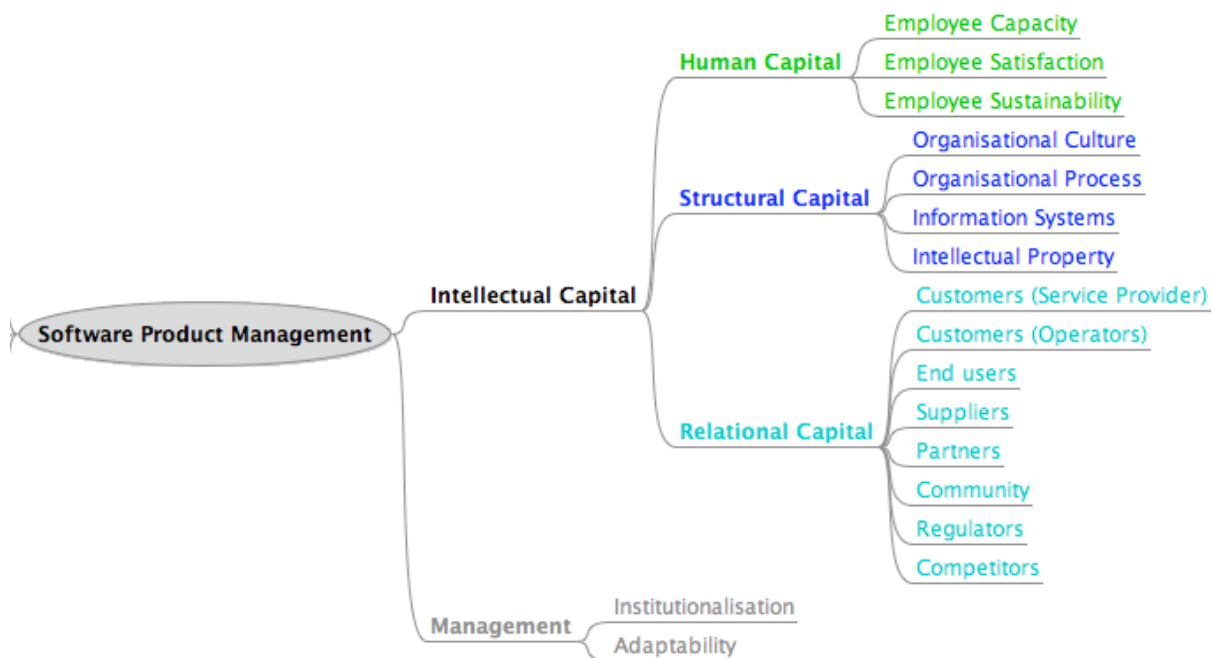


# Software Value Management – Intellectual Capital



## Human Capital

An organisation's human capital is held in the people that it employs.

- **Employee capacity:** An individual's education, experience, tacit knowledge, competencies and soft skills. Education can be formal or informal, tacit knowledge is what people carry in their minds and is often difficult to write down, and soft skills refer to attributes like an individual's communication skills, entrepreneurship and creativity.
- **Employee satisfaction:** The difference between the employee's job satisfaction and their perception of the offering. It impacts organisational commitment and the capacity for an organisation to retain staff. Many factors impact an employee's satisfaction, for example salary, the physical work environment and how they feel fellow employees treat them.
- **Employee sustainability:** Individuals' attitudes to work and life. This encompasses an employees conscientiousness and willingness to engage in lifelong learning, increasingly critical attributes in the current dynamic marketplace. As it is difficult to change an individual's attitude to work and life this issue is best addressed at the time of recruitment for a given role.

## Structural Capital

Structural capital is described as the intellectual capital that is retained by the organisation when all the employees go home.

- **Organisational culture:** Shared perceptions of organisational practices within organisational units and shared assumptions and understandings, often at a non-conscious level.
- **Organisational process:** Activities with defined actions that become part of an organisation's way of working and potential source of competitive advantage.
- **Information systems:** Information systems can increase the value of intellectual capital to the business by successfully leveraging work processes and knowledge held within the organisation.
- **Intellectual property:** This covers both legally protected intellectual capital (eg. patents, trademarks, copyright) and other documented materials (eg. strategy, competitive market intelligence).

## Relational Capital

The relationships and networks that support an organisation are both formal and informal. Relational capital to include relationships between a company and:

- **Customers (Service Provider):** The legal entity that purchased the system. Accumulated knowledge between a company and a customer.
- **Customers (Operator):** Expert users working at service provider. Accumulated knowledge between a company and a customer.
- **End user:** Subscribers to the telecommunications services.
- **Suppliers:** Relationship in supply chain management to achieve benefits – such as reduced costs, greater quality, flexibility, reliable delivery – through methods like information sharing, technical assistance, training, direct investment.
- **Partners:** Build reputation and industry standing through strategic alliances, collaborative relationships, business partnerships, joint ventures and industry associations. These may be used to fill a gap in a market offering.
- **Community:** Trust based on corporate ethics, cooperation, collective action and reputation. Communities include both (i) professional, which the company can lead, share or take a more passive role; and (ii) social communities, including society-at-large.
- **Regulators:** Intelligence and knowledge of the legal environment and lobbying skills and contacts.
- **Competitors:** Critical understanding and intelligence about competitors – who they are and what are they doing.

### Intellectual Capital Management

- **Institutionalisation:** The process of turning human and relationship capital into structural capital. Human and relational capital is held within individuals, where structural capital is not dependent on an individual. This does not mean that knowledge must be physically documented, but it must be propagated within the organisation.
- **Adaptability:** The ability for the organisation to change or adapt given new intellectual capital – knowledge, skills, relationships, etc ...

### Features

Related to the existence of a set of functions and their specified properties; both stated and implied needs, including suitability, accuracy, interoperability, and certification/standardisation/Compliance.

### System properties

This area covers non-functional requirements, in particular security, scalability, availability/reliability, usability, performance/efficiency, maintainability, and portability.

### Project Management

This area covers the aspects of time management and cost management as part of the software project management.