

MERCANTILIUS.

learning e-learning

IC Report 2005



Introduction:

Videnregnskab version 2005

Mai 2006

This report is a continuous development of the IC report that was initiated in 2004. The report for 2004 was a version 1.0 in the way it was setting the framework for the further development and we did not have any data of the indicators. For 2005 however we do have these data and thus we will present the first really version of the IC report.

Content:

- 1.0 Mercantilius – learning e-learning**
- 2.0 Employee competences**
- 3.0 Scheme of indicators**
- 4.0 Evaluation of use of indicators**
- 5.0 Future development**

1.0 Mercantilius – learning e-learning

The company is a leading operator in consultancy and supply of solutions within the sphere of Virtual Learning Environment (VLE), Learning Management Systems (LMS), e-learning and knowledge management.

Vision:

To develop IT supported learning in the educational sector, public- and private organisations under the overall theme: First didactics – then IT. We will change 200 years of educational practice.

Core competencies:

- To analyze the internal and/or external knowledge management in organizations.
- To teach, coach and manage in implementations.
- To maintain and exploit long term relationships with our customers.

Mission: Through a professional team and leading partners and products we will create value for our customers in IT supported knowledge management and learning.

Customers:

We have more than 200 customers both in the private and public sector. Especially in the school sector we have a stronghold where we have introduced the Norwegian VLE >>fronter to more than 215.000 users.

Products & brands:

Mercantilius delivers a comprehensive line of products within the e-learning industry. It is all products that compliment each other well which often give us a very close customer relationship involving several products.

We market, implement and support the Norwegian Learning Management System >>fronter (www.fronter.dk). It is a web based platform facilitating cooperation, knowledge management, learning, evaluation and more. The price model is a rental model where the customer pays a fee to have access to the solution for a period of time – typically 12 months. It is a recurring revenue model of which follow we have to sell again after 12 months. All this demands for a tight relationship with the customer.

We also market, implement and support an e-learning author tool – courseGenie. It is a small pc based application that is activated as an add-on to MS Word. It makes it possible to create advanced e-learning content from MS Word.

Mercantilius delivers a range of technical integrations between >>fronter and various databases. It is through both our own products and through partnerships such as Itai (www.itai.dk) and CSC (www.csc.com).

Further more we market a wide range of consultancy products among others project management, training and courses, etc. These products are all in the field of IT and learning.

In 2005 we have decided to terminate Kompetencedeling (conference and knowledge sharing activities). It proved not to be financially attractive activities. Instead we have expanded our consultancy part of the business. That was primarily driven of large customer projects where we have developed our competences a lot. That is very much achieved in cooperation with our partners.

2.0 Employee competences

Mercantilius has 7 employees and a group of freelancers (not mentioned below). The company is a young company and the employee average age is 33. We always try to overlap the competences to secure backup and competence durability within the company. Furthermore it secures a relevant feedback from co-workers.

Gustav Piper, 35 år

Gustav is the CEO of the company. He has been an officer in the Danish Defence. Gustav has got a bachelor in economics and marketing and is currently doing a master in Organization and leadership. Gustav has started an internet based Application Service Provider company within the field of terrain modelling.

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Jochum Kirsebom, 41 år

Jochum is the owner of Mercantilius which he established in 1999. Jochum has got some 13 years of experience in sales, management and has taken part in starting up two companies. Jochum is a member of the e-learning council of the Confederation of Danish Industry. Jochum is often asked to do a presentation about Innovation, company start-up and e-learning. Jochum has got a master in economics and marketing.

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Thomas Boe Frederiksen, 33 år

Since the 1st of January 2004 Thomas has been appointed CTO in Mercantilius and is responsible for support administration, technical development internally and externally with partners. Thomas is educated in software programming, system development and network configuration. Thomas has earlier been working with IT training for 2½ year as Regional Expert Services Manager with Fronter AS in Oslo, Norway.

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Thomas Christensen, 36 år

Thomas is a Bachelor from Frederiksberg Seminarium with It and Pedagogy as focus area. Thomas has been working two years on Tre Falke Skolen – a secondary school in Copenhagen and furthermore he has got a vast experience in setting up VLE. Thomas has been in our service since August 2003 and the area of responsibility is content development, training, pedagogy and HR development. Thomas is doing lectures on It and pedagogy from time to time. He also is responsible for keeping himself updated in potential new software and solutions of interest.

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Theresa Blicher, 29 år

Theresa is educated in graphic design and has been employed on an advertising agency as a Art Director assistant and coordinator. Theresa was employed in Mercantilius in September 2003 with the responsibility of the company's visual identity.

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Christopher Olesen, 25 år

Christopher is a Marketing Economist from Niels Brock – Copenhagen Business Academy. He was appointed in Mercantilius right after his graduation with the responsibility to market >>fronter and courseGenie. Christopher also does training in courseGenie.

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Lars Berger, 32 år

Lars is educated as a "Realschulelehrer" – teacher in Germany in the topics math and German. Lars has been teaching both in Germany and Denmark. He has recently done a Master in IT on the IT University in Copenhagen specialized in E- & M-learning. Lars was appointed November 2004 in a part time job marketing coursGenie.

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3.0 Scheme of indicators

Human capital

Structural capital

Relational capital

Story of knowledge	Leadership challenges	Action	Indicators	Data	
<p>Value of use: Mercantilius offers effective e-learning for schools, public- and private organizations.</p> <p>What: Mercantilius delivers e-learning solutions primarily a LMS, author tools, integration software but also consultancy in relation to implementation.</p> <p>Knowledge resources: Merge of pedagogical insight, IT competences and organizational insight. The</p>	Recruiting and employee competence development.	Open – broad job adds in network.	No. Of job applications	16	
			No. Of articles in the press	3	
		Many job interviews	No of job interviews	3	
		Continuous training	No of training days	24	
			Internal training	17	
		Employees	No of co-workers	7	
	Average age		33		
		Effective sale and project management	Questionnaire to exploit customer needs	Customer info in CRM	Yes
			Training – internal and external	No of training days	2
			Information systems	Knowledge sharing solution	Yes

competences are managed as in-house competences and external competences via partnerships.	Customer information		Customer relationship management	Yes
		Innovation – maintain the innovative processes.	% of working hours - gross	7-12 %
			No. of internal innovation sessions	2
		Customer of involvement	No of change requests from customers	Not known
			No of support inquiries from customers	App. 2000
			Customer participation in development meetings (No of meetings)	7
	Customer information	Meetings without an agenda	No of customer meetings – Existing customers	14
		Use of customer reference groups	No of reference group meetings	3
		Customer loyalty	No of customer lost	4
			No of new customers	24
		Customer contacts	No of contacts (persons) per customer	3,4

4.0 Evaluation of use of indicators.

Mercantilius is a small company with a relatively young staff in terms of years the company has existed and in terms of staff average age.

The company is still a start-up company in many ways and we do still have an extensive informal way of sharing of knowledge. But in 2005 there has been some changes to that thus we have implemented a CRM solution. This has given us the possibility to register customer information we did not have before. Furthermore we have worked quite a lot with various benchmarking on the customer relationship. It is issues like support, meetings, contact persons, partner performance, etc.

The indicator scheme is developed in the model from the Ministry of Science Technology and Innovation and the "Guideline for IC reports" because this model links strategy via challenges and actions to the indicator. The model has undergone further development in the Nordic project "Putting IC into Practice" (for further information see <http://nhki.si.is>). The scheme above is not complete; it is a static picture of a dynamic development. We have stated the first three columns based on the current assessment. And this will develop over time as the company develops. We have already initiated some strategic changes i 2006 I relation to new products and new markets.

5.0 Future

In developing knowledge management systems and IC reports in Mercantilius we have planned several activities the coming months.

We have had – and will have – employee seminars in relation to the usage of indicators. Currently we are using the indicators as an internal management tool. But it is our objective to develop an annual IC report 2006. We will later decide whether and/or how to use this work and the report externally.

As mentioned above we have implemented a CRM solution. We will expand the implementation and usage of the solution in 2006. Especially we will focus on the customers' network which provides vital structured information of the informal information channel of our customers.

Furthermore has our partner Fronter AS implemented a support system which we also have to use. This will provide us with support information. In other words we will focus on the relational capital in 2006.

Copenhagen, the 25th of April 2006.

Gustav Piper
CEO