

**IMPACT OF THE TOTAL REWARDS SCHEME ON THE TURNOVER
INTENTION OF EMPLOYEES IN THE ALCOHOLIC BEVERAGE
INDUSTRY IN SRI LANKA**

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By

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This study attempted to identify the impact of a total rewards scheme on the employee intention to turnover. For this purpose, data relating to turnover was gathered and assessed from three competitive principal alcoholic beverage manufacturing companies in Sri Lanka, in order to determine the level of turnover in each firm. The selected organization for the research study indicated a comparatively higher level of turnover for the years under survey while indicating their inability to maintain a turnover rate below the standard level expected in the industry.

Preliminary interviews and a brief survey of exit interview forms indicated employee dissatisfaction with the current rewards scheme implemented in the company and hence this became the foundation for the research objectives of the study. The focus

of the research was to determine the employee's level of intention to leave, their satisfaction with the current rewards scheme in the organization and to examine the impact of rewards on the turnover intention of the employees. Basic pay, quality of work life, employee recognition programs and career advancement opportunities were selected as the determining factors in the total rewards scheme that were influencing the employee intention to leave. Such a study is deemed vital to enlighten the top management (Company decision makers) within an organization, of the detrimental factors that impact on the employee turnover intention. Hence, the purpose of this study was to enable the management to use the research findings to further improve their human resources strategies and decrease the level of employee turnover while achieving employee retention.

The research methodology comprised a comprehensive quantitative analysis, carried out amongst a sample base of 60 individuals currently employed in the company. A self-administered questionnaire duly filled by this sample base was utilized as the key data gathering tool for the research. A cross section of employees were selected for the research study, whose intention to leave would have a detrimental impact on the functions of the organization. Thereafter the hypotheses were tested with the use of the Pearson Correlation technique. The research outcomes revealed that base pay, quality of work life, employee recognition programs and career advancement opportunities were significantly correlated to the employee turnover intention.

Accordingly, recommendations were made to the top management of the organization on methods to revise and implement human resource strategies in order to reduce the level of employee turnover and the factors determining the employee inten-

tion to leave. Suggestions for improvement were recommended for each factor under study, while proposing to consider improvement for other human resource management areas such as recruitment, training and development, performance management and careering planning.

This research study and its findings would be of great importance to this organization to understand as to why they have been unable to lower their current level of employee turnover in the company while identifying and understanding the measures required to be taken to improve henceforth.