Research

BLUEPRINTS FOR CORPORATE INNOVATORS

TOOLS, TEMPLATES, AND RESOURCES FOR MAKING CHANGE

A Note From Our Sponsor

Managing innovation is inherently complex. As an innovator, discovering where and how to innovate are your top concerns. The good news is that the popularity of innovation management tools has soared over the past decade. From charts to checklists to maps to matrices, innovators have countless tools available that support their innovation process.

But while the number of tools available isn't the issue, the serious challenges companies face when selecting, adopting, and integrating these tools into their routine is the issue. These challenges often come from a lack of sound advice on tool building and deployment, as well as a tendency to hold onto older and outdated solutions.

To help you get started with choosing the best tools for your innovation program, HYPE Innovation partnered with Innovation Leader to sponsor this collection of "Blueprints for Corporate Innovators." The reason we were so keen on being part of this toolkit is that we at HYPE Innovation believe innovation tools are indispensable, and correctly selecting and deploying them is critical.

This toolkit provides the templates, tools, scorecards, and worksheets that innovators need to meet their innovation goals, and will help guide your program towards success. Every organization should have its favorite collection of tools built through discovery and experience. Within the following pages, we hope you find the resources you need to move your innovation program forward.

JENNIFER DUNN
Director of Customer Success, HYPE Innovation
Jennifer.Dunn@HypeInnovation.com

HYPE
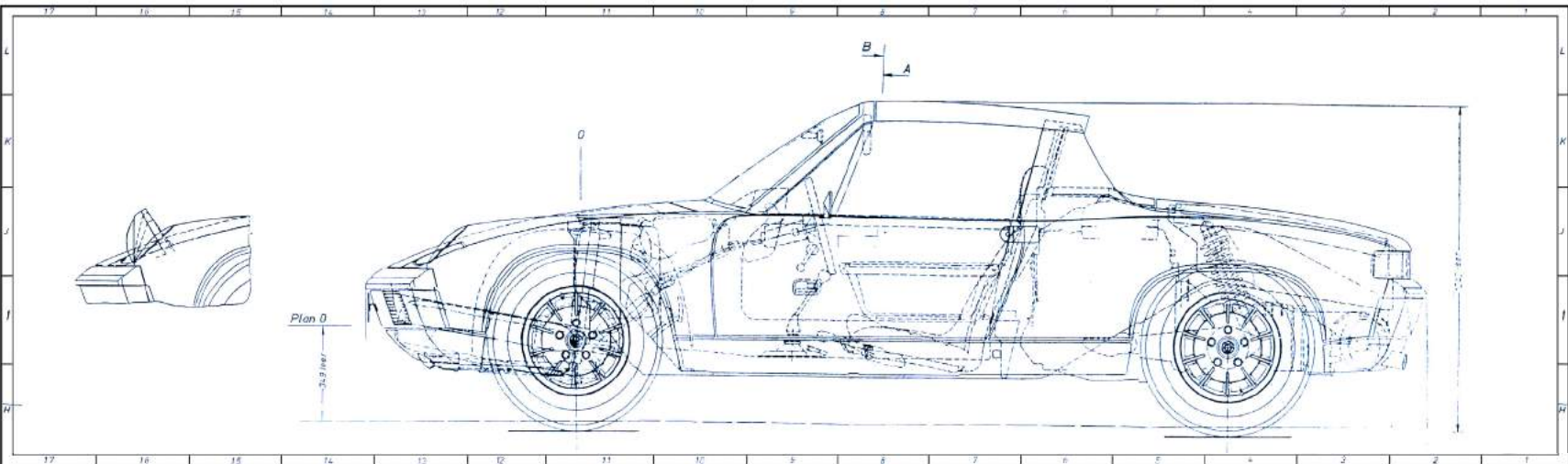
One of the big projects we've been working on at Innovation Leader over the past year...

...has been building tools, templates, and other resources to help people working on innovation in large organizations. We've created PowerPoint presentations, spreadsheets, idea scorecards, a glossary of terminology, and many others. We're excited to collect them for the first time in this report, but some of them will be more useful in digital form, where you can edit them for your own situation (find them at innovationleader.com/resources, in the tab labeled Innovation Leader Resources.)

Everything in this report has benefitted from input from our community of corporate innovation, strategy, and R&D leaders. And some of these specific resources have been created by people who have been in one of those roles recently, like Aaron Proietti (formerly an SVP of Innovation at Transamerica) and Rachael Schwartz (formerly a VP of Product Management and Innovation at Keurig). We're grateful to everyone for their input and ideas, as well as to our friends at HYPE Innovation for their support of this project.

Some of these resources will be useful in the first year or two of a new initiative; others are designed to help assess or upgrade an existing program. At the top of each resource, you'll find some notes on how it is designed to be used.

We hope to keep this project going, so if there are other resources or tools you'd find useful, drop me a note!

Thanks,

SCOTT KIRSNER
Editor & Co-Founder, Innovation Leader
Editor@innovationleader.com

# Table of Contents

REFERENCE DOCS & GUIDES

PowerPoint Template: Making the Case for Innovation

Many organizations don't yet have a formal innovation strategy or program. In fact, many are set up in such a way that innovation is discouraged, even if unintentionally. The most senior decision-makers are commonly rewarded for operational efficiency and delivering short-term results. Here's a PowerPoint presentation, created by former Innovation SVP Aaron Proietti, that you can use to make the case for starting — or investing more — in innovation. A downloadable version is at https://www.innovationleader.com/making-the-case-for-innovation-presentation/
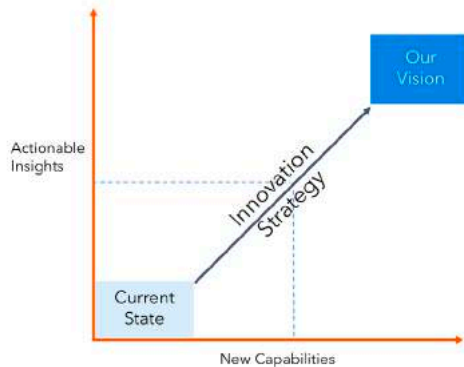
Notes for customization:

- Insert an "innovation strategy" or "innovation vision" statement here which aligns with elements of the company vision and strategy. Incorporate appropriate strategic "vectors" such as digitization, cost reduction, technology investment, etc.

- The innovation strategy should directly answer: "What does company ABC require from innovation in order to execute on its vision?"

- This is not the place to discuss ancillary benefits of being innovative.

Notes for customization:

- The growth gap succinctly illustrates innovation as an imperative. Make sure to show a realistic scenario based on the company or industry's track record.

- Underlying assertion of this slide: if the status quo were working, we wouldn't need a new/different innovation strategy.

- Use a time horizon, metric, and language that is commonly understood within your company to represent the growth of the company.

The Benefits of Innovation

To Customers	• Higher-quality products • Integration into smartphones • Improved design and user experience
To Employees	• New career paths • Empowerment & learning • New rewards mechanisms • More connections throughout the business
To ABC, Inc.	• Competitive differentiation • Better understanding of market • Improved customer loyalty and satisfaction • New company and management image
To Shareholders	• Long-run growth and profitability • Cost savings and margin improvement • Expanded marketplace opportunity • Become the leader in our sector, not a "forever follower"

Notes for customization:

• Create a list of benefits beforehand, but throttle back to just a handful here in order to leave room for imagination & discussion.
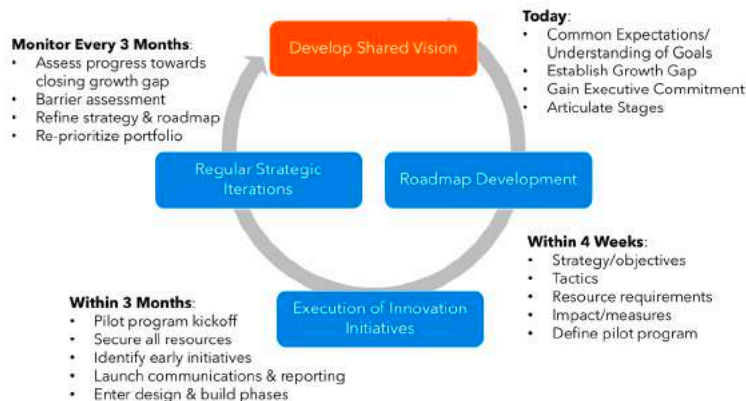
The Innovation Landscape

Existing Company Efforts	Competitive Landscape	Potential Disruptors
• Business Unit xyz building new platform • R&D pursuing "Vision 2020" roadmap • "Big Ideas" employee idea competition	• Competitor x launched a new innovation lab in Boston • Competitor y advertising "next generation" of product line • Competitor z now offering live tracking of repairs	• Startup x has simplified the buying process • Google launched major health push into healthcare • Chinese company z plans to start selling product in the U.S. market in Q4

Notes for customization:

• Underlying narrative: if we don't do something similar or better than what others are doing, in a strategic fashion, we will be left behind.

Success Measures and Milestones

Today:
• Common Expectations/ Understanding of Goals
• Establish Growth Gap
• Gain Executive Commitment
• Articulate Stages

Monitor Every 3 Months:
• Assess progress towards closing growth gap
• Barrier assessment
• Refine strategy & roadmap
• Re-prioritize portfolio

Develop Shared Vision → Roadmap Development → Execution of Innovation Initiatives → Regular Strategic Iterations

Within 4 Weeks:
• Strategy/objectives
• Tactics
• Resource requirements
• Impact/measures
• Define pilot program

Within 3 Months:
• Pilot program kickoff
• Secure all resources
• Identify early initiatives
• Launch communications & reporting
• Enter design & build phases

The Investment Required to Launch

Over the next four weeks, we'd like to develop a comprehensive innovation roadmap and launch a pilot program.

We will present the roadmap, including a longer-term resource request and details of the pilot program at an oversight meeting next month.

Personnel — Dedicated and semi-dedicated
• 3 dedicated resources from marketing, IT, and finance
• A small set of semi-dedicated leaders from business units, customer service, engineering, real estate, etc. meeting in person for a 2-day off-site, and participating in weekly calls
• Executive governance team

Financial — Initial budget to get off the ground
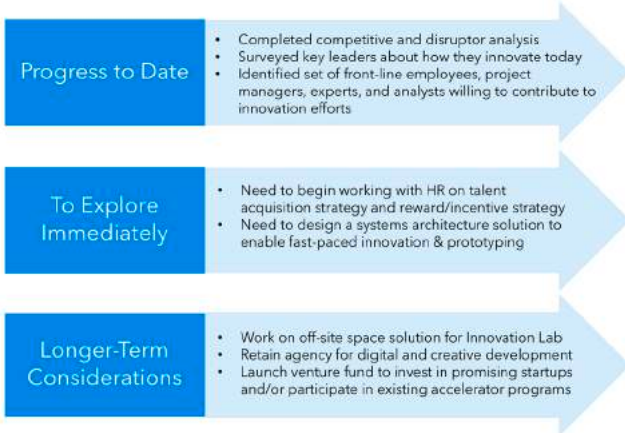• Consultant budget of $250K to launch 6-month pilot program
• Office expense/equipment budget of $50K to build prototyping space
• Travel and meeting budget of $25K

Space — Onsite and offsite
• Continuous use of the Flamingo Conference Room as a prototyping space and workspace for innovation team, including purchase of required equipment
• 2-day offsite at InnoSphere downtown

Other Considerations

Progress to Date
- Completed competitive and disruptor analysis
- Surveyed key leaders about how they innovate today
- Identified set of front-line employees, project managers, experts, and analysts willing to contribute to innovation efforts

To Explore Immediately
- Need to begin working with HR on talent acquisition strategy and reward/incentive strategy
- Need to design a systems architecture solution to enable fast-paced innovation & prototyping

Longer-Term Considerations
- Work on off-site space solution for Innovation Lab
- Retain agency for digital and creative development
- Launch venture fund to invest in promising startups and/or participate in existing accelerator programs

Notes for customization:

· Bucket any other considerations into "we've already done that," "we'll get on that immediately," or "that's a longer-term consideration."

Reaching the Next Milestone

We commit to developing a roadmap and presenting it at this meeting in four weeks. This will require the following:

- Send us names of committed leaders to participate in innovation offsite by Friday
- Identify resources and funding for procuring consultancy to help with innovation pilot program
- CEO to socialize the innovation imperative and growth gap with the board
- Other topics we discussed during the presentation such as...

Develop Shared Vision
Roadmap Development
Execution of Innovation Initiatives
Regular Strategic Iterations

Addressing the Unknowns

Some answers are required to develop common expectations and understanding of innovation efforts:

- To what extent has the board/executive team discussed innovation efforts?
- Which executive decision-making structure should govern innovation decisions, such as R&D investments, infrastructure investments, etc.?
- How will we know if our innovation efforts are succeeding?
- What has prevented any similar initiatives from succeeding in the past?
- What budgets already exist for investments in new technology, acquisitions, personnel, training, consultants, etc.
- Who should we work with to tie the innovation strategy into: M&A, risk management, project management office, finance, HR, etc.
- What is the appetite for mergers and acquisitions? For building or renting new innovation spaces?
- What ideas, business challenges, or customer segments might be good initial innovation focus areas?

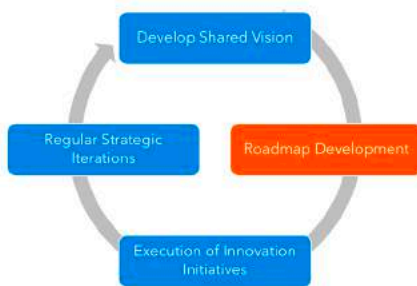Initial responses to these questions will be built into the Innovation Roadmap.

Notes for customization:

· This slide is the "soft ask." You're asking for expert advice and guidance from the people who know the company best. The answers to these questions may help more to bring innovation into focus for your audience than it does for you.

· Limit the questions to what you have time to discuss. Take care not to go down rabbit holes that will derail the conversation. This may be the best time to surface any misconceptions about innovation. Follow up on any unanswered questions after the presentation.

Notes for customization:

· Recap slide. The goal is to get a firm commitment to go to the next step by rearticulating what you're doing, for whom, by when, for what purpose, and who/what is required.
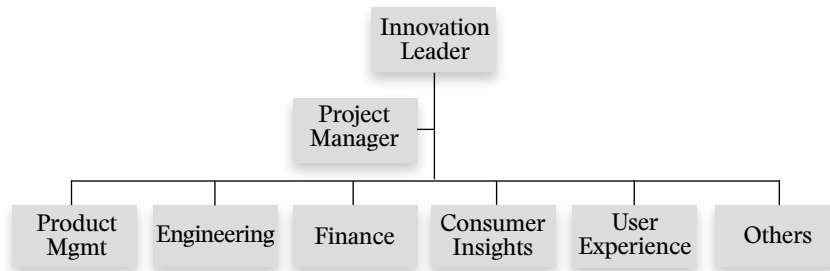
Two Organizational Choices for Innovation: Separate or Integrated?

The composition of an innovation team, where it sits in the organization, and who it reports to is just as important to driving successful innovations as the innovation strategy itself.

Since every company is different, there's no single "right" setup. But we created these diagrams to help you think through and design a structure that works for you.

SEPARATE

Innovation team is carved out as a self-contained team that is separate from the day-to-day operations of the company.

Innovation Leader
Project Manager

Product Mgmt | Engineering | Finance | Consumer Insights | User Experience | Others
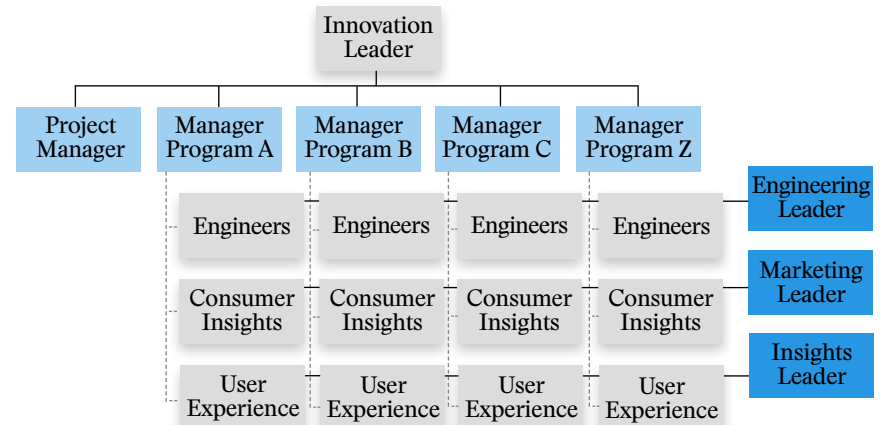
BENEFITS

- Minimizes disruption to core products/business
- Allows for quicker product development process that can be different from the traditional core product development process
- Creates environment less constrained by traditional biases
- Ensures consistent staffing/funding by eliminating the need to choose between current product support and innovation support

DRAWBACKS

- More difficult transfer to commercialization, as the rest of institution can feel removed from innovation and has no ownership of the projects
- May miss taking advantage of some key institutional knowledge (of customers, suppliers, distributors) by separating from organization
- May create animosity by setting up an "innovators" vs. "core" dynamic

INTEGRATED

Innovation team is integrated into core business and relies on shared services.

Innovation Leader

Project Manager | Manager Program A | Manager Program B | Manager Program C | Manager Program Z

Engineers | Engineers | Engineers | Engineers
Consumer Insights | Consumer Insights | Consumer Insights | Consumer Insights
User Experience | User Experience | User Experience | User Experience

Engineering Leader
Marketing Leader
Insights Leader

BENEFITS

- Lower overhead; resources flow to projects as needed (staffing on demand)
- Innovation still in control of product and business strategy
- Leverages institutional knowledge from other departments
- Creates buy-in across organization
- Smoother transition to commercialization

DRAWBACKS

- Hard to maintain resources ($, people) as priorities in company change
- Innovation pace can be slowed by existing stage-gate processes

To Whom Should Innovation Report? Pros & Cons

CEO

Innovation reports directly to CEO as Chief Innovation Officer (CInO)

Benefits

- Org alignment indicates significance of innovation to organization
- Greater authority to drive disruptive innovations
- Innovation strategy tightly aligned to overall company goals

Risks

- CEO has limited time for guidance
- CInO status may create division between innovation and commercial activities

Innovation reports to Chief Technology Officer (CTO) or Chief Information Officer (CIO)

Benefits

- Greater ease of securing technology resources to support innovation
- Innovation most likely to leverage unique technology capabilities

Risks

- Focus may be on digital/tech innovation
- Other innovations may be overlooked (business model, supply chain)
- Possible bias toward building innovations (vs. buying from outside)

Innovation reports to Chief Product Officer (CPO)/ Chief Commercial Officer (CCO)

Benefits

- Innovation most likely to be well-aligned with consumer and retailer/ distributor needs
- Easy transfer to product development and commercial launch

Risks

- Innovation emphasis can be on near-term business needs
- Non-product related innovations could be missed

Innovation reports to Chief Strategy Officer (CSO)

Benefits

- Innovation likely to be well-aligned with overall corp. strategy
- Innovation likely to have mid- and long-term focus
- Annual Operating Plan likely tied to strategic importance of innovation initiatives

Risks

- Incremental innovations may get overlooked
- Difficulty building relationships with tech or R&D team

Innovation reports to Chief Marketing Officer (CMO)

Benefits

- Innovation most likely to be consumer-oriented (driven by key consumer insights)

Risks

- Innovations likely to be product, packaging, marketing innovations
- Other innovation types may be overlooked
- Difficulty building relationships with tech or R&D team to drive development

A Glossary of Innovation Terms and Strategies

The terminology used by executives involved in corporate innovation and new ventures can be confusing to newbies — and it's constantly evolving, often pulling in new language and concepts from the realms of entrepreneurship, academia, and consulting. Here's our glossary of terms commonly used by leaders of innovation, R&D, and new product development groups in large companies.

Innovation Methodologies and Approaches

Agile development: A set of methodologies, most notably used in software development, where solutions evolve through iteration and the work of self-organized teams.

Adjacent innovation: Leveraging something a company or product already does well in a new or innovative way. Less closely tied to the core business than incremental innovation, below.

Back end: The later stages of a design or development process, when something is closer to production, deployment, or roll-out.

Champion/catalyst network: A group of employees within a company who receive innovation training, and are tasked with promoting the innovation agenda, events, and competitions. Champions or catalysts often train others in innovation methodologies and tools, like design thinking or lean startup; work with customers or business partners to create new products and services; and scout market trends, disruptive startups, or otherwise gather market intelligence.

Co-creation: A product development approach that brings multiple entities together to come up with solutions or new concepts — often customers, suppliers, startups, or business partners.

Customer insights: Also known as consumer insights, this is the collection of customer feedback, trends, or observed customer behavior that may guide the design of new offerings or overall corporate strategy.

Design thinking: Applying design methods and principles — like empathy, observation, and experimentation — to solve problems or develop new offerings.

Front end: The early stages of an innovation, design, or product development process, when you are soliciting ideas, building prototypes, and testing them with customers.

Incremental innovation: Small and simple improvements or tweaks made to a product or strategy. Refers to innovation that is closely tied to the core business, unlike adjacent or transformational innovation.

Innovation pipeline: A visual metaphor for the progression of ideas through a "pipeline" of development. The pipeline typically begins with many ideas. As ideas are prototyped, tested, and refined, some are winnowed out as others proceed further down the pipeline. Ideally, the highest-potential ideas make it to the final stage of the pipeline, when they are rolled out or implemented.

Lean Startup: A product development approach that espouses frequent input from customers, and refinements to the product based on what they will actually pay for — not just what they say they like. The lean startup approach includes three phases: build, measure, and learn. It encourages the creation of "minimum viable products" that can be tested in the market quickly, instead of more expensive, polished products.

MVP, or minimum viable product: The minimum viable product is the simplest form of a product that will satisfy a customer, and ideally lead to a purchase. MVPs are useful to gather input for future development or refinement.

Open innovation: An approach to seeking ideas, technology, and solutions from outside a company's walls. May involve posting an open challenge that outsiders can respond to. Sometimes called "external innovation" or "crowdsourcing."

Rapid prototyping: Strategies and tools used to create a quick model or prototype of a proposed product or concept. Sometimes these can be paper or digital mock-ups, or 3D-printed prototypes.

Scalability: The ability for a product or service to maintain its functionality in times of high-demand or high work-load situations, or after a large-scale commercial roll-out.

Scrum: A portion the agile development process in which a self-organized, cross-functional team (scrum team) develops a potential solution for a problem. A scrum can consist of multiple "sprints," or time-limited work sessions focused on a specific piece of a project.

Transformational innovation: The most long-term mode of innovation, which companies often find too risky to invest in. This often involves entering an entirely new market segment, using a new distribution strategy, testing a new business model, etc. Very loosely tied to the core business, unlike incremental or adjacent innovation.

Vitality Index: A way to measure the output of innovation, product development or R&D initiatives. Originally created by 3M, the Vitality Index is a tally of the percent of total revenues generated by products that have been released in a defined timeframe, often the prior three to five years.

Innovation Models

Disruptive innovation: A term popularized by author and Harvard Business School professor Clayton Christensen, it describes a process by which a product or service starts off by doing simple things, inexpensively, for less sophisticated customers. At this stage, it is ignored by incumbents, who are extracting profits from more demanding, sophisticated, and price-insensitive users. But the new product or service relentlessly moves up-market, eventually "disrupting" established competitors.

Innovation Life Cycle: Also referred to as the Technology Adoption Life Cycle or the Diffusion of Innovations, this theory tries to explain how an innovation or product is adopted into society. The cycle was first published in the 1962 book, "Diffusion of Innovations" by Everett Rogers. Groups adopting a product are often referred to as Innovators, Early Adopters, Early/Late Majority, and Laggards. Here is a simplified description of each cycle phase:
- **Innovators**: The first to know about, or be involved with developing, an innovation.
- **Early adopters**: The people who are always in search of new and innovative products. They are also seen as those who will recommend purchasing a new innovation.
- **Early majority**: The next group of people are drawn to an innovation in part because of hype and marketing, and in part because of its usefulness.
- **Late majority**: Those who pick up on technology and innovation at the average speed. Usefulness is often a key requirement of tools they are using.

- **Laggards**: The last group of people, who only reluctantly begin using an innovation or product.
- **Crossing the Chasm:** When a product moves from early adopter support to early majority support.

McKinsey's Three Horizons of Growth: Describes the different time horizons of innovation activity and investment. Companies may mark horizons by years, goals achieved, or other milestones.
- **Horizon 1**: The present, when the core business provides plentiful profits and cash flow. The company's focus is on improving performance and eking out additional market share.
- **Horizon 2**: The near future, when emerging opportunities and technologies may start to pose a threat. Preparing for this horizon may require investments that won't produce an immediate return.
- **Horizon 3**: The far future, when today's small ventures, research projects, pilot programs, or minority stakes in new businesses could create significant new revenue streams.

Types of Labs & Offices

Innovation lab: A place designed to foster brainstorming, collaborative work, prototyping, or interaction with partners and customers. Innovation labs often feature open workspace and office design that is more conducive to collaboration than more traditional environments.
- **Concept development lab:** Intended to create new products or services, or test new business ideas. Often involves a core group of "intrapreneurs" with marketing, tech, and product development experience. Many of these labs also bring in customers, business partners, or startups to "co-create" or otherwise participate in the process.
- **Makerspace:** A space set up with prototyping technologies, from 3D printers to drill presses to sewing machines, to be used by employees working on projects related to the business — or simply learning an array of new tools and techniques.
- **Showcase lab:** A nicely-designed showcase for "cool new stuff" the company has been prototyping or testing, or a place to hold brainstorming meetings or training sessions where "out of the box" thinking is desired and encouraged.
- **Skunkworks:** Usually away from corporate headquarters, given lots of freedom to experiment, and charged with focusing on long-term initiatives.

Sometimes staffed with talent new to your industry, to bring in fresh perspectives.
- **Venture/Ecosystem lab**: Intended primarily to source and oversee venture capital investments, or create new connections with the startup ecosystem.

Funding, Events, Contests

Crowdfunding: When a startup or company seeks pre-orders or donations from customers to test market interest and support the production of an item. The entity running the crowdfunding "campaign" often offers different incentives for different levels of financial support, like discounted pricing, early delivery, or special packages. Two popular crowdfunding platforms are:
- **Kickstarter**: Founded in 2009, Kickstarter has collected pre-orders and financial support for products like the Pebble smartwatch, the Formlabs 3-D printer, and board games like Zombicide.
- **Indiegogo**: Founded in 2007, initially to support independent filmmakers, Indiegogo works with startups, independent creators, and increasingly large companies like Bose, GE, and Hasbro.

Hackathon: A time-limited work session often focused on solving a specific problem or addressing an issue, held over the course of a day, weekend, or month. Teams form with members that have different skill-sets. Often, there is a pitch-off or presentation at the end of the hackathon, and prizes are awarded to the best projects that emerge.

Idea challenge: A company-wide initiative inviting employees from across the company to contribute ideas or concepts, often focused on a particular problem area or issue.

Startups and Corporate Venture Capital

Angel investor: An individual investor who offers funding, mentoring, introductions, and other help with the eventual goal of a return on investment. Angels usually invest at the earliest, or seed stage, before venture capitalists get involved with a company.

Corporate venture capital: A group inside a large company that invests money into startups, in exchange for a piece of equity and often a seat on the startup's board. The hope is that these investments will help the large company understand newly-developing markets and technologies better, and will also deliver a financial return. Some corporate VCs are more focused on financial returns, but most are interested in the strategic benefits, like potentially integrating or distributing a technology from the startup.

IPO: Initial Public Offering. When a company "goes public" and offers its shares to the public for purchase. Companies must register with the SEC (Securities and Exchange Commission) prior to the event.

"Killing the Butterfly:" When a startup is acquired by a larger company that squashes the startup's culture, often resulting in mass employee departures. This can also happen when startups and large companies collaborate on projects.

Seed stage, A round, B round, etc.: Terms used to describe the maturity of a startup based on how much funding it has received. Seed stage is the earliest stage of funding, when money often comes from angel investors, friends and family, or venture capital funds that invest in the seed stage. As the company progresses, it will eventually raise an "A round" of venture capital, then a "B round," etc.

Shared workspace / Co-working space: A collaborative office space with common areas and facilities, like a kitchen, conference room, or mailroom, allowing businesses to work and grow without worrying about office management tasks. These are often rented by budget-conscious startups. But increasingly, large companies are situating teams working on new business creation or innovation projects in these shared workspaces, so that they can have distance from the traditional corporate environment, be surrounded by entrepreneurs, or both.

Startup accelerator: Fixed-term programs that allow a startup to receive mentorship, education, and other services needed to get it to its next stage. The best-known of the accelerator programs are Y Combinator, Techstars, and MassChallenge. Most accelerator programs conclude with an investor pitch event.

Startup incubator: Physical spaces often run by non-profit organizations, which aim to help entrepreneurs develop a new business. There is often an application process which can be just as selective as an accelerator program.

How Startups Can Work With Our Company

This single slide provides a template for explaining to startups, venture capitalists, accelerators, etc. how your company wants to work with them and who the key point of contact is. Fill in with the sectors that are relevant to you (there may be more or less than three); the ways you expect to engage with startups; and contact info for your primary startup "point person." Examples are provided below.

We are looking to engage with startups in these sectors:

Data analytics for logistics	Sustainable packaging	Warehouse robotics & automation

These are the ways we plan to engage with startups:

Buying or licensing technology	Investments in B rounds of funding	Introductions to our network of resellers

Our primary startup "point person" is:

Name, Email, Twitter handle, etc.

What Do Colleagues Hear When You Say 'Innovation'?

The problem of describing what kind of innovation your organization wants to pursue is a common one. But helping your senior leadership to define the word crisply and explain how different parts of the organization can participate will clarify expectations—and limit the resistance you'll encounter. Here's our somewhat tongue-in-cheek guide to what your colleagues hear when the CEO says the word innovation. But thinking through the divergent definitions and mixed-up interpretations that probably exist today in your company is key to getting everyone speaking the same language.

What the CEO communicates: / What others are thinking:	[Worst Case] A CEO uses "innovation" as a buzzword in phrases such as, "We are going to be more innovative," but further definition is left open to interpretation.	[Common Case] A CEO declares innovation as a priority and some resources are set aside, but objectives, risk tolerance, trade-offs, etc. lack clear definition.	[Best Case] A CEO is involved in an innovation strategy that defines who is innovating; what the metrics are; and what the company hopes to achieve.
Board of Directors	We should launch the search for a new CEO.	What's different this time?	We can really get behind this plan.
Customer Service	You should fix our current products before you go innovate.	Are we going to be expected to support a bunch of half-baked prototypes?	Thanks for letting us give feedback on the new product designs!
The Customer	Can't they just provide better services, prices, and functionality on what they do today?	I'll wait to see what others have to say before I try the new stuff.	This addresses a real pain point. How do I pre-order?
Executive Leadership Team	Let's focus on meeting next quarter's numbers instead.	When is the CEO going to tell us what she expects us to do differently?	Okay! Now, let's have the difficult discussions about what trade-offs we need to make to get this to work.
Experts (designers, engineers, actuaries, etc.)	Are they going to hire more of us to do this, or just pile on additional work?	We've been saying that we need to do this forever, but the way the CEO is going about it won't work.	This job is really challenging me to think more creatively, and letting me work on the leading edge of my field.
Finance	We don't have any budget or accounts set up for innovation. Who do I charge this to?	We'll need to know the expected expenses, expected revenues and ROI—for the next 10 years.	Let's set up the new accounting guidelines we need to support the goals of our innovation work.
Human Resources	I'm not sure what we should do differently. Should we buy some bean bags or ping-pong tables?	We're going to integrate innovation into our performance management process without clarifying to anyone what innovation is!	This gives us a leg up on the competition when recruiting and retaining talent!
IT	IT should be the ones leading all the innovation efforts. No one can innovate without us.	We're too busy with our current backlog to support innovation projects.	Here's a sandbox/test environment we built so that everyone can innovate more rapidly.

What others are thinking: / What the CEO communicates:	[Worst Case] A CEO uses "innovation" as a buzzword in phrases such as, "We are going to be more innovative," but further definition is left open to interpretation.	[Common Case] A CEO declares innovation as a priority and some resources are set aside, but objectives, risk tolerance, trade-offs, etc. lack clear definition.	[Best Case] A CEO is involved in an innovation strategy that defines who is innovating; what the metrics are; and what the company hopes to achieve.
Legal/Compliance Department	You have to stop all innovation activities until we've had a chance to review and tell you why you shouldn't be doing it.	You must submit all innovation through our existing compliance review processes. Expect two weeks for a response.	Being involved at the outset of the innovation allows us to tell you "how you can" instead of "why you can't!"
Manufacturing	Is my job going to get automated away?	I don't care about innovation until it affects me. Then I'll be furious that you didn't involve me.	We've got some resources set aside that can be used for rapid prototyping. Let's see how we can be more flexible and get things into production faster!
Marketing	We're marketing! If we spend more time shaping and communicating the message, people will see us as innovative.	We're all tripping over each other trying to develop the next great idea.	We will map out how the customer experience, brand, and messaging ought to evolve as we execute the innovation strategy.
Operations	There will be no innovation if you don't give us a lot more resources.	Marketing is saying we're doing one thing, IT something else, and none of it matches what the CEO is saying.	We have identified a lot of waste in our current processes that can free up resources to innovate.
R&D	Hey, wait! Innovation is our job!	What a waste to invest in stuff that's so unproven. We'll just ignore the "innovation" initiative and keep doing what we're doing.	It's exciting that everyone is so future-focused now, and not just us!
Risk Management	Everything must come to a screeching halt as we filter all innovation through our rigorous controls.	We don't have adequate controls in place to make the types of decisions we need to be making.	We recognize that the biggest risk to the company is not executing our strategy, so we've designed a new risk framework for innovation.
Sales	You all can't even process the new business we are bringing in the door now, how are you going to manage "innovation" on top of that?	The resources we're putting towards innovation should be spent on improving our current products.	When can I be out there selling our new products?

WORKSHEETS & TEMPLATES

The Corporate Innovation Roadmap

Getting consensus to launch a new innovation initiative can require tremendous time and energy. We put together the roadmap on the following page to help you think through some of the elements you'll need to put in place to ensure that projects make it to the finish line, and that you can build your team, momentum, and reputation for delivering results over time. You may not be able to fill in the answers to each box at the outset — and some answers may change as things proceed — but the goal of this roadmap is to give you a high-level view of the issues you'll need to address and the partners you may need along the way. The numbers below correspond to the elements of the roadmap on the next page.

STRATEGY

1. Who within the company will be involved in setting the vision?

2. How have you defined your objectives? Is it instilling a culture of innovation and training employees on new techniques? Cutting costs and becoming more efficient? Establishing a digital capability in a non-digital business?

3. Who will be responsible for achieving these objectives on a day-to-day basis?

4. Which individuals/group will provide oversight/guidance (and possibly run interference/help marshal resources) for the people executing? How often will this happen?

5. Where will funding come from? What will be required to unlock additional funding?

TACTICS

6. What tactics do you plan to use, or explore using, to achieve your objectives?

EXECUTION

7. Who are the internal partners whose input or help you may need, separate from the people who are involved in governance? This could be IT, or a specific business unit, or the team that runs your leadership training program.

8. Who are the external partners whose input or help you may need? These could be consultants, customers, suppliers, academic research labs, startups, etc.

9. What incentives exist, or will you create, to ensure that these partners will want to collaborate with you?

10. How will you deploy or launch your projects? For instance, you may identify a test store, or a test group of customers, or collaborate with a distributor in one market, or work with HR to run a series of training workshops.

IMPACT

11. What metrics will you put in place to gauge how well things are working, and the cultural, reputational, or financial impact you're having? Who will be responsible for gathering and reporting this data?

12. In what way will you communicate success stories, inside the company or outside it? Who will help?

13. Who will be responsible for capturing learnings and best practices, and how will these be shared/archived?

STRATEGY	TACTICS	EXECUTION		IMPACT

STRATEGY

1. Who defines your vision?

2. What are your innovation objectives?

3. Who's going to execute?

4. Who provides oversight/governance?

5. What is your funding source?

TACTICS

6. What tactics will you use?

☐ Innovation training/workshops

☐ Idea challenges

☐ Startup engagement

☐ Hackathons

☐ Co-creation with customers

☐ Network of catalysts

☐ Rapid prototyping/lean startup

☐ Innovation space/lab

☐

☐

☐

☐

☐

☐

☐

EXECUTION

7. Internal partners

8. External partners

9. What incentives should be in place for partners?

10. How will deployment work?

IMPACT

11. How will you measure success?

12. How will you communicate impact?

13. How will you capture learnings?

The Perfect Idea Scorecard for Your Innovation Program

If you need to sort through dozens, hundreds, or thousand of ideas, you know it's no small task. Aaron Proietti, a former Transamerica SVP, developed this template to help with evaluation and scoring. It is detailed enough to show how to set up idea logs, Yes/No screens, classification, and scoring exercises...yet simple enough to be easily modified to fit your organization's unique situation. This resource has been condensed for the purpose of this report, and should be used as a sample guide. The full resource can be found at www.innovationleader.com/designing-the-perfect-innovation-idea-scorecard.

Guidelines: Capture all raw ideas in this chart. Number and name each idea for continuity. Ideas may come from multiple sources with different levels of detail and rigor. Be sure to understand who the idea can be attributed to, so that you can follow up with questions or updates. Provide context or links to supporting documents in the notes column. Note: All of the entries in this sheet are examples only.

	Idea Name	Idea Description	Idea Source(s)	Attribution	Notes
1	**Plus Rewards**	New rewards program, based on # of new customers an existing customer refers to us	Brainstorming Session II	Indira F.	Some work has been done by Patty P in marketing
2	**Cinco Promotion**	New Cinco de Mayo promotion running from 4/28 to 5/5	Brainstoming Session I	Table 3 idea	Based on daily sales analysis reports
3	**Touchless Widget**	Relaunch widget with touchless functionality supplied by startup XYZ	Technology Offsite	Dave A's Engineering Group	
4	**Targeting Algorithm**	Incorporate new dataset from BigBrotherCo to enhance targeting algorithms	Marketing Offsite	Ellen B's Marketing Analytics Team	New contract with BigBrotherCo already in place
5	**Next Gen Widget**	Develop next-gen widget with new tech platform for scalability	Technology Offsite	CTO/CEO	#1 priority for 2019
6	**Facial Recognition**	Replace mobile app password login with facial recognition technology	Brainstorming Session II	Jim H.	
7	**Mobile CX Streamline**	Don't require customers to log in to both account and community aspects of mobile app - single sign-on	Customer Immersion Session	Customer 4	Analytics confirmed there is high drop-off rate
8	**New Mothers Segment**	Expand widget offering into new mothers segment	Brainstorming Session II	Table 1 idea	
9					
10					
11					

Guidelines: Pull all ideas in from the Idea Log chart into this chart. Run each idea through each of the Yes/No screens you've developed. Below is a sample of Yes/No screens you might consider using. Some of these Yes/No screens may automatically advance the idea directly into later stages of idea evaluation; others may eliminate ideas, "pass them along" to other groups, de-duplicate identical ideas, or combine similar ideas.

	Idea Name	Champion	Just Do It	Pass It On	Out of Scope	Duplicate	Combine	Advance to Scoring?
		Does the idea have a champion? (Y/N)	Should we "Just Do It?" (Y/N)	Should it be passed on to a business unit to pursue? (Y/N)	Is the idea out of scope for the current innovation strategy? (Y/N)	Is it already being worked on? (Y/N)	Should it be combined with another idea? (Y/N)	Does the idea advance to the Classification Stage? (Y/N
1	Plus Rewards	N	N	N	N	N	N	Y
2	Cinco Promotion	N	N	Y - Marketing promotions team can test in Q1	N	N	N	N
3	Touchless Widget	N	N	N	N	N	Y - Combine with idea 13	N
4	Targeting Algorithm	Y - Andy F from innovation team champions idea	N	N	N	N	N	Automatic
5	Next Gen Widget	N	Y - CTO/CEO have built into 2019 plans	N	N	N	N	Automatic
6	Facial Recognition	N	N	N	N	N	N	Y
7	Mobile CX Streamline	N	Y - CXO said it's a quick fix and big gain	N	N	N	N	Automatic
8	New Mothers Segment	N	N	N	N	N	N	Y
9								
10								
11								

	Idea Name	Yes/No Results	Time Horizon	Secret	Innovation Type	Platform
		Does the idea advance from the Yes/No Screens? (If No, then delete)	Estimate of Time to Development (Short Term - Less than 3 months, Medium Term - 3 to 9 months, Long Term - Greater than 9 months)	Is secrecy required? (If secret, do not share any details beyond project team)	Core Line Extension New Product New Technology New Market Cost Reduction	Is it a platform that would enable or accelerate innovation in the future, or a product that either sits on a platform or is independent of a platform?
1	Plus Rewards	Y	MT	Secret	Line Extension	Product - On Platform
4	Targeting Algorithm	Y - Automatic	ST	Secret	Core	Product - On Platform
5	Next Gen Widget	Y - Automatic	LT	Secret	New Technology	Platform
6	Facial Recognition	Y	LT	Secret	New Technology	Product - On Platform
7	Mobile CX Streamline	Y - Automatic	ST	Not Secret	Core	Product - On Platform
8	New Mothers Segment	Y	MT	Not Secret	New Market	Independent of Platform

Guidelines: After Idea Classification, take each idea through all of your pre-identified screens in the Idea Scoring (Raw) chart. If multiple team members are scoring each idea independently, be sure to agree upon what, precisely, constitutes each score for each screen to eliminate varying interpretations where possible. This chart will allow ideas to be ranked. It also allows you to highlight deficiencies that can be addressed and possibly eliminated. For instance, if a popular idea has a poor customer value score, you may wish to do more work on that idea to increase customer value. It's up to you whether you decide to take your "automatic" ideas — those with a champion or a "just do it" answer, highlighted here in bright green — from the Cleansing and Yes/No Screens chart through this scoring stage.

Note: This chart is distilled to highlight one question from each judging "category." The full resource contains 28 questions, allowing you to see how ideas compare across different parts of the business.

	Idea Name	Strategic Alignment	Brand Fit	Customer Value	Financial Viability	Feasibility	Idea Quality
		Measuring to what extent ideas are strategically aligned, such as addressing a burning platform	Do ideas align with, or enhance, stated brand values	Measuring to what extent ideas solve known, important customer problems	Measuring to what extent ideas might impact shareholder value and fuel growth	Measuring the extent to which our company can execute the idea/ opportunity	Measuring the extent to which ideas are sustainable, scalable, stable, etc.
		Alignment with corporate vision & strategy (1 - Not at all aligned, 5 - Perfectly aligned)	Advertising/ marketing alignment (1 - Does not fit current approach, 5 - Enhances)	Customer problem intensity (1 - Does not solve problem, 5 - Eliminates problem)	Market dynamics (1 - niche market, in decline, which is difficult to penetrate; 5 - expansive market, experiencing growth, which is penetrable)	Alignment with core competencies such as marketing, distibution, operations (1 - Not at all aligned, 5 - leverages our core competencies)	Competitive inoculation (1 - no protection from competition/ copycat, 5 - patentable and/or difficult to replicate)
1	Plus Rewards	3	4	3	3	4	2
4	Targeting Algorithm	4	3	3	5	5	4
5	Next Gen Widget	5	5	5	5	4	4
6	Facial Recognition	3	5	3	3	3	3
7	Mobile CX Streamline	5	3	2	5	3	1
8	New Mothers Segment	2	2	4	2	5	2

Guidelines: While you can sum total the Idea Scoring (Raw) scores in the prior chart, doing so in this new Idea Scoring Totals chart will allow you to more readily see the relative totals, by category. (Be sure to carry through any "automatic" yeses from the Cleansing and Yes/No Screens chart through to this final chart, even if you didn't score them on the raw scoring tab.) You may wish to highlight those ideas with the highest scores.

	Idea Name	Strategic Alignment	Brand Fit	Customer Value	Financial Viability	Feasibility	Idea Quality	Total
1	Plus Rewards	3.6	3.3	3.6	2.4	4.4	3.0	3.4
4	Targeting Algorithm	4.4	3.0	3.4	4.2	4.6	4.2	4.0
5	Next Gen Widget	4.0	4.7	5.0	3.6	2.8	4.4	4.1
6	Facial Recognition	4.0	4.3	3.4	2.4	2.2	3.0	3.2
7	Mobile CX Streamline	4.4	3.0	3.6	3.0	4.4	2.2	3.4
8	New Mothers Segment	3.2	3.3	3.0	2.8	4.4	1.6	3.1

This is an excerpt of the full interactive spreadsheet, which can be found at www.innovationleader.com/designing-the-perfect-innovation-idea-scorecard.

Monthly Progress Report on Innovation Impact

This "straw man" progress report is designed to provide holistic, near-continuous feedback to stakeholders, ensuring that you maintain their support, and that the best innovation investment decisions are being made to execute the strategy. This resource has been condensed for this report, but you can find the full, editable spreadsheet at www.innovationleader.com/innovation-impact-progress-report.

Measuring the effectiveness of corporate innovation systems is a challenging endeavor. While Innovation or R&D may be the name of a department, strategically it is much more: it is an organizational competency. As such, it is a competency that often is expected to span the entire organization (and sometimes even beyond the organization's boundaries.) Work that started as a seed of an idea in one department may eventually generate measurable results in another area, making "innovation accounting" tricky business. Further, for companies that typically measure simple, dashboard-type metrics, the shift to measuring the effectiveness of an innovation strategy is an uncomfortable one. While it may be straightforward to measure innovation costs, evaluation of the benefits of innovation is far from trivial. Innovation has a long time-horizon, ambiguous ownership, and organizations face the thorny issue of trying to measure incremental gains, or changes in how the company is perceived by customers or prospective employees.

A solution to this problem is to task an innovation leader with producing a regular report on the work that must be done throughout the company to deliver on the organization's strategy or vision. The goal of this reporting is to continually justify the investment in innovation as a core competency. After all, innovation as a competency is a means to strategic execution, not the end. Rather than a dashboard-type report which measures the work done to date, it should be a discussion document that highlights the work going on as well as work still to be done. The key question that should be answered by reporting is not "how much value has innovation created?" but it should be more forward-looking: "What does the company require from innovation in order to achieve its goals?"

As a discussion document, this resource is designed to generate the dialog required to make necessary tweaks in response to new marketplace signals. By providing holistic, near-continuous feedback to stakeholders, the organization can ensure that the best innovation investment decisions are being made to execute the strategy. With a flexible framework, organizations can use this template to fit various types of work, from experiments to bigger projects to cultural work to business unit-specific launches that require innovative thinking. Further, it shows not only what work is happening, but is clear about what work is NOT happening. As with any innovation, take this template as a starting point and iterate it to fit your needs and the evolving needs of your organization.

Company X Monthly Innovation Impact Report – March 2017

Innovation Landscape Updates

Disruptors/New Entrants	
BusinessA.com	Press release announcing new capabilities on their core product
StartupB.inc	Innovation team met with founders to discuss their new mobile platform
Emerging Tech	
Startup C	Former Google execs launch business to build secure cloud service
Blockchain	McKinsey report says blockchain will impact 30 percent of transactions by 2020
Competitors	
Competitor A	Opened new data analytics lab in San Jose, CA
Competitor B	Released three new product variations to appeal to middle market
Customer Trends	
Increased Mobile Adoption	Forrester Research report suggests mobile adoption nearing saturation
Millennials Coming of Age	Our latest report shows higher-than-ever interest in Product Y for Millennials
Regulations	
New Administration	New tax code proposal has positives and negatives
FDA Ruling	Product Z must meet new plain-language disclosure standards

Strategic Objectives						
Innovation Culture: Develop an Engaged, Responsive Organization						
Initiative	**Long-Term Goal**	**Current Phase Goal**	**Accountable Resource**	**Current Status**	**Status Commentary**	**Next Phase**
Employee Training	Train 1,000 employees in 4 new methodologies by end of year	Program 2: Design Thinking training launch by Mar 1	Innovation Manager	At Risk	Stuck in vendor procurement	Customer Insights Training by Jun 1
Annual Culture Survey	Q4 survey to measure culture's openness/ support for innovation	Identify survey vendor by Jun 1	HR Manager	On Hold	Innovation Team supporting effort; not yet kicked off.	Draft survey by July 15
Innovation Lab Projects: Next-Generation Mobile Strategy						
New Product Development: Quick Wins	18 mobile tests over 18 months by EOY	Beta-testing final 9 efforts by July 15	Innovation Manager	On Track	9 mobile tests complete	Iteration of next 9 tests by Sep 1
Product Y Mobile Platform	Revamp Product Y by EOY	Architectural review by Apr 1	Innovation Manager	On Track	Start-up Company E platform license procured	Build and beta test by Jun 1
Business Unit Launches: Sustainable Core Business Growth						
Product X Line Extensions	Improve renewal rates of Product X	Form cross-functional team by April 1	Marketing VP	Complete	Marketing VP pushing to finish by Mar 15.	Innovation- facilitated strategy session Apr 3
Sales Strategy Overhaul	Modernize sales tactics	Off-site ideation session by May 15	Marketing Manager	On Track	4,100 variations of sales collateral found to date	Co-creation sessions with customers by June 15

Strategic Gaps and Risks		
Initiative	**Risk or Opportunity**	**Proposed Action Plan**
Products Per Customer Improvement	Products per customer has fallen from 2.4 to 2.1 in last 24 months. Need to identify and address causal factors.	Innovation Team will consider turning attention to this business problem after transition of Next Gen Product Z.
Improve Innovation Reputation/Halo	We are falling short of our goal of being perceived as an innovator. No awards won, only one press mention, and we rank 8 out of 10 companies in our industry...	Need to identify cross-functional team to develop action plan. No resources currently available.

RASCI Matrix for Building Support for Innovation Projects

Innovation inside a corporation often cuts against the grain of entrenched processes, as it can carry uncomfortable levels of complexity, risk, and uncertainty that the organization is not accustomed to managing. A RASCI matrix is a tool that can be used to build consistent support for innovation, while mitigating against common failure modes like role ambiguity, when people aren't sure what exactly they're supposed to do or want to weigh in more than you'd like. The downloadable version of this matrix is at https://www.innovationleader.com/rasci-matrix-building-support.

Usage Guide: To adapt this RASCI matrix for use in your organization, follow these steps...

1. Survey your organization for the complete set of stakeholders in a given innovation project

2. Map out all of the project stages and tasks associated with innovation in your organization

3. On the vertical axis of the matrix, list all of the innovation tasks/stages

4. On the the horizontal axis of the matrix, list the set of roles required to complete the work

5. Then, for each task populate the matrix with the letters R, A, S, C, and I by determining:

   - Who is RESPONSIBLE for executing the task ("R")? Typically, there is only one responsible resource, and this may be the same as the accountable resource

   - Who is the single ACCOUNTABLE resource ("A") who has yes/no authority and is on the hook?

   - Who will SUPPORT ("S") the responsible resource in the execution of the task? There may be several support resources

   - Who else may be CONSULTED ("C") on a various task? These are resources who may weigh in, or provide input or guidance on a task

   - Who should be INFORMED ("I") of the progress or output of that task?

6. Finally, review the matrix with all resources. Some questions to consider at this step include:

   - Does everyone buy-in to and agree with their tasks?

   - Does each resource truly need to be informed/consulted at each step? How can this be minimized as to not impede rapid progress?

   - What exceptions might arise?

   - Are any of the resources overburdened or underutilized?

   - Is there opportunity to stretch someone to be responsible for a task they typically wouldn't perform?

Legend

R - Responsible

Role responsible for execution of task

A - Accountable

Single person who is on the hook for delivery; has yes/no authority

S - Supportive

Person(s) playing a supporting role, directly assisting responsible party

C - Consulted

Person or team who may weigh in; provide input to the task

I - Informed

Person or team who should be informed of progress for that task

RACI Matrix — Innovation Project

Project Stage & Deliverable	Deliverable	Chief Innovation Officer	Chief Technology Officer	Chief Marketing Officer	Innovation Steering Committee	Innovation Manager	Project Owner	Project Manager	IT Architect	Legal/Compliance	Marketing Manager	Sales Manager	Operations Manager	Business Analyst	Lead Developer	Customer Insights	External Consultancy	Creative Freelancers	Customers/End Users	Statisticians/Analytics	Finance Manager
		Leadership				Core Team				Extended Team							External				
Innovation Strategy — Problem identification; Vision and scope definition; Resources identified	Innovation Vision Definition	A	C	C	R	S										C					I
	Screening Criteria	A	I	I	C	R										C					I
Ideation — Solution set identification; Biz requirements not known; Idea sources from anywhere	Customer Journey Maps	I	I	I	I	A	I	I	I	S	I	I	I	I	I	R	S			S	
	Existing Idea Gathering					A	R								S						
Design — Pre-alpha dev. phase; Biz req. identification; Tech req. not known	Design Sessions	I	I	I	I	A	S	C	C	C	C	C	C	C	C	C	R	S	C		
	Concept Prototype Co-Creation					A	S		S					C	C		R	S			
Prototyping — a/k/a Alpha testing phase; Product specs developed; Mfg. process identified	Product Spec Development					C	A	R	S			C	S	S							
	Business Requirement Iteration					C	A	S	C		C	C		R							
Build & Launch — a/k/a Beta testing phase; MVP: limited feature set; Mfg. development	Business Requirement Iteration					C	A	S	C		C	C		R							
	Backlog Creation					S	R	A	S	I	I	I	I	C	C	I	C				
Production & Post-Production — Resources shift substantially; Feature set complete	Product Owner Transition	C	C	A	C	I	R	I	I	I	I	I	I	I	I	I				I	I
	Backlog Re-prioritization					C	R	A	S	I	I	I	I	C	C	I	C				

Scouting Worksheet: Questions, Participants, Indicators of Success

The goal of this worksheet is to help you think through some of the key questions, participants, risks, and indicators of success when you are setting up or seeking to improve the way you scout new technologies or market trends. We've left some fields blank because they will differ from company to company. And you may feel the key questions and risks are not comprehensive — there may be others you'd like to add, or some you'd delete because they're not relevant to your environment. This worksheet was part of a larger research report on scouting. See www.innovationleader.com/tech-scouting-report.

Activity	Key Questions	Who's Involved?	Risks	Indicators Of Success
Aligning With Strategy and Setting Boundaries	· What is the overall corporate strategy, and how can scouting deliver value to it? · What is "in scope" in terms of technology areas, stage of company, geography, etc.? · Are there mechanisms for finding "weak signals" that may be relevant to the company, though not directly aligned with the strategies of today?		· Lack of alignment, misalignment, strategy shifts, executive shuffles · If scouting is tied too tightly to the current strategy, are you missing weak signals that may be important in the future?	
Operating the Radar	· Where will budget/resources come from? · How will we communicate with business units and functions to understand their needs and interests? · What software or databases will we use? · How will we determine which events/collaborations/scouting tools are producing value, and which aren't?		· Insufficient input from business units about their needs and interests · Duplicating effort because of poor coordination · Missing major trends/technologies because of resource constraints or "blind spots"	

Activity	Key Questions	Who's Involved?	Risks	Indicators Of Success
Communicating What We See	· How widely should you communicate the "signal" from your scouting activity? To everyone? Key constituencies only? · What software supports this? · Are there ways for others outside of the "official" scouting team to contribute what they are seeing, comment on trends, rank them in importance, etc.?		· Disparate data silos make it hard to communicate or give access to a single vision of trends/technologies · More time spent operating radar than communicating results · Communication only goes up in the organization (to senior leaders), not to lower-level managers and employees who might benefit from access	
Running Tests & Experiments	· What systems and processes are in place to support testing new technologies with employees, customers, suppliers, etc.? · How will you source willing testers? · How will you gather and share data about what works and what doesn't?		· Failures casts too big a shadow over the scouting team/activity · Organizational barriers make it impossible to run quick and inexpensive tests · Small successes viewed as "small potatoes"; questions about whether this can scale	
Helping The Business Take Action On What Works	· Does the business feel invested enough in the scouting and testing activity that has taken place so far to want to help roll things out? · What are the pathways and processes to help things move from pilot phase into larger-scale commercialization?		· "Not invented here" syndrome · Endless questions or data gathering exercises about whether a new technology or process merits abandoning the existing one · Fear of change	

How Not to Fail: A Visual Tool for Managing Your Innovation Program The Smart Way

By Jennifer Dunn, Director of Customer Success, HYPE Innovation

"Innovation is easy," said no one ever. If you ever hear an innovation manager utter those words, they are either a) lying through their teeth, b) delusional, or c) doing it wrong. Or, most likely, it's a combination of all three. Innovation is not easy. And often, it's because of our own doing. One of the most common things we hear innovation managers say is that they'd simplify everything if they could start over.

As a previous innovation manager myself, I can attest to the fact that we often (unintentionally) overcomplicate the process. There are so many challenges and opportunities to lose focus within your innovation program, which makes it all too easy to become distracted. To help innovation teams focus on the key aspects of their program, both at the macro and the micro level, and to continuously assess the health of the program, I'm going to share a visual tool that's used by innovation managers worldwide.

Ideation. Collaboration. Leadership.

Innovation managers, especially those just starting out, plan their first steps by listing all the things they think they need (gamification, rewards, complex reviewing methods, etc.). Instead, consider what really matters. At the core of your program, all you need are the basic principles of alignment, people, and process.

But how do you stay focused on these principles throughout your program? That's where our proven visual tool, the Collaborative Innovation Canvas, comes in. Created by innovation expert Tim Woods, the Collaborative Innovation Canvas (CIC), provides a shared way to focus on the core elements of a program.

Woods based the CIC on Alexander Osterwalder and Yves Pigneur's Business Model Canvas, exemplifying a way to take a complicated and exhaustive subject (business model generation) and condense it into a single visual that everyone can understand and work on. Let's look at how the CIC breaks down below.

3 Pillars of Collaborative Innovation

The Canvas is based on three pillars – Alignment, People, and Process – which are the fundamental driving forces behind a successful innovation management program. Within those three pillars, there are eight specific areas, which play a critical role in shaping the success or failure of any program.
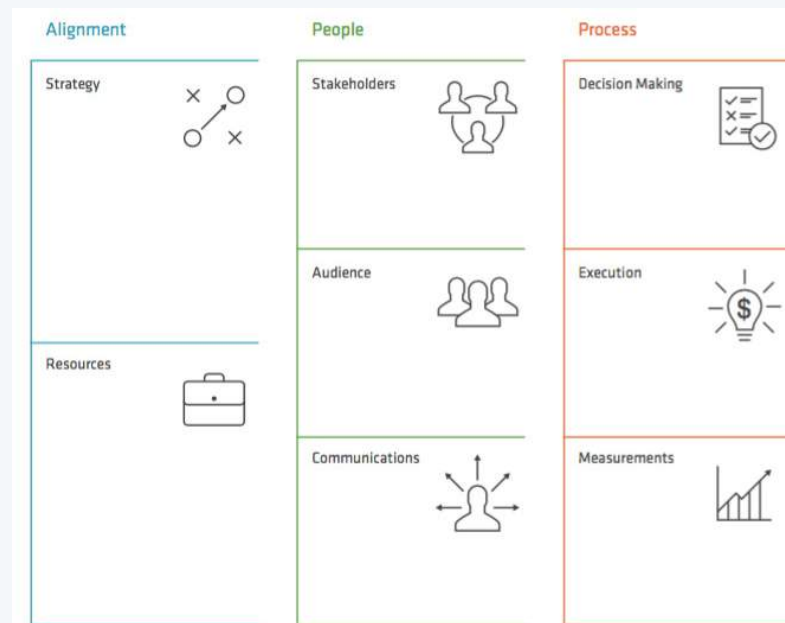
Download a larger version at www.hypeinnovation.com/canvas

Pillar #1 - Alignment

Without alignment, an initiative will likely starve and eventually die. Aligning the innovation management program with the company's core business goals and needs is vital to the program's success. It's the fastest way to build acceptance and momentum while retaining an edge for creativity and exploration. Alignment is made up of two core areas: Strategy and Resources.

Strategy
Start with your strategy. It may seem obvious, but many companies skip this part. Use this box to provide focus and zone in on your company's strategic areas of interest. Take some time and write down what you'd like to achieve with an

innovation platform. What does success look like in the short-, medium-, and long-term?

Resources
An innovation program needs resources, such as the team itself, the physical spaces for workshops and meetings, the budget for investing in ideas, and methods and tools to support idea generation and development.

Pillar #2 - People

People are central to any innovation activity. You need diversity and creativity to generate novel ideas, and you need discipline and know-how to implement them. Building a culture which can flex between both worlds is the Holy Grail for innovation management. Under this pillar, we have three core areas: Stakeholders, Audience, and Communications.

Stakeholders
An ideation platform will not gain ongoing traction with end-user adoption alone; it must have support from top management. You need to determine your stakeholders, know what influences them, and understand how to manage them. You also need to consider the innovation advocates – these champions will be critical to your success.

Audience
Determine who the target audience is for your platform. Is it all employees, specific business units, customers, partners, academia, or maybe the public? Once you understand your audience, you'll also want to consider cultural groups within it, such as the skeptics, and decide how best to handle them.

Communications
To grasp your audience's attention, think like a marketer. How can you communicate the value of having everybody involved in innovation? Who are the key hubs in the organization to help spread the word? What materials do you need to produce? For example, a consumer product company we work with sent out little boxes to 500 lead users. In the box was a mini-Einstein desk figure with instructions on how to log in and use the platform.

Pillar #3 – Process

Processes drive repeatable success within innovation management. They're also what enables innovation to be a part of everybody's job. The right workflows can turn a fringe innovation program into a repeatable, widely adopted, and sustainable business activity. The main aspects to consider when mapping out your innovation process are Decision Making, Execution, and Measurements.

Decision Making
Deciding which ideas to move forward, and which ones to invest resources in, can be a tricky phase for innovation teams. It often involves multiple stakeholders and review experts, and this group can be unique for every idea campaign. If not defined properly, it will also be time-consuming and delay the feedback process to the idea authors. The evaluation process can be different per campaign.

Execution
The other side of innovation is all about execution. How do you turn those fragments of ideas into revenue generation? Is there funding in place? Do you have a process to handle different types of ideas: a fast track for small cost-saving ideas and a more in-depth elaboration cycle for complex breakthrough innovations? Do you have a method ready to assess and build out these ideas, such as lean startup's "build-measure-learn?"

Measurements
Defining and fulfilling key performance indicators is crucial for your program's success. What does success look like for you? The answer will change as your program grows in maturity. Your KPIs need to reflect that.

Conclusion

Did you know that many collaborative innovation programs fail within two years of their launch? The reason often stems from not fully developing one or more of the areas on this canvas. If you want your program to thrive and be self-sustaining, you'll want to fill out this canvas and continuously review it to assess the health of the program.

Just as Osterwalder and Pigneur describe the benefits that the Business Model Canvas can bring to the company, the same immediate benefits apply to the Collaborative Innovation Canvas, including:

- A visual depiction that everyone can understand and share
- Capturing the big picture and reducing the inherent complexity of innovation
- Recognizing the crucial relationships at play that make innovation successful
- Providing a collective reference point to return to

I invite you to download the full Collaborative Innovation Canvas to access the Canvas Assessment tool, learn about common roadblocks, and see real-world examples of how enterprise companies are using the Collaborative Innovation Canvas in their innovation management programs.

Download the canvas at www.hypeinnovation.com/canvas.

LISTS

11 Barriers to Innovation in Large Companies, and How to Overcome Them

Building a successful and enduring innovation program requires that you identify the barriers that may inhibit progress — ideally, before you smash into them at full speed. Working to predict and mitigate the key barriers can make the business more accepting of new ideas. Below are 11 of the most common barriers we've seen in large companies. After each, you'll find a list of the symptoms that accompany each barrier; questions that can be posed to help your colleagues and senior management better understand the barrier; as well as some potential solutions which may help you prevail.

One way to use this resource is to prioritize the barriers you are encountering (or expect to encounter), **cross out those that aren't relevant**, and add to the "Potential Solutions" column so it includes just the tactics that you plan to try. **To download and edit the full spreadsheet**, visit www.innovationleader.com/resource-innovation-barriers-in-large-companies/

Barrier	Symptoms	Probing Questions	Potential Solutions
1. The Company Vision Is Not Shared or Well-Defined	· Lack of executive/employee focus or attention on innovation · Lack of common goals across company · Inconsistent understanding of goals · Shifting strategic priorities · Inconsistent application of innovation	· Do employees know what the company is trying to accomplish, how, and by when? · Does leadership know what the company is trying to accomplish? · Is everyone "bought in" to what the company is trying to accomplish?	· Develop and inspire a shared vision among stakeholders · Make the vision aspirational, yet attainable, with a defined time horizon · Articulate the role of growth and innovation in achieving the vision
2. The Company Strategy Is Not Aligned With the Innovation Agenda	· Unrealistic time or dollar expectations for innovation · Strategy is overly focused on executing or improving current business (myopia) · Leadership is not focused on innovation; insufficient executive time · Inaction resulting from fear of cannibalization of current business · Innovation is held to internal investment hurdles such as ROI, IRR	· In what way is the company likely to fail? · What's the risk of NOT executing the strategy? · Do we have the capabilities to execute the strategy? If not, what is required? · Does the strategy get us to where we need to go? How do we know? · What types of innovation activities are required to achieve the company vision? Are they built into the strategy?	· Establish innovation as a business competency that is essential to executing the strategy · Build "future focus" aspects into strategy; expand horizons and anticipate trends · Communicate what the "burning platform" is to create urgency/focus · Articulate a strategic role for innovation; develop an innovation strategy · Develop a resource plan for innovation
3. The Company Culture Does Not Reward Innovative Behaviors	· Employees lack motivation or engagement in innovation · Employees lack the necessary autonomy to feel empowered · Only success in the status quo is rewarded; failure is not tolerated · Cultural norms resist/reject innovation · There is a fear of taking risks, failing, or contributing to innovation	· Do employees have freedom to explore and take risks? · Is there sufficient trust established for employees to take appropriate risks? · What happens when employees fail? Is this what the company wants to happen? How can we change this reaction? · Do we have sufficient structures in place to promote effective collaboration?	· Measure culture regularly enough to understand causality, perhaps with an employee survey; communicate results · Design/redesign company's values, identity, structures, etc. to align with innovation · Institute change management programs when changing values, identity, structures · Design innovation into job descriptions, promotion tracks, and job families

Barrier	Symptoms	Probing Questions	Potential Solutions
4. Leadership Does Not Adequately Support Innovation or Risk-Taking	· Innovation goals, processes, and projects are not consistently understood · Employees don't feel empowered · Innovation is inconsistently used, rewarded, approached · Leadership styles don't support collaboration, creativity, risk-taking, or other aspects of innovation culture · Leaders don't thrive in uncertainty	· Is it consistently understood who is accountable for innovation? · Do our leaders learn more than they know? Or know more than they learn? Which is best for our desired outcomes? · Can leaders move forward in the absence of data or direction? Why or why not? · Are we asking our leaders to do too much? Could our employees do more?	· Develop leaders as coaches who spend energy supporting rather than directing · Create a "learning environment" instead of a "knowing environment" · Assign roles and responsibilities through tools such as RACI/RASCI matrices · Discuss some aspect of innovation/new growth opportunities as an agenda item in every meeting, even if briefly
5. Company Communications Do Not Articulate or Reinforce the Innovation Strategy	· Employees/leaders don't buy in to the company vision or strategy · Employees/leaders don't understand or appreciate the need to innovate · Innovators are not recognized · Innovation processes are not institutionalized/systemic; information about ongoing progress is hard to access	· Are our communications efforts audience-appropriate? · Do all employees receive adequate communications? How do we know? · Are the communications reinforcing innovation language, process, and behaviors? · Are our communications regular enough? Do they articulate "what's in it for me"?	· Create the case for innovation · Develop robust, multi-faceted innovation communications plan, covering everything from strategic to tactical matters · Regularly measure the effectiveness of communications and make adjustments · Develop and share innovation reporting/goal tracking tools
6. The Company's Investment In Innovation Is Not Sufficient To Produce The Desired Outcomes	· The company doesn't have enough expertise to innovate · Executive time and attention is scarce · The innovation budget is underfunded · The innovation team doesn't have the dedicated time to drive innovation · Employees asked to innovate lack the know-how to innovate effectively · No budget for training, consulting, or hiring staffers with necessary expertise	· Are we willing to make the difficult decisions required to appropriately fund innovation investments? · Do we have access to the right decision makers to find/free up resources? · What are our physical space requirements? What new tools do we need? · Are the leaders walking the talk? Are we putting resources towards innovation or just paying it lip service?	· Invest in training and hiring of innovators · Get help from outsiders/consultants who know what it takes to succeed · Explore new staffing models such as entrepreneurs-in-residence, or staff-on-demand · Create mechanisms so staffers can spend a week/month/year dedicated solely to an innovation team or project · Build metrics and regular reporting to track resource levels & appropriateness
7. Functional Groups and Business Units are Not Aligned With Innovation Strategy	· Frequent delays due to lack of alignment with critical business functions · Functional groups are not staffed or resourced to support innovation efforts · Innovation goals vary across business units, stretching support groups thin · Handoffs across departments or groups are problematic	· Are the innovation priorities well understood by the various groups? · Has leadership had the conversations necessary to align the various groups? · Is new innovation prioritized correctly relative to core business operations? · Are innovation roles well understood at the outset of an innovation effort?	· Organize to innovate; assign dedicated resources to innovation from business units · Involve functional groups and business units from the outset of innovation projects · Develop career paths and competency models that reward innovation in all jobs · Consider deploying innovation team members to business units to assist

Barrier	Symptoms	Probing Questions	Potential Solutions
8. The Company Lacks Technological Readiness to Innovate Effectively	· Speed-to-market rates are unacceptable; build, testing, deploy cycles long · Innovating on antiquated systems or platforms is impossible/takes too long · Core technologies or systems are too rigid to support new ideas · The company spends too much effort just "keeping the lights on" · The company lacks the technology or platform to build scalable solutions	· Is the company serious about innovation if it won't invest in technology upgrades? · Are the right conversations happening to get innovation requirements built into system requirements? · Are we staffed appropriately to integrate our innovations into our core business? · Do we have a good understanding of emerging technologies? Do we have a good process for integrating tech?	· Build a technology strategy to align with the innovation strategy (such as a target architecture, or a pace-layered architecture) · Build an innovation lab to prototype and test in an independent environment · Understand and communicate which technologies are suitable for rapid innovation · Build suitable virtual environments to allow for builds and testing that does not interfere with core business
9. The Company's Processes Impede Innovation Execution	· The company is too slow to change; not nimble, not adaptive, not responsive · Innovation-specific processes are not known, developed, or utilized · Legacy processes stand in the way of innovation (hiring processes, review processes, decision-making processes) · Company policies stand in the way of innovation (temporary staffing policies, legal review policies, etc.)	· How can we close the gap between strategy and execution? · Are there businesses we should exit or businesses we should build? · What should we be measuring? · Which innovation processes or approaches are best to achieve our desired outcome? · What exceptions to traditional processes should be made for innovation activities?	· Integrate innovation processes into core business processes; don't assume this will be handled by the core resources · Build new, nimble decision-making processes rather than hoping old processes will change (for example, work with HR to build a rapid hiring process) · Consider building a new, separate business rather than integrating a newly-developed offering back into the core
10. Lack of Customer Intimacy is Impacting the Innovation Success Rate	· The company does not integrate new insights into its innovation strategy · We don't know the target customer · The target market is overly niche · Customer preferences and behaviors are changing but we aren't changing · The failure rate of innovations is high · Ideas and innovations are overly influenced by our internal lenses and biases	· Who is the target customer and what are their pain points? · What options do customers have? · How do customers solve their own problems? Can we make it easier? · Is there a big enough customer set for the innovation to be successful? · What are customers saying about our products? Why do they replace them?	· Infuse customer insights into strategy, design, and execution processes · Consider using time-tested tools and processes such as Customer Journey Maps, Customer Empathy Maps, Customer-Centric Design, and Agile Development · Consider building "customer insight labs" for employees to get access to customers · Get innovators outside the building!
11. The Company Can't Keep Up With the Rate of Change of the External Environment	· High market volatility or uncertainty is impacting ability to innovate · New or harsh regulatory environment impacting ability to innovate · Technology advances or new business models from new entrants/startups are challenging industry norms · Testing ideas outside of the company's core competencies is too challenging	· Is our industry ripe for disruption? Where is the disruption likely coming from? · Which adjacent or unrelated industries could disrupt our business? · What are our competitors doing to innovate? Who are they partnered with? · What is our sales model? What do our clients expect from our offerings? · Why is there a lack of urgency?	· Mention relevant external dynamics explicitly in innovation strategy and idea criteria · Build industry, competitor, new technology, and new entrant scans into regular reporting · Revisit risk tolerance levels to ensure they are appropriate for the external environment

Six Types of Innovation Lab: Pros and Cons

What are the various "flavors" of innovation lab a company can set up? We've now written about or visited dozens of labs run by Global 1000 companies. This list lays out the six primary types we've seen — though there are "hybrids" which combine aspects of these — as well as the pros and cons of each.

1. Concept Development Lab

What It Is: Intended to create new products or services, or test new business ideas. Often involves a core group of "intrapreneurs" with marketing, tech, and product development experience. Many of these labs also bring in customers, business partners, or startups to "co-create" or otherwise participate in the process.

Pros: The most common approach we see to labs, this model requires a delicate balance when it comes to the right staffing, appropriate funding to build prototypes, and distance from the core business. They can in some cases be well-connected to business units for agenda-setting, input, and eventual roll-out, while having enough freedom to explore high-potential ideas.

Cons: These labs rarely pursue truly disruptive innovations, and are better structured to pursue incremental and adjacent concepts. Politics often haunt these labs, as leadership and business units vie for access and control, or withhold funding. Requires politically-savvy leadership, not just technical or operational chops.

Examples: Fidelity Labs, Visa One Market Innovation Lab, MasterCard Labs, Medtronic Applied Innovation Lab, CVS Digital Innovation Lab

2. Skunkworks

What It Is: Usually located away from corporate headquarters, given lots of freedom to experiment, and charged with focusing on long-term initiatives. Often staffed with talent that hasn't worked in your industry before.

Pros: Great way to pursue "Horizon 3" or disruptive technologies and business models. Remaining completely separate and insulated from the business units makes this easier.

Cons: The "pros" of this approach are also the "cons": skunkworks are so separate and remote from the core business that they are seen as unchecked, strategically divergent, and (sometimes) expendable.

Examples: Lowe's Innovation Labs, Shell TechWorks, Lockheed Martin Skunk Works

3. Makerspace

What It Is: A space set up with prototyping technologies, from 3D printers to drill presses to sewing machines, to be used by employees working on projects related to the business — or simply learning an array of new tools and techniques.

Gas station mockup at Visa's One Market Innovation Lab in San Francisco.

Pros: Great way to provide innovative employees with the latest technical tools to pursue their passions — and potentially business objectives, too. Can become more valuable when entrepreneurs are invited to use the makerspace, and the company is benefitting from their input, or the "brand" benefits of being a more significant contributor to the local ecosystem.

Cons: Often perceived as a nice-to-have employee perk but not sufficiently strategic.

Examples: Northrop Grumman FabLab, Google Garage, Autodesk Pier 9, GE/Haier FirstBuild

4. Venture/Ecosystem Lab

What It Is: Intended primarily to source and oversee venture capital investments, or create new connections with the startup ecosystem.

Pros: Can help shift companies away from an "everything must be invented here" mentality towards more openness and permeability to outside sources of innovation. Can also show that a company is serious about making investments in, or collaborating with, startups and entrepreneurs.

Cons: Connectivity with the "mothership" can be a challenge. Takes a long time to really develop roots in a city. When strategy or the company's financial situation shifts, these are often the first to go. (As was the case with Target's "Food + Future" lab in 2017.)

Examples: Johnson & Johnson Innovation Centers, Target's Food + Future coLab, Cambia Grove, Barclay's Rise

5. Showcase/Meeting Space

What It Is: A nicely-designed showcase for "cool new stuff" the company has been prototyping or testing, or a place to hold brainstorming meetings or training sessions where "out of the box" thinking is desired and encouraged.

Pros: If your goal is to better communicate your capabilities to customers,

Entrepreneurs work at Rise New York, an ecosystem lab operated by Barclays in Manhattan.

prospects, and business partners, showcase spaces can be a constructive approach.

Cons: These showcases can be expensive to design, build, staff, and keep up-to-date, and are sometimes met internally with eye-rolling and cynicism. Besides a few tinkerers, there usually isn't much hard-core development taking place.

Examples: Verizon Innovation Centers, Disney iD8, past iterations of Humana's innovation lab

6. LINO (Lab in Name Only)

What It Is: Take a typical marketing, software development, or R&D group ... give them a foosball table, standing desks, and a few Yogibo beanbags ... and call it a "lab."

Pros: Can sometimes aid with recruiting and retention, and boost internal morale.

Cons: Same people, processes, and bureaucracy in a new environment. Can also foment jealousy among other groups and functions — "why don't we get a lab?"

16 Clear Signs Your Company is Under-Investing in Innovation

Do executives at your company like to say the word "innovation" a lot — but hate to actually commit budget to it? Under-investing is usually painfully obvious to people who work in the company — people notice when there are no resources to move good ideas into the market — and it's usually apparent to those outside the company, too. We asked a group of anonymous Innovation Leader members to help us assemble a list of some of the indicators that your company is under-investing in innovation.

1. Executives in the lines of business assert that they're handling innovation — which winds up looking like new features, incremental upgrades, and redesigned packaging.

2. The management off-site features a keynote speaker who reels off anecdotes about Google, Tesla, Apple, and Airbnb. The following year: Different speaker, same anecdotes.

3. The top prize at the quarterly hackathon or idea challenge is a lightly-used Fitbit.

4. Innovation group has the budget for whiteboards and Post-It Notes — but not to actually prototype anything or test a prototype with customers.

5. Executives are obsessed with direct competitors, and most energy goes toward mimicking their offerings and trying to undercut their prices.

6. Customers think of you like the electric or cable company — they pay for your product grudgingly and wish the customer service was better.

7. Even the best ideas from your employee crowdsourcing competitions languish afterwards, because no one can carve out the time to operationalize them. (But employees will be expected to "innovate" again a year from now.)

8. Executives on the innovation committee are tacitly encouraged to poke holes and say no to things as a way of conserving resources — rather than pursuing growth and opportunity. (Especially when their business unit will have to put some "skin in the game" to make it happen.)

9. Every potentially transformative idea faces an IT implementation queue that's six months long, or is greeted with responses like, "Oh, we tried something like that eight years ago."

10. The R&D/innovation team is expected to go out to benchmark how other companies innovate and learn best practices, but there's a travel freeze.

11. Your innovation team regularly conducts off-site meetings at Panera to cope with your lack of collaborative space.

12. Outside of headquarters, when you introduce yourself to colleagues their main reaction is, "We have an innovation group?"

13. When the CEO talks about where new products and directions come from, she can only cite mergers and acquisitions, nothing created internally.

14. The R&D group has trouble hiring recent graduates because the R&D lab looks like a time capsule from 1973, and the technology stack it is working on is similarly outdated.

15. You are proud of a matrix culture that supports collaboration, but the company lacks clear organizational accountability or resource responsibility to move innovation initiatives forward.

16. Most spending related to innovation involves advertising and marketing to build the company's "innovation" brand.

Peer Advice on Innovation Incentives

At a recent Innovation Leader Field Study, one participant started a discussion about incentives — how can you build systems that reward people for contributing to innovation? Field Study participants used sticky notes to share the incentives they offer (or are hoping to offer soon) to encourage employees to dedicate time and energy to innovation.

Financial Incentives

- Discretionary small incentive [money] for innovative ideas.
- Give money and time to try ideas with minimal approval to get started.
- Skin in the game.
- Money for patents.
- Monetary rewards.
- Incorporate [innovation activity] into existing bonus structure.
- Cash/stock for ideas that generate cost savings or revenue.
- Tie incentives to annual review.

Projects, Teams And Labs

- If you come up with an innovative idea, you get to work on it.
- Rotation onto an innovation team.
- Temporary relocation to the innovation lab to prototype the idea.
- After a competition for ideas, winner is given three-month sabbatical to work on project with internal resources and support.

Awards

- Create awards, like an "Employee choice for innovator of the year."
- Awards banquet. Patent plaques. Monetary rewards.

Personal Development

- Institute innovation as a personal development goal for employees.
- Make it part of job descriptions and expectations as soon as people start.
- Career advancement opportunities. Exposure to senior leaders. HR performance incentives. Career development and education.
- Position it as a benefit to be selected to work on innovation team.
- Ask employees for their learning desires and help them achieve them.
- Offer incentives for certain roles when they take innovation courses.
- Education and training stipends for employees.

Access To Leadership

- Make innovation aspirational; let associates take a role in a mentor-supported opportunity to launch your own idea.
- Give employees access to senior leadership when ideas are developed.
- Time with global leadership.

Other Recognition

- Outstanding concepts are rewarded with one month of private use of a company-owned Tesla. Some cases merit a tropical vacation benefit or cash.
- Vacation days. A trip to a destination of the employee's choice
- Awards and badges.
- Early stakeholder involvement in front-end meetings.
- Make it real, not a "side hustle."
- Recognize people as smart and creative.

ASSESSMENTS

What's the Level of Innovation Urgency at Your Organization?

How much urgency is there around innovation at your company? The answer to this question can influence how much resistance you'll face as an internal change-maker, or the resources you can access. Check the answers that best describe your organization below, and add up the totals to determine your urgency. You can also take this test online and get it automatically scored at www.innovationleader.com/assessment-test-level-of-innovation-urgency.

Directions: Start with 0 points. Add or subtract points for each "Yes."

We're having trouble attracting the best talent	Y / N	**+2**
CEO or other senior executives declaring, "We need to be more innovative"	Y / N	**+1**
Competitors — whether startups or traditional rivals — are leapfrogging us	Y / N	**+2**
Regulatory "moats" insulate us from change; block new entrants to our industry	Y / N	**−2**
Still working our way through a massive merger (or acquisition)	Y / N	**−1**
We have an R&D team; senior leaders believe that all innovation will come from that group	Y / N	**−1**
Customer behavior or buying habits are changing	Y / N	**+2**
Growth is stagnating in several key businesses	Y / N	**+2**
Emerging technologies have the potential to change how we work or how we sell	Y / N	**+1**
Activist investors taking stake in company and pushing for change	Y / N	**−2**
Customers demand new offerings/solutions	Y / N	**+2**
Our profit margins are low and getting lower	Y / N	**−2**

Total Points:

Less than 0 points

Extremely Low Innovation Urgency: Things other than innovation are more pressing priorities in your organization, and the resources to support a new innovation initiative are likely scarce. In addition to marshaling the support of your leadership, you'll need to begin making the case for why innovation needs to be part of the future vision.

0-3 Points

Low Innovation Urgency: The challenge with a low level of urgency is making the case for why innovation needs to be part of the strategy: what are the competitive threats emerging? With this level of urgency, there is typically a lot of foundational work to be done to get colleagues aligned around the need to do things differently.

4-7 Points

Moderate Innovation Urgency: The desire to do things differently is starting to emerge, as market signals and customer shifts become apparent. But getting resources can still be a challenge, as can ensuring that the groups "responsible for" different types of innovation are getting the necessary support from organization.

8-9 Points

High Innovation Urgency : The status quo is no longer working for the organization. New ways of understanding customer needs, coordinating internal activities, running experiments, and scaling what works are essential. Clarifying roles tends to become important: who is responsible and accountable for delivering results?

10-12 Points

Extremely High Innovation Urgency: This is the "five-alarm fire" level, when no one can ignore the need to innovate because the company's very existence is in doubt. But even as urgency spikes, there can be unreasonable expectations about how quickly new efforts to innovate will deliver results, and a focus on cutting costs or squeezing growth out of established businesses, rather than trying anything new and risky.

Assessment Excerpt: How Sophisticated is Your Startup Strategy?

How ready are you to be engaging with the startup ecosystem, or how comprehensive is your current startup strategy? Our 15 question quiz provides you an instant assessment. An excerpt is below, but you can take the assessment here: www.innovationleader.com/startup-assessment-test-startup-engagement-strategy.

Created by Innovation Leader and MassChallenge, the global startup accelerator.

Questions from the assessment include:

1. We have defined our goals in engaging with the startup ecosystem (for instance, making investments or collaborating with startups to develop new offerings).

2. We are consistently communicating these goals both inside and outside of the organization (for instance, in public presentations or blog posts, in visits to accelerator programs, intranet, company events, etc.).

3. There is a clear "point person" or ambassador in our company who has been tasked with executing that strategy and interacting with the startup world (can be more than one person).

4. There is executive-level support for our startup engagement strategy.

5. We have defined the stage or stages of startups that we want to invest in or engage with (for instance, "pre-product" or "prototype product ready" or "product on market already").

6. We have created a simplified contract that we use when collaborating with startups, or use industry-standard deal terms when investing in startups.

7. Number of accelerator programs or startup competitions (for instance, a university's entrepreneurship competition) we are involved in (as sponsor, mentors, attendee).

8. We run our own hackathons, startup challenges, reverse pitches, or other events to get to know entrepreneurs, and get them thinking about our company's issues.

Possible outcomes:

Stage 1: Developing. Startup engagement strategy is still in the formative stages, with work to be done to ensure that internal stakeholders and aligned with what you are trying to do, and that startups in various geographies and ecosystems are aware of what your needs and interests are.

Stage 2: Competitive. Startups are becoming aware that you are eager to be a productive partner, and internal stakeholders understand how engaging with the startup ecosystem can strengthen the company's innovation/R&D portfolio.

Stage 3: Industry Leader. Your company is emerging as the "partner of choice" when startups are looking for investment or to conduct a pilot test in your industry. There are clear pathways inside the company to ensuring that these pilots can benefit business units or functional groups in a concrete way. The benefits of your startup strategy are beginning to add up — and are being tracked.

Data from your peers:

More then 100 innovators have completed the Startup Strategy Assessment.

16% Of respondents were given the highest rating according to the evaluation, "Industry Leader."

65% The majority of respondents, 65 percent, were in the earliest phase, which we dubbed "Developing."
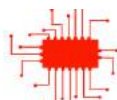
Companies in the tech sector were most likely to land in the "Industry Leader" category.

Assessment Excerpt: How Well-Developed is Your Innovation Strategy?

This 19-question quiz, created by Innovation Leader's editorial team with input from corporate innovation executives, will evaluate the current maturity of your organization's innovation strategy. This quiz is intended to be taken by executives or managers in R&D, strategy, new product development, and innovation roles. You can take it online at www.innovationleader.com/strategy-culture-assessment-quiz.

Questions from the assessment include:

1. We have a clearly-articulated innovation strategy that has buy-in from senior management and key business leaders, and is aligned with the business' goals.

2. The CEO not only is aligned with the innovation strategy, but helps "break down walls" in the organization and provides meaningful support.

3. We have a relatively stable and consistent budget for innovation, new ventures, or R&D.

4. When we prove the business case, we are able to harness resources (FTEs, contractors, outside consultancies, etc.) to execute.

5. Our company is viewed as the "partner of choice" for startups that want to pilot test or bring to market new products/services in our industry.

6. Employees throughout the company are aware of the existence of the innovation program, and can be counted on to participate in programs/initiatives when asked.

7. We have developed a manageable set of metrics that illustrate whether we are moving the needle on things that matter to senior leadership and our business.

Possible Outcomes:

Ad Hoc: This is maturity stage 1 of 5. You are just starting to lay the foundation for innovation success. There are relationships to be established, processes to be put in place, and skeptics to be won over. This is likely the era of a small team with limited resources working to eke out a few wins it can point to. There is still a need to spread the "innovation gospel" within the company and help people understand what other companies are doing, and how they are investing in their innovation programs.

Emerging: This is maturity stage 2 of 5. This can be the most dangerous phase for innovation programs — processes are in place, resources are being allocated, you have some support around the organization — and everyone is waiting to see tangible results. (Or, after an initial "hit," what you will do next.) At the emerging stage, a foundation is likely in place for new ways to gather customer insights, partner with outside entities, engage employees in new ways, and work with business units, but there is still a need to learn from what others in your industry and adjacent fields are doing, and how they are achieving impact. Some groups within the company may still be in "wait and see mode," withholding support or resources until they know your team is going to be here, and have CEO support, over the long-term.

Defined: This is maturity stage 3 of 5. The innovation program is beginning to achieve a level of stability, support, and respect — though it may still be under-resourced. Basic processes are being put into place, and communication throughout the organization is becoming more regular. There is still plenty of work to do, resistance to be overcome, and allies to be won over.

Integrated: This is maturity stage 4 of 5. At this stage, productivity is beginning to really kick in. Customers provide input to the innovation process, and business units support it. There is a realization that not all great ideas are born on the corporate campus. Metrics are being tracked, and success stories are starting to be shared internally and externally. Innovation is getting some — if not all — of the resources it needs. But chalking up some high-profile successes will likely change that...

Optimized. This is maturity stage 5 of 5: In this most mature stage, the organization has truly become innovation-focused. It has established, well-oiled innovation systems and procedures, and has repeatable processes for rapid innovation. It can pursue projects quickly and kill them off just as fast for rational reasons. Metrics are in place, and efforts are delivering clear value. From the top down, the culture supports innovation, and does so without fear of failure or "innovation climate change," when priorities suddenly shift.

For Your Peers: Is Our Company's Culture Supportive of Innovation?

We've collected these survey questions from innovation and R&D executives. The executives with whom we've spoken suggest that a quarterly or annual cultural "temperature taking" of employees and managers is essential to understanding whether your work is having a broad, positive impact on the overall culture; whether you're in neutral; or whether things are getting worse along some dimensions. Choose the questions that are most relevant to things you're trying to impact.

1. I get involved in the company's innovation efforts.

① Strongly Agree   ② Agree   ③ Neither   ④ Disagree   ⑤ Strongly Disagree

2. The company provides me with the resources (time, training, funding, etc.) I need to bring my ideas to life.

① Strongly Agree   ② Agree   ③ Neither   ④ Disagree   ⑤ Strongly Disagree

3. The company has incentives that encourage me to take risks.

① Strongly Agree   ② Agree   ③ Neither   ④ Disagree   ⑤ Strongly Disagree

4. In my performance review, I get credit for new ideas.

① Strongly Agree   ② Agree   ③ Neither   ④ Disagree   ⑤ Strongly Disagree

5. I understand the company's priorities related to innovation and the kinds of new ideas we're looking for.

① Strongly Agree   ② Agree   ③ Neither   ④ Disagree   ⑤ Strongly Disagree

6. I feel that being innovative and developing new ways to serve our customers or reduce costs is an important aspect of my job.

① Strongly Agree   ② Agree   ③ Neither   ④ Disagree   ⑤ Strongly Disagree

7. Our innovation activities are moving the company in the right direction as our market evolves.

① Strongly Agree   ② Agree   ③ Neither   ④ Disagree   ⑤ Strongly Disagree

8. I am proud of our company's culture of innovation and the way we are perceived in the market.

① Strongly Agree   ② Agree   ③ Neither   ④ Disagree   ⑤ Strongly Disagree

9. Good ideas sometimes get abandoned, forgotten, or under-resourced.

① Strongly Agree   ② Agree   ③ Neither   ④ Disagree   ⑤ Strongly Disagree

10. People outside of the company — such as customers, suppliers, or people in my professional network — regard us as an innovative company.

① Strongly Agree   ② Agree   ③ Neither   ④ Disagree   ⑤ Strongly Disagree

11. Our company recognizes and rewards people who bring new ideas to life.

(1)	(2)	(3)	(4)	(5)
Strongly Agree	Agree	Neither	Disagree	Strongly Disagree

12. We are encouraged to conduct small-scale experiments to get an early read on an idea's merit.

(1)	(2)	(3)	(4)	(5)
Strongly Agree	Agree	Neither	Disagree	Strongly Disagree

13. I don't need to ask for permission to pursue ideas that may result in significant change.

(1)	(2)	(3)	(4)	(5)
Strongly Agree	Agree	Neither	Disagree	Strongly Disagree

14. Our senior leaders are patient in nurturing a new idea or project long enough for it to demonstrate value.

(1)	(2)	(3)	(4)	(5)
Strongly Agree	Agree	Neither	Disagree	Strongly Disagree

15. I'm encouraged and empowered to initiate change, no matter what level of seniority I am.

(1)	(2)	(3)	(4)	(5)
Strongly Agree	Agree	Neither	Disagree	Strongly Disagree

16. My company has a good understanding of the trends that are shaping our markets and impacting our company.

(1)	(2)	(3)	(4)	(5)
Strongly Agree	Agree	Neither	Disagree	Strongly Disagree

17. The company is open to good ideas from outside the organization.

(1)	(2)	(3)	(4)	(5)
Strongly Agree	Agree	Neither	Disagree	Strongly Disagree

18. How could our company could become more supportive of people with new ideas?

19. What barriers or roadblocks exist that impede progress in developing ideas?

20. What would be the most effective thing we could do to "move the needle" on building a culture of innovation in our company?

☐ More frequent communications on how innovation is taking shape in our company
☐ More time to develop new ideas and concepts
☐ More funding to develop new prototypes
☐ More recognition for those who try out new things
☐ Online community or regular meetings for innovators
☐ Other (please specify):

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Dealing With Failure Infographic

- The best organizations in the world will experience failure — they expect it. And they are ready to learn from it and adapt. Here's some advice from Julia Austin, CTO of DigitalOcean and Senior Lecturer at Harvard Business School, about dealing with failure.

List of Corporate-Supported Startup Accelerators

- A spreadsheet describing 25 startup accelerators either run by corporations or with substantial corporate involvement, across industries like aerospace, logistics, retail, and tech. Includes a shorter list of corporate accelerators that are defunct or on hiatus.

The Innovation Imperative Presentation Template

- This 2017 presentation collects some of the best advice we've heard on getting an initiative going; some of our survey data about average maturity of innovation efforts at large companies; guidance on what to measure; things that can prove fatal to innovation programs; and examples of companies doing it right.

Innovation Maturity Guide: Five Stages of Innovation Evolution

- What does progress look like when you're the team tasked with doing the new stuff? This resource, created with XPLANE, lays out the important decision points, leader priorities, and potential dead-ends of building an innovation program that has impact in the organization. Available at www.innovationleader.com/innovation-illustrated.

The Corporate Innovation Ecosystem: Map & Discussion Guide

- Illustrated map laying out the key players inside the company, and outside it, who can contribute to (or sometimes inhibit) corporate innovation. At www.innovationleader.com/innovation-illustrated.

Mission Control for Innovation Metrics

- Corporate innovators need metrics to show where they're delivering impact, and ideally, to gain access to additional resources. Here's Innovation Leader's look at how you can design an effective "Mission Control" for your innovation work. See www.innovationleader.com/innovation-illustrated.

CEOs & Innovation: Four Archetypes

- From the Fall 2017 issue of Innovation Leader's magazine, this one-pager captures, in a playful way, the different kinds of CEO personalities when it comes to innovation. Which one best describes the CEO you work for?

Member Q&A Series

- We frequently pose member-submitted questions to the Innovation Leader community, asking innovators for their advice/experience/input. Questions include: "How do You Collaborate With, or Acquire, Startups?", "Who Should be on Your Innovation Team?, "Are You Developing a Strategy for Amazon Alexa?", and more. Visit www.innovationleader.com/qa.

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