

## The Moderating Effect of Intellectual Capital on the Relationship of Innovation Practices in SME's Performance

**Authors :** Hussen Nasir, Mohd Fitri Mansor, Noor Hidayah Abu

**Abstract :** Liberation of the SME market led to a dynamic competitive business environment. SMEs are considered as an engine for economic growth of most nations. SMEs must be willing to adopt the latest technology and incorporate innovation as part of their business strategies. The aim of this study is to examine the innovation practices (innovation strategy and innovation culture) towards sustaining SME's performance and the moderating effect of intellectual capital on the relationship of innovation practices on SME's performance. The study will identify the strongest variables that influence the SMEs performance and proposed several hypothesis toward innovation and intellectual capital. Finally, the study will propose a theoretical framework. The current study will contribute to the knowledge of important on the element of intellectual capital as well as innovation practices in the SMEs performance.

**Keywords :** intellectual capital, innovation practices, SMEs, performance, innovation strategy, innovation culture

**Conference Title :** ICSRD 2020 : International Conference on Scientific Research and Development

**Conference Location :** Chicago, United States

**Conference Dates :** December 12-13, 2020