

**SUSTAINABLE BANKING INITIATIVES: A SPECIAL
REFERENCE TOWARDS SELECTED PUBLIC AND PRIVATE
SECTOR BANKS IN BATTICALOA DISTRICT**

BY:

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Abstract

This study investigates the relationship between six sustainability dimensions: environmental sustainability, economic sustainability, social sustainability, product sustainability, labour practices and decent work, and human rights and ethics and sustainable banking performance (SBP). The research aims to identify which of these sustainability initiatives most significantly influence sustainable banking performance in selected public and private banks in the Batticaloa District. Using a quantitative research design, primary data were collected from 211 banking professionals through a structured questionnaire. The study assessed the six key dimensions of sustainability using descriptive statistics, correlation analysis, multiple regression, and stepwise regression analyses.

The results reveal that all six sustainability dimensions have strong and statistically significant positive relationships with sustainable banking performance. Among these, product sustainability, labour practices and decent work, and human rights and ethics emerged as the most influential predictors. Stepwise regression further indicated that while environmental and social sustainability are important, their independent contributions become statistically insignificant when controlling for other factors. This study provides valuable insights for bank managers and policymakers in the Batticaloa District to prioritize sustainability initiatives that enhance banking performance and promote long-term sustainability. It also contributes to the literature on sustainable banking by empirically validating the differential impacts of various sustainability practices within the banking sector.

Keywords: Sustainable Banking Performance, Environmental Sustainability, Economic Sustainability, Social Sustainability, Product Sustainability, Labour Practices, Human Rights and Ethics.

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