E/ME 103
Management of Technology

Q1 2013-2014
Lecture 1 Introduction
October 2, 2013
Today’s Agenda

• Introduction of Course
• Structure of Course
• Expectations, grading, etc
• Special issues?
• Introduction of Students
<table>
<thead>
<tr>
<th>Name</th>
<th>Concentration</th>
<th>Class</th>
<th>E-mail</th>
<th>Grade or P/F Or Audit</th>
</tr>
</thead>
</table>
E 103 Management of Technology
Instructor: Ken Pickar
Visiting Professor of Mechanical Engineering
TA: Anu Thubagere

Fall Quarter 2012
Tues, Thurs 2:30- 4:00
Thomas 206

Office: Thomas 101
Office hours: Ken - afternoons but best to e-mail ahead
Tel X 4185

Anu X 4176
website  http:// www.pickar.caltech.edu/

Note: The copy-writed case material will be e-mailed to you. Please make only one copy for yourself. I will pay for each registered person in the class (including auditors).
Ken Pickar

- **PhD Low Temperature Physics, University of Pennsylvania**
  - Thesis in Third Sound in Liquid Helium
- **Bell Laboratories, Murray Hill, NJ 8 years**
  - Thin Films, Semiconductor materials and devices
- **Bell Northern Research, Ottawa, CA 5 years**
  - Manager of new technologies
  - Technical Areas: ion implantation, electron beam lithography, plasma etching
- **GE Corporate R&D 9 years**
  - R&D manager Electronics Research Laboratories
  - Medical Physics, Radar, Lighting, VLSI, Power electronics
- **AlliedSignal (Honeywell) Corporation 5 Years**
  - Senior Vice President Engineering and Technology
  - Radar, Braking Systems, Turbomachinery, guidance systems
Ken Pickar

- Caltech 15 years
  - ME/E 105
  - ME/E 103
  - E 102
- Also Tech Coast Angels (Investment Network)
- Board of Directors (Company)
  - Level One (sold to Intel 1999)
  - Neustar (IPO 2005) NYSE
  - Ness Technologies NASDAQ
  - H2Scan (Private)
- Board of Directors (non profit)
  - LA Regional Foodbank
  - South Coast Botanical Garden
  - Intelligent Mobility International
- UCLA Anderson Adjunct Faculty (GAP Program(2005))
- Monash University, Melbourne, Australia, Visiting Professor (2010)
at Bell Labs

• The first ion implanted Charge Coupled Device,
• The first ion implanted picturephone targets,
• The first implanted damage gettering process
• Electron Beam Lithography
At Bell Northern

- The first all-dry etching semiconductor process (no wet chemistry)
  - sub 2-micron
  - CMOS
- Liquid Crystal Displays
- Ion Implantation
At GE
The Industry-leading MRI
GE Lighting

• Discharge lamps
• Power electronics
• Display at Smithsonian
At AlliedSignal Aerospace (now Honeywell)

- Engines
- Auxiliary power units
- Environmental control systems
- Avionics
- Wheels and brakes
- Managerial and technical services
- Repair and overhaul services
- Flight safety (EGPWS, TCAS, ice detection, wind shear)
- Sonar
- Space Station Power
Anu Thubagere
My Interests

1. Products for the Developing World
2. Entrepreneurship Education
3. Tech Transfer - What is the best way of transitioning technology from an academic environment to a business?
4. Why do technologies succeed or fail?
   - Why do good products fail?
   - Why do good companies fail?
   - What is good?
5. Ethical considerations in Management and Engineering
Purpose of the Course

To develop skills for critical technology judgment

To provide an introduction to business school case-based learning methodologies.

To study the management of technically-based companies
  – Market and customer realities
  – Corporate culture
  – Innovation processes

To help develop team skills.
Not the Purpose of Course

• To present an exhaustive set of principles
• To present an invariant set of principles good for the life of your careers
• To accurately predict the future development of technology
What is it?

• A team-driven course for people used to working as individuals
What is it?

• A management course for non-managers
  (Typically desirable to have “real world” experience prior to studying this subject)

• But E/ME 103 teachings useful for futures in
  – Academic research
  – Industry
  – Consulting
  – Business School
Why academia?

• Wouldn’t it be cool to have some inkling on how your field will develop?
  – Delphi tools
  – Support Technologies
    • Big data computation - what new problems can it solve?
    • New software tools
Where would you rather be?

Technology Capability

Or Here

Here

Time
A different type of knowledge

A semi-quantitative exercise for quantitative people

- Technology management is 75% cultural and 25% quantitative.
- Input parameters don’t always lend themselves to rigorous mathematical analysis.
- There is no unique “right” answer—context matters.

• What is desired is consistency, insight and originality.

What about scientific “truth”? 
Teaching Methodologies

• Cases
• Lectures
• Coaching
• Invited Speakers
• Term Project (most important!)
What is a case?

• A real (or realistic) story that demonstrates a business challenge or challenges.
• Typically a short story for you to supply the ending
• A teaching vehicle that enables the student to expand his/her experience base beyond what they personally have seen.
• A problem-solving platform
Teaching (and learning) Cases

Four ways to teach cases

1. Lecturing a Case
   – Instructor leads class through case analysis

2. Theorizing a case
   – A vehicle for theoretical analysis

3. Illustrating a case
   – Case used as “war story” to illustrate a point

*Issue: how much did the student learn?*
4. Choreographing a case
   – Students analyze the case out of class and formulate “solution”
   – Instructors guide the students development of the case without prejudging the “correctness” of the students analysis
   – Inductive reasoning to form arguments and expose fallacies
   – Instructor ties together and establishes “backbone”
How to prepare a case

• Each team member
  – Skims it quickly to determine key issues
  – Reads it carefully, taking notes with questions
  – Puts themselves in the position of the protagonist- asking what would you do?

• Then discusses ideas with team
• Brainstorm “solutions”
• Formulate a consensus or agree to disagree
• If presenting, prepare (and rehearse) presentation and defense
How will the cases be handled in class?

• Questions on each case to be answered by the team. Graded for consistency, thoughtfulness and ingenuity.

• One team will present the case to the rest of the class. (this team sends slides (ppt) plus pdf) Teams to present will be informed in advance

• There will be class discussions to develop the “answers”

• *Everyone* is obligated to contribute to the discussion. Part of grade depends on your contribution
How will the cases be handled in class?

• Everyone must come to class
  – if you cannot make the commitment, don’t take class
  – if you *must* be absent let Anu and I know before class
    by phone or e-mail
• You must come to class on time
• No computer “multi-tasking” (computers, cell phones or tablets etc.)
• There will be ~ one case per week
• Cases must be prepared and submitted *prior to class* by *all teams*. (Please e-mail pdf document to Anu and myself by noon)
Cases and Copyright

• Cases will be e-mailed
• Cases are original or from Harvard Business School Publishing
  – Do not make more than one copy per student for Harvard cases as I am paying Harvard Business School Publishing
What are some of the negatives of the case methodology?

- Alternatives?
- Specifics vs general
- Implementation?
- Age of example
What are some of the negatives of the case methodology?

- Idiosyncratic
- Group think
- Specific example is it generalizable?
- More than one could work/or fail
- Cannot test
- Oversimplified
- Uncontrolled parameters that occur after the case is described
- Separation of luck from genius
- Selection bias
What are some of the negatives of the case methodology?

• Based on past
• Highly subjective
• You are not experts
• Over-simplify
E/ME 103
Matrix of Innovation

Industry (Vertical)
- Computer
- Aerospace
- Medical
- ETC

Innovative Function

Eng  MFG  MKT  SALES  ETC
Subjects Covered

Introduction, Purpose and objectives. Technology as a growth agent. Industry Life cycle, Product Development Pipeline

Financial implications of Technology Management

Innovation

Predicting Technologies

Limitations, Inflection Points, Disruption

Trends, Scenarios, Projections

Science Vs Engineering

Managing Technology programs

Integration of Technology Development with the Product Development Process

Determining core technologies, enabling technologies, make/buy

Portfolio Management Models and Decision Criteria, Gatekeeping

Management of Scientific and Engineering Resources

Motivation, Rewards and Recognition

Outsourcing and Joint Venturing

Globalization of Technology Capability

Intellectual property
Subjects Covered

Overriding theme for 2013

Innovation
<table>
<thead>
<tr>
<th>Name</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Baltimore</td>
<td>Drug Delivery (Medical)</td>
</tr>
<tr>
<td>Kent Kresa</td>
<td>Aerospace/Automotive</td>
</tr>
<tr>
<td>Steve Streit</td>
<td>Cash Cards</td>
</tr>
<tr>
<td>Henry Kressel</td>
<td>Warburg Pincus Electronics</td>
</tr>
<tr>
<td>Rob Manning</td>
<td>JPL Mars landing</td>
</tr>
<tr>
<td>Bill Gross</td>
<td>Idealab</td>
</tr>
<tr>
<td>Kent Kresa</td>
<td>Caltech and corporate</td>
</tr>
<tr>
<td>Erik Antonsson</td>
<td>Northrup Grumman</td>
</tr>
<tr>
<td>Josh Botkin</td>
<td>Innova - Strategy</td>
</tr>
<tr>
<td>Barry Lieberman</td>
<td>Intel Semiconductor Lithography</td>
</tr>
</tbody>
</table>
Term Assignment

Do either A or B

A. Write a Technology Assessment and projection.

Show the history of development of this technology with key breakthroughs indicated

Show the characteristics of how this technology was advanced (industrial breakthroughs, product demands, University research, military spin-off, etc.)

Show where the capability of the technology is heading (1-5 year projection). Justify assumptions and conclusions.
Term Assignment

Do either A or B

A. (cont.)
Who will develop (or how) will this technology be fully exploited, i.e., what are the drivers?

Hint: look at what’s in the laboratory or conceptual stage now, look at market forces. Look at response of “conventional” technology being “displaced”

Apply critical reasoning, distinguish hype from reality. You can get as deep into the Technology as you want but I am looking for an analysis not a technical paper
Term Assignment

A. Continued
Use two or more of the following techniques
   S-curve analysis
   Delphi
   Trend extrapolation
   Scenario development
   Your own
Show the strengths and weaknesses in your choice of methodologies
Use Primary Research (Interviews most important!) and Secondary research (published material, internet web sites)
Show all references
Cf. Burgleman, Maidique, Wheelwright, pp135-154 (on reserve)
Which Technology should you choose?

• Technology can be “on the verge”
  – Lab on a chip
  – Next Generation Social Networking
  – Green Energy (Focus on one alternative)
  – Power Transmission Wireless / Smart Grid etc.
  – Hybrid or Electric Cars/IC including diesel cars
  – Cellphones beyond I-phone
  – Stem Cell
Which Technology should you choose?
• Technology can be “on the verge” (cont.)
  – Virtual Reality Glasses
  – Next Gen Video Games
  – Personalized Medicine
  – Cloud Computing
  – Cashless society
  – Big Data
  – Cyber security
  – Other?
Which Technology should you choose?

• Further out
  – Next Gen Rapid Transit
  – Auto Traffic Management
  – Autonomous Vehicles
  – Space travel
  – Beyond Moore’s Law computing
  – Predictive weather/climate models
  – Earthquake prediction
  – Cancer “cure”
Which Technology should you choose?

• Something on or not on the list which
  – Is useful to you
  – Intrigues you
  – Interests you
  – You care about

Each team should choose one technology plus one alternate
• You can choose a technology where the experts are accessible. (e.g., Caltech) or you have some access or pre-knowledge.
• Something you know nothing about and know no one who does
What do I want to know by the end of the quarter

• How will this technology develop in the next ~ 5 years?

• Why?
B  Do an Innovative Capabilities Audit of a technology-oriented company

• Choose a small stand-alone business or a business within a larger firm. This will generally require the permission of the firm if you want to do internal interviews. Caltech alumni could be helpful.

• You are ultimately responsible for making this choice. Anu and I will advise.
OR

B Do an Innovative Capabilities Audit of a technology-oriented company

- Develop a conceptual framework to perform an audit. You want to examine what in the firm augments or discourages innovation
  - The textbook provides some good ideas,
  - Information on approaches from cases and lectures studied in class
  - You might want to figure out your own methodologies.
B continued

• Use the framework you have developed to gather data. You should use public information, personal interviews, internal documents.

• Analyze
  – Understand process on how ideas get translated into products. What aids the process and what retards the process?

• Make recommendations
  – How can the firm’s capabilities can be improved.

• Write a Final Report. Prepare a presentation.
• Present to Class. Present to company.
• cf. Burgleman, Maidique, Wheelwright pp. 7-10 (BMW 9-13)
Choice B

• Biggest issue is finding the company and getting their attention.
  – Network!
  – Sell as free consulting
  – Minimally invasive

• Best to start at top

• A learning experience for a consulting career or for any career in product development
Choice A / B

• There are 17 new start-up incubators that have been set up in the last couple of years in Southern California
  – Why?
  – What do they do?
  – What is the record of incubators in general?
  – Critique the model
  – Critique a few of the incubators in depth
  – Critique some of the resident companies
Timetable for A or B

• Teams formed and topic chosen
  and Initial Plan of Action

• Presentation of Accomplishments to date and
  Research Plan: Schedule, Responsible person

• Midcourse correction private discussions

• Midterm Exam Presentation and 5 page paper

• Private Discussions

• Final Presentation

• Final Paper Due
• Final Report maximum 15-20 pages double spaced.
• Final Class Presentation should take about 20 minutes (~15 slides) with 10 minutes for discussion

Anu and I are available continuously for counseling on this and all assignments. Please feel free to call on us.
Marking

• 40%  Case preparation (HW)
• 10%  Midterm Presentation
• 15%  Class participation (includes showing up!) and teamwork
• 35%  Term project
Exercise

• Who are you?
• Why are you taking this course?
• One unusual thing about yourself
For Thursday

• Think whom you would like to work with
• Form Team! 3-4 people
• Think (even choose) Term project
• Have a few alternatives