

**REWARDS AS DETERMINANT OF ORGANIZATIONAL COMMITMENT
AND TURNOVER INTENTION AMONG EMPLOYEES OF
BUSINESS PROCESS OUTSOURCING COMPANIES
IN SELECTED AREAS OF CAVITE**

THESIS

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ABSTRACT

FANER, SHARMAINE S., GUDA, AIRA ROSE D., AND MANUBA, JEANETTE LOUISE C. Rewards as Determinant of Organizational Commitment and Turnover Intention among Employees of Business Process Outsourcing Companies in Selected Areas of Cavite. Undergraduate Thesis. Bachelor of Science in Business Management Major in Human Resource Development Management. Cavite State University, Indang, Cavite. May 2018. Adviser: Rowena A. Noceda.

The study was conducted in selected municipalities of Cavite to investigate and gain an understanding of the relationship of rewards on organizational commitment and turnover intention among employees of business process outsourcing companies in selected areas of Cavite. The study used descriptive and correlation methods of research. It involved 300 call center agents from whom primary data were collected through a survey questionnaire. Descriptive statistics was used to present and describe the data. Pearson correlation and regression were also utilized in the analysis. The general objective of this study is to determine the relationship of rewards on organizational commitment and turnover intention.

The study found that rewards had significant relationship with organizational commitment and turnover intention of the call center agents in business process outsourcing companies in selected areas of Cavite. It was determined that monetary and non-monetary rewards were found to have a significant positive relationship on affective, continuance and normative commitment. This study also found that both monetary and non-monetary rewards had negative relationship on turnover intention of the call center agents. The determinants of organizational commitment are health care benefits, training opportunities, and recognition within the organization, while growth opportunities and health care benefits are the determinants of turnover intention.

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INTRODUCTION

Attrition rate has been the major concern of every company particularly in Business Process Outsourcing (BPO) industry. Although there was a positive outlook where the turnover rate dropped to 50 percent from 70, the figure is still very high (Gutierrez, Gutierrez, & Seva, 2017). It seems turnover rate is one of the big problems of BPO companies. In the Philippines employee retention is a serious issue in the BPO sector, especially among the rank of the call center agents. High turnover can be attributed to the work characteristics of BPO jobs where the work related stress and work life imbalances are common. Employee decision to leave is often accompanied by their desire to find more rewarding career opportunities that better match their level of education (Noronha, 2010).

Rewards have a great influence on employee commitment because it is one of the factors to increase the performance of employees in the organization. A well-established reward is necessary to produce the desired level of motivation among the