



Winnovation

BY ROWAN GIBSON

Maintaining the innovation momentum

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This is another in a series of articles on innovation as a means to achieve business success.

It happened a few months ago, when I was meeting with some people from one of the world's leading consumer goods manufacturers. This is a company where you would expect innovation to have been honed down to a fine art because it has launched a slew of successful innovations over the course of its long, proud history.

But these executives candidly admitted they had a problem. They had started an initiative to solicit ideas from across their organisation. It started well in the first year, slowed down in the second and was almost at a standstill by the third. Like the parents of a delinquent child, they asked "Where did we go wrong?" and it didn't take me long to find the answer.

It's quite typical these days for companies to set up an online suggestion box and ask their employees – perhaps also their customers – to send in ideas. The reason these initiatives tend to start with a bang and then dwindle down to nothing is that most people already have one or two ideas in their pockets.

They may even have been kicking them around in their heads for some time. So the minute somebody asks for suggestions and offers an incentive for submitting them, all those would-be innovators come out and post their ideas.

But soon after this low hanging fruit has been picked and processed, a company usually finds that less and less suggestions are coming in despite the fact that the same incentives are being offered and management continues to beat the innovation drum with the same intensity.

Here's why: people find it far easier to submit ideas they already have than to go through the intellectual work of coming up with new ones.

Don't get me wrong. I'm not against electronic suggestion boxes or idea management software per se. Indeed, one of my key messages is that companies should involve as many minds as possible – inside and outside the organisation – in their innovation efforts. So, essentially, these platforms are a good thing.

The reason they so often fail is that they are way too passive. They simply sit there waiting for lightning to strike. They don't do very much to create the conditions that produce the lightning in the first place.

They don't trigger innovation by inspiring people with new insights and perspectives. They don't train people how to stretch their thinking along new lines. They don't create a thick matrix of connection and conversation between many different voices. And they don't guide would-be innovators on how to turn a wild idea into a concrete business plan.

If you cling to the notion that innovation is something enigmatic and ethereal and that an electronic suggestion box will somehow just pluck ideas out of the ether like a radio antenna, your innovation efforts will not get very far. Instead, you need to build your idea collection system on a deep understanding about how the innovation process actually works.

To put it simply: big ideas are born from breakthrough insights. Go back and look at any case of successful business innovation over the last few decades and you will invariably find that it was about challenging conventional wisdom about how things are done or recognising the power of some nascent trend to upend an industry or leveraging some competence or asset in an exciting new way or discovering some deep, unarticulated customer need.

These kinds of insights are the raw material out of which radical innovations are built. So it follows that, if we want people to continually come up with powerful new ideas and growth opportunities, we have to continually inspire them with a constant stream of fresh, strategic insights.

Indeed, we have to teach them to discover such insights themselves by giving

them the right thinking tools and training them to use them. We have to show people how to use eye opening insights to generate eye popping innovations.

One company that has done this highly successfully is Whirlpool, the global appliance manufacturer. Instead of just setting up a passive electronic suggestion box, the company established a sophisticated IT infrastructure several years ago called 'Innovation E-Space' which is open to anyone at Whirlpool who has intranet access.

With just a few clicks, Whirlpool employees can look for inspiration by perusing insights captured on the system, they can use these insights to spark new thinking, they can submit their own ideas and insights, they can build on existing ideas, they can follow an online tutorial on how to turn ideas into business concepts and they can find innovation coaches and mentors in their region who can help them organise seed funding for their ideas.

Whirlpool also instituted a leader led training process (like GE's Work-Out) aimed at enabling their people to continually apply the system to their own jobs.

Over the last five years, Innovation E-Space has had hundreds of thousands of hits from Whirlpool's employees worldwide and has become indispensable to the way people share ideas, learn together and collaborate on innovation projects in the company.

Rather than starting out with a torrent of ideas and ending up with a trickle, the system has gone from strength to strength and has been instrumental in making innovation a daily reality at Whirlpool. Most importantly, it has also helped the company add billions of dollars in innovation generated revenue to its top line.

As for the organisation I mentioned at the beginning, I told them they would have to do much more than just ask for ideas and then sit back and wait for them to come. In fact, I recommended that they take a good look at Whirlpool. And if your company is facing a similar struggle to maintain the momentum on innovation, you might want to do the same. ■