



**INTELLECTUAL CAPITAL:
A
COMPARATIVE STUDY
OF
THE PERFORMANCES
OF
FIVE SELECTED MALAYSIAN COMMERCIAL BANKS
(1994 - 2008)**

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PREFACE

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ABSTRACT

Value Added Intellectual Capital (VAIC™) is the intellectual ability and capability of the corporation. As a performance indicator, the higher the VAIC™ shows the better efficiency level of the corporation. More value will be created once VAIC™ rises over the time.

The purpose of this study is to compare the efficiency (in terms of intellectual capital) among Malaysian commercial banks and investigate empirically the relation between intellectual capital and market valuation and financial performance.

Using data drawn from Malaysian commercial banks and Value Added Intellectual Capital (VAIC™) as the efficiency approach to measure the efficiencies of the sample as well as traditional approach comprise of market valuation and financial performance represent by profitability and productivity.

The results cover up the intellectual capital and traditional analyses for each bank and shows the banks performances during the crises. Besides, the results also reveal the ranking of sample banks in terms of VAIC™ and value added (VA). The regression results present the relationship between VAIC™ and its three components with traditional approach for each bank in the sample.

Investor may place different value on three components of VAIC™. The findings reach the perceptive of VAIC™.