Case Study



BOMBARDIER

Bombardier

Bombardier looks to the next generation of mobility with HYPE



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The company:

 Bombardier Transportation is the global leader in the rail industry, employing 34,900 people; they have an installed base of 100,000 vehicles and operate in over 60 countries around the world.

The challenge:

- 15,000 knowledge workers globally
- Fast growing low-priced competitors in China
- A need for growth and protection of market share
- Focus on being smarter and more innovative than the competition

The outcome:

- Implemented 'Innovation Express', a Bombardier branded version of HYPE to all knowledge workers
- In just 7 months, 500 ideas were submitted for 11 focused idea campaigns; over the same time period, engagement grew by 2 ¹/₂ times.
- 30% improvement in information sharing and the flow of ideas in 2011
- Generated ideas are included within new products from 2012.

Business Challenge:

Bombardier Transportation is the world leader in the rail industry, producing trains, rolling stock, metro systems, and trams, as well as signalling infrastructure and e-mobility solutions. Despite their competitive position, pressure from China is mounting; Chinese competitors operate at much lower costs and are working hard to match the technical expertise held by well-established Western companies. The only way for Bombardier to maintain its market position and continue to grow is to be more innovative and to use its resources wisely.

Due to their different natures and tasks, each of Bombardier's six main divisions innovated separately, so sometimes products, services, and technology faced silo issues. Each of the six divisions has an R&D department, and innovation activity across divisions was historically project and need driven. Partly due to the company's history of acquisitions, there was no consolidated, corporate innovation management application or process. Every group innovated and managed ideas in a different way; however, due to increasing competitive pressure, Bombardier could not continue with its classical approach to innovation and idea management. André Navarri, President and Chief Operating Officer of Bombardier Transportation, pressured the organization to create breakthrough innovations, products, and solutions that will ensure Bombardier's growth against the most challenging competition.

Scenario:

Bombardier knew they needed to think differently to create genuine breakthrough innovation, and they decided to focus their corporate innovation activity on outcomes. The key part of this approach was to create Research & Development 'cases'. Each case is a scenario or challenge that requires cross-divisional thinking in order to create a portfolio of new solutions. The case is sponsored by the board, with cooperation from each divisional president. Often the focus is visionary – such as creating a train that doesn't require maintenance. The objective is to get

"Our partner, HYPE, has given us the ability to engage innovation professionals on all levels of innovation quickly; ensuring that the highest quality ideas make it into our innovation programs, no matter where in the world or which division they come from."

Martin Ertl Chief Innovation Officer, Bombardier Transportation



everyone to think big and work together. Each R&D case is treated as a project, with a project manager, budget and clearly defined aim. The challenge for Bombardier then becomes 'how can we bring the organization together in order to respond to these cases?'

The Support Tool:

In October 2010, Bombardier Transportation implemented HYPE's enterprise innovation software. The innovation team initially wasn't interested in generating a high volume of ideas. Instead, the team wanted to generate high-quality ideas that could be implemented within a project and that would correspond to a 'case'. Although invited participants may submit ideas on any subject, there is a clear focus on campaign-led, breakthrough idea creation. The program is called 'Innovation Express'. Lead by the office of the CTO, "Innovation Express" is designed to tap into the innovation network layered across the organization, regardless of division and location. Innovation within rail transportation often takes many years: therefore, for the near-term, the team looks to generate high-quality ideas that can be implemented within projects. Momentum is important, so all ideas are willingly accepted and decisions are made quickly. Everyone is thanked for their contribution and provided with feedback on their idea.

The Relationship between HYPE and Client:

In their search for an innovation software partner, Bombardier created a wish list of capabilities they would need from an innovation platform. After evaluating HYPE along with other software providers, the HYPE application was the closest match to Bombardier's needs. They liked the logical, rational layout of the application and the capability of HYPE to mirror Bombardier's pre-defined innovation process. Bombardier was also keen to have a "look and feel" that matched its corporate branding and innovative ambitions. This was very easy to achieve in HYPE and was guickly implemented within the software. Bombardier's decision to go with HYPE wasn't only about the software; it was also based on how the two organizations could work together. Bombardier prefers a relationship that operates as a partnership, whereby Bombardier and HYPE share ideas for features or functionality. HYPE then builds the best ideas into the next generation of HYPE to accelerate intelligent evolution of the innovation platform. It's a good relationship: Bombardier receives a more powerful application, and all of HYPE's global clients benefit from the company's innovative thinking.



Martin Ertl, Chief Innovation Officer



Detail of the program:

The purpose of Innovation Express is to stimulate thinking around the R&D cases. Since October 2010, the team have run 11 idea-campaigns, generating 570 ideas against an aggressive, breakthrough agenda with an emphasis on high quality ideas. Initially 2,000 people participated; however, every month this number grows larger, with an increasingly greater number of people contributing in the process. In just 7 months, Bombardier has grown to 5,000 participants as word of this new approach spreads throughout the organization. Bombardier's culture is evolving whereby individuals don't focus simply on their own role: they recognize wider company needs and appreciate how their expertise can help others; the HYPE tool is a key factor in increasing employee collaboration. The next steps are to promote the application across an even wider environment, sharing this capability with HR, Operations, Procurement and Finance: this expansion is far beyond the traditional R&D and technology focus.

Benefits:

For the first time, Bombardier Transportation has the ability to engage employees from all over the company and around the world on key innovation targets. No matter where they are located, employees can contribute their area of expertise to a given challenge and work with others they may have never met. This ensures that Bombardier has found a way to address the compelling business need to innovate and collaborate, despite traditional limits of organizational structure and size.

Processing ideas is becoming faster than ever, and good ideas can be pushed quickly into the projects. These projects will help transform the company over time and ensure long-term growth. It's expected that the first ideas implemented within the projects will become industrialized starting in 2012.

Bombardier's success is reflected in the 2011 employee survey, where Bombardier Transportation studied a range of factors relating to the environment of their employees. The results showed a 30% improvement from the previous survey in "flow of information and sharing of ideas": this result was the most significant improvement of all the areas considered in the survey – a huge endorsement of their approach.



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