-building resources (34%) [11] (Table 5).

Table 5: Reward priorities in India (% selecting)

Reward element	Employees (n = 800) (%)	Employers (n = 50) (%)
Bonuses	40	35
Flexible schedules	33	33
Pay linked to cost of living	32	Not reported
Wellbeing benefits	31	Not reported
AI skill-building resources	Not reported	34

Source: [11]. Only figures stated in the source are shown.

Flexible schedules are the only item for which both groups report the same figure (33%), while the gap on bonuses is 5 pp. This suggests that employees and employers already agree on the value of flexibility, while pay-related expectations may differ more. However, the employer sample is small (50), and some items were reported for only one group, so a full comparison is not possible. **P4 is partly supported.**

3.5 Summary of propositions

Table 6 summarises the result for each proposition.

Table 6: Assessment of research propositions

Ref.	Proposition	Result	Key evidence
P1	Engagement has fallen since 2022	Supported	33% to 23%
P2	Managers' fall is steeper	Supported (small difference in relative terms)	-9 pp vs -5 pp
P3	Retention without engagement	Partly supported	Engagement -9 pp; attrition -2.5 pp
P4	Similar on flexibility; differ on pay	Partly supported	33% vs 33%; 40% vs 35%

Source: Author's analysis.

3.6 Discussion

India's workforce problem has changed. In 2012 the main problem was active disengagement (31%). Today it is much lower, but most employees (59%) are not engaged, so the risk is wasted potential rather than open resistance. Looking at attrition alone

suggests that the workforce is becoming healthier. Looking at engagement as well suggests that organisations are keeping more employees, but not necessarily more committed ones. This has a cost, because engagement is linked to productivity and customer outcomes [3]. Also, when good jobs are fewer, employees may stay only because they have no better option. If the job market improves, the not-engaged employees are the most likely to leave, because Gallup notes that disengaged employees are more likely to look for another job when job markets are good [12].

The result for managers connects these points. Managers are the most engaged group, but their engagement fell the most, and they may now have larger teams to lead. Managers provide many of the resources that keep employees engaged, such as support and feedback [5], so a fall in manager engagement is an early warning for team results.

3.7 Implications for HR practice

- **Measure engagement along with attrition.** Use short pulse surveys, ask employees about their intention to stay, and hold stay interviews. A falling exit rate does not prove that the workforce is healthy.
- **Support managers.** Choose managers carefully, train them, and check the size of their teams before removing management levels.
- **Make flexibility policies clear.** Write clear and fair flexible-schedule policies and apply them consistently.
- **Focus on the not-engaged majority.** Improve role clarity, recognition and communication, and plan separately for different job levels, lengths of service and functions.
- **Track managers separately.** Manager engagement in India fell more than that of individual contributors, so HR teams should report it as a separate measure [7].

3.8 Limitations and future research

The study uses summary data from reports, so it cannot show cause and effect or explain why individual employees behave as they do. The Gallup series is a three-year rolling average (each value is the average of three years), which smooths year-to-year changes and does not match the yearly attrition figures exactly. Gallup typically surveys about 1,000 people per country and reports country-level margins of sampling error of up to about ± 7

percentage points, so small changes of 1–3 pp should be read with care [10]. Gallup also notes that engagement data were not collected in 2017, so values around that year rest on fewer years of data [10]. Aon's figures for earlier years can change between survey editions because the participating organisations change, so only the series from the latest edition is used [8]. The three sources survey different groups (employees across the economy, participating organisations, and a small group of Indian respondents), so comparisons are only indicative. Only three years overlap, and differences by industry, age or gender are not studied. Future studies could link engagement scores with employees' intention to stay and actual exits, use a primary survey with a proven scale such as the Utrecht Work Engagement Scale [2], and compare organisations with different flexibility policies.

4. CONCLUSIONS

Employee engagement in India fell from a peak of 33% in 2022 to 23% in 2025. Most of the loss moved into a growing group of employees who are not engaged but not against the organisation, and managers showed the largest fall. During the same period attrition also fell, which shows that retention and engagement can move differently. HR leaders should therefore not use attrition alone to judge success, should support the managers who drive team engagement, and should use clear flexibility policies to help retain employees. Because the study uses secondary data, these conclusions are suggestions for further testing and do not prove cause and effect.

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