


# Where does Innovation Management Live?

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## Introduction: Colin Nelson



### Director of Enterprise Innovation at HYPE Innovation

- 10 years supporting organizations and communities with enterprise collaboration
- 7 years in information management & consulting

### My day job:

- I run a small multinational consulting team
- I help with adoption of enterprise & inter-enterprise collaboration programmes
- Typically focused on Innovation & Efficiency
- I write and talk about enterprise innovation



One off  
innovations  
aren't enough

Enterprise  
scale requires  
software

Enterprise scale  
requires an  
understanding of  
how people  
behave online

**Sustainable & collaborative, enterprise innovation programs**

The best ideas  
come from  
diverse teams

Everyone can  
help us to  
innovate

# Who are HYPE Innovation?



## HYPE Innovation

Founded 2001  
as Daimler  
spin-off

Specialized in  
Innovation  
Management

Headquartered  
in Bonn,  
Germany

Offices in  
Boston, Denver,  
Berlin, Abu  
 Dhabi & London

## Our Products

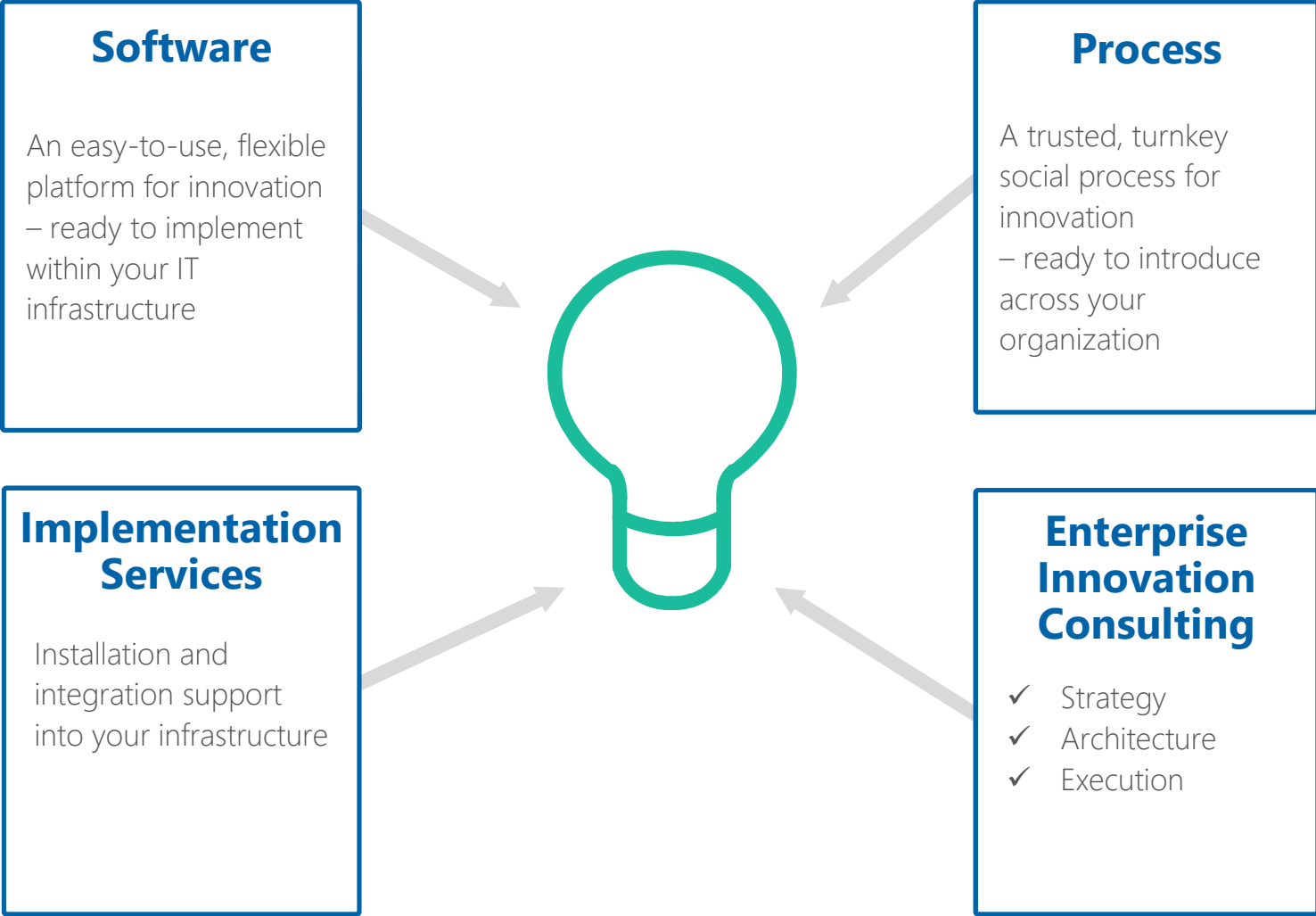
Support Full  
Scope of  
Innovation  
(End2End)

100%  
Configurable  
> Evolves with  
You

Off-the-Shelf  
Experience-  
Based Tools

Cloud or  
On-Premise,  
Buy or Rent

# HYPE as a Solution Provider



- Common starting points
- Why is positioning important?
- Challenges caused by incorrect positioning
- Example models
- Top 5 recommendations



## Innovation expands beyond R&D



- Include people that've never contributed to an innovation program
- Increased breath of innovation topics
- Those with innovation skills need to help the rest and filter out the great ideas and concepts

## Building upon a Continuous Improvement foundation



- A need to drive greater revenues & develop new businesses
- A need to educate the organization on what it means to innovate
- No wish to dampen enthusiasm for Continuous Improvement



## No history of systematic innovation



- Service companies / Government / Education / Healthcare
- No legacy challenges, but a need to educate the organization
- Slow ramp up necessary to effect a change in culture



## Scaling up from a divisional program



- A new approach has been effective, but now needs to cater for new needs
- The division often can't take the load for the whole organization
- A need to adapt local best practices to cater for new groups



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## Organizations are complicated



- Those that benefit the most from online Innovation Management programs are large, multi-nationals and complex
- May have a history of mergers and acquisitions
- May be multiple languages spoken

## Organizations are complicated



- We need to ensure that all corners are supported
- Often there are groups far away from corporate innovators
- We want the maximum impact from our people & to develop a sustainable approach

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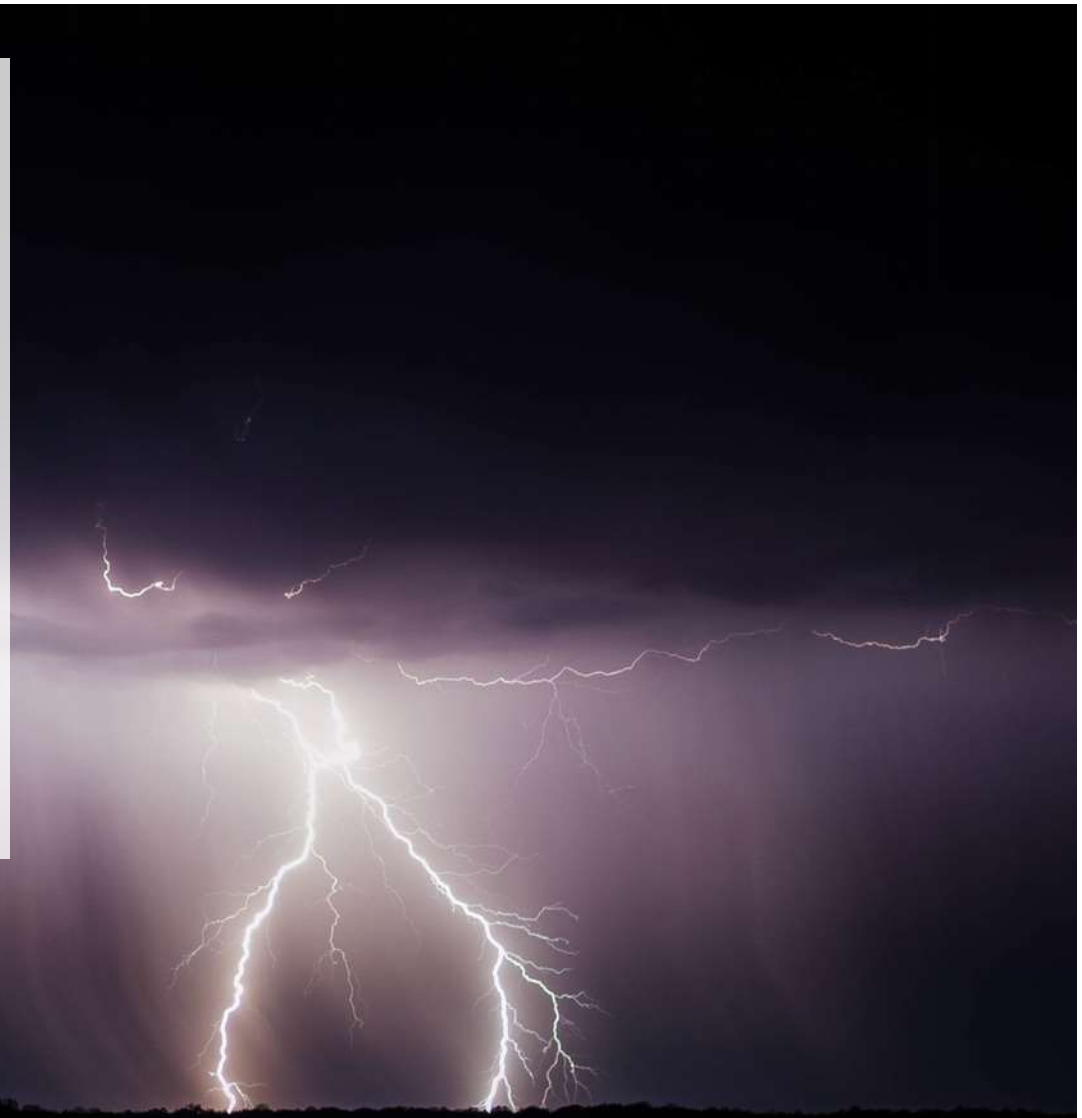


## Punching below our weight

- Divisions innovating in parallel
- Reinvention of the wheel
- No ability to identify X-Divisional opportunities
- No collective insight benefit

## Perceptions of disruption

- Innovating everywhere, all of the time, isn't always practical or possible
- We may need to ensure some divisions are focused on the day job challenge
- Operational staff may be disconcerted by big strategic change ideas



## Spoiling the well

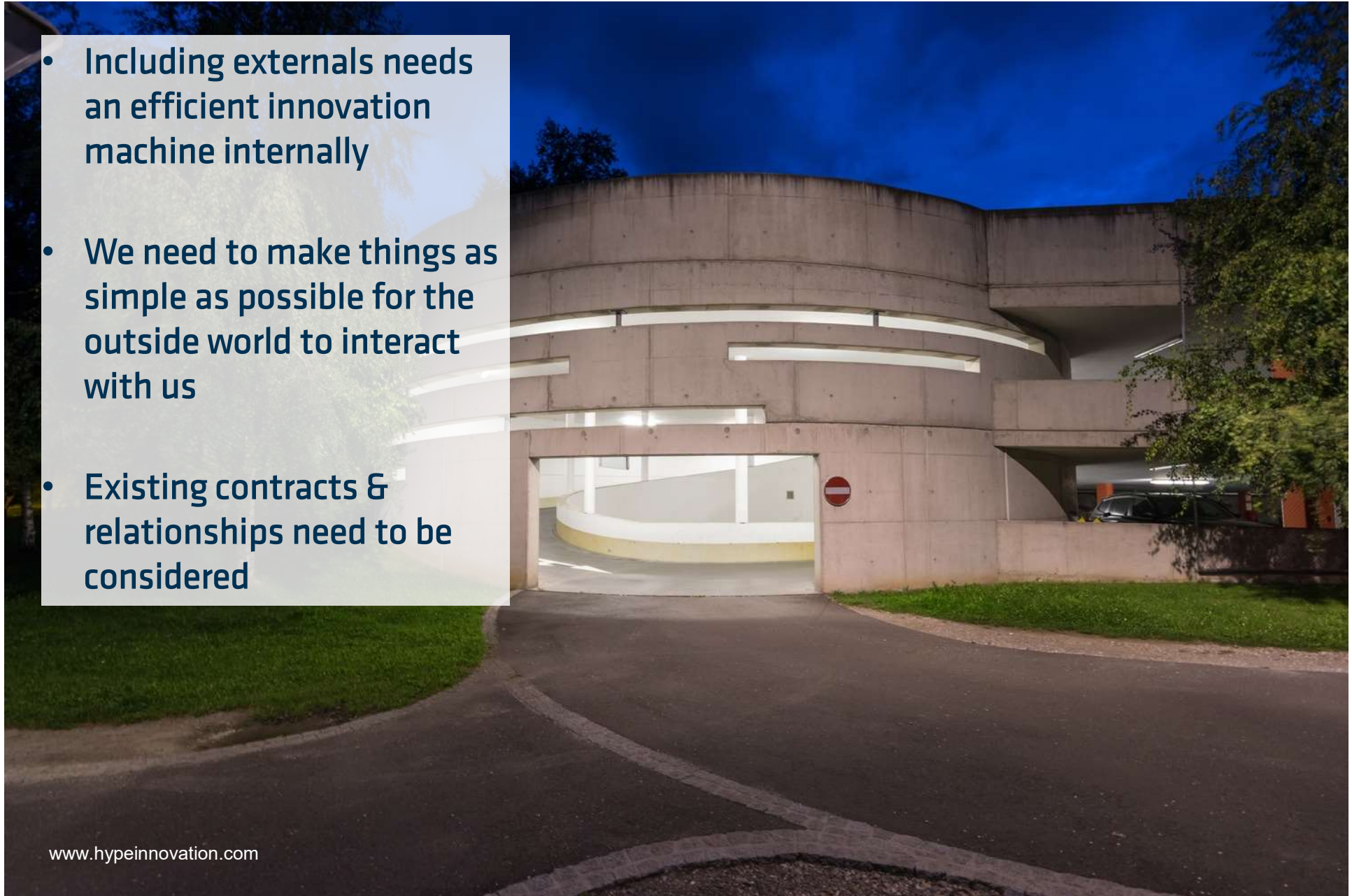
- Employees tend to disengage if they don't understand what's happening
- Parallel processes for innovation that are not coordinated can cause confusion and loss of interest
- Poor collaborative innovation processes can spoil the well for high performing processes





## Challenges when scaling to include externals

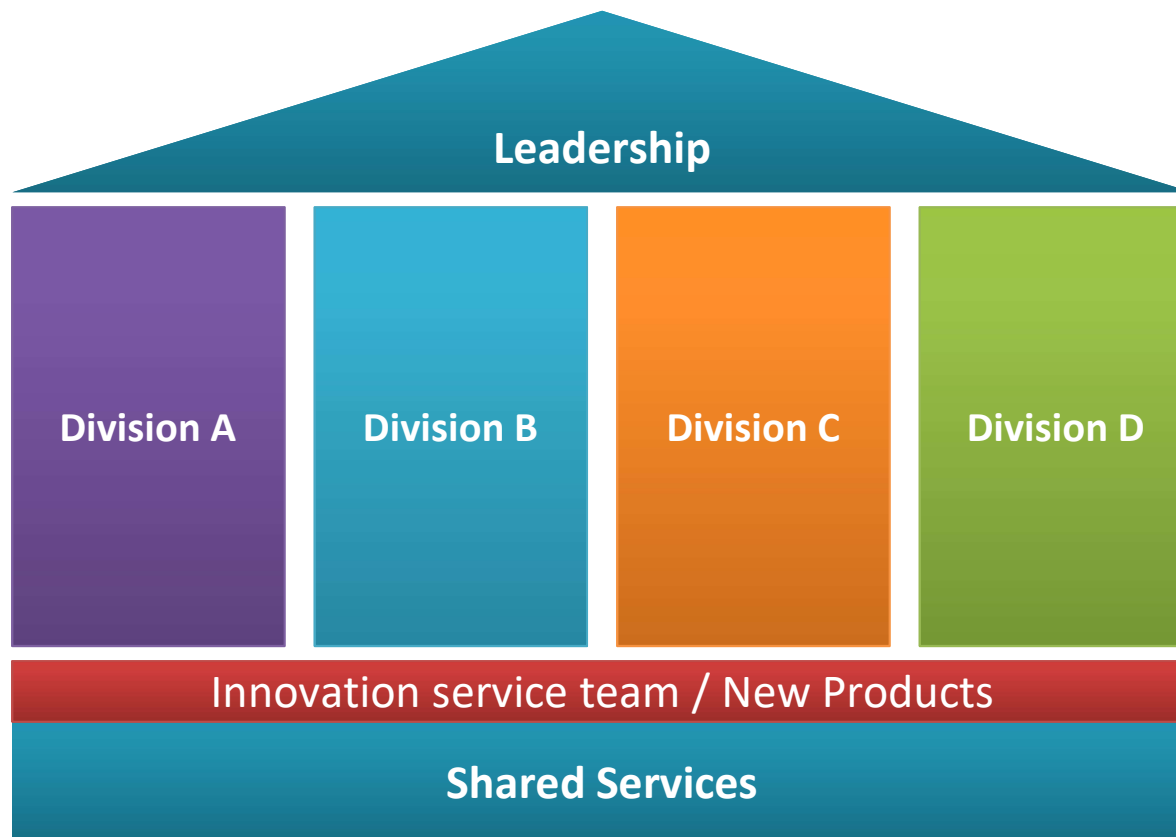
- Including externals needs an efficient innovation machine internally
- We need to make things as simple as possible for the outside world to interact with us
- Existing contracts & relationships need to be considered



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## Centralized – Centralized Specialists

**Use case:** Innovation Service team provide all innovation capabilities to each division on demand. Many companies start with this model, then migrate to the hybrid. In some companies, the team also has responsibility for new products.



### Advantages:

- Services always delivered by specialists
- Employees have a consistent experience
- A good starting point

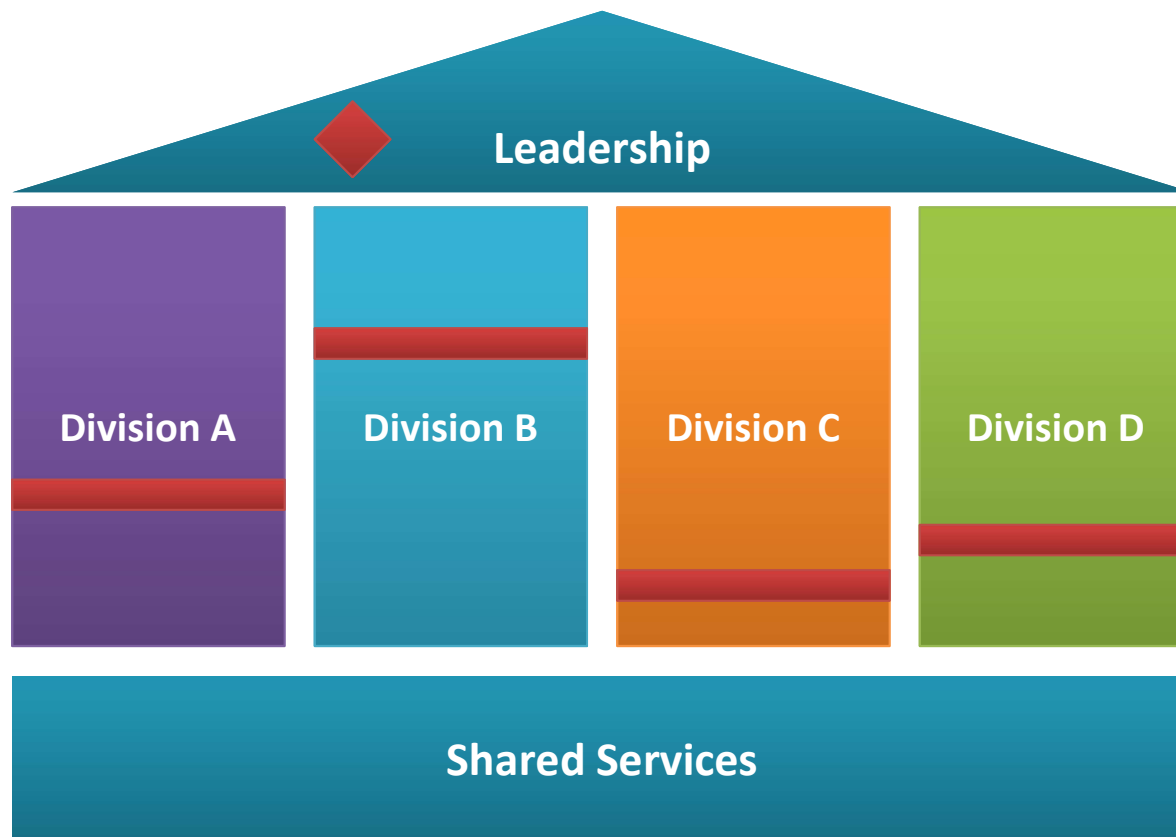
### Disadvantages:

- The model doesn't scale very efficiently
- Can lack overarching strategic direction
- Can miss opportunities for innovation by being disconnected from the day job



## Localized – Local Innovation Teams + Chief Innovation Officer

**Use case:** Each division needs specialist innovation capabilities, but the divisions need to be kept aligned (for example, if they're offerings are combined before offered to market).



### Advantages:

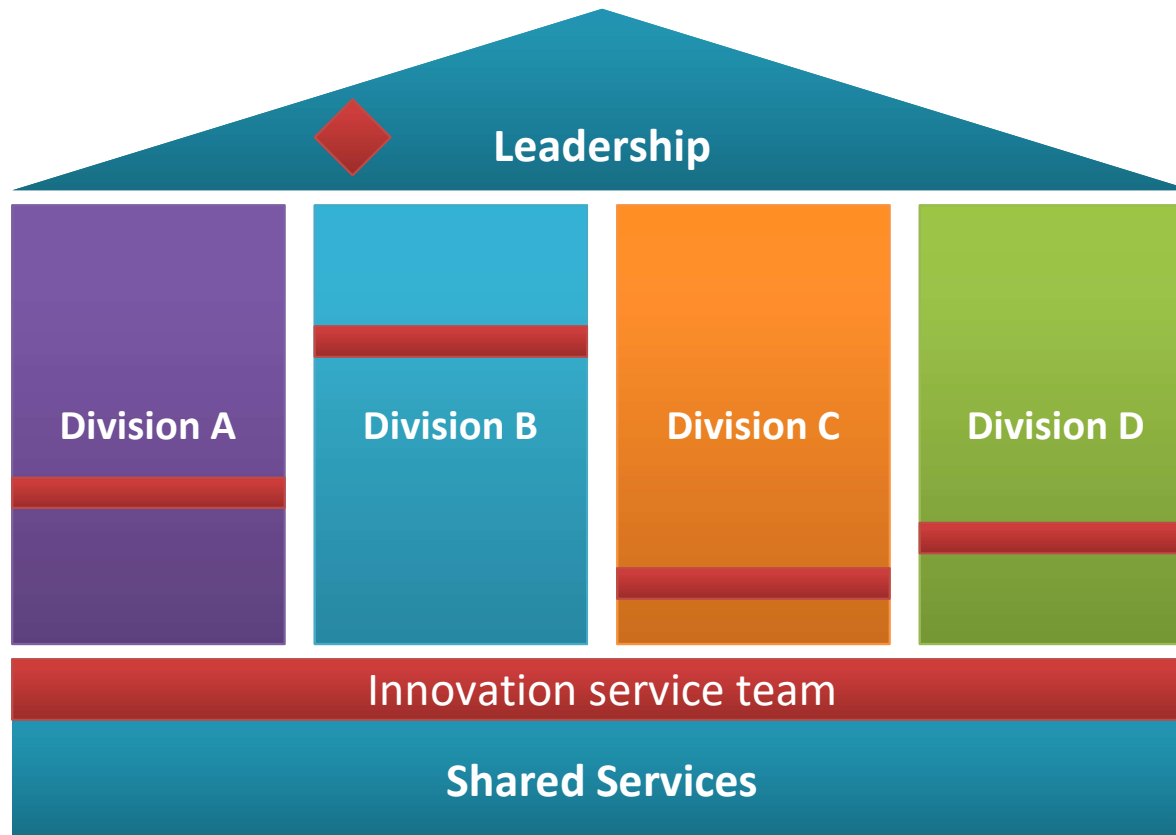
- Ensures programme has strategic direction
- Helps ensure divisions are innovating in a coordinated manner

### Disadvantages:

- Often suffers an inconsistent approach to innovation as local approaches dominate
- May miss cross divisional opportunities

**Hybrid** – Local Innovation Teams + Centralized Specialists + Chief Innovation Officer

**Use case:** Each division makes something unique, yet a core set of innovation skills is required for all divisions.



**Advantages:**

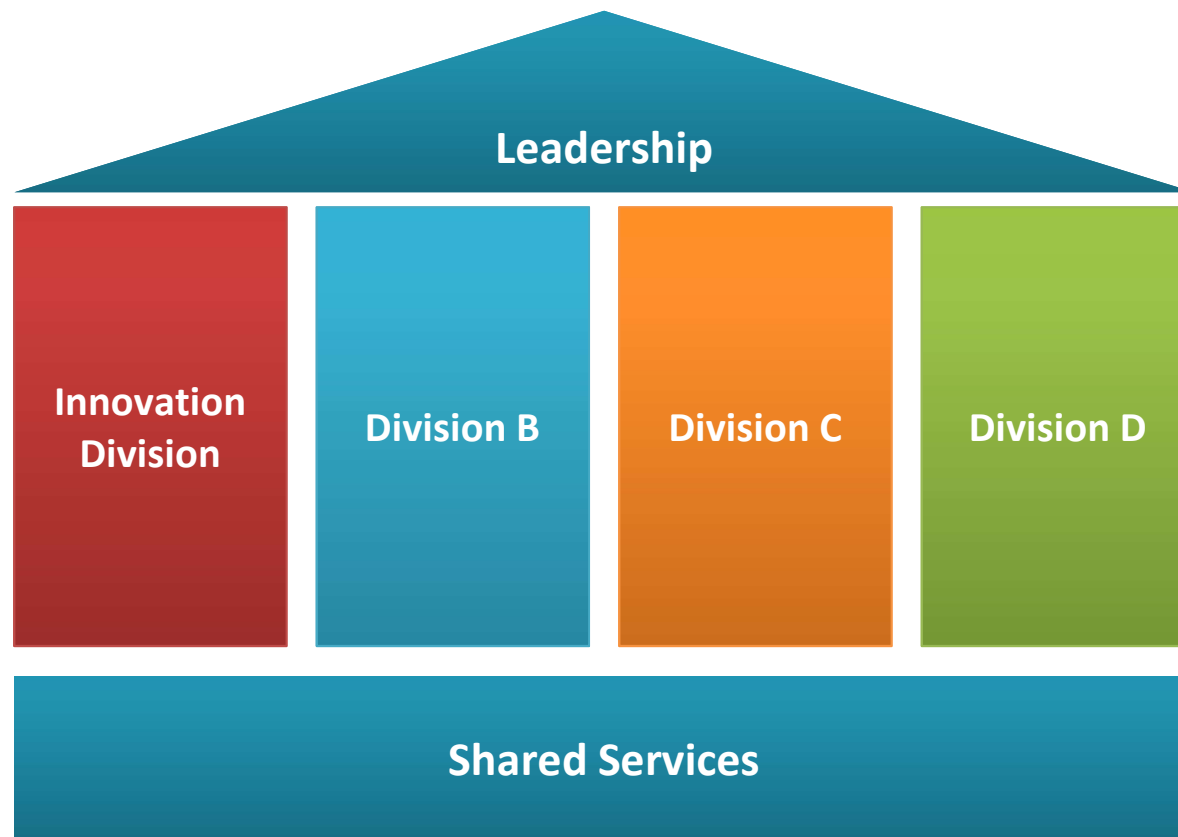
- Suitable for very large organizations
- Allows for strategic and local innovation initiatives

**Disadvantages:**

- Requires effective management of the innovation community to ensure consistency of approach
- Expensive to establish

**Innovation Division** – One division provides all new capabilities  
*(Can coexist with any of the other three models)*

**Use case:** Often for Service Companies needing to separate out perceived 'risky' innovation work from every day low risk delivery.



**Advantages:**

- Allows majority of the business to focus on delivering existing capabilities
- Avoids perceptions of cannibalization

**Disadvantages:**

- Majority of the business can miss out on incremental innovation
- Innovation team may not have access to wider skillsets

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**1. Find the right home....for today**

**Be pragmatic, you can move the capability later**



## 2. Build a competency that can be leveraged by others



The skills gained in one division may need to be transferred...and adapted





### 3. Participants need a consistent experience



- **Good governance**
- **Communications and feedback are crucial**
- **Develop a central group who can enforce key best practices**



## 4. Start local



- There are advantages in scaling up over time and adapting your structure accordingly
- Prove the process and develop strategic support as you go
- Sometimes it can be hard to decide the correct home



## 5. Consider who will leverage the approach

- When looking at a long term home, consider the breadth of usage and the strategic direction
- A central team is always helpful, local advocates will help you scale
- Allow flexibility, but be prepared to enforce a minimum set of activities



# Questions?

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