

## **What Americans Believe - Duke University Pratt School of Engineering**

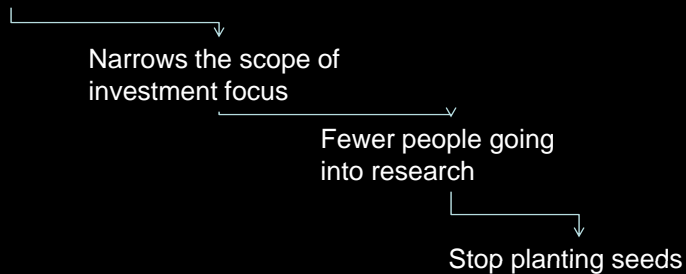
- 49% believe US will lead technology advances
  - 55% say it's temporary; 39% say long term
- The more education, the less optimistic
- 50% believe another country will be tech leader in this century
  - China, Japan, Europe, India

## **Global Arms Race for Innovation Investment with China**

- #3 in basic research investment
- In past 10 years annual number of Chinese research papers published increased 4.5 times
- Soon to have majority of PhDs in science and technology
- Goal to become the Innovation Society in 2020

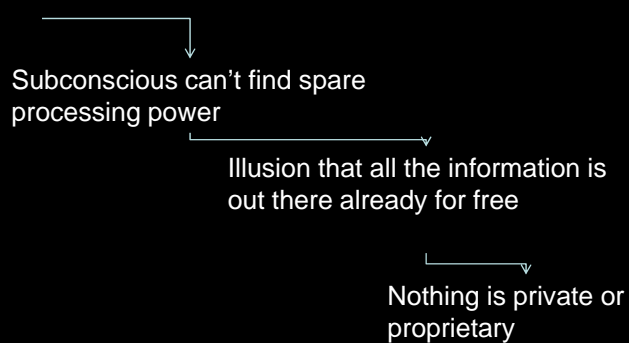
# Why?

**Short-term focus on  
instant gratification**



## Why? #2

**Information Overload**



## **To Summarize**

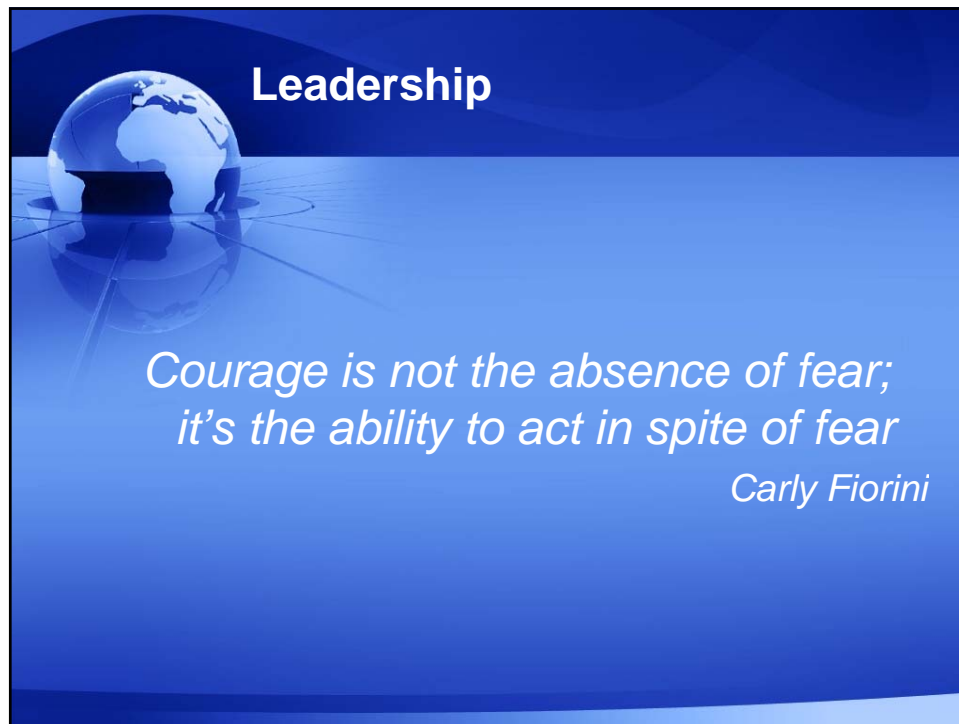
Innovation is declining because of

1. A cultural shift to short-term thinking
2. Information overload

## **Why is this important?**

Innovation is the driver of the  
economy

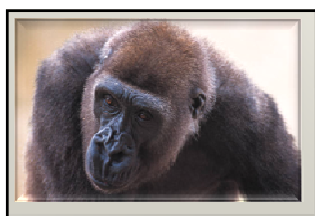






## Culture of Corporate Government Contracting

- Command and control
- Failure is not an option
- You don't have to play well with others
- Do everything you can to avoid risk



## The 800 lb Dilemma

To grow 20%  
a \$40M company needs an  
**\$8M revenue market**

A \$4B company needs  
**\$800M In new sales**

## The New Role of the Leader at the Top in a Corporate Venture Environment

- 
- Champion
    - Personally drives the project
  - Patron
    - Financial support from top level executive
  - Provocateur
    - Leads the charge for innovation
  - Shaper of culture
    - Creates the environment

## Culture of the Innovation Organization







## Entrepreneurship & CV: The Contrast of Cultures

Big Corporation	Entrepreneurial Venture
Hierarchy	Merit-based-team-based
Bureaucracy	Autonomy
Anonymity	Familiarity
Clean	Messy
Experts	Tinkerers
Career	Way of life – an attitude



## Establish Cultural Values

- Failing is OK, but do it early and fast
- Allow invention with only one limitation: do no harm
- Don't start judging too early – you can't judge a book by its cover
- Beware of self-fulfilling prophecies in choosing projects

## Supporting and Funding Innovation

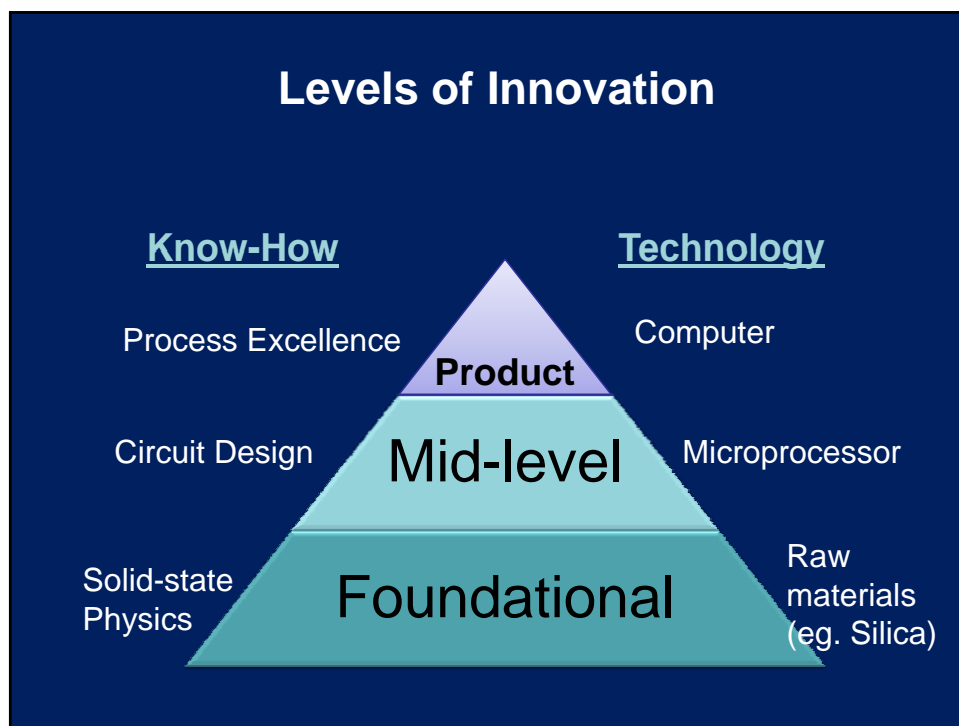


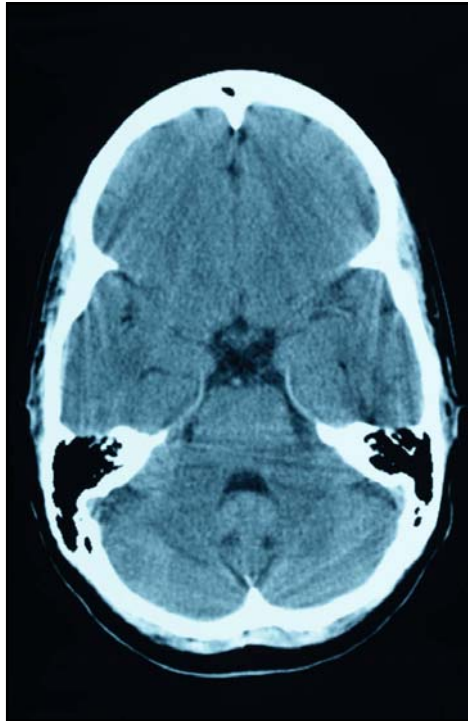
## How Industries Change

### Core Activities

Core Assets

	Threatened	Not Threatened
Threatened	<b>Radical Change</b> <i>Landline telephones, overnight delivery</i>	<b>Creative Change</b> <i>Motion pictures, investment banking</i>
Not Threatened	<b>Intermediating Change</b> <i>Automobile dealerships, space industry</i>	<b>Progressive Change</b> <i>Commercial airlines, long-haul trucking</i>





Today we need the whole brain

**Left – linear**

**Right – conceptual**

**Subconscious –  
your muse - the  
source of epiphanies**



## Millennials

We are special

- Inclusive
- Connected 24/7
- Impatient


We want

- Respect
- Relevance
- Fun
- Flexibility



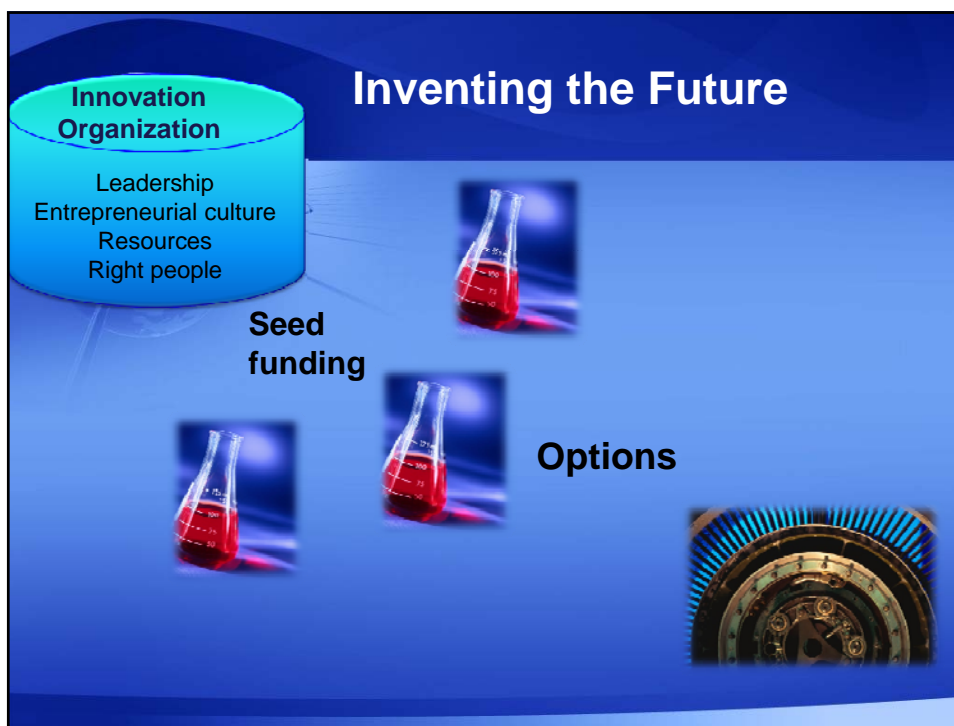
## What do Millennials Want?

- Work with positive people
- Be challenged
- Learn new things
- Have flexible schedules
- Work in friendly environments
- Work in teams with technology



## Innovation Networks as a Way to Go Beyond the Core

- Procter and Gamble created science and business hubs
  - Proprietary network of people who could link P&G with others around the globe
- Microsoft – developer ecosystems
- IBM and Boeing



## The Wrap-up

*It's easier to invent the future than to predict it*

*Alan Kay, Computer Scientist*

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