

Sri Lankan Journal of Banking and Finance

An endeavor to share knowledge

Volume: 3

Issue: 02

December: 2020

The Sri Lankan Journal of Banking and Finance (SLJBF) is a referred Journal bi-annually published research papers and scholarly work by the Department of Banking and Finance, Wayamba University of Sri Lanka. The main objective of the SLJBF is to publish scientific research findings that address to issues and developments related to economics in general and money, banking, financial markets in particular at both national and international level. All research articles submitted are double blind reviewed prior to publishing. Views expressed in the research articles are not the views of the Department of Banking and Finance, Wayamba University of Sri Lanka or the Editorial Board.

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National Library of Sri Lanka- Cataloging in Publication Data
Sri Lankan Journal of Banking and Finance (SLJBF)
ISSN 234-9271

Published by Department of Banking and Finance
Faculty of Business Studies and Finance
Wayamba University of Sri Lanka
Kuliyapitiya, Sri Lanka
Tel: +94 37 228 4216

Web: <http://bsf.wyb.ac.lk>

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Printed by

Vidyalankara Press, Kelaniya, Sri Lanka
Telephone: +94 11 291 1382, +94 71 634 3183



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Department of Banking and Finance
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Editorial Preface

We are pleased to present Volume 3(2) of the Sri Lankan Journal of Banking and Finance (SLJBF), a refereed journal of Banking and Finance published by the Department of Banking and Finance, Wayamba University of Sri Lanka. SLJBF provides a unique platform for researchers, academicians, professionals, and research students to impart and share knowledge in the form of high-quality research papers to infuse innovative systems and methods to the economy and finance as a whole. In line with that SLJBF invites you to join with us by writing quality manuscripts in the discipline of economics, banking and finance.

We received a fair response for the call for papers and out of the paper received five papers selected for the publication through the rigorous blind review process. We wish to thank all the authors who contributed to this issue by submitting their novel research findings. The volume 3(2) of SLJBF deals with timely important topics, FDI Spillover Effects in Sub-Saharan Africa, Customer Perception on Virtual Banking Services of Commercial Banks, Impact of Dividend Policy on Return on Assets, Determinants of Women's Economic Empowerment and Potential for Commercialization of Apiculture as a Biofin Livelihood Option in Anuradhapura District. Thus, the journal has widened its scope to appeal to a wider readership with varied interest and needs.

The first paper by Adamu Jibrilla, Dunusinghe Priyanga presents a very interesting meta-analysis on the impact of FDI spillovers on the performance of firms in the sub-Saharan Africa (SSA). Findings of the study confirmed that there is no evidence of statistically significant FDI spillover effect in SSA. However, study reports that FDI spillover effects in SSA are likely to be country specific and among panel studies, depending on the sample size, ownership structure, research and development as well as absorptive capacity of firm.

Zooming into the local context, the second paper by Tharshini and Rajeshwarn examine customer perception on virtual banking services of commercial banks in Trincomalee District. Authors argue that the level of virtual banking and customer satisfaction is higher in the District and results

revealed that virtual banking services quality has a positive impact on customer satisfaction. The model framework developed in this study provides useful information for managers and policy makers for designing appropriate virtual banking systems in order to maintain profitable customers within the banking system.

In the third paper, De Silva, Premarathna and Mapatuna investigate the potentials for commercialization of apiculture as a biofin livelihood option in Sri Lanka. Based on the results, authors concluded apiculture could be introduced as a biofin livelihood option for the fruit and vegetable farmers in the Anuradhapura district in Sri Lanka.

The fourth article is a case study on dividend policy of listed non-financial firms in Colombo Stock Exchange, Sri Lanka. This paper investigates the impact of dividend policy on return on assets. The authors Ravindran and Kengatharan argue dividend policy as a leading factor to be considered to enhance the profitability of the firm. Moreover, authors advocate the importance of maintaining a trade-off between distributions of dividend and retaining a portion out of earnings so as to ensure the sustainability of organization.

The final paper, by Thakshila Kumari, investigates the determinants of women's economic empowerment with special reference to rural poor women in Sri Lanka. This study seeks to identify most influential factors on women economic empowerment in Sri Lanka. The finding of the study is useful for the policy makers to enhance women's economic empowerment.

On this occasion, I would like to extend my sincere thanks to the dedicated panel of distinguished reviewers, members of the editorial advisory board, members of the editorial board and the assistant editors for their unstinting and voluntary contribution to make this issue a success. The continued support of the governing body of the Wayamba University of Sri Lanka in this endeavor is also acknowledged.

Prof. R.A Rathanasiri
Chief Editor
Sri Lankan Journal of Banking and Finance
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Aims and Scope

The Sri Lankan Journal of Banking and Finance (SLJBF) is a refereed Journal bi-annually published research papers and scholarly work by the Department of Banking and Finance, Wayamba University of Sri Lanka. Sri Lankan Journal of Banking and Finance (SLJBF) publishes theoretical and empirical papers spanning all the major research fields in economics, banking and finance. The aim of the SLJBF is to bring the gap existing in the theory and practice of Economics, Banking and Finance by encouraging researchers, academicians, professionals, and research students to impart and share knowledge in the form of high quality research papers to infuse innovative systems and methods to the economic and financial system as a whole. Thus, the journal's emphasis is on theoretical and empirical developments and policy-oriented research in economics, banking and finance.

Core Principles

- Publication in the journal of banking and finance is based upon the editorial criteria cited and the evaluation of the reviewers (each manuscript will be sent to two reviewers);
- Priority is given for novelty, originality, and to the extent of contribution that would make to the particular field.
- Conceptual papers based upon current theory and empirical findings and contribute to the development of theory in the domain of Banking and Economics are also welcome.

The journal welcomes and publishes original articles, literature review articles and perspectives and book reviews describing original research in the fields of economics, banking and finance. The core focus areas of the journal include;

- Financial Intermediation
- Bank Solvency and Capital Structure
- Banking Efficiency
- Bank Failure and Financial crisis

- Behavioral Finance
- Corporate Finance
- Corporate Governance and Ethics
- Credit Rating
- Derivative Pricing and Hedging
- Financial Economics and Mathematics
- Financial Engineering
- Financial Modeling and Forecasting
- Financial Risk Management and Analysis
- Investment and Portfolio Management
- Public finance
- Financial Markets
- Financial Regulation
- Financial system
- Entrepreneurial Finance
- Treasury Management
- International trade and Finance
- Applied Economics
- Monetary Economics
- Public Finance

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