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RESEARCH ARTICLE

INTELLECTUAL CAPITAL: EXPLORING INTRA-ORGANIZATIONAL DIFFERENCES OF WEST VISAYAS STATE UNIVERSITY-EXTERNAL CAMPUSES

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ABSTRACT

This study examined how intellectual capital influenced various intra-organizational differences of West Visayas State University-external campuses. It utilized the descriptive correlational method with 80 participants from four external campuses of WVSU. The findings revealed that intellectual capital did not influence various intra-organizational differences. Both intellectual capital and intra-organizational differences among WVSU external campuses was excellent. As anticipated, the difference in intellectual capital of the WVSU external campuses was not significant; the external campuses varied in their research but were similar in instruction, extension, and production functions; and intellectual capital and intra-organizational differences did not affect each other.

Key words: Intellectual Capital; Intra-Organizational Differences; West Visayas State University; External Campuses.

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INTRODUCTION

Intellectual capital is the sum of all knowledge firms utilize for competitive advantage (Nahapiet and Ghoshal, 1998). Intellectual Capital of West Visayas State University among External Campuses is the combination of an organization's Human, Relational and Organizational resources and activities of a University. Human Capital is classified as the knowledge of the human resources such as faculty, non-teaching staff, and students; Organizational Capital comprised of the governance principles, the organizational routines, procedures, systems, organizational culture, databases, publications, intellectual property, organizational structure, research, production, and extension activities. Finally, Relational Capital is linked to the external relationships of the institution such as alumni; parents, private sectors, local government units, local communities, and non-governmental organizations. The importance of intellectual capital is that, as Warden (2003) posited, those having some continuous external demands for greater information and transparency about the utilization of public funds and increasing demands for greater autonomy regarding their organization, management, and budget allocation among university. Easterby-Smith and Lyles (2003) as well as Holsapple (2003) noted that intellectual capital Management (ICM) is a set of managerial activities aimed at identifying and valuing the knowledge assets of the organization, leveraging these assets through knowledge sharing, and creating new knowledge.

Furthermore, there should be provision of an efficient methodology to identify, measure, manage, and diffuse knowledge, that is, a proper way to improve internal management and transparency. This should be translated into greater dynamic, excellent, and multidisciplinary management in higher education organizations (Elena, 2004). Nowadays, universities are immersed in strong transformation processes (Sorbonne Joint Declaration, 1998; Bologna Declaration, 1999; and Prague Declaration, (2001), aimed at establishing a Higher Education Area (HEA) by the end of the decade (year 2010) and to improve teaching quality level in universities. A complex environment, with growing environmental pressure, global markets with different rules and cultures and increasing competition is faced by organizations. Marquès (2011), explored inter-group differences as regards social capital and how and why they may explain intra-organizational differences in innovation capabilities and innovation readiness. Aragón-Correa, García-Morales, and Crodón-Pozo, (2007) suggested that intra-organizational knowledge sharing influences a firm's capacity to innovate as it supports creativity and inspires new knowledge and ideas. Also, Levin and Cross (2004) state that strong ties within an organization are important because they make people more accessible and willing to be helpful, and they are important conduits of useful knowledge. Subramaniam and Youndt (2005) added that, since innovation is basically an effort of collaboration, social capital plays a key role in its development. Youndt, Subramaniam, and Snell (2004) discuss the important aspects of intellectual capital that gives scholars a means to parsimoniously synthesize the approaches by which knowledge is gathered and used in organizations and they identified three prominent facets of

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intellectual capital: human, organizational, and social. Human capital is defined as the knowledge, skills, and abilities residing within and utilized by individuals, whereas organizational capital is the institutionalized knowledge and codified experience residing within and utilized through databases, patents, manuals, structures, systems, and processes (Youndt *et al.*, 2004). The third aspect, social capital, is defined as the knowledge embedded within, available through, and utilized by interactions among individuals and their networks of interrelationships (Nahapiet & Ghoshal, 1998). The three aspects of intellectual capital are exhibited in how each aspect accumulates and distributes knowledge differently: either through (1) individuals, (2) organizational structures, processes, and systems, or (3) relationships and networks. Other key attributes, however, further highlight their inherent differences, (Nathalie and Ghoshal, 1998). The researcher chose this topic in order to ascertain the status regarding intellectual capital and intra-organizational differences of the four campuses as bases for future decision making and policy making.

Objectives of the Study

This study aimed to determining the responses of the participants to the different intellectual capital and intra-organizational differences of the four WVSU-External Campuses. Specifically, it aimed at identifying the intellectual capital and intra-organizational differences of the campuses; and finding out if significant differences and relationship would exist between intellectual capital and intra-organizational differences.

MATERIAL AND METHODS

The survey-correlational method of research was employed in this investigation. According to Fraenkel and Wallen (2003), the major purpose of survey research is to describe the characteristics of a population. In essence, information is collected from a group of people in order to describe some aspects or characteristics (such as abilities, opinion, attitudes, beliefs, and or knowledge) of the population of which the group is part. In correlation research, sometimes called associative research, the relationships among two or more variables are studied without any attempt to influence them. In their simplest form, correlational studies investigate the possibility of relationships between two variables, although investigations of more than two variables are common.

This the study described the intellectual capital in exploring intra-organizational differences of West Visayas State University-External Campuses. A total of 80 respondents were purposively chosen, 20 faculty and non-teaching staff from each external campus. This study, used a researcher-made questionnaire duly validated by panel of experts the university vice-president for research and extension; CHED research specialist Region VI; and Technical panel for Teacher Education of DepEd. To compute for the reliability of the whole test, the Spearman-Brown Prophecy formula was applied. The alpha coefficients of reliability for all two dimensions were relatively high: intellectual capital (.95) and intra-organizational differences (.95) which, according to Smith are considered reliable. The data collected were tallied, tabulated, and interpreted using numeric values assigned to the qualitative description used in questionnaires. Means and standard deviations were employed as descriptive statistics; while Pearson's *r* was employed as inferential statistics. Means were used to determine the intellectual capital in exploring intra-organizational differences of West Visayas State University-External Campuses; standard deviations were used to determine the homogeneity / heterogeneity of the respondents practices observed on the intellectual capital in exploring intra-organizational differences of West Visayas State University-External Campuses; and Pearson's *r* was used to determine the significance of the relationships between intellectual capital and intra-organizational differences of West Visayas State University-External Campuses. The .05 alpha level was used as the criterion for the acceptance or rejection of the null hypotheses.

RESULT AND DISCUSSION

Intellectual Capital of West Visayas State University External Campuses

Table 1 shows that the intellectual capital of West Visayas State University External Campuses as a whole had a mean of 4.51 for human; 4.49 for organizational; and 4.51 for relational. In human capital, Janiuay Campus led (M=4.52; SD=.235); followed by a tie between Lambunao and Pototan (Ms=4.51 and 4.51; SDs=.253 and .253); and the fourth was Calinog (M=4.49; SD=.257). In organizational Capital, Janiuay and Lambunao lead with a tie (Ms=4.50 and 4.50; SDs=.226 and .258), followed by another tie between Pototan and Calinog (Ms=4.49 and 4.49; SDs= .235 and .231).

Table 1. Intellectual Capital of West Visayas State University External Campuses

| Campuses | | Human | Organizational | Relational | Description |
|--------------|------|-------|----------------|------------|-------------|
| Calinog | M. | 4.49 | 4.49 | 4.48 | Excellent |
| | S.D. | .257 | .231 | .231 | |
| Lambunao | M. | 4.51 | 4.50 | 4.53 | Excellent |
| | S.D. | .253 | .258 | .251 | |
| Janiuay | M. | 4.52 | 4.50 | 4.50 | Excellent |
| | S.D. | .235 | .226 | .230 | |
| Pototan | M. | 4.51 | 4.49 | 4.51 | Excellent |
| | S.D. | .253 | .235 | .253 | |
| General Mean | M. | 4.51 | 4.49 | 4.51 | Excellent |
| | S.D. | .245 | .234 | .238 | |

Legend:

| | |
|-------------|-------------|
| Mean | Description |
| 4.21 – 5.00 | Excellent |
| 3.41 – 4.20 | Very Good |
| 2.61 - 3.40 | Good |
| 1.81 - 2.60 | Fair |
| 1.00 - 1.80 | Poor |

Finally, in relational capital, Lambunao campus led (M=4.53; SD=.251); followed by Pototan (M=4.51; SD=.253); then by Janiuay (M=4.50; SD=.230); and lastly, by Calinog (M=4.48; SD=.231). Each area was given an excellent rating. This shows that both administrator and college faculty do their work well.

Intra-organizational Differences of West Visayas State University External Campuses

The table 2 shows that the intra-organizational differences of West Visayas State University External Campuses as a whole had a mean of 4.48 for instruction; 4.50 for research; 4.44 for extension; and 4.45 for production. As to campus, Lambunao and Janiuay campuses led in instruction (Ms= 4.50 and 4.50), followed by Calinog (M=4.47), and lastly, by Pototan (M=4.45). In research, Calinog was on top (M=4.65); followed by Janiuay (M=4.49); then by Lambunao (M=4.45); and Pototan (M=4.41). In extension functions of the university, there was a triple tie among the Calinog; Lambunao; and Pototan campuses (Ms=4.45), followed by Janiuay (M=4.44). In the CHED mandate of production function, Janiuay and Pototan tied (Ms=4.45), and followed by a tie between Calinog and Lambunao (Ms=4.44). Each area was given an excellent rating. This shows that both campus administrators and college faculty did their work well to follow the mandate of CHED as a function of tertiary education.

Difference in the Intellectual Capital of West Visayas State University External Campuses

The ANOVA result showed no significant difference in intellectual capital of West Visayas State University External Campuses in terms of Human Capital (p=.975); Organizational Capital (p=.996), and Relational Capital (p=.907) all of which are higher than the 0.05 level of significance. Therefore, the null hypothesis is accepted on these variables.

Significant Differences in the Intra-Organizational Differences of West Visayas State University External Campuses

The ANOVA results revealed no significant difference in the intra-organizational differences of West Visayas State University External Campuses in instruction (p=.898); extension (p=.999); and production (p=.998) all of which are higher than the 0.05 level of significance. Therefore, the null hypothesis is accepted on these variables. On the other hand, a significant difference existed in the intra-organizational differences of West Visayas State University External Campuses in terms of research (p=.003) which is less than the 0.01 level of significance. Therefore, the null hypothesis is rejected. This implies that the four external campuses varied in their research activities and out puts.

Table 2. The Intra-organizational Differences of West Visayas State University External Campuses

| Intra-Organizational Differences | | Instruction | Research | Extension | Production | Description |
|----------------------------------|------|-------------|----------|-----------|------------|-------------|
| Calinog | M. | 4.47 | 4.65 | 4.45 | 4.44 | Excellent |
| | S.D. | .231 | .222 | .203 | .203 | |
| Lambunao | M. | 4.50 | 4.45 | 4.45 | 4.44 | Excellent |
| | S.D. | .258 | .238 | .203 | .204 | |
| Janiuay | M. | 4.50 | 4.49 | 4.44 | 4.45 | Excellent |
| | S.D. | .199 | .203 | .204 | .204 | |
| Pototan | M. | 4.45 | 4.41 | 4.45 | 4.45 | Excellent |
| | S.D. | .315 | .157 | .203 | .203 | |
| General Mean | M. | 4.48 | 4.50 | 4.44 | 4.45 | Excellent |
| | S.D. | .250 | .222 | .199 | .199 | |

Legend:

| | |
|-------------|-------------|
| Mean | Description |
| 4.21 – 5.00 | Excellent |
| 3.41 – 4.20 | Very Good |
| 2.61 - 3.40 | Good |
| 1.81 - 2.60 | Fair |
| 1.00 - 1.80 | Poor |

Table 3. Difference in the Intellectual Capital of West Visayas State University External Campuses

| Intellectual Capital | F | Sig | Description |
|------------------------|------|------|-------------|
| Human Capital | .071 | .975 | Not Sig. |
| Organizational Capital | .020 | .996 | Not Sig. |
| Relational Capital | .184 | .907 | Not Sig. |

Table 4. The Significant Difference in the Intra-Organizational Differences of West Visayas State University External Campuses

| Intra-Organizational Differences | F | Sig | Description |
|----------------------------------|------|------|-------------|
| Instruction | .198 | .898 | Not Sig. |
| Research | .948 | .003 | Sig. |
| Extension | .008 | .999 | Not Sig. |
| Production | .011 | .998 | Not Sig. |

Table 5. Significant Relationship between Intellectual Capital and Intra-Organizational Difference

| Correlated Variables | N=80 | Intellectual Capital | Intra-Organizational Differences |
|---------------------------------|------------------------|----------------------|----------------------------------|
| Intellectual Capital | Pearson Correlation | 1 | .014 |
| | Significance(2-tailed) | . | .903 |
| Intra-Organizational Difference | Pearson Correlation | .014 | 1 |
| | Significance(2-tailed) | .903 | . |

Significant Relationship between Intellectual Capital and Intra-Organizational Difference

Table 5 shows no significant relationship, between intellectual capital and intra-organizational differences of West Visayas State University External Campuses as shown in correlation .093 values, which is higher than the 0.05 level of significance. Therefore, the null hypothesis is accepted on these variables. This implies that the intellectual capital and intra-organizational differences of the four external campuses are independent with each other.

Conclusions and Recommendations

The intellectual capital of WVSU External Campuses is excellent; it means that WVSU is investing in its intellectual capital; the intra-organizational differences of the WVSU external campuses is excellent which means that WVSU is performing at its best in instruction, research, extension, and production functions; the intellectual capital of the WVSU external campuses is similar; the external campuses vary in research but are similar in instruction, extension, and production functions; and intellectual capital and intra-organizational differences do not affect each other. It is recommended that instruction, research, extension and production outputs and activities be increase in the external campuses through capability building by sending faculty and staff to seminars, workshops and trainings to empower them in their knowledge, skills and values towards the four major functions of universities.

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