The Role of Long Term Research

- Compared to “the Good Old Days”, the world is different.
- Industry can gain great benefits from research.
- Long-term, Basic, informed curiosity driven research has an important role in this world.

Jim McGroddy
The world is different

- Fewer monopolies
- Bigger, broader – universities etc
- Fragmented value chains
- Companies moving up the value chain - service, applications, solutions, outsourcing
- Sooner is much better
- Measure the value of outputs, not only the cost of inputs

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Research as Investment .... the return

- A great investment iff research aims to create, acquire, and deliver value
- Value is measured in investor, not only peer, terms
- Aim for Value at a major multiple of investment
- An Important Corollary: Research can, should play a significant role in the ongoing success of its main investor

Jim McGroddy
Categories of Value - IBM's Research Division

- Technical leadership
- Patents
- People
- Vision
- Lustre
- Marketing Support
- Firefighting

Metrics, as quantitative as possible, strong external inputs
Embedded in the management system at all levels
Ultimately, this underlies the culture
"IBM invests in Research to Win!"

Jim McGroddy
“Long-Term” research plays a key role

- Informed and influenced by the sector
- Adventurous ambitious goals
- Not in a monastery on a hill

Value:
- Recognized major contributions to key fields, lustre
- Helps attract the best
- Basic science to invention to new technologies
- Fundamental patents
- Key insights into technology futures
- Firefighting