

bengin

**Evolutionary Economics
Improved Metrics for better Value Maps**

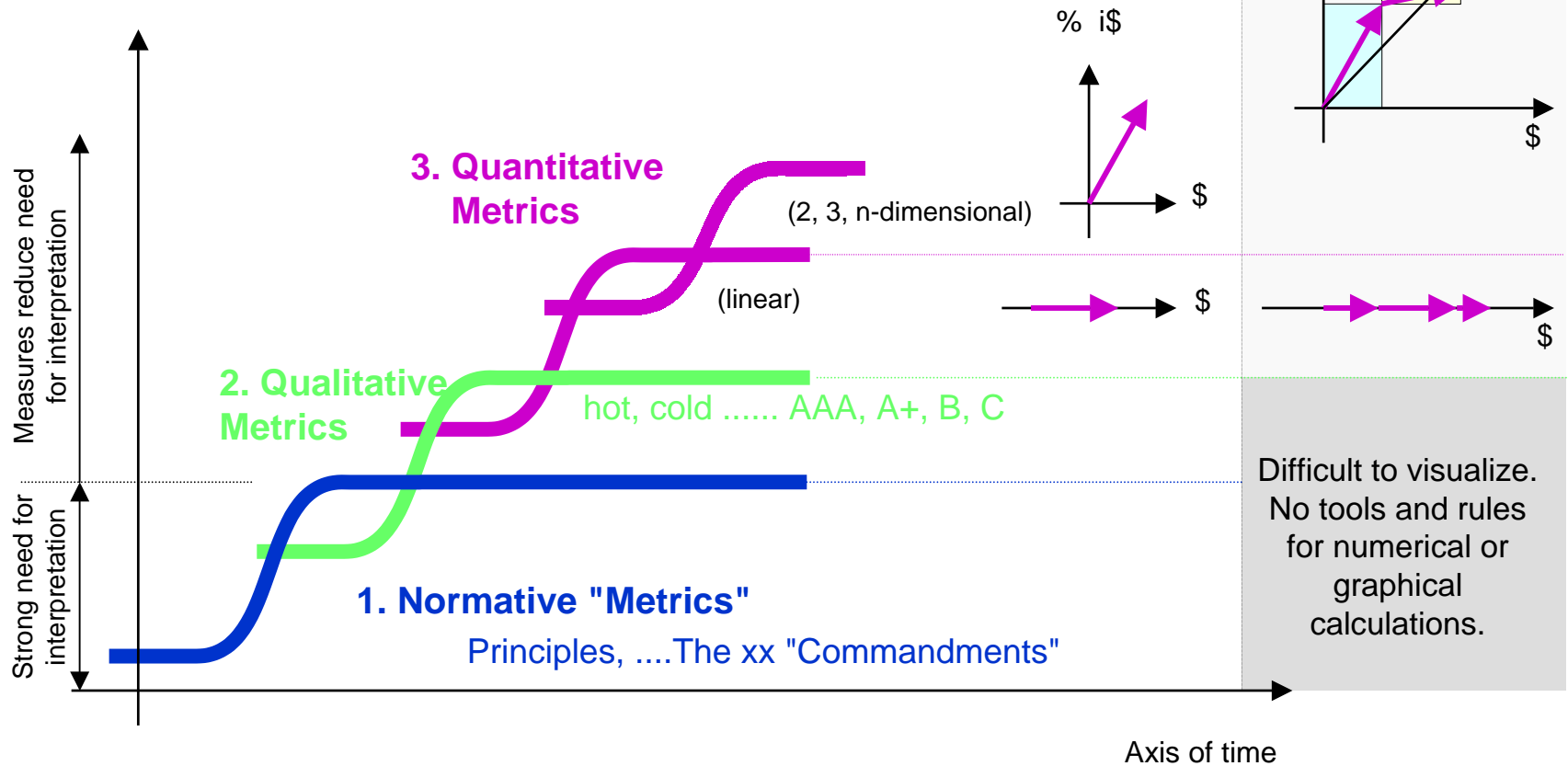
© 2006 Peter Bretscher, Eggersriet, Switzerland – peter.bretscher@bengin.com

Development of (economic) Value-Metrics

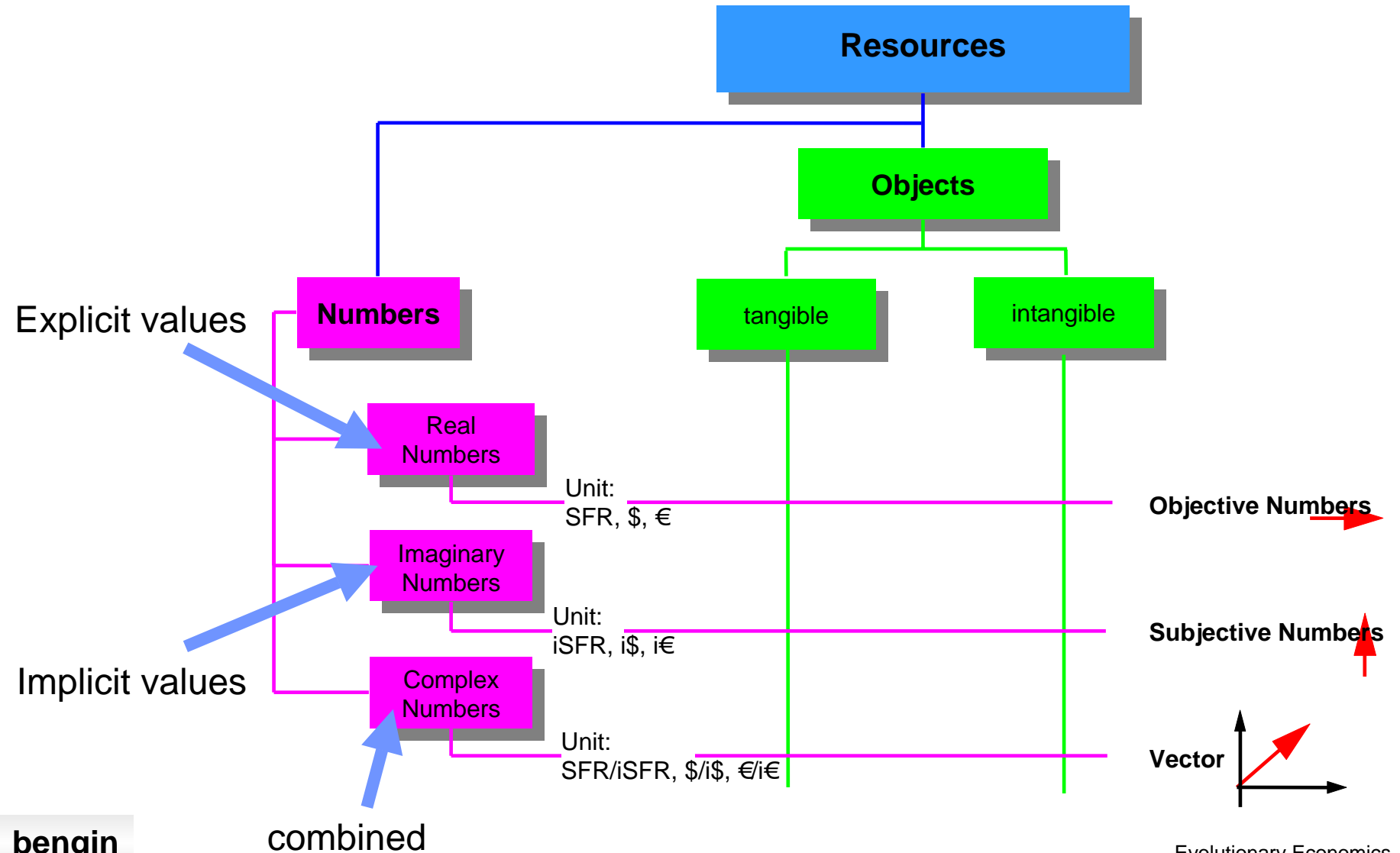
(Compound Value-Metric System with the subjective, implicit Value axis)

Why Metrics?

- comparing, comprehensible, reproducible
- Making rationale (and indirect) communication easier.

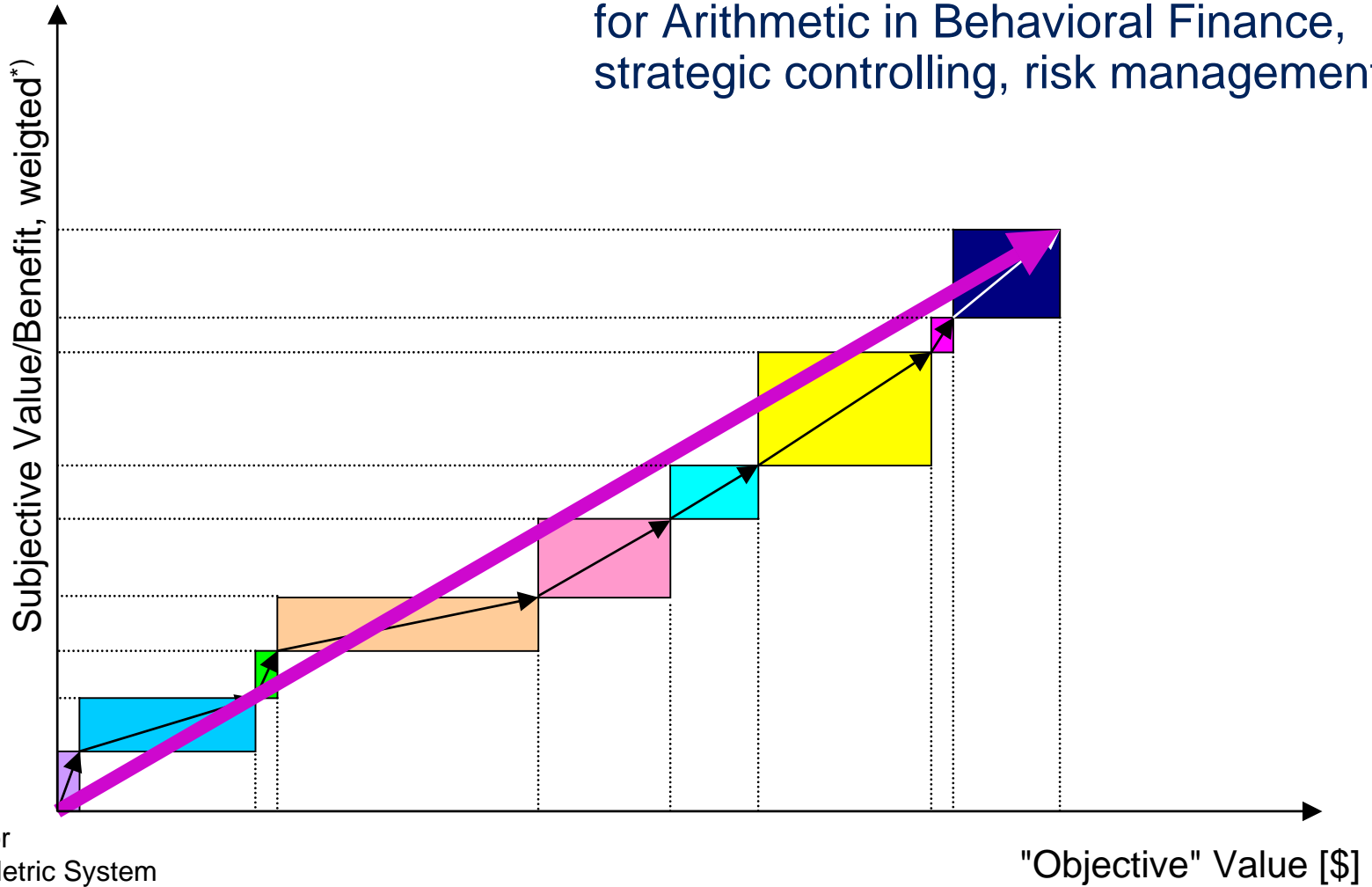


Objects, Properties, Value-Measures

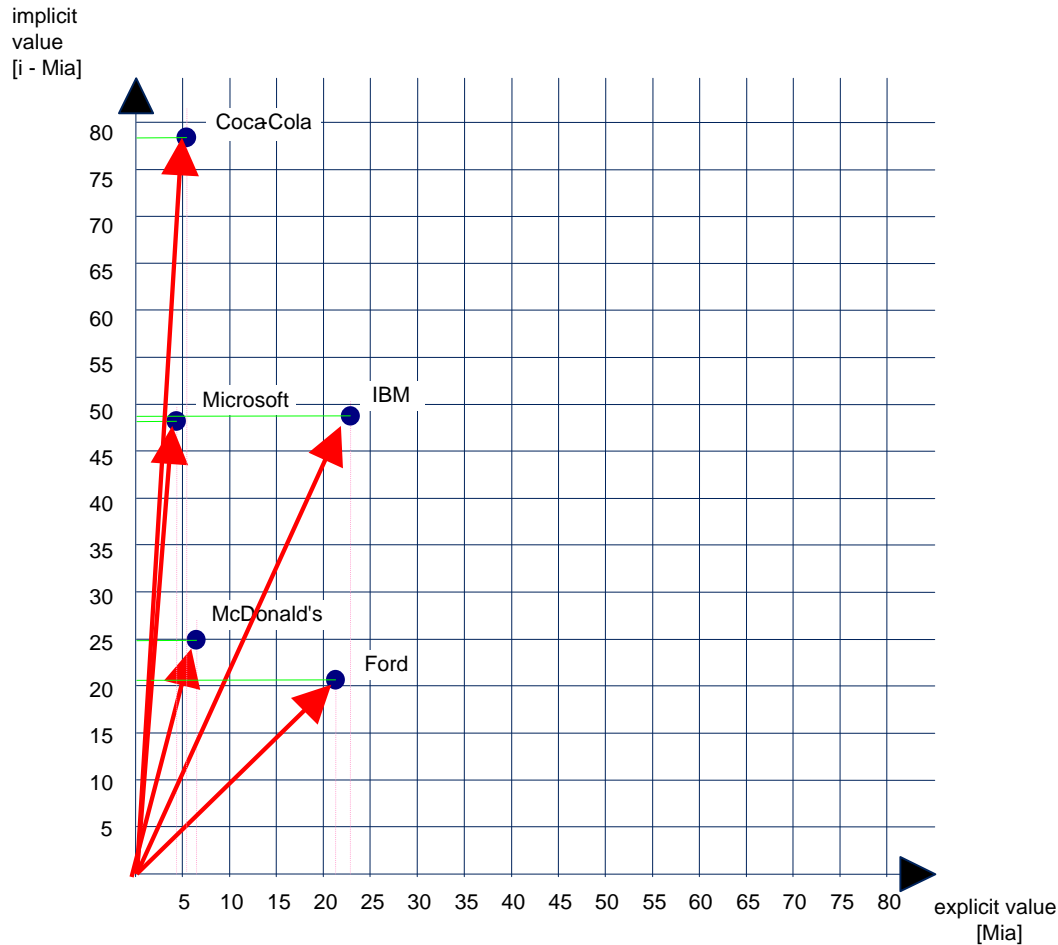


Evolutionary Economics

Vector as a Compound Value Metric for Arithmetic in Behavioral Finance, strategic controlling, risk management..



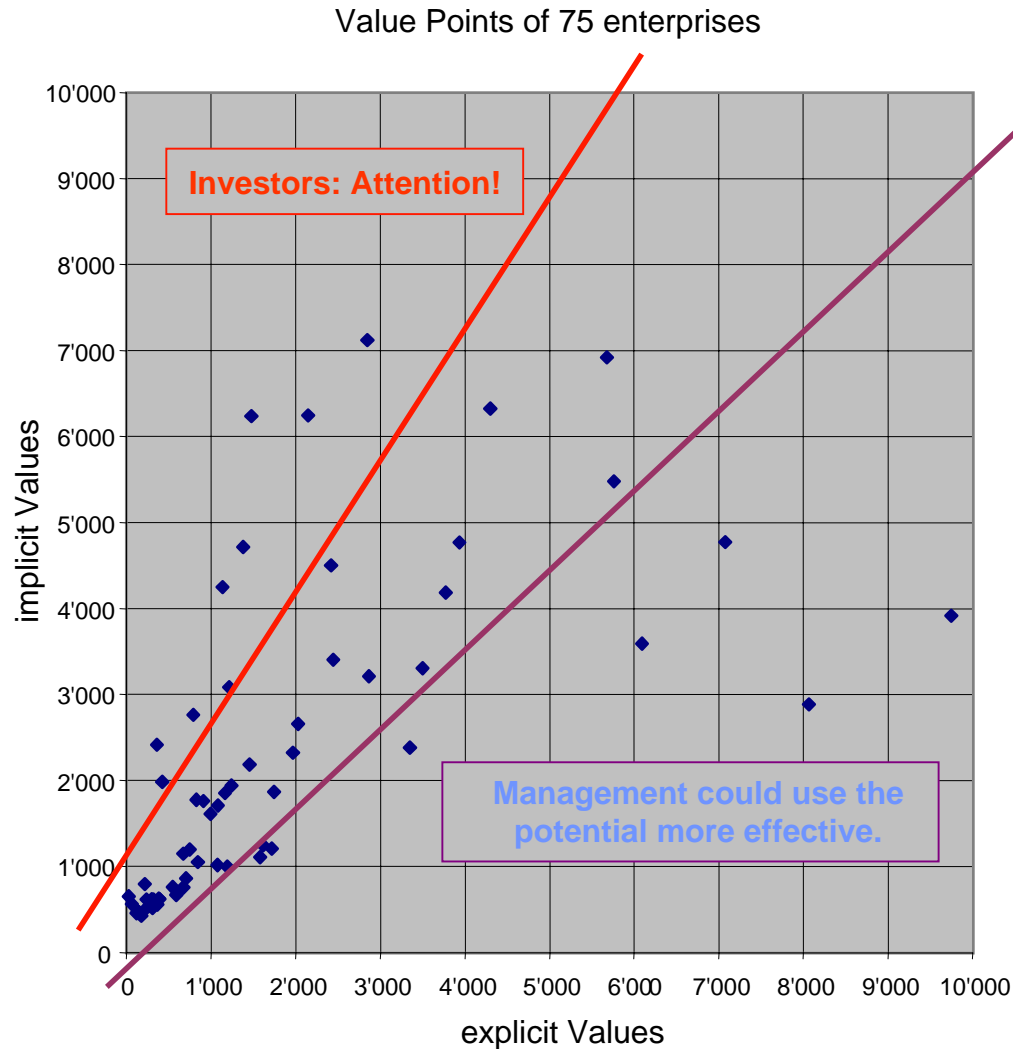
Intangible Assets or Shareholders Profit Expectation?



The explicit Value and the implicit Value together draw a complete picture about the company's value and its development.

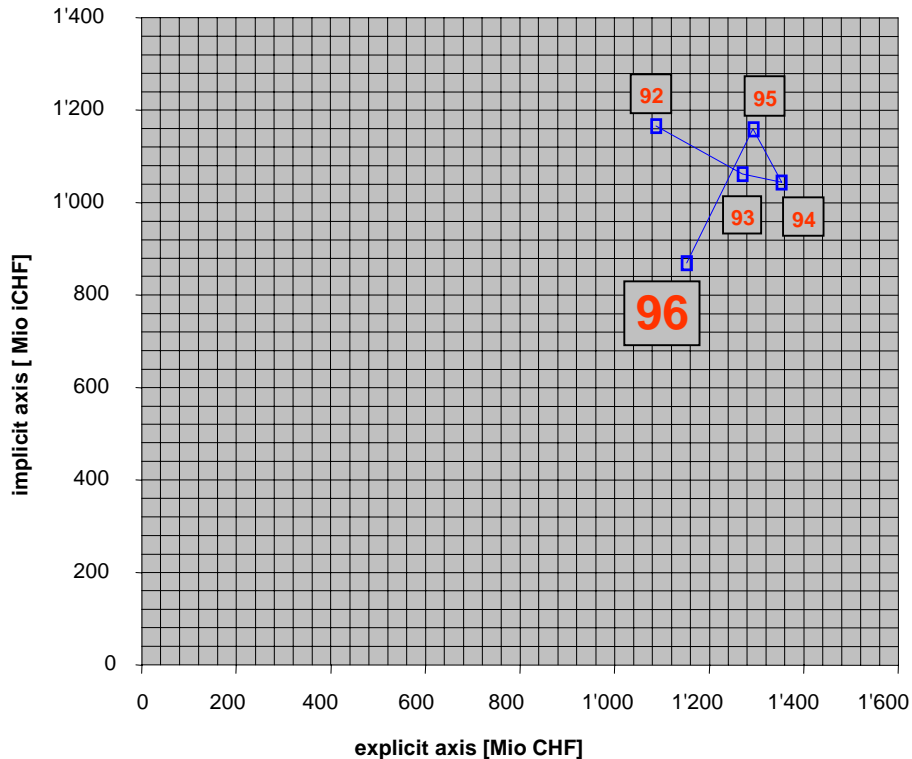
The question remains:
Is the implicit Value given by the real Value of the company?
Is it given by some marketing tricks?
Which part of it is made by the Shareholders Value Expectation?

A better model for new decisions



Tracking the development of an enterprise

Pointer of vector for five years



Question:

"What happened in the year 1996?"

Answer:

Part of enterprise sold.

2nd Question:

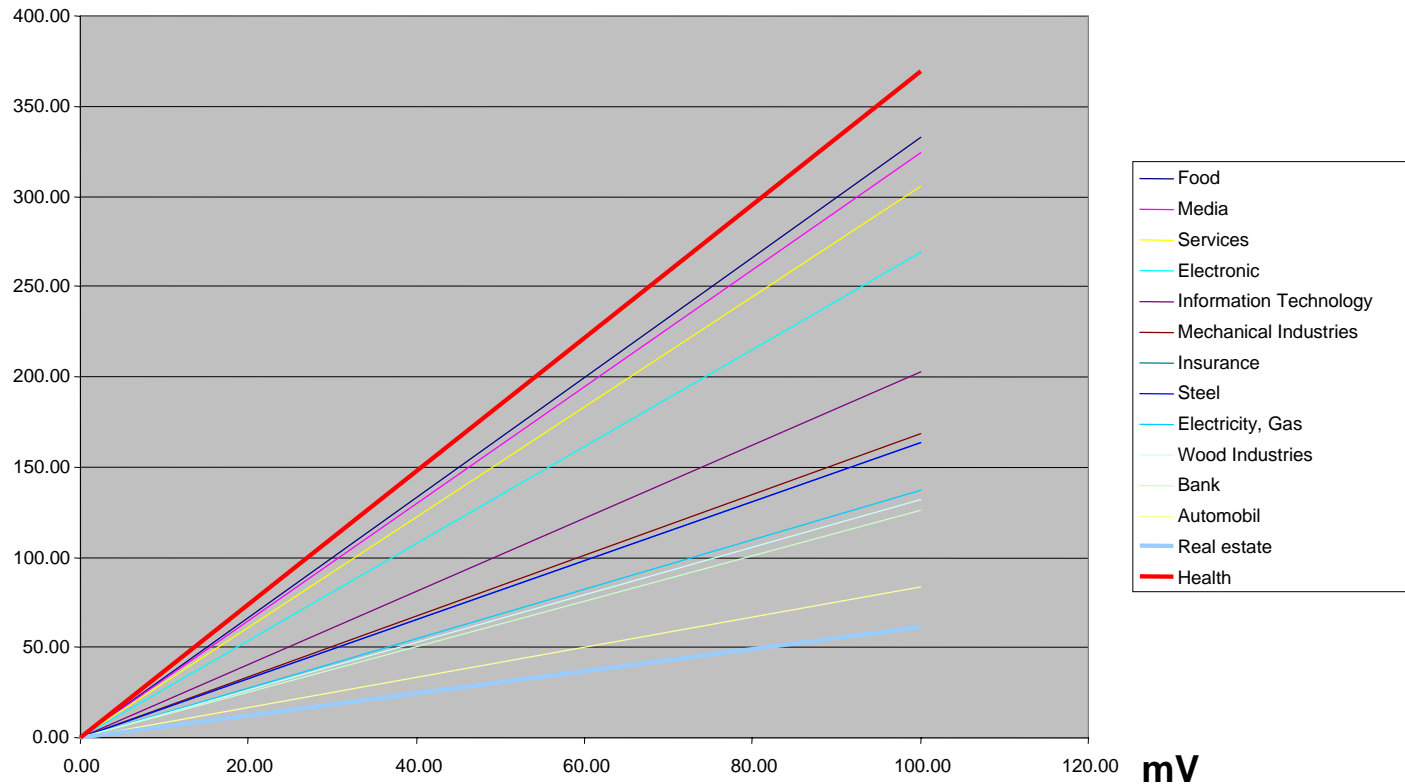
Is this loss of intangible values compensated by the price received for the sold part of enterprise.

Answer: ?

→ Ask Auditor – if he's still available....

14 types of industry (Sveiby)

iV

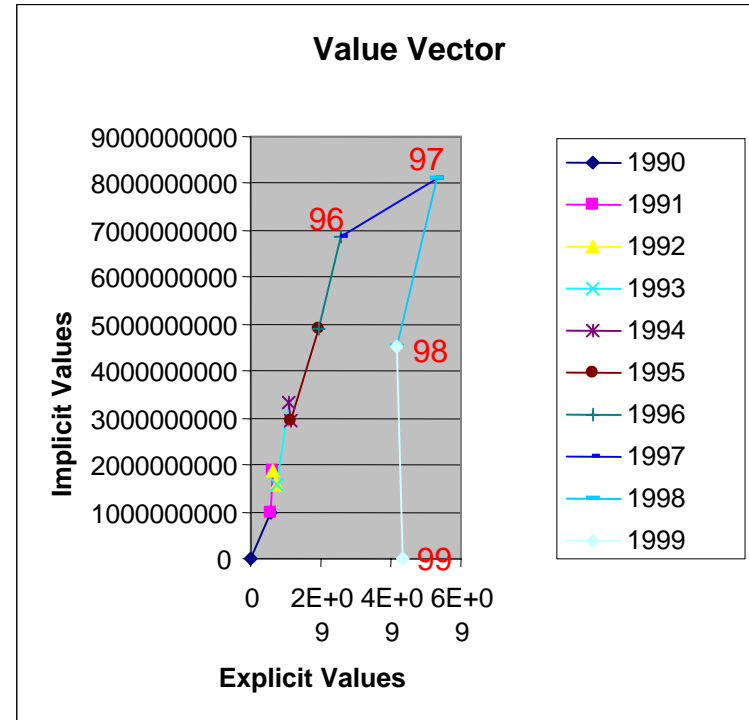
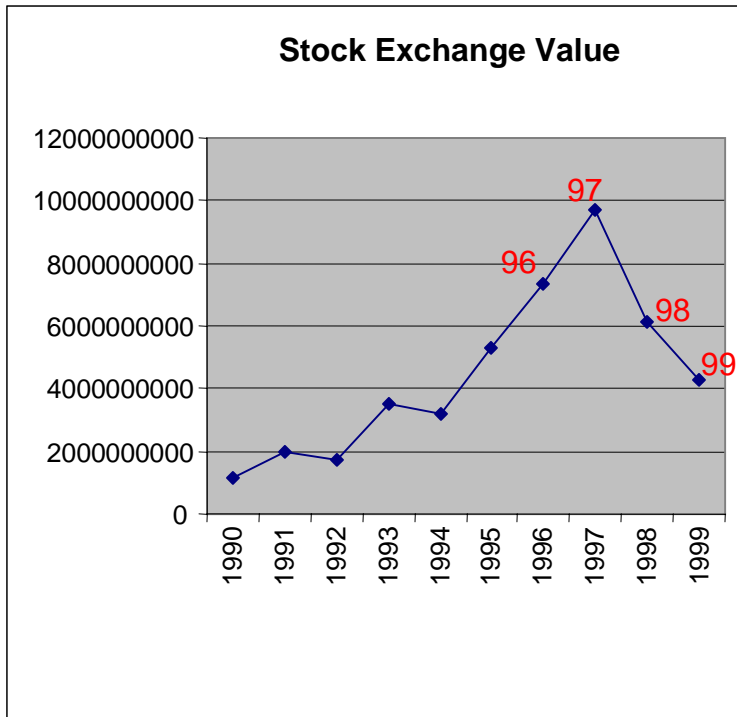


Source: Morgan & Stanley Capital International World Index; Cited in: Sveiby, Wissenskapital; Seite 23; Mi-Verlag 1998

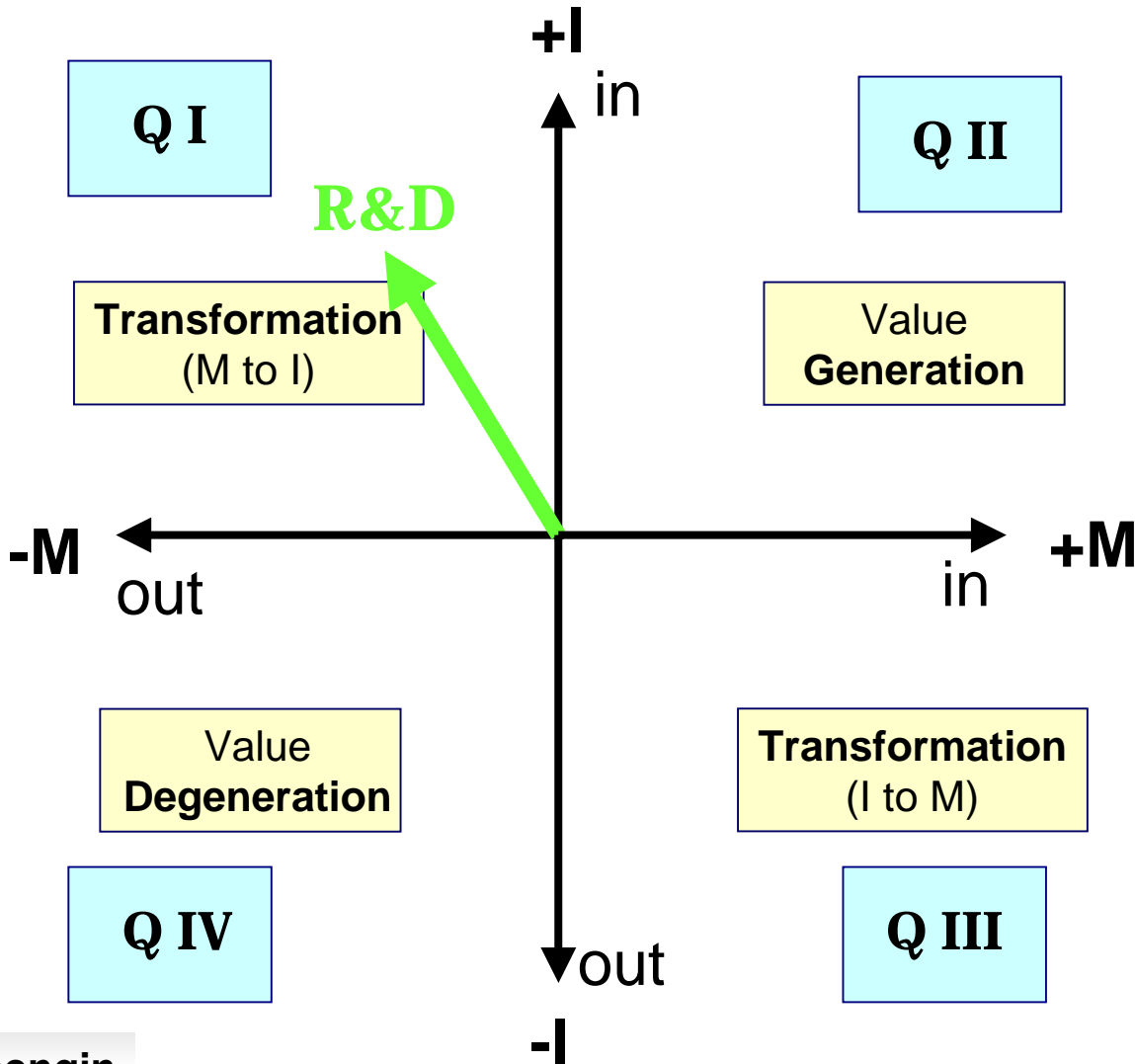
Overpriced Papers? Is the Vector a prognostic tool?

....a year before the downturn of the classic curve....

...the Vector Map indicated a change of Coca Cola Amatil.....



The four Quadrants of Value generation



Q I: Transform $-M / +I$

- New projects
- Revisions of Offerings
- Insourcing/merging
-

Q II: Generation $+M / +I$

- Daily business
- Selling, dispatch
- (Re)Production
-

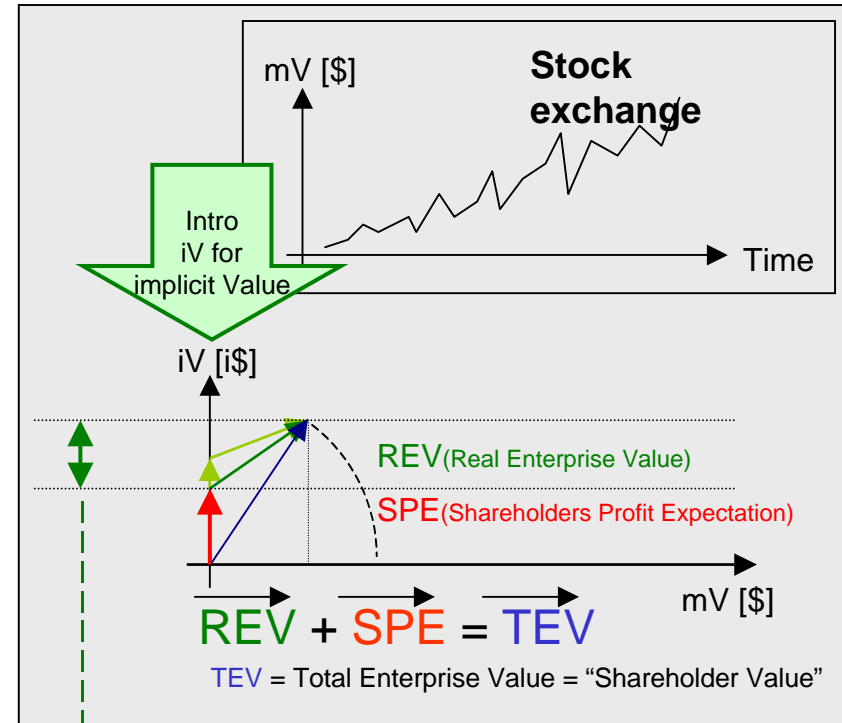
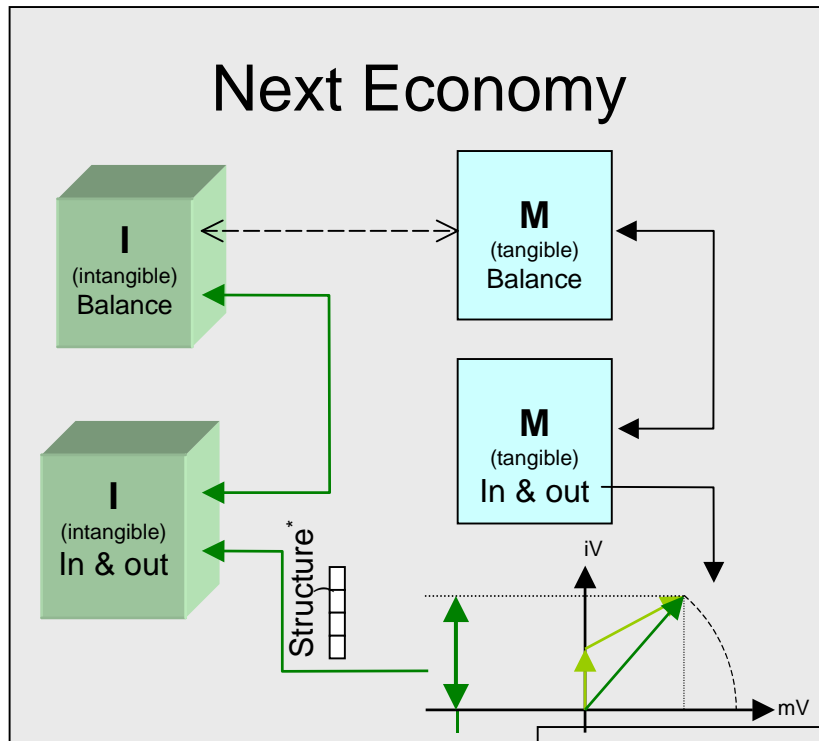
Q III: Transform $-I / +M$

- Outsourcing
- leaner
-

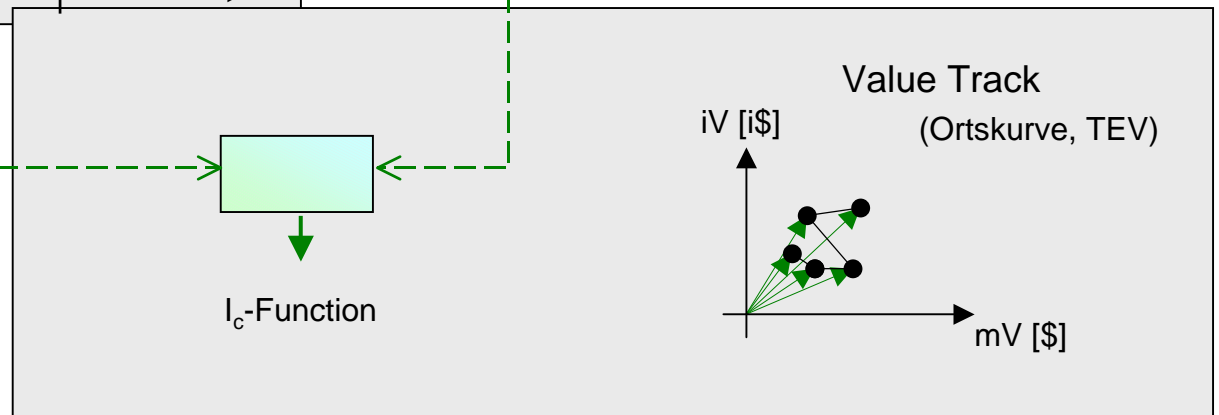
Q IV: Degeneration $-I / -M$

- Graveyard
-

Economic Value Architecture & Engineering



*) Structure as proposed by:
Balanced Scorecard and other
existing Solutions for
structuring (intangible) Assets.
We recommend BE-Systems.



bengin

Beyond Limits of Classic Business Paradigms

Thank You

<http://www.bengin.com>

<http://pma.bengin.com>

<http://bh.bengin.com>

(re)cognising real Values, mapping, developing, using, tracking....