

# How to Assess Your Company's R&D Readiness – and What to Do With the Result

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The previous two pieces established a pattern: [companies with comparable R&D investment get very different commercial outcomes](#), and [the difference usually comes down to organisational readiness rather than technical capability](#). We introduced the Research Readiness Level – RRL – as the framework that makes that readiness measurable.

This piece looks at what an RRL assessment actually involves, what the output tells you, and what decisions it supports.

## What the assessment measures

The RRL works across two dimensions simultaneously.

The first is R&D capability – the evidential core. This looks at whether activities genuinely qualify as R&D: whether there's technological novelty, whether uncertainty is being systematically investigated, whether the right people are doing the work, and whether the financial and technical records hold up. These are the things an auditor or grant body will test. Many companies assume they pass this dimension – some do, some don't, and the gaps are rarely where they expected.

The second dimension is the R&D environment – the organisational conditions that determine what the capability actually produces. This covers leadership engagement with the R&D agenda, the culture around risk and systematic investigation, how R&D is connected to funding and commercial strategy, and how developed knowledge is protected and built upon.

The assessment produces a position across both dimensions – not as a pass/fail, but as a clear picture of where the organisation currently sits and where the specific constraints are.

## What the output looks like

The RRL produces three levels of output, each serving a different audience and decision.

At the executive level, it gives a headline positioning – a clear statement of where the organisation sits relative to its potential. This is what Mark, the founder or CEO, needs: not a detailed technical report, but a grounded view of whether the company is getting what it should from its R&D investment and what's holding it back.

At the management level, it breaks down performance across the assessment's modules – making it immediately visible which areas are strong and which are creating drag. This is where David, the R&D manager or CTO, finds the operational clarity he's been missing: a structured picture of the coordination, evidence, and process gaps that he's been managing around rather than through.

At the project level, it identifies specific sub-dimension weaknesses – the granular issues that explain why certain projects stall, why certain claims get reduced at audit, or why certain funding applications don't land as strongly as

they should.

## What decisions it supports

The value of the RRL isn't in the assessment itself — it's in what it enables.

**R&D investment decisions.** When leadership knows where readiness is strong and where it's weak, R&D investment becomes targeted rather than broad. Instead of adding headcount or budget across the board, the company addresses the specific constraints that are limiting the return on what it already has.

**Funding strategy.** A clear RRL position makes funding applications stronger. Grant bodies and tax credit auditors are assessing the same things the RRL measures — whether the R&D is systematic, well-evidenced, and genuinely novel. Companies that have done the RRL assessment are better positioned to evidence their work because the assessment process itself builds the structure that funding bodies want to see.

**Commercial positioning.** For Mark, this is often the most immediately valuable output. The RRL provides a structured basis for talking about innovation capability with customers, partners, and investors — moving from anecdotal claims about how innovative the company is to a evidenced position that can be demonstrated and defended.

**Due diligence and M&A.** As companies attract investment or prepare for acquisition, R&D capability is increasingly scrutinised. An RRL assessment provides the structured view of R&D readiness that technical due diligence processes look for — and that many companies currently can't produce on demand.

## How ReaDI-Watch embeds this continuously

A one-off RRL assessment is useful. A continuous one is transformative.

The limitation of any point-in-time assessment is that R&D readiness changes — as projects progress, as teams evolve, as the organisation's funding and commercial context shifts. A snapshot taken once a year, or once before a funding round, gives you a position but not a trajectory.

ReaDI-Watch embeds the RRL framework into the platform so that readiness is tracked continuously rather than measured retrospectively. As R&D activity is captured in real time — updates, evidence, project progress, team involvement — the platform builds the picture that the RRL assessment requires. The result is that when a claim is due, or an audit arrives, or a grant report is needed, the evidence is already there. The assessment doesn't require a special exercise; it reflects what the company has been doing all along.

For companies that are serious about R&D as a driver of competitive advantage, this is the difference between managing R&D as an activity and managing it as a capability.

## What this means in practice

The RRL assessment is the starting point — a structured way to see where you actually stand, rather than where you assume you stand. For most companies that go through it, the output confirms some things they already knew and surfaces others they didn't. The combination gives leadership a basis for making better decisions about R&D that they haven't had before.

If you'd like to understand where your company sits — and what a clearer picture of your R&D readiness would

mean for your funding, positioning, and commercial outcomes – the right next step is a conversation with our team.

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