

Business Development Opportunities: Demonstrating Present and Future Performance, Auditing Intellectual Capital: A Case Study on Romanian Organizations

Cristina Raluca GH. POPESCU

Faculty of Economics and Business Administration, University of Craiova, A. I. Cuza St. No.13, Craiova, Romania; Faculty of Business and Administration, Department of Economic and Administrative Sciences, University of Bucharest, Regina Elisabeta Boulevard, no. 4 - 12, sector 3, Bucharest, Romania; Faculty of Economics, The Bucharest University of Economic Studies, Ion N. Angelescu Building, Piata Romana nr. 6, sector 1, Bucharest, Romania; National Institute of Research and Development for Environmental Protection (I.N.C.D.P.M.), The Department of Natural and Technological Hazards, Splaiul Independentei, No. 294, sector 6, Bucharest, Romania; popescu_cr@yahoo.com

Abstract

The theme chosen for the scientific research entitled "Business development opportunities: Demonstrating present and future performance, auditing intellectual capital - a case study on Romanian organizations" focuses on the analysis of the specific set of circumstances that support the organizations evolution, growth, expansion and enlargement, in the context in which intellectual capital is regarded as one of the most simulative assets for the companies' fulfillment, accomplishment, performance, and well-functioning. The purpose of the study is to show that intellectual capital represents today's most valuable resource for organizations and, in the same time, the processes of evaluating, analyzing and auditing the organizations' intellectual capital enable the organizations to understand which are their strengths and weaknesses in terms of human resources capabilities, intangible assets potential, knowledge retention, know-how implementation, information access, employees' relationships and communicational systems, skills, attitudes, education, and learning capabilities. In the same time, the scope of the work is to demonstrate that, nowadays, intellectual capital has the absolute power of reconstructing and redesigning any organization's business strategy in order to generate present and future performance, since a company's main purposes are to become more and more profitable, financially secure, visible on the marketplace, attractive for clients, suppliers and distributors, as well as a source of new, innovative and attractive products that will ultimately lead to competitive advantages. In view of all these arguments, this research starts with (a.) a literature review centered on four stages - namely, previous literature, limitation of previous literature, research questions and research to be explored, continuous with (b.) the description of the materials and methods used for designing our analysis, progresses with (c.) a part that tackles the business development opportunities - with an accent on the extensive role of human resources, intellectual capital, consumers, relationships and markets, carries on with (d.) a section that unravels the long-term values for business development and economic growth - by demonstrating present and future performance as well as the benefits of auditing intellectual capital, covers (e.) a case study on Romanian organizations - when addressing subjects such as intellectual capital valuation, performance appraisal, and business development determination, and ends by emphasizing (f.) a set of results and discussions as well as (g.) the basic conclusions and main limitations. In terms of the results obtained as well as the conclusions gathered from this scientific paper, it should be stressed that the existence of a general model, method or framework to audit intellectual capital is a must for every organization that intends to have a leading position on the marketplace. Moreover, by optimally valuing intellectual capital, an organization will possess all the necessary knowledge needed to enhance its position on the marketplace, attract visibility

and a better reputation, furthermore obtaining competitive advantage, a high level of profit and the most wanted and desired performance.

Keywords: intellectual capital, tangible assets, intangible assets, accounting value, investments, effectiveness, efficiency, performance, excellence, competitive advantage, competitiveness, new economy, economic and financial decline, organizational production processes, and knowledge-based society.

Introduction

This section provides the general background of the study and highlights the following interconnecting phases, namely: (a.) the general introduction - with a clear focus on manners in which businesses can be developed these days, but taking into consideration intellectual capital as primary factor for obtaining profit and increasing performance on the medium and long run; (b.) the problem definition - with a central interest in the main problem of this scientific research which is addressing business development opportunities while being concerned about present and future performance and intellectual capital audit; (c.) the gaps in the literature - with a straight attention on subjects related to business development, performance enhancement and intellectual capital evaluation that were previously less or not at all investigated; (d.) the problems solutions - with a keen interest in offering available methods to overcome and to surmount the research problems encountered by this current work; (e.) the research motivation - with a clear direction on illuminating uncharted areas while examining this research's themes namely, business development opportunities, present and future performance and intellectual capital audit; (f.) the aims and overall objectives - with a focal point on intellectual capital, tangible assets, intangible assets, accounting value, investments, effectiveness, efficiency, performance, excellence, competitive advantage, competitiveness, new economy, economic and financial decline, organizational production processes, and knowledge-based society; (g.) the significance and advantages of the work - with a clear emphasis on the contributions of this paper in terms of improving the knowledge concerning the relationship that exists between intellectual capital, performance, and business development.

The scientific research paper entitled "Business development opportunities: Demonstrating present and future performance, auditing intellectual capital - a case study on Romanian organizations" concentrates its attention on the manner in which organizations can create medium and long term value with the aid of intellectual capital, human resources, consumers, markets, relationships, in order to generate opportunities for growth, increased performance, and enhance their activities' effectiveness as well as profitability. In general terms, it should be stated that one of the major topics to be investigated in this filed is intellectual capital with its key influences on both human lives and business activities, particularly due to the assortment of varied and, in most cases, contradictory responses to the basic questions "what, exactly, is intellectual capital, and how can it be evaluated and measured" as well as "what is business development, which are its driving forces and what role does intellectual capital play in this equation".

However, this seems to be a common problem in unanimously defining intellectual capital and business development, and, in the same time, in commonly acknowledging the links that exist between these two concepts with direct reference to performance and performance appraisal. Moreover, this is typically a complex problem, since the models, methods and frameworks already used in intellectual capital valuation have raised, so far, numerous questions and doubts concerning their efficiency, effectiveness, unitary approach and correct settings. Furthermore, estimating business development perspectives and opportunities has received substantial interest especially due to the challenges brought by globalization and internationalization, the downfalls introduced by the economic, financial, political and social crisis, the instable climate created by the new knowledge-based economy corroborated with the need to address controverted issues such as the importance of learning organizations as well as the need to have sustainable but in the same time healthy and sustainable business activities. Unfortunately, this approaches

result in problems related to appraising business development, strengths and opportunities, evaluating individual and organizational performance, assessing and auditing intellectual capital.

Likewise, lacking any concise and unitary explanations of what appraising business development, strengths and opportunities, evaluating individual and organizational performance, assessing and auditing intellectual capital are all about, the authors sought to unite the varied forces of business development, performance and intellectual capital into a comprehensive framework which will be presented, addressed and discussed in this paper. Moreover, few studies have focused on appraising business development, strengths and opportunities, evaluating individual and organizational performance, assessing and auditing intellectual capital, and even fewer were centered on countries with a similar background as Romania, the focus of this scientific work. To our knowledge, no study has yield to offer the optimum intellectual capital valuation, with a central attention on the necessary business forces that combined together would create opportunities for growth. Similarly, there has been previous evidence for intellectual capital accounting and auditing, business development rating and performance appraisal; hence our purpose is to improve the existing literature with our findings and, in the same time, to add valuable knowledge to the already existing one, having in mind, in the same time, the situation currently existing in Romanian organizations.

One way to overcome these problems is to figure out how valuable is intellectual capital for organizations and in what manner can it influence businesses development to such extent in order to make them perform better, be more profitable, become better known, and turn them into source of competitive advantages on the long run. Another key think to remember is that in our current research we should tailor specific solutions to specific problems, namely: (a.) assessing intellectual capital - as a key organizational intangible asset, should start by asking the defining questions "what is long term value" and "how can long term value be obtained by businesses"; (b.) evaluating business development - as a central organizational purpose when targeting a raising profit, rapid growth, as well as optimum cash flow, should start by asking the defining question "what role do consumers, business relationships, markets and different forms of capital among which intellectual capital play in this regard"; (c.) appraising and appreciating performance - as a defining purpose both for individuals as well as for organizations, should start by asking the defining questions "what is individual performance and what role does intellectual capital play in obtaining it" and "what is organization's performance and what role does intellectual capital play in gaining it".

For this study, it was of interest to investigate the business development opportunities in connection with demonstrating present and future performance as well as auditing intellectual capital, bearing in mind at all times that by presenting the evidence from Romanian organizations will further on enhance specialists' understanding concerning the manner in which businesses may grow in this country and also what part do performance and intellectual capital play when addressing subjects such as economic growth, sustainability, and competitive advantages.

One of the major aims of this work was to create a better understanding of what intellectual capital represents as well as its connections to performance and business development. On the one hand, our research aims at finding a solution for the challenging problem of defining and valuating intellectual capital with reference to individual and business development. On the other hand, this project aims at discovering the most influential organizational factors that are capable to enhance businesses profitability, efficiency, efficacy, and performance in today's global society, facing new perspectives and challenges brought by the desire to have a better life, a healthier environment, a growing economy and a sustainable future for all the generations to come. Having said that, human resources, intellectual capital, consumers, markets and relationships are in fact businesses development driver forces which will enhance profitability, market recognition, reputation, performance and economic growth.

This thesis documents several key contributions made to the economic, management, accounting, financial and auditing fields. In the same time, it should be added that the contributions made here have a wide applicability, even though the main target and the key trigger was represented by the Romanian organizations. Firstly, one of the primary benefits of this study is that it presents three defining concepts for today's research, namely intellectual capital, business development and performance; addressing issues such as what do these terms represent, in what manner are they interconnected, how can they be evaluated and what influences on the long run do they all have on our society, on economic growth, human prosperity as well as for a sustainable future. Secondly, another practical advantage of this work is that it presents several intellectual capital valuation methods, models and frameworks. Thirdly, the most important advantage of this research is that it presents a case study on Romanian businesses development situation, under the conditions in which Romania's transition to a free-market economy began in 1991 with its new constitution, followed in 2004 by membership in North Atlantic Treaty Organization (NATO) and in 2007 the European Union (EU). In comparison with other studies, this particular work has the advantage of presenting and analyzing the relationship existing between business development enhancement - performance growth - intellectual capital appraisal, with a keen interest on presenting examples from the Romanian business experiences - a country having a strategic position on the Black Sea as well as a productive agricultural sector and extensive natural resources.

Literature Review

The literature review section on the theme "Business development opportunities: Demonstrating present and future performance, auditing intellectual capital - a case study on Romanian organizations" clearly demonstrates the fact that there exists a good knowledge of the research area. This part of the scientific work focuses on four main steps, namely: the first phase stresses the findings discovered in previous literature, providing a critical appraisal of previous studies; the second phase points out the shortcomings of previous work, emphasizing the drawbacks as well as the vulnerable places of previous research; the third phase coins this paper's research question in order to justify the need for this course of action; and the fourth phase examines the situations and the cases to be explored in this particular research.

Step 1: Previous literature - This part of the theme "Business development opportunities: Demonstrating present and future performance, auditing intellectual capital - a case study on Romanian organizations" focuses on the findings discovered in previous literature in connection with the following key elements: (a.) which is the role of businesses in a country or region and in what manner might businesses influence the course of action in terms of economic development and economic growth; (b.) what should mainly be understood by development opportunities, in general, and by business development opportunities, in particular, in the context in which specialists' interests falls on diverse subjects such as globalization, learning societies and organizations, smart cities, circular economies, knowledge management, environmental management accounting, corporate social responsibility in developing countries, artificial intelligence for sustainable development; (c.) how can business performance be evaluated and in what manner should present and future performance be demonstrated; (d.) which is the role of intellectual capital in organizations and in what way can it be evaluated, measured and audited; (e.) what are the connections between intellectual capital auditing and accounting steps and can new and improved methods, models or frameworks be created; (f.) what other studies on Romania were performed and which are the pints that need improvement in the case of Romanian business organizations in terms of both intellectual capital analysis and performance improvement.

The new economy brought new changes as well as new challenges in all the domains of activity, and, in particular, in the economic, management, marketing, financial, accounting, and audit fields (G.N. Popescu, Popescu, V.A., Popescu, C.R., 2015). However, the "[Dot.com](#)" bubble burst in 1999 raised serious doubts concerning the manner in which certain resources, goods, services, assets are evaluated, managed and analyzed. In addition, this unhappy event made investors more cautious when valuing assets,

in general, as well as on appraising structurally new and different assets in certain economies (developed, in the process of developing or undeveloped economies). In the same time, new business models were developed or are still currently under development, by leveraging different resources forms (C.R. Popescu, 2017).

The role of intangible assets, in general, as well as the role of intellectual capital, in particular, has increased in the last years, in particular due to the economic crisis and the opportunities that came along with the new economy (R.S. Kaplan, Robert S., and David P. Norton, 1996). Thus, the responsibility for managing wealth has now new implications as well as new levels of understanding, namely: (a.) firstly, a central point is represented by what resources are to be managed (J. Mouritsen, P. N. Bukh, B. Marr, 2004); (b.) secondly, another essential element is represented by how and what is to be communicated to whom, since the role of information, know-how, innovation, intelligence, has grown so much in the last years (I. Nonaka, 1991, November / December); (c.) thirdly, other key point is represented by the conditions in which certain resources are to be allocated and managed, in what context are they accounted for and who is responsible for their use, and through which system will these resources be put into use (I. Nonaka & H. Takeuchi, 1995); (d.) fourthly, an essential issue is represented by the profound importance of future value of equity in the market valuation (B. Marr & G. Schiuma, 2001). In essence, in other words, the new economy offers two perspectives when it comes to the valuation of the firm, respectively: (a.) the traditional financial report; and (b.) the intellectual capital report.

Step 2: Limitation of previous literature - This part of the theme "Business development opportunities: Demonstrating present and future performance, auditing intellectual capital - a case study on Romanian organizations" points out the shortcomings of previous work, emphasizing the drawbacks as well as the vulnerable places of previous research. There are numerous references concerning our main current research topics (respectively, intellectual capital, organizations' performance and business development strategies), however there are various shortcomings as well. There are many points in support of this view. Firstly, a sensible aspect related to intellectual capital comes from understanding how we can differentiate between resource-based theory and knowledge-based theory, since according to some textbooks and research articles, resource-based theory covers also knowledge-based theory. Secondly, prominent research scholars have already been focusing for a while on intellectual capital and intellectual property; however there seems to be numerous controversies regarding the links between intellectual capital and intellectual property, so another subject that could need immediate attention consists in clarifying the differences that exist between intellectual capital and intellectual property. Thirdly, according to specialists there seem to be many differences between intellectual capital and human capital, but, in the same time, since according to researchers intellectual capital has three elements - namely, social capital, relational capital and consumer capital, which are, in fact, the major differences between all these forms of capital, can these forms be used interchangeably, can they be measured and can a value be assigned to them. Fourthly, another limitation of previous literature is represented by clearly stating intellectual capital's contribution to an organization's performance: for example, the employees' competences, experiences, problem solving approaches are accepted as being an organization's competitive skills; however this valuable asset is nowhere to be found in a company's balance sheet, showing in this context that there is no payment for its merits.

Step 3: Research questions - This part of the theme "Business development opportunities: Demonstrating present and future performance, auditing intellectual capital - a case study on Romanian organizations" coins this paper's research question in order to justify the need for this course of action. This study addresses the following key research question: (RQ00) "What is the overall contribution of intellectual capital in an organization in terms of role, importance, development opportunities, present and future performance?". Of course, additional questions are asked also in order to support the main research question, namely: (Q01) "Why the value generated by the intangible assets is not always reflected in the financial statements?"; (Q02) "How can intellectual capital be evaluated, measured and audited?"; (Q03)

"Will new innovations change intellectual capital?"; (Q04) "Are the business development opportunities connected with present and future performance, on the one hand, and the intellectual capital' measurement and audit, on the other hand?"; and (Q05) "What is Romania's position in terms of addressing business development opportunities, while relating with present and future performance, as well as an intellectual capital audit system?". In other words, the impact of intellectual capital is essential for business development perspectives as well as for firms' performance. However, in order to underline the role and the impact of intellectual capital while addressing both an individual and an organization, a number of relevant links need to be made with all the aspects interrelated with intellectual capital, business development and performance, such as: (a.) the employees' creativity indicators in different types of industry in developed and developing nations; (b.) the enterprises innovative actions and the influences of knowledge and intellectual capital; (c.) the relationship between intellectual capital, organizational intelligence and knowledge management in terms of efficiency, efficacy, profit, performance and excellence; (d.) the corporate growth strategies which find their power and resources into intellectual capital models and knowledge management infrastructure and frameworks.

Step 4: Research to be explored - This part of the theme "Business development opportunities: Demonstrating present and future performance, auditing intellectual capital - a case study on Romanian organizations" examines the situations and the cases to be explored in this particular research. A more systematic and theoretical analysis is required for establishing the differences between intellectual capital and organizational capital, by pinning the intellectual capital implications in the broad picture represented by corporate finance. To say nothing of the fact that a new approach is needed in order to discover the manner in which companies' strategy formulation is influenced by intellectual capital. Having said that, the scholars are unanimous in telling us that one of the most persistent problems facing today's organizations is represented by the relationship between corporate social responsibility and intellectual capital, an agreement that suggests that there could be common ideas in this regard which need immediate attention. With all these issues in mind, we can only conclude that there is a tremendous need for future research concerning intellectual capital, business development and performance evaluation within organizations.

Materials and Methods

This work has a robust literature analysis that comes to acknowledge and to emphasize the essential role of intellectual capital in an organization. Moreover, this paper focuses on human and intellectual power, as well as on innovation perspectives, under the context in which an intelligent enterprise should focus on research and development, brands and relationships, the long-term use of resources as well as the tension that seems to exist between value creation and value extraction. Furthermore, our study comes to stress the fact that intellectual capital offers enterprises the tremendous power of developing "in-house" its major resources which come, in fact, from the constructive and optimum use of knowledge, information, work relations, and know-how, which are, in turn, subject to a unique system of reporting and control instruments (such as, the accounting and the auditing system used for intangible assets).

Since our focus is on Romanian organizations and the manner in which intellectual capital is created or discovered, valued, retained, and exploited in Romanian organizations, the authors used as research method in this regard the focus group. Under these circumstances, a number of eight employees were selected from a research institute in Romania in order to participate in a focus group session. These eight individuals were selected in order to answer a total number four question regarding development opportunities as well as the importance and role of the intellectual capital. The focus group had two main sections: the first phase in which the eight individuals were implicated in the process of providing answers to the four predefined questions; and the second phase in which these individuals could continue the discussions and the ideas already presented and started during the first phase, offering insightfully and

valuable information about development opportunities as well as the importance and role of the intellectual capital.

Business development opportunities: the extensive role of human resources, intellectual capital, consumers, relationships and markets

These days, it seems that, more and more, the number of business development opportunities is growing due to fast developing intelligent technologies, new arising growth perspectives, as well as increasing extensive role of human resources, intellectual capital, consumers, relationships and markets. Coupled with the literary evidence, the statistics paint a compelling view of business development opportunities' evolution especially in times in which human resources are regarded as the main asset for an organization and intellectual capital the key trigger to generate and to enhance economic and social performance, excellence and growth (D. J. Wood, 1991). To say nothing of consumers, relationships and markets impact and influences on today's business development perspectives and opportunities, in the context in which: (a.) organizations today shifted the economic, social and financial focus from short term and medium term to long term, due to the fact that companies seek, besides money, access to new marketplaces, prestige, economic power and reputation in order to grow (T. Wagner, Lutz, R. J., & Weitz, B. A., 2009); (b.) businesses nowadays are keen on better understanding the mechanisms in which their employees can be properly motivated in order to be more engaged and play a more active role in their activities (J. L. Walls, Berrone, P., & Phan, P. H., 2012); and (c.) intangible assets are becoming more and more important for the organizations' development and the main focus these days is on the role, impact and influences of intellectual capital on businesses' development as well as on businesses' performance evaluation (Z. Xiaohong & Li Sijing, 2007).

However, when analyzing and discussing about business development opportunities, both direct and indirect factors need to be taken into consideration as well as both internal and external aspects need to be thoroughly addressed (D. Turker, 2009). Then again, a solely emphasize on human resources, intellectual capital, consumers, relationships and markets is not enough when focusing on understanding business development opportunities and perspectives (S. Pike & G. Roos, 2000). Yet not all specialists agree that this is the most important aspect of this situation.

With this in mind, in order to succeed in consistently growing a business, one of the most important issues is represented by the relationship existing between intellectual capital and consumers (R.S. Schuler & I. C. MacMillan, 1984, Fall). Firstly, the three key dimensions considered for the intellectual capital analysis should be relational capital, human capital and structural capital (R. Tamosiuniene & S. Survilaitė, 2015). Secondly, the aspects related to what could influence consumers' decisions to participate in the value creation activities together with organizations should be stressed (H. Takeuchi & I. Nonaka, 1986, January / February). Significantly, it should be noted that by implicating consumers in the activities of organizations they will become more motivated to participate in the value creation process of the businesses (K.E. Sveiby, 1997). Moreover, in this particular matter, the aspects that will represent the focus of relational capital (as part of the intellectual capital) might be the following ones: (a.) first of all, the companies' need to understand what the essential values are for consumers and how can they determine consumers to become more engaged and involved in their business activities and mainly in the value creation activities (J. Roos & Roos, Goran & C. Dragonetti, Nicola & Edvinsson, Leif, 1997, January); (b.) second of all, the companies' need to understand that the process of getting consumers more involved in their value creation activities will lead to investing money, time, and effort in order to increase the businesses visibility and potential on the marketplace, so that the brand image and the reputation will have the chance to grow (T.A. Stewart, 1997). Furthermore, in this particular matter, the aspects that will represent the focus of structural capital (as part of the intellectual capital) might be the following ones: (a.) first of all, involving consumers in helping the organizations to create a supportive infrastructure, with databases and processes that will enable human capital to function (Science for Environment Policy,

2017); (b.) second of all, by implicating consumers in the matters related to structural capital the businesses could reach prosperity by using different innovative techniques, tools and strategies (A. Serenko & N. Bontis, 2013). Above all, in this particular matter, the aspects that will represent the focus of human capital (as part of the intellectual capital) might be the following ones: (a.) due to the fact that the role of human capital is crucial to both the existence and the functioning of any business, the degree in which employees will choose to enhance their knowledge, perfect their activities and improve their skills will be co-dependent with the feedback received in this matter from the consumers (C.R. Popescu, 2018a; C.R. Popescu, 2018b; C.R. Popescu, 2018c); (b.) in addition, due to the fact that human capital will always influence the well-functioning of any business, consumers might offer an important help in suggesting the organizations ways in which both innovation and know-how integration was done by appraising the updated relationship they have with the employees (C.R. Popescu & Popescu, G.N., 2018b).

Another key thing to remember in order to succeed in consistently growing a business is that one of the most important issues is being represented by the relationship existing between intellectual capitals and markets (A. Smith, 1761; D. Ricardo, 1817; I. Ajzen & M. Fishbein, 1980, March 17; A. Smith, 2015). In this regard, an important question should be asked when discussing about the relationship existing between intellectual capitals and markets, namely "does intellectual capital matter for organizational performance and does market orientation have any influence on converting intangible corporate assets into market value". To give an illustration of what this question tries to comprise in essence, we should look, for example, at the case of intellectual capital and market capital in terms of understanding that the appreciation of intellectual capital in the complexity of business development is somewhat fragile (C.R. Popescu 2011a; C.R. Popescu, 2011b; R. H. Peters and L. A. Taylor, 2017, February). For instance, when tackling the subject of intangible assets and their influence on the organizations' development it should be acknowledged that we need to consider equally the pros and the cons (I. Ajzen, 1991). Firstly, intangible assets, in general, and intellectual capital, in particular, are considered being difficult resources for organizations since it is very difficult to associate any numerical value to them (R. J. Baker, 2007, November). Secondly, in the same time, it is difficult to predict their evolution in associating with the markets' perspectives and potential increase or decrease (M. Berg, 2006; C.R. Popescu, 2016b). Thirdly, all intangible assets, including intellectual capital, are translated into financial form when examining the capital market; however they are all subject to the capital market's intelligence (W.A. Bhatti, M.N. Khan, A. Ahmad, N. Hussain, K. Rehman, 2011, April 18; C.R. Popescu, Popescu, V.A. & Popescu, G.N., 2014). To give another illustration of what this question tries to comprise in essence, we should look, for example, at the case of intellectual capital in business-to-business markets, where the key focus shifts from knowledge management to intangible assets, and, in particular to intellectual capital, as well as from competitive advantages to competitive intelligence (W.A. Bhatti, A. Zaheer, 2014, December). Significantly, the case of intellectual capital in business-to-business markets has the purpose of increasing consumers' awareness and, in addition, also covers the level of activity of competition in information sector groups, estimating the level of interest of competitors to acquire the knowledge of another company (N. Bontis, Richards, D. & Serenko, A., 2011). Moreover, the case of intellectual capital in business-to-business markets might help scholars to develop ideas about the types of businesses and industries that can truly benefit from understanding knowledge management and protection systems, as well as the ways to invest in knowledge management and protection systems (A. Bounfour, 2003). Importantly, as a result, the issues related to knowledge management and knowledge protection in the context of intellectual capital in business-to-business markets become more strategic, raising the issue of measures that will organizational leaders to create an optimal strategy and the most needed knowledge mix in order to gain a competitive edge - which is, in fact, their final target to acquire (C.R. Popescu & Popescu, G.N., 2018a).

Nonetheless, in the case of business development opportunities, besides the extensive role of human resources, intellectual capital, consumers, and markets, another key thing to remember is relationships (A. Brooking, 1996). It seems that the current epoch gives the highest priority to the role of intellectual capital in organizations' structure in comparison to the role given to hard assets and financial assets, which

requires, in turn, the analysis of intellectual capital and its relationships with internal and external organizational components (P. Bourdieu, 2005). Under these circumstances, the analysis of intellectual capital and its relationships with internal and external organizational components will offer intellectual capital to put at good-use its main function which is to significantly boost the companies' growth of revenue in the process of creation and implementation of knowledge (P. Bourdieu, 1986). Hence, the relationships that should be thoroughly taken into consideration in these cases are the following ones: (a.) the relationship between the employees and the process of knowledge creation and knowledge implementation in the organization has the power to guarantee highly effective businesses (C.R. Popescu, 2016a); (b.) the relationship between the employees and the usage of intellectual capital in the organizations which offers a clear perspective regarding the production technologies needed and the products renewal cycles has the power to guarantee main competitive advantages on the marketplace (C.R. Popescu, Popescu, G.N. & Popescu, V.A., 2017a); (c) the relationship between the organizations activating in a country or in a region and economic development, under the circumstances in which intellectual capital provides intellectual advantages to businesses leading to the development of the production systems, current businesses operations systems, development of modern knowledge, businesses innovative activities, and businesses evaluation procedures (N. Bontis, 1998).

Long-term values for business development and economic growth: demonstrating present and future performance, auditing intellectual capital

Nowadays, due to the companies' continuous need to evolve and to conquer new territories and new markets, it seems that our interest, as academic researchers, should focus more and more on determining which are the long-term values for business development and economic growth, in the attempt of demonstrating present and future performance, as well as auditing intellectual capital. With this in mind, our central goal should be to support the current trend and research that stresses the intellectual capital's positive influences on the whole business ensembles - namely, the current business processes, systems, and operations, since in this manner the companies' total performance, efficiency, efficacy and economic growth will be ensured. Nevertheless, it should be emphasized that current results have demonstrated that it is impossible to develop a unified methodology and procedure according to which to evaluate the businesses' development, the companies' performance and the intellectual capital's influences on the companies' activities. In view of the evidence presented above, we seem to have a better understanding of the factors that are influencing the companies' business development and activities, and, in the same time, we seem to possess a better understanding of the drivers that empower organizations with efficiency, efficacy, performance, growth potential, excellence, competitive advantages, higher financial results, increased innovation and, most importantly, a distinguishing synergy that offers some firms' a unique potential and incommensurable perspectives on the marketplace. All things considered, in order to demonstrate and ensure present and future performance for organizations, and, in the same time, in order to measure, appraise and audit intellectual capital for organizations, the main long-term values for business development and economic growth are the ones acknowledged and described in the lines below.

Long-term value 1: Intellectual capital is a key long-term value for companies worldwide and one of the most powerful and dominant major intangible assets for an organization, which makes the analysis of the influences of the intellectual capital essential for the results of institutions (Organization for Economic Co-operation and Development (OECD), 2018). Moreover, in the financial sphere, intellectual capital is acknowledged as one of the fundamental factors of the production process, in times in which the economy experiences a shift towards intangible production. However, the global economic system introduced major changes in the social consumption focus and the new production methods, which lead to a rapid pace in registering scientific and technological progress. The most compelling arguments concerning intellectual capital's structure are stressing that intellectual capital has three elements, namely: human capital, relationship capital and structural capital (Organization for Economic Co-operation and Development (OECD), 2001). Notably, human capital refers to the organizations' capacities and abilities to use the

whole employees' intellectual skills in order to get economic benefits based on the employees' knowledge and expertise (P. Drucker, 1942). Significantly, relationship capital includes resources such as consumers' loyalty and fidelity towards a brand or a company, goodwill, business relationships, cooperation, sales and distribution links (K. Choudhury & L. Jansen, 1997). Importantly, structural capital refers to the companies' capacities and abilities to generate economic benefits by using the employees' intellectual activities in order to create their own and unique independent results among which can be emphasized copyrights, patents, trademarks and other non-material assets considered by the International Federation of Accountants (IFAC) as intangible assets (L. Edvinsson & M. Malone, 1997; International Federation of Accountants (IFAC), 2018). In view of recent developments that occurred at a global scale, there are several methods proposed and used in calculating the intellectual capital, among which we mentioned in this paper the following ones (T.A. Stewart, 1997; K.E. Sveiby, 1997; C. Carraro, De Cian E. and M. Tavoni, 2009; C.R. Popescu, Popescu, G.N. & Popescu, V. A., 2017b): (a.) the Calculated Intangible Value (known as the CIV model) - coined in 1997 by well-respected specialist and intellectual capital pioneer Thomas A. Stewart, which is a method of valuing companies' intangible assets based on allocating a fixed value to intangible assets that will not change according to the company's market value; (b.) the Value Added Intellectual Capital coefficient (known as the VAIC model) - coined in 2000 by the esteemed specialist in information systems, financial economics and business administration, the Croatian professor Ante Pulic, which is correlated with a company's stock market value or economic performance as measured by return on assets (ROA) or return on investments (ROI), and which is intended to measure a company's intellectual capital and the creation of value based on it; (c.) the Intangible Driven Earnings (known as the IDE model) - coined in 2001, and the Organization Capital (known as the OC model) - coined in 2003, by accounting, financial analysis and investor relations professor Baruch I. Lev, which is a method designed to calculate the contributions of intangible assets in five steps, namely firstly, the calculation of normalized economic performance, secondly, the calculation of physical and financial assets, thirdly, the estimation of IDE's, fourthly, the calculation of IDE's for three future periods, and fifthly, determining the stock of intangible capital obtained by the deduction of prospective IDE's using a rate that reflects the degree of risk of the IDE's. Notwithstanding, there are other models used for intellectual capital calculation, intellectual capital valuation or capital efficiency determination. However, not all models, frameworks and methods were presented in this research study, due to the impressive and diverse existing tools. Among other methods briefly mentioned in this work, can be mentioned the following selected ones: the Market Capitalization method, the return on investments (known as ROI) method, the Direct Intellectual Capital method, the Scorecard method.

Long-term value 2: Human resources are a key long-term value for companies worldwide and one of the most powerful and dominant major intangible assets for an organization, which makes the analysis of the influences of the human resources essential for the results of institutions (B. Eichengreen, 1999a). Above all, organizations should dedicate themselves to contributing positively to the human resources management process and to the creation and the maintenance of a specific and optimum working and, in the same time, learning environment that will enhance employees' productivity, provide opportunities for employees' development. Only in this manner the companies human resources will have the necessary motivation to focus on the organizations' missions, goals and values - knowing that they are part of those missions, goals and values as well, will be encouraged to deliver excellent consumer services - knowing that their efforts will be appreciated accordingly, and will show long-term commitment to their leaders - knowing that their work will help the organizations perform better on the marketplace which, in turn, will mean a higher organizational visibility and performance (Jr. L. F. Fallon & C. R. McConnell, 2013, August 30).

Long-term value 3: Natural resources are a key long-term value for companies worldwide and one of the most powerful and dominant major assets for an organization, which makes the analysis of the influences of the natural capital essential for the results of institutions (E. Holban, E. Diacu, M. Matei, G. Ghita, M. Raischi, S. Fronescu, A. Daescu, I. P. Gheorghe, M. Ilie, R. Szep, V. Daescu, D. Dumitru, F. Marinescu, C. Tociu, I. Popescu, C. R. Gh. Popescu, 2017). In the same time, it is our strong belief that the natural

capital's potential should be analyzed together with the intellectual capital's potential, since the focus today goes in the direction of green capital, green resources, green profit and green performance, combined with green money, green labor and green intellectual capital (C. Tociu, R. Szep, A. M. Anghel, F. Marinescu, M. Ilie, E. Holban, G. Ghita, M. Matei, F. D. Dumitru, I. Popescu, A. Moncea, L. Laslo, A. I. Daescu, C. R. Gh. Popescu, 2017; C.M. Jardon & A. Dasilva, 2017; C.R. Popescu, C.R., & Popescu, G.N., 2019).

Subsequently, companies worldwide are motivated by financial gain, which seems to be the more persuasive arguments for their actions and activities, and intellectual capital - in combination with other key factors, such as human resources and natural resources, is the intangible asset that empowers them to create consistent intellectual advantages on the marketplace, a strong intellectual capital system based on modern knowledge and innovative business activities, the maximum value for profit and performance on the road to a strong business process management system accompanied by a great potential to obtain the position of excellence due to the opportunities and advantages offered by competitive advantages.

Moreover, auditing intellectual capital in order to demonstrate a certain stage or level of performance in an organization is not an easy and smooth procedure to be done as might look at a first glance, since intellectual capital cannot be, in fact, measured, evaluated or analyzed according to a unitary system with already predefined elements and values. So, it seems that there is no such thing as a unanimously accepted and used model, methodology, procedure, process or framework, in order to audit intellectual capital in organizations (B. Eichengreen, 1999b). Furthermore, it needs to be mentioned that just a few organizations have attempted to measure and appraise knowledge or intellectual capital, afterwards auditing knowledge or intellectual capital (IAS 38 Intangible Assets, 2017). Nonetheless, it should be emphasized that there are two types of audit available in these particular cases: (a.) the audit by competence; and (b.) the individual audit or the audit for a spectrum of items (A. Brooking, 1996). Hence, it should be stressed that in order to have relevant results concerning an intellectual capital audit, several evaluation methods should be used. Notwithstanding, intellectual capital audit is used in a larger context than a financial audit, which leads to the following ideas (A. Brooking, 1996; N. Bontis, 1998; B. Lev, 2001): (a.) firstly, the main purpose to audit a company's intellectual capital is to detect, observe, supervise and manage the intellectual capital of that organization; (b.) secondly, an intellectual capital audit requires the presence of a team of experts, such as, human resources experts and knowledge analysts, marketing experts, accounting and finance experts, information, technology and communications specialists, intellectual capital experts; (c.) thirdly, an intellectual capital audit will have the advantage of offering the company a broader image of its resources, their potential as well as the manner in which the resources can be used in the future in order to offer the firm better chances on the marketplace; (d.) fourthly, an intellectual capital audit will have the benefit of offering the company a clearer image on the next strategic steps that should be taken into account in order to attract more clients, become more visible on the market, enhance the relationships with consumers, distributors, suppliers, perform better, gain more profit and enhance its reputation; (e.) fifthly, an intellectual capital audit will offer a company the possibility to evaluate the risks that it faces on a regular basis in its activities, which might refer, for instance, to reputation risks, financial risks, economic risks, social and political risks; (f.) sixthly, an intellectual capital audit will supply the company an extended image of the employees current knowledge and value, and, in the same time, know-how capability, furnishing suggestions concerning the individuals or sectors that need improvement, training, development, education or other types of programs beneficial for both the personnel and the firm; (g.) seventhly, an intellectual capital audit will purvey the company valuable information on assets that are not recorded in traditional accounting and which do not have an asserted value within the company's current activity; (h.) eighthly, an intellectual capital audit will help the organization to keep a clear image about its current potential and position on the market, helping her to evaluate, analyze, store, recollect and retain a memory of its valuable intangible assets and the manner in which these assets enable the organization to grow and increase its performance.

Case study on Romanian organizations: intellectual capital valuation, performance appraisal, and business development determination

Our focus is on Romanian organizations and the manner in which intellectual capital is created or discovered, valued, retained, and exploited in Romanian organizations, so the authors used as research method in this regard the focus group. Moreover, it should be stated that, under these circumstances, a number of eight employees were selected from a research institute in Romania in order to participate in a focus group session. Furthermore, these eight individuals were selected in order to answer a total number four question regarding development opportunities as well as the importance and role of the intellectual capital. Further on, the focus group had two main sections: the first phase in which the eight individuals were implicated in the process of providing answers to the four predefined questions; and the second phase in which these individuals could continue the discussions and the ideas already presented and started during the first phase, offering insightfully and valuable information about development opportunities as well as the importance and role of the intellectual capital. It should be stressed that all the individuals selected for the focus group session had both bachelor and master studies and five of them had a doctorate diploma in their field of activity. Two persons from this group were between 35 and 45 years old, three were between 45 and 55 years old and three had more than 55 years old.

The four questions addressed to the group, in the first part of the focus group session, were as follows: the first question was (Q1) "How do you define intellectual capital?" followed by (Q2) "How does the conceptual framework for intellectual capital looks like in your opinion?" accompanies by (Q3) "How intellectual capital should be reported in an accounting system?" succeeded by (Q4) "How intellectual capital should be acknowledged in an auditing process in the dynamic system of an organization / institute / company?". What is more, the focus group continued with a second phase in which the team expressed valuable ideas concerning intellectual capital and development opportunities for an organization / institute / company. In addition, it should be mentioned that the time allocated for the first part addressed to the open-ended questions section was about one hour and a half, succeeded by a break during which the answers were carefully gathered and synthetize, while for the second phase the time allocated was around two hours, since the personnel was willing to offer significant ideas and contributions besides the answers provided for the standard questions. Afterwards, all the data were properly and carefully gathered, analyzed and acknowledged in the final structure of the research project.

Results and discussions

Key findings - From the discussions referring to (Q1), it seems that the eight Romanian employees have unanimously defined intellectual capital as the set of non-monetary and non-physical resources that are fully or partly controlled by an organization / institute / company and that have the strength and power to contribute to the process of value creation for that entity. However, with direct reference to the place of work - namely, to the institute where these employees were performing their jobs, the personnel contributing in the focus group session added during the second phase of the focus group that intellectual capital might enhance the opportunities for development and growth, by making a valuable contribution when it comes to reputation, new discoveries, know-how, and so on. From the discussions referring to (Q2), the employees presented the three main categories for intellectual capital - namely, relational, organizational and human, stressing however the fact that all these three components equally contribute to the valuation of intellectual capital. Moreover, during the discussions that followed the open-ended questioner session, one of the employees offered the example of a company's brand which might be sometimes encountered in the balance sheet, but, however, the value assigned to it cannot be correlated to its realizable market value at any given moment in time. Furthermore, the team came with different frameworks capable to explain the components of intellectual capital, such as: two members of the staff stated that intellectual capital might be seen as internal and external, depending on the resources had in mind, while the rest of the members stressed the fact that intellectual capital might be in direct reference

with the personnel competences, since they chose to refer in this case at themselves. Under these circumstances, the key personnel competences would refer to the information they have access to, new and valuable knowledge for their work, their know-how and the relationships they built in time in the institute (with other colleagues, bosses, co-researchers, and so on), their educational potential, their learning and growth perspectives. From the discussions referring to (Q3) and (Q4), the employees stated that intellectual capital simply defined, for example, as their own results and accomplishments in terms of research, projects as well as education and learning potential and perspectives, could be acknowledged in the accounting system under the following form: the investments done by the employer (namely, the institute) in their activities - such as salaries, education, training, versus the results they bring to the employer (namely, the institute) during their activities - such as patents, innovations, know-how, work secrets, national and international prizes and diplomas earned in different competitions, projects earned in national and international competitions, sums of money gained due to valuable researches published, and so on. Nonetheless, the intellectual capital auditing system should be represented by a model in which all the results obtained in a specific period of time could be acknowledged in a numerical form: for example, the sums of money that entered the institute's budget due to valuable researchers published or projects won.

Conclusions and limitations

The scientific research paper entitled "Business development opportunities: Demonstrating present and future performance, auditing intellectual capital - a case study on Romanian organizations" takes into account the key role played by intellectual capital as a whole and links it to organizations' present and future performance as well as to businesses' potential development perspectives and opportunities, with a main focus on the Romanian situation.

Step 1: Overall summary - In order to have a more relevant research on this topic, the authors concentrate their efforts towards several fields related with the economic science, namely economics, management, accounting, finance, and auditing, due to the fact that between all these domains there are numerous connections. To put it another way, business development opportunities come not solely from the perspectives and strengths provided by the intellectual capital factor, but from a combination of resources and key factors that are combined and properly implemented into a general activity framework. This is to say, intellectual capital is not the only reliable and relevant factor in an organization's development and performance chain, however it seems to become one of the top assets that an organization might possess in today's knowledge society. To the end, new theories based on the role, the influence and the importance of intellectual capital were launched in the last years mainly due to tremendous changes encountered in the information, communication and technology areas, as well as due to irreversible shifts that took place in the economy, such as: (a.) transformations at the level of knowledge management infrastructures in terms of physical environment, common knowledge, supportive leadership, organizational structure and organizational culture; (b.) modifications at the level of information technology infrastructures in terms of communications methods and practices, the role of information and the importance of knowledge; (c.) diversification at the level of intellectual capital in terms of human, relational and structural capitals, all of them with unimaginable power to create competitive advantages for companies or to empower individuals with unique knowledge, skills and attributes; (d.) remodel at the level of business development opportunities as well as corporate growth strategies in terms of product development, diversification, concentration, market penetration and development, or joint ventures. What's more, these are by far the only changes and transformations acknowledged about nowadays business development opportunities, while concentrating on demonstrating present and future performance, and auditing intellectual capital. Today, it seems that intellectual capital plays an inestimable part in an organization's infrastructure and general framework, and, in the same time, defining improvements were noted when discussing about models for intellectual capital calculation. In view of recent developments that occurred at a global scale, there are several methods proposed and used in calculating the intellectual capital, among which we

mentioned in this paper the following ones: (a.) the Calculated Intangible Value (known as the CIV model) - coined in 1997 by well-respected specialist and intellectual capital pioneer Thomas A. Stewart, which is a method of valuing companies' intangible assets based on allocating a fixed value to intangible assets that will not change according to the company's market value; (b.) the Value Added Intellectual Capital coefficient (known as the VAIC model) - coined in 2000 by the esteemed specialist in information systems, financial economics and business administration, the Croatian professor Ante Pulic, which is correlated with a company's stock market value or economic performance as measured by return on assets (ROA) or return on investments (ROI), and which is intended to measure a company's intellectual capital and the creation of value based on it; (c.) the Intangible Driven Earnings (known as the IDE model) - coined in 2001, and the Organization Capital (known as the OC model) - coined in 2003, by accounting, financial analysis and investor relations professor Baruch I. Lev, which is a method designed to calculate the contributions of intangible assets in five steps, namely firstly, the calculation of normalized economic performance, secondly, the calculation of physical and financial assets, thirdly, the estimation of IDE's, fourthly, the calculation of IDE's for three future periods, and fifthly, determining the stock of intangible capital obtained by the deduction of prospective IDE's using a rate that reflects the degree of risk of the IDE's. Notwithstanding, there are other models used for intellectual capital calculation, intellectual capital valuation or capital efficiency determination. However, not all models, frameworks and methods were presented in this research study, due to the impressive and diverse existing tools. Among other methods briefly mentioned in this work, can be mentioned the following selected ones: the Market Capitalization method, the return on investments (known as ROI) method, the Direct Intellectual Capital method, the Scorecard method. Having said that, the case of Romanian organizations is extremely important when analyzing the role, importance, and major influences of intellectual capital upon leadership, management, profit and performance. In this context, it should be stressed that currently Romania plays a growing role in the European Union and focuses on the power of intellectual capital on its organizations precisely because this country acknowledged the potential benefits and unimaginable opportunities brought by human capital, human capital management and intellectual capital management.

Step 2: Future research - Our current study provides a good starting point for discussion and further research concerning enhancing economic growth and the influences coming from the intellectual capital factor, raising competitive advantages with the help of the intellectual capital factor, developing powerful businesses and enhancing performance with the aid of intellectual capital. Moreover, further studies should deepen the investigation of intellectual capital in areas such as human resources, human resources management and human resources development, due to the fact that we can acknowledge powerful links between human capital - intellectual capital - human resources. In the same time, the possibility of connecting leadership to intellectual capital warrants further investigation, despite the fact that some studies have already stated that the relationship existing between these two concepts is ambiguous. Furthermore, in this regard, the main focuses could be on responsible leadership, leadership patterns and intellectual capital, rather than leadership, in general, and intellectual capital. Nevertheless, it is our strong belief that due to intellectual capital multiple facets and dimensions as well as due to organizations' constant desire to improve and to grow, on the one hand, the intellectual capital's power still remains to be further on analyzed and investigated, and, on the other hand, the intellectual capital's force to generate performance, excellence and competitive advantages still remains to be uncovered and revealed.

Acknowledgements

This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

References

- I. Ajzen & M. Fishbein (1980, March 17), *Understanding Attitudes and Predicting Social Behavior*, Publisher: Pearson.
- I. Ajzen (1991), "The theory of planned behavior," *Organizational Behavior and Human Decision Processes*, 50: pp. 179-211.
- R. J. Baker (2007, November), *Mind Over Matter: Why Intellectual Capital is the Chief Source of Wealth*, Publisher: Wiley, ISBN: 978-0-470-05361-4.
- M. Berg (2006), "The Genesis of 'Useful Knowledge'," *International Economic History Congress*, Helsinki, Session 38.
- W.A. Bhatti, M.N. Khan, A. Ahmad, N. Hussain, K. Rehman (2011, April 18), "Sustaining Competitive Advantage through effective knowledge management," *African Journal of Business Management*, 5(8), pp. 3297-3301.
- W.A. Bhatti, A. Zaheer (2014, December), "The Role of Intellectual Capital in Creating and Adding Value to Organizational Performance: A Conceptual Analysis," *Electronic Journal of Knowledge Management*, 12(3), 187-194, Retrieved 7th December 2018, from https://www.researchgate.net/publication/270505923_The_Role_of_Intellectual_Capital_in_Creating_and_Adding_Value_to_Organizational_Performance_A_conceptual_study.
- N. Bontis (1998), "Intellectual capital: an exploratory study that develops measures and models," *Management decision*, 36(2), pp. 63-76.
- N. Bontis, Richards, D. & Serenko, A. (2011), Improving service delivery. Investigating the role of information sharing, job characteristics, and employee satisfaction. *The learning organization*, 18(3), 239–250.
- A. Bounfour (2003), *The Management of Intangibles. The Organization's Most Valuable Asset*, Publisher: Routledge, London, New York.
- P. Bourdieu (1986), *The forms of capital*, In J. G. Richardson (Ed.), *Handbook of theory and research for the sociology of education*, New York: Greenwood, 241-258.
- P. Bourdieu (2005), *The Social Structures of the Economy*, Cambridge: Polity Press.
- A. Brooking (1996), *Intellectual Capital Core Asset for the Third Millennium Enterprise*, London: International Thomson Business Press.
- C. Carraro, De Cian E. and M. Tavoni (2009), "Human Capital Formation and Global Warming Mitigation: Evidence from an Integrated Assessment Model", CESIFO WP 2874.
- K. Choudhury & L. Jansen (1997), *Terminology for integrated resources planning and management*, Rome, FAO, Soils Resources Management and Conservation. 59
- P. Drucker (1942), *The Future of Industrial Man, a Conservative Approach*, Publisher: John Day. Place of publication: New York.
- L. Edvinsson & M. Malone (1997), *Intellectual Capital*, Publisher: Harper Business, New York.
- B. Eichengreen (1999a), "The Only Game in Town," *The World Today* 54, pp. 317-320.

- B. Eichengreen (1999b), "The Global Gamble on Financial Liberalization: Reflections on Capital Mobility, National Autonomy, and Social Justice," *Ethics & International Affairs*, 13, pp. 205-226. doi: 10.1111/j. 1747-7093.1999.tb00335.x.
- Jr. L. F. Fallon & C. R. McConnell (2013, August 30), *Human Resource Management in Health Care: Principles and Practices* 2nd Edition, Publisher: Jones & Bartlett Learning, ISBN-13: 978-1449688837, ISBN-10: 1449688837.
- E. Holban, E. Diacu, M. Matei, G. Ghita, M. Raischi, S. Fronescu, A. Daescu, I. P. Gheorghe, M. Ilie, R. Szep, V. Daescu, D. Dumitru, F. Marinescu, C. Tociu, I. Popescu, C. R. Gh. Popescu (2017), "Assessment of atmospheric pollution in a cement factory area situated in the eastern part of Romania," *Journal of Environmental Protection and Ecology*, vol. 18, no. 3, pp. 819-830, ISSN 1311-5065.
- IAS 38 Intangible Assets (2017), Retrieved 19th December 2018, from <https://www.pkf.com/media/10031776/ias-38-intangible-assets-summary.pdf>.
- International Federation of Accountants (IFAC) (2018), Retrieved 10th January 2019, from <https://www.ifac.org/>.
- B. Lev (2001), *Intangibles Management, Measurement, and Reporting*. Brookings Institution Press, Washington DC.
- C.M. Jardon & A. Dasilva (2017), "Intellectual capital and environmental concern in subsistence small businesses," *Management of Environmental Quality: An International Journal*, 28 (2): pp. 214-230.
- R.S. Kaplan, Robert S., and David P. Norton (1996), *The Balanced Scorecard: Translating Strategy into Action*, Boston: Harvard Business School Press.
- B. Marr & G. Schiuma (2001), *Measuring and managing intellectual capital and knowledge assets in new economy organisations*, in Bourne, M. (Ed.), *Handbook of Performance Measurement*, Gee, London.
- J. Mouritsen, P. N. Bukh, B. Marr (2004), "Reporting on intellectual capital: why, what and how?", *Measuring Business Excellence*, Vol. 8, Issue: 1, pp.46-54.
- I. Nonaka (1991, November / December), "The Knowledge-Creating Company," *Harvard Business Review*, Retrieved on the 5th December 2018 from <https://hbr.org/2007/07/the-knowledge-creating-company>.
- I. Nonaka & H. Takeuchi (1995), *The Knowledge-Creating Company: how Japanese companies create the dynamics of innovation* New York: Oxford University Press, ISBN 9780195092691.
- Organization for Economic Co-operation and Development (OECD) (2001), *The Well-Being of Nations. The Role of Human and Social Capital*, Centre for Educational Research and Innovation, Retrieved 9th December 2018, from <http://www.oecd.org/site/worldforum/33703702.pdf>.
- Organization for Economic Co-operation and Development (OECD) (2018), *The OECD measurement of social capital project and question databank*, Centre for Educational Research and Innovation, Retrieved 9th December 2018, from <http://www.oecd.org/sdd/social-capital-project-and-question-databank.htm>.
- R. H. Peters and L. A. Taylor (2017, February), "Intangible capital and the investment-q relation," *Journal of Financial Economics*, Volume 123, Issue 2, pp. 251-272.
- S. Pike & G. Roos, (2000), "An introduction to intellectual capital," *Works Institute Journal*. 42, pp. 21-27.

C.R. Popescu (2011a), *Competitivitate în complexitatea noii economii: studiu de caz pe situația economică la nivel național și global* - București, Editura Mustang, 398 pagini, ISBN 978-606-8058-30-6.

C.R. Popescu (2011b), *Competitivitatea în noua economie globală: să învățăm din criza actuală* - București, Editura Mustang, 2011, 320 pagini, ISBN 978-606-8058-48-1.

C.R. Popescu, Popescu, V.A. & Popescu, G.N. (2014). "The entrepreneur's role in the performance growth of the financial audit activity in Romania," *Amfiteatru Economic*, 17(38), pp. 232-251, Retrieved from http://www.amfiteatruconomic.ro/temp/Article_2382.pdf.

C.R. Popescu (2016a), *Teaching and learning the discipline "European business environment": proposal for an interactive approach (în limba engleză)*, Editura C.H. Beck, București, 100 pagini, ISBN 978-606-18-0609-6.

C.R. Popescu (2016b), *Contributions Regarding the Study and Evaluation of Interdependencies Between Key Factors in Increasing the Competitiveness (în limba engleză)*, Editura Mustang, București, 2016, 290 pagini, ISBN 978-606-652-102-4.

C.R. Popescu, Popescu, G.N. & Popescu, V.A. (2017a), "Assessment of the State of Implementation of Excellence Model Common Assessment Framework (CAF) 2013 by the National Institutes of Research - Development - Innovation in Romania," *Amfiteatru Economic*, 19(44), pp. 41-60, Retrieved from http://www.amfiteatruconomic.ro/temp/Articol_2593.pdf.

C.R. Popescu, Popescu, G.N. & Popescu, V. A. (2017b), "*Sustainability Leadership, the Key to a Better World - A Case Study on Romania's Situation*," The 29th IBIMA Conference, 3 - 4 May 2017, Vienna, Austria, www.ibima.org, <http://www.ibima.org/AUSTRIA2017/papers/sust.html>, Proceedings of the 29th International Business Information Management Association Conference, 3-4 May 2017, Vienna, Austria, ISBN: 978-0-9860419-7-6, Education Excellence and Innovation Management through Vision 2020: From Regional Development Sustainability to Global Economic Growth (Editor- Khalid S. Soliman), International Business Information Management Association (IBIMA), Copyright 2017, pp. 79-92.

C.R. Popescu, (2017), "The Role of Total Quality Management in Developing the Concept of Social Responsibility to Protect Public Interest in Associations of Liberal Professions," *Amfiteatru Economic*, 19 (Special No. 11), pp. 1091-1106, Retrieved from http://www.amfiteatruconomic.ro/temp/Article_2685.pdf.

C.R. Popescu & Popescu, G.N. (2018a), "Risks of cyber attacks on financial audit activity," *Audit Financiar*, vol. XVI, no. 1(149)/2018, pp. 140-147, DOI: 10.20869/AUDITF/2018/149/006, Retrieved from <http://dx.doi.org/10.20869/AUDITF/2018/149/006>.

C.R. Popescu & Popescu, G.N. (2018b), "Methods of Evaluating "Intellectual capital" of an Organization and Ways of Enhancing Performance in the Knowledge-based Economy - A Synthetically Approach," *The 32nd IBIMA Conference, 15-16 November 2018, Seville, Spain*, www.ibima.org, Proceedings of the 32nd International Business Information Management Association Conference, ISBN: 978-0-9998551-1-9, Education Excellence and Innovation Management through Vision 2020: From Regional Development Sustainability to Global Economic Growth (Editor - Khalid S. Soliman), International Business Information Management Association (IBIMA).

C.R. Popescu (2018a), "'Intellectual Capital" - Role, Importance, Components and Influences on the Performance of Organizations - A Theoretical Approach," *The 32nd IBIMA Conference, 15-16 November 2018, Seville, Spain*, www.ibima.org, Proceedings of the 32nd International Business Information Management Association Conference, ISBN: 978-0-9998551-1-9, Education Excellence and Innovation Management through Vision 2020: From Regional Development Sustainability to Global Economic

Growth (Editor - Khalid S. Solimán), International Business Information Management Association (IBIMA).

C.R. Popescu (2018b), „Intellectual Capital": Major Role, Key Importance and Decisive Influences on Organizations' Performance," *Journal of Human Resources Management Research (JHRMR)*, IBIMA Publishing, (accepted for publication), ISSN: 2166-0018, <https://ibimapublishing.com/journals/journal-of-human-resources-management-research/>.

C.R. Popescu (2018c), *Evaluating intellectual capital and its influence on companies' performance - a Case Study on Romania's Experience*, The 13th annual International Technology, Education and Development Conference, INTED2019, Valencia (Spain), 11th, 12th and 13th of March, 2019, Title: INTED2019 Proceedings, ISBN: to be assigned, doi: to be assigned, (accepted for publication), <https://iased.org/inted/publications>.

C.R. Popescu, C.R., & Popescu, G.N. (2019), *The Social, Economic, and Environmental Impact of Ecological Beekeeping in Romania*. In G. Popescu (Ed.), *Agrifood Economics and Sustainable Development in Contemporary Society* (pp. 75-96). Hershey, PA: IGI Global. doi:10.4018/978-1-5225-5739-5.ch004

G.N. Popescu, Popescu, V.A., Popescu, C.R. (2015), *Chapter title: Corporate Governance in Romania: Theories, Practices and Future Perspectives*, World Scientific Publishing House, title of the edited book *Corporate Governance and Corporate Social Responsibility. Emerging Markets Focus*, The book editors: Sabri Boubaker and Duc K. Nguyen, link <http://www.worldscientific.com/>, ISBN: 978-981-4520-37-9 (hardcover), ISBN: 978-981-4520-39-3 (ebook), Retrieved from <http://www.worldscientific.com/worldscibooks/10.1142/8869>, pp. 375 - 401.

D. Ricardo (1817), *On the Principles of Political Economy and Taxation*, Piero Sraffa (Ed.) Works and Correspondence of David Ricardo, Volume I, Cambridge University Press, 1951.

J. Roos & Roos, Göran & C. Dragonetti, Nicola & Edvinsson, Leif. (1997, January), *Intellectual Capital: Navigating in the New Business Landscape*, Publisher: Macmillan Publications.

C. Tociu, R. Szep, A. M. Anghel, F. Marinescu, M. Ilie, E. Holban, G. Ghita, M. Matei, F. D. Dumitru, I. Popescu, A. Moncea, L. Laslo, A. I. Daescu, C. R. Gh. Popescu (2017), "Possibilities For Efficient Use Of Valuable Materials From Aluminium Slag To Remove Specific Pollutants In Wastewater," *Journal of Environmental Protection and Ecology*, 18, No 3, 842-852, ISSN 1311-5065.

R.S. Schuler & I. C. MacMillan (1984, Fall), *Gaining Competitive Advantage through Human Resource Management Practices*, In: *Human Resource Management*, Vol. 23, Number 3, pp. 241-255, Publisher: John Wiley & Sons, Inc.

Science for Environment Policy (2017), *Taking stock: progress in natural capital accounting*, In-depth Report 16 produced for the European Commission, DG Environment by the Science Communication Unit, UWE, Bristol. Retrieved 8th December 2018, from <http://ec.europa.eu/science-environment-policy>.

A. Serenko & N. Bontis (2013), "Investigating the current state and impact of the intellectual capital academic discipline," *Journal of Intellectual Capital*, Vol. 14 Issue: 4, pp.476-500, <https://doi.org/10.1108/JIC-11-2012-0099>.

A. Smith (1761), *Theory of Moral Sentiments* (2 Ed.), Strand & Edinburgh: A. Millar; A. Kincaid & J. Bell.

A. Smith (2015), *The Wealth of Nations: A Translation into Modern English*, Industrial Systems Research, ISBN 978-0-906321-70-6.

T.A. Stewart (1997), *Intellectual Capital: The New Wealth of Organizations*, Publisher: Doubleday/Currency, New York.

K.E. Sveiby (1997), "The Intangible Assets Monitor," *Journal of Human Resource Costing & Accounting*, Vol. 2 Issue: 1, pp.73-97, <https://doi.org/10.1108/eb029036>.

H. Takeuchi & I. Nonaka (1986, January / February), "The New New Product Development Game," *Harvard Business Review*, pp. 285-305.

R. Tamosiunienė & S. Survilaitė (2015), „The model of intellectual capital evaluation in publicly listed companies," 1st International Conference on Business Management, Universitat Politècnica de Valencia, DOI: <http://dx.doi.org/10.4995/ICBM.2015.1269>, pp. 31-36.

D. Turker (2009), „Measuring corporate social responsibility: A scale development study," *Journal of Business Ethics*, 85, pp. 411-427.

Z. Xiaohong & Li Sijing (2007), "Definition and Exploration of Intellectual Capital," *Industrial Technology & Economy*, (12) (in Chinese).

T. Wagner, Lutz, R. J., & Weitz, B. A. (2009), „Corporate hypocrisy: Overcoming the threat of inconsistent corporate social responsibility perceptions," *Journal of Marketing*, 73, pp. 77-91.

J. L. Walls, Berrone, P., & Phan, P. H. (2012), „Corporate governance and environmental performance: Is there really a link?" *Strategic Management Journal*, advanced online publication.

D. J. Wood (1991), „Corporate social performance revisited," *Academy of Management Review*, 16, pp. 691-718.