
Preface: Intellectual capital, efficiency and organisational performance: some lessons

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1 Introduction

The European Commission (2020) stated six priorities for the period 2019–2024: “A European Green Deal; an economy that works for people; a Europe fit for the digital age; promoting our European way of life; a stronger Europe in the world, and a new push for European democracy”.

More than one year ago, the world suffered a global shock due to the covid-19 outbreak. Governments and companies needed and need to act fast to mitigate the economic, health and social impact of the pandemic, and start the economic recovery faster, relaunch the economy, create jobs and recover prosperity. In the restoration of growth, they must support green and digital transitions and reduce poverty and imbalances.

Knowledge-based resources are key to build competitive advantages for companies, regions and nations (Ordóñez de Pablos and Edvinsson, 2020). Therefore, it is important to understand how intellectual capital can contribute to efficiency (Chowdhury et al., 2019; Thi Hoang et al., 2020) and organisational performance (Gopal Maji and Goswami, 2020). Also, companies need to understand the role of intellectual capital in the process of internationalisation of small and medium-sized companies, which represent the backbone of the EU’s economy. Human capital (Baldi and Trigeorgis, 2020; Salehi and Farzaneh, 2018; Ordóñez de Pablos, 2004) will be crucial to design and implement actions and solutions that will bring economic recovery and resilience.

In this issue, we will explore strategic issues to contribute to boost competitiveness, economic growth and recovery in covid-19 and post covid-19 scenarios.

2 Contents of the issue

The third issue of 2021 presents a collection of four papers addressing key topics for economic growth, resilience, prosperity and sustainability of companies and economies, such as human capital, intellectual capital, internationalisation. The collection of papers has studies focused on Bangladesh, Nigeria, Pakistan and the UK.

The paper 'On the relationship between intellectual capital efficiency and firm value: evidence from the Nigerian oil and gas downstream sector' (by Bala, Hassan, Dandago, Abubakar and Maigoshi) uses

“a multi-theory framework which combines the lenses of clean surplus theory, resource-based theory and stakeholder theory to examine the relationship between measures of intellectual capital efficiency and firm market value. We employ Prais-Winsten regression with PCSEs to estimate our model. We find that while capital employed and structural capital efficiencies significantly positively determine firm value, relational capital efficiency's positive effect appears mild. However, human capital efficiency appears to have no-relationship with firm value. The significance of our findings is demonstrated by two key contributions to the literature. Firstly, this study is the first of its kind conducted in the Nigerian oil and gas industry. Secondly, our results provide further evidence in support of the clean surplus theory in its function of facilitating the role of accounting numbers in determining and explaining market values. These results are robust to an alternative time-series estimation at aggregate downstream sector level.”

The paper 'Internationalisation challenges of SMEs: role of intellectual capital' (by Reza, Mubarik, Naghavi and Nawaz) studies

“the impact of internationalization challenges on the international performance of small and medium enterprises (SMEs). Second, the study investigates the role of intellectual capital – *measured by human, relational, and structural capitals* – in the association between internationalization challenges and the firm's internalization performance. Data were collected from 211 manufacturing sector SMEs of Pakistan using a close-ended questionnaire. First, partial least square-structural equation modeling was employed to analyze the hypothesized relationship. Second, one-way ANOVA was employed to check whether the internationalization performance differs by the level of IC or not. The results depicted a significant negative influence of all four groups of internationalization challenges on the firm's international performance. Results also showed a significant and direct impact of human capital and structural capital on a firms' international performance. Results showed that IC significantly and negatively moderated the association between internationalization challenges and performance. Likewise, results also showed that firms with stronger IC were having better international performance as compare to the firms with weaker IC. The findings of the study indicate the negative role of internationalization challenges and the constructive role of IC in the firm's international performance. Findings imply that a firm can tackle the internationalization challenges by developing the IC, which can be done by adopting HR practice, cross-cultural management, and process re-engineering.”

The paper 'Determinants of work-life balance among white collar females in private sector of Bangladesh' (by Chowdhury and Kaliannan) states that there are

“few available literatures recognised this issue but mostly for blue-collar female employees. Whereas in reality, white collar working female are also burdened with major challenges to balance their work and life. Therefore, the study was carried out with an aim to investigate the determinants of work life balance among the white-collar female employees working in private sector of Bangladesh. The study employed a mixed methodology of online questionnaires with 189 responses from the private sector white collar females and semi-structured interviews on 4 varied background human resources' personnel. The main findings show personal and family-social life are affected most due to their job and these two determinants can significantly influence overall balance between work and life.”

The last paper, titled ‘Assessing the impact of different components of intellectual capital on the performance of non-profit organisations in the UK’ (by Baig and Ndiweni), analyses

“the relationship between intellectual capital (IC) determinants and performance in non-profit organisations (NPOs) in the UK. It focuses on the productivity of human capital in Social Housing Associations (SHA) and other charities (OC). We analysed the efficiency and effectiveness of 64 NPOs using Pulic’s value added intellectual capital coefficient. We employed ordinary least squares regression analyses on data obtained from annual reports over two years. We found that SHA had lower levels of IC efficiency than OC. Our results revealed that value added intellectual capital coefficient was negatively associated with performance of SHAOC, whereas, the value added capital employed coefficient was positively associated with the effectiveness of SHAOC. We concluded that HC was an important component than capital resources in SHA. Our results were limited due to a small sample and short period that was considered.”

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