

Original Article (Quantified)

The Impact of Intellectual Capital on Organizational Entrepreneurship with the Mediating Role of Knowledge Management: An Empirical Analysis of Small and Medium-Sized Enterprises in the Shiraz Special Economic Zone

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Abstract

The aim of this study is to investigate the effect of intellectual capital on organizational entrepreneurship by considering the mediating role of knowledge management in small and medium-sized enterprises in the Shiraz Special Economic Zone. The present study is applicable in terms of its purpose, and is of a descriptive-correlational type. The statistical population of the study includes managers, experts, and employees of small and medium-sized enterprises located in this region. The sample size was determined 236 people by the Cochran formula, and the sampling was carried out randomly. The data collection tool is the standard questionnaires of intellectual capital, knowledge management, and organizational entrepreneurship. SPSS and LISREL software were used to analyze the data. The results of the study showed that intellectual capital, including the three dimensions of human capital, structural capital, and relational capital, has a positive and significant effect on organizational entrepreneurship. Also, the mediating role of knowledge management in this regard was confirmed; in such a way that knowledge management has strengthened the connection between intellectual capital and organizational entrepreneurship and has paved the way for the promotion of innovation and competitiveness in organizations. Accordingly, it is suggested that managers of small and medium-sized companies strengthen the entrepreneurial capacities of their organizations by developing intellectual capital and establishing effective knowledge management systems.

Keywords:

Intellectual capital, knowledge management, Organizational entrepreneurship, Structural equation modeling.

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Introduction

A study of the economic development process in advanced countries has shown that organizational entrepreneurship, as an influential factor, has played a pivotal role in increasing gross national product, creating wealth, creating employment, and improving productivity (Fu et al., 2019; Gaur, 2024). This type of entrepreneurship is considered a strategic tool for sustainable growth at the national level by creating innovative opportunities, especially in the face of challenges such as the employment crisis and the decline in the quality of services and products (El Annan & Haidoura, 2023). In this regard, organizations have shown increasing attention to the effective use of intangible resources such as intellectual capital and organizational knowledge to strengthen their entrepreneurial capabilities.

Intellectual capital includes knowledge, skills, and organizational relationships, which consist of three dimensions: human, structural, and relational. This capital can provide a suitable platform for the growth of innovation and the empowerment of the organization in taking advantage of opportunities (Shashila & Chitra, 2024; Naderi et al., 2016). On the other hand, knowledge management, as a mechanism for creating, storing, sharing, and applying knowledge, has the ability to transform these capitals into practical processes for creating value (Truong et al., 2023).

Numerous studies have identified intellectual capital as a predictor of organizational entrepreneurship, and knowledge management as a mediating variable (Nikookar et al., 2014; Yu et al., 2022). In the conceptual model of this study, the relationship between these three variables has been examined with a causal and empirical approach.

Considering the importance of small and medium-sized enterprises in the growth of the local and regional economy, and given the specific conditions of the Shiraz Special Economic Zone, it seems necessary to examine the role of intangible capital in enhancing the entrepreneurial capacity of these companies. While they have high potential, these companies face challenges such as lack of knowledge resources and weakness in utilizing knowledge capacities.

Therefore, the main question of the research is: Can intellectual capital, with the mediating role of knowledge management, affect organizational entrepreneurship in small and medium-sized enterprises in the Shiraz Special Economic Zone?

Theoretical framework

Intellectual capital, as a set of intangible assets such as knowledge, skills, experience, organizational structures, and communication networks, helps organizations create sustainable competitive advantage (Sujatha & Shanker, 2024). This capital consists of three main components: human capital (employee capabilities and knowledge), structural capital (processes, databases, and intra-organizational technologies), and relational capital (relationships with customers, suppliers, and other stakeholders). Research evidence shows that these dimensions can provide a platform for the growth of organizational entrepreneurship by facilitating decision-making, creating innovation, and promoting organizational interactions (Hosseinpour & Ahoopay, 2013; Naderi et al., 2016). Accordingly, the first research hypothesis is proposed:

"Intellectual capital has a positive and significant effect on organizational entrepreneurship."

On the other hand, intellectual capital provides the necessary infrastructure for the production, management, and application of knowledge in the organization. In this context, human capital by providing knowledge content, structural capital by facilitating access to information, and relational capital by promoting knowledge interactions play a complementary role in the

knowledge management process (Truong et al., 2023). As a result, the second hypothesis is formulated as follows:

"Intellectual capital has a positive and significant effect on knowledge management."

Knowledge management, as a systematic process for identifying, storing, sharing, and applying knowledge, is also considered a key factor in facilitating the innovation process and identifying entrepreneurial opportunities (Yoon et al., 2018). Organizations performing more successfully in knowledge management usually appear more capable of entrepreneurial orientation (Akinlotu & Inal Cavlan, 2023). Therefore, the third research hypothesis is stated as follows:

"Knowledge management has a positive and significant effect on organizational entrepreneurship."

Finally, considering the interaction between intellectual capital and knowledge management, it can be expected that knowledge management, as a mediating variable, plays an effective role in the effective transfer of intellectual capital to entrepreneurial practices. This process can be carried out by strengthening innovation, organizational learning, and improving the organization's capacity to respond to environmental changes (Allameh & Massoudi, 2015). Therefore, the fourth hypothesis of the research is as follows:

"Knowledge management plays a mediating role in the relationship between intellectual capital and organizational entrepreneurship."

Research Methodology

The present research is of an applicable type in terms of purpose and descriptive-correlational in terms of methodology. The statistical population of the research includes all employees working in small and medium-sized companies in the Shiraz Special Economic Zone in 2024. Considering the population of 721 people, the sample size was determined as 236 people using the Cochran formula, and the sampling was carried out in a stratified random manner. The data collection tools were three standard questionnaires to measure intellectual capital (19 items), knowledge management (28 items), and organizational entrepreneurship (13 items). The validity of the tools was examined and confirmed through confirmatory factor analysis, and their reliability was examined and confirmed with Cronbach's alpha and composite reliability index. LISREL software and structural equation modeling method were used to analyze the data. Also, fit indices such as RMSEA, GFI, NFI, IFI, and CFI were used to evaluate the validity of the model.

Research findings

The findings from structural equation modeling showed that intellectual capital has a direct, positive and significant effect on organizational entrepreneurship (path coefficient=0.76; $t=4.44$). Intellectual capital also had a significant effect on knowledge management (path coefficient=0.80; $t=11.93$), and knowledge management also showed a positive and significant effect on organizational entrepreneurship (path coefficient=0.48; $t= 5.73$).

The mediating role of knowledge management in the relationship between intellectual capital and organizational entrepreneurship was also statistically significant, so that the existence of knowledge management in the organization strengthened the impact of intellectual capital on organizational entrepreneurship.

The structural model fit indices were also evaluated at an acceptable level; such that RMSEA was reported to be 0.053, and CFI to be 0.924, and other indices including IFI, NFI and RMR also indicated a favorable fit of the final model.

Conclusion

The present study aimed to investigate the effect of intellectual capital on organizational entrepreneurship with the mediating role of knowledge management in small and medium-sized enterprises in the Shiraz Special Economic Zone. The results obtained are consistent with the findings of previous studies, including the studies of Allameh & Massoudi (2015), Truong et al., (2023), Yusrifalda et al., (2024), Yoon et al., (2018), and Akinlotu & Inal Cavlan (2023). These studies also emphasized the importance of knowledge infrastructure and the vital role of intellectual capital and knowledge management in facilitating innovation processes and creating organizational value. For example, Truong et al., (2023) showed that different dimensions of intellectual capital, including relational and structural capital, pave the way for improving the entrepreneurial capacities of the organization by strengthening knowledge networks and creating a suitable platform for knowledge sharing. Also, Akinlotu & Inal Cavlan (2023) have pointed out the facilitating role of knowledge management in identifying entrepreneurial opportunities and increasing the responsiveness of organizations to environmental changes. The results of this study confirm and strengthen the previous literature from the perspective of the combined effect of intellectual capital and knowledge management on organizational entrepreneurship.

From a theoretical perspective, this study is one of the first studies that specifically examines the effect of intellectual capital on organizational entrepreneurship with the mediating role of knowledge management in small and medium-sized enterprises in the Shiraz Special Economic Zone, and has taken a step towards developing existing knowledge in this field. From a practical perspective, the results of the study can help managers of these companies develop effective strategies for developing intellectual capital, improving knowledge management systems, and enhancing entrepreneurial capacities.

In line with the findings obtained, it is suggested that organizations focus more on the following areas:

- Investing in the development of intellectual capital, including specialized training, creating technological infrastructure, and strengthening communication networks.
- Establishing effective knowledge management systems with the aim of facilitating the storage, sharing and application of organizational knowledge.
- Increasing innovative capacities through knowledge management by utilizing research and development programs and analyzing market needs.
- Developing supportive policies for organizational entrepreneurship, including internal incentives and interaction with universities and research centers.
- Formulating sustainable competitiveness strategies by relying on new technologies and strengthening data-driven decision-making capabilities.