

The Innovation Mix[®]



Essential ingredients for effectively fostering
innovation in your organisation.

 Rachel Audigé

Table of contents

1. Why innovation?
2. What's happening out there
3. What's behind this?
4. How innovatively effective are you?
5. How could you become more effective?
6. Using the Innovation Wheel
7. About the author

Copyright

Copy this the right way. You have permission to post this, email this, print this and pass it along for free to anyone you like, as long as you make no changes or edits to its contents or digital format. Please pass it along and make as many copies as you like. Please credit Rachel Audigé as the author. Rachel Audigé reserves the right to bind it and sell it as a real book.

Disclaimer

I care, but you're responsible. Please be sure to take specialist advice before taking on any of the ideas. This paper is general in nature and not meant to replace any specific advice. Rachel Audigé disclaims all and any liability to any persons whatsoever in respect of anything done by any person in reliance, whether in whole or in part, on this paper.

Why innovation?

Organisations need innovation – not just the type that fuels the product pipeline but the sort of inventive thinking that permeates every activity of the business: running meetings, strategy, rethinking processes, problem-solving, dealing with unhappy customers, new product development... you name it.

Innovative organisations are likely to be better at coping with change, taking risks, responding to disruptions to their segment, attracting and retaining talent, harnessing first-mover advantage, increasing productivity, enhancing morale and proactively shaping their business for the future.

The problem is that developing and nurturing a sustainable innovative culture is not simple. All too often, organisations pursue a half-hearted – or wholehearted but ill-informed – innovation initiative with dubious results.

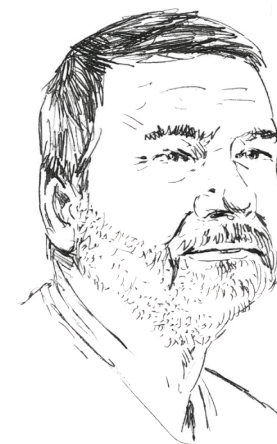
"Highly innovative organisations solidly outperform lowly innovative organisations, in terms of growth rates and profitability."

Professor Daniel Samson, Professor of Management (Operations Management), University of Melbourne.

A vast range of writers (De Bono, Kelley, Boden, Godin, Utterback, Finke, Ward & Smith, Gladwell, Robinson...), bloggers, consultancies and business people around the world have explored the area of innovation in general and organisational innovation in particular. Many focus on creativity while some are more interested in its imperative or its paradoxes. After 10 years driving innovative thinking in a corporate environment internationally, and now 5 working with a broad range of clients what I have sought to do is to create a simple model that could serve both as a diagnostic tool and a guide to organisations interested in effective innovation.

What's happening out there

What's going on? When you speak with people in organisations of all sizes you hear the following:



"We're told to be 'more innovative' and someone painted a wall red and brought in the odd bean bag and a consultant but nothing changed."

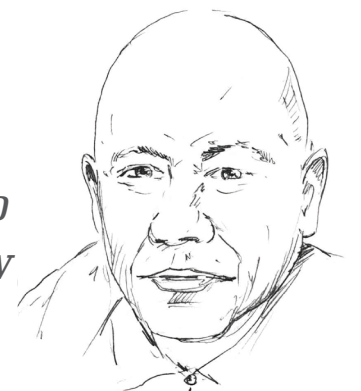
"There's a guy they call 'The Innovation Lead', he's the one who drives innovation. No one else really has time for it."

"Innovation is bandied around as our strategic pillar but it's the first thing to be dumped when the budgets get tight."



"We are told to bring innovation into everything but I'm not creative, so I haven't got a clue what I should be doing..."

"I have ideas but no one wants to hear them. I wouldn't even know who to share them with."



What's behind this?

Different industries are working at different speeds but whether you're talking with senior leaders of companies, innovation leads or 'intrapreneurs' (the purpose-driven entrepreneurs at work from the inside), most will attest to the complexity of effectively embedding innovation in an organisation in a sustainable way.

Many are doing some good experimentation work. Some have set the bar too high. Some are struggling to speak the same language as the start-ups. Others are 'corporatising' the innovation methods and diluting their power. Some define innovation too tightly. Others have sold the innovation concept hard but the organisation has so little additional capacity that little is being done – let alone being done 'differently'. Still others have built communities that have hit the 18-month exhaustion point and need a second wind. Many have realised that they need to work out better ways not only of maintaining momentum but of *measuring* progress and getting a return on investment...

Some are wondering how they can keep their 'catalysts' or 'champions' nurtured and help them make a difference in the long-term.

Most are wondering **HOW** they could go about upskilling their workforce to foster innovation more effectively and to think differently across the business while the wheels are turning.



How innovatively effective are you?

How likely are you to be 'effective' in your innovation aspirations?

I have created a simple 5-point scale to give you a read of how you are going. Taken overall, a dominance of the **WARM** colours suggest areas of concern and the **COOLER** colours mean that things are looking good. The scale starts with red where innovation is likely to be little more than corporate speak and ends with blue where things are "chilled" and where innovation is starting to be integrated across the business.



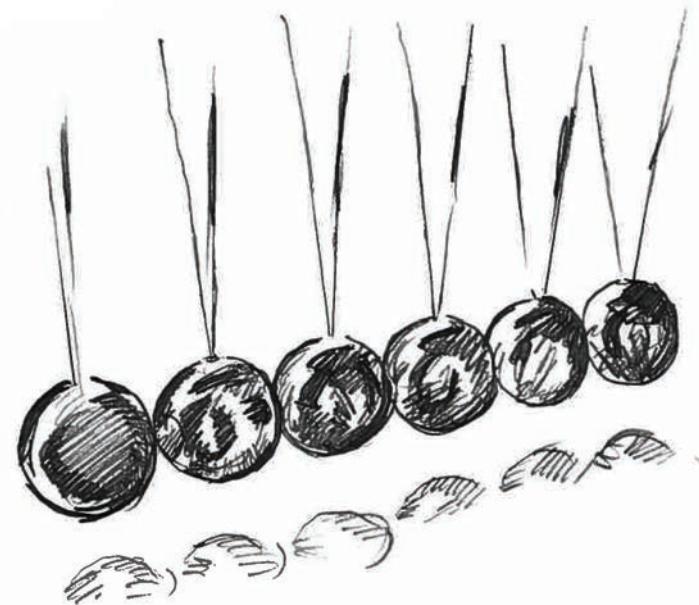
Scale	Description	Ideal focus
Blue (5)	Highly Integrated	Measurement
Green (4)	Implementation/scaling up	Results
Yellow (3)	Instigation/structured	Structures & community
Orange (2)	Investigation or piloting	Strategy & training
Red (1)	Inertia or starting out	Define what and how

1. Red | Inertia or Starting out

You are either stagnant or starting out. You probably have no well-defined ideation methodology or process for capturing ideas from throughout the organisation. Innovation is probably being used as a buzz word; perhaps it's a 'strategic pillar', but relegated to the guys in lab coats; it's all about the pipeline. If you have gone beyond R&D or product innovation.

Fear of risk and failure is prevalent if not pervasive. Other biases are also prevalent.

To move beyond this, the focus should be on awareness of the value of doing things differently and busting the biases that are no doubt inhibiting innovation in the organisation. This should be a decision point where you decide on strategy on the one hand (what will we focus on?) and enablers (HOW will we do better?).



2. Orange | Investigation or piloting

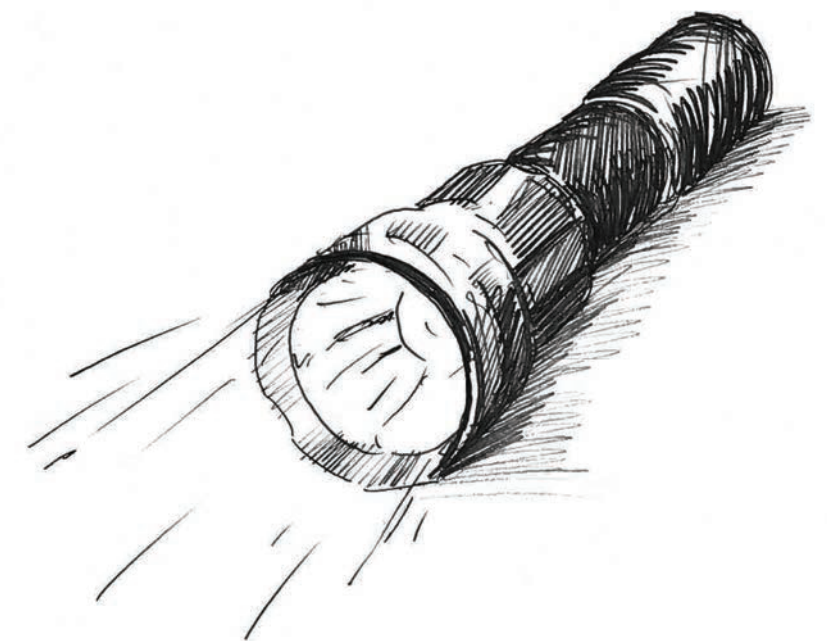
A dominance of orange suggests that the organisation is receptive and on the lookout for a more concerted innovation approach. You may have developed the beginnings of a framework or an innovation agenda.

You have gained some awareness of the things that are holding back the innovative juices in the organisation. You may have dabbled in ideation sessions that were more or less structured. You may have a number of ideas, but there was little ownership of them and there appears to be little implemented and people are a bit jaded by the experience. You are probably looking for the 'next big idea' and drawing on consultants for different parts of your business.

The priority at this stage is to start to put together pilots and build your toolset and mindset for innovation. Without overloading people (don't forget that innovation feels like one more thing to do for those at capacity), you may be prepared to sandbox a couple of methods that have different strengths.

Keep building a strategy around the types of innovation you are looking for (X % sustaining, Y% adjacent, Z% disruptive) and seek a toolbox that allows you to be effective in your problem-solving, process enhancement, new product development, productivity, prototyping... and needs to allow you to work at different resolutions, zooming in and out.

Training is crucial. Where possible, start to build a company-wide network of champions.

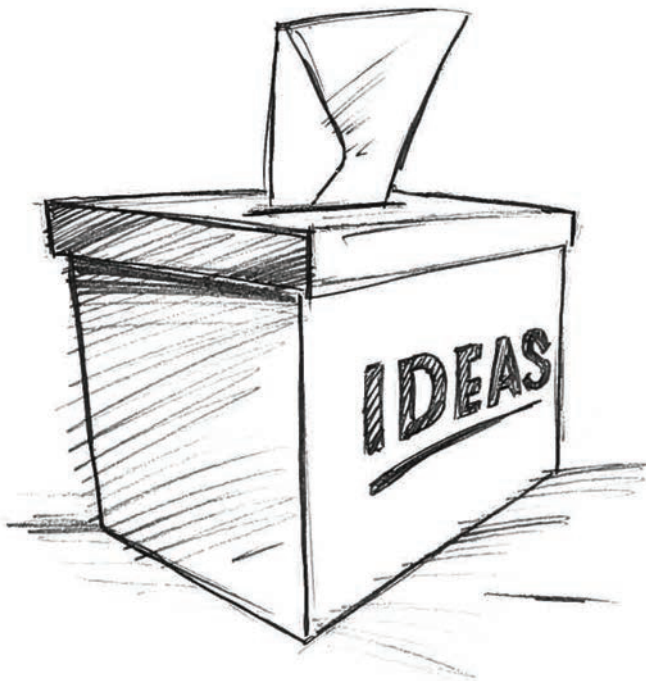


3. Yellow | Instigation or Structure creation

If you see a lot of yellow - and assuming you are on a positive trajectory - it is likely that a turning point has been reached: you may have adopted a methodology that will help everyone across the organisation be more innovative – or at least tap into their latent creativity. This is being piloted in selected areas. It is creating some momentum.

You are starting to create the structures; an operating model, that will help sustain your efforts: An independent champion may have been appointed. He or she is the ‘innovation’ go-to guy or ‘gal’. Innovation activities are a separate activity owned by this person – or one department, possibly divorced from the rest of the business.

There should be a process for idea generation, hypothesis testing, rapid experimentation, prototyping and implementation. If the methodology is good and widely adopted, it is shifting mindsets across the organisation as employees become more ready to think counterintuitively and take risks. It is important to reinforce this shift and encourage the risks associated with trying new things. This is a good time to be building collaborations with startups and outside partners.



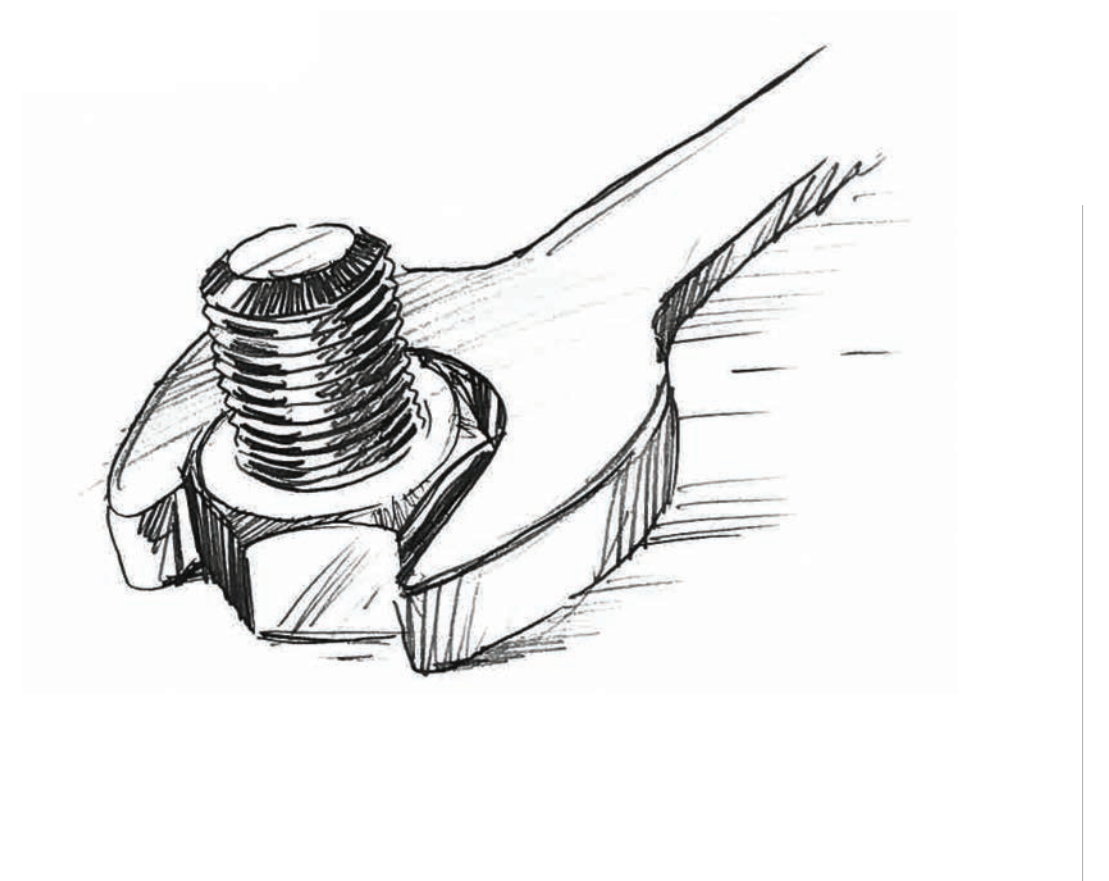
4. Green | Implementation or Scaling up

You are slowly gaining momentum. Other divisions are watching you with interest and your efforts are starting to show on the outside. Your chosen methodologies are being used and trained extensively in some parts of the business. There is a coach community and they have the freedom and their line manager’s blessing to run workshops for other parts of the business, if required.

Your organisation is working inside out and outside in; collaborating with partners from academia, not-for-profits, government and start-ups alike.

You have only undertaken rudimentary tracking, so you may still be unable to assess progress or attribute the source of ideas. There is a greater degree of comfort with innovation and you are measuring well and communicating inside and out.

Things are happening in the business and it is important that the leadership is seen as a supporter of the innovation activities. Innovation activities should be included in the performance indicators. Employees should sense that this is a focus area; that the finance and time allocated to it are quarantined and won’t be diverted to the latest business priority. The leadership needs to make the environment conducive to innovation; the space in every sense of the word.



5. Blue | Integration

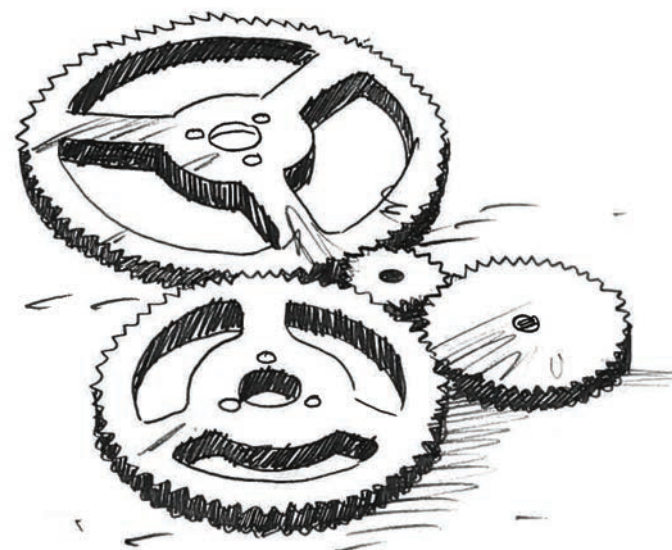
Innovation is no longer “a thing”; it’s just the way the organisation works. You don’t set aside time to “do” it. There is a strong community-wide support for innovation.

There are a number of experts in your methodologies across the business and they are skilled, agile, have a solid understanding empowered beyond their job role and understand the heuristics of the different methods so that they can assist business or problem owners create the right workshops or processes to harness them. These methods are part of the regular business cycle.

You have developed a ‘train-the-trainer’ model so that you have a permanent, in-house capability to teach innovation. This capability includes excellent facilitation skills. There is a formation of empowered innovation tribe with a cross-section of employees from different departments. Your methodology allows teams to work with existing resources and vary the resolution of their ideation. The leadership is clearly and consistently supporting (or even rewarding) risk-taking in the organisation. Your reputation is attracting top-tier talent.

You have an ecosystem for innovation that enables you to constantly complete innovation cycles from ideation through to scale (or death of an idea). You have developed a culture of – and strong skills in – experimentation and know how to test things quickly and cheaply with minimal waste.

Resources for innovation workshops, training and the like are locked in. At this stage, the focus should be on maintaining and gaining momentum. The idea should be to foster an innovation culture that will stick. Focusing on visible results, broadcasting progress and success stories and ensuring that innovation initiatives – be they workshops, projects or seminars – are not one-off.



How could you become more effective?

Once you know which stage your organisation is at, you can drive change more effectively by focusing your efforts in the right areas.

Just as Marketing has 4 fundamental Ps, I believe that there are essential ingredients to the ‘innovation mix’ that will make or break innovation efforts in an organisation.

I identify 4Ms: The two most crucial are **Method** and **Mindset** (the former impacts the latter provided you have the right approach). The other two are **Mandate** and **Momentum**.

Method

“Innovating” – implementing new, feasible and value add ideas – is not a talent; it is a **skill** that can be learnt. It is not enough for an organisation to make innovation a ‘strategic pillar’ or ‘core value’. Whether the organisation has a tendency to limit the notion of innovation to those in lab coats or to the work done by the ‘creative guys’, if they are asking employees to be more innovative, they need to train them to be innovative. Ideally, the tools selected should be systemic and pattern-based so that they are thorough and can be taught; they will be less effective if they are random.

I have adopted the Systematic Inventive Thinking Method because it is grounded in principles that are more aligned with how the brain is wired. It is constraints-based and research shows that constraints foster creativity. Its core templates are based on the DNA of the most successful innovations, which gives them a high likelihood of predicting successful ideas. What is more, this methodology provides a more intuitive search engine for the mind that allows you to seek the benefits of an existing (virtual) form rather than the reverse. These tools need to be learnt with discipline and stewarded, and teams need to become expert in using them across a range of areas (process-enhancement, product development, problem-solving, strategy development, marketing communications...).

Secondly, the organisation needs to have clear, accessible and well-communicated innovation **processes**. People need to know what to do with an idea when they have one. They need to know who can help them generate ideas. The methodology needs to be used consistently and become a competency model across the organisation.

Thirdly – and very importantly – the chosen method needs to be seen to be bringing **results**. There has been so much lip-service given to innovation and so many random methods tested and rejected that focusing on attaining tangible results is more important than ever. Teams should focus activities on result-targeted workshops where they address topics of concern with high buy-in from cross-functional teams. Attention needs to be paid to ownership, accountabilities and implementation. Without this, any long-term aspirations to embed innovation may grind to a halt.

Mindset

Shifting the organisation's mindset is a fundamental element to address in fostering an innovation culture within it. It is also a very gratifying one to witness. When people are alerted to their bias, or when they are shown ways of dealing with contradiction and turning problems into opportunities, it is at once motivating and liberating. Once this shift has occurred, the organisation not only innovates more, but it is more receptive to change and to disruption. Mindset has three important facets:

The first is ensuring that people within the organisation realise it contains obstacles to innovation – the most frequent being 'cognitive fixedness'. People need greater degrees of freedom to be creative. If they are unable to view more options and alternatives to the way they see and use things, then this will hold back the development of an innovation culture. Whatever methodology you choose, make sure it helps lift the blinkers.

The second is a move from a very limited notion of innovation (monotone and clichéd) to one that allows more **breadth**; incorporating all facets of the business: processes, idea generation, progressing in dead-end meetings, new product development, Legal R&D, etc.

The third concerns addressing a prevalent obstacle to effective innovation, which is fear of failure. Where there is a pervasive fear of making mistakes, employees will be reluctant to attempt new things or to share new ideas for fear of being ridiculed or judged – or worse, punished. Organisations that show innovation maturity encourage **courage**. They give permission to take risks and even to fail. In some organisations this might mean rewarding risk-taking or, at the very least, encouraging senior managers to share mistakes they have made rather than only focusing on the wins.

Mandate

Many organisations fail in their innovation initiatives through a lack of support by the leadership. Sometimes this is evident early in the project and sometimes it occurs once the efforts are in motion, because of budget pressures and new priorities.

Three key facets of what I am calling 'mandate' are:

Moving the organisation from a situation where innovation is not a strategic priority to one where it is an earnest **focus** of the leadership. Leaders need to set up organisational conditions that will encourage innovation and make it thrive. This ranges from a clear mandate to allow teams and individuals to spend time on innovative activities or inclusion of innovation efforts in the performance review process through to creating the right structure for innovation.

If innovation is a focus, this needs to be **resourced**. It requires budgets, mental space and time, and physical spaces (inside or outside the building as well as one-off events – external hackathons, etc. – and permanent areas). Some workspaces are simply not conducive to creative thought and collaboration. Various experts have highlighted the importance of including warmer hues, as this is good for morale – which, in turn, is good for creativity.

It is important that the organisation establish the **structures** and roles required to drive innovation. This includes committed sponsors at the senior leadership level, innovation coordinators (as opposed to champions), coaches and trainers to keep skills sharp and multi-disciplinary teams. Without clear roles, no one will take ownership of projects, drive implementation of ideas and sustain efforts.



Professor Daniel Samson, Professor of Management (Operations Management), University of Melbourne

Momentum

It is extremely difficult to operate change in any organisation without a sense of momentum. People need to see progress. This starts with the right methodology and mindset, but the sense of momentum will only be credible and palpable if the efforts are **recurring**.

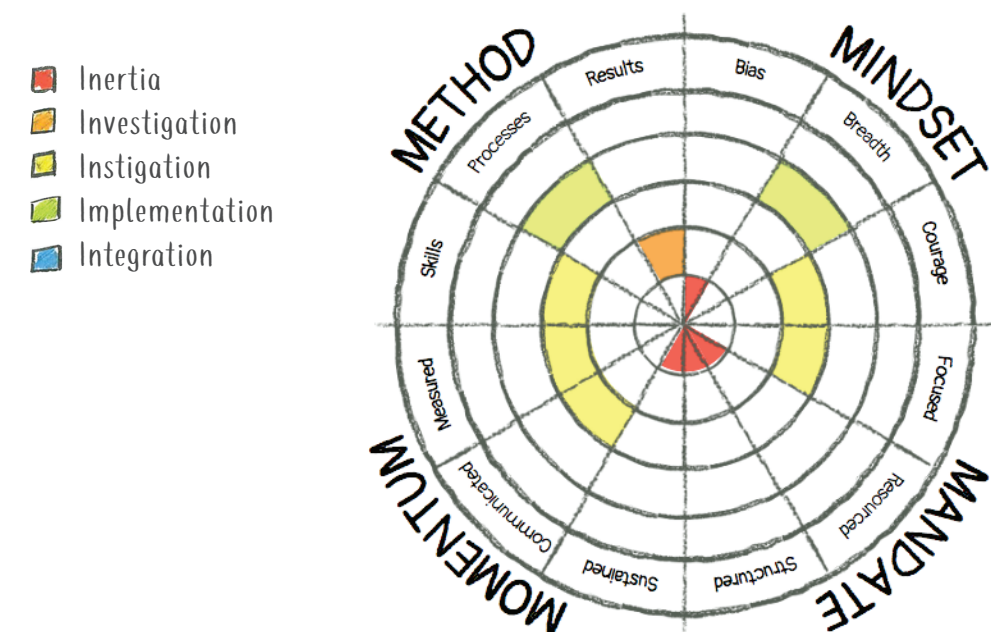
Communication plays an important part in building a culture and a sense of momentum. If the word innovation is 'bandied around', but nothing appears to have changed, this leads to cynicism not creativity. Internal communication should be motivating, consistent, engaging and fair – it cannot pick favourites. From an external standpoint, the organisation should profile itself as an innovator to build the brand and attract the right profiles. Where possible, getting involved in external innovation awards is helpful because it provides a benchmark.

Finally, too little focus is placed on **measurement**. What will you measure? The number of innovation boot camps? The number of ideas coming out of an ideation session? The number of people involved in innovation efforts? The climate for change? Two simple measures are to track ideas from ideation to implementation and to always ask: "What is the value to us of addressing this issue?"

THE INNOVATION WHEEL

The 'Innovation Wheel' illustrates 4 areas to keep on the radar and the 3 facets to watch for in each of them. The coloured scale highlight the 'pressure points' that will exist at each stage on the transition from starting out through to an effective and integrated framework.

"The wheel is a tool for organisations who want to go from talking about innovation to no longer needing to."



Using the Wheel

Organisations need to innovate but there is an essential mix to get right.

- Undertaking a diagnostic on the 12 facets of innovation,
- addressing the fundamental dimensions of shifting the mindset and
- providing empowered teams with a methodology and innovation process is crucial.

It's also important to track this over time. This is an exciting space to play in and I would be delighted to take you there.

Take the test (contact me if you'd like a code for your team):

<https://theinnovationwheel.com>

About the author

Rachel Audigé is a creativity and innovation coach, speaker and marketing advisor and thinking partner. She harnesses 25 years in marketing in Australia and overseas and is a certified Systematic Inventive Thinking Facilitator. She runs the Melbourne-based SIT business which is giving organisations in Australia and New Zealand a more impactful, counter-intuitive and resourceful take on HOW to think differently and achieve substantial return on investment on their innovation efforts.

She has a passion for busting cognitive bias; a major obstacle to thinking differently. She believes that many popular methods miss this and that means leaving great ideas on the table. She also relishes helping clients sharpen their marketing and make it less vanilla. She is a skilful facilitator who fosters growth mindsets and environments where people can not only think differently but think well.

Rachel is a valued mentor on CSIRO's Innovation programs. She a member of Professional Speakers Australia, the League of Intrapreneurs, The Churchill Club & Bayside Business Network. She lectures at on the award-winning UTS Bachelor of Creative Intelligence & Innovation program. She is also a speaker for The Executive Connection (TEC). She is writing 'UnBlinkered': Audacious alternatives for Breakthrough Ideas' and has published two white papers.

She can be contacted on
Rachel@rachelaudige.com

Check out her website:
rachelaudige.com



