Strategic Technology and Innovation Management Programme 2016

Value creation and capture – Recognising and communicating value

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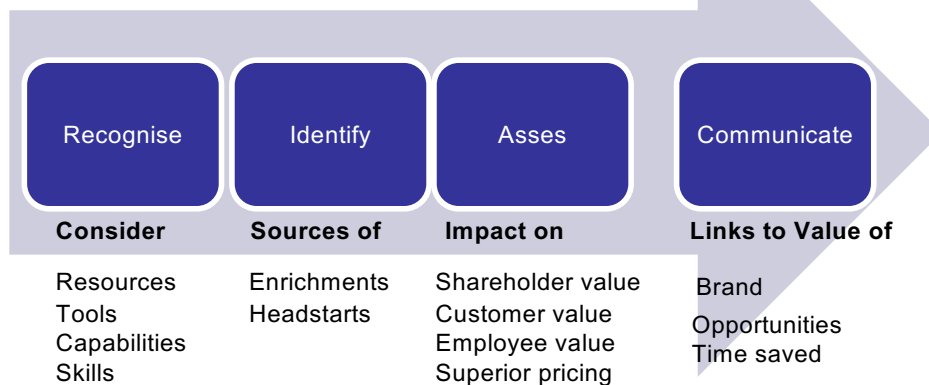This project explores how companies can capture values created in ways that can then be communicated.

Aims
🎬 Develop methods for measuring implicit value
🎬 The methods must be easy to use
🎬 The measures must be easy to understand and withstand scrutiny

Progress

Input from 10 companies at 2 workshops identified two methods

Storytelling to identify value :

Four stage process to construct story line

Recognise	Identify	Asses	Communicate
Consider	**Sources of**	**Impact on**	**Links to Value of**
Resources	Enrichments	Shareholder value	Brand
Tools	Headstarts	Customer value	Opportunities
Capabilities		Employee value	Time saved
Skills		Superior pricing	

Review of time spent :

- Time on main projects
- Time on other technical projects
- Waiting time
- Rework due to changed spec
- Extra time to reach targets
- Management and reporting time
- Other

Value to be differentiated from waste and then quantified.

Deliverables

Literature review main points:

- **Robust asset valuation relies on their being a stable market that can be tested.** Oliviero and Giannozzi ,(2015),

- **Volatility increases with distance of asset from the market, but fair value for assets can be assessed** Oliviero and Giannozzi ,(2015).

- **Fair value assessments required as implicit assets impact company value and the risks levels companies are exposed to** Bepari (2015)

Report from workshops and trials

- Both methods useful but need to be adaptable to specific company operations.

- Time reporting : 5 companies assessed possibility and found difficult to implement.

- Storyline construction : Trialled in three companies one for innovation pathway, one for R&D projects and one for service life-cycle operations

- Storyline construction trials: Four stage process undertaken at stage gate reviews, qualitative and quantified value identified. One trial linked value across projects.

Linking value created during operations to Innovation and The bottom Line is the subject of ongoing research.