**A Review of The Mediating Role of Innovation Capability in Intellectual Capital Studies: Radical and Incremental Innovation**

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Innovation capability is known as the potential to generate new ideas, identify new market opportunities and implement marketable innovations, by leveraging on existing resources and capabilities towards leading to superior firm performance and increased sustainable competitive advantage. Therefore, this study presents a range conceptual analysis of the mediating role innovation capability in intellectual capital studies particularly. The primary objective is to look at how innovation capability is explored as moderator in intellectual capital literature. The role of innovation capability value drivers focused through incremental and radical recently into literature. This research has been viewed, first as a contribution to refinement of the existing innovation capability literature with respect to numerous dimensions used, and Second, the relationship between innovation capability and intellectual capital and organizational performance been theoretically inspected. Thirdly, how radical, and incremental innovation capability plays significant mediating role in intellectual capital study. Finally, this study proposed some hypotheses about the possible conditioning of the impact factor on the innovation capability as the mediating role in intellectual capital literature.

**Keywords:** Innovation Capability, Radical Innovation, Incremental Innovation, Intellectual Capital, Mediator