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ENTERPRISE'S BUSINESS VALUE IN ECONOMY BASED ON KNOWLEDGE

Determinants and aims of enterprise's value management in economy based on knowledge

During the period of changing over to the market relations in conditions of the radical transformations multiplicity in the economics' the most important becomes the task of the value management of subjects optimization process. The enterprises of different forms of ownership as basic objects are the initial point of the restructurization and renovation of the management system. Changes in the medium, in the economy conditions involve the transformations of the goals and tasks of the activities and strategy of development.

Just the interrelations system of strategy, aims, tasks and problems determines the logics of the value management mechanism of the enterprise. In the formation process of the system of goal it is advisable to proceed from the basic regularity of the enterprise development as a system. The regularity "integrity" reveals in that the achievement of the main goal of the system (or the goals of the highest level) cannot be guaranteed by the subgoals achievement, although it depends on them. The goals of subdivisions make a concrete contribution in the goals of the organization as integral organ and don't contradict the goals of the other subdivisions.

Multi-purpose character of the enterprise manifests in multiformity of goals of diverse management levels and cannot be calculated by only one measuring index. Each goal reflects one of the objectively necessary features of functioning and development of the enterprise.

Various stages of development determine the possibility of the different goals' priority on dependence of the political and socio-economic tasks of the society's development. In the process of the enterprise functioning realizes the system of goals of various classes: tactical, strategical, internal and external, principal, general, production, economical, of smooth-running, commercial, social, etc.

Effective system of goals looks like as follows:

- integral (includes the whole complex of the goals);
- compared (by the scale and importance of each level);
- determined (it is foreseen functional, temporal and other determination);
- real (well-grounded from the point of view of the available resources).

Based on the strategical (distant) goals, connected with the perspective of the enterprise development is carried out the mechanism of the enterprise adaptation for the changes of the external environment. Tactical (close or the nearest) goals are established after evaluating the analysis results of the effectiveness of the economical mechanism functioning of the economy and directed to eliminate present contradictions (disproportions, the losses of resources).

In the process of the evolution of the cost management of the enterprise should be elaborated such a system of stimuli which would contribute to the “equal beneficency” for the achievement of the whole of goals, the order of using it should take into consideration the influence of stimuli on the behaviour of the concrete groups of people or separate persons. It is connected with the necessity of the smoothening away of the present incoincidence and contradiction of various social groups’ interests from one side and the enterprise as integral from the other side, that can negatively be reflected on the general effectiveness of the enterprise, on the cost value of it.

Among the cost determinants of the enterprise value it is possible to separate the next groups of the external and internal factors: material determinants: immobilized and current, connected with the fixed and working (circulating) capital formation; market determinants; ecological, intellectual and financial determinants.

Internal and external factors are intercomplementary and they determine through the enterprise results its possibility of development, its terms and the positions on the market.

The first group of factors determine the activity in the field of the assets and capital reorganization. Among them are: activization, jointing, division, capital split, leverage level, shares emission, redemption of the own property shares. The researches carried out on the West demonstrate that this activity may cause positive or negativity influence on the stock exchange shares price. Some investors estimate the activity of this type in the light of the prism of cash flow projection generation and by means of the profit dynamics.

The second group of factors determine some directions of the market activity of enterprise, among them are: activity strategy, market position, competitiveness of the enterprise; and also the indices which characterize the investments payback, demand for shares, conjuncture, rate (in percents).

As ecological determinants we can refer the next: external-external ecological situation influence on the enterprise cost: at present moment the estimation of the assets depends on the great influence of the ecological situation in the Republic (meanwhile, the consequences of Chernobyl nuclear power station disaster; internal-internal ecological state of the proper enterprise (availability of the modern sewage constructions, realization of the nature-protection activities or fines payment for the environment pollution).

The intellectual group includes a row of factors: the reputation of the enterprise, personal capital, organizational and structural capital, non-material capital, business relations and the other components of the intellectual capital of the enterprise which defines the stock of the personal knowledge and of the knowledge of the labour collective, production experience, habits and motivation, structural ability of the company for self-arrangement, for the maximum utilization of the employees.

The group of the financial factors possesses a number of indices, which characterize the financial results of the enterprise activity, its investment attractively. One of the most important determinants of the important determinants of the investment risks in the enterprise is its level of debts.

Strategy of management must favour the maximization of the proper capital profitability or light share rate maintenance, must maintain emission capability or create the protection for the competitors.

The influence on those or another factors of the cost changing is realized in accordance with the specific strategies of the enterprise' development: operational, investment, financial. Elaborating operational strategy should be carried out the research of such factors and methods as follows:

- renovation of the manufactured production assortment;
- reduction of the permanent expenditures share in the structure of the cost price;
- optimization of the relations with suppliers;
- searching for the most profitable markets and increasing of the share of the existent, particular those where the enterprise has a sensible advantage before the competitors;

- guarantees of competitive prices for the realized production, increasing of the customers' service quality.

Carry out investment strategy is recommended:

- minimize the level of stock-in-trade and material resources;
- stimulate the reducing of the debtors liabilities;
- find more profitable terms for clearing off creditors debts;
- minimize the rest of the monetary means';
- increase production facilities;
- sell surplus non-used assets.

Financial strategy has its orientation as follow:

- creation of the most profitable methods of capital financing;
- maximum reducing of the business risks factors.

Successive realization of one or another variant of the strategies leads to the money flow increase, improvement of the financial results and in a consequence to the increase of the cost of enterprise.

The mechanism of the cost enterprise management, its growth stipulation determines the preconditions of the cost as a strategical goal of enterprise. Therefore the cost of the enterprise becomes not only the criterion of the decision-making, but simultaneously is the aim of the decision-making. Hence, it is possible to make an accurate construction of the tree of decision through the selection of the best decision in such conditions, the possibility of the expenditures reducing. Opposite result is obtained if the decision is not agreed to the goal, doesn't on it and doesn't subordinate to it.

The cost of enterprise as the precondition of the taking managerial decisions may be used only in terms of the market economy when the enterprise becomes a commodity (it has a price, use value, it is an element of the market where the demand and the offer for this commodity are faced). The second condition of interpretation of the cost in the role of one of the parameters of decision-making is the owner's interests in the increasing of the price of the available property (the principle of creation of value) and possibility of protection of owner's interests.

Theoretically, the managerial decisions are reasonable only in the cases when they augment the cost of enterprise. The decisions which increase the value of enterprise give profit for their owners: in a form of the growing dividends, which will be paid them, in a form of the cost of their shares, etc. The value management it is possible to equalize to the search of the ways for gaining the objective, formulization of the strategical goal of the enterprise in a form of the growth of its value will immediately change over the management for obtaining the best value.

Problems of the objects cost estimation

One of the most important problems of selling state inventory and privatization is adequate evaluation of the privatization is a well-grounded opinion of independent side about the real market price of the property. Registered on authorized fund of joint-stock company, creating in the process of the privatization is determined by using the standardized value procedure of the integral property complex of the enterprise. The standardized evaluation of the integral property complex for the authorized fund of the society determination, founded on the base of the inventory of state enterprises (except the property of state farms, another state agricultural enterprises and enterprises of fishing industry) is made on the base of the property inventory of the enterprise, data of the endorsement balance of the enterprise, composed against the date of evaluation this balance describes the results of revaluation of the enterprise assets on the basis of experts estimation, tenancy agreement with the appendices for it (among them balance enclosed to the tenancy agreement); another additional information which requires the privatisation commission for the property evaluation. List of property which is an integral part of the total inventory complex includes [Постановление..., 05. 03. 2004]:

- fixed assets (Af): production capital funds , non-material assets, non-finished construction, long-finished construction, long-term financial investments long-term debtor's liabilities, delayed tax assets, another non-turnover assets);
- current assets (Ac): reserved bills of exchange, debtor's liabilities for the goods, work, services, debtor's liabilities for payments and the others current debtor's liabilities, current financial investments, another turnover assets);
- expenses for future periods (Ef).

With the aim of the pure cost of the integral property complex the total cost of the abovementioned complex reduces for sum:

- guarantee of future expenses and payments (Pf);
- fixed liabilities (Lf),
- current liabilities (Lc).

This, the cost of the integral property complex of the enterprise (IPC) is calculated by the formula:

$$IPC = (Af + Ac + Ef) - (Pf + Lf + Lc). \quad (1)$$

During the process of determining of the authorized fund of any open joint-stock company the pure cost of the integral property complex should be corrected with the cost of the state housing fund, objects free from privatization, property relatively to which is established special regime of privatization, and also for the surplus value of the inventory received as a result of using of financial restructurization measures.

As the result of above-mentioned corrections we determine the amount of the authorized fund of the open joint-stock company (AF), created on the base of the state enterprise assets by the formula:

$$AF = IPC - HF - Of - Osr + Vr, \quad (2)$$

where HF - the cost of the housing fund;

Of – the cost of objects free from privatisation;

Osr - the cost of objects, relatively them is established special regime of privatisation;

Vr - surplus value of the state property received as a result of measures of financial restructurization.

Using the amount of the received authorized fund may be determined the nominal share price (Pn).

$$Pn = AF / n, \quad (3)$$

where n – number of share.

But such formed result of the object cost frequently is not justified for its very high price. Its dollar equivalent with the time doesn't decrease but has a tendency for growth. Besides it is very labour-consuming method, based on expenditures' evaluations.

The most expensive are the objects with big volumes of commodities and material values, non-established equipment, etc. The enterprises which don't have excess of facilities and equipment become cheaper. Here we can face with the possibility of various faults, inexactitudes, etc.

For the labour body (team) the privatization in the privatization in the form of open joint-stock company is very often more preferable, because during auction sales, by competition is decreased the possibility of purchasing the objects into the possession by the proper labour team thanks to the growth of its price. In consequence of this phenomenon we propose to sell on the auctions and by competition in the first place small unprofitable and with low paying concern enterprises. One of the ways of privatization is the selling of the state property objects by means of the state property objects by means of the auction. This, it may be obtaining in the property by natural on juridical (artificial) person during the open

auction when the buyer is not realize any terms (auction without any clauses) or when the purchaser must realize determined conditions (auction with clauses). The clauses are established by the body of privatization. When the state property object is sold by the auction with clauses the buyer must execute one of the next conditions: maintain the same profile and the purpose of the privatization object, maintaining or creation of new working places, execution of the investment programs, keeping the historical features of the privatization object, which is of historical-cultural value. It is not tolerable to declare the terms not foreseen by the auction is the maximal price.

Selling of the state property object by competition (by contest) is its obtaining by any legal person in the own property when the purchaser is required to realize special terms, established by the privatization body.

The winner of the contest should propose the offer which is the more suitable for the declared criteria. If another proposals are equal the winner of contest should be the person which declared the highest price.

As far as it refers to the privatization cost of the object, which is put up for auction, for the approximation of methods for evaluation of state property to the market factors are approved methodical recommendations of the cost of the real estate market price evaluation and property rights for it.

The evaluation according this methods may be realized using the next accesses: extravagant, income (capitalization of the profit) and comparative (market) [*Постановление...*, 05. 03. 2004].

Since the property complex cost of the privatized object which was made by the extravagant way is sometimes very high the labour body or team which is a real initiator of the privatization can really receive for money and individual privatization cheques "Property" which are from 4 up to 10% of the authorized or registered fund of the founded open joint – stock company.

The contribution of the own money of the workers in shares, using even 20% discount is non-significant. Meanwhile before the finishing of the cheque privatization is foreseen the moratorium for the selling of shares purchased by the reduced price or using the cheques "Property".

The perspectives of the dividends receiving, especially in after privatization period are very illusory. This phenomenon in a great scale decreases the stimuli for the privatization of the members of the labour bodies. Profit methods are used in the next cases: in the case of the availability of the reliable data for the objective evaluation of the future money flows of the enterprise determined that those flows have positive values; when the enterprise doesn't have big assets, but has considerable money

flows; in case of forecast possibility of the future rates of growth and in the number of another.

Using comparative way the cost of property is determined by the real market transactions analysis and comparison of the objects of transactions with the evaluating object. The essential idea of this way is the suggestion that informed buyer will not pay for the property more than it will be paid in case of buying any similar inventory which has the same level of utilization. However, in the terms of the transitive economy the information is not so complete and may not have the necessary grade of truth. The total information about the transaction very often is very difficult to obtain because of the instability of the prices conjuncture fluctuations for various (even short-term) periods of time are considerable. Each from the indicated methods has its own advantages and disadvantages, in determined situations.

The disadvantage of the income method is in that it represents infinitely long in the period of generation through the enterprise the incomes, originated from various sources.

Extravagant methods doesn't take into the consideration influence of the time interval, needed for recreation ameliorated analogue utility. It's using it specialists don't into account the business perspectives, the levels of profit, assets profits and other features.

Comparative market methods are preferable in the conditions of the existence of the object comparison market, that in the conditions of the transitive economics causes considerable difficulties.

The methods are based on the past events, so making calculations it is necessary to use a number of corrections with the goal to take into account future expectations. In some situations no one way of access may be used in a pure form.

Thus, some western researchers propose to use mixed innovation accesses which include methods, based on the reputation cost, which take into consideration the cost of reputation with its amortization, methods of average cost and of the cost increasing.

Development of enterprise's business value in the world economy based on knowledge

Some evaluations prove that the market value of 500 medium companies from the list of the Standard & Poor is 6 times more than the cost of the pure possession which are available in the pure statements. It is significant that the balance assets comprise in average approximately 15% of the real company cost, meanwhile the business cost

will be in average about 85%. Therefore in traditional industries the share of the business cost will be 20-40% of the total cost of the company, in the industries connected with the high technologies – 60-80%, in the industries linked with the last achievements in the field of the computer technologies more than 90% [Колесникова, 2004, с. 66-71; Kolesnikova, 2005, s. 291-297]. We cite the data from the magazine “Fortune” list that includes 500 largest industrial companies of the USA.

Table1. Business value of Companies (Fortune 500)

| Companies | Market cost, mln. doll. | Assets, mln. doll. | Business value, mln. doll. | Part of busi- ness value, % |
|-------------------------|----------------------------|-----------------------|----------------------------------|--------------------------------|
| Intl. Business Machines | 98322 | 81449 | 16873 | 17,2 |
| Hewlett-Packard | 65060 | 31749 | 33311 | 51,2 |
| Compaq Computer | 36052 | 14631 | 21421 | 59,4 |
| Xerox | 31829 | 27732 | 4097 | 12,9 |
| Digital | 7101 | 9693 | -2592 | X |
| Dell Computer | 41294 | 4268 | 37026 | 89,7 |
| Sun Microsystems | 16614 | 4697 | 11917 | 71,7 |
| Apple Computer | 3449 | 4233 | -784 | X |
| Gateway 2000 | 6242 | 2039 | 4203 | 67,3 |
| Pitney Bowes | 14036 | 7893 | 6143 | 43,8 |

Source: Calculation according to figures: <http://www.pathfinder.com/fortune/fortune500/ind8.html>, 1998.

From the table 1 it is seen that the share of the business value of the Companies, which produce computers, and office equipment is great and in its market price and at times in some times is superior of the assets cost. How long it is possible to reach such correlation? For instance, company “Compaq Computer» had only three workers when it was converted in the corporation. The first year was devoted to the product perfection and the sales volume was equal zero. In 1983 it started the promotion of the new computer in the market and the sales volume achieved 111 million dollars/ it is a record for the recently created firm. In 1986 “Compaq” was already included in the list of the magazine “Fortune” of course, it is a quite phenomenal success, but and usually in the first years the rate of growth of the new firms comprise from 100 up to 1000 percent a year (Is the created produce received market recognition) [Brigham, 1989, p.206]. It may occur vice versa situation, for example, with the well-known Company Apple Computer when the rate of its shares fell below the level of the balance cost and the cost of business became negative.

It is characteristic the surplus market cost of the enterprises in comparison with the cost of their assets for the USA and for the countries of the Western Europe. However, in many countries of the eastern and central Europe is contrary. The Republic of Belarus is one in this row.

Indexes of the enterprise's value in Belarus region

As private indexes of cost management of the enterprise it is possible to present the next:

1. P/P_{bal} – is the correlation between the market price value (P) and balance cost of one share (P_{bal}), provided by it's inventory which are pure assets.

After calculations were determined that during three years only 6-8 enterprises of total quantity had the surplus market value against their balance cost.

The difference of the capitalized cost of the enterprise and of the cost of assets gives the value of the business cost. It is obviously, that for the majority of the analyzed enterprises this difference is negative. Therefore the cost of the business calculated using these methods is also a negative value.

Excess capitalized cost calculated by pure profit and pure assets may be considered partially as the business cost, because during determination of the cost of the business was not taken into consideration the influence of the intellectual capital and other factors on it. In conditions of the wear stock exchange market cost of enterprises may be only of conditional character.

Let's calculate the same indexes of the market activity of the enterprises which characterize the dividend's level and the level of profitability of the enterprise (P/P_{bal}), the results we will classify by the next groups of enterprises (table 2):

1. all enterprises;
2. enterprises which have ratio of market and balance value more than 0,1. Otherwise, when the market price is more than 10% of the pure assets value. There were such 21 enterprises in 2001 year and 76 enterprises in 2004;
3. enterprises which have the ratio of the market and balance price more than 0,5. Hence the market price forms no less than a half of the property price of the enterprises. There were 8 such enterprises in 2001 year and 18 enterprises in 2004;

4. enterprises which have the market and balance ratio more than 1. Their market price exceeds their balance cost. Their number is from 6 to 9. Describing this case it is possible to speak about the availability on these enterprise of the business cost.

Table 2. Market activity indexes of the enterprises according the P/ Pbal in 2001-2004 years

| Indexes | <i>Enterprises</i> | | | |
|----------------------------|--------------------|-------------------------|-------------------------|-----------------------|
| | <i>All</i> | <i>P/ Pbal > 0,1</i> | <i>P/ Pbal > 0,5</i> | <i>P/ Pbal > 1</i> |
| 2001 | | | | |
| Dividends / Pure profit, % | 27,6 | 8,1 | 5,9 | 5,8 |
| Dividends / Profit, % | 17,5 | 5,6 | 4,1 | 4,1 |
| Profitability, % | 16,1 | 17,7 | 21,6 | 22,6 |
| Number of enterprises | 691 | 21 | 8 | 6 |
| 2002 | | | | |
| Dividends / Pure profit, % | 13,3 | 10,0 | 13,5 | 0,05 |
| Dividends / Profit, % | 10,4 | 9,5 | 13,7 | 3,3 |
| Profitability, % | 12,2 | 15,7 | 13,7 | 18,8 |
| Number of enterprises | 1414 | 33 | 15 | 10 |
| 2003 | | | | |
| Dividends / Pure profit, % | 3,6 | 12,5 | 4,7 | 3,7 |
| Dividends / Profit, % | 2,4 | 8,6 | 3,3 | 2,6 |
| Profitability, % | 18,7 | 9,6 | 8,1 | 8,3 |
| Number of enterprises | 1530 | 38 | 9 | 8 |
| 2004 | | | | |
| Dividends / Pure profit, % | 17,8 | 12,6 | 15,6 | 19,1 |
| Dividends / Profit, % | 17,2 | 8,1 | 15,6 | 19,1 |
| Profitability, % | 10,0 | 10,7 | 10,85 | 10,2 |
| Number of enterprises | 1621 | 76 | 18 | 9 |

Source: Calculation according to figures: Форма 4 «Информация о результатах финансово-хозяйственной деятельности открытого акционерного общества».

Table 2 shows that the level of the market activity indexes (1 group) differs from the corresponding values of the other groups in 2004:

1. dividends share for the pure profit rouble in the second group is below the similar index of the third group for 3 per cent points, by the fourth for 3,6 per cent points;
2. dividends share for the balance profit rouble in the second group is below for 7,5 per cent points than in the third one, 3,5 per cent points than in the fourth one;
3. in addition, it is possible to mark the analogous tendency for one employee in the first group in comparison with the three others;

4. the production profitability level is not differs in the first group in comparison with the rest of groups.

The results of analysis show that the enterprises of Belarus in general appropriate insufficient quantity of money for the dividend's payment. However, the direct dependence between the ratio P/P_{bal} and the indexes of the market activity is not equal.

2. P/E – price-earning ratio – correlation of the market value of the share (P) and of the profitability of one (E). It is one of the conditions of the developed market which characterizes the degree of the investors' interests in the given enterprise. P/E reflects the relations between the enterprise and its shareholders. This coefficient shows how many money units agree the shareholders to pay for one money unit of the pure profit of the company.

It is calculated using formula:

$$P/E = \frac{\text{market value of the share}}{\text{profitability of one share}} \quad (4)$$

The highest is the value of this index, the highest is the investors' appreciation of the investment qualities of the company at the moment. An important characteristic of the given index is not only its level, but its dynamics in comparison with the dynamics P/E of other enterprises and with the general dynamics of the market. It is particularly important for the investors which examine long-term aspect of investment.

Let's calculate the ratio of market value of the share and its profit for Byelorussian joint-stock companies (table 3). The investors can evaluate the repayment of the investments, examine the condition of the facilities of the enterprise by the use of the index of profitableness. Let's calculate some indexes of market activity of the enterprises which characterize the dividends' level and profits of enterprises. Four groups of enterprises are taken into consideration:

1. all enterprises;
2. the enterprises in which ratio P/E is more than 0,3. Therefore, for one monetary unit of the pure profit the shareholders can pay 0,3 monetary units;
3. the enterprises in which the ratio P/E is more than 80%, the shareholders agree to pay 0,8 monetary units for the unit of profit;
4. the enterprises in which the correlation P/E is more than 1. It means that for one monetary unit of the pure profit of the enterprise the shareholders agree to pay no less one monetary unit.

Table 3. Market activity indexes of the enterprises in 2001-2003 years

| Indexes | Enterprises | | | |
|---------------------------------|-------------|-------------|-------------|-----------|
| | All | $P/E > 0,3$ | $P/E > 0,8$ | $P/E > 1$ |
| 2001 | | | | |
| Dividends / Pure profit, % | 27,0 | 1724,1 | 3903,5 | 4474,6 |
| Dividends / Profit, % | 18,6 | 1119,8 | 2548,8 | 3126,1 |
| Dividends / Numbering of worker | 138,3 | 452,9 | 788,9 | 818,6 |
| Profitability, % | 12,9 | 27,7 | 3,4 | 3,6 |
| Number of enterprises | 1400 | 28 | 10 | 45 |
| 2002 | | | | |
| Dividends / Pure profit, % | 13,3 | 18 | 92,7 | 93,2 |
| Dividends / Profit, % | 10,4 | 11,1 | 22,3 | 22,3 |
| Dividends / Numbering of worker | 57 | 237 | 166 | 170 |
| Profitability, % | 12,2 | 24,7 | 39,9 | 41,0 |
| Number of enterprises | 1414 | 71 | 33 | 16 |
| 2003 | | | | |
| Dividends / Pure profit, % | 3,6 | 18,5 | 33,6 | 54,1 |
| Dividends / Profit, % | 2,4 | 11,8 | 20,8 | 27,1 |
| Dividends / Numbering of worker | 52,8 | 248 | 658 | 750 |
| Profitability, % | 18,7 | 14,9 | 22,8 | 14,9 |
| Number of enterprises | 1530 | 121 | 22 | 15 |

Source: Calculation according to figures: Форма 4 «Информация о результатах финансово-хозяйственной деятельности открытого акционерного общества».

Investigating Byelorussian enterprises according the value of the coefficient P/E for the last three years we determined, that the level of this index for the majority of the subjects is rather low. In 2004 105 subjects had correlation P/E superior than 1, in 2003 - 15 subjects, in 2001 the number of such subjects was only 5. It means that for one monetary unit of the pure profit the shareholders agree to pay no less one monetary unit. The share of such enterprises is 1% of the total number of enterprises.

The number of the enterprises with the ratio P/E more than 0,8 (0,8 rouble for one rouble of the company's profit) increased from 10 up 22 units in 2003 in comparison with the year 2001. The value P/E more than 0,3 (0,3 rouble for one rouble of the company's profit) 28 enter-

prises, and in 2001, in 2002 – 71 enterprises, and in 2003 it is number increased up to 121 enterprises (7,8% of the general totality).

Table 3 shows that with the growth of the value P/E increase all the indexes, connected with the level of dividends. It is a logical conclusion of the calculation formula P/E: the value P (market value of the enterprise) is equal the value of dividends of one share, corrected by the value of the bank's interest. Such tendency for the level of profitability is not determined.

3. P_{bal}/P_{nom} - is the correlation between balance cost of one share (P_{bal}) and the nominal price value (P_{nom}).

Let's calculate the same indexes of the market activity of the enterprises which characterize the dividend's level and the level of profitability of the enterprise (P_{bal}/P_{nom}), the results we will classify by the next groups of enterprises (table 4) in 2004:

1. all enterprises;
2. enterprises which have ratio of balance and nominal value more than 1. There were such 21 enterprises in 2004 year;
3. enterprises which have the ratio of balance and nominal price more than 1,5. There were 13 such enterprises in 2004 year;
4. enterprises which have the market and balance ratio more than 2. Their number is 11.

Table 4. Market activity indexes of the enterprises in according of P_{bal}/P_{nom} in 2004 year

| Indexes | <i>Enterprises</i> | | | |
|----------------------------|--------------------|--|--|--|
| | <i>All</i> | <i>$P_{bal}/P_{nom} > 1$</i> | <i>$P_{bal}/P_{nom} > 1,5$</i> | <i>$P_{bal}/P_{nom} > 2$</i> |
| Dividends / Pure profit, % | 17,8 | 14,2 | 15,9 | 17,1 |
| Dividends / Profit, % | 17,2 | 13,4 | 15,2 | 13,7 |
| Profitability, % | 10,0 | 11,8 | 14,3 | 5,3 |
| Number of enterprises | 1621 | 21 | 13 | 11 |

Source: Calculation according to figures: Форма 4 «Информация о результатах финансово-хозяйственной деятельности открытого акционерного общества».

The indexes of the second group are of higher values than the similar coefficient of the third and the fourth groups with the higher level of P/P_{bal} . It can be explained as non-correspondence of the market and balance share value, and therefore between the market price of the enterprise and the price of its property. The causes are the fails of the appraisal of the enterprise property as well as its market price.

The results of analysis illustrate the lack of attention for the “cost of business” at the enterprises and it is the difference between the market value of enterprise and its assets. Cost of the business formation may be linked with the profitability and profit values excess of the present enterprise over the overage profitability (by the industry, regions, analogues, etc.) Hence, the basis for calculation of the enterprise cost value may be not only the property of enterprise, but a possibility of generation with it incomes, and also the profitability of the capital. However, such methods in Byelorussian economy are insufficiently.

Business market, as a rule, is a subject of more rapid and strong changes than the real estate market. Thanks to it the costs in both named markets change with the different rates. This statement is specially actual for so-named “poor” markets of real estates. Moreover, the property usually is evaluated independently for the loan capital availability. Evaluating business should be taken in consideration the value of difference between the amount of assets and liabilities (pure assets). The reasonable utilization of the enterprise property may not decrease but increase the cost of enterprise, simultaneously a number of assets has wearing tendency that leads to the reducing their cost. The definition “enterprise” is more mobile than “property” especially if it is spoken about real estate.

Potential shareholders which wish to purchase the shares of the enterprise wait for its profit generation to have a possibility to pay dividends. Thus, waiting for the future values of the cost of business will make a substantial influence on the share price changing of the enterprise. The more reliable is the forecast, the less it will be the fluctuation of the share rates.

Business value index may be used for the working effectiveness of the enterprise from the owners, who consider that the enterprise activity has for them a positive result only in case if the enterprise earned more than income of alternative investment.

Above mentioned and row of other activities will allow to elaborate the methodology of the economy cost appraisal of the Republic.

Multiplication the given data of the one share cost value (nominal, balance and market) by the quantity of the share we will receive accordingly the values of the registered fund, the cost of pure assets and specific capitalized cost of the enterprise. It is specific because of almost total inactivity of the secondary market of the securities the market cost of the shares is determined by calculations. The difference between the capitalized cost of the enterprise and the value of the assets gives the business value. For the analyzed enterprises in most cases the difference between

the market and balance sheet of a single share is a negative value. Thus, the business value, calculated by this method is also a negative value.

The analysis of the data of the above-mentioned table leads to the paradox result: in case of the business value as a difference between market cost and pure assets this value will be negative for the majority of Byelorussian Companies. It results that without taking into consideration such group of factors as intellectual capital, it decreases their market cost. This situation may be explained from the economical point of view.

Among all the elements of intellectual capital, only one human or personnel capital will be always positive. Three other elements may be estimated both positive and negative. Organizational and structural capital become positive only in case if the structure of company contributes to the maximum utilization of the employees potential for the achievement of high financial result. Vice versa the abilities and knowledge will not be required. We face with such type of situation, probably in many Byelorussian enterprises. The majority of the employees are highly-qualified, however, their knowledge and potential are not realized, because the organizational structure of the firm doesn't stipulate them to work hard.

Intangible assets are very complex product. Their utilization is directed to guarantee the profit of the enterprise, to augment the competitiveness of its production, amelioration of the business reputation of enterprise, increasing of the innovative potential, growth of enterprise stability for the external medium fluctuations. The cost of patents, licenses, know-how, etc., makes positive or as a last resort zero influence.

Trademark of the company may cause both positive and negative influence. Well-known trademark may stipulate the quantity of sales and correspondingly the increasing of the profit. Unknown trade mark or trade mark with a bad reputation will decrease the growth of sales, will make the manufacturer to decrease the price and therefore will produce negative effects. It is one more problem of Byelorussian enterprises, because the majority of them are unknown on the biggest markets, and the production of the Byelorussian manufacturers is considered as also the production of the former socialist countries as the production of low quality.

Such elements as business relations may cause positive or negative effect on the sales volume, price and profit. Good-established business relations favour the growth of profit, guarantee the continuous process of the capital movement and all the other production processes. The absence of reliable relations, vice versa, decrease the level of the financial indexes of the enterprise and it changed the business value level.

For elaboration of the long-term strategy in the field of cost management of enterprises of the Republic with the aim of the cost manage-

ment effectiveness improvement of the enterprises it is necessary to take the next measures:

- to expand the activities of stock exchange market of the Republic;
- to introduce innovative methods of the market appraisal of the enterprise for increasing the level of process objectivity;
- to carry out modern methodological basis for business value identification for the enterprise of various forms of ownership;
- to plan future the business values, and the optimal structure and the capital price for the stipulation of activities direction of the owners for the capital investment into the enterprise.

In this connection it is necessary to create economic, ecological, social-psychological and organization basis of optimization of business cost, to develop the republic stock exchange. It will promote the increase of competitiveness of Byelorussian enterprises in conformity with innovation receptivity economy policy.

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Summary

The aim of work is to analyze the difference between the capitalized cost of the enterprise and the value of the assets gives the business

value. For the analyzed enterprises in most cases the difference between the market and balance sheet of a single share is a negative value. Thus, the business value is also a negative value. In this connection it is necessary to create economic, ecological, social-psychological and organization basis of optimization of business cost, to develop the Republic stock exchange. It will promote the increase of competitiveness of Byelorussian enterprises in conformity with innovation receptivity of economic policy.

Rynkowa wartość przedsiębiorstwa w gospodarce opartej na wiedzy

Streszczenie

Celem opracowania jest analiza różnic pomiędzy skapitalizowanymi kosztami przedsiębiorstwa i wartością aktywów, która określa wartość rynkową. Wśród analizowanych przedsiębiorstw, w większości przypadków różnica pomiędzy rynkową a bilansową wartością pojedynczej akcji była ujemna. Stąd, rynkowa wartość jest także ujemna. W związku z tym niezbędne jest tworzenie ekonomicznych, ekologicznych, socjopsychologicznych i organizacyjnych podstaw optymalizacji kosztów przedsięwzięcia, konieczny jest więc rozwój krajowego rynku papierów wartościowych. Takie działania wypromują wzrost konkurencyjności białoruskich przedsiębiorstw w ramach ukierunkowanej innowacyjnie polityki gospodarczej.