



**AN INVESTIGATION OF FACTORS AFFECTING TO THE RETIREMENT OF
PRIVATE SECTOR EMPLOYEES IN THE WESTERN PROVINCE OF SRI LANKA**

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Abstract

Many governments and organizations in the world are attempting to enhance the engagement of older employees in the workforce while discouraging early retirement due to skill shortage and socio-economic impact on the country and the organizations. But most of the private sector organizations still stick to the retirement age according to the Employees' Provident Fund act as it mentions retirement in the stipulated age is mandatory to withdraw statutory funds. However, it is crucial to revamp the retirement policies of private sectors as the baby boomer generation reaches retirement without considering only the age factor for retirement.

This study mainly focuses on investigating factors affecting the retirement of private-sector employees in the Western province of Sri Lanka. The participants of 323 have delivered their perspective about this subject matter through the survey distributed among 351 private-sector employees in the Western province.

The findings were analyzed using quantitative and qualitative methods. The word cloud generator was employed to analyze the qualitative findings while the reliability and ordered probit model was employed in analyzing the quantitative findings. The sample has predominantly consisted of executive, non-executive, and manager above categories without gender bias.

The findings revealed that only mental health and physical health factors are affecting retirement by eliminating age and competencies in the further analysis. Further, the findings suggest that the probability of affecting physical and mental health factors to retirement increase positively when the mental and physical status of employees are stable and, vice versa. Since the older generation increases, it is better to revamp policies on retirement and develop new policies and procedures to determine retirement based on the mental health and physical health factors in organizations and governments. Looking at the factors and decisions made by various countries and organizations in relation to the retirement age which went beyond from 55 years to 65+ years as per the contemporary status in some countries, the researcher thinks administrative decision regarding this matter is necessary since the life expectancy is high in Sri Lanka.

Keywords: Retirement factors; Factors affecting retirement; Senior citizens and retirement; Retirement policy reforms; New policies on retirement.

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Abbreviations

ACL	- Americans' Changing Lives
BMI	- Body Mass Index
CI	- Confidence Interval
CVD	- Cardiovascular Disease
EPF	- Employees' Provident Fund
GSSRC	- German Social Security Reform Commission
HLFC	- High-Level Functional Capacity
HSDG	- Health Sustainable Development Goal
IBM SPSS	- International Business Machine Statistical Package for the Social Sciences
MLR	- Multinomial Logistic Regression
OR	- Odds Ratio
PLUS	- Participation, Labour, and Unemployment Survey
RRR	- Relative-Risk Ratio
SPAR	- Statens Personadress Register
STREAM	- Study on Transitions in Employment, Ability and Motivation

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