

Measurement Standards Presentation

The Future of Innovation Project



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Marketing Accountability Standards Board
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“Innovation” – the pressing need

- The 2015 TCB CEO Challenge Surveys (1020 CEOs and C-suite executives across continents)
- “Innovation” Ranks as the 2nd top challenge faced by CEO
- Top priority for companies across industries all over the world
- Innovation: *processes, products and services*

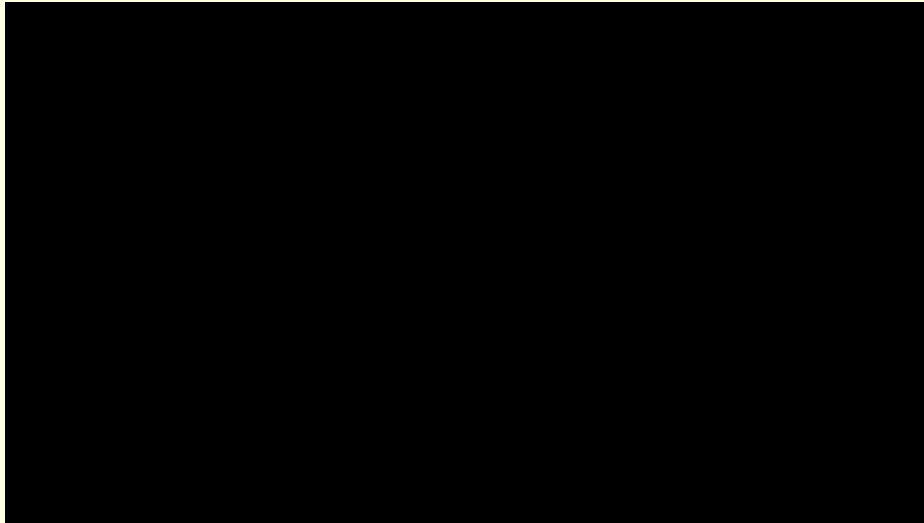
Despite the stated importance...

Managing and promoting innovations internally is not easy, because:

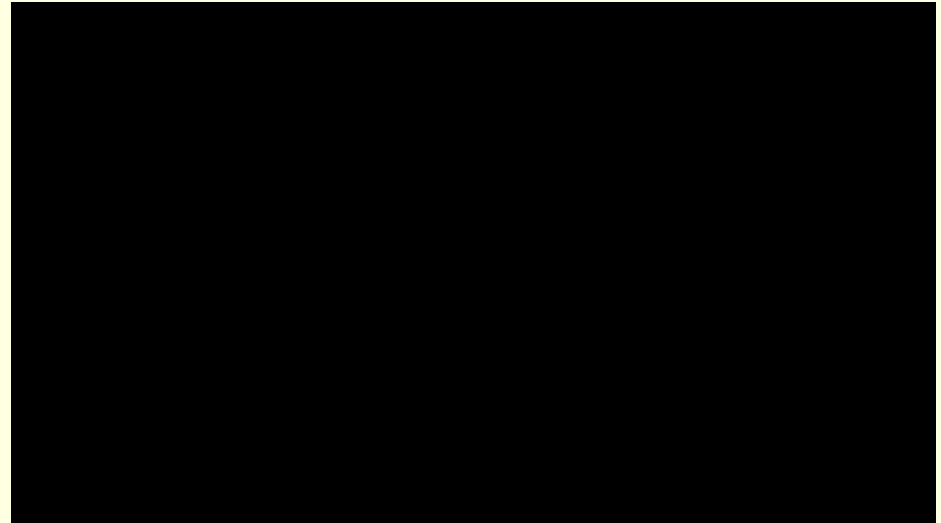
- **Spending on innovation decreases the profit in the current financial year,**
- **Innovations threaten the status quo, and**
- **Innovative activities compete with resources for routine work.**

Sound familiar?

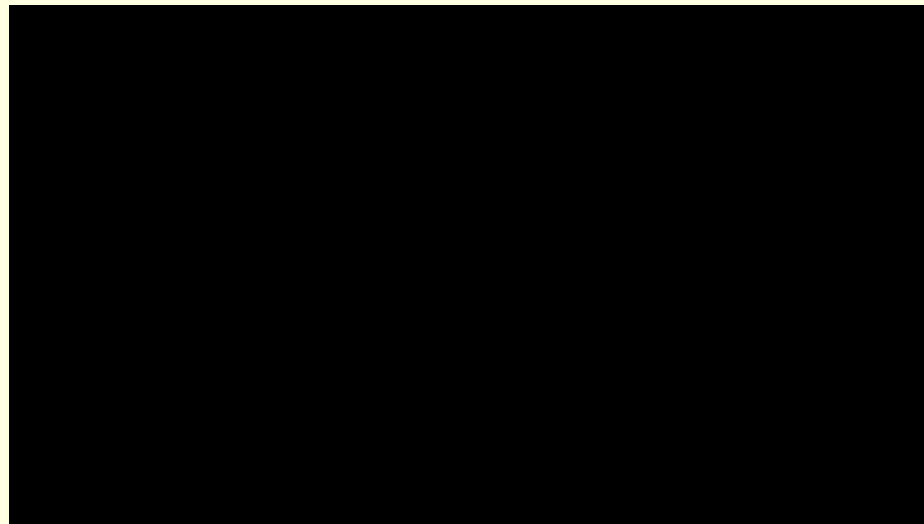
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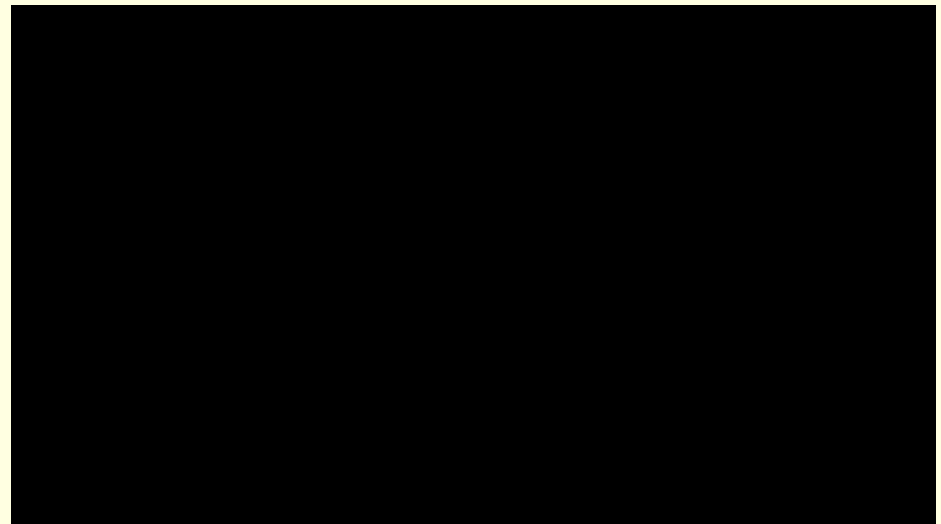
Defining Innovation



A State of Mind



The Value of Innovation



Measuring Innovation

Seven Signposts for the project:

1. Technology (R&D, patents)
2. Digital Transformation
3. Environmental and Social Sustainability
4. Customer Experience & Branding
5. Innovation Ecosystem (links with government, research, education and access to finance)
6. Internal Innovation Network (leadership & organization, processes & tools, people & skills, and culture & values)
7. Financial performance

Innovation metrics that provide:

- Forward looking perspective on innovation trends
- Perspectives from major sectors and industries
- Measures of innovation-preparedness at the company level

This is a fundamental research project, building on what already exists, and identifying what is most useful from an innovation strategy viewpoint.

TENET PARTNERS CoreBrand Index®

Will be used to measure “Culture of Innovation”

- In addition to traditional metrics:
 - Overall Reputation, Perception of Management, Investment Potential
- For a “hierarchy of attributes”
 - How a “culture of innovation” fits the corporate brand and by company and industry
- To assess the impact of a “culture of innovation” on contribution to financial performance with ongoing quarter-by-quarter monitoring and reporting

Ongoing search for accountability

Relevant to MASB as it relates to more and more demand for accountability of intangibles.

Like MASB, IIRC, IVSC and SASB...

The Conference Board is seeking better metrics to identify financial returns of intangibles.





Thank-you!



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