

Intellectual Capital Statements for SMEs

What about IC in German SMEs?

Results of a study conducted by the Fraunhofer IPK in 2004

Low systematics when handling intangibles:

- 76% of German SMEs don't use any management instruments to deal with their Intellectual Capital
- 24 % dealing with their IC with the help of instruments mainly focus on human capital and IT solutions.

Study results: Requirements for an ICS for SMEs

Applicability as an Reporting Instrument:

- Relevant and complete
- Reliable and comprehensive
- Comparable

Applicability as a Management Instrument

- Single components
- Measurement of changes
- Evaluation of strengths and weaknesses
- Dealing with complexity
- Economic impact
- Compatibility with other instruments

Applicability as an Instrument for SMEs

- Simple
- Fast und economic
- Pragmatic decision support

Analysis of 26 IC approaches:

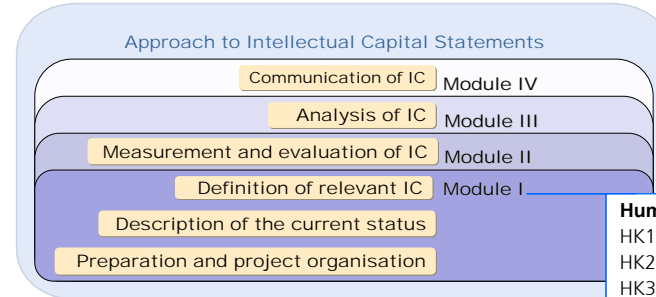
Existing approaches each fulfil only parts of these requirements.

Greatest Deficits:

- Relevance and completeness
- Comparability
- Evaluation of strengths and weaknesses
- Dealing with complexity
- Pragmatic decision support
- High effort of time and resources

Proceeding in Modules

Three Workshops and less than 25 days work effort



Module II: Measurement and Evaluation

1. Measurement

Human Capital	2002	2003	2004
Number of employees	62,3	37	36
Education of employees			
Academics		21	21
Skilled employees		8	8
Unskilled employees		4	4
Trainees	4	4	3
Further education of employees			
Training days per Employee	2,6	3,3	1,9
Motivation and management competencies			
Fluctuation	27,3%	31,4%	25,7%

Making a clear difference between indicators and influencing factors

2. Evaluation according to Quantity, Quality and Systematics

- Procedure: Self-Assessment in a representative group
 - Strategic as well as operational requirements are being paid attention. Fixed criteria and a standardised scale ranging from 0 = not sufficient to 120% = more than necessary
- > Comprehensive evaluation in the context of the organisation.

Human Capital:

- HK1 Qualification
- HK2 Experience
- HK3 Social Competencies
- HK4 Management Competencies
- HK5 Motivation

Structural Capital:

- SK1 Management Process
- SK2 Corporate Culture
- SK3 Cooperation/Communication
- SK4 IT and explicit Knowledge
- SK5 Product Innovation
- SK6 Process Innovation
- SK7 Knowledge Transfer & Protection

Relational Capital:

- BK1 Customer Relations
- BK2 Supplier Relations
- BK3 Investor Relations
- BK4 Co-operation Partner Relations
- BK5 Public Relations

