

# Impact of Digital Payments on Reducing Workplace Stress and Improving Productivity in Surat City District

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## Abstract:

The rapid adoption of digital payment systems has transformed organizational financial processes and significantly influenced employee experiences in the workplace. This study examines the impact of digital payment systems on employee financial well-being, productivity, and efficiency. Primary data were collected from 140 respondents using a structured questionnaire based on a five-point Likert scale. Statistical techniques, including descriptive analysis, Pearson correlation, Chi-square analysis, and simple linear regression, were employed to analyze the data. The findings indicate that digital payment systems positively affect employees by reducing financial stress, improving transparency in salary disbursement, enhancing payroll efficiency, minimizing delays in reimbursements, and reducing administrative workload. Pearson correlation analysis revealed significant positive relationships between digital payment systems and various indicators of employee productivity and efficiency. Furthermore, simple linear regression analysis confirmed that digital payment systems have a significant effect on employee productivity and efficiency. Chi-square analysis also demonstrated significant associations between employee confidence in digital payment systems and improvements in financial planning, reduced salary-related concerns, and lower financial stress levels. Despite the overall positive impact, the study found that a considerable proportion of employees lacked confidence in using employer-provided digital payment systems, indicating the need for greater awareness, training, and system reliability. The study concludes that digital payment systems not only improve financial transaction processes but also contribute to enhanced employee well-being, workplace productivity, and organizational effectiveness. The findings highlight the importance of investing in digital payment infrastructure and employee education to maximize the benefits of digital financial technologies in modern workplaces.

**Keywords:** Digital Payment Systems, Employee Productivity, Employee Efficiency, Financial Well-being, Workplace Performance, Payroll Efficiency, Financial Accountability, Digital Transformation.

## Introduction:

The rapid advancement of digital technology has significantly transformed the way financial transactions are conducted across the world. In recent years, digital payment systems have emerged as a crucial component of modern economies, enabling faster, safer, and more convenient financial exchanges. In India, the growth of digital payments has been accelerated by initiatives such as Digital India, demonetization, and the widespread adoption of mobile-based payment platforms like UPI (Unified Payments Interface), mobile wallets, and internet banking. These developments have not only enhanced

financial inclusion but have also reshaped workplace practices and employee experiences. Digital payments have simplified routine financial activities such as salary disbursement, expense reimbursements, vendor payments, and daily transactions. In traditional systems, manual handling of cash and delayed banking procedures often created operational inefficiencies, errors, and stress among employees. With the introduction of digital payment systems, these challenges have been significantly reduced, leading to streamlined financial processes within organizations.

Workplace stress is a critical issue affecting employee well-being and organizational performance. Stress may arise due to factors such as workload pressure, time constraints, financial uncertainties, and administrative complexities. The integration of digital payment systems can play a vital role in reducing such stress by minimizing transaction delays, ensuring transparency, and improving financial security. Employees can now access their payments instantly, track their financial activities in real time, and avoid the risks associated with cash handling. Furthermore, digital payments contribute to improved productivity by saving time, reducing manual errors, and enhancing efficiency in financial operations. When employees spend less time managing transactional issues, they can focus more on their core responsibilities, leading to better performance outcomes. The ease of use and accessibility of digital payment platforms also promote a more organized and stress-free working environment. Surat city, known as one of the fastest-growing economic hubs in India, has witnessed a substantial increase in the adoption of digital payment systems across various sectors, including textiles, diamonds, retail, and services. With a large working population and a dynamic business environment, Surat provides an ideal setting to examine the impact of digital payments on workplace stress and productivity.

### Literature Review:

**Rachel Radhin, Julie Vacarro (2025)**, they carried out a study on the topic “Digital Meditation to Target Employee Stress” the objective of the study was to evaluate the effects of digital meditation vs a waiting list condition on general and work-specific stress and whether greater engagement in the intervention moderates these effects. The sample size taken was 1458 and the research has shown a brief, digital mindfulness-based program is an easily accessible and scalable method for reducing perceptions of stress. Future work should seek to clarify mechanisms by which such interventions contribute to improvements in work-specific well-being.

**Maddalena, Fabio, Tomasso (2025)**, they carried out a study on the topic “Employees’ attitudes and work-related stress in the digital workplace: an empirical investigation” the objective was to study complex relationship between digitalization and work-related stress, with a particular emphasis on the impact of both digital activities (i.e., number of actions and virtual meetings) and employees’ attitudes (i.e., job satisfaction, person-organization fit, engagement, and work-life interface) on stress levels. The sample size of 365 was used and the research shows that time–space intensification and extension of the working experience has a significant impact in terms of increasing work-related stress when exceeding certain number of off-hours digital actions and virtual meetings. Conversely, job satisfaction, perceptions of work-life enrichment and person-organization fit represent subjective employees’ attitudes that significantly influence and reduce work-related stress in a digitalized working environment.

**Shibo Han (2024)**, he carried out research on the topic “Digitalization and job stress: exploring the mediating roles of job and personal aversion risk with gender as a moderator”. The objective of this study was to present research focuses on the mediating roles of job-related risk and personal risk, and the moderating effect of gender. The sample size taken was 795 and the research has shown that the study

corroborates Hypothesis 1 by establishing a significant, albeit less pronounced, relationship between digital living and job stress. The findings also support Hypothesis 2 by demonstrating that both job risk and personal risk mediate this relationship. The study's results also validate Hypothesis 3, indicating that gender moderates the relationship between digital living, job risk, personal risk, and job stress.

**Allan Cauldron (2024)**, he carried out research on the topic "Digital Payments and their Role in Enhancing Financial Transactions Efficiency". The objective of this study was to evaluation of speed in transactions that have been enhanced, the reduction in cost of the transactions that is in relation to the current trend, The increase in frequency of the transactions that has been realized, the decrease in error rate in the use of the digital payment systems, and the general satisfaction of the users in engaging in the digital payment systems. The sample size taken was 1000 and the research has shown that there are great advantages when using digital payments in the aspect of speed and precision. The qualitative findings also support these outcomes and add basic utilitarian viewpoints originating from business owners and consumers. The study supports the theoretical framework of the Transaction Cost Theory and proves that digital payments minimize costs and increase operational effectiveness. The implications are far-reaching for the businesses and the financial institutions where it is recommended that they embrace digital payment systems to improve performance and competitiveness.

**Bima Indra, Valie Palmustra, Febry Setyawan (2024)**, they carried out a study on the topic "Effectiveness of Digital Interventions in Reducing Occupational Stress: A Systematic Review" the objective of the study was to study significant effectiveness of digital interventions in reducing occupational stress among workers. The sample size taken was 700 and the research concluded that the significant effectiveness of digital interventions in reducing occupational stress among workers. Across the included studies, digital interventions demonstrated consistent benefits, with all studies indicating a notable reduction in occupational stress levels. The utilization of standardized measurement tools is paramount in accurately assessing work-related stress, depression, and anxiety within occupational settings.

**Sabeeha Salih Omar, Jassim Mohamed Naye, Nameer Hashim Qasim (2024)**, they carried out a study on the topic "the role of digitalization in improving accountability and efficiency in public services" the objective of the study was to explore the significant impact of digitalisation on enhancing the effectiveness and accountability of public sector accounting. The sample size of 250 was used and the research shows that Digitalisation in public service accounting is crucial for enhancing accountability and operational efficiency. There is a global push for governments to commit resources towards the development of advanced digital accounting frameworks and carefully plan their deployment in order to effectively use the benefits of a digitalised public sector accounting environment.

### **Research Gap:**

Existing literature extensively explores the role of digital payment systems in promoting economic development, enhancing business operations, and facilitating financial inclusion. However, comparatively few studies have examined the impact of digital payment systems from an employee-centric perspective. Specifically, there is a lack of empirical evidence regarding how digital payment systems influence employees' financial stress, workplace productivity, efficiency, and overall job performance. Therefore, this study aims to bridge this research gap by analysing the impact of digital payment systems on employee productivity and efficiency in the workplace.

## Research Methodology:

### 3.1 Statement of problem

“To study the impact of digital payments on reducing workplace stress and improving productivity”

### 3.2 Research Objective

- To know about employee’s perception regarding digital payment and its impact on workplace financial stress.
- To know about digital payments effect on productivity and efficiency.

### 3.3 Significant of study

- The study will be able to reveal how employees think and their perception regarding digital payments and whether it has any effect on workplace financial stress and does it have any effect on productivity.
- It investigates how workplace financial stress and the impact of digital payments on efficiency and productivity. Insights were also obtained from people who are now unemployed but have previous experience with digital payment systems in professional contexts, even though the main focus is on current employment. This more expansive viewpoint seeks to offer a more thorough comprehension of digital payments and their function in the contemporary workplace.

### 3.4 Scope of Study

- The purpose of this study is to investigate how employee productivity and stress levels are affected by the use of digital payment methods. Understanding the operational and psychological effects of digital transactions in corporate contexts is the main goal.

### 3.5 Research Design

- A research design is a basic plan which guides the researcher in the collection and analysis of data required for practicing the research. For this study the researcher used **Descriptive** research design.

### 3.6 Data Sources

- **Primary Data:** - Primary data source here would be the data collected from questionnaires which is prepared by the researcher.
- **Secondary Data:** - Secondary data sources would be the website, journals and articles.

### 3.7 Data collection Method

The method for data collection would be questionnaires in Likert scale format which contains close-end questions.

### 3.8 Sample Design

- The sample design contains sample size, sampling method and sample unit. They are as follows.
  - **Sample Size:** -150
  - **Sampling Method:** -Non-Probability Convenience Sampling Method
  - **Sampling Unit:** -Employees or Unemployed people who had previous experience with digital payment system living in Surat City District.

### 3.8 Hypothesis

**H0<sub>1</sub>:** There is no significant relationship between employees’ perception of digital payment systems and workplace financial stress.

**H1<sub>1</sub>:** There is a significant relationship between employees’ perception of digital payment systems and workplace financial stress.

**H0<sub>2</sub>:** Digital payment systems have no significant effect on employee productivity and efficiency.

**H1<sub>2</sub>:** Digital payment systems have a significant effect on employee productivity and efficiency.

### 3.9 Limitations of the Study

Although the study was carried out with extreme enthusiasm and careful planning there are several limitations which handicapped the research:

- **Time Constraints:** The time stipulated for the project to be completed is less and thus there are chances that some information might have been left out, however due care is taken to include all the relevant information needed.
- **Sample size:** Due to time constraints the sample size was relatively small and would definitely have been more representative if I had collected information from more respondents.
- **Accuracy:** It is difficult to know if all the respondents gave accurate information some respondents tend to give misleading information.
- **Lack of Experience:** I am typically still learning and May not have the same level of expertise as full-time employees. This lack of experience can impact the quality and speed of project execution.
- **Real-world Constrains:** The real world is often more unpredictable and messier than classroom scenarios. I might need to work with incomplete data, unexpected obstacles, or unclear project scope.

### Data Analysis:

**H0<sub>1</sub>:** There is no significant relationship between employees’ perception of digital payment systems and workplace financial stress.

**H1<sub>1</sub>:** There is a significant relationship between employees’ perception of digital payment systems and workplace financial stress.

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	79.288	9	8.810	16.503	.000 <sup>b</sup>
	Residual	69.398	130	.534		
	Total	148.686	139			
a. Dependent Variable: Overall, digital payments have positively impacted productivity in my workplace.						
b. Predictors: (Constant), improved financial accountability in my organization., reduced financial disputes and conflicts in the workplace, faster , reduced administrative workload, Overall, I am satisfied , improved payroll efficiency in my organization., digital payments have allowed me to focus more on my job responsibilities., minimized delays in reimbursements and business transactions., reduction of manual paperwork						

### Interpretation:

A simple linear regression analysis was conducted to examine the effect of digital payment systems on employee productivity and efficiency. The results indicated that the regression model was statistically significant (F = 16.503, p < 0.001). Thus, the null hypothesis was rejected, and it was concluded that digital payment systems significantly influence employee productivity and efficiency in the workplace.

**H0<sub>2</sub>:** Digital payment systems have no significant effect on employee productivity and efficiency.

**H1<sub>2</sub>:** Digital payment systems have a significant effect on employee productivity and efficiency.

<b>Correlations</b>											
		Overall, digital payments have positively impacted productivity in my workplace.	Overall, I am satisfied	reduced administrative workload	faster	digital payments have allowed me to focus more on my job responsibilities.	improved payroll efficiency in my organization.	minimized delays in reimbursements and business transactions.	reduction of manual paperwork	reduced financial disputes and conflicts in the workplace	improved financial accountability in my organization.
<b>Person Correlation</b>	Overall, digital payments have positively impacted productivity in my workplace.	<b>1.000</b>	<b>0.505</b>	<b>0.465</b>	<b>0.490</b>	<b>0.479</b>	<b>0.544</b>	<b>0.453</b>	<b>0.569</b>	<b>0.473</b>	<b>0.616</b>
	Overall, I am satisfied	<b>0.505</b>	<b>1.000</b>	<b>0.436</b>	<b>0.419</b>	<b>0.487</b>	<b>0.495</b>	<b>0.422</b>	<b>0.465</b>	<b>0.431</b>	<b>0.595</b>
	reduced administrative workload	<b>0.465</b>	<b>0.436</b>	<b>1.000</b>	<b>0.298</b>	<b>0.646</b>	<b>0.518</b>	<b>0.552</b>	<b>0.499</b>	<b>0.519</b>	<b>0.479</b>
	faster	<b>0.490</b>	<b>0.419</b>	<b>0.298</b>	<b>1.000</b>	<b>0.238</b>	<b>0.471</b>	<b>0.497</b>	<b>0.603</b>	<b>0.322</b>	<b>0.516</b>

	digital payments have allowed me to focus more on my job responsibilities.	0.479	0.487	0.646	0.238	1.000	0.355	0.476	0.510	0.519	0.480
	improved payroll efficiency in my organization .	0.544	0.495	0.518	0.471	0.355	1.000	0.286	0.479	0.497	0.516
	minimized delays in reimbursements and business transactions.	0.453	0.422	0.552	0.497	0.476	0.286	1.000	0.346	0.454	0.572
	reduction of manual paperwork	0.569	0.465	0.499	0.603	0.510	0.479	0.346	1.000	0.250	0.606
	reduced financial disputes and conflicts in the workplace	0.473	0.431	0.519	0.322	0.519	0.497	0.454	0.250	1.000	0.321
	improved financial accountability in my organization .	0.616	0.595	0.479	0.516	0.480	0.516	0.572	0.606	0.321	1.000
Sig. (1-tailed)	Overall, digital payments have positively impacted productivity		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

in my workplace.										
Overall, I am satisfied	0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
reduced administrative workload	0.000	0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000
faster	0.000	0.000	0.000		0.002	0.000	0.000	0.000	0.000	0.000
digital payments have allowed me to focus more on my job responsibilities.	0.000	0.000	0.000	0.002		0.000	0.000	0.000	0.000	0.000
improved payroll efficiency in my organization .	0.000	0.000	0.000	0.000	0.000		0.000	0.000	0.000	0.000
minimized delays in reimbursements and business transactions.	0.000	0.000	0.000	0.000	0.000	0.000		0.000	0.000	0.000
reduction of manual paperwork	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.001	0.000

	reduced financial disputes and conflicts in the workplace	0.00 0	0.00 0	0.000	0.00 0	0.000	0.000	0.00 0	0.00 1		0.00 0
	improved financial accountability in my organization .	0.00 0	0.00 0	0.000	0.00 0	0.000	0.000	0.00 0	0.00 0	0.00 0	
N	Overall, digital payments have positively impacted productivity in my workplace.	140	140	140	140	140	140	140	140	140	140
	Overall, I am satisfied	140	140	140	140	140	140	140	140	140	140
	reduced administrative workload	140	140	140	140	140	140	140	140	140	140
	faster	140	140	140	140	140	140	140	140	140	140
	digital payments have allowed me to focus more on my job responsibilities.	140	140	140	140	140	140	140	140	140	140
	improved payroll efficiency in my organization .	140	140	140	140	140	140	140	140	140	140

minimized delays in reimbursements and business transactions.	140	140	140	140	140	140	140	140	140	140	140
reduction of manual paperwork	140	140	140	140	140	140	140	140	140	140	140
reduced financial disputes and conflicts in the workplace	140	140	140	140	140	140	140	140	140	140	140
improved financial accountability in my organization	140	140	140	140	140	140	140	140	140	140	140

**Interpretation:**

Pearson correlation analysis indicated significant positive relationships between digital payment systems and various indicators of employee productivity and efficiency. The correlation coefficients ranged from **0.453 to 0.616**, and all relationships were significant at **p < 0.001**. These findings suggest that digital payment systems enhance workplace productivity through improved accountability, payroll efficiency, reduced paperwork, and faster financial transactions. All relationships are positive and significant (**p < 0.001**), indicating that digital payment systems positively affect employee productivity and efficiency.

**Findings:**

- The Majority of Respondent 136 or 90.7% were male.
- The Majority of Respondents were between age of 21 to 30 years which is 76 or 50.7%.
- The Majority of Respondents were working Full-time jobs which is 98 or 65.3%.
- The Majority of Respondents have Selected “Disagree” which is 57 or 38% when asked if “I am confident in using digital payment methods provided by my employer.”
- The Majority of Respondents have Selected “Neutral” which is 50 or 33.3% when asked if “The digital payment system used at my workplace is reliable and efficient.”
- The Majority of Respondents have Selected “Agree” which is 47 or 31.3% when asked if “Digital payments have made salary disbursement more convenient for me.”
- The Majority of Respondents have Selected “Agree” which is 53 or 35.3% when asked if “I feel less financial stress knowing that my salary is processed digitally.”

- The Majority of Respondents have Selected “Agree” which is 56 or 37.3% when asked if “Digital payment methods have reduced my concerns about salary delays”
- The Majority of Respondents have Selected “Agree” which is 55 or 36.7% when asked if “The transparency of digital payments (e.g., instant notifications, transaction tracking) has improved my financial planning.”
- The Majority of Respondents have Selected “Agree” which is 51 or 34% when asked if “I trust the security measures of the digital payment platforms used by my workplace.”
- The Majority of Respondents have Selected “Agree” which is 44 or 29.3% when asked if “Digital payments have reduced errors in my salary and reimbursements.”
- The Majority of Respondents have Selected “Neutral” which is 52 or 34.7% when asked if “The shift to digital payments has decreased my time spent worrying about financial transactions.”
- The Majority of Respondents have Selected “Neutral” which is 57 or 38% when asked if “Overall, I am satisfied with the use of digital payments in my workplace.”
- The Majority of Respondents have Selected “Agree” which is 45 or 30% when asked if “The use of digital payments has reduced administrative workload in my workplace.”
- The Majority of Respondents have Selected “Agree” which is 49 or 32.7% when asked if “Digital transactions are processed faster compared to traditional payment methods.”
- The Majority of Respondents have Selected “Agree” which is 49 or 32.7% when asked if “Automated digital payments have allowed me to focus more on my job responsibilities.”
- The Majority of Respondents have Selected “Agree” which is 49 or 32.7% when asked if “Automated digital payments have allowed me to focus more on my job responsibilities.”
- The Majority of Respondents have Selected “Agree” which is 53 or 35.3% when asked if “Digital payment systems have improved payroll efficiency in my organization.
- The Majority of Respondents have Selected “Agree” which is 52 or 34.7% when asked if “The availability of digital payments has minimized delays in reimbursements and business transactions.”
- The Majority of Respondents have Selected “Agree” which is 48 or 32% when asked if “The reduction of manual paperwork due to digital payments has improved workflow efficiency.”
- –The Majority of Respondents have Selected “Agree” which is 61 or 40.7% when asked if “Digital payments have reduced financial disputes and conflicts in the workplace.”
- When asked about “The transparency of digital transactions has improved financial accountability in my organization.” I got majority similar response which is both “Agree” and “Neutral” with 43 or 28.7 in both.
- The Majority of Respondents have Selected “Agree” which is 54 or 36% when asked if “Digital payments have improved collaboration and coordination in financial processes.”
- The Majority of Respondents have Selected “Agree” which is 49 or 32.7% when asked if “Overall, digital payments have positively impacted productivity in my workplace.”

### Conclusion:

The findings of the study provide significant insights into the impact of digital payment systems on employees' financial well-being, productivity, and workplace efficiency. Data collected through a standardized Likert-scale questionnaire indicate that digital payment systems have generally contributed positively to employees' experiences by enhancing transparency, reducing financial stress, and improving operational efficiency. The regression analysis further confirmed that digital payment systems

significantly influence employee productivity and efficiency ( $F = 16.503$ ,  $p < 0.001$ ), while Pearson correlation analysis revealed significant positive relationships between digital payment systems and various productivity-related factors, with correlation coefficients ranging from 0.453 to 0.616 ( $p < 0.001$ ). The results suggest that digital payment systems facilitate smoother salary disbursement, reduce concerns regarding payment delays, improve payroll efficiency, enhance financial accountability, minimize manual paperwork, and streamline reimbursement processes. Employees also reported that digital payment solutions enabled them to focus more effectively on their core job responsibilities, thereby contributing to improved workplace productivity and efficiency. These findings highlight a positive association between the adoption of digital payment systems and organizational performance. However, despite the overall positive perception, the study also identified certain challenges. A considerable proportion of respondents expressed uncertainty or lack of confidence in using digital payment methods provided by their employers. For instance, approximately 38 percent of respondents disagreed with the statement that they were confident in using employer-provided digital payment systems, while several responses regarding satisfaction and reliability remained neutral. These findings indicate that although digital payment systems effectively reduce financial stress associated with delays, errors, and payment inefficiencies, organizations must address concerns related to user confidence and system reliability. Overall, the study concludes that digital payment systems serve as an important strategic tool for enhancing employee productivity, efficiency, and financial well-being. To fully realize these benefits, organizations should invest in employee training, awareness programs, technical support, and system reliability initiatives to strengthen user confidence and encourage wider adoption. The study underscores the role of digital payment technologies not only as a convenient financial solution but also as a critical driver of employee satisfaction, workplace productivity, and organizational effectiveness.

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