

## **Mediating Role of Knowledge Acquisition Capabilities between Intellectual Human Capital and Financial Performance of Indigenous Craft Industries in Sri Lanka**

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The study investigates the mediating role of knowledge acquisition capabilities between intellectual human capital and financial performance in indigenous craft industries in Sri Lanka. The data were collected from 225 owners of indigenous craft industries by using a structured questionnaire located in seven crafts villages in Sri Lanka and analyzed with the help of a Partial Least Squares Structural Equation Model (PLS-SEM). The study found that knowledge acquisition capabilities positively mediate the relationship between intellectual human capital and financial performance. Further, it proved that intellectual human capital has a positive impact on financial performance, and knowledge acquisition capabilities have a positive impact on financial performance. Thus, the study concluded that the knowledge acquisition capabilities of owners of indigenous craft industries are a vital tool to enhance the financial performance of these industries. The study suggests that owners of the indigenous craft industries, policymakers, donors, and others implement strategies to develop and strengthen the knowledge acquisition capabilities of indigenous craft villages to improve their financial performance.

**Keywords:** Financial performance, Knowledge acquisition capabilities, Intellectual human capital, Indigenous craft industries

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