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Human Capital, Organizational Learning and Their Effects on Innovation Behavior and Performance of Banking Employees

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Abstract

This study aims to analyze the effects of human capital and organizational learning on employee performance with innovation behavior as a mediator. This study is conducted at a privately owned bank in Gorontalo City with a sample of 92 respondents. Researchers use purposive sampling with data collection technique that is questionnaires in Google Form. Data analysis is performed using SEM-PLS (Structural Equation Modeling Partial Least Square) with SmartPLS software version 3.0. The results of this study indicate that (1) human capital has positive effect on employee performance and innovation behavior, (2) organizational learning has positive effect on innovation behavior, (3) innovation behavior has positive effect on employee performance, and (4) innovation behavior mediates the effect of organizational learning on employee performance but cannot mediate human capital on employee performance.

Keywords: *Human capital; Organizational learning; Innovation behavior; Employee performance*

JEL Classifications: *L00; L2; M5*

Introduction

The rapid development of banking requires good Human Resources (HR), both in terms of quality and quantity (Sedarmayanti et al., 2011). HR in banking must have extensive knowledge in the banking sector, understand the implementation of sharia principles in banking practice, and have a strong commitment to apply them consistently (Antonio, 2001). Employees are the human capital of the organization and their performance is the main indicator of organizational success. Employee performance is the most crucial construct in both organizational psychology and human resource management.

Human Capital provides a significant contribution in increasing more productive performance. Zeb et al., (2018) find that Human Capital Management (HCM) which consists of Training & development, Recruitment & selection, and Performance appraisal has significant effect on employee performance. In addition, Human capital also has significant effect on employee innovation behavior (McGuirk et al., 2015). Similarly, Rodrigues et al. (2010) find that the human capital variable from the indicators of innovation attitudes and incentives to innovate has significant effect on product innovation and process innovation. The second factor that affected innovation performance and behavior is organizational learning. In organizational learning activities, knowledge acquisition occurs in which there is the development or creation of skills, insights, and relationships (Ghafoor et al., 2016).

Several studies such as Abdi et al., (2018) on automotive industry companies in Iran, Koçoğlu et al., (2011) on several companies in Turkey, and Jyoti et al., (2017) on telecommunications companies in northern India obtain the result that organizational learning has positive and significant effect on innovation. According to Leong & Rasli, (2014), innovative behavior is also one of the factors that affect performance. Purba & Hardi (2009) state that people who behave innovatively will always try to solve problems in different but more effective and efficient ways. The role of Human Capital and organizational learning will greatly determine the success of the organization, as well as innovative behavior. In this regard, HR needs to be managed properly and professionally to create a balance between HR needs and the company's business demands and progress.

In Gorontalo City, the development of human resources quality (in general) has increased quite significantly, however, financial services or the banking sector only contributed 0.74% to the rate of economic growth and tended to decline over the last 3 years. This indicates that the overall banking performance has not been optimal. The low performance of banks in Gorontalo in terms of intermediation and their contribution to economic growth is due to the increase rate of growth in public funds collection which is relatively higher than the realization of loans that have been successfully disbursed by banks.

In addition, during the last 5 years, the banking business growth in Gorontalo has been relatively minimal, with only 3 additional office networks which are state banks in the reporting period. Meanwhile, the number of BPRs operating in Gorontalo is 7 BPRs with 8 office networks.

This study is conducted based on the phenomena that occurred in Gorontalo City, with the aim of analyzing the effect of human capital on innovation behavior and banking employee performance, analyzing the effect of organizational learning conducted by banking on innovation behavior and employee performance, analyzing the effect of innovation behavior on employee performance, and analyzing the role of innovation behavior in mediating the effect of human capital and organizational learning on employee performance in bank in order to increase the contribution of economic growth in Gorontalo City.

Literature Review

Human Capital

Human capital is a system for improving performance through knowledge, expertise, abilities, and skills that turn humans into company assets (Gaol, 2015). Human capital is the value of knowledge and talent that is embodied and forms an organization, represent knowledge, capacity, knowledge, talent, competence, attitude, intellectual agility, creativity, and others (Bontis & Fitz-enz, 2002). According to Budiarti, (2017), Human Capital consists of knowledge, skills, competencies, attitudes, behavior, and human personal

experience. Mayo (2000) states that there are five components of human capital: Individual capability, Individual motivation, Leadership, The organizational climate, and Workgroup effectiveness.

Organizational Learning

Organizational learning is the ability within an organization to maintain or enhance performance based on experience (Ghafoor et al., 2016). While Senge, (2002) explains that organizational learning is an activity in which the organization and its members continuously improve and expand their ability to create results that are in accordance with organizational goals. This activity involves acquisition, sharing, and knowledge utilization. According to Jerez-Gómez et al. (2005), skills and abilities can be created in the organizational learning process.

Innovative Behavior

Innovation is an interactive process, a learning process between people and organizations (Schneider et al., 2010). Innovative behavior is defined as individual actions that lead to the emergence, introduction, and application of something new and profitable (Kleysen & Street, 2001). Meanwhile, (Jong & Kemp, 2003) state that innovative behavior is all individual behavior that is directed to produce, introduce, and apply new things that are useful at various levels of the organization. Innovation can be created because of new ideas and certain goals to be achieved by an organization.

Employee performance

Employee performance is the synergy result of the organization's internal and external environmental factors, as well as employee internal factors (Wirawan, 2009). Employee performance is a form of employee confidence in their behavior and contribution to organizational achievement Ahmad & Shahzad, 2011). Performance is also defined as the result of a certain work process at a planned time and place (Mangkuprawira & Hubeis, 2007). Dessler (2010) states that performance appraisal is conducted by setting performance standards, implementing performance appraisals, and providing feedback.

The effect of Human Capital on Employee Performance

Human Capital is one of the main components of the company's intangible assets with the highest mobility (Teece et al., 1997). In addition, Mayo (2000) states that the basis for managing firm value lies in human capital including knowledge, ideas, and innovation. All of these human capital elements are very influential on performance. This is supported by Muafi et al., (2017), Zeb et al., (2018), Jamal & Saif, (2011), and Chukwuka & Nwakoby, (2018) which state that Human Capital has significant effect on employee performance. Hee & Jing, (2018) find that all four of Human Capital factors simultaneously affect employee performance, but partially only the Performance Appraisal, Training, and Development factors which have significant effect on employee performance. While Compensation and Benefits and Work-life Policies have no significant effect. Based on the results of previous studies, the first hypothesis is formulated, namely:

H1: Human Capital has positive effect on employee performance in private banking

The Effect of Human Capital on Innovation Behavior

Human capital is a key element of the organization to gain a sustainable competitive advantage and effective administration to establishes a huge potential for value creation in organizations. Therefore human capital has direct direction on innovating behavior (Mariz-Perez et al., 2012). Several studies also find that Human Capital has significant effect on Innovation Behavior (Dakhli & De Clercq, 2004; McGuirk et al., 2015 ; Rodrigues et al., 2018). According to the results of the previous studies, the second hypothesis is formulated, namely:

H2: Human Capital has positive effect on employee innovation behavior in private banking

The Effect of Organizational Learning on Employee Performance

Organizational learning is known as the ability to improve performance based on experience (Ghafoor et al., 2016). This activity will encourage organizations and members to continuously improve and expand their

capabilities. The skills and abilities are created by continuing organizational learning and it will certainly affect the level of trust of the organization and members of their own performance. Several studies have shown that organizational learning affects organizational performance (Ghafoor et al., 2016; Nafei, 2015; Rehman et al., 2019; Hao and Muehlbacher, 2012). Several indicators of organizational learning such as knowledge transfer and integration, managerial commitment, and systems perspective are also proven to have a positive effect on organizational performance (Cheema et al., 2016).

Organizational learning also affects business performance (Jyoti et al., 2017) and organizational performance (Cheema et al., 2016). Adaptive organizational learning affects organizational performance and generative organizational learning affects organizational performance (Nafei, 2015), so a statement can be drawn that organizational learning has relationship and effect on organizational performance, both adaptive and generative organizational learning. Based on the results of previous studies, the third hypothesis is formulated, namely:

H3: Organizational learning has positive effect on employee performance in private banking

The Effect of Organizational Learning on Innovation Behavior

It has been explained that organizational learning is an activity that is conducted continuously in order to increase the ability to create a result (Senge, 2002) and a person is said to behave innovatively if he is able to generate, create, and apply new ideas that are beneficial to the organization. It can be concluded that organizational learning is able to direct a person to create behavior and it is an innovative behavior. This is supported by Cheema et al., (2016), Jiménez-Jiménez & Sanz-Valle, (2011), Koçoğlu et al., (2011), Jyoti et al., (2017), dan Abdi et al., (2018) which have same result that organizational learning has significant effect on innovation behavior. Based on the results of previous studies, the fourth hypothesis is formulated in this study, namely:

H4: Organizational learning has positive effect on employee innovation behavior in private banking

The Effect of Innovation Behavior on Employee Performance

Innovative behavior affects job satisfaction, and job satisfaction affects a person's performance. So it can be concluded that innovative behavior is a behavior that affects performance. This is supported by Awan & Javed, (2015), Sujarwo & Wahjono, (2017), Osman et al., (2016), Rediyono & Ujjianto, (2013), dan Canh et al., (2019) which obtained result that Innovation Behavior has significant effect on Employee Performance.

Awan & Javed (2015) show that there are several types of innovations that have positive effect on employee performance, namely product innovation, process innovation, organizational innovation, and marketing innovation. Meanwhile, Osman et al., (2016) state that three types of innovation are found to affect employee performance, namely product innovation, process innovation, and technological and organizational innovation. Canh et al. (2019) also find that product innovation and process innovation have significant effect on performance such as company performance, employee performance, or CSR performance. Based on the results of previous studies, the fifth hypothesis is formulated in this study, namely:

H5: Innovation Behavior has positive effect on Employee Performance in private banking

The Role of Innovation Behavior in Mediating the Effect of Human Capital on Employee Performance

Innovation is an interactive process and a learning process (Schneider et al., 2010). According to Carmeli, (2004), one of the indicators in human capital is uniqueness or skill. Human capital is a system to improve performance through knowledge, capacity, talent, ability, and skills (Gaol, 2015). Both innovative behavior and human capital are related to abilities and skills. Innovative behavior plays a role in shaping abilities and skills through interactive and learning processes, while human capital plays role in developing and improving abilities and skills so that they can contribute to improving employee performance. From this explanation, the sixth hypothesis in this study can be formulated as follows:

H6: Behavioral Innovation mediates the effect of Human Capital on Employee Performance in private banking

Innovation Behavior in Mediating the Effect of Organizational Learning on Employee Performance

Employees with more organizational learning opportunities in observing situations and conditions that occur, have more ability to make things experienced as lessons in order to be able to do the same solution and develop what is previously done. An organizational learning process creates employee skills and abilities (Senge, 2002) thus they can emerge, produce, and apply new things that can be useful for the organization. Rehman et al., (2019) find that innovation culture has mediating effect on organizational learning effect on organizational performance. Likewise, Jiménez & Sanz, (2011) show the results that innovation affects organizational performance and there is mediating effect of innovation on the relationship between organizational learning and performance. However, Ghafoor et al., (2016) find the mediating effect of innovation affects the relationship of organizational learning to organizational performance is not proven. Likewise, Jyoti et al., (2017) find that innovation has no effect and does not mediate the effect of the relationship between organizational learning and business performance. Based on the results of previous studies, the seventh hypothesis is formulated in this study, namely:

H7: Behavioral Innovation mediates the effect of Organizational Learning on Employee Performance in private banking

Research and Methodology

The object of this quantitative research is private banking in Gorontalo City, where all of its employees are the research population and 92 of them are selected as samples through purposive sampling technique with the criteria that they are permanent employees in private banking in Gorontalo City. The types of data used are primary data and secondary data. Primary data is collected using a G-form questionnaire technique which is a close-ended question, and then measured using a Likert scale. Meanwhile, secondary data was collected through documentation techniques.

Data analysis is conducted using descriptive analysis methods and Structural Equation Model (SEM) analysis with SMART Partial Least Square (PLS) software. SMART PLS analysis is conducted in the following stages: 1) evaluating the measurement model using the Convergent Validity, Discriminant Validity, and Composite Reliability tests; 2) testing the research hypothesis using the Inner Model which is evaluated by looking at the percentage of variance explained by looking at the R Square for each endogenous latent construct. The criteria used are according to Hair et al., (2014) namely 0.75; 0.50 and 0.25 which indicate strong, moderate, and weak models; and 3) testing the significance with T-statistics using resampling bootstrapping procedure.

The variables and indicators used in this study are:

Human Capital (HC)

Human capital is an exogenous variable in this study. Human capital is a resource that is valuable, rare, cannot be imitated, cannot be replaced, and cannot be transferred and is a source of sustainable competitiveness (Carmeli, 2004). The indicators taken in this study are in accordance with Carmeli (2004) and Aryee et al. (1994):

- a. Education
- b. Work experience
- c. Organizational Member Competence
- d. Uniqueness/Skills that cannot be imitated from the Organization's Workforce

Organizational Learning (PO)

Organizational learning is also an exogenous variable in this study. Organizational learning is a learning activity carried out by organizations related to certain events or events that have been experienced by the organization Jerez-Gómez et al. (2005). The indicators taken in this study are in accordance with (Khoe, 2018):

- a. Commitment to Learning

- b. System Perspective
- c. Openness and Experiment
- d. Knowledge transfer

Innovative Behavior (PI)

Innovative behavior is a mediating variable in this study. Innovative behavior is all individual behavior that is directed at generating, introducing, and applying new things that are useful at various levels of the organization (Jong & Hartog, 2003). The indicators taken in this study are in accordance with Jong & Hartog (2003):

- a. Seeing Opportunities
- b. Generating Ideas
- c. Fight for
- d. Application

Employee performance (KK)

Employee performance is an endogenous variable in this study. Employee performance is the full expression of one's potential which demands total responsibility or a sense of belonging. An act, an achievement, a public display of skill (Lee & Whitmore, 2006). The indicators taken in this study are in accordance with Hee & Jing(2018):

- a. Work quality
- b. Working Quantity
- c. Work Knowledge
- d. Job Responsibilities

Results

Respondents Characteristics Analysis

Based on gender characteristics, it is found that there are more female respondents than male, with a percentage of 65% of the total respondents. For age, the majority of respondents are respondents with an age range of 21-30 years, which is 54 people (59%) out of total respondents. On the characteristics of length of work, respondents with a length of work 1-5 years dominate, as many as 52 people (57%). While for the latest education, respondents who dominate are respondents with an undergraduate education background, as many as 76 people (83%).

Table 1: Respondents' Descriptive Characteristics

Characteristic	Descriptive	Frequency	Percentage (%)
Gender	Woman	60	65
	Man	32	35
Age	21-30	54	59
	31-40	30	33
	41-50	8	9
Length of work	< 1 year	5	5
	1-5 years	52	57
	6-10 years	29	32
	> 10 years	6	7
Last education	Senior high school	1	1
	Diploma	5	5
	Bachelor degree	76	83
	Master degree	10	11
Total		92	100 %

Descriptive Analysis of Research Variables

The results of the descriptive analysis of exogenous variables for Human Capital, obtained the average total assessment of respondents categorized as "High" which is 3.96. The next exogenous variable is Organizational Learning, which gets the average total assessment of respondents categorized as "Very High" which is 4.21. The results of the descriptive analysis of the mediating variable, namely the Innovative Behavior variable, obtained an average total of respondents' assessments categorized as "High" which is 4.06. While the results of the descriptive analysis of the endogenous variables of this study, namely the Employee Performance variable, obtained an average total assessment of respondents categorized as "High" criteria which is 4.16.

Measurement Model Evaluation (Outer Model)

Table 2: Construction Factor Loading Value

Latent Variable	Construct	ItemCode	LoadingFactor	Result
Human Capital	Education	HC1	0.937	Valid
		HC2	0.947	Valid
	Experience	HC3	0.937	Valid
		HC4	0.928	Valid
	Competency	HC5	0.791	Valid
		HC6	0.741	Valid
		HC7	0.609	Valid
		HC8	0.781	Valid
		HC1	0.789	Valid
		HC2	0.854	Valid
		HC3	0.837	Valid
		HC4	0.783	Valid
		HC5	0.653	Valid
		HC6	0.573	Valid
		HC7	0.594	Valid
		HC8	0.637	Valid
Organizational learning	Commitment	PO3	0.758	Valid
		PO4	0.762	Valid
		PO5	0.704	Valid
	System Prep	PO6	0.865	Valid
		PO7	0.916	Valid
		PO8	0.845	Valid
		PO9	0.804	Valid
	Openness	PO10	0.763	Valid
		PO11	0.799	Valid
		PO12	0.803	Valid
	Knowledge transfer	PO13	0.767	Valid
		PO14	0.868	Valid
		PO16	0.770	Valid
		PO3	0.588	Valid
		PO4	0.647	Valid
		PO5	0.538	Valid
		PO6	0.767	Valid
Innovative Behavior	Opportunity	PO7	0.825	Valid
		PO8	0.744	Valid
		PO9	0.782	Valid
		PO10	0.717	Valid
		PO11	0.731	Valid
		PO12	0.743	Valid
		PO13	0.683	Valid
		PO14	0.794	Valid
Innovative Behavior	Opportunity	PO16	0.680	Valid
		PI1	0.889	Valid

Employee performance	Idea	PI2	0.858	Valid
		PI3	0.888	Valid
		PI4	0.888	Valid
	Fight for	PI5	0.876	Valid
		PI6	0.881	Valid
	Application	PI7	1.000	Valid
		PI1	0.653	Valid
		PI2	0.581	Valid
		PI3	0.803	Valid
		PI4	0.804	Valid
		PI5	0.768	Valid
		PI6	0.784	Valid
		PI7	0.775	Valid
		KK1	0.824	Valid
		KK2	0.857	Valid
		KK3	0.868	Valid
		KK4	0.893	Valid
		KK5	0.87	Valid
		KK6	0.951	Valid
		KK7	0.949	Valid
		KK8	0.714	Valid
		KK9	0.864	Valid
		KK10	0.735	Valid
	Quality	KK1	0.795	Valid
		KK2	0.809	Valid
	Quantity	KK3	0.791	Valid
		KK4	0.867	Valid
	Knowledge	KK5	0.791	Valid
		KK6	0.871	Valid
	Responsibility	KK7	0.856	Valid
		KK8	0.817	Valid
		KK9	0.642	Valid
		KK10	0.556	Valid

From Table 2, it can be concluded that the value of the loading factor for each item of all variables, namely Human Capital, Organizational Learning, and Employee Performance, has shown a value of > 0.5. These results indicate that all items are valid to be used as a measure because they have met the standard value of convergent validity.

Figure 1: Outer Model Measurement Results

The evaluation of the next measurement model is Composite Reliability, which is conducted to prove the accuracy, consistency, and accuracy of the instrument in measuring constructs. Composite Reliability results are presented in Table 3 below:

Table 3: Composite Reliability

Construt	Composite Reliability	Description
HC	0.870	Reliable
KK	0.941	Reliable
PI	0.886	Reliable
PO	0.918	Reliable
Application	0.800	Reliable
Idea	0.881	Reliable
Openness	0.871	Reliable
Uniqueness	0.765	Reliable
Commitment	0.746	Reliable
Competence	0.822	Reliable
Quality	0.886	Reliable
Quantity	0.875	Reliable
Fight for	0.871	Reliable
Opportunity	0.866	Reliable
Education	0.940	Reliable
Experience	0.930	Reliable
Knowledge	0.949	Reliable
System Preparation	0.908	Reliable
Responsibility	0.816	Reliable
Knowledge transfer	0.814	Reliable

From table 3, it is known that the composite reliability value for each variable has been more than 0.7. This shows that all items in the tested variables are declared reliable and can be used for structural model testing. The significance of the constituent indicators on exogenous variables can be seen from the T-statistical value. The procedure used to test the significance using T-statistics, is the bootstrapping procedure to obtain the stability of the estimate. The following are the results of the bootstrapping test using SmartPLS 3.0.

Figure 2: Bootstrapping Test Results

Table 4: Path Coefficient

Construct	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Description
HC → Competency	0.797	0.803	0.061	13.059	0.000	Significant
HC → Education	0.905	0.911	0.023	39.744	0.000	Significant
HC → Experience	0.903	0.912	0.021	43.632	0.000	Significant
KK → Quality	0.939	0.939	0.018	52.336	0.000	Significant
KK → Quantity	0.942	0.941	0.016	60.607	0.000	Significant
KK → Knowledge	0.909	0.909	0.020	44.616	0.000	Significant
KK → Responsibility	0.883	0.883	0.027	32.552	0.000	Significant
PI → Application	0.773	0.774	0.058	13.351	0.000	Significant
PI → Idea	0.905	0.906	0.019	46.630	0.000	Significant
PI → Fight for	0.883	0.885	0.034	25.863	0.000	Significant
PO → Opportunity	0.710	0.712	0.086	8.214	0.000	Significant
PO → Openness	0.934	0.934	0.026	58.370	0.000	Significant
PO → Commitment	0.805	0.810	0.054	14.844	0.000	Significant
PO → System Preparation	0.896	0.892	0.031	28.930	0.000	Significant
PO → Knowledge transfer	0.895	0.897	0.024	37.745	0.000	Significant

It can be seen from table 4 above that the constructs of human capital (HC), organizational learning (PO), innovative behavior (PI), and employee performance (KK) provide significant values for each indicator. This is indicated by the T-Statistic value in each relationship > 1.64 with the P Values for each relationship <0.05.

Structural Model Analysis

Table 5: R-Square(R²)

	RSquare	RSquare Adjusted
Employee performance (KK)	0,429	0,41
Innovative Behavior (PI)	0,401	0.338

From the R-Square results, the GoF index value is calculated using Q2 Predictive Relevance with the formula developed by Ghazali & Latan (2014), as follows:

$$\begin{aligned}
 Q^2 &= 1 - (1-R_1^2)(1-R_2^2) \\
 &= 1 - (1-0,429)(1-0,401) \\
 &= 0,658
 \end{aligned}$$

Q² is equal to 0.658. This result indicates that the research data described by the model is 66%, while the rest is explained by other factors outside the research model. Because the Q2value is closer to 1, the model can be said as good. According to the GoF assessment criteria, these results indicate that this research model is included in the GoF Large.

Hypothesis testing (Bootstrapping)

Figure 3: Hypothesis Test Results

Table 6: Bootstrapping Hypothesis Test Results

Hypothesis		Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Description
H ₁	HC → KK	0.302	0.303	0.127	2.377	0.009	H1 Accepted
H ₂	HC → PI	0.210	0.206	0.124	1.688	0.046	H2 Accepted
H ₃	PO → KK	0.134	0.127	0.113	1.188	0.118	H3 Rejected
H ₄	PO → PI	0.516	0.521	0.087	5.898	0.000	H4 Accepted
H ₅	PI → KK	0.389	0.384	0.158	2.470	0.007	H5 Accepted
H ₆	HC → PI → KK	0.082	0.073	0.054	1.511	0.066	H6 Rejected
H ₇	PO → PI → KK	0.201	0.209	0.095	2.121	0.017	H7 Accepted

H₁: Human Capital has significant positive effect on Employee Performance

Based on table 6, it can be seen that the construct of Human Capital on Employee Performance shows a path coefficient value (Original Sample) of 0.302 with a statistical T value of 2.121 > 1.64 and P value of 0.009 < 0.05. These results indicate that the null hypothesis is rejected and the alternative hypothesis (H₁) in this study is **accepted**, so it can be concluded that human capital directly has significant positive effect on the performance of banking employees in Gorontalo City.

H₂: Human Capital has significant positive effect on Innovative Behavior

Based on table 6, it can be seen that the construct of human capital on innovative behavior shows a path coefficient value (Original Sample) of 0.210 with a statistical T value of 1.688 > 1.64 and a P value of 0.000 < 0.046. These results indicate that hypothesis 2 in this study is accepted, so it can be concluded that human capital has significant positive effect on innovative behavior.

H₃: Organizational Learning has significant positive effect on Employee Performance

Based on table 6, it can be seen that the organizational learning construct on employee performance shows a path coefficient value (Original Sample) of 0.134 with a statistical T value of 1.188 < 1.64 and a P value of 0.118 > 0.05. These results indicate that the null hypothesis is accepted and hypothesis 3 in this study is

rejected, so it can be concluded that organizational learning does not have direct effect on employee performance.

H4: Organizational Learning has significant positive effect on Innovative Behavior

Based on table 6, it can be seen that the organizational learning construct on innovative behavior shows a path coefficient value (Original Sample) of 0.516 with a statistical T value of 5.898 > 1.64 and a P value of 0.000 < 0.000. These results indicate that Hypothesis 4 in this study is accepted, so it can be concluded that organizational learning has significant positive effect on innovative behavior.

H5: Innovative Behavior has a significant positive effect on Employee Performance

Based on table 6, it can be seen that the construct of innovative behavior on employee performance shows a path coefficient value (Original Sample) of 0.389 with a statistical T value of 2.470 > 1.64 and a P value of 0.007 < 0.05. These results indicate that Hypothesis 5 in this study is accepted, so it can be concluded that innovative behavior has significant positive effect on employee performance.

Mediation Effect Test

Figure 4: Path Diagram

Table 7: Total Effect of Variable

	Direct Effect	Indirect effect	Total effect
HC → KK	0.302	0.210×0.389 = 0.082	0.384
PO → KK	0.134	0.516×0.389 = 0.200	0.335

H6: Innovative Behavior mediates the effect of Human Capital on Employee Performance

$$\begin{aligned}
 t_1 &= \frac{a_1 b}{\sqrt{b^2 s a_1^2 + a_1^2 s b^2 + s a_1^2 s b^2}} \\
 &= \frac{0.210 \times 0.389}{\sqrt{0.389^2 0.124^2 + 0.210^2 0.158^2 + 0.124^2 0.158^2}} \\
 &= \frac{0.081}{0.045} = 1.132
 \end{aligned}$$

From the calculation results, the value of t_1 count = 1.132 for the indirect effect of the Human Capital variable on Employee Performance. For the significance level = 5% and $df = n - k = 92 - 4 = 88$, the t table value = 1.987. Based on these results, it can be concluded that t_1 count = 1.132 < t table = 1.987 so the H_0 is accepted and Hypothesis 6 is rejected. Thus, innovative behavior cannot mediate the effect of Human Capital on Employee Performance.

H7: Innovative Behavior mediates the effect of Organizational Learning on Employee Performance

$$t_2 = \frac{a_2b}{\sqrt{b^2sa_2^2 + a_2^2sb^2 + sa_2^2sb^2}}$$

$$= \frac{0.516 \times 0.389}{\sqrt{0.389^2 0.087^2 + 0.516^2 0.158^2 + 0.087^2 0.158^2}}$$

$$= \frac{0.200}{0.089} = 2.247$$

From the results of calculations, obtained t_2 count = 2.247 for the indirect effect of the variable Organizational Learning on Employee Performance. Based on these results, it can be concluded that t_2 count = 2,247 > t table = 1,987. Then H_0 is rejected and Hypothesis 7 is accepted. Thus, Innovative Behavior mediates the effect between Organizational Learning on Employee Performance.

Discussion

Human Capital has positive effect on employee performance

Based on the results, it is known that the human capital owned by banking employees in Gorontalo City has significant positive effect on employee performance. That is, the higher the human capital owned by an employee, the better their performance will be. The results in this study are in line with several previous studies which prove that there is an influence of human capital on employee performance (Muafi et al., 2017; Zeb et al., 2018; Jamal & Saif, 2011; Chukwuka & Nwakoby, 2018; Hee & Jing, 2018).

The level of human capital owned by banking employees in Gorontalo City is also high. This indicates that the education, work experience, competence, and uniqueness/skills possessed by employees are directly proportional to the performance they will provide to the company.

Human Capital has Positive Effect on Innovative Behavior

Based on the results, it is known that the human capital owned by banking employees in Gorontalo City has positive effect on innovative behavior owned by employees. The higher the human capital owned by an employee; the better innovative behavior employee has. This result is in line with several previous studies which say that there is an influence given by human capital on innovative behavior (Mariz-Perez et al., 2012; Rodrigues et al., 2018; McGuirk et al., 2015; Dakhli & De Clercq, 2004).

The level of innovative behavior of banking employees in Gorontalo City is also high. This indicates that education, work experience, competence, and uniqueness/skills possessed by employees are directly proportional to individual actions that lead to the emergence, introduction, and application of something new and profitable (Kleysen & Street, 2001).

Organizational Learning has Positive Effect on Employee Performance

Based on the results of the study, it is known that the organizational learning of banking employees in Gorontalo City does not have direct effect on the employee's performance. Eventhough employees have a good ability to find lessons from the experiences they have gone through, it does not directly affect their performance. Several previous studies (Ghafoor et al., 2016; Nafei, 2015; Rehman et al., 2019; Hao and Muehlbacher, 2012) have shown that organizational learning has positive effect on organizational performance. However, this study showed different results.

This shows that high organizational learning does not guarantee the high performance of banking employees in Gorontalo City and the performance of banking employees in Gorontalo City cannot increase only by increasing employee organizational learning. It is necessary to examine the role of innovative behavior as a mediator on the effect of organizational learning on employee performance to get benefit from high organizational learning. Therefore, this study also examines the effect of innovative behavior on its role in mediating employee organizational learning so that it can become a variable that can help improve the performance of banking employees in Gorontalo City.

Organizational Learning has Positive Effect on Innovative Behavior

The organizational learning possessed by banking employees in Gorontalo City has positive effect on the innovative behavior of these employees. That is, the higher the organizational learning possessed by an employee, the employee has better innovative behavior. The results in this study are in line with several previous studies which say that there is an influence given by human capital on innovative behavior (Kocoglu et al., 2011; Jyoti et al., 2017; Abdi et al., 2018; Cheema et al., 2016). ; Jiménez and Sanz-Valle, 2011). Like several previous studies, in this study, banking employees in Gorontalo City also showed similar results, this study showed positive and significant effects given organizational learning on innovative behavior. This means that the increase in organizational learning will provide an increase in innovative behavior in employees.

This study concludes that organizational learning possessed by employees has direct relationship with innovative behavior of employees. The higher the organizational learning possessed by an employee; the more innovative behavior employee will have.

Innovative Behavior has Positive Effect on Employee Performance

The innovative behavior of banking employees in Gorontalo City has positive effect on the employee's performance. That is, the higher the innovative behavior of an employee, the better the employee's performance. The results in this study are in line with several previous studies which said that there is significant positive effect given by human capital on innovative behavior (Awan & Javed, 2015; Sujarwo and Wahjono, 2017; Osman et.al., 2016; Rediyono and Ujito, 2013; Canh et.al., 2019). Like several previous studies, in this study, banking employees in Gorontalo City also showed similar results, namely the positive and significant effects given by innovative behavior on employee performance. This means that increasing the ability to generate ideas up to their application, which is owned by employees, will also increase the performance of banking employees in Gorontalo City.

Innovation behavior and high employee performance indicate that banking employees in Gorontalo City have the ability to come up with new creative ideas and are able to apply them with the aim of developing better company performance. Good performance must be able to make maximum use of the available resources to achieve goals.

Innovative Behavior mediates the effect of Human Capital on Employee Performance

The innovative behavior of banking employees in Gorontalo City, cannot mediate the effect exerted by human capital on the performance of banking employees in Gorontalo City. Although in previous studies there is significant effect between human capital, innovative behavior, and employee performance, in this study it is known that innovative behavior cannot act as a mediator of the effect of human capital on employee performance. The results that show that there is no mediation by innovative behavior is strengthened by mediation analysis using the Sobel test, which shows that innovative behavior has no role in mediating.

Innovative Behavior mediates the effect of Organizational Learning on Employee Performance

Innovative behavior possessed by banking employees in Gorontalo City mediates the effect of organizational learning on employee performance. The positive effect provided by organizational learning on innovative behavior, as well as the positive effect provided by innovative behavior on employee performance, indicates that organizational learning has an indirect effect on employee performance, and indicates that innovative behavior has a role in mediating this effect in the context of banking employees. in Gorontalo City. The results in this study are in line with several previous studies which say that there is positive effect provided by organizational learning and innovative behavior on employee performance (Jyoti et al., 2017; Sujarwo and Wahjono, 2017; Osman et.al., 2016; Rediyono and Ujito, 2013; Canh et.al., 2019).

The role of HR in the application of innovative behavior as a mediation between the ability to learn from experience to improve performance is very important for organizations. Although organizational learning still has direct effect on the performance of banking employees in Gorontalo City, the results of the analysis show that innovative behavior also has mediating role. In fact, some employees admit that the performance they have so far is the result of finding a solution to every mistake and experience they have had before. Bank employees in Gorontalo City said that performance appraisals are conducted every month, and what they

are getting now comes from their experience and hard work. This means that the more banking employees in Gorontalo City have the ability to identify lessons that can be drawn from experience, the innovative behavior of these employees will increase and have the potential to improve employee performance in order to improve banking performance in Gorontalo City.

Conclusions

The role of HR in the application of innovative behavior as a mediation between the ability to learn from experience to improve performance is very important for organizations. Although organizational learning still has direct effect on the performance of banking employees in Gorontalo City, the results of the analysis show that innovative behavior also has mediating role. In fact, some employees admit that the performance they have so far is the result of finding a solution to every mistake and experience they have had before. Bank employees in Gorontalo City state that performance appraisals are carried out every month, and what they are getting now comes from their experience and hard work. This means that the more banking employees in Gorontalo City have the ability to identify lessons that can be drawn from experience, the innovative behavior of these employees will increase and have the potential to improve employee performance in order to improve banking performance in Gorontalo City.

As a solution to the low performance contribution of banking employees in Gorontalo City, it is expected that the company will conduct a re-assessment of employee performance and find out the cause of the lack of effect of increasing employee organizational learning on employee performance (directly), given the high level of organizational learning possessed by employees.

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