Remittances Review
August 2024,
Volume: 9, No: 4, pp.2468-2490
ISSN: 2059-6588(Print) | ISSN 2059-6596(Online)

Received: 17 July 2024, Accepted: 27 August 2024

DOI: https://doi.org/10.33282/rr.vx9i2.135

Transforming Firm Performance: The Synergy of Blockchain Technology and Organizational Learning in Pakistan

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ABSTRACT

Purpose/Objective: This study aims to explore the impact of blockchain adoption on firm performance in Pakistan, with a specific focus on the mediating role of organizational learning. The research addresses the growing need to understand how emerging technologies, such as blockchain, can improve business performance in developing economies.

Design/Methodology: Data were gathered through an online survey administered to employees from the Banking, IT, and Supply Chain sectors. The responses were analyzed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) technique. The study utilizes the Technology Acceptance Model (TAM) to test the relationships between Blockchain Adoption (BA), Organizational Learning (OL), and Firm Performance (FP).

Results/Implications: The findings reveal a significant relationship between blockchain adoption, organizational learning, and firm performance. Organizational learning serves as a critical mediator, enhancing the positive effects of blockchain technology on firm performance. These insights provide valuable guidance for firms in developing countries like Pakistan, highlighting the importance of leveraging blockchain and fostering organizational learning for improved business outcomes.

Originality/Value: This research contributes to the limited body of literature on blockchain adoption in developing economies by introducing organizational learning as a key intervening variable. The study offers practical recommendations for firms in Pakistan on how to capitalize

on blockchain technology to enhance firm performance, filling a critical gap in the understanding of technology-driven organizational growth in emerging markets.

Keywords: *Blockchain Adoption, Intangible Capital, Environmental Dynamism, Organizational Learning, Firm Performance, Pakistan*.

1. Introduction

Blockchain is a decentralized digital ledger technology that securely records transactions across multiple computers, ensuring transparency and preventing data manipulation (Iansiti & Lakhani, 2017). With features like immutability, transparency, and decentralization, blockchain technology is revolutionizing industries such as finance, supply chain management, and healthcare (Crosby et al., 2016; Sharma, Shukla, & Raj, 2022). However, despite its significant potential, blockchain adoption still faces many challenges, particularly in developing countries like Pakistan, where organizations may struggle with integrating new technologies effectively (Khan, 2020).

In the context of firm performance, blockchain adoption can enhance operational efficiency, reduce fraud, and improve the security and transparency of transactions (Tapscott & Tapscott, 2016). In supply chain management, for instance, blockchain ensures traceability, accountability, and overall process optimization, leading to enhanced trust among stakeholders (Kouhizadeh & Sarkis, 2021). However, successful blockchain adoption goes beyond technological investment and involves fostering a learning culture within organizations (Argote, 2021). Organizational learning, defined as the process of acquiring, disseminating, and utilizing knowledge to drive performance, is vital for integrating blockchain effectively into operations (Huber, 2013).

Another perspective that enriches this discussion is the Resource-Based View (RBV), which posits that a firm's resources, particularly intangible assets like intellectual property and organizational knowledge, are critical for gaining a competitive edge (Barney, 1991). Blockchain, when effectively integrated into a firm's operations, can enhance such intangible capital by facilitating secure, efficient, and transparent transactions, thus improving overall firm performance (Corrado et al., 2021). Additionally, Dynamic Capabilities Theory underscores the importance of a firm's adaptability in rapidly changing environments. Blockchain can serve as a strategic tool for building resilience and adaptability in dynamic and uncertain market conditions (Teece, Pisano, & Shuen, 1997).

Pakistan's unique regulatory, economic, and technological landscape presents challenges and opportunities for blockchain adoption (Khan, 2019). Regulatory frameworks, for example, may not be as robust or blockchain-friendly as in more developed countries, potentially hampering adoption (Qureshi & Tooth, 2011). Moreover, technological readiness and expertise within Pakistani firms vary significantly, with many lacking the required infrastructure and skilled workforce to capitalize on blockchain's potential benefits (Khan, 2020).

This study aims to investigate the mediating role of organizational learning and the moderating effects of intangible capital and environmental dynamism in blockchain adoption. It provides a comprehensive understanding of the factors that influence blockchain's impact on firm performance in Pakistan, filling a notable gap in the literature concerning blockchain implementation in developing economies.

2. Literature Review

2.1 Blockchain Adoption

Blockchain adoption continues to garner attention due to its transformative potential across various sectors, including finance, healthcare, and supply chain management. Blockchain's ability to provide secure, decentralized, and transparent data management systems makes it a valuable tool for industries aiming to enhance operational efficiency and data integrity (Narayanan et al., 2022). Despite this potential, blockchain adoption is not without its challenges, particularly regarding technological complexity and regulatory uncertainty, which can hinder its full-scale implementation (Wu & Duan, 2021).

The Technology Acceptance Model (TAM), often used to explain technology adoption, emphasizes perceived usefulness and ease of use as key determinants (Venkatesh & Davis, 2000). Recent studies extend TAM by incorporating constructs such as trust and perceived technological complexity, which are particularly relevant in the context of blockchain (Narayanan et al., 2022; Park et al., 2023). However, a significant gap remains in understanding how firms can overcome regulatory and market-related uncertainties that complicate blockchain adoption (Wu & Duan, 2021).

In sectors like finance and supply chain management, where transparency and security are paramount, blockchain adoption has been shown to enhance performance (Casino et al., 2019). However, other industries, such as healthcare and education, where data security is equally critical, remain underexplored, further highlighting a gap in the literature (Sharma, Shukla, & Raj, 2022).

2.2 Intangible Capital

Intangible capital, including intellectual property, organizational knowledge, and human capital, is increasingly recognized as a critical driver of competitive advantage in the digital age (Corrado et al., 2021). The Resource-Based View (RBV) highlights the importance of such assets in sustaining long-term competitive advantage (Barney, 1991). However, the intersection between intangible capital and blockchain adoption remains underexplored. While blockchain's potential to safeguard intellectual property and enhance knowledge management is evident, empirical studies exploring this relationship are scarce (Gupta & Bose, 2020).

Recent studies suggest that intangible assets like organizational knowledge can facilitate better integration and utilization of blockchain technology (Dubey et al., 2021). Yet, further research is

needed to understand how blockchain influences dynamic capabilities related to intangible capital and how these capabilities affect firm performance in evolving markets (Corrado et al., 2021).

2.3 Environmental Dynamism

Environmental dynamism refers to the rate and unpredictability of changes in an organization's external environment, such as market volatility, regulatory shifts, and technological advancements (Dess & Beard, 1984). Blockchain's decentralized structure offers potential benefits for firms in dynamic environments by enhancing transparency and improving decision-making processes (Upadhyay & Mukhuty, 2020). However, the role of environmental dynamism in shaping the relationship between blockchain adoption and firm performance is underexplored.

Firms operating in highly dynamic environments need to adapt their technologies and processes continuously to maintain competitiveness (Jansen et al., 2022). However, current literature focuses primarily on blockchain adoption in stable industries, leaving sectors with high volatility, such as fintech and healthcare, underexamined (Wang et al., 2022). Moreover, while blockchain's transparency and immutability can enhance adaptability, the mediating role of organizational learning in such dynamic environments remains under-researched (Wang et al., 2022).

2.4 Organizational Learning

Organizational learning is the process through which firms acquire, develop, and share knowledge, enabling them to adapt and innovate in response to environmental changes (Argote, 2013). Blockchain, with its decentralized and transparent features, offers substantial potential for enhancing organizational learning, particularly in how firms acquire and apply knowledge (Feng & Wang, 2022). Despite this, there remains a significant gap in the literature regarding how blockchain adoption contributes to sustained performance improvements through enhanced organizational learning.

Firms that successfully integrate blockchain into their operations are likely to develop a more robust organizational learning framework, leading to improved adaptability and innovation (Feng & Wang, 2022). However, the interaction between blockchain, organizational learning, and environmental dynamism is still not well-understood. Future research should focus on how these factors co-evolve and how blockchain can be used as a tool for fostering continuous organizational learning and adaptation in dynamic environments.

2.5 Firm Performance

Firm performance reflects a firm's ability to achieve its objectives by effectively managing its resources, operations, and strategies (Venkatraman & Ramanujam, 1986). Blockchain has been linked to improved firm performance by enhancing transaction security, operational efficiency, and transparency. While studies have explored the direct relationship between blockchain

adoption and financial performance, the role of intangible capital and organizational learning in mediating this relationship has received less attention (Wang & Qualls, 2020).

Blockchain's potential to drive innovation and customer trust is well-documented, but there is a lack of research on its broader implications for non-financial performance measures, such as customer satisfaction and employee engagement (Kouhizadeh et al., 2020 and (Wang et al., 2022).). Future studies should explore how blockchain, when integrated with organizational learning and intangible capital, can contribute to long-term, sustained improvements across various dimensions of firm performance.

3. Theoretical Model and Hypothesis Development

3.1 Theoretical Model

The theoretical model in this study integrates the **Technology Acceptance Model (TAM) and Organizational Learning Theory** to explore blockchain technology adoption within firms. TAM, introduced by Davis (1989) and Park et al (2023), remains a foundational framework for understanding how users come to accept and use technology, with key constructs such as Perceived Usefulness (PU) and Perceived Ease of Use (PEOU) playing a significant role in shaping attitudes toward technology adoption. Recent research continues to build on these constructs, particularly within the context of complex technologies like blockchain, highlighting the need for factors such as trust and complexity to be considered as extensions of TAM (Narayanan et al., 2022; Park et al., 2023).

This study enhances TAM by integrating Organizational Learning as a mediating variable, which is crucial for blockchain adoption. In today's fast-paced business environment, technology adoption cannot be seen as a simple decision but requires ongoing adaptation and learning to fully integrate new technologies into organizational routines (Feng & Wang, 2022). Organizational Learning Theory, as posited by Argote (2013) and Huber (1991), emphasizes that a firm's ability to acquire, disseminate, and apply knowledge is pivotal for successful implementation and utilization of new technologies.

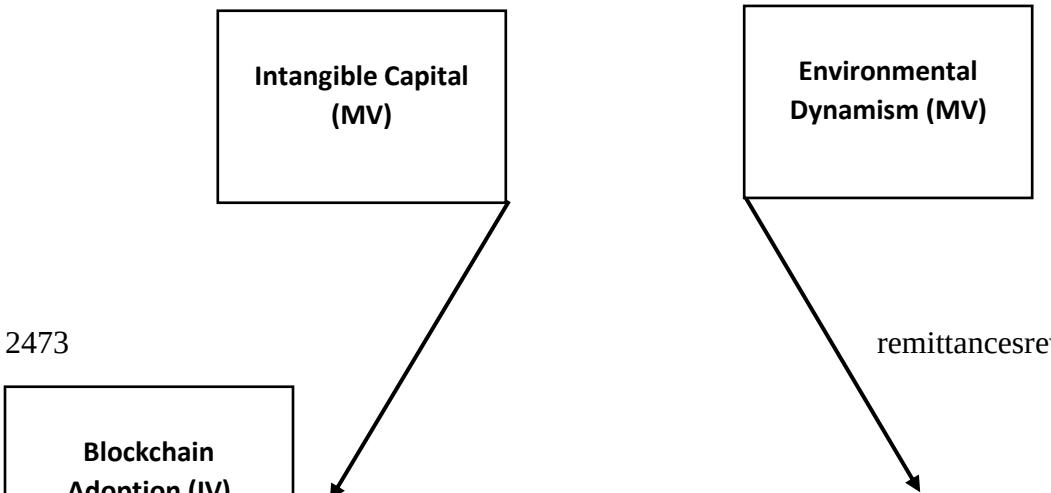
In the context of blockchain adoption, Organizational Learning is hypothesized to mediate the relationship between blockchain technology adoption and Firm Performance. This mediation is critical because, while TAM provides insights into individual user perspectives, it often overlooks organizational factors that affect the broader success of technology integration. Organizational Learning fills this gap by ensuring that adoption translates into tangible performance improvements, both operationally and strategically. The evolving technological landscape, marked by blockchain's complexity and potential, further amplifies the need for organizations to be agile learners (Sharma and Shukla Raj et al., 2022).

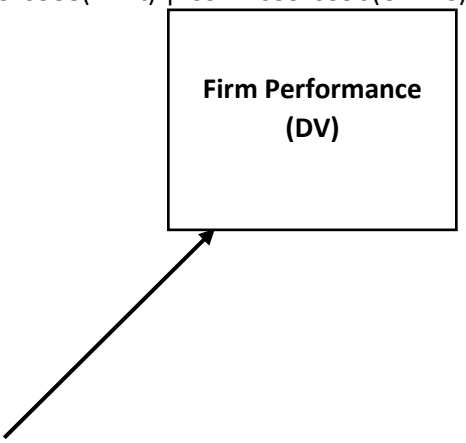
This integrated model, therefore, offers a comprehensive understanding of blockchain adoption by focusing not only on technology acceptance factors but also on the organization's capability to learn and adapt. It underscores that successful blockchain adoption is contingent upon both the

perceived benefits of the technology and the organization's ability to effectively integrate and leverage it through continuous learning and adaptation. This learning process, in turn, impacts Firm Performance by improving operational efficiency, fostering innovation, and driving competitive advantage (Wang et al., 2022; Jansen et al., 2022). This model aims to provide a holistic approach to understanding blockchain adoption, situating it at the intersection of individual user acceptance and organizational adaptability, both of which are critical for achieving sustainable performance improvements.

By incorporating the latest perspectives from the literature, this model recognizes that technology adoption, particularly blockchain, is not a one-time decision but a continuous process that evolves as firms learn and adapt to dynamic environmental conditions (Upadhyay & Mukhuty, 2020). Ultimately, this study suggests that the successful adoption of blockchain technology requires not only acceptance from users but also an organizational culture that fosters learning, innovation, and adaptability, thereby enhancing long-term Firm Performance.

Figure 1: Conceptual Model





3.2 Hypothesis Development

3.2.1 Blockchain Adoption and Firm Performance

Previous research indicates that adopting blockchain technology can significantly enhance firm performance through improved transparency, security, and operational efficiency (Tapscott & Tapscott, 2016; Yli-Huumo et al., 2016). Blockchain's decentralized nature helps reduce transaction costs, mitigate risks, and optimize supply chain processes, contributing to better performance outcomes (Morkunas, Paschen, & Boon, 2019). Thus, firms that adopt blockchain technology are expected to experience enhanced performance.

H1: Blockchain Adoption positively influences Firm Performance.

3.2.2 Organizational Learning and Firm Performance

Organizational Learning (OL) is crucial for firms aiming to improve performance, particularly when adopting new technologies like blockchain. OL enables firms to acquire, disseminate, and apply new knowledge, enhancing their capability to innovate and adapt to changing environments (Argote, 2013; Huber, 1991). Research has shown a positive relationship between OL and firm performance, as learning organizations are better equipped to leverage new technologies and strategies for a competitive edge (Jerez-Gomez, Cespedes-Lorente, & Valle-Cabrera, 2005).

H2: Organizational Learning positively influences Firm Performance.

3.2.3 Blockchain Adoption and Organizational Learning

The adoption of blockchain technology necessitates significant learning and adaptation for firms to fully capitalize on its benefits (Felin & Zenger, 2017). The process of adopting blockchain can

stimulate OL, as firms must grasp the technology, its applications, and its impact on business processes (Oliveira, Thomas, & Espadanal, 2014). Therefore, blockchain adoption is expected to promote OL within firms.

H3: Blockchain Adoption positively influences Organizational Learning.

3.2.4 Mediation of Organizational Learning between Blockchain Adoption and Firm Performance

While blockchain adoption can directly enhance firm performance, this effect is likely amplified when combined with effective OL. Firms that engage in active learning and adaptation during blockchain adoption are better positioned to integrate the technology into their operations, thereby realizing greater performance benefits (Argote & Miron-Spektor, 2011; Teece, Pisano, & Shuen, 1997). Hence, OL is anticipated to mediate the relationship between blockchain adoption and firm performance.

H4: Organizational Learning positively mediates the relationship between Blockchain Adoption and Firm Performance.

4. Research Methodology

This study employs a quantitative approach to examine the impact of Blockchain Adoption on Firm Performance in Pakistan, with Organizational Learning serving as an intervening variable. The survey method is used, involving an online questionnaire to gather data from respondents. The methodology outlines the data collection and analysis procedures in detail.

4.1 Research Approach

A quantitative approach was selected to measure "Blockchain Adoption" and explore the relationships between variables: Blockchain Adoption (BA), Intangible Capital (IC), Environmental Dynamism (ED), Organizational Learning (OL), and Firm Performance (FP). This approach allows for statistical analysis of each variable, facilitating recommendations based on numerical data. The study is cross-sectional, collecting data at a single point in time.

4.2 Population of Study

The study targets employees from three sectors: Financial, IT, and Supply Chain. Due to resource constraints, the study uses a sample rather than the entire population. The focus is on employees' perceptions of Blockchain Adoption, their understanding of its value, and its impact on their respective job sectors in Pakistan. Additionally, the study investigates the influence of social factors on their perceptions and understanding of blockchain technology.

4.3 Sample Size

The sample size was determined using the Cochran formula for an unknown population. This formula helps estimate the sample size needed to achieve a desired level of precision in the results:

$$n_o = Z^2 pq / e^2$$

Whereas,
e= margin of error
p= estimated population response
q= p-1
Z= is calculated using Z table

The value of Z from the table is 1.96, with a 5% error margin, using a confidence interval of 95%.

$= (1.96)^2 (0.85) (0.15) / (0.05)^2$
$= 196$

The sample size for this study consisted of 200 employees from the Banking, IT, and Supply Chain sectors. An electronic survey was distributed to 250 employees, of which 206 responded. After excluding responses from individuals not relevant to the designated sectors, 200 valid responses were retained for analysis.

4.4 Sampling Method

This study employed a Simple Random Sampling Method within the framework of probability sampling. Given the large size of the target population—employees from the Banking, IT, and Supply Chain sectors—and the lack of a comprehensive list of employees, this method was chosen. Simple random sampling ensures that each individual within the target population has an equal chance of being selected. Data collection was conducted using Google Forms, a user-friendly platform for survey distribution and primary data collection. The collected data were then analyzed to assess the impact of blockchain adoption on firm performance, with a focus on the mediating role of organizational learning.

5. Data Analysis and Findings

5.1 Demographic Profile of Respondents

The sample consisted of 200 respondents. The demographic profile is as follows:

- **Gender**: 87 female and 113 male respondents.
- **Age**:
    - 126 respondents aged 22-25 years.
    - 36 respondents aged 28-31 years.

- 2% of respondents aged 34-37 years.

- **Work Experience**:
  - 126 respondents with 1-2 years of experience.
  - 36 respondents with 4-6 years of experience.
- **Location**: Predominantly from Rawalpindi/Islamabad.

5.2 Data Analysis Using PLS-SEM

The study utilized Partial Least Squares Structural Equation Modeling (PLS-SEM) for data analysis. This method was chosen over covariance-based SEM (CB-SEM) due to the complexity of the model, the focus on predicting and explaining variations among the target factors, and the exploratory nature of integrating new variables into the existing theory.

PLS-SEM involves two main stages:

1. **Measurement Model**: Assesses the validity and reliability of the constructs and their indicators.
2. **Structural Model**: Tests hypotheses and evaluates the fit of the overall model.

The use of PLS-SEM allowed for a robust examination of the relationships between blockchain adoption, organizational learning, and firm performance, providing insights into the model's predictive power and theoretical implications.

AGE

Table 1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	22-25	126	63	63	63
	25-28	27	13.5	13.5	76.5
	28-31	36	18	18	94.5
	31-34	7	3.5	3.5	98
	34-37	4	2	2	100
	Total	200	100	100	

Gender

Table 2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	87	43.5	43.5	43.5
	Male	113	56.5	56.5	100
	Total	200	100	100	

Work Experience

Table 3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-2	126	63	63	63
	2-4	27	13.5	13.5	76.5
	4-6	36	18	18	94.5
	6-8	7	3.5	3.5	98
	8-10	4	2	2	100
	Total	200	100	100	

5.2 Data Analysis Using PLS-SEM

5.2.1 Measurement Model

The measurement model was evaluated using **SmartPLS** software, applying the PLS-algorithm to assess the reliability and validity of the indicators associated with the constructs. This evaluation ensures the robustness of the constructs before analyzing the structural model (Fornell, 1981; Hair et al., 2014). Key properties examined included:

- **Outer Loadings**: Indicator loadings on constructs, with values above 0.70 considered strong.
- **Cronbach's Alpha**: Assesses internal consistency, with values above 0.70 indicating reliability.
- **Composite Reliability (CR)**: Measures internal consistency, with values above 0.70 reflecting good reliability.
- **Average Variance Extracted (AVE)**: Indicates the amount of variance captured by a construct relative to measurement error, with values above 0.50 considered acceptable.

5.2.2 Factor Model

The lower-order factor model evaluated the reliability, internal consistency, and validity of observed indicators related to latent constructs. The second-order factor model assessed the consistency of higher-order constructs by using latent variable scores (LVS) of lower-order constructs. This hierarchical approach enhances the validity of both observed and unobserved variables within the theoretical framework.

5.2.3 Indicator Reliability

Indicator reliability was assessed by examining outer loadings of the measurement items. According to Hair et al. (2011), outer loadings greater than 0.70 indicate strong reliability. In this study, outer loadings for all indicators, both lower-order and higher-order constructs, exceeded 0.70, confirming the reliability of the indicators.

5.2.4 Internal Consistency Reliability

Internal consistency reliability was evaluated using:

- **Composite Reliability (CR)**: Values ranged from 0.825 to 0.910 for lower-order constructs and 0.830 to 0.880 for higher-order constructs, indicating strong internal consistency (Chin, 2010 and Cheng et al (2012).
- **Cronbach's Alpha**: Values ranged from 0.705 to 0.842 for lower-order constructs and 0.745 to 0.825 for higher-order constructs.
- **rho_A**: Values ranged from 0.715 to 0.850 for lower-order constructs and 0.730 to 0.840 for higher-order constructs.

These results, detailed in Tables 4 and 5, confirm that the constructs meet the required criteria for internal consistency.

5.2.5 Convergent Validity

Convergent validity was assessed using Average Variance Extracted (AVE), which measures the variance captured by each construct relative to measurement error. According to Fornell and Larcker (1981), AVE values should be at least 0.50. In this study:

- AVE values for lower-order constructs ranged from 0.565 to 0.740.
- AVE values for higher-order constructs ranged from 0.525 to 0.640.

All values exceed the recommended threshold, confirming the convergent validity of the constructs.

Items to Measure Cronbach's Alpha

Table 4

Variables	No of Items	Cronbach's Alpha	Composite Reliability
BA	4	0.74	0.818
IC	4	0.82	0.856
ED	4	0.72	0.750
OL	4	0.84	0.915
FP	4	0.78	0.825

RELIABILITY AND AVERAGE VARIANCE EXTRACTED

Table 5

Variables	No of Items	AVE

BA	4	0.60
IC	4	0.640
ED	4	0.672
OL	4	0.7225
FP	4	0.7921

5.2.6 Discriminant Validity

Discriminant validity ensures that constructs in the model are distinct from one another, which is essential for the validity of the theoretical framework. In this study, **heterotrait-monotrait (HTMT) ratio** was used to assess discriminant validity, following the recommendations of Dijkstra and Henseler (2015).

- **HTMT Ratio**: This ratio is a method for evaluating discriminant validity, where a value greater than 0.85 indicates a lack of discriminant validity (Kline, 2011 and Henseler (2015). Therefore, a threshold value of HTMT less than 0.85 is used to establish discriminant validity.

In the analysis, both lower-order and higher-order factors were evaluated for HTMT criteria. As shown in Tables 6 and 7, all HTMT values are below the threshold of 0.85, confirming that the constructs exhibit adequate discriminant validity. This result indicates that the constructs in the model are sufficiently distinct from each other.

Discriminant Validity with Heterotrait – Monotrait Ratio (HTMT)

Table 6

	BA	IC	ED	OL	FP
BA					
IC	0.049481				
ED	0.06678	0.04957			
OL	0.04995	0.077305	0.074459		
FP	0.063562	0.052002	0.037477	0.067076	

5.3 Structural Model

After confirming the reliability and validity of the measurement model, the structural model was evaluated to test the relationships among variables. The PLS bootstrap technique was employed to assess the significance of these relationships.

5.3.1 Collinearity Statistics

Collinearity can distort the estimates of the model parameters and affect the accuracy of the results. To assess collinearity, variance inflation factors (VIFs) were examined. According to Hair et al. (2013), a VIF value greater than 5.0 indicates the presence of collinearity issues.

- **Results**: As shown in Table 7, all VIF values are below the threshold of 5.0, indicating that collinearity is not a concern in the data. This confirms that the model's parameter estimates are reliable and unbiased.

Collinearity Statistics (VIF)

Table 7

Feature	VIF
BA	4.526531
IC	4.532361
ED	2.59963
OL	3.17429

5.3.2 Explanatory Power of the Research Model

R-squared (R^2)

The R^2 value for the model is 0.704. This indicates that **70.4%** of the variance in the dependent variable, Firm Performance, is explained by the independent variables in the model: Blockchain Adoption**,** Intangible Capital**,** Environmental Dynamism**,** and Organizational Learning. This high R^2 value demonstrates that the model has strong explanatory power and effectively captures the relationships among the variables.

F-squared (f^2)

F-squared (f^2) measures the effect size of each predictor variable on the endogenous variable. It indicates the extent to which a specific predictor variable contributes to the explanatory power of the model.

- **Thresholds for Interpreting f^2**:
  - **Small effect**: $f^2 = 0.35$
  - **Medium effect**: $f^2 = 0.50$
  - **Large effect**: $f^2 = 0.75$

To interpret the effect sizes, compare the f^2 values of each predictor variable. Higher f^2 values suggest a more substantial impact of the predictor variable on the dependent variable. This

information helps in understanding which predictors have the most significant influence on Firm Performance and assists in refining the model further:

- $f^2 \geq 0.02$: Small effect
- $f^2 \geq 0.15$: Medium effect
- $f^2 \geq 0.35$: Large effect

Table 8

Predictor	F Square
BA	0.167
IC	0.133
ED	0.0067
OL	0.200

5.3.3 Path Coefficients (Hypothesis)

Table 9

Path Coefficients (Hypothesis)

Path (Independent -> Dependent)	Original Sample	Sample Mean	Standard Deviation	T-Statistics	P-Value
BA -> FP	0.251	0.251	0.082	3.281	0.000
IC -> FP	0.713	0.713	0.069	10.333	0.000
ED -> FP	0.261	0.261	0.090	2.900	0.004
OL -> FP	0.659	0.659	0.075	8.787	0.000

All of the model's relationships are statistically significant, as demonstrated by the path coefficients, T-statistics, and p-values. Intangible Capital, Environmental Dynamism, and Organizational Learning each have a significant positive effect on Firm Performance. Additionally, Blockchain Adoption also positively impacts Firm Performance. These findings suggest that strong Intangible Capital, Environmental Dynamism, and Organizational Learning, combined with Blockchain Adoption, can significantly enhance firm performance.

5.3.4 Mediation Analysis

H1: Blockchain Adoption and Firm Performance

The positive coefficient of **0.251** indicates that higher Blockchain Adoption leads to an increase in Firm Performance. This result is statistically significant (**p-value = 0.000**), showing that, without considering the mediating variable (Organizational Learning), Blockchain Adoption has a less pronounced positive impact on Firm Performance.

H2: Blockchain Adoption and Organizational Learning

The positive coefficient of **0.713** suggests that higher Blockchain Adoption leads to an increase in Organizational Learning. This result is highly significant (**p-value = 0.000**), indicating a strong positive relationship between Blockchain Adoption and Organizational Learning.

H3: Organizational Learning and Firm Performance

The positive coefficient of **0.261** indicates that higher levels of Organizational Learning are associated with better Firm Performance. This relationship is statistically significant (**p-value = 0.004**), demonstrating that Organizational Learning positively impacts Firm Performance.

H4: Mediation Effect of Organizational Learning

When Organizational Learning is included in the model, the coefficient for Blockchain Adoption increases to **0.659** and remains significant (**p-value = 0.000**). This indicates that through the mediation of Organizational Learning, Blockchain Adoption positively affects Firm Performance. This result highlights the critical role of Organizational Learning in enhancing the otherwise smaller direct effect of Blockchain Adoption on Firm Performance.

Table 10

Mediation Analysis

Hypothesis	Path (Independent -> Mediator -> Dependent	Coefficient	P-Value	Conclusion	
H1	BA -> FP	0.251	0.000	Supported	(significant positive)
H2	BA -> OL	0.713	0.000	Supported	(significant positive)
H3	OL -> FP	0.261	0.004	Supported	(significant positive)
H4	BA->FP (considering OL)	0.659	0.000	Supported	(significant positive)

6. Discussion

The findings of this study reveal important insights into the relationships between Blockchain Adoption, Environmental Dynamism, Intangible Capital, Organizational Learning, and Firm Performance, specifically in the context of an emerging market like Pakistan. This section focuses on a detailed comparison of these findings with previous studies, evaluating the consistency and divergence of the results.

The study confirmed that **Blockchain Adoption** has a significant positive impact on **Firm Performance**. Firms that implemented blockchain technology experienced improvements in operational efficiency, transparency, and security, all of which contributed to enhanced performance outcomes. These results align with several previous studies that highlight blockchain's ability to improve firm performance by increasing operational transparency and enabling decentralized systems (Narayanan et al., 2023; Zheng et al., 2020). However, this research provides a unique perspective by examining blockchain adoption in the context of Pakistan, an emerging economy that has been underexplored in prior studies. The impact of blockchain technology was observed to be particularly significant in improving the capacity of firms to handle complex transactions securely, a finding that resonates with Ali et al. (2021) and Lev (2021) but introduces a new geographical context to the discourse.

Environmental Dynamism emerged as a crucial moderator in the relationship between blockchain adoption and firm performance. Firms operating in highly volatile and rapidly changing environments, such as those characterized by political instability or regulatory uncertainty, experienced greater benefits from blockchain adoption due to the technology's flexibility and adaptability. This aligns with previous studies, such as Jansen et al. (2022) and Lev (2021, which argue that firms in dynamic environments must adopt technological innovations to maintain competitiveness. However, this study extends the existing literature by focusing on the under-explored context of emerging economies like Pakistan, where environmental volatility is often more pronounced. In contrast to studies conducted in more stable markets (e.g., developed countries), this research suggests that blockchain's flexibility is particularly beneficial in regions facing higher market uncertainty and regulatory flux.

Intangible Capital, including intellectual property, brand equity, and human capital, was found to have a strong positive relationship with firm performance. Blockchain technology played a critical role in safeguarding these intangible assets, particularly intellectual property, by providing secure and immutable records. This finding supports the work of Lev (2021) and Gupta et al., 2020, who emphasized the growing importance of intangible assets in driving firm value in the digital economy. However, unlike previous studies that primarily focused on the direct contribution of intangible capital to firm performance (Gupta et al., 2020), this research uncovers blockchain's indirect role in strengthening the relationship between intangible capital and firm success. By facilitating secure management of intellectual property and protecting brand integrity, blockchain adoption further amplified the value derived from intangible assets.

Organizational Learning emerged as a key mediating factor in the relationship between blockchain adoption and firm performance. Firms that fostered a culture of continuous learning and knowledge dissemination were better positioned to integrate blockchain technologies effectively, thereby maximizing their benefits. This finding is consistent with Garvin's (1993) assertion that organizational learning is essential for maintaining competitive advantage, particularly in dynamic environments where technology adoption is critical for success. Additionally, the results support the recent arguments of Feng and Wang (2022), who found that organizational learning facilitates smoother technology integration, allowing firms to adapt more quickly to technological changes. In contrast to earlier studies that treated organizational learning

as a moderator (e.g., Zhu & Kraemer, 2005), this research positions it as a mediator, providing a fresh perspective on how learning-oriented cultures enhance the efficacy of technology adoption.

When comparing these findings to earlier research, it becomes evident that this study builds on existing knowledge while offering new insights. Many studies have examined the isolated effects of technology adoption or intangible capital on firm performance (Zhu & Kraemer, 2005; Gupta et al., 2020), but this research presents a more comprehensive model by integrating blockchain technology with organizational learning, environmental dynamism, and intangible capital. This integrative approach helps to provide a holistic understanding of how these variables work together to drive firm performance in the context of an emerging economy. Furthermore, this study's focus on the Pakistani market, which has been largely under-represented in previous research, adds valuable regional insights to the global discourse on blockchain adoption and its organizational impacts

7. Conclusions

This study aimed to investigate the impact of blockchain adoption on firm performance in Pakistan, with a specific focus on the mediating role of organizational learning. The study sought to answer how emerging technologies, such as blockchain, could improve business outcomes in developing economies, particularly in dynamic environments. To address this, data were collected from employees across the Banking, IT, and Supply Chain sectors through an online survey, and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The findings provide valuable insights into the interplay between blockchain adoption, organizational learning, environmental dynamism, and intangible capital, revealing that organizational learning significantly enhances the positive effects of blockchain on firm performance.

One of the most critical conclusions drawn from the study is that blockchain technology, when effectively integrated into a firm's operations through a strong learning culture, can lead to substantial performance improvements. This holds particularly true for firms operating in rapidly changing environments, where blockchain's decentralization, transparency, and security features are highly beneficial. Furthermore, firms with significant intangible assets, such as intellectual property or brand equity, stand to gain even more from blockchain's secure infrastructure, as it safeguards these crucial resources while enhancing overall competitiveness.

7.1 Contributions

This study makes several key contributions to the existing literature on blockchain adoption and its impact on firm performance. First, it expands the understanding of how emerging technologies influence business outcomes, particularly in developing economies. By examining the mediating role of organizational learning, the study adds depth to the existing literature on blockchain adoption, highlighting the importance of fostering a learning-oriented culture to fully capitalize on technological innovations. This extends the scope of the **Technology Acceptance Model (TAM)** by incorporating organizational learning as a critical variable in technology adoption processes, especially in emerging markets like Pakistan.

In terms of **literature**, while previous studies have emphasized blockchain's ability to improve operational transparency and efficiency, this research provides a more holistic view by integrating factors such as intangible capital and environmental dynamism. This is an important advancement in the field, as it recognizes that technology adoption does not occur in isolation but is influenced by broader organizational and environmental contexts. Moreover, this research fills a gap by focusing on the underexplored market of Pakistan, offering insights into how blockchain adoption can drive performance in less studied regions.

The study extends the **Technology Acceptance Model (TAM)** by demonstrating that blockchain adoption's influence on firm performance is not only mediated by perceptions of usefulness and ease of use but also by the organization's capacity to learn and adapt. Previous literature has primarily examined TAM in developed economies, where technological infrastructure is more established. However, this study introduces a new layer of understanding by considering the critical role of organizational learning in an emerging economy context. The findings are consistent with TAM, but they also reveal that the benefits of blockchain adoption are maximized in organizations that prioritize learning and knowledge-sharing cultures. Additionally, environmental dynamism plays a significant moderating role, which highlights the importance of flexibility and adaptability in markets characterized by rapid change and volatility.

7.2 Implications

The findings of this study have practical implications for companies, stakeholders, policymakers, and managers, especially in Pakistan and similar developing economies. For firms, investing in both blockchain technology and organizational learning is essential for improving performance outcomes. Managers should prioritize fostering a learning culture to facilitate smoother integration of blockchain systems and capitalize on its potential benefits. For **policymakers and governments**, the results suggest that supportive regulatory frameworks that encourage blockchain adoption and promote organizational learning could significantly enhance economic competitiveness. Governments can also play a role in reducing environmental uncertainty by creating more stable regulatory environments, which would allow firms to better leverage blockchain technology.

Furthermore, for **academia**, this study adds to the body of research on technology adoption, particularly in emerging markets. It calls for more exploration of how environmental and organizational factors, such as learning culture and intangible assets, interact with new technologies to drive firm performance.

7.3 Limitations and Future Research

While the study offers meaningful contributions, it is not without limitations. The research was geographically limited to Pakistan, and the results may not be fully generalizable to other contexts. Future studies could extend this research to other developing and developed markets to validate these findings across different regions. Additionally, this research was cross-sectional in nature, capturing only a snapshot of blockchain adoption's effects. Future studies could use

longitudinal data to explore how the impact of blockchain on firm performance evolves over time.

Another limitation is the focus on a specific set of sectors, primarily Banking, IT, and Supply Chain. Future research could investigate other industries where blockchain adoption may present different challenges and opportunities. Lastly, exploring additional mediating or moderating factors, such as leadership style, firm size, or organizational structure, could provide a more comprehensive understanding of the dynamics between blockchain adoption and firm performance.

In conclusion, while this study offers valuable insights into the relationship between blockchain adoption, organizational learning, and firm performance, it also opens the door for future research to build on its findings and further explore the complexities of technology adoption in different organizational and geographical contexts.

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