The Role of Innovation and Organizational Learning on the Influence of Intellectual Capital on Organizational Performance: Evidence from Prosecution Agencies of Government of Indonesia

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Abstract

This study investigates the mediating role of innovation and organizational learning in the influence of intellectual capital on the organizational performance of the Prosecutor's Office of Indonesia. Hypotheses have been tested using primary data obtained through a survey questionnaire. The data were gathered from 500 regional prosecutor's head offices and 400 questionnaires were returned. This study applies (SEM-PLS) technique to analyze and examine the models. The findings of this study can be utilized to support organizations to improve their best performance by using innovation and organizational learning, particularly in the public sector.

Keywords: Intellectual Capital, Innovation, Organizational Learning, Organizational Performance, Institutions, and Public Sector.

Innovation is a part of a-list public administrations did by planning and presenting imaginative projects, items, and administrations. Development has been demonstrated to give a huge expansion in execution, efficiency, and results (Ibrahim & Tajuddin, 2020). Innovation is one of the requirements of human resources to answer the challenges of adapting to environmental changes (Almutirat, 2020). In the public area, advancement is expected to build the effectiveness of asset use, and the nature of public administrations, and address social difficulties including environmental changes, segment pressure, metropolitan clog, and social and financial variations (Torfing & Ansell, 2017). To achieve business process flexibility, organizations need to have innovation competencies to improve organizational performance. Innovation is vital to maintaining business (Alrowwad et al., 2020).

Both business and public organizations are required to be able to adapt quickly to increasingly complex developments and changes in this modern era. Human needs shift to adapt to rapid development. Thus, organizations must be able to respond to changes or shifts in these needs. Organizations can make innovation and organizational learning to increase competitive opportunities and adaptability, which ultimately aims to effectively and efficiently maintain and increase productivity.

The sustainability of organizations depends on the role of innovation and learning (Santos-Rodrigues et al., 2010). Effective organizational learning is the ability of an organization (market-driven, operates in a volatile market, and tends to

modify products and markets) to adapt to increasingly dynamic changes and direct the organization to have high flexibility (Pudjiarti & Priagung Hutomo, 2020). The association's capacity to enhance and gain beginning from scholarly capital expects to help esteem creation and acknowledge Supportable Improvement Objectives (Al-Htaybat et al., 2019; Hashim et al., 2015) as intellectual capital is driving factors that are smart, sustainable, inclusive, economical, and follow social developments (Alvino et al., 2021; Secundo et al., 2020).

The information and capabilities-based view (KBV) has extended asset-based thinking by featuring that information is the essential asset fundamental to the making of new qualities, heterogeneity, and upper hands (Barney, 1991; Grant, 1996). New knowledge that creates fundamental values about organizational and innovation processes is the result of new values and ideas created as an intellectual process (Allameh, 2018; Felin & Hesterly, 2007). Intellectual capital is an important source for organizations to benefit from competitive advantage (Chahal & Bakshi, 2015) and improve organizational performance. Organizational performance can be demonstrated by the ability to organize and manage resources to achieve predetermined targets and objectives (Smriti & Das, 2018). As far as execution, the assessment of public associations depends on their capacity to satisfy their central goal, offer types of assistance, and follow legitimate and administrative necessities (Wright & Pandey, 2011). Public associations can't be isolated from public examination, and their exhibition is as often as possible contrasted and other public associations in a similar area (Olariu et al., 2023).

The recency of this study is the modification of the measuring instrument, namely questionnaires where the statements are more adapted to the context of the study, namely public/government sector organizations in the field of law enforcement. Literature reveals various conceptualizations of intellectual capital and its impact on organizational performance. In reviewing the literature on intellectual capital, researchers identify significant research gaps. Yuksel et al. (2021), Dabić et al. (2020), and Tjahjadi et al. (2020) contend that scholarly capital is a recently arising idea and there is a hypothetical need to foster the idea. Rahman et al., (2021), Almutirat (2020), and Huang et al. (2021) found empirical evidence that intellectual capital has a significant influence on organizational performance and plays an important role in determining innovation. On the other hand, Alrowwad et al. (2020) revealed different empirical evidence regarding the relationship between these two variables. Development has been demonstrated to fundamentally affect authoritative execution (Salehi et al., 2021; Campos et al., 2020). Development has been demonstrated to essentially intercede the connection between scholarly capital and hierarchical execution (Rehman et al., 2021).

Be that as it may, experimental examinations estimating the intercession impact in the connection between intellectual capital and organizational performance in the Indonesian setting have not been finished. It is important to carry out this study to capture all potential opportunities to achieve optimal and quality performance, particularly in public organizations in the law enforcement sector in Indonesia, which has been known as a rigid and non-transformational organization. However, along with social developments and dynamics, the law enforcement sector is required to be more adaptive and responsive to changes and improvements in performance, in order to further increase public trust.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Issues of Innovation, Organizational Learning, Organizational Performance and The Role of Intellectual Capital

Information about authoritative development is as yet restricted (Zahedi and Naghdi Khanachah, 2021). Organizations advance to expand their possibilities of endurance and flourishing. Public organizations enhance to build their authenticity (Demircioglu & Audretsch, 2020; Yüksel et al., 2021). Organizational creativity is a managerial concept that is closely related to organizational entrepreneurship which cannot be ignored when defining entrepreneurship. Studies on organizational development have taken the other direction for some reason, but both general and historical backgrounds play an important role. This is because of the broad meaning of creativity as proposed by Schumpeter. Schumpeter places entrepreneurs as agents of change whose creative behavior destroys the economic balance in the industry when facing various aspects of innovation (Kondrat, 2015). Innovation balances between entrepreneurship and management sectors (Low, 2017).

The rapid development of economic knowledge and an increasingly competitive market require companies to continue to acquire new knowledge and skills through organizational learning in order to optimize the allocation of company resources and achieve profitable growth (Lin et al., 2022). Both academics and practitioners highly consider the concept of organizational learning to improve organizational performance because organizational learning is a dynamic concept that emphasizes the continuously changing nature of organizations (Pham & Hoang, 2019). Each organization has its way of applying organizational learning to influence intellectual capital in creating value and improving organizational performance (Lin et al., 2022).

Performance is the output produced within a certain period concerning predetermined standards (Martunis et al., 2020). Performance is an achievement or a degree of accomplishment. Organizational performance can be seen from the level of achievement of the predetermined goals. Execution is the consequence of cooperative exercises between individuals from the association to accomplish hierarchical objectives or to create a result from a specific cycle completed by all parts of the association in regards to specific sources utilized (input).

Intellectual capital management adds, concentrates, and measures an organization's elusive resources by assessing the frameworks, cycles, methodology, and other hierarchical resources that are not regularly indicated under administration guidelines and bookkeeping rehearses (Yüksel et al., 2021) to create values (Allameh, 2018; Alrowwad et al., 2020). Past investigations have inspected the intricacy of scholarly capital which comprises of six parts, in particular human, client, primary, social, mechanical, and profound capital (Khalique et al., 2020; Khalique & Shaari, 2011). Human resources is connected with all HR that foster exercises inside the association (Aversano et al., 2020) which alludes to worker information, abilities, and experience (Lin et al., 2022). Client capital depends on client devotion and fulfillment with the brand or picture (Khalique et al., 2020). Structural capital is an investment in organizational systems, instruments, and performance philosophies that influence knowledge processes in organizations (Zahedi & Naghdi Khanachah, 2021). Meanwhile, structural capital is known as strategic digital services (H. Huang et al., 2021).

Intellectual capital has become a main topic of discussion due to its important role in organizations to gain competitive advantage (Engelman et al., 2017; Kalio et al., 2019; Kowalska, 2020; Li & Zhao, 2018; Ramezan, 2011; Subramanian & Vrande, 2019). Intellectual capital covering human, relational, and structural capital becomes the key driver for service-based organizations (Kianto et al., 2010).

This research aims to explore intellectual capital which is composed of knowledge held collectively by an organization, with a special focus on human, organizational and social capital. Previously, there was a general view that intellectual capital was considered a key asset for

private organizations rather than public organizations. However, several studies (Chen, 2008; Kong & Prior, 2008; Schiuma & Lerro, 2008) show that this view may no longer be relevant. As a result, the public sector is undergoing major reforms and increasingly adopting management techniques and business objectives, in line with practices typically associated with private organizations (Guthrie et al., 2004; Hodges & Mellett, 2003). The public sector tends to emphasise specialised services, increase expertise in response to service users' needs, and display more optimal service outcomes to the public (Ramírez, 2010). Consequently, knowledge exchange among employees in the public sector and between public entities and the public can have a significant influence on public sector performance.

Hypotheses

The current research refines the literature by highlighting six contexts of IC, namely human capital, customer capital, structural capital, social capital, technological capital, and spiritual capital. Therefore, this study argues that The current hypothesis emphasizes the contribution of innovation and organizational learning to an organization's effectiveness IC utilization.

Intellectual Capital and Innovation

Intellectual capital (IC) is a very important asset for organizations in creating added value. IC can improve organizational performance through employee experience, knowledge, and skills, as well as by identifying new methods of task execution and process innovation (Karchegani & Sofian, 2013) shows that innovation and intellectual capital have a positive and significant relationship. Research by H. Huang et al. (2021) with regards to associations in the medical services area featured three information-based exercises in the medical services environment. First and foremost, a common worth creation methodology to foster the capacities of every medical services partner ostensibly as HR. Second, the market access way to deal with drive advancement is viewed as in social capital. Thirdly, the advanced servitisation system alludes to primary capital.

A shared understanding of the importance of intellectual capital (IC) management and the use of a uniform "IC language" among the various parties involved in the innovation system could be developed, as suggested by the research of Wiedenhofer et al. (2017). This can be linked to the 2030 Sustainable Development Agenda (SDGs). These findings provide a foundation for research on the relationship between intellectual capital and the SDGs, as highlighted by the studies of Alvino et al. (2021) and Bican et al. (2017).

Alluding to investigate by Wu et al. (2008), scholarly capital is a significant asset to test development. The idea depicted by Barney (1991) with respect to the immaterial assets of an organization causes the development of dynamic capacities in the organization. Research by Chahal and Bakshi (2015) affirmed that human, social, and underlying capital essentially influence the degree of advancement in the Indian financial area. Comparative discoveries were likewise uncovered by one more review looking at huge assembling organizations in Malaysia by Rehman et al. (2021). They confirmed that intellectual capital significantly affects the level of innovation in these various companies. Therefore, intellectual capital can be an important factor to determine the level of innovation, as explained in the study by Zerenler et al. (2008). The Knowledge-Based View (KBV) hypothesis can be utilized to make sense of the connection between immaterial assets (like scholarly capital), abilities (innovation), and hierarchical execution. Consequently, the scientist formed the accompanying speculation:

H1: Intellectual capital has a significant effect on innovation.

Intellectual Capital and Organizational Learning

Every organisation is arguably an entity engaged in a learning process, with varying levels and depths of learning. These conditions will affect how an organisation's intangible

assets, especially knowledge-dependent intellectual capital, function. This process will drive the transmission of knowledge, both explicitly and implicitly. (Lin et al., 2022). Other studies reveal that human capital, as one of the three sub-dimensions of intellectual capital, influences the capabilities of organizational learning so that it plays an important role in building learning organizations in public service organizations (Durrah et al., 2018). Studies on public service organizations found that management can adapt flexible organizational structures in order to facilitate communication processes at various levels and support individuals and collectives. Management can encourage all members of the organization to participate actively, exchange information, discuss ideas and opinions, and unite vision at various levels. Thus, the researcher formulated the following hypothesis:

H2: Intellectual capital has a significant effect on organizational learning.

Organizational Innovation and Organizational Performance

Innovation assumes a urgent part in raising the presentation of the public area by assisting associations with confronting monetary and social difficulties and improving their tasks and asset use (Bloch & Bugge, 2013). It also triggers increased productivity, creativity, and organizational adaptability in facing rapid environmental changes. Besides, organizations can use innovation to create added value, improve work processes, and produce effective solutions to achieve their goals (Aziz et al., 2015In the government sphere, innovation is a key element to elevate the performance of government institutions. Innovation can be a mediator connecting internal control systems, transformational leadership, and organizational performance (Musana & Setyawan, 2023). It can be said that innovation plays an important role in improving organizational performance, in both the public and private sectors. Therefore, organizations need to encourage a culture of innovation, support innovation efforts, and integrate innovation into their strategies and work processes to achieve optimal performance. The researcher formulated the following hypothesis:

H3: Innovation has a significant effect on organizational performance.

Organizational Learning and Organizational Performance

Alluding to explore by Jimenez and Cegarra-Navaro (2007), organizational learning contributes a positive effect on execution and can go about as a middle person in the relationship on market direction and execution. Organisational learning also directly contributes a positive influence on non-financial performance and financial performance, as revealed by Skerlavaj et al. (2007). A concentrate by Pham and Hoang (2019) looking at different explicit elements of hierarchical learning capacities with regards to business execution found that administration obligation to learning greatestly affects business execution, trailed by information move and coordination. Organizational learning culture creates an environment where people can share knowledge and make decisions. Besides, leaders can share experiences and influence the learning of subordinates to create an expected environment by fulfilling organizational goals which ultimately encourages increased organizational performance (Arefin et al., 2020). Thus, the researcher formulated the following hypothesis:

H4: Organizational learning has a significant effect on organizational performance.

The Role of Innovation in Mediating between Intellectual Capital and Organizational Performance

Alluding to explore led by Chahal and Bakshi (2015) and Salehi et al. (2021), scholarly capital impacts upper hand. Development is recognized as a middle person in the connection between scholarly capital and upper hand. Serenko and Bontis (2013) underlined that intellectual capital is a vital asset in deciding hierarchical execution. Therefore, efforts to build intellectual capital can accelerate the

innovation process which in turn will improve the learning capabilities of human resources. Organizational picking up, as indicated by Kapoor (2009), is the consequence of the collaboration between human, primary, and social capital, which works with development by making ready for representatives to work successfully to accomplish objectives and create various smart thoughts in view of their experience, abilities, and capabilities.

Nonetheless, there are blended conclusions with respect to the connection between intellectual capital and upper hand, as communicated by Yaseen et al. (2016). Bontis et al. (2018) likewise found that the connection between intellectual capital and execution of social co-employable endeavors in Italy is blended. This condition demonstrates the way that the connection between scholarly capital and upper hand can't be finished up with assurance. Accordingly, future exploration needs to consider adding different factors. This study involves development as an interceding variable in the connection between intellelctual capital and organizational execution, with the accompanying speculation:

H5: Innovation mediates the effect of intellectual capital on organizational performance.

The Role of Organizational Learning in Mediating between Intellectual Capital and Organizational Performance

Organisational learning facilitates the transfer of both explicit and implicit knowledge, develops corporate expertise, drives technological and management innovation, reduces operational costs, and increases profitability, all of which contribute to improved corporate performance (Lin et al., 2022).

Intellectual capital can be utilized to improve performance by increasing employees' ability to acquire knowledge with new techniques (Cabrilo & Dahms, 2020). Organisations need a workforce that has high-quality experience, knowledge and skills, and builds good relationships between them. On the other hand, organisations also need expertise to create new customers and adopt appropriate technologies to improve individual and organisational performance (C.C. Huang & Huang, 2020). Organisational learning is argued to be a factor that can increase employees' contribution to organisational goals as well as overall performance levels (Mai et al., 2022). Furthermore, organisational learning is understood as an organisation's expertise to elevate performance through knowledge acquisition, information distribution, data interpretation, and organisational information management (Antunes & Pinheiro, 2019).

Past investigations contend that scholarly capital doesn't straightforwardly impact execution yet is deciphered as a representative's ability to learn (Farzaneh and Nazari, 2020). In this way, authoritative execution isn't just affected by scholarly capital alone, yet in addition through information sharing and recombination processes that include the reuse of previous information (Al-Husseini, 2023). Organisational members who have high and extraordinary information and abilities will assume a predominant part to drive the authoritative learning stage, by creating groundbreaking thoughts, investigating better approaches for working, and changing them into new authoritative schedules (Pasamar and Diaz-Fernandez, 2019). Representatives can likewise further develop connections, organizations, trust, and co-activity among individual workers and with clients, to get sufficiently close to data and more powerful asset assignment (Sumanarathna et al., 2020).

Obtaining and using outside information adds to the height of errand execution and logical execution of representatives. Consequently, the advancement of intellectual capital in the association can help in investigating significant and new information from outside and inside sources, acquiring the vital information, and redesigning cycles to make predominant execution (Al-Husseini, 2023). Alluding to these

circumstances, the specialist plans a hypothesis, in particular:

H6: Organizational learning mediates the effect of intellectual capital on organizational performance.

Figure 1 illustrates the model tested in this study which focuses on the relationship between intellectual capital through innovation and organizational learning on organizational performance.

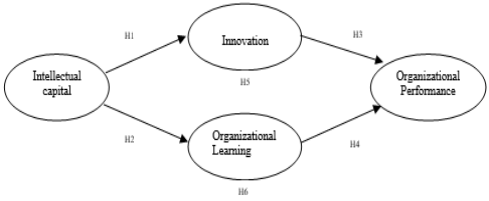

Figure 1. Framework model

RESEARCH METHOD

Research Design

This review utilizes the Structural Equation Model (SEM) as a logical instrument to test the exploration model. SEM permits the particular of intricate connections between noticed factors and inert factors (Sarstedt and Cheah, 2019). In SEM, there are two sub-models, specifically the Inward Model (otherwise called Primary Model) which decides the connection among autonomous and subordinate dormant factors, and the External Model (otherwise called Estimation Model) which determines the connection between idle factors and noticed markers (Wong, 2014). The Internal Model addresses the underlying ways between the builds, while the External Model addresses the connections on each develop and the significant pointers. Usually, these two models are represented in the form of path models that describe the hypotheses and relationships between variables, using PLS-SEM analysis. This research uses SmartPLS software to analyse the data.

Operational Definition and Variable Measurement

This study used four variables, namely intellectual capital, innovation, organizational learning, and organizational performance. The researcher made some modifications to the question items in the questionnaire. Intellectual capital was measured through six dimensions, namely human, customer, structural, social, technological, and spiritual capital (Khalique et al., 2020; Khalique & Shaari, 2011); Innovation covered five question items (Hurley et al., 1998). Organizational learning consisted of 16 question items (Chahal & Bakshi, 2015), and organizational performance covered 12 question items.

Before testing hypotheses to predict the relationship between latent variables in the structural model, the first step is to evaluate the measurement model to verify indicators and latent variables. We followed a two-step model evaluation process, as described by Sarstedt & Cheah (2019). First, the researcher carried out measurements on the outer model using a conceptual framework where the entire measurement model used a reflective indicator model. The criteria used to evaluate measurement models using indicators were convergent validity, discriminant validity, reliability, and composite reliability (Hair et al., 2019; Sarstedt & Christian M. Ringle, 2017). Second, the researcher carried out the measurements in the inner model including testing R^2, F^2, Q^2, variable collinearity, and hypothesis testing (Shmueli et al., 2016, 2019). This two-step test was carried out to determine the accuracy of the construct.

Sampling Technique

The determination of the sample used a purposive sampling technique involving employees who understand the concepts of strategy and innovation in the organization. This study used primary data obtained from questionnaires distributed online.

RESULTS AND DISCUSSION

In this review, hyporhesis testing considers the first example estimate value (O) to lay out the heading of the connection between factors, as well as the t statistic (T) and p value (P) to survey the importance level of the relationship. A unique example esteem near +1 demonstrates a positive relationship, while a worth near - 1 shows a negative relationship (Sarstedt & Christian M. Ringle, 2017). A t-statistic value that exceeds 1.96 or a p-value that is below the significance level indicates a statistically significant result. The results of hypothesis testing are presented in Table 1 and illustrated in Figure 2.

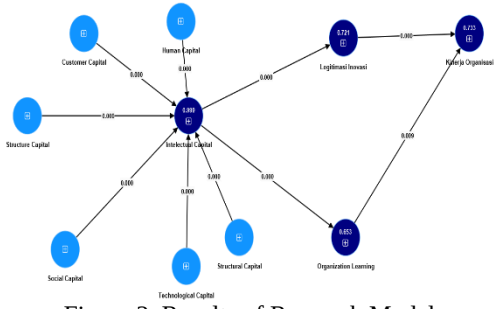

Figure 2. Results of Research Model

Table 1. results of Direct Influence Hypothesis Testing

	O	M	STDEV	T	P
IC -> I	0.849	0.850	0.014	61.737	0.000
IC -> OL	0.808	0.810	0.018	44.873	0.000
I -> OP	0.713	0.712	0.057	12.529	0.000
OL -> OP	0.167	0.170	0.064	2.603	0.009
IC -> I -> OP	0.606	0.605	0.052	11.594	0.000
IC -> OL -> OP	0.135	0.138	0.054	2.496	0.013

Note: IC = Intellectual Capital, I = Innovation, OL = Organizational Learning, OP = Organizational Performance, O = Original Sample Estimates, M = Sample Mean, STDEV = Standard Deviation, T = T-Statistics, P = P Values.

Alluding to the consequences of hypothesis testing, it is found that Scholarly Capital affects development authenticity, with a coefficient worth of 0.849. The p-esteem is 0.000 < 0.05, and the T-measurements esteem is 61.737 > 1.96, so the speculation (H1) can be acknowledged. This shows that the Scholarly Capital variable impacts the authenticity of development, which is 84.9%. This finding is predictable with past examinations that show Scholarly Capital fundamentally influences development in enormous Malaysian assembling organizations (Rehman et al., 2021). In this manner, Scholarly Capital plays a part as an essential asset to lay out development (Chahal and Bakshi, 2015).

The consequences of speculation testing show that the Scholarly Capital variable affects Hierarchical Learning, with a coefficient of 0.808. The p-esteem is 0.000 < 0.05, and the T-insights esteem is 44.873 > 1.96, so the speculation (H2) can be acknowledged. The related condition indicates that Intellectual Capital has a positive direct influence on Organisational Learning which is 80.8%. This finding is consistent with previous research that shows Intellectual Capital affects Organisational Learning, and has an important role in building Organisational Learning, especially in the context of public service organisations (Durrah et al., 2018). On the other hand, Organisational Learning is influenced by the role of Intellectual Capital as a knowledge base, which in turn will encourage knowledge transmission (Lin et al., 2022).

Referring to the results of hypothesis testing, the Innovation Legitimacy variable is proven to have a significant direct effect on Organisational Performance, with a coefficient value of 0.713. The p-value is 0.000 < 0.05, and the T-statistics value is 12.529 > 1.96, so the hypothesis (H3) is

accepted. This shows that the Innovation Legitimacy variable has a positive direct effect on Organisational Performance by 71.3%. The role of innovation is very important in raising the performance of public sector organisations, because innovation allows organisations to overcome economic and social barriers and optimise operations and use of resources (Bloch & Bugge, 2013). On the other hand, innovation can help organisations create added value, raise the efficiency of the work stage, and find more effective solutions to achieve their goals (Aziz et al., 2015).

The organizational learning variable has a direct influence on organizational performance with a value of 0.167. It has a p-value of 0.009 < 0.05 and T-statistics values of 2.603 > 1.96 so the hypothesis (H4) is accepted. Thus, the organizational learning variable has a positive direct influence on organizational performance with a value of 16.7%. It is in line with previous studies that the organizational learning variable has a positive influence on non-financial organizational performance (Skerlavaj et al., 2007). OL helps create an environment where people can share knowledge and make decisions and leaders can share experiences and influence subordinates' learning in order to create the expected environment through fulfilling organizational goals which ultimately encourages increased organizational performance (Arefin et al., 2020).

The consequences of speculation testing show that the Development Authenticity variable intercedes the connection between the Scholarly Capital variable and the Hierarchical Execution variable, with an intervention coefficient worth of 0.606. The p-esteem is 0.000 <0.05, and the T-measurements esteem is 11.594> 1.96, so the speculation (H5) is acknowledged. Hence, the Authenticity of Development variable intervenes the connection between Scholarly Capital and Hierarchical Execution with an intercession worth of 60.6%. Related conditions show that development completely intervenes the connection between Scholarly Capital and Upper hand, since Scholarly Capital straightforwardly and emphatically influences Upper hand (Chahal and Bakshi, 2015).

The organizational learning variable can intercede the connection between the scholarly capital variable and authoritative execution with a worth of 0.135. It has a p-worth of 0.000 < 0.05 and T-measurements upsides of 2.496 > 1.96 so the speculation (H6) is acknowledged. Subsequently, the hierarchical learning variable intervenes the connection between the intellectual capital variable and hierarchical execution with a worth of 13.5%. Past examinations report that the scholarly capital variable doesn't straightforwardly impact execution yet is deciphered as a representative's ability to learn (Farzaneh and Nazari, 2020). Execution can't be affected by Scholarly capital just, yet additionally by information sharing and recombination including the reuse of beforehand existing information (Al-Husseini, 2023). Association individuals with more information and abilities will overwhelm in driving the authoritative growing experience by acquiring and producing groundbreaking thoughts, investigating better approaches for working, and afterward transforming them into new organizational schedules (Pasamar and Diaz-Fernandez, 2019).

CONCLUSION

Based on the results of the analysis, it can be said that Intellectual Capital, Innovation, Organizational Learning, and Organizational Performance variables are related to one another. Intellectual Capital influences Organizational Performance through Innovation and Organizational Learning. Intellectual Capital can accelerate innovation and increase the learning abilities of human resources which ultimately improve organizational performance. Intellectual Capital is the learning ability of organizational members. Organization members with more knowledge and skills will encourage the Organizational Learning process by

generating new ideas and new ways of working resulting in a new organizational routine to provide better organizational performance.

Public sector organizations can utilize the results of this study to improve organizational performance through innovation and organizational learning as a link to intellectual capital. However, this study is limited to public service organizations in the law enforcement sector so future studies are expected to involve other public service organizations or business organizations. Future studies can add other mediating variables for the relationship between Intellectual capital and organizational performance considering that they have a mixed relationship as mentioned by other researchers. Future studies are also expected to reaffirm and strengthen the relationship between Intellectual Capital and Organizational Performance.

This research also has several limitations. Studies to be conducted in the future can analyze the relationship between other exogenous factors, such as stakeholder pressure, organizational governance, IC, and performance in the context of different government organizations' business processes, especially when additional information is available available. In addition, our results can be generalized to law enforcement agencies in the field of prosecution for countries developing country. Therefore, we reiterate that the results of this study must be interpreted carefully considering the limited sample size and methodological strength. Future research is possible conducting cross-country studies that will significantly increase the sample, contextual and relevance other IC actions. The generalization of our conclusions is to the public sector and is open to question.

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