

**THE DIFFERENCES BETWEEN GOVERNMENT
EMPLOYEES AND PRIVATE EMPLOYEES IN
ALLOCATING THEIR ASSETS IN FINANCIAL
INVESTMENT
(SPECIAL REFERENCE FROM SRI LANKA CONTEXT)**

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ABSTRACT

The aim of this study is to identify the differences between Government Employees and Private Employees in allocating their assets in financial investment. This study is used primary data gathered from issuing questionnaires which is collected from 50 of Government Employees and 50 of Private sector Employees to compare the investment asset allocation of Government and Private employees.

The finding of this study reveals that most of Government Employees are conservative investors and most of Private Employees are growth oriented investors. Conservative Government Employees are not willing to tolerate noticeable downside market fluctuations, and are willing to forego most all significant upside potential, relative to the markets.

From analysis of Government Employees, main investment objectives of them are safety and generate income. They have no growth or aggressive objectives for investment. That's why they consider only retirement income and supplement them overall income. Main objectives of Private Employees are growth and aggressive income. They have growth or aggressive objectives for investment. They like to reinvest investment income and maximize them. Based on the time horizon analysis of the investment, Government Employees are willing to realize their investment within maximum five years, meanwhile majority of Private sector Employees wish to have a maturity period between six to ten years.