

INTELLECTUAL CAPITAL INVESTMENT, KEY FACTOR IN ACHIEVING ORGANIZATIONAL PERFORMANCE IN PHARMACEUTICAL COMPANIES

Elena Alexandra CALDĂRARU

The Bucharest Academy of Economic Studies, Romania,
E-mail lexxy_elena@yahoo.com

Andreea Lorena RADU

The Bucharest Academy of Economic Studies, Romania,
E-mail andreea_16_lorena@yahoo.com

Ionela Carmen PIRNEA

The Bucharest Academy of Economic Studies, Romania,
E-mail rizea.carmen@yahoo.com

Denisa PARPANDEL

Constantin Brancoveanu University, Pitesti, Faculty of Management
Marketing in Economic Business, Rm. Valcea, Romania,
E-mail parpandeldenisa@yahoo.com

ABSTRACT

In knowledge-based economy, intangible assets such as knowledge and intellectual capital are becoming the new core competencies. Intellectual capital is an asset that increases its value as it is used; therefore investments in intellectual capital and knowledge represent power and profitability.

This paper proposes to highlight the synergy between investments in intellectual capital, a valuable and strategic asset, and achieving and sustaining competitive advantage and organizational performance in knowledge-based society. Intellectual capital becomes the essential part of the system of contemporary economic and sustainable development, the company is seen as a means to create, integrate, store and apply knowledge. Every organization holds a specific intellectual capital characterized by a potential of knowledge and, respectively by a capacity to use it in a creative manner. Expansion of intellectual capital can be achieved if innovation and creativity are present in an organization, but also through the dissemination of innovation and the convergence of top technologies. Intellectual capital, an important source of an organization's economic, sustainable development is crucial to manage the intellectual resources and capabilities, needs to be taken seriously into account in formulating business strategy. Holding superior intellectual resources, organizations must exploit and develop resources in a competitive manner, meaning that the intellectual capital value exist with the knowledge of individuals, but can be institutionalized as part of systems and organization structure.

Pharmaceutical companies should invest in developing creative skills for R&D professionals, and strengthening of management skills to demonstrate that intellectual capital achieves the strategic objectives for health therapies.

KEYWORDS: intellectual capital, investment, knowledge, knowledge management, pharmaceutical industry.

JEL CLASSIFICATION: M11, D83.

REFERENCES

- Baxi, S. (2002). "Most valuable brands: Coca-Cola best, MS next". *Times News Network*, July 26
- Bontis, N. (1998). "Intellectual Capital: an exploratory study that develops measures and models". *Management Decisions*, 3(2), pp. 63–76
- Boyce, S. Y. (2007). "Using Intellectual Capital and Organizational Capability to Enhance Strategic Implementation for Pharmaceutical Firms". *American InterContinental University Journal*, Volume 1, Issue 1
- Caldararu, A. E. (2010). "Knowledge Management, the key competitive advantage for pharmaceutical companies", *Modern Approaches in Organizational Management and Economy*, Bucharest, to be published
- Caldararu, A. E., Olaru, O. & Nicolescu, O. (2011). "European Approach Concerning The Synergy Between Environment and Knowledge Based Economy". *Supplement of QUALITY-Access to Success*, Societatea Romana pentru Asigurarea Calitatii, Bucharest, 395-400
- Fred, A., Dietz, J.L.G., Liu, K. & Filipe, J. (2009). *Knowledge Discovery, Knowledge Engineering and Knowledge Management*, Springer Heidelberg Dordrecht London, New York, 364-400
- Jennex, Murray E. (2009). *Knowledge Management, Organizational Memory, and Transfer Behaviour: Global Approaches and Advancements*, IGI Global, San Diego State University, USA, 4-77
- Ribière, V. M. (2001). *Assessing Knowledge Management Initiatives' Success as a Function of Organizational Culture*. The School of Engineering Management and Systems Engineering, Washington D.C.
- Stankoky, M. (2005). *Creating the Discipline of Knowledge Management Knowledge Management. The Latest in University Research*, Elsevier Butterworth–Heinemann, pp. 134-186
- Sullivan, P. H. (2000). *Value-driven intellectual capital: How to convert intangible corporate assets into market value*, New York: John Wiley and Sons Inc.
- Swart, J. & Kinnie, N. (2003). "Sharing Knowledge in knowledge-intensive firms". *Human Resource Management Journal*, 13(2), 60–75
- Williams, R. L. & Bukowitz, W. R. (2001). "The yin and yang of intellectual capital management: the impact of ownership on realizing value from intellectual capital". *Journal of Intellectual Capital*, 2(2), 96–110