

**IMPACT OF EMPLOYEES' PERSONAL FINANCIAL
STRESS ON THEIR PRODUCTIVITY AT WORK:
IT INDUSTRY OF COLOMBO**

J.D.W.K. Jayawardana

A dissertation submitted in partial fulfilment of the requirement for
Bachelor of Arts (Honours) degree in Business Management

Department of Business
Informatics Institute of Technology, Sri Lanka
in collaboration with
University of Westminster, UK

2021

Abstract

It is known that money is a common factor for all humans. Through past research conducted by various authors, it has been identified that money causes financial stress to individuals. Based on the results derived from the survey, reveal that financially stressed employees cause an adverse effect in the workplace as they have low productivity. Moreover, financially stressed employees are observed to allocate work hours on rectifying financial issues or in certain scenarios, these individuals are observed to have physical and psychological health issues. Finally, the employers will have to face increased costs based on employee turnover, loss of productivity and increase in health care benefit claims.

The research was conducted to evaluate the above-mentioned clause in the IT sector in Colombo Sri Lanka. The said industry is focused as this is one of the highest income-generating industries in Sri Lanka. Further, most of the workforce comprised of software engineers, which is believed for the said category of employees to have the minimum opportunity of gain knowledge on finance knowledge. As a result of this, the existence of the proposed issue among these individuals is high. Due to the unavailability of reliable information on the total number of software engineers in Colombo, the researcher followed a random sampling methodology to extract data into the published questionnaire.

In relation to information derived from the analysis explicit that all employees are stressed over their financial management. Further, out of proposed independent variables, the results represent that most employees are stressed due to financial obligations. Further, employees who have gained knowledge on financial management have a higher financial literacy rate which facilitates to have reduced stress levels which ultimately increase the productivity of the same person. Finally, the research proposes counselling to be a relief for people who have personal financial stress. Further, applicable recommendations and remedial actions for future research are listed at the end of the project.

Key Words – Financial Literacy, Income Level, Financial Obligations, Financial Stress and Productivity