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The Realities of Being Innovative

FLATLINERS, STEPPERS &

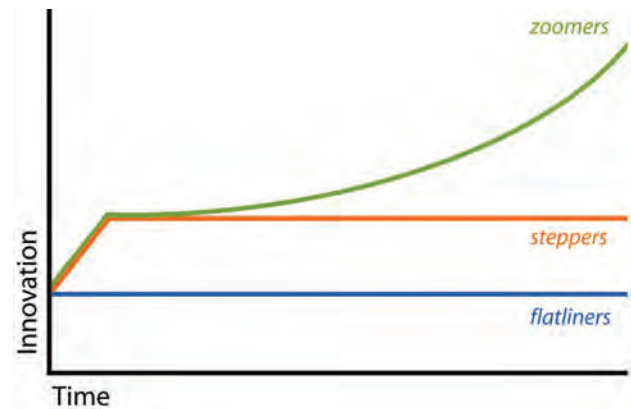
Can any company or individual who wants to be innovative become truly innovative? The answer, unfortunately, is no. It doesn't work that way. But after years of working with companies and people who want to be innovative, we know why.

The Real Story of Innovation

Ask yourself: if innovation processes can be taught, why is there a seemingly endless amount of methods for accomplishing innovation? A search for innovation books on Amazon.com yields 191,908 results describing myriad ways to be innovative: eight secrets, five disciplines, 10 faces, 40 principles, seven levels, eight steps and 11 1/2 practices, to name just a few. Along with these methods are different types of innovation to choose from: radical, open, creative, permanent, systematic, strategic and sustainable.

While some authors say that everyone innovates in different ways and each of these ways requires a different approach, our experience is that innovative people are innovative no matter the approach. The reason for so many books on the subject is that innovation is inherently not about a method or process. As a result, people keep looking for that one method (step or principle) that will finally enable them to be innovative.

Innovation is at the top of most businesses' minds. Many are reaching the point where they have taken as much cost out of their manufacturing and distribution processes as possible and are finding it impossible (and perhaps not the best strategy) to be the low-cost providers in competitive markets. Therefore, many companies are looking to be innovative to stay competitive. In response to this need, innovation is seen as the solution for differentiating themselves from their competitors. Innovation is a pri-



mary topic at professional conferences, in magazines and in innovation how-to books; however, the amount of information gathered does not directly translate into companies becoming innovators.

With all of these innovation books, seminars, classes and initiatives, why do we see so little innovation in the marketplace, and why are companies continually talking about how to become more innovative? When we do see innovation, it tends to be coming from the same companies. Most



For innovation, the right people are just as important as the process.

interesting is that many of these companies have published their innovation methods describing their steps, processes and all their secrets. Yet most who follow these steps to the letter find that they are no more innovative than before. What's going on?

Flatliners, Steppers and Zoomers

In the design business, we talk to companies everyday who range in their abilities to innovate. Some are regularly innovative, others have been innovative but no longer are, and others are having problems reaching the level of innovation they want. Based on these experiences, we've categorized companies into three groups: flatliners, steppers and zoomers.

Flatliners are companies or individuals who are at the far left side of the innovation spectrum—who generally have no innovation approach. Their mantra is to do what they have always done and when in doubt default to comfortable methods and approaches. Many are going out of business because their market is highly competitive and they have already cut costs as much as possible. Those that are still in business are currently facing a wake-up call that they need to innovate. Some companies and people in this group can actually benefit, to a minor degree, from the widely available innovation how-to activities and books because even small improvements can bring limited benefits in some markets.

Steppers are companies or individuals who have actively tried to introduce innovation activities and culture as part of their product and service development efforts in the recognition that if they don't, their companies will likely not survive. These companies have stepped up their innovation activities and have seen limited success. However, many are now finding that their competition is reading the same books and implementing the same processes; therefore, there is little competitive differentiation in their markets, and they are not on the front edge of innovation.

Zoomers are companies or individuals who are truly innovative—who have "it." They continually turn out new ideas that allow them to charge more for their products and stay a step ahead of their competition. Like steppers, they likely have read many of the same innovation books and attended the conferences. However, they have moved past these recommendations—something has clicked for them in their cultures as well as their processes. These zoomer companies have the ingredients that the other innovation want-to-be's do not have.

Flatliners can become steppers and steppers can become zoomers. Flatliners need to understand how to break out of their old ways of doing business. Luckily, they have thousands of books and articles to choose from. Steppers have it more difficult. They won't become more innovative by just adding more techniques or approaches

(or principles, or steps, or levels, or faces) to their process. But they can implement two strategies: foster a culture of innovation and hire innovative people.

An Innovation-Ripe Culture

Often stepper companies have innovation processes in place but do not have cultures that innovation can thrive in. **Improving your culture is not a new idea, but we find this need in almost all of the stepper companies we come in contact with.** These companies can greatly improve their chances of becoming zoomers by moving past basic steps and processes and looking at different, more advanced cultural elements that affect innovation. These elements generally fall into three categories: culture and understanding, integrated processes, and high-level support.

First, culture and understanding. Innovation must be viewed beyond product-centric terms; it can be applied to more than just products and services. Many companies have successfully increased or redefined their businesses through changing the way they deliver to their customers, reinventing their internal or manufacturing processes, and redefining their brands.

It is OK to support failure as a necessary part of the process; failure should not be feared. Innovating is a process that will lead to many opportunities, many of which will not succeed for your business. Find failures early, learn from them and then move on. However, it is important to weed out failures early in the process to minimize costs.

Second, integrated processes. Don't wait for a breakthrough idea that no one has imagined. Many innovations that lead to market success are not always disruptive and can require only a new feature combination or a redefinition of technology. Companies need to be more flexible in recognizing opportunities for improving their businesses, rather than waiting for out-of-the world innovation.

Coming up with the idea is only the start. We often see companies that come up with an innovative idea through customer research, brainstorming sessions or an employee suggestion but do not take any steps to realize the potential. **Companies must have follow-up processes in place for moving forward with ideas, or they will die and be left unrealized no matter how innovative they are.** We have seen companies who have sat on product ideas for years only to watch a competitor bring the idea to market. Establish criteria for recognizing innovative opportunities.

New opportunities need to be evaluated against business drivers, such as marketing and operational strategies. Companies need to define criteria to focus on more relevant opportunities.

Finally, high-level support. Innovation is a corporate strategy, and a culture of innovation needs to be supported from the top. It requires defined resources and processes to give the message that the time and efforts spent on innovation are being supported. Stakeholder alignment is also important. As innovations turn into actionable opportunities, they must be shared with key stakeholders and market partners. Innovations that conflict with the plans of others can be diluted or run into barriers that can't be moved. Sharing these ideas early ensures eventual acceptance and helps the innovation reach the market, or at least the next step in the development process.

Hiring Innovative People

You may be thinking, "I've read all the books, introduced innovation processes and created a culture that supports innovation, yet I'm not innovating at the level I want. Why not?" Innovation is about people. If you do not have the right ones, you're going to stay in the same place.

You need to bring the right people into your organization. This can be through hiring staff, bringing on consultants or identifying the people in your organization who have the innovative "it" and making them a part of your innovation efforts. **The books written by innovative companies provide almost everything you need to be innovative, except the authors and their teams who were responsible for their companies' innovations.**

What this also means is that if you're an individual who believes in innovation but have found it difficult to innovate, you may never reach the level of innovation you seek. This isn't a call to give up trying to innovate, but it does suggest that your energies are likely better served supporting an innovation process that is already underway.

True, groundbreaking innovation requires innovative people—those who thrive in an innovation culture and who have made the processes and activities associated with innovation part of their lifestyle. If you have a track record for innovation, highlight it, talk about it, make it central to what you do because as more companies come to realize that steps, stages, faces and other processes of innovation are not enough, you will be recognized as a hot commodity. ■