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Does an organization exist if it is not innovating?

An exciting thought perhaps for a college debating society, but just as Descartes statement became one of the foundations of the development of western philosophy, so too has *I innovate, therefore I am* become a mantra of some of the most successful companies; Or, because we are all team players these days (aren't we?), perhaps the line should be *'we innovate, therefore we are'*.

We know that innovation adds value, and is linked to growth. We know that organizations that do not innovate effectively run the risk of being destroyed by those that do. We know that all organizations, not just businesses, can innovate, including for example local governments and universities – there is no escape, if you don't grow you cease to exist?

As the philosopher himself said, 'it is not enough to have a good mind. The main thing is to use it well', so good thinking is not enough without smart action – 'I talk about innovation, therefore I am' for some seems to be enough: So are you just talking about being innovative, or are you actually innovating? Looking closer to home, are Asian businesses acting in an innovative way? Are they proving their existence in the regional & global economy by their ability to grow through productive change? If not what's stopping them?

Those latter questions are big enough for a business book, but it is that last word, perhaps, that we want to focus on: change. This is a theme that is most problematic for some business managers. Innovation is inherently about change and change is about taking risks. And risk scares almost all managers. The avoidance of risk is a killer because it means you cannot be creative, that you won't try things, and you will only ever see what you already know.

If you want to exist in a Cartesian sense (!) then address the 10 most prevalent innovation killers. Whilst the importance of each varies considerably by business or category there is some overall sense of order of importance:

1. A lack of **commitment of senior management** and the belief that brand teams can be the sole owners of innovation activities: To succeed the commitment to innovation must begin at the top. If senior management is committed then, usually, so are resources and, most critically, so is the will.
2. No links or weak links between individual performance, **KPIs**, and innovation. If people are not rewarded for change, nothing will change: Individuals require clever incentivisation to help them take the risks required in meeting the challenges inherent to innovation.
3. Fuzzy **leadership**. If no one is in charge then it is almost impossible to move anywhere. Innovation processes and projects must be managed by an individual committed to change and capable of making tough decisions. The most successful projects are lead from inception to launch by a single individual and a core cross functional team, with a wider team of key people who consistently rotate through specific events or stages in the process
4. A poorly defined **innovation strategy** – the lack of a clear set of goals owned by everyone, and behind which everyone (as far as possible) is aligned: Successful innovation is driven by people who know where they are going and why.
5. The lack of crisp **actionable insights**: To innovate you need insights to help inform strategies, describe opportunities and inspire creativity. Insights can be consumer needs or anxieties, their sensory preferences, a new understanding of your business, or some new technical understanding. You need to find insights your competitors do not have. This means a commitment to different research methodologies and to exploring the world with an utterly fresh set of eyes.
6. A poor understanding of **creative principles** and with this the inherent inability to take risks, to explore, to challenge the status quo: Creative behaviours are not important – they are vital. It is not enough to accept you need diversity; you must build-in an energetic drive for diversity. You need sufficient time and the right environment to expand your horizons and play the creative game.
7. Non existent or poor **integration** within and between teams. There is always, and arguably should be, friction, but unless R&D and marketing move forward together, efforts can easily falter or die: Integrated teams, well linked to adjacent functions, are key to maximizing innovation potential because ideas get bigger and are executed better.
8. Little or no respect for speed and **momentum**. Nothing kills an innovation process faster than extended periods between innovation ‘events’. Innovation processes are often characterized by a cascade of stages, and the success of each stage relies on the output of the event before it. Ideas put into a cupboard seldom emerge; enthusiasm and belief dissipate with time.

9. Indifference and / or **Inertia** stops innovation before it starts. Have you caught yourself thinking the following thoughts? “We’ve tried that before and it didn’t work” (*maybe it was not the idea but the execution that was the problem?*). “No-one else is doing anything, why should we?” (*what if they do, then you are in trouble*). “We are market leader, we are doing well, we shouldn’t change anything” (*maybe, but as you are market leader, it is your responsibility to drive the market, to change the status quo. Your competitors will catch you one day and if you cannot differentiate your category you will become commoditized leaving you with nothing but a price war*). “We will tell consumers what they like. They’ll buy what we give them” (*Consumers can’t be told to do anything. They will buy and stay loyal to brands with new value propositions, and a consistent experience they enjoy. You need to know how your business can achieve this,*)
10. Sporadic, **ad-hoc**, innovation attempts. Innovation – the culture that drives it and the processes that facilitate it need to be sustained. This means we need a systematic and replicable approach – an approach that can adapt and change certainly, but is essentially an embedded and continuous process with strong positive feedback. Innovation success inspires new and stronger ideas.

Instead of finishing with Descartes, after all he was obsessed with doubt, think about this: Change is now the normal state of affairs. Organizations must be fast, flexible, and prepared to think differently. It’s only fitting that George Bernard Shaw should have the last word: *‘Progress is impossible without change and those who cannot change their minds cannot change anything.’*

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