

Employee Perception of Ethical Corporate Social Responsibility on Organizational Performance: The Role of Intellectual Capital, and Employees' Innovative Work Behavior

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Abstract—The purpose of this study is to find out how perceived ethical corporate social responsibility (ECSR) and organizational performance are related, specifically through the use of employees' innovative work behavior (IWB) as a mediating mechanism that is conditional (i.e., moderator) upon intellectual capital. Employees in the Kurdistan Region of Iraq's services industry, such as those working for hotels, banks, real estate, and property organizations, were given questionnaires through a simple random sample approach. The final sample used for the study had 172 responses, and the achieved response rate was 78.2%. The research showed that workers' IWB mediates the association between perceived ECSR and organizational performance. The outcomes also lend credibility to the argument that ECSR interacts with the intellectual capital to influence employees' IWB, which impacts organizational performance. This paper is one of the few studies examining the effects of ECSR, intellectual capital, and employees' IWB on organizational performance.

Keywords—Employee corporate social responsibility, Organizational performance, Intellectual capital, Innovative work behavior, Service industry.

I. INTRODUCTION

The notion of Corporate Social Responsibility (CSR) and its ramifications on organizations has gotten much attention from practitioners, researchers, and scholars during the last decade. Carroll (1979); Carroll (1991) conceptualizes CSR as a pyramid model that represents the organization's concern for society, consisting of four dimensions; economic, legal, ethical, and philanthropic. The current corporate environment is experiencing a growing need for ethical behavior to participate in ethical practices in their corporate strategies. A company's ethical behavior sets it apart from competitors and gives it a sustained competitive edge in the market (Aramburu and Pescador, 2019). Ethical responsibility can be defined as the "organizational obligation to abide by moral rules defining proper behavior in society" (Lin et al., 2010, p. 360). It communicates that the organization values morality and ethics beyond the requirements of the law and places a premium on moral standards when conducting business (Mahmood et al., 2022; Shareef and Atan, 2019). In addition, it is based on

businesses' trustworthiness in interactions and transactions with other stakeholders. Well-signaled ethical responsibility makes employees more likely to connect with and respond to their organization favorably when the ethical obligation is communicated (Lin et al., 2010).

Ethical corporate social responsibility (ECSR) has become a critical component of operations because of the rise of ethical concerns in the services and financial sectors (Zheng et al., 2015). As a result, management and researchers have become more interested in ECSR as a critical business strategy regarding the possible beneficial influence on employee perception. The term "ECSR" refers to all principles that represent and uphold what society, customers, and other business stakeholders regard as conventional in protecting their ethical and moral obligations (Carroll, 2016). It encourages the loyalty of workers (Stojanovic et al., 2020), satisfaction (Dhir et al., 2020), and commitment (Karam and Kitana, 2021), which in turn enhances employees' innovative work behavior (IWB) (Xerri and Brunetto, 2013). Hence, every institution aims to

attract and generate employees' IWB, which may enhance organizations' performance.

This study is based on the resource-based view (RBV) of Wernerfelt (1984) and extended by Barney (1991) that stresses sustaining competitive strategies through utilizing and maximizing the resources inside an organization. Resources must have particular features, such as being irreplaceable, intangible, inimitable, and original, in the form of workers' experiences and talents in the organizational process (Smriti and Das, 2018). Internal resources with the power to generate wealth are viewed as intangible assets such as innovation and intellectual capital, implying that a strategic resource has long been regarded as a driving factor behind corporate progress (Chahal and Bakshi, 2015; Shareef, 2023). Innovation contributed to being added value to the enterprises, better problem resolution, and superior performance to the organizations (Wikhamn et al., 2018). However, innovation is the responsibility of the employees, reflected in the form of IWB, and the antecedents of an employee's IWB have attracted much attention (Oppi et al., 2020). Successful organizations encourage and value employees' IWB (Farrukh et al., 2022). Employees' IWB is critical for the organization's survival, profitability, and effectiveness (Akram et al., 2020; Engelen et al., 2018).

Following that, intellectual capital has been demonstrated to have an impact on an organization's ability to survive; and contribute to sustainability, value creation, competitiveness, job performance, and business performance (Abualoush et al., 2018; Gupta and Raman, 2021; Obeidat et al., 2016). Intellectual capital is defined as "the intellectual material – knowledge, information, intellectual property, experience – that can be put to use to create wealth" (Stewart, 1997). It consists of three dimensions: human capital, structural capital, and relational/customer capital (Bontis 2000). It is a precious and valuable resource for innovative culture (Dabić et al., 2019) and innovative employee performance (Chou et al., 2018). It enhances the company's performance capacity and economic growth (Nirino et al., 2020). Therefore, the study tests the interaction of ECSR perception and intellectual capital on employee IWB and subsequently affects organizational performance.

Numerous studies have been conducted to investigate the factors that encourage individuals to improve organizational performance. However, little attention has been paid to the influence of employees' perceptions of ECSR on employees' IWB and organizational performance; additionally, previous researchers have seldom combined them. This study explicates how the employee perception of ECSR influences organizational performance in the Kurdistan region of Iraq's service sector, including hotels, banks, real estate, and property organizations. Indeed, the moderated mediation model of the present study explores employees' IWB as a mediator of the ECSR's impact on organizational performance and intellectual capital as a moderator of such influence. Accordingly, this study examines how higher employees perceive the company's ECSR activities with more significant intellectual capital, enhancing IWB in the company. Consequently, the company is likely to

perform more of its performance services to achieve better organizational performance.

II. LITERATURE REVIEW AND RESEARCH HYPOTHESES

CSR dates back to the Industrial Revolution when some firms had social concerns for their family members and workers (Caligiuri et al., 2013). The expansion of the welfare state in the twenty-first century has favored the construction of organizations attentive to society's concerns, social and environmental performance (Orazalin and Baydauletov, 2020). According to RBV, "resources" can include both tangible and intangible assets in a firm that can indicate its core competitiveness (Barney, 1991; Wernerfelt, 1984). This paper leverages two essential business resources to investigate the underlying mechanism by which ECSR influences organizational performance: intellectual capital and employees' IWB. Intellectual capital is the accumulation of all employee-held information, knowledge, expertise, and skills that add value to the attainment of competitive advantages (Smriti and Das, 2018). It is recognized as an intangible and invisible but valuable asset and an essential promotional tool influencing organizational success (Abualoush et al., 2018). Innovative work behaviors refer to "the intentional generation, promotion and realization of new ideas within a work role, workgroup or organization in order to benefit role performance, the group or the organisation" (West, 1990).

This research based on RBV (Barney, 1991; Wernerfelt, 1984) is crucial in understanding how CSR affects organizational performance. The RBV stresses intangible capacities and resources as the essential source of corporate success and profit (Barney, 1991; Barney, 2018). Organizations use resources and capabilities to create, carry out their strategies, and look at innovation in the service and commercial sectors (Gerhart and Feng, 2021; Massoudi and Fatah, 2021). Employees who perform an innovative role can create more goods and services for the public and the firm to produce value and sustain enterprises' competitive advantages (Baregheh et al., 2009; Thneibat and Sweis, 2022). From a conceptual viewpoint, this research adds to the RBV by bringing it to the context of perceived ECSR-organizational performance through employees' IWB linkages and intellectual capital as a moderator of the relationship. This research focuses on the service sectors in Iraq's Kurdistan region. In practice, the study results will assist service businesses in allocating scarce resources more efficiently.

A. ECSR Perception and Innovative Work Behaviours

Firms consider their workers' perceptions of the organization's CSR, which may hinder or stimulate their IWB and creativity. From the empirical and theoretical viewpoint, CSR contributes to the learning process, high performance, competitiveness, and reputation (Bocquet et al., 2017; Du et al., 2011; Wu et al., 2018). As a result, CSR can boost employee productivity and IWB (Afridi et al., 2020;

Alhmoudi et al., 2022; Padilla-Lozano and Collazzo, 2021). Individuals are more likely to exhibit desired behaviors when they work in an environment that is ethically well-organized (Wang, 2018), including employees' IWB. In addition, an enterprise's good ethical responsibility refers to the degree to which a company abides by society's moral rules and appropriate behaviors, that employees will be operating in an atmosphere that values innovative thinking, which it encourages them to pursue more creative endeavors (Brammer et al., 2007; Fitrio et al., 2020). Moreover, ECSR practices provide organizations with high ethical values. For instance, it would deliver accurate and complete learning resources for internal and external stakeholders, which are essential for enabling workers to engage in innovative activities and represent the company's current interest in the well-being and personal growth of its employees. As a result, individuals will be more innovative in exchange for the attention provided by their organization.

From this current perspective, perceived ECSR can stimulate employee's innovative work behavior. As a result, the following hypothesis is evolved:

Hypothesis 1: ECSR perception positively impacts employees' innovative work behavior.

B. ECSR and Organizational Performance

The core idea behind CSR is that it improves stakeholder relations, which in turn encourages customers to buy goods and services and boosts financial success (Abdullah et al., 2017; Al-Salami et al., 2019; Barauskaite and Streimikiene, 2021). CSR benefits a company's reputation and the involvement and dedication of its workers when combined with other factors, including strategy, employee well-being, and recruitment (Dögl and Holtbrügge, 2014). Ethical policies of CSR activities provide an environment for workers that encourages them to improve their participation in work and express their beliefs more regularly at work (Gao et al., 2018). More specifically, Good ECSR practices send positive signals to employees regarding their ethical position and moral value (Masoud, 2017). Ethical responsibilities not only enhance services for the community and stakeholders' well-being but also may influence organizational performance (Lu et al., 2020). In addition, when employees perceive ECSR may change their behaviors, and feel that the company considers their and stakeholders interests, satisfying and increasing their trust in the institution (Nguyen et al., 2020). Employees will proactively participate in activities such as organizational citizenship behavior (Fitrio et al., 2020; Khaskheli et al., 2020; Massoudi et al., 2020); all these may enhance organizational performance. In light of this, the following hypothesis is noted:

Hypothesis 2: ECSR perception has a positive influence on organizational performance.

C. Innovative Work Behavior and Organizational Performance

The unstable nature of the global market condition and the pressing need to adapt to local and worldwide competition's

difficulties (Arain et al., 2020) leads to a more critical requirement for ongoing innovation of goods and services and internal procedures and behaviors (Lianto et al., 2018). In the long run, innovation is seen as one of the primary drivers of organizational success in a competitive market and environment (Sellitto et al., 2020). Conceptually, employee IWB is crucial in obtaining better organizational performance since companies that prioritize speedy innovation acquire a more significant market share, which enables them to generate more revenue and profit (Shujahat et al., 2019). In addition, Alhmoudi et al. (2022) stated that finding gaps in adopting employees' IWB should help enhance organizational performance directly or indirectly. In addressing this concern, there is a need for more incredible information on how individual innovativeness efforts may be coordinated to influence performance at organizational levels.

Businesses that emphasize innovation from their creative staff members have a greater chance of capturing a larger market share, which may result in increased revenue and profitability (Shanker et al., 2017; Suprapti et al., 2020). Moreover, individual IWB is not only creative behavior but also includes the adequate promotion and implementation of creative ideas to improve job performance (Hughes et al., 2018). Adopting the IWB requires highly skilled and competent staff employees since their skills will make an external imitation more complex and may allow enterprises to maintain their competitive advantages (Cicek et al., 2019). Employee IWB activities are intended to increase workplace performance as the individual anticipates, predicts, and recognizes areas for improvement and generates innovative solutions to obstacles faced throughout this process (Hughes et al., 2018). Accordingly, the performance of the organization and employee IWB may therefore be positively correlated, and the following hypothesis is suggested:

Hypothesis 3: There is a positive influence of employees' IWB on organizational performance.

D. The Mediating Role of Innovative Work Behaviour

This research is grounded on the resource-based view (RBV) Wernerfelt (1984) and extended by Barney (1991), emphasizes the significance of intangible capacities and resources as an essential source of organizational performance and success and makes it ideal for studying such variables as ECSR, IWB, and organizational performance. IWB is a critical component of work role performance and job performance. It is essential for a company to create value and maintain a better position in the market (Leong and Rasli, 2014; Servera-Francés and Piqueras-Tomás, 2019), which may indirectly influence business performance and success. As a result, it is necessary to investigate the impact of perceived ECSR on employees' IWB (Alhmoudi et al., 2022), which in turn contributes to organizational performance. Innovation success relies on the interaction and work of all employees inside a firm (Pan et al., 2021). Because their ideas and activities are essential for ongoing innovation and development to increase organizational profitability, growth, and market value, workers play a significant role

in the innovation process (Busch and Schnippering, 2022). Therefore, employees' behaviors are likely to impact how well a company operates through the practical deployment of their knowledge and technical expertise to stimulate creative initiatives to increase its competitiveness (Garcia-Morales et al., 2018). Some studies improved that intangible resources play an important role as a mediator, such as IWB (Sanz-Valle and Jiménez-Jiménez, 2018; Servera-Francés and Piqueras-Tomás, 2019; Shanker et al., 2017), which are required to comprehend how these actions affect the performance of the business. According to the firm's RBV, organizations require the technology, resources, skills, and capabilities to practice an innovative improvement approach that will enable them to achieve even higher levels of organizational performance. Accordingly, the study posits that IWB indirectly impacts the association between ECSR and organizational performance.

Hypothesis 4: The relationship between ECSR and organizational performance is mediated by employees' IWB.

E. The Role Intellectual Capital

In general, the study proposes that intellectual capital moderates ECSR-IWB relationship, which influences organizational performance. ECSR might be more critical in organizations characterized by a set of concepts, strategies, and practices those businesses use to strengthen and build connections with the environment and stakeholders (Carroll, 1979; Nejati et al., 2014). Hence, with the rise in ethical and environmental concerns, perceived ECSR has become a critical component of operations (Zheng et al., 2015) and company strategies (Kim et al., 2018). ECSR may promote employees' IWB; nevertheless, their connection and ties to IWB remain unknown, particularly among service sector companies (Alhmoudi et al., 2022). In the framework of this study, intellectual capital represents capacities regarded as the most significant source of employees' IWB. Intellectual capital gains more from valuable skills, expertise, information, and creativity. Intellectual capital is currently seen as indispensable to the institutional framework since it plays a vital role in all facets of administration, hence improving the significance and efficacy of management (Cabrito and Dahms, 2018; Sivalogathasan and Wu, 2015). Intellectual capital is regarded as one of a company's most valuable resources. Accordingly, it is claimed that ECSR and intellectual capital can be effective when they work together. Hence, intellectual capital, more importantly, fosters and establishes an employee's IWB to enhance organizational performance. Hence, the study proposes:

Hypothesis 5: Intellectual capital moderates the relationship between ECSR and employee's IWB; when the employee's intellectual capital is high, this positive relationship is stronger than when intellectual capital is low.

The justifications, as mentioned earlier, establish a paradigm wherein the positive correlation between ECSR and organizational performance is mediated by workers' IWB. Furthermore, the association between ECSR and workers' IWB is moderated by intellectual capital. According to the viewpoint that intellectual capital

moderates the relation between ECSR and employees' IWB, employees' IWB is positively related to organizational performance. It seems sense to propose that intellectual capital moderates and strengthens the mediating mechanism for employees' IWB concerning ECSR and organizational performance; a moderated mediation model. For many organizations, intellectual capital increases the employees' capacity for innovation (Barrena-Martínez et al., 2020), leading to the indirect effect of ECSR perception on organizational performance stronger via employees' IWB (McDowell et al., 2018). Hence, the indirect influence of ECSR on organizational performance via employee's IWB may also be stronger when intellectual capital is high. Specifically, the indirect effect of ECSR on organizational performance should be stronger. Accordingly, the study proposes:

Hypothesis 6: Intellectual capital moderates the mediating influence of employees' IWB on the association between ECSR and organizational performance, the indirect influence of ECSR on organizational performance through employees' IWB is stronger when intellectual capital is high than when the intellectual capital is low.

Fig. 1 provides the conceptual model of this study.

III. RESEARCH METHODOLOGY

A. Population and Sampling

This study aimed to deliver 220 questionnaires to study participants who worked in the service industry (hotels, banking, real estate, and property companies) in the Kurdistan Region of Iraq (KRI) using a simple random sampling procedure. The collected questionnaires were 181, and after removing 9 incomplete surveys, the attained response rate for the remaining sample size of 172 was 78.2%. The demographic statistics of the respondents are shown in Table I

B. Measures

This study used a 5-point Likert scale, ranging from strongly disagree (1) to agree (5) strongly; measuring instruments, and sample items, from the questionnaires, were as follows:

ECSR

The four items for perceived ECSR activity were taken from Maignan's (2001) study. The Cronbach's alpha level for perceived ECSR was 0.89.

Employees' IWB

IWB was measured using nine items developed by Janssen (2000). The Cronbach α score for this scale was 0.90.

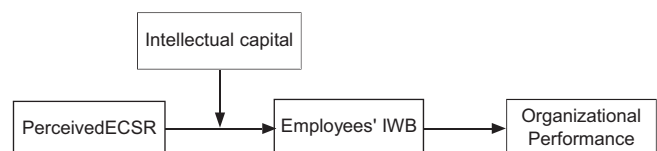


Fig. 1: The conceptual model.

Intellectual capital

Nine items for intellectual capital were taken from (Bontis, 1998). The Cronbach's alpha level for intellectual capital was 0.91.

Perceptions of organizational performance

Employees rated their organizational performance perceptions with an eleven-item scale of perceived operational and market performance developed by Delaney and Huselid (1996). The Cronbach's alpha for this scale was 0.93.

IV. RESULTS

ECSR was positively correlated with both IWB ($r = 0.40, P \leq 0.01$) and organizational performance ($r = 0.25, P \leq 0.01$). In addition, IWB was shown to be positively connected to organizational performance ($r = 0.35, P \leq 0.01$) as indicated in Table II.

A. Hypotheses Examining

To test the hypotheses, this study conducted hierarchical regression analysis and bootstrapping using PROCESS in SPSS v 24. Hypothesis 1 predicted that perceived ECSR positively influences employees' IWB. Hypothesis 2 predicted that perceived ECSR positively influences

organizational performance. The results in Table III show that (1) perceived ECSR was positively related to employees' IWB (Model 2, $\beta = 0.38, P \leq 0.01$); (2) perceived ECSR was positively related to organizational performance (Model 4, $\beta = 0.23, P \leq 0.01$). Hypothesis 3 predicted that employees' IWB positively influences organizational performance; (3) employees' IWB was positively related to organizational performance (Model 5, $\beta = 0.33, P \leq 0.01$). Thus, Hypotheses 1, 2, and 3 were supported. Furthermore, hypothesis 4 predicted that employees' IWB mediates the relationship between perceived ECSR and organizational performance. According to Baron and Kenny (1986), when the mediator is present, the relationship between the independent and dependent variables becomes insignificant. Once the IWB was present, the relationship between ECSR and organizational performance became nonsignificant (Model 6, $\beta = 0.05, n.s.$). Thus, Hypothesis 4 was supported.

Hypothesis 5 projected that intellectual capital moderates the association between perceived ECSR and employees' IWB. The interaction between perceived ECSR and intellectual capital (Model 3, $\beta = 0.24, P \leq 0.01$) was positively linked to employees' IWB, accounted for 6 percent of the variance in employees' IWB ($\Delta R^2 = 0.06, \Delta F = 11.04, P \leq 0.01$) as shown in Table III. Fig. 2 presents the interaction patterns. The positive relationship between perceived ECSR and employees' IWB is stronger for high intellectual capital ($\beta = 0.62, P \leq 0.01$) than for low intellectual capital ($\beta = 0.13, P \leq 0.05$), as shown in Fig. 2.

Finally, hypothesis 6 projected that the mediated effect of perceived ECSR on organizational performance differs as a high or low intellectual capital. In this investigation, moderated path analysis was used (Edwards and Lambert, 2007). The indirect effect of ECSR on organizational performance via IWB was stronger for high intellectual capital ($\beta = 0.15, P \leq 0.01$) than for low or non-intellectual capital ($\beta = 0.04, P \leq 0.01$). On the whole, there were significant differences in the indirect impact ($\Delta\beta = 0.11, P \leq 0.01$), therefore Hypothesis 6 was supported. The findings in Table IV, in particular, support the moderating influence ($\Delta\beta = 0.34, P \leq 0.01$), which supports this study's

TABLE I
DEMOGRAPHIC DATA

Demographic items	Category	Frequency	Percentage
Gender	Male	108	62.8
	Female	64	37.2
Age	≤25	30	17.4
	26-35	49	28.5
	36-45	54	31.4
	46+	39	22.7
	Total	172	100.0
Education level	Secondary and high school degree	30	17.4
	Technical Institute Diploma	46	26.7
	Bachelor degree	81	47.1
	Higher Education (Master and PhD) degree	15	8.7
	Experience in the organization	≤4	39
5-10		69	40.1
11-15		38	22.1
15+		26	15.1
Total		172	100.0

TABLE II
CORRELATIONS

Variables	1	2	3	4	5	6
1. Employee age						
2. Employee tenure in the organization	0.05					
3. Intellectual capital	0.13	-0.10 (0.91)				
4. ECSR	-0.08	-0.03	-0.07 (0.89)			
5. IWB	0.07	0.01	0.02	0.40** (0.90)		
6. Organizational performance	-0.06	0.04	-0.11	0.25**	0.35** (0.93)	
Mean	37.06	8.33	3.78	3.39	3.42	3.80
SD	8.712	4.465	0.50	0.69	0.71	0.53

N=172; ** $P \leq 0.01$; * $P \leq 0.05$ (two-tailed). The numbers in brackets on the diagonal are the Cronbach's alpha for each scale. ECSR: Ethical corporate social responsibility, IWB: Innovative work behavior

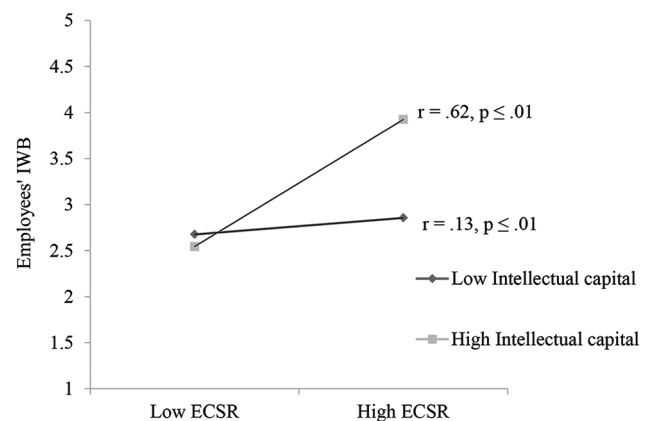


Fig. 2: Interaction effect of perceived ethical corporate social responsibility and intellectual capital on Employees' innovative work behavior.

TABLE III
THE REGRESSION ANALYSIS

Variables	IWB			Organizational performance		
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Control variables						
Employee age	-0.03	0.07	0.08	-0.04	-0.01	-0.06
Employee tenure in the organization	0.06	0.01	0.06	-0.01	0.03	0.01
Independent variable						
ECSR		0.38**	0.29**	0.23**		0.05
Mediator						
IWB					0.33**	0.31**
Interactive effects						
ECSR×intellectual capital			0.24**			
R2	0.04	0.17	0.25	0.08	0.13	0.19
ΔR2	0.04	0.14	0.06	0.02	0.11	0.12
F	0.98	5.67**	5.97**	2.76*	4.79**	5.69**
ΔF	0.98	34.02**	11.04**	8.96**	34.11**	26.02**

** $P \leq 0.01$; * $P \leq 0.05$ (two-tailed). ECSR: Ethical corporate social responsibility, IWB: Innovative work behavior

TABLE IV
THE PATH OF MODERATED OUTPUTS

Moderator variable	ECSR (X)		→	IWB (M)		→	Organizational performance (Y)
	Stage			Effect			$(P_{YX} + P_{YMPMX})$
	First	Second	Direct effects	Indirect effects			
	P_{MX}	P_{YM}	(P_{YX})	$(PYMP_{MX})$			
Simple paths when intellectual capital is low	0.15*	0.22**	0.05	0.05**	0.06		
Simple paths when intellectual capital is high	0.49**	0.26**	0.10	0.15**	0.21**		
Differences	0.34**	0.04	0.05	0.12**	0.15		

** $P \leq 0.01$; * $P \leq 0.05$ (two-tailed)

theoretical argument that perceived ECSR interacts with the intellectual capital to influence employees' IWB, which in turn, impacts organizational performance.

V. DISCUSSION AND PRACTICAL IMPLICATIONS

A. Discussion

This paper proposes to examine the relationship between perceived ECSR perception and organizational performance. Specifically, it contributes to the literature, using employees' IWB as a mediating mechanism that is conditional (i.e., moderator) upon intellectual capital in the Kurdistan Region of Iraq's service sector, including hotels, banks, real estate, and property organizations. It is found that employees showed higher levels of participation in IWBs when they were aware of their organization's ECSR activities and policies. The impression of ECSR has a similar, favorable impact on organizational performance. Similar outcomes were also demonstrated in earlier publications, such as Lu et al. (2020), Masoud (2017).

This study claimed that with the help of RBV (Barney, 1991; Wernerfelt, 1984), the connection between ECSR perception and organizational performance was significantly and positively mediated by individuals' IWB. According to empirical results, the ECSR perception and organizational performance are mediated by employees' IWB. The study's other intriguing conclusion is that IWB-positive individuals help to improve organizational performance. This precise

hypothesis conclusion is in accordance with (Afridi et al., 2020), which claimed that workers' behavior would improve when they perceive conformity with the morals and ethical rules of a workplace. As they believe they take more of their effort, ideas, and concentrated creativity to the business. In addition, individuals are more willing to try new ideas and practices. This finding consists of Shanker et al. (2017) confirming the mediating effect of employees' IWB in the literature.

This study also proposes the moderating role of intellectual capital between perceived ECSR and workers' IWB-organizational performance relationship. Findings discovered that intellectual capital moderates the mediating influence of employees' IWB on the association between ECSR perception and organizational performance, such that the indirect influence of ECSR on organizational performance via employees' IWB is stronger when intellectual capital is high. A company with a high level of intellectual capital would have a more specific skill and condition that is advantageous. A high degree of distinguishing skill can also boost the performance of employees' IWB. Furthermore, an organization's particular expertise is thought to result from the organization's intellectual capital. As a result, having more intellectual capital would improve the performance of employees' IWB. In other words, as an organization's intellectual capital increases, so does its inventive competence, which translates into new service development performance.

B. Implications

Companies should prioritize ECSR by adopting ethical and socially responsible business practices. This will help to create a positive image of the company in the eyes of employees and customers, which can lead to improved organizational performance. In addition, companies should invest in intellectual capital by developing their employees' skills and knowledge through training and development programs. This will help to create an innovative and creative workforce that can leverage their skills to improve organizational performance. Moreover, managers should encourage and reward innovative work behavior among employees. This can be achieved by providing opportunities for employees to contribute their ideas, recognizing and rewarding innovative contributions, and creating a culture that values and supports innovation. Furthermore, managers should recognize the role of IWB as a mediating mechanism between ECSR and organizational performance. By leveraging employees' innovative work behavior, companies can improve their organizational performance, which in turn can reinforce their commitment to ECSR.

C. Limitations and Future Study

This study focused on a limited number of service sectors in KRI. It may be imprudent to generalize its conclusions to other KRI industries. Therefore, it is necessary to study and investigate different industries (such as transportation, telecommunications, education, construction, and textiles). Another limitation of this study is the use of a cross-sectional research design, which limits the ability to draw causal inferences. Future studies could use longitudinal research designs to examine how the relationships between ECSR, IWB, and organizational performance change over time. Additional limitation is the use of self-reported data, which could be subject to social desirability bias. Future studies could use alternative methods, such as behavioral observations or objective performance measures, to assess the relationships between ECSR, IWB, and organizational performance.

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