

Developing Innovation and Creativity for Business Advantage

Week -2 Concepts & techniques of innovation & creativity

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Objectives

At the end of today's session you will be able to further:

- understand what innovation is
- assess the different types of innovation and their application within an organisation
- analyse the drivers of innovation
- develop the use of creative thinking in innovation
- illustrate the conditions that promote and hinder innovation in the workplace
- Interpret & employ a range of creative thinking techniques

"After years of telling corporate citizens to 'trust the system,' many companies must relearn instead to trust their people – and encourage their people to use neglected creative capacities in order to tap the most potent economic stimulus of all: idea power."
– Rosabeth Moss Kanter

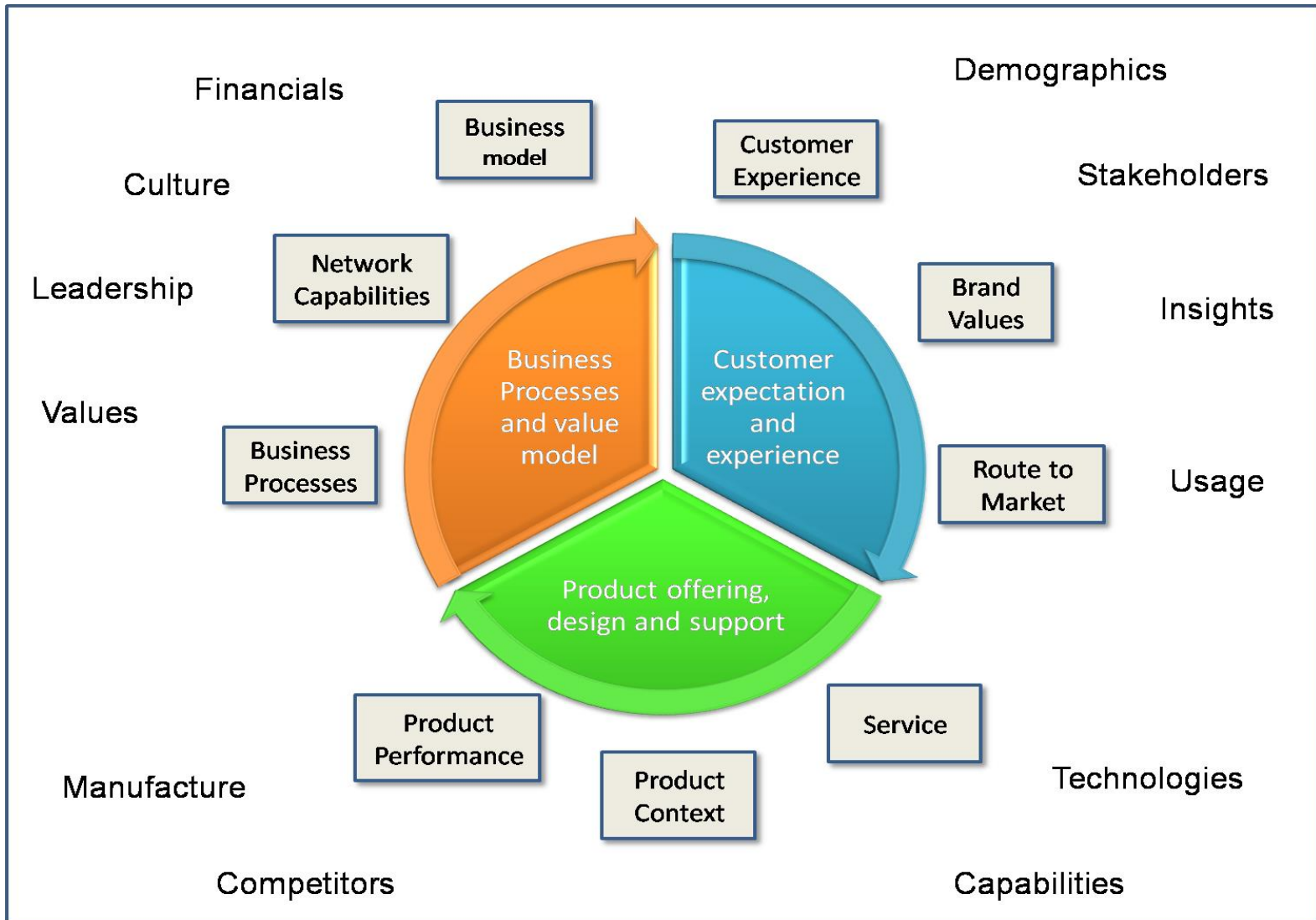
"Imagination is more important than knowledge."
– Albert Einstein

"If you can dream it, you can do it."
– Walt Disney

"The horse is here to stay, but the automobile is only a fad"

- President of the Michigan Savings bank
- (When advising Henry Fords lawyer not to invest in the Ford motor company)

Platform for Innovation



Platform for Innovation – the building blocks

- Values, Culture and Leadership
- Business Processes, Financials, Business Model and Network
- Market structure
- Category and brand values
- Technologies, performance, value and context
- The competition

Open market innovation

- Harnessing creativity: sharing and generating ideas:
 - Incubation
 - Illumination
 - Translation

Innovation - Do's & Don'ts

Barriers

- Excessive financial constraints
- Lack of Time
- Lack of resources
- Risk aversion and fear of failure
- Organisational hierarchy
- Unclear leadership
- Insufficient incentives
- Insufficient training
- Insufficient talent
- Lack of autonomy

Promoters'

- Management support and openness
- Leaders' modelling behaviours
- Setting up the right team
- Autonomy and freedom
- Tolerance of failure
- Networking opportunities
- Dedicated resources
- Incentives and rewards

Creativity

1. What?



2. How?



3. Why?



1. The dreamer
2. The realist
3. The critic

SCAMPER



Substitute

Replace a part of your product, service or process with another



Combine

Combine ideas, processes or products into one more efficient output.



Adapt

Adapt an existing idea that might not have worked before to solve a problem.



Modify

Modify an aspect of your situation or problem, for example by magnifying or minifying them and see whether it gives you a new insight or whether it adds any value.



Put to another use

Put current processes or products that were intended for a specific purpose to another use to solve problems.



Eliminate

Eliminate or simplify a process or idea to get to improve it, but also to identify its most important aspect.



Reverse

Reverse the orientation or direction of a process or product, do things the other way around, completely against its original purpose.

Type of Innovation

- Product Innovation
- Process Innovation
- Service Innovation

Types of Service Innovations

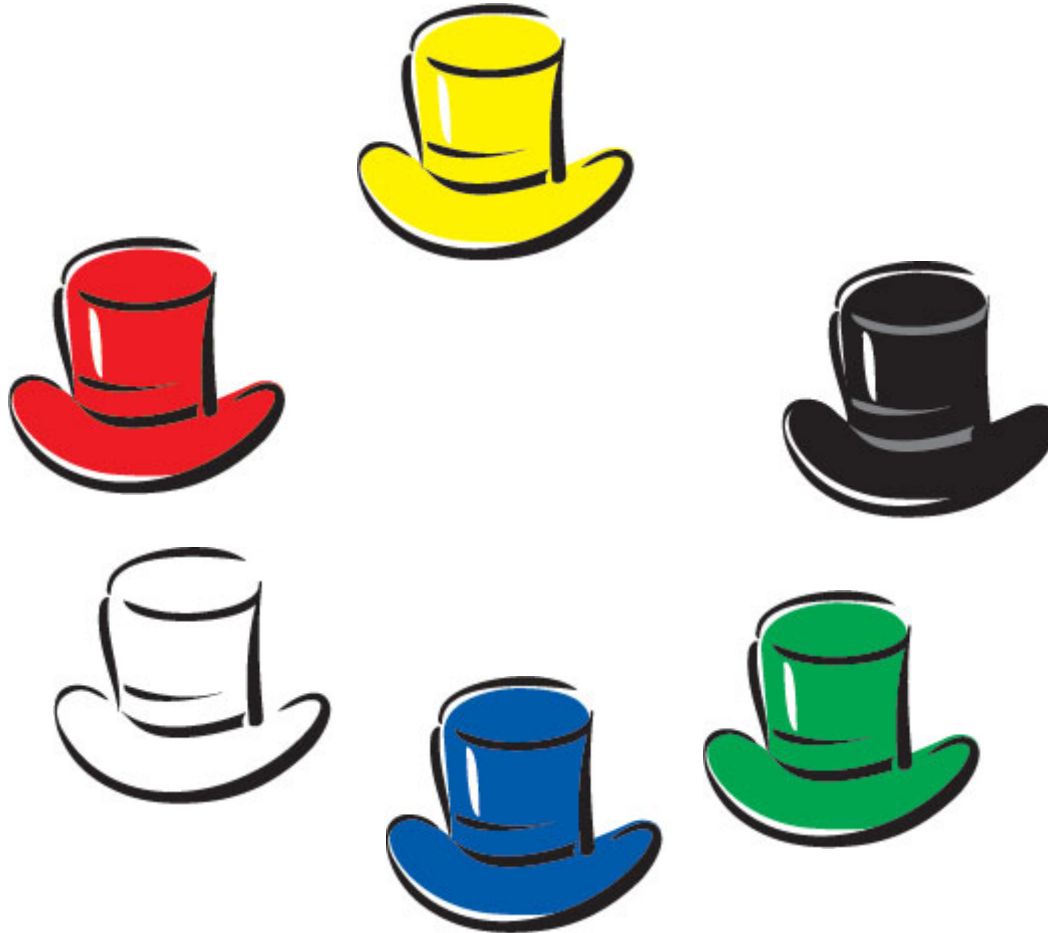
- Total innovations
- Existing services
- Evolutionary innovations

Towards:

- Product Innovation
- Process Innovation
- Service Innovation

Six Hats Thinking

(De Bono 1985)





White Hat: Information focuses on the data available and what you can learn from it, in particular examining the gaps in the knowledge you have and either trying to fill them or taking account of them.



Red Hat: Feelings looks at problems using intuition, gut reaction, and emotion as well as getting you to think about how others will react emotionally to the issue and how to understand the responses of people who may not follow your reasoning.



Yellow Hat: Benefits . At this stage, you begin to think positively and view all the benefits in an optimistic light, particularly in terms of the value of the decision. It is designed to keep your thinking positive.



Black Hat: Caution. Using 'Black Hat' thinking, you are encouraged to look at all the bad points of the decision both cautiously and defensively to understand why it might not work. This highlights any weak points in a plan and allows you to adjust, eliminate or prepare contingency plans to counteract them.



Green Hat: Creativity. This is where you can develop creative solutions to a problem through a unrestrictive way of thinking. This means very little criticism of ideas and is the point at which a number of creativity tools can be implemented.

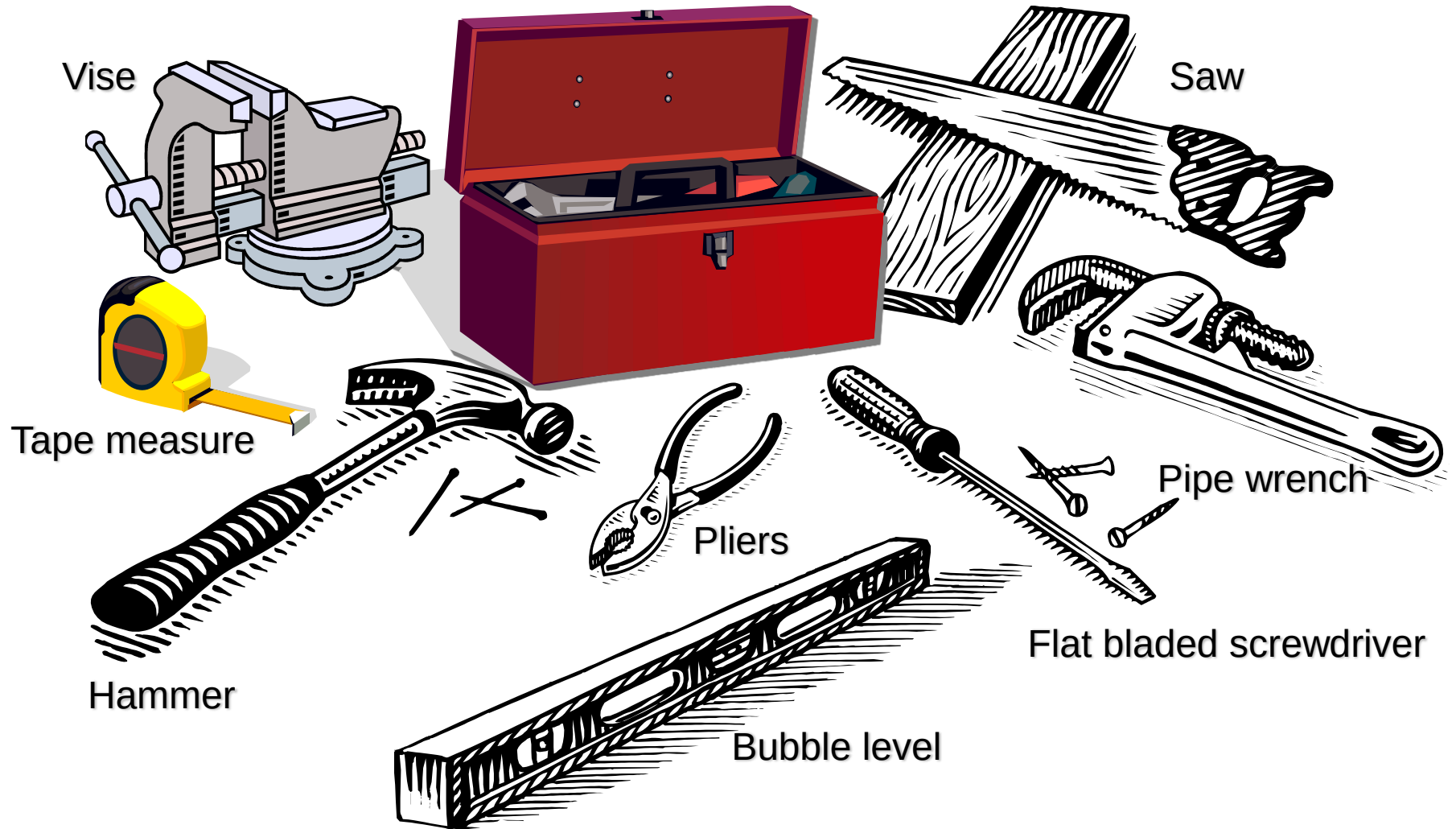


Blue Hat: Managing the Thinking. The final hat stands for process control and is generally worn by those chairing meetings. It comes into its own when ideas are drying up or thinking becomes stagnated in which case the 'wearer' may direct things towards 'Green Hat' thinking to generate creativity or 'Black Hat' thinking when a contingency plan is called for

About **SIX** hats

Which hat would like to wear? Why?

Which is the Most Versatile Hand Tool?



Flat Bladed Screwdriver

- Screw
- Hammer
- Chisel
- Pry bar
- Punch holes
- Set nails
- Stir liquids
- Putty knife
- Score and cut
- *And the list goes on...*



Which innovation

Innovation / Creativity:

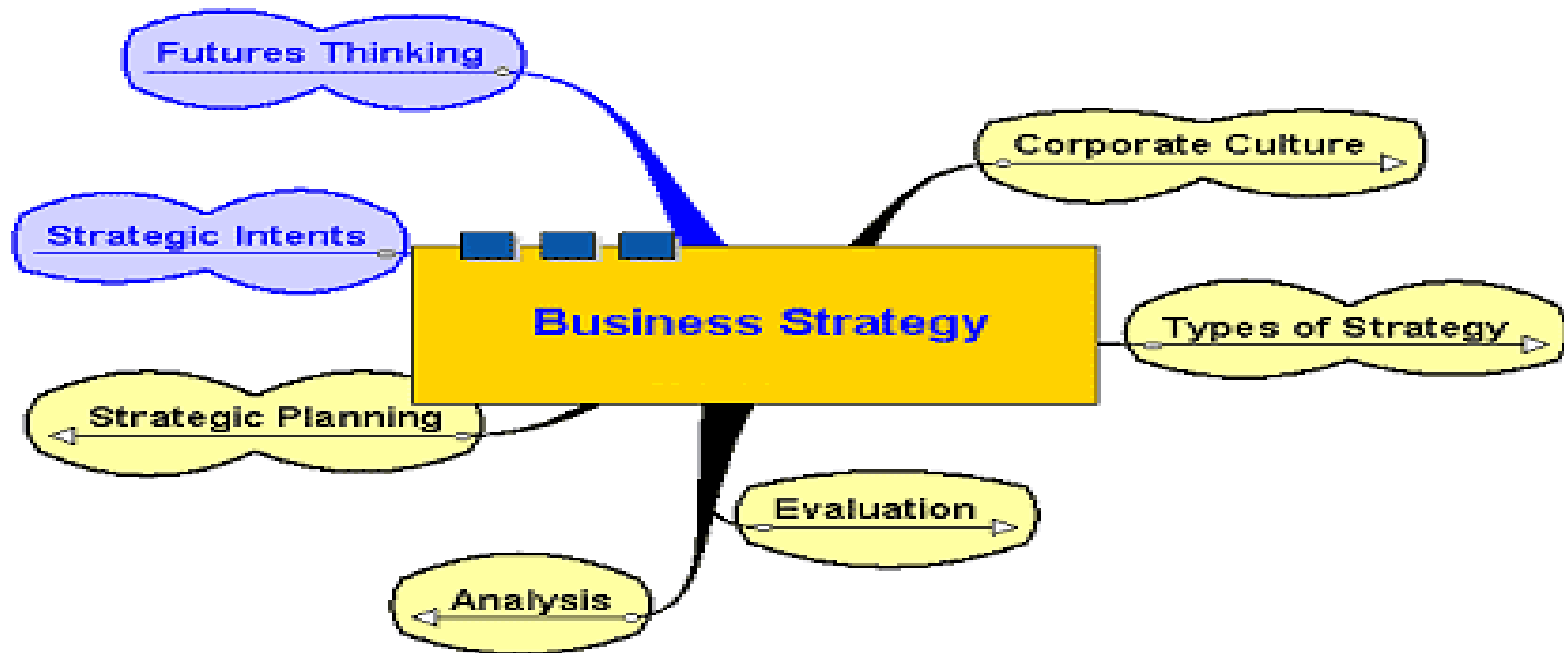
Provides the means for businesses to do something better!

- Leverages other resources
- Enables and enhances business processes – *Facilitates efficiency and effectiveness*
- Seizes competitive advantages
- Levels the playing field – *Small businesses can look and behave like big businesses*
- Extends the business beyond its boundaries – *Strategic alliances, strategic outsourcing, supply chain management*
- *And the list goes on...*

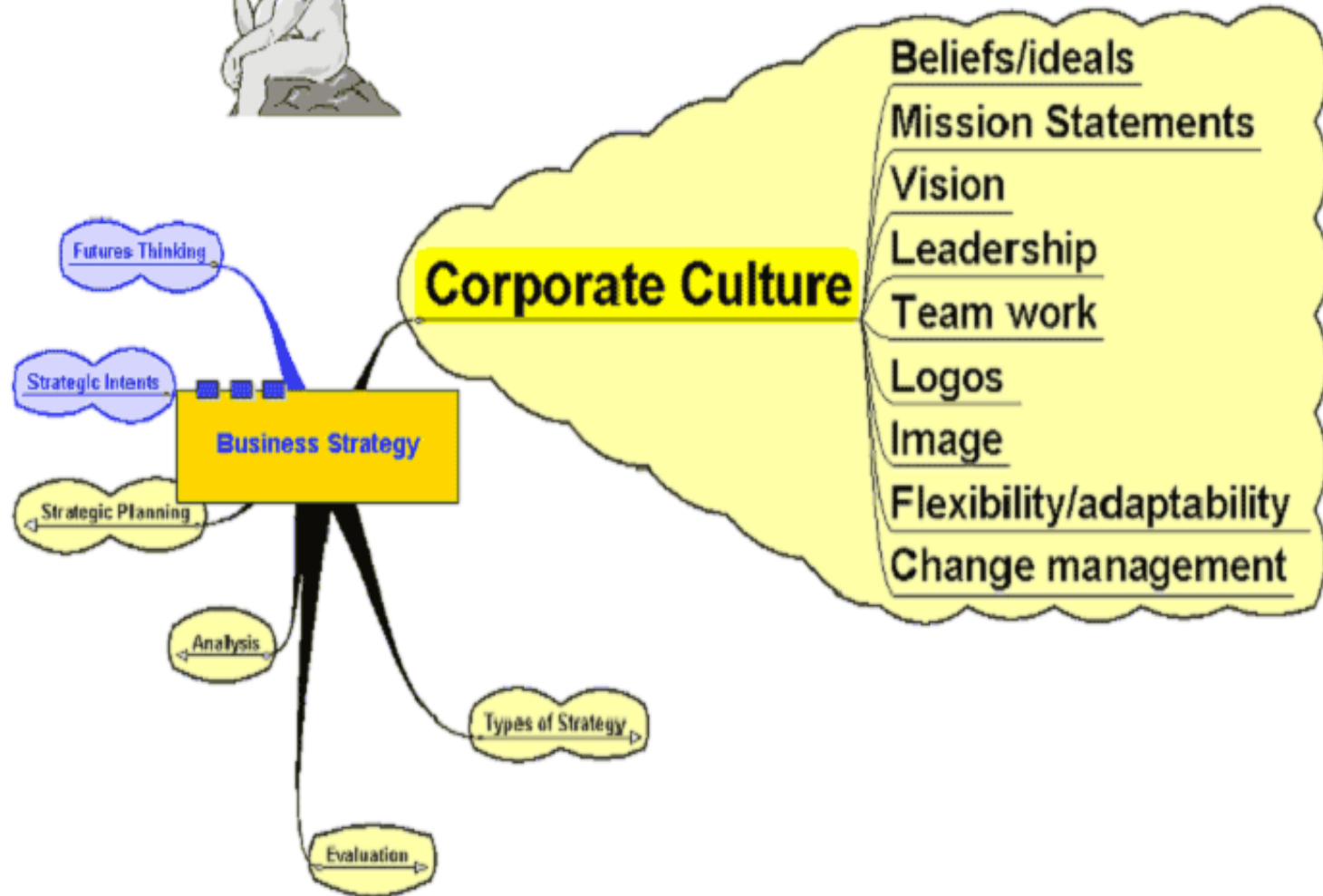
Which Innovation?

- Operational effectiveness is *not* strategy:
 - Operational effectiveness means performing similar activities *better* than rivals. It is necessary, but not sufficient, for competitive advantage.
 - Strategic positioning means performing *different* activities from rivals' or performing similar activities in *different* ways:
 - Variety-based positioning (producing a subset of products/services)
 - Needs-based positioning (serving needs of particular group of customers)
 - Access-based positioning (using different ways to reach customers)
- Innovation involves trade-offs, choosing what *not* to do.

Strategy for Innovation



Corporate Culture



Corporate Culture

- The beliefs and values shared by people who work in an organisation
 - How people behave with each other
 - How people behave with customers/clients
 - How people view their relationship with stakeholders
 - People's responses to energy use, community involvement, absence, work ethic, etc.
 - How the organisation behaves to its employees – training, professional development, etc.

Innovation

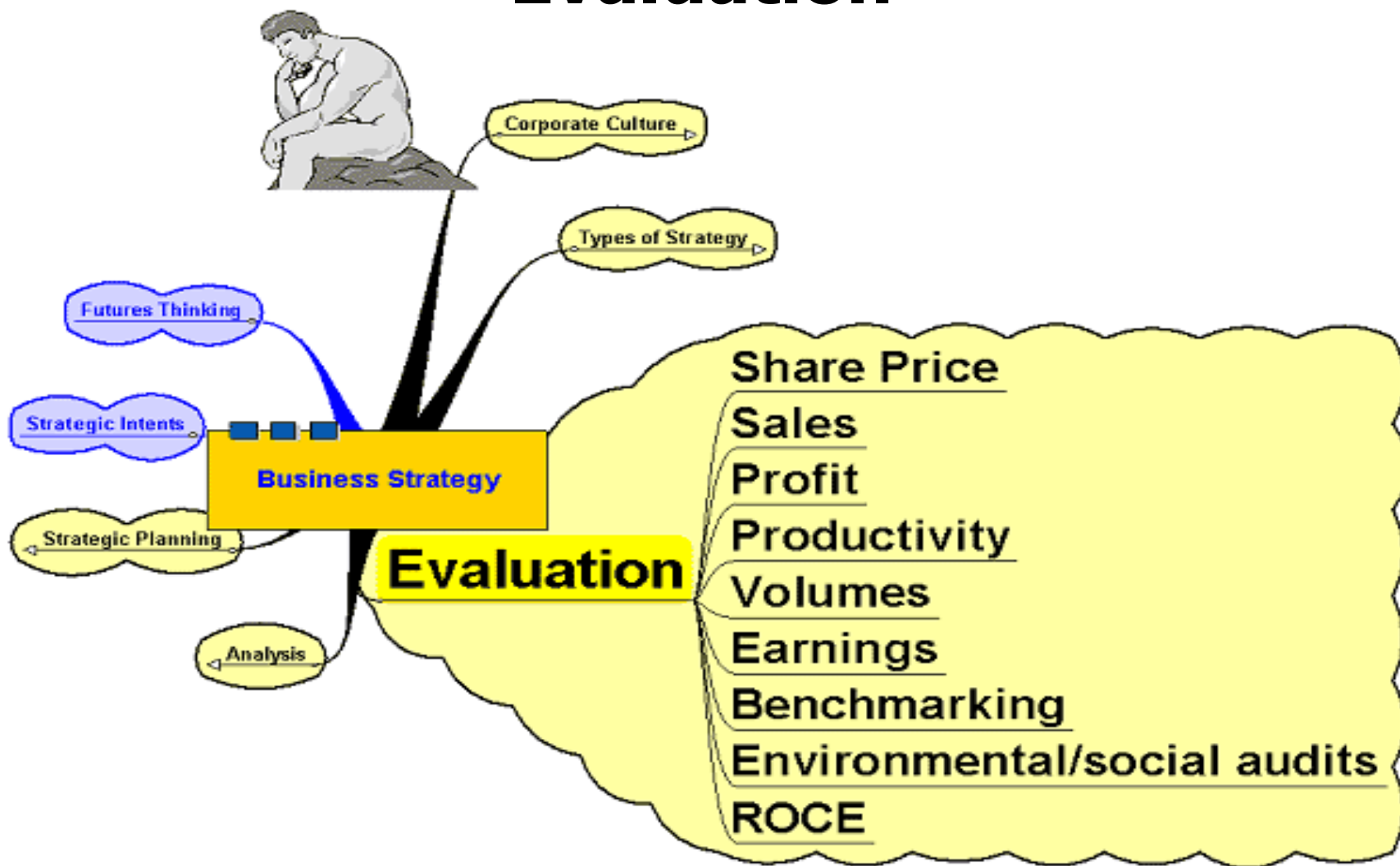
- First Stage of Planning may involve:
- Futures Thinking
 - Thinking about what the business might need to do 10–20 years ahead
- Strategic Intent
 - Thinking about key innovative themes that will inform decision making
- “The thicker the planning document, the more useless it will be”
 - (Brent Davies: 1999)



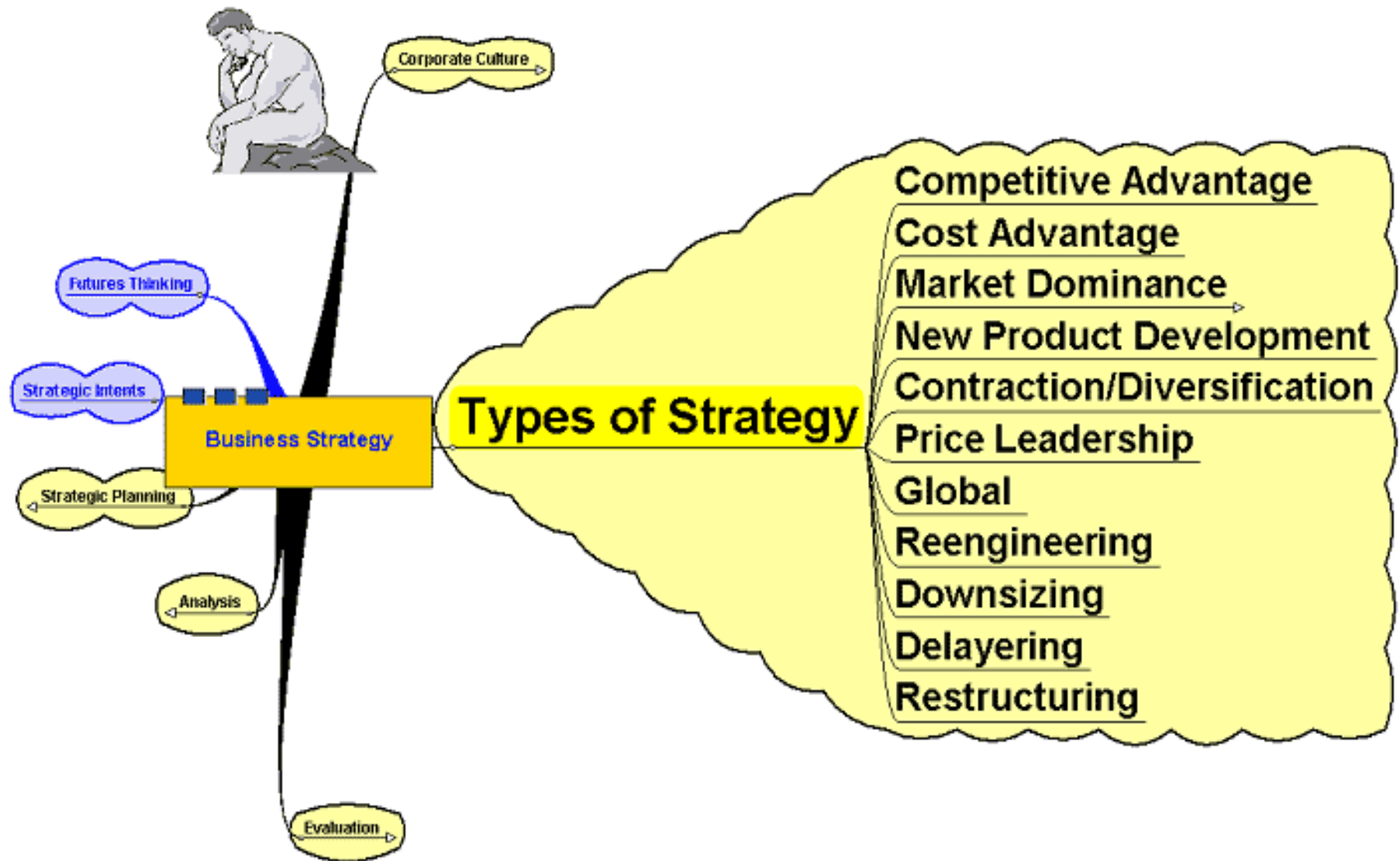
Taking time to think and reflect may be more important than many businesses allow time for!

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Evaluation



Strategy for Innovation



Discussion & action

In a agreement with your group, identify any organisation and then articulate the nature of the business.

And then discuss:

- 1) How do they innovate?
- 2) What unique innovative value do they bring to the markets?
- 3) What resources and capabilities do they utilize to deliver that value?
- 4) How do they sustain their unique innovative value?
- 5) What further recommendation would you be able to provide in order make the business truly innovative?

Coursework

Within this module, the assessment requires the student to identify and agree a specific organisational context in which they can demonstrate an understanding of the importance of innovation to business development and the ability to critically review models and characteristics of innovation.

The specific organisational context should be sufficiently complex so as to allow the student to demonstrate an evaluation of the agreed scenario.

Exemplar: Student interested in sport and exercise

Use the coursework formative projects focussing on interdisciplinary good practice in terms of innovative thinking as a model. Select a particular sporting activity and devise a series of exercises/ skills originally intended for another activity – physical, psychological or intellectual – but which might provide an innovative approach to training for your chosen sport.

Demonstrate that you have an understanding of the concept and importance of critical reflection on the innovation concept. You should be able to demonstrate that you can recognise, analyse and apply creative thinking at the individual, team, organisational and industry level. You should include a critical exploration of the topic and differentiate between different models of innovation.

You should also provide a critical assessment of characteristics of organisational knowledge and organisational knowing.