

An empirical examination of the value relevance of intellectual capital using the Ohlson (1995) valuation model

G.E. Swartz; N-P. Swartz; S. Firer

[+ Author & Article Information](#)

Meditari Accountancy Research (2006) 14 (2): 67–81.

<https://doi.org/10.1108/10222529200600013>

The debate on the determinants of firm value is ongoing; and the increasing gap in the book-to-market ratio (Lev & Sougiannis 1999) has yet to be explained in the financial literature. This article contributes to the debate by examining whether intellectual capital measured using the value added intellectual coefficient (VAICTM) (Pulic 1998) contributes to the explanation of the book-to-market ratio. This study used Ohlson's 1995 valuation model and JSE Securities Exchange (SA) (JSE) data in an attempt to identify whether the book value of assets, accounting (accrual) earnings and VAICTM explain the behaviour of South African share prices. The panel data least squares model results indicate a significant relationship between share prices three months after year end, and abnormal earnings, abnormal cash dividends, book value of assets, the capital employed coefficient, and the human capital coefficient.

Keywords: [Accrual accounting](#), [Intellectual capital](#), [Securities exchange](#), [Ohlson model](#), [Pulic security valuation](#), [South Africa](#), [Value added](#), [Intellectual coefficient](#)

This content is only available via PDF.

© Emerald Group Publishing Limited

You do not currently have access to this content.

Sign in

Don't already have an account? [Register](#)

Password

[Reset password](#)

[Register](#)

ICE Member Sign In

[Log in](#)



Access through your institution

Purchased this content as a guest? Enter your email address to restore access.

Email Address

Pay-Per-View Access €35.00

 [Buy This Article](#)

Rental

This article is also available for rental through DeepDyve.

