

ETHICS AND INTELLECTUAL CAPITAL IN SMART SOCIETY

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EXTENDED ABSTRACT

In emerging Smart Society, knowledge is considered a key resource for individuals, organizations, economies and societies. Emerging technologies innovations are promoted using new combinations of exiting knowledge or creating new one. The field of Intellectual Capital has been widely studied in academia, but the role that ethics should play is unexplored. This paper introduces the fundamental aspects of Knowledge Management, Intellectual Capital and a reflection of ethics in this area.

Currently, knowledge is considered an essential element of the organizational culture because its management through human talent generates individual, collective and organizational capabilities and experiences, representing the primary asset of a company. So, knowledge refers to the ability to act, process and interpret information to generate new knowledge or solve a certain situation and therefore, it is the main intangible component (Bakhsha, Afrazeh and Esfahanipour, 2018).

In this way, knowledge management (KM) focuses on the production and transfer of information, implying the assessment, assimilation and improvement of the skills and experience of an organization members . The foregoing refers to an emerging managerial approach, which recognizes human talent from the knowledge they have and contribute to the activities of the company and the competitive environment, through structures, methods and consciously integrated interactions between the people who interact within and outside the organization (Hernández, Muñoz & Jiménez, 2015).

From such appreciations, knowledge distinguishes two perspectives: tacit and explicit. In the first one, it can be inferred that it is acquired through experience (skills, competences, know-how and contextual knowledge in people's minds), while the second is transmissible through formal and systematic language, being able to admit forms in the organization (rational, sequential and digital). In this sense, tacit knowledge is not disconnected from explicit knowledge (Axtle-Ortíz and Acosta-Prado, 2017).

In KM there is the transformation of the tacit knowledge of individuals into explicit at group and organizational level, and therefore, each of group members internalize it, making it tacit again. In this sense, managing knowledge implies its administration, which comes from learning as a person and organization, with continuously innovative patents. That explains why KM has two significant elements: the first one refers to administrative processes (planning, organization, direction and control) to achieve the business strategy (objectives, mission, vision, strategies, actions, others) and the second one, shows that both company and individual grow from their learning as a result of their activities and from the internal and external factor that acquires or distinguishes information, exploring, incorporating, gathering, cultivating, valuing and manifesting their revelation abroad, attempting a result (Gómez-Bayona, Londoño-Montoya and Mora-González, 2020). From these ideas, KM is distinguished in providing activities related to learning based on the creation, capture, transformation and use of common experiences. Such process needs planning and implementing the related activities for the effective management of Intellectual Capital (IC) (Alarcón, Álvarez, Goyes and Pérez, 2012).

KM is recognized as the knowledge that the company possesses for the development of its functions and the generation of added value. Intellectual Capital is produced from the contributions of social actors in the organization (workers, collaborators, work teams, others) to the productivity of the organization. So IC is characterized by the knowledge that emerges from the internal and external interactions of the organization (Azofra, Ochoa, Prieto and Santidrián, 2017). In this way, IC within organizations is considered part of intangible assets because it is related to the acquisition, organization and transfer of knowledge, meaning an experiential teaching and a learning instrument. A company that aspires to endure in the current reality must be competent to decipher the demands of the environment and to anticipate them.

Likewise the use of IC allows assessing the knowledge generated in specific conditions on the results of the organizations, as a device that produces surplus value (Gálvez, Borrás and Abadía, 2020). That is why IC represents the main intangible component of an organization because it expresses the existence of knowledge by all the organization member that contribute to the production of a sustainable competitive advantage over time and in the development of a greater financial performance. From this perspective, IC is made up of Human Capital (HC), Structural Capital (SC) and Relational Capital (RC).

The management of the IC is oriented, from a strategic perspective on the construction and administration of intellectual assets, the transformation and modernization of existing ones, and the increase in the valuation of all of them. For this reason, the HC is the main growth factor of a company because workers have to manage knowledge from SC and RC, according to the competence and responsibility inherent to each job (Farah and Abouzeid, 2017).

The HC, through training, develops skills, qualifications and experiences that, associated with the business management policy, can be promoted by a team of committed, responsible, trained, motivated and professionals identified with the objectives of the organization and with its business model. The orientation towards the training and satisfaction of people generates proactive attitudes, continuous learning and meaningful experience. The intelligent and strategic management of HC is a significant element in towards business excellence (Alarcón, Álvarez, Goyes and Pérez, 2012).

SC focuses on the organizational structure, work procedures, digital information processing, technological programs, research and development (R&D) and business management, in such a way that the knowledge of the company is stored in people and in their management and information systems. It is because of that knowledge is the property of the company. By identifying, storing, systematizing and fitting people's knowledge into the routines of the company, it is possible to establish optimal mechanisms and structures for organizational performance (Villegas, Hernández & Salazar, 2017). Regarding RC, it can be argued that the knowledge between the individuals of a company is related to the environment, which means that the social interactions of the organization with all the interest groups (suppliers, customers, competitors, others). So RC is made up of a system of relationships and knowledge that add value to the organization. (Alarcón, Álvarez, Goyes and Pérez, 2012).

So, it is evident that the reference of ethics in IC is glimpsed at daily dynamics of organizations, because IC management is associated with ethics from the perspective of the values shared by human talent with organizational strategy (objectives, mission, vision and policies). The organizational culture from the ethical point of view values the HC from the active, responsible, committed and productive attitude for the development in its various roles, which respond to corporate strategic management (Jiménez, 2018).

From this premise, promoting IC management contemplated from organizational ethics leads to creating knowledge for its employees, allowing them growing in the performance of their functions.

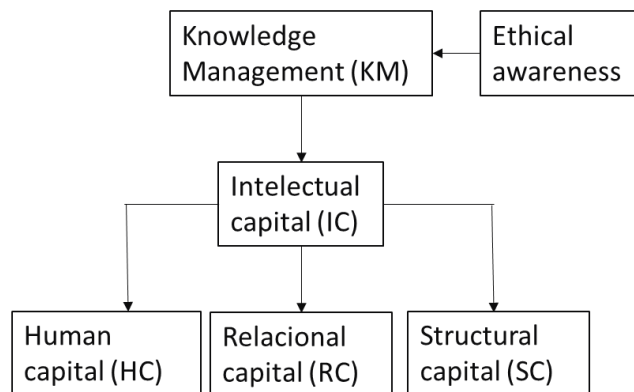
By promoting an ethical organizational culture in human talent, KM develops competences associated with values that allow generating added value to IC (León, 2020). This ethical behavior is reflected in the actions of people and in turn in the corporate image, because knowledge is obtained by linking the ability to learn (intelligence) and the opportunity that the organization develops to promote learning.

Then, the IC is considered ethically viable from the intangible intelligence that is formed by adding new competencies and experiences in the HC, by developing knowledge in the SC and by producing information based on the articulations between the RC and the business environment. All these relationships between the elements that make up the IC and the organizational culture make people being identified with the strategies, structure and system of the company. So ethical values represent the habit of a business philosophy that points to KM (Axtle-Ortíz and Acosta-Prado, 2017).

The issue of ethics in the development of IC is an argument that associates the knowledge of HC, RC and SC with the strategic nature of the organization, producing relationships between people and the business environment from the field of values. Ethics influences beliefs and perceptions, impacting IC performance, and decision-making for an optimal management. This indicates that ethics, IC and companies make up a set of values that interact with each other from people (internal and external) and organizational management.

Thus, it is stated that IC has allowed the development of organizational success and its value is seen in its relationship with the mission, vision and business culture. The adaptability of people in the business environment represents the intellectual contribution to productivity. Therefore, ethical values are applied by human behavior in their usual practice. From this point of view, the selection and development of collaborators has been oriented towards the promotion of ethical values integrated with the internal and external knowledge of the organization, allowing to overcome the absence of the disposition in SC processes, development of the HC and RC growth.

Figure 1. Relation between knowledge management, intellectual capital, human capital, relational capital and structural capital



KEYWORDS: Knowledge Management, Ethics, Smart Society, Innovation.

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