

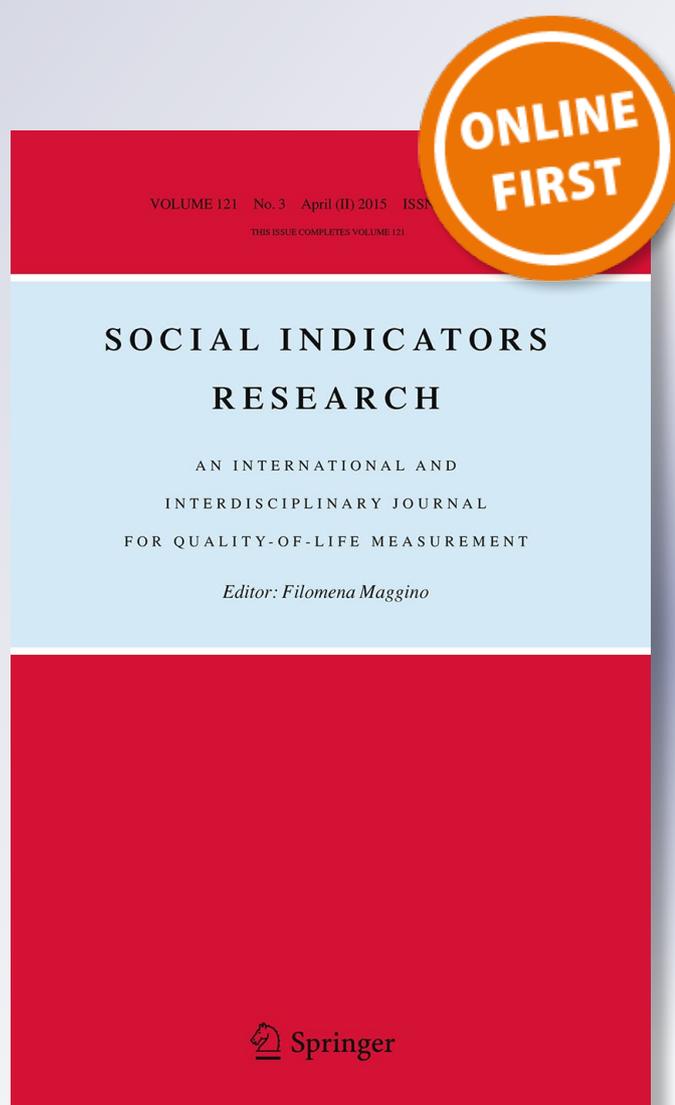
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Qian Long Kweh & Wen-Min Lu**

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Measuring Human, Physical and Structural Capital Efficiency Performance of Insurance Companies

Mohammad Nourani¹  · VGR Chandran² · Qian Long Kweh³ · Wen-Min Lu⁴

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Abstract Based on the strategy perspective of intellectual capital, this paper proposes an integrated framework that is practical to estimate the human, physical, and structural capitals (intellectual capital) efficiency performance, at firm level. This paper uses a dynamic network data envelopment analysis model to estimate the intellectual capital efficiency at three levels in the insurance industry over the period of 2005–2012. Within the insurance industry, deficiencies occurred in the human and structural capital stages as opposed to the physical capital stage. A further investigation indicates that total investment is the major concern for the deficiencies. Moreover, the cluster analysis highlights the strengths and weaknesses of the insurers based on their inherently similar efficiencies. Malaysian insurance industry need to translate and promote the existing knowledge-based economy agenda lauded by the government to improve the intellectual capital efficiency, particularly at the human capital level.

✉ Mohammad Nourani
mohammad@nourani.net

VGR Chandran
vgrchan@gmail.com

Qian Long Kweh
qlkweh@gmail.com

Wen-Min Lu
wenmin.lu@gmail.com

¹ Department of Economics, Faculty of Economics and Administration, University of Malaya, Jalan Universiti, 50603 Kuala Lumpur, Malaysia

² Department of Development Studies, Faculty of Economics and Administration, University of Malaya, Jalan Universiti, 50603 Kuala Lumpur, Malaysia

³ Institute of Management Technology, Dubai International Academic City, P.O Box 345006 Dubai, UAE

⁴ Department of Financial Management, National Defense University, No. 70, Sec. 2, Zhongyang North Rd., Beitou, Taipei 112, Taiwan