**THE IMPACT OF INTELLECTUAL CAPITAL TOWARDS COOPERATIVE PERFORMANCE**

**Nur Anis Nordin**

**Universiti Teknologi Malaysia, Malaysia**

**nuranisnordin@gmail.com**

**ORCID: 0000000**

**Assoc. Prof. Dr. Nomahaza Mahadi**

**Universiti Teknologi Malaysia, Malaysia**

**nuranisnordin@gmail.com**

**ORCID: 0000-0002-3941-5188**

**ABSTRACT**

The issue of poor cooperative performance has engendered a great deal of acrid debate in Malaysia’s cooperative sector in recent times. The progress of cooperatives is still under satisfactory despite the fact that they have been in operation for a decade—an issue that has long been overdue and remained unsolved. In addition to the obstacles of the post-pandemic era, cooperatives must figure out how to best utilize the resources at their disposal to improve their performance. Cooperatives are developed based on the purpose of assisting their members—economically, socially and others—through the aspiration of a democratically controlled organization. Cooperatives cannot afford to remain stagnant since stagnation will be more detrimental to the cooperatives in the long term. Various scholars have found that intellectual capital—used in most organizations to outshine their competitors—plays a crucial role in distinguishing cooperatives from other business competitors, especially in the same market horizon. Most successful organizations are able to create a competitive advantage to sustain their business due to intellectual capital (IC), and thus cooperatives can also compete in a more impactful way by enhancing their intellectual capital asset. When a cooperative is significantly impacted by an unexpected occurrence such as a pandemic, its activities will obviously slow down. However, by adopting intellectual capital, the rejuvenation of cooperative operations can be accelerated and the desired performance can be regained. In addition, it is also imperative for cooperatives to outsmart their competitors by adopting intellectual capital into their strategic plan. Thus, this conceptual paper will explore the way the cooperative’s performance can be improved via intellectual capital, provide more insights and expand the body of knowledge on intellectual capital towards organizational performance.

Keywords: Intellectual capital, cooperatives, organization performance