

Impact of Open Office Work Environment on Employee Psychological Well-being: Study with Special Reference to the Banking Industry of Sri Lanka

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Optimizing employee psychological well-being is a must for an organization, so that it is a practice gaining more importance in organizational disciplines nowadays. However, a gap is found as per the extant literature, between the ideal condition and practical level of the employee's workplace well-being. As the open office work environment is a novel concept to Sri Lankan banking industry, and its effects on employee psychological well-being is not well addressed yet. Hence, the current study attempts to assess the effect of open office work environment on employee psychological well-being with special reference to the banking industry in Sri Lanka. The study was quantitative and cross-sectional survey design was followed. Data was collected through a standard questionnaire. Simple random sampling technique was applied to select the sample, and the final sample consisted of 316 executive level employees selected from three main licensed commercial banks in Sri Lanka. Primary data were analyzed using correlation and regression with the aid of SPSS and Excel.

Findings revealed that the more significantly, psychological well-being is perceived by the banking sector employees to be impacted by the open office work environment, and there is a strong positive relationship between open office work environment and psychological well-being. Thus, it is concluded that open office work environment improves overall psychological well-being of employees due to advantages like allowing them to easily communicate with each other and leads to reduce the stress level for employee encountered. It is suggested that to maximize the effectiveness of open office further, organizations can take more initiatives to enhance the level of collaboration, manage the noise level, and to increase the level of privacy in the work environment. Cross-validation of the findings can be done in different industries, using quite a bigger sample in future studies.

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