

**IDENTIFICATION OF BUSINESS
DISCOURAGEMENTS ON FREELANCE IT
IN SRI LANKA: STATISTICAL APPROACH**

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DECLARATION OF THE CANDIDATE AND SUPERVISOR

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ABSTRACT

Sri Lankan government is allocating a large budget annually to develop multi-skilled Information Technology professionals, but when it comes to the IT freelancers, it was with enough evidence that IT industry is not receiving full benefit from them. Many Sri Lankans are listed in the freelance market sites but only a fraction of them are actually working. This study was carried out to identify the obstacles behind the freelancing community and to recommend the steps to be taken to improve freelancing as a prestigious profession. This study is executed from the freelancer's point of view and considered most of the freelancing activities done online. A sample of 300 was selected and the sampling method is simple random sampling. Factor Analysis was used to analyze the data collected through a structured questionnaire. Factors were extracted using Principal Component Analysis method and rotated using Varimax method. Results found that 3-factor model is suitable to explain association among 14 variables. The identified three factors are "Freelance Market Restraints", "Professional Restraints" and "Social and Personal Restraints". Freelance Market Restraints increase with increasing scores for lack of individual competencies, round the clock coverage, nonpayment risk, solitude, no form of strategic planning, lot of legwork and variable income. Professional Restraints increase with increasing scores for health hazards, no employer benefits, contradictory feedback and lack of social recognition. Social and Personal Restraints increase with increasing scores for difficult to allocate work time, misbeliefs and no assistance. The results indicated that policymakers should pay attention to areas such as nonpayment risk, lack of social recognition, lack of opportunity to grow and poor working conditions to make them productive for the country. Increase commitment, develop problem-solving skills, use social media and reward loyal customers are the factors to be considered by the freelancers for long term presence.

Keywords: Constraints, Factor Analysis, Freelancing, Information Technology, Sri Lanka, Varimax rotation

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LIST OF ABBREVIATIONS

Abbreviation	Description
EFA	Exploratory Factor Analysis
FA	Factor Analysis
G.C.E	General Certificate of Education
IT	Information Technology
KMO	Kaiser-Meyer-Olkin Measure
PAF	Principal Axis Factoring
PCA	Principal Component Analysis

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