

Enhancement of Intangible (Immaterial) Assets in Formal and Informal Institutions by Virtue Enrichment of Human Capital

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Abstract: Nowadays, human capital is considered as the most important asset for the development of institutions, organizations and firms. Researchers have found that enhancement of individual authenticity is the base for social improvement of spontaneous innovation, founding significant cultural progress and consequently influential industry, entrepreneurship and economy. Strengthening of human capital is obtained when individuals get enhanced spiritually. Indeed, virtue and moral ethics of the authentic individual is the most important factor for the emergence of idea novelty and pragmatic potentials of innovative forces. Applied approach to the authenticity of the creative individuals and ethics create competitive advantages in the institution, because it reduces moral vices and ensures the health of the administrative apparatus. In this article, we discuss (descriptively and interpretively) how an authentic individual, in the bed of institutions and by playing a role in the implementation of top-down and bottom-up policies, can express his innovative talents in order to achieve major progress. Also, the role of formal institutions in serving, setting disciplines and providing a healthy supportive environment for the activities of the authentic individual as well as the role of informal institutions as facilitators of participation of lower level actors has been described. In the end, it is concluded that innovation, meritocracy, livelihood prosperity and economic justice can prevail through enhancing virtue enrichment of individuals.

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Introduction: The notions of “individual authenticity” and “enrichment” have been highlighted in recent theoretical literature with an emphasis on the interpretation of idea novelty and the individuals’ inner talent. Heidegger has repeatedly used the word authenticity in his most important work, *Being and Time* (Heidegger, 1962: 48). In other words, everything original must have a definite source and origin in the sense of authenticity with personal identity. Therefore, existence is not a contractual matter (Mosleh, 1391: Firth Mashahad). In one study, a simple and extensive review of more than 109 articles from the world’s leading and most prestigious journals over a two-decade period points to the individual authenticity and the role of human capital as the most important asset for the development of institutions, organizations and firms (Marvel et-al, 2016: 600). Innovative human capital plays an essential role for developing the immaterial asset. The value of the

authenticity of human existence has effectiveness in various institutional sectors. Theoretical basics of self-fulfilling and innovativeness of human capital define policies, and in this research individual authenticity has been introduced as one of the important pillars for inner enrichment and stable social living either in collective or in individual status. Paying attention to individuality, elevating the morality of the authentic person, and strengthening innovativeness in human capital must enter the discourse of the agenda, the design, and the implementation of policies. Each individual’s unique idea is intangible and non-competitive asset that manifest in transcendent inner richness (Jones, 2019: 860). This, in turn, illustrates the relationship between values and the vision of justice and ethics in the institutions that should facilitate the process of human capital innovation by preventing non-ethical moves and anarchism, yet preserving freedom for talent flourishing. The authenticity of each individual is important. By

strengthening and innovating the human capital and paying attention to novel ideas, as to creating everything that is different from the past, inner richness of authenticity will be created. Social scholars look for finding philosophical aspects offering a brief overview of theories, to explain how to improve authentic individuals, both individually and also in the background of social contexts like informal institutions. This research expands on moral richness of the authentic individuals due to the fact that a certain type of moral behavior flourishes the spirit of the individual, which is called creation and morality (Tavalaee, 2010: 46). Consideration of individual authenticity rather than that of the society complements McCloskey's notion of "the great enrichment" (McCloskey, 2018:15). Human capital is a relatively new issue that has emerged as one of the most influential and complex debates in recent decades, to determine the effective factors on creating and strengthening ethical values

that generates innovation in human resources.

Methodology: Interpretive analysis and hermeneutic cycle are conducted to categorize results, in order to descriptively and interpretively conceptualizing facts about the main research question which is enlightening about how to promote virtue enrichment in authentic individuals.

Findings: Results found from accentuating on authenticity of individuals open doors to realize how ethical values build inner richness in human capital. Also, the interpretation suggests that innovative human capital grows from micro toward macro levels. In order to illustrate bigger picture of attaining virtue enrichment via each individual's inner ethics and justice, the importance of institutions has been interpreted as well and it is indicated that emphasizing on individual authenticity and valuing the ethical pragmatism lead to justice economy. Found interpreted aspects are for policy



makers to pragmatically expand these theoretical knowledge about improving human capital as the most precious immaterial asset. Findings show that the value of each individual and its authenticity in contact with institutions can make societies move forward. Indeed the best probable meaningful correlation between innovate human capital and formal and informal institutions is addressed in this research with the participation of each authentic individual. Moral policies can make wealth creation, social welfare, and justice in economy, pursuing logistic issues of interdependence and interconnections between self-love, ethics, social morality and the great enrichment. Also findings prove that the stems of idea novelty and freedom starts in lower levels of institutions (both formal and informal) which in turn plays a significant role in shaping authenticity of individuals. Ideas are the major factor to build up nonrivalry, and endogenous growth. Based on finding, moral aspects flourish novelty of ideas; therefore, each

individual's exclusive authenticity must be regarded as crucial, before considering the institutional effectiveness.

Discussion and Conclusion:

This research fundamentally interpreted the inner richness due to enrichment of innovative human capital which is building up by focusing on the individual authenticity and ethical aspects that generates novelty of ideas and the great enrichment (McCloskey, 2017: 435). Much existing research on the ethics philosophy relies on historical records to explain wider range of moral activities on values of human capital, but this will not satisfy the modern world. What is needed for a fuller understanding of the recent history of great enrichment, is a more human-centered approach that can take account for nonmaterial values and beliefs and the impact on human capital with respect to inner richness. Formal (Greif, & Mokyr, 2016: 1) and informal (McCloskey, 2016: 63) institutional are functioning on linking the bottom up approach

of innovative human capital to the top down formal approaches. Bottom-up policies could value virtue, dignity and justice between authentic individuals, but these policies will be implemented only by encouraging each individual to make use of his/her inner richness under moral culture. Thus it is important to focus on authentic individuals as key in encouraging ethical enrichment, innovation and spreading values. Ethical manner of authentic individuals finally prevents corruption. Future research could investigate the interpretation on ethical moves by authentic individuals and the philosophy of how authentic individuals contribute to ethical enrichment.

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