



Goldense Group, Inc. [GGI] has been conducting research, both primary and secondary, since its founding in 1986. In 1998, we began conducting periodic primary research on industry practices in the areas of product creation, development, commercialization, and metrics for those areas. This research will be our sixth project. Each time, we target research subjects where industry leaders have established, or are establishing, improved practices. Generally speaking, our research goal is to try to identify emerging practices that will spread across industry. We also "re-research" selected questions from prior questionnaires to establish change rates over time. Several topics in this research will be able to be compared to research initially conducted in projects both four and ten years ago.

FOCUS & NATURE OF THIS RESEARCH

This research focuses on four innovation-related business activities that are generally accepted to be in a period of growth and sophistication; and further integration with each other during the past decade. The research explores process formalization, certain techniques, and metrics in these areas.

R&D-Product Development Operating Environment Organic Innovation Open Innovation Intellectual Property

The final research focus is to reaffirm research GGI has done consistently since 1998. This research initiative examines the industry penetration rates of metrics used by CXOs to measure the overall results of R&D and Product Development in corporations. This is the last question in the questionnaire. Our research has been published by The Economist Group, Business Week, Industry Week, CFO Magazine, and a number of other trade publications. This year, we list 100 aggregate measures of overall performance at the CXO level. Simply check off the individual metrics your company uses. We report-out the list of metrics in Pareto order based on each metric's level of industry penetration.

CXO Corporate Metrics Practices

Questionnaires are sent to a wide distribution of product development professionals in industries ranging from industrial and medical products to aerospace, defense, electronics, pharmaceuticals and chemicals, in North America, Europe and Asia. We do our best to be true to statistically-driven primary research standards. We track distribution and response rate. At a question level, we track the exact number of respondents and calculate margin of error for the result. We do allow the "random population" requirement, since our research is cross-industry, to be biased slightly. GGI's clients and customers of three decades often wish to participate, but the "self-selected sample" bias is minimal. Our unavoidable deviation from statistical purity does not materially affects the usefulness of the results for those that participate and the companies and industries they represent.



REPORTING OF RESEARCH RESULTS

Results of our often ground breaking primary research are offered in three reports having increasingly detailed views of survey observations, analysis and key findings, with insights into new developments and trends. These reports are a text only executive-level Highlights Report (MR51); a text plus extensive graphics middle executive-level Summary Report (MR52); and the Results Report (MR54), the most detailed version with added multiple “cuts” of the report into a variety of segmentations of the respondent companies.

All respondents who submit complete and valid responses will receive a complimentary Corporate License of the Summary Report (MR52) for their participation. GGI will provide the Summary Report in pdf format. The License enables the pdf to be posted on the company intranet and/or VPN for access and use by all employees of the respondent company.



THE RESEARCH QUESTIONNAIRE

The research questionnaire contains thirty-one questions that are organized into six sections.

The purpose of Section A is to be able to categorize the respondents into logical analysis groups.

Section A: Respondent Profile: The basic questions asked are title and functions performed of the person completing the survey, the type/scope of the reporting organization within the company, the company’s industry or service, and places in the world the company does sales, R&D and manufacturing. Also asked are questions that categorize each company within the population of companies that responded to this survey. This provides the ability to do “cuts” of the entire survey population data into segments, such as public vs. private, smaller vs. larger sales, more vs. fewer employees, high tech vs. low tech, and process vs. repetitive/discrete vs. job shop companies.

The remaining five sections are the focus of the substance of the research.

- Section B: R&D Operating Environment**
- Section C: Organic Innovation**
- Section D: Open Innovation**
- Section E: Intellectual Property**
- Section F: Top Corporate Metrics Used In Industry R&D Practices**