# IMPACT OF INTELLECTUAL CAPITAL ON BANK'S STABILITY WITH MODERATING THE ROLE OF CORPORATE GOVERNANCE

# BY

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## **DECLARATION OF AUTHENTICATION**

I, hereby, declare that no portion of the work referred to in this project has been submitted in support of any application for another degree or qualification of this university or any other institution of learning.

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### **ABSTRACT:**

The ambition of this report is to discuss the inherent factors of the banking system as well as the short-term and long-term effects of intellectual capital efficiency on bank stability in Pakistan. The VAIC model is used to measure the ICE, which is composed of three capitals: human, relational, and structural. The findings of the statistical panel regression support the hypothesis that higher Intellectual capital efficiency relates to improved bank stability and supports the resource-based theory. Other than that, research also reveals the long-term contribution of intellectual capital efficiency to bank stability. Further, the control variable CG index proxies such as bank measurement, bank age, board composition, and bank size demonstrate a favorable effect on bank Stability. The resource-based strategy can be applied to enhance intangible investments and create a long-lasting competitive advantage. Future assessment is anticipated to take into account the risk management approach to examine the association between IC efficiency and banks' stability.

Keywords: Intellectual capital, Intangible resource, Corporate Governance index, & Bank stability

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