

**MEDIATING EFFECT OF HUMAN CAPITAL IN THE
RELATIONSHIP BETWEEN HRM PRACTICES AND
INNOVATIVE PERFORMANCE OF PRIVATE BANKING IN
AMPARA DISTRICT**

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ABSTRACT

This study aims to find out whether Human Capital does the mediating effect on the relationship between HRM Practices and Innovative Performance of private bank in Ampara District. In accordance with literature review and observation there are literature and empirical knowledge gaps regarding the mediating effect on the relationship between HRM Practices and Innovative Performance of private bank in Ampara District.

The study used sampling survey method where data were collected through structured questionnaire from sample of 100 employees of private bank in Ampara District. Based on the findings of the study, it concludes that there is a high level degree of intensity Human Capital HRM Practices and Innovative Performance of private bank in Ampara District.

This study used the multiple regression analysis to show the impact of mediating variable (Human Capital) and independent variables (HRM Practices) on dependent variable (Innovative Performance). This study used the multiple regression analysis to show the impact of mediating and independent variables (Human Capital and HRM Practices) on dependent variable (Innovative Performance). For the statistical analysis of the respondents data researcher used Statistical Package for Social Sciences (SPSS) software.

The findings indicated that opportunities for Human Capital significantly and effect on the relationship between HRM Practices and Innovative Performance of private bank in Ampara District in order fill the empirical research knowledge gap. The results of this survey indicated that, there is a partial mediating effect on the relationship between HRM Practices and Innovative Performance of private bank in Ampara District. The findings of this study are useful in further enlarging and enriching applications of these concepts in practice.

Keywords: Human Capital, HRM Practices, Innovative Performance, private banking sector

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