

## The effect of strategic leadership on intellectual capital: The mediating role of the knowledge sharing in Kuwait industrial companies

Mohammad AL Zubi<sup>a\*</sup> and Marie Bani Khalid<sup>b</sup>

<sup>a</sup>The World Islamic Science & Education University (WISE), Jordan

<sup>b</sup>AL Al-Bayt University, Jordan

### CHRONICLE

*Article history:*

Received: November 25, 2021

Received in revised format:

January 15 2022

Accepted: April 22, 2022

Available online:

April 22, 2022

*Keywords:*

Strategic leadership

Intellectual capital

Knowledge sharing

Kuwaiti industry companies

### ABSTRACT

The study aimed to figure out the effect of the strategic leadership on the intellectual capital, in addition to the mediating role of the knowledge-sharing mediating variable in the Kuwaiti industry companies. To achieve the objectives of the study, the study adopted the descriptive, analytical approach by preparing a questionnaire. After verifying its validity and reliability, the researcher distributed it to a sample of (284) male and female employees in the Kuwaiti industrial companies. After conducting the statistical analysis through the (SPSS) and (Amos V23), the study concluded a statistically significant effect at sig. ( $\alpha \leq 0.05$ ) for the strategic leadership on the intellectual capital in the Kuwaiti industrial companies and a statistically significant effect at sig. ( $\alpha \leq 0.05$ ) for the strategic leadership of the intellectual capital through knowledge sharing as a mediating variable in the industrial companies in the State of Kuwait.

© 2022 by the authors; licensee Growing Science, Canada

## 1. Introduction

The intellectual capital contributes by (75%-80%) of the companies' market value, due to its strategic importance. The company's knowledge of its elements of intellectual capital enables it to determine the strategy that must be followed and it reduces the information asymmetry among the different parties. It also provides better information to the stakeholders about the real and future value of the company and about the improvement of its financial performance and reputation, which is reflected in the prices of the company's shares. Knowledge is one of the main pillars for the success of organizations, but it can be said that it is the first and main requirement for this success. Given the importance of the role of the knowledge element in the success of companies, the companies' management pay great attention to it and research in the factors affecting the increase in the level of knowledge and its efficiency, negatively or positively. Accordingly, the companies seek to pay attention to the knowledge sharing and work to develop it in order to achieve the objectives previously set and to achieve the competitive advantage, which is the main objective for any organization, and thus its continuity in the market. The competitive business environment in the industrial sector has increased significantly in light of the world interest in the industry. This has reflected in the job nature of the industrial companies. It is now necessary for these companies to exchange knowledge from the internal and external environments at all forms for the survival of the company and for strengthening its competitive position. One of the ways that the company is able to exploit the knowledge of its employees is based on its ability to enhance and develop the employees' ability of sharing it. The main issue for the companies in the industrial sector is how to stimulate the employees' capabilities of exchanging their knowledge, and how to provide the conditions that enable the organizational

\* Corresponding author.

E-mail address: [mohdamz@gmail.com](mailto:mohdamz@gmail.com) (M. A. Zubi)

members to implement their strategic ideas. However, as for the external environment, the industrial companies must exchange the new knowledge related to the industry development processes and they must be informed of the latest scientific discoveries and inventions. The importance of strategic leadership is attributed to the fact that it is the main source of innovation and creativity. This depends on the creative capabilities of the strategic leaders. The importance of the strategic leadership lies in its conciliatory role among the various parties, even if they are conflicting. The strategic leadership is keen to achieve a strategic balance of intersecting aspirations and needs and it has a role in shaping the features of the organizational culture through practices related to the organizational structures, delegation of powers and the distribution of tasks, which in turn leads to influencing the cultural behavioral rules and values within the organization. Knowledge sharing requires the availability of a set of elements, such as: the organizational structure is more suitable for sharing knowledge, so that it leads to more independence in decision-making, and it helps to work in a team spirit. The organizational culture must also expand to include the many aspects of knowledge sharing. In addition, it is important to have a leadership that encourages the adoption of knowledge sharing, as it must have the ability to explain the vision to others, and set an example for them (Al Sharif, 2014). Recently, the industrial sector witnessed many crises, especially in light of the Corona crisis, and the successive changes in the production conditions at the economic, industrial, technological, and human levels. Kuwaiti industrial companies are among the companies that are affected by the global crises especially that many competitive companies entered the Kuwaiti market at the Arab and global levels. This led to an increase in the competition among these companies. The industrial sector in Kuwait is an important tributary to the Kuwaiti national economy, which requires work to develop this sector, and to provide a competitive work environment and continuous opportunities for knowledge and organizational development in it, especially in light of the Corona crisis. Based on the above, this study aimed to figure out the effect of the strategic leadership on the intellectual capital in the Kuwaiti industrial companies in the presence of the knowledge sharing as a mediating variable.

### *1.1 Study's Significance*

**Theoretical Importance:** The theoretical importance of the current study lies in deepening the theoretical concepts about each of the concepts: strategic leadership with its dimensions (strategic direction, human capital development, discovering and maintaining core competencies, maintaining an effective organizational culture, emphasizing ethical practices, and establishing a balanced control system) the intellectual capital with its dimensions (structural capital, relational capital, and human capital), and the knowledge sharing with its dimensions represented in the requirements of knowledge sharing in the company (knowledge donation, knowledge collection, and knowledge monopoly). It is hoped that the theoretical aspect of the current study leads to a starting point for new future studies regarding the previous concepts, especially in the industrial sector and other business sectors. **Applied Importance:** the practical importance of the current study stems from its selection of the study population on which the study was conducted, represented by the Kuwaiti industrial companies. The current study is also one of the few studies within the knowledge of the researcher that dealt with the concepts of (strategic leadership, knowledge sharing, and intellectual capital) together and especially its study population. Therefore, the researcher hopes that this study will help the industrial sector in general to benefit from the results that will be obtained by the study. The applied importance of this study can be summed up in achieving a group of objectives, most important of which:

1. Giving a clear vision for the officials in the public companies in general and the industrial companies in particular about the effect of the strategic leadership on the intellectual capital in the Kuwaiti industrial companies with the presence of the knowledge sharing as a mediating variable.
2. The possibility of reaching some suggestions in light of the extracted results that can be used in the companies under study and other companies, as well as in conducting future studies.
3. Its practical importance lies in the results and recommendations of which the leaders in the companies under study can benefit from as well as other leaders in other companies.

### *1.2 Statement of the Problem:*

The world has witnessed major and rapid changes that led to increasing pressure on organizations and pushed them to rethink how to perform their work. The current era has been characterized by focused knowledge, which has contributed greatly to shifting the organizations' attention from focusing on tangible physical assets to focusing on intangible assets. Thus, the attention has shifted to the intellectual capital, so knowledge and intelligence have turned into capital assets. In response to these transformations, many companies focused on the knowledge-sharing process that aimed to improve their operations, and used new initiatives and ideas, and untraditional systems and methods. After reviewing the theoretical studies and literature that dealt with the study variables, there were no previous studies in the State of Kuwait that have attempted to link between the strategic leadership, knowledge sharing and the intellectual capital. Thus, the study problem lies in the fact that the business environment in today's world is characterized by rapid changes, continuous complications, and instability as a result of some factors first of which are the large, rapid and continuous developments in the field of industry, and the activities and strategies undertaken by competitors to achieve excellence in performance over others. This put the industrial companies in front of a great challenge to their ability to explore new opportunities by innovating new methods that enable them to remain in the practice of their business, and at the same time work to exploit current opportunities through creating new methods that enable them to survive and work on using the current opportunities.

The industrial companies have recently faced many challenges that resulted from the global crises, including the recent health crisis (the Corona), as well as the intense competition between the industrial companies at the local, regional and global levels. This competitive situation requires that the industrial companies seek to raise the level of knowledge of their employees. This is done by providing an environment that encourages the sharing of explicit and tacit knowledge, and encourages the completion of tasks and works through the formation of work teams, the participation of its employees in decision-making, to benefit from the knowledge, skill and experience available to its employees and to develop their innovative capabilities to meet these challenges and overcome them in the light of this highly competitive environment and thus maintaining the existing customers or attracting new customers. From the above, the study problem lies in identifying the effect of the strategic leadership on the intellectual capital, the mediating role of the knowledge-sharing in the Kuwaiti industrial companies. The problem of the study can be formulated through the following questions:

- The first question: What is the effect of the strategic leadership on the intellectual capital in the Kuwaiti industrial companies from the point of view of their employees?

- The second question: What is the effect of the strategic leadership on the intellectual capital through the knowledge sharing in the Kuwaiti industrial companies from the point of view of their employees?

### 1.3 Hypotheses

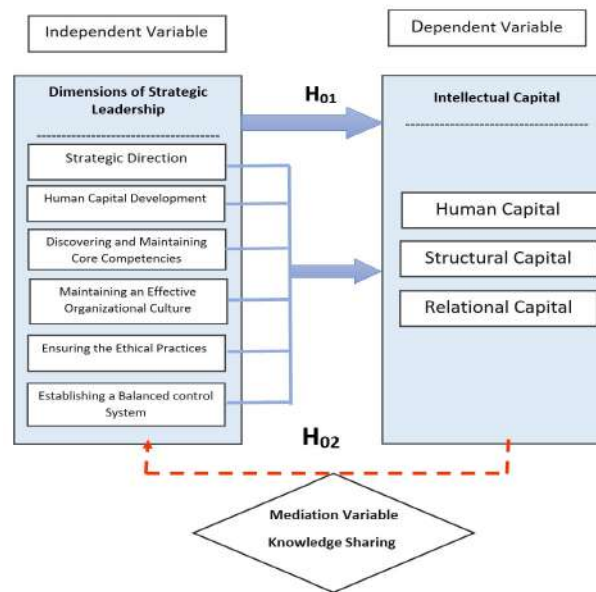
To achieve the objectives of the study, the following hypotheses were formulated:

First Hypothesis ( $H_{01}$ ): There is no statistically significant effect at sig. ( $\alpha \leq 0.05$ ) for the strategic leadership on the intellectual capital in the industrial companies in the State of Kuwait.

Second Hypothesis ( $H_{02}$ ): There is no statistically significant at sig. ( $\alpha \leq 0.05$ ) for the strategic leadership of the intellectual capital through the knowledge sharing as a mediating variable in the industrial companies in the State of Kuwait.

### 1.4 Study Model

Figure (1) shows the study model, which shows three variables: the first is the independent variable that includes the strategic leadership, the second is the mediating variable represented by the sharing of knowledge, and the third variable is the dependent variable represented by the intellectual capital and it includes a perspective of the relationship among those variables addressed by the current study.



**Fig. 1.** The proposed study

Source: Prepared by the researcher after referring to the studies of Abboud (2020), Nader and Jassem (2019), Atta (2018), (Zahedi and Naghdi Khanachah, 2021), (Arsawan, et al, 2020), (Alrowwadet al, 2020), and (Watthanabut, 2019).

### 1.5 Procedural Definitions

For the purposes of the study, the procedural definitions have been adopted, which are:

**Strategic leadership:** the senior leaders in the organization who have a future vision based on the previous experiences. They work in a spirit of creativity and innovation, and they have the ability to practice the strategic leadership skills and the strategic leadership methods (Al Rababa', 2016).

The researcher defines it procedurally as the senior leaders in the industrial companies in the State of Kuwait who are able to formulate a future vision for the company through its mission, analyze the internal environment to determine the strengths and weaknesses, and analyze the external environment to find out the available opportunities and potential threats to identify the strategic alternatives and choose the best ones to achieve success for the company.

**Strategic direction:** defining a long-term vision to achieve the strategic purpose for which the organization was founded, as this vision reflects the ideal image that the organization seeks to build in the future (Nader and Jasim, 2019).

Procedurally, the researcher defines it as defining a long-term vision to achieve the strategic goal for which the company was founded, which reflects this vision optimally and affects its future image.

**Investing and maintaining competitive capabilities:** it refers to the organization's resources and capabilities that are used as sources to achieve the competitive advantage (Al Rababa', 2016).

The researcher defines it procedurally as the extent of the industrial company's ability to systematically use its resources to gain the company's competitive advantage in the face of other competitors in the market.

**Human capital development:** where the human resource is viewed as a human capital that seeks to develop their knowledge, skills and abilities and consider them as competitive capabilities (Nader & Jasim, 2019).

Procedurally, the researcher defines it as the company's ability to systematically use its human resources to gain the company's competitive advantage in the face of other competitors in the market.

**Strengthening and supporting the organizational culture:** this is done by supporting a positive organizational culture that encourages work, creativity and innovation, and the gradual change of the organizational culture to implement the organization's strategies efficiently and effectively (Nader and Jasim, 2019).

The researcher defines it procedurally as the ability of the industrial company to provide an environment and culture that supports the process of creativity and innovation.

**Emphasizing ethical practices:** the efficiency of implementing the strategic operations increases when they are carried out within the framework of ethical practices. They are considered complementary to the organizational culture. The strategic leader encourages these practices at all levels, and builds the positive reputation of the organization. The recent studies indicate that organizations need to hire ethical strategic leaders so that the ethical practices are part of their long-term vision (Al Rababa', 2016).

The researcher defines it procedurally as the company's ability to encourage the positive ethical practices, which support the implementation processes, and control on the strategic implementation processes in order to reach the desired situation.

**Establishing a flexible control system:** the ability of the strategic leader to encourage the members of the organization to actively participate in the implementation of plans, and the ability to inspire and motivate the organization's members to achieve high performance (Nader and Jasim, 2019).

*The researcher defines it procedurally* as the ability of the strategic leader to provide feedback on the employees and the work teams in line with the organization's vision and policies.

**Intellectual capital:** an asset with a monetary value that must be shown in the financial statements to serve the decision makers, whether from inside or outside the organization. It consists of three basic elements, namely: human capital, social capital, and structural capital that interact with each other in order to maximize the value of the organization (Abu Shehata, 2018).

The researcher defines it as the extent to which the industrial company possesses a group of employees who possess a set of cognitive and organizational capabilities without others. This enables the employees to produce new ideas and develop old ideas.

**Human capital:** the group of human energies that can be exploited by the organization, with the aim of achieving its goals and superiority over other competing organizations, with outstanding and innovative performance through these energies, which are continuously developed and enhanced through a strategy with specific dimensions and milestones (Sharaf, 2018).

The researcher defines it procedurally as a set of knowledge, ideas and experiences acquired by the employees in the Kuwaiti industrial companies that are used by the company in the production of goods in the markets.

**Structural capital:** it includes the organizational structures, procedures and systems, machines, organizational culture, databases, inventions, operations, copyright, patents, technology, strategy, and systems (Sharaf, 2018).

Procedurally, the researcher defines it as the ability of the Kuwaiti industrial companies to transfer, spread and employ the knowledge, skill and experience available to the company's employees to the actual reality, that is, to their production sites that need it.

*Relational capital*: the organization's relations with each of the external parties (suppliers, government, creditors, and others), which are represented in the value obtained from the organization's dealings with the external environment (Abu Shehata, 2018).

Procedurally, the researcher defines it as the value derived from the satisfied and loyal customers, suppliers and other external sources that provide an added value to the company as a result of its distinguished relationship with it. It reflects the nature of the relationships that link the organization with its customers, suppliers and competitors.

*Knowledge Sharing*: it is the process through which knowledge is exchanged between the individuals within the organization and the external circles, where information, skills and experiences are exchanged through the processes of social interaction and communication with others, who in turn represent the cornerstone for the survival of organizations. (Dahri et al., 2019). The researcher defines it procedurally as the process through which explicit and tacit knowledge is exchanged, transferred and disseminated among the employees in the Kuwaiti industrial companies.

### 1.6 Study Limitations

**Objective limitations:** The study was limited to clarifying the effect of the strategic leadership on the intellectual capital in the presence of the knowledge sharing as a mediating variable.

**Spatial limitations:** the Kuwaiti industrial companies operating within the chemical and allied industries sector.

**Temporal limitations:** During the 2021-2022 school year.

**Human limitations:** The study was limited to the employees in the middle and upper management in the Kuwaiti industrial companies operating within the chemical and allied industries sector.

## 2. Theoretical Framework

### *Dimension I: Strategic Leadership*

The strategic leadership involves dealing with how to respond to changes in the external environment. The strategic leaders must deal with the challenges and interruptions that arise from time to time. This at some point requires the use of imagination to assess and interpret signals from the external environment and determine how to respond to them (Norzailan & Othman & Ishizaki, 2016). From the above, it is clear that defining the strategic leadership usually focuses on two main dimensions: the ability of leaders at higher levels to push the organization towards success on an ongoing basis, and their ability to make strategic decisions in a timely manner. Some studies have identified the strategic leadership as a process carried out by a leader in order to achieve the desired status, a clear understanding of the vision by influencing the organizational culture, allocating resources, and guiding through policies and instructions, and shaping consensus in a volatile, complex and ambiguous environment that is full of opportunities and threats. The importance of strategic leadership lies in that it is the main source of innovation and creativity. This depends on the creative capabilities of the strategic leaders. Also, the importance of the strategic leadership can be formed in its conciliatory role among the various parties related to the organization, even if they are conflicting. This is attributed to its role in shaping the organizational culture through practices related to the organizational structures, delegation of powers and distribution of tasks, which in turn influences the behavioral norms and cultural values in the organization (Liao & Liu & Fu & Ye, 2019).

### *Dimensions of Strategic Leadership*

In the current study, the following dimensions for measuring the strategic leadership are addressed:

#### ***I - Strategic Direction***

The strategic direction can be defined as the simultaneous behaviors to engage in the search for opportunities (strategic direction) and the competitive advantages of developing and implementing the strategies that create wealth. Therefore, combining entrepreneurship and administrative knowledge represents the concept of strategic leadership, thus, the strategy includes the behaviors of searching for opportunities and advantages that lead to excellence in the performance of the organization. The leadership represents a pioneering activity from a strategic perspective, where the researchers assume that the mindset is required to contribute to the success of the strategic entrepreneurship. Also, the concept of the strategic direction represents an individual and collective phenomenon; i.e. it is important for individual entrepreneurs, managers and employees in the existing business organizations to think and act in an entrepreneurial manner. The concept of the strategic direction is one of the new concepts, both at the academic level and at the level of the business practices (Altman & Tushman, 2017).

## *2- Human Capital Development:*

The process of human capital development is concerned with individuals as they are the only organizational factor that can absorb the new ideas and concepts, and deal with them with high flexibility for the purpose of obtaining a real value production, and creating a competitive advantage. This is based on the institution's ability to provide a special type of employees who are able to increase the level of benefit from the available material resources. Furthermore, the process of human capital development explains the extent of the ability of the human resources management to facilitate and support the organization in adapting and responding, in a timely, effective manner to the environment variables: external and internal. Also, the process of the human capital development refers to adapting the characteristics of the human resources such as skills and knowledge; That is, clarifying the individuals' skills and abilities for alternative uses when implementing tasks, in addition to their level of extensive blind behaviors, that allow them to adapt to new circumstances (Al-Khalidi, and Al-Zubaidi, 2018).

## *3- Discovering and Maintaining Core Competencies:*

The core competencies refer to the organization's resources and capabilities used as sources to achieve a high level of performance (Al Rababa', 2016). The core competencies are a broad concept that is difficult to be defined precisely, as everything that contributes to the organization's activity can be included in the list of its resources. This concept has received great attention from thinkers. Also, not all core competencies are of strategic value. In order for core competencies to be a source of outstanding performance, they must be heterogeneous and immovable among institutions. They have four basic conditions: first: they must be a value that allows the exploitation of the main factors of success, second: scarcity: they must not be available to all competitors or that it is very difficult to be created, third: the resources must not be characterized by opacity or lack of transparency by being tactic, complex and resulting from several special social factors, and fourth: the impossibility of replacing them, i.e. it is not possible to replace a resource with another of similar value in the framework of the strategy adopted by the organization. The core competencies indicate that it has the ability to produce many different products, where this flexibility is reflected through the ability of the core competencies in dealing with a wide range of manufacturing tasks effectively and exploit and deploy the existing resources on various systems, processes and activity chains (Migliore & Chinta, 2017).

## *4- Maintaining an Effective Organizational Culture:*

It refers to the ability of the organization's management to control the external conditions and changes, by following a systematic managerial behavior, which results in the rearrangement of the organizational structure according to these circumstances, or the extent of flexibility that the organization enjoys through its possession of a variety of administrative capabilities capable of revitalizing the organization and increasing its capacity and improving its ability to control its management. It can be defined as the organizational capacity of the organization with dynamic characteristics that can be built and exploited to build proactive strategies that enable it to excel in a highly changing competitive environment (Slaymi & al-Sabti, 2015). This is done by supporting a positive organizational culture that encourages work, creativity, innovation, and a gradual change of the organizational culture to implement the organization's strategies efficiently and effectively (Al Rababa', 2016).

## *5- Ensuring the Ethical Practices:*

Efficiency is the implementation of the strategic operations and it increases when it is carried out within the framework of ethical practices. It is complementary to the organizational culture. The strategic leader encourages these practices at all levels, and builds a positive reputation of the organization. Some recent studies have indicated that organizations need to employ ethical strategic leaders, so that the moral practices are part of their long-term vision. It is possible to strengthen moral thinking through practice, and it must be used in strategic thinking, especially when making a comparison between the strategic options. It depends on the acquisition and development of the verbal thinking skills, visual thinking, and emotional participation. It also helps in deciding what is right (Al Rababa', 2016).

## *6- Establishing a Balanced Control System:*

It represents the ability of the strategic leader to encourage the members of the organization to effectively participate in implementing the plans and the ability to facilitate the process of realizing new goals within a short time by removing obstacles to the implementation process. Also, it means the ability to provide timely feedback to individuals, teams and units to work in line with the set vision, and laying a foundation for effective control over the implementation of the strategic plans and achievement of goals.

## ***Dimension II: Intellectual Capital***

Defining the concept of the intellectual capital requires a careful distinction from the physical capital and the human capital as the physical capital is the resources that appear in the organization's budget (real estate, cars, tools and furniture) and others.

However, the human capital represents the accumulated skills, innovations and experiences of the human element in the organization (Jirakraisiri & Badir & Frank, 2021).

The intellectual capital (IC) is the real capital of organizations. The scope of this concept has been expanded to include the physical, financial, moral and cultural capabilities of the organization (Khalique et al, 2020).

(Albertini et al, 2021) confirms that intellectual capital is a set of unique knowledge assets that depend on the creative human minds, work requirements and systems, and the relationship with customers, which leads to the continuous production of new ideas and methods that achieve an added value for the organization and enhance its competitiveness.

Tsai (2020) defines intellectual capital as the set of talents, skills, technical knowledge, and relationships that an organization possesses which can be used to create a competitive advantage for it.

Amiri and Ajlan (2017) indicated that intellectual capital is defined as a set of skills, knowledge and capabilities that an organization possesses, which makes it able to enter the framework of the global competition, and enables it to respond quickly to the customers' desires and requirements. The intellectual capital is the set of what the employees know in the organization that enables the organization to create a competitive advantage in its environment (Khalique et al, 2015). Many countries, especially in the recent decades, have realized the importance of intellectual capital, not only among the competing organizations, but also at the level of their economies. Therefore, the organizations have begun to encourage the investment in intellectual capital. The theoretical literature related to the intellectual capital indicated that the importance of the intellectual capital is summarized in the following points (Zahedi & Naghdi, 2021; Bellucci, 2021; Mukhtar & Idris 2017):

1. The intellectual capital is the main engine for the growth of organizations in the current era. This led to a decrease in the contribution of the in-kind and financial assets as an important factor in the production of goods and services.
2. In itself, it represents a competitive advantage for the organization. Creativity and excellence can only be achieved through the intellectual outputs, as the Organization for Economic Cooperation and Development affirms. Organizations focus largely on the amount of knowledge, information and human capabilities that are available to them, more than their focus on their in-kind and financial assets, and therefore the intellectual capital has become the main element in the organizations' success, prosperity, and distinction from their competitors.
3. The expansion of the strategic plans in the business organizations has become an imperative to absorb their intellectual capital alongside their physical capital, as the investments in the intellectual capital have become an effective role in the existence and continuity of these organizations. This element has become the real capital that represents the basis for creating the added value and achieving a competitive advantage.
4. It is considered the source of the wealth generation and development for the organization and individuals. Also, it is able to generate an imaginary wealth through its ability to register patents.
5. The intellectual capital represents a buried treasure that must be searched for and extracted through the dissemination of knowledge. It is also considered a successful investment with high returns.
6. Failure in the process of the value creation and the neglect of the intellectual capital may lead to a series of losses at the level of the organization and the market, which leads to an inefficient allocation of resources through the inability of the organization to determine its capabilities and predict the value of its future business.
7. The value of the intellectual capital elements increases with the passage of time as a result of the accumulation of expertise and information owned by the organization, unlike most in-kind and financial assets that are consumed.
8. The intellectual capital is one of the most important sources of the competitive advantage for contemporary organizations, as the strategy of excellence can only be achieved through the intellectual outputs represented by creativity and the introduction of new products and what is related to research and development.

#### *Elements of Intellectual Capital*

The intellectual capital generally consists of three main components. Here is a detailed presentation of each component of the intellectual capital:

#### ***The First Element: Human Capital:***

The human capital represents all the characteristics that determine the skills of the employees and their ability to work. It is expressed in the knowledge inherent in the employee himself, and it represents the talents, skills and experiences necessary to generate innovation, which is the real source of value. It includes the theoretical and practical knowledge of individuals, abilities and talents, such as technical, physical or technological. Thus, it is represented in the knowledge that employees, not organizations, possess and that knowledge is related to skills, experiences, expertise, innovation and creativity (Duho, 2020). Al-Khasawneh, Al-Ayasra and Abu Khdeir (2018) defined the human capital as the element that integrates the basic knowledge, skills and capabilities possessed by individuals working in the organization that help them in the decision-making processes and the achieved innovations.

The human capital is characterized by a number of characteristics that distinguish it from other elements of production. Its most important characteristic is that the capital is intangible, that is, it cannot be measured accurately and credibly, and it is subject to rapid demise and loss by the organization if it wants. It increases with use, and it can be used in many different stages and operations at the same time. It also has a great effect on the organization. The human capital is an integral part of

its owner, as there are many preferences and needs that must be satisfied, which are not found in the physical capital or other (Dahiya and Raghuvanshi, 2021). The human capital ownership rights are invested through education, increased qualification, development, physical and mental health, effort, productivity, and expected giving in the human capital and they are largely subject to the individual himself, his personality, abilities, knowledge, and physical and mental health that he possesses (Karar, 2018). The characteristics of the human capital are characterized by their relationship to the percentage of the human capital accumulation with the physical and mental capabilities of the employees. Given the increase in the costs of investing in the human capital over time, the returns on the investment are related to others (The life cycle of the individual). The knowledge, capabilities and competencies possessed by individuals cannot be seen at first sight and cannot be distinguished or known except by identifying holders of scientific, professional and technical certificates, which is considered an important indicator of the investment cost throughout the training period. It can only be formed with the real and personal participation of individuals, and the inability to consume the human capital in the traditional way of consumption. The human capital may be lost once its owner dies, and this increases the risks of investing in it (Al-Khasawneh, Al-Ayasra and Abu Khdeir, 2018).

#### ***The Second Component: Structural Capital***

Alrowwad et al. (2020) define the structural capital as all things that support the human capital, but remain in the organization when individuals leave their organizations and return home. The structural capital includes the ability to move and develop the initiatives through taking into account new expectations, and identifying new ideas, concepts and tools that fit with the changes, which include culture, organizational models and all procedures. The researcher believes that the structural capital is the knowledge produced by the human capital and the property of the organization, which in turn represents a value to the organization. The ownership of the facility will still exist when its originator leaves the facility

#### ***The Third Element: the Relational Capital:***

Erkol and Fazlagic (2016) referred to the relational capital as the satisfaction and loyalty of customers to the organization depending on the capital and the quality and form of services provided to customers. Mokhtar and Idris (2017) defined the relational capital as the ability of individuals to work together within a network of shared relationships, leading to maximizing the value of teamwork, achieving social cohesion, and the ability to communicate, include, and trust others.

### **Dimension III: Knowledge Sharing**

Knowledge sharing is the process by which knowledge is transferred from one person to another, from one person to a group of people, or from one group of people to another (Elrehail et al., 2018).

Al-Amad (2019) pointed out that in order to work on sharing knowledge, we must pay attention to three essential points: sharing knowledge necessitates our transformation from the individual work to the group work, then the different method and nature of participation vary according to the type of knowledge, and finally, sharing knowledge differs from information participation because information do not include thinking.

Abubakar et al. (2019) stated that the knowledge sharing is an important process to support creativity in organizations as it is very important to support the performance of organizations and to develop individuals' tacit knowledge and explicit knowledge through exchange. The importance of knowledge sharing is important to create new knowledge in order to achieve a competitive advantage among the business organizations working in the same field. It also contributes to increasing the number of employees who own knowledge, which is reflected positively on the performance of the business organization. Employees exchange knowledge among themselves and this is reflected in the performance level of the organization. Knowledge sharing allows the possibility of applying knowledge and sharing it between the units of the business organization and other business organizations. Furthermore, knowledge sharing provides the opportunity to discuss in the field of owning knowledge in order to guide the organization towards achieving development and growth in the future, which adds value to the organizational activities (Arsawan et al., 2020).

### **The relationship among the strategic leadership, intellectual capital and knowledge sharing**

The success of the organizations has become dependent on their dependence on the knowledge they have accumulated through the competencies with professional experience and scientific competencies, which enable the organizations to be able to adapt to the surrounding variables. Given the fact that knowledge is produced, transferred, used, accumulated and developed, its monopoly in a limited time and place is impossible in light of the technical and scientific development. Accordingly, the attention to the competencies and capabilities is considered the cornerstone in building a knowledge society that is distinguished by its main resource, which is the knowledge produced by the different resources of the organization. The knowledge management process is comprehensive; it includes collecting, organizing and presenting information in a manner that leads to an improvement in the level of the awareness of employees in certain areas. It also contributes to helping the organization gain insight from its experiences, and it focuses on obtaining knowledge, storing it and using it in strategic planning and problem solving. Thus, it is similar to the strategic leadership in that it is related to collecting, organizing and presenting



information to decision makers in a timely manner (Al Rababa', 2016). Strategic leadership is based on the intelligent exploitation of opportunities by being open to new experiences, allowing the organization's leaders and employees to employ their intelligence in investing the alternative strategies related to the changing business environment. Strategic leadership constitutes the strategic thinking process, which is a mental process that shows its importance in situations where knowledge becomes a means of understanding the method of the circumstances' change. It meets with the strategic intelligence in being one of the means that helps the organizations to confront the environmental changes and supports the decision-makers at higher levels. Its benefits emerge in the long term.

Knowledge sharing is one of the important factors to the organizations (Abubakar et al., 2019). With that in mind, the organizations must now make the knowledge available to the right employees at the right time to achieve the organizational goals (Jahmani et al. 2018). Furthermore, knowledge sharing has a positive effect on innovation, which enhances its intellectual capital (Elrehail et al. 2018). The strategic leadership supports knowledge sharing by promoting a set of shared beliefs and habits learned by a particular group in order to facilitate the transfer of knowledge and information among individuals. The reason is that these beliefs govern the perceptions, thoughts, feelings and actions of all employees; therefore, it is a strategy that includes leadership, the general appearance of the work environment, and the shared values that influence the thinking, behavior and feelings of all employees. The knowledge-exchange process can only succeed if it is consistent with the culture of the organization and if it is supported by its senior management. This is attributed to the fact that knowledge is one of the elements of the organization's culture, and this paves the way for the emergence of the term "knowledge culture", "learning culture", or the "knowledge-friendly culture. This reflects the common view in the knowledge management literature which is that the cultural characteristics have an effect on the knowledge exchange.

Knowledge was derived as a concept from the intellectual capital and its expansion. The intellectual capital includes many activities designed to help an organization increase the use of knowledge resulting from its daily activities. Therefore, knowledge has become an element of competition and not just an engine for building and developing the production processes in the organizations. The organizations seek to own more intangible assets and get rid of the burdens of owning the tangible assets. The success of knowledge in the organizations depends on their ability and effectiveness in managing their human resources, especially the distinguished minds, and their contribution to transferring and promoting the knowledge through the intellectual and structural assets and their participation in all the resources owned by the organization. Knowledge also helps in collecting and studying the customer information and desires.

All the business organizations and institutions seek to develop and enhance the knowledge, expertise and competencies among their employees, as the expertise or the so-called intellectual capital of the business organizations plays an important role in supporting the processes of making important decisions. The latter would raise the value of the practical and financial business organizations. Every business organization needs knowledge about many issues (Erhim, 2018), where the most prominent and most important pieces of knowledge were identified. The knowledge management aims to provide knowledge in the business organizations and make it available to all the employees in order to advance it to achieve strategic goals, through relying on experience in improving the job, the decision-making process, extracting the skills of employees' minds with their experiences and skills and converting them into intellectual capital that is invested for the benefit of the business organizations. This also includes finding innovative solutions to solve the problems facing the organization through the creation of knowledge, spreading a culture of learning in the business organizations by creating an organizational environment that encourages knowledge sharing among employees, and increasing productivity and enterprise growth by allowing the employees to seek out and use knowledge to increase the efficiency of their business (Samhan, 2019).

The importance of strategic leadership is that it is the main source of innovation, creativity and flexibility, and this depends on the creative capabilities of strategic leaders. The importance of the strategic leadership lies in its conciliatory role among the various parties, even if they are conflicting. The strategic leadership is keen to achieve the strategic balance of the intersecting aspirations and needs. It also has a role in shaping the knowledge sharing through the practices related to the organizational structures, delegating powers and distributing tasks, which in turn lead to influencing the cultural behavioral norms and values within the organization (Al Murabba', 2012). Strategic leadership is considered one of the main issues facing organizations in the twenty-first century.

Few empirical studies have shown an effect for the strategic leadership on the operations of the organization. The strategic leadership links between the leadership and the organization effectiveness in a new model of the strategic leadership. Researchers have indicated that the dynamism of knowledge, the complexity of behavior, and the large number of overlaps prevent effective leadership and its preservation. The definition of the strategic leadership is a challenge because the scope of the strategic leadership is broad and complex as the strategy is the plan where the strategic leadership is thinking and making important decisions for the plan development and effect. The control leadership is the leadership within the organizations, while the strategic leadership is the leadership of the organizations as a whole. Studying strategic leadership focuses on the executive managers with the overall responsibility towards the organization. The strategic leadership does not include the head of the organization only, but also includes the strategic team at the higher levels. The organizations, through their strategic leaders, make the strategic choices about the strategies they adopt, which works on increasing their competitive abilities.

According to the strategic management, the organizational effectiveness of the organization depends on its ability to adapt and meet the requirements of the external environment in order to achieve excellence and success. Strategic leadership is the determinant of this, and it is the key to understanding organizational effectiveness. Also, strategic leadership is necessary to achieve success, as it is the voluntary influence on others to do actions that enhance the organization's capabilities in the long run (Al Rababa', 2016). According to the above, the researcher believes that enhancing both knowledge sharing and intellectual capital in the organization requires smart strategic leadership that is able to reach the highest levels of excellence and success by adopting strategies that represent a road map to reach safe beaches and show the relationship among the strategic leadership, knowledge sharing and intellectual capital. This is done through the ability of the strategic leadership to contribute to building the competitiveness of the organization using the basic skills of the strategic leadership as follows:

### *Previous Studies*

After reviewing the literature on the topics of strategic leadership and intellectual capital and the sharing points of studies in this field for the purpose of identifying the most important findings of researchers in this field, the researcher referred to the most important studies contained in this field after being ordered from the most recent to the oldest as follows:

Zahedi and Naghdi Khanachah (2021) aimed to figure out the relationship between the knowledge management (KM), the intellectual capital and the organizational innovation. The study concluded that the knowledge management processes affected the development of the intellectual capital of a company, and that the effective knowledge management processes had a role in promoting the innovation in companies and that they contribute to improving the level of the innovation in the company through the development of the intellectual capital.

Obeidat et al. (2021) aimed to identify the modified role of knowledge sharing in the relationship between the human capital and the job empowerment at Jadara University. After the statistical significance of the study data using the hierarchical regression, the study found a statistically significant effect for the knowledge sharing on the relationship between the human capital and empowerment at Jadara University. Arsawan., et al, (2020) aimed to determine the role of knowledge sharing in shaping a culture of innovation to improve business performance and build a sustainable competitive advantage for small and medium-sized companies in Bali Province, Indonesia. The results showed that knowledge sharing greatly affected the culture of innovation, business performance and sustainable competitive advantage theoretically. Alrowwad et al, (2020) aimed to figure out the mediating effect of the intellectual capital and innovation on the relationship between the transformational and exchange leadership and the organizational performance in the Jordanian banks located in the city of Irbid. The study showed that transformational and exchange leadership were positively related to organizational performance. The study results also supported the argument that intellectual capital and innovation played mediating roles in transformational and exchange leadership and organizational performance. Khalique et al, (2020) aimed to identify the effect of the components of the intellectual capital on the organizational performance of small and medium-sized companies operating in the tourism sector in Azad Jammu and Kashmir, Pakistan. The results showed that the customer capital was one of the most important components of the intellectual capital and that the total intellectual capital had an effect on the organizational performance of the small and medium- sized companies.

Nader and Jasim (2019) aimed to figure out the role of the strategic leadership in its dimensions (defining the strategic vision, developing the human capital, maintaining an effective organizational culture, and emphasizing the ethical practices) in achieving the organizational excellence in Al-Faris General Company in the city of Baghdad. The study concluded that the level of evaluating the examined respondents was high and that the strategic leadership, in its dimensions, played an important role in organizational excellence. Al-Rumaidi and Talhi (2019) aimed to identify the effect of applying the strategic leadership style on the institutional capabilities of the Egyptian tourism companies, by studying its effect on the creative behavior, administrative policies, strategic flexibility, organizational effectiveness, employee performance, and knowledge management. The study adopted Egyptian tourism companies as a case study. The study found that the strategic leadership affected 69.2% on the strategic flexibility, 43.4% on the performance, 36.2% on the creative behavior, 33.2% on the knowledge management, 26.5% on the administrative policies, and finally 23.2% on the organizational effectiveness. Dahri et al., (2019) aimed to assess the strategic leadership that affected the organizational performance in the Pakistani banks through the knowledge management by the branch managers in Karachi city. This study showed the effect of strategic leadership and knowledge management on organizational performance. Therefore, this study predicted the potential benefits that the banking sector could achieve while it struggled in the developing economies through knowledge management as a major resource to stimulate organizational performance. (Moon & Um & Kim, 2019) aimed to determine the structure of the knowledge transfer and participation in a Korean construction company. The results of the network analysis revealed that the knowledge transfer requests focused on several individuals although most members of the organization participated in the knowledge transfer network. The analysis of the block models also showed that the product development department was more active in the knowledge transfer to other departments. Watthanabut, (2019) aimed to identify the nature of the relationship between the knowledge exchange, transformational leadership style, team performance, and mutual trust. In addition, the study examined the role of the mutual trust moderation in the relationship among all other variables. The study showed that the team members shared knowledge through coordination and that much of the knowledge that was shared was tactic. Atta (2018) aimed to figure out the effect of the strategic leadership practices in their dimensions (emphasizing ethical practices, maintaining an

effective culture, implementing balanced regulatory control systems, developing the human capital, and building and maintaining competencies) on reducing the job alienation in the General Company for Electrical and Electronic Industries of the Iraqi Ministry of Industry and Minerals. The study concluded a significant effect between the strategic leadership practices and reducing the job alienation among the company employees. The results also showed a high level of the strategic leadership practices among the company leaders from the employees' point of view. Abu Shehata (2018) aimed to determine the role of intellectual capital management based on the approach of excellence and innovation (human capital, organizational capital, and renewal capital) on achieving organizational ambidexterity (exploitative capabilities and exploratory capabilities). The results showed rejection of the first hypothesis which stated that there were no statistically significant differences between the opinions of the employees on the dimensions of the intellectual capital based on the excellence and innovation approach.

#### *What distinguishes the current study?*

This study comes in line with the previous studies in its content and in the desired general objective of each variable separately or that it combined two variables as a maximum. However, according to the survey and research done by the researcher, this study is distinguished from previous studies in that it is linked among the strategic leadership, intellectual capital and knowledge sharing. Also, the current study was distinguished in selecting a sample of Kuwaiti industrial companies.

### **3. The proposed study**

The researcher adopted the descriptive, analytical method in conducting this study which helps in giving a clear picture of the phenomenon to be studied and the nature of the relationship and influence among its variables (strategic leadership, intellectual capital, and knowledge sharing). It is the most appropriate approach for the study because it describes the effect of the strategic leadership on the intellectual capital with sharing as a mediating variable. It also includes the field study method in collecting the primary data through a questionnaire, which was developed by the researcher based on previous studies and literature on the subject. The data was also statistically analyzed to answer the questions of the study, test the validity of its hypotheses, conduct a desk and electronic survey to take advantage of the references and ready-made sources to build the pillars of the theoretical framework, link the results of the current study with the results of the previous studies related to the same topic, and interpret them to reach an accurate scientific description of the phenomenon or problem and present the results, based on which recommendations suggested by the researcher were presented. Moreover, the study is cross-sectional in that the data collection process took place during a specific period. These aspects constitute justifications for using the descriptive approach in the current study.

#### *3.1 Study Population and Sample:*

The study population consisted of all the employees in the Kuwaiti industrial companies (n. 35) operating in the chemical and allied industries sector within the upper and middle management levels. With regard to the selection of the study sample, the researcher used the random method by distributing the study questionnaires (n. 300) to the employees in the Kuwaiti industrial companies where (284) valid questionnaires were retrieved. Thus, the study sample consisted of (284) male and female employees in the Kuwaiti industrial companies who were randomly chosen.

#### *3.2 Study Variables*

The current study consisted of the following independent, dependent, and mediating variables:

- **The independent variable:** it is represented by the strategic leadership which consists of (6) sub-dimensions (strategic direction, human capital development, discovery and maintenance of core competencies, maintaining an effective organizational culture, emphasizing ethical practices, and establishing a balanced control system).
- **The dependent variable:** it includes the intellectual capital that consists of (3) sub-dimensions (structural capital, relational capital, and human capital).
- **The mediating variable:** knowledge sharing.

#### *3.3 Data Collection Sources*

- **Secondary sources:** The secondary sources that were adopted for collecting the study data consisted of references and books related to the strategic leadership, intellectual capital, knowledge sharing, scientific materials and reports that discuss the subject of the current study, relevant master's theses and doctoral theses, and information available on various websites.
- **Primary sources:** The study used a secondary source to collect its data using the study tool (the questionnaire) which was specifically designed for the purposes of the current study and with reference to the literature of the subject of the study.

#### *3.4 Study Tool*

For the purposes of collecting the primary data of the study, which were used in the statistical analysis for the purposes of testing the hypotheses of the study, a questionnaire was prepared as a main tool for the study. The questionnaire was suitable

to its variables and it was prepared by reviewing the previous studies related to the subject of the study with a set of personal and functional questions, and a set of questions to measure the study variables (strategic leadership, intellectual capital, and knowledge sharing). In developing the measures of its variables, the study adopted the measures used in the previous studies after making adjustments, if necessary, to suit the nature of the study. There were (74) items. The clarity and sequence of the questions were taken into account in addition to the lack of difficulties in filling them.

### *Reliability of the Study Tool*

The Cronbach's Alpha was used for checking the internal consistency of the questionnaire items as a whole as the most common measure among the researchers to achieve this purpose. The results appear in Table (1), which shows that the Cronbach's alpha coefficients for the study areas and their dimensions were good as they were greater than (0.70) (Gliem and Gliem, 2003).

**Table 1**  
Cronbach's Alpha Coefficients for the Items of the Questionnaire

Field	Dimension	Cronbach's Alpha coefficient
Strategic leadership	Strategic direction	0.876
	Human Capital Development	0.933
	Discovering and Maintaining Core Competencies	0.942
	Maintaining an Effective Organizational Culture	0.949
	Emphasizing Ethical Practices	0.957
	Establishment of a balanced control system	0.902
	<b>Strategic leadership as a whole</b>	0.919
Intellectual capital	Structural capital	0.957
	Relational capital	0.839
	Human Capital	0.955
	<b>Intellectual capital as a whole</b>	0.942
<b>knowledge Sharing as a whole</b>		0.899

### *3.5 The Statistical Methods Used*

To achieve the objectives of the study and test its hypotheses, the study adopted the frequencies and percentages in order to describe the characteristics of the study sample, the means and standard deviations in order to determine the estimates of the study sample members for the study tool items and their arrangement according to their importance, the exploratory and confirmatory factor analysis to indicate the validity of the study tool, Cronbach's alpha coefficient to verify the reliability of the study tool, the normal distribution test of data to verify the normal distribution of the data, goodness of fit index for the study model, the multiple regression equation, and finally the path analysis to test the study hypotheses.

### *3.6 Results' Presentation*

In this section, the results of the statistical analysis of the current study will be presented. They aimed to figure out the effect of the strategic leadership on the intellectual capital, the mediating role of the knowledge-sharing in the Kuwaiti industrial companies. The results of the study will be presented by testing its hypotheses, as follows:

### *3.7 Hypothesis Testing*

Results related to the first hypothesis (H01): There is no statistically significant effect at sig. ( $\alpha \leq 0.05$ ) for the strategic leadership on the intellectual capital in the industrial companies in the State of Kuwait. To verify the validity of this hypothesis, the Multiple Regression equation was applied to study the effect of the strategic leadership on the intellectual capital in the industrial companies in the State of Kuwait. Table No. (2) illustrates this.

**Table 2**  
Multiple Regression Equation to Study the Effect of the Strategic Leadership on the Intellectual Capital in the Industrial Companies in the State of Kuwait

variable	Standardized Coefficients			R	R <sup>2</sup>	Adjusted R Square	F	sig
	B	T	Statistical analysis					
<b>(Constant)</b>		3.031	0.003					
Strategic direction	0.033	0.663	0.508	0.715	0.511	0.501	48.280	0.000
Human Capital Development	0.347	7.036	0.000					
Discovering and Maintaining Core Competencies	0.094	1.998	0.047					
Maintaining an Effective Organizational Culture	0.201	4.320	0.000					
Emphasizing Ethical Practices	0.200	3.944	0.000					
Establishment of a balanced control system	0.228	4.659	0.000					

Table 2 shows that there is a statistically significant effect at sig. ( $\alpha \leq 0.05$ ) for the strategic leadership on the intellectual capital in the industrial companies in the State of Kuwait. The value of the correlation coefficient (R) was (0.715), which is a statistically significant value that indicates the degree of a statistically significant correlation between the strategic leadership and the intellectual capital in the industrial companies in the State of Kuwait. (R-square) was (0.511), which is a statistically significant value that explains the ability of the strategic leadership to influence the intellectual capital, i.e., the strategic leadership explains (51.1%) of the change in the intellectual capital. Also, the test value (F) was (48.280) with a statistical significance (0.00), which is a statistically significant value that indicates a variance in the ability of the strategic leadership to influence the intellectual capital. Thus, the first hypothesis is accepted in its alternative form which states that there is a statistically significant effect at sig. ( $\alpha \leq 0.05$ ) for the strategic leadership on the intellectual capital in the industrial companies in the State of Kuwait.

This result can be justified by the fact that the strategic leadership supports the creative applications and the radical innovations that the company seeks to shape its competitive environment on the basis of anticipating and leading change, which is positively reflected on the level of the intellectual capital. Furthermore, the strategic leadership contributes to increasing the company's ability to respond to the internal forces supported by the knowledge-based skills that are built on the skills of the senior management to anticipate new trends and gain clear visions about the future in its business to clearly reflect its creativity at all levels within the company and to avoid stagnation and rigidity in its operations.

The second hypothesis (H02): There is no statistically significant effect at sig. ( $\alpha \leq 0.05$ ) for the strategic leadership on the intellectual capital through knowledge sharing as a mediating variable in the industrial companies in the State of Kuwait. To test this hypothesis, the structural equation analysis using the Amos V23 program supported by the (SPSS) was used to verify the direct and indirect effect of the strategic leadership on the intellectual capital through knowledge sharing as a mediating variable. The researcher used five indicators to verify the goodness of fit index for the study model, which are generally accepted and previously indicated. The values of these indicators as Table (16) clearly shows that there is a goodness fit for the study model and data, which indicates the validity of the model and the possibility of using it to test the hypotheses; in other words, using the independent variables in the study model in order to predict the dependent variable with the presence of the mediating variable. The chi-square ratio (CMIN/DF) was (1.78), which is less than (2), the value of the goodness of fit index (GFI) was (0.965), which is greater than (0.90), and the value of the Adjusted Goodness of Fit Index (AGFI) was (0.926) which is greater than (0.90). On the other hand, the value of the Comparative Fit Index (CFI) was (0.961), which is greater than (0.90) while the value of the square root of the (RMSEA), which indicates an acceptable convergence error, was (0.07), which is less than (0.08).

To test this hypothesis, the path analysis was used to determine the significance of the indirect effect measured through the mediating variable. Figure No. (2) shows the values of the direct and indirect effects of the mediating variable relationship (knowledge sharing) on the relationship between the strategic leadership and the intellectual capital. By reviewing the values of the direct effects in the table, it was found that the value of the independent variable effect on the dependent variable was (0.755), the value of the independent variable effect on the mediating variable was (0.334) and the value of the direct effect of the mediator on the dependent variable was (0.492). These effects were expressed using the standard values, where it is noted that all the values of these effects (coefficients) were statistically significant as they were all less than 0.05 and at the same time they are less than 0.001. Therefore, it was symbolized with (\*\*\*) , which means that there is an indirect effect for the mediating variable, given the fact that all the values of the significance level were statistically significant.

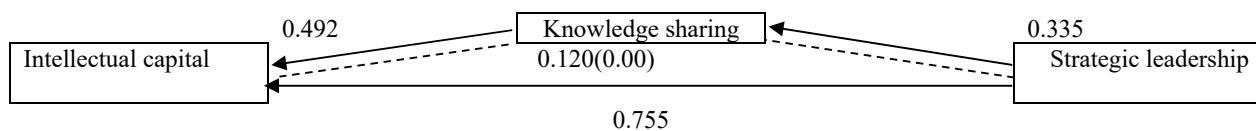


Fig. 2. The effect between the knowledge sharing variables, strategic leadership and intellectual capital.

#### 4. Results

Based on the above, the second hypothesis is accepted in the alternative formula, which states that there is a statistically significant effect at sig. ( $\alpha \leq 0.05$ ) for the strategic leadership of the intellectual capital through the knowledge sharing as a mediating variable in the industrial companies in the State of Kuwait. The researcher believes that this result is due to the importance of the role that knowledge sharing plays in that it helps in spreading awareness of the scope of the job in the company and the transfer of experiences from one generation to another. It links the knowledge sources related to the company as a whole, works to find a knowledge base to build the necessary technical and administrative human strength, and provides flexibility necessary for the adjustments to be made by increasing public awareness. Add to this the innovation and creativity, providing high quality products and services and developing innovation, which are reflected in the intellectual capital of the company. This result is consistent with (Zahedi & Naghdi Khanachah, 2021) which showed that the knowledge management processes affect the development of the intellectual capital as it contributes to promoting the innovation in companies, and (Obeidat et al., 2021) which showed that there is a mediating role for the knowledge sharing in the relationship between the human capital and the job empowerment at Jadara University.

## 5. Recommendations

Based on the results above, the study recommends:

1. Urging employees in the Kuwaiti industrial companies to learn new work-related knowledge through holding training courses that enable them to develop their knowledge and skills.
2. The need for the management of the Kuwaiti industrial companies to take the ideas and recommendations of the work teams and reward them for their achievement in order to increase the level of the knowledge exchange and sharing among employees.
3. The need for the senior management to support the learning opportunities and the application of the new knowledge.
4. The administration encourages the employees in the Kuwaiti industrial companies to acquire the knowledge resulting from envisioning the future and preparing for it.

## References

- Abboud, M. B. (2020). The role of the strategic leadership in achieving the organizational excellence at Al-Zaytoonah University. *Journal of the Association of Arab Universities for Research in Higher Education*, 40(1), 193-210.
- Abu Shehata, T. (2018). The role of the intellectual capital based on the approach of excellence and innovation in achieving the organizational ambidexterity: an empirical study on the employees of the Telecom Egypt Company. *The Scientific Journal of Economics and Trade*, 1(2), 97-176.
- Abubakar, A.M., Elrehail, H., Alatailat, M.A., & Elçi, A. (2019). Knowledge management, decision-making style and organizational performance. *Journal of Innovation and Knowledge*, 4(2), 104-114, doi: 10.1016/j.jik.2017.07.003.
- Al-Amad, M.M. (2019). The effect of the administrative communication management on the crisis management: knowledge management as a mediating variable - a field study in the Jordanian press institutions, 1-189.
- Albertini, E., Berger-Remy, F., Lefrancq, S., Morgana, L., Petković, M., & Walliser, E. (2021), Voluntary disclosure and intellectual capital: how CEOs mobilise discretionary accounting narratives to account for value creation stemming from intellectual capital. *Journal of Applied Accounting Research*, 22(4), 687-705. <https://ezproxy.yu.edu.jo:2087/10.1108/JAAR-04-2020-0073>
- Al-Khalidi, K., & Al-Zubaidi, H. (2018). The strategic flexibility of the bank and its effect on the reengineering of banking operations. *Journal of Economics and Management - University of Karbala*, 7(2).
- Al-Khasawneh, A., Abu Khdeir, B., & Al-Ayasra, M. (2018). *Human Resource Management. Amman: Zahran Publishing and Distribution House.* Amman.
- Al-Murabba', S. B. S. (2012). The Strategic leadership and its role in developing the organizational culture in the security services, Naif Arab University for Security Sciences, Kingdom of Saudi Arabia.
- Al-Rababa', K. A. (2016). Strategic leadership and its role in building the smart security organizations (a comparative study between the Public Security Directorate and the General Directorate of the Gendarmerie Forces in the Hashemite Kingdom of Jordan), PhD thesis, Naif Arab University for Security Sciences.
- Alrowwad, A., Abualoush, S.H., & Masa'deh, R. (2020). Innovation and intellectual capital as intermediary variables among transformational leadership, transactional leadership, and organizational performance. *Journal of Management Development*, 39(2), 196-222. <https://ezproxy.yu.edu.jo:2087/10.1108/JMD-02-2019-0062>
- Al-Rumaidi, B., & Talhi, F. Z. (2019). The Effect of Applying the Strategic Leadership Style on the Institutional Capabilities: Egyptian Tourism Companies as a Case Study. *Journal of Business and Financial Economics*, 1(1), 414-433.
- Al-Sharif, A. (2014). Developing the performance of a faculty member in the Saudi universities in light of the knowledge management approach. *Journal of Reading and Knowledge*, 151(1), 39-48.
- Altman, E.J., & Tushman, M.L. (2017). Platforms, Open/User Innovation, and Ecosystems: A Strategic Leadership Perspective. *Entrepreneurship, Innovation, and Platforms (Advances in Strategic Management, Vol. 37)*, Emerald Publishing Limited, Bingley, pp. 177-207.
- Amiri, W. H. R., & Ajlan, H. (2017). The Social responsibility of the private banks: Within the framework of the relationship between the intellectual capital and the financial capital, Amman: Dar Al-Yazuri.
- Arsawan, I.W.E., Koval, V., Rajiani, I., Rustiarini, N.W., Supartha, W.G., & Suryantini, N.P.S. (2020). Leveraging knowledge sharing and innovation culture into SMEs sustainable competitive advantage. *International Journal of Productivity and Performance Management*, 6(6), 192-202.
- Atta, K. (2018). The effect of the strategic leadership practices on reducing the job alienation: an analytical study of the opinions of a sample of employees in the General Company for Electrical and Electronic Industries of the Ministry of Industry and Minerals. *Al-Dananir Journal*, 2(14), 265-314.
- Bellucci, M., Marzi, G., Orlando, B., & Ciampi, F. (2021). A review of emerging themes and future trends. *Journal of Intellectual Capital*, 22(4), 744-767. <https://ezproxy.yu.edu.jo:2087/10.1108/JIC-10-2019-0239>
- Dahiya, R., & Raghuvanshi, J. (2021). Measure human capital because people really matter: development and validation of human capital scale (HuCapS). *International Journal of Productivity and Performance Management*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/IJPPM-11-2020-0594>.
- Dahri, A., Amin, S., & Waseem, M. (2019). Effect of Strategic Leadership on Organizational Performance through Knowledge Management. *Journal of Managerial Sciences*, 13(2), 56-70.
- Duho, K.C.T. (2020). Intellectual capital and technical efficiency of banks in an emerging market: a slack-based measure. *Journal of Economic Studies*, 47(7), 1711-1732. <https://ezproxy.yu.edu.jo:2087/10.1108/JES-06-2019-0295>

- Erkol, A., & Fazlagic, J. (2016). *Images of Intellectual Capital*, Cambridge Scholars Publishing, 13, 978-1-4438-9706-8.
- Jahmani, K., Fadiya, S.O., Abubakar, A.M., & Elrehail, H. (2018). Knowledge content quality, perceived usefulness, KMS use for sharing and retrieval: a flock leadership application. *VINE Journal of Information and Knowledge Management Systems*, 48(4), 470-490, doi: 10.1108/VJKMS-08-2017-0054.
- Jirakraisiri, J., Badir, Y.F., & Frank, B. (2021). Translating green strategic intent into green process innovation performance: the role of green intellectual capital. *Journal of Intellectual Capital*, 22(7), 43-67.
- Karar, O. (2018). The Role of the Public Expenditure in the Human Capital Development in Sudan in the Period 2000-2013 A.D., Ph.D. Thesis, University: Al-Neelain University.
- Khalique, M., Shaari, J. & Isa, A. (2015). Intellectual Capital and its Major Components, *International Journal of Current Research*, 3(6), 343-347.
- Khalique, M., Hina, K., Ramayah, T., & Shaari, J.A.N.b. (2020). Intellectual capital in tourism SMEs in Azad Jammu and Kashmir, Pakistan. *Journal of Intellectual Capital*, 21(3), 333-355. <https://ezproxy.yu.edu.jo:2087/10.1108/JIC-11-2018-0206>
- Liao, S., Liu, Z., Fu, L., & Ye, P. (2019). Investigate the role of distributed leadership and strategic flexibility in fostering business model innovation. *Chinese Management Studies*, 13(1), 93-112. <https://ezproxy.yu.edu.jo:2087/10.1108/CMS-02-2018-0420>
- Migliore, L., & Chinta, R. (2017). Demystifying the Big Data Phenomenon for Strategic Leadership. *SAM Advanced Management Journal* (07497075), 82(1), 48-58.
- Mokhtar, H., & Idris, S. (2017). The Effect of the Academic Qualifications of the employees on the Intellectual Capital at the Communication Companies in Sudan - According to the Point of View of a Sample of Employees in Zain, Sudani and MTN Companies in Sudan. *Journal of Economic Sciences*, 18(1), 44-58.
- Moon, Y., Um, H., & Kim, M. (2019). Social network analysis to explore the organizational knowledge transfer patterns – From a social capital perspective. *ASIA LIFE SCIENCES Supplement* 20(1), 117-126.
- Nader, A., & Jassem, B. (2019). The role of the strategic leadership in achieving the organizational excellence: field research in Al-Faris Company. *Journal of Economic and Administrative Sciences*, 25(114), 225-241.
- Obeidat, A. M., Wahiby, H., Alshammari, D., Alzu'bi, S. K., Hadrab, A. F., Samara, M.A. (2021). The mediating Role of Knowledge Sharing on The Effect of Human Capital in Job Empowerment. *Ilkogretim Online*, 20(3), 1449-1459.
- Samhan, M. A. S. (2019). The reality of the knowledge management and its effect on the institutional performance: An applied study on the Faculty of Applied Studies and Community Service at King Saud University. *International Journal of Research in Educational Sciences*, 3(2), 459-504.
- Sharaf, I. (2018). The effect of the level of the intellectual capital disclosure on the company's financial performance: An empirical study on the companies listed in the Egyptian Stock Exchange. *Journal of Accounting Thought*, 22(3), 10 – 81.
- Slaymi, A., & Al Sabti, J. (2015). Strategic flexibility from the traditional theory of strategy to the theory of resources, a philosophical reading of the concept and suggesting an integrated model. *Journal of Baghdad College of Economic Sciences*, 15(44), 17-29.
- Tsai, C.H., & Mutuc, E.B. (2020). Evidence in Asian Food Industry: Intellectual Capital, Corporate Financial Performance, and Corporate Social Responsibility. *International Journal of Environmental Research and Public Health*, 17(2).
- Wathanabut, B. (2019). Knowledge exchange and transformational leadership style for team improvement. *utopia y praxis latinoamericana*, 6(24), 207-214.
- Zahedi, M.R., & NaghdiKhanachah, S. (2021). The effect of knowledge management processes on organizational innovation through intellectual capital development in Iranian industrial organizations. *Journal of Science and Technology Policy Management*, 12(1), 86-105. <https://ezproxy.yu.edu.jo:2087/10.1108/JSTPM-11-2019-0113>



© 2022 by the authors; licensee Growing Science, Canada. This is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC-BY) license (<http://creativecommons.org/licenses/by/4.0/>).