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Original Article (Quantified)

Investigating the impact of business intelligence on financial performance with the mediating role of innovation and network learning in companies in Zahak Industrial Park.

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Abstract

The aim of this study was to investigate the effect of business intelligence on financial performance by mediating innovation and network learning in companies in Zahak Industrial Town. This study is applicable in terms of purpose, and correlational in terms of nature and method. The statistical population of this study consists of all employees of the above-mentioned companies, whose number has reached 275 people in 2025. Due to the relative limitation of the statistical population, all members of the community were selected as a sample and studied as a census. The data collection tool was four standard questionnaires. Data analysis was performed using structural equations and PLS software. The research findings indicate that: Business intelligence has an effect on financial performance by mediating innovation and network learning. The results of this study show that business intelligence plays an important role in improving the financial performance of companies located in Zahak Industrial Town. This effect is strengthened not only directly, but also through two other key factors, namely innovation and network learning.

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Extended Abstract

Introduction

In the current competitive environment, one of the prominent characteristics of which is the scarcity of resources, performance management and evaluation play an important role for the organization (Amado et al., 2012). Often, in research related to financial performance, the emphasis is on determining the relationships between financial indicators and their impact on company performance, and for this purpose, regression models are mostly used to show the impact of each of these indicators on performance (Yalcin et al., 2012). The question of many financial managers of companies, especially during economic recessions, is which financing model can achieve more appropriate financial performance for the company. This issue is also a matter of disagreement in the financing literature. Some consider using more debt due to the resulting tax savings, and some consider using more shares due to the lower cash outflow from interest payments to be appropriate for the company's financial performance. Several factors affect company performance, including business intelligence, network learning, and innovation (Huang et al., 2022). Learning is the vital road to understanding and adapting to the increasing speed of change, so educational organizations, which are the main producers of knowledge and information and the most extensive institution for producing knowledge, are considered the axis and engine of development in any society. In other words, learning organizations continuously change and improve their performance by utilizing the virtues, arts, values, and abilities of their employees and based on the lessons they learn through experience. The main motto of such organizations is "creativity and innovation". Innovation is a process in which a person first lets his imagination soar to the heavens, then brings it down to earth and engineers it (idea engineering) to become an idea, then transforms the ideas into practical, useful and appropriate ideas through idea management. (Creativity) then transforms the ideas into goods, services and processes and finally ends with the commercialization of new or developed products, services and processes in the market. In other words, creativity is a prerequisite for innovation, but it should be noted that there is often a long way from creativity to innovation, which is usually facilitated by entrepreneurs (Asri et al., 2012). Several factors affect networked learning and innovation, among which we can mention business intelligence (Huang et al., 2022). Business intelligence is a valuable and irreplaceable internal resource that helps startups develop and expand their knowledge base for managers (Chen et al., 2025). The goal of business intelligence is to automate and integrate as many business steps and tasks as possible. Recently, the implementation and configuration of business intelligence systems has become one of the top priorities of senior information managers in organizations. Business intelligence can have a significant impact on a company's performance and is therefore a high priority for many companies (Hawking & Sellitto, 2010). In today's competitive world, organizations must either change their structure or equip themselves with the tools to adapt to these changes and control them; so that today, intangible and intellectual capital called knowledge, is seen as an important and vital factor. However, it is noteworthy that acquiring knowledge and achieving an organization's knowledge base is not possible without learning (Kalani et al., 2013). Despite the importance of financial performance and the role of business intelligence, innovation, and network learning in it, we seek to answer the question: does business intelligence affect financial performance through the mediating role of innovation and network learning in companies in Zahak Industrial Town?

Theoretical Framework

Business intelligence enhances the entrepreneur's ability to identify and exploit external opportunities and, as a result, may accelerate internationalization. (Mishra & Zachary, 2015). Business intelligence may improve firm performance by leveraging competitive advantage in market information management, organizational learning, and intellectual capital (Kalmuk & Acar, 2015). Nowadays, companies are increasingly investing in their information technologies to build more advanced business intelligence capacity (Carayannis et al., 2018). Exporting SMEs have limited knowledge of foreign market conditions. In this context, business intelligence capacity may have a significant impact on the international performance of SMEs by enabling them to create competitive advantages to manage challenges during the internationalization process (Eyadat et al., 2025).

Huang et al. (2022) conducted a study to investigate the impact of business intelligence on the financial performance of startups. However, business intelligence increases innovation by 0.99 units, and innovation in turn increases financial performance by 0.311 units, network learning increases innovation by 0.632 units, and network learning improves financial performance by 0.397 units. The effect of business intelligence on innovation as well as network learning also confirmed the effect of innovation and network learning on financial performance. We conclude that business intelligence affects financial performance indirectly and through the mediating role of innovation and network learning. Interestingly, these two factors are essential for improving financial performance. Network learning (mediating variable) means pervasive learning in the organization by relying on communication networks in different parts of the organization as well as communication networks with partners, colleagues, customers, etc. to keep the level of knowledge of the companies up to date (Huang et al., 2022). Many studies have shown that there are positive relationships between organizational innovation and company performance (Martins & Terblanche, 2003). The ability to create and develop innovative and unique products determines a company's competitiveness, especially when companies operate in international markets. Product innovation capacity indicates the company's ability to create, modify, or innovate product offerings to meet customer requirements (Pham et al., 2017). Product innovation improves time to market when introducing new products. As a result, product innovation leads to product advantage. Therefore, product innovation capacity can be valuable and rare; hence, when it supports the company to adapt to changing customer needs, it may lead to a competitive advantage for the company (Huang et al., 2022).

Methodology

This research is applicable in terms of purpose, and correlational in terms of nature and method. In other words, the result of this research is used for an organization (the companies under study). The data collection tools are four 15-question business intelligence questionnaires, 12-question innovation questionnaire, 6-question network learning questionnaire, and 10-question financial performance questionnaire of Huang et al. (2022). The questionnaire options for respondents are designed as follows: (I Strongly agree, I agree, I somewhat agree, I disagree, I completely disagree), which is given a score of 5 to 1. The statistical population of this study consists of all employees of the companies in the Zahak Industrial Town, whose number has reached 275 people in 2025. Due to the relative limitation of the statistical population, all members of the population were selected as a sample and studied as a census. Structural validity was applied using the PLS software.

Findings

The path coefficient between the variable of business intelligence on financial performance in the companies in the Zahak Industrial Town is 0.615 and the t-statistic is 8.168. The path coefficient between the variable of business intelligence on innovation in the companies in the Zahak Industrial Town is 0.952 and the t-statistic is 14.528. The path coefficient between the variable of business intelligence on network learning in the companies in the Zahak Industrial Town is 0.511 and the t-statistic is 5.943. The path coefficient between the variable of innovation on financial performance in companies in Zahak Industrial Town is 0.424 and the t-statistic is 4.958. The path coefficient between the network learning variable on financial performance in companies in Zahak Industrial Town is 0.941 and the t-statistic is 12.357. Therefore, business intelligence has a significant effect on financial performance with the mediating role of innovation and network learning in companies in Zahak Industrial Town.

Discussion and Conclusion

The purpose of this study was to investigate the effect of business intelligence on financial performance with the mediating role of innovation and network learning in companies in Zahak Industrial Town. The results of the study and its findings indicate the fact that in general, business intelligence has a significant effect on financial performance with the mediating role of innovation and network learning in companies in Zahak Industrial Town. Business intelligence can improve financial performance through innovation and network learning. That is, by increasing the numerical value of business intelligence, network learning and innovation are improved and consequently financial performance increases. These findings indicate that if a company is able to predict changes in the markets and has a proper response to marketing actions, its financial performance will undoubtedly improve. The results of this test are generally consistent with the findings of the Huang et al., (2022), and confirm the results of this research.