A Tale of Three Worlds

Government, Industry and Academia

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Story

• I like Yo-Yo’s
• When I was in Middle School...
• My thread became the defacto standard
Is standardization boring?
The hidden standards curriculum: ISO/TC 181 - Safety of toys

Each year more than 118,000 children ages 14 and under are treated in emergency rooms for toy-related injuries. Source: http://www.kids-safety-klub.com/toy-safety-protecting-children.html
Standards handle the issues of the day
- Corporate social responsibility
- Innovation platforms
- Market regulation

In the hottest domains—fueled by need for big data
- IT
- Biotech
- Cleantech
Vint Cerf ("Father of the Internet")

- "The Internet is fundamentally based on the existence of open, non-proprietary standards."

- **Sounds important?**
  - Yes, but only openness activists and process specialists (like yourselves) really care.
Impact statistics and facts

❖ Government
  ▪ Standards directly affect at least 80 percent of world trade

❖ Industry
  ▪ The IT sector alone has 500+ consortia (W3C, Oasis, etc.)

❖ Academia
  ▪ Platform leadership is based on de facto standards
    ✓ Staying Power (2010), Prof. Michael Cusumano, MIT Sloan
How do experts see standards?

**Government: issues: openness BUT regulation**
- Specialized policy domain—occasionally a strategic priority
- If you care, you care too much. May become a hamstring on business.

**Industry: overarching issue: licensing of IPR**
- Multinationals: compete, fully aware of standards, do not share.
- SMEs/startups: depends, but if IP savvy, they know but don’t tell.

**Academia: issue: organizational network case study**
- Faculty: unresolved research and education challenges. A few exceptions.
- MBA students: exposed to standards as regulatory constraint or standards war between two companies’ formats and products.
Dilbert on standards meetings

How did the industry standards meeting go?

DID YOU CONVince 83 COMPANIES TO ADOPT STANDARDS THAT BENEFIT ONLY US WHILE DOOMING THE ENTIRE INDUSTRY IN THE LONG RUN?

OR ARE YOU A COMPLETE FAILURE?

CAN I HEAR THOSE CHOICES AGAIN?
Revised problem statement

- Standards easily become a specialist’s concern, removed from their broad stroke effects
- Standards are silent—how can we make them speak?
Discussion topics

- How to *elegantly* share experiences of success and failure?

- How to *eloquently* communicate the impact of standards to the public?

- Ways to *engagingly* educate new generations of knowledge workers?
Do we need a new crew?
Some opportunities

- PR
- Incentives
- Trendy applications: *Big data analytics*
- Institutional change
Attractive MBA messages

- In many areas, standards drive business demand
- Standards participation
  - Lowers R&D cost (in firm) and transaction cost (in market)
  - Helps create strategic alliances
  - Increases buying power (opens up market)
  - Leads to [temporary] competitive advantage
    - Source: DIN study on Economic Impact of Standardization (1997).
- Standards awareness
  - Avoids surprises
  - Is intellectually stimulating
Example: MIT Sloan MBA Action Labs

- Student teams work on real life challenges in host organizations/companies.
  - Helped Chinese lactation consultant explore International Board Certified Lactation Consultant® (IBCLC®) through ILCA which is accredited by National Commission for Certifying Agencies (NCCA).

- Fascinating to see the students embrace standards and certification as a path towards efficient entrepreneurship in emerging markets.
Messages

❖ Interoperability, openness, intellectual property rights, safety…and…innovation platforms
  ▪ All of these issues are complex…and therefore fascinating

❖ But for a generation that craves speed, simplicity and excitement
  ▪ Standardization may change to accommodate a new generation? But what would that mean for the process?
  ▪ I have told a tale of three sometimes adverse worlds (government, academia, business) which, independently and together, must also collide with new generational demands?
Speed, Simplicity and Excitement in the 1990s