

The Efficiency Of Intellectual Capital Investments As A Potential Leading Indicator

Samo Javornik

University of Ljubljana

Metka Tekavcic

University of Ljubljana

Mojca Marc

University of Ljubljana

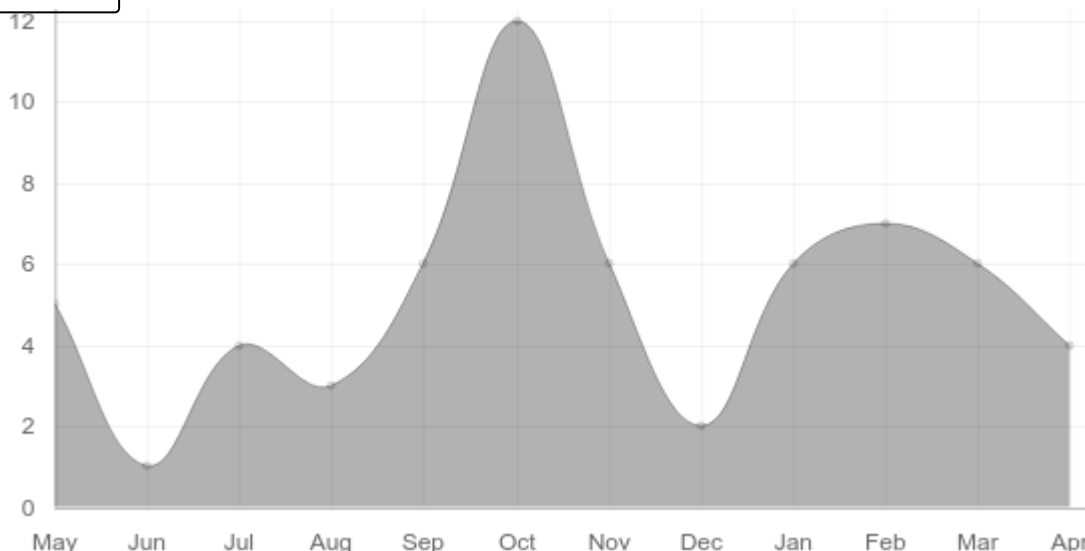
Keywords

VAIC model, Leading Indicators, Intellectual Capital, Human Capital, Structural Capital, Financial Performance, Residual Valuation Models, Slovenia

Abstract

This paper aims to test the VAIC model in order to explore and recognize the relationship between Intellectual Capital (IC) components and the financial performance of companies, with an ambition to establish whether IC investment efficiency indicators can serve as potential leading indicators of the future financial performance of companies. We test our hypotheses by using the VAIC model. The data set includes more than 12,000 Slovenian companies within a 14-year period (from 1995 to 2008). OLS regression and panel regression method are used as tools. Most of the research hypotheses have been confirmed, but the results are of limited practical use. In contrast to the primary test, our test conducted on the ranked data indicates a high degree of correspondence between the improvement in rank of a company's IC investment efficiency and the improvement in rank of its financial performance in the peer group. As IC value is a result of above-average financial performance, the IC investment efficiency can potentially serve as leading indicators of future financial performance. By comparing the results of similar studies, we indicate possible systematic biases as potential sources of differences in the results, and suggest the areas that need further investigation.

Downloads



Published
Apr 30, 2012

DOI <https://doi.org/10.19030/iber.v11i5.6972> (<https://doi.org/10.19030/iber.v11i5.6972>)

How to Cite

Javornik, S., Tekavcic, M., & Marc, M. (2012). The Efficiency Of Intellectual Capital Investments As A Potential Leading Indicator. *International Business & Economics Research Journal (IBER)*, 11(5), 535–558.
<https://doi.org/10.19030/iber.v11i5.6972>

[More Citation Formats](#) ▾

Issue

Vol. 11 No. 5 (2012) (<https://www.clutejournals.com/index.php/IBER/issue/view/762>)

Section

Articles

Most read articles by the same author(s)

- Sandra Penger, Metka Tekavcic, Vlado Dimovski, [Comparison, Validation And Implications Of Learning Style Theories In Higher Education In Slovenia: An Experiential And Theoretical Case](#) (<https://www.clutejournals.com/index.php/IBER/article/view/3311>), [International Business & Economics Research Journal \(IBER\): Vol. 7 No. 12 \(2008\)](#) (<https://www.clutejournals.com/index.php/IBER/issue/view/351>)
- Metka Tekavcic, Darja Peljhan, [Achieving Business Excellence Prize: The Case Of Trimo Trebnje d.d.](#) (<https://www.clutejournals.com/index.php/IBER/article/view/3732>), [International Business & Economics Research Journal \(IBER\): Vol. 3 No. 10 \(2004\)](#) (<https://www.clutejournals.com/index.php/IBER/issue/view/401>)
- Metka Tekavcic, Mojca Marc, [E-Business Performance Analysis: A Case Of A Slovenian e-Shop](#) (<https://www.clutejournals.com/index.php/IBER/article/view/3849>), [International Business & Economics Research Journal \(IBER\): Vol. 2 No. 10 \(2003\)](#) (<https://www.clutejournals.com/index.php/IBER/issue/view/414>)
- Metka Tekavcic, Mojca Marc, [E-Commerce In Slovenia: Kindergarten Years](#) (<https://www.clutejournals.com/index.php/IBER/article/view/3697>), [International Business & Economics Research Journal \(IBER\): Vol. 3 No. 6 \(2004\)](#) (<https://www.clutejournals.com/index.php/IBER/issue/view/396>)

-
- »  (<https://www.clutejournals.com/index.php/IBER/gateway/plugin/WebFeedGatewayPlugin/atom>)
-
- »  (<https://www.clutejournals.com/index.php/IBER/gateway/plugin/WebFeedGatewayPlugin/rss2>)
-
- »  (<https://www.clutejournals.com/index.php/IBER/gateway/plugin/WebFeedGatewayPlugin/rss>)
-

International Business & Economics Research Journal

Published since 2002

ISSN 1535-0754 (print), ISSN 2157-9393 (online)

The International Business & Economics Research Journal (IBER) welcomes articles in all areas of international business and economics research.

IMPORTANT LINKS

About the Journal (<http://clutejournals.com/index.php/IBER/about>)

Editorial Team (<http://clutejournals.com/index.php/IBER/about/editorialTeam>)

Submissions (<https://www.cluteinstitute.com/submissions/>)

Contact (<https://clutejournals.com/index.php/AJBE/about/contact>)

Become a Reviewer (<https://www.cluteinstitute.com/journal-reviewer-application/>)

CONTACT

Email: Journals@CluteInstitute.com (<mailto:Journals@CluteInstitute.com>)

Phone: +1 303-904-4750

Website: www.CluteJournals.com (<http://clutejournals.com>)

Address: 8119 Shaffer Parkway A102, Littleton, CO 80127 United States