

The Effect of Intellectual Capital on the Leadership Behavior of General Managers in Public Sector Organizations: A Case Study at the Textile Factory in Wasit Governorate/Iraq

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Abstract

Perhaps the most important economic and political change in Iraq after 2003 is the change in the structure and nature of work, the openness of a society to new styles of work through the adoption of advanced ideas and the optimum use of resources, in order to face the real competition. In this direction, intellectual capital is viewed as the real, intangible asset which value cannot be estimated.

Therefore, it is necessary for public or private sector organizations to realize the importance of Intellectual capital and its major role in the competition in the market. The existence and effectiveness of the intellectual capital require a distinguished leadership role that contributes effectively to the success of the organization through an direct impact of leadership behaviors on the performance of the individuals in the workplace. This research will address the problem of how intellectual capital influence the behavior of managers in organizations.

The paper will be divided into four sections : the first one is dedicated to the research methodology, while the second is devoted to the concept of knowledge capital. The third part is devoted to the nature and concept of leadership behavior. As for the practical side, the fourth section includes the results of the checklist used to tests and explores the points of view of some managers at the Spinning and Weaving Factory at Wasit Governorate. Calculation is performed to measure the gap existed between the application and documentation of all the standards listed in the checklist, then conclusions were drawn. Finally, authors present some recommendations to the senior management based on the results.

Keywords : *Intellectual Capital, Leadership Behaviour, Leadership, Public Sector*

Introduction

The first stage of knowledge was associated with the beginning of human creation, so it is possible to identify the cumulative nature of human knowledge, as history has shown that what ancient civilizations achieved because this accumulation of knowledge enabled people to build great things like the pyramids in Egypt or the Greek buildings. Also, the progress and the growing of life needs led to an increase in the human beings to utilize their mental abilities to influence, lead this progress and control the changes in life and its accelerating rhythm.

States and societies achieved development and innovations relying on thinkers, creators and conscious innovative minds; and the strength of countries depends on the extent to which they possess the cornerstone of science and knowledge. So, we can recognize easily that many societies have achieved great progress as they benefited from the energies and

capabilities of their creative people , and this is what encouraged academics and researchers to measure the progress of societies by the number of their scholars, its thinkers, and the resulting scientific and knowledge accumulation . Also, all the companies working in all the business sectors started to focused on the new emerging concept : the intellectual capital , which became one of the most important factors in the success of organizations of all kinds all over the world. Today all organizations need to make use of the financial, material and intellectual resources available to it to achieve its goals, and they must innovate as the competition today impose its law " innovate or die".

1.Research Methodology

1.1 Problem Statement

The technology challenges and developments depend heavily on the human capital, which has become an important pillar and considered as a vital asset for the organization, because of its fundamental effect on productivity. The cost of intellectual capital has become as important as other operative costs . So, the importance of developing, , maintaining, and keeping the morale of the intellectual capital, is an issue of exceptional importance for optimal use of the organization resources . This depends on the effective leadership of organizations and how to influence human resource behaviors to achieve the organization' goals . According to the above, search problem can be formulated as the following :

1. To what extent business organizations are aware of the concept of intellectual capital?
- 2.What is the importance of intellectual capital and considering it as the real, intangible asset which value cannot be evaluated easily .
- 3.What is the role of intellectual capital in shaping leadership behavior in business organizations ?

1.2 Research Significance

The importance of this paper stems from the increasing effects of the good management of human resources represented by the new role of intellectual capital and its fundamental impact on the performance and productivity of business organizations in a changing world in which we live, it is the era of technological innovation, knowledge ,and advanced communication nets which means the real need for human capital with a mixture of non-traditional skills.

The intellectual capital is the most valuable resource in business organizations and government institutions. Therefore, its leadership and management styles and how do they affect the workforce are of high priority for the purpose of optimal use of the organization' sources in order to achieve the organization and employees goals .

1.3 Research Objectives

This paper aims to achieve the following objectives:

- 1.Reviewing the concept of intellectual capital and leadership behavior.
2. Identifying the reality of intellectual capital in the State Spinning and Weaving Company.
3. Determining the leadership behavior role in improving the above mentioned organization performance.

4. Identifying and assessing the dimensions of intellectual capital (human capital, customer capital, structural capital) in leadership behavior using a checklist prepared for this purpose

2 .The Intellectual Capital

2.1 Intellectual Capital Concept

Sveiby and Lloyd (1987) was the first to define intellectual capital as the micro-level concept in terms of its categorization into three classes : human capital (workers' education and experience), structural capital (the ability to organize), and relational capital (relationships with stakeholders). Also, the term intangible assets is divided into two parts : practices and human resources ; but mostly we find the term intangible assets, explained in a way to contain three categories : computerized information (software and databases), innovative proprietary, discovery , (patents and copyrights), publishing, designs and brands, economic competencies (brand ownership, networks of people and organizations), and the intangible intellectual capital company own in its three forms : human capital, knowledge capital, and institutional capital . Using the term intellectual capital, which is divided into human capital and both the Internal and external structural capital .In this study , it is referred to the capital generated within the company as the intellectual capital rather than the one purchased from external sources. In one study, the intellectual capital of the company is classified into five areas : intellectual capital, communication technology capital, research capital, development capital, and organizational capital. In the same study, we found that the term human capital is defined as the set of mental processes, reinforced by culture and ideology, and in particular including norms in particular, values, attitudes and beliefs that contribute positively to cooperative behavior and mutually beneficial teamwork (Caragliu et al, 2014. P 4) . So Intellectual capital is understood as knowledge, information, unique ideas, and experiences that can be used to create wealth.

Daft (2001) defined intellectual capital is as a collection of knowledge resources formed by two basic types : explicit knowledge and tacit knowledge. Explicit knowledge refers to what can be expressed, written and transferred to other organization members, meanwhile tacit knowledge, is built on personal knowledge for the development of business organizations. (Daft, 2001. P. 45). Intellectual capital is the mental capacity of individuals, skills, expertise, information and knowledge possessed by a number of employees in the organization and is harnessed to adopt new systems and technologies that make the products of the organization distinguished from the similar products of other firms working in the same field and to contribute to a better competitive position in the market.

The intellectual capital is represented by the experiences and skills that working individuals hold, which are used to provide new working methods based on advanced ideas, and optimal use of resources to achieve competitive advantage the local and global markets as the competition turned very intense and based on knowledge and professional experiences

of the working force and the organization databases (Lehtimaki, 2016, p. 46) . Intellectual capital is seen as the real, intangible wealth which value and price cannot be estimated, because it is the implicit mental abilities that workforce hold in their minds making them a human capital in the organization ; it is considered a competitive advantage for it, being the main source from which all knowledge and skills emerge in form of products and services of high quality , with which the organization can face the continues changes in the environment (Mirkhan, 2003, P .25).

2.2 Intellectual Capital Importance

In general, organizations must recognize the importance of the intellectual capital, which exercise a major role in the competition with other organizations in the market, that leads them to be in a notable leadership position among all other organizations that are in the same business sector (Al-Ramidi, 2019, P. 286), (Daft, 2001,P. 259) (Al-Mufraji and Salih, (2003, P. 82-83) (Moomaw et al, 2002,P.50)

- 1.The serious interest in intellectual capital helps in making knowledge assets as a main source of competitive advantage by developing the capabilities and skills of employees.
2. It is considered one of the effective tools for preserving and generating knowledge that support the growth of the organization.
3. It contributes to adding more value and more progress in information and acquiring skills
- 4.It creates new spirit of knowledge teamwork's in the departments of the organizations and encourages individuals to focused more on the intellectual skills.
5. It helps individuals to understand better the relationship among physical, informational , and human capital.
- 6.It reveals the characteristics and skills of the creative and distinguished abilities of the employees.
7. It Provides reliable, objective, and quantitative measures of behaviors, used in forecasting the of individuals in the future.
8. It is considered as one of the most important indicators of the organizational performance in all the public and business organizations working in all sectors .

2.3 Intellectual Capital Dimensions

2.3.1 Human Capital

Human capital is one of the important pillars of intellectual capital, it encompasses skills, experiences, capabilities and abilities of workers, so the processes of creativity, innovation, and future thinking impulse organizations towards further progress and development, and sustain their position in competing in a more complex environment (Al-Anzi and Nima, 2001,P. 156). Sometimes , human capital is defined as one of the broadest and most important intangible assets in the organization, as it is the main effective capital that provides the products requested by customers (Yang and Guo, 2011,P.563). Human capital is the human capacity of the organization, which is used to solve business problems in today business environment that is facing new kinds of challenges like the Covid 19 pandemic and the new workplace conditions . Human capital is incorporated in individuals ,for this reason, human capital leaves the organization when workers leave it for any reason . Also, human capital is the latent knowledge of all the workforce in the organization, that It is owned and produced by everyone (Rehman, et. al., 2011, P. 8)

2.3.2. Structural capital

Structural capital could be explained and understood in depth and comprehensiveness when it is defined as a set of systems, procedures, structures and strategies, according to them the methods and procedures through which goods and services delivered to customers

are achieved on time, compatibility and alignment with the environmental variables (Chen, 2007, P. 272). In other way, structural capital is considered as organizational capabilities that regulate the organizational requirements and contribute to the transfer and enhancement of knowledge through the structural intellectual assets illustrated by information systems, patents, and copyrights; in addition to the extent of protection offered for the systems that represent the organization's personality, values and identity. The value of the work is employees in which the organization invests all the capabilities and resources wain investments the organization make in the employees development will raise the value of the human capital and consolidate the its competitive power (Al-Khaffaf, 2006: 18). Other study clarified structural capital as the organization's ability to meet the needs and desires of working force members, that include structures and methods used to carry out the routine work and that sustain workers' readiness to achieve optimal intellectual performance. Structural capital is the basis on which the organization relies in continuing its existence in form of an explicit, tacit, hidden and embodied knowledge, operations and procedures, by one side , and organization's operations, creativity, intellectual property, infrastructure and management philosophy on the other side (Al-Bamerni, 2006, P.15).

2.3.3. Customer Capital

Customer capital refers to the knowledge embodied in the marketing channels and the relationships of individuals with each other that the organization develops through the daily applications of its administrative work. Although it is known that Hubert Saint-once was the first one who shaped the concept- the customer capital- recent definitions have expanded it to include relational capital, which includes the knowledge found in all the relationships that are built among working force individuals, developed by the organization, whether on the part of the customer, competition, suppliers or associations or with trade or government unions (Bontis, et. al, 2000, P. 88). Customer capital main goal is the understanding of customers' behavior , their needs, and what the manpower is trying to achieve as they are the most important intellectual capital in all organizations. If the organization' administrative work seeks to create a climate of safety and stability among employees , it should put more emphasis on this concept, and works hard to make it a reality and not just a dream. Many organizations have knowledge about their customers, they build databases , make surveys asking customers' participation and suggestions , but most often, this knowledge and information are fragmented and are difficult to exchange or analyze (Rehman, et al, 2011,P. 80).

3. Leadership Behaviour

3.1. Leadership Behavior Concept

Leadership behavior is defined as a natural process of influence that takes place between a person (the leader) and his followers a during a certain context, meanwhile the leadership itself is an attribution process resulting from a cognitive and social approach that determine the underlying theories of leadership and beliefs about how leaders should behave in order to be considered as such. Also, what is reasonably expected of them to think is another important aspect of leadership as a part of the approach of the link between values and leadership styles, as it is showed by the first studies about this topic of which date back to the middle of the twentieth century. The leadership and leaders issue are vital within all organizations in both manufacturing and services sectors (Ricardo et al, 2020, P. 48).

Leadership behavior is a set of behavioral practices that appear visually or invisibly during its implementation, direction, and planning of the available resources, whether

individually or collectively, mainly in order to hit the desired achievements of the organization's goals (Hamid et al , 2016, P. 38). The leader influences his subordinates in terms of defining the duties and tasks assigned to them, so the leadership behavior is evident through the activities and jobs excited by the subordinates and focuses fundamentally on building serious, productive, and fertile relationships among leaders and subordinates showing appreciation and respect for them (Hussain, 2009, P. 119). Also, leadership is explained as series of outcomes, attitudes, ,events ,and skills that managers door interact with subordinates to motivate them with the aim of completing their work with high quality performance in harmony with the organizational leadership styles (Malik 211, 2013). Which are represented in expectations, values, needs and desires (Makaske, 2015, P. 3). In the same way, leadership behavior is related to the recognition and appreciation of innovative employees for their creativity and innovative activities in the field. On the other hand, showing visual leadership behavior is related to providing directions for future actions, communicating the right orientation s and instructions to perform easily and innovatively, and communicating a clear vision in the workplace. All this is , based on a system of penalties and rewards ; employees are rewarded when they succeed, and retrain or discipline them when they fail. Normally, solid and well-built structures are created by the leader in action. Subordinates are always transparent about what is required of them and how to perform it . In one study , transformational leadership at different levels of the organization concluded that supporting innovative leadership behavior is associated with friendly and helpful readiness, because leadership behavior is the process of influencing others to recognize and agree on what to do and how to do it, and the it is the process of facilitating individual and group efforts to achieve common goals. the influence of leaders is the main motive to followers to innovate and perform with high quality, so the different results achieved could be explained by understanding that the qualities of leaders vary according to the different situations, as well as their qualities (Mahdi et al, 2014, P.1077 ; Akram et. al., 2012, P. 355).

Leadership behavior reflects the practice of a certain leadership behavior by a manager that affects employees' job satisfaction and their productivity, leadership behavior is defined as the pattern of behavior that leaders prefer to use while (or defined as For individual and organizational diverse situations with the various followers motivating them to perform optimally showing their fullest potential. Many studies have been conducted to examine the effect of leadership behaviors on organizational outcomes and performance , because this field is very important for all the organizations working in all business sectors all over the world in an environment characterized by instability and aggressive competition.

3.2 Leadership Behavior Theories

A huge number of studies previously carried out have discussed the concept of leadership behavior because of its great importance for the organizations' climate in general, so management field has produced many theories that dealt with it in detail. (Lokasha, 2008, P. 21)

3.2.1 The Attribute Approach

Characteristics and traits are among the key signals to the know and understand leaders and leadership clearly, and not the success of the leadership role in in navigating through all the circumstances and situations that the leader is dealing with. Many studies on this topic concluded that that the availability of those traits is not a prerequisite for all the leaders in all the organizations.

3.2.2 The Behavioural Approach

This entry identifies three basic elements that leaders must have, namely (the organization's environment, the leader Behaviour , the individuals' behavior who follow him). The behavioral patterns of the leader focus on some dimensions (production, high attention to order, working in groups, role exchange, pleasing superiors, the art of persuasion).

3.3 The Importance of Leadership Behavior

Leadership behavior is one of the important concepts that has been discussed and investigated by the academics read searchers because of the impact it has on the organizational climate anthem workplace environment , including the internal methods and procedures inside and outside the organizations in general (Mehdinezhad et al, 2016, P.12; Akram et. al., 2012, P. 355). Leadership behavior's significance stems from the following :

- 1-Creating a safe environment in which employees feel comfortable as they work in an environment where they enjoy the workplace.
- 2-Managing in a way that all the employees feel that the procedures and policies guarantee the rights of all individuals, and they feel that failures –when they occur- for constitutes a new opportunity to learn new skills .
- 3-Achieving the organization' goals by empowering all the workforce' individuals through well designed programs and continuous learning process.
- 4.ivating and encouraged all the employees to perform their jobs and assignments relationships are created between leaders and employees building good relationships with their leaders by one side , and among them by the other.
- 5.A connection is formed between followers and leaders inspired by transformational leaders to help subordinates understanding the importance of the organization's vision, mission, and goals.

3.4 Leadership Basic Behaviors in Path Theory

This theory was named this way to reflect the extent of the influence that affects the leader's awareness of the work's goals or the mode or the framework that leads to achieve this work (Kadhim, 2017, P. 463)

3.4.1 Purposeful leadership : It is a supportive, directive, participatory and achievement-oriented leadership behavior. Supportive directive leadership is considered in this study. This leadership behavior constitutes of two opposing poles. It was convenient to take the two leadership behaviors in account as they are compatible and in the same line with the objective of this study

3.4.2. Supportive Leadership

Supportive leadership refers to the kind leadership behavior that appears to dialogue with people, support their efforts, give them hope, solve their problems, and give them the opportunity to participate in the decision-making process. So, supportive leadership involved in personal emotions and expectations and put them as a priority . Leaders tend to get away from the path followed for by the previous type, showing that supportive leadership is the most effective behavior on subordinates in its produced effects. In addition, supportive leaders can be described as having characteristics such as being a role model, appreciating

and congratulating , recognizing what has been accomplished, helping their subordinates to have reasons for criticism, and accepting constructive criticism. Furthermore, the employees response is legitimate, of high commitment, builds support for the leader, defending the leader's efforts, and increasing his respect (Hussain, 2019, P. 73).

3.4.3. Directive Leadership

This class of leaders direct and instruct subordinates exactly what they are supposed to do. According to House (1971), the one who first reviewed and tested directive leadership and described it as the state in which the leader requires or commands complete and essential directions on a particular task . In directive leadership behavior, questions like “what do and how do I do, where to do, and when to secretly inspect and observe are found normal . On the other hand, directive leadership behavior instructs the expectations of those under command (followers), plan, program, practice autocratic control of goal performance. Also, it highlights the standards of behavior by explaining the followers' roles ; by their part, the followers clearly understand what they are doing and what they are expected to do (Kadhim, 2017, P. 468).

3.5. Organizational Commitment

A commitment is a personal relationship to some courses of action or strategy. Personal or self-discipline involves ensuring that they do their best in every situation and are the optimal employees they can be when performing their assignments. While there are different definitions of organizational commitment in the scientific literature, these definitions share the fact that it is recognized as a common theme in this organizational behavior field that explains the commitment as the individual's attachment to the organization. Organizational commitment is a multi-dimensional construct that refers to the connection and the employee's association with the organization, and it is a continuous process that indicates the contribution of individuals to their workplace (Raad and Amjad, 2020, P. 185).

3.6. Leadership Behaviour Measurement

1. Orientate leader who gives his instructions directly to his subordinates explaining exactly what they are supposed to do. A leader orients his subordinates about their task, including what is expected of them, the work elements to be done, and the timeline for completing a given task and its due date. Moreover, he sets standards , clear rules, and regulations for performance. Directive behavior is appropriate when the task is complex or ambiguous , formal authority is dominant and workgroup shows high job satisfaction.

2. Supportive leader : this type's main concern is the subordinates' welfare and their personal needs. Supportive leadership consists of being friendly and amiable as a leader and demonstrate concern about the welfare and human needs of subordinates . Supportive leadership is appropriate when the task is simple, formal authority is weak, and the work group does not provide job satisfaction.

3. The participatory leader : this type of leaders consults with subordinates about decisions and encourage them to present their ideas , opinions, and suggestions then incorporates them into the decision making process. Participative leadership is appropriate when subordinates do not prefer or support autocratic leadership style, when members have an internal good control and their abilities are high in performing complex tasks , or when authority is either weak or strong, and satisfaction of co-workers is either high or low . An achievement-oriented leader sets clear and challenging goals for subordinates. The leader establishes and

require a high level of excellence for subordinates, and constantly looks for more and better improvement, showing a high degree of trust in subordinates. Achievement-oriented leadership style is appropriate when subordinates are open to autocratic leadership, have an external control, and the subordinate's ability is high; when the task is simple, the authority is strong and influent, and the individuals' job satisfaction is either high or low. The leader behaviors envisioned in Path-Goal Theory have been studied in different industries , organizations , and settings; those studies tested different aspects and assumptions in various workplaces (Malik, 2013,P. 212-211) .

4. Empirical Study

4.1 Checklist Results Presentation

Scale : Fully implemented fully documented (FIFD) = 6 , Fully implemented partially documented (FIPD) = 5 , Fully implemented Undocumented (FIUD)=4, Partially implemented fully documented (PIFD) = 3 , Partially implemented partially documented (PIPD)=2, Partially implemented Undocumented (PIUD)= 1, Unimplemented Undocumented (UIUD)=0

FIFD= 6 , FIPD=5 , FIUD=4 , PIFD=3 , PIPD= 2 , PIUD= 1 , UIUD =0

1-Human Capital

No.	tatementS	FI FD	FI PD	FI UD	PI FD	PI PD	PI UD	UI UD
1	The organization normally recruits qualified and skilled employees		*					
2	The organization take care of creative workers and honors them			*				
3	The organization works hard to keep workers who have qualifications and work experience				*			
4	The organizationfocuse on talent workers with notable qualifications and long experience				*			
5	The organization looks after qualified and experienced workers					*		
6	Human capital is the real intangible wealth of the organization						*	
Weight		6	5	4	3	2	1	0
Frequency		0	1	1	2	1	1	0
Total (Weight* Frequency)		0	5	4	6	2	1	0
Weighted Average		3						
Percentage of Implementation		%50						
Gap		%50						

2-Customer Capital

No.	Statement	FI FD	FI PD	FI UD	PI FD	PI PD	PI UD	UI UD
1	The organization is dedicated to provide its services with high quality in order to satisfy its customers		*					

2	The organization takes into account customers loyalty			*				
3	The organization reviewed its customers ' opinions and respect heir suggetions				*			
4	The organization is going on to set up a system that deals with customer complaints	*						
5	There is a system of information provision for customers about the quality of its products and other related services							*
6	The organization works hardon advertising and promotional activities for the purpose of attracting the highest possible number of customers							*
7	The employees are encouraged to be its marketing force				*			
Weight		6	5	4	3	2	1	0
Frequency		1	1	1	2	0	0	2
Total		6	5	4	6	0	0	0
Weighed Average		3						
Percentage of Implementation		%50						
Gap		%50						

3-Structural Capital

No.	Statements	FI FD	FI PD	FI UD	PI FD	PI PD	PI UD	UI UD
1	The organization gives high priority to the organizational structure							*
2	The organization is planning to introduce modern technology , so it is preparing to start training courses for all its employees				*			
3	The organization supports teamwork by providing the necessary climate for that						*	
4	The organization supports teamwork by providing the necessary organizational climate							*
5	The organization is supporting teamwork's building process and expanding the spirit of the same						*	
6	The organization has a future vision , so it is developing appropriate plans for this purpose							*
Weight		6	5	4	3	2	1	0
Frequency		0	0	0	1	0	2	3
Total		0	0	0	3	0	2	0
Weighted Average		1.66						
Percentage of Implementation		%27.7						
Gap		%72.3						

4-Leadership Behaviour-Constructive Dimension

No.	Statements	FI FD	FI PD	FI UD	PI FD	PI PD	PI UD	UI UD
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1	The manager encourages his followers, and always he takes the initiative		*					
2	The leader works hard to make sure that all followers get their job done on time							*
3	A successful leader abides by regulations and instructions and encourage his followers to abide by them	*						
4	He helps in solving problems that may arise during job performance			*				
5	He coordinates among different departments and units in the organization	*						
6	Managers use their influence to consolidate their authority and achieve organizational goals				*			
7	Encouraging as teamwork's, building the work team spirits and being more active in the workplace						*	
8	Demonstrating the ability of assuming [responsibility in managing the organization					*		
9	The leader works for integrating all the efforts to reduce tension and to show adherence to the collective leadership principle			*				
Weight		6	5	4	3	2	1	0
Frequency		2	1	2	1	1	1	1
Total		12	5	8	3	2	1	0
Weighted Average		3.44						
Percentage of Implementation		%57.4						
Gap		%42.6						

5- Leadership Behaviour-Emotional Dimension

No.	Statements	FI FD	FI PD	FI UD	PI FD	PI PD	PI UD	UI UD
1	He has the art of negotiation, discussion and persuading skills to present his point of view	*						
2	The manager or leader evaluates the follower's competence in performing his work and he is ready to provide him with guidance when it is needed				*			
3	He is a good listener and he is benefiting from the followers, especially those skilled or with long experience		*					
4	The leader uses fair system to reward and honor the creative workers						*	
5	The manager or leader is creative and present new ideas using innovative work style				*			
6	It is preferable to be innovative applying new working procedures and training followers on them							*
7	The organization is providing climate of job satisfaction for all its employees	*						
Weight		6	5	4	3	2	1	0
Frequency		2	1	0	2	0	1	1
Total		12	5	0	6	0	1	0

Weighted Average	3.42
Percentage Of Implementation %	%57.1
Gap	%42.9

6- Leadership Behaviour-Justice Dimension

No.	Statement	FI FD	FI PD	FI UD	PI FD	PI PD	PI UD	UI UD
1	The manager works to offer equal treatment abiding by regulations and laws to all employees without discrimination					*		
2	Always the leader urges employees to be sure that all the procedures are fair							*
3	The leader is powerful and conclusive in offering equal opportunities to all workers, especially in the training, research, and study					*		
4	Rewards and incentives are fairly distributed among all employees						*	
5	Gives all employees the opportunity to participate in decisions made by their superiors							*
6	He is very attentive to make available enough space for every employee to express his point of view freely			*				
7	He uses a fair system in the annual performance appraisal for all the followers, and he is open to all workers to review and discuss and agree or not with that evaluation						*	
Weight		6	5	4	3	2	1	0
Frequency		0	0	1	0	2	2	2
Total		0	0	4	0	4	2	0
Average Weighted		1.42						
Percentage of Implementation		%23.8						
Gap		%76.2						

4.2 Results Discussion

As it is seen in Table (1), it is clear that the percentage of application and documentation in what refers to the human capital dimension was (50%), which means that a gap existed between the optimal conditions determined by the checklist and the real application and documentation in the organization sample of this paper ; which was (50%). The presence of this deficiency could be explained by organization's failure to develop and to adopt a recruiting system that helps it to select and employ qualified and skilled workers.

The results in Table (2), are similar to what is shown in Table (1), where action level is at 50%, so the gap is 50% also for the client capital dimension; this shortage of application and documentation of half of the requirements of the is because of the little importance given to this dimension by the senior management . So, there is a contradiction between what is stated in the announced mission and the reality .

For the third dimension, the structural capital, the results shown in figure (3) reflect a higher gap which means a big deficiency and a bad need for taking serious actions to correct the situation. The calculated gap reached 72.3% with an application and documentation of only 27.7%. This area requires urgent reform and reorganization, it looks that the reason for this gap is the weak allocation of work, the low support offered to encouraging the teamwork spirit, and the need of more of clarity of the future vision.

From Table (4) we can find a big gap of 57.4% in application and documentation, the later was just 42.6%. This means that the senior management and the leadership are not enough constructive. More intensive work is needed to correct the actual situation. Table (5) reflects the same thing, on the emotional dimension we observe another gap of 57.1%, and a low level of application and documentation that is 42.9%. So, another area of the leadership behavior needs to be treated and reformed.

the implementation and documentation on Finally, table (6) shows that actual percentage the justice dimension of leadership behavior was very low with (23.8%), this is to calculate a gap of (76.2%). The main reason is that there is no clear and transparent policy regarding organizational justice; in addition, there is no organizational climate that encourage the workers to announce their points of view freely, or to object a decision made by their superiors.

Conclusions

1. There is a gap between the checklist requirements related to the human capital dimension and the actual fact of human workforce and documentation in the organization, this is due to the organization lack of a good recruitment and selection policy that focused on qualified and skilled job candidates.
2. No high priority is given to recruit workers with long experience and notable qualifications in the organization sample of this research, although there is a statement in its mission indicating the importance of the research and development and the product quality.
3. With respect to the customer capital, the study found that there is a gap between the required conditions of the checklist and the reality in what is referred to the application and the documentation; especially with regard to lack of information provided to customers about the products' quality and the after sale services.
4. It is clear that there is a shortage in the advertising and promotion activities, which is reflected in a weak competitive position of the organization in the market.
5. The study pointed out that there is a prominent gap between the checklist for the structural dimension and the reality of application and documentation which could be explained by the low support given to team spirit.
6. Lack of transparency and clarity in the future vision of the organization's related to its activities and future image.
7. There is no high interest shown in giving all employees the opportunity to participate in decision making process.
8. The management policy toward organizational justice is not well defined, and the administrative procedures of the same are not clear.

Recommendation

- 1.The organization should work hard on adopting a new policy for recruitment and selection of qualified and skilled workers .
- 2.More attention is needed to the human capital as it is the real wealth of the organization, and it is the principal contributor into production increase and improvement.
- 3.Investing more in the research and development activity , especially in new produces , processes , and markets. Improvement of the same is another shortage that must be paid attention.
- 4.The organization must provide customers with sufficient information about its products quality and the guarantee it offers to make them satisfied.
5. Advertising and promotion need more focus and support; doing that will increase demand and bring more customers .
- 6.Teamwork must be the rule and main aspect that will generate job satisfaction among the workforce and encourage them to stay and plan their career there.
- 7.A new policy of real and wide participation in the decision making process especially with regard to their performance evaluation.
- 8.Management should give organizational justice first priority, particularly in what refers to rewards , incentives, and other aspects like training and promotion opportunities .

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