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Managing R&D in organisations… Profitably

April 2026

Client Confidential

Achieving a complete R&D and IP strategy requires the definition of dimensions including strategy, commercialization and enabler elements

R&D strategy & IP commercialization

R&D Vision
- Defining the **vision that will guide the strategy**, operationalization and enablers of the new R&D dept.

R&D Strategy
- **Prioritizing the domains** that will form the core of the R&D unit, based on vision & group strategy, and **defining your organisations role** within them

Portfolio management & funding allocation
- Defining an efficient process to allow **clear management** of the portfolio and establishing a holistic funding allocation **model within the portfolio management process**

IP Commercialization strategy
> Defining a strategy to allow the **defense of intellectual property** and allow the prioritization & **efficient monetization** of the key intellectual property areas

Enablers

Unit governance model
> Defining the ideal governance model to **oversee the R&D process**
> Establishing **key decision makers** within the process and vs. other departments

HR & people enablers
> Defining a coherent HR strategy to effectively **attract, retain and incentivize employees**

Performance & risk mgmt.
> Implement a holistic performance & risk mgmt. structure and dashboard to effectively **monitor employee performance, project advancement & performance and potential risk issues**

R&D infrastructure
> Aligning the **infrastructure requirements** with the defined objectives and **long-term R&D strategy**

CXO takeaways

I. R&D Strategy formulation is complex

II. Align R&D with business goals

III. Strong governance enables IP value

IV. Talent + infrastructure drive innovation

A CXO needs to consider these 6 factors when designing a robust & cohesive R&D and IP commercialization strategy

1 **Start from corporate and R&D strategy** – determine first whether it is technology, market know-how or opportunistic cost reduction that drives global R&D

2 **Concentrate technological know-how as much as possible** – leveraging the available know-how is most effective if it can be bundled in one place

3 **Leverage develop market know-how in decentralized units** – leverage the deep local knowledge that local decentralized units have developed over time

4 **Be pragmatic in applying R&D management methods** – standard tools are required for any global R&D – advanced methods need to be tailored to their specific purpose to be effective

5 **Manage historical growth** – do not let R&D structures develop without a clear strategy and direction but instead actively manage the development

6 **Implement organizational changes carefully** – manage change and transition processes to avoid a loss of key personnel and know-how

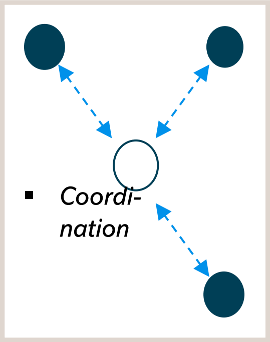
CXO takeaways

I. The building block is always internal knowledge both at the central level as well as in decentralised units.

II. Pragmatic consideration of tools and organisational implication is key.

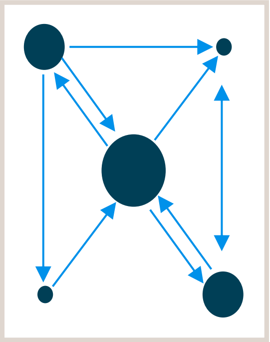
Globally, 4 clear structures to organize R&D exist – It is critical to know whats the starting point as well as end destination on this journey

Technology hunters



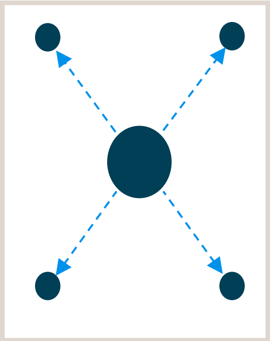
- R&D concentrated in global centers of excellence
- R&D locations focused on individual research areas
- Research efforts centrally coordinated

Globalization leaders



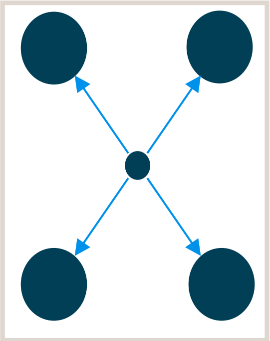
- Network of central research and local development
- Strong coordination among central and local units
- Significant development/ customization for local markets

Opportunistic players



- R&D mainly in central locations in home countries
- International locations managed independently
- Globalization efforts focused on specific product/production support

Global marketers



- Basic innovation and leverage of scale effects in global research centers
- Development of concrete products in local development centers
- Focal point of R&D in local development centers

CXO takeaways

I. CXOs must balance centralization (technology control) and decentralization (market responsiveness) based on innovation goals and business complexity.

II. Coordination capability determines innovation speed - stronger the collaboration, higher the scalability and commercialization success of R&D.

For CXOs, defining a robust R&D strategy follows a clear stage-gate process, delivered between 2-4 months depending on business complexity

A Baselining & R&D vision

1 Current R&D practices overview

- Data collection and analysis to understand current R&D setup and practices
- Deployment of survey to understand from staff current R&D practices, level of engagement, key motivations and ambitions, as well as challenges limiting the performance of R&D

2 Prioritization of R&D domains

- Understanding of the current research domains pursued through data collection and workshops with R&D teams
- Identification of additional new domains in line with relevant future technologies for the company
- Shortlisting and prioritization of the R&D domains
- Definition of process to prioritize & balance resources between prioritized R&D domains

3 R&D vision definition

- Vision workshop to update the R&D vision and align on the prioritized domains and role of R&D function

B R&D Strategy and governance model

1 Definition of SWCC R&D strategy per domain

> Assessment of the value impact and efforts to be deployed by the company per research domain

> Workshops with key stakeholders to define SWCC role per research domain

> Development of partnership models, per domain, between the company & external parties

2 Definition of key strategy enablers

> Development of a governance model for the R&D unit, including decision making matrix vs. other depts, and organizational design

> Definition of the structured framework & process to oversee the R&D portfolio including defining the handover/risk management processes

> Development of specific Performance & Risk Management KPIs to track research domain evolution and key risks

> Definition of the infrastructure needs to implement the prioritized research domains (including lab location and key equipment)

> Definition of the funding allocation process based on the defined priority domains

> Development of a human resources strategy comprising of guidelines for career path definition, retention measures and talent attraction

C Training & implementation roadmap

1 Running of trainings

> Development and running of dedicated trainings with key personnel on the updated processes and tools, as also to run the train-the-trainer format

2 Definition of implementation roadmap

> Definition of a comprehensive implementation roadmap for roll-out of the new R&D strategy in close alignment with leadership team

CXO takeaways

I. Building a phased innovation roadmap is the only workable way ahead.

II. A CXOs primary challenge in this process is to scale governance with R&D maturity (which involves attributes of R&D talent search and onboarding).

Concurrent to the strategy definition process, governance issues too need to be proactively addressed from a structure and fulfilment perspective

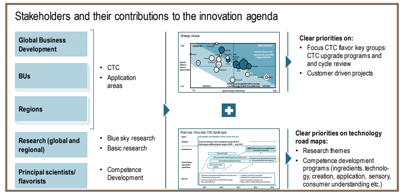
Overall R&D strategy (objectives and framework, including budget/resources)

Leadership Team / independent committees

Agrees | Agrees | Monitors | Monitors

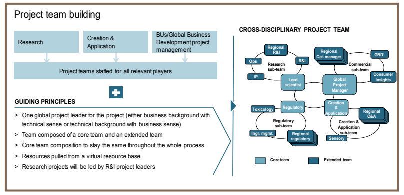
1 R&D strategy

Technology road mapping & portfolio mngt



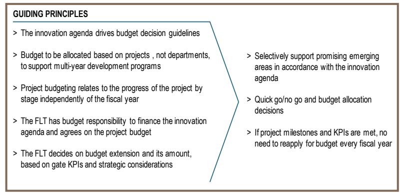
2 Staffing & Budgeting

Project team building and project budgeting



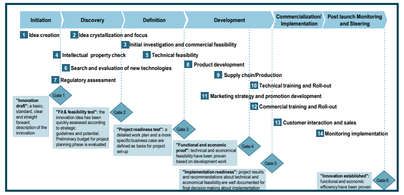
3 Project Management

Project steering including regional roll-out



4 Processes

Stage-gate process & commercialization of innovation



CXO takeaways

I. Aligning R&D governance with strategy requires also layering it with needs of funding and management oversight.

II. Strengthened leadership oversight on projects and processes requires integrated budgeting, execution, and monitoring end-to-end

For more on this topic, please feel free to reach out to:-

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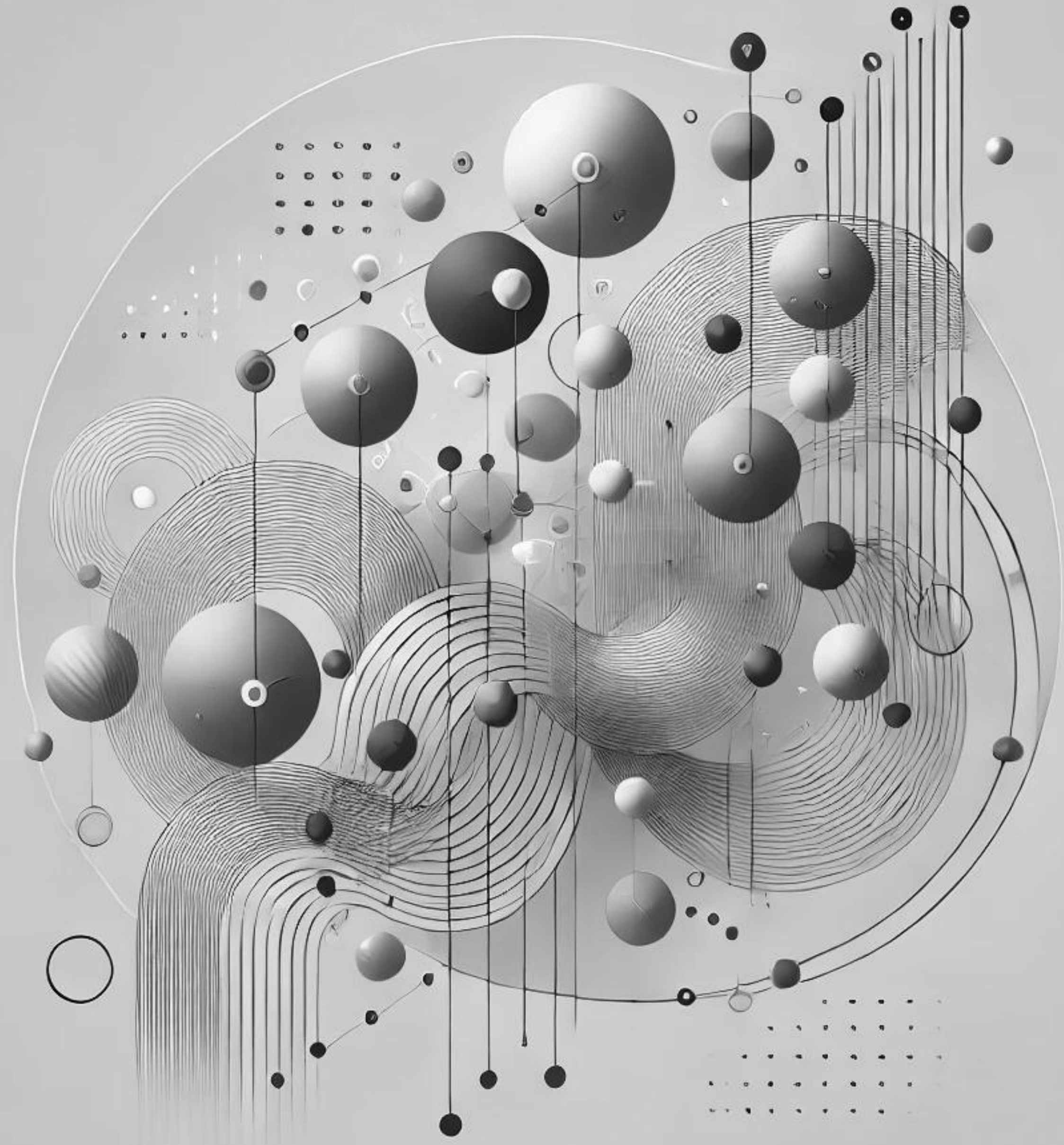

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