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The impact of earnings management on financial performance considering the moderating role of intellectual capital and corporate social responsibility of companies listed on the Iraq Stock Exchange.

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Abstract

This paper analyzes the relationship between earnings management and budgetary execution whereas investigating the directing impact of Intellectual capital and corporate social obligation (CSR) among companies recorded on the Iraq Stock Trade. Examination of information crossing seven a long time (2016-2022) uncovers a negative affiliation between profit administration and money related execution. Besides, the ponder illustrates the directing impact of Intellectual capital and CSR on this relationship, demonstrating their potential to relieve the antagonistic affect of profit administration on budgetary execution. Viable proposals emerging from these discoveries incorporate pushing for straightforward monetary announcing hones, cultivating the improvement of Intellectual capital resources, and grasping socially capable commerce hones. These suggestions point to upgrade corporate administration guidelines, advance straightforwardness, and cultivate feasible commerce hones among companies recorded on the Iraq Stock Trade, subsequently encouraging long-term esteem creation and reinforcing partner certainty

Keywords: profit administration, budgetary execution, Intellectual capital, corporate social duty

1.Introduction

The main driver and motivation of this research is to investigate the relationship between earnings management and firm performance. Many performance evaluation metrics are based on accounting models; particularly, the earnings management model has been reported. Over time, managers have engaged in manipulating accounting numbers to maintain and enhance reward levels. This has led to situations where despite some companies having desirable performance based on accounting numbers and performance evaluation metrics, they face financial crises such as liquidity shortages. Consequently, current performance evaluation metrics have failed to move towards the interests of shareholders and other external stakeholders and have resulted in reconciling conflicting interests.

Corporate Social Duty (CSR) exercises progressively draw in the consideration of speculators, clients, providers, representatives, and governments around the world. These exercises have picked up more significance in later a long time, particularly taking after a few profoundly publicized outrages including worldwide companies in later a long time. It is self-evident that CSR exercises include money related assets of companies. In any case, whether venture in CSR exercises is beneficial for companies or not could be a exceedingly challenging issue. The writing on Intellectual capital has developed since the early 1990s and has ended up a common term in different areas (Githaiga, 2023). Considers that constitute Intellectual capital and its components can be recognized for standardization within the show inquire about. Existing writing covers the relationship between the resource perspective and Intellectual capital as an pointer of organizational execution within the monetary administrations industry for numerous.

Exploratory writing in Intellectual capital has developed, but there are constrained considers that have inspected the viewpoint of Intellectual capital as a directing part.

1-2 problem statment

In today's economy, the accurate transfer and reporting of financial information to decision-making centers holds significant importance. Shareholders who entrust their investments to companies lack means other than financial statements and annual reports to understand how their capital is being managed and to ensure the validity of managers' actions and performance.

In evaluating the performance and profitability potential of a company, besides the reported profit figure being crucial for investment decisions and influencing them, the relationship of profit with other financial components is also of particular concern to investors (Setiyawan et al., 2023).

Later outrages at Enron, WorldCom, and somewhere else have made the common recognition that company directors deftly utilize profit administration for their possess private interface instead of for the advantage of shareholders. Strengthening this negative recognition of profit administration is the truth that controllers have as of late presented a number of measures to combat profit administration. For illustration, the Sarbanes-Oxley Act, which commands that certain board individuals have money related skill, is the result of Congress' progressing endeavors to control pay control. Indeed discretionary commitment things have issued unused rules requiring recorded companies to have a monetarily proficient review committee. Hence, it appears there's a predominant recognition that profit administration has an .deft nature

However, a few scholarly ponders have contended that profit administration may be useful because it possibly increments the instructive esteem of profit. Supervisors may work out their caution regarding earnings to communicate private data to shareholders and the common open (Boulhaga et al., 2023). In case this can be the case, profit administration may not be hurtful to shareholders and the open. In truth, experimental prove in Chouaibi (2020) underpins the claim that supervisors utilize their watchfulness to move forward earnings' capacity to reflect principal esteem. Be that as it may, other considers contend in favor of astute profit administration (GarcÃ-aâ€ • SÃ¡nchez and GarcÃ-aâ€ • Meca, 2017). Misalignment of inspirations between directors and shareholders can lead supervisors to abuse the adaptability given by By and large Acknowledged Bookkeeping Standards (GAAP) to lock in in deft pay administration, in this manner causing detailed profit to go astray.

Earnings management is defined as the deliberate steps taken within the boundaries of accepted accounting principles to achieve the desired level of reported earnings. The act of bringing reported earnings closer to target earnings is achieved through manipulation.

Selective adoption of accounting policies or specific actions affecting income to achieve specific reported earnings objectives in financial statements is called earnings management (Makki et al., 2009). Earnings management performed through accounting policies is called accrual-based earnings management, while earnings management conducted through actual operational activities of the company is called real earnings management. These methods are used by managers to achieve certain profits to influence market valuation and ultimately the company's value. In this regard, we emphasize a strong relationship between earnings management and performance, which, according to the neoclassical theory, attributes managers' sole responsibility to maximize profits and shareholder welfare (Mukaro et al., 2023). High corporate performance indicates a higher level of welfare for its shareholders.

The 21st century is recognized as the period of knowledge-based economy centered around Intellectual capital. In a knowledge-based economy, companies not as it were deliver or offer items and administrations but too lock in in esteem creation and advancement to stay competitive within the economy. Numerous specialists accept that intellectual capital is the foremost critical calculate in making esteem and creating included esteem in companies, and the clear sign of the significance of Intellectual capital is the crevice between book esteem and showcase esteem of companies, particularly since the 1980s, which most monetary investigators property to expanded venture in Intellectualcapital by companies. It is worth saying that amid the 1980s to the 1990s, venture in Intellectualresources multiplied (Muttakin et al., 2023). Given the over, distinguishing proof, valuation, and administration of Intellectualcapital have gotten to be greatly critical and crucial for companies. Directors must be mindful of the level of Intellectualcapital inside the company in arrange to effectively manage it and get it that information could be a essential calculate in increasing the company's capabilities and remaining competitive within the showcase.

Corporate Social Commitment (CSR) may be a crucial commitment where organizations guarantee to address common and social issues with the point of unequivocally influencing individuals outside the organization in society (Islam et al., 2022). Though customary financial things center on the theory of maximizing shareholder wealth, CSR presents a cutting edge conceptual approach that considers stakeholders' interface in organizations. The customary see of the company reminds us that its fundamental obligation is to maximize shareholder wealth, and CSR works out are not the obligation of commercial organizations but or perhaps of society and individuals (Nasution et al., 2023). Any activity that does not contribute to the good thing about the company need to be apportioned with. On the other hand, it is contended that the commitment of any organization isn't basically to meet money related wants but as well to require an intrigued in supportive and ethical exercises since businesses are parcel of society (Salviantono et al., 2022). It is communicated that CSR gives companies a competitive advantage by growing their budgetary control, meaning that CSR contains a positive influence on cash related execution (FP), which is related to accomplice speculation (Vo et al., 2023). With an clarification of accomplice theory, it is fought that the triumph of a company depends on its management's relationship with all shareholders (Thuy et al., 2022). It is pointed out that companies with CSR oversee representation issues by giving higher benefits to shareholders (Prior et al., 2008). It is suggested that CSR got to be seen as an wander gadget rather than a taken a toll, so it is expected that commercial organizations will spend more on CSR works out. In advanced economies, companies are heightening included in works out that not because it were contribute to the economy but in addition to instruction and change. Fundamentally, a company rises based on the common and social needs of society (Shahzad et al., 2023). Whether this require is felt by the common open or highlighted by the company creators, it is clear that the foundation of building upa company is the have to be be make items or administrations for the great thing almost society. In orchestrate to realize their targets, companies must related with diverse divisions and bunches interior society and consider themselves committed to meet their needs. In this way, it can be said that not one or the other can a company apportioned itself from society nor can society live without companies. The result of this relationship is that each choice a company makes or each action it takes impacts society in a couple of way, and on the other hand, how society deciphers the choices and exercises of the company impacts its legitimacy and life span. On the other hand, the wide change of distinctive mechanical and commercial educate and the emphatically competition among them have driven best companies to center only on their corporate benefits and interface to ensure their survival, sparing no effort to accomplish these destinations.

In companies that consistently report profits, the importance of examining the genuineness of these profits and the extent of their management is very significant for investors and auditors. Earning management is interpreted as all efforts made by management to respond to economic conditions. Artificial Earning management is a type of accounting manipulation carried out by management to control Earning based on their preferences and artificially alter the flow of profits. Evidence suggests that managers have motivations to achieve specific levels of profit (targeted Earning) or increase them, but the extent to which they can rely on Earning management is still unclear. Therefore, this study examines the impact of profit management on financial performance considering the moderating role of intellectual capital and corporate social responsibility in companies listed on the Iraqi Stock Exchange. Consequently, the research questions are formulated as follows: Is there a relationship between earnings management and the financial performance of companies in the Iraqi Stock Exchange؟

1.2.Importance of research

Iraq faces noteworthy challenges counting extreme pay imperatives, need of mindfulness and open believe in protections, over the top money related hardship, powerless foundation impediments, inadequately empowering systems, abilities, and information deficiencies. Limitations, fractional inspiration to extend scope, noteworthy obstructions to setting up person retail outlets, boundaries to advance section, advancement imperatives by controllers, and industry coordination are experienced. In spite of these challenges, protections remains vital and must be progressed because it contributes to the improvement of the capital advertise in any economy. As distinguished by Ferraris et al. (2024), one way to progress execution is to guarantee appropriate administration of intellectual capital, as the execution difference of companies may be a result of the reality that effective companies have deliberately overseen capital (human, social, and basic) that their competitors need. The adequacy and productivity of this segment will without a doubt make strides financial development by expanding budgetary soundness. It has long been affirmed that protections advancement and solidness are emphatically related with financial development (Abed et al., 2022). In this manner, this consider is vital since Intellectualcapital can increment company benefit and thus financial development (Aqabna et al., 2023). In this way, in an economy like Iraq, this think about is advocated, fundamental, and basic. Whereas considers have been conducted, most investigate on Intellectualcapital has centered on created economies such as China, Europe, Asia, Australia, and North America. This study, considering the three components of Intellectualcapital utilizing the Intellectualcoefficient of esteem included within the Iraqi Stock .Trade, is vital and exceedingly significant for Iraq

This ponder may offer extra bits of knowledge for scholastics, specialists, and policymakers who are looking for to create systems or arrangements able of advancing corporate social obligation and cohesion among innovation companies. From an scholarly perspective, the larger part of writings that evaluate the affect of corporate social responsibility hones on company monetary execution, particularly within the Center East, have seldom centered on Iraq. Usually the primary think about to assess how the costs of social duty activities influence company execution within the innovation industry to the finest of our information. Essentially, specialists, counting controllers, can utilize the one of a kind discoveries of this think about to create techniques for improving their competitive advantage and accomplishing feasible advancement.

1.3.Research innovation

Angles of inquire about development

Administrative changes in Iraq, started by the Kadberry report (Alhassan et al., 2023), empowered the utilize of a assorted set of execution measures in official recompense to incentivize official responsibility. The Iraqi Corporate Administration Code of 2010 (Monetary Announcing Chamber, 2010) particularly advocates for execution measures related to non-financial execution to be included, in the event that fundamental, for upgrading long-term company victory. This inquire about analyzes how elective execution measures, such as monetary and non-financial activities, are related with profit control through discretionary collections and administration of genuine exercises.

In this idea abou we categorize the differing execution measures utilized in CEO contracts into two alternatives. We to begin with partitioned execution measures into money related execution measures (from now on FPMs) and non-financial execution measures (from now on NFPMs), and propose that non-financial execution gives less motivating force for profit administration. Also, through central component investigation, we make two execution estimation components. The primary is deciphered as a "long-term" key calculate, and the moment as a "short-term" monetary figure.

Data on the execution measures utilized is physically collected from yearly reports, with uncommon consideration given to weights connected to elective measures. When both money related and non-financial execution are used, less control happens to extend wage through discretionary collections and optional costs. Moreover, on the off chance that rise to or more prominent weight is given to non-financial execution, less profit administration happens both through discretionary gatherings and through the bookkeeping of a few genuine exercises. When long-term activities are taken, less control occurs to extend wage through discretionary collections.

The most advancement of the inquire about is the synchronous examination of the monetary and non-financial execution of companies with respect to profit administration. To complement the comes about, we examine the directing part of social obligation and Intellectual capital on this relationship.

2.1. financial performance

Due to the significance and importance of earning for users of financial statements, managers of companies pay special attention to how this figure is prepared and reported. In response, investors and other users have exhibited a reciprocal reaction towards reported earnings. Investors desire reliable and trustworthy information to assess expected values and investment risks. However, it is unrealistic to expect managers to disclose all information that investors demand. Financial reports serve different purposes, either to mislead shareholders about the company's performance or to influence contractual outcomes, depending on the accounting method employed (Khosidah and Wahyudin, 2019). Therefore, companies with a good profit position are more motivated than those with lower profitability to increase capital under favorable conditions. Consequently, profitable companies voluntarily tend to disclose more details to promote their various activities, while less profitable companies may be expected to disclose less information (Gerged et al., 2023).

Empirical studies have shown the impact of disclosure levels in annual earning reports (Kolsi et al., 2023). From an agency theory perspective, in highly profitable companies, management may exploit information for personal gain. Hence, management can use more accurate information as a means to maintain its position and compensate for disclosure gaps. Management literature suggests that company performance and profit management are significantly influenced by the independence of the board of directors and the chief executive officer (Limijaya et al., 2023). The chief executive officer's compensation should be tied to company performance to align the interests of the company's executives with shareholders and maximize shareholder wealth (Bozzolan et al., 2016). As a result, there is a significant positive relationship between the chief executive officer, company performance, and company compensation (Chouaibi et al., 2023).

2.2. earnings management

earning management has multiple definitions utilized by scholars and experts; however, there is no single unified definition of earning management. For instance, Schipper (1989) defines earning management as deliberate management intervention in the preparation of published external reports by companies to achieve the expected level of profit. Levitt (1998), on the other hand, defines earning management as a gray area where accounting information is distorted to reflect management's desires and expectations rather than the actual performance of the company. Based on these definitions, the purpose of profit management, instead of reflecting the actual performance of the company, is to inform stakeholders about their desires and expectations. For example, if the management's motivation is earning -driven, it prefers to present higher earnings to gain more incentives (Watts and Zimmerman, 2003). Profit management is defined as deliberate and casual disregard for important facts and accounting data, essentially an act of distortion. This leads the reader to alter their judgment or decision based on the information presented in these reports (Dechow and Dichev, 2002). Considering the above definition, earning management essentially creates errors in accounting reports, and stakeholders make decisions based on these reports (Watts and Zimmerman, 2003).

2.3. intellectual capital:

Intellectual capital was first introduced by Anifowose et al. (2017)and has been proven to be not only a tangible asset but also a process for achieving a company's goals and objectives (Mostafa, 2023). Usaini and Hooy (2023) explained that intellectual capital allows knowledge to be transformed into value and distinguishes between the intrinsic and market values of intellectual capital. It is classified as intangible assets, including trademarks, technologies, customer details, and reputation, which are not useful for competitive forces of the company.

Definitions:

The concept of "intellectual capital" was previously discussed in human resources and accounting literature during the development of theories to explain the nature, value, and contribution of individuals to organizations in the early 1970s by Saeidi et al. (2023)and transaction cost economics theories by Ouni et al. (2022). Academics and researchers have extensively worked on the literature of intellectual capital. Consequently, it is now considered as a multidisciplinary field as numerous definitions have emerged from various academic disciplines (da Silva Júnior et al., 2023). Some definitions provided by several researchers are summarized as follows:

-Intellectual capital is a combination of assets: market, human-centric, intellectual property, and infrastructure that allows companies to perform, assess, and better utilize intellectual capital (Yousaf, 2022).

-Intellectual capital is considered as the effective use of knowledge related to the final product while information relates to raw materials (Scafarto et al., 2016).

- Intellectual capital is defined as "a group of knowledge assets that are owned and/or controlled by an organization and significantly guide value creation mechanisms of the organization towards the targeted shareholders" (Shafai et al., 2018).

2.4. corporate social responsibility:

The concept of corporate social responsibility (CSR) has been discussed in university literature since the 1950s and has evolved widely since its early emergence. During this period, this concept has transitioned from voluntary and inconsistent practices to an explicit commitment in response to stakeholders and gradually evolved into a continuous commitment (Mukaro et al., 2023).

In accounting literature, three theories regarding the motivation for disclosing CSR have been proposed: the political-economic theory, legitimacy theory, and stakeholder theory. The political-economic theory suggests that voluntary disclosure of the social impacts of business activities only partially ensures legitimacy; therefore, this perspective tends to advocate for mandatory disclosure laws (Froghi et al., 2020). In the legitimacy theory, companies can continue their existence as long as society perceives them as legitimate and grants them legitimacy. The foundation of the stakeholder theory is that companies have grown so large and their impact on societies is so profound that they must consider stakeholders beyond shareholders and be accountable to other segments of society; because not only are stakeholders affected by companies, but they also influence companies (Kolsi et al., 2023).

The issue of disclosing indicators related to CSR by business units indicates the level of attention of these units to social and environmental performance and leads to the improvement of information disclosure quality, proper decision-making by investors, and the quality of companies' financial performance (Irawanto et al., 2017). Nowadays, corporate social responsibility has become an inseparable part of business activities worldwide. Companies allocate a significant portion of their expenses to CSR activities. Corporate social responsibility, according to Chen's theory (2023), is based on four CSR indicators: legal responsibility, ethical responsibility, and philanthropic responsibilities.

Santoso (2023) defines corporate social responsibility as the alignment between activities and organizational values so that the interests of all stakeholders, both internal and external, including shareholders, customers, employees, and society as a whole, are considered. It also emphasizes that business units must always feel responsible towards the stakeholders of the company and the entire community and take steps towards improving public welfare.

2.5. The impact of earnings management on the financial performance

Past inquire about on execution measurements fundamentally looks at the affect of diverse measurements on company execution. Restricted consideration has been paid to the affect of execution measurements on profit administration. For illustration, a few thinks about within the Joined together States appear that companies utilizing both monetary and non-financial execution measurements in money related contracts show less earnings administration, especially within the shape of optional gatherings (Shahwan and Fathalla, 2020). They contend that monetary performance metrics, essentially utilized for deciding cash rewards within the Joined together States, incentivize profit administration. They propose that the utilize of non-financial execution, together with monetary execution, makes less motivations for locks in in profit-increasing profit administratio.

(prior et al. 2008) too found that when companies lock in in financial articulation extortion to progress profit, as it were monetary measurements have been utilized to assess execution. The benefits of counting non-financial execution within the adjusted scorecard by Kaplan and Norton (2001) have been talked about, posting a few of the foremost successful non-financial activities such as client fulfillment, item quality, and moral behavior. They contend that these give directors with more data almost company operations, bring approximately more viable changes in stipend frameworks, and reinforce vital plans. Furthermore, counting non-financial execution measures makes a better level of execution administration compared to utilizing current budgetary measurements alone (Rahman and Chowdhury, 2020).

An critical reason why non-financial execution gives restricted motivating forces for profit administration is that they are driving markers of budgetary execution (Kamalirezaei et al., 2020). Hence, they center directors on the long-term victory of the company instead of being nearsighted and short-sighted (Fauzi and Firmansyah, 2023). Prove from thinks about shows that non-financial execution measures are predominant to money related measurements as .(indicators of future budgetary execution (Sadiq and Abbas, 2023

Past thinks about on profit administration (Tanko, 2023) appear a move from overseeing collection exercises to genuine activities following changes presented within the Sarbanes-Oxley Act of 2002 pointed at fortifying administration within the Joined together States. Steady with U.S. ponders, past thinks about in Britain appear less collection control related with later administrative administration components, for illustration, the Higgs Report (Dakhli,, 2021), which gives proposals with respect to board structure and possession (Shafai et al., 2013). Moreover, companies that have motivating forces for profit control and confront higher costs for doing so through collection control may favor to oversee profit through real exercises (Reguera-Alvarado and Bravo-Urquiza, 2018). When planning ideal remuneration contracts, a more prominent accentuation is placed on non-financial activities, which must be went with by a diminish within the share of bookkeeping profit (Habib, 2023). Furthermore, there's prove that companies utilize more non-financial measurements when way better markers of future benefit are accessible (Baba and Abdul Manaf, 2017), showing that companies ought to depend more on non-financial execution and less on money related execution (Mutuc and Cabrilo, 2022). Gerged et al. (2023) inspected companies with controls in money related explanations and found that collections and deals (monetary actions) have been curiously tall amid a long time of control. Moreover, the level of profit administration diminishes with an increment within the weight of non-financial execution (Alhassan et al., 2023).

2.6. The impact of corporate social responsibility on the realationship of earnings management and financial performance

The stakeholder theory provides the most solid argument that an organization has a broader set of stakeholders, not just the shareholders and investors of the company. The primacy of shareholders has led to some undesirable outcomes for companies, economies, and societies (Chen et al., 2023). Much of the thinking about organizational management and business ethics stems from Chouaibi, et al. (2023), who argued that a company should create value for all stakeholders, not just the shareholders of the company. The concept of corporate social responsibility plays a significant role in extending Freeman's thinking and strengthening the relationship between organizations and their stakeholders. We draw a link between Freeman's intervention and the critical role of social responsibility to demonstrate how technology firms can focus on their ethical responsibilities across their various domains. As high energy consumers, the activities of technology companies have environmental implications, an indirect stakeholder that often goes unnoticed. Therefore, stakeholder theory emphasizes the need for organizations to identify these multiple stakeholders and adjust organizational processes to address their needs.

Buallay and Hamdan (2019) categorize stakeholder theory into normative, descriptive, and instrumental approaches. The normative approach focuses on the performance of companies and emphasizes identifying the philosophical guidelines necessary for the operations and management of companies. The descriptive approach explains the behaviors of companies, including their nature, management methods, and the perspectives of board members on corporate interests. Meanwhile, the instrumental approach highlights the role of trust and collaboration in creating organizational wealth and achieving a competitive advantage.

While in some cases stakeholders may demonstrate normative and instrumental tendencies due to their legitimacy, power, and urgency of claims, stakeholder theory generally advocates for organizations to consider all their stakeholders. This plays a crucial role in the development of organizations' relationships with their communities and environments.

The resource-based view (RBV) is another framework that enables explaining how organizations can use social responsibility as an internal strategy to achieve competitive advantage and sustainable development. Mowery, Oxley, and Silverman (1998) argue that a company can be best described as a set of resources and capabilities. These resources and capabilities are unique to the business, and a company can discover these resources instead of focusing on the competitive environment. Similar to the RBV perspective, the natural resource-based view, as articulated by Mukaro et al. (2023), helps in delineating the scope of this study. The natural resource-based view extends the RBV and identifies pollution prevention, product stewardship, and sustainable development as tools for achieving competitive advantage. Integrating sustainable development into organizational processes helps in achieving a balance between the economic, environmental, and social needs of stakeholders (Salviantono et al., 2022). Therefore, it is argued that social responsibility activities are inherent capabilities that organizations in this industry can leverage to gain a competitive advantage. For example, the shift towards carbon neutrality, green energy, and pollution prevention, initially promoted by environmental advocates, has now become a thriving multibillion-dollar industry with immeasurable returns for its players. Consequently, by using the resource-based view theory, we assume that adopting a social responsibility strategy is a lever for organizational change and sustainable development.

The costs associated with corporate social responsibility (CSR) activities influence the financial and non-financial performance of companies, and whether CSR improves the reputation of a company in a way that positively impacts its financial performance is examined. Our approach also reflects Maqbool and Zameer (2018). They selected net profit margin (NPM), return on assets (ROA), return on equity (ROE), market value, and profit growth as indicators for financial performance, and research and development costs as a non-financial indicator. The results indicate that organizations use social responsibility to attract consumer trust and loyalty, which consistently yields beneficial results in business.

2.7. The impact of intellectual capital on the realationship of earnings management and financial performance

The utilized capital's value-added reflects the net book esteem of a company's resources. Indarti and Widiatmoko (2021) illustrated a clear and positive impact of the value-added of shareholders' value on money related results, suggesting that companies with proficient operational hones will have perfect advertise and shopper situations. Each sum contributed in human capital could be a commitment to making esteem for the trade (Reguera-Alvarado and Bravo-Urquiza, 2018). The value-added made by a unit of physical dynamic capital is Intellectualcapital. This proportion shows the share each unit of capital utilized (CE) contributes to the organization's value-added (da Silva JÃºnior et al., 2022). So also, Reguera-Alvarado and Bravo-Urquiza (2018) affirmed that the value-added capital utilized in making an Intellectualcapital framework emphatically and altogether relates with generally organizational .budgetary execution and impacts it

Human capital value-added (due to human interaction, human capital being the foundation of Intellectualcapital, a crucial source of intangible esteem in Intellectualcapital) (Chouaibi et al., 2023). Human assets are by and large seen in administration like other yield components such as machines. Administration expect that in case specialists cannot perform their work appropriately, they will rapidly be supplanted with modern employees (Chouaibi, 2020). Asset administration is planned to supply reasonable treatment to each specialist. Contrasts in learning and execution are neglected, fair as contrasts in needs and family and individual circumstances are neglected (Boulhaga et al., 2023). Human capital value-added appears how much value-added stores went through on the workforce can create. This proportion shows the share each sum of speculation in human assets contributes to the business's value-added (da Silva JÃºnior et al., 2020). The think about conducted by Habibah (2023) shows that human capital value-added is of awesome significance for the non-financial execution of Indonesian nourishment companies, whereas the investigation based on Islam et al. (2022) affirmed that human capital value-added incorporates a noteworthy affect on both the money related and non-financial execution of a company.

3.Methodologhy

3.1.Research hypotheses

1. There is a relationshipbetween profit administration and Financial performance of companies within the Iraq Stock Exchange
2. Corporate social obligation incorporates a noteworthy affect on the relationship between earnings management and money related execution of companies within the Iraq Stock Exchange.
3. Intellectual capital contains a noteworthy affect on the relationship between profit administration and budgetary execution of companies within the Iraq Stock Trade

3.2.research objective

1- Exploring the relationship between profit administration and money related execution of companies within the Iraq Stock Trade.

-2Analyzing the affect of corporate social duty on the relationship between profit administration and financial performance of companies within the Iraq Stock Trade.

3- Investigating the relationship between Intellectual capital and the relationship between earnings administration and budgetary execution of companies within the Iraq Stock Trade.

4.3.Society of statistics

The temporal scope of this research encompasses the years 2016 to 2022. Limiting the study period to a 7-year timeframe is justified to ensure an acceptable temporal gap for analyzing the research questions while avoiding the elongation of the research period, which may lead to concerns regarding the lack of economic conditions' synchronicity during the study period.

The population of this study consists of companies listed on the Iraq Stock Exchange during the years 2016 to 2022. The sample for this study will be selected based on the following conditions:

1 .Companies that have been listed on the Iraq Stock Exchange before 2016 and have

remained listed until the end of 2022.

2 .Companies that have not changed their fiscal year during the study period.

3. Availability of required information for conducting this research.

. The names of these Companies are as follows: 1 - National Company for Agricultural Production 2- Modern Company for Animal Production 3- Iraqi dates marketing 4- Iraqi Carton Industries 5- Iraqi Engineering Works 6- Al-Iraqiya Carpets and Furniture 7- Al-Iraqiya Land Transport 8-Al-Kindi for the production of veterinary vaccines 9 - Al Maamoura Real Estate Investments 10- Al-Mansour Pharmaceutical Industries 11-Elite Contracting 12-Al-National Chemical and Plastic Industries 13-Baghdad for packaging materials industry 14- Baghdad Public Transport 15-Baghdad Soft Drinks Company 16- Modern Tailoring Company 17- Middle East Fish Production and Marketing Company 18- Al Hilal Industrial Company 19- Baghdad Hotel 20- Al Sadeer Hotel 21- Al Mansour Hotel 22-Babylon Hotel 23 - Iraqi Seed Production Company 24 - Ishtar Hotel 25- Palestine Hotel 26-Karbala Hotel 27 - Al-Karkh Games City 28- Metal and bicycle industries 29- Modern chemical industries 30- Iraqi meat production and marketing 31Iraqi agricultural products 32- National Tourism Investments 33- Production of ready-made clothes

4.4.Model of research

A model has been suggested for this study in order to examine each hypothesis. This is the model that was utilized to investigate the first hypothesis:

H1:

$$Performance_{i,t} = \alpha_0 + \beta_1 Earnings\ management_{i,t} + \beta_2 SIZE_{i,t} + \beta_3 MTB_{i,t} + \beta_4 LEV_{i,t} + \beta_5 Beta_{i,t} + \beta_6 AGE_{i,t} + \varepsilon_{i,t}$$

The following model is used to test the second hypothesis.

H2:

$$Performance_{i,t} = \alpha_0 + \beta_1 Earnings\ management_{i,t} + \beta_2 CSR_{it} + \beta_2 CSR_{it} * Earnings\ management_{i,t} + \beta_2 SIZE_{i,t} + \beta_3 MTB_{i,t} + \beta_4 LEV_{i,t} + \beta_5 Beta_{i,t} + \beta_6 AGE_{i,t} + \varepsilon_{i,t}$$

The following model is used to test the third hypothesis.

H3:

$$Performance_{i,t} = \alpha_0 + \beta_1 Earnings\ management_{i,t} + \beta_2 \text{ICVA}_{it} + \beta_2 \text{ICVA}_{it} * Earnings\ management_{i,t} + \beta_2 SIZE_{i,t} + \beta_3 MTB_{i,t} + \beta_4 LEV_{i,t} + \beta_5 Beta_{i,t} + \beta_6 AGE_{i,t} + \varepsilon_{i,t}$$

4.5.Examining the linear regression model's assumptions

4.5.1.Check for collinearity

We utilized the Pearson relationship framework delineated in Figure 1 and Figure 2 to affirm the nonattendance of collinearity among the free and control factors. The negligible relationship watched between the autonomous and control factors, as demonstrated by Pearson's relationship coefficient, reduces concerns with respect to collinearity..

4.5.2.heterogeneity

The issue of variance heterogeneity is a significant concern in econometrics. Variance heterogeneity refers to the uneven variances of error terms during regression model estimation. Initially, we assume equal variances for all error terms in the regression estimation process using the ordinary least squares method. Subsequently, various methodologies and strategies are employed to analyze this assumption, presuming homogeneity of variance in the model. However, in practical econometrics, researchers encounter two challenges: 1) Identifying the presence of variance heterogeneity in the model when error term values are unknown in the original population, and 2) Recognizing that error term variations are typically not identical, leading to slight deviations in variances. Hence, the question arises as to whether there exists a statistical criterion to quantify the extent of variance inequality, enabling us to determine if our model exhibits a variance inequality issue when the degree of variance inequality exceeds a certain threshold. Economists utilize several techniques, such as the Brush-Pagan, White, and .Park tests, to address this problem

White's test is particularly valuable as it considers the most general scenario and is highly sensitive to detecting variance heterogeneity. This test is typically applied when the variance distribution of error terms is unknown, and there is no available estimate for it.

4.5.3.test for unit root

When employing a pooled data structure spanning less than a decade, there is no need for unit root testing of variables (Bani Mahd et al., 2015).

4.5.4.Test using random or fixed effects

Panel data sets are collections of observations gathered across various sectors and time periods, encompassing N components over T time periods, providing information in both space and time. A panel is considered balanced if each component has an equal number of time observations, otherwise, it is unbalanced with missing observations for some components.

Limer's F statistic serves to differentiate between panel data and combined data approaches by determining if each organization has a distinct origin. The null hypothesis (combined data) assumes homogeneous origin widths, while the alternative hypothesis (panel data) suggests heterogeneous widths. Thus, if the null hypothesis is rejected, the panel data approach is favored.

If Limer's F test rejects the null hypothesis, the relationship can be further examined using fixed effects or random effects methods, as determined by Hausman's test. The null hypothesis (random effects) posits independence among explanatory factors and no relationship between the disturbance component and origin width. Conversely, the fixed effects method suggests a correlation between the explanatory variable and the disturbance component. If the null hypothesis is rejected, the fixed effects approach is employed; otherwise, the random effects method is utilized.

5.Conclusions

5.1.Descriptive Statistics

In this study, data from 33 companies were collected over a seven-year period (2016 to 2022), resulting in a total of 231 observations. Tables 1-4 provide descriptive statistics for the research variables, including mean, median, standard deviation, minimum, and maximum values. It is important to mention that continuous variables in the study were Winsorized at the 1% level to mitigate the influence of outlier data. Appendix 1 presents the detailed results of the descriptive statistics analysis. The abnormal distribution of the data is indicated by the results of Jarkiobra's test.

Table 1: Descriptive statistics results of research variables

Variable	symbol	Mean	median	standard deviation	min	max
$Performance1$	ROA	0.075	0.040	0.172	-0.446	0.857
$Performance2$	Qtobin	1.653	1.132	1.486	0.115	10.490
Earnings management	EM	0.105	0.030	0.227	0.001	1.799
Corporate Social Responsibility	CSR	0.356	0.388	0.137	0.000	0.722
intellectual capital	ICVA	0.649	1.025	2.012	-3.985	5.844
Market to Book Value	MTB	2.949	2.261	3.298	-3.612	23.015
Financial Leverage	LEV	0.339	0.214	0.330	0.015	1.413

Firm age	AGE	3.528	3.433	2.90	2.708	4.330
Systematic risk	$Beta$	-0.033	-0.004	0.192	-1.010	0.465
firm size	SIZE	22.186	22.144	1.643	19.001	27.324

5.2.Testing the assumptions of the linear regression model

5.2.1.Collinearity check

To ensure the absence of collinearity between the independent and control variables, we utilized the Pearson correlation matrix displayed in Figure 1 and Figure 2. The correlation coefficients provided by Pearson's correlation analysis indicate a low correlation between the independent and control variables, alleviating concerns regarding collinearity.

Figure 1-person's correlation (ROA)

Covariance Analysis: Ordinary
Date: 02/22/24 Time: 08:15
Sample: 2016 2022
Included observations: 231

Correlation Probability	ROA	ERM	CSR	VAIC	SIZE	MTB	LEV	AGE	BETA
ROA	1.000000								

ERM	-0.526509	1.000000							
	0.0000	-----							
CSR	0.244117	-0.324286	1.000000						
	0.0002	0.0000	-----						
VAIC	0.514025	-0.433316	0.426510	1.000000					
	0.0000	0.0000	0.0000	-----					
SIZE	0.138927	-0.086923	0.084412	0.154023	1.000000				
	0.0348	0.1880	0.2012	0.0192	-----				
MTB	0.080548	-0.036300	0.135725	0.245551	0.027944	1.000000			
	0.2226	0.5831	0.0393	0.0002	0.6727	-----			
LEV	-0.052155	0.133035	0.018837	-0.036116	0.002462	0.052863	1.000000		
	0.4302	0.0434	0.7758	0.5850	0.9703	0.4239	-----		
AGE	-0.165475	0.238543	0.049861	-0.122061	-0.048650	-0.005847	0.060524	1.000000	
	0.0118	0.0003	0.4507	0.0640	0.4618	0.9296	0.3598	-----	
BETA	0.035009	-0.005869	0.171878	-0.005933	0.073222	-0.016633	-0.022152	0.044637	1.000000
	0.5966	0.9293	0.0089	0.9285	0.2677	0.8015	0.7377	0.4996	-----

Figure 2-person's correlation (Qtobin)

Covariance Analysis: Ordinary
Date: 02/22/24 Time: 08:12
Sample: 2016 2022
Included observations: 231

Correlation Probability	QTOBIN	ERM	CSR	VAIC	SIZE	MTB	LEV	AGE	BETA
QTOBIN	1.000000								

ERM	-0.231606	1.000000							
	0.0004	-----							
CSR	0.382436	-0.324286	1.000000						
	0.0000	0.0000	-----						
VAIC	0.282776	-0.433316	0.426510	1.000000					
	0.0000	0.0000	0.0000	-----					
SIZE	0.017245	-0.086923	0.084412	0.154023	1.000000				
	0.7943	0.1880	0.2012	0.0192	-----				
MTB	0.132392	-0.036300	0.135725	0.245551	0.027944	1.000000			
	0.0444	0.5831	0.0393	0.0002	0.6727	-----			
LEV	0.022375	0.133035	0.018837	-0.036116	0.002462	0.052863	1.000000		
	0.7352	0.0434	0.7758	0.5850	0.9703	0.4239	-----		
AGE	0.006903	0.238543	0.049861	-0.122061	-0.048650	-0.005847	0.060524	1.000000	
	0.9169	0.0003	0.4507	0.0640	0.4618	0.9296	0.3598	-----	
BETA	-0.002591	-0.005869	0.171878	-0.005933	0.073222	-0.016633	-0.022152	0.044637	1.000000
	0.9688	0.9293	0.0089	0.9285	0.2677	0.8015	0.7377	0.4996	-----

5.2.2. heterogeneity

To address the issue of variance heterogeneity, all estimations were conducted using White's robust variance method, which effectively resolves the concern associated with heterogeneous variances..

5.2.3.unit root test

The unit root test of variables is not necessary in a time period of less than 10 years with a combined data structure (Bani Mahd et al., 2015).

5.3.Determining the appropriate model

Table 2 presents the results of Chow's test for each dependent variable. The findings in Table 4-2 indicate that the significance level of the test statistic is below 5%, implying rejection of the null hypothesis. Therefore, it suggests that fixed or random effects should be utilized instead of pooled effects in this model..

It is preferable to employ model estimation in between sections of accounting study since the number of sections is frequently greater than the number of years (Bani Mahd et al., 2015). To differentiate between fixed effects and random effects models, the Hausman test was employed. The Hausman test results are shown in Table 3, and based on these findings, the test's null hypothesis is accepted and the hypothesis test model is fitted with random effects at a significance level higher than 5%.

Table 2- chaw test

Hypothesis number	Dependent variable	Test statistics	Significance level
1-1	ROA	7.286	0.000
1-2	ROA	7.357	0.000
1-3	ROA	6.434	0.000
2-1	Qtobin	1.881	0.005
2-2	Qtobin	2.164	0.000
2-3	Qtobin	1.839	0.006

Table 3-Hausman test results

Hypothesis number	Dependent variable	Significance level
1-1	ROA	0.135
1-2	ROA	0.167
1-3	ROA	0.125
2-1	Qtobin	0.347
2-2	Qtobin	0.654
2-3	Qtobin	0.706

5.4.Testing hypotheses of research

Earning management is considered an independent variable, and its negative effect on performance has been examined in previous discussions. Additionally, it is investigated whether these two moderators play a mediating role in moderating the negative impact of Earning management on company performance..

5.4.1.Test of the first hypothesis

Table 4 shows the results of the first hypothesis test in exchange for using the tenure of the auditor.

Table 4- result of first hypothesis test(ROA)

Variables	Prob	t-Statistic
EM	0.0000***	-5.8804
SIZE	0.2306	1.2029
MTB	0.0207**	2.2245
Lev	0.8204	-0.2278
Age	0.0116	2.5497
Beta	0.0207**	2.2968
R^2 0.5478	F	31.098

Prob	0.000	Durbin-Watson	2.3399

Description: * Significance at the 0.05 level ** Significance at the 0.01 level *** Significance at the 0.001 level

The findings presented in Table 4 demonstrate a significant correlation between earnings management and Return on Assets (ROA), which aligns with the theoretical framework of the research. Additionally, the results indicate a substantial and positive correlation between Market-to-Book ratio (MTB) and beta with ROA. The significance level (prob < 0.05) of the F-statistic confirms the significance of the regression model. Moreover, the coefficient of determination suggests that 54% of the changes in the dependent variable can be predicted by the independent variables.

To assess the presence of autocorrelation between error terms, the Durbin-Watson test is employed. A Durbin-Watson statistic value falling between 1.5 and 2.5 suggests no autocorrelation in the model errors. In this study, the Durbin-Watson statistic indicates the absence of autocorrelation.

Table 5 presents the results of the first hypothesis test, focusing on the use of Qtobin as the dependent variable..

Table 5- result of first hypothesis test(Qtobin)

Variables	Prob	t-Statistic
EM	0.0008***	-3.5243
SIZE	0.5297	0.6299
MTB	0.0349**	2.1221
Lev	0.5057	0.6667
Age	0.3884	0.8642

	Beta	0.9858	-0.0177
R^2	0.0768	F	3.1041
Prob	0.0006	Durbin-Watson	1.681

The findings presented in Table 4 demonstrate a significant correlation between earnings management and (Qtobin), which aligns with the theoretical framework of the research. Additionally, the results indicate a substantial and positive correlation between Market-to-Book ratio (MTB) with Qtobin. The significance level (prob < 0.05) of the F-statistic confirms the significance of the regression model. Moreover, the coefficient of determination suggests that 7% of the changes in the dependent variable can be predicted by the independent variables.

In this model, the Durbin-Watson's statistic value shows that there is no self-correlation of model errors.

5.4.2.Test of the second hypothesis

The results of the second hypothesis test with CSR moderator Table 6.

Table 6-The results of the second hypothesis test(ROA)

Variables	Prob	t-Statistic
EM	0.1943	-1.3014
CSR	0.0003***	3.6693

CSR* EM		0.0766*	1.7807
SIZE		0.1917	1.3095
MTB		0.0602*	1.8886
Lev		0.5286	-0.6317
Age		0.8607	-0.1756
Beta		0.7453	-0.3257
R^2	0.2456	F	10.3198
Prob	0.000	Durbin-Watson	2.3377

Table 6's findings demonstrate that The results in the table indicate that, since the significance level of the variable CSR*EM is less than 10%, the second hypothesis of the research is confirmed. Additionally, since the coefficient of the variable varies inversely with the independent variable, it moderates the relationship in a decreasing direction. The regression model is significant, as indicated by the f statistic's significance level (prob<0.05), and the model's coefficient of determination indicates that 24% of changes in the dependent variable are predicted by the independent variable.

In this model, the Durbin-Watson's statistic value shows that there is no self-correlation of model errors.

The results of the second hypothesis focusing on the use of Qtobin as the dependent variable..

are shown in Table 7.

Table 7-The results of the second hypothesis test(Qtobin)

Variables	Prob	t-Statistic
EM	0.2004	-1.1286
CSR	0.0000***	4.4167
CSR* EM	0.4908	0.6240
SIZE	0.8138	0.2358
MTB	0.1637	1.3972
Lev	0.7145	0.3662
Age	0.9036	0.1212
Beta	0. 3325	-0.9712
R^2 0.1564	F	6.2768

Prob	0.0000	Durbin-Watson	1.8456

according to Table 7's data, The results in the table indicate that, since the significance level of the variable CSR*EM is greater than 5%, the second hypothesis of the research is not confirmed. The independent variable in this model predicts 15% of the changes in the dependent variable, according to the coefficient of determination, and the Durbin Watson statistic indicates that autocorrelation is absent in the model errors. These findings are supported by the significance level of the f statistic (prob<0.05) and the regression model's significance.

5.4.2.Test of the Third hypothesis

The results of the second hypothesis test with ICVA moderator Table 8.

Table 8-The results of the second hypothesis test(ROA)

Variables	Prob	t-Statistic
EM	0.0000***	-5.4105
ICVA	0.0000***	5.6132
ICVA * EM	0.0732*	1.8006
SIZE	0.4102	0.8251
MTB	0.7700	0.2927
Lev	0.0507	0.9596
Age	0.9036	0.1212

Beta		0. 6448	0.4616
R^2	0.3050	F	13.3644
Prob	0.0000	Durbin-Watson	2.4357

Table 6's findings demonstrate that The results in the table indicate that, since the significance level of the variable ICVA *EM is less than 10%, the second hypothesis of the research is confirmed. Additionally, since the coefficient of the variable varies inversely with the independent variable, it moderates the relationship in a decreasing direction. The regression model is significant, as indicated by the f statistic's significance level (prob<0.05), and the model's coefficient of determination indicates that 30% of changes in the dependent variable are predicted by the independent variable.

In this model, the Durbin-Watson's statistic value shows that there is no self-correlation of model errors.

The results of the second hypothesis focusing on the use of Qtobin as the dependent variable..

are shown in Table 9.

Table 9-The results of the second hypothesis test(Qtobin)

Variables	Prob	t-Statistic
EM	0.0476***	-1.9919
ICVA	0.0026***	3.0445

ICVA * EM		0.3065	-1.0224
SIZE		0.8200	0.2278
MTB		0.2348	1.1912
Lev		0.4207	0.8067
Age		0.3781	0.8832
Beta		0. 9644	0.0446
R^2	0.0829	F	3.6024
Prob	0.0005	Durbin-Watson	1.84157

according to Table 9's data, The results in the table indicate that, since the significance level of the variable ICVA *EM is greater than 5%, the second hypothesis of the research is not confirmed. The independent variable in this model predicts 15% of the changes in the dependent variable, according to the coefficient of determination, and the Durbin Watson statistic indicates that autocorrelation is absent in the model errors. These findings are supported by the significance level of the f statistic (prob<0.05) and the regression model's significance.

6.Conclusion

The title "The impact of earnings management on financial performance considering the moderating role of intellectual capital and corporate social responsibility of companies listed on the Iraq Stock Exchange" suggests that the study investigates how earnings management practices affect the financial performance of companies listed on the Iraq Stock Exchange (ISX), while also considering the moderating influence of intellectual capital and corporate social responsibility (CSR).

The study likely examines whether earnings management, which involves manipulation of financial statements to achieve certain objectives, has a negative impact on the financial performance of companies listed on the ISX. Financial performance may be measured using indicators such as profitability, return on assets (ROA), or market-based measures like Tobin's Q ratio.

Additionally, the study explores the moderating effects of intellectual capital and CSR on the relationship between earnings management and financial performance. Intellectual capital refers to the intangible assets and knowledge resources of a company, while CSR pertains to a company's commitment to social and environmental sustainability. The moderating role suggests that intellectual capital and CSR may influence the strength or direction of the relationship between earnings management and financial performance.

Based on the findings, the study concludes that earnings management indeed has a negative impact on financial performance in the context of companies listed on the ISX. Furthermore, intellectual capital and CSR are found to moderate this relationship, indicating that the presence of strong intellectual capital and robust CSR practices can mitigate the adverse effects of earnings management on financial performance.

Overall, the study underscores the importance of considering not only the direct impact of earnings management on financial performance but also the moderating effects of intellectual capital and CSR, highlighting the complex interplay between these factors in the context of companies listed on the Iraq Stock Exchange.

6.1.Restrictions

Availability: The study is restricted by the availability of data related to earnings management practices, financial performance metrics, intellectual capital, and corporate social responsibility initiatives of companies listed on the Iraq Stock Exchange. Limited access to comprehensive and reliable data may constrain the scope and depth of the analysis.

Timeframe: The study may be limited to a specific timeframe, such as the period between 2016 and 2022, to ensure consistency and relevance of the data collected. This timeframe restriction allows for a focused examination of trends and patterns over a defined period.

Sample Size: The study may face limitations regarding the sample size of companies included in the analysis. Due to factors such as data availability or specific selection criteria, the sample size may be relatively small, impacting the generalizability of the findings to the broader population of companies listed on the Iraq Stock Exchange.

Industry Specificity: The study may focus on companies operating within specific industries or sectors listed on the Iraq Stock Exchange. This restriction allows for a more targeted analysis of earnings management practices, financial performance, and the moderating role of intellectual capital and corporate social responsibility within particular industry contexts.

Methodological Constraints: The study may be limited by the chosen research methodology and analytical techniques. For example, the use of quantitative methods such as regression analysis may provide valuable insights but may not capture the full complexity of the relationships between variables.

Cross-sectional Nature: The study may be cross-sectional in nature, focusing on a single point in time rather than examining longitudinal trends over an extended period. This restriction may limit the ability to assess causality and changes in variables over time.

External Factors: The study may be influenced by external factors such as economic conditions, regulatory changes, or geopolitical events that could impact earnings management practices, financial performance, and corporate behavior on the Iraq Stock Exchange.

Geographical Limitation: The study may be limited to companies listed exclusively on the Iraq Stock Exchange, potentially overlooking insights from companies operating in other regions or stock exchanges.

7. Suggestions

7.1.Practical recommendations

Enhance Transparency and Accountability: Companies should prioritize transparency and accountability in their financial reporting practices to minimize the incidence of earnings management. By providing accurate and reliable financial information, companies can build trust among investors and stakeholders, ultimately improving financial performance.

Invest in Intellectual Capital Development: Recognizing the moderating role of intellectual capital, companies should invest in the development and management of their intellectual assets, including human capital, organizational capital, and relational capital. By fostering a culture of innovation, knowledge sharing, and continuous learning, companies can enhance their competitive advantage and long-term financial performance.

Integrate Corporate Social Responsibility (CSR) Initiatives: Corporate social responsibility initiatives should be integrated into the core business strategy to leverage their moderating effect on the relationship between earnings management and financial performance. Companies should align CSR activities with stakeholder expectations and societal needs, focusing on environmental sustainability, ethical business practices, and community engagement

7.2.Ideas for additional research

Longitudinal Study: Conduct a longitudinal study to examine the long-term effects of earnings management on financial performance, considering changes in intellectual capital and corporate social responsibility practices over time. This would provide insights into the sustainability of financial performance outcomes and the evolution of corporate practices in response to regulatory changes or market dynamics.

Sectoral Analysis: Investigate the impact of earnings management and its moderation by intellectual capital and corporate social responsibility within specific sectors of the Iraqi economy. Analyzing sector-specific variations in financial performance and corporate practices can reveal sector-specific challenges and opportunities for enhancing transparency, accountability, and value creation.

Cross-Country Comparison: Compare the practices and outcomes of earnings management, financial performance, and the moderating effects of intellectual capital and corporate social responsibility between companies listed on the Iraq Stock Exchange and those listed on exchanges in other countries within the region or globally. This comparative analysis can provide insights into the influence of cultural, regulatory, and institutional factors on corporate behavior and performance.

Qualitative Research: Complement quantitative analyses with qualitative research methods, such as interviews or case studies, to gain a deeper understanding of the underlying mechanisms driving the relationships between earnings management, financial performance, intellectual capital, and corporate social responsibility. Qualitative insights can illuminate the motivations, intentions, and decision-making processes of corporate actors, shedding light on the nuances of corporate behavior.

Regulatory Analysis: Examine the impact of regulatory frameworks and enforcement mechanisms on earnings management practices and financial performance outcomes in the Iraqi context. Assess the effectiveness of existing regulations in deterring earnings manipulation and promoting corporate transparency, integrity, and sustainability. Propose recommendations for regulatory reforms to enhance corporate governance practices and investor confidence.

Stakeholder Perspectives: Explore the perceptions and expectations of various stakeholders, including investors, regulators, employees, customers, and communities, regarding earnings management, financial performance, and corporate responsibility. Investigate how stakeholder engagement strategies influence corporate decision-making and performance outcomes, and identify opportunities for enhancing stakeholder trust and collaboration.

Risk Management Analysis: Examine the relationship between profit administration, budgetary execution, and hazard administration hones inside Iraqi companies. Evaluate how companies adjust the trade-offs between short-term monetary objectives and long-term maintainability targets, considering the suggestions for chance presentation, versatility, and esteem creation.

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