

**THE IMPACT OF PSYCHOLOGICAL CAPITAL ON
EMPLOYEE PERFORMANCE IN PRIVATE BANKS**

**(WITH SPECIAL REFERENCE TO ANURADHAPURA AND
THAMBUTHTHEGAMA AREAS)**



BY:

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REG NO: EU/IS/2016/MS/023

INDEX NO: MS - 1873

A Project Report Submitted to the Faculty of Commerce and Management, Eastern University, Sri Lanka, as partial fulfillment of the requirement for the Degree of Bachelor of Business Administration (BBA).



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2021

Abstract

In the twenty-first-century business, organizations are operating in a very competitive environment and business practitioners have identified the need for having a sustainable competitive advantage. Therefore, Human resources have become a sustainable competitive advantage and employee performance is the key to increasing organizational performance with the ultimate purpose of achieving its goals and objectives. Consequently, the objective of the current study is to identify the extent to which psychological capital impacts on employee performance of selected private sector banks in the Anuradhapura and Thambuththegama Areas. The current study hypothesized that there is a positive impact of psychological capital; its dimensions (Self Efficacy, Hope, Resilience, and Optimism) on employee performance. A quantitative, deductive approach with a positive paradigm using a cross-sectional survey strategy was used in the study. Standard 24 item psychological capital questionnaire (PCQ) and Individual work performance questionnaire were used as the research instrument. 207 employees were selected using the simple random sampling method as the sample (N = 207) among the population of 273 Bank employees. The data were analyzed using correlation and regression analyses. Four dimensions of psychological capital and psychological capital as a core construct had a significant positive relationship with employee performance. In summary, the current study concludes that psychological capital impacts on employee performance of selected private sector banks in the Anuradhapura and Thambuththegama Areas.

Keywords- Psychological Capital, Self-efficacy, Hope, Resilience, Optimism, Employee Performance.

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