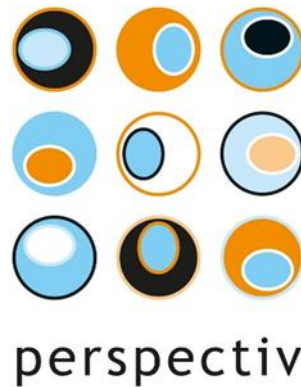


Quo vadis nunc?

Where does an innovative company go next?



Perspectiv would like to acknowledge and thank David Straker for sharing some of his thoughts with us and for his permission to adopt and adapt some of his ideas.

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Introduction - Quo Vadis Nunc?

In many organisations today there is already an innovation initiative of some kind already running. So where does an innovative company go next? Quo Vadis Nunc?

When an organisation has already got an innovation programme underway, how does it know how far it has travelled in relation to world class best practice? And what are the next steps?

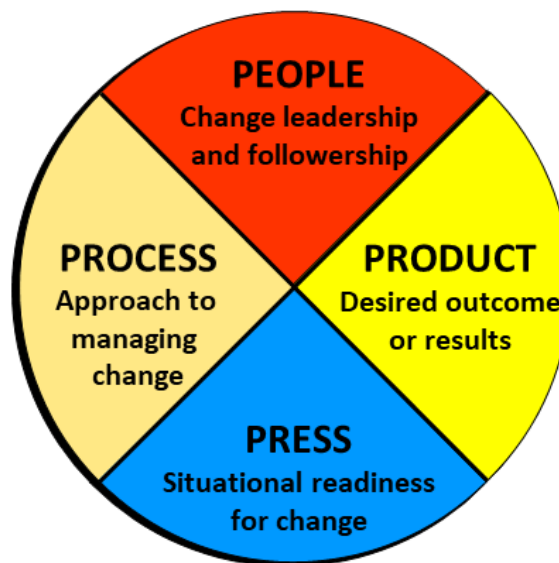
In 1979, Philip Crosby introduced the idea of **five levels of maturity**, which an organisation might ascend as they got better at quality management¹.

In the true innovative style of shamelessly adopting, adapting and improving, we can take the maturity model and apply the idea to innovation.

But in order to use the Innovation Maturity Grid, it is necessary first to outline the recognised and most widely used approach for understanding, developing, and applying creative thinking and problem solving for innovation and change.

The framework has emerged over 50 years of research, development and experience and is multi-dimensional. It provides a variety of powerful and rational tools and strategies for managing innovation and change, and it also involves explicit consideration of the people aspects, the context, and the needed outcome.

The Four Capabilities for Innovation & Change



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People – the heart of the system which includes the personal problem-solving styles and characteristics that affect innovation and change.

Product – the resultant products, outputs and outcomes that are required and which include (but are not limited to) new products and services.

Process – the processes and tools that involve the deliberate structures, operations, and thinking.

Press – the background environment with a focus on the internal climate.

The Innovation Maturity Grid

Similar to the Total Quality Management movement of the 70s and 80s, when the aspects of people and climate were only partially addressed, then it is very likely the initiative will not be sustained and will not achieve the desired results. The key to making change sustainable is to ensure all four areas are addressed.

Level					
Step	1 Innocence	2 Awareness	3 Support	4 Competence	5 Excellence
Focus	None	Product & Outcomes	Process & Tools	People & Teams	Leadership & Climate (Press)
	There are normally a few people in the organisation trying out various creativity and innovation approaches but there is no considered, integrated initiative and innovation is not explicitly on the agenda but left to chance.	In this stage the organisation starts to put creativity or innovation on the agenda, and typically focuses on New Product Development &/or Research & Development. It tries to gain insights about how to go about innovating by studying and researching other companies approaches and 'products'.	Having checked out how others do it, the organisation starts to buy tools or processes such as Stage-Gate, an idea suggestion scheme, 6 Thinking Hats, or creative problem solving. This may also include developing facilitators and a Head of Innovation. There is a feeling of progress and things happening.	Many organisations never get to this stage as the enthusiasm of the previous stage is turning to depression. People find that real success is sporadic if at all. The initiative is often then all but aborted after the initial utilization in favor of something else, apart from a few devoted enthusiasts. Those who really have the desire to succeed start to discover the key missing elements of the system – the soft stuff.	Those really taking innovation seriously start to understand the full system and are prepared to change the critical aspects of leadership behaviour and climate. Leading innovation & creating a climate for innovation requires a different mindset - new skills AND new motivation to overcome complacency, ignorance and fear. Real progress is made from being sideline cheerleaders to real leaders of change. Over time, real bottom line value is obtained from innovation through improvements in areas such as growth, ROCE, productivity, quality and profitability.
Feeling	Hope	Impatience	Enthusiasm	Frustration	Enlightenment
Character		Hard	Hard	Soft	Soft

As with most initiatives, there are elements of the innovation mix that are more difficult to understand and some that are easier. For example, it is relatively straightforward to do something about process through tools such as brainstorming, putting in an idea suggestions scheme or a Stage-Gate system, or using facilitators to run meetings.

The key is not to omit any aspect just because it is difficult or to treat each element in isolation as they function as a system. Sadly, in our experience, all too often when thoughts turn to improving the level of innovation in an organisation, the crucial 'soft' aspects of leadership and climate are normally poorly understood and all but ignored.

Where to go now?

As Edward Deming said, "All models are wrong, but some are useful." The Innovation Maturity Grid is a useful model, but we cannot simply push an organisation into a box marked 'Level 5' without recognising the limitation that this type of categorisation brings – that the maturity of an organisation is an aggregate of its individual members.

As a result, there will be a distribution of innovation maturity across groups and the organisation. The model will therefore be potentially more useful if used for understanding parts of the organisation and identifying strategies required to develop or transform individual entities to the next level.

But a word of caution – moving through each stage takes a considerable amount of effort and risk especially to the individual who challenges the existing innovation approach. Many struggle for a long time at Level 3 – at most conferences on the subject of innovation, you'll hear a lot about outcomes and the process. Others manage to change and progress by moving out of their personal comfort zone and take risks by challenging and changing the existing approach. Many people leave the organisation.

The Innovation Maturity Grid is proposed as a framework with the goal of helping to identify the whole picture. What often happens is an organisation introduces an innovation programme with high expectations of improving performance. When the changes fail to take root and produce the intended results, the unfulfilled hopes lead to the introduction of other seemingly promising innovation changes. These, also, ultimately fail to deliver.

There are several possible reasons; however, one reason is that the climate for innovation and its relationship with leadership behaviors are not well understood and often ignored.

Climate is the fundamental psychology of the company – the everyday practices that create the "atmosphere" of the organisation. It is this atmosphere that focuses and motivates employee's behaviour. Without changing this, there can be no sustained innovation programme. And to change the climate means changing leadership behaviour.

The PWC Innovation and Growth Survey² found that climate and leadership were two of the three capabilities that separated the top 20% from the bottom 20% of companies. The third being deliberate processes and structures that support innovation.

Some people say, "that's fine, but we don't have the money or time to worry about all that 'soft' stuff." And some people tend to think that the only important stuff is the 'hard stuff', and so dismiss the 'soft' as unimportant, unnecessary, and at best, elusive.

However, the 'hard stuff' is normally easier to fix and requires less personal energy, whereas the 'soft stuff' often requires a commitment to personal change first.

Clearly both are needed, but we find that much more attention needs to be paid to the 'soft stuff' once 'level 3' has been reached – particularly by those in positions of authority and power.

Ask yourself:

- How well does your organisation deal with the 'soft' stuff?
- Is the climate for innovation measured, understood and nurtured?
- Is leadership focused on developing the practices that enable innovation?

How might Perspectiv help?

When organisations wish to improve the 'softer' aspects of the business such as climate, they often just "shotgun" it – doing something that is poorly thought out or doing something that makes the situation worse.

Our experience is that many organisations are unwittingly encouraging people to think and behave in ways that are counter productive to innovation. People are often rewarded for doing things that have negative effects on innovation.

Based on the pioneering work of people such as Goran Ekvall and Scott Isaksen, we have developed a programme that enables organisations to explicitly consider teams, climate and leadership.

We can measure the climate for innovation, and we can help develop teams and leadership behaviors that nurture innovation and support the climate. The objectives of such programme are to help organisations:

- Improve sustainable innovation performance
- Develop team and leadership competencies, skills and knowledge to drive innovation.

Given our name and focus however, it would be strange if we applied all these in exactly the same way for every client we worked with! We tailor everything we do to the particular needs of each client's situation, and mix and match advanced skills in consulting, facilitation, coaching and training to ensure we make a real difference.

¹ P.B.Crosby. Quality is Free. McGraw-Hill Book Company. 1979.

² Davis, T., Arnett, A., Gibbons, P., Milton, F. (2001). Innovation & Growth Survey. London, UK. PriceWaterhouseCoopers.