

Just because you dress funny doesn't mean you are funny. A decade's worth of research and experience into innovation is sorting the facts from the fiction about how innovation and creativity work. We scanned the literature and spoke to the experts to explode seven myths.

1 'R&D, innovation, creativity — it's all the same'
Experts warn about confusing your activities. Creativity is a personal thing; people create, organisations don't. Innovation is the disciplined process for linking ideas with markets. Hiking up R&D spending doesn't lead directly to improved innovation — in the five years to 2002, the 21 US companies that were each awarded 1,000 patents a year grew only 70 percent as fast as the average of S&P 500, writes Gary Hamel in *Leading the Revolution*.

2 'We're most creative under deadline'
There's time for speed and time for pause. "Speed is dead at P&G," says one executive at Procter & Gamble, because getting new products right is still important. Research by Teresa Amabile of Harvard Business School finds tight deadlines stop people engaging properly with the problem, leaving no time for incubation. Moreover, deadlines induce fear. Amabile found creativity flourished in an environment of "love and joy".

3 'Creativity is best done by creatives'
There is no creative gene, and no entrance exam. Harvard's Amabile finds the most creative workers are those "turned on by their work". Ideas for improvements and new products are best fostered company-wide, according to Jeff Immelt, boss of GE. In fact, say most experts, it starts with the chief executive.

4 'Only new products count as innovation'
Why be so hard on yourself? Minor innovations such as brand extensions can be a much safer way to make money. *BusinessWeek* reports that 96 percent of new

products in the 1990s failed to reach their expected return on investment. The Product Development Institute calculates only 11 percent of innovation in US companies in 2004 was part of new product development. In 1990 it was twice that.

5 'Innovation is only for big companies'
Heard of David and Goliath? The threat of small, fast and clever keeps Intel's Andy Grove "paranoid". Bill Gates frets that Microsoft could be outmanoeuvred not by IBM, but by a startup in a garage somewhere. Harvard professor Clayton Christianson's amazing discovery in *The Innovator's Dilemma* is that size and success are the very factors leading to catastrophic failures in innovation.

6 'Innovation's too expensive'
The Product Development Institute found that narrow reliance on short-term gain limits a company's innovation strategy. So does a narrow focus on what customers want right now. Christianson blames 'customer obsession' for the downfall of many large tech companies. However, he also says the smartest innovator is impatient to reach profits and patient for growth. Then there's the converse: "Can you afford not to innovate?" asks Andy Blackburn of Auckland's Ideas Accelerator.

7 'Hey, we're all innovative round here'
Yeah right. Innovation, like any business discipline, requires nurturing. "Start with telling and celebrating innovation stories," suggests Blackburn. "Forget Apple and Microsoft — tell your own stories."

