Editorial: Intellectual capital and digital transformation: unlocking the potential of knowledge-based resources for the future digital economy

Patricia Ordóñez de Pablos

Department of Business Administration,
Faculty of Economics and Business,
The University of Oviedo,
Avda. del Cristo, s/n, 33.071 Oviedo, Asturias, Spain
Email: patriop@uniovi.es

1 Introduction

The recent pandemic evidenced the importance of strategic knowledge to handle complex and dynamic scenarios, the transfer of critical knowledge (inter and intra organisationally, across countries and regions) and the development of strategic networks of multidisciplinary collaboration among different stakeholders (research centres, policy makers, universities, companies) (Alrahbi et al., 2022; Mahdiraji et al., 2022; Lytras et al., 2009; Xu et al., 2022). This global outbreak caused major disruptions around the world, showing the urgency of strengthen preparedness and response to outbreaks as well as heavily investment into research. In addition, strategic knowledge and data sharing among governments, researchers, companies and other relevant stakeholders are essential to build more resilient national healthcare systems, counter the socio-economic impact of the pandemic, and nurture more inclusive societies and economies (European Commission, 2022a; Genovese et al., 2022; Ordóñez de Pablos et al., 2022). Digital solutions will accelerate the transition to a green economy, create new opportunities for citizens and companies in a digitalised society and foster a sustainable economy. Digital technologies (5G, AI, cloud, IoT and others) are key for the EU and other regions to become climate neutral by 2050 and support the circular economy (European Commission, 2022b; Zhang et al., 2016).

Understanding the potential of intellectual capital (IC) (its components and their interactions) and the new and emerging digital tools and techniques will be key to build sustainable competitive advantages for companies, organisations and societies (Ordóñez de Pablos, 2004, 2005). Most importantly, in adapting to new economic scenarios, IC and digital transformation will play a crucial role and serve as accelerators to respond to the socio-economic challenges of the COVID-19 pandemic and future pandemics and shape the future of competitiveness in the future digital economy.

Copyright © 2023 Inderscience Enterprises Ltd.

2 Contents of the issue

This second issue of 2023 presents a collection of five papers that contribute to expand our knowledge and insights on human capital (HC), IC, leadership and sustainability. They explore key issues and analyse evidence of some studies conducted in Ethiopia, India, Malaysia, Portugal and Turkey. This discussion provides an overview of the potential of IC to build more resilient companies and societies.

The first paper of issue 2 is titled 'Thought leadership and strategic communication: proposal for a conceptual model' (by Guerreiro, Sebastião and Pereira). It states that:

> "Strategic communication exists to enable decision making and will only have a place in organizations if the leader recognizes its value. Leading, through thought, enables the co-creation of meanings. In a V.U.C.A. world the companies' life is reducing, so it's mandatory to explicit the companies' purpose to survive and prosper. In the act of co-creation, this study finds the necessary grounds for relations, and structures the foundations of organizational strategy. This inductive and exploratory study, based on 64 qualitative interviews with management professionals in Portugal, aims to construct a conceptual model that ascertains the competencies of a thought leader and allows for the discerning of attributes related to the concept of thought leadership. The results demonstrate that skills, innovation, communication, intelligence, and charisma are the most mentioned characteristics that encompass the idea of thought leadership. This study is justified by the need for leaders to understand the competencies they must possess and develop to be more effective in the context of communicatively constructed organizations."

The paper titled 'Trends of human capital development in Ethiopia: a comparative analysis' (by Bareke, Agezew, Dedho, Herut, Demissie, Yimer and Lebeta) affirms that:

> "Despite the vitality and importance of human capital development (HCD), the globe is challenged with uneven human development trends leaving many countries at far bottom while putting others at the pinnacle of the triangle. In this regard, the African continent is one of the most vulnerable nations of this deprivation, and in particular, the sub-Saharan Africa region remains the weakest and lowest of all in terms of boosting its human capital (HC) compared to the rest of the world that dominantly resulting from poor and inefficient education system. With the growing concern of HC as field of scientific inquiry and paucity of researches conducted in many developing countries, this study attempted to address the trends of HCD in Ethiopia comparing to the sub-Saharan region and the world's standard. The study was purely quantitative employing secondary data. The World Bank's time series data from 1981–2018 was considered for the study. An average year of schooling was taken as the major proxy indicator of HCD for the analysis. Descriptive statistics like mean, standard deviation, and mean differences were used. The empirical result of the study revealed, although the magnitude of the advancement was not as like as the explanatory variables did, the trend of human capital in Ethiopia is slightly progressing. Comparing the status of Ethiopia's HC, it remains the lowest and least ranking among countries, even less than the sub-Saharan standard. From these findings, it can be concluded that the average years of schooling remained low as it was challenged by low completion rates at primary and secondary levels. Therefore, Ethiopia is advised to work vigorously beyond universalizing primary education and better focus on the introduction of compulsory secondary education, even beyond, to boost its HC."

The paper titled 'Intellectual capital and firm performance: the moderating effect of controlling shareholders in Malaysia' (by Ting, Asif, Kweh and Tebourbi) presents the results of a study that analyses several key issues:

> "(i) How intellectual capital (IC) investment nonlinearly affects firm performance, and (ii) how controlling shareholders moderate the nonlinear association between IC investment and firm performance. This study utilizes the value-added intellectual coefficient to proxy for the efficiencies of IC and its components, namely, human capital, structural capital and capital employed. Panel regression analysis is conducted utilizing data from 733 Malaysian public listed companies for the period 2009–2018. The positive effects of intangible components of IC investments vanish after a certain optimal breakpoint. Regression results also indicate that controlling shareholders moderate the nonlinear impacts of IC and component investment on firm performance except for human capital efficiency. This study is the first to examine the role of controlling shareholders in moderating the relationship between IC investment and firm performance with a joint investigation of controlling shareholders, IC, and firm performance."

The paper titled 'Intellectual capital efficiency and its impact on sustainable growth of Indian agribusiness sector' (by Balaji and Mamilla) examines:

> "The effect of intellectual capital components and financial capital on the sustainable growth of Indian agribusiness companies. First, the Lagrange multiplier test is conducted, identifying whether the panel least square is suitable for the fixed effects model (FEM) or random effect model (REM). Next, the Hausman test determines whether the REM or FEM model is appropriate for panel data analysis. Next, to investigate the groupwise heteroskedasticity in panel data, Breusch-Pagan/Cook-Weisberg test is used. Then, the effect of intellectual capital components on agriculture companies' long-term success is investigated using a multiple regression model. The study's results are based on a sample of 14 publicly traded Indian agribusiness companies. Results conclude that the efficiency of the capital employed, human capital, relational capital, and financial capital are all highly significant in determining the long-term development of Indian agribusiness."

The last paper of this issue is titled 'The effects of relational capital on likelihood of conflict occurrence under the moderation effect of the propensity to trust' (by Konuk and Ataman). It presents the results of a study that discusses:

> "The conflict literature by arguing that the relational capital between co-worker affect the likelihood of conflict occurrence and investigating the moderation role of propensity to trust on this interaction. A random sample was drawn from 381 Turkish citizen white collar employees from SME companies in nine industries. The study was prepared to measure employees' perceptions of the conflict and relationship capital they experience with their co-worker, with whom they interact the most. According to the findings, 1) an increase in relational capital decreases the likelihood of task and relationship conflict occurrence and 2) relational capital decreases the likelihood of task and relationship conflict occurrence more when the levels of propensity to trust are high."

Acknowledgements

Finally, I would like to thank Inderscience staff (especially Alexandra Starkie) for the valuable support in the development of this journal.

References

Alrahbi, D.A., Khan, M., Gupta, S., Modgil, S. and Jabbour, C.J.C. (2022) 'Health-care information technologies for dispersed knowledge management', *Journal of Knowledge Management*, Vol. 26, No. 6, pp.1589–1614.

European Commission (2022a) *Coronavirus and Research Innovation* [online] https://research-and-innovation.ec.europa.eu/research-area/health/coronavirus_en (accessed 19 October 2022).

European Commission (2022b) *Shaping Europe's Digital Future* [online] https://ec.europa.eu/info/strategy/priorities-2019-2024/europe-fit-digital-age/shaping-europe-digital-future_en (accessed 19 October 2022).

Genovese, S., Bengoa, R., Bowis, J., Harney, M., Hauck, B., Pinget, M., Leers, M., Stenvall, T. and Guldemond, N. (2022) 'The European Health Data Space: a step towards digital and integrated care systems', *Journal of Integrated Care*, Vol. 30, No. 4, pp.363–372.

Lytras, M.D., Sakkopoulos, E. and Ordóñez de Pablos, P. (2009) 'Semantic web and knowledge management for the health domain: state of the art and challenges for the Seventh Framework Programme (FP7) of the European Union (2007–2013)', *International Journal of Technology Management*, Vol. 47, Nos. 1/2/3, pp.239–249.

Mahdiraji, H.A., Beheshti, M., Jafari-Sadeghi, V. and Garcia-Perez, A. (2022) 'What drives inter-organisational knowledge management? The cause and effect analysis using a multi-layer multi-criteria decision-making framework', *Journal of Knowledge Management*, Vol. 26, No. 9, pp.2195–2221.

Ordóñez de Pablos, P. (2004) 'The nurture of knowledge-based resources through the design of an architecture of human resource management systems: implications for strategic management', *International Journal of Technology Management*, special issue, Vol. 27, Nos. 6/7, pp.533–543.

Ordóñez de Pablos, P. (2005) 'Western and eastern views on social networks', *The Learning Organization – An International Journal*, Vol. 12, No. 5, pp.436–456.

Ordóñez de Pablos, P., Chui, K.T. and Lytras, M.D. (2022) *Digital Innovation for Healthcare in Covid-19 Pandemic: Strategies and Solutions*, Elsevier, London, UK.

Xu, D., Yan, S., Zhang, Y., Zhang, S., Nakamori, Y. and Chen, L. (2022) 'Knowledge management for extreme public health events COVID-19: based on Tiktok data', *Journal of Knowledge Management*, Vol. 26, No. 9, pp.2354–2369.

Zhang, X., Chen, H., Wang, W and Ordóñez de Pablos, P. (2016) 'What is the role of IT in innovation? A bibliometric analysis of research development in IT innovation', *Behaviour and Information Technology*, Vol. 35, No. 12, pp.1130–1143.