

Enterprises adopting intellectual capital management hit record high

As Hong Kong turns into a knowledge-based economy, Hong Kong enterprises have achieved a new record high in adopting Intellectual Capital Management (ICM) under the Intellectual Property Department's ICM Consultancy Programme, and will continue to ride on such efforts with new enhancement programmes organized by other service providers.

Since the Intellectual Property Department (IPD) introduced the ICM Consultancy Programme in March 2009, it has successfully attracted over 600 enterprises to enter the scheme as well as leveraging local awareness on the importance of ICM.

The 'Excellence in Intellectual Capital Management' Awards and Enhancement Programmes Presentation was held last Friday at the Hong Kong Exhibition and Convention Centre. 25 companies with outstanding performance and commitment towards ICM were honoured with the "Excellence in Intellectual Capital Management Award."

Guest of honour at the awards presentation, Gregory So, Under Secretary for Commerce and Economic Development, pointed out that the Government has successfully promoted the advantages of ICM to local businesses.

"With over 600 enterprises adopting ICM, Hong Kong has set an impressive new record when compared to government efforts in other economies. We have surpassed other economies which have widely adopted ICM like Europe, US and Japan," said So during the opening remarks.

As IPD's ICM Consultancy Programme ended March 31, 2011, the Hong Kong Productivity Council (HKPC) and Government funded service providers are prepared to continue the quest to promote and enhance ICM in Hong Kong.

Enhancing through acknowledgement and implementation

The HKPC launched their Intellectual Capital Management Consultancy Services during late 2010. According to Au Ming Piu, General Manager, Innovation & IP Division of HKPC, HKPC's Consultancy Programme aims to not only continue the previous services brought by IPD, but is also taking a further step by helping enterprises implement ICM in their operations.

"What the IPD has successfully accomplished is that they have managed to increase the awareness of local companies as to the importance of ICM by providing workshops and consultancy services to help enterprises write their IC Report. Now, based on the foundations of what the IPD has taught these enterprises about ICM and their previous experiences on writing their own IC Report, the HKPC aims to continue such services by helping enterprises, to optimize their intellectual capital by implementing ICM



Winners at the "Excellence in Intellectual Capital Management" Awards Presentation

as a strategic tool and achieving a continuous improvement in their business operations," said Au.

Through such improvements, Au said, HKPC hopes to help enterprises to create values to their business and increase their competitiveness by leveraging their intellectual capitals.

Cheri Ho, Project Officer, Innovation & IP, HKPC, said their consultancy services aim to help enterprises in implementing ICM in many different ways.

"First of all, we have hotline enquiry service and face-to-face consultation sessions with the participating company to get a basic understanding about the company and what level of ICM the company has reached, so we can help them evaluate how effective their ICM is and help them formulate ways for better ICM implementation," explained Ho.

Apart from consultation sessions, their services also include ICM on-site assessment, formulation of an roadmap for ICM improvement, holistic ICM implementations, where it helps enterprises identify and assess their critical IC's competitiveness and establish IC management system for enhancement and transformation strategy for value creation together with developing performance management system for tracking the efficiency of ICM initiatives; IC Report compiling, to facilitate enterprises to report their intangible assets systematically and to communicate corporate value towards stakeholders through IC reports, and public seminars and training to raise public awareness of ICM. For enquiry, please call 2788 5392.

Setting ICM benchmarks for local enterprises

Meanwhile, local consultancy companies are also putting efforts into promoting ICM locally. The Manufacturing Enterprise Integration and

Innovation Association (MEIIA), together with the Asia Intellectual Capital Alliance Limited (AICA), have obtained funding from the SME Development Fund of the Trade and Industry Department to introduce a specialized programme to set up guidelines for enterprises to produce their Intellectual Capital Statement (ICS). The aim of setting up such guidelines is to assist SMEs to prepare their ICS (with non-financial and potential competencies) so as to help them to obtain financial supports necessary for their business growth.

Dr. James Fok, Chief Executive Officer of AICA, says the free programme, which will run from January to December, 2011, is divided into three major milestones.

"First we will conduct pilot cases from different industries for testing and drafting of an ICS preparation guideline. Then, the provisional ICS preparation guidelines will be reviewed by industrial representatives, such as the Hong Kong Institution of Banking, and IC experts to ensure the quality and practicability of the guidelines.

Lastly, the reviewed guidelines will be adopted by several companies to see their effectiveness and adaptability; and then it will be officially published and opened to the public, where free seminars and training workshops will be held to inform and educate the public towards how to use these guidelines."

"This will be the first set of guidelines for producing an ICS developed in Hong Kong. Hopefully, through this set of guidelines, local enterprises will have a more systematic way of drafting their ICS and will have a more thorough acknowledgement of their intangible assets and increase their competitiveness and enhance their operations in the challenging business environment which they are facing now," said Fok.

ICS is a useful tool for stakeholders to evaluate the non-financial performance of SMEs. SMEs may make use of this to communicate its non-financial competencies to bankers for their consideration of preferential bank loans. Please contact AICA at 3586 8106 for programme details.



Dr. James Fok, CEO of Asia Intellectual Capital Alliance Limited

Winner List of "Excellence in Intellectual Capital Management"

- 3C Limited
- Advanced Building Materials Co. Ltd.
- Bannershop Company Limited
- Bewater Studio Ltd.
- Chung & Kwan Solicitors
- Conduct Chinese Medicine Clinic
- Enterprise Incubator Consultant Co.
- Fongs Lawyers Hong Kong
- FUNboxx Limited
- HL&C Employment Agency Ltd.
- Hong Kong RFID Limited
- Hongrita Group
- ITO FUTON CO LTD
- Luv Inc.
- Right Station Limited
- S&F Enterprise Management Co Ltd
- Secure Information Disposal Services Limited
- Seed Forest Book Chamber
- Sense Production
- So Klose Media Company
- Sports & Arts Creation Ltd
- Synergy Education Provider Co Ltd
- TeleEye Holdings Limited
- Wing Ning Enterprise Co. Ltd.
- 營前經筋科

www.ipd.gov.hk/eng/icm.htm



Cheri Ho (left) and Au Ming Piu (right) of the Hong Kong Productivity Council