



Euroopa Liit
Euroopa Sotsiaalfond



Eesti tuleviku heaks

Tallinn May 2013

The European IP-Framework in a Knowledge-Based Society

Mart Kivikas

mart.kivikas@wissenskapital.info

State-of-the-art

- On Intellectual Capital Reporting (jp. Intangible Assets based Management)

akwissensbilanz.org

incas-europe.org/index-en.htm

- On IC Statement and Management Reporting (IFRS 38)

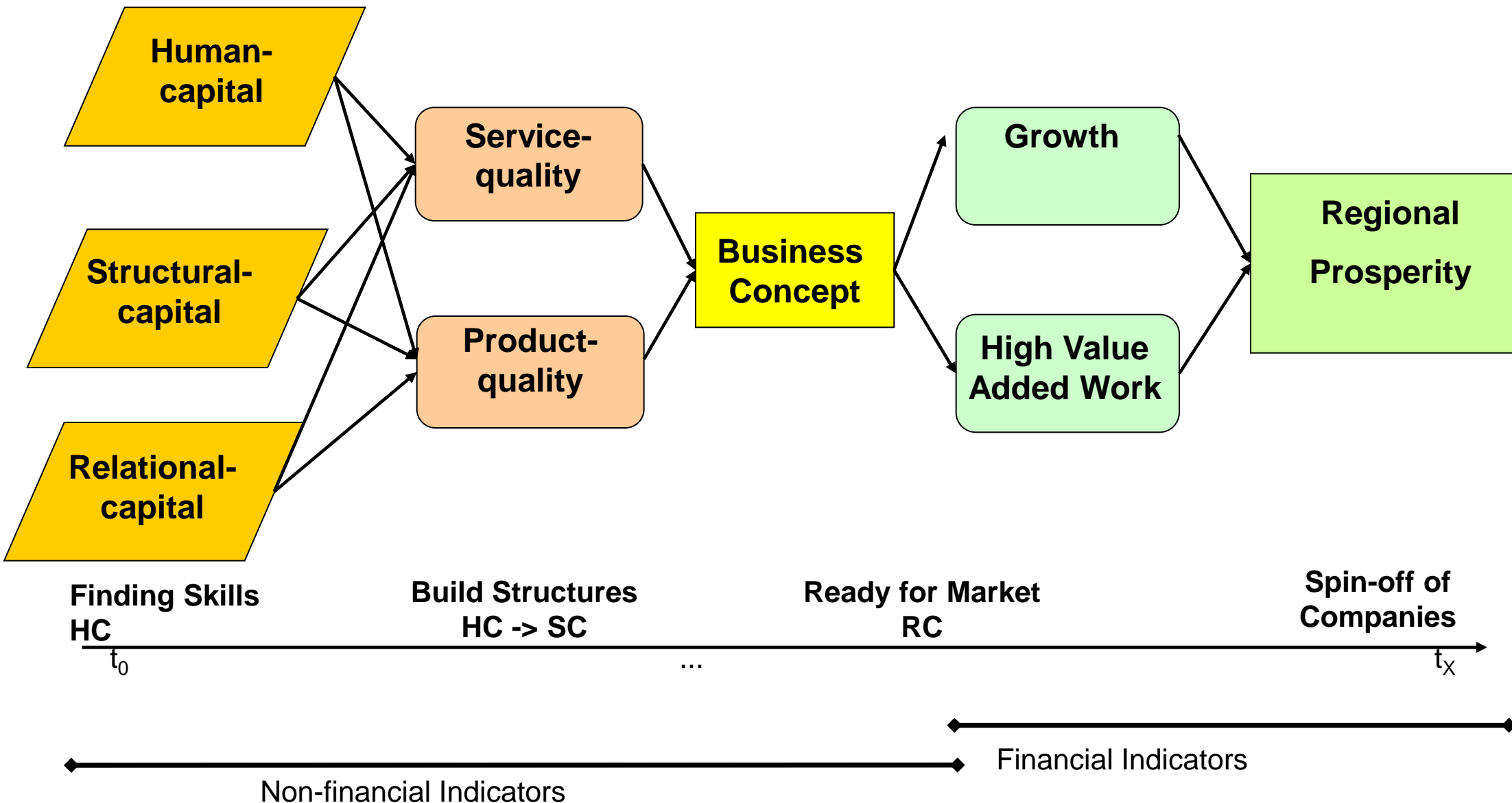
reporting-immaterieller-werte-und-wissensbilanz.de

- On IC of Cities and Regions

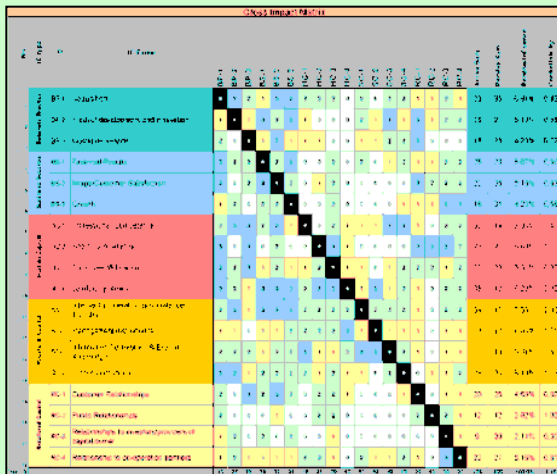
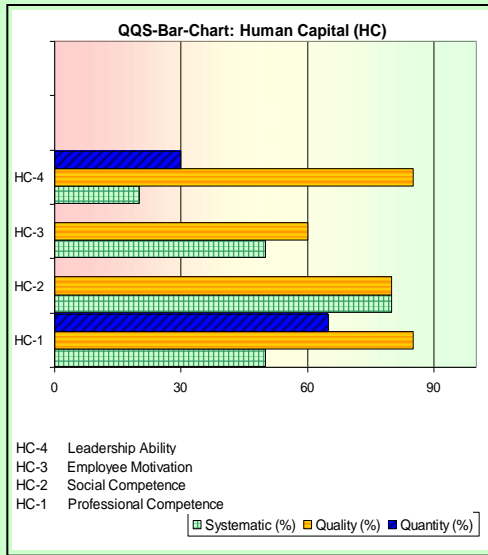
knowcities.eu/

new-club-of-paris.org

The German IC Statement (Wissensbilanz)

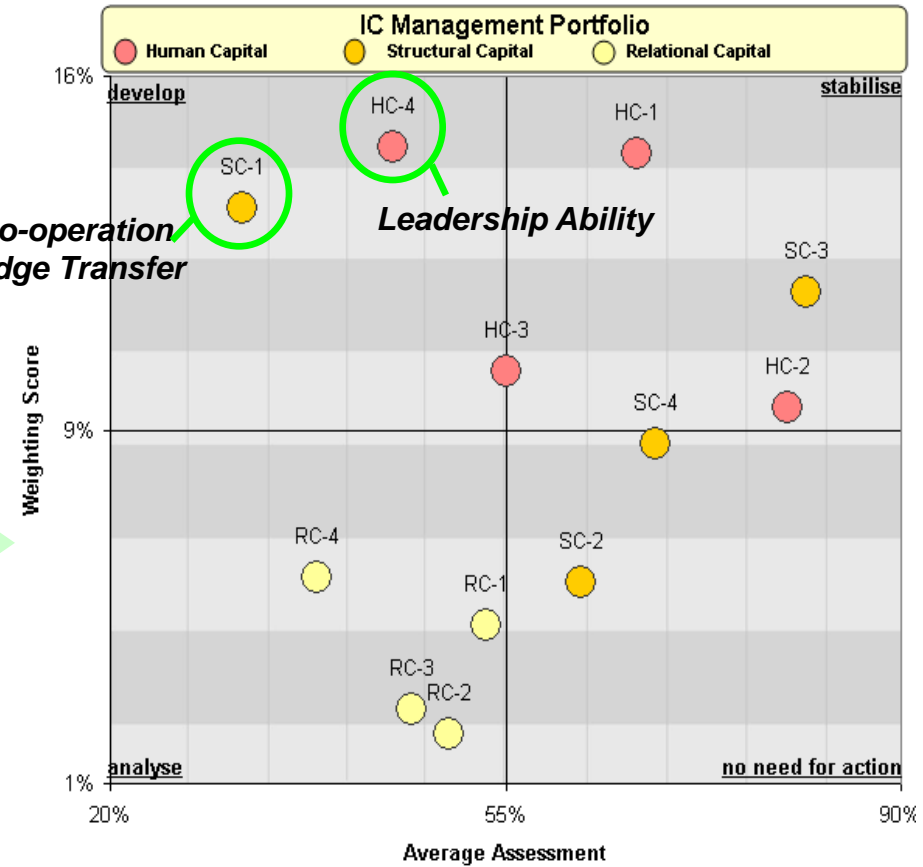


Result: Priority Map for Investment or Intervention



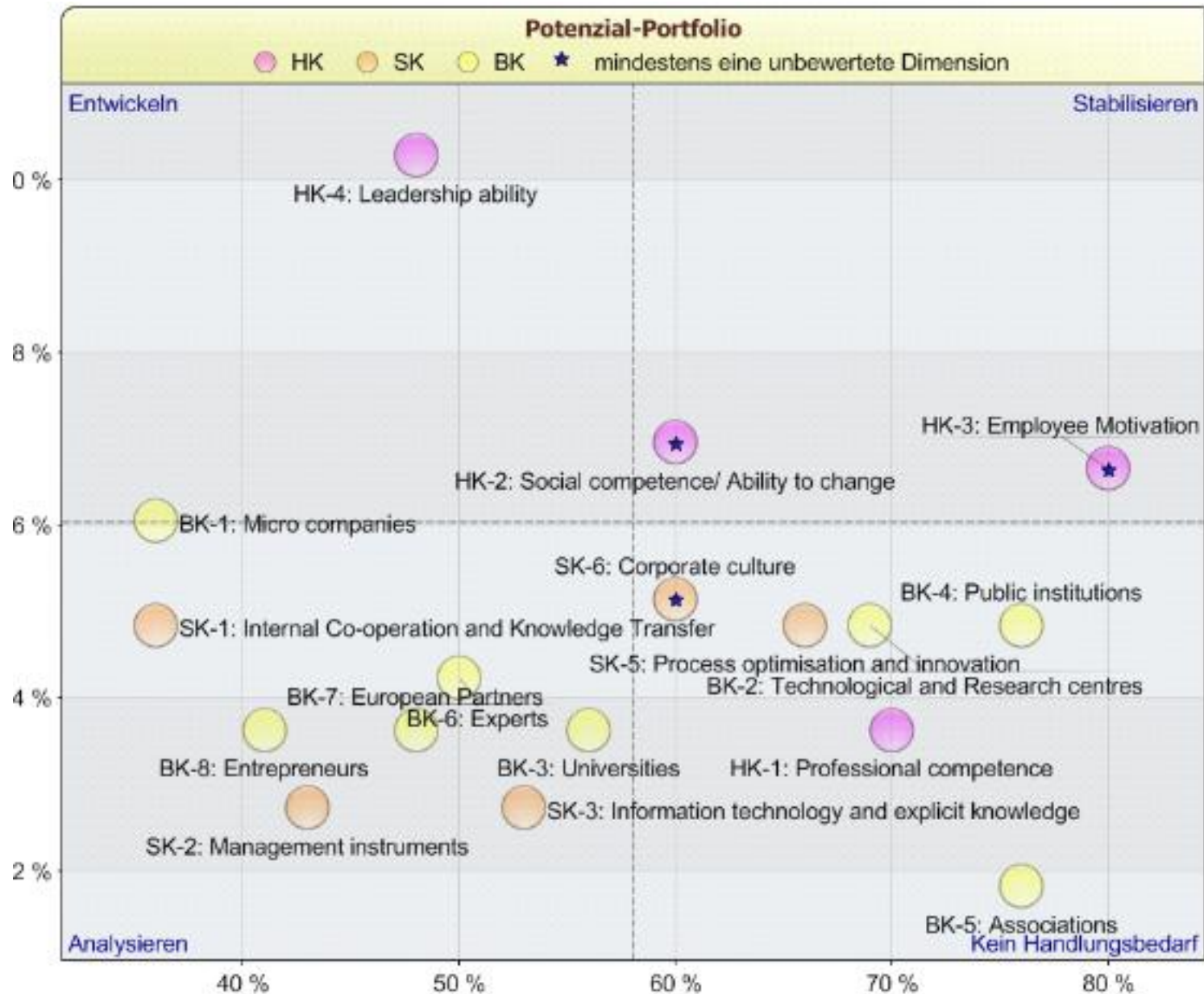
Internal Co-operation & Knowledge Transfer

Leadership Ability



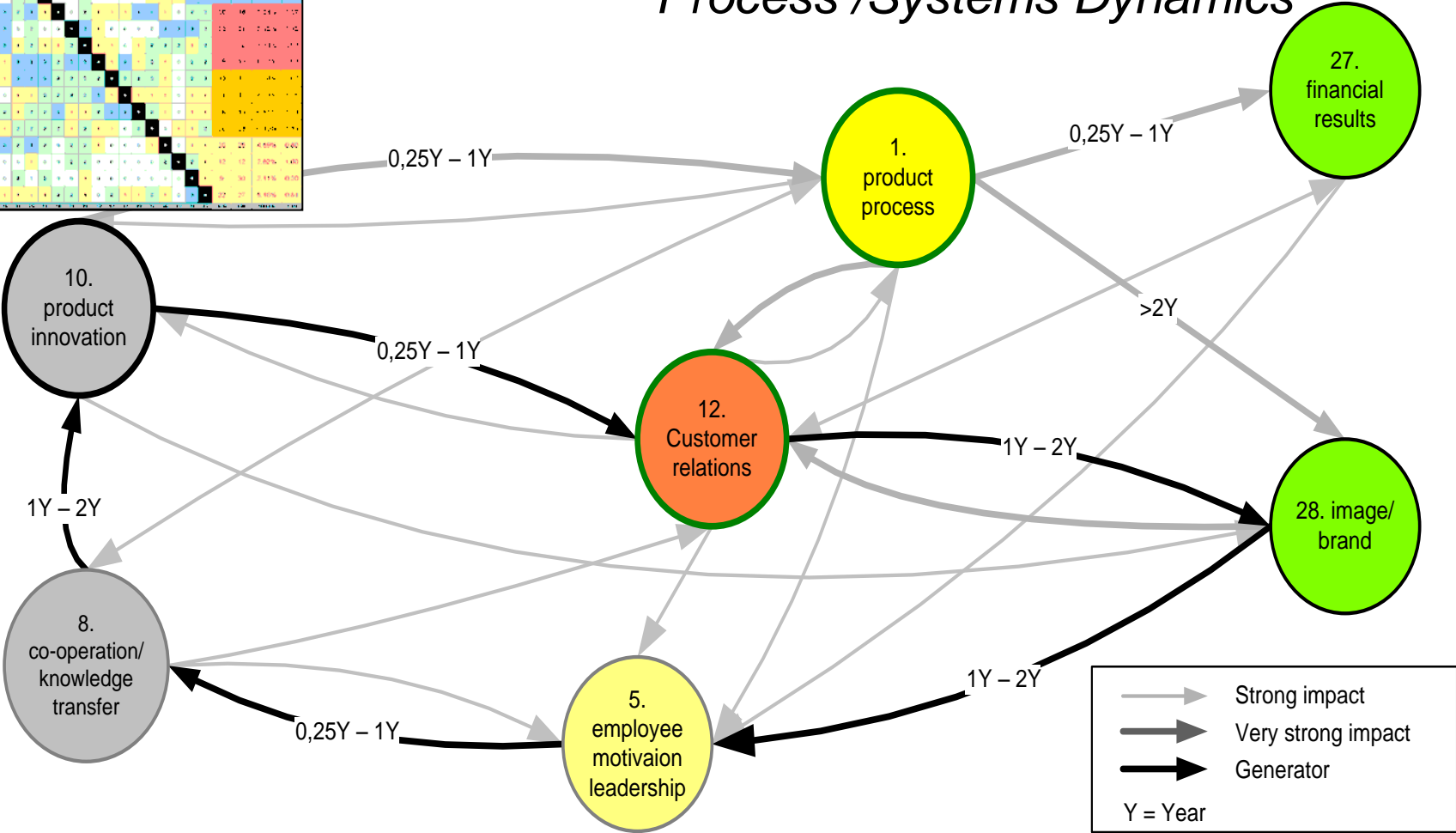
HC-1 Professional Competence	SC-1 Internal Co-operation & Knowledge Transfer	RC-1 Customer Relationships
HC-2 Social Competence	SC-2 Management instruments	RC-2 Public Relationships
HC-3 Employee Motivation	SC-3 Information Technology & Explicit Knowledge	RC-3 Relationships to investors/providers of capital/owner
HC-4 Leadership Ability	SC-4 Processinnovation	RC-4 Relationship to co-operation partners

Prel. IC Map Fomento San Sebastian



The screenshot shows a complex matrix with rows and columns representing different business processes. The cells are color-coded (green, yellow, red, black) to indicate the strength and direction of impacts between these processes. The matrix is titled 'InCaSEU Impact Matrix'.

Process /Systems Dynamics



Software...

Taxonomy.

The Logic behind the Earnings Capability Index (ECI)TM

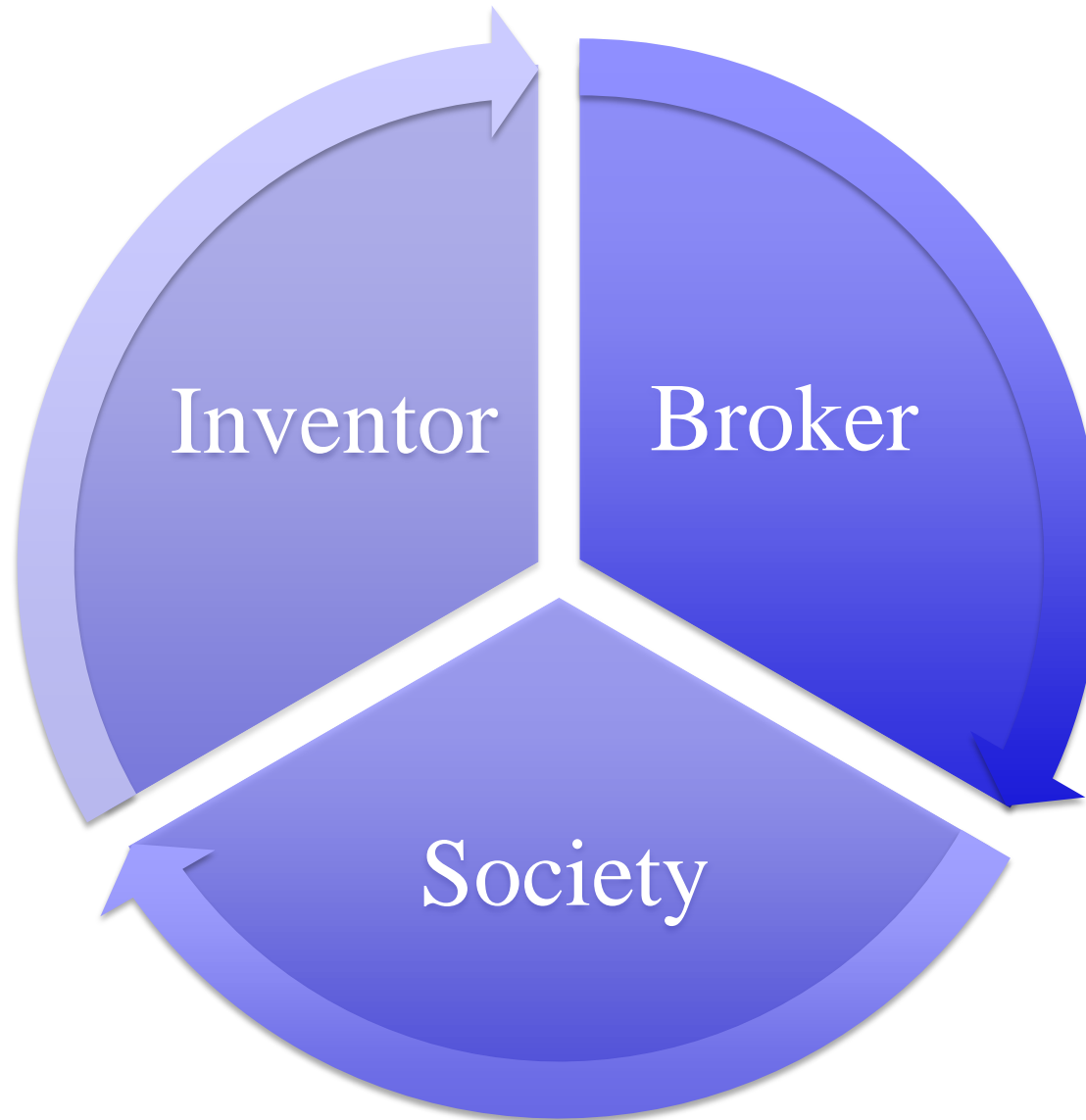
Earnings Capability Index (ECI)TM
= Forecast on Business Success
and Profitability

Current Earnings		
Cost / Income Ratio		
Value	0,0 %	0
Score	0	
Weight	1	
Cash		
Value	0,0 %	0
Score	0	
Weight	2	
Profitability		
Value	0,0 %	0
Score	0	
Weight	1	
Earnings sustainability		
Value	0,0 %	0
Score	0	
Weight	1	
Weighted Sum		
Weight short term		80 %
Weight mid term		15 %
Weight long term		5 %
Short term EC forecast		0

Competitiveness		
Custome Value		
Value	0,0 %	0
Score	0	
Weight	1	
Market Position		
Value	0,0 %	0
Score	0	
Weight	2	
Quality and Systematic Relational Capital		
Value	0,0 %	0
Score	0	
Weight	2	
Quality and Systematic Structural Capital		
Value	0,0 %	0
Score	0	
Weight	1	
Weighted Sum		
Weight short term		40 %
Weight mid term		40 %
Weight long term		20 %
Mid term EC forecast		0

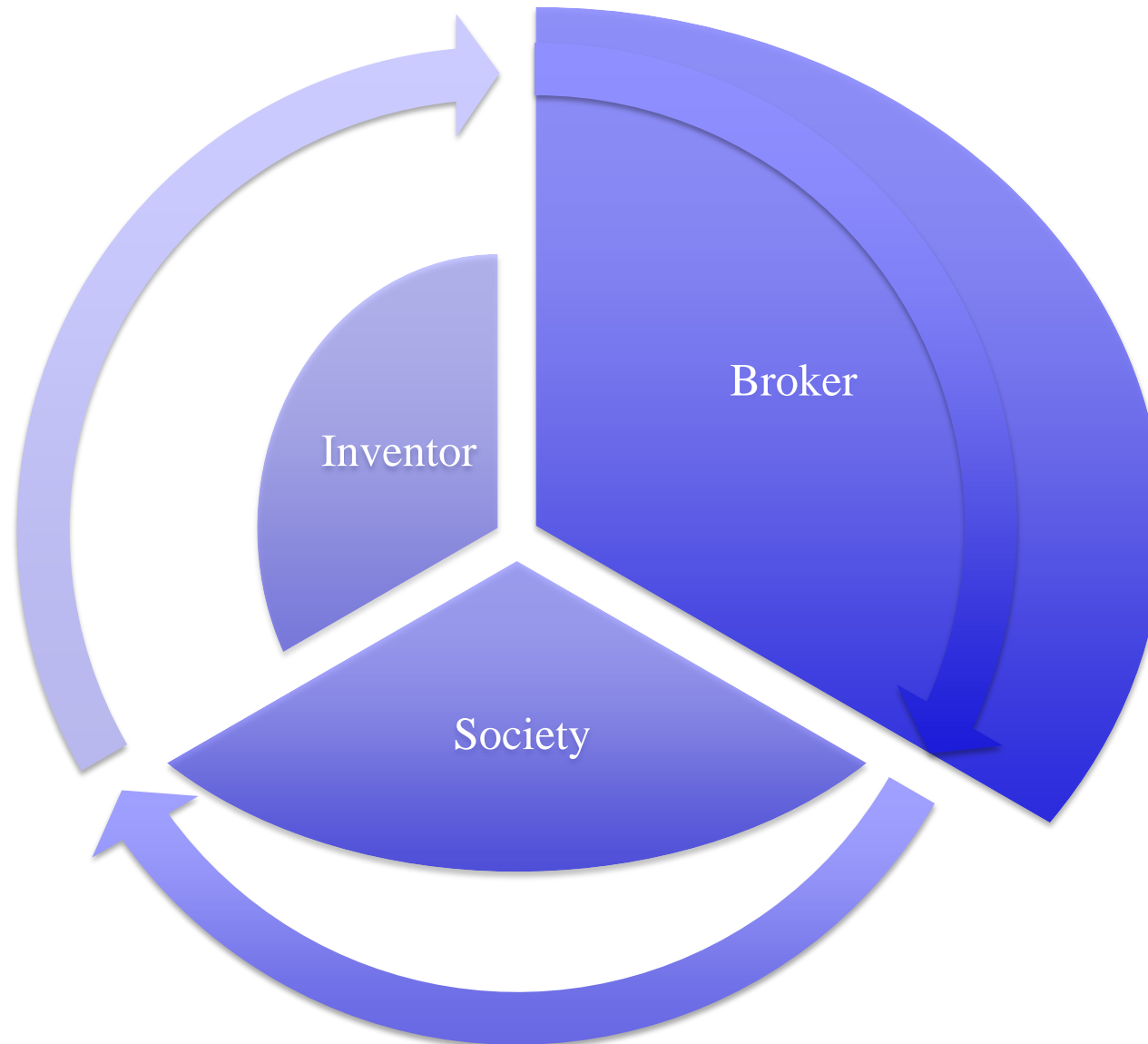
Ability to Change		
Innovation and Growth Capability		
Value	0,0 %	0
Score	0	
Weight	2	
Payroll Flexibility		
Value	0,0 %	0
Score	0	
Weight	1	
Quality and Systematic Human Capital		
Value	0,0 %	0
Score	0	
Weight	2	
Interdependency Analysis HC, SC and RC		
Value	0,0 %	0
Score	0	
Weight	2	
Weighted Sum		
Weight short term		5 %
Weight mid term		50 %
Weight long term		45 %
Long term EC forecast		0

IP Actors



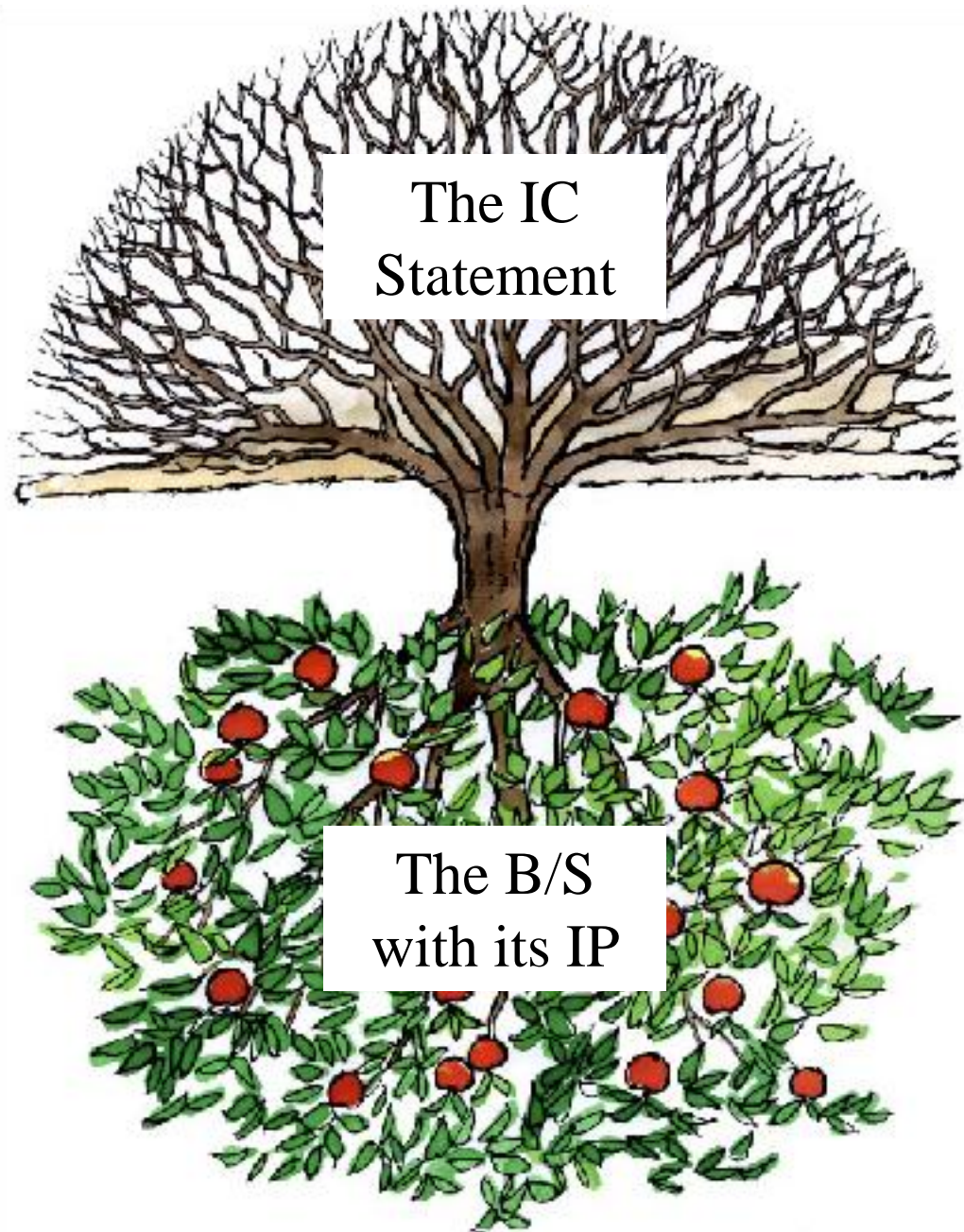
Source: Seminar Hans Seidel Stiftung – Geistiges Eigentum im 21. Jahrhundert,
Kloster Banz 13. – 14. April 2013

IP Actors in mismatch



Source: Seminar Hans Seidel Stiftung – Geistiges Eigentum im 21. Jahrhundert,
Kloster Banz 13. – 14. April 2013

IC is the base for future prosperity



... may it be
organisational
or regional

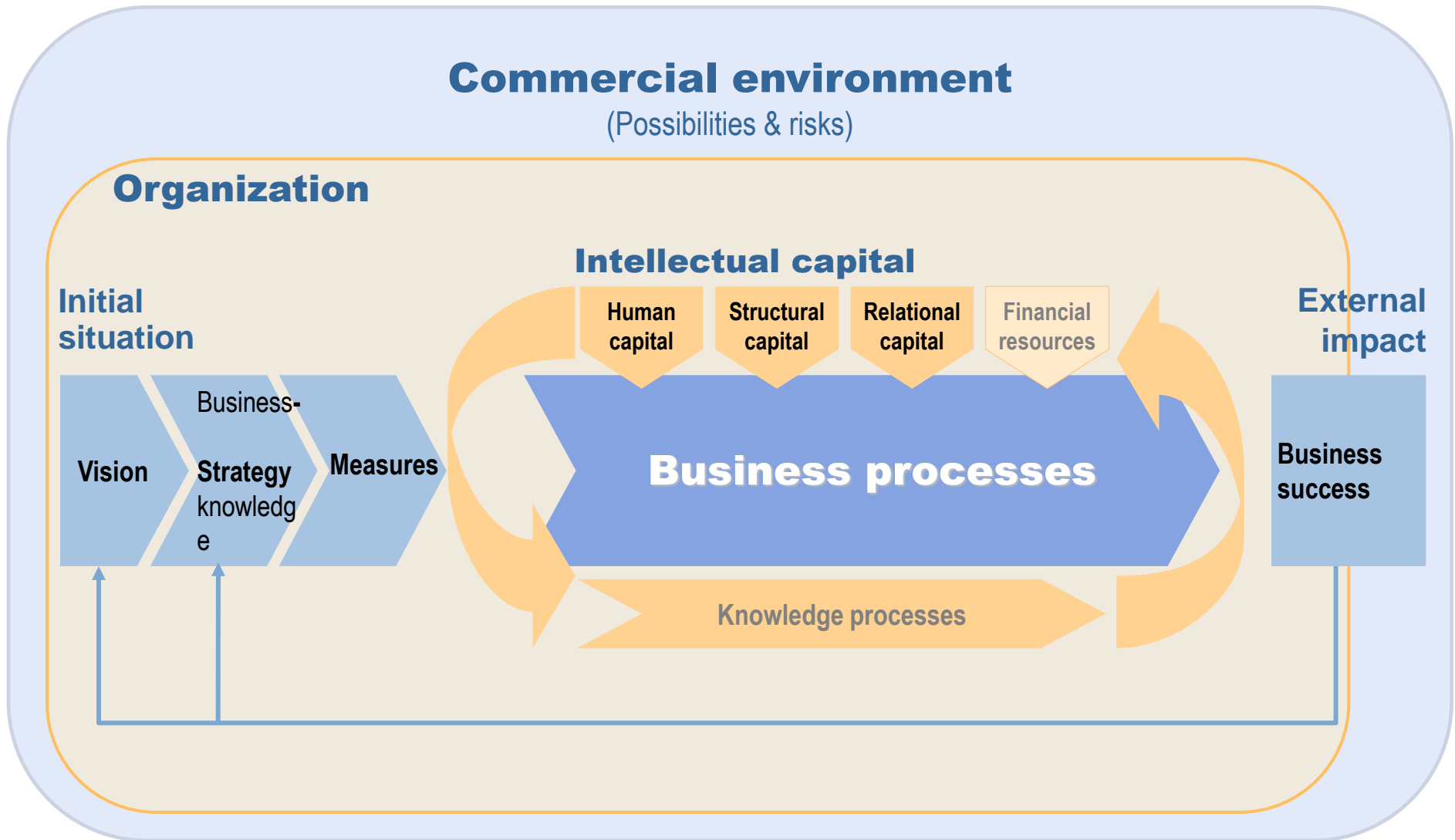
... from a
societal point,
the fruits must
be distributed
just and
transparently

© Leif Edvinsson

Conclusions

- On Intellectual Capital Reporting (jp. Intangible Assets based Management)
 - should be combined with tangibles (management report)
 - integrated as evaluation tool on state policies and investment (health care in Bavaria)
- On IC of Cities/Regions/Countries
 - to optimize the triple helix and allocation of resources
 - to support just distribution of risk and innovation
 - to measure impact state policy (IP Rights) has on sustainable value creation

The framework of the German “Wissensbilanz”



Steps	Criteria	Sources
1. Current financial situation	Profitability/Cash	Annual Report, Bankratings, BSC
2. Competiveness	Customer segments, branch, competitors, structural- and relational capital	Business environment analysis, Intellectual Capital Statement, BSC
3. Ability to change	Innovation capability, fixed vs. Variable costs, human capital	Intellectual Capital Statement, BSC
4. (Future) Earnings Capability (steps 1 to 3)	Earnings Capability Index™	Analyse of steps 1 to 3.
5. Management action points	Activity plan	ECI report, BSC
6. Implementation (in business operations)	i.e. CRM or HR development	i.e. job and process descriptions, customer survey
7. Follow-up, controlling	Verification of index	Actuals vs. Plan, KPI (adjusted)