

The Impact of Intellectual Capital Efficiency on The
Profitability of Public Shareholding Industrial Companies
Listed on Amman Stock Exchange

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ABSTRACT

This study aimed to determining the impact of intellectual capital efficiency on the profitability of public shareholding industrial companies listed on Amman stock exchange. To achieve the objectives of the study, the researcher collected data from (56) manufacturing corporations listed on Amman Stock Exchange (ASE) during the period 2010 to 2019. Total annual observations of these corporations used in the analysis were 508 observations. Descriptive statistics and interracial analytical statistics multiple regressions were used to analyze the data and test the hypotheses of the study. The study results revealed that profitability is positively and significantly impacted by intellectual capital as a composite variable. Moreover, the outcomes revealed that the profitability is positively and significantly impacted by human capital efficiency structural and capital employed efficiency as the components of intellectual capital.

Based on the results, the study introduced many recommendations, including the necessity to enhance their value creation efficiency by reconsidering the intellectual capital as one of the main resources for value creation and profitability of the company that will influence its performance positively and gives it a competitive advantage.

Keywords: Intellectual capital efficiency, Human capital efficiency, Structural capital efficiency, Capital employed efficiency, profitability.