

# 1.4 Innovation Diagnostic Tools

## New Product Development Assessment Checklist

For each of the 14 statements in the Assessment Checklist, rate and describe the new product and your organization by checking the appropriate indicators and completing the descriptive space.

| STATEMENT   | INDICATOR                                       |   |
|---|---|---|
| <p>1. The Management Team has experience in bringing new products to market</p> <p>Describe Management Team experience in bringing new products to market:</p>  | <input type="checkbox"/> Experienced            | <input type="checkbox"/> Not experienced                  |
| <p>2. The Development Team has technical, marketing, and finance expertise</p> <p>Describe the technical, management, and financial expertise of the Development Team:</p>  | <input type="checkbox"/> Experience in all      | <input type="checkbox"/> Limited experience               |
| <p>3. The Company can develop this new product without damaging its current business due to diversion of resources and loss of management focus</p> <p>State how the Company can develop this new product without draining excessive resources from its current business:</p> | <input type="checkbox"/> A low risk             | <input type="checkbox"/> A high risk                      |
| <p>4. The Company or the entrepreneur has the Financial Resources to fund the project</p> <p>Indicate the amount and location of Financial Resources available for the project:</p>   | <input type="checkbox"/> Funds available        | <input type="checkbox"/> Funding sources to be determined |
| <p>5. The new product will provide Payback to the customer within...</p> <p>Briefly explain how the new product will help the buyer either save, or make money:</p>   | <input type="checkbox"/> A reasonable timeframe | <input type="checkbox"/> Hard to measure                  |

| STATEMENT   | INDICATOR   |   |
|---|---|---|
| <p><b>6.</b> The Target Market is attractive (e.g. rapid growth, large size, minimal competition)</p> <p>Describe the Target Market and state why it is attractive:</p>   | <input type="checkbox"/> Extremely attractive   | <input type="checkbox"/> Somewhat attractive  |
| <p><b>7.</b> Market Research will be conducted with:</p> <p>Describe how Market Research will be undertaken:</p>  | <input type="checkbox"/> Direct customer involvement at different stages of development             | <input type="checkbox"/> Developer's own knowledge of the industry                                      |
| <p><b>8.</b> The new product concept is Innovative compared to competitive products</p> <p>Explain how your product idea is unique versus others in the market:</p>   | <input type="checkbox"/> New to market with no competition  | <input type="checkbox"/> Other "me too" products in the market  |
| <p><b>9.</b> The Risks involved in commercializing the new product have been assessed (e.g. market, technical, regulatory, product liability, intellectual property)</p> <p>State the top 2 Risks associated with the project and how they will be mitigated:</p> | <input type="checkbox"/> Low risk   | <input type="checkbox"/> High risk  |
| <p><b>10.</b> Distribution Channels for the product are...</p> <p>Explain how the product will be sold:</p>   | <input type="checkbox"/> Already in place   | <input type="checkbox"/> Need development   |
| <p><b>11.</b> The project's Capital Requirements such that</p> <p>Briefly outline the project costs:</p>  | <input type="checkbox"/> The company could survive project failure or significant completion delays | <input type="checkbox"/> The company could not survive project failure or significant completion delays |

| STATEMENT | INDICATOR |
|-----------|-----------|
|-----------|-----------|

12. Developer has current Networks in relevant business sectors

Well established

New to the industry

Highlight any key contacts that developer has in relevant business sectors:

13. The project will return a Positive Cash Flow to investors within...

A reasonable timeframe

Hard to measure

How will you demonstrate to investors that your project is a good investment with a positive return?

14. The Market is currently...

Undersupplied to growing

Mature

If the Market for your product is undersupplied or growing, what market research do you have to substantiate this?