

## Strategic Technology and Innovation Management Programme

# Value creation and value capture

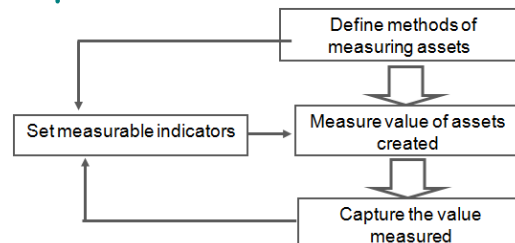
Dr Val Lynch  
valerie.lynch@  
andtr.com

Value created during R&D projects or service delivery can be difficult to quantify and capture. It has been found that companies focus on value from project deliverables, but what of other assets that may be created? Are companies missing out on untapped value?

## Aims

- Development of a framework to identify value created and captured during R&D projects and service delivery
- Development of a dashboard to assist in assessing key performance indicators

## Steps to reach aims and measure value



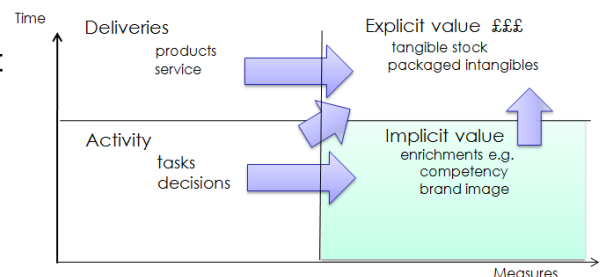
## Progress

A value creation framework which could enable companies to identify the value they create has been developed. This is complemented with a conceptual value dashboard for monitoring value captured.

Two workshops were undertaken. The first, took input from five companies and the second ten. The companies provided input to the research using examples of value auditing in their organisations. Service delivery in which the main sources of value are intangible also provided good input. The question of how best to measure implicit value remains, but it is thought that a good start is to use 'Audit Questions'. A set of questions were trialled at the second workshop.

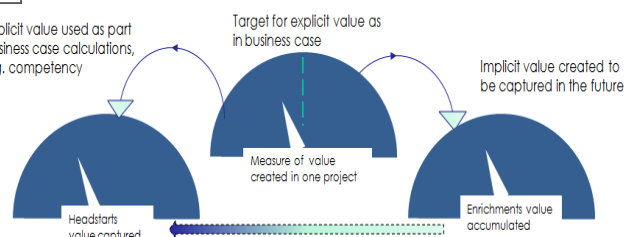
## Deliverables

### Value creation framework



The value creation framework is intended to help companies differentiate explicit and implicit values created during projects. E.g. assets that are intended to provide financial value could be classified explicit and others, such as a boost to company competency, implicit. Once identified and categorised, the key to maximising value would then lie in the ability of the company to move values from the implicit to the explicit quartile.

### Value dashboard



The value dashboard shows a mechanism by which implicit 'enrichments' from one project can be captured explicitly as 'headstarts' in a future project. Explicit values captured are also shown on the dashboard.

### Enrichments and Headstarts

An exploration of these two areas and the linkages between them will form the subject of a follow-on project