



GGI 2000 Product Development Metrics Survey Description

*North American
Product Portfolio Selection,
Management, Strategic Alignment
& Success Metrics Practices*

*This Promotional Piece
Contains The
Front Cover
And A
Description
Of The
“2000 GGI Product
Development Metrics
Survey.”*

**Prepared
January 1, 2002**

Goldense Group, Inc. 1346 South Street Needham, MA 02492
Goldense Group, Inc. P. O. Box 350 Dedham, MA 02027
www.goldensegroupinc.com

Phone 781-444-5400
Fax 781-444-5475

GGI 2000 PRODUCT DEVELOPMENT METRICS SURVEY

2000GGI - DESCRIPTIONv2 - 2

Table of Contents: **Description**

<i>TABLE OF CONTENTS</i>	<i>PAGE</i>
SURVEY DESCRIPTION	3
SURVEY DEMOGRAPHICS	5
REPORTS PUBLISHED BY GGI	7
• Comparison Of The Three Reports	
• MR 11 Highlights	
• MR 12 Summary	
• MR 14 Results	
SELECTED EXAMPLES OF KEY FINDINGS	12



Survey Description

GGI 2000 PRODUCT DEVELOPMENT METRICS SURVEY

2000GGI - DESCRIPTIONv2 - 4

Survey Description

Focus

The purpose of the 2000 R&D Metrics Survey was to determine industry's new product development portfolio management practices. How do companies manage their new product portfolios from product idea to market launch?

Topic Areas

To cover the subject matter thoroughly, the questionnaire was designed to secure the following information on several aspects or facets of portfolio management:

- The respondent's profile (location in the company structure, title, etc.).
- R&D linkages to corporate strategy.
- Portfolio management metrics.
- Product selection metrics.
- Product success metrics.
- R&D metrics used in industry

Complexity

The 2000 survey questionnaire was quantitative and primarily targeted at advanced R&D practitioners. Many companies chose not to participate, we believe, because their business measurement processes were not sufficiently mature to generate the information sought by the survey.

Response Rate

Approximately 14,600 questionnaires were distributed and 122 were returned for a response rate of 0.82%.

Respondent Profile

About 50% of the responding companies came from the aerospace, automotive, consumer products, durable goods, electronics, industrial and medical products industries.

55% of respondent companies had sales revenues less than \$250 million and had less than 1000 employees.

90% of the respondents sell, develop and manufacture in North America.



Survey Demographics

GGI 2000 PRODUCT DEVELOPMENT METRICS SURVEY

2000GGI - DESCRIPTIONv2 - 6

Survey Demographics

12-Pages	Study conducted using fairly large questionnaire
14,948	9460 mailer and 5228 e-mail pieces circulated in total
260	93 mailer and 167 e-mail pieces returned undeliverable
14,688	Net pieces circulated
122	Total responses
121	Analyzable records -- 1 duplicate response eliminated
.82%	Response rate
Self Selected Sample	Statistical term for this advanced group of companies practicing R&D metrics and measurement



Reports Published By GGI

Goldense Group, Inc. 1346 South Street Needham, MA 02492
Goldense Group, Inc. P. O. Box 350 Dedham, MA 02027
www.goldensgroupinc.com

Phone 781-444-5400
Fax 781-444-5475

GGI 2000 PRODUCT DEVELOPMENT METRICS SURVEY

2000GGI - DESCRIPTIONv2 - 8

Reports Published By GGI: Comparison Of The Three Reports

STRUCTURE OF GGI'S REPORTS		THE THREE REPORTS		
		MR 11	MR 12	MR 14
COMPOSITE	<i>Survey Population Is Analyzed As A Whole</i>	text	text	text
KEY FINDINGS				
SECTIONS	A. Respondent Profile B. R&D Linkages To Corporate Strategy C. Portfolio Management Metrics D. Product Selection Metrics E. Product Success Metrics F. R&D Metrics Used In Industry	text	text & graphic	text & graphic
SEGMENT	<i>Survey Population Is Segmented And Compared</i>			text
KEY FINDINGS				text & graphic
SECTIONS	Public vs. Private Companies Smaller vs. Larger Companies Process vs. Repetitive/Discrete vs. Job Shop Operations Higher Technology vs. Lower Technology Companies			

GGI 2000 PRODUCT DEVELOPMENT METRICS SURVEY

2000GGI - DESCRIPTIONv2 - 9

Reports Published By GGI: Table of Contents - MR11 "Highlights"

This document contains **privileged and/or confidential information** and is intended only for the use of the addressee. Any reproduction of this document without the express written consent of Goldense Group, Inc. is prohibited.

Copyright © 2000-2002
Goldense Group, Inc.
All Rights Reserved.

ISBN 1-932468-03-X

**GGI's
MARKET RESEARCH
PRODUCTS
ARE EASY TO
FOLLOW.**

**EACH SECTION
HAS THE SAME
STRUCTURE.**

<i>TABLE OF CONTENTS</i>	<i>PAGE</i>
I. KEY FINDINGS	3
II. COMPOSITE RESULTS	<i>Survey Population Is Analyzed As A Whole</i>
	<i>Each Section Is Organized</i>
A. Respondent Profile	6
B. R&D Linkages To Corporate Strategy	The Survey Question 15
C. Portfolio Management Metrics	Observations 20
D. Product Selection Metrics	Analysis 29
E. Product Success Metrics	34
F. R&D Metrics Used In Industry	40
Authors	47

Goldense Group, Inc. 1346 South Street Needham, MA 02492
Goldense Group, Inc. P. O. Box 350 Dedham, MA 02027
www.goldensgroupinc.com

Phone 781-444-5400
Fax 781-444-5475

Copyright ©2000-2002 Goldense Group, Inc. All Rights Reserved.

GGI 2000 PRODUCT DEVELOPMENT METRICS SURVEY

2000GGI - DESCRIPTIONv2 - 10

Reports Published By GGI: Table of Contents - MR 12 "Summary"

This document contains **privileged and/or confidential information** and is intended only for the use of the addressee. Any reproduction of this document without the express written consent of Goldense Group, Inc. is prohibited.

Copyright © 2000-2002
Goldense Group, Inc.
All Rights Reserved.

ISBN 1-932468-04-8

**GGI's
MARKET RESEARCH
PRODUCTS
ARE EASY TO
FOLLOW.**

**EACH SECTION
HAS THE SAME
STRUCTURE.**

TABLE OF CONTENTS	PAGE
I. KEY FINDINGS	3
II. COMPOSITE RESULTS <i>Survey Population Is Analyzed As A Whole</i>	
	<i>Each Section Is Organized</i>
A. Respondent Profile	8
B. R&D Linkages To Corporate Strategy	The Survey Question 26
C. Portfolio Management Metrics	Observations 40
D. Product Selection Metrics	Analysis 61
E. Product Success Metrics	Presentation Slides 72
F. R&D Metrics Used In Industry	87
Authors	95

Goldense Group, Inc. 1346 South Street Needham, MA 02492
Goldense Group, Inc. P. O. Box 350 Dedham, MA 02027
www.goldensgroupinc.com

Phone 781-444-5400
Fax 781-444-5475

Copyright ©2000-2002 Goldense Group, Inc. All Rights Reserved.

GGI 2000 PRODUCT DEVELOPMENT METRICS SURVEY

2000GGI - DESCRIPTIONv2 - 11

Reports Published By GGI: Table of Contents - MR 14 "Results"

This document contains **privileged and/or confidential information** and is intended only for the use of the addressee. Any reproduction of this document without the express written consent of Goldense Group, Inc. is prohibited.

Copyright © 2000-2002
Goldense Group, Inc.
All Rights Reserved.

ISBN 1-932468-05-6

**GGI's
MARKET RESEARCH
PRODUCTS
ARE EASY TO
FOLLOW.**

**EACH SECTION
HAS THE SAME
STRUCTURE.**

<i>TABLE OF CONTENTS</i>	<i>PAGE</i>
I. KEY FINDINGS	3
II. COMPOSITE RESULTS <i>Survey Population Is Analyzed As A Whole</i>	
	<i>Each Section Is Organized</i>
A. Respondent Profile	8
B. R&D Linkages To Corporate Strategy	26
C. Portfolio Management Metrics	The Survey Question Observations 40
D. Product Selection Metrics	Analysis 61
E. Product Success Metrics	Presentation Slides 72
F. R&D Metrics Used In Industry	87
III. SEGMENT RESULTS <i>Survey Population Is Segmented And Compared</i>	
Public vs. Private Companies	R&D Linkages To Strategy 97
Smaller vs. Larger Companies	Portfolio Management 127
Process vs. Repetitive/Discrete vs. Job Shop Operations	Product Selection 153
Higher Technology vs. Lower Technology Companies	Product Success 168
More vs. Fewer Employees	R&D Metrics Used 196
Authors	220

Goldense Group, Inc. 1346 South Street Needham, MA 02492
Goldense Group, Inc. P. O. Box 350 Dedham, MA 02027
www.goldensgroupinc.com

Phone 781-444-5400
Fax 781-444-5475

Copyright ©2000-2002 Goldense Group, Inc. All Rights Reserved.



Selected Examples Of Key Findings

GGI 2000 PRODUCT DEVELOPMENT METRICS SURVEY

2000GGI - DESCRIPTIONv2 - 13

Selected Examples Of Key Findings



37% of all companies have a clearly defined set of R&D Metrics that are used to manage R&D. The set contains 6 metrics.

32% of companies do not track product life cycles.

Time-To-Market and Target Product Cost are the two most important criteria for achieving financial success on any given project/product.

Companies report that - on average - their products are 68% successful and 32% unsuccessful.

END