

IGNITING THE CORPORATION

For Innovation and Competitiveness

“Investment Readiness, and assessing and Managing Investment Project Proposals in Large Corporations”

I am usually associated with the domain of business creation, start-ups ,spin outs and the support of small company entrepreneurs and Angel investing. True – much of my work is in those areas today – and exciting stuff it is. But the larger part of my career has been spent as an executive in very large corporations. I “learned my stuff” in Baxter Healthcare, the world’s largest non-Pharmaceutical Healthcare Company. I was there for seventeen years , and in at least fourteen different roles during that period. How I wish there had been a Centre for Entrepreneurial Learning IGNITE programme during one particular spell at Baxter which I write about here.

I had just been promoted to the position of Senior Staff Assistant to The President in this company which then employed 35,000 people, and had headquarters in Chicago Illinois. I had been with the company, in international locations for ten years. My background was sales, marketing and general management. In Chicago, one of my ongoing duties – and a very important one, was to be Chairman of the six **International Division Product Development Committees**. Baxter was a leader in the USA and some other regions, in Blood Transfusion, Intravenous Treatment, Drug Delivery, Renal Medicine and Life Support Systems, amongst other things. From around the world – *six sub-regions* we had defined – came a stream of proposals / requests for new product developments, market specific product changes etc. We had international **Marketing** and **Manufacturing** expert groups which helped review proposals, and we had a **Central Research and Development Division** – yes, just ONE R and D group (a big one !) which received approved assignments from the US Domestic Divisions and “International” (me !) to use the budgets we had been assigned for investment in ***selected R and D projects***. This was, for the time, and even today, not an unusual way of structuring things – although Baxter,like most large multinationals realised long ago that outstanding R and D can be done in places other than the USA with great success, and has proliferated research and development, putting some of it where the world’s best centres and people are located.

But – travel back with me to those days I am describing. A small group of senior executives, with a limited budget to invest in R and D which would, through the processes of what was selected and developed, determine, in part, the success of International Operations, Sales, Profits, Share Price, Bonuses etc. Important decisions indeed – deciding which of the many projects presented to select and assign to R and D – the majority would have to be rejected due to scarce / limited funds and other resources. SO – investment decisions , no different in essence or in principle, to those being taken by venture capital firms (and I *know* because I did early stage VC later in life – for five years with the Cambridge Gateway Fund), looking at start ups and entrepreneurs. My job, and that of my small team, was to encourage and find **INTRAPRENEURS**, people passionate about our company, wanting to make their company stronger competitively, propose a new ground breaking product, earn promotion and financial rewards, and fulfil dreams. NOT, you

will notice by spinning out a company – not in most cases, but through contributing to Creativity, Innovation and Product or Process Development WITHIN the Baxter Corporation. And so it is in many companies – today.

And yet – consider the challenges and the problems. No different from that faced by many VCs – a barrage of requests, proposals, business plans, product development outlines, market opportunities – all presented in generally haphazard ways, however hard we tried to impose “processes” (which usually became paperwork exercises). There was no process, nor system for educating the aspiring *intrapreneurs* and inventors / innovators of the great Baxter Corporation to understand the Corporate Investment Process, to know how the decisions would be made, nor to properly assess and present market information, the project idea /plan or the financial costs and the prospective revenue, profit and market share implications for the corporation.

It is my strongly held view that the IGNITE Programme is MORE helpful and can have more profound results if applied to larger companies than in the small company / early stage setting. Not to say it cannot be a potentially life changing programme for the young entrepreneur starting out – or thinking of it – it has been shown to be so. But sitting in Chicago, looking at more than 100 proposals for new products every quarter from all over the world, with the resources to invest in but a few – I yearned for the skills and insights an IGNITE programme could have delivered. Of course, in those days, I didn't have IGNITE and it didn't exist. Today – corporations – in all sectors have the opportunity to avail themselves of this very special programme of experience to develop successful INTRAPRENEURS who might help turn the company from the dangers of slipping towards mediocrity, to innovative pathways of success. We all know that bigger companies experience a slowing down of innovation. Creativity can be stultified and buried. IGNITE, effectively, “fans the flames of the fires down below” which are so easily extinguished, and can encourage controlled corporate fires of Imagination, Creativity, Innovation and New Growth. And at Baxter, at least I *had* a flow of proposals. In some large companies, innovative ideas do not surface often – sometimes at all. That seems to me an even more serious scenario – and one which clearly needs the fires to be lighted – the creativity may be somewhere in the coals and logs – and needs IGNITING !

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Anyone who has never made a mistake
has never tried anything new.
Albert Einstein (1879-1955)

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The Competitive Threat

“Today's Peacock is tomorrow's feather duster” –
Think about it.....



My experience in Chicago was real, frustrating, unfulfilling and led me often to ponder on the great ideas which were literally never uncovered. At one point in my Baxter career, the company lost a 100% market dominance position to a tiny new company which set up in Sweden and innovated like crazy – whilst the Vice Presidents of Baxter sat on their hands in

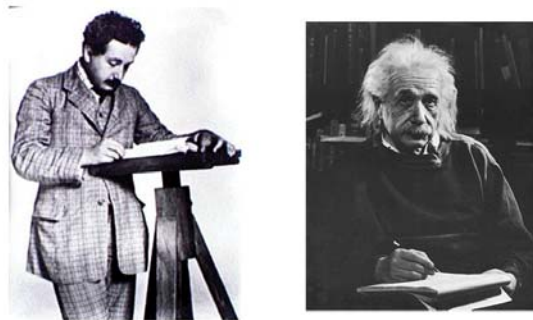
Chicago believing that they “had it made” They had overlooked the reality that “today’s Peacock can become tomorrow’s feather duster”. Think about it.....Imagination, Creativity, Innovation are CRITICAL for the survival and success of large corporations.

IGNITE is about much more than spin outs and start ups. It is very much about IGNITING THE FLAMES FOR CORPORATE INNOVATION AND SUCCESS.

Further information about **IGNITE** is available here:

www.alanbarrell.com/uploads/ignite_2008.pdf

A “Brainpower Hero”



Einstein on IMAGINATION....

“Imagination is more important than knowledge. Knowledge is limited. Imagination encircles the world”

Albert Einstein 1879 - 1955

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