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## The impact of intellectual capital on the employee performance of SMEs with the mediating role of organizational learning

Masoumeh Rastegar<sup>1\*</sup>, Hani Arbabi<sup>2</sup>

<sup>1</sup>M.A in Project Management, Department of Project Management, Tarbiat Modares University, Tehran, Iran

<sup>2</sup>Assistant Professor, Department of Project Management, Tarbiat Modares University, Tehran, Iran

**\*Corresponding Author:** Masoumeh Rastegar

\*M.A in Project Management, Department of Project Management, Tarbiat Modares University, Tehran, Iran

### Abstract

Employee performance is one of the basic and important issues that managers and employees of organizations seek to increase. Organizations use different methods and tactics to achieve high performance. Today, due to the complexity of the business environment and the intensity of the competition, organizations realized that the value of intangible assets is a vital determining factor for the competitiveness of the organization. Intellectual capital and organizational learning can be mentioned among the important intangible assets. Therefore, the purpose of this research is to investigate the effect of intellectual capital on the performance of employees with the mediating role of organizational learning. The research method is applied in terms of purpose and descriptive-survey in terms of data collection. The statistical population of the research is made up of SMEs in Tehran. The sample size for this model was determined to be 228 companies. In order to collect data, intellectual capital, organizational learning and employee performance questionnaires were used. To measure the validity of the questionnaire, face validity was used, and for reliability, Cronbach's alpha coefficient and composite reliability were used. In order to test the hypotheses, the structural equation modeling approach with the partial least squares approach was used. The results of research hypotheses showed that intellectual capital and organizational learning have a positive and significant effect on employee performance. Also, the mediating role of organizational learning in the relationship between intellectual capital and employee performance was confirmed.

**Keywords:** intellectual capital, organizational learning, employee performance, SMEs.

### Introduction

Companies have realized that they need to develop unique dynamic features that enhance their competitive advantages in order to survive in a constantly changing market environment. Therefore, they focus on exploiting their human resources, especially on employee performance, as a source of strategic advantage (Diamantidis & Chatzoglou, 2019). Globalization, knowledge society and changes in work environments have focused on the need of organizations to maintain competitive advantage. To achieve this goal, the intangible inner element of human being is reflected in knowledge, skills and attitudes, and a conscious effort to use positive measurable human resource capabilities and psychological capacities that are necessary to improve performance in organizations (Atatsi et al, 2019).

Employee performance is one of the basic and important issues that managers and employees of organizations seek to increase. Therefore, in today's competitive world, organizations are constantly looking for new ways to maximize the performance and efforts of their employees. Also, employee performance is one of the important indicators of human resource management that guarantees the effectiveness of the organization. The success or failure of the organization depends on the correct performance management to achieve the goals of the organization. Today, due to the complexity of the business environment and the intensity of competition, organizations realized that the value of intangible assets is a critical determining factor for the organization's competitiveness (Hussinki et al, 2017). The performance of organizations depends not only on tangible resources in the organization, but also on intangible resources such as intellectual capital (Abualoush et al, 2018). Intellectual capital is considered one of the most vital intangible assets in today's knowledge-based economy and is a central element in creating an organization's value (Chen et al, 2005). Intellectual capital plays a key role in achieving organizational success in a competitive environment (Waseem et al, 2018). Chowdhury et al (2019) stated that intellectual capital is not only a driving force and an important resource in creating value and sustainable development of the company, but also as a source of innovation and as a key to profit growth. Therefore, it is necessary to examine the role of intellectual capital in employee performance.

On the other hand, organizational learning is one of the factors that plays an effective role in improving employee performance. For the first time, organizational learning emerged as a quick response to these environmental changes (Santos et al, 2012). Nowadays, organizational learning is a necessity and not an option, therefore, it is unlikely that an organization will ignore the learning process (Montes et al, 2005). Organizational learning can be seen as a set of actions that cause positive change in the organization. Currently, organizational learning is interpreted as a source of competitive advantage in the field of strategic management (Khan & Khan, 2019). Organizational learning is one of the tools for gaining competitive advantage for managers

of current organizations. Organizational learning is a critical process for organizational growth and a source of competitive advantage because it supports the development of new competencies and improves existing competencies (Jain & Moreno, 2015). Therefore, in this research, we want to examine the impact of intellectual capital on the performance of employees with the mediating role of organizational learning.

## **Theoretical Framework**

### **Intellectual Capital**

Due to the changes, today's global economy has become multifaceted, dynamic and competitive. These changes have created contradictions between the new approach to value creation and the traditional method of monitoring operations. In addition, rapid changes in technology, increasingly sophisticated customers, as well as the prominence of innovation have changed the basis of competition for many businesses from conventional physical and financial resources to intellectual assets (Alrowwad et al, 2020). Intellectual capital in the current economic environment is one of the important topics for researchers, practitioners and stakeholders. Intellectual capital can be defined as all intangible assets and knowledge such as knowledge, professional skills and expertise, customer relationships, information, databases, organizational structures that are efficiently employed. Intellectual capital can be defined as a set of skills and experiences of an organization's employees, which, together with an archive of information with a certain degree of reliability, expresses the company's profit potential in the long term; Therefore, intellectual capital is considered an intangible activity that includes people, the art of making and learning (human capital), organizational culture and technology (structural capital) and relationships with the external environment (relational capital) (Alvino et al, 2020). Intellectual capital is a source of creativity and innovation and one of the main success factors of organizations. This requires gaining a competitive advantage to attract intellectual capital and trying to develop and maintain it in a way that differentiates it from competitors to ensure its survival and continuity (Abualoush et al, 2018).

The establishment of intellectual capital is mainly based on knowledge, creativity, expertise and valuable skills that humans possess. It is common knowledge that intellectual capital is an important part of a knowledge-based economy. In fact, considering that intellectual capital plays a prominent role in all aspects of management and increases the importance and effectiveness of management, intellectual capital is now considered the core of the administrative process (Alrowwad et al, 2020). According to Stewart (1997), intellectual capital is a concept that is related to the accumulation of all knowledge, skills and expertise of employees, which greatly helps to achieve competitive advantages. Smriti and Das (2017) defined intellectual capital as knowledge, skills and commitment exhibited by employees of an organization. Smriti & Das (2017) defined intellectual capital as knowledge, skills and commitment exhibited by employees of an organization. Sharabati et al. (2010) state that the intellectual capital of an organization represents the wealth of ideas and the ability to innovate, which determines the future of the organization. Studies show that intellectual capital has an effect on the performance of organizations. Therefore, the value of a company is not only due to the value of its assets or financial statements, but mainly due to its intangible assets, knowledge has become the most important asset of an organization. The current research focuses on the three main elements of intellectual capital including human, structural and relational aspects that many researchers have mentioned in their studies. Human capital: Human capital is a combination of hereditary heritage, mental state, education and participation of people in life and business. The most important resource in any business is human resources, which is compared to different capitals or hardware (Hameed & Anwar, 2018). Human capital is very vital for organizations because the capabilities of employees reflect on the company's performance. It is also very important for organizations because of its role as a source of innovation and strategic change (Obeidat et al., 2017). Human capital is the sum of employees' competence, knowledge, experience, experiences, attitude, commitment and wisdom, which represents the individual knowledge base of the organization to achieve specific goals (Wang et al., 2014).

Structural capital: Structural capital is defined as the strategic asset value of organizational capacity, business as usual, patents, trademarks, intellectual property rights, databases, hardware and software, information systems, organizational culture, organizational image, and procedures (Seleim, et al. et al., 2007). It is based on the internal structure of the organization and its processes and procedures, instructions and rules, etc., and it defines a set of knowledge in organizations, including organizational competitive intelligence, routines, formulas, policies, procedures, and databases (Sivalogathan & Wu et al., 2015).

Relational capital: Relational capital refers to strategic alliances with internal and external stakeholders (suppliers, customers, employees). Relational capital is formed from hidden knowledge in relationships with the external environment (Pirozzi & Ferulano, 2016). Relational capital refers to knowledge embedded in relationships with customers based on brand value, strong customer network, customer loyalty and customer satisfaction (Bontis, 1998). Relational capital includes alliances, relationships with various stakeholders (such as customers, partners, suppliers, investors) as well as concessions, trademarks, licenses, distribution networks, government bodies and agencies, image and brand, communities, public (Abualoush et al, 2018).

Intellectual capital (IC) is recognized as a key factor that impacts the performance and innovation of small and medium-sized firms (SMEs) in different industries and locations. Studies have demonstrated that elements of intellectual capital, including human capital, structural capital, and relational capital, significantly impact business success, especially in technology-driven and innovative industries.<sup>1</sup> Managers of Russian small innovative enterprises (SIEs) consider intellectual capital, particularly structural and human capital, to be a key factor influencing firm performance (Pena, I, 2002). In Pakistan, the relationship between different aspects of intellectual capital and organizational performance was examined. The results showed that intellectual capital played a significant role in the overall regression model of organizational performance, while human capital did not show significance in this study. Structured literature evaluations have reinforced the significance of intellectual capital in the success of small and medium-sized enterprises (SMEs), emphasizing its influence on strategic objectives like innovation, knowledge management, and core competencies (Khalique et al., 2015). Intellectual capital is connected to product

innovativeness, and there is evidence supporting a positive relationship between human capital and product innovativeness, especially when companies excel in both human and structural capital (Tarus, Daniel, 2015)

Ultimately, intellectual capital significantly boosts the performance, innovativeness, and competitive edge of small and medium-sized enterprises. The different elements of intellectual capital are important intangible assets that enhance the success and longevity of these companies.

### **Organizational Learning**

Constant changes and bigger challenges require the organization to continue learning, because a successful organization is one that can learn and continue to learn. Therefore, the learning process should be built as a culture in the organization in such a way that the daily activities and actions of all members show the sustainability of the learning process. When the learning process becomes a strong culture, organizational capacity is expected to increase, which certainly affects organizational performance (Wahda, 2017). Organizational learning is a dynamic, complex, and comprehensive process, by which the organization adapts itself to the environment (Haase et al., 2015). Learning usually refers to a relatively permanent change in knowledge or skill resulting from experience. In other words, organizational learning is defined as a process that refers to the ways that organizations learn as a collective through interaction in their internal and external environment (Zeimers et al, 2019). Organizational learning is the highest level of learning in management and organization theory. Based on the concept of organizational learning, the organization needs to have a long-term view of itself and the environment in which it operates. Organizational learning mostly includes parts of individual training. An organization does not lose its learning capabilities when its members leave. Organizational learning contributes to organizational memory. In the same way, the learning system affects not only a few people but also many people as a result of collecting experiences, norms and stories (Huber, 1991). Organizational learning is achieved through sharing insights, knowledge, experience and mental models of organization members.

A range of capabilities is available to firms, and organizational learning capability has the potential to serve as a key determinant of performance heterogeneity across firms. Primarily, organizational learning is a dynamic process of developing human capital capabilities that improve firm performance through the creation, acquisition, and integration of knowledge (Wu & Cavusgil, 2006). Enhancing organizational learning capability can enhance the intellectual capacities of the workforce, which in turn, develops their ability to exploit and expand their knowledge base for successful organizational change. Therefore, it is inevitable to promote organizational learning through the acquisition, dissemination, interpretation and institutionalization of knowledge at the individual, group and organizational levels. In addition, organizational learning promotes strategic thinking, which expands employees' perspectives beyond their job scope (Hooi, 2019).

Organizational learning is vital for small and medium-sized businesses (SMEs) as it significantly impacts their capacity to adapt, innovate, and stay competitive in a fast-evolving business environment. The significance of organizational learning in small and medium-sized enterprises (SMEs) can be grasped by analyzing important aspects from the study papers. Organizational learning is directly connected to enhanced business performance. Research indicates a direct correlation between a company's focus on learning and its financial and non-financial performance results (Tippinset et al, 2003) SMEs that cultivate a culture of learning are more likely to achieve success in their operations. Organizational learning is crucial for effectively managing technology. SMEs need to adapt to evolving technologies by effectively generating, preserving, and passing on knowledge to maintain a competitive edge. The information held by the individuals, activities, and resources within a company, together with the connections they create, are essential for technology management and sustaining competitiveness (Spicer et al, 2005). Organizational learning is essential for organizational performance and survival. Continuous acquisition of knowledge through both internal and external learning enhances the organization's capacity to adjust to changes and uncertainties in the environment. Adaptability is crucial for small and medium-sized enterprises (SMEs) that may lack the resources of larger companies to withstand market fluctuations (Argote et al, 2016). Organizational learning is seen as a crucial element that connects IT expertise and firm performance. Merely investing in IT does not ensure enhanced performance; what truly matters is an organization's capacity to acquire knowledge and incorporate IT into its functions (Montes et al, 2005). Organizational learning is advantageous for strategic management. SMEs can strategically focus on key domains including customers, competitors, networks, and institutions by categorizing learning into external and internal categories. This includes individual and group learning within the firm. This strategic learning strategy aids in developing capabilities for a lasting competitive edge (Serrat, 2017). Organizational learning involves not only improving individual knowledge and abilities but also fostering the growth and development of the organization. It plays a crucial role in implementing knowledge management and attaining the organization's primary objectives, therefore improving organizational efficiency (Saadat et al, 2016). Lastly, in the context of supply management, organizational learning acts as a strategic resource. It has been shown to have a positive effect on various consequences related to learning, supply management, management, and performance, indicating its comprehensive impact on organizational effectiveness (Gupta et al, 2001).

Organizational learning is crucial for small and medium enterprises (SMEs) as it is fundamental to their performance, innovation, and competitiveness in the current dynamic business environment. It is a crucial asset that aids in the ongoing growth and flexibility of the business, leading to long-lasting success and viability.

### **Employee performance**

Employee performance is basically the results achieved and achievements made in the workplace. Performance refers to maintaining plans while targeting results. Although performance appraisal is the heart of performance management, the performance of an individual or an organization is highly dependent on all the policies, practices and design features of the organization (Anitha, 2014). Performance, as a vital sign of the organization, shows how well the activities of a process or the outputs of a process achieve a specific goal. Researchers have argued that organizations can increase their performance or

create a competitive advantage through the effective management of their valuable and rare knowledge resources and capabilities (Attia & Eldin, 2018). It is argued that an organization should learn to cope with the challenging business environment and thus improve its performance through the acquisition of new knowledge and skills. (Salim & Sulaiman, 2011). Effective organizational learning strategies and behaviors can allow the organization to improve its strategic capability to maintain its competitive advantage and improve its overall performance (García-Morales et al., 2012). Employee performance is divided into task performance and performance behavior. This behavior includes work-related factors. In the workplace, employee behavior is reflected in immediate behaviors and additional roles. Behavior also includes positive and negative behavior. The existence of employee performance evaluation can increase their motivation and encouragement to actively participate in innovative programs and make it easier to achieve the desired goals (Riyanto et al, 2021).

### **Intellectual Capital and Organizational Learning**

Studying the connection between organizational learning and intellectual capital is crucial for exploring how firms might use knowledge to improve performance and innovation. Intellectual capital, which includes human, social, and structural elements, is recognized as a catalyst for economic growth and essential for enhancing innovation and performance.

Intellectual capital has a favorable impact on knowledge management, which can help foster innovation, however it does not directly impact dynamic capacities or intellectual capital itself (Hsu et al, 2012).

Organizational learning serves as a mediator between intellectual capital and the development of new services. Different forms of learning (exploitative and exploratory) influence the connection between different aspects of intellectual capital (Chen Xuejin et al, 2012).

Intellectual capital has a limited direct effect on organizational performance, but it plays a substantial role in influencing performance by affecting the organizational learning process (Liu, 2017).

Organizational learning acts as a bridge between technological innovation and intellectual capital, indicating that learning processes combine knowledge and innovation endeavors (Al-husseini, 2023).

The research synthesis concludes that intellectual capital is a crucial asset for enterprises, influencing performance and innovation. Organizational learning plays a crucial role in amplifying the impact of intellectual capital on outcomes including service innovation, technology innovation, employee performance, and organization growth. The interaction between these two concepts is intricate and diverse, as various aspects of intellectual capital interact with organizational learning processes to enhance organizational performance.

### **Intellectual Capital and Employee performance**

Intellectual capital (IC) is acknowledged as a crucial asset that improves corporate performance and employee productivity. The success of organizations in many sectors is influenced by components including human, structural, and relational capital. Ostensive and performative perspectives on intellectual capital both indicate that increased levels of IC are linked to improved organizational performance in local governments, as assessed by financial ratios and performance perceptions (Phusavat et al, 2011). Intellectual capital has been found to have positive impacts on several firm performance measures, including financial performance, customer happiness, business processes, and learning and growth, in industrial environments (Hashim et al, 2011). Intellectual capital, comprising its six aspects, has a substantial impact on organizational performance in different Malaysian firms (Farah et al, 2017). Changes in intellectual capital, specifically human capital efficiency, have a positive correlation with changes in business performance, such as efficiency and sales growth in the electronics sector (Esfahani et al, 2019). Human, social, and organizational capital improve performance in the public sector, with shown links between various types of capital (Taştan et al, 2015).

Ultimately, research synthesis shows that intellectual capital significantly influences employee performance and organizational success. Intellectual capital components, particularly human and structural capital, significantly improve productivity, job satisfaction, and total company success in numerous sectors and organizational settings. Managers and policymakers can use this information to create an environment that supports and takes advantage of intellectual assets in order to gain a competitive edge and ensure long-term success.

### **Organizational Learning and Employee performance**

company learning is crucial for improving both employee performance and overall company performance. It entails obtaining and utilizing knowledge, which is becoming more crucial in an economy that relies on knowledge. An organizational learning culture significantly promotes non-financial performance in areas such as employee, customer, and supplier perspectives, leading to improved financial success (Egan et al, 2004). Organizational learning has a positive correlation with organizational commitment, job satisfaction, and work performance. Job satisfaction and work performance partially mediate the connection between organizational learning and work performance (Khandekar et al, 2006). Applying employee learning theories in organizations can improve task performance and organizational citizenship behavior, leading to higher individual and organizational performance (Skerlavaj et al, 2007). Organizational learning is positively associated with organizational performance, as demonstrated by human resource management practices (Sareen et al, 2016). Organizational learning does not directly impact employee performance, but it does have a substantial influence on organizational commitment, which in turn influences employee performance (Abdussalaamet al, 2017).

Organizational learning is a crucial factor that can enhance employee performance and contribute to organizational success. It promotes innovation, boosts job happiness, and reinforces organizational commitment, all crucial for enhancing both non-financial and financial performance. Senior management support and fostering a learning culture are crucial for achieving these advantages. Additionally, the application of employee learning theories within organizations can further stimulate positive behaviors and performance outcomes.

According to the theoretical framework and the topic of the research, the conceptual model and hypotheses of the research are given as follows:

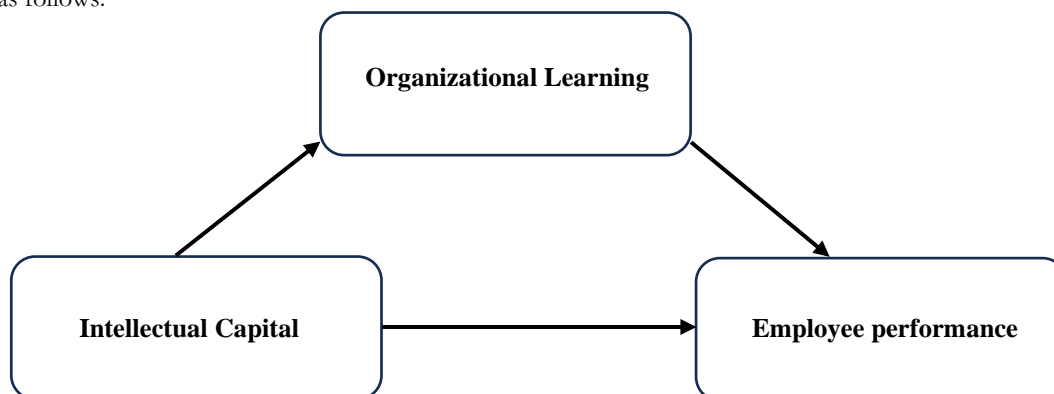


Figure 1. Research conceptual model.

Hypothesis 1: Intellectual capital has a positive and significant effect on employee performance.

Hypothesis 2: Intellectual capital has a positive and significant effect on organizational learning.

Hypothesis 3: Organizational learning has a positive and significant effect on employee performance.

Hypothesis 4: Organizational learning plays a mediating role in the relationship between intellectual capital and employee performance.

### Research Methodology

The present research is applied in terms of purpose and descriptive-survey in terms of data collection. Based on the type of data collected and analyzed, it is quantitative research, and in terms of the type of dealing with the investigated problem and entering it, it is a field study. Library resources were used to collect information on the theoretical foundations and research literature of the subject. In the field study, a questionnaire was used to collect the required information. Before the start of the survey, the questionnaire was distributed among the statistical sample. In this research, intellectual capital, organizational learning and employee performance questionnaires were used in a 5-point Likert scale. The statistical population of this research is SMEs in Tehran. Based on the available sampling method, 228 companies were selected as a statistical sample. Face validity was used to measure the validity of the questionnaire, and Cronbach's alpha coefficient and composite reliability were used for the reliability of the questionnaire, the results of which are shown in Table 1.

Table 1: Summary of measurement models

	CA	CR	AVE
Intellectual Capital	0.891	0.947	0.73
Organizational Learning	0.806	0.892	0.65
Employee performance	0.834	0.905	0.59

AVE index was used to calculate convergent validity. The minimum acceptable value for this index is 0.5. In Table 1, the AVE index is calculated for the variables of intellectual capital, organizational learning and employee performance. The results show that the convergent validity of the model is acceptable. Another indicator used to fit the measurement model is divergent validity. For discriminant validity, Fornell and Larcker (1981) criterion was used. Based on this criterion, the root mean variance extracted for each structure is compared with the correlation coefficients between the structures. The evaluation of this criterion is done by means of a matrix, where the houses of the matrix include the correlation coefficients of the structures and the root mean square of the extracted variance (Table 2). In the obtained matrix, the square root of the extracted average variance of each construct is greater than the correlation coefficients of that construct with other constructs, which indicates the appropriateness of the discriminant validity of the research.

Table 2: Discriminant validity

		Fornell-Larcker's criterion		
		IC	OL	EP
Intellectual Capital	0.854			
Organizational Learning	0.729		0.806	
Employee performance	0.438		0.613	0.768

Before analyzing the research hypotheses, we measured the research variables in terms of normality. Based on this, Kolmogorov-Smirnov test were used to measure the normality of research variables. The results of this test are given in Table 3. Therefore, according to this table, at the 95% confidence level, it can be said that the distribution of all assumptions in the considered sample is normal.

**Table 3: Kolmogorov-Smirnov Test for Normality**

	standard deviation	Test statistics	sig
Intellectual Capital	0.476	1.26	0.157
Organizational Learning	0.573	0.824	0.389
Employee performance	0.391	0.945	0.408

### Hypothesis testing

PLS software was used to check the hypotheses. According to the output of the software and checking the fit of the measurement model, it was observed that the factor loadings of all the items are higher than 4. Which indicates the appropriate reliability of the measurement model. In the following, the significance coefficients and path coefficients between the research paths were examined.

According to table 4; the significant coefficient between intellectual capital and employee performance is (5.27), which is higher than 1.96, which indicates the significance of this path. Also, the path coefficient between these two values is 0.347 Obtained. As a result, the first hypothesis is confirmed and intellectual capital has a positive and significant effect on employees' performance.

The significant coefficient between intellectual capital and organizational learning is (10.31), which is higher than 1.96, which indicates the significance of this path. Also, the path coefficient between these two values is 0.544 Obtained. As a result, the second hypothesis is confirmed and intellectual capital has a positive and significant effect on organizational learning.

The significance coefficient between organizational learning and employee performance is (4.37), which is higher than 1.96, which indicates the significance of this path. Also, the path coefficient between these two values is 0.326 Obtained. As a result, the third hypothesis is confirmed and organizational learning has a positive and significant effect on employee performance.

Also, the mediating role of organizational learning was measured. For this relationship, the significance value is 3.41 and the path coefficient is 0.177 It was found that it confirms the mediating role of organizational learning in the relationship between intellectual capital and employee performance.

**Table 4: Hypotheses results**

hypothesis	Path coefficient	Significance coefficient	Result
intellectual capital - employee performance	0.347	5.27	confirmed
intellectual capital - organizational learning	0.544	10.31	confirmed
organizational learning- employee performance	0.326	4.37	confirmed
intellectual capital - organizational learning - employee performance	0.177	3.41	confirmed

### Future Research

While the research has shed light on the nexus between intellectual capital, organizational learning, and employee performance in SMEs, future work is merited to deepen the understanding of these relationships. An examination of how various sectors and economic conditions affect this dynamic would be of interest, as the current study's findings may not be uniformly applicable across different contexts and industries. Furthermore, longitudinal studies that track changes over time could provide insight into the causal relationships and the durability of the observed effects. Additionally, there is room to explore the granular effects of individual components of intellectual capital such as human, structural, and relational capital, potentially yielding targeted strategies for enhancing employee performance. It would also be beneficial for future research to delineate the specific pathways through which organizational learning exerts its mediating influence, including the role of knowledge management, leadership styles, and employee engagement.

Recognizing the shortcomings of the study's cross-sectional design, reliance on self-reported measures, and single region focus, future research should strive to incorporate objective performance metrics, adopt a more global perspective, and capture the dynamic nature of these constructs over time in order to improve the findings' generalizability and applicability.

### Discussion and Conclusion

The rapidly changing business environment requires companies to implement different strategies for survival. One of the strategies is related to the active participation of employees to achieve the best performance. Today, organizations face the challenge of how to manage labor turnover, which is caused by the migration of many industrial workers (Riyanto et al, 2021). Meanwhile, the importance of the role of SMEs in the economy of both developed and developing countries is not hidden from anyone. This role is not only due to the multiplicity and diversity of their activities, but also because of the participation of such companies in all economic aspects of the countries. Participating in regional development, job creation, innovation, export development and playing a complementary role to large industries are among their obvious and well-known features.

In the competitive environment, businesses are trying to thrive by creating a sustainable competitive advantage through improving organizational performance and adapting themselves to emerging changes. The criterion for measuring the success of any organization is the level of desirability of the employees of that organization. Therefore, employees as one of the precious assets and valuable and vital resources of the organization, if they are assigned organizational duties and responsibilities and are encouraged and supported, they will cause the growth and development of the organization. In fact, it can be said that the survival and continuity of the activities of organizations and institutions depends on the efficiency and effectiveness of the employees. In general, it can be said that organizational life depends on the correct performance of

employees, and with effective performance management, employees can be nurtured, their strengths and weaknesses can be pointed out, and they can be moved towards organizational goals and objectives. Therefore, the purpose of this research was to investigate the impact of intellectual capital and organizational learning on employee performance among small and medium-sized companies. The first hypothesis examines the impact of intellectual capital on employee performance. The significant number of 5.27 shows that this relationship is significant and as a result, the impact of intellectual capital on employee performance is confirmed. The second hypothesis examines the impact of intellectual capital on organizational learning. The significant number of 10.31 shows that this relationship is significant, and as a result, the impact of intellectual capital on organizational learning is confirmed. The third hypothesis examines the impact of organizational learning on employee performance. The significant number of 4.37 shows that this relationship is significant and as a result, the impact of organizational learning on employee performance is confirmed. Also, according to the output obtained from the software, the mediating role of organizational learning in the relationship between intellectual capital and employee performance was confirmed.

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