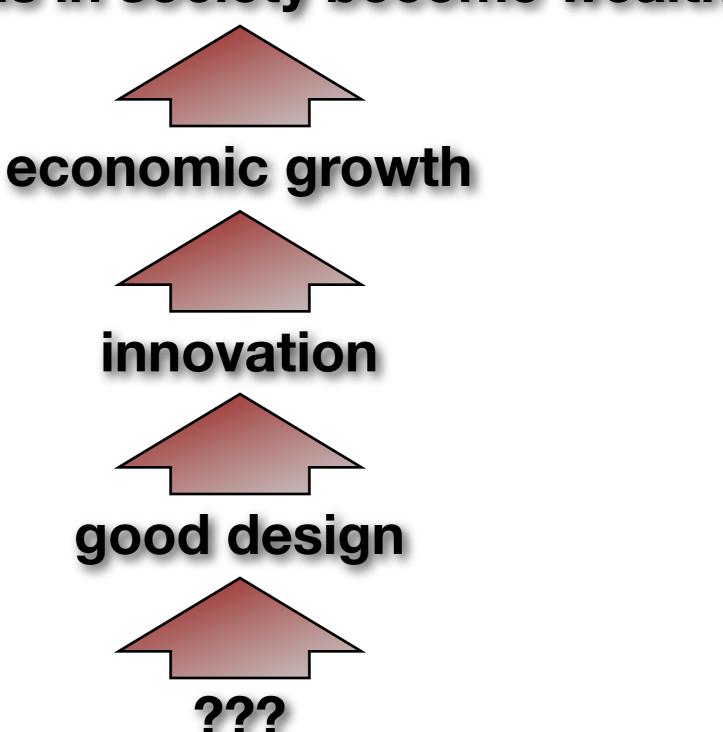
# Innovation & Design and Modern Engineering Entrepreneurship

#### **Prof. Bruce Jacob**

Keystone Professor & Director of Computer Engineering Program Electrical & Computer Engineering University of Maryland at College Park



# all individuals in society become wealthier



#### **Innovation creates Wealth**

For you
For others (beneficiaries of your innovations)
For the economy

Wealth is **not** like energy; it obeys no laws of conservation



Wealth



Not Wealth



Wealth



Not Wealth

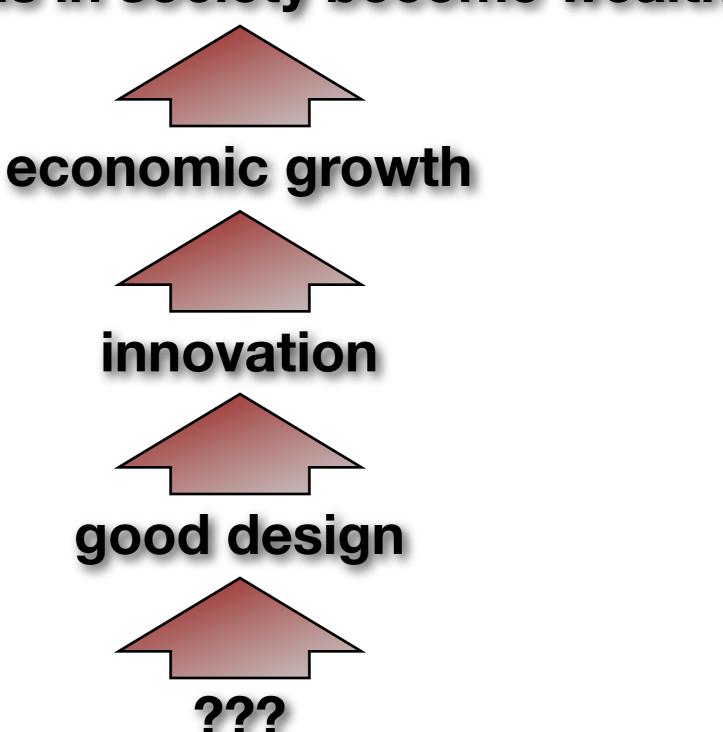


Wealth



Not Wealth

# all individuals in society become wealthier



#### It's All About Innovation ...

- "Innovation and trade: the ultimate engines of growth."
- -Economist, Oct 3, 2009
- "We have to choose to do what past generations have done: shape a brighter future through hard work and innovation."

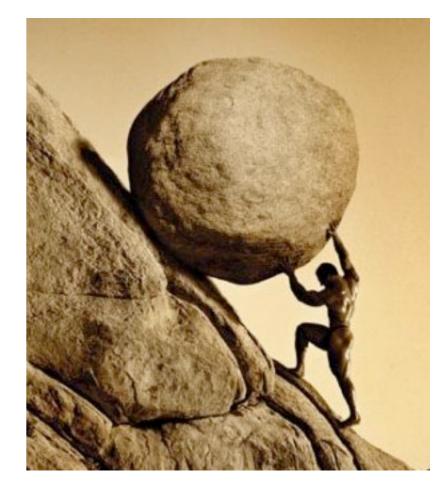
  —Barack Obama, Sep 22, 2009

(ASEE's "Obama Touts Innovation Agenda At New York Community College")

- "In the new knowledge economy, innovation and knowledge are the most important factors driving economic growth."
- -Progressive Policy Institute: The Innovation Economy, Oct 2003
- "Innovation is the heart of economic recovery & future prosperity."
- -Roll Call, Nov 20, 2008

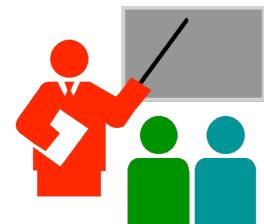
#### ... But, Boy, Is Innovation Hard

- "In an era when most technology outfits have tightened their belts to adapt to a slower-growing market, one company stands out for forging ahead on innovation: Apple Computer." (BusinessWeek)
- "Big companies are losing their 'A' players, and they're struggling to attract 'B' players. In an industry where everything is about people, large tech companies are in trouble because they are losing the talent war. And keep in mind, an 'A' player in an organization can usually produce the same results as three 'B' players." (VentureBeat)
- "Lots of companies have tons of great engineers and smart people. But ultimately, there needs to be some gravitational force that pulls it all together. Otherwise, you can get great pieces of technology all floating around the universe. But it doesn't add up to much." (Steve Jobs, on innovation)



# Some Issues I Would Like to Address Today

1. Despite what we may think, we don't really teach it here



2. How can you instill it in your business partners/employees?



3. Why #2 matters to you (yes, you)

Talk 1: Thoughts on Teaching Design

# What is Design? What is Innovation?

- Can't define it, but you know it when you see it ... ©
- Close interaction with burnout phenomenon in start-ups
- An inability to eat, think, sleep, care for one's self while technical problem remains
- Requires staring at one problem for extended period (much like Ph.D. in that regard)



# Let's Look More Closely at that Last Bit

- Innovation and design requires staring at one problem for extended period
- Contrast that with academia (undergrad in particular):
  - Attention flits from topic to topic in a scheduled, often frenetic pace
  - Semester concept is both arbitrary and contrived/ artificial (innovation recognizes no schedule)



Larry Ellison



Richard Branson



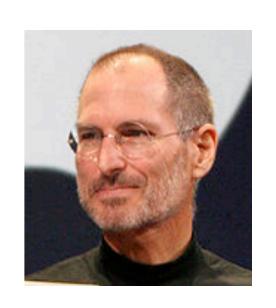
Bill Gates



Michael Dell



Stephen Spielberg



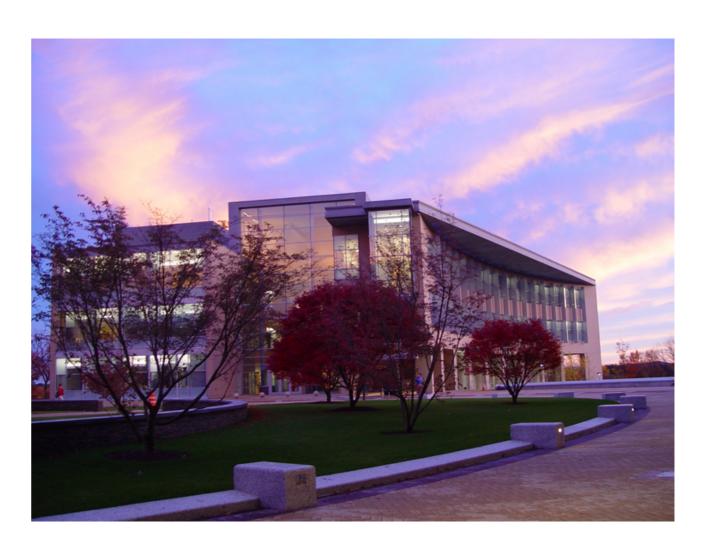
Steve Jobs

Is it any wonder that SO MANY successful entrepreneurs/innovators dropped out of school?

# Teach Innovation Despite Scheduled Frenzy?

#### **Necessary Elements:**

- Look at one problem for extended period (years?)
- Personal investment in outcome (reward, pride, etc.)
- Time commitment need not be large on per-week basis
- Need to see real examples of both success and failure
- Must be guided by innovators (not academicians, not MBAs)
- Failure is acceptable (grades)



Olin College, est. 1997

#### More on Grades

Students calculate the effort needed to get the desired (or lowest acceptable) grade. They do the minimum work required.

We (unconsciously) train them to do this.

Needless to say, this doesn't fly for design. In design, anything less than full attention = failure.

- Electric Guitar Design Class
- MIPS: sponsored R&D
- Innovative engineering designs
- Coil LLC: Commercial venture involving students

# What Are We Doing? (You know, besides PR ...)

Electric Guitar Design Class

MIPS: sponsored R&D

Innovative engineering designs

Coil LLC: Commercial venture involving students

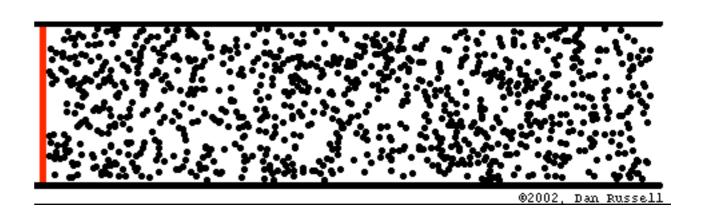


- Electric Guitar Design Class
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The Physics of Sound

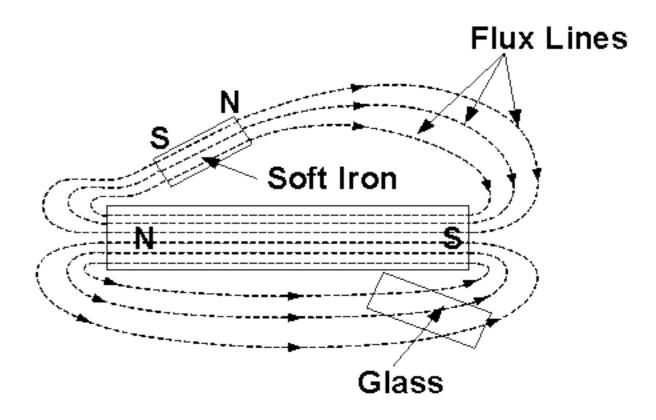
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The Physics of Sound

@2002, Dan Russell

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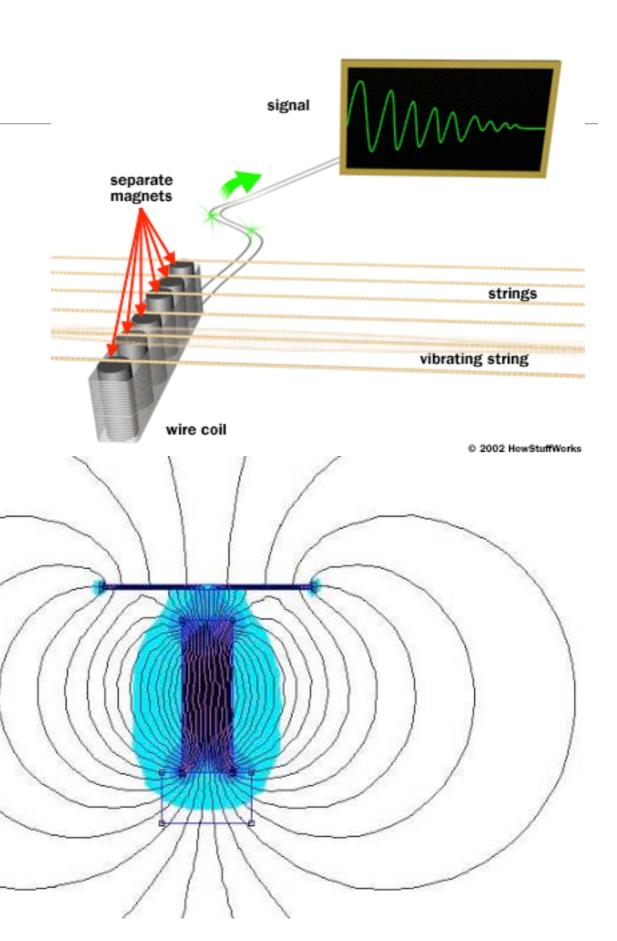
Iron in a Magnetic Field

• Electric Guitar Design Class

MIPS: sponsored R&D

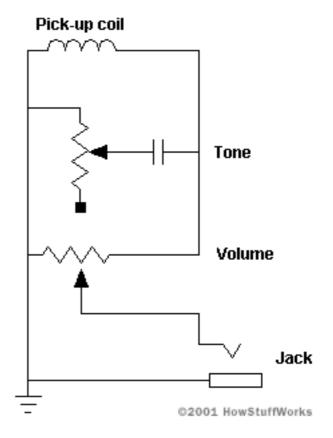
Innovative engineering designs

Coil LLC: Commercial venture involving students



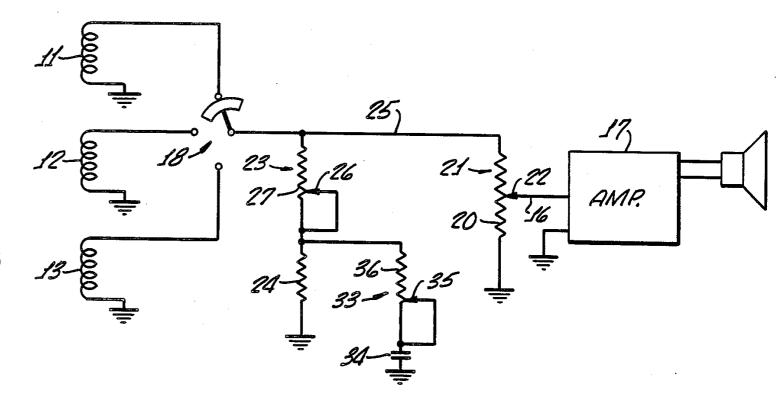
How a Pickup Works

- Electric Guitar Design Class
- MIPS: sponsored R&D
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Basic Electric Guitar Circuit

- Electric Guitar Design Class
- MIPS: sponsored R&D
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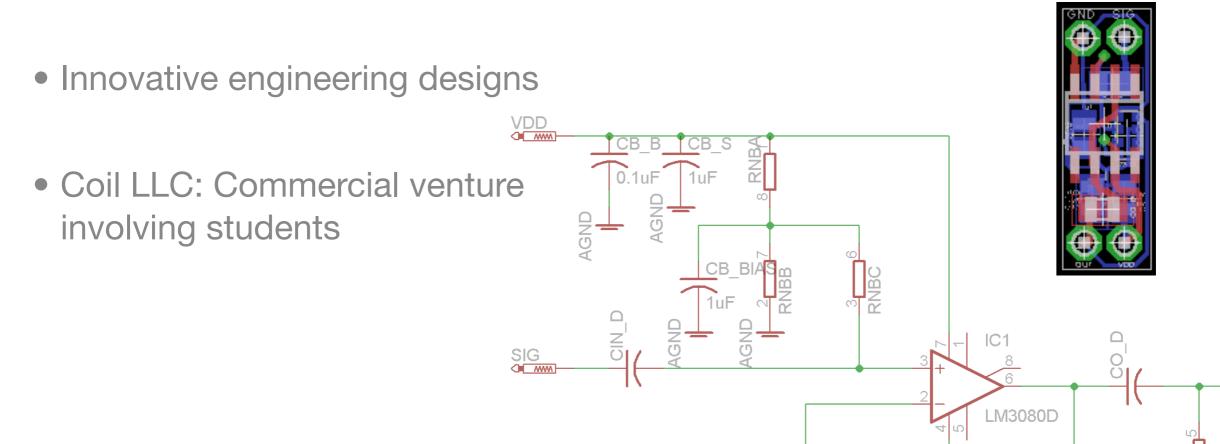


Basic Switching Circuit (Fender-Style *and* Gibson-Style)

Electric Guitar Design Class

Preamp Design for Active Cables

MIPS: sponsored R&D



GND MEMORITHMEN

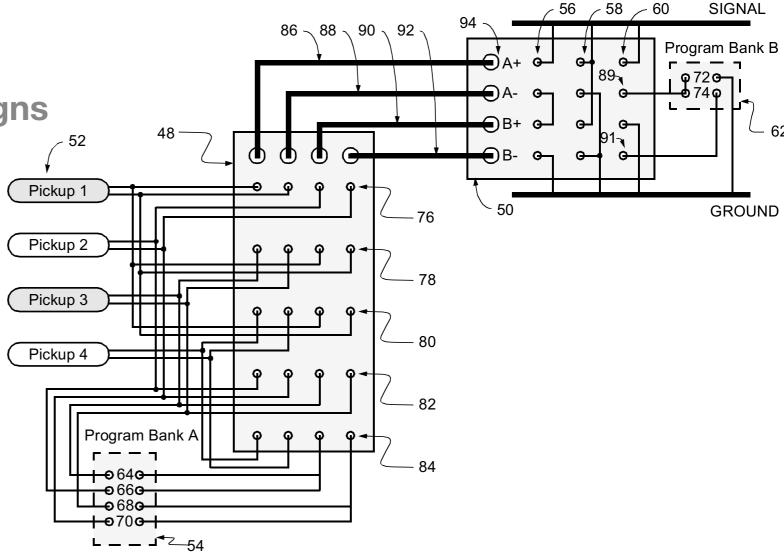
Electric Guitar Design Class

Switching Patent (one type)

MIPS: sponsored R&D

Innovative engineering designs

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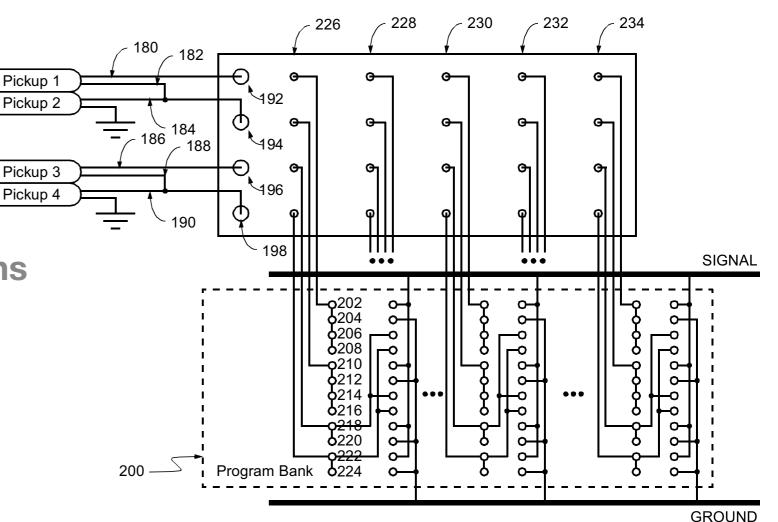


Electric Guitar Design Class

MIPS: sponsored R&D

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Switching Patent (another type)

Electric Guitar Design Class

Volume Patent

150

172

188

158

168<sub>-</sub> 170

Pickup 2

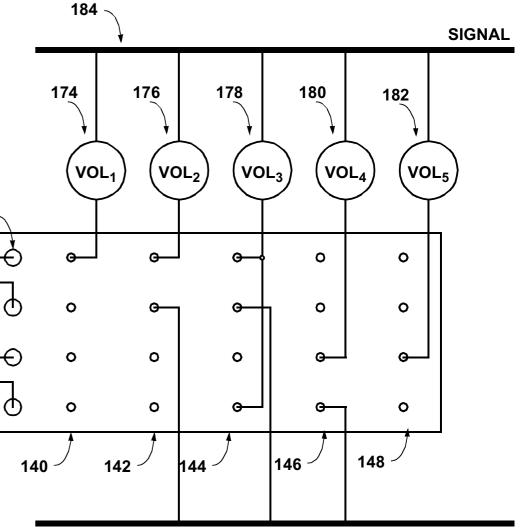
Pickup 3 Pickup 4

MIPS: sponsored R&D

Innovative engineering designs

Coil LLC: Commercial venture

involving students Pickup 1



**GROUND** 

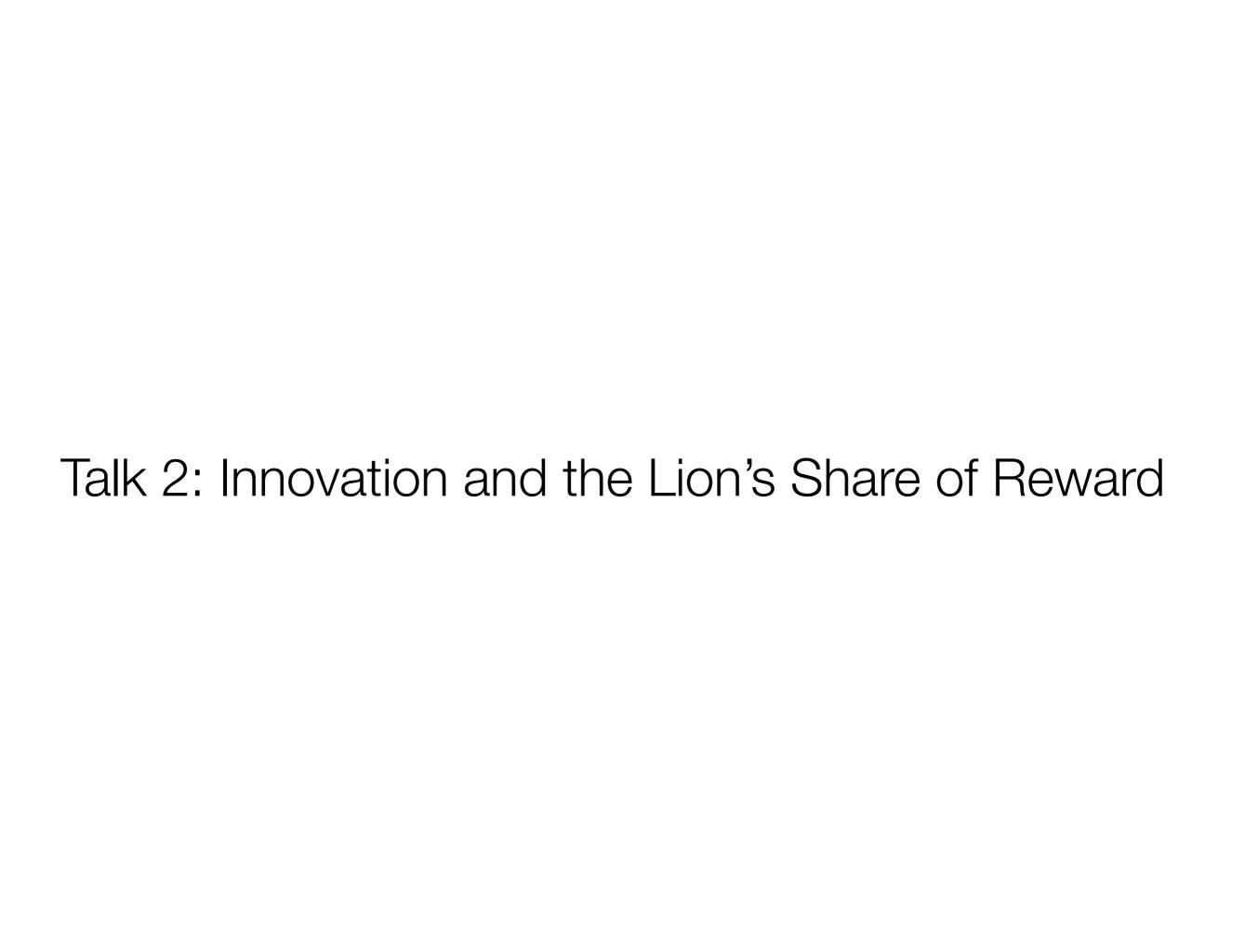
- Electric Guitar Design Class
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- Electric Guitar Design Class
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How do you make them care enough to do it right?



#### The Problem

#### Innovation.

Specifically, How to Do It in a Business Setting

... and, you know, like, regularly ...

# Some Perspective

Big companies cannot innovate, whereas startups **must.** 

Startups are engineer-dominated; **founders** (engineers) are rewarded for company's success.

Upon maturity, startups become management-dominated; executives (non-engineers) are rewarded for company's success.

(thus #1, above)

Goal: break this cycle

"Paul Graham's prose is brimming with contrarian insight and practical wisdom."

-Andy Hertzfeld, co-creator of the Macintosh computer

#### **PAUL GRAHAM**

# HACKERS & PAINTERS

**BIG IDEAS FROM THE COMPUTER AGE** 



# Some More Perspective

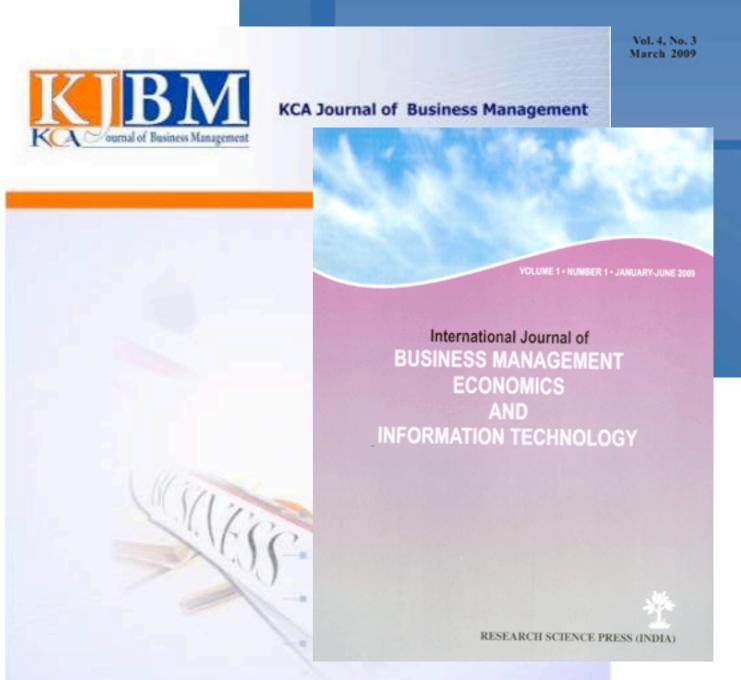
Middle managers believe themselves innovators.

"Intrapreneurship" (also termed "corporate entrepreneurship" or "corporate venturing") tries to foster creativity within corporate environment.

Most studies empower middle management. None investigate rewarding engineers. WTF?

The term *managerial creativity*, a common term in the research literature, probably says it all.

# International Journal of Business and Management



#### The Problem, Again ... and a Solution of Sorts

Either you do everything yourself, or you have partners/employees.

Assuming the latter, how do you instill in others the desire to do good design?
How do you ensure that your company innovates?
How to get partners/employees to go above & beyond on a regular basis?
How do you convince the exceptionally talented that it is worth their while to work for you instead of for themselves?



Arrange it so that they **are** working for themselves.

Reward: Become a De Facto Startup

#### **Novel concept:**

Pay your engineers as if they are in a startup

Good managers, scarce though they may be, are no scarcer than good designers. Great designers and great managers are both very rare. Most organizations spend considerable effort in finding and cultivating the management prospects; I know of none that spends equal effort in finding and developing the great designers upon whom the technical excellence of the products will ultimately depend.

Fred Brooks (The Mythical Man-Month)

# If You **Are** a Startup

# Not-so-novel concept:

Have every partner buy in



#### **Bottom Line**

- Existing trend is to study innovative exceptions (Apple, Google, Fiat, etc.) and try to emulate them.
- Why not emulate an entire industry instead? In particular, the one industry known for innovating regularly.
- What do startups do? They recognize that engineers are their primary innovators, and they PAY them.



Innovation = Wealth

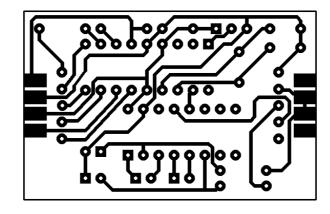
Talk 3: Design and Modern Entrepreneurship

Important development in last decade:

# Manufacturing as a Service

#### The Basic Idea





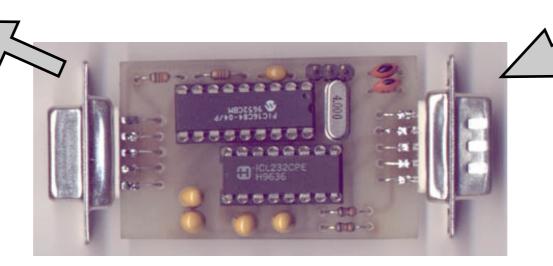




**Design Blueprint** 



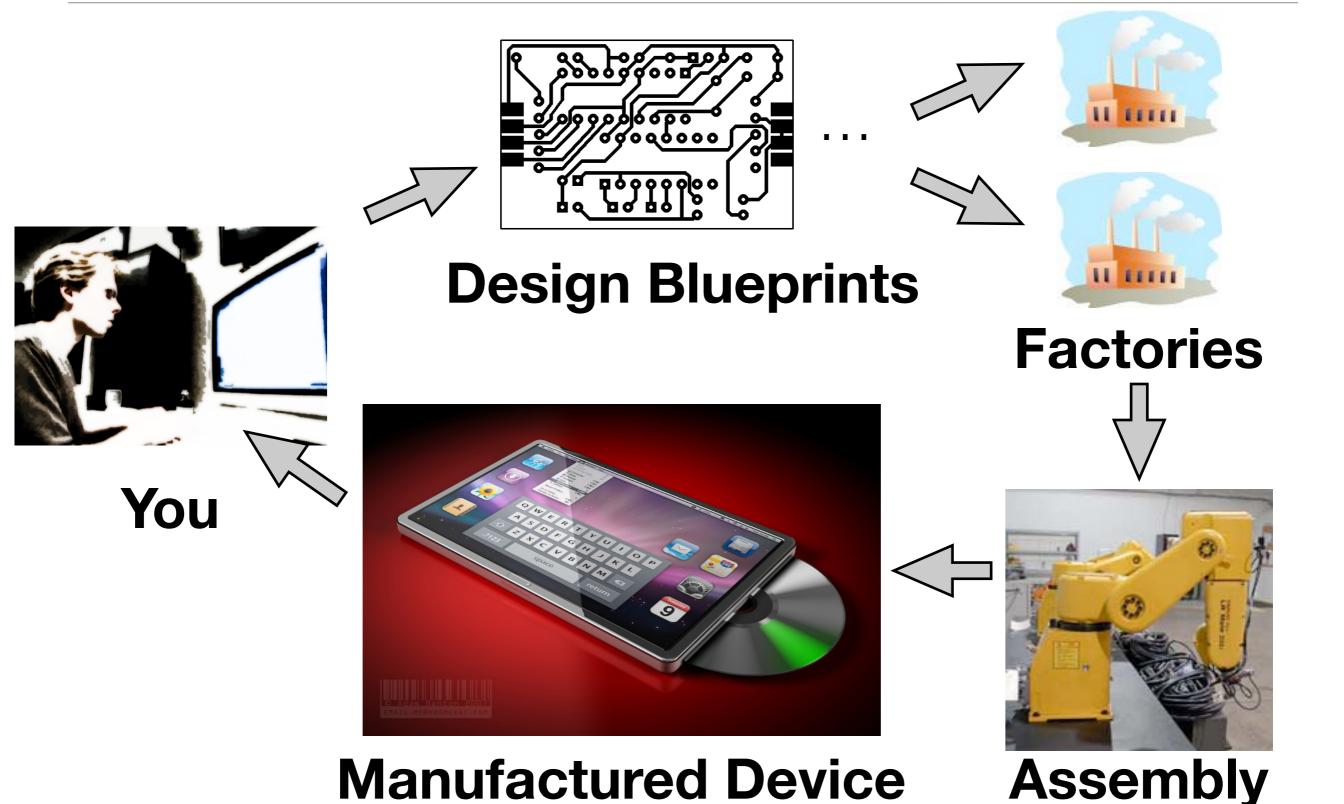
You



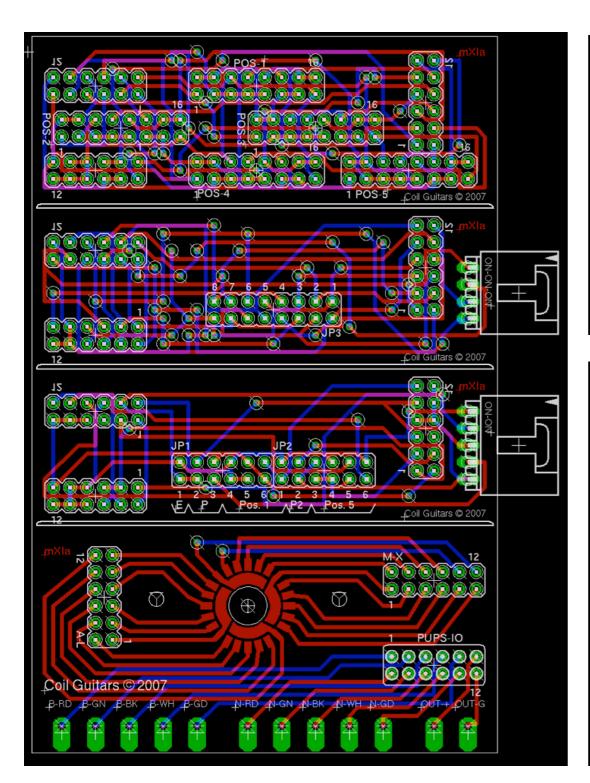
**Factory** 

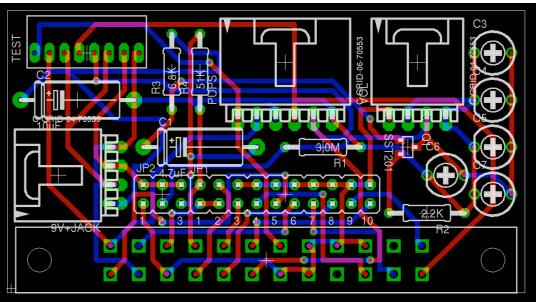
**Manufactured Device** 

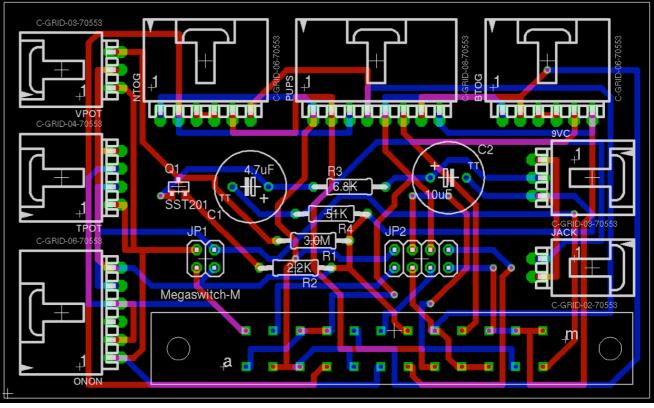
#### The Basic Idea

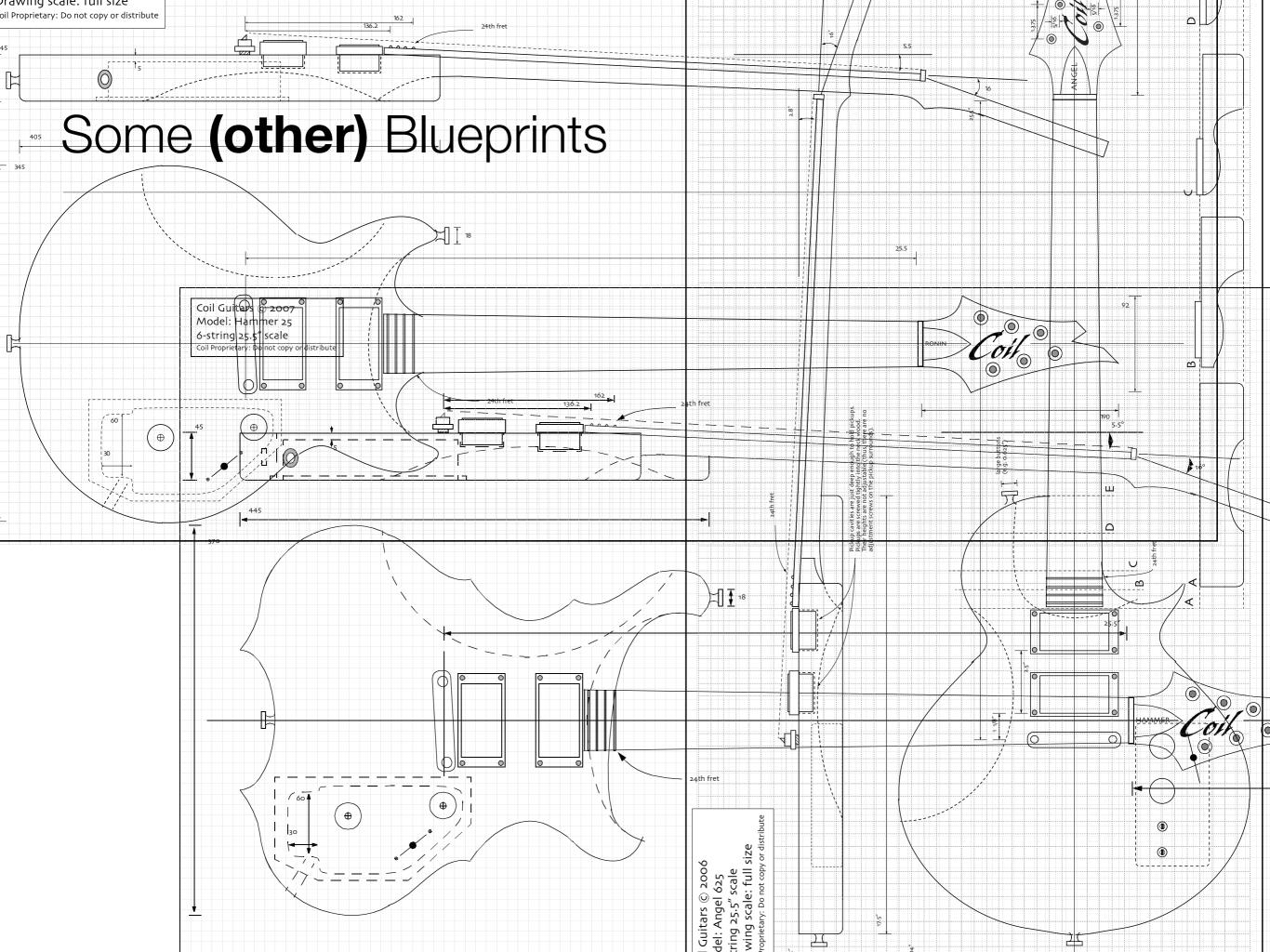


# Some Blueprints









#### Pros & Cons

 Can't Possibly compete with big companies  Idea already proven in marketplace (shareware, boutique electronics)

Might fail

Win/win situation
 (even company failure
 is good résumé material)

• Can't afford it

Low risk/reward ratio

Window of opportunity?

Start soon

Bottom line: a path well worth exploring

#### **Questions?**

(thank you for your attention)

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... or just Google "bruce jacob"