

Abstract

This research paper analyses the role of positive psychology in occupational stress of banking sector employees in Sri Lanka. Occupational stress has become a major threat to individual wellbeing as well as organizational performance. Several health related issues, accidents and deaths have resulted as a consequence of occupational stress. Level of occupational stress is on the rise both internationally and locally due to increasingly complex jobs. Research related to stress has shown significant growth over the past few decades. However, the main focus of stress related research was on identifying causes of stress, treating stress symptoms and managing stress. There is lack of attention in stress prevention and identifying factors that would combat stress. Psychology has been an important element in stress research. Stress theories have often emphasized the significance of psychology in stress. Similar to stress, research related to psychology was also concerned about treating mental illness and other negative effects of psychology. Emergence of positive psychology emphasized the importance of focusing on human strengths and virtues for better results. As per literature positive psychological capital and positive psychology at work would reduce or prevent the damages of stress. However, studies related to positive psychology have mostly focused on positive psychological capital and paid little attention to positive psychology at work. This study attempts to frame the overall effect of positive psychology on occupational stress. Hence, direct relationships between positive psychological capital and perceived occupational stress; perceived positive psychology at work against perceived occupational stress and the interaction effect between positive psychological capital and perceived positive psychology at work against perceived occupational stress are studied. A quantitative study was carried out with a sample of 290 respondents drawn from three private banks and a state bank. A self-administered questionnaire that comprised tested survey instruments was distributed for the data collection process. Collected data was subjected to various statistical tests using statistical software packages such as SPSS and AMOS. Biasness tests and multivariate assumptions were performed to confirm the quality of data. The validity and reliability of the survey instrument was also established during data analysis. Structural equation modelling was performed to test the hypotheses advanced. The research empirically validated the negative relationship between positive psychological capital and occupational stress in the Sri Lankan context as well as in the banking sector. Further, the research established the negative relationship between positive psychology at work and occupational stress. The

research also established the positive interaction between positive psychological capital and positive psychology at work against perceived occupational stress.