An intangible asset is a non-physical asset having a useful life greater than one year. Before 1980s intangible assets were not even considered worth mentioning because a company’s value was restricted to its book value only. And this value was the net worth of the building, machinery, equipment and the rest of the infrastructure. But with the growing influence of the stock market, intangible assets of a company have acquired a value of their own. A company’s worth has extended beyond its book value or its Balance Sheet. Intangible assets have gained importance as they determine the increase or decrease in the Company’s market value. Intangible assets not only affect the bottom line of the hardcore business but also in terms of more public goodwill sponsorship and funding.

Company’s intangible assets are a combination of the company’s workforce principles, its efforts towards organizational development including its leadership and culture. Very often management ask themselves whether their intangible assets will improve their market value. The answer is a most definite YES!