Editorial: Exploring intellectual capital to increase competitiveness: some insights from Asia and the Middle East

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1 Introduction

With more than 20 years of development of the field of intellectual capital, many challenges still lie ahead for academics, researchers, and professionals in this knowledge domain. The seminal paper 'Developing intellectual capital at Skandia' by Edvinsson (1997) discussed the state-of-the-art of the field and taxonomies of intellectual capital, analysed the impact of intellectual capital in annual reports and explored the difference between market value capitalisation value and book value, among other issues.

Today, new and emergent issues are in the agenda of the complex field of intellectual capital, like sustainability (Al Mamun et al., 2021; Edvinsson et al., 2022; Lin and Edvinsson, 2021) and circular and green economy (Anik and Sulistyo, 2021; Dabić et al., 2021; Iqbal et al., 2021; European Commission, 2021a, 2021b; Ordóñez de Pablos and Edvinsson, 2020). It is important that the new research agenda expands current boundaries of intellectual capital field and develops transdisciplinary research, innovative explorations of IC components and their impact on key organisational variables as well as studies on how intellectual capital and knowledge management can support the transition towards a circular, digital and green economy, creating and deploying strategic knowledge-based resources (Gao et al., 2021).

The global disruption caused by the pandemic impacted societies and economies around the world with consequences that unfortunately will last for years. To return to normal after Covid, governments and companies need to use and measure their resources – especially knowledge-based resources – more efficiently, develop innovative solutions for current and emergent challenges, develop collaborative networks and benefit from the use of new advances in technological tools (Al-Dmour et al., 2021; Del Giudice and Maggioni, 2014; Lytras and Ordóñez de Pablos, 2008; Ordóñez de Pablos, 2004, 2005a, 2005b, 2006; Peronard, 2021; Qureshi and Afsar, 2021; Scuotto et al., 2017; Venugopalan et al., 2018; Zhang et al., 2016).

2 Contents of the issue

This third issue of 2022 presents a collection of five papers discuss the relationships and links of intellectual capital with credit risks, ownership structure and intellectual capital disclosure. The papers provide evidence on the impact of intellectual capital in Bangladesh, India, Indonesia Jordan, Malaysia and Thailand.

The first paper of this issue, titled 'The association between human capital efficiency and credit risk of Indian banks: a change point analysis' (by Maji and Goswami), studies:

> "The structural break in the distribution of credit risk in Indian banking sector and to investigate the importance of human capital in managing credit risk during the pre and post change period after controlling the influence of some bank specific and macroeconomic factors. The study is based on secondary data of listed Indian commercial banks over a period of 15 years from 1999–2000 to 2013–14. Change point analysis is used to identify the structural break in the credit risk. Human capital efficiency is measured by employing value added intellectual coefficient model. Panel data regression model is employed to investigate the influence of human capital efficiency along with other explanatory variables on the credit risk of banks during pre and post change period. Further, the same model is used for a sample of banks with high and low market capitalization to strengthen the empirical evidence. The change point or structural break is observed to have occurred in the year 2006. The regression results in the case of pre change period reveal no significant association between human capital efficiency and credit risk. However, during the post change period, human capital efficiency is observed to have a negative impact on credit risk for all cases. This paper is helpful for policy implications as the results demonstrate that banks can reduce credit risk by enhancing the efficiency of human resources."

The second paper, titled 'Ownership structure and intellectual capital: empirical evidence for Jordanian listed firms' (by Mardini, Alkurdi and Karasneh) analyses:

> "The impact of ownership structure on intellectual capital (IC) disclosures from a stakeholder theory perspective. The current study employs a disclosure index approach to examine the extent of structural and relational capital disclosures of Jordanian listed firms with data from 2012 to 2018. Ordinary least squares regression models for structural capital, relational capital, and overall IC disclosures are employed. The findings show a negative significant impact of management ownership on relational capital disclosures, a positive impact of foreign ownership on relational and overall IC disclosures, and a positive impact of institutional ownership on all three IC models. Hence, our study suggests that managers are not inclined to provide relational capital disclosures for the benefit of stakeholders. Moreover, it suggests that foreign investors require lower information asymmetry, which leads to measures being taken to enhance IC practices. We believe that our study adds knowledge to the current IC literature since it provides empirical evidence concerning knowledge-based IC disclosures in emerging markets such as Jordan."

The third paper of the issue, titled 'Are Islamic banks intellectually efficient? Empirical evidence from Bangladesh' (by Mondal, Mukherjee and Basak), aims to:

> "Measure the value creation efficiency of intellectual capital management of 7 Islamic banks in Bangladesh over eight years starting from 2011 to 2018 and examines the impact of intellectual capital management on the financial performance of the sample Islamic banks. VAICTM model has been used to measure the value creation efficiency of intellectual capital management. The financial performance of the banks has been measured with the help of

> productivity and profitability ratios. We performed panel regression and robust regression analysis with an appropriate method to analyze the data. The results of the present empirical study suggest that the profitability and productivity of Islamic banks of Bangladesh primarily driven by human capital efficiency rather than structural capital efficiency and financial and physical capital efficiency. The present study is the first empirical study that examined intellectual capital management and its impact on the financial performances of Islamic banks in Bangladesh."

The fourth paper, titled 'Effect of intellectual capital on the business performance of SMEs in Malaysia' by (Khalique, Yaacob, Rahman and Adeiza) explores:

> "The effect of intellectual capital on the business performance of SMEs functioning in Penang Malaysia. The data were gathered through structured questionnaire survey forms. Participants for this study were selected through purposive sampling technique. In this study, 154 individuals were involved to test the six proposed research hypotheses. Multiple regression was used to examine the proposed research prepositions. The empirical findings expressed that four research hypotheses were supported and two hypotheses were not supported. The findings of this study reported that IC is very important for the success of SMEs. This study will provides awareness to SMEs to identify and capitalize their intellectual capital to get competitive advantages. This study will also provide guidelines to the policy makers. This study offers new avenues for future investigators to conduct their studies in various sectors to examine the impact of intellectual capital on performance of SMEs."

The last paper of the issue, titled 'Drivers of voluntary intellectual capital disclosure in agriculture companies listed in IMT-GT countries' (by Tarigan, Devi and Hatane) studies:

> "The drivers of disclosing intellectual capital for a sample of agriculture firms listed in Indonesia, Malaysia, Thailand growth triangle (IMT-GT) countries. The authors read the annual reports by analyzing the content and use quantitative data from the Bloomberg terminal. Ordinary least square (OLS) analysis is conducted to test the hypothesis and identify the correlation between variables. It is revealed that factors affect intellectual capital disclosure, such as firm size, ownership concentration, and auditor type. The findings help regulators understand better and use the factors that explain the company's intellectual capital disclosure in the development of future recommendations. Moreover, it is the first study to explore the IMT-GT relationship for intellectual capital disclosure topics. The cooperation has provided positive signals to the economic growth, thus made it enjoyable to look further at the businesses operating in those countries."

Acknowledgements

It is important to thank Inderscience staff – especially Alexandra Starkie – for the continuous support in the development of this journal, *International Journal of Learning and Intellectual Capital*. Additionally, I cannot forget the role of our outstanding pool of editorial board members and reviewers from around the world, always ready to provide valuable feedback to authors of papers so that they can improve the manuscripts and contributions to the field of intellectual capital, knowledge management and organisational learning. Thank you very much.

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