

Modelling Intellectual Capital for Organisational performance through Innovation Culture within Abu Dhabi Police in UAE

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Abstract

Intellectual capital (IC) is seen as a key driver for organizations to achieve success in the knowledge related to economy. The present work investigates the impact of three IC elements, which are human capital (HC), structural capital (SC), and relational capital (RC), on innovation culture and organisational performance within Abu Dhabi Police in UAE. Data were collected from Abu Dhabi police department. 392 cases formulate the data valid for the analysis. Using partial least squares structural equation modeling (PLS-SEM), the results reveal that HC, SC and RC positively affect organisational performance; innovation culture has the capacity of enhancing the organisational performance. Moreover, innovation culture partially mediates the relationship between IC and organisational performance. For practical prospects, this study has contributed to practise in a variety of ways. Such as the evaluation of better sub-elements of intellectual capital, which assist managers in detecting, capturing, and assessing the various aspects of business resources that must be taken into account one by another in order to increase organisational performance, with the purpose of taking full advantage of their intangible assets. This research will fill the gap in literature by studying the impact of IC on innovation culture and organisational in developing countries as UAE.

Keywords: Intellectual capital (IC), Innovation culture, Organisational performance (OP), UAE.

1. Introduction

Intellectual capital (IC) has received good attention from scholars and practitioners as a result of the fast expansion of knowledge-based economy. Intellectual capital (IC), which is associated with producing value for organizations, may provide organisations in the knowledge economy with a competitive advantage and improved performance (Ahmed et al., 2019). IC are also thought to add value to physical and financial assets (Dzenopoljac et al., 2017). Intellectual capital captures flows and stocks of the total knowledge base of a company. The study suggests that the multidisciplinary character provided by intellectual capital perspective and a valuation and relevance challenge. In the face of fierce global competition, the importance of intellectual capital as a primary source of

economic growth is widely acknowledged (Ahmed et al., 2019; Alshamsi et al., 2019).

The concept of intellectual capitals (IC) became quite popular in the late 1990s. As a consequence, the IC were envisaged as a combination of knowledge and abilities, which may clearly provide a firm with a long-term competitive advantage (Tarus, 2017). Alshamsi et al (2019) defined IC as the employees' key competencies comprising individual knowledge and skills. Smriti & das (2018) Identified IC as the stocks and information flows available within an organisation. Moreover, Li and Zhao (2018) noted that assessing IC may aid in the formulation of company strategies and the allocation of corporate resources. According to Meles et al. (2016), there are three interconnected groups of reasons in favour of IC measurement: The increasing significance of IC as a factor of

corporate growth; only IC ensure long-term competitive advantage in the market; and IC provide a continual and endless innovation sources.

By looking to United Arab Emirates (UAE), it has recently been listed among the world's fastest-developing economies ([World Bank, 2016](#)) in the Middle East, North Africa, and Gulf zone with the aim of ranking among the highest service-oriented economies ([Ibrahim & Al Falasi, 2017](#)). The economy of the UAE is highly diversified with more than 180 nationalities and involves tourism, development, logistics, banking and finance, diverse communities, faiths and ethnic backgrounds ([Jabeen et al., 2015](#)). In recent decades, research on organizational performance has demonstrated that there is a growing awareness among police services in the UAE and the UK alike that this would reciprocally benefit all stakeholders if the services offered by police focused on improving performance of the organization ([Abu Dhabi Police, 2019](#)). This is not to imply that present levels of organisational performance within the police are inadequate, but as social standards and expectations continue to develop, current approaches to performance management must be reviewed in order to maintain the police force ready to face new problems ([Abu Dhabi Police, 2019](#)). Some police agencies in Abu Dhabi have adopted a service-led strategy as part of their future plans. However, not all these efforts are at the same maturity levels ([Eterno et al., 2021](#)). Because each police agency reflects a different geographical and socioeconomic demography, it is equally important to recognised that a “one-size-fits-all” approach to policing is neither legitimate nor practicable ([Ahmed et al., 2019](#)).

Similar in regards to several writers and practitioners have noted that increasing performance through innovation is rarely simple in law enforcement. Change is typically met with opposition in these institutions, and police personnel frequently face difficulties in adopting new initiatives ([Eterno et al., 2021](#)). Surprisingly, there are little indications regarding the key characteristics of police performance linked with eight innovations, such as crime control efficacy and community satisfaction with services delivered ([Alshamsi et al., 2019](#)). However, it has been proven that police innovation may reduce crime and

strengthen relationships with the communities they serve ([Eterno et al., 2021](#)).

Based on the economic vision 2021, the government focuses more on increasing the share of the local workforce and improving their knowledge and innovation level, which is considered as the main key of improving the country economy ([Livsey, 2019](#)). In this regard, the government has neglected the integral role of other components of the intellectual capital, which works along with the human capital to improve the macro-performance. According to [Alshamsi et al., \(2019\)](#) human capital and structural capital represent the essential components of the IC, which integrates with the capital employed of the organisation to achieve high performance. Development capital is viewed as a piece of scholarly capital and can be depicted as capital-related with inexhaustibility. [Schumpeter \(1964\)](#) expressed that development is a key factor for riches; thusly it ought to be viewed as a significant piece of the outside data. As a result, further study is needed to bridge this gap and investigate this link in this sector ([Wang et al., 2019](#)). As a result, the UAE was the focus of this investigation. The UAE's public sector, including the police force, is more mature and established than those of other Middle Eastern and Arab countries.

The contributions of this study are described in two ways. Firstly, in recent years, researchers have focused on the IC contribution to organizational success in developing economies. Secondly, current literature on the measurement of IC contributions to innovation and in-depth research of IC innovation and components ([Xu et al., 2019](#)) are lacking. [Verbano and Crema \(2016\)](#) stated that it is crucial to investigate the way IC components affect performance and innovation. Both the academia and service sector are interested in the relationship between IC and innovation culture. The current work works on explaining the causal connection between IC and culture innovation. It also works on investigating the mediating effect of innovation culture on the relationship between IC and OP. Lastly, it can help of Abu Dhabi Police management in the UAE understand the way of combining IC resources with innovation culture in order to sustain excellent organizational performance.

2. Theoretical background and development of hypotheses

2.1 IC and Its Components

IC was first defined in 1836 as the total of individual skills and knowledge (Kianto et al., 2010). Following that, Stewart (1994) defined IC as the synthesis of an individual's knowledge and talents that may provide a company with competitive advantages. Despite the fact that this definition was largely taken for granted by researchers worldwide, no uniform definition of IC exists (Livsey, 2019). IC is thought to consist of HC, SC, and RC components despite the fact that various names are used to refer to it. (Kamukama et al., 2013. Ahmed et al., 2019). Employee knowledge, satisfaction, skills, and motivation are all linked to HC (Wang et al., 2018). It is considered as an essential asset in organizations (Santos-Rodrigues et al., 2013). The right development of an employee's talents can lead to improved outcomes in organizational performance (Chen et al., 2012). The knowledge that belongs to a company after workers leave is referred to as SC, capturing of HC. It includes organizational structures, processes, procedures, culture, and administrative programs (Zambon, 2012; Toth & Jonas, 2017). SC creates the infrastructure that is needed by HC in order to generate value. Even if all workers leave, it is kept in the company (Joshi et al, 2013). RC is concerned with the relationships of associates of an organization and their loyalty to the company and the relationships with external organisations (Dzenopoljac et al., 2017). Customer connections are seen as the most significant form of RC (Alshamsi et al, 2019). In some works, client capital is utilized as one of three sub-components instead of RC (Ameen et al., 2018). In line with the study of (Kamukama et al., 2013), the IC aspects of human capital, structural capital, and relational capital will be employed for this study.

2.2 Innovation culture

In quickly changing corporate settings, innovation culture is critical for gaining a competitive edge and enhancing organisational performance (Barkat et al, 2018). As a result, many businesses are striving to become innovators in order to deal with increased market complexity and competitive intensity (Li et al., 2019). To achieve these objectives, effective paths must be identified via which organizations may successfully diversify types of innovation, gain a competitive edge, and

fulfil the unique expectations of clients (Li and Yu, 2018).

2.3 Organisational performance

Performance is seen as the most essential concept in the assessment of an organisation and a vital component in achieving effective management (Corvellec, 2018). Nevertheless, examining performance and how it is quantified is limited (Corvellec, 2018). A performance measurement system, as Wang et al., (2018) stated, is a list of indicators utilised to check the effectiveness of an organization's operations. The assessment system of performance aids in taking sensible decisions, effective plans, and monitoring and controlling all activities in organisations (Li & Zhao, 2018).

2.4 IC and organisational performance

Many studies have looked at the effects of various IC components on firm-level business performance. Ting and Lean (2009), for instance, revealed that IC components (physical capital, HC, and SC) are strongly related with Malaysian financial institutions profitability. Xu et al., (2019) verified that SC can help companies enhance the quality of both processes and products at a low cost, resulting in successful businesses. Except for SC, according to Barkat et al. (2018), all IC components have positive direct and indirect effects on the performance of textile firms in Pakistan. According to (Obeidat et al., 2018), intellectual capital has a substantial link with business performance regardless of the industry in which an organisation works. Kujansivu and Lonnqvist (2018) carried out research to investigate the link between intellectual capital and company performance in terms of profitability and productivity. The findings revealed that intellectual capital has a substantial link with productivity but not with profitability. Furthermore, Zeghal and Maaloul (2015) discovered a substantial positive link between intellectual capital and a firm's financial success in a study of 300 UK firms. Tseng (2010) discovered that intellectual capital has a substantial influence on organisational performance. Moreover, (Vishnu & Gupta, 2014) found that intellectual capital had a Favourable impact on company performance. Human capital, on the other hand, has a strong negative association with business performance, according to (Firer & Stainbank,

2018). Furthermore, Obeidat et al., (2018) asserted that there is no link between intellectual capital and company performance. Hence, this work proposes the first hypothesis to be tested:

Hypothesis 1 (H1). IC has a positive influence on organizational performance.

2.4 IC and innovation culture

IC is considered as a driving source for innovation (Zhang and Lv, 2015, Chen et al., 2015; Li and Yu, 2018). The findings of Hsu and Fang (2009) suggested that IC positively affects enterprise innovation through organizational learning. Regarding IC components, HC is the precondition and guarantee for firm's innovation (Chen et al., 2015). Employees' ability and quality are closely related to firm's HC structure. SC provides the environment and conditions for employees to learn knowledge and skills and stimulate their enthusiasm for innovation. Corporate culture can enable enterprises to formulate innovation strategies, which can positively affect the process of innovation (Li and Yu, 2018). Most findings (Cabrillo et al., 2018; Li and Yu, 2018) suggested SC positively affect innovation performance. In addition, external RC can provide a new way for companies to search for new knowledge and enrich the company's internal resources (Xu et al., 2019). Verbano and Crema (2017) found that relations with external partners can help SMEs to achieve radical technology innovation performance. Companies should focus more on RC to improve consumers' acceptance of their new products. Therefore, we formulate the following hypotheses:

Hypothesis 2 (H2). IC has a positive influence on innovation culture.

2.5 Innovation culture and organizational performance

Existing literature emphasised the critical importance of an innovation culture in organisational performance (Inkinen, 2016). Hurley and Hult (1998), for example, observed that organisational culture is closely related to organisational innovation. Similarly, Alshamsi et al., (2019) concluded that incorporating innovation into organisational culture and management procedures helps organisations

achieve extraordinary success. Innovation is also one of the key factors that impact performance and contribute to achieving a competitive advantage (Ahmed et al., 2019). Furthermore, it improves an organization's profit, growth, market share (Verbano and Crema, 2017), return on assets (Xu et al., 2019), and sales growth (Obeidat et al., 2018). In numerous studies, businesses' innovation capability has been identified as a major determinant and an intangible asset for creating value and long-term competitive advantage, which ultimately leads to superior performance (Inkinen, 2016; Obeidat et al., 2018). Accordingly, our hypothesis is stated as follows:

Hypothesis 3 (H3). Innovation culture has a positive effect on organizational performance.

2.6 The mediating effect of innovation culture

IC, together with physical capital, is the driver of enterprise performance. Meanwhile, IC constitutes the basis of innovation. Among IC components, HC with diverse knowledge, ideas, and skills are related to the development of product innovation (Donate et al. 2016). SC and RC can guarantee the realization of innovation and corporate performance from inside and outside. In the context of Pakistan, Barkat et al., (2018) found that mediating role of innovation plays in the relationships between HC and firm performance and between RC and firm performance. For SMEs, McDowell et al. (2018) suggested that innovativeness mediates the link from human and organizational capital to small firm's performance. On the other side, according to Xu et al. (2019) in their study found out that on the study of Innovation and intellectual capital were identified as intermediary variables between transformational leadership, transactional leadership, and organisational performance, and their findings support the hypothesis that intellectual capital and innovation played mediating roles in transformational and transactional leadership and organisational performance. And, in this regard, innovation serves as a bridge between intellectual capital and organisational performance. Therefore, we propose the following set of hypotheses

Hypothesis 4 (H4). Innovation culture mediates the relationship between IC and OP.

Figure 1 shows the proposed conceptual framework based on the literature reviewed above. These practices were shortly discussed in the previous section IC has the capacity of supporting the organizational performance level of the organization. This research

emphasises on the capability of IC in causing a positive effect on developing an organization and its performance. Based on the resource dependence theory, the study related all the IC and organizational performance of the organization.

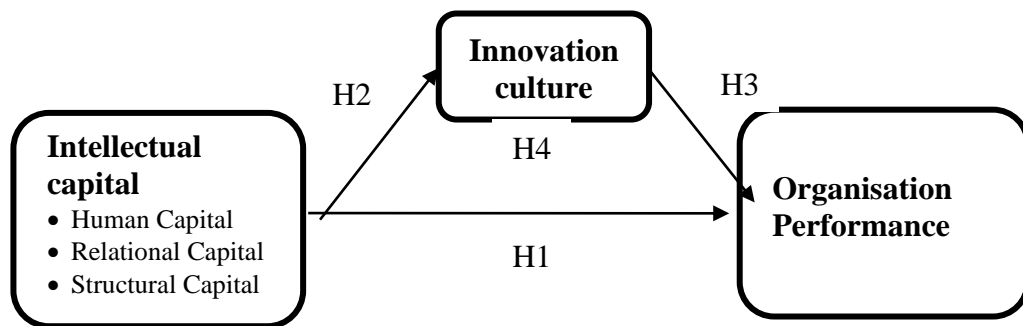


Figure 1. research framework

3. Research methodology

3.1 Instrumental development

A questionnaire was created for the purpose of evaluating the research model, and it was utilised to collect the data needed for this work. It included questions in Arabic that the UAE respondents can comprehend. It was divided into categorized: a) it measured four core points using a five-point Likert scale ranging from 1 to 5 (from strongly disagree to strongly agree), b) it covered the demographic profiles of the respondents and was evaluated by an ordinal or nominal scale.

3.2 Data collection

This work uses quantitative data, that is collected in accordance with the statistical survey guidelines. The respondents work in Abu Dhabi police. A personally administered questionnaire was used for collecting data from respondents within the sample population in this work. The number of questionnaires distributed must not be equal to the sample size since the responses rate will not reach a percentage of 100 in order to achieve the required size. The data was obtained in the context of the present study by distributing, across the UAE during February 2021, a set of 500 questionnaires (sample sizes). A total of 448 questionnaires were returned after Two

month and 89.6 percent of the answer rate was there-fore de-terminated. However, 56 were determined to be incomplete and include missing values or more out of 448 surveys of the 392 questionnaires, 23 were therefore eliminated and 369 were ultimately judged to be valid for analytical statistical data. For standard checks the completed data were not evaluated as the SmartPLS does not obligatorily consider the distribution of research data as a precondition for statistical testing (Hair et al., 2014).

3.3 Data analysis

The items were operationalized by using a 5-point Likert scale where 1 = strongly disagree and 5 = strongly agree. Smart PLS Version 2.0 was employed for conducting the analysis. SEM was selected as a method of statistics since it offers a side-by-side analysis resulting in proper estimation. Fac-to-face interaction with workers was done to complete the survey, which was employed for data collection with a randomly sampling technique. the gender test was divided into two categories: male and female. Male respondents made up 192 percent of the total, while female respondents made up 177 percent of the total. This test reveals that the majority of responses were men. The work position had five positions of work, which are employee, supervisor, manager,

director/head/senior manager, and chief officer. The employee respondents were 161 with 43.6%. The supervisor respondents were 70 with 19%. The manager respondents were 54 with 14.6%. The director/head/senior manager respondents were 39 with 10.6%. and lastly the chief officer respondents were 45 with 12.2%. This test confirms that most of the respondents were under the employee work position. the education levels were divided into four categories: diploma, bachelor, masters, and Doctor of philosophy. There were 73 respondents with a diploma, representing for 19.8 percent of the total. There were 104 bachelor's degree holders among the respondents, representing for 28.2 percent. The proportion of respondents who held a master's degree was 97 percent (26.3 percent). Finally, 95 percent of responders had a PhD, making for 25.7 percent of the total. The majority of responses appear to have bachelor's degree certifications. the working experience test had four experience ranges: 1-5 years, 6-10 years, 11-15 years, and more than 15 years. There were 77 responses with 1-5 years of experience, accounting for 20.9 percent of the total. There were 160 responses with 6-10 years of experience, accounting for 43.4 percent of the total. The respondents with 11-15 years of experience made up 85 percent of the total, accounting for 23 percent of the total. Finally,

there were 47 responders with more than 15 years of experience, accounting for 12.7 percent of the total. It indicates that the majority of responders had 6-10 years of experience.

4. Results

1. Reliability, validity and descriptive statistics

Table 1 shows that the total mean scores for the study variables were ranged between 4.0190 and 4.1789. The descriptive statistics revealed that the mean value for Organisational Performance is 4.0393. The descriptive analysis also revealed that standard deviations for all the variables were ranged between 0.62452 and 0.72139. Alpha from Cronbach is the most frequent metric of internal consistency to evaluate the trustworthiness of the scale (Hair et al., 2014). The preliminary results of 0.8 or 0.9 show the internal consistency of a measurement model, whereas values below 0.6 suggest the lack of dependability. The greater CR score implies a higher consistency of the goods. For the research underway, both Cronbach alpha (CA) and the composite reliability values in Table 1 are larger than 0.8 and 0.9. These data showed a strong degree of dependability in the building and so demonstrated the high internal consistency of the objects utilised in the present research tool.

Table 1 Descriptive statistics for study variables

Constructs	N	Min	Max	Mean	Std. Dev	(CA)	CR
Human Capital (HC)	369	1	5	4.1468	.65793	0.899	0.923
Relational Capital (RC)	369	1	5	4.1789	.62452	0.895	0.934
Structural Capital (SC)	369	1	5	4.0190	.72139	0.881	0.913
Innovation Culture (IC)	369	1	5	4.1768	.67016	0.875	0.915
Organisational Performance (OP)	369	1	5	4.0393	.69754	0.837	0.892

Convergent validity (Hair et al., 2014) measures how much a measure is correlated with an alternate measure of the same structure. Thus, an item assesses its designed structure. Convergent validity. The validity of the convergent was assessed by the average extracted value (AVE), as proposed in this study (Waddock & Graves, 1997). The appropriate convergent validity was shown by a value of AVE 0.50 and above. The

converging validity values for the structures utilised in the current investigation are presented in Table 2. Since the minimal threshold (0.50) of AVE was fulfilled by all values. It was demonstrated that the measuring model in the present investigation has adequate convergent validity.

Table 2 average variance extracted (AVE) values

Variables	Average Variance Extracted
Human Capital (HC)	0.666
Relational Capital (RC)	0.826
Structural Capital (SC)	0.677
Innovation Culture (IC)	0.729
Organisational Performance (OP)	0.674

Note: AVE = Average Variance Extracted

For the current study, the factor loading test shows in Table 3 that the variables items have relatively good loadings, 0.70 was taken as the

minimum for the first stage model of this study, while the items were ranged between 0.725 and 0.926.

Table 3 Factor Loading

Constructs	Indicators	Loading (> 0.7)
Human Capital	HC1	0.726
	HC2	0.791
	HC3	0.839
	HC4	0.841
	HC5	0.845
Relational Capital	RC1	0.883
	RC2	0.886
	RC3	0.728
	RC5	0.875
Structural Capital	SC2	0.821
	SC3	0.843
	SC4	0.810
	SC5	0.819
	SC6	0.820
Innovation Culture	INC1	0.848
	INC2	0.926
	INC3	0.822
	INC4	0.814
Organisational Performance	OP4	0.828
	OP5	0.783
	OP6	0.897
	OP7	0.768

The discrimination of validity (Urbach & Ahlemann, 2010) describes the difference between constructs. The discriminatory validity of the structures may be measured in two ways (Fornell & Larcker 1981) and the cross-loading of buildings can be measured. When a building's AVE square root is more than correlated with other structures, the value is derived with the first approach (Fornell and Larcker 1981). In the second technique (Cross-

Loading), the value shows that loads of objects are higher than in the other buildings. The discriminating validity of a measuring model is shown by these values. Discriminant validity values were achieved by executing the Smart PLS software algorithm function. The results of Table 4 revealed the values for the measurement of descriptive validity calculated using Fornell Larcker.

Table 4 Fornell-Larcker criterion

	HC	RC	SC	IC	OP
HC	0.816				
RC	0.561	0.909			
SC	0.626	0.661	0.823		
IC	0.545	0.528	0.580	0.854	
OP	0.555	0.534	0.600	0.684	0.821

Key: HC:Human Capital, RC: Relational Capital, SC: Structural Capital, IC: Innovation Culture and OP: Organisational Performance.

2. Direct effect of IC on firm performance

Figure 2 Measurement Model Results well, the study conducted a study to examine the effect

of elimination on CR and AVE with the external load levels below 0.50 - 0.60. as shown in following Figure 2

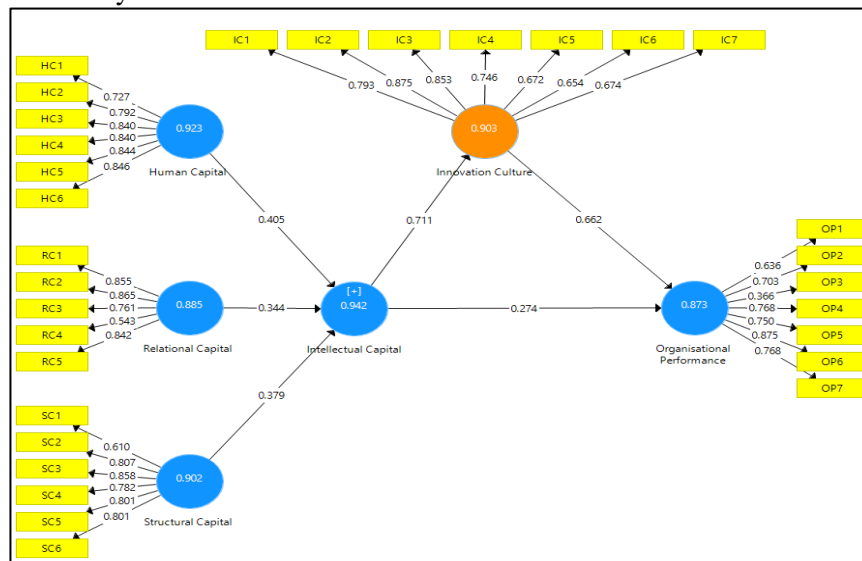


Figure 2 Measurement Model Result

Key: HC:Human Capital, RC: Relational Capital, SC: Structural Capital, IC, Innovation Culture and OP: Organisational Performance.

To investigate the direct effect of IC on organisational Performance, we tested a structural model as shown in Figure 2. The results showed that the standardized path coefficients from IC to operational and organisational Performance were, 0.254 respectively. The t-value of 5.304 was found to be significant because it was greater than the critical value of 1.96, and the p-value of 0.000 was also significant and less than the threshold value of 0.05. Thus, H1 was supported. IC exerted significant effects on innovation culture where 0.643. The t-value of 17.541 was found to be significant because it was greater than the critical value of 1.96, and the p-value of 0.000 was also significant and less than the threshold value of 0.05. Thus, H2 was supported. Innovation culture had

significant impacts on OP where 0.627. The t-value of 16.534 was found to be significant because it was greater than the critical value of 1.96, and the p-value of 0.000 was also significant and less than the threshold value of 0.05. Therefore, H3 was supported.

3. Mediation analysis

Mediation analyses were conducted to evaluate the mediation role of innovation culture in the connection between intellectual capital and organisational achievement. As is shown in Table 5, mediation between intellectual capital and organisational performance in innovation is considerable in terms of the 1 percent oscillating between intellectual capital and organisation. The t-value total is 13,815. The mediation impact of culture of innovation is

thus regarded as a mediation between intellectual capital and organisational performance

Table 5 Mediation effect Assessment of research variables

Mediation	Direct Effect	Total Effect	Indirect Effect	Significance of Mediation	T Statistics of Mediation	Status
Intellectual Capital -> Innovation Culture -> Organisational Performance	0.254	0.657	0.403	0.000	13.815	Accepted (Partial)

It is also important to assess whether the mediation is part-service or part-service. For the relations that are accepted. With beta values between 0.657, the total effect path coefficient values are significant. The relationships with beta values between 0.254 are important for the direct effect values. Final total, indirect impact is calculated and found negligible osteoidal with beta values 0.403. The effect is not significant. It is clear that a considerable

amount of indirect effect significantly increases the total effect compared to the direct effect. Based upon the findings, the mediation effect is in partisan life, both because the interval of confidence of the bootstrapped has not exceeded the null value, there is a mediation effect between the organisational performance and intellectual capital, as shown in the Table 6, by the culture of innovation.

Table 6 Mediator calculator

IV- -> Mediator	Mediator --> DV		Standard deviation		Bootstrapped Confidence Interval	
Path a	Path b	Indirect Effect	SE	t-value	95% LL	95% UL
0.643	0.627	0.403	0.029	13.902	0.346	0.460

The coefficient of determination (R²) value is used to describe how much variance in the dependent variable is caused by the independent variables. The greater the R² values, the better the structural model's prediction abilities. However, the strength of R² values is affected by the complexity of the study model and the type of discipline (Hair et al., 2014). R² values for endogenous latent variables, for example, are calculated as follows: 0.26 (significant), 0.13 (moderate), and 0.02 (weak) (Cohen, 1988). R² values, on the other hand, should be equal to or more than

0.10 in order for the variance explained of a certain endogenous component to be considered acceptable (Falk & Miller, 1992). Table 6 shows that the indirect relationship between IC and OP through innovation culture was significant 0.403. The t-value of 13.815 was found to be significant because it was greater than the critical value of 1.96, and the p-value of 0.000 was also significant and less than the threshold value of 0.05. Thus, there was sufficient empirical evidence to accept hypothesis H4.

Table 7 Coefficient of determination

Variable	R Square	Result
Organisational performance	0.664	Substantial

According to the findings of the PLS algorithm analysis, as shown in Table 7, intellectual capital explained 66.4 percent of the variation in organisational performance. Overall, the results show that all (R²) values above the cut-off value of 0.02. As a result, the model has appropriate predictive ability for organisational performance.

5. Discussion

5.1 Theoretical contributions

In this study, we find that all the three IC components affect OP. Our findings support the argument made by a number of prior researches that all components of IC facilitate firm performance (Barkat et al., 2018; Donate et al. 2016; Xu et al. 2019), and contradict the conclusion made by another group of researchers that only a few (not all) IC components are positively related to firm performance (Ling, 2011; Shih et al., 2010). Moreover, we find different IC components have heterogeneous influences on OP. Specifically, all three IC components exert both direct and indirect effects on OP. In sum, these findings contribute to the IC literature by revealing various underlying mechanisms through which IC components lead to improved OP. They also contribute to the HRM literature by suggesting to which IC component an organization should devote more HR resources, given its strategic priorities on different performance outcomes. Secondly, our findings confirm the mediating role of innovation culture in the IC-firm performance relationship, thus supporting the views that IC's impact on firm performance might be mediated by various factors (Wang et al, 2018; Xu et al. 2019). Nevertheless, our study is among the first to examine the mediation role of innovation culture. It offers an alternative explanation for the relationship between IC and OP.

5.2 Practical implications

For practitioners, our findings have two important implications. First, since all three IC components are associated with OP, managers must strive to continually develop and maintain their IC, through investments on staff recruitment and selection, employee training and development, procedure design and optimization, and other HRM activities ((Wang

et al, 2018; Obeidat et al., 2018; Li and Yu, 2018). The result of the analysis showed Intellectual capital has a positive influence on organizational performance. This outcome corroborated the belief that workers productivity is affected by their networking in organizations. Hence, the teamwork and communication between workers in the United Arab Emirates is essential. All the workers contribute to the organizations performance (Alshamsi et al., 2019).

It has generally helped Abu Dhabi police department managers and public sector to view IC as an acting catalyst for organizational performance. Abu Dhabi police should make an effort to help employees retain positive relationship. Furthermore, for the purpose of improving the processes, the police department of Abu Dhabi should maintain a track of the knowledge obtained from a variety of sources. For the purpose of enhancing this field of study, the study has taken an extension which is natural from the previous research related to IC due to its contribution.

6. Limitations and future research opportunities

This work has some limitations, which in turn offer potential directions for further studies. Firstly, this work works only on service sector in UAE. Future studies can involve other servicios with distinct environments for investment. Second, various sorts of innovation culture need to be considered. This work has examined the model of research in the police department of Abu Dhabi and other studies can focus on validating the model in other public sectors and other Arab countries. Furthermore, this research worked on the public sector without covering the private one. It has also evaluated the intellectual capital which appears as organizational performance in UAE. It recommends expanding the study to be conducted in the other places in the UAE that have not been focused on in this work.

Nonetheless, there are certain key contextual factors, particularly from the HR perspective, that may moderate their impact. Therefore, further research can look into the moderating effect of various contextual elements, like HRM strategy, knowledge management strategy (Wang et al., 2016), and organisational

culture (Wang et al, 2018), to get further understanding.

7. Conclusion

In this work, a modelling IC was developed for organisational performance through innovation culture, and tested the hypotheses by analyzing data collected from Abu Dhabi Police department in UAE. The findings demonstrate that the three components of IC, namely human capital, structural capital and relational capital, are all positively connected to innovation culture, which support the organisational performance. Innovation culture partially mediates the effects of the three components of IC on organisational performance. Furthermore, in the importance performance map analysis also came first. Therefore, teamwork and communication between the workers in the UAE are important as their knowledge and skills. The employees contribute to the performance of the organization by their experience and communication. Structural capital is in the second place in explaining performance. Moreover, human capital has a rolls assisting organizations to enhance their performance and strive to keep existing. To sum up, intellectual capital was recognized a key indicator of the performance in organizations. Enhancing the role of IC will add to the organizational performance.

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