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This article aims to evaluate the financial impact of teacher's academic degree for Higher Education Institutions' (HEI) management and answers the following research problem: what is the financial impact in HEI's management in the incentive to teachers' professional qualification and academic degree? Methodologically is about a case study inside the universe of private HEI which sample was chosen randomly. It was used descriptive statistics. For that it was shown data in four tables followed by their descriptions with previous discussion of results presented that reveals a big financial impact to HEI, which makes necessary the assertive decision making by the management.

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# Management of Intangible Assets in Private Higher Education Institutions: The Incentive to Titration X Financial Impact

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## Abstract

*This article aims to evaluate the financial impact of teacher's academic degree for Higher Education Institutions' (HEI) management and answers the following research problem: what is the financial impact in HEI's management in the incentive to teachers' professional qualification and academic degree? Methodologically is about a case study inside the universe of private HEI which sample was chosen randomly. It was used descriptive statistics. For that it was shown data in four tables followed by their descriptions with previous discussion of results presented that reveals a big financial impact to HEI, which makes necessary the assertive decision making by the management.*

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## 1. Introduction

The intangible assets are immaterial goods and incorporate products of human production since scientifics, passing thru the artistic, reaching the industrial invention. They are also services that satisfy human need but are not necessarily a material input. A good example of immaterial service is the education and its teaching development, research and extension in the higher education institutes (BARBOSA, 2010).

They are important to managers, government, investors, regulators, academics and others. One of them, the Intellectual Capital – IC, is of paramount importance in economy for being in knowledge society, being defined as result of every person knowledge in the organization. To know, to control and to use properly gives the company competitive advantage for having greater controls and probabilities to know the reached results. This brought up the need to know how to work with IC in an organized and systematic way knowing how to acquire, organize and use it in favor of the company development regardless of being explicit or tactical for everybody that could have the accesses and work with consciousness of knowledge that they have. This process is called knowledge management – KM. Therefore, a strong connection exists between IC and KM for having a competitive differential in AI's process once that for the first, if correctly used, is base tool for the company's sustainability in terms of

competitive and is up for the second exactly the function of making the CI management efficient and effective. (STEFANO & FILHO, 2018).

Nowadays for a company to achieve greater productivity and better quality in its services and products with competitive advantages is essential to focus on human factor, once that it has become key piece in organizations taking the place of traditional factors of production as land, machines and capital. For this reason, the wealth of a country, in the current context, is no longer centered on tangible goods, but on its competence to produce knowledge whose result materializes in technology and innovation so that it can grow and evolve in several aspects, but mainly, in the economic. Logically, the university spaces are fundamental for all of this to happen, as long as there is an efficient management to protect what is produced both in the tangible and intangible aspects, that is, a very strategic management of human competences linked to teaching, research and extension. However, in Brazilian universities, there is a gap between the knowledge that is produced (IA) and their results. (PINHEIRO; MENDES; OLIVEIRA, 2014)

This makes the Human Resources of HEI, in special, those in the private administrative category, encourage teachers to constantly search for degrees, since academic degrees, in accordance with the standards of regulatory bodies, provide for improvements in the quality of the study services offer, and also assume that there is an improvement in the effective quality of the actions inherent to the function of superior teacher. So, it is questioned, what is the financial impact on the management of the HEI of the incentive to the teacher for his professional qualification and academic titration? Thus, in order to answer this question, the objective is to assess the financial impact of teacher's academic degrees for the management of the HEI.

The results arising from the increase of degree implies that the HEI management act directly in the faculty because they are the direct ones in the formation of the final product. The concept used for the management analysis of human capital in HEI is called core competence which definition is the ability of presenting differentials in relation to competitors, being accessible and visible to all (PRAHALAD & HAMEL, 1990).

This gets more evident in companies of knowledge, tecnologic and services production. In them, the direct relationship between intangible assets and the organizational life cycle is much more visible, as studies show that as they progress, there is also an increase in IA, especially when there is joint monitoring, reversing its increase in aggregation of the company's value, which reveals the dynamics of IA, once that is presented since the beginning as key elements to the company's evolution. The measure, therefore, of the company's growth requires a greater management in a global way to the IA specially related to the competences of employees in a external view to the company (LIMA & VASCONCELOS, 2016).

Discuss and contextualize the conceptions of human capital allows the potentialization and application of these IA, composed by the attitudes, knowledge, abilities and people's knowledge, main organizations agents for being source of a competitive advantage. In the 90's, it started to be considered essential for companies to be able to present innovation, competitive advantage and frequency of strategic renewals integrating intellectual capital. Nowadays, this capital is already essential for quality of service, which makes fundamental for the organization's survival (VIDOTTO; BENTAFOCOURT; BASTOS, 2016).

## 2. Methodology

From the methodological procedures point of view, one of the ways to analyze a phenomenon within a universe to achieve generalizations is the case study. It is about preserving the unitary character of a set of data by organizing them and establishing similarities within the universe, serving as the basis for the production of knowledge applied in other cases. This study unit can be a community, a group, an individual and an institution. The goals to be accomplish can be several in a study: do descriptions, test and / or generate theory. (GIL, 2008).

Thus, within the universe of private higher education institutions, HEI was chosen randomly, by convenience but also by presenting some characteristics as good results in ministry of education, being a known brand in Bahia’s Northeast and South Center of Sergipe and seeing many of its teachers seek alternation of level, in their titrations from specialist to master and master to doctor.

Regarding the presented data in the tables about HEI, shown in the results, were collected this way: in relation to the percentage increases of the career plan from the increase in the degree, the Personnel Management department provides each semester selection of teachers with a table with these percentage increases as well as the value of the class hour for specialist, master and doctor, therefore, easily accessible from the teachers in selection; But the data referring to the number of courses, weekly hours per course, hours per week, were obtained in HEI’s website where are the matrices of each course and the academic hours per course distributed on the days of the week with the number of class hours; and, regarding the data referring to the charges for social services of business management in Brazil, accountants and official documents from the Federal Revenue were consulted, showing the percentage of charges, according to the type of company coinciding with the HEI under study. Descriptive statistics was applied to analyze the data presented in the tables.

## 3. Results

The results are presented in four tables. In the first, are presented the percentage values in the increase of degrees from specialist to master and from master to doctor. They were calculated from the table number four, where the values in reais are shown for a workload of four hours per week for the referred degrees. In the table number two, are presented the percentage of charges for calculating the received values and in the number three, data base for the calculation of table number 4, they are punctual data related to number of courses, classes and workload.

Raise in salary amounts to be paid by titration	
Career Plan	
<b>SPECIALIST / MASTER</b>	19,60%
<b>MASTER / DOCTOR</b>	16,24%

As shown in the table, the percentage increase in the degree from specialist to master is 19.60%, which corresponds for one month, considering 130 hours of a course, an raise of R\$23.522,2 excluding the charges. From master to doctor, there is a percentual raise of 16,24%, corresponding to the monthly raise

of R\$23.292,1, also excluding the charges. These values in monthly reais were found by the difference between the monthly value of specialist-master and master doctor in table 4.

Social charges inherent to business management in Brazil	
Guarantee Fund	8,00%
1/3 Vacation	0,27%
13°	0,82%
INSS	9,00%
Total of monthly charges	18,09%

Depending on the sum of the table, total charges reach 18.09%, which increases in real monthly values following the titration: from specialist to master, R\$4.255,17; from master to doctor, R\$ 4.213, 54.

Quantitative of HEI's teams and classes of reference as an exemple	
HEI's reference	
Courses	26
Weekly hours per course	20
Hours per week	520
Divided by 4	130

In this case, there are presented in the table punctual data of HEI, reference that allows to build the others table, such as their inferences with new values from the analysis. Therefore, the HEI has 26 courses which weekly workload of every course is 20 hours, which makes the HEI a total of 520 hours a week, since there are 26 courses times 20 hours a week. When dividing this total weekly hours by 4, the weekly base workload for calculating the amount by degree, there is a total of 130 hours.

Total amount of hour/class to be paid in HEI's reference		
	4h weekly	Month values
Specialist Value	R\$ 923,09	R\$ 120.001,70
Master Value	R\$ 1.104,03	R\$ 143.523,90
Doctor Value	R\$ 1.283,20	R\$ 166.816,00

Already in this table, monthly values are shown by titration, which allows to calculate the raise by the difference in values: specialist to master R\$23.522,2: and from master to doctor, R\$23.292,00.

#### 4. Discussion

The watchword of current production systems are goods and services, which requires organizations

to have good management in relation to intangible assets whose knowledge management, with the use of coherent methods and techniques, serves to instrumentalize and understand the organizational learning process on a scale evolutionary. This happens when KM works with intellectual capital from a human, intellectual and integrative perspective. (FRAGA, GRAEF; SANTOS, 2017).

When analyzing the results present in the table one and two, it is realized the financial impact that HEI has in the change of academic degree, because when we add the increase in salary with the charges in a change from specialist to master, per month, we will have R\$27.777,37 and, from master to doctor, R\$27.505,64. When thinking about this impact in a year, there are considerable amounts of increased expenses due to the incentive given to the intellectual capital of teachers. Obviously, becomes necessary to manage this intangible asset in order to make this increase turn into a positive value for HEI, in addition to complying with the titration of regulatory bodies.

This understanding should be quite feasible in our HEI, in relation to the IC as well as their management for being in the educational field, including the ability to measure, retain and increase intangible assets. However, in Brazil, it is still very incipient and restricted to specific experiences to measure the IC with program evaluations and / or efforts to do so, which shows us the ample space for the use of IC management to be disseminated in education for decision making competitive advantage for this type of organization (BRITO & OLIVEIRA,2016).

The results makes it evident how much is important a police and management of intellectual capital so that any financial increase can be reverted initially to improvements in the services provided by HEI teaching, extension and research and, after, from an effective management and systematic monitoring of intangible assets improved with the titration, multiply the company's profits.

An example of this aspect was the study made in a Higher Education Institute in Cajazeiras/PB regarding to the importance attributed to critical intangible assets for the evaluation of Intellectual Capital and it was found that there is a recognition of this importance in all dimensions to which the assessment is proposed, however, in the study, it was noticed the absence of IA management in a way effective and efficient, which directly interferes in the composition of the IC of the HEI. It was also found that the coordinators do not have a strategic vision for the management of IA (SILVA,*et al.*, 2018).

Besides that, while looking to these results, the cademical managers need to make choices and make decisions based in these values. For example, in fact my HEI has a police of management and monitoring of intangible assets in the moment, that makes possible a short, medium and long term feedback to see the positive results of this investment and incentive in academic degrees, so that the priority remains this incentive; or, if I don't have it, what strategies do I need to look for in order to meet the market, demands from regulatory bodies and quality of services; or, how to manage all these variables of intangible assets in favor of positive results for the HEI.

This demands an efficient and effective management of IA resulting from investments in human resources. In order to receive these two adjectives mentioned in the previous period, management already needs to be aware that it can only act in these capitals if it has policies and actions that can actually measure and monitor the results of such resources. In case it does not have this mechanism, the first decision would be to rethink the incentives and investments (BARBOSA & GOMES, 2002).

That is why learning and the performance of an organization, in terms of positive results, it is

proportional to the adequate knowledge management, which makes studies to show up and a concern on how to obtain efficiency and effectiveness in IC assets. For that, it is important, primarily, to understand the concepts, assessments and measurements of these assets. Thus, it is understood that managing CI is to find strategies to organize processes and technologies built initially on cognition for later transformations of this information into knowledge of IC in the organization's culture. This demands an elaboration of tools for management capable of an evaluation with capture, identification, systematization and application of information in the production of knowledge. These can now be used to impulse organizational strategies with broad performance. Logically, for all of this to happen, it is necessary a deep comprehension of IC, as well as KM techniques which process must create values associated to the organization's strategies in an intentional and systematic way. So, one of the factors that sometimes collaborates for organizations to lose strength to competition in the market is the absence of an organizational culture in relation to the knowledge and learning produced, IC's depreciation, when, in fact, sharing knowledge transforms organizational spaces with added value to IA in terms of employees, shareholders, customers, suppliers, in short, the whole society (STEFANO & FILHO, 2018).

This shows how much IC is important for the organization's growth as well as being a basic theme at the moment, which makes the HEI a key part for the production and dissemination of this knowledge in relation to the degree of importance of KM to generate competitive advantages. (MARTINS & FERREIRA, 2015). Therefore, the education and people's degree for the production and realization of new knowledge is the basis for making the knowledge society grow, therefore, HEI is the foundation for this new space.

Reaffirm the financial impact in HEI, tables three and four because they show how teachers change their degrees for a given monthly workload, there is a big difference in values between what they received and what they start to receive. This shows that the HEI has a policy of encouraging titration, an increase in intellectual capital, followed by a financial increase on personal sheet. What is discussed here is how now there will be a conversion of added value for the company, based on the investment made, with this addition of positive intangible, intellectual capital, to the company's human capital.

Intellectual capital has as its exit and entry point, that is, its generation and at the same time, its destiny is to be human with a prominent role to create competitive advantage, especially in knowledge and technology companies. In order for this to happen, people need to be managed and understood in a logic of reflection, exchange of experiences, constant interaction between everyone in the company so that there are skills gains. The management of skills by function performed by the employee offers a factor of great appreciation of human processes because it leaves the worker in a situation of better well-being, which of course, makes him have better results and, consequently, motivates him to always innovate with his eye in the market, therefore, more competitive advantages (SILVEIRA *et al*, 2015).

Ultimately, actions to monitor human capital that indicate improvements are required, an evaluation system consistent with the policy of incentives, an accounting system that demonstrates the relationship of these intangibles and an effective management and policy that facilitates decision-making based on values of intangible assets, in this case, intellectual, human and integrative capital. It is confirmed, therefore, from the observed results, how there is a financial impact on the HEI from the incentives for the teacher's titration and how it is essential to start to manage and make decisions looking at this investment.



## 5. Final Thoughts

The results presented, as well as their discussion, allow us to make the following considerations: there is, in fact, a great financial impact on HEI by encouraging titration; this is represented both by the increase in the teacher's class time and the increase in charges, a consequence of the previous increase; to compensate for this impact, good management of intangible assets resulting from the increase in qualifications is necessary, as well as clear policies and quality indicators for teachers after qualification; and, finally, HEI needs to act to realize the conversion of this financial impact into positive values, which makes it seek alternatives for joint measurement of tangible and intangible assets, if this does not happen, it may be making wrong decisions, as shown by the data .

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