

**MEDIATING ROLE OF OPERATIONAL EXCELLENCE IN THE
RELATIONSHIP BETWEEN TECHNOLOGY ADOPTION AND
PERFORMANCE OF BANKS IN BATTICALOA REGION OF
SRI LANKA**



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ABSTRACT

This study investigates the impact of Technology Adoption on Banking Performance, with Operational Excellence serving as a mediating variable, in the Batticaloa region. The research specifically examines five independent variables: Digital Banking Services, Core Banking System Upgrades, Cybersecurity Measures, Artificial Intelligence & Automation, and Blockchain & Fintech Collaboration. These variables are analyzed in relation to the dependent variable, Banking Performance, and the mediating variable, Operational Excellence. Data were collected through a structured questionnaire administered to 205 bank employees in the Batticaloa region. The data analysis was conducted using descriptive statistics, correlation analysis, and simple linear regression.

The findings indicate a positive relationship between Technology Adoption and Banking Performance, as well as between Technology Adoption and Operational Excellence. Additionally, a positive relationship was found between Operational Excellence and Banking Performance. The results further reveal that Operational Excellence mediates the relationship between Technology Adoption and Banking Performance. All dimensions measured demonstrated a strong positive correlation with Banking Performance. Moreover, the simple linear regression analysis confirmed that Technology Adoption has a statistically significant impact on Banking Performance among bank employees in the Batticaloa region.

Keywords: *Digital Banking Services, Core Banking System Upgrades, Cybersecurity Measures, Artificial Intelligence & Automation, Blockchain & Fintech Collaboration, Banking Performance, Operational Excellence*

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