

THE INFLUENCE OF INTELLECTUAL CAPITAL ON ROMANIAN COMPANIES' FINANCIAL PERFORMANCE

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ABSTRACT: This article aims to theoretically and empirically argue the influence of intellectual capital on financial performance at microeconomic level. Based on data collected from the financial statements of companies listed at Bucharest Stock Exchange, present study analyses the correlation between intellectual capital and its components, calculated by using the VAIC method, and financial performance, calculated by using Return on Equity. Several regression models are being used. The results support the proposed hypothesis, proving that there is a significant positive correlation between intellectual capital and financial performance. By extrapolating it can be said that the role of intellectual capital is important in achieving competitive advantages by companies from emerging economies where performance is usually strongly determined by the physical capital employed

Key words: intellectual capital, financial performance, value added intellectual coefficient, Bucharest Stock Exchange

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