

ABSTRACT

The general objective of this study is to construct intellectual capital accounting that reflects knowledge-based organization, so that it is relevant if applied in the organization. In particular, this study aims to understand: 1). the essence of intellectual capital for knowledge-based organization in running it business; 2). development of intellectual capital accounting based on a contextual environment; and 3). the use of multidimensional intellectual capital accounting information in making business decisions in knowledge-based organization. This study was conducted in an interpretive paradigm with a case study approach in the knowledge-based organization, PKK Jr, Bali Province. Data collection methods used were interviews, observation, and documentation. Data were analyzed by adopting the Merriam (2009) and Miles dan Huberman (1994) case study approach. This research resulted in three findings. First, intellectual capital is knowledge that supports organizational development, and everything that is intangible is based on moral values, including human capital, customer capital, organizational capital, social capital, and spiritual capital, to achieve the happiness of all stakeholders. The framework of intellectual capital that is built is a five-dimensional model—human capital, customer capital, organizational capital, social capital, and spiritual capital—, which has a feel of spirituality to achieve happiness. Second, the development of intellectual capital accounting is manifested in measurement and reporting practices. Happiness-oriented intellectual capital accounting is a process of identifying and classifying, measuring and reporting knowledge that supports organizational development and everything that is intangible and based on moral values—including the use of intellectual capital information generated from accounting for business decision-making—in order to achieve the happiness of all stakeholders. Intellectual capital is measured in nominal terms—using a series of indicators—and non-nominal—using sense. Intellectual capital is presented in a report and disclosed visually and narratively. Happiness-oriented intellectual capital reports that were successfully constructed in this study present the basis of the organization—orientation (vision, mission, goals)—, categories of intellectual capital, resources owned, efforts made, and the results of those efforts, for each reporting period— n_t and n_{t-1} . Third, that intellectual capital accounting information is useful in supporting decision making, both based on intuition and rational decision making.

Keywords: *intellectual capital accounting, knowledge-based organization, happiness, spiritual*