

# **Management Issues**

Volume 8, Issue 2, December 2024

## **Editorial Board**

### **Editor-in-Chief**

Dr. K.V. Aruna Shantha

### **Co-Editors**

Professor L.P.S. Gamini

Mr. C.P. Weerasekara

### **Editorial Advisors**

Senior Professor H.D. Karunarathna

Senior Professor R. Lalitha S. Fernando

Professor V. Sivalogathan

Professor Nalin Abeysekera

Professor H.D.D. Champika Liyanagamage

## **Panel of Reviewers**

Professor Kumudinei Dissanayake

Dr. UWMRS Kappagoda

Dr. MIM Riyath

Dr. H.L.N. Wasantha

Dr. RMNC Swarnapali

Dr. Yashoda Subhashi Bandara

Dr. H.M.J.C.B Heenkenda

Mr. C.A. Kankanamge

Ms. KAKS Rathnakara

Ms. Manoshika Sathiyavel

Ms. H.U. Perera

**Copyright © The Open University of Sri Lanka**

ISSN 2513-2377

Reprints and permissions: deanfms@ou.ac.lk

### **Published by:**

Faculty of Management Studies

The Open University of Sri Lanka

Nawala, Nugegoda.

**Management Issues**  
Volume 8, Issue 2, December 2024

<b>Contents</b>	<b>Page No.</b>
Editorial Note	iii
Exploring the factors influencing mobile banking adoption among Sri Lankan undergraduates: The moderating role of financial literacy <i>T.M. Hettigoda, and K.M.M.C.B Kulathunga</i>	1-10
Factors that affect the audit quality of the external audit setting in Sri Lanka <i>A.J.D.A.H. Dilrukshi, and J.S. Kumari</i>	11-19
Predicting the corporate failure of listed companies in Sri Lanka <i>V.G.N. Sameera, R.W.M.K.M. Randika, and J.K. Hewage</i>	20-32
Emotional labour and job satisfaction: The moderating role of perceived organizational support <i>W.M.T. Darmendri, C. Liyanagamage, and W.T.D. Weerasinghe</i>	33-40
An exploratory study on ethical optimism and its role in work engagement <i>Y.S. Bandara</i>	41-56
Mediating role of employee resilience between high-performance work practices and employee service performance <i>U.A.E. Dissanayake, and K.P.J.M. Pathirana</i>	57-65

# Management Issues

Volume 8, Issue 2, December 2024

## Editorial Note

It is with great pleasure that we present the Issue 2 (2024 December) of Volume 8 of *Management Issues*, a peer-reviewed academic journal published by the Faculty of Management Studies of The Open University of Sri Lanka. Our journal is dedicated to providing a robust scientific foundation for young researchers who have completed their undergraduate and postgraduate studies. We aim to offer these emerging scholars an intellectual platform to publish their high-quality research, encompassing both theoretical and practical aspects of all sub-domains of Management. Starting this year, *Management Issues* has transitioned to a bi-annual publication schedule, with issues released in June and December. This change reflects our commitment to providing timely and high-quality research to our readers.

The current issue encompasses six research articles that collectively contribute to diverse and pertinent topics in management, emphasizing their practical and theoretical implications in both local and global contexts. The issue opens with a study on mobile banking adoption among Sri Lankan undergraduates, which integrates financial literacy into the Technology Acceptance Model. The study provides critical insights for the banking sector by emphasizing the role of financial literacy in mitigating perceived risks and enhancing the ease of adoption, thereby contributing to improving financial inclusion in developing economies. The second article explores into the determinants of audit quality in Sri Lanka, highlighting the significance of auditors' personal characteristics, such as competence and mood, over conventional firm attributes. This study provides actionable insights for practitioners and regulators in their pursuit of enhancing the reliability and credibility of financial reporting. The third paper focuses on corporate failure prediction, blending corporate governance variables with financial indicators to develop robust predictive models. The findings not only enhance theoretical understanding but also offer a practical tool for investors, managers, and regulatory bodies to proactively address potential corporate failures.

An exploration into emotional labor and job satisfaction among front office employees in Sri Lanka's banking sector forms the subject of the fourth study. By identifying the moderating role of perceived organizational support, the study offers valuable recommendations for fostering supportive workplace environments that amplify the positive effects of emotional labor on job satisfaction. The fifth article introduces the underexplored concept of ethical optimism, demonstrating its role in fostering work engagement among managers in Sri Lanka. The findings provide a comprehensive understanding of the antecedents and outcomes of ethical optimism, offering valuable directions for organizations aiming to cultivate ethical and motivated workforces. The final study examines the interplay between high-performance work systems, employee resilience, and service performance in Sri Lanka's banking sector. By highlighting the mediating role of employee resilience, the study highlights the importance of investing in HR practices that enhance resilience and drive superior service performance.

This compilation of research articles reflects the journal's commitment to advancing management knowledge through the exploration of contemporary challenges and innovative solutions. The findings presented in this issue hold immense value for academics, practitioners, and policymakers striving to address dynamic management challenges in Sri Lanka and beyond. We extend our heartfelt gratitude to the authors, reviewers, and editorial team for their dedication to upholding the academic rigor and quality of this publication. We hope that this issue inspires further research and dialogue in the field of management.

Happy reading!

Dr. K.V. Aruna Shantha  
Editor-in-Chief  
Management Issues