

BLOCKBUSTERS

The Five Keys to Developing Great New Products

GARY LYNN and RICHARD REILLY

GARY LYNN (a professor at the Stevens Institute of Technology) specializes in product design and new product launches. In addition to developing and commercializing several of his own products, Dr. Lynn is also the author or coauthor of three books on technology, innovation and marketing including *Breaking Through Bureaucracy* and *From Concept to Market*.

RICHARD REILLY, also a professor at the Stevens Institute of Technology, is a recognized authority on individual and team assessments. Dr. Reilly has previously worked as a research psychologist for Bell Laboratories and AT&T.

SUMMARIES.COM is a concentrated business information service. Every week, subscribers are e-mailed a concise summary of a different business book. Each summary is about 8 pages long and contains the stripped-down essential ideas from the entire book in a time-saving format. By investing less than one hour per week in these summaries, subscribers gain a working knowledge of the top business titles. Subscriptions are available on a monthly or yearly basis. Further information is available at www.summaries.com.

MAIN IDEA

“Great companies succeed and endure because they continually produce great products. Companies fail because they have forgotten this simple truth. Manipulating inventory values, accelerating depreciation schedules or moving corporate headquarters offshore does not create value. Even establishing world-class customer service will do little if a company’s products or services are inadequate. To produce real value, companies must develop and launch great, blockbuster products – this is the heart and soul of any successful business.”

– Gary Lynn and Richard Reilly

With that in mind, a 10-year research program of more than 700 product development teams found there were five best practices which successful development teams followed and which the also-rans did not:

- | | |
|--|--|
| <p>The Five Best Practices For Developing Great New Products</p> | 1 Active leadership from senior managers |
| | 2 Clear, established product parameters |
| | 3 Flexibility, improvisation & tenaciousness |
| | 4 Goal-oriented team knowledge sharing |
| | 5 Teamwork under pressure |

All five of these practices fit together carefully and deliberately. That means to succeed, all five practices must be implemented simultaneously. If just three or four of these practices are used, the chances of success drop dramatically. Note also none of these practices are size dependent – that is, blockbuster new products are just as likely to come from small companies as they are to come from large corporations. The differentiator is not the size of the development team or even the available budget, but the adherence to these five best practices. They have worked for several of the most profitable teams ever assembled and they will work equally well again in the future.

“We believe that if your team excels at these five practices, its probability of failure is virtually zero. That’s our promise, and it’s a promise that we have demonstrated statistically. The second bit of good news is that these practices are all within your control. The bad news is this is not going to be an easy journey. Your team must implement all five practices to succeed. There is no shortcut. This is not about incremental innovation, continuous product innovation or day-to-day innovation. It is about creating a blockbuster new product that knocks your competitor out of the box, sets a new standard for your industry, and possibly creates a new product category. The five essential practices can help you launch one – not a family of them, just one – b blockbuster product per division.”

– Gary Lynn and Richard Reilly

Best Practice #1 – Active leadership from senior managers Page

Blockbuster teams don’t just have the approval of high level managers but their full commitment and intimate involvement. These teams succeed because the business managers get closely involved in clearing away hurdles, backing the project and giving the team the authority they need to actually get things done.

Best Practice #2 – Clear, established product parameters Page

Blockbuster teams avoid the temptation to stray. They stay on course by establishing “product pillars” early in the development cycle – specific goals and product parameters the new product must deliver on if it is to be commercially viable.

Best Practice #3 – Flexibility, improvisation and tenaciousness Page

Blockbuster teams rarely, if ever, follow a linear path to market. Instead, they move “Lickety Stick” – that is, they try all different kinds of different ideas in rapid succession until they eventually through trial and error come up with a prototype that customers really like. Then they concentrate on doing more of what works and less of whatever does not.

Best Practice #4 – Goal-oriented team knowledge sharing Page

Blockbuster teams don’t need formal meetings to exchange information with their collaborators. Instead, they share knowledge constantly and in dozens of small ways – covering the full spectrum from hallway chats to video conferencing through to establishing a war room with hundreds of Post-it notes and e-mails stuck to the walls.

Best Practice #5 – Teamwork under pressure Page

Blockbuster teams are rarely harmonious. Typically, they are made up on individuals with very strong personal views. Good teams focus on achieving their goals rather than building friendships. They don’t worry about getting everyone to relate. Instead, they worry about getting the job done.

Summaries.Com

The Ultimate Business Library



We condense **300+ page** business books into **8-page** summaries.

By reading summaries, you'll get the **key ideas** in **30 mins**, so you can spend more time turning your ideas into **dollars**.

Knowledge is Power — Invest in Your Future

For just **\$2 per week**, you will...

- Learn from the mistakes and success of the smartest people in business;
- Get fresh ideas, strategies & motivation that could be worth millions to you;
- Follow emerging trends, so you can catch the wave before your competitors do;
- Catch up on the classics you always wanted to read.

1,000 Top Business Book Summaries

Our catalog includes summaries on a range of topics for aspiring entrepreneurs, managers, and consultants.

BUSINESS PLANS

MANAGEMENT

PRESENTATIONS

SALES

LEADERSHIP

MOTIVATION

STRATEGY

AND MORE

