**INTRODUCTION**

In today's world; as a result of several reasons depending on different variables, everything about people and institutions is rapidly changing and transforming. Businesses should be able to manage the interaction of all abstract assets by re-evaluating the concepts of management and governance in order to sustain their assets and gain competitive advantage (Şen, 2017).

As a sum of the talents of the employees, the internal structure of the business and its relation to the environment, intellectual capital is an important focus point of researchers and practitioners as it is the ability to adapt to new conditions and as being of the newest and most advanced management concepts that define the conditions for recurrent advancement (Marr, 2005).

In the model presented by Bontis et al., it is proposed to develop the classification of intellectual capital with indicators of sub-dimensions (Bontis et al., 2000). In this study, intellectual capital and its components, with the quantitative and qualitative effects on the performance of the companies by themselves and together is examined in Turkey and it was aimed to contribute the international literature.

Also, this study analyzed the structure of intellectual capital by observing the impact of sub factors of intellectual capital on quantitative and qualitative performance, on general intellectual capital aspects of companies in Turkey - relational, structural and human capital- and to determine the quantitative and qualitative performances.

1. **INTELLECTUAL CAPITAL AND ITS COMPONENTS**

Concept of intellectual capital means the structural knowledge that exists in a business and the relationship of the business with the environment and the knowledge, experience and abilities of employees that generate competitive advantage and value (Brooking, 1996, Edvinsson and Malone, 1997, Stewart, 1997, Sveiby, 1998).

In order to be able to understand and evaluate the intellectual capital with all its aspects, the elements forming the intellectual capital should be known (Huang et al., 2007). In order to be able to define this classification, researchers have developed various intellectual capital models (Brooking, 1996, Edvinsson and Malone, 1997, Sveiby, 1998).

Sveiby (1998) is the first author who proved that intellectual capital is composed of three components: human capital, structural capital and customer capital, and although most researchers have embraced this concept (Sveiby, 1998), today, the accepted elements of intellectual capital are; structural capital, human capital and relational capital (MERITUM, 2002, Pablos, 2003, Seetharaman et al., 2004). These aspects are evaluated below.

* 1. **Structural Capital**

The structure is the framework of a business and is a concept generated to make more effective and successful work possible (Nordström and Ridderstrale, 2000). Structural capital is the coded and institutionalized form of organizational culture, management philosophy, business processes, intellectual property, R & D and innovativeness and capabilities (Maditinos et al., 2011).

Through structured capital, the latent knowledge of employees and relations become open knowledge for the business and such knowledge is maintained (Stewart, 1997). Other elements of intellectual capital are utilized through structural capital (Akpınar, 2003, Bontis, 1998, García-Álvarez et al., 2011). Structural capital increases the quantitative and qualitative performance of businesses (İpçioğlu, 2007).

* 1. **Relational Capital**

The embedded knowledge and value in the relation of business with its environment consists the relational capital of that business. Such knowledge ​​and values ​are generated by mutual commitment and satisfaction that result from long-term relationships. The relations covered are all relationships outside the business and the value of such relations. These are represented by the value-generating relations with customers, suppliers, shareholders, commercial partnerships and public" (Ahmadi et.al., 2012; Bontis, 1999; Bontis et.al. 2000; Hsu and Fang, 20 Kim and Kumar, 2009; Roos et al., 2008). Relational capital is influential in enhancing the performance of businesses (Huang and Hsueh, 2007) as it increases the quantitative and qualitative performance of them (Ipçioğlu, 2007).

* 1. **Human Capital**

For businesses, the most important factor providing competitive advantage is the knowledge and the ability to use it effectively. The employees are the sources and depots of knowledge in a business and the limiting factor is the source of creativity in businesses (Moon and Kym, 2006). Human capital is the ability of a business to get the best results from the knowledge, ability and experiences of its employees (Bontis, 1998).

Human capital is the most important reason that increases the quantitative and qualitative performance of organizations and forms their competitive power (Hitt et.al., 2002). Investment in human capital increases the quality and efficiency of goods and services. It provides competitive advantages for businesses (Chen and Lin, 2004). It increases the quantitative and qualitative performance of businesses (İpçioğlu, 2007).

* 1. **Interactions Between the Elements of Intellectual Capital**

Elements of intellectual capital cannot create value alone by themselves (Akpınar, 2003, Bontis, 1998; García-Álvarez et al., 2011). The formation of intellectual capital occurs as a result of transformation between elements of intellectual capital. Human capital is at the beginning of such transformation. Investment in human capital improves structural capital (Kaplan and Norton, 1992; Moon and Kym, 2006; Shih et al., 2010). Human capital and structural capital together create relational capital. This helps the performance of business to reach at the highest point (Chen et.al., 2005). The synergy generated by the effective equilibrium and interactions of the intellectual capital sub-components enables the business performance to be at the highest level (Edvinsson and Malone, 1997, Hsu and Fang, 2009, Moon and Kym, 2006, Stewart, 1997). Relational capital, human capital and structural capital together enhance quantitative and qualitative performance (Bontis, 1998; Stewart, 1997).