

UNDERSTANDING THE TALENT GAP IN INDIAN TECHNOLOGY STARTUPS: TALENT ACQUISITION, RETENTION, SKILL SCARCITY, AND THE “PURPLE SQUIRREL” HIRING PHENOMENON

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ABSTRACT

This study examines talent acquisition and employee retention challenges particularly the pursuit of “purple squirrel” candidates among technology startups in Noida through a systematic literature review (SLR). Using the PSALSAR framework and PRISMA-guided screening, 194 academic and non-academic sources published between 2010 and 2025 were synthesized. The findings indicate that startups adopting strategies such as employer branding, social media recruitment, and targeted sourcing are better positioned to compete for scarce and highly skilled talent despite high attrition rates. Retention strategies emphasizing career advancement, autonomy, and a positive work environment were found to be critical. The review also highlights challenges specific to Noida-based startups, including skill saturation, competition from neighbouring hubs, and the need for customized HR processes. The study contributes by proposing conceptual frameworks and outlining a future research agenda to enhance talent management in India’s evolving startup ecosystem.

Keywords: *Purple squirrel, Talent acquisition, Employee retention, Tech startup, Literature review*

1. INTRODUCTION

Tech startups actually face big problems in finding and keeping good workers in today's competitive market. Roach, M., & Sauermann, H. (2024). Companies definitely struggle to attract skilled people and make them stay. This difficulty arises from intense competition for skilled professionals, limited funds, and low brand visibility, which further creates challenges for companies to attract talent itself. Basically, experienced candidates prefer the same established companies that offer job security and proper career growth with a stable work environment. This also provides a chance for the top management to understand the employee behaviour to ensure that organizational sustainability is maintained Russell, S., Giæver, F., & Onkila, T. (2021). As per budget limits, startups cannot give high salary packages, and

regarding the fast and risky work environment, many people who avoid risks do not want to join startups. In addition, startups must use new ways to hire people and build a good company image by showing their special points like fast career growth, freedom to make decisions, getting company shares, flexible work style, and chances to work on important projects only. Startups can surely become more attractive employers by building strong industry connections and working with universities. Moreover, maintaining a good digital presence helps them appear as modern, forward-thinking companies. These hiring problems are surely linked to the "purple squirrel" idea in finding talent, says Sullivan, M. (2017). Moreover, this concept shows how companies often look for perfect candidates who may not exist. Basically, this means looking for the perfect candidate who has the same rare mix of technical skills, industry knowledge, and good soft skills all together. Companies actually want to find perfect candidates, but this definitely makes hiring take too long and causes them to lose good people who just need a little training. Basically, in fast-changing tech fields, expecting the same perfect skills to match forever is not practical. Many organizations are further focusing on hiring adaptable candidates who can learn quickly and fit the company culture itself, rather than looking for perfect technical skills. Companies are further investing in internal training programs to develop specialized talent itself. However, keeping these skilled employees is difficult since competitors also want them due to their rare abilities. Also, beyond hiring new people, keeping employees has surely become an equally important problem in the tech industry. Moreover, companies are now facing serious challenges in making their workers stay Gajananrao Chintawar, A., Mandava, T., & Sanjay Kekade, S. (2025). As per current trends, high employee turnover happens due to constant technology changes, tough job competition, changing career goals, and workplace stress. Regarding this issue, companies face more people leaving jobs because of these factors. Tech professionals surely move between companies to find better innovation opportunities and faster career growth. Moreover, they also seek skill development and higher pay packages. Employee attrition further leads to higher recruitment costs and loss of institutional knowledge itself. This results in reduced productivity during the onboarding period. Basically, companies are now using complete retention plans that go beyond just giving the same money benefits. We are seeing companies use only simple ways like flexible work hours, mental health help, mentorship programs, clear career growth paths, cross-department work exposure, and value-based company cultures. Basically, companies need to give employees a clear purpose, involve them in important decisions, and show how their work helps society - it's all the same goal of keeping workers engaged. In today's fast-changing technology world, companies need good hiring methods and strong employee retention plans to build a dedicated workforce Holubenko, T. (2024). This approach itself helps organizations further strengthen their teams and keep skilled workers for longer periods.

1.1 Importance of understanding talent acquisition and retention in tech startups

Tech startups face problems with finding skilled workers, low company recognition, and high salary expectations, but networking and employee recommendations help improve hiring results itself (Mukul & Saini, 2021). Further research shows that building connections makes recruitment more effective for these companies. Basically, social networking platforms help companies build their brand image and attract the same talented employees while keeping them

in the organization (Nayak et al., 2017). As per recent studies, AI-based hiring systems and data analysis help companies find right candidates, reduce unfair choices, and keep good employees from leaving. Regarding recruitment, these smart tools make the process more targeted and fairer. As per organizational goals, tech startups must hire talent through simple AI processes that focus on diversity and avoid bias regarding data privacy issues. To further improve employee retention and performance, startups should actively develop structured talent management programs that boost employee engagement itself. Moreover, creating a strong value-based culture and combining knowledge management with competency practices surely increases employee engagement and reduces staff turnover in knowledge-based organizations (Srivastava & Bhatnagar, 2008; Kossyva et al., 2023).

1.2 Need for synthesizing existing literature on the topic

Tech startups in Noida face challenges in hiring rare candidates with special skill combinations due to limited brand recognition itself and competition from larger firms offering higher salaries. This situation further creates difficulties for these companies to find the right talent they need. Using social connections and referral networks can actually strengthen how companies find talent. These networks definitely help in better hiring efforts. Using AI tools for hiring and data analysis surely makes the selection process better and helps keep employees longer. Moreover, this approach gives companies better results in finding and retaining the right workers (Khan et al., 2024). Basically, inclusive hiring strategies do the same thing - they promote diversity and also solve the problem of skill shortage. In addition, good talent management only helps to improve new ideas, worker interest, and business advantage in Noida's growing technology area. Moreover, workforce analytics and structured HR practices surely help organizations adapt better and perform well over time. Moreover, these approaches support long-term success in changing business environments (Durai et al., 2024).

2. OBJECTIVES AND RESEARCH QUESTIONS

The systematic review on talent acquisition and retention particularly in tech start-ups has main objectives that include some important elements.

i) Examining Present Practices: The aim of systematic review is to consolidate and appraise an overall body of knowledge on talent management practices. This involves assessing the pros and cons of existing strategies and understanding how these activities are presently practiced by many tech startups (Opada et al., 2024).

ii) Finding the Gaps and Difficulties: By assessing previous literature, there are gaps within the existing literature on talent management such as definition and measures not being agreed on. Research gaps highlighted indicate areas that need to be further researched to develop more effective talent acquisition and retention plans (Sinisterra et al. 2024).

iii) Understanding the Impact on Performance: The goal of the review is to identify how talent management practices affect organizational performance; that is, the practices should be

able to increase employee engagement, lessen intentions of leaving, and thereby enhance organizational performance (Hongal and Kinange, 2020).

iv) Combining Data to Support Best Practices: This paper summarizes the successful strategies in attracting and retaining talent with respect to the different contexts of technology start-ups. This compilation helps us to identify the most effective practices and where they work best (Sinisterra et al., 2024).

v) Developing Recommendations: The systematic review findings lead to policy recommendations and accords. Tech startups can use good talent management strategies to meet organizational goals. Likewise, it can overcome specific problems like retention of skills and engagement of employees (Opada et al., 2024).

vi) Impact on Theory and Policy Development: This review is most likely to contribute to theory as well as policy development because it gives HR professionals and regulators a basis for developing structure to encourage creativity and the implementation of strategic talent management among tech start-ups (Wafula, 2024).

This means that a systematic review is a basic tool through which the complexity and dynamic character of talent management get to be understood in tech startups. Merging the existing knowledge not only shows new gaps in knowledge but also helps to develop a new management framework.

The research questions that need to be answered are below.

RQ1: What gaps exist in research on talent acquisition and retention, particularly as they relate to tech startups? Which further research is needed?

RQ2: What are the talent acquisition and retention strategies used by tech start-ups and how do these align with organizational goals?

RQ3: What are some organizational and market challenges faced by startups when sourcing for “purple squirrels”?

RQ4: How do talent acquisition and retention strategies evolve through the startup lifecycle (seed to scale-up) in Noida’s tech sector?

RQ5: How are the talent strategies of Noida Based Startups different from other Indian tech hubs like Bangalore, Hyderabad and Pune?

3. SCOPE AND LIMITATIONS OF THE REVIEW

3.1. Conceptual Scope

This systematic literature review (SLR) on talent acquisition and retention conduct an analysis of resource-based views for technology-based startup firms. The focus is on businesses in

Noida in the Indian startup ecosystem. This review tries to synthesise the academic and practitioner literature in order to identify patterns, practices, issues and new trends in their recruitment and retention of highly skilled technical talent. The review includes three main conceptual dimensions.

i) Talent acquisition: This involves recruiting rare-skilled workers, popularly known as the purple squirrels, employer branding, sourcing channels and selection procedures.

ii) Employee Retention: In fast-growing startups with limited resources, areas covered under this includes engagement, career, culture, and turnover.

iii) Startup Lifecycle Dynamics: changes in talent practices in regional tech ecosystems in India and how they differ across regional tech ecosystems as startups move from seed to scale-up.

3.2. Geographical and Sectoral Scope

- The premise is tech startups involved in Noida, the large tech hub evolving in the national capital region of India.
- To understand regional differences, additional insights may be drawn from other Indian startup cities such as Bangalore, Hyderabad, and Pune.
- The target startups will be technology-driven startups like software, SaaS, fintech, IT services, AI, or data-driven firms. Non-tech or manufacturing startups will not be part of the focus.

3.3. Temporal Scope

The review will mainly take into account literature that was published between 2010 and 2025, which reflects the development of HR practices in tandem with the growth and maturity of India's startup ecosystem. For theoretical grounding, earlier foundational works (e.g., talent management frameworks, resource-based view, or human capital theory) may be included.

3.4. Thematic Scope

The review will address the following thematic areas, directly derived from the guiding research questions:

Thematic Area	Focus of Analysis	Related Research Questions
Gaps in Literature	Identification of conceptual and empirical gaps in current studies on startup talent management	RQ1

Talent Acquisition Strategies	Methods, channels, and innovations in sourcing and recruiting talent aligned with startup goals	RQ2
“Purple Squirrels” Challenge	Organizational and market barriers to hiring rare-skilled professionals	RQ3
Retention and Lifecycle Evolution	How acquisition and retention practices change as startups grow	RQ4
Regional Comparisons	Differences and similarities between Noida and other Indian startup ecosystems	RQ5

Table I: showing the themes

3.5 Conceptual Limitation

- General HRM procedures unrelated to hiring and retention such as payroll, compliance, and training are not included in the review unless they have a direct bearing on retention results.
- The review is limited to startups (usually under ten years old, high-growth, innovation-driven firms) and does not focus on large corporations or MNCs with headquarters in Noida.
- In the context of startup talent, the term "purple squirrels" refers to difficult-to-find technical professionals rather than a general lack of workers.

3.6. Limitations of Methodology

- Only credible whitepapers, industry reports, conference papers, online articles, and peer-reviewed journal articles will be included.
- The studies will include only publications in the English language.
- The literature will come from reputable sites such as Google Scholar, Science Direct, Emerald Insight etc.

The review will follow PRISMA and PSALSAR guidelines, which will define inclusion and exclusion criteria to ensure replicability.

3.7. Geographical Limitations

- The main unit of analysis will be Noida-based tech startups; national or regional comparative studies (Bangalore, Hyderabad, Pune) will only be taken into consideration if they provide contextual or benchmarking value.

- The review will not look at international comparisons (such as Silicon Valley or European start-ups), except for theoretical references or contrasts.

3.8. Temporal Limitations

- Research published before 2010 will be considered only if it provides any basic theoretical frameworks such as resource-based view, human capital theory, or social exchange theory.
- The spotlight will be on literature that deals with post-pandemic (2020-2025) and post-2010 startup ecosystem trends including digital recruitment, and remote hiring among others.

3.9. Limitations of Analysis

- The review does not test cause and effect relationships in a realistic way, but synthesizes findings.
- The output will have themes, patterns and conceptual models for guiding future empirical research on the talent strategies of tech start-ups in Noida.
- Due to the anticipated variations in study designs, we will not perform a meta-analysis.

3.10. Expected Contribution

- i) Find out what has already been studied in the area of talent acquisition and retention related to tech startups.
- ii) Identify the strategies and hurdles that Noida-based startups need to cross.
- iii) Explain how the talent ecosystem of Noida is similar and dissimilar to Indian tech hubs.
- iv) Suggest potential frameworks and future research directions for studying how startup ecosystems attract and retain “purple squirrels” through empirical work.

4. METHODOLOGY

4.1 Description of the PSALSAR Approach

The PSALSAR approach is the new (and improved) way of conducting systematic literature reviews (SLRs). It expands the SALSA framework with two new steps for a comprehensive and more open review experience. The PSALSAR method is broken down as follows.

Protocol (P): The initial step involves determining the scope of the study, and the preparation of a precise protocol describing the complete review procedure. It ensures the review is methodologically sound and organized from the beginning.

Search (S): At this stage of your research, you have to define a search strategy, which contains search strings, (e.g. keywords, phrases or index terms), databases and other sources where you will search for relevant studies similar to the SALSA method. This step will help you determine or find the body of literature to be reviewed.

Appraisal (A): This means to set standards to include and exclude materials to assess the quality and relevance of the research. The review incorporates quality assessment criteria so that only relevant and reliable studies are taken into account.

Synthesis (S): Data collected through the evidence collection phase is extracted and categorized in this step to synthesise it. This synthesis makes it easier to understand how much we know about the situation.

Analysis (A): The results are given description, interpretation, and examination so that meaningful conclusions can be drawn from data synthesis. This step gets the results better structured for clarity.

Reporting (R): The last stage involves presenting the findings to the audience and explaining how they were done. Along with transparency, this step leads to replication and check by other researchers.

The PSALSAR strategy enhances the traditional SALSA method by including a definite framework at the start and finish of the procedure, which helps ensure that the review is complete, consistent and repeatable (Mengist et al., 2019).

4.2 PROTOCOL DEVELOPMENT

Objective: To compile research on the following topics: (a) hiring difficulties (the “purple squirrel” concept); (b) talent acquisition strategies in tech startups; and (c) employee retention and attrition trends, with a focus on technology startups and, if available, the Noida/Indian context.

4.3 SEARCH STRATEGY

Dataset used. Systematically extracted and logged articles in the Excel Sheet. 197 records (citations, year, purpose, identified problem, scope of study, methodology, findings, themes, URL, gaps) are there in the sheet. To ensure transparency and replicability, database searches were conducted primarily through Google Scholar, Emerald Insight, ScienceDirect, and publisher platforms relevant to management and entrepreneurship research. Google Scholar was used as an umbrella index to capture both peer-reviewed and practitioner-oriented sources, consistent with prior SLRs in startup and HRM research. All records were logged in a structured extraction sheet capturing citation, year, method, context, and thematic relevance.

Keywords: "purple squirrel", "talent acquisition", "employee retention", "startup attrition", "Noida startups", "IT hub"

Typical **Boolean strings** included combinations of:

("purple squirrel" OR "employee retention" OR "talent acquisition")

AND ("Noida" OR "technology startup" OR "tech startup" OR "IT startup" OR "Indian startup")

Records identified in dataset: 197.

Screening performed

- Programmatic relevance screening (keywords in Theme/Purpose/Citation) found 194 relevant records and 3 judged not relevant to the review topic.
- Duplicates check on citation strings returned 11 duplicate records in the sheet.

Study characteristics

•**Geography:** mixture of India (multiple citations referencing Noida/Gurugram, NCR) and global sources (industry blogs, reports). Many studies focus on IT / software startups; several examine early-stage startups.

•**Methods:** primarily cross-sectional surveys, case studies, conference papers, and industry reports; few longitudinal or experimental designs.

•**Startup stages covered:** early / growth stages emphasized in many studies.

•**Common sample sizes:** varied; several small-sample qualitative studies and medium cross-sectional surveys.

4.4 APPRAISAL: Inclusion and Exclusion Criteria

a) Rationale. Because Excel Sheet mixes peer-reviewed articles, industry reports, blogs, and company pages, a transparent, reproducible filter is required to include meaningful evidence while not ignoring real-world insights (important for startups, where industry reports are common).

b) Inclusion criteria:

1. **Topic relevance:** Document explicitly addresses at least one of the following: employee retention, attrition, turnover, talent acquisition/recruitment, or the “purple squirrel” concept in the context of technology firms or startups.

2. **Language:** English.

3. **Time window:** Published or posted up to 2025; no lower bound applied because historical context was judged useful.

4. **Accessibility:** A URL or citation is present in the record so source type (peer-reviewed vs grey) could be verified.

5. **Unique record:** Duplicates (identical APA citation text) would be removed.

c) Exclusion criteria:

1. **Irrelevance:** Items that do not discuss retention/attrition/talent acquisition or technology startups. (3 records excluded.)

2. Purely promotion/advertising with no analytical insight (e.g., marketing landing pages with no substantive findings) excluded if no informational value.

3. **Non-English sources:** none in sheet.

4. **Duplicate entries:** 11

Why these criteria? The topic inherently straddles academic and practitioner literatures; excluding all grey sources would lose industry insight. Therefore, both academic and high-quality grey materials were retained but appraised separately for reliability.

d) Theoretical Framework

Key Theories & Models:

- Talent Scarcity Principle: Value and rarity of "purple squirrels" (Agrawal, 2018)
- Human Capital & Retention Models: Relationship between skilled workforce and business growth (AIContentfy, 2025; Gupta, 2024)
- Attrition & Organizational Culture: Impact of work-life balance, growth opportunities (Bhattacharya, 2018; Bhatnagar, 2024)

Major Scholars & Schools of Thought:

- Leadership in recruitment (Heilling 2024, Raja 2025)
- Regional innovation systems and ecosystem (Grant Thornton 2016; Boston Consulting Group 2023)

Debates & Controversies:

- Should startups prioritize retention or optimize for frequent turnover?
- Trade-offs: perfect skill fit vs. adaptability and trainability

4.5 SYNTHESIS

a) Dataset summary: An initial pool of 283 records was identified, of which 197 were retained after preliminary screening; following relevance and duplication checks, 194 studies were included in the final synthesis.

- Total records in sheet: 283
- Relevant after keyword screening: 194

- Excluded (not relevant): 78
- Duplicates: 11
- Grey literature count (heuristic by domain): 113
- Academic (peer-review-like domains / DOI presence): 81
- Distinct themes identified: 5

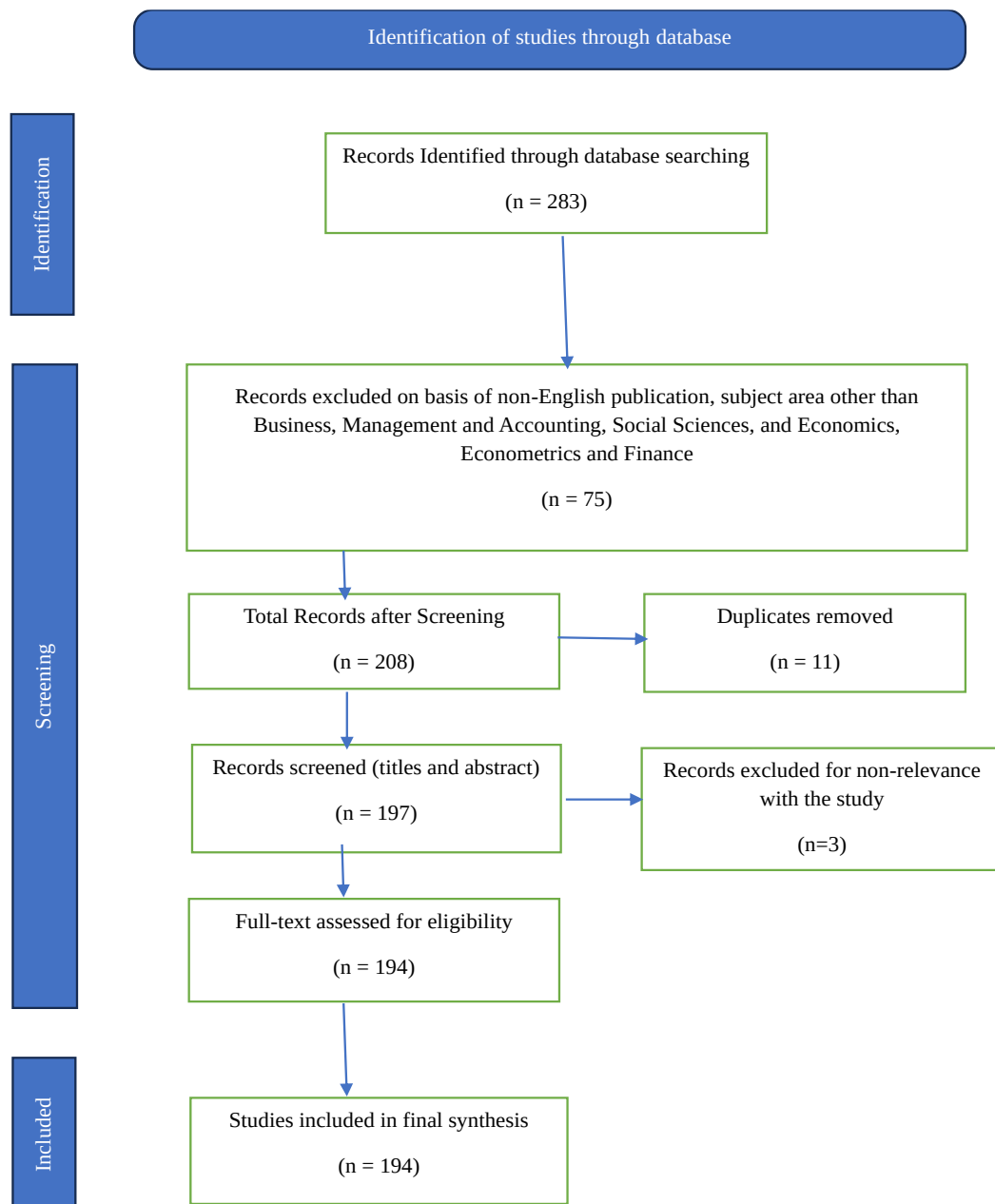


Figure I: Flowchart showing identification of articles for study

b) Methodological patterns

- Peer-reviewed sources are less common than practitioner reports, indicating an evidence gap for rigorous empirical studies in this domain, especially for local contexts (Noida);
- Many entries (especially grey literature) report surveys, market analyses, or commentary; explicit method descriptions are more common in academic rows but a significant portion lack detailed method information.

c) Treatment and Weighing of Grey Literature

Consistent with systematic review practices in emerging and practice-driven domains such as startups, grey literature was included to capture real-time industry insights that are often absent from peer-reviewed outlets. However, to mitigate credibility concerns, grey sources were appraised separately and used primarily for contextualization, descriptive trends, and practitioner narratives, while theory-building, conceptual synthesis, and gap identification were grounded predominantly in peer-reviewed academic studies. Interpretive conclusions and research agenda formulation were derived only from academic literature.

d) Thematic narrative

- The most often discussed topic is **employee retention**. Lack of career advancement, pay, burnout, and a bad startup culture are frequently mentioned motivators for attrition. Improved onboarding, flexible work schedules, and recognition programs are frequently recommended remedies in grey literature.
- **Attrition/turnover**: Quantified in some industry reports (estimates of annual rates and costs); theoretical drivers and organizational consequences are the main focus of academic treatments.
- **Talent acquisition and "purple squirrels"**: This term refers to the mismatch between the skill sets of potential candidates and the job requirements. Recruitment tactics and the futility of looking for "perfect" hires are highlighted in practitioner articles.
- **Contextual issues (Noida, India)**: A number of points draw attention to the competitive local labour market and the lack of formal HR maturity in smaller startups.
- **Technology and tools**: Claims regarding the efficacy of AI-driven hiring tools and analytics are frequently unsubstantiated in a number of grey articles.

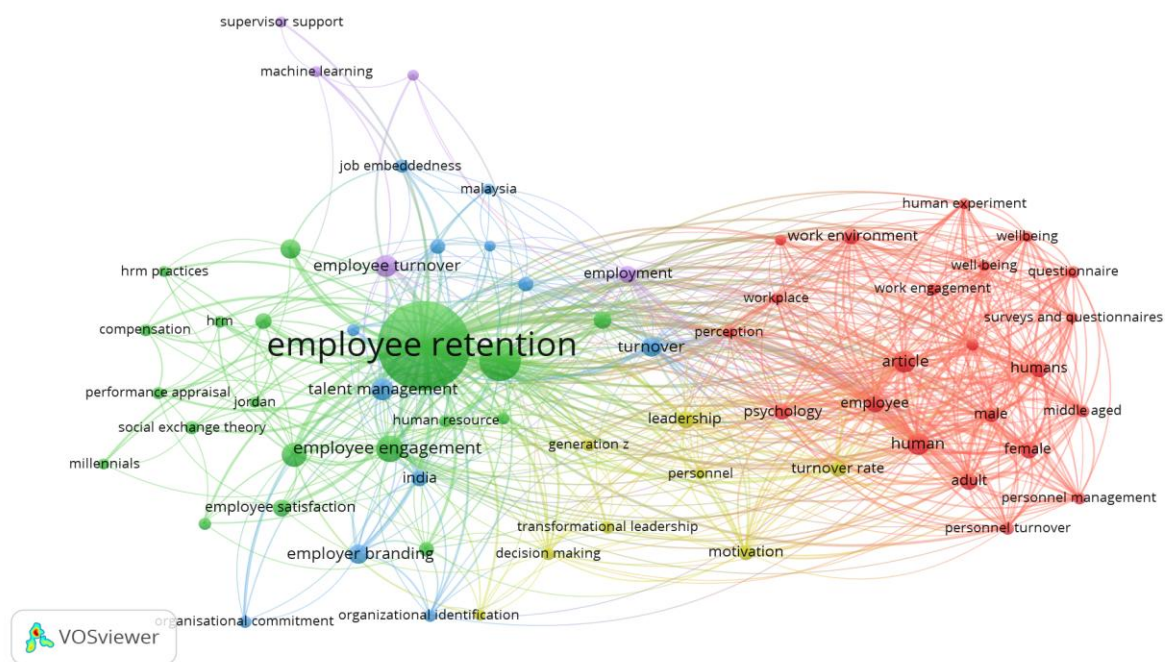


Figure II: Showing 5 clusters of text co-occurrences in articles: employee retention, employee turnover, leadership, employer branding, workplace/work environment

4.6 ANALYSIS

a) Theme Analysis:

Theme	Research Problem	Common Theories	Dominant Methods	Findings & Evolution
1. Purple Squirrel & Hiring Challenges	Unattainable candidate profiles; mismatch between job descriptions and talent market realities.	Person–Job Fit Theory, Human Capital Theory (implicit).	Conceptual papers, case analyses, HR practitioner surveys.	Highlights cost and delay from hyper-specific hiring; mid-phase work begins advocating “hire-for-trainability” and agile skill-mapping. Recently intersects with AI-based talent search tools.

2. Employee Retention / Attrition	Understanding and reducing turnover in startups, especially tech-based Noida firms.	Social Exchange Theory, Psychological Contract, Herzberg's Two-Factor Theory (inferred).	Quantitative surveys, regression models, interviews.	Early work descriptive → mid-phase correlation studies → recent work explores culture, learning, and hybrid work retention. Consensus: retention = culture + growth + fair reward.
3. Talent Acquisition	How organizations attract and acquire top-quality tech talent in competitive ecosystems.	Resource-Based View (RBV), Employer Branding, Signalling Theory.	Mixed methods: HR surveys, branding analyses, comparative studies.	Focus shifts from traditional sourcing → digital and AI-based sourcing → EVP (Employee Value Proposition) and inclusion-based strategies. AI-based acquisition is an emergent subtheme.
4. Noida Tech Industry Context	Region-specific ecosystem and workforce issues shaping recruitment and retention.	Cluster Development Theory, Ecosystem Theory.	Case studies, ecosystem mapping, policy/secondary data.	Highlights infrastructural pull factors but persistent talent competition with Gurgaon/Bangalore. Calls for talent pipeline partnerships (universities, bootcamps).

Table II: explaining the theme analysis

b) Evolutionary Timeline:

Stage	Years	Dominant Concerns	Representative Focus
Early (≤ 2015)	2008–2015	Problem identification phase: shortage of skilled tech labour, high attrition in startups.	Commentary on “purple squirrel” hires; local HR reports on retention and salary competition in Noida.
Mid Development (2016–2020)	2016–2020	Emergence of empirical studies: measuring determinants of retention, acquisition strategies.	Academic surveys on retention factors; early “talent branding” studies; some exploration of startup culture’s role.
Recent (2021–2025)	2021–present	Integration and digitization phase: data-driven talent acquisition, AI screening, post-pandemic retention.	Studies link AI recruitment tools with fairness/fit; Noida ecosystem studies highlight hybrid work and skill alignment; acquisition and retention begin to merge into “talent lifecycle” framing.

Table III: showing evolutionary timeline

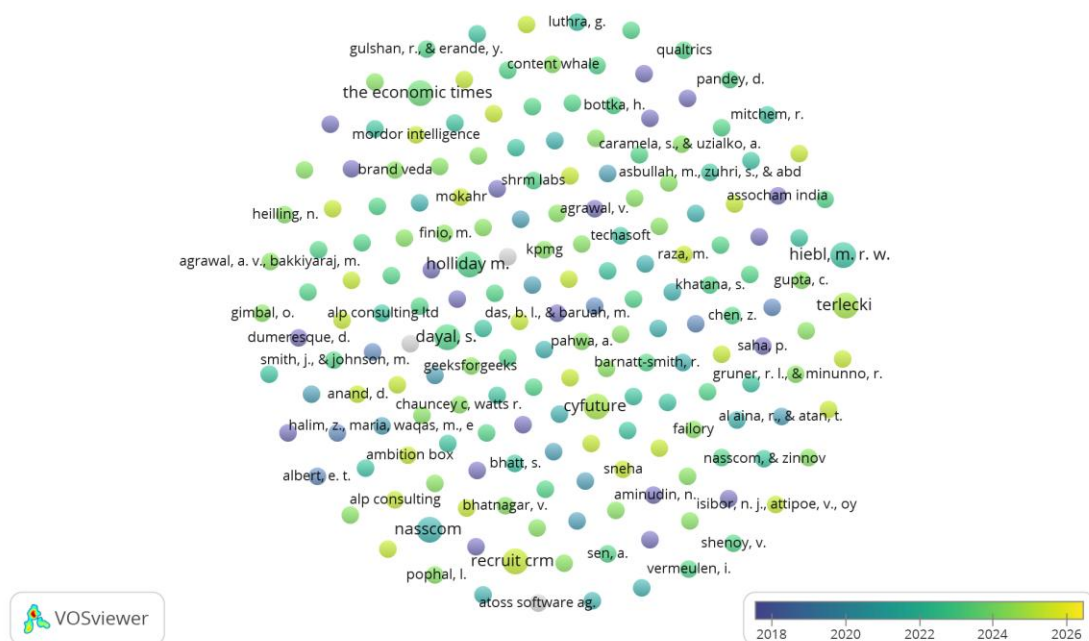


Figure III. Showing publications included for the study

c) Quality & reliability

- The predominance of grey literature ($\approx 57\%$ of records): these sources are not peer-reviewed and offer timely, useful insights, but their analytical rigor varies. Although they must be interpreted carefully, they are helpful in comprehending industry narratives.
- Academic research ($\approx 43\%$): offers empirical methods and conceptual underpinnings, but it is fewer in number and less specifically focused on Noida.

d) Emerging trends

- Practitioner-driven solutions and checklists for HR teams.
- Recruitment-AI and ethical governance are rising topics.
- Continued fragmentation between grey literature and academic research.

e) Gaps and research opportunities

1. Longitudinal analyses linking hiring strategies and recruitment-tech to retention and performance.
2. Operationalizing and empirically testing the 'purple squirrel' concept.
3. Independent benchmarking of recruitment-AI in Indian contexts (Noida).
4. Comparative cluster studies across Indian tech hubs.
5. Theory-building integrating selection, fit, and retention mechanisms.

4.7 REPORTING

PSALSAR Flow Table

PSALSAR Stage	Description	Outcome
Protocol	Defined research objectives and scope (talent acquisition, retention, attrition, purple squirrel, Noida startup ecosystem).	Protocol finalized
Search	Compiled records from Google Scholar, company blogs, industry reports, and academic journals.	283 records identified
Appraisal	Applied inclusion/exclusion criteria: English, topic relevance, unique citation.	194 records included after screening
Synthesis	Grouped studies by normalized theme (retention, startup, attrition, IT, etc.).	5 distinct themes
Analysis	Evaluated thematic prevalence, methodology mix, and grey vs academic balance.	5 major research gaps identified
Reporting	Presented PRISMA flow, normalized counts, and synthesized findings per PSALSAR.	SLR finalized

Table IV: explaining PSALSAR of the study

5. RESULTS OF THE STUDY

5.1 Thematic Synthesis: Strategies for Acquisition

Strategies for obtaining purple squirrels are grouped around five areas based on the combined evidence:

i) Hyper-targeted sourcing and active talent mapping: Successful startups employ targeted outreach, such as GitHub/Stack Overflow scouting, technical blog and conference engagement, recommendations from well-known engineers, and passive candidate mapping, in place of general job postings. Building a small shortlist of highly likely candidates and devoting recruiter time to them is emphasized in a number of consultancy articles.

ii) Employer branding that emphasizes technical craftsmanship and product mission: Purple squirrels look for ownership, significant technical challenges, and observable product impact. Such candidates are more successfully drawn to startups that exhibit an engineering culture (open-source contributions, technical talks, robust product roadmaps).

iii) Flexible role design and quicker decision cycles: In order to hire exceptional candidates, startups need to create roles that facilitate interdisciplinary contributions and expedite the hiring process (short interview loops, transparent timelines). Purple squirrels accept offers from incumbents or better-funded competitors due to protracted bureaucratic procedures.

iv) Compensation architecture beyond base pay: Research indicates that employing equity, meaningful responsibility, and customized benefits (learning budgets, conference allowances, relocation support) can increase offer attractiveness for startups that are unable to match FAANG salaries.

v) Local sourcing and campus/industry partnerships in Noida: To establish early access channels and a pipeline for high-potential candidates, a number of Noida-focused entries advise forming connections with nearby engineering colleges, incubation centres, and co-working hubs.

5.2 Thematic Synthesis: Strategies for Retention

The following retention tactics were combined from the dataset:

i) Clear and quick career pathways: Technical ladders, module ownership, leadership pathways are quick visible growth options that Purple Squirrels really value. Startups can reduce attrition with transparent progress.

ii) Autonomy with accountability: Technical hires of the highest calibre want autonomy. It is mainly advised to create a culture that strikes the right balance between code ownership, freedom and clarity of alignment with results.

iii) Ongoing technical challenge and investment: To keep talented employees, facilitate their learning through education and training. Allow time for creativity and rotate them across interesting problems.

iv) Total rewards customized to individual needs: The proposal was to implement customized retention packages (example: impact-based spot bonuses & milestone linked equity vesting) in addition to standardization.

v) Work environment and psychological safety: Interpersonal conflict, in small startups, hurts retention much more than you think. We can combat this by reducing harmful processes, being open to criticism, and promoting team stability.

5.3 Results Based on Literature Review

a) Purple Squirrel Recruitment and Acquisition

The papers of Agrawal (2018), Dumeresque (2014), Pagey (2024) highlight the rarity plus strategic advantage of a “purple squirrel” in competitive sectors. A new paper by Raja M.A.S. in 2025 reinterprets this search as a paradox – you seek ideal candidate(s) but are not easy to hold on to. Numerous case studies showcase how damaging reliance upon perfectionism can be (Recruit CRM, 2025; Heilling, 2024).

Common findings show:

- AI recruitment, predictive analytics, and other technological tools are improving hiring accuracy.
- Attracting rare talent is possible through strong employer branding and adaptability.
- A conceptual shift toward trainability rather than perfect fit hiring.

Gaps: There is a lack of long-term data on the influence of purple squirrels on firm performance post recruitment.

b) Employee Retention in Startups

Recent research (AIContentfy, 2025; Raza, 2025; Gupta, 2024) highlights structural and cultural retention drivers. Leaders engaged in something called psychological safety and competitive pay growth paths.

It is interesting to note that the retention aspect has been referred to by the humanistic management and mentoring culture (Wahyudi et al. 2023 and Abraham et al. 2023).

Gaps identified:

- There is little comparison across each startup stage from seed to growth to scale-up.
- There is not enough evidence on hybrid/remote models’ impact of retention in early-stage firms.
- Indian startup data is not presently represented overseas for the retention framework.

c) Attrition Patterns in IT and Startup Ecosystems

The tech industry in India has always seen many people resigning their jobs and the same finding has also appeared in Bhattacharya (2019), Mitchem (2022) and Outlook Business (2022). It’s all about pay inequities, unclear growth and burnout. On the contrary, more recent opinions (Bhatnagar, 2024; Pandey, 2024) think that the process of hiring and flexibility makes the attrition manageable.

Common interventions include:

- HR tech is being adopted for predictive retention SHRM Labs 2023.
- They are looking at engagement analytics and performance rewards.
- Creation of workplace that employs data and aligns culture and mentoring

Research gap: High-tech startups lack attrition modelling, except for descriptive analysis.

d) Noida as a Case of Emerging Ecosystem

As per various articles (Ambition Box-2025, Failory-2024, Startup Blink-2025, Economic Times-2023), Noida is a fast-upcoming tech startup and IT city. The main ideas mentioned most often in the document are infrastructure development, Data Centre along with the skilled manpower attraction.

Studies show a connection between economic growth (Pandey, 2023; Times of India, 2020) and HR variables like retention, and hiring rivalry.

Key insights:

- Noida is becoming a second-tier innovation hub due to potential data centre economy growth.
- There are challenges around saturation of talent and retention competition with Bengaluru.
- There should be long-term HR data collection of Noida firms.

e) Findings specific to Noida context

Although not all the records are focused on Noida, those tagged as Noida/Noida-IT indicate the following: - Competing with neighbouring NCR hubs (Gurgaon, Delhi) for senior hire.

- The local commute and the role of infrastructure in retention.
- Creating local campus partnerships, using an initiative from a government or industry cluster, or building a reputation in local tech meetups adds value.

f) Identified gaps

Gaps noted in the literature and practitioner outputs include: - A lack of rigorous empirical studies assessing the effectiveness (causal impact) of particular acquisition or retention interventions for purple squirrels in startups.

- There are not many longitudinal studies tracking retention outcomes over time with specific HR interventions.
- There has not been much study to differentiate the location's (Noida) role from company-level factors.

6. DISCUSSIONS

6.1 Practical implications for tech startups in Noida

According to Synthesis, these are the most viable and important initiatives for Noida startups.

- i) Create a targeted inbound pipeline by sponsoring or hosting open-source sprints, tech talks, and hackathons in Noida. Use these events as a means of scouting and employer branding.
- ii) Shorten the hiring process: Give hiring managers the authority to make decisions fast and set a maximum interview time of two to three weeks.
- iii) Create imaginative "purple-squirrel" offers: Instead of competing solely on the basis of money, combine learning allowances, product ownership, and meaningful equity.
- iv) Establish visible technical ladders and expedite projects: Make sure early hires are capable of leading modules and delivering visible work in three to six months.
- v) Make a retention analytics investment: Monitor hire-source, manager, and team turnover; conduct brief stay/exit surveys to identify issues unique to Noida hires (commute, family relocation requirements, market comparisons).

6.2 Theoretical Contributions

- i) Extends RBV by integrating trainability vs perfect-fit
- ii) Reframes purple squirrel as a retention paradox
- iii) Positions talent acquisition and retention as a single lifecycle system

6.3 Policy and ecosystem suggestions

Colleges, industry associations in Noida, and local incubators can collaborate with startups to lower barriers to talent matching (e.g., capstone projects, internships with conversion pathways). The dataset identified startup hiring fairs, coworking incentives, and public-private transportation interventions as helpful ecosystem-level levers.

Three strategic connections result from integrating findings:

- i) The literature indicates that too much emphasis placed on hiring a "purple squirrel" affects retention levels and leads to exit. For a truly sustainable employee retention, there should be a balance of skill fit and cultural adaptability.
- ii) There is a strong positive correlation between students' job readiness and the startup's workforce agility.

iii) Government policies and supportive systems in Noida and similar systems have caused a limited retention advantage from talent gravitation, shows the study.

Also, since they were absent in most previous studies, social capital and relational HR practices mediate retention, according to recent empirical studies (Cachón-Rodríguez et al., 2022; Chen et al., 2023).

7. LIMITATIONS OF THE STUDY

The finding is limited to the tech startup sector in Noida only and cannot be applied in general or larger contexts. The analysis relied only on English-language literature from reliable databases, thereby introducing language and selection bias. While practitioner sources enhance contextual relevance, their inclusion limits inferential generalizability, hence findings should be interpreted as integrative rather than causal. There is not enough longitudinal and causal research on HR interventions and we get less rigorous empirical evidence due to heavy reliance on industry reports and grey literature. The study does not test causal relationships or conduct quantitative meta-analyses but rather synthesizes existing findings, with mainly conceptual results.

8. CONCLUSIONS

Basically, this research shows that tech startups in Noida face the same problem - they cannot find and keep good employees because of too much competition and everyone wants candidates with very rare skills. Basically, when companies focus too much on finding the perfect candidate, it takes longer to hire people and creates the same retention problems, making it hard to both attract and keep good employees. We are seeing successful startups moving away from hiring only perfect candidates and focusing on people who can learn, fit the company culture, and stay for the long term. AI recruitment and employer branding actually show promise, but we definitely need more solid research to prove they work well in Indian startups. The study shows that sustainable startup competitiveness depends not only on attracting skilled talent, but further on building complete talent systems that align with growth stages, company culture, and regional job market conditions itself.

8.1 Strategic recommendations

Companies should actually build their talent systems around employee lifecycle stages. This approach definitely helps manage people better from hiring to retirement. Basically, combine hiring, training, engaging, and keeping employees into the same complete system instead of treating recruitment and retention as separate activities. In addition, companies should actually rewrite job requirements to focus on how well people can learn and adapt rather than looking for very specific skills. This approach will definitely help find candidates who can grow with the organization and fit well with the company culture. Companies must surely create a unique technical employer value proposition to attract skilled professionals. Moreover, this distinct EVP helps organizations stand out in the competitive talent market. Position Noida startups

around engineering excellence, product ownership, visible impact, and rapid growth opportunities itself instead of competing solely on salary, which can further attract better talent. These companies should only set up AI hiring systems with proper rules and control in place. Companies should also use AI to actually find and check candidates while definitely adding protection against unfair choices and keeping data safe. Moreover, as per retention requirements, companies should develop clear pathways for keeping employees. Create structured systems regarding employee retention in the organization. As per retention requirements, companies should create clear career paths for technical and leadership roles with equity rewards linked to specific milestones. Regarding employee development, personalized growth plans must be provided to prevent early departures. As per regional requirements, companies need to make talent pipelines stronger regarding skill development in local areas. Start-ups should also make official partnerships with universities, coding schools, startup helpers, and local innovation groups to create early access to talent systems in Noida only. Basically, implement retention analytics and early warning systems - it's the same approach for tracking and predicting issues before they happen. Moreover, companies need to build good relationships between workers and use social connections to make HR practices work better, and this is only possible when people trust each other in the workplace. Also, as per organizational requirements, strengthen mentoring systems and internal practice communities regarding network-building platforms to enhance workplace connections. In addition, government officials and business groups should support the same startup job fairs, transport facilities, and skill training programs that combine public and private efforts. Also, as per future research needs, studies should test how AI hiring and retention methods affect company performance regarding startup data over time. Researchers should check these hiring strategies using real company records.

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