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EDITORIAL NOTE

Sri Lanka's Economic Crisis: Can Structural Reforms Break the Cycle of Debt and Instability?

Sri Lanka's economic crisis was a result of decades of economic mismanagement, fiscal imprudence, and structural weaknesses. The country's sovereign default marked a systemic collapse of economic governance, debt sustainability, and institutional resilience. The default by the country caused economic management, debt control and strong institutions to all collapse. The crisis is rooted in Sri Lanka's persistent reliance on external borrowing, weakened by export diversification, declining remittances, and a tourism industry impacted by external shocks. By the early months of 2022, the Central Bank had used almost all its foreign reserves, inflation was skyrocketing and people's trust in the government had dropped. The nation is currently facing its most devastating economic crisis since independence, with depleted foreign exchange reserves, high inflation, and shortages of essential goods, fuel, and medicine.

Sri Lanka's economic vulnerabilities have been caused by long-standing structural weaknesses, policy failures, and external shocks. Since the late 1970s, the government of Sri Lanka relied heavily on external borrowing for development projects, often leading to poor planning and limited returns. The nation's finances have been in disequilibrium for a long time, as budget deficits remained and public debt climbed to over 100% of GDP by 2021. Presumably, the COVID-19 pandemic and less tourism since 2015 are partially to blame for rising current account deficits in the external sector. The country's narrow export base and failure to diversify exports have made it highly vulnerable to external shocks. The government's fiscal cycles of populist spending, tax concessions, and underperforming public enterprises have further widened the budget deficit and increased dependence on printing money. By early 2022, Sri Lanka's crisis reached its tipping point when it could no longer service its foreign debt. The urgent call for structural reforms is crucial to restore macroeconomic stability and rebuild public trust. However, the question remains: can these reforms truly break Sri Lanka's entrenched cycle of debt and instability?

The crisis has highlighted the need for structural reforms to improve institutions, public finance management, business climate, and economic resilience. Some reforms in this area could be reducing public spending, revising taxes, restructuring businesses owned by the state, making the central bank more independent and encouraging various industries in the economy. However, their implementation is complex due to political considerations, public backlash, and resistance from interest groups. In Sri Lanka, implementing these reforms is challenging due to weak institutional capacity and high political and social resistance.

The Sri Lankan government is currently in talks with the IMF to get help which means it needs to commit to major changes like handling its finances better, increasing its income and bringing its institutions up to date. But the IMF should avoid basing its strategies only on austerity measures, because those types of recoveries have often resulted in reduced social support and future development.

The crisis in the economy also shows a larger problem with how governments are being managed, since inconsistent decisions, weak institutions, little openness and political influence over the economy reduces how well policies do their job. For structural reform to happen, institutional capacity should be improved, the Central Bank must regain its independence, better public money management is required, and anticorruption mechanisms must be used. Social protection and progress for all are crucial for Sri Lanka, as they need to help and not harm the most vulnerable populations. Offering social protection that gives out cash, nutritional programs for children and mothers and subsidized travel on public transport is important. Supporting education, vocational learning and starting entrepreneurship programs is required to help humans gain useful skills and experience in the long term.

Diversifying the economy and building resilience is crucial, as overreliance on a few sectors is dangerous. To boost its development, Sri Lanka is encouraged to focus on high-quality agriculture, clean energy, information technology and unique manufacturing. Exports need to be the main focus, while simplifying regulations and making doing business easier at home should also be done. Climate-smart agriculture, eco-tourism and green technology have unexplored benefits. A strong and balanced economy in Sri Lanka depends on its ability to diversify the economy. If technology, education, agro-industries and renewable energy are invested in, it could help the economy be self-reliant. International cooperation and debt restructuring should be conducted with fairness and transparency. A nationally driven reform agenda, involving civil society, academia, and private sector actors, is essential. True reform must address economic, political, and institutional dimensions, ensuring sustainable and equitable changes.

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The Effect of Emotional Intelligence on Employee Job Performance: A Case of Apparel Industry in Sri Lanka

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Abstract

Emotional Intelligence (EI) is an essential aspect of workplace behavior that has received increasing attention in recent years. The Sri Lankan apparel industry is a vital contributor to the country's economy. Employees in this sector face various challenges that require effective management of emotions of employees. This study aimed to investigate the impact of level of emotional intelligence on the job performance of employees in the Sri Lankan apparel industry. The study adopted a quantitative research design, with data collected from 350 employees working in different apparel factories in Sri Lanka. The study utilized a self-administered questionnaire that included measures of emotional intelligence and job performance. The results of the study indicated that higher level of emotional intelligence had a positive impact on employee job performance in the apparel industry in Sri Lanka. Employees who had higher level of emotional intelligence demonstrated higher levels of job performance than those who had less level of emotional intelligence. The study found a significant positive relationship between emotional intelligence level and job performance among employees in the industry. The study's findings suggest that increased emotional intelligence level can be an effective tool for improving employee job performance in the Sri Lankan apparel industry. This study contributes to the growing body of research on the importance of emotional intelligence in the workplace and provides practical insights for organizations looking to enhance their employees' emotional intelligence skills.

Keywords: *Emotional intelligence, job performance, apparel industry, Sri Lanka, organizational outcomes*

1. Introduction

Sri Lanka's apparel industry is a significant contributor to the country's economy, employing a considerable number of people (Ranasinghe et al., 2018). Employee job performance is a crucial factor in determining the success of any organization, and various factors contribute to job performance. Emotional intelligence is one of the key factors that contribute to employee job performance (Babar et al., 2021). Emotional intelligence can be defined as "the ability to recognize, understand, and regulate one's own emotions and those of others" (Salovey & Mayer, 1990, p. 189). Emotional intelligence has been found to be positively related to job performance in various studies (Jordan et al., 2011; Spector & Fox, 2005).

Emotional intelligence training has been identified as a potential intervention to enhance employee job performance (Côté & Miners, 2006). Emotional intelligence training is a program designed to improve emotional intelligence skills such as emotional perception, emotional understanding, and emotional regulation (Lopes et al., 2004). The training aims to help employees to develop skills to recognize and manage their emotions and the emotions of others in the workplace. Several studies have investigated the impact of emotional intelligence training on employee job performance. For example, a study by Kafetsios and

Zampetakis (2008) found that emotional intelligence training had a positive impact on employee job performance. Similarly, a study by Gupta and Srivastava (2014) found that emotional intelligence training improved the emotional intelligence skills of employees and their job performance.

Despite the potential benefits of emotional intelligence training, there is limited research on its impact on employee job performance in the Sri Lankan apparel industry. Therefore, the present study aims to fill this research gap by investigating the impact of emotional intelligence training on the job performance of employees in the Sri Lankan apparel industry.

2. Literature Review

Emotional Intelligence and Job Performance

Emotional intelligence (EI) has been recognized as a critical factor in predicting success in the workplace (Goleman, 1995). Emotional intelligence refers to the ability to identify, understand, and manage one's own emotions, as well as the emotions of others. This skill set is essential in the workplace, as it enables employees to communicate effectively, solve problems, and manage conflicts (Mayer, Salovey & Caruso, 2016).

Numerous studies have demonstrated a significant positive relationship between emotional intelligence and job performance (Côté, 2014; Mayer & Salovey, 1997). Emotional intelligence is positively related to various dimensions of job performance, including task performance, citizenship behavior, creativity, and leadership (Côté, 2014).

Emotional Intelligence and Job Performance

Emotional intelligence has been found to have a positive impact on job performance in various industries. Emotional intelligence focuses on developing emotional intelligence skills, such as self-awareness, self-regulation, empathy, and social skills. These skills are essential in the workplace and can improve employee job performance by enhancing communication, teamwork, decision-making, and leadership skills. Research conducted by Mayer et al. (2016) found that emotional intelligence training significantly improved job performance among employees in the hospitality industry. The study showed that emotional intelligence training increased employees' ability to manage their emotions, communicate effectively with customers, and provide better customer service. Similarly, a study conducted by Megías et al. (2020) found that emotional intelligence had a positive impact on job performance among healthcare professionals. The study showed that emotional intelligence improved communication skills, patient satisfaction, and teamwork among healthcare professionals.

In the apparel industry, emotional intelligence is particularly important due to the high-stress environment and the need for effective teamwork. A study conducted by Aheer and Nazir (2017) found that emotional intelligence had a significant positive impact on employee job performance in the Pakistani textile industry. The study showed that emotional intelligence training improved employee job satisfaction, teamwork, and communication skills. Similarly, a study by Mohd et al. (2018) found that emotional intelligence was positively related to job performance among employees in the Malaysian textile industry. The study highlighted the importance of emotional intelligence in enhancing employee job performance, particularly in high-stress work environments. Moreover, emotional intelligence has been found to have long-term benefits on employee job performance. A study conducted by Cherniss et al. (2018) found that emotional intelligence training had a lasting impact on employee job performance and well-being. The study showed that emotional intelligence improved employee job satisfaction, leadership skills, and stress management, leading to higher job performance and better overall well-being.

Emotional Intelligence and the Apparel Industry

The apparel industry is known for its high-stress environment and the need for effective teamwork, making emotional intelligence a critical factor for success. Emotional intelligence, defined as the ability to perceive, understand, and manage one's own emotions, as well as the emotions of others, has been found to be positively related to job performance and overall well-being. Several studies have highlighted the importance of emotional intelligence in the apparel industry. A study by Aydin and Kara (2015) found that emotional intelligence was positively related to job satisfaction and organizational commitment among employees in the Turkish textile industry. Similarly, a study by Nasurdin and Hara (2018) found that emotional intelligence was positively related to job satisfaction and employee engagement among employees in the Malaysian apparel industry. Emotional intelligence training has been shown to improve emotional intelligence skills and have a positive impact on job performance. A study by Zeidner et al. (2012) found that emotional intelligence training had a significant positive impact on job performance among employees in a range of industries. Similarly, a study by Manoharan and Raman (2018) found that emotional intelligence training had a positive impact on job performance among employees in the Indian apparel industry.

In the Sri Lankan apparel industry, emotional intelligence has been identified as a key factor in the success of the industry. A study by Embuldeniya (2017) found that emotional intelligence was positively related to job satisfaction and job performance. Similarly, a study by Jayakody and Dharmasiri (2017) found that emotional intelligence was positively related to job performance among employees in the private sector middle management in education and banking sector of Sri Lanka. Chandrasekara (2022) found that higher level of emotional intelligence of leaders has positive impact of effective positive leadership.

3. Research Methodology

Given the significance of emotional intelligence in the workplace, this study aims to explore how different levels of emotional intelligence affect on job performance among employees in the Sri Lankan apparel industry, with the goal of enhancing overall job performance. Based on the reviewed literature, the following hypotheses have been established.

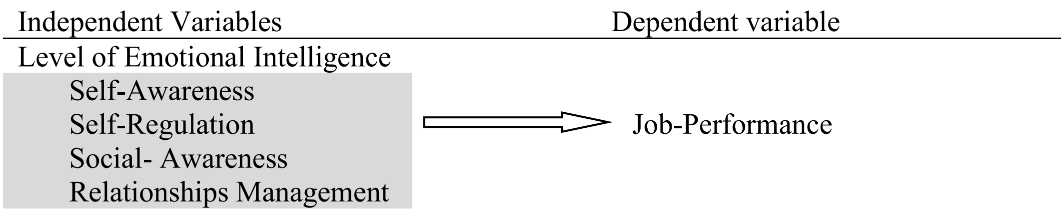

Figure 1: Impact of Emotional Intelligence on Job performance (Based on Goleman's Emotional Intelligence Model, 1995)

H1: There is a significant positive impact of emotional intelligence training on employee job performance among apparel industry employees.

H2: There is a significant positive impact of self-awareness on employee job performance.

H3: There is a significant positive impact of self-regulation on employee job performance.

H4: There is a significant positive impact of social awareness on employee job performance.

H5: There is a significant positive impact of relationship management on employee job performance.

Research Design

The present study employed a quantitative research design to examine the impact of emotional intelligence (EI) on the job performance of employees in the Sri Lankan apparel industry. A cross-sectional survey method was used to gather data at a single point in time, allowing for the assessment of relationships between EI and job performance among the selected sample.

Study Area

The study was conducted in the Sri Lankan apparel industry, one of the country's most significant economic sectors. Sri Lanka is renowned for its high-quality apparel manufacturing, contributing significantly to the national economy. The research focused on Colombo, Kaluthara and Gampaha districts in Sri Lanka, ensuring a representative sample of the industry's workforce.

Sample and Sampling Technique

A total sample of 350 employees working in different apparel factories in Sri Lanka was selected for this study. Stratified random sampling was used to ensure that the sample represented various strata within the population, such as different job roles, levels of experience, and factory locations. This approach helped to capture a diverse range of perspectives and experiences, which is critical for understanding the broader impact of EI on job performance within the industry.

Data Collection Methods

Data were collected using a self-administered questionnaire designed to measure both emotional intelligence and job performance. The questionnaire included validated scales for assessing EI, such as the Emotional Intelligence Scale (EIS) and a job performance scale customized to the apparel industry context. The questionnaire was administered through both face-to-face and online methods to accommodate the diverse working environments and preferences of the employees. face-to-face data collection was conducted by trained research assistants who visited the factories. For other participants, particularly those in managerial or supervisory roles with better access to technology, the questionnaire was distributed online.

Data Analysis

The collected data were analyzed using statistical techniques to examine the relationships between emotional intelligence and job performance. Descriptive statistics were first calculated to summarize the demographic characteristics of the sample. Then, inferential statistics, including correlation and regression analysis, were used to explore the impact of EI on job performance. These analyses helped to identify the strength and direction of the relationships between the variables and to determine the predictive power of EI in explaining variations in job performance.

Measures

To measure emotional intelligence, the Emotional Intelligence Scale (EIS) developed by Schutte et al. (1998) was utilized. The scale comprises 33 items that measure emotional perception, emotional facilitation, emotional understanding, and emotional regulation. The Job Performance Scale (JPS) developed by Williams and Anderson (1991) was modified to measure job performance. The JPS includes nine items that measure in-role and extra-role behaviors.

The collected data were analyzed using descriptive statistics, correlation analysis, and regression analysis. Descriptive statistics were employed to summarize the data, while correlation analysis was used to examine the relationship between emotional intelligence and job performance. Regression analysis was used to determine the impact of emotional intelligence training on job performance. Overall, the study utilized rigorous quantitative methods to examine the relationship between emotional intelligence training and job performance among employees in the Sri Lankan apparel industry

Ethical Considerations

All participants were assured of the confidentiality of their responses, and data were anonymized to protect their identities. Participants were provided with detailed information about the study's purpose, procedures, and their rights before obtaining their consent to participate. It had informed them that participation in the study was entirely voluntary, with participants having the option to withdraw at any stage without any consequences.

Reliability and validity analysis

Confirmatory Factor analysis (CFA) was conducted to measure the construct validity of each variable used in the study. It helps to identify irrelevant items and to design the measurement model. According to Karriker and Williams (2009), the value of factor loading should be less than 0.4. The factor loading values of all variables namely Emotional Intelligence (EI), Self-Awareness (SA), Self-Regulation (SR), Social Awareness (SA), Relationship Management (RM) and Job Performance (JP) are well above average level. According to Hair et al., (2003), values of GFI, AGFI, CFI, NFI and TLI should be above 0.90 or closer to 1, it indicates the better fit of the model. Hence, as given in Table 01 all the values of above indexes are above the average level and closer to 1.00. Therefore, data is ideal for further analysis. The values of model fit in this study are close to 1.00 as given in the Table 01, which means a good model fit. The value of Root Mean Square Error of Approximation (RMSEA) should be less than .05, and Chi-square ($\chi 2/$ df) should be less than 4.5 for a better fit of the model (Browne and Cudeck, 1993). As given in Table 01, both RMSEA and Chi-square values are above the average level, which indicates the better fit of the model. All the measurement values are above the average level, which means a good model fit of CFA in this study.

Table 1: Confirmatory Factor Analysis

Variables	**Chi-square**	***RMSEA***	***GFI***	***AGFI***	***CFI***	***TLI***	***NFI***	**RMR**	**AVE**	**CR**
EI	3.660	0.048	0.951	0.942	0.876	0.801	0.824	.014	.52	.81
SA	3.876	0.041	0.843	0.940	0.992	0.801	0.821	.034	.55	.84
SR	3.930	0.042	0.901	0.903	0.853	0.945	0.943	.022	.52	.81
SA	4.010	0.040	0.840	0.931	0.822	0.942	0.913	.023	.51	.82
RM	3.630	0.041	0.901	0.901	0.831	0.963	0.951	.022	.50	.84
JP	4.520	0.042	0.910	0.922	0.834	0.923	0.912	.024	.51	.85

Notes: Emotional Intelligence (EI), Self-Awareness (SA), Self-Regulation (SR), Social Awareness (SA), Relationship Management (RM) and Job Performance (JP)

4. Results and Discussion

The study investigated the impact of emotional intelligence training on the job performance of employees in the Sri Lankan apparel industry, utilizing a sample of 350 employees from different apparel factories in Sri Lanka. The results indicated that emotional intelligence training had a positive impact on employee job performance in the apparel industry in Sri Lanka. The findings are consistent with previous research that highlights the importance of emotional intelligence in the workplace and its impact on organizational outcomes.

Table 2: Key Findings on Emotional Intelligence and Job Performance

Analysis Type	**Finding**	**Statistical Value**	**Significance Level**
Correlation Analysis	Significant positive relationship between emotional intelligence and job performance	$r = 0.57$	$p < 0.01$
Regression Analysis	Emotional intelligence training significantly predicted job performance	$\beta = 0.45$	$p < 0.01$

This table presents the key findings from the correlation and regression analyses, emphasizing the significant positive relationship between emotional intelligence and job performance and the predictive power of emotional intelligence training on job performance outcomes in the Sri Lankan apparel industry.

The study found a significant positive relationship between emotional intelligence and job performance among employees in the industry. The correlation analysis revealed that emotional intelligence was significantly positively related to job performance ($r = 0.57$, $p < 0.01$). The results suggest that employees with higher levels of emotional intelligence are likely to exhibit better job performance in the apparel industry in Sri Lanka. The regression analysis further confirmed the positive impact of emotional intelligence training on job performance. The analysis revealed that emotional intelligence training significantly predicted job performance ($\beta = 0.45$, $p < 0.01$). These findings suggest that emotional intelligence training is an effective tool for improving employee job performance in the Sri Lankan apparel industry.

The study's results have practical implications for organizations in the apparel industry in Sri Lanka. The findings highlight the importance of emotional intelligence training for employees, as it can lead to improved job performance and potentially increase employee satisfaction. Organizations in the industry can benefit from incorporating emotional intelligence training into their employee development programs.

The present study aimed to explore the impact of emotional intelligence training on the job performance of employees in the Sri Lankan apparel industry. The study utilized a sample of 350 employees from different apparel factories in Sri Lanka, selected through stratified random sampling. The data was collected using a self-administered questionnaire that included measures of emotional intelligence and job performance.

The findings of the study revealed that emotional intelligence training had a positive impact on employee job performance in the apparel industry in Sri Lanka. The study found that emotional intelligence was positively related to job performance among employees in the industry. The correlation analysis revealed a significant positive relationship between emotional intelligence and job performance ($r = 0.57$, $p < 0.01$). The regression analysis further confirmed the positive impact of emotional intelligence training on job performance. The analysis revealed that emotional intelligence training significantly predicted job performance ($\beta = 0.45$, $p < 0.01$).

The findings of this study are consistent with previous research that has shown a positive relationship between emotional intelligence and job performance. Emotional intelligence has been recognized as a key competency in the workplace and has been found to be positively related to various organizational outcomes, including job satisfaction, organizational commitment, and job performance (Bar-On, 2006).

The findings of this study suggest that emotional intelligence training can have a positive impact on employee job performance in the Sri Lankan apparel industry. This finding has important implications for the industry and suggests that emotional intelligence training should be incorporated into the training programs for employees in the industry. This training could help employees to develop their emotional intelligence skills, leading to better job performance and potentially increasing employee satisfaction.

The findings of this study are consistent with previous research that has highlighted the importance of emotional intelligence training for employees. Emotional intelligence training has been found to improve employees' ability to manage their emotions and the emotions of others, leading to better communication, problem-solving, and decision-making skills (Cherniss & Goleman, 2001).

Emotional intelligence training can also help employees to develop better interpersonal skills, which are critical in the apparel industry, where employees need to work in teams to achieve common goals. This training can also help employees to deal with customers more effectively, which is essential in the apparel industry, where customer satisfaction is a key driver of business success.

Moreover, the findings of this study suggest that organizations in the Sri Lankan apparel industry could benefit from incorporating emotional intelligence training into their employee development programs. Organizations could develop training programs that target specific emotional intelligence skills, such as self-awareness, self-regulation, motivation, empathy, and social skills. Organizations could also use a variety of training methods to deliver emotional intelligence training, including classroom-based training, coaching, and e-learning. Additionally, organizations could provide employees with opportunities to practice their emotional intelligence skills in real-world situations, such as team-building exercises and customer-service simulations.

However, the implementation of emotional intelligence training programs may face some challenges. One potential challenge is resistance from employees who may not perceive emotional intelligence training as relevant or necessary for their job performance. This resistance could be overcome by highlighting the benefits of emotional intelligence training for employees, such as increased job satisfaction, better communication skills, and career advancement opportunities. Another potential challenge is the need for ongoing support and reinforcement of emotional intelligence training. Employees may forget or fail to apply the skills learned in emotional intelligence training, leading to a decline in their emotional intelligence competencies over time. Organizations could overcome this challenge by providing ongoing coaching and support to employees, encouraging them to continue to develop their emotional intelligence skills.

5. Conclusion and Recommendation

The present study aimed to examine the impact of emotional intelligence training on the job performance of employees in the Sri Lankan apparel industry. The results of the study indicate a significant positive relationship between emotional intelligence and job performance. Furthermore, emotional intelligence training was found to have a positive impact on employee job performance, particularly in terms of in-role behaviors such as task performance and adherence to organizational norms. These findings are consistent with previous research that has highlighted the importance of emotional intelligence in the workplace and the positive impact of emotional intelligence training on employee job performance (Aheer & Nazir, 2017; Mohd et al.). The results of the present study also have important implications for the Sri Lankan apparel industry, which employs a large number of workers in a high-stress environment that requires effective teamwork.

Based on the findings of the study, several recommendations can be made for organizations in the Sri Lankan apparel industry. Firstly, organizations should consider implementing emotional intelligence training programs for their employees, particularly for those in positions that require high levels of interpersonal interaction and teamwork. The training should focus on developing emotional perception, understanding, and regulation skills, which are essential for effective communication and collaboration among team members. Secondly, organizations should foster a work environment that promotes emotional intelligence development and utilization. This can be achieved by encouraging open communication, empathetic listening, and positive feedback. Organizations should also provide opportunities for employees to participate in team-building activities that promote emotional intelligence skills, such as problem-solving and conflict resolution. Finally, organizations should consider incorporating emotional intelligence assessments into their employee selection and evaluation processes. By selecting and promoting employees with high emotional intelligence, organizations can create a workforce that is better equipped to handle the demands of the industry and contribute to the organization's overall success.

6. Limitations and Future Research

The present study has some limitations that should be taken into account when interpreting the results. Firstly, the study used a cross-sectional design, which limits the ability to establish causality between emotional intelligence training and job performance. Future research could use a longitudinal design to examine the long-term effects of emotional intelligence training on job performance. Secondly, the study relied on self-report measures of emotional intelligence and job performance, which may be subject to bias and social desirability. Future research could use multiple sources of data, such as supervisor ratings and objective performance metrics, to provide a more comprehensive assessment of job performance. Finally, the study was conducted in the Sri Lankan apparel industry and may not be generalizable to other industries or cultural contexts. Future research could examine the impact of emotional intelligence training on job performance in other industries and cultural contexts to determine the generalizability of the findings.

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The Impact of Demographic Characteristics on Human Capital Investment in Government vs. International School Teachers (A Comparative Analysis of Teachers' Human Capital Investment in Government vs. International Schools in the Western Province)

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Abstract

This study investigates the relationship between demographic factors and Human Capital Investment (HCI) on teacher effectiveness and productivity in government and international schools within Western Province. While acknowledging the limited comparative research on HCI across different school types, the study aims to fill this gap by examining the impact of human capital investment on organizational performance within the selected schools. A multi-phase sampling procedure was used to select a sample of 432 government school teachers and 98 teachers from international schools. Questionnaires were used to gather primary data to record pertinent demographic factors and HCI. A binary logistic regression model is utilized in the analysis to determine the teacher demographic factors related to HCI. The findings show that among teachers in government schools, the inclination towards HCI rises with age albeit at a decreasing rate. Although this likelihood decreases as they get closer to retirement age the results indicate that older teachers are more likely to invest in human capital. To further understand these factors' effects on HCI the study also looks at other demographic factors like gender years of teaching experience and educational program. Government and foreign school teachers comparative study reveals unique trends in HCI inclinations that are a reflection of variations in institutional support resource accessibility and career advancement opportunities. The study comes to the conclusion that to improve teacher HCI and eventually educational outcomes focused on policies and professional development initiatives are crucial. This study offers important implications for policymakers and educational administrators by shedding light on the demographic factors influencing HCI and adding to the larger conversation about teacher development and educational investment.

Keywords: *Human Capital Investment (HCI), Teacher Productivity, Demographic Factors, Government vs. International Schools, Educational Policy*

1. Introduction

Human capital investment is one of the major determinants of the endogenous growth model and this discussed the importance of investing in knowledge, innovation, and research and development activities to generate new technological advancement in both goods and service sectors. Generation of human capital advancement always creates new knowledge for the country leading to accelerated economic growth of service sectors. The role of human capital enhancement was mainly discussed in both macro and micro-economic aspects. The focus of this paper is to see the demographic factors influencing of human capital investment of schoolteachers in both government and international schools in Sri Lanka.

2. Literature Review

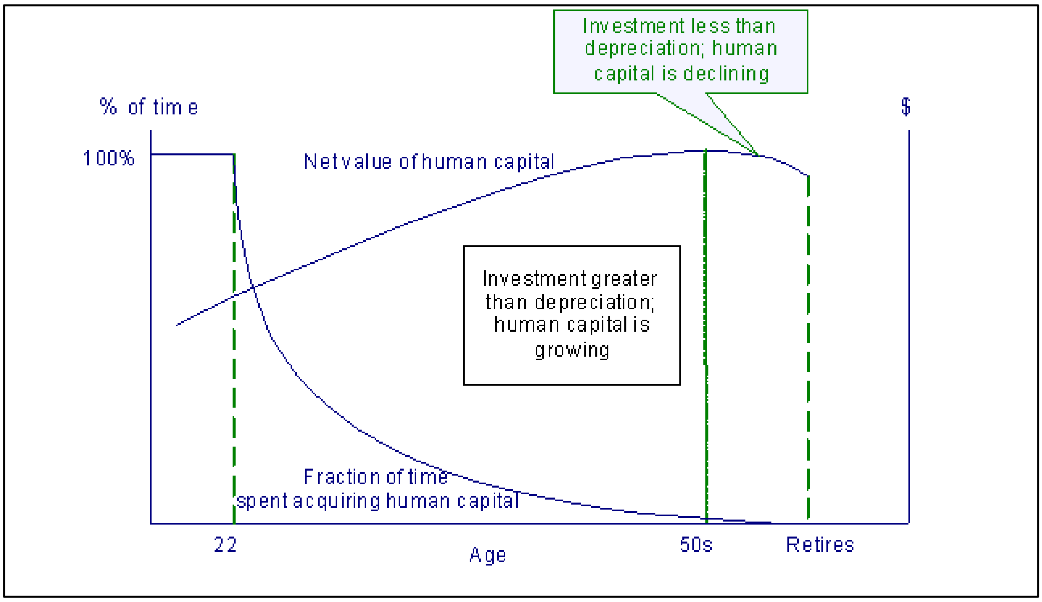
As the Life- Cycle theory explains there are different stages in a person's life and at each stage of life, the needs of an individual differ. Along with changes in the needs of individuals, the supply of labour to economic activities also changes.

When a person does not have family obligations and living with them, they have better needs compared to a person with family obligations. As a result, the tendency to invest in human capital is less. However, once they get married and are forced with family responsibilities such as the responsibility of both the child and the elderly, their needs increase. Which in turn, encourages them to engage in secondary employment to earn an additional income to cover up the extended needs. At the preceding stage of life which is, when the employees have children of younger age who are about to get married, then the employees tend to invest less in human capital and try to do a second job to earn an additional income. As when individuals move later adulthood stage their needs and responsibilities decline, and because of it, the tendency to invest human capital will also decline.

Rao (2016) demonstrates that the decision to invest in the human capital of an individual depends on economic factors, relative deprivation, and life cycle squeeze. Life cycle squeeze is a phase where a person becomes unable to meet the needs using available resources due to the number of children as per their age.

In the Ben Porath Model of Life Cycle theory, he contrived this theory that each person will determine to maximize the current value of lifetime earnings based on the investment. Reducing investment gains leads to continually decreasing investments of human capital. This implies that human capital stock and earning power increase over the life cycle. This implies that human capital stock and earning power increase over the life cycle. When a person gets older, though human capital stock increases, there is a decrease in the amount of investment in human capital.

Figure 1: Pattern of Earnings Over Years



Source: Polacheck, 2008

As Figure 1 illustrates Ben-Porath model describes that when time passes, and a person grows old, investment in human capital will start declining continuously and reach zero. By the time it reaches zero, the experience of the worker will be at maximum. Due to investing in human capital skills, the experience and earnings of the employee will improve along the life cycle stages. Improvement in earnings due to human capital investment is shown in Figure 1. Human capital development will open up many additional job opportunities to individuals which encourages them to earn extra income. According to the Ben-Porath model people tend to completely stop investing in human capital even before they retire.

Most authors who studied human capital investment have identified age as a critical factor that determines the decision to invest in human capital or not. (Chen & Cheng, 2012; Lee & Chiu, 2017; Baumann & Krskova, 2016; Amzat, 2017; Huguenin, 2015; Feldman, 2017; Hartog, 2000; Chatterjee, 2017, Duleep et al., 2020) At different stages of age peoples' decision to invest in human capital differs as explained through their studies.

According to Feldman, (2017); Hartog (2000); Amzat (2017); Huguenin (2015); Zeicher & Hollar, (2016); Futagami & Yanagihara (2008); Duleep et al., (2020) there is a positive relationship among probability of invest in human capital and age irrespective of gender. This means, that when a person passes through the stages of the life cycle they tend to engage in investing in human capital because they need to improve their skills to earn additional income. Feldman, (2017) has pointed out that older people are more vulnerable to engaging in moonlighting, therefore they pay less attention to investing in human capital. Furthermore, younger people tend to invest in human capital than people who are about to retire. (Chatterjee, 2017).

Furthermore, Lee & Chiu (2017) have found that when age increases the tendency to invest in human capital declines and Baumann & Krskova (2016) also have found an inverse relationship between residents' age and the probability to invest in human capital. Persons aged 25 – 29 have been identified as an age group, with a high tendency to invest in human capital rate due to, they find it difficult to survive in their profession (Behrman, 1996; Joona, 2018). Chen & Cheng (2009) have identified that a high rate of investment in human capital is recorded among middle-aged workforce due to compulsory requirements of promotions in their career path.

Age^2, explains the rate of change in the probability of human capital investment when age is subjected to change. This rate of change can occur at an increasing rate or decreasing rate. (Feldman, 2017; Hartog, 2000; Duleep et al., 2020). As empirical evidence shows age^2 is negatively related to the probability of human capital investment irrespective of gender. (Feldman, 2017; Hartog, 2000). The negative coefficient of age^2 (Assuming the coefficient of age is positive) conveys that, when age tends to increase the probability of human capital investment increases at a decreasing rate. This type of behavior has been identified by Hartog (2000).

Gender also plays an important role in human capital investment. As past works explained decision to invest in human capital differs from male or female. (Baumann & Krskova, 2016; Behrman, 1996; Chatterjee, 2017; Ehrenberg et al., 2021; Rao,2016; Tschirhart et al. ,2008; Zeicher & Hollar, 2016; Duleep et al., 2020; Ansah & Mueller,2021)

The reason that males invest in human capital more than females is that the productivity levels of females in both market and non-market activities are lower compared to males.

Further, the decision of females to invest in human capital is affected by income potentials, family life cycle situations such as bringing up children, the attitude of females towards engaging in work, and the attitude of husbands towards their wives engaging in work. (Rao, 2016)

In the United States, Tschirhart et al. (2008) examined that graduate males were significantly and positively affected in the public sector, and also, found that males are more capable of working in government ($p>0.05$) and business ($p>0.05$) than females. Therefore, it has been proved that the factor of gender affects government employment. This result is consistent with previous findings. Then Pfeifer (2011) examined that women have a positive impact on employment in the public sector in Germany. These analyses were performed using the Probit regression model.

According to the Roy model, the returns of human capital investment depend on gender differences. There are biological facts about brawn. According to this theory, men are substantially stronger than women on average. Therefore, men have a comparative advantage in brawn (The Roy model, 1951). Evidence of past studies is somewhat contrasting when considering gender as a determinant of human capital investment. The impact of being a male and a female, on the decision to invest or not depends on the economic needs and social benefits of that particular country under study.

When a person is female, it increases the probability of investment in human capital (Behrman, 1996; Hartog, 2000; Pfeifer, 2011; Zeicher & Hollar, 2016) and when a person is male the probability of investment in human capital declines (Baumann & Krskova, 2016). Contrastingly, Hartog (2000) has derived two models in his paper where in model 2 he found out that, being a female reduces the probability of investment in human capital. The reason behind that is the 'triple burden' on females. Female employees are enforced with three roles: reproductive, productive, and socially productive. Behrman (1996) found out that being a male could increase the probability of investment in human capital.

Amzat (2017) has demonstrated, that male employees are more likely than female employees, to be employed in part-time jobs in the services sector, and therefore female employees tend to engage in human capital investment than males. Females are motivated to invest in human capital especially due to job reputation and job promotion motives (Zeicher & Hollar, 2016).

The extent to which human capital enhances the talent of the teachers of international and government schools has been identified to be significantly impacted by gender differences in the world. A lot of literature previously has identified different impacts of gender differences on the performance of teachers. According to Harris & Brown (2020), he has concluded that the level of job satisfaction of males is higher than that of females, based on his research studies done on different types of schools.

This conclusion is different per Koustelious (2001), who has concluded that female teachers have a greater tendency to invest in human capital than males. Gender differences also impact the level of commitment of teachers. According to Kumari & Jafri (2011), investment in human capital among the male and female teachers of secondary schools is different in that the overall percentage of investment in the human capital of female teachers is much higher than that of male teachers.

Further, they have emphasized that the attitudes of male and female teachers which are different have a significant impact on the job satisfaction level. However, Suki (2011) has revealed that gender difference has no significant impact on the probability of investment in human capital, and therefore the institutional commitment of both male and female teachers is very similar.

Becker (1975) discusses about labour market consequences of both men and women based on the marriage market by presenting “The Theory of Marriage”. Only a skeleton of a theory of marriage has been represented by the author concerning two assumptions that everyone attempts to do the best they can, and the so-called market is in a state of balance. The author was able to gain some diverse remarkable suggestions concerning behavior within this market with the support of various auxiliary simplifying suppositions. For example, a male and female's benefit from being married over being single is manifested to switch on emphatically in their human capital, incomes, and comparative difference in wage rates.

Studies conducted by Lee & Chiu, 2017; Baumann & Krskova, 2016; Huguenin, 2015; Feldman, 2017; Behrman, 1996; Hartog, 2000; Duleep et al., 2020 have identified that when marital status differs, from married to unmarried the probability of investing in human capital tend to change.

Young, single individuals who are free from family obligations are enthusiastic to invest in human capital due to the lesser work experience they attain, compared to rest in the workforce and availability of time (Behrman, 2006). In contrast, people who are married also tend to invest in human capital to get promotions in their career path to execute their family responsibilities.

The following authors have constructed different categories for marital status in their research.

Table 1: Different Categories Developed by Authors for Marital Status

Author	Material Status
Feldman, 2017	○ Married ○ Not Married
Behrman, 1996	○ Single (Never married) ○ Married ○ Other
Ismail, 2016	○ Unmarried Women ○ Previously Married Women ○ Married women ○ Married men
Samaraweera, 2016	○ Being married ○ Never married was an omitted category

Source: Developed by Author, 2024

According to Martins (2019), married people tend to show a negative relation along with the probability of investing in human capital. Even if the particular person is a widower, separated, or divorced still it has a positive relationship with the probability of investing in human capital. If a person is single then it will have a positive relationship with a probability of investing in human capital (Baumann & Krskova, 2016).

Mostly, unmarried men invest in human capital compared to married men. The main reason is that married males are engaged in moonlighting since they have limited resources (financial) to fulfil family and children's responsibilities. Therefore, they do not have enough time to engage in human capital investment (Hartog, 2000).

When considering females, most of the time single women tend to invest in human capital than married women with responsibilities and tough schedules (Rao, 2016; Chatterjee, 2017). Amzat, (2017) further illustrates that females who were never married before and previously married found highly engaging to invest in human capital due to fewer responsibilities. Ansah & Mueller (2021) found that marital status significantly and positively affected on investment choice of Human Capital in the government sector. Therefore, they have proved that the factor of marital status affected Human Capital Investment in government workers.

2. Methodology

The study is conducted using data collected from the Western Province of Sri Lanka. The population of schoolteachers in the western province is 53,938. The sampling procedure of the survey is explained in the following section.

Multi-stage sampling procedure was followed in this study. In the first stage of the study, the Western province was selected due to the high representation of schoolteachers from the Western province in Sri Lanka. In the second stage, 5 percent of schools from each district including Colombo, Gampaha, and Kaluthara were selected, and 76 schools were selected for the data collection using a stratified sampling technique. The final stage of the sampling is simple random sampling with a 10-present representation of school teachers from 76 schools representing 67 government schools and 9 international schools.

Using the Stratified Random Sampling method 5% of Schools were selected by each district both government and international. After that using a random table of the schools of each district and using a simple random sampling method got the 10% of teachers at each school. The final sample is attached herewith.

Table 2: Sample of the Study

District	No of Govt. Schools Selected	No of the Teachers Selected	No of the International Schools Selected	No of the Teachers Selected
Colombo	20	156	6	60
Gampaha	26	168	2	28
Kaluthara	21	108	1	10
Total	67	432	09	98

Source: Department of Census and Statistics, 2018

The data collected through primary data will be presented using data presentation tools such as tables, bar charts, and pie charts first and binary logistic regression models will be used as the main analytical tool for identifying the determinants.The intention of using data presentation tools is to identify different proportional distributions of characteristics of the sample. To show statistical values tables will be used and for graphical presentations both bar charts and pie charts will be used. Data under study is planned to be analyzed using STATA data analyzing software. The logit estimation model will be used in model building.

1. ***Logit estimation***

$$\text{In}\left(\frac{p}{1-p}\right) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 D_1 + \beta_4 D_2 + \beta_5 D_3 + u \ldots\ldots\ldots\ldots\ldots(1)$$

Where:

Y = Choice of investment

β_0 = Constant

β_1 = Coefficients of independent variables

X_1 =Age

X_2 = Age Square

D_1 = Being female

D_2 = Sector of employment

D_3 = Being ever married

u = error term

Hypothesis of the Study

H_1: There is a relationship between human capital investment and demographic characteristics.

The summary of variables and their measurements used in the study is reported in Table 3.

Table 3: Measurement of Variables

	Variables	Measurements
Dependant Variable	Choice of Investment(Y)	1 for invest, 0 for not invest
Independent Variables	*Demographic factors*	
	Age (X_1)	in the number of years.
	Being female (D1)	1 for female, 0 for male
	Being ever married (D2)	1 for forever married, 0 for never married
	Sector of employment (D_2)	1 for government school, 0 for international school

3. Results and Discussion

Human capital investment of teachers was defined in this study as the investment to improve the performance of teaching after entering into the teaching career. 44 percent of teachers invested in human capital development after entering into the career while 43 percent of female teachers and 46 percent of male teachers invested in Human Capital enhancement during their career. 76 percent of the samples are males. The average age of teachers in the sample was 41 while the average age for females and males were 40 and 45 respectively. 81 percent of teachers represent government schools. 42 percent of teachers hold secondary employment while the tendency for moonlighting is higher for government teachers than the teachers from international schools. The majority of teachers have an average education of 16 years, and this indicates that most of them generally have higher education at the tertiary level after the GCE AL examination at the end of the school age. Most of the sample is married and permanent workers in their employment (Table 4).

Table 4: Descriptive Statistics for Total Sample and by Demographic Factors

Variable	Total		Female		Male	
	n=530		n=402		n=128	
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Ever Invested in HCI during a teaching career	0.442	0.497	0.435	0.496	0.461	0.500
Being Female	0.758	0.428				
Age	41.453	10.23	40.415	10.248	44.711	9.488
Age^2	1822.74	848.27	1738.162	837.049	2088.383	831.372
Being ever married	0.796	0.403	0.776	0.417	0.859	0.349
Being government teacher	0.815	0.389	0.803	0.398	0.852	0.357

Source: Developed by author, 2024

Key determinants of human capital investment of school teachers for the whole sample and for gender-specific samples were presented in Table 5. When age increases, the tendency for human capital investment increases at a decreasing rate. The decreasing rate is due to biological deprivation and school teachers' lifetime earnings. The opportunity cost of human capital investment rises with age and this also causes for the diminishing rate of involving human capital investment. When age increases future working years will decrease. Therefore, the return to human capital would be diminished with age leading to diminishing human capital investment of teachers slowly. These findings also match the Ben Porath model's findings on human capital investment.

The tendency of human capital investment to increase with age at a decreasing rate for both male and female teachers. Female teachers invest more in human capital than males when they are getting older. The diminishing rate is relatively similar for both men and women. This finding matches with the findings of Duleep et al., 2020. Their research on human capital investment and the Gender Division of Labor in a Brawn-Based Economy also stated that more tendencies toward human capital investment by female teachers can be observed.

According to Magau et al., 2021, there is a significant and positive connection between the age of the respondent and human capital investment of female workers. It is confirmed by many researchers, such as Chen & Cheng, 2009; Lee & Chiu, 2017; Baumann & Krskova, 2016; Amzat, 2017; Huguenin, 2015; Feldman, 2017; Behrman, 1996; Hartog, 2000; Chatterjee, 2017; Zeicher & Hollar, 2016; Futagami & Yanagihara, 2008 considers the age as one of the independent variables to develop their empirical model. When age increases there is a drop in the probability of human capital investment rate for women.

Contrastingly Lee & Chiu (2017) stated that when women get older rate of human capital investment rises. Age is an important driver that highly influences women in choosing between household work and human capital investment. Women reach their maximum rate of human capital investment participation between the ages of 45-54 and 55-64.

Human capital investment is 18 percent higher for government teachers while male teachers would like to invest more in human capital than female teachers. Being a government teacher increases the tendency to invest in human capital in comparison to teachers from international schools. Among male teachers, government teachers have a 33 percent higher tendency to invest in human capital than the male teachers from the international school while being government teachers among female teachers increases the tendency of investing in human capital by 20 percent in comparison to the international female teachers.

Table 5: Marginal Effects of Logit Models: For Total Sample and by Gender

Variable	**Total**		**Male**		**Female**	
	n=530		n=128		n=402	
	ME	Z	ME	Z	ME	Z
Being Female	0.027	0.54				
Age	0.060	2.85	0.067	1.48	0.085	3.53
Age^2	-0.001	-2.56	-0.001	-1.35	-0.001	-3.21
Being government teacher	0.184	3.06	0.339	3.02	0.209	2.87
Being ever married	-0.004	-0.07	0.150	1.05	-0.043	-0.56

Source: Developed by author, 2024

Family income which shows the financial wealth of the household shows a significant positive relationship with the human capital investment of teachers. Family income is a highly sensitive factor for males on human capital investment than that of females and the general sample. Female involvement in human capital investment will depend on several other factors including their time allocation on non-market activities. Hence the responsiveness of income on human capital investment is relatively lower. According to Ansah & Mueller (2021) in their research “Microeconomic Analysis of Private Returns to Education and Determinants of Earnings” also stated that female human capital investment is low due to factors such as time constraints, balancing household activities, work of children and family responsibilities.

However, according to the research conducted by (Ehrenberg et al., 2021), in their research title “The Economics of Multiple Job Holding” claimed that they had a contradictory view. The findings of the research demarcated that the female Human Capital Investment is relatively higher than the male human capital investment. The main reason for this as stated in their research was that females are keener on enhancing private financial returns to education such as increasing educational qualifications, improving earnings, interested in gaining promotions, and gaining self-recognition and self-esteem are some of the factors.

Chatterjee (2017) Human Capital Investments and Productivity has found a negative relationship between female workers in higher family income groups and the probability of human capital investment. Hartog (2000) and Rao (2016) in their research state that females who are engaged in secondary jobs are engaged in multiple work in addition to their primary jobs because female teachers have to carry out the multiple roles of a woman. As a result, they have less time to invest in human capital in comparison to male teachers.

According to the research conducted by Feldman (2017) a contradictory view, one of the reasons for the differences in human capital investment is due to the specialized field in degree. That is, males who have degrees in the fields of science, and business have high incomes. Therefore, their investment in human capital investment is high. And males with degrees in the field of humanities, and social sciences and relatively less earnings. Therefore, their investment in human capital investment is low. Nevertheless, women in all these fields have even less earnings in comparison with males. Therefore, females' investment in human capital investment takes a very low proportion.

According to the Roy model, the returns of human capital investment depend on gender differences. There are biological facts about brawn. According to this theory, men are substantially stronger than women on average. Therefore, men have a comparative advantage in brawn (The Roy model, 1951).

This conclusion is different as per; (Ballout, 2007), who concluded that female teachers are more satisfied than males. Gender differences also impact the level of commitment of teachers. According to Amzat (2017), the overall level of organizational commitment among the male and female teachers at secondary schools is different the overall percentage of commitment of female teachers is much higher than that of male teachers. Further, they have emphasized that the attitudes of male and female teachers which are different have a significant impact on the job satisfaction level. However, Zeicher and Hollar (2016) have revealed that gender difference has no significant impact on the level of job satisfaction, and therefore the organizational commitment of both male and female teachers is very similar.

4. Conclusions

Age is the key demographic factor associated with age, with a positive sign as expected. The choice of investing in human capital enhancement increases with age but at a decreasing rate. This is common for the whole sample, for male and female teachers separately, for non-urban teachers, government teachers aligned with the ben-porth model. Human capital investment among government teachers is significantly higher than that of international school teachers for the overall sample, males, females, non-urban sector teachers, and graduate teachers. The career stability of international school teachers is relatively low and their social security is also lower for them than the government teachers. Therefore, the expected duration of the employment duration is a bit lower for them than the government teachers due to this and their tendency to invest in human capital is relatively lower. This could negatively affect the capacity building of pupils in international schools.

Therefore, the study concludes that age, and being a government teacher, are the main determinants of human capital investment of school teachers in the Western province in Sri Lanka.

5. Recommendations

Newcomers to the teaching profession should be promoted for human capital investment with a career goal. Since lifelong learning is very important for teachers as a key mode of knowledge dissemination for future generations, increasing human capital investment among senior teachers should also be focused on policymaking. The training programmes should be focused on the field of teaching, capacity building, professionalism and skill development to create role models in the minds of children rather than fulfilling a requirement for promotion. The Ministry of Higher Education is currently practising "Training Programmes of Modules" as a requirement for promotions. However, that does not focus on the real requirement of the teacher to match them with their individual training needs. Human capital investment should be well-focused and school administration and specific teachers should be able to decide the most important module that is relevant to their organizational and individual needs at different stages of their careers. There should be a proper administrative mechanism to absorb the knowledge of trained teachers in the development of individuals, pupils and the overall organization. The Ministry of Higher Education should tune up the current programme by ensuring the real requirements of teachers and incorporating a mechanism to absorb the knowledge of the newly trained teachers to the whole organization. The training mechanism should be developed regardless of the age or the seniority of teachers since all of them are playing the role of nation builders rather than just being facilitators for pupils.

Human capital investments of government school teachers are significantly higher than those of private school teachers. Instability and poor job security cause to discourage teachers from investing in human capital further and this would create negative consequences for the pupils of international schools. Since job turnover is high among international schools due to the same issue training and recruitment costs are relatively high for them and lack of experienced teachers is an issue mainly in the higher grades of education which could lead to poor quality of education in higher grades. Job turnover is very low among government school teachers due to high job security with pension benefits and the recognition of employment. The Duration of the work hours per day is higher for international school teachers than the government school teachers and government school teachers enjoy more freedom than international school teachers with time and vacation. The validity given by government school teachers on their career is relatively higher as a result of and stability of employment that encourages them to invest more in human capital enhancements. Therefore, ensuring job security and having a common system of upgrading career parts are essential components for teachers from international schools. The Ministry of Higher Education should intervene to monitor the capacity building and the training among international school teachers and the unit of private schools in the ministry could monitor this further. This will enhance the quality of education in international schools, and this will further reduce the higher completion made by the labour force to enter government employment.

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Analyzing the Factors Influencing Credit Card Usage among Government Officers: A Case Study from the Kandy District, Sri Lanka

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Abstract

The credit card has emerged as a pivotal financial tool in contemporary society, serving as a versatile instrument widely embraced across various nations. Developed countries first introduced credit cards, but their use has rapidly spread to developing countries over time. Canada leads the world in credit card usage, with 82.74% of the population using them, while Sri Lanka ranks sixty-eighth, with only 10.03% of the population using credit cards. Scholars have identified numerous factors influencing credit card usage. This research explores the influence of demographic and socio-economic factors on utilizing credit cards among government officials in Sri Lanka. A sample of 150 participants was surveyed using structured questionnaires, and data were analyzed using the Statistical Package for Social Sciences (SPSS) version 25. A binary logistic regression model was employed to assess the impact of different variables on the credit card usage of government officials in Sri Lanka. Findings indicate that gender, age, education level, residential area, and monthly income significantly influence credit card usage. It also revealed that the dependent number of government officials does not considerably impact credit card utilization. This research recommended that financial institutions tailor credit card products and incentives to different age groups, as well as promotional offers and financial literacy programs for younger officers. Collaborative efforts between the government and financial institutions must enhance financial literacy, educating civil servants on the benefits and risks of credit card usage.

Keywords: *Credit card, Demographic Factors, Government Officers, Socio-economic Factors*

1. Introduction

A credit card is a form of financial technology utilized in electronic transactions, providing dual functionalities: payment and credit. It enables the cardholder to make purchases and settle them later, according to the terms set by the issuing bank (Amin, 2013). The issuing bank covers the cardholder's payment to the merchant, with the cardholder responsible for repaying the amount in full and on time (Foscht et al., 2010). Credit cards are increasingly integral and popular in today's global commerce landscape (Porto & Xiao, 2019).

Credit cards were first introduced in developed countries, and their use has rapidly spread to developing countries over time (Karaaslan & Tekmanli, 2022). The latest global statistics on credit card usage were published in 2021. According to these statistics, Canada leads the world in credit card usage, with 82.74% of the population using them. Israel ranks second with 79.05%, followed by Iceland at 74%, Hong Kong at 71.63%, and Japan at 69.66%. In contrast, Sri Lanka ranks sixty-eighth, with only 10.03% of the population using credit cards (Statista, 2024). Licensed Commercial Banks introduced the first credit cards in Sri Lanka in 1989, and 1,996,279 cards were in use by 2021, with a total transaction value of 221.8 billion LKR (Central Bank of Sri Lanka, 2021).

Understanding the advantages of using credit cards is crucial, as consumers are incentivized to use them due to their benefits. One advantage is the convenience, as credit cards eliminate the need to carry physical cash, allowing for easy payments. Moreover, credit cards enable customers to pay for expenses without an immediate cash balance. They are universally accepted, making them suitable for transactions worldwide. Customers often receive various perks when using credit cards, as merchants incentivize their use through promotions. Furthermore, a substantial credit limit allows customers to fulfill their needs without immediate cash payment.

Despite these advantages, many individuals still have unwarranted fear and reluctance to use credit cards, highlighting a societal issue.

Within the Sri Lankan context, credit cards are utilized to manage immediate financial needs within a limited timeframe. The credit card industry in Sri Lanka shows promising growth potential. Due to the similarity in products and services offered by all market players, the industry is highly competitive. Central Bank data reports that the first quarter of 2023 had 14 Licensed Commercial Banks and 03 Finance Companies authorized to operate credit card services. Central Bank statistics indicate a notable decline in credit card issuance in Sri Lanka, with activated credit cards decreasing from 2,054,896 in 2022 to 2,012,497 in the first quarter of 2023 (Payments Bulletin, First Quarter 2023).

Scholars have explored the socio-economic dimensions and factors influencing credit card usage through various studies. Previous research studies have analyzed demographic characteristics, economic factors, personal attributes, and organizational elements that impact credit card usage (Khare et al., 2012). Karaaslan and Tekmanli (2022) reported that factors such as gender, marital status, educational background, age, household size, employment status, income, expenditure, financial assets, savings, online shopping habits, and the year of the questionnaire influenced household attitudes toward credit card use.

In contrast, Gattan et al. (2021) revealed that demographic factors did not significantly influence credit card usage. Thus, there is a contradiction regarding the influence of socio-economic and demographic factors on credit card use. This research investigates the factors affecting government officers' credit card usage behavior in Sri Lanka. The research addresses questions such as: What are the determinants of credit card usage behavior among Sri Lankan government officers, how significantly do these determinants impact their behavior, and What factors differentiate the utilization and non-utilization of credit cards among this group?

2. Literature review

Credit cards, blending payment convenience with personal credit, are ubiquitous financial tools globally. The concept, originating from the need for deferred payment, took shape when Franklin National Bank in New York, USA, introduced the first credit card in 1951, bridging the gap between merchants and consumers. However, as consumer demand surged, surpassing the bank's capacity to manage it effectively, numerous international credit card organizations emerged. Notable among these are American Express, Diners Club, Japan Credit Bureau, Visa, MasterCard, and Chinese Union Pay. These entities operate independently, with banks partnering (with them) to issue and process credit cards. Banks continually issue new cards to attract customers and promote regular usage.

Researchers have focused on understanding consumer behavior regarding credit card usage, examining both intended and actual usage patterns. Credit cards now play a pivotal role in personal finance and consumer lifestyle management, a trend supported by various studies. Over the years, credit card ownership and utilization have grown significantly, making credit card services one of the most profitable sectors in financial services (Kaynak & Harcar, 2001; Goyal, 2006).

Research by Wickramasinghe and Gurugamage (2009) highlighted that credit limits, income levels, and marital status influence credit card usage. Customers often use credit cards for routine purchases, viewing them as symbols of status and a means for short-term financing. This behavior contrasts with that in developing countries, where credit cards are predominantly used for household goods, clothing, travel, and entertainment. Wickramasinghe and Gurugamage (2012) explored the demographics, socioeconomics, and lifestyle outcomes associated with credit card use, reinforcing previous findings in the literature.

Numerous researchers have analyzed the influence of socio-economic factors on credit card usage (Ahmed et al., 2009; Athiyaman & Subramaniam, 2018; Gamage & Kumudumali, 2020; Velananda, 2020). Gamage and Kumudumali (2020) report that personal attributes like gender, age, income, education level, and occupation play a role in credit card ownership. They noted a non-linear relationship with age and observed that females are less likely to have credit cards. Additionally, higher education, income levels, and certain occupations are more likely to be associated with credit card ownership in Sri Lanka.

In contrast, Ravindra et al. (2017) reported different results, highlighting that variables like life insurance, savings, and employment status are crucial for credit card usage. They found that gender, age, education, race, and income are insignificant factors. Instead, they identified social capital proxies like participation in social activities, credit union membership, and professional body membership as significant determinants, with credit union membership having a negative effect.

The studies underscore the need for further research to reconcile these conflicting findings. Some studies suggest that demographic and socio-economic factors and credit card attitudes influence credit card usage among different types of holders. The financial cost, user pattern, social status, and attitude are also significant psychological factors (De Zoysa & Rathnayake, 2022).

Investigations have also focused on age, gender, income, education level, financial knowledge, attitudes, perceived benefits, and ease of use in investigating credit card usage determinants (Velananda, 2020). Overall, research indicates that awareness of credit card benefits, age, gender, income, financial knowledge, personal attitudes, and education level are the factors influencing credit card usage.

3. Methodology

3.1. Study Area

This study investigates the demographic and socio-economic factors that impact credit card utilization among government officers in the Kandy District of the Central Province (Figure 1). This region encompasses an area of 1,940 square kilometers, with a population of 80,700 government officers, and ranks 4th among those with the highest number of government officers (Department of Census and Statistics Final Report, 2016).

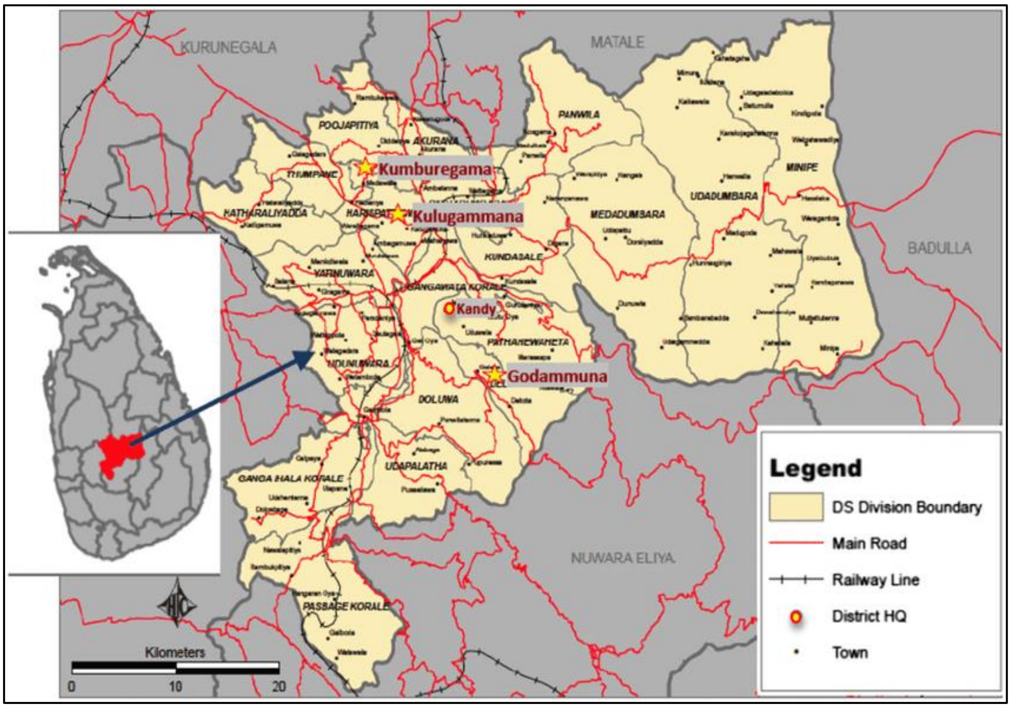

Figure 1: Study area

3.2. Sample and Data Collection

The research study uses a random sampling technique to determine the sample size. The Kandy Four Gravents and Gangawata Korale Divisional Secretariat Divisions will be specifically selected as representative samples. These divisions are home to 30,192 government officers, ranking 2nd in the highest number of government officers in Sri Lanka. The researcher plans to select 150 government officers using the Krejcie and Morgan table from the total employee pool for data collection. Primary data will be collected from government officers in the specified divisions, i.e., whether they use credit cards or not, using a convenience sampling method via a structured questionnaire.

3.3. Data Analysis and Evaluation

Completed questionnaires were reviewed for completeness and consistency before analysis, with responses categorized. Binary logistic regression analysis identified factors affecting government officers' credit card usage. This analysis describes relationships among variables and predicts the value of one variable based on others, assessing how much the dependent variable changes with changes in independent variables.

This study comprises six independent variables (Table 01) and a dichotomous dependent variable, categorized into credit card users and non-users. In total, 150 respondents participated, 43 using and 107 not using credit cards. Data were analyzed using SPSS version 25 to fulfill the study objectives. Binary logistic regression was utilized to identify the influence of variables on government officers' credit card usage in Sri Lanka. This model is deemed appropriate for studying the impact of both continuous and categorical independent variables on a dichotomous dependent variable, as supported by previous studies (Reed & Wu, 2013).

The binary logistic regression model was specified as follows:

$$\boldsymbol{Y = Ln\left(\frac{P}{1-P}\right)} \;\ldots\ldots\ldots\ldots\ldots\ldots\textbf{(1)}$$

$$\boldsymbol{Ln\left(\frac{P}{1-P}\right) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \varepsilon} \ldots\ldots\ldots\textbf{(2)}$$

Where,

Y = Dependent binary variables (use of credit card =1, not use credit card =0)
P = Probability of use of credit card
Ln = Natural Logarithm factor
$\beta_0 =$ Constant
$\beta_1 - \beta_6$ = Regression coefficients
$X_1 - X_6$ = Explanatory variables
e = Stochastic error term

$\left(\frac{P}{1-P}\right)$ = Odd ratio (odds in favor of participation)

Table 1: Explanatory variables and description

Independent / Explanatory Variable	Variable description	Measurement Type
Age	Respondent's age (number of years)	Continuous
Education level	Education level of the respondent (number of schooling years)	Continuous
Gender	Respondent's gender (1= male, 0 = female)	Categorical (Dummy)
Monthly Income	Monthly income of the respondent (Rupees)	Continuous
Number of dependents	Number of dependents in the family (number of dependents)	Continuous
Residential area	The residential area of the respondent (1= rural, 0 = urban)	Categorical (dummy)

4. Results and Discussion

The data presentation and analysis were based on the details gathered from the questionnaires. Data were analyzed using descriptive statistics, frequency analysis, and binary logistic analysis and presented as figures, tables, and narratives.

4.1. Descriptive statistics of the surveyed sample

Table 2 presents the demographic and socio-economic characteristics of the sample of government officers. According to the findings, 29% of government officers use credit cards. Further, based on the findings derived from the research utilizing descriptive statistics, it is evident that a relationship exists between the demographic and socio-economic factors of government officers and their utilization of credit cards.

Table 2: Descriptive Statistics of the sample surveyed

	Credit card non-holders (%)	Credit card holders (%)
Age		
18-25 Years	11	2
26-35 Years	25	40
36-55 Years	58	58
Above 56	6	0
Gender		
Female	45	49
Male	55	51
Dependents of family		
0	21	2
1-3	74	81
Above 4	5	17
Education Level		
Grade 11	1	2
Grade 12	4	0
Grade 13	43	14
High Diploma	18	37
Graduate	34	47
Monthly Income		
Rs.10,000 - Rs.30,000	10	0
Rs.31,000 - Rs.50,000	23	0
Rs.51,000 - Rs.100,000	64	16
Above Rs.100,000	3	84
Residential area		
Rural	62	49
Urban	38	51

Source: Field survey, 2023

According to findings, the use of credit cards increases with the age of government officers. Middle-aged officers demonstrate a higher propensity for credit card use, which is 58% of the sample. In the context of gender, male government officers (51%) exhibit a greater inclination towards credit card usage than their female counterparts.

Concerning the number of dependents, government officers with a moderate number of dependents (1-3) show a greater tendency to use credit cards, indicating 81%. A noticeable increase in credit card usage was prominent with educational attainment—with higher levels of education, and graduate officers displayed a higher likelihood of credit card ownership than others.

Regarding income, a clear pattern indicates that the percentage of credit card holders increases with the rising income levels. The highest percentage of credit card holders was noted in the "Above Rs.100,000" income category, highlighting 84%. This suggests a strong correlation between higher income levels and credit card ownership among the surveyed government officers. This information proves valuable in understanding the relationship between monthly income and credit card ownership among the surveyed government officers.

Furthermore, a comparative analysis reveals that a significantly higher percentage of government officers in urban areas (51%) are credit card holders than their rural counterparts (49%). This trend suggests a higher likelihood of credit card utilization among urban government officers in Sri Lanka compared to those in rural areas.

4.2. Factors Influencing Credit Card Utilization

Figure 2 presents reasons for individuals to utilize credit cards based on responses from the survey participants.

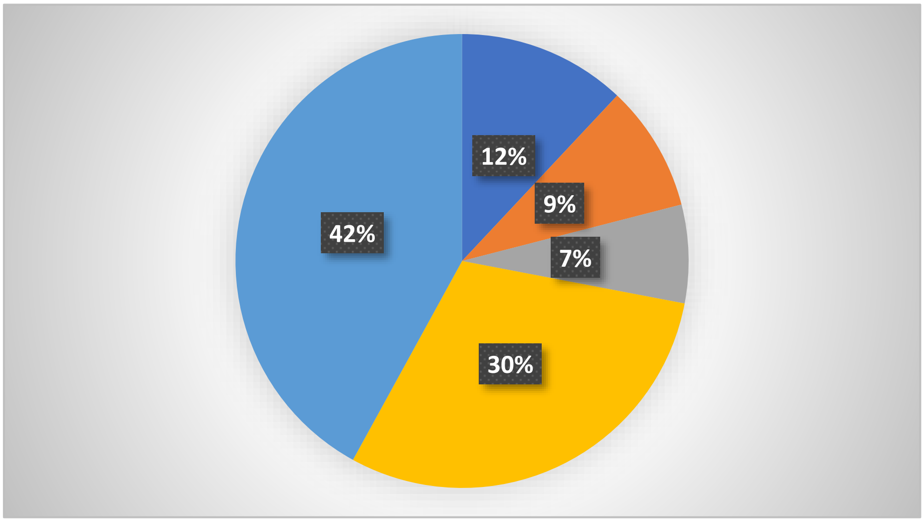

Figure 2: Factors influencing credit card utilization
Source: Field survey, 2023

Findings indicate that a substantial portion, representing 30% of the total respondents, prioritize transaction security when selecting credit cards. This underscores the significance of secure financial transactions facilitated by these cards. Furthermore, 12% of the participants are influenced by the convenience of online purchasing facilities, highlighting the appeal of electronic transactions in digital commerce.

The desire to maintain social status is a notable motivation for 9% of the respondents, indicating the symbolic importance of credit card ownership in specific social contexts. Additionally, 7% of participants value the universal acceptance of credit cards, demonstrating this payment method's widespread recognition and utility. Interestingly, 42% of credit card holders rely on these cards for financial emergencies, suggesting that many individuals view them as a financial safety net during unexpected circumstances. This emphasizes the role of credit instruments in addressing urgent monetary needs.

Finally, the data suggests that government officers prioritize urgent financial needs and transaction security when using credit cards. This implies that government officers who use credit cards exhibit careful and responsible financial planning, prioritizing moderation in their financial decisions.

4.3. Factors Influencing Credit Card Avoidance

Figure 3 illustrates findings on non-credit card usage, elucidating various determinants of why individuals opt not to utilize credit cards.

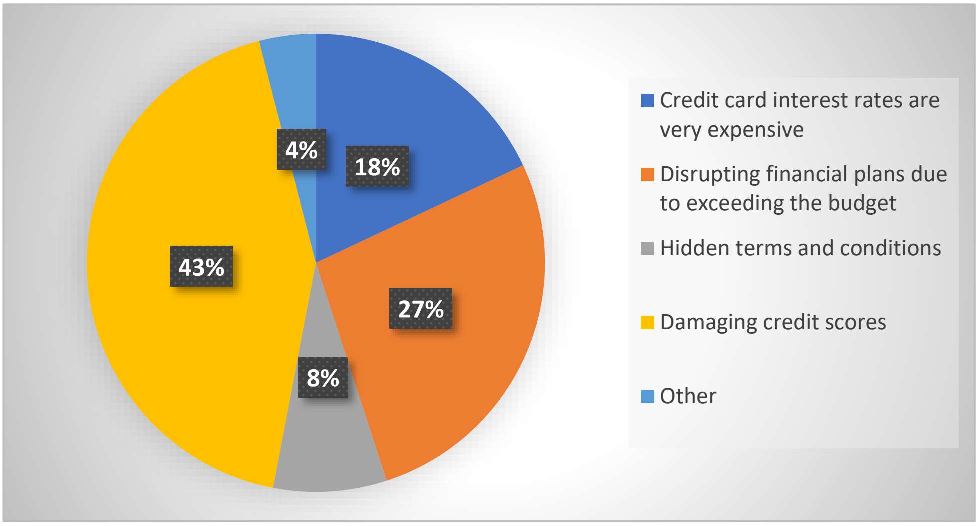

Figure 3: Factors Influencing Credit Card Avoidance
Source: Field Survey, 2023

A prominent factor dissuading individuals from using credit cards is the perceived high cost linked with credit card interest rates. A significant proportion of respondents (28%) are concerned about the potential repercussions of credit card usage on their family budget and broader financial planning. This group's decision to eschew credit cards is driven by the apprehension of losing control over expenses and adversely affecting long-term financial objectives.

Nine percent of respondents highlight the perceived existence of undisclosed terms and conditions associated with credit cards as a deterrent to their use. The apprehension of falling into debt traps, where undisclosed fees or conditions may jeopardize financial stability, is a significant consideration for this cohort. Additionally, a substantial percentage of individuals, i.e., 44%, cite potential damage to their credit score as a deterrent to credit card usage.

A smaller yet notable subset of four respondents express a more subjective concern about the psychological impact of credit card usage. According to Figure 2, in comparison to other reasons, the apprehension of affecting the family budget and financial planning has led government officers who do not use credit cards to abstain from their use. A lack of comprehension may also contribute to this decision.

4.4. Result of Binary Logistic Regression Model

This logistic regression model can help predict the probability of the event based on the values of the predictor variables. The coefficients indicate the direction and magnitude of each variable's impact on the log odds of the event occurring.

Table 3: Determinants of access to credit of government servants

Variable	B	S.E.	Sig.
Gender (Male)	5.355	2.183	.014
Age	-.216	.093	.020
Residential area	-3.088	1.598	.050
Education Level	1.183	.678	.041
Monthly Income	.000	.000	.001
Number of dependents	.620	.428	.147
Constant	-33.038	12.566	.009

According to Table 03, education level, marital status, monthly income, and family size positively impact the use of credit cards. Education has a statistical meaning $(sig. < 0.05)$; an increase of one year will raise the ability to gain credit access 1.183 times. These findings are similar to Anane et al.'s (2021) and Lassana and Thione (2020) studies.

The availability of credit cards of government officers served as the dependent variable; their age, education level, gender, residential area, and monthly income have shown a significant effect on several factors, and these variables show significance less than 0.05. In contrast, the number of dependents did not achieve statistical significance in the model.

According to the results of the binary logistic regression analysis, gender and monthly income of government officers positively influence their credit card use. In contrast, their age and residential area have a negative impact. Further, a relationship exists between credit card use and the number of dependents. It was insignificant according to the Binary logistic regression analysis and thus implied that it does not affect credit card use.

Relationship between Age and the use of credit card

The data analyzed indicate a strong and statistically significant relationship between the age of government officers and their credit card usage. Specifically, according to this analysis, an increase in the age of government officers corresponds to a decrease of -0.216 in credit card usage. The observed trend suggests that middle-aged government officers in Sri Lanka have a higher probability of utilizing credit cards than their younger and older counterparts. Some scholars argue that young people pay more attention to credit card usage than older individuals (Athiyaman et al., 2018). However, other scholars suggest a negative relationship between age and credit card usage (Gamage & Kumudumali, 2020).

In contrast, this research indicates that middle-aged government officers in Sri Lanka have a higher probability of utilizing credit cards than their younger and older counterparts. Therefore, the positive relationship between age and credit card usage implies that as individuals progress in their careers and accumulate more experience, they may develop a greater need or inclination to use credit cards for various financial transactions. This could be attributed to increased financial responsibilities, a higher income that allows for more extensive credit card use, or a shift in spending habits as individuals progress through different life stages.

Relationship between Gender and the use of credit cards

This study explores the intricate link between gender and credit card usage among government officers, revealing a significant connection. Within this group, gender disparities impact credit card utilization patterns. The results show a notable 5.355 increase in credit card usage among male government officers, indicating a clear association between gender and financial behavior. The research uncovers a stronger inclination towards credit card use among males than females in this demographic. The intersection of gender dynamics and credit card usage has garnered increased scholarly interest. While some studies suggest men are more inclined to use credit cards (Gamage & Kumudumali, 2020; Prabhu, 2018), others argue that women are generally more cautious about credit card usage (Athiyaman et al., 2018). These findings emphasize the importance of understanding how gender influences financial decisions among government officers.

The study reveals a significant relationship between credit card use and male government officers compared to females. Male government officers exhibit a stronger tendency for credit card utilization, indicating a complex interplay of gender-specific factors in financial decision-making. These data suggest that women may be more inclined to save money and resources than men, leading to lower credit card usage.

Relationship between the Number of Dependents and the use of credit cards

The collected evidence affirms a negative relationship between the number of household dependents and credit card usage. As the number of family members increases, credit card usage tends to decrease, although this finding does not reach statistical significance. Previous studies have proposed that an individual's family background or the number of dependents they have can influence their credit card usage (Hernandez-Mejia et al., 2021; Ravindra et al., 2017). Therefore, based on the literature review, individuals with a moderate number of dependents are likelier to use credit cards than those with no dependents or those with more than four dependents, making the number of dependents an insignificant factor in this study.

Credit cards are a valuable financial tool that should be used wisely and with careful planning. Hence, given the current economic conditions, it is suggested that individuals in families with multiple dependents may encounter challenges in managing a credit card.

Relationship between Education Level and the use of credit cards

A substantial correlation is evident in the relationship between credit card usage and individual education levels, as presented within a theoretical framework. Furthermore, educational attainment is a stronger incentive for civil servants to utilize credit cards. Numerous academics have posited that individuals with higher education levels demonstrate greater proficiency in credit card management (Velananda, 2020; Gamage & Kumudumali, 2020)). However, the results of this study indicate that these correlations achieve statistical significance about credit card usage. A remarkable trend has surfaced in the current competitive educational arena– individuals in urban and rural settings display similar academic achievements. Despite the apparent educational competence seen in various settings, there is a shift in the contemporary landscape. The association between education levels and credit card usage appears to be growing.

Relationship between Monthly Income and the use of credit cards

Credit card usage is a critical aspect of financial behavior, with variations observed across different monthly income groups. A relationship between monthly income and credit card usage has been firmly established, showing a high level of statistical significance. Many scholars have suggested that a person's economic factors influence their credit card usage.

A positive relationship exists between monthly income and credit card usage (Ahmed et al., 2009; Athiyaman & Subramaniam, 2018; Gamage & Kumudumali, 2020; Velananda, 2020). In particular, the results of this research reveal a positive and significantly stronger relationship, with higher-income government officers tending to use credit cards more. The observed correlation can be attributed to the effect of financial grants, the researchers state. As household monthly income levels rise, there is an inherent expectation for a higher standard of living, which is then reflected in an increase in credit card usage. This correlation emphasizes the complex interrelationship between economic prosperity and credit card use.

Relationship between the Residential Area and the use of credit cards

A discernible trend emerges in the correlation and coefficient analysis between the area of residence and credit card use: Government officers in urban areas exhibit a relationship with credit card use. This insightful observation suggests that the dynamics of the living environment play a key role in influencing patterns of credit card use. In particular, the data reveal a strong and statistically significant relationship within urban areas. A significance level with a p-value of less than 0.05 underscores the reliability of this finding, indicating a negative effect.

Some experts suggest that people in urban areas use credit cards more than those in rural areas (Hernandez-Mejia et al., 2021). Therefore, corroborating the results of the aforementioned literature investigations, it is evident that individuals accustomed to the urban lifestyle significantly affect the use of credit cards. A broader contextual understanding sheds light on the socio-economic dynamics at play. According to the data obtained, the monthly salary of most government officers is less than Rs. 100,000. Therefore, compared to rural areas, people living in urban areas have more economic influence and higher monthly expenses. Consequently, they may need a credit card to manage their needs more effectively.

5. Conclusion

In the context of an economic downturn in Sri Lanka, a developing nation, this study aimed to discern the demographic and socio-economic determinants influencing the usage of credit cards among government officials, a cohort facing heightened financial strain. Descriptive statistics were used to analyze data, revealing a correlation between government officials' demographic characteristics and credit card utilization. Specifically, credit card usage tends to rise with the age of government officials, with those in the middle age bracket demonstrating a higher propensity for credit card use. Male government officials are more inclined toward credit card usage compared to their female counterparts. A positive association between educational attainment and credit card usage was noted among graduate-level officials, showing a higher propensity for credit card use. Additionally, an increase in monthly income corresponds to a higher likelihood of credit card usage, particularly among officials earning above Rs.100,000. Urban government officials are more inclined to use credit cards than their rural counterparts.

Binary logistic regression analysis corroborates these findings, indicating that gender, educational level, and monthly income positively influence government officials' credit card usage, and age and residential area have a negative impact. The number of dependents, however, does not significantly affect credit card usage. Personal attitudes and perceptions also play a role in determining credit card usage. Factors motivating credit card usage include convenience for emergency financial needs, transaction security, ease of online purchases, maintenance of social status, and universal acceptance. Conversely, factors discouraging credit card usage include high interest rates, interference with family budget and financial management, fear of debt traps, and loss of financial autonomy.

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Assessing the Relationships among Job Security, Working Conditions, Economic Conditions, Quality of Life, Political Conditions, and Migration Aspirations in Sri Lanka: A Structural Equation Molding Approach

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Abstract

Sri Lanka, one of the least developed countries, requires its talents to continue contributing to its development. However, labor migration is often viewed as providing economic stability to potential migrants, especially in developing nations. Most highly skilled immigrants do not return after completing their studies or training and start living abroad. Thus, the suffering in various sectors, including health, education, science, and technology, is significantly higher. This paper highlights the issue of leaving the country of professional workers, highlighting the factors contributing to the migration aspirations of academics, doctors, nurses, and engineers from Sri Lanka to developed nations. This study investigates the factors that affect the migration aspirations of Sri Lankan professionals, with special reference to the Matale urban area. It primarily focuses on the loss of professional workers, the push factors affecting their aspirations for migration to Sri Lanka, and strategies to mitigate this issue. This research incorporates primary data gathered from a survey of 100 respondents, including doctors, nurses, principals, and engineers in the Matale urban area. The hypothesis was meticulously examined and assessed using a structural equation model using the Smart PLS. The study findings suggest that push factors (economic condition, political condition, and quality of life) have a significant positive relationship with the migration aspirations of professionals in Sri Lanka; adverse economic situations compel professionals to leave their country; poor political institutions and government inefficiencies have a positive relationship for professionals migration; and there is a positive relationship between poor quality of life and the tendency for professional migration. Further, this study finds that economic conditions are the key push factor affecting the migration aspirations of Sri Lankan professionals. Policy measures are recommended to mitigate this problem of the increasing trend of migration aspirations of Sri Lankan professionals.

Keywords: *Migration, Aspiration, Professionals, Sri Lanka*

1. Introduction

Migration is a well-known human phenomenon that refers to the temporary or permanent movement of people or groups for various reasons, such as job opportunities or persecution People fleeing the harsh conditions of their home countries in search of better living conditions are the driving force behind this significant trend of migration (Casteli, 2018). South Asian countries, such as Bangladesh, India, Pakistan, and Sri Lanka, are major suppliers of migrant workers worldwide, with their remittances playing a crucial role in promoting economic development in their home countries (Suddiyono & Bhatti., 2012). Sri Lankan emigrants are diverse, comprising nearly three million migrants from various backgrounds, including refugees, domestic workers, skilled migrants, and students (Jayawardana, 2022). In contemporary times, the concept of migration has become a hot topic with the increasing emigration trend in Sri Lanka. According to the Sri Lanka Bureau of Foreign Employment, the departure of migrant workers for foreign employment can be grouped under seven categories: professional level, middle level, critical and related, skilled, semi-skilled, unskilled, and housemaid. The past few years have shown a growing trend in migrating Sri Lankan professionals. On the other hand, despite a declining acceptance rate for semi-skilled or less-skilled migrants, the United Nations Population Fund reports that border barriers are being lifted for professional, skilled, and technical immigrants in wealthy nations. Moreover, Sri Lanka was ranked third in the world for expatriation of doctors and nurses, with the highest rates observed in the 37 OECD (Organization for Economic Cooperation and Development Countries, Arunatilake, 2015).

The trend of professionals departing to Middle Eastern and European countries has increased recently. The statistics of the Sri Lanka Bureau of Foreign Employment report that in the first half of 2023, the majority of departures of migrant workers recorded to the Middle East region was 76.5%, and the second highest departures to the Asian countries except South Asia and the Middle East was 8.4%. Moreover, 7.8% of the migrant workers have departed to European countries.

An article posted on “News Decoder” further pointed out that the current departures of professionals, mainly to the Middle East, Europe, and the United States, is the third migration wave in Sri Lanka. The first wave was recorded in late 1950 when many Burghers migrated to Australia after introducing the ‘Sinhala Language Act’. The second wave was recorded in 1983, during the country’s ethnic conflict (Guyatt, 2023). The World Bank report in 2023 signifies that Sri Lanka’s economic crisis led to over half a million job losses and 2.7 million people falling into poverty between 2021 and 2022.

The classical migration literature suggests that such an unfavorable economic situation would make people more likely to migrate, with the unemployment ratio positively influencing migration (Koczan et al., 2021). Increased migration will assist in decreasing the unemployment rate within the country and further improve foreign remittance. According to the Central Bank Report 2023, Sri Lankan migrant workers‘ foreign remittance also reached USD 844.9 million in the first two months of 2023, an 82% increase from the 464.1 million recorded in January and February 2022. However, the numerous challenges that need to be overcome during an economic crisis, such as inflation, higher cost of living, and uncertain situations, prompt the unemployed and other skilled workers and professionals to suggest moving abroad. The Sri Lanka Bureau of Foreign Employment data from the first six months (January to June) in 2023 disclosed the total departures for foreign employment under the professional level category as 4.8%, the skilled level category as 3.8%, and the semi-skilled category as 28.6%. Consequently, in addition to unemployed individuals, skilled workers and professionals currently employed hope to work abroad. Hence, this increasing trend of professionals and high-skilled laborers leads to a loss in high-skilled human capital, creating an ineffective situation within the country. This will create adverse conditions within the country, increasing the suffering in various sectors, i.e., health, education, science, and technology, which is significantly higher. Such information indicates that other factors besides the unemployment rate influence the decision to move abroad since people already employed in the country also intend to migrate for foreign jobs.

Migration has significant impacts on the countries of origin. It provides a flow of remittance, reduces unemployment, and improves human development and living standards (Koczan et al., 2021; Ekanayake & Amirthalingam, 2021; Srikandaraja, 2022). Remittances are the primary benefit of the migration. The migrant workers' remittance and economic growth have a positive relationship (Khan & Kyndman, 2015). Recent studies on migration argue that developing countries can acquire skills, knowledge, technology, and experience from developed countries, especially from professional migrants, when they return to their home countries (Ekanayake & Amirthalingam, 2022). Despite such favorable conditions, unfortunately, the problem occurs when the professionals do not return to their home countries during their productive years (Ekanayake & Amirthalingam, 2022; Abdullah & Hossain, 2014).

In the Sri Lankan context, highly skilled tertiary-educated workers have a higher emigration rate but a lower return rate. Most of those returning professionals are heading to Sri Lanka for their retirement purposes (Ekanayake & Amirthalingam, 2020). Professionals permanently migrating from Sri Lanka do not contribute to the country's foreign currency earnings (Abdullah & Hossain, 2014). On average, although the migration of the professional category provides primary benefits to the country of origin, it will create unfavorable conditions for the country. This situation will lead to a loss of highly skilled human capital from Sri Lanka and create an ineffective situation within the country (Abdullah & Hossain, 2014), adversely affecting the entire economy. Hence, identifying the determinants that affect the migration of Sri Lankan professionals is vital. This paper highlights the issue of professional workers leaving the country, highlighting the factors contributing to the migration aspiration of academics, doctors, nurses, and engineers from Sri Lanka to developed nations. The study focuses on finding the factors that affect the migration aspiration of Sri Lankan professionals. The relevant authorities can use this knowledge to provide remedial actions to retain the professionals within the country.

2. Literature Review

In every domain, various factors draw someone to relocate or influence them to settle down somewhere. Some factors affect an individual differently, but several factors have the same effect (Anggoro, 2019). Individuals are motivated to migrate for different reasons, usually because of disparities in working conditions that force them to either push themselves out of their countries or attract them to recruit countries (Khan, 2015). Attitudes of migrants and prospective migrants differed due to both positive and negative factors affecting their place of origin or destination.

There are diverse push factors and pull factors that influence migration. The push factor refers to the labor migration from one country to another due to factors in the country of origin. The pull factor refers to the migration of labor to another country due to a specific interest in the country of destination (Anggoro, 2019; Khan, 2015).

Khan (2015) offered some significant evidence for the importance of remittances from migrant workers as a driver of economic growth and highlighted some factors that affected people's migration: lack of employment, nepotism in the workplace, low wages, an unfavorable work environment, poverty, civil unrest, social unrest, poor economic conditions, and political and religious harassment.

Van Mol (2016) identified micro- and macro-level characteristics that influence the migration aspirations of young people across the member states of Europe (age, gender, education level, employment level, previous international experience abroad, urbanization level, and satisfaction with the situation in their home country are the individual characteristics were considered and as the macro level characteristics they have investigated employment situation of the country, general unemployment rate, gross domestic product, per capita, and the actual individual consumption). Doerschler (2006) suggests that the lack of educational opportunities and religious tolerance under social and political push conditions promote leaving the origins.

Further, unfairness in legal systems, war situations, terrorism, and negative government contributions prompt individuals to search for better conditions in other countries. Abdullah and Hossain (2014) report that insecurity, better standards, and a lack of opportunity are the main factors their study focused on contributing to individuals migrating to developed nations. Siriwardhana et al. (2015 show that pre-migration socioeconomic circumstances, economic difficulties, and the possibility of earning more money abroad were thought to be the main push and pull causes driving labor migration. Ekanayake and Amirthalingam (2021) further identified income-related, career-related, and quality-of-life-related factors as the main drivers of individuals' migration.

Simplice (2015) highlighted that the countries with limited job opportunities and potential for higher income abroad fueled their strong motivation to continue migration, and individuals or groups often migrate due to economic factors such as unemployment and poverty whose purpose is to encourage individuals who are unable to work to seek employment abroad, seeking new opportunities and a higher income. Moreover, his study disclosed that savings and price stability, or the absence of inflation, are crucial tools in reducing professional migration levels. Price stability protects purchasing power and reduces the likelihood of an economic downturn and uncertainty in professional living standards (Anggoro, 2019).

Migrants often migrate for a better quality of life and a higher income. The decision to migrate was influenced by unique and heterogeneous factors, highlighting the importance of emigration in personal decision-making and declining economic conditions, as well as a lack of peace, stability, and effective governance, which are the primary factors driving migration from many developing countries. Nejad and Young (2016) revealed that economic freedoms significantly influence potential migrants' self-selection based on institutional quality, highlighting political and economic differences. On the other hand, it highlights poor economic conditions as a significant push factor. The study of Zanabazar et al. (2021) revealed that economic factors, particularly low income, economic downturn, and poverty, are the main driving forces for migration.

Zanabazar et al. (2021) emphasize that most researchers consider the economic condition a key migration factor. Most researchers highlight that the significant challenges of developing countries, such as unemployment, low wages, limited job opportunities, and poverty, are the primary driving factors for migrants to developed countries seeking economic benefits. Also, the lack of political freedom and persecution often prompt people to migrate as a survival strategy. In most studies, Taylor (1986), Stark and Taylor (1991), and Adams (1993) reveal a negative correlation between age and migration, with individuals aged 25-30 showing the highest likelihood of emigration. They found an inverted U-shaped age migration pattern, suggesting that controlling for age and general job skills is crucial for effective migration planning. Dai (1998) suggests that migrants from developing countries often migrate to developed countries due to social push factors like poverty, lack of employment, lack of education facilities, and housing facilities.

International migration is a complex subject influenced by various disciplines, including law, political science, demography, economics, sociology, geography, commerce, management, and psychology, which are also influenced by multiple factors, including pushing, pulling, and individual worker rationality (Anggoro, 2019). There is no comprehensible theory related to this complex topic. Nevertheless, because these theories offer a comprehensive understanding of the subject, they are essential for examining relationships between correlated variables concerning international migration (Massey et al., 1993).

Migration theories are mainly categorized into micro, macro, and meso-level theories. Micro-level theories focus on individual migration, while macro-level theories examine aggregate migration trends. Meso-level theories examine the persistence of migration within households or communities, overlapping the macro and micro levels (Haden & Zanker, 2008). Under the micro theories category, Lee's Push-Pull Factors Theory, Neoclassical Micro Migration Theory, Behavioral Models Theory, and Theory of Social Systems were identified. The Social Capital Theory, Institutional Theory, Network Theory, Cumulative Causation Theory, and New Economics of Labor Migration Theory are under the meso category, and Neoclassical Macro Migration Theory, Migration as a system Theory, World Systems Theory, and Mobility Transition Theory are under the macro category (Faist, 2000; Haden & Zanker, 2008). Sociologists often use the "push-pull" model to explain individual migration, which involves both push and pull factors that have a positive relationship with migration aspiration.

Mainly, Lee's push-pull theory explains that the decision to migrate, as well as the process of migration, is influenced by four main factors: Factors related to the country of origin, Factors related to the country of destination, Intervening obstacles, and Personal factors (Lee, 1996). Push factors are the conditions that force individuals to leave their home countries, which include negative aspects of the country of origin. The factors that drive migration are categorized into economic, social, and political factors, which include job scarcity, nepotism, low wages, and unfavorable working environments.

On the other hand, pull factors, such as job opportunities, labor demand, improved education, health facilities, and political and religious freedom, can tempt people to migrate. Pull factors can be identified as the opposite side of push factors. They refer to factors that attract people to a specific location, influencing their decision to move to a new country. Like push factors, migration drivers can be classified into economic, social, and political factors. Thus, there are numerous factors in every area that either attract or hold people or repel them. This means a move elsewhere would be considered if an individual's needs are not satisfied in his present location (Lee, 1996).

2.1. Proposed Model

The study's primary objective was to analyze key factors influencing the intention of Sri Lankan professionals to migrate. Five push factors were identified as independent variables: political condition, economic condition and quality of life, working condition and job security, and age of the professionals, chosen as control variables.

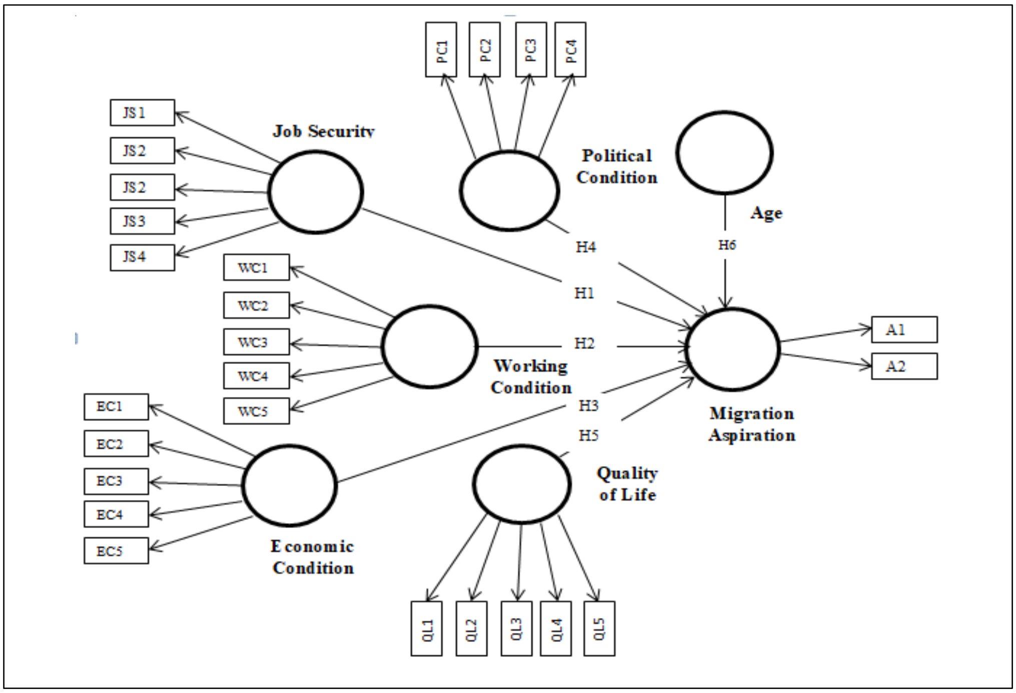

Figure 1: Theoretical study model for migration aspiration
Source: Developed for research purposes

The following six hypotheses were developed to achieve the study objectives:

H1: Lack of job security has a positive relationship for professionals to migrate.

H2: Unfavourable working conditions have a positive relationship for professionals to migrate.

H3: Adverse economic situations have a positive relationship for professionals to leave their country.

H4: Poor political institutions and government inefficiencies have a positive relationship with professional migration.

H5: Poor quality of life has a positive relationship with emigration.

H6: A significant relationship exists between age and the tendency for professionals to migrate.

3. Methodology

This study focuses only on four types of professionals who have worked in the Matale urban area: doctors, nurses, principals, and engineers, since these are among the most outsourced professions in Sri Lanka. Data collected by "Sampath Pathikada" in Divisional Secretariat Matale included 139 doctors, 343 nurses, 30 principals, and 107 engineers. The study population comprised professionals (doctors, nurses, principals, and engineers) in the Matale urban area. The population size of the study is 619. One hundred (100) professionals were selected for this study as the sample via the simple random sampling method. Accordingly, the sample consisted of 24 doctors, 43 nurses, 10 principals, and 23 engineers.

Data based on the factors identified in the conceptual framework were collected using the questionnaire survey method. Five-point Likert-type questions are implemented to reflect the personal judgments of respondents. All dependent and independent variables are measured using items adapted from previous studies. A five-point Likert scale was employed in this study, incorporating questions addressing five key hypotheses: (1) lack of job security, (2) unfavorable working conditions, (3) adverse economic situations, (4) poor political institutions, and (5) poor quality of life relationship on the migration aspiration as push factors. The questionnaire comprised structured queries aimed at capturing nuanced insights into these hypotheses.

4. Data Analysis and Discussion

4.1. Demographic Information of Professionals

Seven demographics of respondents were evaluated, i.e., occupation, age, gender, marital status, number of children, highest academic qualification, and years of service in Sri Lanka. Regarding 'occupation' in this sample, 24% were doctors, 43% were nurses, 10% were principals, and 23% were engineers. The 'highest academic qualifications' of professionals reported that over 50% held a degree, 38% held a diploma or higher diploma, 6% had a master's degree, and only 1% held a PhD. Based on the 'personal information' gathered from the sample, most surveyed professionals were females, constituting 66%, while males comprised 34%. Regarding 'age distribution', the majority (46%) were within the 31-40 age group, with 29% in the below 25 and 25-30 age category, 10% in the 36-40 age category, and 15% in the age category above 40. In terms of 'marital status', 62% were married, while 36% were unmarried. Most have worked in Sri Lanka for over five years (61% of the sample), 20% of the professionals for 1-2 years, and 16% of professionals have worked in Sri Lanka for less than one year.

4.2. Relationship between economic conditions, working conditions, political conditions, job security, quality of life, and migration aspiration

The proposed relationship between economic conditions, working conditions, political conditions, job security, quality of life, and migration aspiration was analyzed with the structural equation model (SEM) using the Smart PLS software. PLS-SEM corroborates the hypothesized relationship between latent variables and the dependent variable. The procedure illustrated in Figure 2 helped to investigate these relationships.

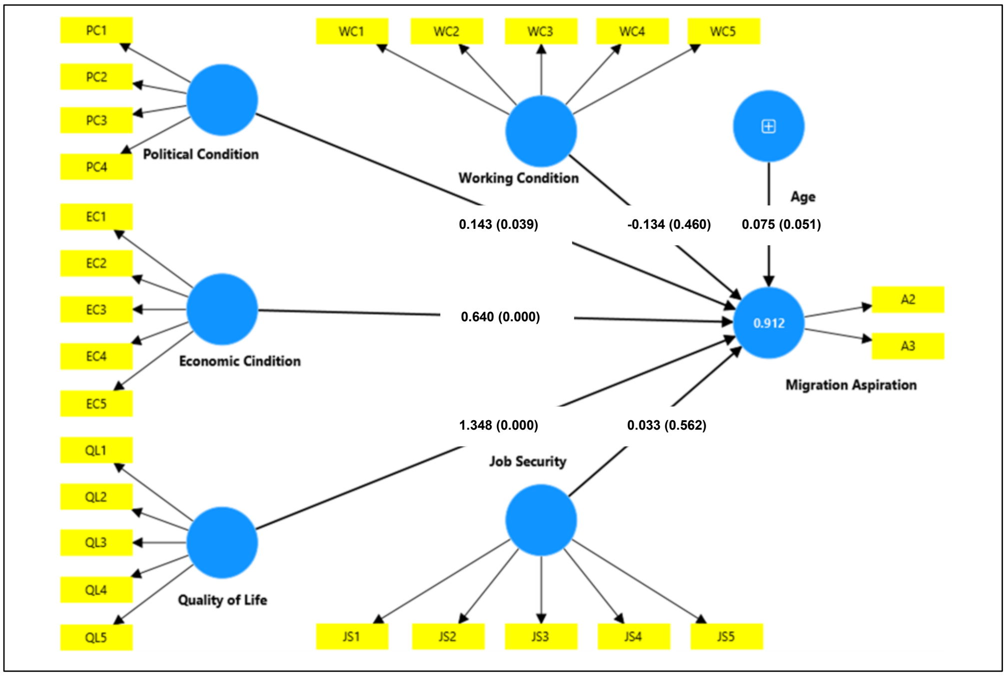

Figure 2: Structural Equation Model Output (SmartPLS)

Source: Authors' calculations using survey data from the professional workers in the Matale urban area

4.3. Results Summary for Reflective Outer Models

The core idea of validity and reliability is to guarantee the reliability and accuracy of research findings. Convergent Validity and Discriminant Validity are the main validation measurement models used in SEM. According to Scharschmidt et al. (2017), convergent validity can be assessed using individual standardized factor loadings, Cronbach's Average Variance Extracted (AVE), and composite reliability. Discriminant Validity compares AVE's with the squared correlation for each construct.

Table 1 provides Cronbach's alpha values according to the variables of this research. It displays the summary of results for reflective outer models.

Table 1: Results summary for reflective outer models

Indicators	Loadings	Composite reliability (rho_a)	Composite reliability (rho_c)	Cronbach's alpha	AVE	VIF
A2	0.915	0.813	0.914	0.812	0.842	1.878
A3	0.92					1.878
EC1	0.771	0.835	0.879	0.827	0.594	1.735
EC2	0.809					1.997
EC3	0.858					2.42
EC4	0.692					1.676
EC5	0.71					1.461
JS1	0.868	0.835	0.879	0.809	0.636	3.05
JS2	0.872					3.426
JS3	0.886					2.902
JS4	0.834					2.289
JS5	0.783					1.901
PC1	0.895	0.904	0.928	0.903	0.722	2.56
PC2	0.764					1.579
PC3	0.797					2.025
PC4	0.726					1.501
QL1	0.907	0.932	0.947	0.93	0.782	4.898
QL2	0.896					4.667
QL3	0.916					4.032
QL4	0.892					3.444
QL5	0.805					2.185
WC1	0.865	0.884	0.912	0.879	0.676	3.191
WC2	0.867					3.13
WC3	0.811					1.938
WC4	0.744					1.733
WC5	0.818					2.146

Source: Authors' calculations using survey data from the professional workers in the Matale urban area

According to the above results, output composite reliability rho_c values and rho_a values are higher than 0.7, and all values of AVE are higher than 0.50, satisfying the requirement level. The individual standardized factor loadings should be greater than 0.70; this requirement is also satisfied and, thus, satisfies the convergent validity requirement. Moreover, the maximum Collinearity statistics (VIF) value was recorded as 4.89, lower than 5.0. This confirms the absence of a multicollinearity issue in the data set. The standardized Root Mean Square Residual (SRMR) value (0.063) is lower than 0.1, and the Normal Fit Index (0.765) is higher than 0.8, confirming the goodness-of-fit of the dataset.

4.4. Evaluation of research hypotheses

The optimal choice is the Structural Equation Model to analyze the independent variables (political condition, economic condition, quality of life, working condition, and job security) impact on the migration aspirations of professional workers in the Matale urban area as push factors (Urbański, 2022). The result indicated that the R-square value was 0.918 and the adjusted R-square value was 0.912, denoting that 0.912 of the variation in migration aspiration of professionals in Sri Lanka was explained by the push factors and the age included in the model.

According to the values in the path coefficient table (Table 2) working condition (β=-0.134, p=0.46, p>0.05) factor, there was no significant relationship for the migration aspiration. Thus, we can reject hypothesis 2. The job security factor was taken as a negative beta coefficient, which was also not a significant relationship for the dependent variable of migration aspiration of professionals (β=-0.033, p=0.562, p>0.05). Thus, we can reject hypothesis 1. The age taken as a control variable was not significantly related to the migration aspiration of professionals (β=0.075, p=0.051, p>0.05); hence, we can reject hypothesis 6.

Table 2: Path Coefficients Table

Hypothesis	Variable	Path Coefficient	Sample means (M)	Standard deviation	T statistics	P values	Decision
H6	**Age**	0.075	0.073	0.038	1.955	0.051	Reject
H3	**Economic Condition**	0.640	0.639	0.075	8.515	0.000	Accept
H1	**Job Security**	0.033	0.035	0.057	0.579	0.562	Reject
H4	**Political Condition**	0.143	0.146	0.069	2.070	0.039	Accept
H5	**Quality of Life**	0.348	0.342	0.088	3.952	0.000	Accept
H2	**Working Condition**	-0.134	-0.134	0.067	1.995	0.460	Reject

Source: Authors' calculations using survey data from the professional workers in the Matale urban area

However, concerning the migration aspiration of professionals, three main push factors predict a significant relationship. Migration aspiration of professionals was positively and statistically related by the economic condition push factor (β=0.64, p=0.000, p<0.05), supporting the acceptance of hypothesis 3. Migration aspiration of professionals was also positively and statistically related by the political condition push factor (β=0.143, p=0.039, p<0.05), which supports the acceptance of hypothesis 4. Migration aspiration of professionals is also statistically and positively related to the quality of life push factor (β=0.348, p=0.000, p<0.05), supporting the acceptance of hypothesis 5.

5. Discussion

The primary purpose of this research study is to identify the factors affecting the migration aspirations of Sri Lankan professionals with special reference to the Matale urban area. A multiple linear regression model was applied to find which factors among the push factors had a significant and positive effect on the migration aspiration of Sri Lankan professionals. According to the summary of the results from the data analysis section above, only three push factors significantly and positively affected the dependent variable of migration aspirations of professionals: Economic condition, Political condition, and Quality of life.

The other factors, i.e., job security, working conditions, and age (as a demographic factor), were not significant for the acceptance relationship with the migration aspiration of professionals. Most previous research studies on migration also highlight these factors: poor economic conditions, political and negative government contribution, unfairness in legal systems, and poor quality of life significantly and positively affected the migration of people from developing countries (Urbański, 2022; Zanabazar et al., 2021).

Most researchers considered economic conditions a key push factor and found a significant positive push factor of migration aspiration. Many researchers emphasize that the significant challenges faced by developing countries, such as unemployment, low wages, higher taxes, limited job opportunities, and poverty, often drive migrants to developed countries seeking economic benefits (Khan, 2015; Zanabazar et al., 2021; Doerschler, 2006; Anggoro, 2019; Siriwardhana et al., 2015; Simplice, 2015; Van Mol, 2016; Asad et al., 2019). Lack of political freedom and government inefficiencies often prompt people to migrate as a survival strategy, and most researchers detected a positive significant relationship between this political condition push factor and migration aspiration (Khan, 2015; Asad et al., 2018; De Silva et al., 2014; Van Mol, 2016). Previous researchers have identified the quality-of-life-related factors as the main drivers of the push factor for individual migration aspiration and a positive significant relationship with migration (De Silva et al., 2014; Ekanayake & Amirthalingam, 2019; Doerschler, 2006; Abdullah & Hossain, 2014; Van Mol, 2016; De Silva et al., 2013).

6. Conclusion

This study attempts to investigate the factors affecting the migration aspirations of Sri Lankan professionals with special reference to the Matale urban area. The primary objective was to advance the present understanding of migration by explaining why professionals aspire to migrate to another country. Most research works in this field have focused on migration determinants that affect individuals who have already migrated. Nevertheless, the aspirations are an essential first step toward migration behavior. Thus, this research exposes the professionals aspiring to move to different countries.

By formulating six hypotheses, the study found a robust, significant positive relationship between the push factors and migration aspiration of Sri Lankan professionals: economic condition, political condition, and quality of life. Among them, the country's economic situation has the most significant influence on the aspiration of Sri Lankan professionals for migration. The rest of the factors, such as job security, working conditions, and age (as a demographic factor), did not provide any significance for the acceptance relationship with the migration aspiration of professionals.

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