

## \* Corporate Practices and KPIs In Organic, Open, and IP Innovation - Research Results \*

by  
John Stark & The 2PLM Editors

The era of corporate innovation began roughly fifteen years ago, started by industry leaders in the mid-1990s with successful targeted disruptive innovations and chasm crossings. Today, most companies have now tried out many new approaches, and at least changed some of their historical innovation practices to lead, compete, or to just keep up.

The innovation body of knowledge is still expanding rapidly as industry's demand continues to grow. Initially, there was a wave of tools, techniques, and software to facilitate improvement. Some 250 enabling tools and/or software were developed and marketed to industry. Then, business models began adapting to the likes of "open innovation" and "monetizing intellectual property." New service industries emerged to assist with open innovation scouting and intermediary work, and public auctions began a generally accessible marketplace for IP. Now, corporate infrastructure is being built to systematize the business activities that are working; while leaders continually experiment with new-to approaches and enablers. Organization, process, management software, and metrics development for specific types of, and approaches to, innovation are now day-to-day activities in a surprisingly high number of corporations.

Bradford Goldense, a renowned subject matter expert in R&D and product development, recently led a research effort to assess the innovation practices that industry now uses and their respective penetration levels. 2PLM readers having an interest in innovation may benefit from our thirty-year relationship with GGI. Over the next five months we will publish research results not available to the public. These will include a number of the findings from each GGI research area:

- **R&D Operating Environment:** strategy, approach, tactics, change rate
- **Organic Innovation:** basic and applied research, advanced and product development
- **Open Innovation:** approaches, processes, impacts, financial results, organization
- **Intellectual Property:** approaches, processes, impacts, financial results, organization
- **Top Corporate R&D-Product Development Metrics:** pareto order for 101 CXO metrics

The study, entitled the "2014 Product Development Metrics Survey", was conducted by sending questionnaires to a wide range of companies developing products throughout North America. Participating companies had headquarters throughout the Americas, Europe, and

Asia, but their response was for North American R&D-Product Development operations. Complete data sets were received from 200 companies. Consumer, industrial, medical, chemical, and automotive/vehicular products were the top respondent industries. Participants completed 31 questions detailing their demographic information and practices in the following five research areas: R&D Operating Environment, Organic Innovation, Open Innovation, Intellectual Property, and the Top Corporate Metrics used to measure R&D and Product Development. The research period was September 2012 to October 2013. The results were published March 3, 2014. This research is statistically valid and provides a Margin Of Error for each research question.

We aim to include the first set of findings in the next issue of 2PLM.

*For more information about Goldense Group Inc.'s (GGI) R&D, Product Development, Innovation, and Metrics research approach and topics, ongoing since 1998, please visit their [research portal](#). Licensed pdfs of the 2014 findings and other research are available in GGI's iStore or through regarded distributors including Baker & Taylor and MarketResearch.com.*

*Bradford L. Goldense, NPDP, CMfgE, CPIM, CCP, president of Goldense Group Inc. has advised over 300 manufacturing companies on four continents in product management, R&D, engineering, product development, and metrics. GGI is a consulting, market research, and executive education firm founded in 1986. Brad writes a monthly column in Machine Design magazine for product creation professionals.*