

USEFUL INFORMATION EXCHANGE IN NEW PRODUCT DEVELOPMENT: DIFFERENCES IN DEFINITION

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ABSTRACT

In spite of the improvements made in information sharing between functional areas, organizations continue to experience difficulties linked to less-than-effective information sharing. The importance of more than simply sharing information is demonstrated in a study by Hise, et al. (1990). These researchers found instances where increased communication between functional areas was dysfunctional. The desired outcome is not to simply increase the sharing of information, but rather to increase the usefulness of information shared. According to Schrage (1990), information sharing between people with diverse, specialized backgrounds result in innovative solutions and innovative products. Schrage envisions information sharing as a much richer process than communication or teamwork. Information sharing results in the creation of value that maximizes the creative inputs of each member of the group involved. As stated by Schrage (31):

...Most groups recognize (the obstacles of complexity) and struggle to do whatever they can to communicate better. Caught up in the communication paradigm, they believe that more communication can compensate for their differences, so they call in human-relations trainers and go on Outward Bound-style camping trips to build better interpersonal bonds. What's necessary isn't more communication but rather a different quality of interaction.

We can learn more about information sharing by examining the perceived usefulness of the information shared between the functional areas involved in new product development. Identifying what specifically results in information being perceived as useful between Marketing, Manufacturing and R&D during new product development will enable organizations to better manage innovation and new product development. Usefulness is in the eyes of the beholder, and may be defined differently by different functional areas.

This exploratory study examines the perceived usefulness of information shared between Marketing, Manufacturing and R&D during new product development. The perceived usefulness is examined for specific characteristics of the information itself and for characteristics of the relationship between the functional areas sharing the information. Using a series of Likert-type response questions in a mailed survey, managers were asked to indicate their agreement with statements about the twelve information factors and the perceived usefulness of information shared between functional areas. Managers were asked to indicate this for information shared between Marketing, Manufacturing and R&D during new product development. Each manager was asked to indicate his/her responses about information received from both of the other two functional areas. (Thus, R&D was asked to evaluate the information received from Marketing and Manufacturing.) Respondents were asked to confine their responses to the information shared during an individual, specific new product development project or program, but were not asked to identify the particular program or project.

REFERENCES

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