

wazoku

Innovation at Scale

Whitepaper



Content

- 04** Foreword
- 05** Delivering Innovation At Scale
- 08** Part 1: Building The Foundations For Scale
- 10** Problems Not Ideas
- 12** Lasso
- 15** Building Innovation Routines
- 17** Walk Before You Run

- 22** Measure Results
- 25** Part 2: Organizing For Innovation At Scale
- 28** Part 3: Unleashing Innate Human Potential
- 31** Part 4: The Right Tools For The Job
- 33** This Isn't Broadway, So Stop Acting
- 35** Conclusion: Is It 12:45?
- 36** Glossary of Innovation



Foreword



Innovation: Scale or fail

Businesses around the globe face challenges across the board and a future which looms larger every passing minute. The impact of the pandemic on global operations, supply chains, and entire populations have shown us that learning fast and adapting quickly is a business necessity.

“The need for innovation at scale was thrust upon us with an urgency unlike anything experienced before.”

Moving beyond many of our well-established rules in the face of these challenges will have knock-on effects that last much longer. Aspects of the future of work theme have been pushed into the foreground, and 10-year digital roadmaps had to be delivered in 12 months. These impacts will be with us forever. Despite the necessity of these changes, this newfound agility and adaptation is an emerging positive for businesses.

Those who moved quickly showed that a lot of work can be done remotely and that innovation can be delivered quickly and cost-effectively. Innovation is tough to get right at both global and local levels. Innovating at scale, across your entire operation, requires a rethink of the entire organizational approach to problem-solving.

“Those who get it right will leapfrog the competition.”

True innovators will use this newfound capacity as a foundation for accelerating change, building advantage, and consolidating success. As organizations and as leaders, we’re always considering how to tread a new path forward –innovation at scale is a formidable competitive tool to implement. Those who assume otherwise, who think that this is merely a blip and things will ‘return to normal’, will find themselves as case studies in innovation seminars around the world. Don’t be the Blockbuster and Nokia of tomorrow.

Embrace the power of change, and use the lessons in this report to truly innovate at scale.

Simon Hill
CEO, Wazoku

Delivering Innovation at Scale

An Introduction

The global pandemic has driven digital transformation to the top of the business agenda. As we look to the future will we see large, established organizations (LEOs) showing their innovation fangs and digital might? Due to the sheer scale of these LEOs (size, reach and resources), now is the time for them to put this advantage to work.

Some do use their size and scale to their advantage and have reaped the benefits, but the examples are too few and far between.

Why do so many struggle to deploy their obvious advantages and fail to drive innovation at any level of scale? Throughout this paper we will explore the barriers and pitfalls to Innovation at Scale, and share frameworks, examples and lessons learned, to support you in your scaling journey.

The Challenge Driven Enterprise

Too often organizations measure their innovation success by metrics such as the percentage of sales spent on R&D, how many patents they own, or whether the leading academics in their fields are on a retainer. However, in today's economy, these should all matter much less to the management of the organization or to the shareholders than whether they can get a new product to market before the competition and dominate the category, or whether resources are being managed to ensure the firm can aggressively pursue new business opportunities when they emerge. The prevailing mentality of most established businesses slows innovation while increasing its costs. Ultimately the shareholders pay the price.

Challenge Driven Innovation® represents a dramatic evolution in enabling more effective, efficient, and predictable innovation. Our experience with businesses suggests there is enormous benefit simply in managers and employees better defining and managing their own problems. However, in today's economy, these should all matter much less to the management of the organization or to the shareholders than whether they can get a new product to market before the competition and dominate the category or whether resources are being managed to ensure the firm can aggressively pursue new business opportunities when they emerge.

Challenge Driven Innovation® represents a dramatic new vision with far reaching implications that can improve the **speed, agility, and efficiency of business**. It enables new modes of innovation while creating the flexibility to capitalize on new business opportunities. Industry leaders will be those that successfully apply these concepts universally, from business strategy to the manufacturing plant floor.



The 4Ps that underpin Innovation at Scale within the Challenge Driven Enterprise (and one that doesn't!):



Process: Decentralized decision making (a return to urgency)



People: Unleashing innate human potential



Platforms: The right tools for the job



Pretending: Stop the innovation theatre. This isn't Broadway, so stop acting

The Challenge Driven Enterprise realizes the following benefits:

1. The potential to unleash unlimited innovation capacity
2. Reduced time from idea to value
3. Pulls risk forward
4. Pushes cost back





Challenge
Driven Innovation®
represents a
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Part 1: Building the Foundations for Scale

One of the biggest challenges is that LEOs are set up to be risk-averse and change-resistant. We refer to this as The Corporate Immune System, which rejects innovation as the immune system would a virus. LEOs are change-resistant by design whereas disruptive start-ups are innovative by nature.

However, large corporates can build and sustain an effective Culture of Innovation and have succeeded in delivering innovation at scale. Here are some of the core building blocks towards embedding innovation into your organizational DNA.

Embedding innovation into organizational DNA

01

Shared Definition:
Define what innovation means to ensure people pull in a common direction

04

Building Routines and Balancing the end-to-end Process:
We cannot ignore the stabilizing components of innovation; good process is the foundation (not the nemesis) for scaling your innovation outcomes

02

Problems not Ideas:
The process for driving better results doesn't start with great ideas, it starts with better questions

05

Everyone has a role:
Your culture of innovation must be open, inclusive, democratic, and scalable

03

Clear Strategy & Accountable Leaders:
Share the vision and enable your teams to deliver it

06

Measure Results:
Your KPIs are critical. If you want it to stick, measure, report, reward, learn and repeat. Constantly

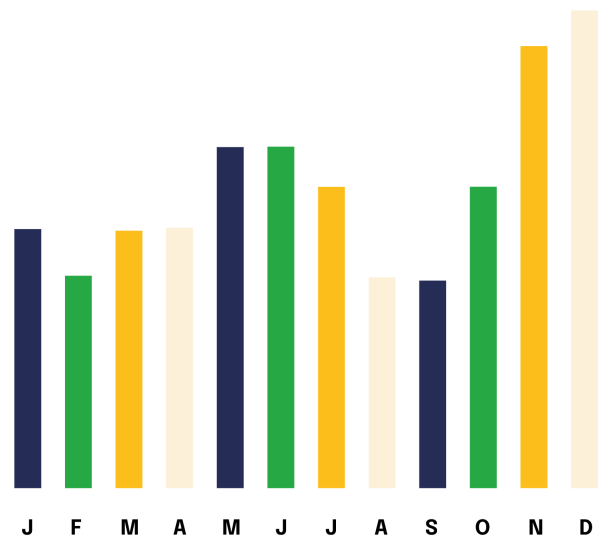
1. Shared Definition

What is innovation?

Collectively we don't seem to know!

Innovation is essential for any company to deliver long-term value to customers and shareholders. However, despite this status we seem universally unsure as to what it even is. There were almost 30,000 Google searches for 'What is innovation' in 2020 for example (see chart). Furthermore, volumes in this search increased significantly in November and December, suggesting innovation was more in the business psyche, and as with all important, mission-critical activities, we seem to kick it off with the most basic of all questions. As a world we don't seem to know what innovation is nor how best to achieve it. Or perhaps more accurately we want to be seen to be innovative but are either not sure in how to achieve this, or lack the strategy, structure and processes to achieve it – assuming that's what we really want to do (see "Part 5: This isn't Broadway so stop acting" to learn about innovation theatre!).

There were almost 30,000 Google searches for "What is Innovation" in 2020



So, what is innovation?

We define it as follows:

“

Innovation is a process through which new products or services are developed, or existing products are enhanced, to create new forms of value.

2. Problems Not Ideas

Misguided leaders often tell their employees, “Don’t bring me problems, bring me solutions.” This is terrible advice. We don’t need more low-value ideas, we need better, meatier, and more important problems that can be reframed. Only then should we look for solutions.

When you view innovation through the perspective of problem-solving, you discover that everyone can participate. Innovation is not for the ‘special and avowed few’, it thrives with good problems to solve and diverse ideas to feed it. Furthermore, problem-solving affects every part of an organization– sales, leadership, recruiting, marketing, alongside the usual suspects of innovation, R&D etc. After all, problems are not the sole purvey of the innovation or R&D team. Any sales, marketing, HR or any functional leader, manager and beyond will have a long list of problems they are trying to solve at any one time.

In order to innovate at scale, we need to **develop our problem solving skills**. However, before we get to problem solving, we need to establish the processes for capturing the long list of problems across our organizations, the approaches for prioritizing these (once you achieve scale you can run many in parallel, but there are always trade-offs), and the tools to enable us to reach the diverse set of potential problem solvers (see “Everyone has a role” on page 21).



Ask the right questions in the right way

When it comes to problem solving, the questions we ask have a profound impact on the solutions we discover. Better questions lead to better answers!

In the corporate world it is all too common for questions to be posed in overly broad and abstract ways. We see this often when we go in to companies who have a rudimentary ideas scheme in place, who throw out default questions such as:

- What ideas do you have for improving the business?
- What new products should we create?
- How can we increase revenues?
- How can we improve productivity?
- What new technologies should we invest in?



These questions are the business equivalents of trying to solve world hunger: too broad and therefore ineffectual. Broad questions will almost certainly produce broad, irrelevant or impractical solutions. As an example, the CEO of a leading retailer did this once in his first week and got 14,000 ideas back via email within a few days. He had to beg people to stop sending them. This might sound like a great result, but what is anyone to do with 14,000 unstructured and uncategorized ideas in an email thread? It took a team of consultants 9 months to sort through them all, cost millions and achieved very little. **Overly abstract questions invite a large number of low-quality solutions.**



On the other hand, asking questions that are too specific results in ineffective thinking. Constricting boundaries too tightly can result in inappropriate solutions, much the same way that asking questions that are too broad can. When we frame issues too narrowly, they are either solutions masquerading as questions or questions that are so specific and narrowly defined that they limit the potential range of places where we will even consider looking for solutions.

(Abstract taken and modified from Chapter 1: Better Questions lead to Better Answers of Invisible Solutions by Stephen M. Shapiro, 2020).

Wazoku Crowd Customer Story

A great example of this comes from the Exxon Valdez tanker crash and oil spill in 1989. For nearly 20 years, clean-up crews in Alaska tried to remove the 10.8m gallons of oil that spilled into the icy waters of Prince William Sound. The clean-up process was hampered because as the oil-water mix was extracted from the Sound, it seemed to freeze. Oil experts were unsuccessful in solving the problem "How can we prevent an oil- water mix from freezing?"

The Wazoku team looked at the problem and framed it differently. They saw it not as a problem of oil or freezing, but instead a common fluid-dynamics issue called viscous shear. This is a phenomenon where molecules of dense liquids seize when moved quickly. When the oil-freezing challenge was re-framed to "How can we prevent viscous shear in a dense liquid?", the problem was solved within 2 months. The solution came from someone who had worked in the construction industry and solved a near two-decade old problem. The new question revealed a previously invisible solution.

A framework we employ when seeking to frame problem statements is LASSO. You may find this a useful acronym to have to hand when looking to frame your innovation problem-statements. LASSO stands for:



Limited Scope

Actionable

Specific

Supported

Owned

3. Dude, Where's your Innovation strategy?

An innovation strategy is a commitment to a clear innovation mission. It should comprise a coherent, mutually-reinforcing set of policies or behaviors aimed at achieving a specific competitive goal. Good innovation strategies are simple, clear and easily understood. They should promote alignment among diverse groups within an organization, clarify objectives and priorities, and help focus efforts on them. They should not be ambiguous or allow for varied interpretation.

Companies regularly define their overall business strategy (their scope and positioning) and specify how various functions—such as marketing, operations, finance, and R&D — will support it. But firms rarely articulate strategies to align their innovation efforts with their business strategies.

Without an innovation strategy you can NEVER scale your innovation efforts. Without an innovation strategy aligned to your business strategy, you can NEVER scale your innovation impact.

No two innovation strategies are likely to be the same. What works for others is unlikely to work for you. The context is too specific to you.

Key questions to answer and things to consider when forming an innovation strategy:

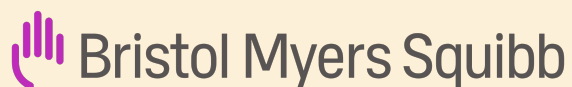
From Harvard Business Review, You Need an Innovation Strategy by Gary P. Pisano (June 2015)

1. Revisit points 1 & 2 of this White Paper!
2. How will innovation (however you define it) create value for our (potential) customers?
3. How will we capture (and defend) a share of the value created?
4. What types of innovations will allow the company to create and capture value, and what resources should each type receive?



Connecting Innovation to Strategy

About 10 years ago Bristol-Myers Squibb (BMS), as part of a broad strategic repositioning, decided to emphasize cancer as a key part of its pharmaceutical business. Recognizing that biotechnology-derived drugs such as monoclonal antibodies were likely to be a fruitful approach to combating cancer, BMS decided to shift its repertoire of technological capabilities from its traditional organic-chemistry base toward biotechnology. The new business strategy (emphasizing the cancer market) required a new innovation strategy (shifting technological capabilities toward biologics).



4. Building Innovation Routines & Balancing the end-to-end Process

In order to deliver innovation at scale we need to build, develop and then sustain a set of innovation routines to shift our organization from a dispersed set of ad-hoc innovation practices to a scalable set of repeatable behaviors and competencies aligned to an overall innovation strategy and operating within a set of established guidelines and frameworks.

Innovation is about more than novel ideas, the latest technology, or the creation of a new product or service. If organizations are to transition away from ad-hoc innovating to sustainable innovation at scale, then the first step is to establish, staff and manage processes which create value regularly.

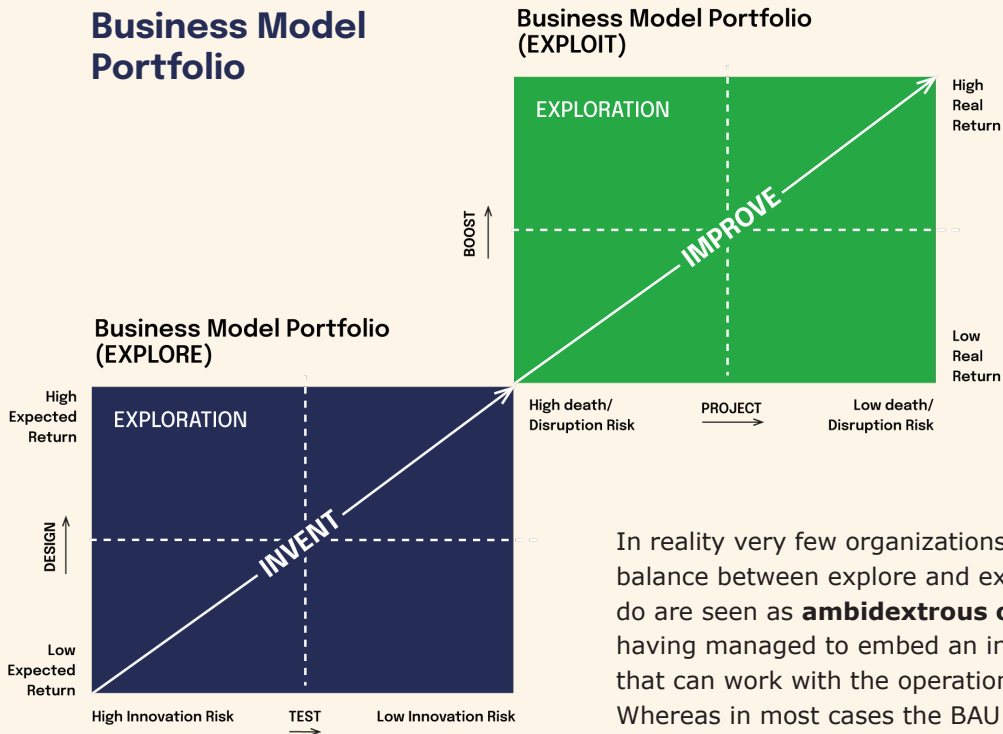
Whatever the short-term drivers for innovation are (ever-changing competitive landscapes, business model diversification etc.), imagining an ever-increasing space for value creation is critical if organizations are to suc-

ceed in taking innovation out of an R&D lab and into its everyday ways of working.

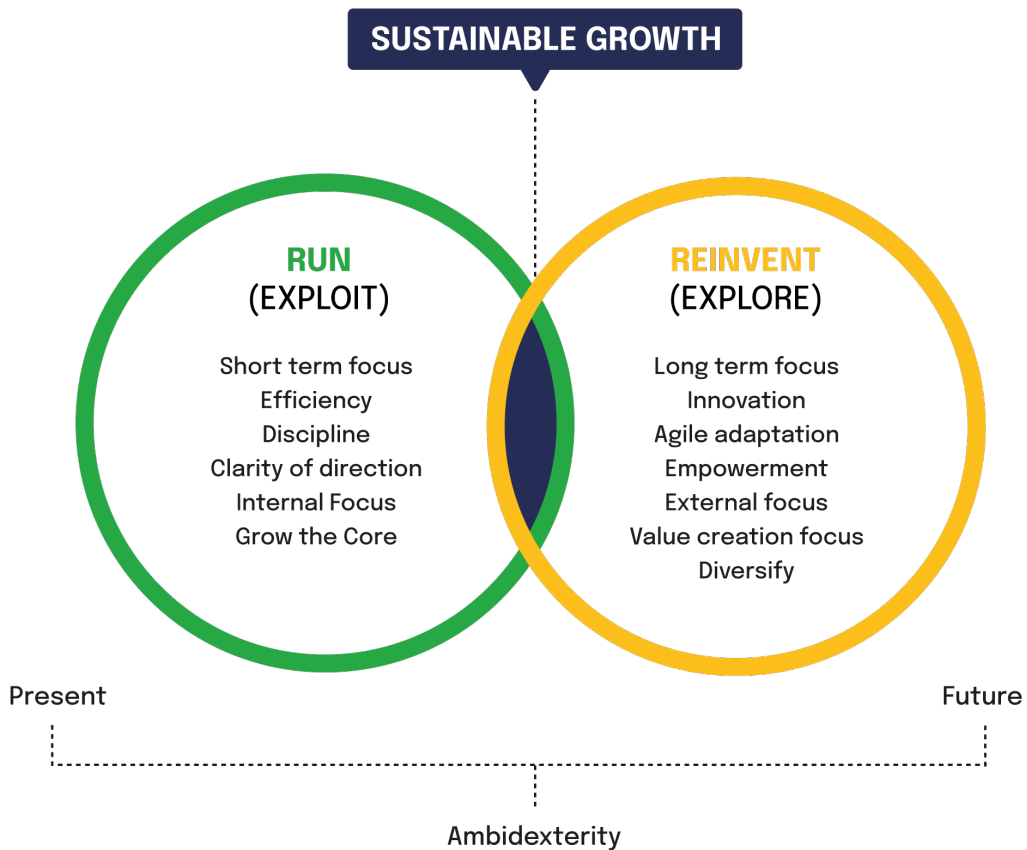
Repeatable, renewable, recurring value-creation cannot happen without a process for routinely developing ideas through to impact. These routines of capturing, developing and selecting ideas not only need to be staffed and managed, but they also need to be understood and valued by everyone within the organization.

In order to be successful in the long term, businesses need to **explore new ideas and forms of value creation, while also exploiting their existing capabilities.** They need to embed and enable this capability across every part of their organization in a systemic and structured way, finding the right balance between exploitation for today and exploration for tomorrow (see below). The balance (mix) will vary significantly across organizations, over time and by context.





In reality very few organizations strike the perfect balance between explore and exploit, those that do are seen as **ambidextrous organizations**, having managed to embed an innovation system that can work with the operation system of today. Whereas in most cases the BAU processes are that corporate immune system we discussed earlier and these simply reject the competing innovation operating system.

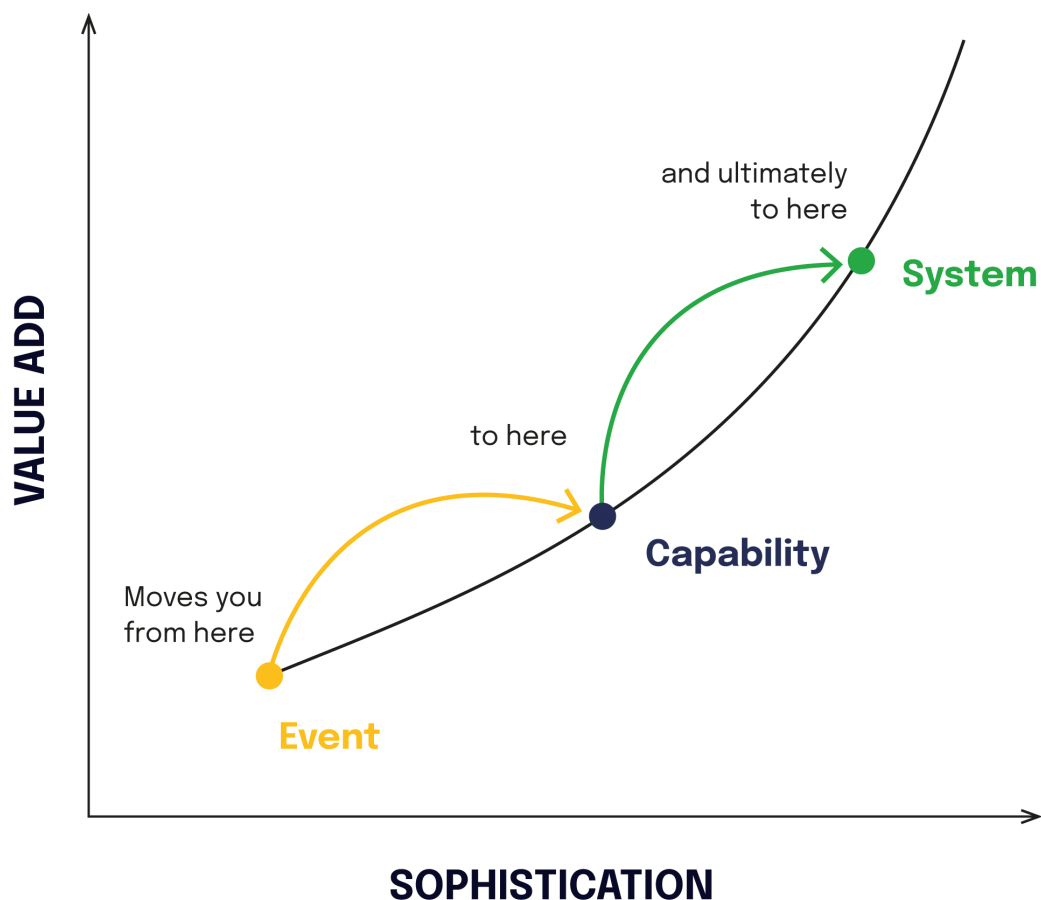


Walk before you run: Establishing Core Innovation Capabilities

As with all things, how we start will define our outcomes, success or otherwise into the future. The typical starting point is an immediate and tangible pain point. We call this an innovation event. This is a very natural place to start, but it is important we recognize this for what it is, otherwise your efforts will quickly fizzle out and die very soon after you reach the end of whatever the project is that triggered the event need.

As a part of your innovation at scale strategy we are seeking to develop the Capability & Capacity to drive successful innovation at scale. The chart below outlines this evolution from **event-based innovation** activities at the outset, maturing into **Innovation Capabilities** and ultimately building an **Innovation System**.

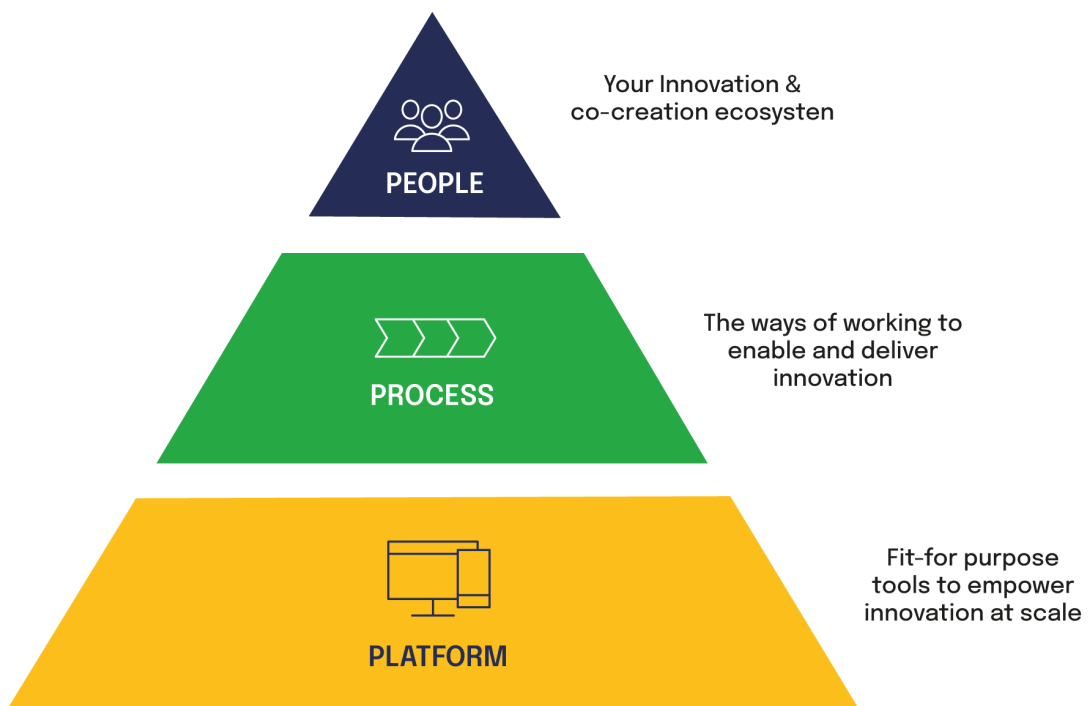
An innovation system is a coherent, integrated set of interdependent tools, processes and structures that dictate how the company searches for novel problems and solutions, synthesizes ideas into a business concept and product designs, and selects which projects get funded. The system is a part of the core operating model and is pervasive (accessible by all).



In order to move from a 'want' towards capability and ultimately an embedded innovation system, you need to ensure you have the following in place (some we have already covered):



We recommend the system is structured around the 3Ps – Platform, Process and People



PLATFORM

How are we going to engage people? How will we manage the process? How do we capture ideas and select which ones we will work on?

PROCESS

What frameworks, tools and approaches are we utilizing? How will we reach the right people with the relevant skills? How do we know people will engage?

PEOPLE

Who are we looking to innovate with? (We will cover this in more detail in the next section).



**With our Challenge
Driven Innovation®
underpinning an
innovation platform
we enable unbounded
innovation at scale.**

**This approach supports
LEOs and beyond
in driving valuable
outcomes with a proven
ROI - opening up an
unlimited capacity for
innovation across
our clients.**

As you think about developing your innovation routines, here are some of our top resources for getting started:

1. [20 mistakes new corporate innovators make by our friends at Innovation Leader.](#) Hopefully, not too many of those already in the locker!
2. [Unlocking Innovation: A Leader's Guide to Getting Started](#)
3. [Six Steps for Idea Management Success](#)
4. [Ten Steps from idea generation to implementation](#)
5. [Culture change: 6 Ways to Improve Innovation through Culture Change](#)
6. [The First 5 Things to Do When You're Given Responsibility for Corporate Innovation \(on Innovationleader.com\)](#)
7. [How to become an everyday innovator in 9 steps](#)



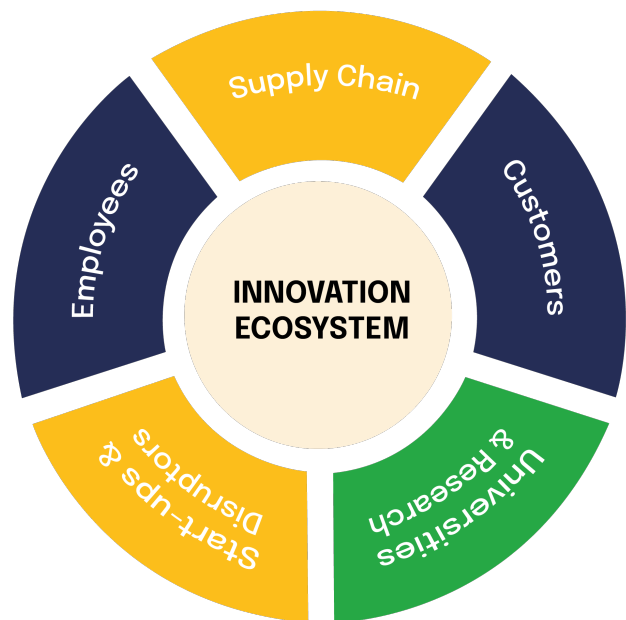
5. People

Everyone has a Role

Innovation is a team sport. Innovation at scale is an all-inclusive activity. You should be looking to solve-problems and drive innovation outcomes through experimentation and innovation practices at scale and always-on (not episodic).

Your innovation strategy should define the innovation mix and where you wish to focus, but as you develop your innovation system it is vital you are seeking to engage your innovation ecosystem holistically, openly and consistently.

Examples of some of the key stakeholders and actors in this ecosystem are:



With a fully deployed innovation at scale system, you have all of these audiences within your innovation remit and **an unlimited capacity to problem-solve and innovate.**

Looking at these individually:

➔ Employees:

At the heart of your innovation program are your amazing global workforce. These are the incredible people who know your business better than anyone and are equipped to see the potential opportunities and problems and are a rich source of ideas, insights and innovation too. At Wazoku we enable global organizations to drive a high-impact culture of innovation at scale, enhancing the employee experience and driving significant business value.

➔ Supplier Innovation Management:

How do you drive innovation across your supply chain and with your suppliers? Align your suppliers on your innovation goals and engage them to co-create solutions with and for you. Win win.



➔ **Customer Innovation Management:**

Putting the customer at the heart of your innovation processes, build customer innovation communities, access insights quickly and securely, deliver innovation outcomes with the customer bought in from the outset.

➔ **Universities & Research:**

Whether for recruitment, R&D or other business related innovation outcomes, co-creating with select or a global pool of higher-education institutions provides access to an incredible and diverse talent pool and showcases the innovative credentials of your organization.

➔ **Start-up Innovation Ecosystem:**

Open innovation portals and approaches are a shopfront for your innovation tech scouting and problem-solving. Attract relevant start-ups and scale ups to collaborate whether for explore or exploit innovation needs.

➔ **Open Innovation Marketplace:**

Unlock unlimited problem-solving capacity by accessing our global Wazoku Crowd of millions of change makers. This on-demand resource has solved some of the world's most complex innovation challenges.



6. Measure Results

Today's business leaders are still judged based on short-term measures, partly because of difficulties in assessing long-term but also because of the market's short-term profitability requirements. Innovation is possibly the most important activity that an organization can do (if not #1, it is close to it), yet it lacks a defined set of KPIs. No other core capability operates like a dark art.

Marketing and sales are KPI'd to the eye-balls, finance, operations etc. We spend a fortune on innovation, but **what do we reliably measure?**

There are some common innovation metrics of course, but they are generally output-focused. Only measuring outputs is like only measuring sales deals or EBIT and not worrying to measure the various inputs and throughputs to the complex numbers, and that assumes the outputs we are measuring from innovation are as qualified as EBIT or new sales. Many are not. We need to improve our data points, metrics and reporting on innovation, especially when it's done at scale.

The comparison with a CRM is quite a helpful one. Think about what you know about your sales funnel. Surely you should know the same about your innovation funnel, right from that very first lead (in this case, idea) through the end-to-end process and be able to take a pulse on this at any time.



Measures of innovation must be related to what is sought-after. If risk-taking is sought-after, we cannot only measure success. However, measures of an effective evaluation can stimulate both many ideas, as well as ideas with high risk/high potential.

Innovation Lead, IKEA

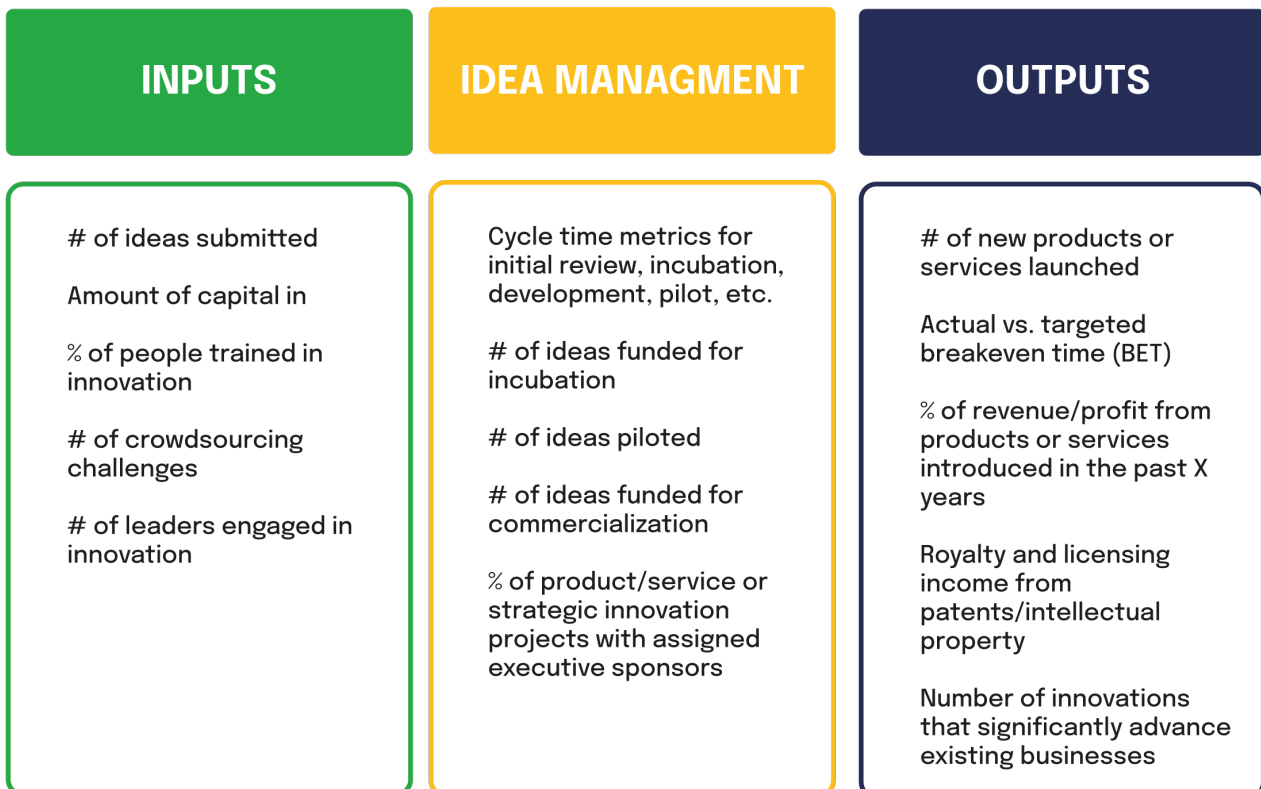
Why is this important?

- Provides **visibility** on your current state
- Enables you to assess whether your objectives have been/are being **achieved**
- Helps to **identify** areas of strength & weakness
- Will improve your **decision making**
- Will **direct the behavior** of those involved in the various innovation activities across your business
- Gives you visibility and **relevance to senior management**



Our Innovation at Scale work

A global financial services organization has driven over £100m of value through 27,000 implemented ideas. Their funnel is a core KPI for the global CEO (for his monthly line manager meetings) and feeds a key part of their exploit innovation strategy and reporting.



Part 2: Organizing for Innovation at Scale

Foundations set ✓
Early wins ✓
Ready to scale ✗

The ways of working that got you here, will almost certainly not scale. We need to re-think the operating model and build capacity into it or risk drowning before we really get started. If you are in any doubt of this assertion, remember that the whole world has changed around us, if this was a truism before, it is even more so today. Prioritizing the scalability of innovation today is the key to unlocking post-crisis growth.

The COVID-19 crisis presents an opportunity that few feel equipped to pursue

Although **most executives agree that innovating the business will be critical**, few feel equipped to face the challenge.

90%

believe that the COVID-19 crisis will fundamentally change the way they do business over the next 5 years

85%

are concerned that the COVID-19 crisis will have a lasting impact on their customers' needs and wants over the next 5 years

21%

feel that they have the expertise, resources, and commitment in their business to pursue new growth successfully

2/3

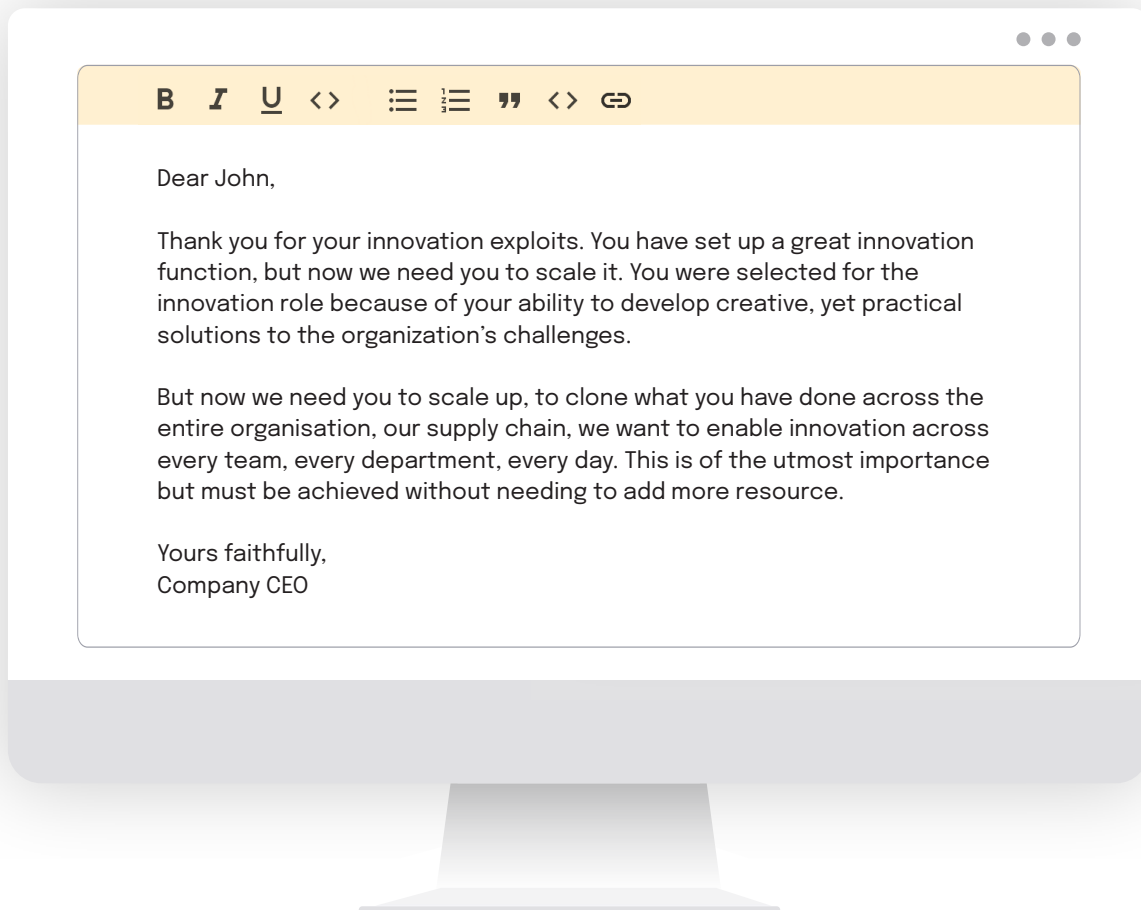
believe that this will be the most challenging moment in their executive career

Statistics courtesy of McKinsey & Company

In order to be able to scale innovation in your organization, you need to empower decision making across the different levels of your organization. The dream is to have every employee understand the business as a whole and proactively develop every facet of the way they work **(everyday innovation at scale!)**.

Transitioning from Player to (Player)-Coach

Congratulations. Your innovation team has been a huge success and you receive the following (fictional) note:

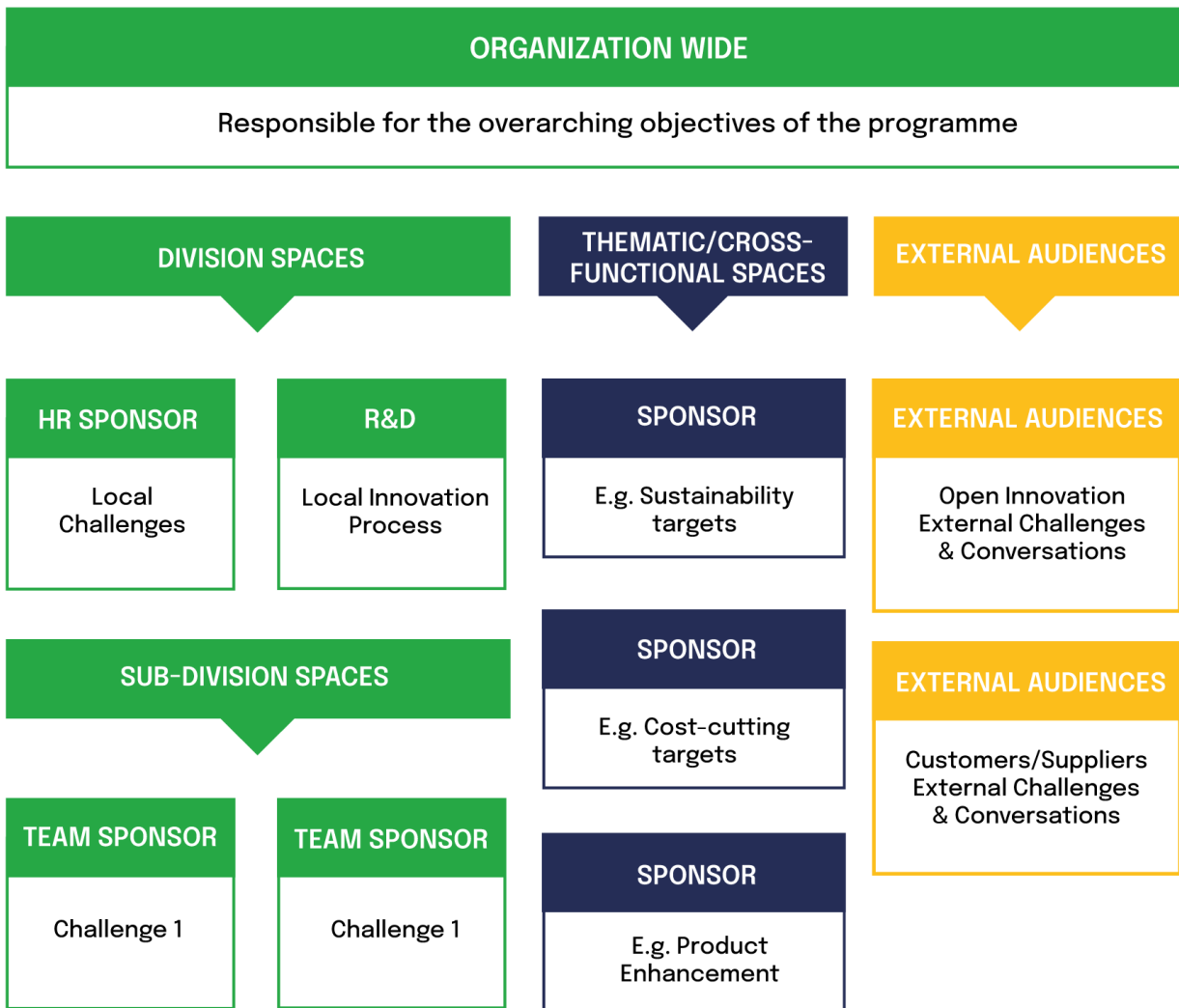


All your hard work was for this opportunity to bring the tools of innovation at scale to the entire organization and here is how we do it.

Wherever possible we need to look to decentralize innovation away from the core and down into the functions, projects, and strategic focus areas. The image below gives an example of a scaled innovation program, underpinned by technology, embracing the Challenge Driven Innovation framework and with a scaled academy developing 'innovation catalysts' (see below) across the organization. Innovation activity is well-resourced, pervasive and embedded, with repeatable processes and micro-routines operational at all levels across the business.



Operating Model for Innovation at Scale



Part 3: Unleash Innate Human Potential and Release Your Innovation Capability and Capacity

As a team of one, or slightly more than one, and the need to operate within current capacity (CEO email clearly stated no more resource), it is important to think about how to build a scalable innovation model. **How can we scale you, to scale innovation across the whole business?**

Next Generation Innovation Capabilities of the Challenge Driven Enterprise are powered by frameworks, accreditations, routines and Centers of Excellence.

We should be striving for developing, delivering and continuously iterating around:

- A networked organization Business model innovation
- A culture of innovation
- Locally-led, centrally-enabled innovation
- Complex system change
- An established and well-rounded innovation toolkit (frameworks, playbooks, training, accreditations and more)
- A solutions-first mindset (built around CDI® thinking and robust problem framing skills)
- Inside-in, inside-out and outside-in approaches for innovation
- Inter-connected multi-disciplinary innovation communities

We will explore these topics in more detail in future reports, but will start with an initial dive into the topic of networked organizations here:

The Networked Organization

Benefits:

- Increase diversity of ideas and perspectives
- Productivity and efficiency gains
- Promote culture of innovation



“ The Most Valuable Asset of a 21st Century institution will be its knowledge workers and their productivity

Peter Drucker

The concept of networked organizations considers an alternative organizational structure, designed to enable the more rapid development of ideas and new approaches whilst still maximizing the operational efficiencies needed to manage the business-as-usual (BAU) core.

The networked organization is one that is connected together by informal networks and the demands of the task, rather than a formal organizational structure. The network organization prioritizes its 'soft structure' of relationships, networks, teams, groups and communities rather than hierarchical reporting lines.

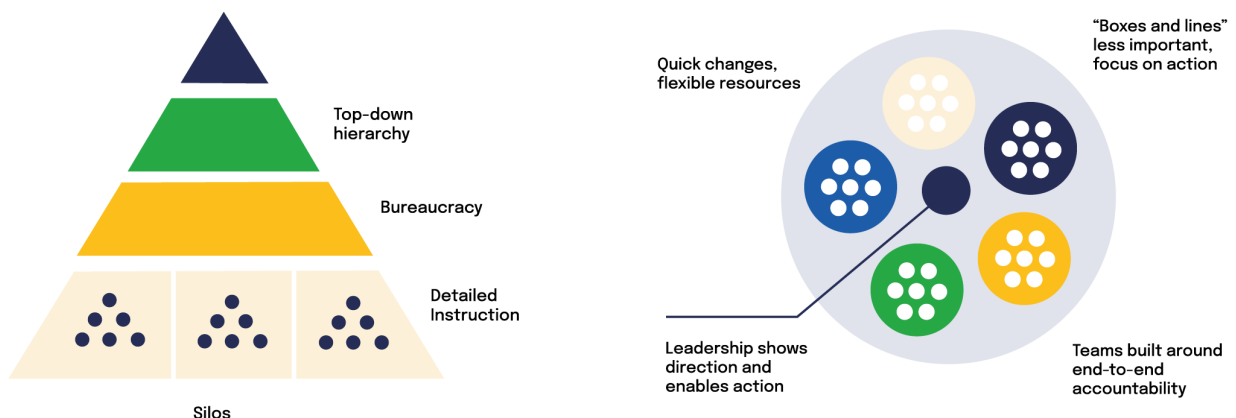
Traditional management hierarchies are, in many ways, set up in such a way as to needed to foster and deliver innovation outputs. The hierarchy is well optimized for efficiency, delivery and executing to the business plan. John Kotter proposed a 'dual operating system' whereby both systems operate in parallel.

Mckinsey & Company research shows that organizational leaders of next generation firms have to embrace contemporary ways of working in the form of Agile organizational structure to **empower, engage, and motivate** their people in Knowledge Economy. The networked organization is one potential organizational model. As larger organizations, how can we begin to embrace a networked model?

From organizations as "machines"...



...to organizations as "organisms"



An innovation network is an organizational structure with which enterprises implement business innovation faster and more efficiently. The establishment of an innovation network makes it possible to introduce different points of view into the development of an innovation, to quickly make the necessary resources available and to transfer new discoveries faster into a company or organization.

Establishing an innovation network

Innovation networks can be built within a company or by involving external parties through open innovation and co-creation.

Tips for establishing innovation networks:

- Find connectors within your organization and wider network
- Develop catalysts
- Start small and expand your innovation network step-by-step
- Invest in the right tools for the job (see Part 4) – the Wazoku Platform is the world's only end-to-end solution for aligning your internal, ecosystem and open innovation under one single platform.



Part 4: The right tools for the job

Getting the right tools to support your innovation efforts is essential. Here is a list for you to get started with:

- An enterprise-grade Platform for end-to-end 360 degree innovation
- A synchronous collaboration tool – Microsoft Teams, Slack, Zoom
- A project management tool – Asana, Jira, Trello, Monday
- A stack of post-it Notes (for real the world), a digital whiteboard tool e.g. Mural, Miro (for the remote world).
- Pen & paper (nothing will ever beat it)
- Coffee!

Invest in a fit-for-purpose enterprise-grade software to support your innovation at scale ambitions. Your innovation solutions need to support innovation at a global, local, hyper-local, project and strategic level all in one tool.

Ideas are nurtured, not born. An idea management platform can help you break down silos and encourage the collaboration needed to achieve change. Extensive platforms should include collaboration tools such as social sharing, commenting and recommendation engine, which surfaces the right ideas at the right time to the right people.

Not all ideas are born equal. Effective and efficient evaluation of ideas ensures that you focus on the right ideas for the problem at hand. Mix and match a variety of tools – whether peer review, 'kick-starter' style workflows, weighted scorecards, crowd vetting, or projected costs and outcome – and

evaluators – from standard evaluators to ad-hoc evaluators for specific ideas or stages in the process – to choose the right ideas to proceed.

Built-in development and collaboration tools, including progressive idea development to provide regular stage gates to evaluate the efficacy of projects, teams that bring the right people in to achieve project goals and outcome tracking to capture and monitor estimated and validated cost and value of ideas, ensure the right ideas are being implemented. Integrations with key enterprise systems, such as project management tools, mean that innovation projects don't languish and get lost.

Wazoku and the Wazoku Crowd offers the world's only enterprise-grade collective intelligence platform for Idea Management, Internal Innovation, External Innovation, and innovation training and services.





You cannot mandate productivity - you must provide the tools to let people become their best.

Steve Jobs

Part 5: This Isn't Broadway, So Stop Acting

Wazoku CEO & Founder, Simon Hill, wrote the following piece for the website [TheFutureShapers.com](https://www.thefutureshapers.com) originally. We have adapted it very slightly for the purposes here, but on the whole it remains as it was initially published.

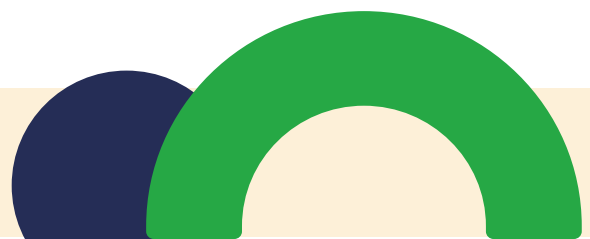
To all the CEO's out there who are the conductors of [innovation theatre](#) within their organizations and showcase this theatre as your innovation strategy to your teams, your customers, your shareholders. Willing or not. Intentional or not. Known or not. You all can and must do better. Playing innovation theatre as innovation strategy is an abuse of power, a waste of talent, a destruction of organizational culture and is an experiment driven by ego, ignorance, laziness or hubris.

Allow me to be clear here. I have no real issue with innovation theatre in and of itself. I actually believe it has its place within a broader innovation strategy and portfolio of activity. What I do hold as unacceptable is the inability to label it correctly, to be honest about what it is and isn't and to explain where this fits into an overall innovation strategy. Instead, all too often, the innovation theatre work is "the innovation strategy." I repeat, you all can and must do better.

I am not saying that all CEO's are guilty of this. However, I am frustrated at the number of conversations I am part of where innovation theatre, rather than innovation strategy, is clearly at play. If you are a senior business leader reading this article, ask yourself, honestly, **what is your innovation activity for?** Not the corporate answer. I rarely get the truth if I push a CxO on this, but from

time to time I do. In a recent conversation with the CTO of a global law firm, he shared with me that their innovation strategy is really "a PR strategy for recruitment and talent purposes." Finally. Some honesty. As I say, I honestly can see why this has a place. We all love the shiny objects. However, marketing sheen on your office set up and a new dress code (for some), is a recruitment strategy in this instance, not your innovation strategy. The shiny, new spaces may be part of your innovation toolkit. But they are not your innovation strategy. In another article, [Innovation Alibis](#) (or inadequacies), I shared the story of a CEO from a global services firm, "who when challenged on his firm's innovation strategy told me proudly they had a very good innovation strategy and had recently done an event with robots," and that was his innovation story. Pure theatre. We all need entertainment, but it's part of a rounded lifestyle, not a lifestyle unto itself.

Given the work we do at Wazoku, I think it is important to state that the running of idea contest can sometimes be challenged as innovation theatre. As I stated earlier in this article, I have no real issue with this, as long as it is labelled and position correctly. The reality is that if run properly such idea contests can have a positive impact on overall culture, be a great way of engaging a wider audience, sharing good practice and more. However, idea contests can be so much more than innovation theatre and can **underpin and supercharge an overall innovation strategy**. If run properly, [innovation software](#), should be a positive signal that your organization is 'doing' innovation. However, momentum is likely to



fall flat without backing up the top ideas with funding, expertise and time. Always ensure that your innovation contests start with a well-defined and relevant challenge API or problem statement, and that leadership provide strategic guidelines so employees will know what type of innovation to generate (incremental, adjacent or disruptive) and understand the strategic challenge against which innovative solutions are being sought.

In his article *Creating an Organization-wide Innovation Strategy*, Cris Beswick cites the finding from the 2017 PWC Innovation Benchmark, that **54% of companies struggle to align innovation strategy with business strategy**. An outcome of innovation theatre that should really be of no surprise to anyone. Indeed, 65% of companies pretty much validate this point, by stating that despite significant investment in innovation, aligning it to the wider business strategy remains one of their biggest challenges.

Talk the talk, walk the walk.

The most compelling leaders are those who are deeply and emotionally committed to the purpose of their corporation. The primary purpose is not about maximizing sales or profits, but about the problem the company is solving for and its role in society today. There are emotionally engaged around the

corporate purpose and they can instill this same level of engagement and commitment in the corporate culture. This is often the special sauce that divides a founder-driven start-up from an established corporate.

There's really only one way for a corporate to become innovative and that's through cultural change that's driven from the top down. And I don't mean via the newly appointed Chief Innovation Officer, but from the CEO. Talking a good innovation game does not make you innovative by default and frequently results in being an expensive exercise in "so what" that doesn't result in any meaningful value creation for the business. Surely, we all know this at an intellectual level, so why do we pay such lip service to it at a cultural and operational level within our organizations?

And so, I repeat, CEOs you can and must do better. Especially in these times, your customers, your employees, your shareholders, everyone is looking at how you respond, how you chose to act when times are hard and beyond. The long-term future of your organizations depends on hubris, authenticity, commitment and honesty when it comes to innovation.

We must balance our theatre within our overall innovation portfolio, before the final curtain falls.



Conclusion:

Is it 12:45?

The Roman god Janus had two sets of eyes—one pair focusing on what lay behind, the other on what lay ahead. The modern-day executive could do with these superpowers. With regards to innovation, we require executives to explore new opportunities even as they work to exploit existing capabilities — and it's no surprise that few companies do it well.

Remember, the crisis we find ourselves in now will pass, but the big challenges facing all our organizations will still be there. Environmental drivers, Sustainability challenges, changing consumer needs, digital transformation, technology-led disruption, etc., will all still be there and need addressing. The impact in a post-pandemic landscape could be even more pronounced and the change (potentially) more exponential.

A metaphor about exponential change:

Imagine a magic pipette. It is magic because any drop of water that comes out of it will double in size every minute. So, the first minute there is a single drop, the second minute the drop doubles in size, the third minute it's the size of four drops, the fourth minute eight drops and so on... This is an example of exponential growth.

Now, imagine a normal sized football stadium. In this stadium you are sitting on the seat at the very top of the stadium, with

the best overview of the whole stadium. To make things more interesting, imagine the stadium is completely water-tight and that you cannot move from your seat.

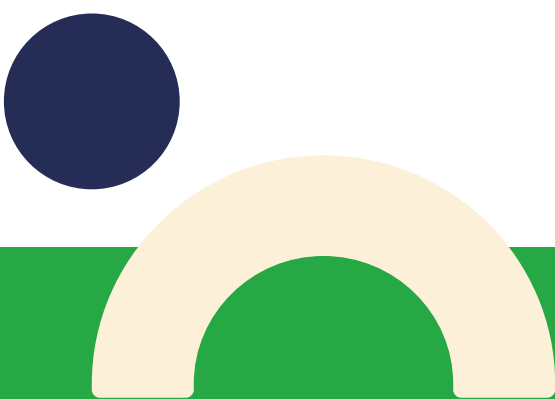
At 12pm a drop of water is released from the magic pipette and is dropped right in the middle of the field, on the center spot. Here's the question: Remembering that this drop grows exponentially by doubling in size every minute, how much time do you have to free yourself from the seat and leave the stadium before the water reaches your seat at the very top? Think about it for a moment.

Is it hours, days, weeks, months? Whilst you think about it, here is another thing to ponder, how long does it take for the water to cover the entire playing surface?

The answer to the first question is it takes 49 minutes for that droplet of water to fill the entire stadium by doubling in size every minute. At 12:49pm you are under water.

However, it takes 45 mins for it to cover just the playing surface. Four minutes later the whole stadium is filled, and you are under water. This is a great metaphor for exponential change. Putting this into the context of innovation and disruption, by the time you realize you or your market is being disrupted it is 12:45 and you don't have time to react.

Don't delay, innovate today!



Glossary of Innovation

Here are some of the most commonly used terms in the sector, along with an easy-to-understand explanation of what is meant by them.

Bottom-up innovation: This approach to idea management sees ideas generated by employees and shared with the rest of the organisation, supported by entrepreneurial leadership and a workplace culture that fosters and encourages such creativity from them.

Challenge-based innovation: This is a way of approaching open innovation, in which an organization sets a specific challenge and then asks an open innovation community for ideas to address that challenge.

Collective intelligence: This is the enhanced capability and knowledge that is generated when diverse groups of people collaborate and work together on ideas and insights, usually with the help of technology. The resulting intelligence is then usually deployed in consensus decision making.

Crowdsourcing: This refers to an organization or individual collecting ideas from a large, usually open, public and evolving group of stakeholders. By harnessing the wisdom of the crowd in this way, problems can be addressed at greater scale and speed.

Fast-track innovation: This is the rapid deployment of innovation, from initial idea to execution. While all innovation programs should aspire to be lean and agile, there are times when organizations need to accelerate these processes even faster. As events of 2020 have proved, sometimes there is a pressing need to pivot or bring product to market quicker than ordinarily.

Idea management: this allows an organization to capture, evaluate, discuss and develop ideas in a structured, scalable and measurable way, submitted by employees, customers or other communities. The objective is to grow revenues, improve operational efficiencies and adopt a more innovative approach to business, while at the same time engaging and empowering employees.

Innovation challenge: this is a structured way of approaching innovation, in which an organization sets a specific challenge and then asks one or more innovation communities for ideas to address that challenge.

Open innovation: organizations involved in open innovation will seek ideas from external sources, groups or communities of experts with specialist knowledge that the organization and the individuals within it would not have.

Top-down innovation: this is where innovation is driven by senior management. It relies on a strong and powerful vision, often from the company founder, which is supported by employees who buy into this vision.

360-degree innovation: a full-scale integrated innovation offering, comprising open innovation, idea management, SIM and CIM and indeed every facet of innovation relating to that organization. This gives an enterprise complete visibility over ideas and innovation, joined up and holistic across the entire business.



**Change the world,
one idea at a time**

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