**Abstract**

The success of Indian IT industry has given birth to IT enabled services in the form of Business Process outsourcing also commonly known as BPO industry. Prior to the recession, BPO industry was the fastest growing industry in the world. This industry had revolutionized the world in the form of providing quality services with low input costs and high returns. The majority of the employees in the BPO sector are young, energetic and are able to work continuously at a very long stretch. Thus, managing the human resource in the Indian BPO industry becomes a challenge. This paper discuss the factors of attrition and analyses the causes of attrition through Maslow’s hierarchy of need model and various practices followed to retain talent in BPO Sector.