Title: Intellectual Capital and Business Performance: Evidence from Nigeria
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Abstract: The impact of intellectual capital (IC) on the general performance of the organisation has become a very important issue now than ever, this is due to the level of globalization of whose outcomes are privatization and deregulation of markets, aggressive competition and the ever-rising expectations of customers. As a result of this, there is need for organisations to be at their best in order to be relevant in the environment. This paper focuses on developing economies and on Nigeria specifically. Using a sample of thirty-two audited financial statements of quoted companies in Nigeria, the paper examines the impact of IC components on business performance measured with Return on Equity (ROE) and Return on Assets (ROA). The results show that intellectual capital has a positive and significant relationship with the performance of business organizations in Nigeria. These results reinforce the accumulating body of empirical support for the positive impact of Intellectual capital on business performance. Based on the findings, the study recommends that corporate entities in Nigeria should invest in Human, Structural and Customer Capital in order to increase their performance.
Keywords: Intellectual capital, Human capital, Structural capital, Customer capital, Business performance.