

2021

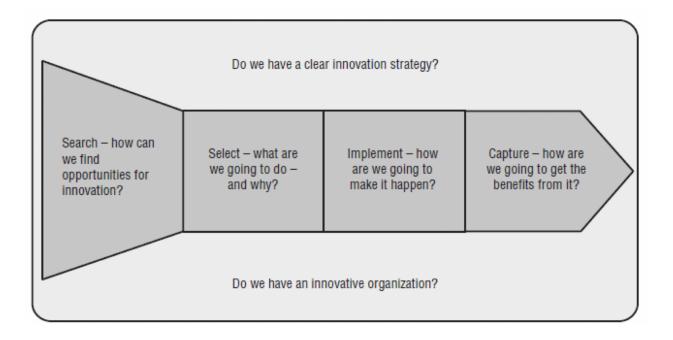
JOHN BESSANT
Managing Innovation

Innovation model innovation

Purpose: This tool helps explore where and how organizations need to extend their routines for innovation – the pattern of behaviours which enable them to navigate the innovation journey.

Background: Innovation doesn't just happen – it involves a journey through several key stages around search, selection, implementation and capturing value. Organizations need to find routines – patterns of repeatable behaviour – which enable them to navigate this journey. At the same time the process is influenced by a number of key elements, again mobilized through behavioural routines. These include developing and communicating an innovation strategy, building an innovative organization and creating rich external linkages.

The key questions and model are summarized below.



Organizations need to ask themselves four key questions:

- (a) Do we have all the stages in place to enable the innovation journey?
- (b) Do they work as well as they could?
- (c) Do we have the right enabling conditions to help the process operate well?
- (d) Do we need to extend our routines, develop new ones to cope with changes in our operating environment?

There are useful tools to help with the first three questions:

- Innovation process mapping
- Innovation influences mapping
- Innovation Fitness Test

But in order to answer the last question we need a framework to help us reflect.

Tool description

Step 1 is to identify key routines which are currently in operation at each stage of the process

Stage	Describe key routines to enable each	
	stage	
Search?		
Select?		
Implement?		
Capture value?		
Learn and build		
capability?		

Step 2 is to review these routines against the operating environment and assess whether and which new or modified routines are needed

Stage	Describe key routines to enable each stage	What additional routines might we need to cope with new challenges?
Search?		
Select?		
Implement?		
Capture value?		
Learn and build		
capability?		

Reflection questions might cover the organization's capacity for working with external sources of knowledge – 'open innovation' – or for dealing with discontinuous shifts in markets, technology or regulatory conditions. Do we have routines in place to support statements like the following?

- We deploy 'probe and learn' approaches to explore new directions in technologies and markets
- We actively explore the future, making use of tools and techniques like scenarios and foresight
- 3 Our organization allows some space and time for people to explore 'wild' ideas
- 4 We make connections across industry to provide us with different perspectives
- We use make regular use of formal tools and techniques to help us think 'out of the box'
- 6 We have alternative and parallel mechanisms for implementing and developing radical innovation

- projects which sit outside the 'normal' rules and procedures
- We have capacity in our strategic thinking process to challenge our current position – we think about 'how to destroy the business'!
- 8 We have mechanisms to bring in fresh perspectives for example, recruiting from outside the industry
- 9 We make use of formal techniques for looking and learning from outside our sector
- 10 We focus on 'next practices' as well as 'best practices'
- We have mechanisms for managing ideas that don't fit our current business – for example we license them out or spin them off
- We use some form of technology scanning/intelligence gathering - we have well developed technology antennae
- We have mechanisms to identify and encourage 'intrapreneurship' – if people have a good idea they don't have to leave the company to make it happen
- We have extensive links with a wide range of outside sources of knowledge – universities, research centres, specialized agencies and we actually set them up even if not for specific projects
- We make use of simulation etc. to explore different options and delay commitment to one particular course
- We work with 'fringe' users and very early adopters to develop our new products and services

- 17 We allocate a specific resource for exploring options at the edge of what we currently do we don't load everyone up 100%
- 18 We have reward systems to encourage people to offer their ideas
- 19 We have well-developed peripheral vision in our business
- 20 We use technology to help us become more agile and quick to pick up on and respond to emerging threats and opportunities on the periphery
- We have 'alert' systems to feed early warning about new trends into the strategic decision-making process
- We have strategic decision-making and project selection mechanisms which can deal with more radical proposals outside of the mainstream
- 23 We value people who are prepared to break the rules
- 24 We practice 'open innovation' rich and widespread networks of contacts from whom we get a constant flow of challenging ideas
- We learn from our periphery we look beyond our organizational and geographical boundaries
- We are organized to deal with 'off-purpose' signals (not directly relevant to our current business) and don't simply ignore them
- We deploy 'targeted hunting' around our periphery to open up new strategic opportunities

28 We have high involvement from everyone in the innovation process 29 We have an approach to supplier management which is open to strategic dalliances 30 We are good at capturing what we have learned so that others in the organization can make use of it 31 We have processes in place to review new technological or market developments and what they mean for our firm's strategy 32 Management create 'stretch goals' that provide the direction but not the route for innovation 33 Peer pressure creates a positive tension and creates an atmosphere to be creative 34 We have active links into long-term research and technology community – we can list a wide range of contacts 35 We create an atmosphere where people can share ideas through cross-fertilization 36 There is sufficient flexibility in our system for product development to allow small 'fast track' projects to happen 37 We are not afraid to 'cannibalize' things we already do to make space for new options 38 **Experimentation is encouraged** 39 We recognize users as a source of new ideas and try

and 'co-evolve' new products and services with them

40 We regularly challenge ourselves to identify where and when we can improve our innovation management