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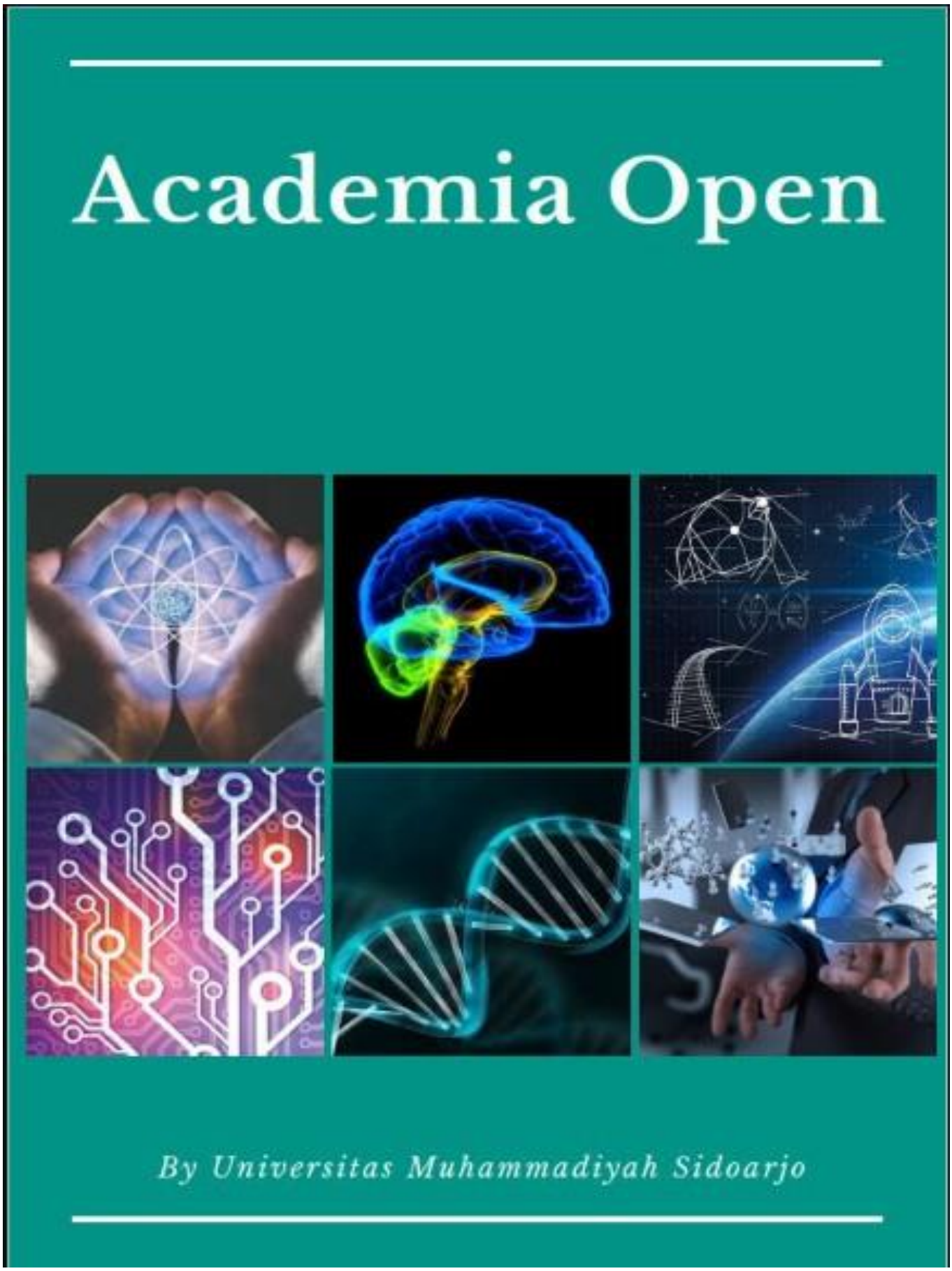

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Table Of Contents

Academia Open

Vol. 11 No. 1 (2026): June
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The Impact of Professional Capital and its Role in Organizational Innovation at Private Banks Operating in Baghdad: Dampak Modal Profesional dan Perannya dalam Inovasi Organisasi di Bank Swasta yang Beroperasi di Baghdad

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Abstract

General Background: Human capital and intellectual capital are widely recognized as key resources in organizational development and knowledge-based economies. **Specific Background:** Organizations increasingly rely on knowledge creation, social capital, and learning processes to support innovation activities. **Knowledge Gap:** Despite extensive theoretical development, there is limited integration of different capital perspectives in explaining organizational innovation. **Aims:** This study examines the role of human capital, social capital, and organizational learning in shaping innovation processes. **Results:** The findings indicate that knowledge creation, employee competencies, and organizational learning mechanisms contribute to innovation development within firms. **Novelty:** The study integrates multiple theoretical perspectives, including knowledge-based theory and social capital theory, to provide a comprehensive understanding of innovation processes. **Implications:** The results highlight the importance of aligning human resource practices and knowledge management strategies to support sustainable innovation in organizations.

Keywords: Human Capital, Organizational Innovation, Knowledge Management, Social Capital, Organizational Learning

Key Findings Highlights

- Employee competencies support knowledge creation processes
- Learning mechanisms facilitate innovation development
- Social relationships strengthen collaborative knowledge exchange

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1. Introduction:

These changes, now, are not just those occurring in the realms of technology or global competition. The concept of the latest management, which organizations must rely on in their pursuit after first-class performance over a long term, has evolved in ways unimaginable just years ago.Particularly in finance houses, institutions have recently begun to realize that their true strength does not lie any longer in the possession of money or machines but rather its workers. This human resource grows through self-cultivation and training of others within their firms, such that the firm may transform itself into something new shape its own destiny.The rapid and continuing change in the banking rules of play--as seen from the quickening pace at which information technology spreads within banks, competitive pressures on all sides (including-client pressures) and diversification within services according to customer need--means that today's finance institutions can no longer be content with traditional methods to improve their endowments.Professional capital, including knowledge, long-standing experience, an excellent record of service and ideals of the organization, is now the essential factor explaining why those finance houses which can create powerful modern banking solutions are capable of innovation. When a bank has employees who continue to study, who are well versed in market dynamics, have the latest technology on their fingertips and conduct themselves in dealings with customers as professionals should, it can be transformed from an old-style organization that simply goes through the motions to an institution that uses its own insight predict events and remodel its banking experience time after time.

For private banks now, organization and innovation is no longer a possible choice—it has become a strategic necessity in order to again rebuild their competitive strengths, endow services with a qualitative nature, as well as adapting or fleeing from market and technological changes. Which is to say that banking institutions have come to understand that innovation is not born out of structures or solid material resources but comes rather from the people themselves--their critical thought ability, their love of initiative and their hunger for trying new ways. Innovations are adopted once described over 5 times in blogs therefore at this where professional capital fully comes into play, as the primary driver for each succeeding wave of innovation--be it in developing digital services, designing new banking products, improving processes of operation, enhancing internal communication or re-engineering corporate structures so they work harmoniously and efficiently. In the Iraqi context, the rapid growth of private banks is both a challenge and an opportunity. Private banks operate in an economic environment that demands high flexibility and adaptability; at the same time, they face increasing expectations from customers who want faster, more reliable and generally more innovative banking services. Therefore, understanding just what professional capital means to private banks becomes crucial now rather than later if they are going to achieve this innovative jouissance. The higher the level of professional skills, organizational behaviors and ethical values of its staff, the more able and capable an institute will be able to cultivate a mood changing every day; not only is it then possible but inevitable that new roads can also be opened up to promote (and chalk up) its competitive position.

The aim of this study, therefore, is to make clear the relationship between a bank's professional capital and its innovation through exploring the impact of professional skills, practical experience behaviors and organizational values upon the promotion and development of such innovation. Our study offers deep insights into how the utilization of professional capital can be a force strategically employed by private banks to promote their capacity for renewal, improve their procedures, enhance the quality of their services and create an organizational culture that is built on interactions between people, continuous learning among them, seen as innovation spirits.

This is a research that is important because very few writers have ever done anything like It in the Arab context In addition, it will examine two drivers of prosperity whose significance for turning banks into successful institutions operates at least as much through fresh research and manuscripts as experience over years. The fact that the subjects of this study consist of managers, assistant managers, inspectors and section chiefs who are responsible for various levels with a proposal for the objectives that best serves this banking business makes it likely that its anticipated results can be implemented in formulating banking practices.

2. Methodology

Based on a scientific methodology, this study presents a precise and objective analysis of the interrelationships between professional capital and organizational innovation in private banks. It is realized by drawing up a methodology which can depict reality mathematically in modeling. The correlation between variables is also explored on this framework and statistically examined. Therefore this method is naturally suited to our problem, its variables and our research design, which depend at anchor in what is measurable and can be scrutinized through quantitative analysis. This makes the results gained informative and their integrity greater in the practical world of operations within which our study occurs.

1.2 Research Problem:

To respond to this question, the content of the article will be divided into several parts: Part One provides an introduction to relevant theoretical foundation, Part Two presents the research design used in this study, and finally, Part Three explains how organizational innovation can be promoted through professional capital.

Factors influencing private bankers' ability to encourage new thinking include how effectively they can use collective human capital within their bank's market context.

In banking, one of the essential features in staking a claim to future market share is professional capital. However quality of proficient public servants remains critical here.

Vol. 11 No. 1 (2026): June
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Without question, professional ability is of decisive importance. Though banks will often pay a lot for good accountants and lawyers now, those such as carmen benavent have been fewer in recent years.

Raising the level of innovation in banks requires professional values that feature investing for the future.

The fact that the precise nature of this effect remains largely unverified implies a more basic loss of knowledge. This situation therefore demands detailed in-field research. Accordingly, they research problem is formulated in the following question: To what extent does professional capital. in its many aspects, influence organizational innovation within private banks under an Iraqi NSMCCI (New System for Managing Change and Continuous Improvement) environment?

This main question gives rise to a set of sub-questions that the study seeks to answer:

1. To what extent do professional skills influence organizational innovation?

2. To what extent does practical experience influence organizational innovation?

3. To what extent do professional behaviors influence organizational innovation?

4. To what extent do professional values influence organizational innovation?

5. Do the levels of professional capital differ among the five private banks included in the study?

6. Do levels of organizational innovation differ according to the employee's job position (manager, assistant, supervisor, department head)?

2.2. Research Objectives:

This study aims to achieve a set of objectives aligned with the research problem and its questions. It seeks to build a comprehensive understanding of the relationship between professional capital and organizational innovation in private banks, through the following:

- Measuring the level of professional skills available among employees in private banks.
- Measuring the level of practical experience among employees in private banks.
- Identifying the nature of prevailing professional behaviors within the banking work environment.
- Evaluating the level of ingrained professional values among employees.
- Measuring the level of organizational innovation achieved in private banks.

3.2: Significance of the Research

This research study is important because it tackles an important issue: whether or not private banks can achieve distinction and meet environmental changes by bolstering the professional capital of their employees.

This research's significance derives from two main aspects:

First–Theoretical Significance

a. It brings new material to be added into the scientific literature on professional capital and organizational innovation, especially in an Arab or even Iraqi context which has had little examination of both these variables together. b. A conceptual framework affirms the relationship of each dimension of professional capital (skills, experience, behavior and values) to organizational innovation. That lays the groundwork for future studies to consider this kind of linkage. c. By testing world-wide models of professional capital in a local banking perversion (a poor economic environment with severe back-end policy), the theoretical framework is further consolidated

Second–Applied Significance

a. The research provides real-world, field-based data that private banks can utilize in developing their human resources management and professional capital development policies.

b. It helps banks diagnose the strengths and weaknesses of their employees' professional capital and measure its impact on the level of organizational innovation.

c. It supports senior management in designing more precise and effective training and development programs aimed at improving professional skills and behaviors to foster innovation.

d. It enables banks to gain a deeper understanding of the roles of managers, their assistants, supervisors, and department

heads in driving development and innovation processes.

e. It contributes to building organizational policies that help private banks adapt to the changing competitive environment and enhance their long-term innovative capabilities.

4.2. Research Hypotheses:

First Main Hypothesis: There is a statistically significant correlation between professional capital and its dimensions (professional skills, practical experience, professional behaviors, and professional values) and organizational innovation within private banks in Iraq.

The following sub-hypotheses stem from the main hypothesis:

• There is a statistically significant correlation between professional skills and organizational innovation within private banks.

• There is a statistically significant correlation between practical experience and organizational innovation within private banks.

• There is a statistically significant correlation between professional behaviors and organizational innovation within private banks.

• There is a statistically significant correlation between professional values and organizational innovation within private banks.

The second main hypothesis: There is a statistically significant effect of professional capital, with its dimensions (professional skills, practical experience, professional behaviors, and professional values), on organizational innovation within private banks in Iraq.

The following sub-hypotheses stem from the main hypothesis:

• There is a statistically significant effect of professional skills on organizational innovation within private banks.

• There is a statistically significant effect of practical experience on organizational innovation within private banks.

• There is a statistically significant effect of professional behaviors on organizational innovation within private banks. • Professional values have a statistically significant impact on organizational innovation within private banks.

5.2. Hypothetical Model:

Based on the research problem, questions, and hypotheses, a hypothetical model was designed to reflect the nature of the relationship between the independent variable (professional capital) and the dependent variable (organizational innovation). That model includes four dimensions of professional capital. These are expected to directly affect organizational innovation. Built on professional capital This model is a model where different dimensions are connected interchangeably. Here we take as an example private banks: For an obvious reason of space, its application to the finance section of state-owned enterprises has on this occasion been omitted.

Academia Open
Vol. 11 No. 1 (2026): June
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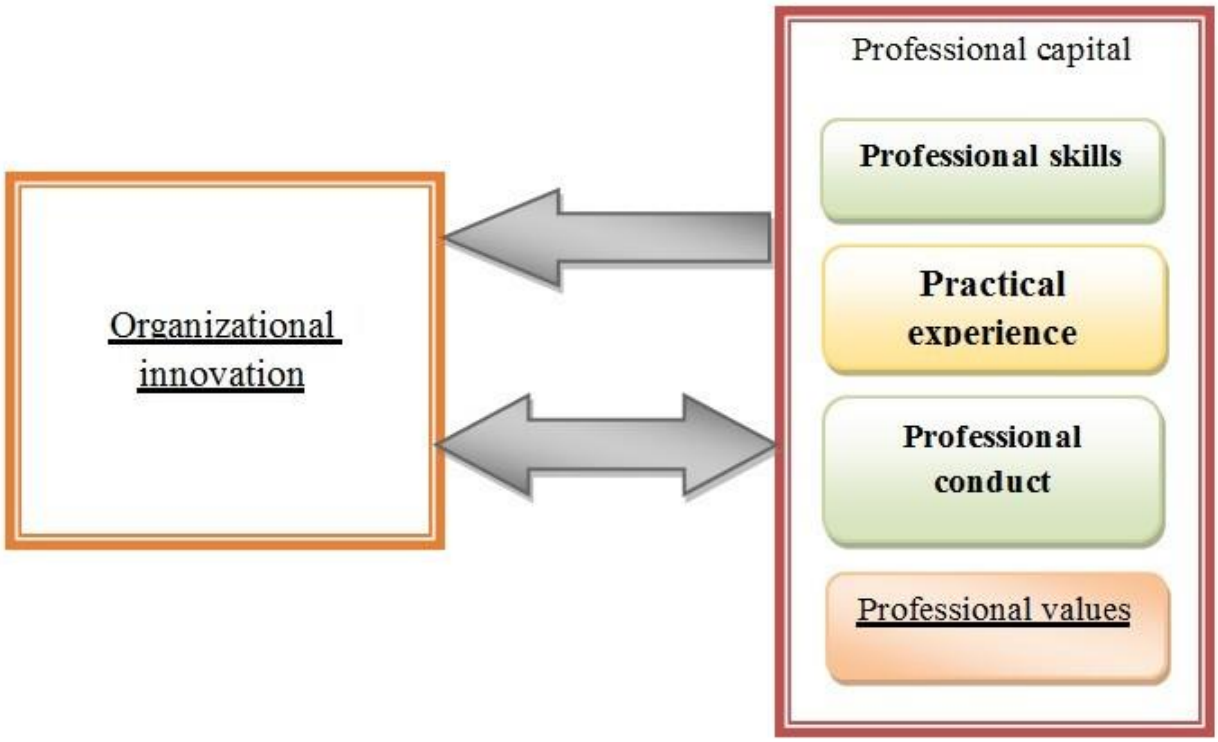

Figure 1. Figure (1) Hypothetical Research Scheme

6.2. Research Gap:

A review of the scientific literature shows that time has been increasing Studies on this subject are booming. In recent years, the development of organizational performance has been a focus for many researchers. However, most of these studies were limited to industrial or service sectors whose nature differs markedly from that of the banking sector. Even more studies have sunk organizational innovation into the general framework, losing sight of its distinctive professional capital dimensions. This has been most obvious when dealing with Taiwan, but may be typical of China in general. On the other hand, there is also a lack of evidence from country-level studies based in a specific field: Studies in life sciences can only be seen after scientific knowledge won by journalists, scholars, and government researchers became public.

In the specific environment of Iraq, a clear knowledge gap exists, as indicated by the limited number of studies on the causal relationship between professional capital and organizational innovation within private banks. Yet this is an area of critical importance to economic stability and one that plays a vital role in the financial services market as well. derived from or dependant upon stable money supplies.

There is a complete absence of field studies that use actual data to investigate the impact of each dimension professional capital exerts on organizational innovation in private banks, and provide a theoretical explanation for these relations within Iraqi context. Only in this way can we become able to play our part in bringing about economic stability at last.

7.2. Research Design

This research employs a descriptive-analytic design that combines a detailed description of the variables under study with an examination of the causal connections among them. This approach is consistent with the aims of the research, which require the level of professional and organizational innovation to be gauged, so that direct effects can then be tested for each dimension in professional capital on innovation in an organization. Because the study is based on measurable and quantitative data, hence it relies on a quantitative research method. A questionnaire was used as its major tool for data collection within from target group. The conceptual framework must be clear, pragmatic and flexible.

a. A systematic description of the phenomena (Professional Capital and Organizational Innovation) within private banks.

b. Analyzing causal relationships among dimensions of professional capital and its dependent variable (organizational innovation).

c. The study uses statistical methods that permit verifiability on hypotheses and analyses to a degree: how valid are our

results statistically?

d This study chooses the Iraqi banking sector as a suitable research environment for testing professional capital models within a context culturally and administratively distinct from global models.

The current design will achieve a high level of methodological rigor in this research project, and contribute to drawing scientifically sound and convenient conclusions within the banking sector.

8.2. Research Population and Sample

The subjects for the research are private banks engaging in Iraq,where researchers chose their sample on the basis of these banks They provide the banking services and act as a branch of the financial sector, internationalizing committed loans or taking deposits from customers worldwide. In the organizational history of logic And knowledge in this field, private banks are characterized by this diversity. They represent a good opportunity— a proper environment from which to study how professional capital and organizational innovation affect each other.The research sample was chosen consciously, since the aim was not statistical generalization but rather deeper understanding of that much in which functional Position has an unequal influence over the whole organizations and proven for its pioneering effects lasting long Afterwards. Therefore, a sample of 64 individuals was selected, representing the administrative levels with the highest capacity to assess professional capital and organizational innovation. These individuals included managers, assistant managers, supervisors, and department heads. They were chosen from five private banks to ensure adequate representation of the private banking environment and to guarantee a diversity of experiences, skills, and professional practices within the sample. This selection provides a solid foundation for the research, as individuals in these positions are best positioned to judge the level of professional capital within their institutions and are most familiar with the nature of organizational innovation and its presence in banking operations and services.

9.2 Data Collection Methods

In this research, a questionnaire was used as the primary way to collect field data from the sample the ramifications It is the most suitable tool for quantitative research because it can measure whether something's are perfect influential factors and how they influence one another by statistical truth. The questionnaire was according to the approved and pre-stored official patterns, with no changes in section structure, table format, or item description mode. This guarantees that the questionnaire is consistent with academic standards; more importantly its data clean easy to compile and subject for statistical analysis, while its wording can be understood by any reader and also possess some degree of humour. Finally there are absolutely no misunderstandings of what we mean by our items

The questionnaire has three main parts:

a. This section covers general information about the respondents, such as age, sex, job position and time served. The aim is to identify any differences among these groups so that we can make or evaluate hypothesis that may be suggested from our data analysis later on. In addition, haphazard investigations may give responsible staff unpleasant feelings; interviews over the telephone not only increase costs for an organization but also cause inconvenience to the subjects themselves if their home phone number has been given out in good faith during a previous study

b. This section contains a series of items that measure the four components of professional capital with five-point Likert scales used to gauge subjects' degree agreement. Those dimensions are knowledge base and seriousness (professional skill); length required for accumulation in order to accumulate (practical experience); whether or not professionals are 'they' rather than 'it' (professional behavior); lastly something tied to identity or self-esteem feeling hooked up with the job and its successful completion (professional values).

c. This section also includes a number of items that measure the effect of organizational innovation by itself as a whole. They are all grouped as a single item or variable within this section, reflecting the extent to which our bank was adaptable enough to adopt new methods and technology in its operations.

The questionnaire materials were thoroughly gone over before distribution, to ensure their readers' comprehension and the gathering of reliable data to which analysis could later be applied.

10.2. Validity and Reliability of the Instrument

The validity and reliability of the item should be verified by experts when it is used. This is to make sure what the items are designed to measure is measured correctly. Take the questionnaire's validity, for instance. An expert group (made of over ten people) who have worked in administration and personnel or finance were asked one question each for all the linguistic versions of our questionnaire (see below data). In this way, we ensured that each question was phrased in a way which met their approval and that the meaning behind it was as clearly reflected as possible. By doing so, there were no misunderstandings between the parties involved.

The conceptual framework for the questionnaire:

Again, on reliability Cronbach's alpha coefficient was adopted to explore internal consistency in scale items and relationships among several constructs. In behavioral and managerial research, the most common statistical method for

verifying the reliability of instruments is Cronbach's alpha coefficient. It is generally considered acceptable if above 0.70. Therefore, in actual practice, we will calculate reliability coefficients for each dimension of professional capital, and for the scale measuring organizational innovation. In this way the data can be applied to test hypotheses or understand how variables are related to each other. Comment:

11.2. Statistical Methods for Data Analysis

The research did not limit its methods to any kind of particular statistical techniques, but utilized specialized statistics software, particularly SPSS for data analysis. This choice was made in order to correspond with the quantitative analytical approach adopted by the research, which identified relationship nature as well as strength for variables were established between variables due to suitable method used for statistical analysis.

The methods adopted were as follows:

Descriptive statistics-- this part was mainly an analysis of the organizational innovation and professional capital dimensions together with descriptive statistics for both questions in various forms; thus providing an initial grasp on its meaning.

Cronbach's alpha coefficient-- this was used to verify the consistency of responses and reliability of the questionnaire using the reliability indicator for each dimension of professional capital as well the scale common throughout all organizations (the innovation).

Pearson coefficient: This was used to measure relationships' intensity and direction between different things -- when it comes particularly to connection of this issue or that with organizational capital innovation, what is its relationship?

Regression analyses-- this part mostly aims at testing the causal hypotheses concerning whether there are any effects of independent variable (professional capital with each of its four dimensions) upon dependent variable which is altogether a different thing organized innovation. Simple or multiple linear regression is used depending on the nature for every hypothesis.

15.2 Research Limitations:

There are many limitations in this research. However, the aforementioned points set its outline and define the context of what is addressed–all so that when you come back for this study later on researchers are able to pick up where it was left off. Actually there are limitations to this study in all following aspects:

Special Limitations: The research was geographically limited to private banks in Iraq. Meanwhile it had five representative banks as a spatial framework for analysis.

Human Limitations: The sample consisted of specific categories under the administration, Including managers, assistant managers, nA supervisors, and directors-of-Departments A total of 6.4 administrative tjects participated in t review. This means that the results obtained are confined to these specific categories and do not apply to other Employees.

Temporal Limits: Data collecting procedures were limited to a pre-specified period, which represents the time in which the field study took place. Hence, the findings reflect conditions during that limited period and are not applicable for earner or later times.

3. Theoretical Review:

CAPTURE WHAT PROFESSIONAL CAPITAL MEANS FOR AN ORGANIZATION'. The professional capital of a bank is a fundamental support for its development and competition. It is the flow of values, knowledge, skills, experience and professional behavior of each staff member that is actually one essential strategic resource affecting the quality of operations and services as well as being able to provide support at any time when It needs to flexibly respond or adapt The organization state has always been obsessed with quality, not only from the product perspective, but also that of service. Although professional capital is a difficult resource to control and therefore to measure its value, the professional capital of workers attracts more experience over time--both from different professional situations and meeting with others at work combining these two factors into making it one the most important constituent elements for organizational excellence in service and banking industries.

1.1.3 The Concept of Professional Capital:

Professional capital, on the other hand, is the sum of the professional capabilities, skills, experience, behavior, and values possessed by an individual within an organization. This kind of capital is produced by hours of continuous interaction with the work environment within which the people are specialized in their knowledge and practical experience. Carmela further argues that professional capital represents a key resource for cognitive excellence because its combination of technical competence and purposeful behavior has a positive impact on organizational performance . In describing professional capital Bourdieu identifies it as a specialized form of intangible capital, consisting in deep knowledge that an individual has accumulated through experience and practice. It becomes an effective force of production when systematically invested within the organization . Bontis points out that professional capital forms an integral part of intellectual capital because it combines technical know-how with analytical thinking and problem-solving skills .Nonaka and Takeuchi also emphasize that

Vol. 11 No. 1 (2026): June
DOI: 10.21070/acopen.11.2026.13998

professional capital comes into being as employees transform their tacit knowledge into explicit knowledge that can be applied to improve organizational performance .

Coleman holds that professional capital not only encompasses specialized knowledge, but also includes professional behaviors and ethical values that certain individuals are capable of cooperating, being disciplined and responsible. It is thus a very important factor for the success of harmony within work environments .Recent studies indicate that professional behavior constitutes a key aspect of professional capital, in that it reflects the extent to which employees are committed to the values such organizations stand for, as well as trust, responsibility and mutual concern . For his part, Newman argues that professional capital is one of the most important sources of organizational excellence today because it represents the applied knowledge and the special skills that employees can use to address problems, improve service quality and bring new practices into successful implementation and support organizational innovation . Goldberg also points out that professional capital comes into being not only from experience but also from the interaction between knowledge, behavior and values. It thus becomes a crucial resource for process development and decision-making within modern organizations (Goldberg, 2012: 49). Grant also notes that professional capital enhances employees' analytical abilities and elevates the quality of decisions in complex settings, which makes it a major contributor to organizational performance .

1.2.3 The Importance of Professional Capital

With organizations now dominating modern society, professional capital has become the most important asset related directly with quality of performance, process efficacy or should one need to innovate and adapt an organization. A professional workforce with good skills, ample experience from practical activities and longstanding professional habits is more likely to live on in a new environment.

With consistent organizational values and principles, organizations are better equipped to deliver higher-value services and address operational and administrative challenges more effectively. Down, for example, points out that professional capital provides an organization with a solid foundation for responding to environmental changes by enhancing organizational resilience .

Bourdieu emphasized that professional capital is one of the most important intangible assets that enhances an organization's competitiveness because it is integrated into daily operations and directly linked to the quality of organizational decisions and actions . Coleman, meanwhile, indicates that the importance of professional capital lies in its role in fostering discipline and reliability within the work environment. Professional values and organizational behaviors increase levels of commitment and effectiveness, which is reflected in the quality of final performance .

Other studies confirm that professional capital is a crucial element in enhancing organizational performance, as it leads to increased problem-solving abilities, improved operational processes, and continuous improvement in service quality . Newman adds that organizations that focus on developing professional capital through continuous training and organizational learning are more capable of innovation because their employees possess the knowledge and professional tools that allow them to generate new ideas and improve existing processes .

1.3.3. Characteristics of Professional Capital

Professional capital possesses a set of characteristics that make it a unique strategic resource within organizations, particularly in the service and banking sectors, which rely heavily on the efficiency of human resources and the quality of their professional interactions. Perhaps the foremost of these characteristics is its cumulative nature; it is built up over time through successive practical experiences and diverse professional situations, thus increasing in value with each passing year of work and practical experience . But professional capital is also an elusive thing. It is tied to specialized knowledge and professional behavior, acquired through prolonged training and practice. This was highlighted by Coleman, who considered professional capital to be made up of behavioral and value- based characteristics that set an employee apart in his working environment, and are not easily replaceable . Another characteristic is that it can't be measured directly in the same way as material resources. Its influence is revealed in the quality of performance, the level of professional competence and employees' ability to handle issues and make decisions independently . Goldberg also highlights that professional capital is difficult to imitate. If the same industry or a challenger organization is trying to imitate the good organizational effects of the use of wisdom, professional values and good practice their behavior becomes defective, because it is only possible to have achieved a set of behavior through long years of accumulation and there is a certain amount of interaction of the fact that we are all interpersonal . In addition, professional capital can continuously develop. It can be fostered through training programs, learning an organizational culture and the promotion of professional work ethics, whereby it is a resource that can grow and be renewed, rather than static or rigid.

3.1.4 Dimensions of Professional Capital

In this study, professional capital includes four key aspects that collectively represent the general pattern of professionalism in corporations, especially in a bank where 'human resources' (HR, or staff) are all-important. These aspects are: professional skills, practical experience, professional behaviors and professional values. They are seen as interactive parts, not separate units, working together to decide whether individuals in the bank have a high degree of 'professional capital' and hence any innovative or adoption-prone organizational practices in future work .

1.3.1.4 Professional Skills

Vol. 11 No. 1 (2026): June
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This dimension incorporates two different classes of technical capability, which can mean either manual and mind skills or physical senses. It consists a certain amount of intuitive understanding for all persons working in bank offices to acquire specialized skills not only concerning their own jobs but also the nature of banking as a whole, interlacing: how to operate electronic systems; say what anyone interested in banking products or services does; carry out admin-economic tasks like drawing up forms or analyzing operations Research shows that having professional abilities at a very high level is a fundamental precondition for peak performance. It is the technical and cognitive basis of the employee, for his expertise will be used to take action and his conduct shaped in a professional way.

. Bontis argues that professional skills constitute an essential part of intellectual capital because they are directly linked to the institution's ability to improve the quality of its operations and develop its services . Carmeli also emphasizes that developing professional skills enhances employees' professional confidence and increases their ability to make appropriate decisions in complex environments .

The higher the level of these skills, the greater the employees' ability to perform tasks quickly and accurately, and to deal with changes and updates in banking systems and procedures . Recent studies indicate that professional competence is a pivotal factor in banking performance because it is linked to the employee's ability to accurately use financial technology and regulatory compliance standards . Downs borough also pointed out that developing professional skills is linked to increasing an institution's ability to provide innovative services based on technological knowledge and professional service design .

2.3.1.4 Practical Experience

This dimension reflects the accumulation of professional knowledge that an individual acquires over years of work, through their daily interaction with practical situations, organizational problems, and dealings with customers, colleagues, and management. Whether you are inexperienced or have been in this job for years, the point of experience is turning your past experience into a more sophisticated and effective way of thinking and doing. Practical experience, according to the literature, is not only a form of cumulative knowledge that has taught you how to make good professional judgments but also provides the realest knowledge for living under realistic conditions. People can then make decisions more accurately in complex environments. .Bourdieu has pointed out that practical experience is a form of advanced capital as it is accumulated in the memory of an individual who possesses this knowledge for use in new situations. Citing Nonaka and Takeuchi, professional experience is also taken by them as the most important source of tacit knowledge. This experience is not gained through formal training but through practice in their work field and direct interaction with the practical environment. Therefore it becomes the foundation for practical learning and innovation within an organization. .In a banking environment, practical experience is crucial to improving the quality of decisions related to risk management, customer assessment, and selecting alternatives, indispensable for building professional capital and creating organizational innovation . Down also points out that practical experience is related to employees' ability to interpret and anticipate changes in the market, thus enhancing strategic decision-making. The quality of their work depends on a good way of thinking and whether they can distinguish between what's important and unimportant signals..Teece also emphasizes that experienced staff contribute towards developing the organization's dynamic abilities. By applying what they learned in previous situations, those employees make fresh moves to work innovations in method. .

3.3.1.4 Professional Behaviors

Take this dimension practical skills training which is done based on your own level of skill and experience. mitigate them successfully turned into something useful. Practical activities at work include compliance with regulations and instructions, punctuality, attention to detail in task performance, cooperation with colleagues and harmonious relations with superiors and clients. In Coleman's view, professional behaviors are the visible part of professional capital, reflecting in action an individual's devotion not only to professional values but also high professional standards he . In outlets for private banks or downstream industries professional behaviors are particularly important. They form a foundation for maintaining secrecy of client information, protecting the bank's reputation in society and shaping an atmosphere which encourages exchanges of knowledge and new ideas. Consequently they connect professional capital with organizational innovation. .

4.3.1.4 The Fourth Dimension: Professional Values

Much of people's professional behavior is controlled by this; their moral system, value perspectives, where professional conduct goes on. For example, uprightness, transparency, being responsible are fair rules that guide all United Nations employees and everybody that is working here at the institution who works under regional director. This kind of integrity, sense of personal responsibility and selflessness should be instilled in every employee from the very beginning. Professional values give employees guidelines for making decisions in the event that their interests conflict. An organization's future is in the hands of scholars and employees who meet challenges head on. Geniuses always have the courage to fight

Rain on the plain--flowers have become an absolute necessity As Ren noted, unless a robust value base underpins your professional capital in banking your skills and experience can camoufl age by indiscipline professional values until one day they are turned around in use against their own organization. thus Professional values in the banking context can help the bank avoid ethical risks, build customer trust and create a corporate culture that fosters responsible innovation. This kind of thoroughly practical wisdom, is something experienced and effective management can always use to their own advantage and incorporate into every aspect of their professional capital's "endoskeletal" structure.

2.4 Organizational Innovation

Vol. 11 No. 1 (2026): June
DOI: 10.21070/acopen.11.2026.13998

What current institutions do, build on their income and change from within which is one of the most if it is not the most importing innovation of modern enterprises of the company itself. Mr. Schmidt stressed that innovation is a continuous system made up of creating new ideas and practices, and molding existing ones to make them fit in the light of consumer needs and alterations in the external environment Innovation needs good management as well as these traditional factors if it is to be effective . Innovation is not simply something an individual does. In the words of Joseph Schumpeter . it has become a mainstream that leads to reshaping work practices products developed new management systems Downcfrierail et a Downe argued that institutions which make innovation a strategic choice will be more responsive to market changes and better able to produce additional economic value than traditional ones . According to Amaro, the capacity of an organisation to change its knowledge and technology into practical procedures and methods——thus increasing service quality and eradicating operational errors——is closely linked with organizational innovation in the service industry and particularly in banking. .

1.2.3. The Concept of Organizational Innovation

Organizational innovation means that an organization is able to economize on both its labor methods and administrative procedures, giving it some leeway to practice other ways as long of course they are new or different from these extant one still being used in order more powerfully improved performance higher product quality more competitive competitive edge.

Schumpeter defined organizational innovation as "the development of new ideas being transformed into practical operations having something able besides mere administration duties like production processes." Thus, he stressed that innovation is not simply based on individual creativity but is also about converting innovation the administrative system of a company into new practices involving productivity . Jaravana defines it as the organizational capacity to create "purposeful and planned change," or put basically, executing dual construction through new technologies that make work more efficient while restructuring processes; and in developing products, services . Downsborough also points out that organizational innovation is not limited to basic improvement; it extends beyond that because it involves overturning the traditional manner in which the organization operates, initiating new decision-making systems and encourages organizational learning While these are general statements, none of them promotes change grounded in current thinking and practice codes . From this perspective, it can be seen as a dynamic and continuous process for organizations that links their readiness to embrace change with the ability translate those changes back into work practices which not only enhance its market position but also maximize resource utilization.

2.2.3. Characteristics of Organizational Innovation

There are several features that characterize organizational innovation, making it a central process in the development and improvement of organizational efficiency. At this level, the six characteristics of organizational innovation have been pointed out: First, it is continuous. It relies on renewal and reconsideration of traditional work methods to improve performance-which makes it a dynamic rather than a fixed process, such as appears uppermost in business growth theory textbooks such as Schumpeter s Economic Science . Organizational innovation is a cumulative approach. It depends on continuous learning, which constitutes the acquisition of new knowledge or skill and its application to practical experience in developing processes and procedures . Downs borough points out that organizational innovation is noted for its practical effect. It is only really worth doing if it can be effectively transformed into practical, implementable practices through the organization's administrative system . One other characteristic is the strong reliance on teamwork. This is linked with employee interaction rates, knowledge exchange extents and situation for employees to produce and participate in creative output. This means it is a product of a supportive organizational culture rather than an individual effort. Lastly, organizational innovation is linked to technology, whether that be in the use of digital systems or creation operational processes based on smart tools. Consequently, businesses choosing modern technology as part of their overall approach are further capable of creativity(orgclid, Inc.)

. Finally, organizational innovation is value-oriented, meaning it seeks to deliver substantial improvements in services or processes to enhance performance quality, reduce waste, and boost the organization's competitiveness.

3.2.3. Characteristics of Organizational Innovation

Organizational innovation is characterized by a set of features that reflect its dynamic nature and its vital role in developing organizational performance and enhancing competitiveness.

Firstly, it is an inherently changeable process, relying on the development of work methods and the adoption of new ideas that enable the organization to improve its processes and move beyond traditional patterns. Schumpeter points out that innovation represents a transformative force within organizations because it replaces outdated practices with more efficient ones . Furthermore, it is characterized by Organizational innovation is a cumulative process based on self-learning and organizational learning. Its effectiveness increases with the accumulation of experience and knowledge sharing among employees .

It is, another characteristic of organization innovation that must be a collaborative process. For the internet to find some use or other, it needs people who will help transform creative ideas into actual applications, Then in position the labor representatives of various departments take those and make them reality. This is also made clear by Downs borough, who believes that organizational innovation arises from the participatory environment in a company, which promotes employees to develop a spirit of exploration and share knowledge with each other . Moreover, organizational innovation is closely associated with modern technology, especially in banks. This is because modern electronic systems now provide services for

Vol. 11 No. 1 (2026): June
DOI: 10.21070/acopen.11.2026.13998

the bank, which makes all the difference . That makes technology a fundamental driver of process innovation and better service quality. Finally, of course, organizational innovation is value-oriented. That means it tries to achieve tangible improvements in performance and service quality while reducing waste; this strengthens the organization's capacity to compete on the global stage as well as helps guarantee that even when there are drastic changes occurring in work circumstances, its activities will continue in a threadbare vein.

4.2.3. Types of Organizational Innovation

Organizational innovation within institutions takes many forms. Nevertheless, according to nature of activity, size and competitive environment, they all have a common core: pursuit of new value through process refinement, service creation, or changing work methods. Schumpeter divided innova tion into several types,each corresponding to a particular pattern of change within the institution,ranging from process innovation to product innovation or a new organizational model . Process Innovation as one of the most important types,it depends on designing work procedures, It refers to re-engineering processes, reduces waste and raises the quality of output. This is also the major type in banking institutions that rely on electronic systems,in order to modernize operational procedures . Service Innovation is adding new services or improving existing ones, so as to satisfy customer needs better and improve the competitiveness and market differentiation of the institution. Downsborough observed that banking institutions which innovated by designing their digital services achieved a higher level of customer satisfaction and fewer, but more loyal customers . Next is innovation in organizational structures: this means changing the administrative organization of the institution in order to be more flexible in making decisions and put into effect changes more quickly. This kind of innovation leads to improved performance efficiency and diminished bureaucratic complexity .

5.2.3. The Importance of Organizational Innovation for Banks

In the banking sector, innovation is crucial due to the competition in the financial environment, ever-changing and accelerating technological developments, customer expectations for higher service quality, and faster response times tThis is no longer a choice for banks to make. Innovation is an automated necessity for their survival in the market and their capability to keep up with the times. Schumpeter argues that organizations which cultivate the ability to innovate services are best placed to adjust those services as circumstances dictate. This gives them an edge over others in competition that no one else can copy, Subsequently (Schumpeter:48). In banks the importance of organizational innovation is increasing due to their reliance on digital systems and its shift from manual to electronic processes. Innovation in electronic services offered by banks, a rise in smart applications that benefit different sectors of the economy, and secure digital services represent one of the most important sources of incremental value added that serve to increase customer satisfaction with banks' services as well as their retention and loyalty to the bank. And Downsborough argues that banks which invest in technological innovation achieve higher rates of growth because they can offer faster, more accurate and reliable services. (Downsborough:37) Similarly, organizing innovation makes for fewer working procedures and operations errors in banks. It can promote the efficiency of banks' internal operations.Indeed, innovation in banking industry models is a crucial form of development, allowing banks to redesign distribution of services, streamline the process and use bigger data for decision making, so as to recognize new opportunities better and more accurately meet customer needs. And Amaro points out that organizing innovation helps to cultivate in a bank a dynamic working atmosphere with employees generating their own creative ideas., bringing them into play on a practical level.Thus making the bank more supple, more ready for change. (Amaro:70) Seen from this point of view, organizational innovation plays an important role for private banks in raising their competitiveness and efficiency: it allows them to bring greater added value,d better serve clients, and respond flexibly to both technological and financial changes. This makes innovation one of the most important legs on which modern banking rests for success and endurance.

3.3. The Relationship between Professional Capital and Organizational Innovation

The relationship between professional capital and organizational innovation is a direct and influential one. Professional capital represents the knowledge, skills, and values that enable employees to improve performance and adopt new work methods. Organizational innovation doesn't arise in a vacuum; rather, it's based on a set of accumulated professional capabilities possessed by employees. These capabilities enable them to understand and analyze problems, develop new alternatives, and implement innovative solutions effectively. Bourdieu emphasized that professional capital represents a knowledge resource that can be transformed into practical value when employees possess the competence, experience, and professional behaviors that support change . From this perspective, organizational innovation is a natural reflection of the strength of professional capital within an organization.

Coleman argues that the professional behaviors and ethical values possessed by employees play a crucial role in fostering innovation. This is because they encourage collaboration and knowledge sharing, and create a work environment that stimulates creativity. Therefore, professional capital is not merely a collection of skills and experiences, but a cultural system that supports innovation at both the individual and team levels . Newman also argues that developing professional capital through continuous training and organizational learning contributes to enhancing employees' ability to develop new ideas and translate them into practical applications, which directly translates into improved processes and services within banks .

Goldberg adds that professional capital supports organizational innovation by enhancing decision-making capabilities, raising the level of analytical thinking, and equipping employees with the skills to deal with change and complexity. These factors make professional capital the primary driver of development processes within organizations . In the banking context, this relationship is even more important due to the nature of banking work, which relies on precise professional knowledge,

Vol. 11 No. 1 (2026): June
DOI: 10.21070/acopen.11.2026.13998

the ability to manage market risks, and continuous development.

The services provided are tailored to meet customer requirements.

4. The Practical Framework of the Research:

In this part of research, the author tries to analyze field data that he collected from employees in five Iraqi privately-owned banks. Among other things, its findings reveal levels of professional capital among employees in each industry; the nature and characteristics of innovation in these institutions; also attitudes held by those survey respondents for whom these two categories were 'acceptable'. It also examines the hypotheses of those who argue that the nature of relationship between work capital -- as independent variable -- and organizational innovation (which you will remember is dependent variable) is one where: none exists at all or–if there is any–it must be negative to some extent. The research used a carefully designed questionnaire tailored for the Iraqi banking environment to obtain this data. The data were then processed using various statistical methods suited to nature of the study, including descriptive analysis, validity and reliability tests, correlation coefficients and so forth. This chapter tries to present the practical results in a form that is both clear and scientific, one helps explain the interaction between variables furthermore appears to reinforce theoretical framework of our study.

1.4 Description of the Research Population and Sample

The study's target group is made up of employees at middle and senior management levels from five private banks in Iraq. This choice was made because these people participate in making decisions, put into practice whatever decision is made and also have a certain degree of grasp over the running day-to-day running of a business. Thus, they are in the best position to represent state-of- the-business psychology status itself organisational business innovation within these banks. The sampling method used included selection of knowledgeable professionals with sufficient experience in banking work so that accurate and detailed data could be obtained.

This survey was carried out using a sample of (64) individuals selected from the following positions: managers, assistant managers, heads of department, and supervisors. These numbers are most appropriate for what is required by statistical analysis in this study and represent in summary form a wide cross section of experienced professionals from private banks. The appendix shows sample distribution by job category:

ratio	No.	Job category
18.8%	12	Managers
21.9%	14	Assistant Managers
40.6%	26	Department Heads
18.8%	12	Supervisors
100%	64	Total

Table 1. Table No. (1) Distribution of Sample Members by Job Category

Validity and Reliability Procedures

The study made use of a group of use validation and reliability steps in order to ensure the measuring instrument quality and finally give actually accurate and reliable results.Its content validity was attested when an community of management and human resources faculty members looked over it and gave their approval of the suitability being able to at least partway measure this thesis main variables of concern. Face validity was also confirmed. Examining the clarity of the itemized wordings confirmed its lack of ambiguity.Construct validity was established by the internal consistency of all these items and from there, matching them to theoretical dimensions of these variables.

As for the reliability, we calculate the Cronbach's alpha of the scale so as to measure its internal consistency. If a scale has an α of greater than 0.70, then it is said to enjoy a high degree of reliability. Scales with less than 0.70 should not be considered reliable or easy to work with. Having examined the reliability of most dimensions but professional behavior. Its coefficient is the second lowest of all and thus is unreliable. This means that when performing subsequent statistical analysesin this method's research, one has to assign some measure of unreliability to any result in the dimension. Table 1 is reliability and Cronbach's Alpha coefficient values by dimension.

results	Value of the coefficient (α)	stability Number of paragraphs	dimensional
High stability	0.84	4	Professional skills
Excellent stability	0.87	4	Practical experience
Poor stability	0.69	4	Professional behaviors
Good stability	0.82	4	Professional values
Excellent stability	0.88	16	Professional capital as a whole
Very excellent stability	0.90	16	Organizational innovation (a holistic variable with no dimensions)

Table 2. Table No. (2) Cronbach's Alpha Coefficient Results for the Study Dimensions

3.4. Descriptive Analysis of the Researched Variables and Their Dimensions

In this section, you should look at the statistical description of the responses to the variables you studied: independent variable is the professional capital, and its possible dimensions; dependent variable is completely dependent on innovation in

Vol. 11 No. 1 (2026): June
DOI: 10.21070/acopen.11.2026.13998

an organization. The arithmetic mean and standard deviation are used to ascertain whether each of these variables is present within the testing group or not (attitudinally speaking), the five traditional grades of a Likert scale on which attitudes are rated being three more than plain feeling. This describitive analysis will draw an initial picture of the state of professional capital and organizational innovation in private banks of Iraq, in preparation for testing the hypotheses of the subsequent sections.

1.3.4. Professional Capital

The results of the descriptive analysis demonstrated that the professional capital level among the sample is medium to high, which means there exists among employees good skill level, practical experience and professional values. Their lo The biggest achievement in 2017 was that all three dimensions of professional skills, practice experience and professional behavior had higher than average scores. This means traditional professional behaviors in Iraqi banking environments still contribute less towards supporting innovation than the other two dimension.

Level of appreciation	standard deviation	SMA	Dimension
High	0.49	3.78	Professional skills
High	0.52	3.82	Practical experience
Medium	0.61	3.31	Professional conduct
High	0.55	3.74	Professional values
Medium-High	0.44	3.66	Professional capital as a whole

Table 3. Table No. (3) Arithmetic Means and Standard Deviations of Professional Capital and its Dimensions

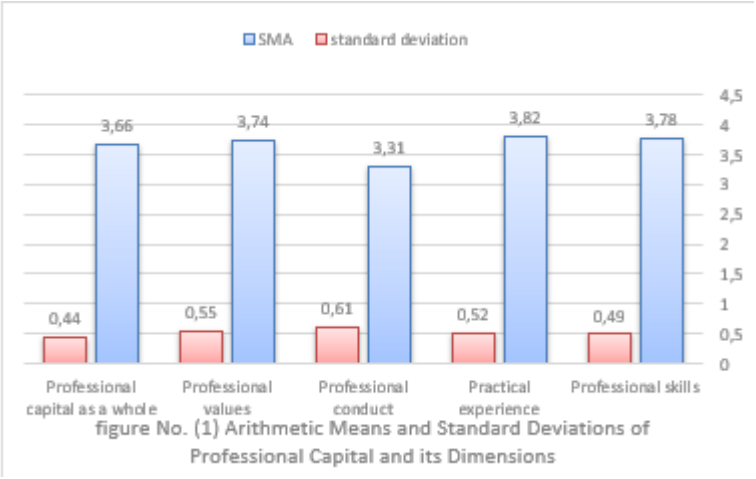

figure No. (1) Arithmetic Means and Standard Deviations of Professional Capital and its Dimensions

Figure 2.

From the table we can see that Professional capital is at a positive level, especially when it comes to professional skills, practical experience and professional value. That suggests the reliance of private banks on sound professional resources which can be put to use to enhance their own performance and benefit customers. The low average score in professional behavior indicates that the organizational environment is one of formalism and sticking to orders rather than encouraging real initiative and creativity. These are also closely tied with follow-up statistical data: the statistical impact of this dimension on organizational innovation is weak.

2.3.4. Organizational Innovation

Descriptive analysis suggests that average level of organizational innovation in Iraqi private banks prevails, which indicates genuine efforts towards modernization and development but has so far not achieved high-level Instead this result reflects one aspect in an organization where attempts at improving service and work practices are mixed with the crosstalk between regulatory and operating conditions. As well as proving how much potential still needs to be realized under given restrictions especially in an environment that is characterized by high risk factor, this crosstalk reflects how formalistic procedure can stymie sensuous feeling for how procedures should work.

Level of appreciation	standard deviation	SMA	variable
middle	0.45	3.46	Organizational innovation

Table 4. Table (4) Arithmetic Mean and Standard Deviation of the Organizational Innovation Variable

The mean of 3.46 shows that On the whole, organizational innovation is progressing moderately, meaning that while their procedures and even services were gradually improved, local banks basically still worked from a relatively traditional management model. In response to the questionnaire, quite uniform replies were forthcoming from members of the sample, as is confirmed by the standard deviation level of 0.45. This result reveals a genuine opportunity to upgrade the level of organizational innovation by maximizing the professional capability of the human resource, above all in some dimensions professional skills, practical experience and professional values.

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Academia Open
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4.4 Testing the Research Hypotheses

This section aims to test the research hypotheses concerning the nature of the relationship between professional capital, as an independent variable consisting of four dimensions, and organizational innovation, as a fully dependent variable. Two main statistical methods were used: the first to measure correlation using Pearson's correlation coefficient, and the second to measure regression using multiple linear regression. This helps to identify the dimension that contributes most to innovation and to reveal the dimension that lacks statistical significance.

1.4.4 Testing Correlation Hypotheses

The correlation hypotheses aim to verify the existence of linear relationships between the dimensions of professional capital and organizational innovation, both at the overall relationship level and at the level of each dimension individually. Pearson's correlation coefficient is one of the most suitable methods for testing these hypotheses, as it reveals the direction, strength, and statistical significance of the relationship. Significance levels of 0.05 and 0.01 were adopted, where one asterisk (*) indicates significance at the 0.05 level and two asterisks (**) indicate significance at the 0.01 level, while the absence of asterisks means that the relationship is not significant.

Interpretation	(Sig.)	Level of significance (Sig.)	Correlation coefficient (r)	Dimension
A very strong and meaningful relationship	Sig 0.01	0.000	0.71**	Professional skills
A strong and meaningful relationship	Sig 0.01	0.000	0.68**	Practical experience
A weak and meaningless relationship	Not Sig	0.143	0.18	Professional conduct
A strong and meaningful relationship	Sig 0.01	0.000	0.64**	Professional values
A strong relationship	Sig 0.01	0.000	0.66**	Professional capital as a whole

Table 5. Table No. (5) Correlation Coefficients between the Dimensions of Professional Capital and Organizational IPnrnoofevsast**ion**a*l* capital as a whole showed a strong correlation with organizational innovation (r = 0.66**), significant at the 0.01 level. This indicates that higher levels of professional capital are associated with higher levels of organizational innovation within banks. This suggests that technical skills are the primary driver of innovation.

Practical experience also showed a strong and significant correlation (r = 0.01), indicating that accumulated experience contributes significantly to higher levels of innovation.

Professional values showed a strong correlation (r = 0.64**), significant, indicating the role of professional culture and organizational values in supporting innovation.

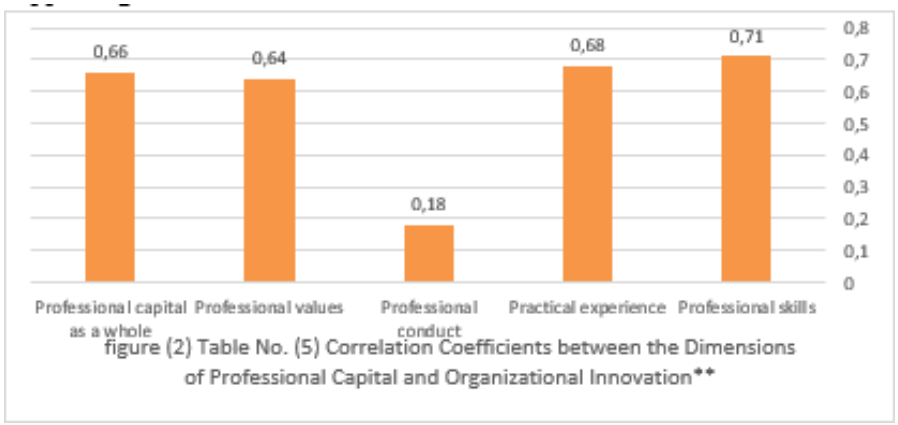

figure (2) Table No. (5) Correlation Coefficients between the Dimensions of Professional Capital and Organizational Innovation**

Figure 3.

The results showed that professional behaviors (the non-significant dimension) had the weakest correlation (r = 0.18), with a significance level of (0.143), which is not significant. This confirms that professional behaviors within Iraqi banks are traditional in nature, associated with adherence rather than innovation.

2.4.4 Testing the Impact Hypotheses

We must wonder what these implications are and how they can be applied. After identifying the relationships multiple linear regression was then applied in order to determine how each dimension of professional capital impacted organization innovate, and which dimensions have significant or non-significant effects. For the distinction between significant and non-

Vol. 11 No. 1 (2026): June
DOI: 10.21070/acopen.11.2026.13998

significant effects, levels of sign. levels of 0.05 and 0.01 were used are determined by their consequent percentage-tables in Chapter 16 Table 16 (A) 1.

But what exactly did these mean? How could this be developed without its shading implications? Table 6the results of multiple linear regression analysis of the dimensions of professional capital and their impact on organization innovation.

Interpretation	Significance	Sig.	Value t	Value B	Dimension
A powerful and direct impact	Significance in 0.01	0.001	3.456	0.312	Professional Skills
A substantial impact	Significance in 0.01	0.003	3.112	0.284	Practical Experience
No effect	Not Significance	0.212	1.257	0.071	Professional Behaviors
Important effect	Significance in 0.01	0.006	2.875	0.226	Professional Values
—	Significance	0.000	4.981	1.214	Model Constant
Model morality	Significance	0.000	—	18.72	F Value
It explains 52% of the change	—	—	—	0.52	R^2

Table 6.

Analysis of Impact Results

1. Professional Skills: Highest direct impact (B = 0.312) and high significance (0.001), meaning that skills significantly enhance innovation.

2. Practical Experience: Strong impact (B = 0.284) and high significance (0.003). Accumulated experience is a significant factor in fostering innovation.

3. Professional Values: Important impact (B = 0.226) and significance (0.006). The ethical environment and organizational values support innovation.

4. Professional Behaviors (Non-Significant Dimension): Very weak impact (B = 0.071) and non-significant (0.212). They do not contribute to organizational innovation in the Iraqi environment.

5. Model as a Whole: Significant F-value (0.000) and $R^2 = 0.52$. The variables explain 52% of the innovation, which is an excellent level of explanation in management studies.

A detailed study of data analysis about correlation and regression showed that not only did the other two productive dimensions, of professional capital both show significant correlations between them and creativity changes, but inputs professional behaviour also This was interesting--since when you switched to a multiple linear regression The dimensions of professional capital showed strong correlations with organizational innovation, most of which were statistically significant in the multiple linear regression results, with the exception of the professional behaviors dimension, which did not show significance in either test. The professional skills dimension had the largest correlation (0.71**) and highest effect value (B = 0.312, Sig. = 0.001), showing that having advanced professional skills directly contributes to improving organizational innovation. This is in keeping with the nature of banking work, which depends on professional precision, dealing with electronic systems and handling complex operations--making professional skills one of the most important driving forces behind innovation in banking.

Practical experience also had a large correlation (0.68**) and a significant influence (B = 0.284, Sig. = 0.003), indicating that accumulating operational experience and dealing with daily problems make it easier for you to come up with innovative solutions and to improve processes. This finding confirms the point made earlier that experienced bank employees have much practical experience and a stronger ability to make decisions that lead to innovation.

The professional values dimension also had strong correlations (0.64**) and significant influences (B = 0.226, Sig. = 0.006), which suggests too that possessing clear professional values such as perseverance, reliability, and responsibility creates a robust environment for workers to develop new ways of working and improve their service quality.

In contrast, the professional behaviors dimension continued not to have any significant relationships; a correlation of only 0.18 (Sig. = 0.143) and not significant in the regression analysis either (B = 0.071, Sig. = 0.212). This shows that the current professional behaviors in Iraqi private banks remain firmly traditional, based on obedience to instructions rather than actions that assist innovation. Given the environment in which banking takes place it is understandable that those banks, which rely on a fixed operating model and also with a thorough approach to control and procedures are essential, reproduce new behaviors of this nature.

At last statistical level, the final statistical regression model ($R^2 = 0.52$, $F = 18.72$**) explains that 52% of Variance in organizational change is Explained By the dimensions of professional capital. This is a strong explanatory percentage, reflecting professional capital's importance in shaping Iraqi privately owned banks' innovation capabilities. It also confirms the main study hypothesis, which argues that professional capital is an important determinant of company innovation. As one type variable among many which all have impact upon how well a firm operates and how creative it may become, development of this professional variable not only has direct value to firm performance and creativity.Unlike a traditional bank, which just works by inputting funds for the sake of changing them to another currency, today 's Iraqi banks are real centers of international investments and trade.

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5. Conclusions and Recommendations

1.5 Conclusions

The result of these conclusions is on-the basis of an analysis and interpretation of statistical results, yet also form a reflection regarding what kinds of relations professional capital has with organizational innovation in Iraq's private banks.These conclusions are the result of interaction between field data and the practical context in which banks operate.

The first finding was that levels of professional capital are in the middle to high. This is because employees possess professional skills and a practical experience that matches what is required for banking work, which means not merely mastery of electronic systems but also understanding complex operational procedures. In addition, according to operation aspect dimensions are one of its strongest facets. This indicates or suggests one thing: that with accumulated experience its performance ability and innovation potential roc:length is enhanced greatly.

The second set of results reveals that professional skills have the greatest impact on organizational innovation: 0.81 is a correlation coefficient at very high levels This means that the greater a person's professional and technical abilities managerially related to operations in banks are, so does he have more chance to raise his ability in developing processes or services for bank customers.

Third, the results show that professional values constituted a supportive factor in helping innovation to come forth in banks. The commonhold environment, based on these codes of conduct and ethics, provides for both a good place to work as well as an environment that promotes innovation as witnessed by employees who thus foster discipline within their work sites. These values were all clearly positively experienced in the statistical model as well.

Fourth, professional attitudes did not have a significant impact on organizational or technical innovation. They have low correlation or regression with these factors at all In other words banks are still living in the past, with their professional attitudes characterized by conservatism and rigid enforcement of rules. At the same time this is not conducive to creativeness which has perhaps been stifled somewhat before now precisely because that type could be given free rein. And this coincides all to well with Iraq's banking environment which mainly leans on regulations and directions rather than initiative behaviors.

Fifth, the study finds that professional capital as a whole account for a considerable proportion (52%) of organizational innovation change. This high degree of explanation percentage tells us first-hand that increased capital gives rise directly and immediately to more innovation in banks. That means both landing at a new type of human resources development way-oppression passing as a success in economics-and seeing actual market results more than a fashion statement. Therefore, no-one can deny this argumentation: Investing on people as competitive advantage has become one precondition for promoting innovative businesses.

Sixthly, the results suggest that although organizational innovation in banks has made progress, it remains at a median level. This shows that while efforts for both service development and the establishment of procedures are underway, there is as yet no real leap forwards where advanced innovation takes place. It is largely due to organizational and structural constraints that the level of innovation in banks cannot be raised further.

Therefore, the paper emphasizes one essential fact: Developing professional capital in terms of skills, experience and values is a prerequisite for improving performance and enhancing organizational innovation in Iraqi private banks.

2.5 Recommendations

The study takes stock of the findings of previous scholars and suggests a series of feasible approaches for Iraqi private banks to take advantage of professional capital and promote managerial innovation.First, offer continual specialized training in modern banking technology, electronic systems management and advanced work methods to enhance staff professional skills. This will not only help them develop a more professional demeanor, but will also help to support the doing of new things at work.Second, based on accumulated practical experience, set up joint work teams including those with highly experienced skills, and make every effort to encourage the passing on of knowledge in this career field through professional guidance and mentorship. In this way the innovations are brought about by combining this high quality pool together can be fine-tuned or even finally rendered viable processes, new ways of doing business as we call them now.Third, based on accumulated practical experience, set up joint work teams comprised of highly experienced staff and make every effort to foster the passing on of knowledge in this sector through mentorship and professional development. Thus helping staff develop new approaches, thereby improving process quality.Fourth, through promoting professional and organizational values such as integrity, responsibility and teamwork, integrate professional values into training, selection and promotion plans as well as foster a conducive professional environment for bribery-free development and creativity.Fifth, reorient professional behaviors so that they provide more lines of support for innovation. By reducing administrative rigidity and centralization, and giving staff greater individual authority to take initiatives or put forward new schemes.Sixth, reward policies to encourage innovation, such as excellence rewards and an 'encourage initiative' program; the establishment within banks of "development proposal" prizes. This encourages creativity and transforms innovation into real practise.Sixth, given the tremendous role played by modern technological systems for supporting innovation and developing banking services as well as performance quality, give priority to increasing investment in techno-logical infrastructure and digitizing business procedures.Seventh, through awareness campaigns and training courses, forge an organization culture that supports change. The emphasis will be on innovation, encouraging staff to alter their mental set in a new direction and adopt novel methods of work.Eighth, carry out an annual survey of inventive capital and how it is being used. This kind of perimeter study will help to clarify who is strong and who weak, as well as give some pointers for improving on the position.

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