



Our R&D Outlook

Why New Questions and Experiments Need to be in Our Emergent Future

Research and Development (R&D) is a discipline and approach found in virtually all industries that seek to invest in new potential value creation for the future. The main purpose of an R&D operation is to rise above a “reactive” approach in addressing shifting societal and marketplace trends and, in doing so, guard against organizational stagnation. R&D prioritizes the need to be proactive, explore, anticipate, and learn to be better positioned for a quickly emerging future. An R&D Strategy is synonymous with what has been referred to as an Emergent Strategy, which is complemented by a Deliberate Strategy approach.

Deliberate Strategy is associated with convergent thinking—improving on the known that addresses existing needs and customers. Developing plans to execute on where we can assign concrete metrics will enable us to achieve efficiencies and leverage expertise. As a rule, the past was a good predictor of the future.

Emergent Strategy looks to discover the unknown by identifying unmet needs, aspirational users, and future projects. Fueled by testing and learning, new capabilities are developed that generate new value propositions. This is inherently a creative endeavor.

When emergent strategies are successful, they eventually shift to become the new deliberate strategies. In order for organizations to perform at a sustained high level, ideally, they strike the right balance between an R&D and deliberate strategy.

The production and evolution of products, services, and experiences have emerged out of R&D strategies found in all industries: communications, the military, self-driving cars, cloud computing, pharmaceuticals, commerce, the transportation industry, media, food and beverage, education, government, etc....the list is wide and vast.

Organizations and companies want to lead, not just keep up. To lead, they must be continually emerging—learning, exploring, and planning for tomorrow. Incremental growth will be quickly outpaced by our rapidly changing society and marketplace. High performing leaders and organizations have prioritized setting up internal R&D systems and infrastructures to ensure they are best prepared to succeed in the near and distant future.

This critical need is reflected in the staggering global investment in R&D. For-profit organizations invest \$2.3 trillion every year in R&D, a number that eclipses the entirety of the annual philanthropic foundation sector giving each year by a measure of 70x.

As a community, we have benefitted, and continue to benefit, from our share of pivotal innovations and essential programs and initiatives. However, we haven't made a significant dedicated effort to create systemic approaches for developing a sustained, ongoing open-sourced R&D operation to benefit the Jewish community.

In contrast, it is difficult to find a mature, high performing national company that does not have some form of a dedicated R&D division. Some of the more well-known R&D operations are Google X, the Gates Foundation, and, most famously, the collective of pirates with Steve Jobs at Apple. Bell Labs (now Nokia Bell Labs) was a pioneering effort for invention in our country and continues to be the gold standard for developing a process to explore, experiment, and develop solutions to improve lives.

The Jim Joseph Foundation, with its aspiration to enhance connection, meaning, and purpose for all Jews, their families, and their friends, sees investment in the practice and discipline of R&D as instrumental to creating an inspired Jewish future. Along with many colleagues in the professional Jewish space, we feel a responsibility to make sure we are contributing to our communal long-term health to not only survive, but to thrive.

The Foundation sees its opportunities for growth and transformation like any other venture in any other industry. Being on the forefront of adapting, learning, and ideating will best position us all for the future. It is commonplace for the most cutting-edge organizations and companies to invest 10%-20% of revenue towards R&D efforts to achieve a mindset and practice of ongoing invention. The Foundation shares this commitment and aspirational outlook on the unique role philanthropic foundations can contribute toward experimentation and exploration.

We are excited for our R&D efforts to directly contribute to developing new ideas, partnering with a growing range of talent to broaden our options for future exploratory investments and engagements. We hope and anticipate we will not be alone in this pursuit.