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THE MEDIATING ROLE OF STRATEGIC PHILANTHROPY IN ACHIEVING SUSTAINABLE CORPORATE PERFORMANCE

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ABSTRACT: This study investigates the attainment of corporate sustainability within environments characterised by uncertainty and the absence of robust formal institutions. It explores the relationship between organisational learning and sustainable corporate performance, with strategic philanthropy serving as a mediating variable. Drawing upon the triple-bottom-line framework, the resource-based view, and the theory of creating shared value, the study formulates a conceptual pathway linking corporate resources to strategic philanthropy, and subsequently, to sustainable performance outcomes. Employing a quantitative approach, data were collected from 105 publicly Chinese listed firms and analysed using SmartPLS and SPSS software. The findings reveal significant and positive associations between organisational learning, strategic philanthropy, and sustainable corporate performance. Furthermore, strategic philanthropy is shown to mediate this relationship effectively. The study advances the triple-bottom-line theory by proposing a novel strategic route to achieving corporate sustainability. It also enriches the resource-based view by identifying underexplored and ambiguous resources that contribute to competitive advantage. Additionally, it extends the creating shared value perspective by highlighting previously unexamined conditions under which firms engage in strategic philanthropic practices. This research recommends that policymakers foster a conducive environment for strategic philanthropy, while corporate leaders are encouraged to integrate organisational learning and strategic philanthropy to realise long-term sustainability benefits.

Keywords: Organisational Learning, Strategic Philanthropy, Sustainable Corporate Performance.

1. Introduction

Achieving economic growth requires not only quantitative expansion but also qualitative improvement, necessitating a balanced integration of both dimensions. Empirical evidence suggests that China's prolonged dependence on an extensive development strategy has resulted in declining marginal returns on investment, thereby undermining the sustainability of previously high growth rates, particularly since 2017. Additionally, export-oriented enterprises have been significantly disrupted by escalating economic and trade tensions with the United States beginning in 2018. The situation was further exacerbated by the COVID-19 pandemic in 2020, which imposed severe constraints on Chinese firms. According to the National Bureau of Statistics of China (NBSC), the annual industrial value-added growth rate declined progressively from 6.6% in 2017 to 5.7% in 2019, plunging to 2.8% in 2020 amid the pandemic, and moderately recovering to 4.6% by 2023. These figures highlight the growing difficulties Chinese enterprises face in maintaining sustainable corporate performance (SCP) under conditions of volatility and uncertainty.

The broader instability of the Chinese economy has also yielded adverse societal and environmental consequences. Youth unemployment has become an increasingly pressing issue, with between 19% and 27% of university graduates unable to secure employment upon graduation. Chinese firms, constrained by economic uncertainty, have been unable to absorb the growing influx of young labour market entrants. As reported by the NBSC, data publication in Beijing was suspended in August 2023 following a steady annual increase in youth unemployment, which reached a peak of 21.3% in June 2023. By December of the same year, the youth unemployment rate had declined slightly to 14.9%. Simultaneously, Chinese firms are marked by high input intensity, elevated energy consumption, and considerable environmental degradation (Kong et al., 2021). In 2019, over 80% of China's energy consumption originated from fossil fuels, with coal alone comprising 56.8% of the total energy usage in 2020, contributing significantly to environmental pollution. Consequently, prioritising financial performance in isolation is no longer viable for corporate survival. Chinese enterprises must align financial outcomes with social and environmental considerations to secure sustainable long-term performance. Thus, it is imperative to investigate pathways for achieving SCP that are compatible with the specific economic and institutional context of China.

Despite growing interest in SCP, several notable research gaps hinder its realisation. According to the resource-based view (RBV), organisational learning has the potential to generate valuable resources and foster knowledge creation, thereby supporting the execution of planned strategies. Nevertheless, there remains ambiguity regarding the extent to which organisational learning enhances overall organisational performance. One stream of literature suggests a positive contribution of organisational learning to corporate sustainability (Bilan et al., 2020; Kordab, Raudeliūnienė, & Meidutė-Kavaliauskienė, 2020; Mollah et al., 2023; Zgrzywa-Ziemak & Walecka-Jankowska, 2021). In contrast, another body of research argues that the link between organisational learning and SCP is not clearly established (Hermelingmeier & von Wirth, 2021; Prieto & Revilla, 2006).

Similarly, the practical implications of strategic philanthropy for SCP remain insufficiently examined. Existing studies have predominantly focused on the relationship between conventional corporate philanthropy and corporate sustainability outcomes (Cha, Rew, & Jung, 2023), with limited attention given to the strategic dimension of philanthropic activities. Notably, only Lu, Lin and Dabić (2023) have explicitly addressed the relationship between strategic philanthropy and sustainability, although their work is confined to a narrowly defined context. This highlights the necessity of testing the impact of strategic philanthropy on SCP across broader settings. Moreover, the literature on the antecedents of strategic philanthropy remains underdeveloped, revealing a gap in understanding of what drives firms to engage in such initiatives. In light of these theoretical and empirical limitations, the present study seeks to examine whether organisational learning exerts a significant and positive influence on SCP through the mediating role of strategic philanthropy.

2. Theoretical Framework and Hypotheses

2.1. Theoretical Framework

Within the framework of the RBV, both capabilities and resources are fundamental in establishing and sustaining a firm's competitive advantage (Wernerfelt, 1984). The concept of dynamic capability refers to an organisation's capacity to generate, adapt, and integrate internal and external competencies in response to rapidly evolving environments (Teece, Pisano, & Shuen, 1997). This capability underpins the argument that organisational learning plays a pivotal role in supporting corporate strategy and enhancing performance. Dynamic capabilities are widely regarded as outcomes of organisational learning and are significantly shaped by the broader organisational learning environment.

Organisational culture, comprising shared values, beliefs, customs, rituals, and practices, exerts a profound influence on individual and collective behaviour within firms. As such, the cultivation of a learning-oriented culture is essential for prioritising organisational learning. In parallel, learning strategies involve the systematic implementation of structured approaches and the development of enabling environments that facilitate continuous learning (Douglas & Haley, 2024). Organisations that embed a culture and strategy oriented towards adaptability and endorse sustained change initiatives are more likely to attain superior performance in the social, environmental, and economic dimensions, as proposed by the triple bottom line (TBL) framework. This enhanced performance arises from their superior ability to transform newly acquired knowledge into actionable insights, irrespective of the level of resources committed to learning. Firms characterised by cultures that are receptive to change tend to derive greater value from deliberate learning initiatives, thereby strengthening their sustainable competitive positioning. Effective organisational learning necessitates clearly articulated goals, a culture that encourages information sharing, and strong integration across the organisation's subsystems, structure, and cultural norms to facilitate meaningful learning outcomes. Learning strategies function as mechanisms that support both organisational and continuous learning, contributing to the development of a firm's knowledge base. This knowledge formalisation and consolidation process strengthens corporate resilience and increases the firm's capacity to embed philanthropic efforts within its core business operations, rather than treating such efforts as marginal.

From this standpoint, organisational learning equips firms to undertake strategic transformation activities, promoting innovation in operations and product development, which ultimately contribute to competitive advantage and corporate success. In essence, organisational learning serves as a knowledge-driven enabler of dynamic capabilities, supporting strategic change and helping to explain performance disparities among firms, particularly in volatile environments. According to the logic of creating shared value, firms aiming to optimise economic returns can enhance productivity, generate societal value, create new opportunities, and establish enduring competitive benefits. However, corporate growth and long-term viability are considered unsound if they negatively impact society. Within this framework, strategic philanthropy is understood as the provision of corporate resources that yield mutual benefit for both the firm and the recipient community (Saiia, Carroll, & Buchholtz, 2003). It is regarded as a cost-effective means of achieving SCP.

Strategic philanthropy planning involves aligning philanthropic actions with the organisation's broader mission, vision, and strategic priorities. This alignment is embedded in the design and development of philanthropic programmes to ensure they contribute to the firm's long-term objectives. During implementation, strategic philanthropy draws upon corporate resources and capabilities while addressing societal challenges, thereby ensuring that such initiatives are embedded within business practices to generate tangible value. As a result, strategic philanthropy is evaluated using the same criteria as other business operations, ensuring that it serves corporate economic interests while simultaneously producing societal good. Strategic philanthropy positioning involves promoting philanthropic efforts in ways that increase stakeholder awareness and positively influence public perception of the organisation and its products or services. Firms focus on addressing societal issues while enhancing the visibility of stakeholders, which in turn improves their reputation and strengthens both environmental and social performance. Based on this analysis, and in line with the principles of creating shared value, strategic philanthropy can be viewed as a viable pathway to achieving corporate sustainability.

2.2. Research Hypotheses

Organisational learning represents a collective process occurring across multiple levels and involves both social and psychological dimensions that facilitate the acquisition, dissemination, interpretation, and retention of knowledge (Kordab et al., 2020). It is thus recognised as a foundational element underpinning dynamic capabilities. The success of organisational learning is significantly shaped by the prevailing learning culture. Organisations characterised by a culture that is receptive to change are more likely to realise value from investments in learning. Additionally, the implementation of comprehensive learning strategies that prioritise continuous learning and the refinement of learning processes is essential. Together, a supportive learning culture and strategic learning approaches enhance the overall effectiveness of organisational learning. As a result, organisational learning contributes to SCP by enabling firms to acquire and divest resources, integrate these resources effectively, and recombine them in novel ways that foster strategic innovation and value creation. Scholars have increasingly emphasised the role of "adequate learning" in generating measurable outcomes, such as expanding corporate knowledge (Ghasemzadeh et al., 2022), improving shareholder satisfaction, enhancing long-term organisational adaptability, increasing productivity, and strengthening competitive advantage (Pratono et al., 2019). Begum et al. (2020) demonstrate that organisational learning promotes sustainable corporate innovation, while Mollah et al. (2023) find a direct positive relationship between organisational learning and SCP. Drawing upon the theoretical foundations of TBL and RBV, along with the support of empirical findings, this study posits that organisational learning forms the basis of dynamic capabilities, which are vital for meeting stakeholder expectations. Consequently, the following hypothesis is proposed:

H1: Organizational learning is positively associated with SCP.

Within the framework of creating shared value, firms are encouraged to reconceptualise their products, services, operations, and associated industry clusters. By strengthening the interdependence between business performance and societal development, this perspective offers extensive opportunities for meeting emerging demands, enhancing operational efficiency, achieving differentiation, and expanding market presence. However, the potential for creating shared value varies across sectors and firms, implying that each organisation requires specific dynamic capabilities to realise such opportunities. In this context, a strong learning culture and the adoption of targeted learning strategies enhance the effectiveness of organisational learning, which serves as the foundation for dynamic capabilities. Organisational learning is thus recognised as a core indicator of corporate effectiveness and innovation potential. Strategic philanthropy, viewed as an innovative business model, encompasses reconfiguring products, marketing approaches, and environmentally conscious practices. The integration of learning culture and strategy fosters the knowledge, innovation, and dynamic capacity necessary for the successful implementation of strategic philanthropy.

Osagie et al. (2022) highlight that the attributes of learning-oriented organisations facilitate the execution of CSR initiatives. Similarly, Ali, Jiang and Ali (2023) investigate the ways in which various organisational learning strategies influence the adoption of diverse sustainable development approaches. Integrating insights from RBV and the creating shared value perspective, along with empirical support, this study proposes that organisational learning represents the progression of dynamic capabilities, while strategic philanthropy functions as a novel strategic mechanism that reconfigures resources to address social challenges in a manner that also yields commercial returns. Accordingly, this research posits the following hypothesis:

H2: Organizational learning is beneficial to strategic philanthropy.

In accordance with TBL, firms are expected to manage their organisational responsibilities comprehensively, ensuring that all aspects—economic, social, and environmental—are addressed in an integrated manner. TBL advocates for enhancing the positive impact of corporate activities while simultaneously generating added value across these three dimensions. This aligns closely with the principles underpinning strategic philanthropy, which involves the synergistic use of organisational resources to advance both business and societal objectives. Through such initiatives, firms are able to generate profit by actively addressing societal challenges. These challenges may include environmental conservation, reduction of greenhouse gas emissions, and mitigating income inequality. By addressing such issues, firms not only improve their reputation among stakeholders—including the community, investors, customers, regulators, and the media—but also secure long-term benefits and strengthen their competitive positioning. From a CSV perspective, tackling societal problems that intersect with a firm's value chain can foster sustained mutual benefit for both the company and broader society. Strategic philanthropy can be operationalised through three key avenues: the development of environmentally friendly products, improvements in productivity, and cost reductions achieved through collaboration with partner organisations. Within this framework, strategic philanthropy is conceptualised as an innovative business model that generates shared value through a redefined value chain.

The planning phase of strategic philanthropy entails aligning philanthropic initiatives with the organisation's overarching mission and formulating programmes that are coherent with corporate goals. Implementation involves executing these programmes using effective methodologies while ensuring alignment with core business strategies to maximise corporate value. Positioning refers to the promotion of philanthropic efforts to heighten organisational visibility, thereby increasing stakeholder awareness and shaping positive public perceptions of the organisation and its offerings. In line with CSV, the planning, implementation, and positioning of strategic philanthropy facilitate the integration of societal concerns and stakeholder expectations into the business model. This integration significantly enhances a firm's capacity to generate business value through its philanthropic planning processes.

Empirical research supports the assertion that strategic philanthropy contributes positively to organisational performance. For instance, Gardberg et al. (2019) demonstrate its beneficial impact on corporate social sustainability, while Yu and Kuo (2021) highlight its contribution to four dimensions of sustainable corporate development. Similarly, Cha et al. (2023) find that strategic philanthropy enhances financial outcomes. TBL emphasises a systematic approach to sustainability, and strategic philanthropy represents an emerging value-creation mechanism that bridges corporate and social interests. Accordingly, this research proposes the following hypothesis:

H3: Strategic philanthropy increases SCP.

Existing literature has established that organisational learning positively influences corporate performance outcomes (Zgrzywa-Ziemak & Walecka-Jankowska, 2021). However, its effectiveness may depend on the presence of conducive conditions (Zgrzywa-Ziemak, 2015). Prieto and Revilla (2006) argue that cultivating strong relationships with diverse stakeholders fosters knowledge exchange and supports sustainable performance. Empirical findings suggest that establishing strategic partnerships with other organisations enhances inter-organisational learning capabilities (Ingram, 2017; Mariotti, 2012). From this viewpoint, firms can generate new knowledge through complex organisational learning processes, which, in turn, supports the implementation of strategic philanthropic initiatives. These efforts not only respond to stakeholder expectations but also contribute to enhancing SCP. Building on this analysis, it is proposed that organisational learning facilitates SCP through the mediating effect of strategic philanthropy. Therefore, the hypothesis is:

H4: Strategic philanthropy mediates the connection between organizational learning and SCP.

3. Research Methodology

3.1. Sample and Procedure

This study concentrates on Chinese listed firms, which are at the forefront of implementing sustainable development practices and engaging in strategic philanthropy. In alignment with evolving corporate legislation, Chinese regulatory authorities have mandated that all listed firms actively participate in sustainability initiatives. A significant step was taken in 2018 with revisions to the "Corporate Governance Code for Listed Companies," which stipulated that firms must disclose environmental information in compliance with legal standards. More recently, in February 2024, the "Guidelines for Self-Regulation of Listed Companies—Sustainable Development Reports" were introduced, marking the onset of compulsory sustainability reporting in China. Faced with both regulatory demands and stakeholder expectations, listed firms have increasingly adopted strategic philanthropy as a mechanism to fulfil sustainability goals, often facilitated through corporate foundations (Mumford, Keyes, & Benavides, 2021).

The study utilises a questionnaire originally developed in English, adapted from established academic sources, and then translated into Chinese. To ensure conceptual fidelity, two researchers and two senior executives from diverse sectors reviewed the Chinese version. Their insights informed revisions, followed by a back-translation process to confirm the consistency of meaning between the two language versions. Both versions were meticulously refined to ensure conceptual and linguistic alignment. Data collection was conducted through a questionnaire-based survey in collaboration with a professor managing an EMBA programme at a university in Nanjing. The participants were 300 senior executives from Chinese listed firms. The survey, accompanied by a cover letter outlining the research objectives, was distributed to these respondents. In total, 105 fully completed questionnaires were collected for analysis.

3.2. Measure

This study utilises established measurement instruments for all constructs, each of which is treated as multidimensional and assessed through multiple indicators. Respondents were asked to evaluate each item using a 7-point Likert scale, where 1 indicates strong disagreement and 7 indicates strong agreement.

3.3. Sustainable Corporate Performance

This study conceptualises SCP as a reflective-formative construct, consistent with previous research (Elshaer, Azazz, & Fayyad, 2023; Martínez-Falcó et al., 2024). Ten items developed by Ghobakhloo et al. (2023) are adopted for measurement. This scale demonstrates high internal consistency, as indicated by Cronbach's α values reported by the original authors: 0.825 for economic performance, 0.733 for environmental performance, and 0.856 for social performance.

3.4. Organisational Learning

Organisational learning is also operationalised as a reflective-formative construct. The measurement scale is adopted from Khan and Riaz (2024), comprising a total of nine indicators. Five items assess organisational learning culture, while four indicators measure learning strategy. According to Khan and Riaz (2024), the Cronbach's α for overall organisational learning is 0.837. The subscales show high reliability as well, with values of 0.823 for learning culture and 0.829 for learning strategy.

3.5. Strategic Philanthropy

Strategic philanthropy is modelled as a formative construct comprising three reflective dimensions. The measurement is adapted from Anlesinya and Abugre (2022), incorporating eight items. The scale exhibits strong reliability, with Cronbach's α values of 0.91 for planning, 0.86 for implementation, and 0.90 for positioning.

4. Result and Analysis

The data analysis was conducted using PLS-SEM via the SmartPLS® 4.0 path modelling software. PLS-SEM is particularly well-suited for research aiming to predict or explain complex constructs within causal models. It is capable of handling intricate structural models involving composite indicators and is also effective when applied to studies with relatively small sample sizes. Given these advantages, the utilisation of PLS-SEM is considered appropriate for this research context.

4.1. Evaluation of Reflective Measurement Model

The reflective measurement model was assessed by examining item reliability, internal consistency, convergent validity, and discriminant validity, in line with established guidelines (Hair Jr. et al., 2021). Outer loadings confirmed indicator reliability, with 26 of 27 items exceeding the 0.708 threshold. One item from organisational learning had a loading of 0.659, which, while below the preferred level, was above the minimum cut-off of 0.4 and therefore retained. Internal consistency was supported by Cronbach's alpha values, all above 0.7. Convergent validity, evaluated via AVE, met the 0.50 minimum criterion for all constructs. Discriminant validity, assessed using the HTMT ratio, showed all values below 0.85, confirming distinct construct separation (Henseler, Ringle, & Sarstedt, 2015).

4.2. Evaluation of Formative Measurement Model

In line with the methodological requirements for assessing formative measurement models, this study evaluates convergent validity, indicator collinearity, the statistical significance of indicator weights, and their relevance. Following the approach proposed by Cheah et al. (2018), this study employs redundancy analysis using global single items to assess convergent validity. These global items are designed to encapsulate the core construct intended by the formative indicators. Three such global items were included in the questionnaire. The analysis reveals that the path coefficients linking the formative constructs to their respective global items exceed 0.7, thereby confirming adequate convergent validity within the formative measurement model.

Collinearity among indicators was assessed using the variance inflation factor (VIF). The results indicate that all VIF values are below the critical threshold of 3, suggesting the absence of multicollinearity issues. To examine the significance of indicator weights within the formative constructs, a bootstrapping procedure was applied using 10,000 subsamples, as recommended in the PLS-SEM framework. The percentile method was used to compute confidence intervals. Given the critical value for a 5% significance level is 1.960, all t-values were found to exceed this benchmark, and corresponding p-values were below 0.05, indicating statistical significance. Additionally, no zero value lies between the lower and upper bounds of the 95% confidence intervals, further affirming the significance of all indicator weights in the model.

4.3. Examination of Structural Model

This study evaluates the structural model by examining indicator collinearity, the statistical significance and relevance of the relationships, as well as the model's explanatory and predictive capabilities.

4.3.1. Evaluation of Collinearity

To ensure unbiased regression estimates, collinearity within the structural model was examined using the PLS-SEM algorithm. VIF values for the inner model, shown in Table 1, were all below the threshold of 3, indicating no collinearity issues.

Table 1: Collinearity.

Relationship	VIF
Organizational Learning -> SCP	1.625
Strategic Philanthropy -> SCP	1.729
Organizational Learning -> Strategic Philanthropy	1.460

4.3.2. Evaluation of the Significance and Relevance of Relationships

The significance of the structural relationships is assessed using bootstrapped standard errors to evaluate the t-values of the path coefficients or, alternatively, through confidence interval estimation (Hair et al., 2019). In this study, 5,000 bootstrap resamples were employed to derive standard errors for evaluating the significance of the path estimates. A one-tailed test was applied, as the hypothesised directions of the relationships were predetermined. Significance was determined by comparing the resulting t-values against the critical threshold of 1.96, corresponding to a 5% significance level ($\alpha = 0.05$). Moreover, the structural model investigates the effects of the proposed predictor variables on SCP by testing three hypotheses. The H1 examines whether organisational learning exerts a positive and significant influence on SCP. The results reveal a statistically significant and positive relationship ($\beta = 0.202$, $T = 2.584$, $P < 0.05$), thereby confirming H1. H2 assesses the link between organisational learning and strategic philanthropy. The findings indicate that organisational learning significantly enhances strategic philanthropy ($\beta = 0.309$, $T = 4.241$, $P < 0.05$), leading to the confirmation of H2. The H3 evaluates the effect of strategic philanthropy on SCP. The analysis demonstrates a positive and significant relationship ($\beta = 0.247$, $T = 3.069$, $P < 0.05$), thus providing support for H3.

Table 2: Direct Relationships.

Hypotheses	Beta Coefficient	Standard Error	T Statistics	P Value	Conclusion
H1: OL -> SCP	0.202	0.078	2.584	0.005*	Support
H2: OL -> SP	0.309	0.073	4.241	0.000*	Support
H3: SP -> SCP	0.247	0.080	3.069	0.001*	Support

Note:*Relationships are significant when P<0.05; OL=Organizational Learning, SP=Strategic Philanthropy, SCP=Sustainable Corporate Performance

4.3.3. Evaluation of the Explanatory Power

The next phase of the analysis involves evaluating the coefficient of determination (R^2) for the endogenous constructs, which reflects the proportion of variance explained by the model (Shmueli & Koppius, 2011). R^2 serves as a measure of the model's explanatory capacity. The findings indicate that the R^2 values for SCP and strategic philanthropy are 0.346 and 0.257, respectively. This implies that the model accounts for 34.6% of the variance in SCP, meaning that the exogenous constructs—organisational learning and strategic philanthropy—collectively explain this proportion of variance. Additionally, organisational learning alone explains 25.7% of the variance observed in strategic philanthropy. According to Hair et al. (2019), these results suggest that the model's explanatory power for SCP is modest, while the explanatory strength concerning strategic philanthropy is considered relatively weak.

4.3.4. Evaluation of the Predictive Power

The study employs PLSpredict to assess the predictive capability of the structural model. The results indicate that the prediction error distributions for all indicators are notably symmetric. In line with analytical guidance, the Root Mean Squared Error (RMSE) is utilised as the preferred metric for evaluating prediction accuracy (Shmueli et al., 2019). Given that the appropriateness of predictive metrics is influenced by the scales of measurement, it is essential to compare the RMSE values with those of a baseline model, referred to as the linear model (LM) benchmark, using the indicators of the endogenous constructs (Hair et al., 2019). As reported in Table 3, all RMSE values for the indicators of the endogenous constructs are lower than their corresponding LM benchmarks. This outcome confirms that the model demonstrates strong predictive performance.

Table 3: The Predictive Power.

Indicators of the Key Outcome Constructs	$Q^2_{predict}$	PLS-SEM_RMSE	LM_RMSE	Predictive Power
Corporate Economic Performance	0.300	0.843	0.859	High
Corporate Social Performance	0.344	0.816	0.835	High
Corporate Environmental Performance	0.331	0.824	0.838	High
Strategic Philanthropy Planning	0.169	0.917	0.949	High
Strategic Philanthropy Implementing	0.313	0.834	0.844	High
Strategic Philanthropy Positioning	0.211	0.894	0.910	High

4.3.5. Evaluation of the Mediation Effect

Bootstrapping was employed in this study, as it is widely regarded by scholars as a robust method for testing mediation effects. The findings presented in Table 4 provide empirical support for the mediation hypothesis. Specifically, organisational learning positively influences SCP through the mediating role of strategic philanthropy ($\beta = 0.076$, $T = 2.567$, $P = 0.005$), thereby confirming H4. To determine the nature of the mediation, the study follows the classification guidelines proposed by Zhao, Lynch and Chen (2010) and Nitzl, Roldan and Cepeda (2016). As both the direct effect of organisational learning on SCP and the indirect effect via strategic philanthropy point in the same direction, the mediation is identified as complementary mediation.

Table 4: The Mediation Effect.

Hypotheses	Beta Coefficient	Standard Error	T Statistics	P Value	Decision	Mediation Type
H8: OL -> SP ->SCP	0.076	0.030	2.567	0.010*	Support	Positive

Note: two-tailed test, *Relationships are significant when P<0.05; OL=Organizational Learning, SCP=Sustainable Corporate Performance, SP=Strategic Philanthropy.

5. Discussion and Implication

5.1. Discussion

The findings confirm that organisational learning has a positive and significant effect on SCP. The study places particular emphasis on the integration of learning culture and learning strategies as key contributors to SCP. The interaction between these two dimensions fosters the development of dynamic capabilities that support corporate renewal and adaptability. This outcome is consistent with the earlier findings of Khan and Riaz (2024), who argued that the integration of learning culture with learning strategies enhances firm performance. However, the present study advances this view by extending the concept of performance specifically to SCP.

Overall, it clarifies the role of the combined influence of learning culture and learning strategies in shaping SCP through organisational learning.

This analysis further reveals that organisational learning functions as a pathway for generating dynamic capability that facilitates strategic philanthropy. This insight builds upon the findings of Ali et al. (2023), who investigated the impact of various organisational learning strategies on distinct sustainable development approaches. The integration of learning culture and strategies is shown to strengthen organisational learning effectiveness, which in turn provides the innovation, capability, and knowledge required for the successful execution of strategic philanthropy. Moreover, this study identifies a mediating role of strategic philanthropy in the relationship between organisational learning and SCP. This extends the findings of Le et al. (2025), who demonstrated that CSR acts as a mediator in the link between organisational learning and SCP. The present research refines this understanding by emphasising the specific mediating effect of strategic philanthropy and the influential role of integrated learning culture and learning strategy in enhancing SCP. Accordingly, the results support the conclusion that strategic philanthropy mediates the association between organisational learning and SCP.

5.2. Implications

5.2.1. Theoretical Implications

This study contributes to the extension of TBL by proposing and empirically validating a theoretical framework that enhances the current understanding of the pathway to SCP. It establishes a structured conceptual model, incorporating organisational learning as the predictor, strategic philanthropy as the mediator, and SCP as the outcome variable. The research empirically demonstrates how organisational learning can be channelled into SCP through strategic philanthropy, thereby outlining a strategic mechanism through which firms may attain sustainable outcomes. In addition, the study advances the RBV by investigating the specific resources that underpin corporate competitiveness. The findings underscore the relevance of enabling conditions that support effective organisational learning. Moreover, the research extends existing literature by examining the influence of learning culture and learning strategies on SCP, particularly within uncertain environments, through the lens of dynamic capability theory embedded within RBV. In doing so, the study clarifies the context-dependent role of organisational learning in improving corporate outcomes and provides empirical evidence that it contributes meaningfully to SCP.

This study also enhances the discourse on creating shared value by identifying the significant yet underexplored role of strategic philanthropy in advancing SCP. Previous investigations into philanthropic practices have seldom addressed the outcomes of strategic philanthropy specifically. This research introduces strategic philanthropy as a forward-looking, integrated approach to creating shared value, thereby positioning it as an evolution of strategic CSR. The findings align with those of Lu et al. (2023), who noted that increasing strategic philanthropy investments may facilitate the coevolution of SCP. However, the present study differs by operationalising strategic philanthropy through three interconnected dimensions: planning, implementation, and positioning, each framed within the creating shared value perspective.

Furthermore, the research investigates the organisational conditions that enable firms to effectively adopt strategic philanthropy in pursuit of shared value creation. The findings demonstrate that organisational learning supports all three stages of strategic philanthropy. This confirms that organisational learning is well-suited to meet the requirements of strategic philanthropic practice. The study extends the work of Ali et al. (2023), who examined how different learning strategies support various sustainable development initiatives. Accordingly, this research identifies the integration of learning culture and learning strategies as a critical condition for effective engagement in strategic philanthropy.

5.2.2. Practical Implications

Navigating sustainable development presents an enduring challenge for Chinese enterprises, particularly amid heightened uncertainty influenced by recent disruptions such as the COVID-19 pandemic, fluctuating government policies, and the pervasive role of big data. In addressing this issue, the present study offers several targeted recommendations for corporate leaders and policymakers to support sustainability-oriented practices. The findings encourage senior management to construct a coherent strategic model aimed at advancing long-term sustainability objectives. With increasing pressure to address pressing environmental and societal concerns, many Chinese enterprises have begun to explore strategic CSR initiatives, incorporating novel technologies and redesigning operational systems to align with stakeholder expectations. This study introduces strategic philanthropy as a deliberate and future-oriented mechanism for achieving sustainability and demonstrates how organisational learning can serve as a precursor to strategic philanthropic engagement. Consequently, firms are advised to implement a structured strategy linking internal resources to strategic philanthropy, thereby promoting sustainable corporate outcomes.

Additionally, the study highlights the significance of cultivating both learning culture and learning strategies to foster SCP. The synergy between these two elements enhances the effectiveness of organisational learning, which is crucial for adapting to dynamic external conditions. Organisational learning enables firms to accumulate and disseminate knowledge, supporting innovation and organisational renewal. Based on this understanding, firms are encouraged to invest in establishing learning-oriented structures, enhance staff and leadership development, and prepare internal systems capable of supporting strategic philanthropic activities in pursuit of sustainability. Furthermore, the study calls for supportive policy frameworks that promote corporate engagement in strategic philanthropy. Although the results indicate that strategic philanthropy significantly mediates the relationship between organisational learning and SCP, the strength of this mediation remains moderate. In response, policymakers are advised to encourage structured, strategic philanthropic practices within listed firms, moving beyond sporadic or discretionary donations, and instead fostering sustained, goal-oriented engagement in societal value creation.

6. Limitations And Future Research Directions

This study is situated within the context of Chinese-listed companies. To enhance the generalisability of its findings, future research should explore comparative analyses across different national or industrial settings, thereby enabling broader validation of the strategic framework proposed for achieving sustainable performance. Additionally, while the current results underscore the significance of organisational learning as a predictor of sustainability outcomes, subsequent studies may benefit from investigating other underexplored or uncertain factors that influence corporate sustainability and strategic philanthropy. Furthermore, all constructs employed in this study are operationalised as higher-order constructs. One limitation of this approach is that it does not capture the specific effects of individual dimensions within each construct on SCP. Future investigations may consider assessing how each sub-dimension of organisational learning contributes independently to strategic philanthropy and SCP, providing a more nuanced understanding of these relationships.

Although the mediating role of strategic philanthropy in the organisational learning–SCP linkage is found to be both significant and positive, its magnitude is relatively constrained. Accordingly, future studies might explore alternative or additional mediating variables that could further elucidate the pathways through which sustainable performance is achieved. Moreover, the current study adopts existing strategic CSR metrics to measure strategic philanthropy. This approach, while practical, suggests an avenue for future research to develop and validate context-specific scales tailored explicitly to strategic philanthropy. Lastly, the use of cross-sectional data to examine mediation effects presents a methodological limitation. Longitudinal studies are recommended in future research to provide more robust insights into the dynamic relationships among the studied variables over time.

7. Conclusion

This study posits that organisational learning exerts a positive and significant influence on SCP, with strategic philanthropy acting as a mediating mechanism. The empirical findings offer robust support for the proposed hypotheses, thereby contributing to the clarification of the previously ambiguous association between organisational learning and SCP. Furthermore, the study enhances the limited body of knowledge concerning the link between strategic philanthropy and SCP by providing empirical validation within a novel context. In addition, the research sheds light on the mediating function of strategic philanthropy in the relationship between organisational learning and sustainable corporate outcomes. These insights offer practical guidance for firms seeking to align their internal resources and capabilities with strategic and forward-looking approaches to sustainability. By demonstrating the interplay between learning processes and philanthropic strategy, the study presents a viable pathway for firms aiming to enhance their sustainability performance in increasingly dynamic and uncertain environments.

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