

# POINTERS

## Upgrading an Established Innovation Initiative

EXPERT GUIDANCE ON INNOVATION STRATEGY



## LETTER FROM THE EDITOR

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The most recent issue in our Pointers series, published in June, focused on getting a new innovation program started.

So for this edition, we wanted to gather advice and insights about upgrading and expanding programs that have been in place for a year or more. How do you create the right cultural conditions? What tools should you be using? How do you set up systems that will endure for the long-term? What role should startups play in your strategy?

We're grateful to our strategic partners—the firms that support Innovation Leader's editorial mission—who shared their perspectives. One of our editorial interns, Madison Cameron of Southern New Hampshire University, designed this edition.

You can find prior editions of the Pointers series—covering topics like “Building a Network of Innovation Champions” and “Measuring the Success of Your Innovation Program”—at [innovationleader.com/pointers](http://innovationleader.com/pointers).

We encourage you to share this document with others who might find it useful. And if you have your own tips for leveling up an innovation effort, I'd love to hear from you at the e-mail address below...



**Scott Kirsner**  
**Editor & Co-Founder**  
**Innovation Leader**  
[editor@innovationleader.com](mailto:editor@innovationleader.com)  
[@innolead](https://twitter.com/innolead)



## TABLE OF CONTENTS

- 3** **Innovation Thrives Under These 5 Evidence-Backed Conditions**  
BY DAVID AYCAN, IDEO PRODUCTS
- 5** **Investing in Innovation for Future Growth**  
BY FIONA GRANDI, KPMG
- 7** **The Importance of Persistence: Building an Innovation System For The Long-Term**  
BY LARRY SCHMITT, THE INOVO GROUP
- 9** **When Lean and Agile Aren't Enough: How to Get Innovation Moving Fast**  
BY MATT SZUGYE, NEWRY
- 11** **Adopt The 10<sup>th</sup> Man Rule to Nurture Innovation**  
BY LUDWIG MELIK, PLANBOX
- 13** **On the Frontier with Debby Hopkins, an Innovation Pioneer**  
BY PETER GARDNER & DEBBY HOPKINS, STARTGRID
- 15** **7 Tools Connecting Innovation Teams with External Innovation**  
BY MICHAEL GOLDSTEIN, SWITCHPITCH
- 16** **Creating an Entrepreneurial Culture at Your Organization**  
BY CARLEY HART, TECHSTARS
- 18** **Idea Management Software: How Do You Know You are Ready for It?**  
BY JEFFREY PHILLIPS & TAD HAAS, EDISON365
- 20** **Woodford Reserve Case Study: Defending the Top Shelf**  
BY SCOTT STROPKAY & RICHARD WATSON, ESSENTIAL DESIGN

# Innovation Thrives Under These 5 Evidence-Backed Conditions

WORDS BY DAVID AYCAN, MANAGING DIRECTOR, IDEO PRODUCTS

VISUALS BY KATERYNA ROMANOVA, SENIOR ENVIRONMENTS DESIGNER, IDEO SAN FRANCISCO

Executing innovative ideas requires creativity. And creativity thrives in a work environment that fits the dynamic needs of modern teams, from hyper-collaboration to heads-down time. As today's organizations strive to become more innovative and resilient, they must adapt their spaces and modes of working to promote creative problem-solving across teams.

In 2015, IDEO launched Creative Difference (CΔ), a digital tool to assess, guide, and track the development of creative and innovative teams. Since then, we've measured innovation in more than 100 companies, and discovered that leaders who create effective and sustainable work environments give their teams more capacity to experiment and solve problems in creative ways. These teams tend to outperform teams that stick to the status quo.

So what kinds of changes can you make (and scale) to help your company become more innovative? It starts with simple methods like adopting digital tools, implementing new internal processes, and introducing modular physical spaces that can be flipped around to support modern modes of working. Here are five ways to get started.

## 1. Create a shared vision

Illustrate the future of your team to show your colleagues what they're working toward, and what new behaviors they'll need to adopt to get there. A vision for the future should not only create a shared understanding about what needs to change, but more importantly, explain why. To get started, identify who it is you're serving, what value your team can provide, and what you need to achieve your goals. Next, create a set of guiding principles to help contain the scope of the initiatives you'll take on. This list will help you maintain focus, and avoid doing too much at once. Then, compare these guiding principles with the strategic priorities of your organization to make sure that your plan is scalable, will have a positive impact on your business, and can influence the daily work of your teams. According to data from CΔ, teams that use their purpose to guide their decision-making have 61 percent more successful launches than teams that

don't.

## 2. Let your teams influence their space

Often, organizations over-regulate the way teams work, either in an attempt to limit liability, or maintain control. But that extreme oversight suppresses creative judgment and collaboration. It also signals to employees that they are just cogs in a machine; if their work doesn't seem important, they'll detach mentally and emotionally. When leaders design work environments with their teams' needs in mind, they are more likely to be engaged and willing to adopt new, better behaviors.

Think about how your values and vision are represented in your team's space. Do you have early prototypes hanging around to represent the value of experimentation? Do your communal work spaces actually encourage collaboration? (Do you have communal work spaces?)

Modern work environments should encourage,



but not dictate, the most productive behaviors. The idea is to design an environment that encourages the collaboration and experimentation so crucial to creative work, while also empowering teams to adapt as new challenges arise. CΔ data shows that teams that work collaboratively and have flexible spaces and tools to experiment are 32 percent more successful than teams that don't.

## 3. Learn how your teams actually work

It seems basic, but many leaders don't know the ins and outs of how their teams work, which means



David Aycan  
IDEO Products

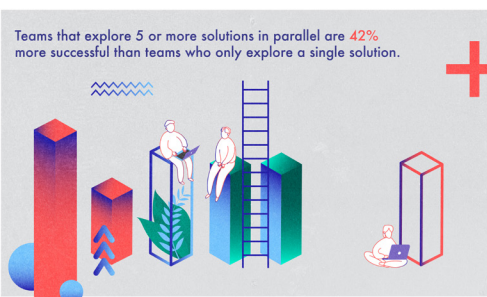


**+32%**

they don't know how to craft the conditions that will set them up for success. Make sure to check in with your teams to get a sense of what they love, loathe, and want to tweak about the way your company works. Keep an eye out for work environment hackers who are using tools and spaces in unconventional ways—manipulating what's available to support their work as best they can. And make sure that everyone has the tools that they need: For example, people in organizations that restrict access to online collaboration tools are sometimes forced to recreate the same benefits using a combination of project management, file sharing, and messaging software.

#### 4. It all starts with prototypes

Have an idea for a new method of brainstorming, or a more effective workspace? Test it out by prototyping with high-performing teams. The key isn't to start with the perfect solution, but to arrive at something that works and continuously improves. Identify teams that are enthusiastic about change, and start there. And don't forget to look to your employees for suggestions—not all change needs to come from the top, and teams have a better sense of their own needs. Prototyping is an iterative process, so teams

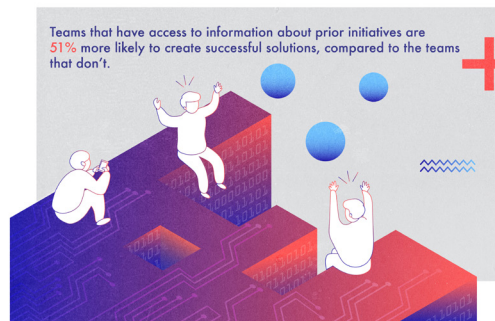


**+42%**

should be given the freedom to test a lot of ideas. According to C△ data, teams that test five or more solutions in parallel are 42 percent more likely to create successful solutions than teams that don't do rapid prototyping.

#### 5. Codify and share what you learn

As teams grow and mature, the lessons they gather from experimenting with their work environments should be packaged and shared with the larger organization. Codifying the characteristics of effective work environments can help new employees develop productive behaviors more quickly. Consider creating events or programs that allow teams to share the lessons they've learned from prototyping and inspire others to adopt similar changes or begin their own experiments. C△ data shows



**+51%**

that teams that have access to information about prior initiatives are 51 percent more likely to create successful solutions.

Creating change and empowering people to determine their optimal work environments are the most powerful tools leaders can use to set the conditions for innovation. These changes have a material impact on a company's ability to compete in an uncertain future. But don't be intimidated by the enormity of the challenge. All it takes is empathy, empowerment, and curiosity to set yourself and your teams on a journey toward self-discovery.

Learn more about IDEO at [www.ideo.com](http://www.ideo.com)

# Investing in Innovation for Future Growth

BY FIONA GRANDI, NATIONAL MANAGING PARTNER, INNOVATION & ENTERPRISE SOLUTIONS, KPMG

In today's incredibly dynamic market environment, the level of disruption and pace of change are increasing exponentially. This is raising the stakes for organizations looking to innovate to grow. But how do companies know if they have the right innovation strategies, investments, and approaches in place to drive future growth?

Innovation Leader's latest research report, *Benchmarking Innovation Impact 2020*, sponsored by KPMG, provides insights into how leading organizations are financing, supporting, and scaling innovation efforts—and the roadblocks and challenges that inhibit success.

When innovation gets effectively scaled, it becomes part of the fabric of the business. It's visible. Customers and employees see that something new is happening. It changes habits, preferences, NPS scores, and ratings. Operational people realize that innovation is here to stay, and processes are adapted to incorporate it. It produces demonstrable financial results. Yet scaling innovation is hard.

The innovation journey has to navigate a series of phases, which requires thinking about scaling from multiple perspectives: from ideas to pilot, from pilot to proof-of-concept, then to business case and phased implementation. This journey can also include different models, different skills—a combination of agility and discipline—and the fortitude and persistence to overcome obstacles, in order to bring the innovation initiative to fruition.

Last year, we found that the conventional split between incremental, adjacent, and transformational investments (70-20-10) had shifted to 50-30-20. Survey results this year were similar, signaling that companies are allocating resources toward more ambitious goals. Further, organizations that are underinvesting in transformational innovation may be putting themselves at a strategic disadvantage.

The more transformational the innovation, the more challenging it is to scale. We've seen this in our own efforts. Success requires strategic alignment with multiple groups and processes. It's important not to underestimate the resistance to innovation, especially transformational innovation, that organizations will face.

While respondents to this year's survey are showing more confidence in their ability to make the right investments in innovation, they also indicate that competing priorities continue to impede their

success. More than 60 percent of respondents cited this issue as the biggest challenge to scaling.

How can decision-makers set themselves up for success?

**Integrate innovation efforts into the organization's overall strategy.** "Role model" companies—those found to have more mature innovation processes in place—are over 50 percent more likely to have innovation completely integrated with, or highly collaborative with, their organization's strategy teams. These companies also are even more likely to have innovation activities connected with their corporate development and VC teams.

**Find the right balance between investing in autonomous innovation teams and embedding innovation in the core business.** "Role model" organizations were more likely to rely on funding and involvement from the business units. Business unit staff are leveraged for nearly 82 percent of incremental innovation, compared to 24 percent for transformational innovation. Thus, to drive impact, innovation initiatives should be aligned with sponsors from the business.

Four years ago, we established Innovation & Enterprise Solutions (I&ES) at KPMG to research and develop cross-firm solutions. This recognized that, while our partners are entrepreneurs, our firm previously lacked a consistent vehicle to scale innovation experiments. We recognized that disruptions, especially those driven by technology, required a larger and more coordinated approach to investment—one that extended across all of our functions.

To get where we wanted to be, we knew that we needed to invest for the long-term in new frontiers, in talented people with diverse skills, and in our functions and industries. And it became clear that a foundation was needed to protect these investments from short-term pressures—an acknowledgement that for a sustained effort to get traction, it would need a different horizon than a standard investment. As this mindset and approach gained momentum, "innovation at our core" became a firm-wide priority at KPMG.

**Create a culture that supports innovation and get leadership buy-in.** Roughly half of respondents identified politics, turf wars, and lack of alignment as the biggest obstacles to innovation. And competing priorities pose a challenge to scaling innovation. Securing leadership buy-in and bringing in the right



Fiona Grandi  
KPMG

people are crucial for overcoming these and other roadblocks.

At KPMG, we have developed our own in-house innovation lifecycle, complete with structures and processes; a pulse on signals to understand market impact; an efficient system of management and governance; and an enterprise-wide approach to strategic investing. This has helped us to innovate and move ideas from an early genesis phase to in-market mature solutions and services.

We've also found that support from our own senior leaders—from our Chairman on down—has been critical to developing and promoting our innovation strategy. Leadership support is critical to gaining alignment among disparate parties, and to minimize “foot dragging” that can often slow progress.

The innovation imperative that we have today reflects the learnings and pivots that we have made in the past. We don't innovate alone and have excellent resources at our fingertips—through client co-experimentation and alliance partnerships, and by engaging research resources and analysts. Having led and experienced these best practices ourselves gives us the external

credibility needed to scale innovative solutions and verticals with clients.

**Engage the CFO to help strike a balance.** CFOs of the future will need a mindset that extends into business strategy and innovation investment. Fifty-eight percent of respondents report using revenue generated from innovation products to measure the success of innovation, and 40 percent cite a lack of funding as an obstacle to innovation success. The right CFO can help companies balance making money today with investing for the future.

Large organizations all face the same core question: are we being audacious enough and investing in the right things—at the right time—to accelerate growth? Companies are moving faster than ever before to successfully innovate to grow, but even that speed may need to increase.

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Learn more about KPMG at [www.home.kpmg](http://www.home.kpmg)

# The Importance of Persistence: Building an Innovation System for the Long-Term

LARRY SCHMITT, PH.D., MANAGING PARTNER, THE INOVO GROUP

**Innovation comes from long-term thinking and iterative execution.**

**— Reid Hoffman — Co-founder LinkedIn**

One of the longest lasting corporate innovation groups is a small team from in a Fortune 50 company. They've survived C-level turnovers, numerous reorganizations, business cycle downturns, and activist investors. How were they so persistent? There are several reasons:

1. **Formative runway** — They were “protected” during the first years of their existence, giving the opportunity for initial concepts to gain visibility as actual new businesses.

2. **Independent reporting** — They were independent of core corporate functions like R&D, Marketing, and Business Development. They reported directly to the CTO.

3. **Focus on innovation, not changing others** — They were not expected to “make everyone innovative” or change company culture.

4. **Strategic mandate** — Sustaining or incremental innovation was off limits. The businesses were expected to do that themselves.

5. **Persistent system** — They focused on building a strategic innovation system to survive changes in people or organization, even new leaders of the group itself (there have been four), or new CTOs (there have been three).

6. **Innovating their own system** — They have continually enhanced and evolved the system. Techniques change, times change, and they did too.

Perhaps most importantly, they have tracked every opportunity they worked on from the beginning. When a new leader arrived, they could show actual results rather than just retelling anecdotes.

All too often, once a successful innovation is absorbed into an existing business, or becomes a business unto itself, its origin is lost. Knowledge of its lineage is key to surviving changes in leadership, business cycles, corporate reorganizations, and all the other eventual upsets.

The lifespan of a typical corporate innovation group is not measured in decades, but in years that

can usually be counted on one hand. Then a business downturn comes, or a new CEO with a different strategy and mindset, or a corporate re-org, or the leader of the corporate innovation group gets frustrated and quits, or any one of a myriad of other events happens. The innovation system that has been painstakingly put in place is eliminated and the focus becomes immediate results. Eventually, the company realizes they need more than sustaining innovation and a new innovation initiative is undertaken. All too often, though, innovation theater is the result.

## **Innovation theater is not the answer**

How do you tell if a company is truly innovative? Count the number of future-oriented (not innovation oriented) sentences in the CEO's annual letter to shareholders. We're taught that actions speak louder than words, yet words reveal whether a company is thinking about the long-term.

Conversely, it is the most visible actions of a company that can deceive even employees about their company's commitment to innovation. Such is the case with what has come to be called “innovation theater.” This is the term for when a company pursues innovation initiatives for visibility rather than value. This theater is superficial and ephemeral.

In a world where Wall Street gives a premium to companies that are considered “innovative,” the incentive to engage in innovation theater is sometimes irresistible. Many companies succumb and invest in showy innovation activities. But the CEO's words to the shareholders often reveal a deeper truth.

The opposite of innovation theater is persistent innovation. It's not showy, although it certainly is visible. Persistent innovation is about long-term commitment and the development, over years, of deeply-ingrained behaviors and mindsets.



**Larry Schmitt**  
The Inovo Group



## Persistent innovation requires iterative experimentation and evolution

Most corporate business functions – new product development (NPD), quality, sales, R&D, marketing, etc. – have well-established systems to persist across “regime change,” business cycles, and reorganizations. Indeed, corporations could not survive if they didn’t.

In contrast, it is extremely difficult to establish an effective strategic innovation system within a large organization where 90 percent (or more) of attention and resources are devoted to core businesses and operational efficiency. In the face of this, the innovation group staff are forced to accept personal career risk by advocating for opportunities that go against the grain of the company. They are compelled to present opportunities in ways that make it easy for senior leaders to say “yes” by properly stating the downside risks as well as the upside potential. They can’t assume senior executives are ambidextrous leaders. In this environment, is it any wonder why Wall Street’s demand for “proof of innovation” are answered by theater?

The result is that most strategic innovation systems, and the groups that own them, do not persist. What does the evidence show is the remedy? Here are some findings:

**An up-front commitment.** A known percentage of the company’s resources committed to strategic innovation. For some companies up to 10 percent of their “creative” budget (R&D, NPD, design, etc.) is committed.

**Don’t change the whole company.** If you are part of the strategic innovation group, stop trying to transform the whole company or put on a show. Companies can do “theater” to perfection — and true innovators want out! Don’t try to change the company’s emphasis on operational excellence, including sustaining innovation efforts that do just fine within the realms of operational excellence. Stick to the strategic innovation zone.

**Be seen.** While you are focusing on strategic innovation, make sure the group’s actions are visible and transparent, and give the audience the right framing to evaluate what you are doing. It’s OK

for an audience to watch. Indeed, letting the outside world, including those within and outside the company, see the activities and results of the innovation system is a powerful motivator to invest more in the innovation resources, processes, and system.

**Ambidextrous leadership.** Strategic innovation, more than any other business practice, relies on culture, mindset, and motivation for its success. In the face of decades upon decades of relentless attention to operational efficiency (i.e., return on investment, immediate shareholder value, etc.), is it any wonder that an activity demanding a culture or mindset antithetical to these outcomes would be eliminated? Encourage the development of ambidextrous leadership by giving people new tools to manage the uncertainty inherent in strategic innovation initiatives.

**Innovate innovation.** Constantly experiment and evolve the way innovation is done. Use the innovation system to innovate itself! The theories, models, and processes of innovation continue to evolve quickly. Since 1997, there have been numerous waves of innovation theories, models and practices such as Disruption from Below, Open Innovation, Lead User, Design Thinking, Test & Learn, Product-Market Fit, Agile/Lean Innovation, and Startup Collaboration, to name a few of the more prominent waves. What makes these interesting is that certain aspects of each of them persist and get absorbed into innovation “standard practice.” The practice of innovating innovation needs to be the new normal.

Innovation relies on a symbiotic relationship between the overwhelming attention focused on operational efficiency and the attention focused on long-term, uncertain, and experimental aspects of the company. In this environment, strategic innovation needs to be persistent by design. It must constantly reinvent itself to deal with the ever-changing environment of new technologies, modes of thinking, social norms, etc. It is a system that requires independence and experimentation, but also enlightened oversight. It can be done. There are examples of success. In your organization, just do strategic innovation and success will come.

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Learn more about The Inovo Group at [www.theinovogroup.com](http://www.theinovogroup.com)

# When Lean and Agile Aren't Enough: How to Get Innovation Moving Fast

BY MATT SZUGYE, MANAGING DIRECTOR, NEWRY

Companies are continually seeking new ways to grow faster to stay ahead of competition and meet investor expectations. Processes like Agile and Lean—which emphasize rapid iteration, relentless pursuit of customer feedback, and embracing failure and risk-taking as mechanisms for learning—have become increasingly prevalent and popular, diffusing outward from their origins in the world of tech startups across the much broader universe of large, established product companies and manufacturers.

However, even when these approaches are adopted, a range of issues constrain organizations' ability to realize their innovation objectives:

- ◇ In large organizations especially, risk aversion can put a major drag on progress. Preexisting culture and incentives are often misaligned with Lean principles, and employees tasked with driving innovation programs are generally not encouraged to stick their necks out, even in companies that have ostensibly embraced “failing fast.”
- ◇ Part of the cultural problem in large companies—and a major underlying driver of the general tendency toward risk aversion—is the prevalence of consensus- and committee-driven decision-making mechanisms for project selection, advancement, and direction-setting. In most cases, a certain level of bureaucracy is necessary to maintain consistency as an organization grows. Unfortunately, these conventions and “best practices”—and the groupthink that so often follows them—are antithetical to making rapid pivots, placing bold bets, and many other elements of successful early-stage entrepreneurship.
- ◇ The use of conventional yardsticks in stage-gate decisions may also impede momentum for early-stage programs, as there is often not enough data associated with these opportunities to meet the burden of proof for questions like, “What is the expected return?” Again, adopting program management tools from startup culture is all well and good, but if not deployed along with a fresh and

responsive set of metrics to evaluate a program's promise, these new methods are unlikely to produce new results.

We advise clients to focus on a handful of areas to address these issues and accelerate their early-stage innovation programs:

First, think differently about hiring for innovation. Overcoming risk-aversion to create more action in your innovation organization requires a mechanism for breaking from the typical corporate hire, and the folks who can run a business unit like a well-oiled machine are not the ones you want leading an early-stage application development team (and vice versa).

CTOs in our network recommend seeking “ambidextrous” folks with both strong technical savvy and the ability to interface with customers—the more entrepreneurial and resilient, the better. Work ethic is important, but early-stage innovation is not the time for diligent box-checking; rather, your criteria should lead you to individuals who are flexible, curious, tenacious, and willing to pivot when necessary.

Of course, it's not enough to simply hire creative, risk-taking types—you also need to create an environment where they can thrive. Many leading innovators have attempted to foster a culture of creativity within their technical organizations by letting researchers spend 10 to 15 percent of their time on pet projects. Other have instituted fellowship programs that reward their highest-performing inventors with both status and latitude to choose which projects to work on. In several instances, these initiatives have produced high-profile success stories, like W.L. Gore's Elixir guitar strings, the 3M post-it note, or Gmail.

However, for each of these exciting “intrapreneur” victories, there are dozens of ignominious failures, which suggests that a culture of creativity alone is not enough ensure success. Take Kodak missing the digital camera revolution as an example. That mistake wasn't due to a lack of technical excellence or ingenuity— one of their own engineers was the first to invent the technology! The problem was that the company failed to capitalize on the opportunity when it first arose, and by the time



**Matt Szugye**  
Newry

they realized their error, it was too late.

If you're serious about accelerating innovation, you must provide systems and structure to support early-stage efforts. Early on, this means developing and applying specialized metrics that reflect the uncertainty inherent in non-incremental innovation (e.g., minimization of cost and time to get to a decision point, rather than ROI). As promising programs transition to new businesses, it means developing a "starter set" of processes (for HRM, IT, S&OP, etc.) that won't overburden the fledgling group. The world of private equity and venture capital has developed exceptionally effective tools for scaling support around portfolio companies; large corporations can learn a lot from these established methods.

When a program does get caught in the gears of the broader organization—as it almost inevitably will at some point, no matter how well-tailored your early-stage metrics and processes are—the first step is to reorient toward the unsolved customer problem. The most reliable way to generate conviction around taking the next step on a stalled project is to gain a deeper understanding of the issue you're trying to solve for in the market: the intensity of the need felt; the uniqueness of your ability to address it; the complexity of the value chain dynamics surrounding it; etc. If you can foster that instinct within your team so that their reflexive response whenever they get stuck is to look to the market, your programs will be pointed in the right direction much more consistently.

Finally, support must be reflected at the top of the organization. Without commitment from the top brass—in the form of explicit affirmations, participation in leading innovation programs, and adjusted incentives—implementation of mechanisms designed to speed innovation will fall flat. More often than not, the success of

an Agile-like initiative depends on leaders putting their money where their mouth is: making bold bets instead of "peanut buttering" resources across a long tail of projects; killing things quickly and completely rather than letting mediocre programs linger; rewarding teams when their programs "fail fast"; insisting on market-led insights to drive a project forward versus letting it ride on its technical merits; etc.

At one of our Fortune 500 clients, the CEO and Chief Innovation Officer meet weekly with leadership of key programs to drive progress and change. Their conversations focus on defining and refining value propositions, developing customer relationships, and building robust technology and manufacturing plans. These meetings are not a substitute for stage-gate, which the company also uses (mostly to track program progress), but they provide a level of urgency, stewardship, and coherency of vision that has made our client tremendously successful at early-stage innovation.

Lean, Agile, and related innovation processes have demonstrated game-changing effects on early-stage companies in the tech industry, but their impact hasn't transferred consistently to well-established product companies or B2B materials manufacturers. In order to realize the full potential of these methodologies, mature organizations must be willing to reshape their structural and cultural legacies. It's no small task, but if executives are willing to force these big changes and tough decisions, the odds of the organization falling in line with a new way of life are much higher, and much more likely to produce the results that the lean startup gurus have promised us.

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Learn more about Newry at [www.newrycorp.com](http://www.newrycorp.com)

# Adopt the ‘10th Man Rule’ to Nurture Innovation

BY LUDWIG MELIK, CEO, PLANBOX

In the movie “World War Z,” one of the characters describes something called the “10th Man Rule.”

After several disasters that no one thought could happen, the Council decided that if a vote was unanimous against a possible outcome, one member would act as if it was absolutely going to happen, and try to prevent it. This way, if they have a crisis, one man is prepared for it, and assumes directorship of the council for the duration of the crisis.

Interestingly enough, the 10th Man Rule is not purely fictional. Indeed, Israel created a unit referred to as the Devil’s Advocate Office after the Yom Kippur War in 1973. The 1973 attack on Israel took the nation’s military intelligence by surprise, obliging the leadership at that time to invest in a set of institutions and processes that would prevent groupthink, or dominant commanders, from making decisions without seeking diverse opinions or listening to widely opposing views.

Here is how Yosef Kupperwasser, former Research Division Leader of the Israel Defense Forces, describes the 10th Man Rule in the analysis paper, “Lessons From Israel’s Intelligence Reforms”:

“The devil’s advocate office ensures that AMAN’s intelligence assessments are creative and do not fall prey to groupthink. The office regularly criticizes products coming from the analysis and production divisions, and writes opinion papers that counter these departments’ assessments. The staff in the devil’s advocate office is made up of extremely experienced and talented officers who are known to have a creative, “outside the box” way of thinking. Perhaps as important, they are highly regarded by the analysts. As such, strong consideration is given to their conclusions and their memos go directly to the office of the Director of Military Intelligence, as well as to all major decision makers. The devil’s advocate office also proactively combats groupthink and conventional wisdom by writing papers that examine the possibility of a radical and negative change occurring within the security environment. This is done even when the defense establishment does not think that such a development is likely, precisely to explore alternative assumptions and worst-case scenarios.”

This principle can be just as easily integrated in any organization, which accordingly raises the question: how many mistakes do companies make as a result of groupthink, or because one executive is overly dominant in the conversation, so that no other viewpoints are considered before a poor decision is made?

Here are a few examples of major decision points where groupthink resulted in tragic outcomes. Had decision makers and board members in these organizations paid attention to a devil’s advocate point of view, they would have probably avoided or at least mitigated significant setbacks and unnecessary costs.

## Groupthink example 1: Swissair, the flying bank

In the year 2000, Swissair, the Swiss airline company founded in 1931, had become so financially powerful that it was nicknamed “the Flying Bank.” The company’s management and board were convinced that they could do no wrong, and that they were operationally and even morally superior to all other organizations. By October 2001, the company had spiraled into deep financial trouble. At the edge of bankruptcy, the company had to be rescued by government-backed intervention. The root cause of the company’s series of bad decisions can be traced back to the early 1990s, when it started to use debt to acquire other airlines. It continued to accumulate more debt and buy more unprofitable airlines until interest payments, lower cost competitors, and higher fuel prices resulted in severe and growing losses it couldn’t sustain. The unforeseen 9/11 tragedy ultimately destroyed what was left of the company’s former glory.

## Groupthink example 2: The financial crisis of 2008

The movie “The Big Short” is an incredibly powerful and accurate depiction of the devastating consequences of groupthink. The movie depicts how a few traders and hedge fund managers made a fortune when they predicted the collapse of the US housing market due to the flawed mortgage-backed



Ludwig Melik  
Planbox

securities that were marketed and sold by every US bank and Wall Street firm. In reality, these securities were full of subprime mortgages underwritten to borrowers that would not be able to make their mortgage payments once the adjustable rates were reset. No one in government, nor senior executives at virtually all banks and Wall Street firms, or any of the bond rating agencies, anticipated the potential for cascading losses and the ripple effect of those bad loans. This groupthink almost caused the total collapse of the entire financial system.

### **How to Setup the 10th Man Rule in your organization**

An important characteristic of the 10th Man Rule is that Israel allocates a budget and resources to fund and staff the role. It's not just talk; there are actual dollars and resources supporting diverging views.

Every company will benefit from implementing the 10th Man Rule by assigning a senior-level individual and a good communicator to play the devil's advocate. And for the 10th man to really work, the role has to be backed by a meaningful budget and have access to resources to invest in opposing positions.

### **Agile Innovation: The Anti-Groupthink**

The rebel leader for your 10th Man Rule can be the person who is in charge of your innovation program. Your innovation team and an Agile innovation system can be the weapon your organization uses to constantly discover problems and opportunities, identify new risks, and combat groupthink by running innovation events and campaigns that challenge your team to think differently, get creative, identify new opportunities, and devise new actionable solutions. Innovation programs and activities are the most effective tool at your disposal to tamp down groupthink and break the status quo.

### **Groupthink is worse than it's ever been**

Groupthink is more widespread than it has ever been. We all have access to the same information, we communicate more closely and more often due to the abundance of collaboration tools and mobile technology, and our increasingly social interconnected work environments filter information and discourage dissent and the nurturing of opposing views. The 10th Man Rule offers a much needed organized and mandated opposition to prevailing ideas and opinions that can lead to great setbacks, and potentially devastating losses for all organizations that are suffering from groupthink.

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Learn more about Planbox at [www.planbox.com](http://www.planbox.com)

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# On the Frontier with Debby Hopkins, an Innovation Pioneer

BY PETER GARDNER, FOUNDER AND CEO, **STARTGRID**  
DEBBY HOPKINS, BOARD MEMBER, **STARTGRID**

There are few executives who have seen the changes in enterprise innovation over the last several decades from as many perspectives and across as many industries as Debby Hopkins. She has twice been named by *Fortune* as one of the top ten most powerful women in business. She served as Citi's first Chief Innovation Officer and was the Founder and CEO of Citi Ventures. Debby has also been CFO of both Boeing and Lucent, and previously served on the board of DuPont. She currently sits on the boards of Marsh & McLennan, Union Pacific Railroad, and Virtusa.

Debby has been at the forefront of defining the methods and practices for working with the startup ecosystem for decades. She was instrumental in moving the practice from “special projects” to a highly-strategic means for enterprise growth. She has fought the battles and has developed a unique perspective, honed by practical experience. I recently had the opportunity to speak with Debby in Jackson Hole, Wyoming about building an ecosystem in Silicon Valley as an “outsider” and the challenges of operating an innovation function at scale.

Following is an excerpt from our conversation; content has been edited for length and clarity. See the full interview at [startgrid.com](http://startgrid.com).

**Peter:** I'd like to take you back in time a little bit. Let's go back to 2008 and you've just been appointed as the first Chief Innovation Officer at Citi.

**Debby:** Vikram Pandit asked me to take on the role in May of 2008. It gave me the opportunity to start going out to the Valley and finding our way around and meeting with some of the venture capitalists. I had this kind of moment. I was sitting in the parking lot of Kleiner Perkins and I was just blown away with the whole scene—the passion and the energy. It was a beautiful fall day and I thought I should just be there. If we were really going to drive something different, doing it from New York would be a real tough situation.

**Peter:** And when you showed up, I'm interested in the reaction of the venture community and other folks in the ecosystem.

**Debby:** They all asked the same question. “Oh, I think it's really cool that Vikram Pandit is putting somebody so senior in a role like this. But, tell me, where are you renting a house?” There was a history of corporates coming and going, and it was the extremely early days in corporate venturing, but there was a kind of disbelief—that it was a hobby, it wasn't a serious effort happening on the enterprise side.

**Peter:** And once they got past the disbelief, how did you demonstrate that Citi was a good partner?

**Debby:** I was meeting with [venture capitalist] Ben Horowitz early on. And he said “Well, this is all very interesting and we all really like what you've done before, but can you move?” And I said, “yeah, I think we can.” And he said, “no, no, like really, can you move?” I said “try me, try us.” So he gave us the chance to look at this company called Silver Tail.

The next thing we knew, they got a very large contract from Citi, and every other bank gave them a contract. I think that was when Andreessen Horowitz really fully embraced that this was something different that was going on here, and it really could turbocharge an entrepreneur's opportunity to scale.

**Peter:** Speaking of scaling, you built up Citi Ventures to be one of the largest corporate venture programs. Can you talk about scaling and what you learned?

**Debby:** We did not have a roadmap when we got there, so we were continuing to build capabilities by investing, and we hired experienced venture capital partners because they knew the Valley, they knew entrepreneurs. We weren't trying to be investment bankers suddenly becoming venture capitalists. We really started with the mindset of, we're not in this to make a venture capital return, although the team has, and continues to make very strong returns. We were really in it for the learning.



**Peter Gardner**  
Startgrid



**Debby Hopkins**  
Startgrid Board  
Member

By looking at thousands of companies every year, we were starting to get a sense of what was moving, and what was important in key areas. It was a way to really be the “Hoover” for the company, of all that we were seeing, and then netting it down because of the experience of the venture capital guys saying, “we’ve worked with this team.” We started being a filter to not only show companies to the rest of Citi, but equally important, we were able to translate all of these patterns we were seeing into emerging themes.

It was kind of the beginning of recognizing that we’ve all grown up in a vertical, hierarchical, power-based system, and it had been flipped on its side to be a horizontal collaborative network.

So I think that was when you just had to recognize, it is all about scale and transferring knowledge. He or she who learns the fastest wins.

**Peter:** So Debby, you talked about the power of the ecosystem that you built in Silicon Valley. What are your thoughts on how to build an ecosystem, how to manage those relationships, what worked, and what could work for others?

**Debby:** It’s fundamental to build a network. However, this was a very different kind of network that really didn’t exist before. I didn’t think it was this brilliant idea—“hey, let’s go build a network”—it was more like I had no choice but to figure out how to insert us into what was going on there.

You’ve got to cultivate a network and you do that by giving back. We would run events and invite our network in. For example, we did a pioneering women event and had a hundred women from the Valley who told amazing stories of what they’d been through in

that environment. It’s kind of like any great relationship. It’s nice to fall in love, but you’ve got to work really hard at it. It’s at the heart of what you do, and I think it determines your success or failure.

**Peter:** I’d love to talk about the advice you’d give to a Chief Innovation Officer today.

**Debby:** I think you need CEO support, because you really need air cover for some of the things you’re going to do. Additionally, go after unique team members. We brought in people from Apple, eBay, and people with really different backgrounds, because we were trying to create more diversity of thought.

But I think most important of all is using the lean startup playbook to make sure you’re answering the question “what problem are we solving?” You really need to have a key objective. It sounds a little boring because you’re doing innovation, but I can promise you, process is your friend in this kind of work.

You’ve got to be willing to experiment, be insatiably curious, willing to take risks—obviously measured risks—and think “how do I learn as fast as I can,” and then translate that into something that you think your company can embrace.

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Learn more about Startgrid at [www.startgrid.com](http://www.startgrid.com)

**Note:** This is an excerpt from a video podcast that you can find in its entirety at [www.startgrid.com](http://www.startgrid.com).

# 7 Tools Connecting Innovation Teams with External Innovation

BY MICHAEL GOLDSTEIN, PRESIDENT, SWITCHPITCH

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Corporate innovation teams evaluate and engage with multiple sources of external innovation. Keeping track of these sources, as well as the diligence process that follows, is frequently performed manually and siloed within an organization. New tools are making it easy for innovation teams to centralize external innovation tracking, and share interesting solutions within their organization.

The result is a sustainable external innovation pipeline, where promising innovations are efficiently evaluated and passed to the best internal resource for execution. Here are our favorite tools for managing the process—from ideation, to startup scouting, to piloting:

## 1. Ideation: Betterific

Betterific hosts Innovation Challenges where teams can win cash prizes, and connect with brands and corporations to get innovative ideas heard. Open innovation brainstorms connect ideas with corporate needs and foster new relationships. Challenges are currently live—join a brainstorm!

## 2. Industry scanning: Resolute

Resolute harnesses powerful AI to uncover tech that is below the radar of most observers. Searching across millions of articles, Resolute delivers synthesized, comprehensive results that guide teams through the research phase and navigate key decisions.

## 3. Government-funded innovation: SBIRSource

Offering services for both large and small companies, SBIR Source helps innovation teams identify government-funded technologies and innovations.

## 4. Startup relationship management: SwitchPitch

My company, SwitchPitch, provides the most comprehensive data set available on over 115,000 startups, easing the search process for corporate innovation teams. The platform was purpose-built for innovation teams to find startups earlier, and manage those relationships. Over 900 startup ecosystems are tracked, including accelerators, universities, and co-working spaces globally. Full CRM functionality simplifies the process of startup engagement.

## 5. Risk assessment: Early Metrics

In this increasingly complex world, Early Metrics assesses the growth potential of innovative ventures. Their ratings bring transparency to corporations, investors, and entrepreneurs. Their proprietary rating methodology provides accurate evaluation of the potential of growth of any innovative venture.

## 6. Innovation project management: GLIDR

GLIDR takes a new approach to product management software that puts feedback, product discovery, and validation at the center. GLIDR centers product management around discovery and validation, leading agile teams to more successful product launches. They primarily serve innovation teams, product management, and startups.

## 7. User experience testing: Alpha

Alpha empowers teams with the fastest way to learn about future customers, with advanced targeting of a marketplace of 100 million B2B and B2C users worldwide. Alpha's features extend through the development process, with tools to aid in the design and reporting process.



Michael Goldstein  
Switchpitch



# Creating an Entrepreneurial Culture at Your Organization

BY CARLEY HART, INNOVATION COACH, TECHSTARS

At Techstars, we talk a lot about “cultural transformation” and how we can support large corporations’ core objective to become more innovative and agile. As corporations strive to innovate in order to survive, creating an entrepreneurial culture has become a critical advantage.

The truth is, large corporations can learn a great deal from startup culture as it relates to fostering a more adaptable, nimble, and entrepreneurial mindset. The benefits and competitive advantages run deep. But what exactly is an entrepreneurial culture, and how do you foster it so that your organization can thrive?

## This new future

As the Innovation Coach at Techstars, I run Techstars Innovation Bootcamps, which are designed to help large corporations stimulate their cultural transformation and drive the growth of their entrepreneurial spirit. More concretely, I work with organizations that are looking to make business model shifts or explore new opportunities.

At the heart of a business model shift are shifts in customer needs and in global trends. To seize these new business opportunities, organizations need to transform their cultures so they’re prepared for a new future. These organizations may be hoping to become more entrepreneurial—more adaptable, lean, and resourceful. They can see what they want to become, but aren’t sure how to get from here to there.

Creating an entrepreneurial culture is Step #1 in driving innovation at your organization. It can help you attract and retain top talent; manage a workforce that is entrepreneurial, global, and often remote; and truly change entrenched systems that are no longer working for you.

## The opposite of business-as-usual

There are a lot of reasons why your corporation might feel the need for a more entrepreneurial culture, including triggers like competition, new business opportunities, shifting customer or employee needs, and more. Your corporate leader-

ship may respond to these changes by creating a new vision or setting a lofty goal that will help realign the corporation with these changing situations.

Internally, cultural transformation to a more entrepreneurial way of doing business involves shifting attitudes, relationships, and best practices to help an organization reach this new vision.

Fundamentally, cultural transformation is the opposite of business-as-usual. It means shaking up not just what you do as a corporation, but who you are, and the attitudes and perspectives that all the people in the organization—from the CEO to the newest hire—bring to their work.

## Angling for success

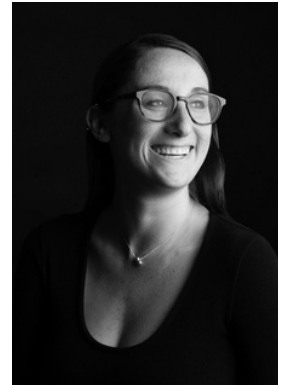
If this sounds big and amorphous—it is. And it can be hugely challenging for any organization, especially a large one, to change direction in this profound way.

In order for a shift this big to succeed, transformation to an entrepreneurial culture must come from many angles within the company:

1. From the top down: This is where cultural transformation starts. Leaders must provide the will and create the space for the organization to make a shift to becoming more entrepreneurial.
2. From the bottom up: The real shifts start to happen on a small scale, team by team, project by project, as these new entrepreneurial values are assimilated into day-to-day functions.
3. From outside perspectives: The company brings in outside thought leaders and experts to support cultural transformation. Employees learn from perspectives that are outside the organization in order to truly understand what an entrepreneurial culture looks and feels like.

## Teaching creativity

The good news is, creativity can be taught. By learning and applying creative thinking processes, we can teach creativity. Take this one step further, and you realize that you can teach your employees to think and work like entrepreneurs.



Carley Hart  
Techstars

This is crucial, because you're not going to replace your entire workforce. You wouldn't want to even if you could. What you can do is identify the people who are already thinking entrepreneurially, and help teach others how to be more entrepreneurial in their approach.

Design thinking and lean startup methodology both contribute to this process. The goal is to teach your most innovative employees to start thinking the way entrepreneurs do. They can learn to be creative and act to solve your corporation's problems in much the same way that an entrepreneur acts to build a startup that is solving a problem in the world.

## Hard work is fun

It sounds counterintuitive, but for most of us, hard work is good work. Being engaged in solving a problem that matters feels great. Your smartest, most driven, and most innovative employees want to stretch themselves—and an entrepreneurial culture

rewards this behavior. It also makes your company a place where these top performers want to work.

Today's workforce doesn't expect to stay at a job for very long, so you have to do more to keep the best people. Giving them the scope to dig in and work hard and smart—and see the impact of their work—is a great way to attract and retain top talent.

For large corporations that are facing disruption from new technology and fast-moving startups, need to find innovative solutions to important problems, and want to attract and retain top talent, transformation to an entrepreneurial culture is a crucial part of the package.

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Learn more about Techstars at [www.techstars.com](http://www.techstars.com), and learn more about "How to Build an Entrepreneurial Culture" by watching this webcast from Techstars and the Society for Human Resource Management (SHRM): <https://go.techstars.com/shrm-webcast.html>.

# Idea Management Software: How Do You Know You are Ready for It?

BY TAD HAAS, EXECUTIVE VICE PRESIDENT, EDISON365  
JEFFREY PHILLIPS, SENIOR CONSULTANT

For decades, companies have tried to capture valuable ideas from customers and employees. The original idea collection device was a suggestion box, where employees and customers could write down ideas and place them in a box. However, ideas often didn't "flow" from the box, and few people had access to comment or enrich those ideas, so the box, while creating the promise of idea evaluation and action, didn't provide much value.

As innovation has become more important, so has idea management. Capturing and managing ideas becomes vital. Many companies are still struggling to understand when an idea management solution is required, and how to get the most from their solution. We think there are at least three drivers that can make idea management software viable and valuable.

## Teamwork and visibility

The first driver is the ability to manage ideas in a database that everyone can access, always. When there are few ideas or teams are small, ideas can be shared within a team informally, but as programs scale or the enterprise grows, it becomes important to have one consistent and ubiquitous platform for idea management. This is especially true for remote workers and multiple locations. These systems create real value quickly and support repeatable process and collaboration.

Simply capturing ideas in a database is not a complete solution. Ideas need development, engagement and enrichment in order to mature. Simply capturing them in a database without supporting and engaging a larger population of people to interact with the ideas is dangerous. An idea database that captures ideas but does little else is almost worse than no database at all.

## Engagement and enrichment

So that leads to the second set of drivers: engagement, enrichment, and incubation. Your company will be "ready" for idea management software when it understands how ideas should be incubated and developed. You need to think about how ideas will be evaluated, enriched, ranked, and prioritized. If your team does not have an evaluation

and enrichment process, and does not designate people who are responsible for these activities, ideas won't receive the attention they need in order to flourish. You don't need a fully thought-out engagement model before you acquire idea management software, but you'll need these processes and the people to support the processes as the idea management software comes online.

Steve Paladino, Global Director of Innovation and Continuous Improvement at Baltimore Aircoil Company put some of the key readiness criteria very succinctly: "You have to develop a mindset, then you propose a toolset, and eventually that embeds as a skillset in the organization."

Another indicator Paladino found was: "When the execs say 'I have an idea. What do I do with it? Or where do I find the status?' That is when tools make sense."

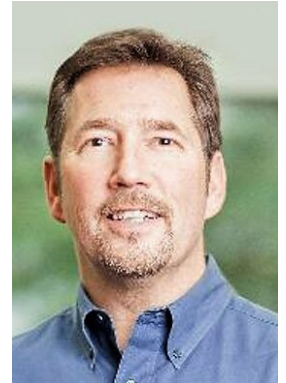
## Making decisions and implementing ideas

While generating and developing ideas is valuable, the real payoff comes from prioritizing between ideas and implementing the best ideas as new products, services, and business models. Every new initiative will be evaluated based on its cost and potential benefits. This is true for regularly recurring projects and it is especially true for new and unfamiliar innovation projects. Idea management software won't necessarily prepare the ideas for full scrutiny by executives, but software can capture vital information, help develop a practical business case, and illustrate how ideas support strategic plans and goals. Evaluation of new plans and priorities is simply part of a good management structure, and the more that idea management solutions can support and enrich ideas and their supporting business case through the entire development process, the more likely the ideas are to be approved and funded.

"We found a quick win with an immediate \$1.2M savings within the first three months of deploying edison365," one Chief Innovation Officer told us this summer.

## Recapping the top three drivers for idea management software

So, to recap, a company hoping to gain real



Tad Haas  
edison365



Jeffrey Phillips  
Senior Consultant

value from an idea management solution should ensure:

1. That any solution selected can capture ideas effectively, enhance idea visibility, and promote teamwork. (If this can be done within your everyday collaboration software like Office 365, even better.)
2. That there are mechanisms and people in place to evaluate, comment, and enrich the ideas.
3. That the solution supports the full idea development lifecycle, from capturing nascent ideas to presenting the rationale for a developed concept to a decision-making team and implementing the idea as a new product or service.

Based on these criteria, it's easy to determine whether your team is "ready" for idea management software:

1. Almost every company will clear the first hurdle. Most companies have plenty of people with lots of ideas. These enterprises face many challenges that can be addressed through good idea generation. Surprisingly few do a good job capturing, managing, and sharing ideas effectively.
2. The second hurdle is a bit more complex. Few companies have well-defined innovation processes, evaluation metrics and people dedicated to these tasks. The act of developing, enriching and moving ideas along an evaluation process is what creates value. If your team does not have experience managing and developing ideas, or if you lack internal processes or don't have people responsible for this activity, you will want to strengthen these attributes before you implement idea management software, or as you are implementing software.
3. The third hurdle is also exceptionally important. Every new initiative will face tough scrutiny when resources are constrained and there are many competing projects. New and unusual innovation projects will face even more scrutiny, so any idea management solution and process that neglects to support ideas through decision gates, supported by good business rationale and considering alternatives and investments strategies won't be successful.

### Other factors to consider

There are other factors you should consider—and a few factors that seem important, but can probably be ignored. These include cost, integration, and continuity.

#### Cost

One seemingly important factor is cost. From my experience,

I'd argue that the cost of idea management solutions is relatively unimportant. The major idea management software applications are relatively inexpensive compared to their potential return on investment, which can be a matter of a few months. Indeed, it is not surprising to see a quick 10× return in the first 90 to 180 days for many enterprises. Most are offered on a subscription model basis, so there's little initial outlay and the costs are low compared to the potential return.

#### Integration

One factor that should be important, but is sometimes overlooked, is the integration of the idea management software into the way people work. If the software lacks integration into the way people regularly work it will likely attract few consistent users, because it seems like a diversion. Further, if the software doesn't share data effectively with other commonly-used applications, then ideas and their supporting information will lack engagement. Lack of integration to core tools and applications becomes a stumbling block for adoption.

#### Continuity

Another factor to consider is continuity. Idea management solutions often become platforms for sporadic innovation events that lack engagement and continuity. When users don't regularly engage in innovation activities, they have less incentive to learn the idea management interface, and rarely visit the application unless they are in the middle of a campaign. When the application receives few, infrequent visits, ideas will not be enriched or incubated, and each visit will require a learning curve for the participants, creating less incentive to participate.

#### Conclusion

Which factors drive greater success when using idea management? Several we've discussed in this article include:

1. Teamwork based on easy access to ideas
2. Processes and mechanisms to enrich, incubate, evaluate, and prioritize ideas
3. Providing information to improve decision making and the implementation of ideas
4. Integrating the idea management solution in the tools and processes people are already familiar with

These factors will improve the use and adoption of idea management, and will enhance the value of ideas.

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Learn more about edison365 at [www.edison365.com](http://www.edison365.com)

# Woodford Reserve Case Study: Defending the Top Shelf

BY SCOTT STROPKAY, PARTNER, ESSENTIAL DESIGN  
RICHARD WATSON, PARTNER, ESSENTIAL DESIGN

## Challenge: Reinforce the market leadership of a modern classic bourbon.

Brown-Forman is an American-owned spirits company that now ranks among the top ten spirits companies in the world. Its portfolio of over 25 brands features Woodford Reserve, a super-premium, small-batch bourbon produced at the Woodford Reserve Distillery outside Lexington, Kentucky. When it launched in 1996, it defied the category conventions by choosing to build a modern classic brand from scratch, rather than draw on nostalgia-based authenticity.

Its neo-classic bourbon formulation and packaging found a huge audience in a category still experiencing sustained growth. Whiskey is a product typically presented backlit in dark rooms on glass shelves, where a bottle silhouette becomes part of the storytelling. And the iconic shape of the Woodford Reserve bottle helped build brand loyalty. Too beautiful to throw away, loyalists said in research, its design marked it for competitive threats. As brands began to copy its visual design language, Brown-Forman did what leaders do—it commissioned a project to reclaim the visual franchise of the original by affirming its expressive power and extending it to new Woodford Reserve offers.

## Approach: Distill the essence of the original design language. Then bottle it.

The original Woodford Reserve product, called Distiller's Select, began with a thin, flat, and tall flask-like shape, sometimes called a cowboy-style bottle, then exaggerated its proportions. Its extended neck, widened and rounded shoulders, and straightened sides came to define its modern character. Research confirmed that users considered these physical elements to be signature to the brand.

Essential refined and modernized these core Woodford Reserve visual elements and then developed a design language whose principles and design details became the canvas for trade dress and future offers in the portfolio. With these tools in place, the team moved on to develop a family of closely-related Woodford Reserve products. The new

bottle designs brought added rigor to the growth strategy for the franchise, while also strengthening protections for the language as a proprietary asset.

## Solution: Celebrate a signature design theme with compelling variations.

Woodford Reserve Distiller's Select, the much-beloved original product expression, was the first opportunity to apply the language. Its refined design showcases foundational elements of the original, modernizing them to a point beyond current category trends, and affirming the brand's role as the leader of the super-premium bourbon category.

The second expression, designed to emphasize the brand's craftsmanship, was more challenging. Called Woodford Reserve Double-Oaked, for its extended oak barrel aging process, the Essential design echoed the straight sides of the original but altered their proportions. Shortening the bottle's height, adding a solid glass base, and increasing its depth set it apart from the original and from other offers in the bourbon category. The shape also created a deeper view through the liquor, reinforcing the richer amber color imparted by its artisanal aging process.

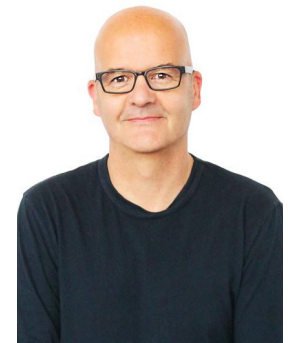
The third offer was a luxury pillar expression called the Woodford Reserve Baccarat Edition. Created for the super-premium bourbon category, the bottle accentuates the signature elements of the original bottle design by embodying them in highly-refined materials and finishes, including a bottle made from Baccarat crystal. With limited distribution and a \$1,500 price point, it is positioned primarily for collectors and the global travel retail channel where Woodford Reserve is the reigning super-premium category leader.

## Impact: The anchor brand in the global portfolio pulls its weight.

Brown-Forman is a great American success story that will celebrate its 150th anniversary in 2020. Over the past five years, it has enjoyed a 10 percent compound annual growth rate among its premium



Scott Stropkay  
Essential



Richard Watson  
Essential

and super-premium Whiskey and Tequila brands. This includes a banner year for Woodford Reserve in 2017, when the first bottle designs based on the new language debuted, and when the brand crossed the half-million case mark in US sales for the first time. “The ramp for the Woodford Reserve brand is huge,” according to new CEO Lawson Whiting. “It’s the next step in taking American whiskey to a global stage.”

Learn more about Essential Design at [essentialdesign.com](http://essentialdesign.com)

**“When Woodford Reserve first launched 20 years ago, we redefined the category with our complex yet balanced bourbon in a disruptive package. Through this redesign, Woodford Reserve continues to demonstrate its commitment to innovation in design evolution and overall leadership within the super-premium spirits category.”**

-Mark Bacon, Global Brand Director, Woodford Reserve



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