

NPD - Creating a virtual think tank

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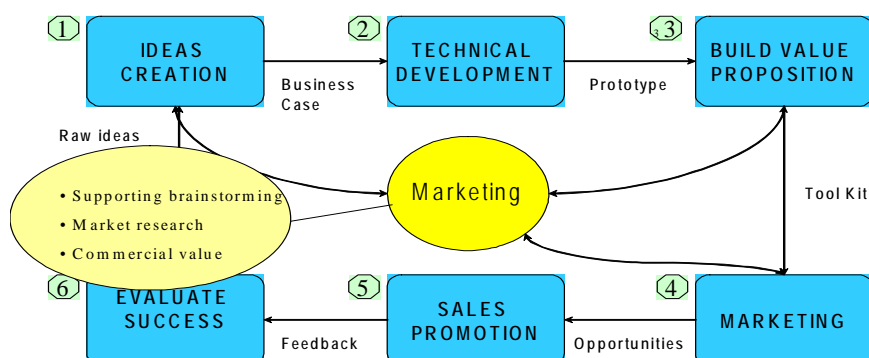
Likely roles within the NPD think tank

As mentioned in one of our related articles, the entire NPD (new product or service development) framework is normally virtual - a diverse group from different corners of the office, or firm-wide network, is brought together both in person and via written circulation. Just like any think tank, they meet to review embryonic concepts and to prioritise ongoing investment. They also need to work across conventional silos of division or practice group. Key team members are:

- **NPD leader** - Probably the broadest role, the leader or 'champion' of the NPD programme lives and breathes innovation. Most likely an established partner or director, they have a proven track record for working on ingenious solutions, precedents, or planning arrangements for clients. In the early days of forming the team, they help to hand pick complementary talent. Later they use their technical strength coupled with creativity to energise or facilitate brainstorming sessions and think tank meetings. The NPD leader assists with some technical development, has a vested interest in ROI, has the ability to veto certain concepts, and promotes at board level the need, for example, for reward schemes which induce creativity across the entire firm.
- **Marketing/BD Manager/Director** - Usually one of the most challenging roles, demanding a strong and inquisitive mind. In a pivotal role: present at or possibly facilitating think tank meetings, this role promotes the client viewpoint, researches client/market views, upholds commercial reality, questions economic viability, challenges convention, seeks to satisfy a mini business case and develop the value proposition (discussed in the last article in more detail).

Figure 1

NPD - Marketing's Role



- **Technicians** - From junior associate to senior partner, the criteria for which fee earners belong to the virtual framework are technical competence and know-how combined with an open mind. At different stages, fee earners offer technical expertise and judgement in support of the product's technical development. They should have the ability to divorce themselves from the product in a way which the 'product champion' may not be able to do.
- **Product champion** - As the owner of the concept, this is the person who conceived the idea, was nominated for, or has volunteered for its adoption. The product champion is the most transient member of the NPD framework, enlisted to see a specific product through from start to finish. They are the product's closest guardian and ensure that it satisfies the earliest technical challenges through to pilot testing on selected clients. They are not regular members of the NPD framework, but in some cases they are enlisted as think tank members for their talent.

Tools to aid management

Once again, our experience on firms' approaches to supporting tools varies enormously. The one correlation which is clear, however, is that more innovative firms have a higher adoption rate of supporting tools and/or technologies.

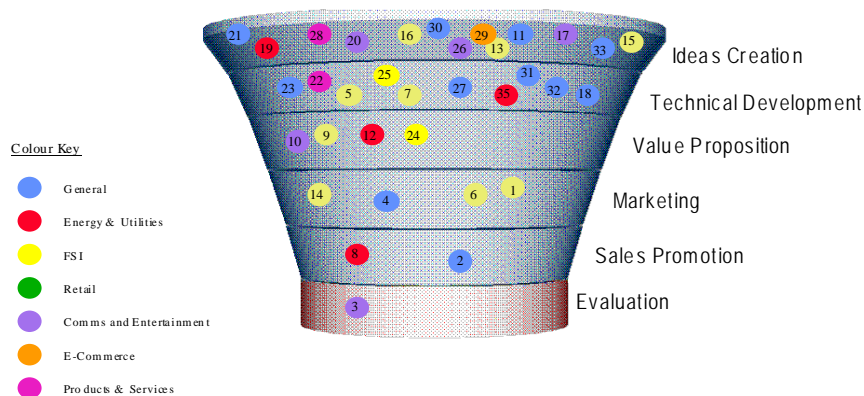
Firstly, the simplest use of tools can begin in the early stages of the product development method where Ansoff's matrix is used to determine where a product might help fulfil the overall marketing plan of the firm i.e. penetration, expansion or diversification of a market place. For those familiar with marketing or business planning, there should be no problem in recalling the use of the Ansoff matrix which determines whether a new or old product supplies a new or pre-existing market. It is a useful tool for those firms looking to address the balance of fee income from existing and prospective clients.

Secondly, there are enabling tools such as intranet think tanks and intranet suggestion boxes. These have proved very successful for larger firms, especially where office networks span jurisdictions where the likely disparity of treatment or interpretation of ideas offers variations on the product in the same way that brainstorming techniques achieve. What's more, the intranet think tank benefits lesser developed offices where they have reduced drive or budgets for activities such as NPD.

Thirdly, another kind of enabling tool is the pipeline. This can be software with bespoke functionality or it can be something as simple as a PowerPoint or laminated flip chart. As with any pipeline tool, users benefit from seeing the bigger picture in a single snapshot. Clearly this states what stage of evolution individual products are at and at the click of a button offers fuller detail about each idea and as in the case of figure 2 below, the intended industry sector.

Figure 2

New Products Funnel



Commitment and funding

The fourth and final component of what we described at the beginning of this article as a 'virtual framework' is the obvious need for management commitment and funding. Commitment to institute an innovative culture happens neither in response to writing of a strategic plan nor after an enthusiastic workshop. These of course help, but what is most important is the kind of people chosen to steer the initiative and the framework with which it is underpinned. Fee earners and the like must have a passion for exploring innovative solutions and services coupled with the vision to capitalise on their intellectual property.

The sooner firms commit a few hours of fee earners' time to this arm of business development the faster the realisation of the benefits. Some firms have 'dipped a toe' in the NPD bath with 10% of one fee earner's time here and a bit of marketing budget there, whilst others have had as many as 5 full time fee earners (including an equity partner) evaluating and producing ideas for both internal and external use. Whatever the case, what firms have had in common when practising NPD is the commitment to setting time aside, following a consistent method, and monitoring it at Board level.

Conclusion

Our experience shows a contrast between firms that have clear talent for innovation alongside others that have latent talent waiting to be tapped. In both cases it is the people who, at the end of the day, make the products come alive. Fundamentally it is a case of shifting mind set and behavioural change in order to make steps in the right direction. The knowledge is usually there – but it needs to be captured and exploited in the right way.

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