



Selection R+D+i projects

Quantitative and qualitative analysis

In today's changing and competitive environment, companies must be able to offer their customers new products and services with values that differentiate them from their competitors in order to survive.

This fact is nothing new, any company that wants to last over time has to offer attractive things to its potential customers. The novelty of recent years is that the company has to do it *constantly* and *faster* than its competitors

Because the life cycle of products, services, companies, has been shortened in all sectors, companies have to structure systems that allow them to generate and turn ideas into realities in the most agile way possible.

A reality that frequently arises in companies is that, despite having truly innovative ideas, they do not know how to identify which are the most suitable for the company, which, with the least effort, can give us the maximum benefit. Decisions to execute innovative ideas are usually based on intuition.

Given that today's companies and organizations have to generate innovations as quickly as possible, they must have systematic methods that allow them to select, from all the possible innovation projects in their portfolio, those that make it possible to use the organization's resources more efficiently and obtain the maximum result for the company.

Therefore, for the success of our innovation process, the company must properly select the innovation projects to be executed, for this it must carry out two types of analysis:

Qualitative analysis: it is not uncommon to find companies that after investing a lot of time and resources in a project *stop it* because they realize that it does not fit with the company's policy.

Therefore, the first step in the selection of projects is to qualitatively analyse the innovation projects and ask ourselves if they fit into the mission and values that the company wants to offer.

Quantitative analysis: In this reflection, companies have to study in detail (as well as estimatively), the benefits that innovation can bring to the company. To do this, you must prepare an *estimated income statement* that reflects the increase in income that the innovation can bring.

This income statement, if carried out for all the innovation projects proposed, will allow us to identify and compare which ones will report the greatest benefits, and from there, have criteria to decide.

INNOVATION PROPOSAL

SELECTION OF INNOVATION PROJECTS



The stage that follows the generation of ideas is the selection of the projects that will make up the next wave of innovation to offer to customers. This stage is key to the success of innovation, because choosing the wrong project not only means a waste of time and resources, but also a lost opportunity to position ourselves better in front of our customers, in short, a loss of competitiveness.

The difficulty of analysis is in the identification of information and data of something that is new and that does not exist, but it is better to decide on the estimation of something (with all its imperfections) than to let decisions be based solely on intuition.