

Consolidate to Lead: Care for People, Innovate and Reform

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In a few years, INESC TEC grew from roughly 600 to more than 1,000 people. This leap brought visibility but also exposed weaknesses, namely overworked staff due to the difficulties in attracting and retaining talent. In my opinion, the question is no longer whether to grow or stabilise – it is **how to consolidate so we can lead and be excellent**.

Past experience at INESC TEC and international precedents show that consolidation is a natural response to expansion. In April 2024, the executive board of the Fraunhofer-Gesellschaft approved measures to partially close and integrate two research institutes to ensure the organisation’s long-term viability [1]. Similarly, in February 2021, Mizuho Information & Research Institute and Mizuho Research Institute in Japan merged to form Mizuho Research & Technologies, emphasising digitalisation and sustainability as the drivers of this integration [2]. These cases demonstrate that reforming governance and structures is essential to maintain competitiveness and relevance, namely in the new era that is now unfolding.

INESC TEC’s board of directors has already taken steps towards professionalizing the organization and go into the right direction. Building on that momentum, this position paper argues for a purposeful consolidation around **three priorities**:

1. **Lead in well-being and work-life balance:** New talent values purpose and quality of life. INESC TEC must lead in embedding well-being into its culture and policies, setting an example for the Portuguese and European R&D ecosystem.
2. **Make Artificial Intelligence (AI) a transformation engine:** AI should not remain confined to research; it must drive our own digital transformation. We must integrate AI into management, decision-making and research processes, positioning INESC TEC as a leader and living lab for innovation and responsible AI adoption.
3. **Reform the organization:** We need to align structures with scale, clarify roles and decision chains and strengthen support systems and services. Relations among centres, scientific domains, TEC4s, and some support services (e.g. SAL, SAAF, INESC Brussels Hub) should be better formalized rather than ad hoc.

Consolidation is not stagnation. It prepares INESC TEC for smart growth, ready to absorb funding cycles, meet sustainability goals and harness the AI revolution.

Growing without reform is risky. **Focusing on well-being, consolidating, and embracing AI are strategic.** The future of INESC TEC depends on our willingness to act now. Tomorrow it will be late.

References

- [1] Fraunhofer-Gesellschaft, “Structural adjustments within the Fraunhofer-Gesellschaft,” April 2024.
[2] Mizuho Information & Research Institute and Mizuho Research Institute, “Merger agreement to form Mizuho Research & Technologies,” February 2021.