

Abstract

The aim of this research was to explore the extent to which intellectual capital elements can explain competitive advantage in Jordanian Telecommunication Companies. To this end, the research defines a new theoretical model of relations and presents an empirical study to contrast the model.

The proposed theoretical model was contrasted by means of a quantitative and qualitative study of Jordanian companies from Telecommunication Sector. The applied research is based on a semi-structured interviews and questionnaire approach using three scenarios and a total of 215 respondents. The data were analyzed and the hypotheses were tested by using the proper Statistical Analysis PLS path modeling (SmartPLS 2.0) and (SPSS .18) program.

This research confirms that the intellectual capital elements are strong predictors of competitive advantage (except human capital) and they account up to (48.4) percent of variance in competitive advantage. Relational capital has the strongest and largest importance in explaining the variance in competitive advantage followed by structural capital. Furthermore the effect of intellectual capital components moderated by age and gender.

From the theoretical model proposed and its subsequent empirical contrast, the research showed the close relations that exist between areas of knowledge that traditionally appear separately in the literature. The proposed model thus allows us to explain and predict the effect of the components of IC on competitive advantage.

Keywords: Intellectual capital, Human Capital, Structural Capital, Relational Capital, Competitive Advantage.