

The type of manager that manages the intellectual capital in organization

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Intellectual capital and knowledge management can become efficient mechanisms, capable of removing the causes generating internal disequilibria within organizations and also able to deal with the undesired effects resulting from the environmental instability. Taking into account the peculiarities and responsibilities of each type of manager, it is not logical to conclude that different types of managers, holding intellectual capital, lack uniformity and that different types of organizations have yet to develop suitable policies and strategies that would facilitate its management. The manager of the organization should perform the role of a leader co-coordinating activities and managing the intellectual capital of the organization.

Keywords: *intellectual capital, capital markets, knowledge, general manager, finance manager, human resources manager, information technology manager, marketing manager, organization interests.*

Introduction

The organization's architecture, around which the communication system was built, was established with the help of a certain information technology. The continual and fast development of the IT sector reduces the adaptability of the organization's architecture, and also creates many communication barriers. These barriers interfere between the firm and the competitive environment, affecting the communication systems and distorting the information and knowledge dissemination among departments and staff within the firm.

These communication barriers can be removed through a strict control of knowledge and through a more efficient management of constructive disorder.

Paradoxically, the role of constructive disorder within the organization is to manage communication crises through random control.

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The power and substance of strategic intellectual capital are strengths of an efficient organization. In a traditional organization with a strong hierarchical structure and a centralized administration the information not only is slow, but it is also blocked at different

levels resulting in the loss of important pieces of knowledge.

The disadvantages created by the communication barriers affect the intellectual capital that can no longer be used properly; not to mention that it cannot react, in real time, to the external changes. In respect of this it is necessary to emphasize with precision the role and responsibilities of managers in managing the intellectual capital of organization. Such an organization finds it difficult to manage the informational flux, to increase production, to manufacture high quality products and to face international competitiveness on local market.

An exact identification of the phases of the change period leads to the drawing up of individual plans of action meant to improve the employees' capacity to adapt to the rapid changes characteristic of the period.

Intellectual capital may be both the end result of a knowledge transformation process or knowledge itself that is transformed into intellectual assets of the firm (Dzinkowski, 2000). Intellectual capital contributes to the increasing of the organization performance and it is the result of the permanent knowledge transformation process.

The organization intellectual capital is created through a continual and reiterated process.

Intellectual capital transfer from the individual to the collective must be done so that intellectual capital should be assimilated in each identity of individual work. Strategic intellectual capital may be defined as that native resource of an organization, which through successive extracts, refinement and dissemination is turned into the most valuable asset.

In the process of intellectual capital assimilation individual identity is also submitted to changes. The change of identity is an important social process, which implies disjunction, responsibilities and the sharing of role expectations.

The review of business and academic literature shared the ideas for the type of manager that manages the intellectual capital of organization. Five types of seniors managers are taking into consideration: *general manager, finance manager, human resources ma-*

nager, information technology manager and marketing manager.

Taking into account the peculiarities and responsibilities of each type of manager, it is not logical to conclude that different types of managers, holding intellectual capital, lack uniformity and that different types of organizations have yet to develop suitable policies and strategies that would facilitate its management.

The capital markets can be used in establishing long term and short term organization of strategies as shown in figure no. 1. Short-term strategies must be based on practical applications and to sustain the existent intellectual potential and represented by the organizational resources of knowledge that can enhance organizational performance and increment organizational wealth, through their skilful and continuous transformation.

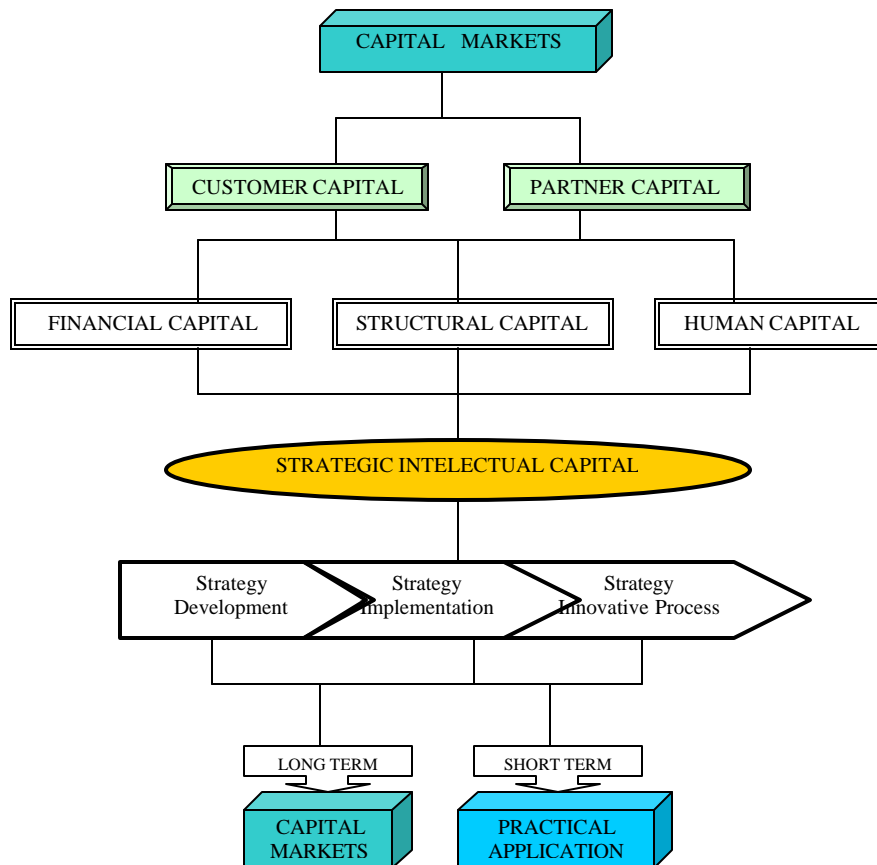


Fig. 1. The role of CAPITAL MARKETS in establishing the organizational strategies

Managers are interested to find new ways of measuring the intellectual capital in order to

boost the organizational performance. Based on his experience at SKANDIA AFS, Leif

Edvinsson along with Michael Malone (Edvinsson 1997) realized a model of intellectual capital. In Edvinsson's model, the intellectual capital is composed of two major elements:

- human capital
- structural capital

Human capital is regarded as an assembly of knowledge, skills and experiences of the employees.

Once knowledge has been created, it is of no use if it cannot be applied to the business operations of the organization (Roos and *al.*, 1997).

Today, the final evaluation for the value of intellectual capital are the capital markets that represent the knowledge output.

The relationship between human capital and

customer capital is turned into value by all knowledge, skills and experiences held by employees and customers of firm.

Edvinsson and Malone (1997) defined the structural capital as the embodiment, empowerment and supportive infrastructure of human capital.

The managers may take a wide range of actions to actively manage the knowledge resources at their disposal in order to enhance organizational performance.

How intellectual capital and tangible assets could be positioned in relation to each other, to organizational wealth, and to organizational performance (as shown in figure no. 2).

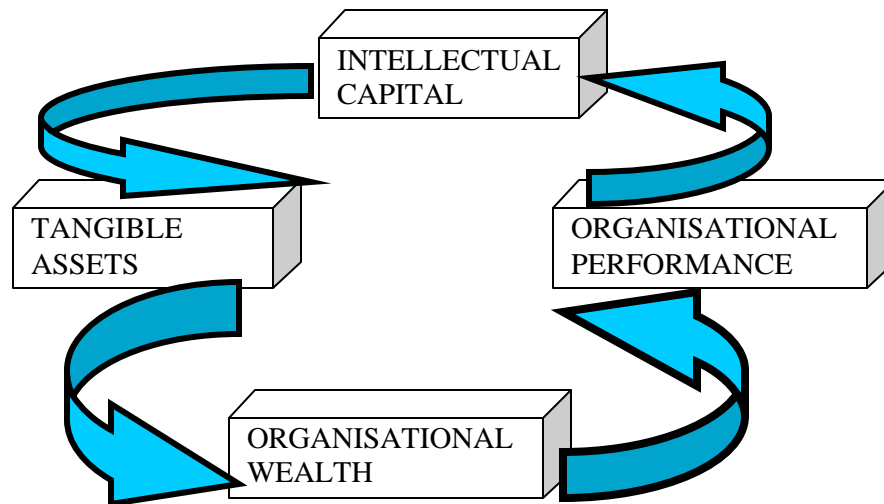


Fig. 2. The relation between intellectual capital and tangible assets

The structural capital is formed by a set of infrastructure elements that support the human capital.

The client capital is represented by the value of relationships with the clients.

The research carried out by Edvinsson and Malone is done in the latest years of the 20th century, and, since then, a number of models concerning the intellectual capital have been developed.

Two major views exist. There are:

- The egocentric view: in which the intellectual capital is considered to be created in the interaction between the individual capital of employees. Each individual is responsible for the application of his intellectual capital,

helping the creation new organizational dimension;

- The socio-centric view – is set in accordance with the individual values, but these values interact at the structural level requiring the global implications of individuals in the creation of the new organizational dimension.

Taking into account the two major views it can be said that the organizational performance can be increased continuously only if:

- a balance is realized between the individuality of intellectual capital and the diversity of organization interests;
- the social system integrates the intellectual capital and the new individual knowl-

edge in the production system.

The creation of possible relationships to exchange and communicate the individually developed intellectual capital, as well as to communicate its meaning in order to facilitate its organizational diffusion, is therefore a fruitful exercise for the process of creating strategic intellectual capital.

Conclusions

The managers cannot measure the innovation capacity of the organization but they can increase the organizational performance. The managers will be the first to grapple with issues arising from the effective management of knowledge. In another words, the managers can increase the dynamic and the quality of innovation process, and also, the competitiveness of their organization. Edvinsson emphasizes the innovation, but the innovation as a process not the innovation as an element of production. Within the organization where knowledge exists the only problem is the way in which they are discovered, purchased, managed and disseminated.

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