

Innovate With Less Risk

John Brooker & Jeff Parker



Contact us...

Speak: +44 208 8869 9990

Write: hi@yesand.co.uk

Read: www.yesand.eu

Innovative Delight

What is your favourite innovation? The innovative product or service that delights you most. It might be technology, it might be social. 2000 years old or launched yesterday. It might be small or large, of great import to the world, or just, like iTunes Genius is for me, a delight.

We asked you to do that exercise to remind you that our goal as leaders is to innovate, to solve the problems that people have and enrich their lives.

It is easy to forget that, when tackling innovation management issues.

Objective

In this E-Book we would like to answer three questions:

How can you cut through the complexity of innovation?

How can you build the capability to innovate?

How can you create an innovative climate?

To begin answering them, let's move to Dartmoor, England in 1972.

3



Innovation Management

A fog of complexity

A team of 17 year old boys was walking 45 miles across Dartmoor. We camped overnight. In the morning we woke to thick fog.

Some on the team did not know what to do, but one boy took up his compass and navigated us to the next checkpoint, using the nearest rocks and grassy mounds as guidance. A great feat.

How does this story relate to innovation? Well, we believe that innovation management has become a complex topic – in fact a fog of complexity. We would like to use this metaphor to explain how you can navigate that complexity.

Summarise the Complexity

In simple terms, we can summarise the complexity of innovation in five words that form an acronym CLAGS:

- Culture
- Leadership
- Approach
- Governance
- Strategy

Clag is another word for fog.

How might leaders respond to this complexity?

Overleaf you can find three common ways.

Three Responses

Choose to Ignore It

Leaders close their eyes, ignore the fog or do nothing and hope the need for innovation will go away.

Grasp at tendrils

They pull at metaphorical tendrils, set up idea schemes or training programmes and hope these will work.

Seek to control it

They set up an organisational change programme, to control the complexity, to blow away the fog.

There are examples of where these responses have worked, but they have risks.



Lower Value

The share price or government funding may fall as analysts seek more innovative and profitable companies.

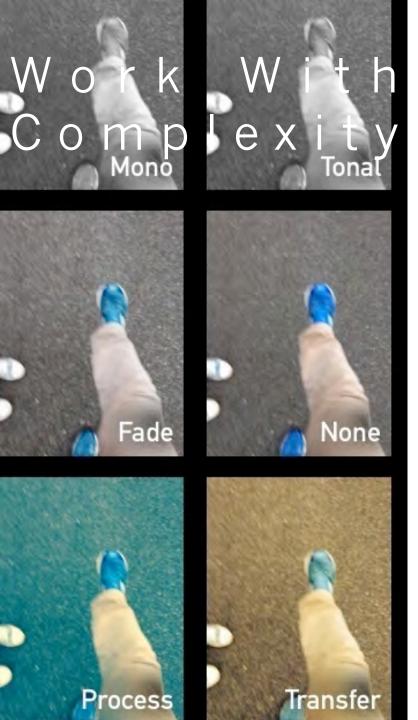
Disengaged staff

Staff become disillusioned when ideas are not taken up or when nothing happens after training.

High costs

There may be high up front costs, long lead times and the loss of other opportunities. Worse, there may be little innovation.

What is an alternative?



We tackle complex issues, with a change approach called Solution Focus. It includes these principles:

- Take small steps, like the navigator on Dartmoor
- Tap the resources and innate capability within your people
- Encourage interaction, because that's where many ideas arise
- Keep things as simple as possible, but no more.
- Treat each situation as different

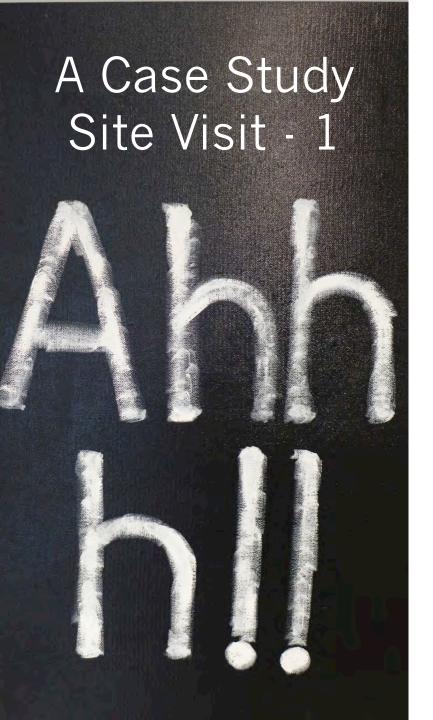
It is well tried and tested in many companies and you can apply it to help people innovate. Especially for organisations that might choose the first two responses on Slide 6.



To explain, let us use a case study of a company we work with Unipart Transport Logistics (UTL, part of the Unipart Group).

In February 2013 the MD called us. She was interested in making her company more innovative. How could we help?

We explained the approach and later in the year went for a site visit.



When we visited the site, we observed they had several strengths. They:

- Had set up new and innovative areas of business outside of their core process
- Had lean processes and the latest technology
- Are adept at continual improvement
- Had a climate that encourages change

Our first question after the visit was, why do you need our help?



The MD explained:

- They have pockets of innovation, but it is in silos and driven by client requests for new services outside of the core business
- Because competitors are lean and also use the latest technology, their core service is becoming commoditised; it is hard to differentiate
- They are not winning open bids because of this.

1234

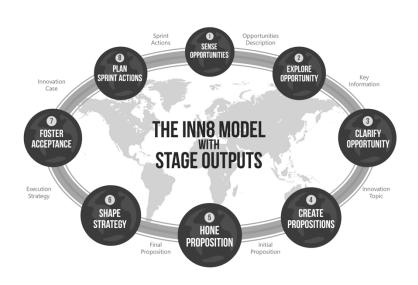
To move the company forward, we planned workshops to use our Inn8® Approach, a structured way to address opportunities with three layers, the Inn8® Climate, Inn8® Model and Inn8® Toolkit.

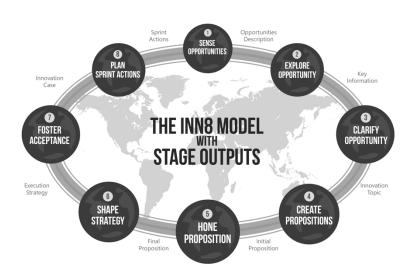
Prior to these workshops the MD took some actions. See overleaf for these.

Prior to these workshops the MD:

- Outlined a basic innovation strategy, to pursue radical innovation in the core business.
- Set dates for the workshops, with time in between each workshop to allow for operational needs. [This time between workshops is not a requirement, but a choice]
- Formed a multifunction team of senior people, including herself
- Had the team read John's book, "Innovate to Learn, Don't Learn to Innovate". [On Amazon]

13





The Inn8 Model

The Inn8 Model helps you to exploit opportunities in a systematic, consistent and innovative way.

At each Stage there are three steps to:

- 1. Broaden your outlook and gather or generate information;
- 2. Focus your outlook to assemble, prioritise and choose key information
- Decide to move on, revert to the last stage, pause to gather information, or abandon the proposition.

This broadening and narrowing of outlook is important if people are to innovate successfully.

1234

The team gathered for a half day workshop. In this they:

- Consolidated their understanding of the Inn8 Approach and Model
- Began to develop as a team and nurtured a climate for people to be innovative
- Learned how they might identify more unique opportunities that their competitors might not

1234

Three weeks later, fitting around their operational needs, they attended a one day workshop to:

- Identify and explore the opportunity
- Create a final topic for innovation
- Agree the information they needed, which was primarily a diagram of the core process; not everyone was aware of this process

1234

In the third workshop, a two day event, the team first reviewed the core business diagram a team member had drafted.

This enabled everyone to understand it. It is difficult to innovate without good knowledge.

After this the team generated ideas, identified and honed two radical propositions and shaped a strategy to execute them.

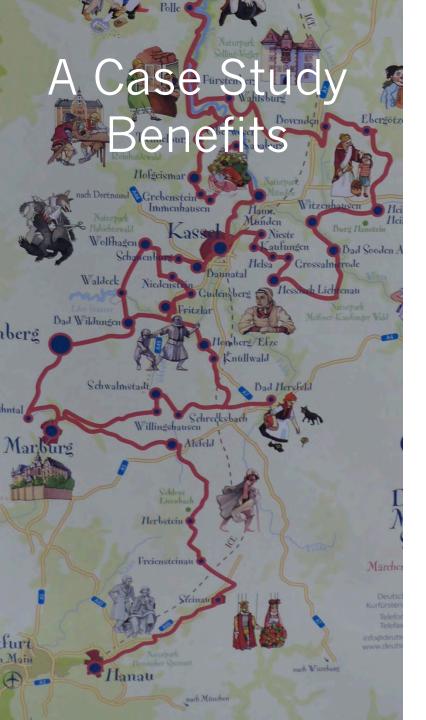
This gave them the confidence to know they could implement their solutions.

Next, they made a brief plan to move forward.



Since the workshop they have:

- Gained Board agreement to move ahead with the priority proposition
- Appointed an innovation manager
- Run a second programme
- Licensed the Inn8® Workshop Programme to use internally and run their first workshop



In their words, UTL found:

- The very practical structured process, delivered two propositions that will change service delivery to clients; something they had not dreamed of doing in 3.5 days
- The innate knowledge of the cross functional team created a better result and fostered support to implement the propositions
- The programme fostered an innovative climate and required no training course; the team learned in house, while innovating.



Two questions you might have are:

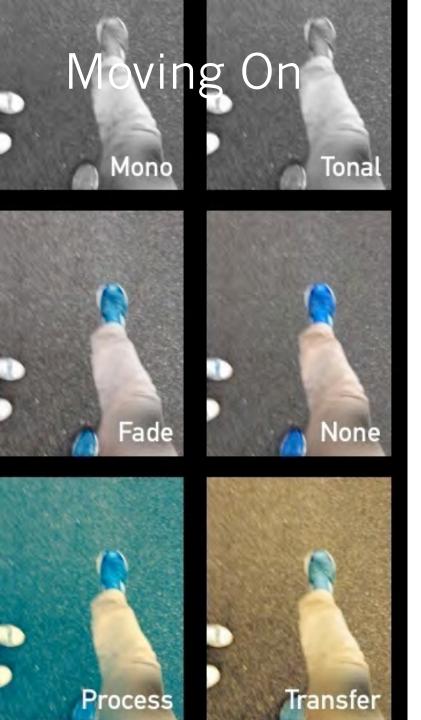
Culture
Leadership
Approach
Governance
Strategy

How do you deal with complexity moving forward



How do you sustain innovative capability

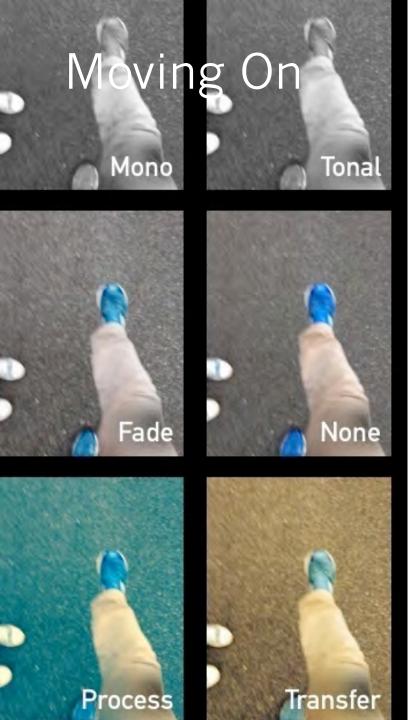




The answer is to use the Solution Focus principles to guide what you do, as you implement the proposition you created. Take small steps.

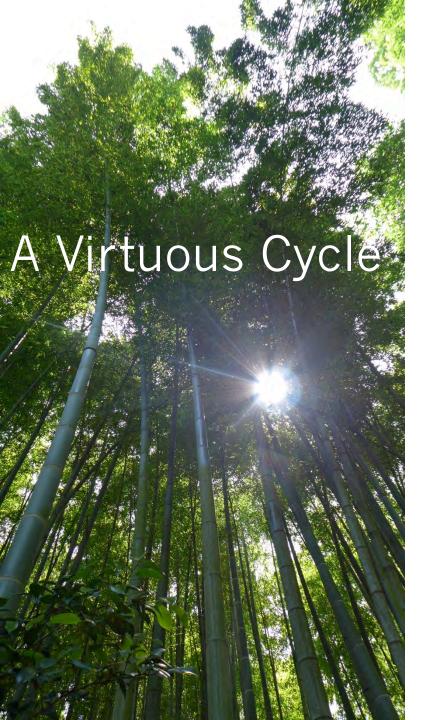
Deal with issues in the CLAGS areas as you meet them during implementation and reduce time and energy wasted on developing policy or processes you do not need.

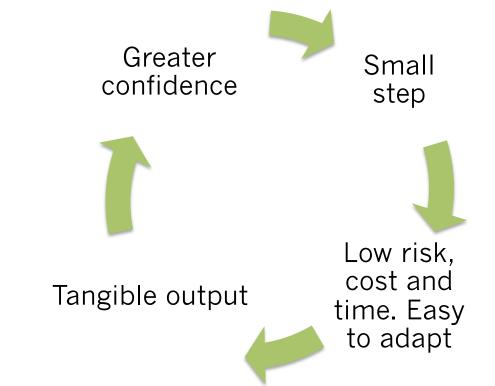
Leaders lead by example as they implement the proposition. Implementation beats exhortation every time. As people see the organisation innovate, the culture will slowly change.



Success taps the resources and energy of your people.

Revise your strategy when needed and when you need more propositions, involve more people.





With this approach you obtain a virtuous circle. Step by low risk step you create a tangible output, and this gives greater confidence to move on amongst the team and stakeholders.



Organisations that must manage multiple innovations on a rapid scale may consider this approach too simplistic. We have no argument with that, the complexity has been built for them.

However, there are many organisations that have no need for complexity, seek to be more innovative and are unsure how to move forward.

Coupling the Solution Focus Approach with the Inn8® Approach, is a viable response, "a compass". Certainly more viable than doing nothing or grasping at "tendrils of fog."

Foster Climate -

The final question to address is "How to foster an innovative climate?"

Research shows that people innovate more in an innovative climate. However, "climate" is rather abstract. What does an innovative climate mean?

On the next slide you can see the dimensions that research has shown represents an innovative climate. But climate is something you must sense. People need to experience it.

How can you help people experience an innovative climate? Do what we did with the case study company

Foster Climate - 2

Action Dimensions	Guidelines
Create "Flow"	Create roles that balance the skill / capability of the individual and the challenges of the task.
Provide Autonomy	Set up the conditions that enable people to make decisions, find information and show initiative. You might call this "empowerment".
Encourage Creative Thinking	Encourage people to be receptive to new ideas and put forward ideas and suggestions. Nurture fledgling ideas. Say, "Yes, and" NOT "Yes, but". Develop the use of a structured approach to innovation, using logical and creative thinking tools.
Allow Time for Creative Thinking	Ensure people have time to follow a structured approach and to involve others. Allow time to iterate over the problem and avoid premature closure.
Build Trust & Openness	Create an environment in which people are happy to say what they think and offer conflicting ideas. Advise people to be open minded and suspend their beliefs, values and assumptions when facing a new opportunity.
Promote Playfulness and Humour	Make the workplace a relaxed and fun place to be and play with ideas.
Foster Open Debate	Have people engage in lively debates about issues, informally and formally. A "conflict of ideas" is healthy. "People in conflict" is not.
Accept Constructive Failure	Accept failure when people try new things and use the right approach. This is about your attitude to risk.
Make the Workplace Dynamic	Develop an exciting and dynamic atmosphere. Accept that confusion, ambiguity and uncertainty exist and embrace them. Commit resources to being more innovative.
Reduce Interpersonal Conflict	Encourage people to understand different styles of working and to flex their own style when necessary to reduce conflict.
Enable Open Communication	Enable junior people to communicate easily with higher levels of management in the organisation and ensure different functions network together.
Reduce Negative Stress	Help people to reduce negative stress that inhibits their creativity and innovative behaviour. You can achieve this by taking the actions described here.

Foster Climate - 3

To create an innovative macroclimate in your organisation, build microclimates where people interact (e.g. meetings) and let these stimulate the macroclimate.

Look at the Action Dimensions on Slide 26. How might you begin to inject these in to meetings and other interactions. How might you include them in the daily work?

Address just a few dimensions, a step at a time and very soon you will begin to change the climate and influence the culture.

Contact us for an article on climate, at hi@yesand.eu

In Summary

- Innovation management has become a metaphorical fog of complexity that we can summarise under the acronym of CLAGS.
- This complexity can drive leaders to respond in ways that can be high risk for their organisation. They may ignore it, try one-off initiatives such as idea schemes or initiate full organisational change programmes.
- There is another way. You can use a Solution Focused approach, coupled with the structured Inn8 Approach and a multifunctional team.

In Summary

- This way, you take small steps, encourage interaction and trust in the capability of your people. This will reduce your costs, engage your staff and enable you to innovate more quickly, i.e. it will reduce risk.
- A case study showed that this approach created two radical propositions that the company is implementing.
- Senior managers explored the opportunity, developed the propositions and worked out the execution strategy. As a result, they are more likely to support implementation efforts and lead their staff to do this.

In Summary

- This way does not defeat complexity, but enables leaders to work with it, using the implementation of the proposition to tackle issues with the CLAGS.
- Once the first proposition is on the implementation path, leaders can spread capability by involving more people to create and implement further propositions.
- Buy the book on <u>Amazon</u>
- Contact us on <u>hi@yesand.eu</u> for more information or see <u>www.yesand.eu.</u>



If you would like to discuss how we can facilitate your teams to innovate and embed that capability in your organisation, or to request a brochure, please contact us.



Contact us...

Speak: +44 208 8869 9990

Write: hi@yesand.co.uk

Read: www.yesand.eu