

## Winning the Red Queen's Race

By Paul O'Connor, NPDP

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*"Now, here, you see, it takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!"*

### Lewis Carroll -Through the Looking Glass

Just like the ludicrous Red Queen's Race depicted by Lewis Carroll, gaining and sustaining competitive advantage by doing product development ever faster has become problematic. It takes all the speed you can get just to maintain your market position. Every organization is going faster and faster. Time-to-market, accelerated innovation, and fast and flexible are the central themes of product development for many organizations. The problem is that speed, by itself, may not be all that it is cracked up to be.

Sure, speed is important. But to what end? If the resultant products are incremental or the "same-old, same-old" in the eyes of the customer, then simply going faster will not advance the organization much. In most markets, you need more. Speed is essential to holding ground against competitors. But remember, competitors are doing everything they can to go faster as well. Ah, The Red Queen's Race!!!

To gain viable competitive

advantage, two complementary factors should be added on top of an organization's push for speed. The first is "Strategic Impact." This includes such measures as increased revenue, greater market share, profit gain, and improved customer satisfaction. If a new product provides little strategic impact, the fact that it was developed rapidly may be inconsequential. And while it makes perfect sense to



want greater strategic impact, it can be a major challenge to achieve it.

The second factor is "Resource-Use Efficiency." This includes such measures as man-days-to-complete

and incremental cost of development. It is about using your resources as best you can, for the speed and strategic impact you wish to gain. Competitiveness requires organizational efficiency. Gaining speed and impact, but spending too much for both will not keep you in the Red Queen's race for long. The bottom line for new product development is that the correct emphasis on speed, strategic impact and resource-use efficiency is needed in order to advance the organization.

Management must balance these three factors against one another. Unfortunately, initiatives that drive strategic impact and resource use efficiency can be at odds with the forces that push speed. And, most often, speed or time-to-market initiatives are well entrenched in organizations. Sure, everyone wants to develop and launch new products with significantly greater strategic impact, using far less resources and doing it all faster than ever. We all know, however, that current new product development methods and processes seldom work like that.

The required, yet complicated trade-offs among these three forces requires management to seriously

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consider new approaches to product development. You simply cannot win the Red Queen's Race by driving speed alone. Organizations must embrace strategic impact and resource-use efficiency as well. This can be done by first deploying and then streamlining four complementary NPD processes.

1. Product Line Planning
2. Front End Concept Generation
3. Stage-Gate Development
4. Portfolio and Pipeline Management.

By the very nature of new product development, most organizations already do much of the work within each of these processes. Their problem is that without structure or process, such "default" work

is often disjointed (one function from another) and disconnected from a single strategic orientation. Results can be frustrating to management, and even more frustrating to the people doing work in the trenches of NPD. The four processes, when integrated and streamlined, enable the organization to be aware and in control of the trade-offs among speed, strategic impact, and efficiency.

Many, if not all organizations have some form of a Stage-Gate or phase review process in place. These processes are typically set up to screen projects and then develop them as quickly as possible. Some organizations complement their Stage-Gate process with a proactive concept generation process. All too of-

ten, seemingly good Front-end concept generation processes yield far too many small concepts and not enough big (high strategic impact) concepts. As the organization tries to get ahead, it simply pushes more projects through the same Stage-Gate pipeline. Resources become overwhelmed and the pipeline clogs. Management's recourse is to then push on speed even harder and shift resources away from Front-end activities (where strategic impact is created) to as many projects in the Stage-Gate process as possible.

Organizations need the Stage-Gate process and they need the Front-end concept generation process. But to win the Red Queen's Race they also need to generate the right targets for the Front-end

(through Product Line Planning process) and optimize the mix and flow of projects through both the Front-end and the Stage-Gate process (through Portfolio and Pipeline Management.)

Winning the Red Queen's Race is not easy. But going

as fast as you can is simply not sufficient. New product development must also emphasize strategic impact and efficiency. To do this, consider augmenting your Stage-Gate process with integrated Front-end concept generation, Product Line Planning, and Portfolio and Pipeline Planning. Most of all, consider doing it before your competition!



**Everyone wants to develop and launch new products with significantly greater strategic impact, using far less resources and doing it all faster than ever.**



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**Brief Bio on Paul O'Connor:**  
*Paul O'Connor is an expert in the field of New Product Development Productivity. He has conducted assignments, implementation initiatives and benchmarking activities with numerous organizations.*

*Mr. O'Connor's article in the Journal of Product Innovation Management entitle "Implementing a Stage-Gate Process: A Multi-Company Perspective" has been cited by numerous authors and is used as a teaching aid in several MBA programs. He is also a contributing author on implementing product development process to The Handbook of New Product Development, published in 1996 by John Wiley & Sons, Inc, as well as a past contributing editor to R&D Magazine.*

**Paul O'Connor is Managing Director of The Adept Group. Paul is also Past-President of PDMA, and teaches Portfolio Management for PDMA and the Institute for International Research.**

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