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**PIPELINE**

## ⊕ SUMMER 2005

We have started the year, our third in business, with a great deal of enthusiasm and positive discussion, about organizational innovation, with many of our customers and partners. They are all looking forward to further developing innovation systems and cultures that will have a positive effect on their ROI in innovation.

Late last year we were lucky enough to travel to Singapore, Malaysia and Thailand to investigate some new markets and to meet some interesting innovation practitioners. This trip was very successful; helping us to understand an international marketplace that is rapidly developing in organizational innovation.

**Four major trends** that we picked up on in Asia, which our partners in Boston, USA, have also confirmed are;

1. A trend towards using ideas from your own people to revitalise existing products and find new markets for them.
2. A trend towards using ideas from your customers and involving them in targeted innovation programs.
3. A trend towards using innovation systems to focus on adding value through design to increase margins. Using your own people, their skills and experience, to add value and avoid the commoditisation cycle.
4. A trend towards involving your staff in contributing ideas towards new product launches. This can dramatically increase their speed and success.

The Ideas Accelerator will continue throughout 2005, to help organizations build their own innovation systems. We believe that innovation is a growing industry worldwide. Many innovation companies will offer advice and support by telling you **WHAT** you should be doing in innovation. We would rather move on from the **WHAT** and work with you on the **HOW**.

We are committed to helping you build your own practical and successful systems that work for your organization involving; people, culture, creativity, technology, research, business systems, marketing, sales and commercialisation skill.

We wish you a fabulous year in both business and personal terms. We are always just a phone call away to talk innovation strategy with you and your organisation.

## ⊕ INNOVATION CHALLENGE

In this issue of Pipeline we focus our thoughts on the **transfer of knowledge, training, coaching and mentoring** in relation to innovation.

There are many things that influence an organization's ability to successfully innovate. Many organizations focus their innovation efforts on driving costs out of their businesses. Learning how to perfect what they do. Many data and performance driven systems and processes, such as 6 Sigma and Manufacturing Excellence have much to offer in this pursuit.

However some companies manage to get past the “**how to perfect what we do**” and move on to “**what should we do next**”. These companies build innovation systems and cultures that deliberately and methodically involve staff in innovation. To produce higher value products and services, to find much smarter ways of working together.

Organizations are often quite good at launching new products to existing customer groupings. Most companies however struggle launching new products to new markets or even to launch existing products to new markets. Sometimes great processes are just not enough to bridge this experience gap. A company has to collectively learn how to approach, and in some cases create, a new grouping of customers. This learning needs some assistance.

One of the biggest influences on an organizational ability to innovate is its people and culture. Organizational culture is formed by a set of both spoken and unspoken social rules. These rules develop based on values and beliefs that the people in the organization follow. Values and beliefs form the culture of an organization and influence thinking and learning throughout the organization.

We know from many international studies that 70% of all organizational learning occurs in informal situations. Some reports say 90%. Incredibly, the vast majority of organizational learning happens in an informal way. (1. Centre for Workplace Development in the United States) (2. No Doubt Research, Zen and the Art of Knowledge Management by Carl Davidson, pp5)

### **How can you create a culture that is more entrepreneurial and open to ideas?**

When we assist organizations to set up innovation systems we often recommend the creation of a network of Idea Coaches. An Idea Coach acts as a coach and a mentor, encouraging the entry of ideas, assisting the early stage development and later the implementation of selected ideas.

The best Idea Coaches tend to be people with wide experience and a passion for innovation, improvement and change. Their role is about helping people to contribute towards the company’s strategic innovation efforts. To form innovation networks with other coaches. To help people to communicate, learn from one another, share experiences, thoughts, knowledge, both in a formal and an informal way.

Idea Coach networks are a potent organizational tool for “letting go” of formal structures. This is a necessary step if informal learning is to take place. Idea Coaches, made up of people from all levels in the organization, can tailor events and gatherings in a flavour and style that is based on a mutual interest in innovation. A network based on the real stories of successful innovation.

### **How do you encourage the growth of coaching networks?**

The sharing of both explicit (learnt) and tacit (experiential) knowledge is the key to encouraging the growth of an innovation network.

To assist Idea Coaches, firstly you provide a flow of high quality information. Idea Coaches should have all the latest information on an organizations strategic innovation efforts and focus. This coaching network needs to be built with open communication and access to information.

Secondly Idea Coaches should have good access to senior decision makers. Access to senior decision makers helps Idea Coaches understand what the

organization is looking for in innovation. It also helps the senior decision makers know what is going on in innovation at a grass roots level.

Involvement as an Ideas Coach can be built into the key accountabilities of an employee so their informal efforts and contributions are recognized formally.

**Tips for setting up coaching networks:**

- Get a general mandate for your coaching network. Keep the details flexible so you can inject some genuine informality and spontaneity into it.
- Get people involved who want to get involved. Make it a non-paid role but very information rich.
- Celebrate every innovation success. This is the fuel that drives an innovation culture. New product success and a great idea, successfully implemented, fires everybody up, at every level of an organization.
- Create environments for the **formal** sharing of knowledge, such as meetings, updates, newsletters, a website and a good flow of innovation metrics. Innovation metrics is the hard data of innovation - how you measure organizational innovation.
- Create environments for the **informal** sharing of knowledge, such as cafeterias, gyms, social clubs, day-care facilities and social events that encourage informal interaction.
- Get multi-level and cross-functional involvement in your network. A network with multiple perspectives.
- Encourage the development of listening, information sharing, coaching, mentoring and leadership skills through your coaching network.
- Create a coaching environment that is highly professional and yet non-hierarchical. This gives senior staff the confidence to sponsor good ideas. Senior sponsorship of good ideas is often the critical piece of achieving successful implementation.

**For more information check out our website at;**  
[www.ideasaccelerator.com](http://www.ideasaccelerator.com)

Note: We will be sending out PIPELINE six times a year by e-mail. To add or remove please use the links below;

[ADDFRIEND@ideasaccelerator.com](mailto:ADDFRIEND@ideasaccelerator.com)      [REMOVE@ideasaccelerator.com](mailto:REMOVE@ideasaccelerator.com)

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