



RAYTHEON'S NEW PRODUCT CENTER

Year: 1969-1989

Presenter: Rakhi & Iceish

The paper aims to examine the creation and operation of entrepreneurial ventures within established companies and provide insights on how to successfully manage these units.





Experiment - "Your choice, Your way"



<https://www.youtube.com/watch?v=1y3h0B2b-HA>

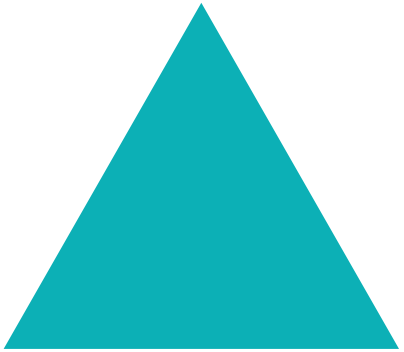
<https://www.youtube.com/watch?v=5hPtU8Jbpg0>

Experiment Result







Key Findings:

- a. Large companies can foster innovation by creating a separate unit for developing new products, which they call an "engine of progress." These units should have a clear mission, autonomy, resources, and leadership and must work closely with the rest of the company. The authors use the case study of Raytheon's New Product Center to highlight these points.
 - b. The NPC at Raytheon was successful in promoting entrepreneurship and innovation within the company and overcame challenges such as resistance from other parts of the company and the need for effective communication and coordination.
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The core ideas of the paper:

- a. Internal Entrepreneurial Units**
 - b. Clear Mission and Autonomy**
 - c. Sufficient Resources**
 - d. Effective Leadership.**
 - e. Close Collaboration with the Rest of the Company**
 - f. Internal vs External Focus**
 - g. Importance of Experimentation**
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KEY MESSAGE:

1. Autonomy: The creation of an autonomous business unit, such as the New Product Center (NPC) at Raytheon, is essential for fostering entrepreneurship and innovation within an established company.
 2. Strong Leadership: Strong and effective leadership is necessary for the success of an entrepreneurial corporation. The NPC at Raytheon was successful due to the leadership of its director.
 3. Supportive Culture: A supportive culture that encourages risk-taking and innovation is crucial for the success of an entrepreneurial corporation.
 4. Effective Systems: Effective systems, such as those that promote communication and coordination, are necessary for overcoming the challenges that arise when establishing an entrepreneurial corporation within an established company.
 5. Clear Goals: Establishing clear goals for the entrepreneurial corporation is important for ensuring that it is aligned with the larger company's strategy and objectives
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Thank You