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# Investigate the relationship between value creation activities in intellectual capital with different business models in Isfahan carpet manufacturing companies

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#### **ABSTRACT**

The purpose of this research is to investigate the relationship between value creating activities and different models of business. This research from the prospect typology is an applied research and from the prospect of data collection and data analysis is descriptive. Information, and from the view point of hypothesis analysis is correlational and from the view point time span the current study is cross sectional. Statistical population in this research had done between about 200 top and general managers in carpet productive companies in Esfahan province. This research used Kokran formula for estimating sample size and at last chooses 120 managers with method of sampling random. This research had done by Bontis (1998) intellectual capital questionnaire for collecting data and variables of research. In fact in this research used Bontis (1998) intellectual capital questionnaire for measuring intellectual capital considering subject and content of research. The credibility factor of this questionnaire estimated based on Cronbach's alpha 84 percent that shows much credibility of measurable tools. This research included two primary hypothesis and seven secondary hypothesis that explain results of affection of type of business on activities of value creation. Also this research shows the positive and significantly relation between society and intellectual capital.

Keyword:
Intellectual capital,
Different types of
business,
creation
Value

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#### INTRODUCTION

The type of business is primary core of competitive reply of every companies to market, definition of value proposition, demand activities, source and partnership and customer's knowledge, cost or profit linked in operation of company. (Ltiao and his coworkers, 2013)

The appearance of communications technology is cause of communication facilities, companies associate, and creation networks value and hide increasing border of industry and superseded the concept type of business unit analyses instead of industry (Storewalder & et.al, 2005)

Companion business is important business that could create content of chance jobs and income, if necessary technology, society and economy infrastructure of country get ready (Niromand and Ranjbar, 2012),

Considering on continuous changing place business, they emphasis on achieve advantage of stable competition, and this is necessary that parallel with changing technology and rules of market, because of survival, and the companies who choose better type of business than their competition could be continues and assessment considering on stability and development of market.

The type of business recognizing and comply different demands of customers, and determinate the station of company with the other network companies, and getting ready value continuum and the process of incoming distribution between them, and this is being necessary for those companies to explained.(copers,2002)

As we said, this research is going to find a solution to show how different kinds of business could effect on activities of value creation?

Ghayori Moghadam (2012) searched about affections of intellectual capital on performance as criterion of business operation. The results of these research shows: Also intellectual capital had negative affect on the operation in all forthcoming industry that this affect just usable for production of car part in car industry.

Concerning on achieve results in different industries; we can concluded that in the type of an industry, an intellectual capital couldn't effects a lot on operation.

Jigal and Malol (2010) pay attention on an intellectual capital with index of value added and checking results of financial and economical and value market in 300 English companies. They used the model factor of intellectual value added to measuring intellectual capital.

The results of exam show that the operation of intellectual capital have positive relation with economical and financial

operation, but in case of operation value market just relation is important in technology industry and also employed capital (material and financial) has negative relation with economical operation, but employed capital has positive relation with value market and financial operation.

Research process: This research had done in 2015 until 2016 in manufacturing carpet companies in Esfahan province. Also the subject of the research is about affection of different kind of business on activities of value creation in intellectual capital.

At last the research is going to be usable, and the research is descriptive and from type of solidarity in process of research, and the research is qualitative in type of data.

Whereas one of the companies that intellectual capital can lead to useful achievements are manufacturing carpet companies in Esfahan province.

We are going to read the method of collecting information is documentary-library in chapter 1 and 2. The method of collecting information is fieldwork.

First, necessary information had collect from documentation in archive. Then the information of theoretical foundations and history of research had collect from library. Also necessary information had collect from Internet. And also the intended information had collect by visiting manufacturing carpet companies in Esfahan province.

In this research, Bontis questionnaire had use because of measuring intellectual capital. The Bontis questionnaire is containing 52 question-reply packages with Licoot 5 degrees scale included very little=1, little=2, average=3, much=4, very much=5, that because of some similar question decrees to 42 questions. This questionnaire has three Component included human capital, structural capital and Relationship (customer) capital.

They use descriptive and Inferential Statistics for analyzing data. Frequency table, average and standard deviation are using in descriptive Statistics. Simple variable linear regression and multi variable linear regression and T exam are using in Inferential Statistics. The credibility factor of this questionnaire estimated based on Cronbach's alpha 84 percent that shows much credibility of measurable tools.

#### **Results:**

Frequency and percentage of participants, who answered the questionnaire, were categorized according to the variable associated to each occasion, where showed in table 1.

Table 1: Frequency and percentage of participants, who answered the questionnaire, were categorized according to the variable associated to each occasion, where showed in table 1.

cumulative percentage	Percentage participant	of Frequency	options	
55	55	66	male	Gender
100	45	54	Female	
	100	120	Sum	
4.16	4.16	5	Under 30 years old	age
30.82	26.66	32	31-40 years old	
64.98	34.16	41	41-50 years old	

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100	35	42	Over 51 years old	
	100	120	Sum	
12.5	12.5	15	1-5 years	work
29.16	16.66	20	6-10 years	experience
72.49	43.33	52	11-15 years	
89.99	17.5	21	16-20 years	
100	10	12	Over 21 years	
	100	120	sum	
25.33	25.33	31	High school dropout & diploma	degree of education
60.33	35	42	Associate Degree	
81.163	20.833	25	BA	
96.996	15.833	19	MA	
100	100 2.5 3		PhD	
	100	120	Sum	

Data in table (1) shows that 66 participants (managers in carpet productive companies) are (55%) male and 54 participants are (45%) female.

Data in table (1) had shown 5 participants (41/6%) are under 30 years old, 32 participant (26.66%) between 31 to 40 years old, 41 participant (34.16%) between 41 to 50 years old and 42 participant (35%) over 50 years old.

Data in table (1) had shown 15 participants (12/5%) had records between 1 to 5 years old, 20 participants (16.66%) between 6 to 10 years old, 52 participants (43/33%) between 11 to 15 years old, 21 participants (17/5%) between 16 to 20 years old and 12 participants (10%) over 21 years old.

Data in table (1) had shown 31 participants equal to (25/33%) have high school dropout and diploma, 42 participants equal to (35%) have associate degree, 25 participants (20/833%) have BA, 19 participants (15/833%) have MA and 3 participants (2.5%) have PhD.

#### **Chapter two: Inferential Result**

Main hypothesis: business models effect on value creating activities to investigate hypothesis with one variable linear regression model was used.

Table 2: representation of regression model

Dorbin Watson	$R^2$	R	Options
test 2.2	0.073	0.27	Model

Considering the value of Dorbin Watson test which is the index of 2.2 and is between 1.5 to 2.5, It has been concluded that linear regression formula is suitable for data and analysis, because the value of  $R^2$  is 0.073, So business models are able to justify 7.2 percent of changes in value creating activities.

Table 3: Regression factor

sig	The amount of T	Beta	Model
0.128	1.531	46.42	Constant amount
0.003	3.043	0.27	Business models

Considering the value Beta which is the index of 0.27, It has

been explained the affection of business models on value creation activities. Because the amount of sig= 0.003 and it is less than 0.05 acceptable mistake, So business models effect on value creating activities.

**First secondary hypothesis:** main producers of equipment effect on value creating activities.

Table 4: representation of regression model

Dorbin Watson	$R^2$	R	Options
test			
2.24	0.079	0.282	Model

Considering the value of Dorbin Watson test which is the index of 2.24 and is between 1.5 to 2.5, It has been concluded that linear regression formula is suitable for data and analysis, because the value of  $R^2$  is 0.079, So main producers of equipment are able to justify 7.9 percent of changes in value creating activities.

Table 5: Regression factor

sig	The amount of T	Beta	Model
0.202	1.284	18.69	Constant amount
0.005	1.332	0.181	Business models

Because the amount of sig= 0.005 and it is less than 0.05 acceptable mistake, so main producers of equipment effect on value creating activities.

**Second secondary hypothesis** main brand producers effect on value creating activities.

Table6: representation of regression model

Dorbin Watson test	$R^2$	R	Options
1.53	0.36	0.6	Model

Considering the value of Dorbin Watson test which is the index of 1.53 and is between 1.5 to 2.5, It has been concluded that linear regression formula is suitable for data

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and analysis, because the value of  $\mathbb{R}^2$  is 0.36, So main brand producers are able to justify 36 percent of changes in value creating activities.

Table 5: Regression factor

sig	The amount of T	Beta	Model
0.202	1.284	18.69	Constant amount
0.005	1.332	0.181	Business models

Because the amount of sig= 0.005 and it is less than 0.05 acceptable mistake, so main brand producers effect on value creating activities.

#### **Results:**

The results of statistical analysis shows that 66 participants (managers in carpet productive companies) are (55%) male and 54 participants are (45%) female.

The results of statistical analysis shows 5 participants (41/6%) are under 30 years old, 32 participant (26.66%) between 31 to 40 years old, 41 participant (34.16%) between 41 to 50 years old and 42 participant (35%) over 50 years old.

The results of statistical analysis shows 15 participants (12/5%) had records between 1 to 5 years old, 20 participants (16.66%) between 6 to 10 years old, 52 participants (43/33%) between 11 to 15 years old, 21 participants (17/5%) between 16 to 20 years old and 12 participants (10%) over 21 years old.

The results of statistical analysis 31 participants equal to (25/33%) have high school dropout and diploma, 42 participants equal to (35%) have associate degree, 25 participants (20/833%) have BA, 19 participants (15/833%) have MA and 3 participants (2.5%) have PhD.

The result of this research in line with the result of the research of Jigal & Malol (2010) and also the result of the research of ghayori Moghadam (2012)

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