

The Role of intellectual capital in Strategic sovereignty, an analytical study in Soft Drink companies in the city of Erbil

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دور رأس المال الفكري في السيادة الإستراتيجية دراسة تحليلية في شركات المشروبات الغازية في مدينة أربيل

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ملخص

يهدف البحث إلى معرفة تأثير رأس المال الفكري (المتغير التابع) في تحقيق السيادة الإستراتيجية (المتغير المستقل). وتمشيا مع أهداف البحث، تم صياغة مشكلة البحث من خلال عدة أسئلة: ما هي مستويات السيادة الاستراتيجية وما مدى تركيز القادة عليها؟ بالإضافة إلى ذلك، تناولت الدراسة علاقة وتأثير رأس المال الفكري على السيادة الاستراتيجية. واستخدم الباحثان التقنيات الوصفية التحليلية. وقدموا وصفاً تفصيلياً للمتغيرات الرئيسية والثانوية، واستكشفوا الروابط والتأثيرات بين متغيرات البحث. تألف مجتمع البحث من قادة شركات المشروبات الغازية الموجودة في مدينة أربيل. وقد تم توزيع ٩٦ استبانة، وتم استرجاع ٩٢ منها واستخدامها في الدراسة. تم اختبار الفرضيات باستخدام التقنيات الإحصائية، وتحديدًا تطبيق الكمبيوتر SPSS V.25.

توصلت الدراسة عن العديد من النتائج الهامة. وكشفت عن ارتباطات إيجابية بين رأس المال الفكري والسيادة الاستراتيجية على المستويين الكلي والجزئي. وعلى المستوى الكلي، أظهر المتغير المستقل (رأس المال الفكري) تأثيراً إيجابياً على المتغير التابع (السيادة الاستراتيجية) وفقاً لمؤشرات الدراسة. كما قدم البحث مجموعة من التوصيات مع التركيز بشكل خاص على شركات المشروبات الغازية في أربيل. ويقترح أن تقوم هذه الشركات بوضع استراتيجية محددة بوضوح تحدد كيفية تخطيطها لرعاية رأس مالها الفكري والاستفادة منه. وينبغي أن تشمل هذه الاستراتيجية ممارسات التوظيف، وبرامج تطوير الموظفين، وأنظمة إدارة المعرفة، ومبادرات الابتكار. بالإضافة إلى ذلك، يعد تشجيع التعاون بين الوظائف أمراً ضرورياً لتعزيز الاستفادة من رأس المال الفكري. إن إنشاء منصات لتشارك المعرفة والمشاريع متعددة التخصصات يمكن أن يؤدي إلى تآزر يدفع الابتكار ويمنح ميزة استراتيجية.

Abstract

The research aims to investigate the influence of intellectual capital (dependent variable) approaches on achieving Strategic sovereignty (independent variable). In line with the research objectives, the research problem was articulated through several questions: What are the levels of Strategic sovereignty and how much emphasis do leaders place on them? Additionally, the study examines the relationship and impact of intellectual capital on

Strategic sovereignty. Analytical descriptive techniques were employed by researchers. They provided detailed descriptions of the main and secondary variables, and explored the connections and effects among the research variables. The research population consisted of leaders in soft drink companies located in the city of Erbil. A total of 96 questionnaires were distributed, with 92 of them being retrieved and utilized for the study. Hypotheses were tested using statistical techniques, specifically the computer application SPSS V.25. The study yielded several significant findings. It revealed positive associations between intellectual capital and Strategic sovereignty at both macro and micro levels. Furthermore, at the macro level, the independent variable (intellectual capital) demonstrated a positive impact on the dependent variable (Strategic sovereignty) according to the study's indicators. The research also provided a set of recommendations, with a particular emphasis on soft drink companies in Erbil. It suggests that these companies should develop a clearly defined strategy outlining how they plan to nurture and leverage their intellectual capital. This strategy should encompass recruitment practices, employee development programs, knowledge management systems, and innovation initiatives. Additionally, encouraging cross-functional collaboration is essential for maximizing the utilization of intellectual capital. Establishing platforms for knowledge sharing and interdisciplinary projects can lead to synergies that drive innovation and confer a strategic advantage.

CHAPTER ONE

INTRODUCTION

1.1 Introduction:

The beverage sector's mainstay, the soft drink business, competes fiercely in a constantly changing environment. Businesses in this industry face a wide range of difficulties, such as shifting consumer preferences, governmental demands, and logistical difficulties. In light of this, the strategic use of intellectual capital presents itself as a possible engine for obtaining and sustaining strategic sovereignty. In today's business landscape, intellectual capital has emerged as a critical asset for organizations seeking to achieve sustainable development goals, define their future, and gain a competitive advantage. Intellectual capital plays a strategic role in achieving competitive advantage and sustainable performance. Organizations that effectively manage and leverage their intellectual capital are better positioned to innovate, adapt to market changes, and drive growth. By investing in intellectual capital, companies can cultivate a culture of continuous learning and knowledge sharing, which enables them to stay ahead of the curve. The idea of strategic sovereignty has become a key factor in predicting organizational performance in a time of fast globalization and strong market rivalry. An organization's capacity to establish control over its competitive advantages ensures long-term viability and resilience in the face of changing market conditions. This is referred to as strategic sovereignty. The idea of intellectual capital has drawn a lot of attention in this context since it is a source of intangible resources that may be used to establish strategic sovereignty. With its expanding market and advantageous location inside Iraq's Kurdistan Region, the city of Erbil offers a distinctive setting for our inquiry. To grasp how soft drink firms in Erbil use intellectual capital to strengthen their strategic positions requires a grasp of the regional economic dynamics as well as the city's unique cultural and sociopolitical environment.

1.1 Research Problem:

Numerous pressures and difficulties have been brought on by the growing role that soft drink products play in fostering growth at the levels of nations, societies, and organizations, including (massive migration flows, scarce water resources, food and climate emergencies, and other factors that are escalating the security situation in businesses around the world). The characteristics of strategic sovereignty are always sought after by organizations in markets where soft drink firms are subject to intense competition in order to gain a competitive edge and expand their sphere of influence. Whereas, intellectual capital refers to the knowledge, abilities, and intangible resources that help a business maintain a competitive advantage. It is strongly tied to the degree to which the organization has talented and innovative cadres who contribute to continually changing the playing field and being proactive in competition, thereby excluding it from the dangers faced by firms to fulfill the company's goals. The research problem can be formulated using the following questions based on the following:

1. Does the corporation under investigation care about intellectual capital, and if so, how much?
2. What are the tiers of Strategic sovereignty and how much do Leaders care about them?
3. Do Intellectual Capital and Strategic sovereignty in the research companies have a statistically significant relationship?
4. Is the impact of intellectual capital on Strategic sovereignty statistically significant, according to academic research?

1.2 Research Objectives:

The following sub-objectives can help to achieve the main goal of the research, which is to try to discover how intellectual capital affects several aspects of Strategic sovereignty:

- 1.Examining and evaluating the scientific sources for each independent variable—intellectual capital—and each dependent variable—Strategic sovereignty.
- 2.rearranging these variables' logical relationships and the context of their scientific evolution.
- 3.Figuring out the nature and degree of the relationship between the dimensions of intellectual capital and the dimensions of Strategic sovereignty.
- 4.Examining and evaluating how the dimensions of intellectual capital affect Strategic sovereignty.

1.3 Research Importance:

The research "The Role of Intellectual Capital in Strategic Sovereignty: An Analytical Study in Soft Drink Companies in the City of Erbil" is extremely important for a number of significant reasons.

- 1- This research addresses a crucial issue in the soft drink sector, where businesses operate in a setting defined by fierce competition, shifting customer tastes, and onerous regulatory requirements. Soft drink firms can position themselves effectively in this dynamic market by gaining a distinct advantage by comprehending how intellectual capital helps strategic sovereignty.
- 2- This research explains how strategic decisions inside soft drink firms are influenced by intellectual capital. With the knowledge gained from this research, decision-makers will be better equipped to develop and implement long-term organizational sovereignty-securing strategies.
- 3- This research seeks to identify the untapped potential that may be strategically accessed to increase the resilience and profitability of soft drink companies in Erbil by thoroughly examining the dimensions of intellectual capital.
- 4- The results of this research should provide useful information to decision-makers and business professionals in the soft drink industry. Organizations can be given practical tools for increasing their strategic sovereignty by identifying best practices and strategic methods to harness intellectual capital, ultimately leading to enhanced operational performance and sustained growth.
- 5- Due to its distinctive regional context within Iraq's Kurdistan Region, Erbil was chosen as the research location. This location has unique economic, cultural, and political characteristics, and understanding how soft drink businesses deal with these might help us better understand how adaptable and resilient corporations can be while operating in such situations.

1.4 Research Hypothesis:

1.First research Hypothesis: The ordinal relevance of the search variables varies. Depending on the respondents' perceptions of the research companies.

2.Second research Hypothesis: There is a significant relationship between Intellectual Capital and Strategic sovereignty in Soft Drink companies in Erbil.

3.Third research Hypothesis: Intellectual Capital has a statistically significant effect on the Strategic sovereignty of Soft Drink companies in Erbil. The subsequent sub-hypotheses emerge as follows:

- **The first sub-hypothesis** holds that intellectual capital has a statistically significant impact on the dimension of the sphere of influence.
- **The second sub-hypothesis** holds that intellectual capital has a statistically significant impact on Competitive Compression.
- **The third sub-hypothesis** is that intellectual capital has a statistically significant impact on the aspect of Competitive Configuration.

1.5 Research Model:

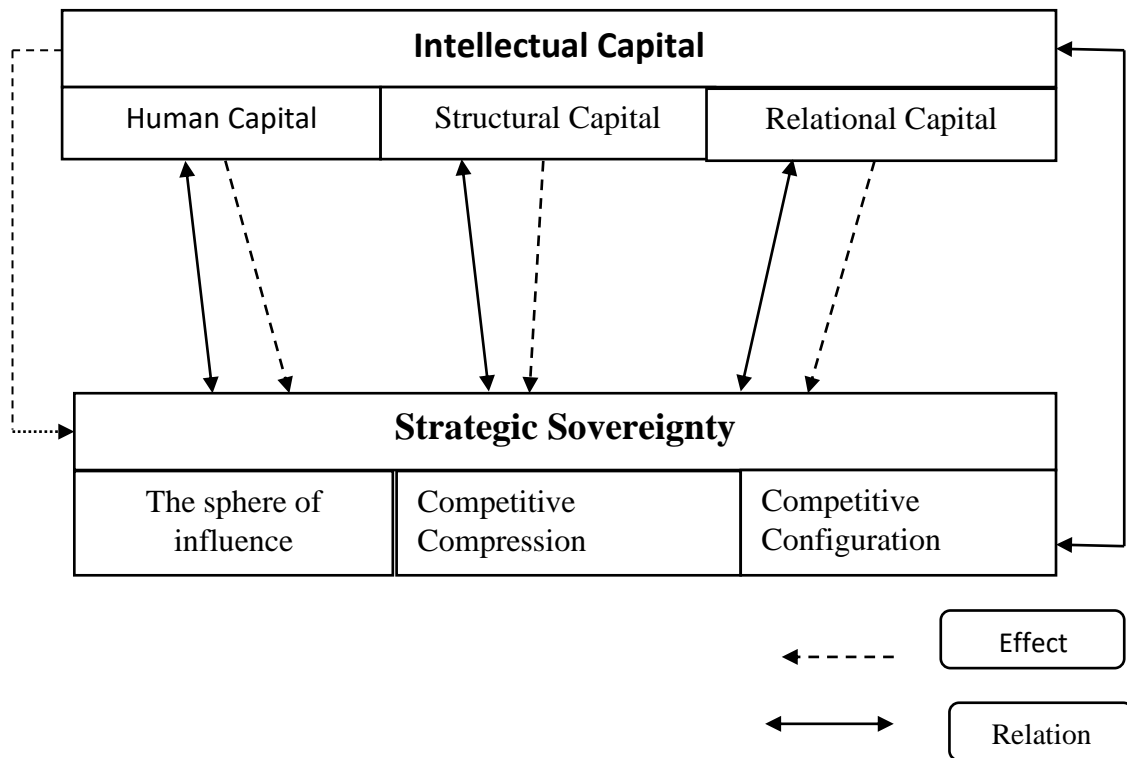


Figure (1.1) research model

**CHAPTER TWO
LITERATURE REVIEW**

2.1 Intellectual Capital: -

There are several ways to define intellectual capital, including the gap between a company's market value and the cost of replacing its assets has also been described as intellectual capital. It concerns those elements that are typically impossible to quantify, such as knowledge, competence, and a company's capacity for organizational learning (AKPINAR & AKDEMİR, 2000). Organizations' basic assets include their intellectual capital, which needs to be better managed. According to this viewpoint, companies can maximize a return on knowledge assets, also known as intellectual capital, by utilizing the expanding body of tools, processes, and approaches inexorably supported by values (Kamukama, 2013). Intellectual capital can be broadly defined as the knowledge, information, experiences, skills, and talents that exist in the minds of employees/individuals and contribute to the achievement of organizational goals with greater efficiency and the achievement of an organizational competitive advantage. We will review the distinctions between intellectual capital and traditional capital (physical or financial) before wrapping up the idea of intellectual capital and moving on to its components because these distinctions will be helpful in managing, assessing, and measuring intellectual capital in the organization. The differences between the two are displayed in the following table (Abdul Razzaq & Busahwa , 2012). (Al-Jadael, 2012, p. 158) holds that an organization's or company's overall ideas, innovations, technologies, and knowledge, as well as its software, patents, and trademarks, constitute its intellectual capital. And designs, methods, methods, systems, processes, and publications; and when they are codified and defined in a way that complies with the legal requirements of the media; and when those intellectual assets are legally protected; and when they can be transferred, rented, or sold. It is known as intellectual property. According to (Zéghal & Maaloul, 2010), Intellectual Capital (IC) is all of the accessible knowledge that may be used by an organization to generate value. Intellectual Capital (IC) was defined. By (Abazeed, 2017), as an integral component of an organization's market value along with its economic capital, embodies all intangibles related to the organization itself, such as management, procedures, trademarks, image, reputation, patents, culture, and strategies, as well as to the people of the organization, such as knowledge, skills, experience, education, creativity, innovation, commitment, and engagement, and to the organizational relationship, either with other organizations within the organization or with external parties, for example. According to (bin Shaari, Md Isa, & Khalique, 2018), intellectual capital entails "possessing knowledge, making use of experiences, organizational technology, networking with customers and suppliers, and possessing professional capabilities necessary for gaining a competitive advantage in a market." (Yang, C. C. & Lin, C. Y. Y., 2009) discovered that, from a variety

of angles, intellectual capital enhances organizational performance. It aids businesses in boosting productivity, cutting expenses, and raising profits. Organizations should thus recognize it and cultivate it if they want to remain competitive in the continually changing global market. Intangible intellectual property is another term used to define intangible knowledge. Patents, copyrights, and trademarks are examples of intellectual property. These assets are easier to value than other tangible assets and also imply a legal right to use for the property or owner (GIOACASI, 2012). There are various ways that authors have defined intellectual capital. What they all agree on is that it symbolizes an organization's impossible-to-quantify intangible value. A brief summary of the various definitions of intellectual capital reveals that the authors are still unable to come to a consensus. The definitions are all similar, though, at the same time. They all concur that the total of all intangible assets—knowledge (a component of human capital), structural capital, relational capital, organizational capital, internal capital, and external capital—is what is referred to as intellectual capital (Nassirzadeh , Askarany , & Arefi-Asl, 2023). Wu et al. (2012) (Wu, M., Lee, Y. , & Wang, G., 2012) conceptualized IC as a collection of organizational-related skills combined with three different types of capital: human, structural, and relational capital. While everyone ((AKPINAR & AKDEMİR, 2000), (Fazlagic, 2012), (Gogan, Artene, Sarca, & Draghici, 2016) (bin Shaari, Md Isa, & Khalique, 2018), (Sulastri, Yuki Fitria, & Chichi Andriani, 2020) (Qassas & Areqat, 2021), (Rezende & da Silva, 2021), (Khalique, Shaari, Md. Isa, & Ageel, 2021)) agreed that the three fundamental dimensions—human capital, structural capital, and relational capital—represent the three dimensions upon which the intellectual capital dimensions are based.

1- **Human Capital:-** Human capital is the combination of all the knowledge that people learn over their working lives as well as the personal traits, abilities, and skills that employees possess and may use to further the objectives of the company (Qassas & Areqat, 2021). The workforce's knowledge, skills, experience, intuition, and attitudes are collectively referred to as human capital. Increasing each worker's capacity can increase intellectual capital (AKPINAR & AKDEMİR, 2000). According to (Sulastri, Yuki Fitria, & Chichi Andriani, 2020) there is an intellectual power in human capital that originates from the individuals owned by the company, specifically from the competent, dedicated, and motivated workers.

2- **Structural Capital:-** It is the capacity of the organization to transfer, publish, and apply the knowledge, skills, and expertise that are at the disposal of the employees of the organization to the actual fact, and this deployment and staffing are done through the presence of a suitable organizational structure and clear powers and responsibilities. It has competence in the application of knowledge, skill, and experience in the organization (Areqat, et al., 2019). In general, structural capital is defined as the company's physical assets that enable it to operate at its best and adapt to any changes that may occur (Sulastri, Yuki Fitria, & Chichi Andriani, 2020). Another crucial component of an organization's success is structural capital. It can be thought of as the organizational skills that endure after individuals leave. It includes all of the non-human knowledge stores in businesses, such as organizational competitive intelligence, routines, formulas, policies, processes, and databases (Khalique, et al. , 2021).

3- **Relational Capital:-** it is also named External capital and customer capital. Relational capital is the network of connections that an organization has, as well as the relationships it has with it and how satisfied and devoted they are to the business. It involves familiarity with market channels, relationships with customers and suppliers, industry groups, and a firm understanding that they can draw on a plethora of information from their own customers and suppliers. What distinguishes a business leader from a follower is the ability to understand clients' needs better than anybody else. This type of intellectual capital includes quantifiable components like target marketing, long-term connections, and customer and supplier loyalty (AKPINAR & AKDEMİR, 2000). Relational Capital or Customer capital is the information that is ingrained in customer interactions and marketing channels. One of the most crucial parts of intellectual capital is customer capital. Customer capital is mostly dependent on marketing prowess, customer steadfastness, and relationships with and happiness from customers (Khalique, Shaari, Md. Isa, & Ageel, 2021). It is one of the elements of intellectual capital, and it is represented by innate values in an organization's interactions with its external environment, such as market interactions, power interactions, and cooperative relationships that develop between organizations, institutions, and people and are rooted in a sense of national identity and the ability to work together exemplifiable across cultural boundaries (Qassas & Areqat, 2021).

2.2 Strategic Sovereignty: -

The companies must abandon their steadfast silo-based approach to policy and address their economic and industrial policies, environmental and energy policies, foreign policy, and security and defense policies in a way

that is interconnected (Lippert, Ondarza N., & Perthes, 2019). Business organizations have recently shown an increased interest in the idea of strategic sovereignty and how to achieve it through developing and using a strategic approach that adapts to the change in various business environments, from a stable environment to one that is rapidly changing and what it includes of high competition and environmental conditions characterized by high uncertainty and the need to respond to environmental changes (D'Aveni, Ravenscraft, & Anderson, 2004). Strategic sovereignty enables an organization to act independently while still deciding when, where, and whether to collaborate with partners who share its values. The capability for autonomous action involves the capacity for autonomous decision-making and action. Instead of focusing on self-sufficiency, strategic sovereignty aims to lessen reliance on outside sources in key areas like foreign policy, security, energy, and the economy. The ability to produce the desired result is what determines its effectiveness. Political will, a shared strategic vision, and the ability to act are requirements for effective strategic sovereignty (Anghel, 2020). Strategic sovereignty, which is the capacity to act independently, rely on one's resources in important strategic areas, and work with allies when necessary, is a capability that, if used wisely, can help (Howorth, 2018). Strategic sovereignty is a set of practical frameworks that an organization can use to determine the range of its impact by selecting the right strategy (Strikwerda & Rijnders, 2002). emphasized (D'Aveni, 1999) in (Al-Fatlawi, Al Qattan, & Abdullah, 2020) that Strategic sovereignty has been defined to be an organization's capacity to influence rivals in a way that increases the value it offers. (Meyer, Brandtner, Kornberger, & et al, 2012) describes it as an economic and technological force capable of imposing itself as the only player in the industry and facing rivals through strategic integration. According to (Alsherifi, 2017) strategic sovereignty is a framework for identifying the organizational zones of influence that determine and enhance its relative strength as well as defining the strategic goal of the organization for each task that falls under its purview. Strategic sovereignty denotes the organization's dominating position in the market, which it has attained by developing power strategies that allow it to define the field of competition and exert control over it by establishing the rules of the game and managing the competitive environment (Al-Bashqaly & Sultan, 2021). Whereas everyone (D'Aveni, R., 2001), (Robert, 2001), (Strikwerda H., 2002), (Strikwerda & Rijnders, 2005), (Abedi & Mousavi, 2014), (Alsherifi, 2017), (AL-Zu'bi, 2017), (Al-Fatlawi, Al Qattan, & Abdullah, 2020), (Al-Yasiri, Al-Taie, & Al-Sharifi, 2021) and (Al-Bashqaly & Sultan, 2021) concurred that the significance of strategic sovereignty is determined by examining the competitive market environment and depends on three fundamental dimensions, which are represented by the first dimension, **The sphere of influence**, the second dimension, **Competitive Compression**, and the third dimension, **Competitive Configuration**.

1- **The sphere of influence:** - The scope of an organization's products and services is referred to as its circle of influence and is at the center of strategic sovereignty (Strikwerda, 2002). The concept of the breadth of influence comes from geopolitics, which has only recently seen examination in the management literature. It offers a framework for analyzing the portfolio's strategic intent and how it affects the organization's competition and offers a structure for analyzing the portfolio's strategic objective and its impact on the company's competitive strategy. It is a collection of products and services and a geographic region with the power to affect the areas where rivals struggle within the competitive environment. (D'Aveni, Ravenscraft, & Anderson, 2004). Al-Musawi (2014) (Al-Musawi, 2014) emphasized that It is a working framework for assessing the strategic purpose of an organization's portfolio and its consequences for competitive strategy. In order to achieve strategic sovereignty by creating a future vision to focus resources around the organization's product portfolio, keeping up with dealing with all competitive threats from competitors, containing them, and overcoming competitive pressures from competitors. Which represents the integrated portfolio of the organization's products within its geographic scope (Al-Fatlawi, Al Qattan, & Abdullah, 2020).

2- **Competitive Compression:** - Competitive pressure is "a competitive movement by competing organizations to improve their relative competitive position that is externally directed, specific, and observable." These actions lead to a more competitive interaction as each business considers all market-wide competitive measures. The phrases "competitive pressure" and "competitive tension" can be distinguished in this context. The degree to which managers and stakeholders view a specific competitor as their organization's major rival is known as competitive tension. It explains the supposedly asymmetrical interaction between two rival organizations. Competitive pressure supports the idea of competitive tension by describing the perception of the relationship between the company and its overall competitive environment (Zucchini & Kretschmer, 2011). The natural system dictates that for every action, there will be an equal and opposite reaction in this direction. Organizations have a strong drive to expand and outpace rivals. As it endeavors to create and lead regions of

influence and attempts to grow and interact in its own field, this is matched by a backlash from its own pressure, which is known as external pressure (competition pressure) (Al-Yasiri, Al-Taie, & Al-Sharifi, 2021).

3- **Competitive Configuration:-** This alludes to the capacity to establish an industrial structure with substantial alliances and objectives that are consistent with the competitive space's viewpoint (Al-Fatlawi, Al Qattan, & Abdullah, 2020). The competitive construction is represented by creating a map of competitive pressure between all of the major players or parties to identify the parties that occupy more powerful positions. The most powerful parties in the business sector can be identified by calculating the pressure that one of the parties exerts on the other parties (Zee & Strikwerda, 2003).

Chapter Three: Research Methodology

3.1 Research Design: This study is regarded as being both descriptive and analytical. It aims to investigate the impact of intellectual capital on Strategic sovereignty and adopts a quantitative approach to address the prior research concerns. To create a model for the study, a literature review is the first step. In order to create the questionnaire that will be utilized to gather the data for this study, a review of the literature and expert interviews are conducted first. After that, executives from Erbil's soft drink industries answered to a questionnaire with information. The collected data was examined and SPSS coded. After that, the variables' correlations were evaluated along with normality, validity, and reliability. Finally, multiple regressions were used to test the sub-hypothesis.

3.2 Study Population, Sample, and Unit of Analysis: The study's population consists of leaders from soft drink companies in Erbil and Kurdistan (Coca-Cola, Pipse, and Karwanch). Soft drink firm leaders received a set of 96 surveys. Of those, 92 could be used for statistical analysis.

3.3 Data Collection Methods:-

The information that was acquired for this study was split into two sources: secondary data and primary data. Secondary data A variety of sources, including journals, working papers, research, theses, publications, and the Internet, were used to gather secondary data.

Initial data: Primary data was gathered for this study using a questionnaire that was created based on prior literature and experts.

3.4 Normal Distribution Test: -

The projected values of Cronbach's coefficient used to check the measurement's internal consistency are presented in Table 4.7 below. According to Cronbach's alpha, Intellectual Capital has a score of 0.720, Strategic Sovereignty has a score of 0.610, and all independent variables together have a score of 0.74. Table (4) demonstrates that all constructs passed the reliability test, with all -values exceeding the minimum value of Cronbach's alpha that is advised. **Table 3.1: Measurement accuracy for all variables**

| Variables | Number of questions | Cronbach's Alpha |
|-----------------------|---------------------|------------------|
| Intellectual Capital | 21 | 0.720 |
| Strategic sovereignty | 21 | 0.614 |
| Overall | 42 | 0.746 |

The table was prepared by the researchers

Chapter Four: Data Analysis and Result

First/describe the research variables

1- Describe the variables of intellectual capital

The data in the table (4.1) show the arithmetic means and standard deviations of the responses to the statements (x21-x1) related to describing the research sample's opinions on the intellectual capital variable, which tend to agree and at good levels, as the percentages and overall index show that (67.84%) of the individuals Respondents agree on the content of these statements, which is supported by the arithmetic mean (3.39) and standard deviation. This variable includes the following dimensions:

- **Description of the human capital dimension: -** The data in table (4.1) show the arithmetic means and standard deviation of the responses to the statements (x7 - x1) related to describing the respondents' opinions about the human capital characteristic, which tend to agree at good levels, as the percentages and overall index show that (64.69%) of the respondents agree on. These statements' content had a mean (3.23) and a standard deviation (0.88). This is a preliminary finding about the availability of the human capital factor among the studied groups.

The phrase (X5) had the highest percentage of agreement at the phrase level for this attribute, reaching (73.06%), with a mean of (3.65) and a standard deviation of (1.000). The statement (x1) achieved the lowest percentage of agreement at the level of statements for a property (60.41%), with a mean of (3.02) and a standard deviation of (0.862).

• **Description of the structural capital dimension:** - The data in the table (4.1) show the arithmetic means and standard deviations of the responses to the statements (x14-x7) related to describing the respondents' opinions about structural capital characteristics, which tend to agree at high levels, as the percentages and overall index show that (66.94%) of the respondents agree on. These statements' content had a mean (3.35) and a standard deviation (0.81). This is a preliminary result on the availability of structural capital at good levels among the studied groups. The statement (x10) received the highest percentage of agreement at the level of statements for this feature, amounting to (74.08%), with an arithmetic mean of (3.70), indicating that a corporation encourages a culture of teamwork. The variance attained confirms the significance of this remark from the perspective of the individuals in the sample. The standard value for the phrase "what" is (1.009), confirming the phrase's positive relevance and at the level of phrases in the structural capital dimension. While the level of expressions for the structural capital feature such as expressions (x8) had the lowest percentage of agreement (59.39), with an arithmetic mean of (2.92), the standard deviation reached (1.232).

• **Description of customer capital dimension:-** The data in the table (4.1) show the arithmetic means and standard deviations of the responses to the statements (x21-x15) related to describing the respondents' opinions about the customer capital dimension, which tend to agree at high levels, as the percentages and overall index show that (71.92%) of the respondents agree on the content of these phrases. This is confirmed by the arithmetic mean (3.60) and standard deviation (0.90). This represents a preliminary result on the availability of structural capital in the categories studied and at good levels. The phrase (x19) received the highest percentage of agreement on the level of phrases for this characteristic (75.51%), with an arithmetic mean of (3.78), indicating that a company employee has strong relationships with customers and confirming the importance of this phrase from the perspective of the sample individuals. The phrase's standard deviation was (0.864), confirming the positive significance of the aforementioned phrase and at the level of phrases of the structural capital dimension. While the statement (x17), which amounted to (69.80%), with an arithmetic mean of (3.49), claims that the company's maintenance is approaching for employees, has the lowest percentage of agreement at the level of statements for the structural capital feature. The standard deviation (0.881) was used to confirm the value of these assertions from the respondents' perspective, confirming the significance of the respondent's answers to the aforementioned statement. Table (4.1): Frequency distributions, percentages, arithmetic means, standard deviation, and coefficient of variation for respondents' answers regarding the intellectual capital variable

| Dimension of head of financial | Forces | Strongly agree | | Agree | | Not sure | | don't agree | | strongly disagree | | Mean | s.d | Coefficient of variation | Agrees rate (%) | | | | |
|--------------------------------------|--------|----------------|-------|-------------|-------|-------------|-------|-------------|------|-------------------|------|-------|-------|-----------------------------|-----------------------|-------|-------|-------|-------|
| | | Disposition | % | Disposition | % | Disposition | % | Disposition | % | Disposition | % | | | | | | | | |
| Human capital | X1 | 11 | 11.98 | 10 | 10.87 | 62 | 63.27 | 6 | 6.52 | 3 | 3.26 | 3.02 | 0.862 | 28.54 | 60.41 | | | | |
| | X2 | 9 | 9.78 | 18 | 18.87 | 67 | 68.16 | 6 | 6.52 | 2 | 2.17 | 3.08 | 0.816 | 26.48 | 61.83 | | | | |
| | X3 | 16 | 17.39 | 12 | 13.04 | 60 | 61.22 | 2 | 2.17 | 3 | 3.26 | 3.20 | 0.879 | 27.43 | 64.08 | | | | |
| | X4 | 22 | 23.91 | 31 | 33.70 | 36 | 38.73 | 7 | 7.61 | 2 | 2.17 | 3.63 | 0.906 | 25.66 | 70.61 | | | | |
| | X5 | 33 | 36.87 | 22 | 23.91 | 33 | 33.87 | 3 | 3.26 | 2 | 2.17 | 3.86 | 1.000 | 27.37 | 73.06 | | | | |
| | X6 | 12 | 13.04 | 16 | 17.39 | 66 | 68.12 | 3 | 3.26 | 6 | 6.52 | 3.07 | 0.862 | 31.32 | 61.43 | | | | |
| | X7 | 3 | 3.26 | 29 | 31.52 | 52 | 53.06 | 7 | 7.61 | 1 | 1.09 | 3.08 | 0.700 | 22.72 | 61.63 | | | | |
| Average | | 16.46 | | 21.43 | | 51.75 | | 4.19 | | 2.80 | | 3.23 | 0.88 | 27.07 | 64.69 | | | | |
| Structu ral capital | | 37.89 | | | | 61.75 | | 4.19 | | 2.80 | | 3.23 | 0.88 | 27.07 | 64.69 | | | | |
| | x8 | 1 | 1.09 | 20 | 21.74 | 65 | 65.33 | 5 | 5.43 | 1 | 1.09 | 2.97 | 0.878 | 19.50 | 58.39 | | | | |
| | x9 | 6 | 6.52 | 35 | 38.04 | 48 | 48.98 | 2 | 2.17 | 1 | 1.09 | 3.26 | 0.702 | 21.57 | 65.10 | | | | |
| | x10 | 38 | 42.99 | 13 | 14.13 | 37 | 37.98 | 3 | 3.26 | 1 | 1.09 | 3.70 | 1.006 | 27.24 | 73.08 | | | | |
| | x11 | 10 | 10.87 | 30 | 32.61 | 47 | 47.98 | 3 | 3.26 | 2 | 2.17 | 3.26 | 0.818 | 25.13 | 65.10 | | | | |
| | x12 | 8 | 8.70 | 40 | 43.48 | 39 | 39.90 | 5 | 5.43 | 0 | 0.00 | 3.34 | 0.732 | 21.94 | 66.73 | | | | |
| Average | | 22.83 | | 19 | | 20.65 | | 45 | | 45.52 | | 7 | 7.61 | 0 | 0.00 | 3.37 | 0.828 | 27.58 | 67.35 |
| Relatio nal capital | x13 | 21 | 22.83 | 19 | 20.65 | 45 | 45.52 | 7 | 7.61 | 0 | 0.00 | 3.37 | 0.828 | 27.58 | 67.35 | | | | |
| | x14 | 24 | 26.09 | 28 | 30.43 | 36 | 38.73 | 3 | 3.26 | 1 | 1.09 | 3.64 | 0.915 | 25.84 | 70.82 | | | | |
| | | 16.93 | | 28.73 | | 46.21 | | 4.19 | | 5.12 | | 0.93 | 3.35 | 0.81 | 24.11 | 68.94 | | | |
| | x15 | 34 | 36.96 | 14 | 15.22 | 41 | 44.57 | 4 | 4.35 | 1 | 1.09 | 3.61 | 0.994 | 27.52 | 72.24 | | | | |
| | x16 | 28 | 30.43 | 26 | 28.26 | 34 | 36.56 | 4 | 4.35 | 2 | 2.17 | 3.69 | 0.968 | 28.95 | 71.84 | | | | |
| | x17 | 22 | 23.91 | 23 | 24.86 | 40 | 43.48 | 4 | 4.35 | 0 | 0.00 | 3.49 | 0.881 | 25.26 | 69.80 | | | | |
| x18 | 26 | 27.17 | 26 | 27.17 | 41 | 44.57 | 4 | 4.35 | 1 | 1.09 | 3.66 | 0.884 | 24.82 | 71.22 | | | | | |
| x19 | 31 | 33.70 | 23 | 24.86 | 39 | 41.23 | 3 | 3.26 | 1 | 1.09 | 3.78 | 0.864 | 22.88 | 75.61 | | | | | |
| x20 | 31 | 33.70 | 23 | 24.86 | 39 | 41.23 | 3 | 3.26 | 1 | 1.09 | 3.78 | 0.864 | 22.88 | 75.61 | | | | | |
| x21 | 34 | 36.96 | 14 | 15.22 | 41 | 44.57 | 4 | 4.35 | 1 | 1.09 | 3.61 | 0.994 | 27.52 | 72.24 | | | | | |
| Average | | 29.50 | | 27.64 | | 40.06 | | 4.00 | | 0.78 | | 3.60 | 0.90 | 25.14 | 71.92 | | | | |

The table was prepared by the researchers

2- Description of strategic sovereignty variables

The results presented in Table (4.2) show that the aggregate responses of respondents to this variable via the phrases (Y21-Y1) indicate that this variable is available at a good level, confirming the percentage of agreement (68.73%), with an arithmetic mean of (3.44) and a standard deviation of (0.84). This demonstrates that the majority of respondents believe in the existence of strategic masters and the level of goodness. The results for this variable's partial level (dimensions) were as follows:

• **The sphere of influence:-** The table(4.2) presents statistical data summarizing respondents' opinions on the sphere of influence characteristic. The results show that, on average, respondents tended to agree with the statements (x7-x1). Specifically, 62.51% of respondents expressed agreement, as indicated by the overall index. The mean value for these responses was 3.13, with a standard deviation of 0.85. This suggests a generally positive sentiment regarding the scope of influence dimension among the surveyed groups.

Among the statements, the highest level of agreement was observed for statement (Y5), with 64.90% of respondents in agreement. The mean score for this statement was 3.24, with a standard deviation of 0.89. On the other hand, the lowest level of agreement was found for statement (Y2), with 56.12% of respondents in agreement. The mean score for this statement was 2.81, with a standard deviation of 0.78.

• **Competitive Compression:** - The results presented in Table (4.2) indicate that the answers of the respondents at the aggregate level regarding this variable through the phrases (Y8-Y14) indicate that this variable is available at a good level, confirming the percentage of agreement (62.90%), with an arithmetic mean of (3.40) and a standard deviation of (0.84) This confirms that the respondents agree that competitive compression exists at a good level.

As for the highest partial level, each statement (Y10) obtained the highest value with an agreement rate of (72.04%), an arithmetic mean (3.60), and a standard deviation (0.868). The lowest percentage of agreement at the level of phrases for this dimension is for the phrase (Y12), which reached (65.51), with a mean of (3.28), and a standard deviation of (0.719).

• **Competitive Configuration:-** The data in the table (4.2) indicates the arithmetic means and standard deviations of the answers to the statements (Y15-Y21) related to describing the respondents' opinions regarding the competitive configuration dimension, which tend to agree at good levels, as the percentages and according to the overall index indicate that (75.80%) of the respondents agree on the content. These phrases. This is confirmed by the arithmetic mean (3.79) and standard deviation (0.87). This represents a preliminary result on the availability of the competitive configuration dimension in the categories studied at good levels. The highest percentage of agreement on the level of phrases for this characteristic was for the phrase (Y18), which amounted to (81.22%), with an arithmetic mean of (4.06), which indicates that the company manager has strong relationships with customers. To confirm the importance of this phrase from the point of view of the sample individuals, it reached The standard deviation of the phrase is (0.903), which confirms the positive importance of the aforementioned phrase and at the level of phrases after competitive configuration While the lowest percentage of agreement at the level of phrases for the competitive formation characteristic is for the phrase (Y15), which reached (70.00%), with an arithmetic mean of (3.50). To confirm the importance of these statements from the respondents' point of view, the standard deviation (0.786) was lost, which confirms the significance of the respondents' answers regarding the aforementioned statement. Table (4.2): Frequency distributions, percentages, arithmetic means, standard deviation, and coefficient of variation for respondents answers regarding the strategic sovereignty variable

| Dimensions of strategic sovereignty | Strongly agree | | Agree | | Not sure | | dont agree | | strongly disagree | | Mean | s.d | coefficient of variation % | Agreement rate (%) | |
|-------------------------------------|----------------|-------|------------|-------|------------|-------|------------|------|-------------------|------|------|------|----------------------------|--------------------|-------|
| | 5 | | 4 | | 3 | | 2 | | 1 | | | | | | |
| | Repetition | % | Repetition | % | Repetition | % | Repetition | % | Repetition | % | | | | | |
| The sphere of influence | Y1 | 16 | 17.39 | 8 | 8.70 | 62 | 63.27 | 2 | 2.17 | 4 | 4.35 | 3.12 | 0.939 | 30.07 | 62.45 |
| | Y2 | 10 | 10.87 | 16 | 17.39 | 50 | 51.02 | 5 | 5.43 | 1 | 1.09 | 2.81 | 0.783 | 27.90 | 56.12 |
| | Y3 | 12 | 13.04 | 12 | 13.04 | 63 | 64.29 | 4 | 4.35 | 1 | 1.09 | 3.12 | 0.800 | 25.62 | 62.45 |
| | Y4 | 6 | 6.52 | 35 | 38.04 | 43 | 43.88 | 7 | 7.61 | 1 | 1.09 | 3.20 | 0.772 | 24.09 | 64.08 |
| | Y5 | 15 | 16.30 | 20 | 21.74 | 51 | 52.04 | 4 | 4.35 | 2 | 2.17 | 3.24 | 0.855 | 27.58 | 64.90 |
| | Y6 | 16 | 17.39 | 13 | 14.13 | 57 | 58.16 | 6 | 6.52 | 0 | 0.00 | 3.21 | 0.855 | 26.60 | 64.29 |
| | Y7 | 10 | 10.87 | 21 | 22.83 | 55 | 56.12 | 5 | 5.43 | 1 | 1.09 | 3.15 | 0.794 | 25.10 | 63.27 |
| Average | | 13.20 | | 19.41 | | 55.54 | | 5.12 | | 1.55 | | 3.13 | 0.83 | 26.71 | 62.51 |
| Competitive compression | | | 32.81 | | | | | 6.68 | | | | | | | |
| | Y8 | 20 | 21.74 | 13 | 14.13 | 54 | 55.10 | 3 | 3.26 | 2 | 2.17 | 3.29 | 0.943 | 28.70 | 65.71 |
| | Y9 | 26 | 28.26 | 18 | 19.57 | 45 | 45.92 | 2 | 2.17 | 1 | 1.09 | 3.49 | 0.941 | 26.96 | 69.80 |
| | Y10 | 25 | 27.17 | 29 | 31.52 | 37 | 37.76 | 0 | 0.00 | 1 | 1.09 | 3.60 | 0.868 | 24.10 | 72.04 |
| | Y11 | 17 | 18.48 | 22 | 23.91 | 52 | 53.06 | 1 | 1.09 | 0 | 0.00 | 3.38 | 0.799 | 23.66 | 67.55 |
| | Y12 | 12 | 13.04 | 21 | 22.83 | 59 | 60.20 | 0 | 0.00 | 0 | 0.00 | 3.28 | 0.719 | 21.95 | 65.51 |
| | Y13 | 19 | 20.65 | 21 | 22.83 | 49 | 50.00 | 3 | 3.26 | 0 | 0.00 | 3.39 | 0.851 | 25.12 | 67.76 |
| | Y14 | 8 | 8.70 | 40 | 43.48 | 42 | 42.86 | 0 | 0.00 | 2 | 2.17 | 3.35 | 0.746 | 22.29 | 66.94 |
| Average | | 19.72 | | 25.47 | | 49.27 | | 1.40 | | 0.93 | | 3.40 | 0.84 | 24.68 | 67.90 |
| Competitive configuration | | | 85.71 | | | | | 2.33 | | | | | | | |
| | Y15 | 15 | 16.30 | 40 | 43.48 | 35 | 38.04 | 1 | 1.09 | 1 | 1.09 | 3.50 | 0.786 | 22.46 | 70.00 |
| | Y16 | 29 | 31.52 | 19 | 20.65 | 23 | 25.00 | 1 | 1.09 | 0 | 0.00 | 3.80 | 0.783 | 20.63 | 75.92 |
| | Y17 | 21 | 22.83 | 46 | 50.00 | 24 | 26.09 | 1 | 1.09 | 0 | 0.00 | 3.70 | 0.732 | 19.76 | 74.08 |
| | Y18 | 54 | 58.70 | 17 | 18.48 | 18 | 19.57 | 3 | 3.26 | 0 | 0.00 | 4.06 | 0.903 | 22.23 | 81.22 |
| | Y19 | 46 | 50.00 | 16 | 17.39 | 28 | 30.43 | 2 | 2.17 | 0 | 0.00 | 3.90 | 0.937 | 24.04 | 77.96 |
| | Y20 | 40 | 43.48 | 20 | 21.74 | 29 | 31.52 | 2 | 2.17 | 1 | 1.09 | 3.80 | 0.971 | 25.58 | 75.92 |
| | Y21 | 42 | 45.65 | 13 | 14.13 | 35 | 38.04 | 1 | 1.09 | 1 | 1.09 | 3.78 | 0.904 | 26.33 | 75.51 |
| Average | | 38.35 | | 29.66 | | 29.81 | | 1.71 | | 0.47 | | 3.79 | 0.87 | 23.00 | 75.80 |
| | | 68.01 | | | | | | 2.17 | | | | | | | |

The table was prepared by the researchers

Second: Testing the research model and its hypothesis

Testing and analyzing the hypothesis of relationships: In this paragraph, we attempt to test the first main hypothesis related to the correlation hypothesis, which states that (there is a significant correlation between intellectual capital and strategic sovereignty). The simple and multiple correlation coefficient using the Spearman method was used as the appropriate statistical tool to identify the relationship between study variables with descriptive data, and the validity of this hypothesis will be verified as follows:

Correlation by overall index The results of the correlation analysis between the two research variables and according to the overall index shown in Table (4.3) showed that there is a significant correlation between these variables at the indicator level and high levels, as the value of the correlation coefficient between the intellectual capital variable and the strategic sovereignty variable reached a value of (0.422**). and at a significant level (0.000), as this result confirms that there is a strong relationship between the two variables, from which it can

be concluded that increasing the reliance of the surveyed leaders in the soft drink companies on intellectual capital leads to an increase in strategic sovereignty. Table (4.3) of the correlation between intellectual capital and sovereignty strategic

| dependent variable Independent variable | strategic sovereignty | current value | statistical decision |
|--------------------------------------------|--------------------------|---------------|-------------------------|
| Intellectual Capital | 0.442** | 0.000 | highly significant |

N=92

sig. ≤ Strong morale when you are

The table was prepared by the researchers

Testing and analyzing the impact hypothesis. -

This paragraph explains the analysis of a test of the third main hypothesis, which states (that there is a statistically significant effect between intellectual capital and sovereignty strategy in soft drink companies in Erbil). Here I use the simple Regression Coefficient (Enter), which is one of the tools for Appropriate statistics to identify the effect of the independent variable (intellectual capital) on the dependent variable (sovereignty strategy). The validity of this hypothesis and its ramifications will be verified in the following: -Table (4.4) indicates that there is a significant effect of electronic polarization in providing job opportunities at the level of the overall index, as the calculated level of significance value (P-Value) is (0.000), which is much lower than the hypothetical level of significance adopted by the study (0.05), and Which is supported by the calculated (F) value (21.865) at two degrees of freedom (1.90) and with a probability value (0.000), which is a highly significant value at a significant level (0.00), that the explanatory value of intellectual capital in what happens to provide strategic sovereignty reached (19.5 %), while the remaining percentage (80.5%) is due to other factors not included in the hypothetical model adopted in the current study. The value of the coefficient (B0), which reached (1.798), indicates that there is an emergence of providing job opportunities through its methods, at an amount of (2.449), and that is when the value of intellectual capital through its dimensions is equal to zero. Therefore, this result proves the third main hypothesis, which states that there is a positive influential relationship between intellectual capital and sovereignty strategy Table (4.4) The effect of intellectual capital on sovereignty strategy at the total level

| strategic sovereignty | | | | dependent variable |
|-----------------------|------------------------|-----------------------------------|-----------------------------------|----------------------|
| R ² | F | B1 | -consonant B | Independent variable |
| %19.5 | (21.865) sig(0.000) | (0.340) t(4.676) sig(0.000) | (2.449) t(9.283) sig(0.000) | Intellectual capital |

The table was prepared by the researchersAs for the sub-hypotheses of the third main hypothesis:

The first sub-hypothesis It is clear from Table (4.5) that there was a significant effect of the dimension of the sphere of influence on the responding or independent variable (Intellectual capital), as the value of the calculated level of significance (p-value) was (0.000), which is less than the value of the hypothetical level of significance adopted by the study (0.05). This is supported by the (F) value of (62.142), which indicates a significant effect at the level of (0.05). Based on this result, it can be concluded that there is an influential relationship between the sphere of influence dimension in the intellectual capital variable, which indicates the reliance of managers in the surveyed companies on providing intellectual capital at good levels, and the results of the analysis indicate the following:- In light of the regression equation, it turns out that the value of the constant (B⁰), amounting to (0.917), indicates a good emergence of intellectual capital, amounting to (17.750) when the value of the sphere of influence dimension and through its dimensions is equal to zero. Therefore, this result can be interpreted as proving the first sub-hypothesis, which states that there is an influential relationship between intellectual capital and the sphere of influence dimension.- As for the value of (R²), it reached (0.408), which indicates that (40.8%) of the change that occurs in intellectual capital is due to the sphere of influence. This result also indicates that the remaining influential percentage of (49.2%) is due to factors that are not included in the hypothetical model adopted in the current research. These results prove the validity of the first sub-hypothesis, which guarantees the existence of a positive relationship between intellectual capital and the sphere of influence dimension.

Table (4.5) The effect of intellectual capital on the sphere of influence dimension

| sphere of influence | dependent variable |
|---------------------|--------------------|
|---------------------|--------------------|

| R ² | F | B1 | B - consonant | Independent variable |
|----------------|------------------------|-----------------------------------|-----------------------------------|-----------------------------|
| %40.8 | (62.142) sig(0.000) | (0.917) t(7.883) sig(0.000) | (0.061) t(0.145) sig(0.000) | Intellectual capital |

The table was prepared by the researchers

The Second sub-hypothesis It is clear from Table (4.5) that there was no significant effect of the competitive compression dimension on the responsive or independent variable (intellectual capital), as the value of the calculated level of significance (p-value) was (0.116), which is greater than the value of the hypothetical level of significance adopted by the study (0.05). This is supported by the value of (F) amounting to (2.523), which indicates the significance of the effect at the level of (0.05). Based on this result, it can be concluded that there is no influential relationship for the dimension of competitive compression and the intellectual capital variable, which indicates that the reliance of managers in the surveyed companies on providing intellectual capital at low levels, and the results of the analysis indicate the following:- In light of the regression equation, it turns out that the value of the constant (B0), amounting to (2.787), indicates a low emergence of intellectual capital, amounting to (0.230), when the value of the competitive compression dimension and through its dimensions is equal to zero. Therefore, this result can be interpreted by rejecting the second sub-hypothesis, which states that there is an influential relationship between intellectual capital and the competitive compression dimension.

- As for the value of (R2), it reached (0.0027), which indicates that the percentage (2.7%) of the change that does not occur in intellectual capital is due to the competitive compression dimension. This result also indicates that the remaining influential percentage, amounting to (97.3%), is due to other influential factors not being included in the hypothetical model adopted in the current research. Table (4.5) The effect of intellectual capital on the competitive compression dimension

| competitive compression | | | | dependent variable |
|-------------------------|-----------------------|-----------------------------------|-----------------------------------|-----------------------------|
| R ² | F | B1 | B - الثابت | Independent variable |
| %2.7 | (2.523) sig(0.116) | (0.230) t(1.589) sig(0.000) | (2.787) t(5.314) sig(0.000) | Intellectual capital |

Table/prepared by the researchers

The third sub-hypothesis I The findings in Table (4.6) reveal that the competitive configuration dimension did not have a significant impact on the dependent variable, intellectual capital. This is evidenced by the calculated p-value of (0.356), which exceeds the predetermined significance level of (0.05). The (F) value of (0.861) further supports this, indicating a lack of significant effect at the (0.05) level. This suggests that managers in the surveyed companies tend to provide intellectual capital at lower levels. Examining the regression equation, the constant value (B0) of (4.498) signifies a limited emergence of intellectual capital (0.127) when the competitive configuration dimension and its related dimensions are zero. Consequently, this result leads to the rejection of the third sub-hypothesis, which posits an influential relationship between intellectual capital and the competitive configuration dimension. Furthermore, the coefficient of determination (R2) stands at (0.009), denoting that only (0.9%) of the variance in intellectual capital can be attributed to the competitive configuration dimension. This implies that the remaining (99.1%) of the influence on intellectual capital stems from unaccounted factors not considered in the research model. Table (4.6) The effect of intellectual capital on competitive configuration dimension

| competitive configuration | | | | dependent variable |
|---------------------------|---|----|------------|----------------------|
| R ² | F | B1 | B - الثابت | Independent variable |
| | | | | |

| | | | | |
|------|-----------------------|-----------------------------------|-----------------------------------|-----------------------------|
| %0.9 | (0.861) sig(0.356) | (0.127) t(0.928) sig(0.356) | (4.498) t(9.026) sig(0.000) | Intellectual capital |
|------|-----------------------|-----------------------------------|-----------------------------------|-----------------------------|

Table prepared by the researchers

Conclusions:

- 1- The study demonstrates a clear correlation between intellectual capital and strategic sovereignty in soft drink companies in Erbil. Companies with a higher investment in intellectual capital exhibit a stronger strategic position, enabling them to navigate competitive landscapes effectively.
- 2- Among the components of intellectual capital, human capital, including employee skills, knowledge, and expertise, emerged as a crucial factor in bolstering strategic sovereignty. Furthermore, structural capital, encompassing organizational processes and routines, also demonstrated a notable influence.
- 3- Findings emphasize the necessity for soft drink companies to consistently invest in intellectual capital. This includes continuous training and development programs for employees, fostering a culture of innovation, and implementing effective knowledge management systems.
- 4- The study highlights the significance of understanding the local socio-economic and cultural context when developing intellectual capital strategies. Customizing approaches to align with the specific needs and characteristics of the Erbil market is essential for optimal outcomes.
- 5- Soft drink companies that leverage their intellectual capital effectively gain a distinct competitive advantage. This advantage stems from their ability to innovate, adapt swiftly to market changes, and create unique value propositions that resonate with consumers.

Recommendations:

- 1- Soft drink companies in Erbil should formulate a well-defined strategy that outlines how they intend to nurture and leverage intellectual capital. This strategy should encompass recruitment practices, employee development programs, knowledge management systems, and innovation initiatives.
- 2- Investing in continuous training and development programs is crucial for enhancing human capital. This should focus on both technical skills and soft skills, fostering a culture of continuous learning and innovation.
- 3- Implementing robust knowledge management systems will facilitate the efficient creation, sharing, and utilization of knowledge within the organization. This will help in preserving institutional memory and ensuring that intellectual capital remains accessible and valuable.
- 4- Soft drink companies should create an environment that encourages employees to think innovatively and contribute to the development of new products, processes, and marketing strategies. This can be achieved through incentives, recognition programs, and providing resources for research and development.
- 5- Companies should establish Key Performance Indicators (KPIs) to measure the effectiveness of their intellectual capital initiatives. Regular assessments will help in identifying areas for improvement and ensuring that resources are allocated efficiently.
- 6- Soft drink companies should remain attuned to the unique characteristics of the Erbil market. This includes understanding consumer preferences, cultural nuances, and regulatory frameworks. Adapting strategies to align with the local context will enhance the effectiveness of intellectual capital investments.
- 7- Encourage cross-functional collaboration to maximize the utilization of intellectual capital. Creating platforms for knowledge sharing and interdisciplinary projects can lead to synergies that drive innovation and strategic advantage.
- 8- By implementing these recommendations, soft drink companies in Erbil can position themselves to leverage their intellectual capital effectively, ultimately enhancing their strategic sovereignty and competitiveness in the market.

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