

# The Lab to Market Course Sequence: Immersion in Innovation @ Rady

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## Discipline of Innovation @ Rady



*"Innovation does not have to be technical...nor does it have to be a thing. Systematic Innovation consists of the **purposeful and organized search for changes**, and in the **systematic analysis of the opportunities such changes might offer for economic or social benefit**.... " - Drucker*

Operationalized through a Year long MBA core course sequence titled "Lab to Market"

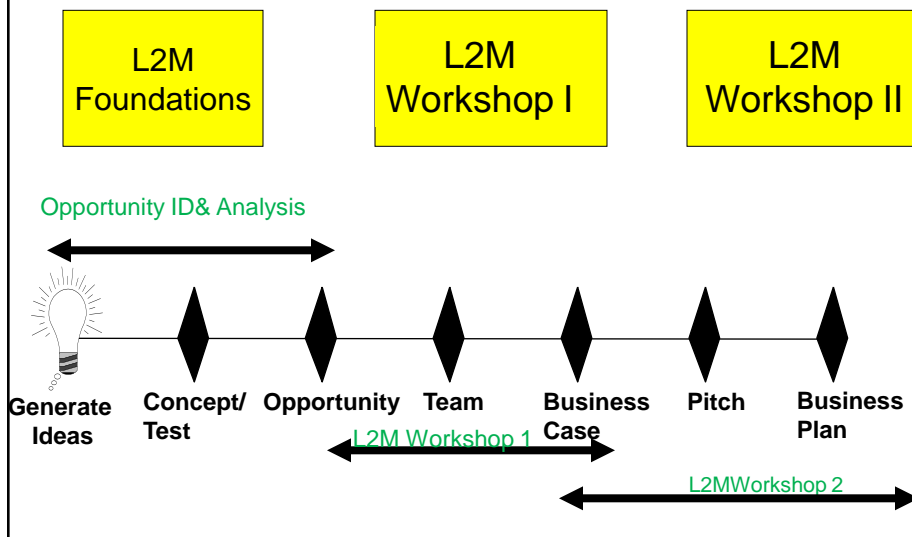


# Building the Innovation Capital

- The Year long core sequence “Lab to Market”
  - *MBA’s must create as well as capture value*
  - *Premium rewards for firms with sustained innovative capability*
- *Course sequence offers the opportunity to learn and practice idea generation and validation techniques*
  - *Follows and overlaps the MBA core courses - customized to support lab to market.*
  - *Supported by electives on new product design, industry economics, new venture finance.*



## Lab to Market (L2M) Course Sequence



## L2M Course Goals & Objectives

- Develop the knowledge and skills to become an innovative and entrepreneurial manager.
  - Growth-oriented, Value creating!
- Objectives:
  - Practice generating and screening ideas
  - Discern an idea from an “opportunity”
  - Learn techniques for idea validation
  - Start learning about new business planning and creation
  - Become aware of approaches for risk mitigation
  - Learn the concept of business models
  - Begin integrating content learned from other core courses



## What do we Mean By a Lab

- A lab need not be a scientific lab. In this course, we will use the term lab to mean a source of:
  - Technology, Knowledge
  - Unique **Capabilities**, Valuable **Networks**
- Lab should be a source of “**unfair advantage**”
  - Source of uniqueness and differentiation that is hard to replicate.
  - Examples: Company background, Educational background, Experience, Professional & social networks

One of the most common unfair advantages is access to the Univ of California technologies and Intellectual Property!

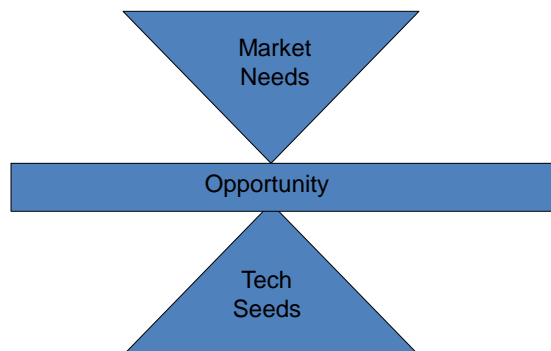
Investors/business plan competitions like ideas that solve practical problems by harnessing science and technology.



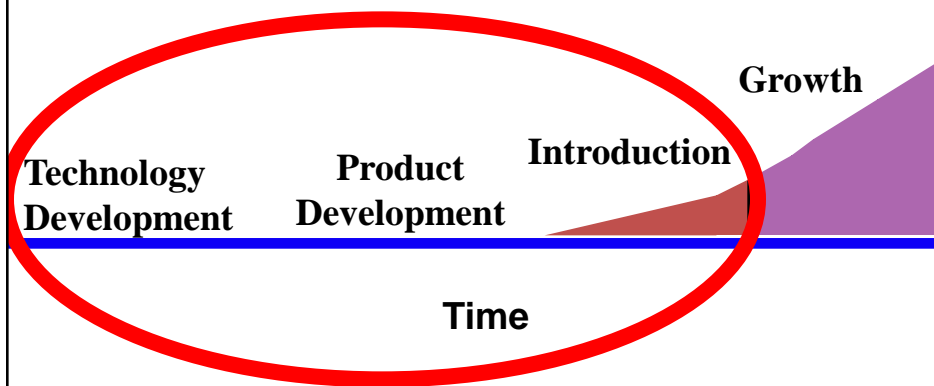
## Idea Generation Methods

- *Scratching an Itch*
- *Spotting Anomalies and Incongruities*
  - Industry and market shifts
- *Process Needs*
- *Linkages and Product/Market Adjacencies*
- *Idea Generation Templates, Scenario Planning*

## When Innovation is Impactful....



## Technology Commercialization Challenges



## L2M Course Approach

- **Action Learning**
  - Idea Journal
  - Idea Evaluation and Evolution
  - Idea Pitch and Brief
- In-class exercises critiquing idea vignettes
  - External ideas from Salk Institute, Navy's SPAWAR, Scripps and outside companies

## L2M Class Project

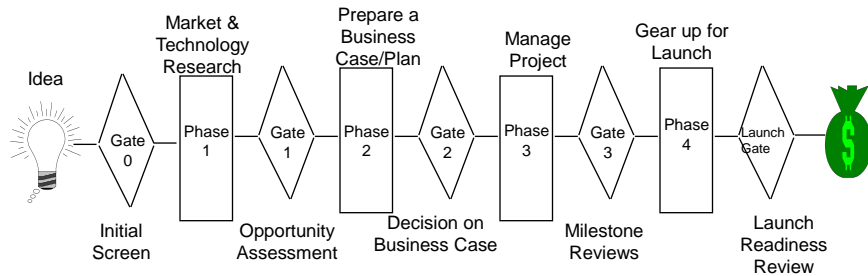
- Identify **Opportunity**
  - Compare and contrast multiple ideas
  - Select a primary opportunity
  - Develop an executive summary of the opportunity
- Technology/market opportunities could come from various sources
  - UCSD, Salk, SPAWAR, Cal-IT2, von Liebig
  - Scripps and outside companies

## L2M Career Objectives

- Prepare for careers in:
  - Product Management
  - General Management
  - New (corporate) ventures
  - Entrepreneurship
- Entrepreneurial managers, not necessarily entrepreneurs!

## Climbing the Corporate Ladder!

Ability to Create Growth by turning Ideas into Profitable Products



Contributions through:

- Market/Technology Research
- Product Management
- Project Management
- New business creation
- en route to Senior Management!



## Ideation templates

- Structured approach to ideation
- Identify and apply well-defined schemes to product attributes
  - derived from an historical analysis of product evolution
- Template = systematic change between an early configuration (i.e., current product version) and the one that follows it (i.e., the next version).
  - Simplification: Subtraction, Division
  - Enhancement: Multiplication, Task unification
  - Attribute dependency
  - Components control



## Ideation Template Examples



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## Practicing Ideation Methods in Class

- Generate new offering ideas.
  - Observe prospective customers at various settings and identify needs/pains.
  - Consider products such as USB flash drives, digital frames, cell phones for application of templates.
  - Use scenario analysis and market linkages to create new offerings.

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## Innovation – A change hard to accept!

- "This 'telephone' has too many shortcomings to be seriously considered as a means of communication. The device is inherently of no value to us." -- Western Union internal memo, 1876.
- "Who the hell wants to hear actors talk?" -- H.M. Warner, Warner Brothers, 1927.
- "640K ought to be enough for anybody." -- Bill Gates, 1981?
- Innovation is messy and idiosyncratic!
- What we are offering is a framework and practice!

Helping to commit idea generation to muscle memory.