

## **Innovate to Thrive**

### ***The Innovation Checklist***

The playing field has changed, and competitors around the world are nipping at your heels. And, as I've said, too many organizations figure the way to fight back is to cut prices, by cutting costs. Addition by subtraction – and one of the items to go is Innovation. ***Innovation is the key to your company's survival.*** It is an ***imperative*** and it must be an integral part of your organization. Innovation -- it must be encoded in your corporate DNA.

Innovate or die.

**This article takes the need of Innovation under the loop and shares some of the tips of the imperatives, must have's if you will, to create and sustain "NEW" in business or organizations. The material is based on 25 years of hands on experience in the innovation space and Chapter 8 of the recently published book "[Robert's Rules of Innovation](#)" by Wiley.**

If you've read this far, you understand that sustainable Innovation represents your organization's salvation, not an easily-found line item to be excised from the budget. In this final chapter, we'll briefly go through each of Robert's Rules of Innovation again, this time, with an eye towards hard-core, practical tips and reminders designed to help you get on the road to sustainable Innovation.

Then, we'll have Advice from the Pros -- a roundtable discussion featuring input from some of my associates, who offer commentary and advice for those ready to seriously dig into sustainable Innovation. (See "[Look Inside](#)" Page 168 Advice)

And, lastly, some parting reminders before you head off to success through sustainable Innovation.

## **Pre-Flight Preparation**

An executive knows whether the organization's sustainable Innovation effort is coming up short. You know you're in trouble if you're up in the middle of the night thinking about these strategy-related issues:

- —I'm not sure what products to focus on...
- —What's our overarching vision regarding Innovation?
- —Our strategic plan is not □strategic' – it's a static financial picture of our current situation
  - —Strategy implementation is unclear, right down to specific roles and functions...

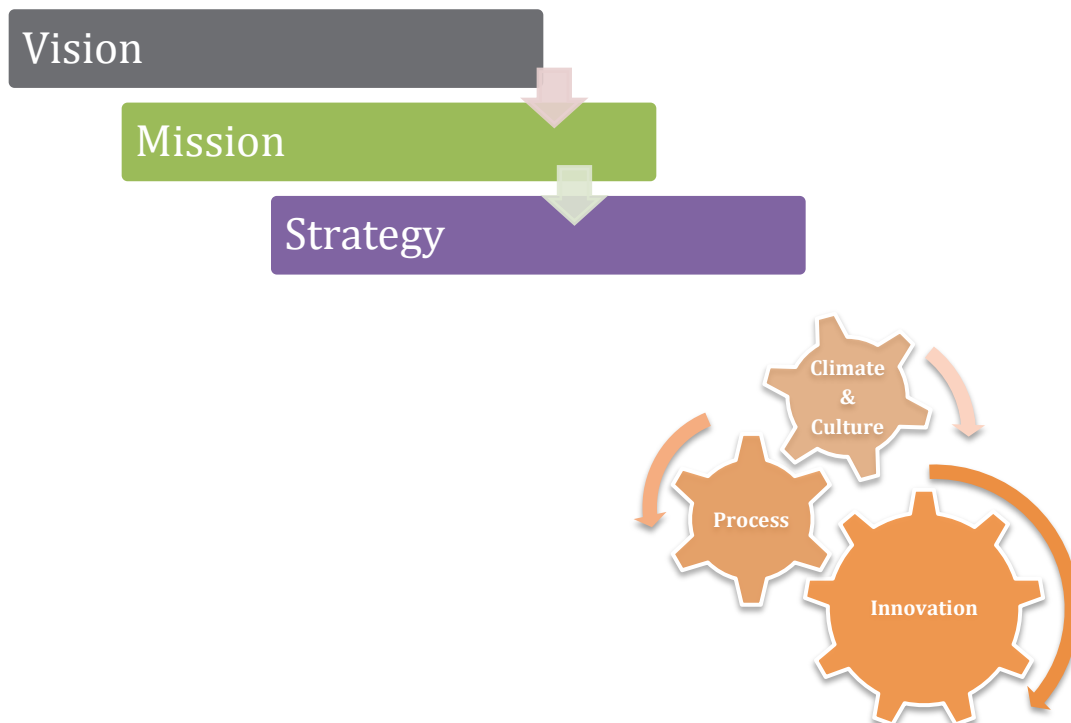
Or, if you are concerned about leadership issues, such as:

- —What is our culture of Innovation, our vision?

- —We're paying lip service to Innovation...it's just words, not actionable...
  - —Decision making processes are positively glacial...we can't deliver quickly...
  - —There's no cross-communication regarding Innovation; we're in silos
- Or, in terms of Innovation team structure, competencies and skills:
- —Risky ideas are avoided....
  - —There is way too much internal competition...the prevailing attitude:
    - it's not my job.'
  - —Success isn't rewarded or internally communicated – or celebrated; we perform when we're forced to, because of specific marketplace situations
  - —Come to think of it, failure isn't communicated either...
  - —IP is not valued properly; a customer patented our idea
  - —There's a disconnect between both Marketing and Innovation and Marketing and our Customers
  - —We're great at manufacturing – but as inventors....?||

If these are some of the things that prove worrisome to you, regarding your organization's Innovation programming, you can be assured of one thing. You're not alone.

Here's how I see the plan for sustainable Innovation. The Vision leads to the Mission, from which is developed the Strategy. Inject vibrant Ideas into the mix, and stir, with Climate & Culture, Process, Technology and more, and voila -- Sustainable Innovation



The following are 3 of five or more tips from the book on each Imperative on how to Create Sustainable Innovation:

## #1: Inspire

There are three of five key steps to achieve the type of Innovation culture that inspires and creates intra-organization cohesion:

1. **Lead by Example:** It all starts at the top. Management buy-in and support of innovation and ideation is critical. And by support, I mean both material and emotional. It needs to not only endorse, but proactively push for Innovation. It's the only way for your team to get the motivation to take time from their —day jobs|| to make Innovation happen;
2. **Over-Communicate, Under-Promise:** Talk up overarching Innovation visions, successes (and failures), without hyperbole or pie-in-the-sky verbiage. Keep it simple. Keep it focused. Keep it real. Internal and external communications enhances group buy-in to Innovation goals. It's important to articulate your grand vision and provide the compelling case for change.
3. **Two-Way Traffic:** Remember that communication of ideas is a two-way street. Open the door widely to encourage everyone to pipe up. All levels.

## #2: No Risk, No Innovation

To increase initiative and Innovation, you have to encourage – even embrace – failure. A culture that punishes less-than-stellar outcomes will stifle your program for sustainable Innovation.

Here are five simple steps for encouraging initiative and Innovation:

1. **Profiles in Risk:** Clearly communicate the risk profile you are asking your people to adopt and state why it is important to the organization's success.
2. **Failure Management:** Never allow an unsuccessful risk to hamper a team member's opportunities and advancement.
3. **Gold Stars:** Create and communicate the results of an award program created with a high intra-organizational profile. It should, ideally, reward risks that pay off and —gee, nice try's|| that don't.

## #3: New Product Development Process

Remember, —creative|| and —structured need not be mutually exclusive concepts.

- **Open Wide:** Keep the idea funnels wide open. As Stage-Gate's Dr. Cooper advises, find and fill the product —white spaces|| – untapped marketplace opportunities.
- **Sharpen Those Teeth:** Make sure your Go/No-Go decision checkpoints have —teeth.||
- **It's Not All About the Money:** Think more in terms of strategic criteria – versus financial – for Go/No-Go decisions.

## #4: Ownership

Everyone involved needs to feel truly part of the process and it's incumbent upon the driver to knock down —us-versus-them roadblocks in cross-divisional teams. To wit:

- **Who's Driving This Thing?:** Your program for sustainable Innovation must have a champion, a true driver of the process.
- **Where's the Passion?:** Select associates who care and are truly passionate about the product and the effort. Kick disbelievers off the bus – this is too important for naysayers to derail.
- **Follow Up, Feverishly:** Systematically and regularly follow up on action points from the previous team meeting. Review and assess status of the related deliverable.

## #5: Value Creation

In the discussion of optimizing sustainable Innovation programs, here is the key: Value Creation. The real challenge, to me, is successfully managing the process and ensuring that the positive outcome results in superior return-on- investment (ROI). Isn't ideation important? Of course. But, ultimately, the idea is to get a payback. A financial payback. Remember:

- **A Means to an End:** Think of Innovation as a process that uses intellectual capital to generate positive business results and, in the process, new findings – which spurs more Innovation, and leads to further financial returns, etc. etc.
- **The Customer is King:** The value proposition is the key to successful Innovation. Develop an Innovation with high-perceived value to your customer, and strong sales will follow.
- **IP Protection:** Part of the three-legged stool (technology – business acumen – law) I referenced earlier, IP and patent protection locks in your competitive advantage that supports the sales results and market share increases that result in overall stakeholder value.

## #6: Accountability

A sustainable Innovation program with accountability should be a goal of every Innovation Champion. Think of the benefits:

- **Stress Reduction:** Accountability pushes your stress downward. You know you can count on your people. And your people know that the Innovation champion is counting on them. Sleep – remember sleep? Accountability will help you get some.
- **Get Out of the Weeds:** When your team members are held accountable, time is freed for you, the team Champion to concentrate on bigger picture, strategic elements. You're not down in the weeds anymore.
- **Full-Tilt Productivity:** Accountability means a team that is freed to work at full-performance levels. Confident, motivated and engaged, they can focus on the business at hand, resulting in enhanced contributions.

## #7: Training and Coaching

Effective training and coaching is one of the pillars of success to any sustainable Innovation program. These tips will help the process go as smoothly as possible:

- **Share the Joy:** As well as the frustrations – communicate what is working and not working.
- **Newbies Count:** Ensure that newcomers to the team – as well as new managers – are included in all training/coaching programs. Keep everyone on the same page.
- **Pick the Right Coaches:** Not everyone has the psychological make up to be the coach. Knowledge is key, obviously. But the coach needs to be able to motivate, mediate, create camaraderie and a sense of selflessness.

## **#8: Idea Management Process**

Ideation and the management of the Ideation Process pack the front end of the NPD funnel with a wealth of viable concepts. This portfolio approach anticipates the fact that some concepts will pan out, while others are dropped. My tips on Ideation include:

- **Focus, Focus, Focus:** Remember that depth is better than breadth for quality idea generation. Drill down and maintain focus.

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- **Ask the Right Questions:** This is an art. Questions that are structured properly open new ground for exploration and drive new insights and discoveries. Start with open-ended questions, which keep the initial discussion wide-angle, gradually narrowing to laser precision for focused exploration of new possibilities.
- **Prioritize Ideas:** And keep your eye on areas that enhance perceived value, improve customer relations and capitalize on competitive opportunities.

## **# 9: Observe and Measure**

Observation and measurement – in terms of the performance of the program implementation needs to be built-in as a recurring element:

- ***What's Measured, Is Treasured:*** And that's just human nature, so be sure to check and recheck performance – monthly. No exceptions, no excuses.
- **What to Look For?:** the key performance indicators and metrics include:
  - R&D spending as a percentage of sales
  - Total patents filed/pending/awarded/rejected
  - Total R&D head count
  - Current-year percentage of sales attributable to new products released in the past year/three years/five years
  - Number of new products released

and last but not least

## **#10: Net Result and Reward**

The fruits of your team's labor benefit all. These successes must be rewarded – and in the appropriate manner:

- **Innovation and ROI:** true Innovation results in value creation for all stakeholders – in terms of financial return, increased marketshare and enhanced profitability; this is the ultimate goal of your sustainable Innovation program.
- **The Right Rewards:** rewards and recognition systems can take many forms, from a bonus percentage based upon new product sales to peer acknowledgment and awards.
- **Recognition:** Pride...a thorny problem solved...the personal satisfaction of a job well-done – these are some of the intrinsic motivators that make creative people tick. Recognition that communicates a team member's accomplishments can be a powerful tool for the savvy Innovation Champion. These non-financial rewards can:
  - Raise the commitment level of valued employees
  - Enhance morale and motivate future performance
  - Generate organization-wide —good vibes
  - Reinforce ideal outcomes
  - Create a powerful linkage between strategy and Innovation outcomes

### **Or, If You *Really* Want Your Innovation Program To Flop...**

Just for fun, let's turn that checklist on its head for a moment. We asked our friend, Jeff Lindsay, Ph.D – co-author of *Conquering Innovation Fatigue* -- what are the Bizarro World rules of innovation – the anti-*Robert's Rules of Innovation*, if you will? Jeff is the Director of Solution Development at Innovationedge, a U.S. patent agent, an inventor with more than 100 patents, and the former Corporate Patent Strategist of Kimberly-Clark Corporation.

His areas of specialty: the personal side of innovation and how —innovation fatigue factors|| create barriers to success. According to Jeff, to make sure your sustainable Innovation program is a complete flop if you:

- Never prepare for the inevitable decline of optimism when things get rough and never realize that wild optimism can cause an organization fatigue factor
- Never look for the trouble around the next corner and remain inflexible in terms of your original plan
- Never conduct due diligence on competitors' patents until you're well down the road to development
- Don't handle early registration of domain names for the brand, or think about trademarks and related IP issues
- Never drop the organization's —sacred cows|| even when it's clear they won't pan out
- Champions: never take your ego out of the equation
- Minimize time spent to train or coach teams
- Never bother to develop measurement tools in advance
- Trivialize the importance of team diversity is important
- Fail to allocate sufficient resources – financial, head count, etc. – to the program
- Don't establish a clearly understood, system wide NPD process

- Fail to get C-level buy-in and ownership
- Ignore the need to have a strategic vision for sustainable Innovation
- Never link the Innovation program to an overarching strategy
- Spend time focusing on quality Ideation at the front-end funnel?

*Nah....*

## **Sustainable Innovation and You**

I hope that by reading some of the tips of *Robert's Rules of Innovation* you have gained an understanding of the dire need for sustainable innovation, what it takes to set the stage for such a program, the specific requirements and tactics needed, and the encouragement to make this effort a reality in your organization. Apply our ten imperatives in all facets of your Innovation program.

As our roundtable participants say. (See "[Look Inside](#)" Page 168 Advice), it's not easy, it isn't done overnight, and it is well worth the effort to do it right.

Remember, as you plan your attack on the Innovation status quo, that this effort will require consistency, communications and collaboration, in order to forge an exciting new culture.

It will take bold leadership, and buy-in from the highest levels of the organization. A strategic plan must be developed and sold-in, up and down the company. The right people, from diverse disciplines, must be identified, recruited, trained and motivated. Successes – and failures – must be communicated, regularly. An innovation process must be created and implemented, and results measured and reported.

And it will be done. It's common knowledge that people resist change. You will find those that are on board and make sure the naysayers get off the bus at the next station stop.

Because sustainable Innovation is your ticket to the future. It's Innovate, or die – and I have a strong sense which option you'll choose.

For more detail and content see: "[Robert's Rules of Innovation](#)"

[Robert Brands](#), professional speaker and the founder of [InnovationCoach.com](#), and the author of "[Robert's Rules of Innovation](#)": A 10-Step Program for Corporate Survival, with Martin Kleinman, published March, 2010 by Wiley.