

Insights to Get Better at Business Innovation

Every big company was a lean and mean startup at one time. Now, with periodic industry paradigm shifts, changes in society, and digital disruption - there is real need to be innovative and entrepreneurial. While virtually every organization wants to be “innovative,” the reference to “innovation” can mean different things that make it challenging to know what a person or a company needs to do to move forward, address a crisis, or is an overused buzzword that has lost its meaning. Interestingly, many people toss the word around as if they’re doing it. They point to experiments that range from departmental contests and monetary awards to innovation fairs, idea boxes and time to dream big. In conjunction with this, Executives at one company dressed up as innovation superheroes to rally Associates around innovation !

While the intentions are good, many of these initiatives are what could be called " Innovation Tourism" whereby Associates are advised to spend some time on innovation. However, with minimal guidance, lack of sustained commitment, little significance, minimal recognition / rewards (to Innovators), etc. - that is needed to bring about meaningful change - efforts to disrupt or transform organizational culture will have little or no impact. For an organization to get better at Business Innovation, there needs to be more of a focus on " the Innovator ", clear company leadership commitment to innovation, as well as broad organization support and engagement in the innovation journey. Mark Randall, Adobe’s VP of Innovation and the inventor of Kickbox, puts it this way: “Innovation is about investing in your people and arming potential innovators with the resources and tools they need to make their ideas a reality. With programs that align passion with purpose, we believe anyone can be an innovator. It creates a powerful shift in the culture.”

Essentially, more innovators — ones fully equipped with entrepreneurial skills, resources and support — leads to more innovations. Focusing on the Innovators and the Journey is a proven methodology for success (and not as intuitive as having specific results). As those with extensive experience with innovation in startups and established organizations can confirm, it's very important to encourage people who want to make a difference with the passion, energy and persistence to succeed. This is needed to demonstrate the organization values innovators and that innovation can flourish to turn disruptive concepts into new products and services - with a new business model - to increase relevance and revenue - with game-changing solutions and capabilities that disrupt markets and deliver new value to customers.



Innovators need support - from other Innovators / Change Agents

Despite numerous attempts, you can't mandate innovation from the top. Further, vision statements or cursory attention to innovation aren't enough. As well, ad hoc innovation initiatives tend to fizzle. To infuse an immediate and lasting entrepreneurial spirit throughout the organization, there is a need for people there is a need for them and the organization to move forward - incrementally, or to effect meaningful change, or pursue a disruptive innovation initiative - to change the culture and improve business outcomes - depending on the circumstances or urgency of the situation.

Innovators need an environment of support. It takes plenty of grit and groundwork to mobilize people with a shared interest in effecting change. Whether you work in Business Development, Corporate Strategy, R&D, Engineering, HR, etc. you need to find allies in the company. This can be other visionaries, change agents, or others believing disruptive change is needed - or those aware of the need for a shift in corporate direction and want to be proactive with Incremental or Sustainable Business Innovation. To fast track progress, look for those who don't fit the corporate mold, but are inspired and motivated to make things better. Collaborate with functional leads and people who later can serve as mentors or coaches. Of course, such a massive disruption requires active commitment from the C-suite, including the CEO and other Executives. Pitch them on the value of the transformation and ensure the goals align with company plans. Be prepared since innovation is not about the status quo and telling stories, but rather about asking change and effecting change.

Collective support is important to shape and champion change, enable people to think and act more like entrepreneurs in a startup, and help spark the creative curiosity and tension needed for people to grow their talents and stretch their comfort zones. In a nutshell, " Innovation is about investing in your people and arming potential innovators with the resources and tools they need to make their ideas a reality " - Mark Randall, VP of Innovation, Adobe.

Innovators can come from anywhere

While Engineering and R&D are a main source of innovation in many companies, this is changing since everyone has a vested interest and needs to contribute to improving business outcomes. Because of this, it is becoming recognized Innovators can come from anywhere in the company, with a Partner, or others in the ecosystem — across all roles, grades and geographies. Consider, discover, encourage and develop them all - young to very experienced personnel in various areas of the business or the industry. A good indicator of an innovator are those who recognize it's about having a good answer to the question - " What have you done for us lately ? ". In this context, being able to highlight how you are contributing to Innovation demonstrates you're forward thinking and want to be part of the solution to improve business outcomes - versus a non-meaningful reply which indicates you're part of the problem !

In the way of further insight, innovations very rarely trickle down from the top ranks. Innovators typically pop up like wild flowers from the grassroots. For example, the idea for those ubiquitous Post-it notes came from a pair of 3M scientists who noodled on how to use a light adhesive that Executives had disregarded on another project. Another example is while those in the Taxi industry thought they were innovating with a dispatch system in cars, on-board meters, putting a separator between the driver and a passenger, etc. - when Uber saw this they recognized the opportunity for real innovation around technology and a different business model. With this, Airbnb in accommodation, Apple in music, Amazon in retail and IT infrastructure services, Netflix in video, etc. - industries are changing and disruptive innovation by outsiders is the driver.

Innovators tap into their own passions and motivations

Ordinary people become great innovators when motivated by a great opportunity, vision, or powerful emotions. They begin their journey by tapping into their own interests and passions. Then, they leverage that inspiration to identify and align it with a problem to solve. Michael Docherty, a serial entrepreneur and author of the book [Collective Disruption](#), talks about moving from the “what” (the product) to a focus on the “why” (purpose and meaning). Being better at business innovation is about identifying and encouraging people who want to make a difference - to be part of something bigger than themselves. As a result, organizations need to focus innovation on the Innovator's purpose, mission, and values - as well realizing important business objectives.

Innovation is a team sport requiring different talents at different stages, but all working toward a shared goal. As a result, companies must create a clear process to help people discover their motivations and turn them into solutions. For example at Cisco, in a recent Innovate Everywhere Challenge that engaged nearly half of the 72,000-person workforce, Adobe Kickbox was used with industry best practices and Cisco personnel experiences. Associates downloaded step-by-step guidebooks on how to identify their motivations, ideate them, test their assumptions and co-develop them with customers. In conjunction with this innovation initiative, Maria Medrano, a senior manager with Cisco's Office of Inclusion & Collaboration, gained insights about her “inner entrepreneur” from this process. Maria was on Team LifeChanger, one of three challenge winners, which is piloting collaboration solutions that help the disabled to work remotely. She noted “The innovation experience enabled me to find and focus on an issue I cared deeply about and energized team members. I am not a techie, but now I know that I am an innovator who can transform things.”

Innovators ignite more value collaborating on cross-functional teams

Nothing profound will come from engineers working with other engineers unless they involve other functions to round out the solution. To create true breakthroughs, you need to eliminate business and technology silos and form cross-functional teams with multi-dimensional insights from marketing, sales, strategy, operations, technical services, finance, HR, management, etc. Innovation is a team sport requiring different talents at different stages, but all working toward a shared goal. Each contributes value because of different skills, perspectives and approaches.

[Jackson Bond](#), a successful serial entrepreneur who co-founded [relayr](#), says it best: “Innovation, whether corporate or not, in my experience, is all about a multi-disciplinary team of individuals — Designers, Engineers, MBAs, etc. — collaborating tightly together, pushing boundaries, moving fast, focused on a shared goal, and iterating on constant feedback loops from many, many mentors. It is the opposite of just an idea, or just an individual, building in isolation.” Others involved in innovation and the associated research overwhelmingly validate that inclusive and diverse teams create the most transformative value.

Innovators need direction, strategy and resources to guide the way

Critically important to jumpstart innovation is for company leadership to provide clear guidance on objectives, parameters, metrics, time line, etc. While many people have an idea for the next big product, service, app, etc. - only few know how to bring it to life. To fast track progress to get better at business innovation, organizations need to articulate a grand vision or purpose that every Associate can relate to - on why it's vital to become an Innovator and for the company to be more innovative, agile, flexible, responsive to Customer requests and business opportunities. An example of this is a NASA Executive visiting a facility who walked up to a janitor and asked, “What is your job?” The janitor replied, “To put a man on the moon.”

For innovation to occur –

1. Mentors need to encourage team-based approaches - where every voice counts
2. Innovators must be clear about the strategic focus, markets, technologies, services, business models, success metrics, etc.
3. While frequently overlooked, is the need to give innovators time and get out of their way, let them experiment and learn from both their successes and mistakes
4. Connecting is paramount - leverage communications and personnel experiences to facilitate people engaging and learning from each other - internally and with the outside world — since not all ideas are born within a company or of equal caliber
5. It's essential to have open collaboration platforms to enable people share ideas, interact, encourage transparency, remove politics, equalize the playing field, provide innovation / innovator rewards, etc.

Mentors and coaches are more important than managers

Meaningful innovation tends to be more successful with mentors and coaches — not traditional managers. Mentors and coaches, both inside and outside the company must be utilized to guide cross-functional teams. This is because studies have indicated traditional managers are often roadblocks to innovation since they slow progress by focusing on hierarchy, top-down decision making, rigid deadlines, maintaining the status quo, and short-term outcomes.

In contrast, Mentors encourage team-based approaches, exploration, challenging the status quo, etc., plus help clear political or other roadblocks. Mentors don't direct; but are more collaborative and act as an advisor on how to make the innovation initiative successful or how the team can move forward collectively - to get results, overcome technology, customer or market hurdles, etc. — and then back off as progress is being made.

Further, outside Mentors also bring fresh and realistic perspectives. Bond, who has been both a mentor and received mentorship, credits his current company's success to outside advisors. "Whether in a startup or large company, you will need outside innovation advisors to create a strong, dynamic and supportive environment where innovation can thrive through anxiety, uncertainty, chaos or change."

Empower people to experiment, take risks and fail

To create a game-changing company, product, or service - innovators must feel empowered to brainstorm, experiment and make decisions — without judgement. Executives need to cede control and level the playing field so teams value everyone's idea. To thrive, team members must hold each other accountable while driving to their goal. Netflix and TED are two companies that exemplify the democratization of decisions. While anathema to corporate thinking, failure is an option - since failure frequently leads to success, and should be celebrated. Further, failing fast can eliminate wasteful time on projects, improve efficiency and pinpoint new options for success.

As Docherty puts it, "The key (for innovation) is to not try to get it completely right the first time, but to try things quickly and adjust as we go. That also means we need to manage expectations along the way." For example, it took Thomas Edison more than 10,000 tries to perfect the light bulb, after which he famously stated, "I have not failed. I have found **9,999** ways that do not work."

Summary

Gartner [predicts](#) that while 75 % of businesses are preparing to become digital companies, only 30 % of these efforts will be successful. The John M. Olin School of Business at Washington University also [predicts](#) that in 10 years more than 40 % of Fortune 500 companies will no longer exist. Based on these odds, this should be a huge incentive to get better at Business Innovation - and avoid being a casualty of change and evolution.

In conjunction with this, key conclusions from the recent 2016 GE Global Innovation Barometer conference were -

- A. Creativity and problem-solving are the top two skills for the workforce of the future
- B. The ROI on innovation and collaborative initiatives will continue to increase
- C. Ambitious people, new companies and emerging markets are significantly more fearless than others in embracing innovation
- D. Minds and machines will increasingly work together
- E. There is a need for greater institutional support (ie: large enterprises, governments, etc.) to break down barriers to innovation.
- F. The most innovative companies are not those who launch new products and services – but those who create new markets that did not previously exist.
- G. Being disruptive is becoming the gold standard for Business Innovation and embracing a start-up ethos' is becoming the new norm.
- H. With the digital-industrial revolution well underway, it's critical to be a learning organization and be better at Business Innovation.

To paraphrase former Intel CEO Andy Grove: “Only the innovative will survive.” Companies must fully commit to disruptive change, ignite innovation across the enterprise and nourish a startup culture where associates can become entrepreneurs and the organization becomes more entrepreneurial - to better position people and the organization to realize their potential - on a sustainable basis. And it all starts by focusing on the innovator and encouraging innovation.

Dec 12, 2016 CAIL from Innovation industry commentary