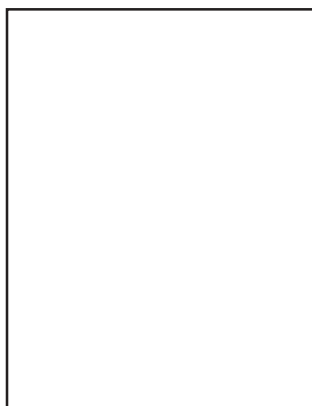


R&D as a business

Ashok S. Ganguly

In recent times, R&D and business have come closer together than ever before. R&D has been one of the basic driving forces for the quick growth of industry and business. Realizing this, companies have increased their R&D expenditures, which promises healthy growth for industry in the coming days. Similarly, universities, R&D institutions and industries have also been cooperating more closely in recent times, thus enhancing the scope of technology development and commercialization according to market needs. This article discusses the role of R&D as a business today.



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Introduction

Beginning in 1990, I have had the unique opportunity to occupy a ringside seat watching developments in Europe, the USA and Japan, as the Director for Research and Technology on the Board of Unilever. Somewhere along the way I entered the ring itself, without being aware of the fact, and learned from the experience of becoming a player, in the transformation process by which R&D in industry gradually becomes a business process. My close involvement and working experience of R&D in industry during the 90s had a profound influence on my managerial and business outlook and eventually convinced me to narrate some of the key events in my book, *Business-Driven R&D*.

It would have been quite easy for me to direct the attention of the reader to my book, to follow the various events leading to R&D becoming a business process. But what persuaded me to write this

article are a set of related and exciting developments in India, especially during the past three or four years, and which reinforce some of the events that I have described in my book.

I shall deal briefly with some key issues that brought R&D and business close together, as well as certain related developments, finally leading up to the state of play in India today.

The state of play

Business investments in R&D, as a competitive strategy, have a fairly long history. What has changed is that, whereas until not so long ago, investment in R&D used to be an act of faith, there is now a much greater element of an act of purpose on the part of most business enterprises. Such a transformation in the attitudes of business enterprises has been particularly visible during the 90s.

There are a number of events that have helped bring about a transformation in the way R&D is managed in companies. The principal event is the im