



Optimising the Value from Knowledge Generated by CRCs

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Presentation

- **Why did the AIC study this?**
- **What do we mean by value?**
- **What are the characteristics of a great CRC?**
- **Key recommendations for optimising value**



Why did the AIC study this?

- **The AIC delivers services using its networks and experience that:**
 - **facilitate collaboration**
 - TechFast, Technology clinics
 - **enhance innovation**
 - market research, IP management advice, Commercialisation Bootcamps
 - **accelerate the commercialisation of IP** that our clients have created
 - ICT commercialisation brokerage
- **The AIC uses its expertise to provide policy input to several governments**





The false logic of 'value' labels

Vision CRC

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Vision CRC



PUBLIC BENEFIT

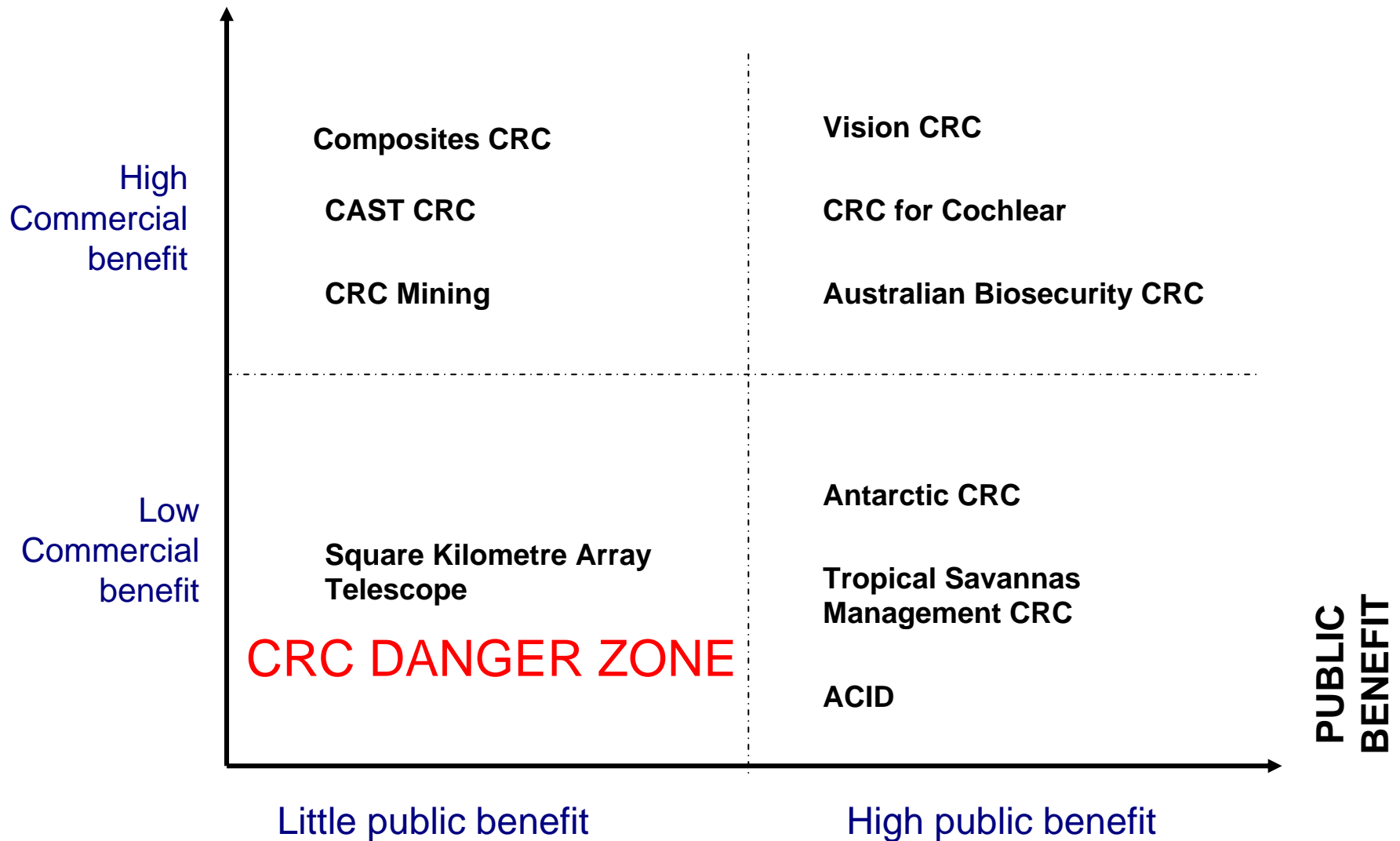
COMMERCIAL/INDUSTRIAL BENEFIT



Reconciling public and commercial benefit



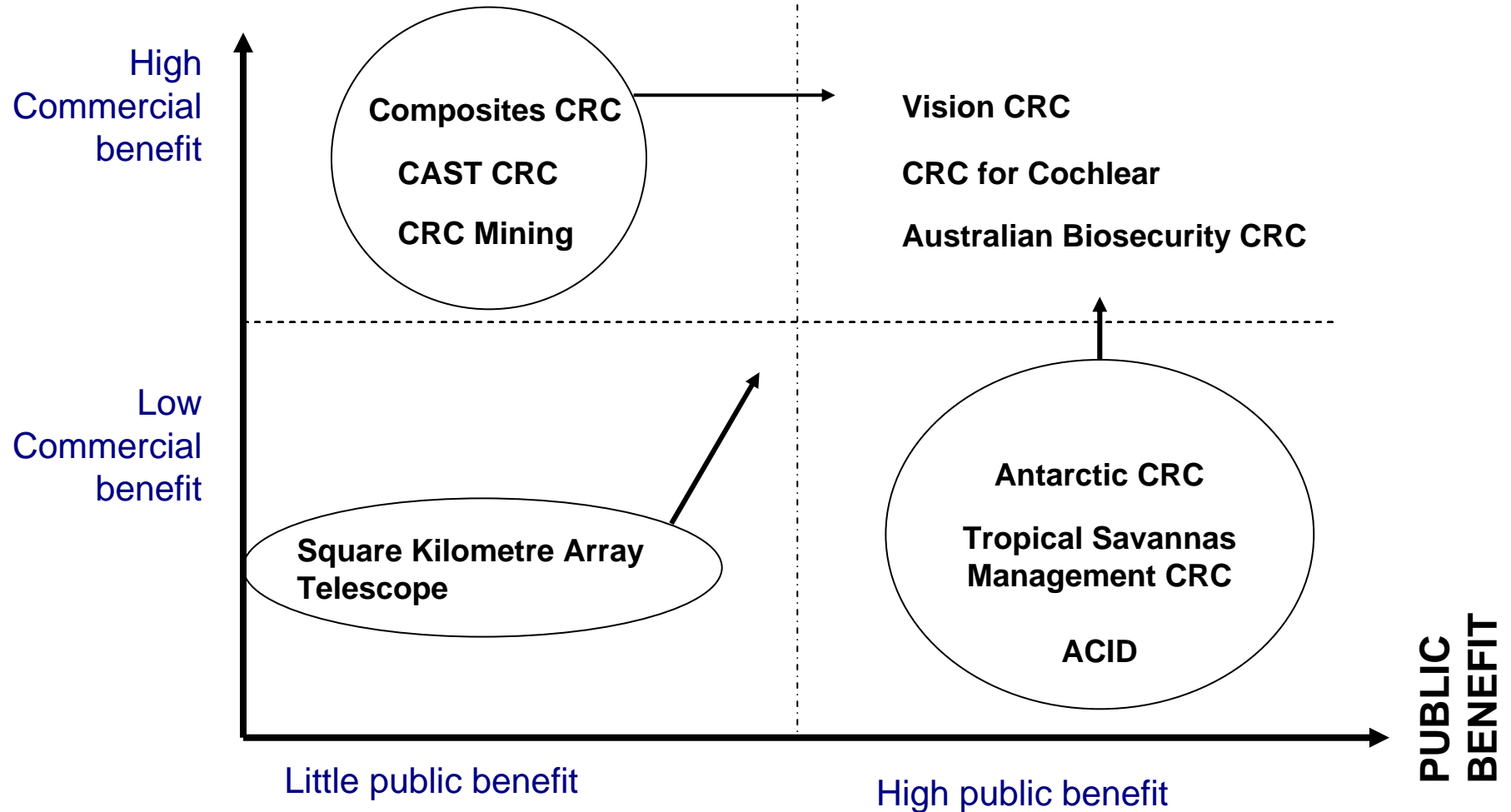
COMMERCIAL/INDUSTRIAL BENEFIT





An outcomes orientation causes migration towards dual benefits

COMMERCIAL/INDUSTRIAL BENEFIT





Accounting for value

- **There are several ‘value currencies’**
 - Economic, social, community, environmental
- **The AIC study defines ‘value’ as the**
application of knowledge generated by the CRC,
 - including internal diffusion between partners, and
 - transfer into industry and the wider community of users.



Methodology

- **Review of literature, submissions to National Innovation Review**
- **Background AIC IP**
- **Face to face interviews with thirteen CRCs and industry partners, who have been successful in aligning research outcomes to an end-user need**
- **Five case studies**
- **Testing against a proposed model that defines some of the common features, characteristics and factors**



Critical success factors

- **CRC Governance and management**
 - Independent chairperson
 - Small but representative Board
 - Science + business experienced CEO
 - CEO is in charge of the resources
 - Strong dialogue with government and researchers
 - Diverse skills mix to balance government obligations with needs of partners



Critical success factors

- **Program oversight and management**
 - Formal project reviews
 - Approve, (re)-budget, abandon
 - Outcomes focussed program management
 - Flexibility in project selection
 - Communicating the process to industry and potential partners



Critical success factors

- **Partner selection and involvement**
 - Commitment to the CRC
 - Strategic industry involvement
 - Partners with direct paths to market
 - Quality industry and research partners
 - CSIRO, love them or hate them?



Critical success factors

- **Direction and culture of research**
 - Entrepreneurship promoted among researchers
 - Applied research with blue-sky thinking
 - Funds are not used to feed unrelated research
 - No block grants to any research provider



Critical success factors

- **Quality of end-user involvement**
 - Market driven
 - Overwhelming support by industry (however defined)
 - Strong engagement with SMEs



Key recommendations

- **Governance and management**

- Partners selected horizontally and vertically through the value chain
 - flexible, transparent, committed
 - selected for absorptive capacity, constituency, or linkages
- Formal project review
 - established processes and guidelines to govern decision-making that determines the continuation or abandonment of research projects, as evidenced by:
 - A technical review committee
 - Project evaluation criteria, including capacity to continue or abandon projects
 - Formal review dates
 - Industry evaluation and input





Key recommendations

- **Adopt leading research strategies**
 - Market research by industry partner or independent authority to ensure research is truly unique
 - No untied block grants
 - Entrepreneurship encouraged and promoted among researchers



Key recommendations

- **Focus on relationships and collaborations**

→ There should be a combination of formal mechanisms and flexibility in managing relationships with key customers and stakeholders. These might include:

- Through relationships forged by the Executive and/or Board
- Employing a Relationship Manager
- Defining the form of the relationship in the Centre Agreement
- Quarterly User and Project Reviews
- Formal screening of partners for suitability
- Undertaking customer surveys and case studies
- Use of a CRM system
- A review process to manage customer expectations



Key recommendations

- **Optimise for knowledge transfer**
 - Research communication
 - Manager to align outcomes and implement strategy
 - Research commercialisation
 - Industry led
 - Implement an IP management process and register
 - Research collaboration
 - Encourage non-core participants in research





Key recommendations

- **Plan to exit from the beginning**
 - Ensures IP is not abandoned
 - Consider both *form* and *structure* as part of the transition plan
 - Termination strategy should consider
 - Assignment of IP held by the CRC
 - Placement of employees in new positions



Questions?

Check our website for details:

www.ausicom.com

