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**Toffler Associates
Engagement Leader**

Toffler Associates Helps Global Energy Supplier Develop Technology Innovations to Support Aggressive Growth Strategy

The business axiom "grow or die" applies to every company regardless of size, but it is also true that growing is easier said than done. That's why when a leading global energy supplier set an aggressive growth strategy, it asked Toffler Associates to help it define a related strategy for developing the right technologies to fuel that growth. "The company saw its research and development (R&D) department as a key to increasing sales," said the Toffler Associates Engagement Leader. "For years, R&D had only played a support role in the company: enhancing products, providing technical service and associated activities. Now management wanted it to develop innovative technologies that would lead to new products and help achieve new sales goals."

The company specifically wanted Toffler Associates to review R&D's internal operations and recommend a technology development process. "It had been so long since the company had created game-changing technologies," explained Engagement Leader, "that management wanted an outside perspective on current best practices and how other companies developed new innovations. This is a high-risk arena because, unlike simply enhancing existing products, venturing into the unknown requires spending substantial money up front with no guarantee of a return. Our client wanted to take as much risk out of the equation as possible, which is something Toffler Associates has a proven track record of doing."

WHY TOFFLER ASSOCIATES?

Toffler Associates was chosen because of its hands-on experience and proven success in conceiving innovation processes for other clients. "It was clear to them that we thoroughly understood R&D and innovation," continued the Engagement Leader. "And we also go beyond what other firms provide when it comes to helping clients in this area. Other firms research a client's internal technology-development and related innovation processes in detail and tweak them. We go further, to also assess the trends in globalization and innovation – to figure out where

technology innovations are emerging around the world and how our clients can tap into those innovations for their own benefit and growth through partnerships, licensing, and other means. Our solutions look at how a convergence of those two concepts, 'inside' and 'outside' innovation, can help our clients most."

ACCELERATING DEVELOPMENT OF NEW TECHNOLOGIES

One of the first steps was to conceive a distinct process for identifying emerging technologies that were relevant to the client's market and growth goals and managing the company's "homegrown" technology development. To do this, Toffler Associates introduced the concept of technology readiness. This is a vetting process in which new R&D ideas pass through a series of stages based on the maturity of the associated technology. After each stage, a small group of company leaders, sometimes augmented by outside experts, convenes to evaluate the status of the new technology, using a set of customized criteria we help define, and decide whether it should receive additional funding and proceed to the next stage. "This is a fast, comprehensive, proven method to assess the maturity and viability of a new technology and its chances of being used to create a salable product," explained the Engagement Leader. "New technologies become old technologies very quickly, so companies can't afford to drag out the decision process for weeks or months."

To feed the process, the energy company had to identify the technologies they thought were most relevant to its business and promised the best return on investment.

In parallel, Toffler Associates employed the concept of Open Innovation, an idea identification and selection process based on establishing a network of universities, government agencies, companies and other external organizations and querying them for innovative ideas. "Progressive businesses are using Open Innovation to generate some very exciting and inventive new products using technologies being developed far and wide," noted the Engagement Leader. "Too many companies have the myopic opinion that only their employees can produce innovations. This can be a very limiting, expensive approach because it can significantly extend the amount of time it takes to come up with a few good ideas and develop them into winning products and offerings. In addition, it's impossible for one company to be



competent in all of the technologies that are out there. It only makes sense to work with other organizations to leverage the best ideas. We live in a connected world – companies must take advantage of this instantaneous access to information and knowledge.”

Finally, Toffler Associates provided recommendations in support implementing these processes. The introduction of these new ways of doing business required a cultural change from where the client’s organization is today. “Throughout the change process, we provided insights using the top-down and bottom-up approach to managing technology development,” stated the Engagement Leader. “The innovation process that we implemented for the energy company is working as planned and has been well received. Management sees great value in this approach, and it’s producing the results they not only expected but need in order to achieve their aggressive growth plan.”