GIJS VAN WULFEN

CUSTOMERS ARE SCARY CLIFFS

A special excerpt from *The Innovation Expedition* exclusive to InnovationManagement.se. Written by Gijs van Wulfen, published by BIS Publishers.

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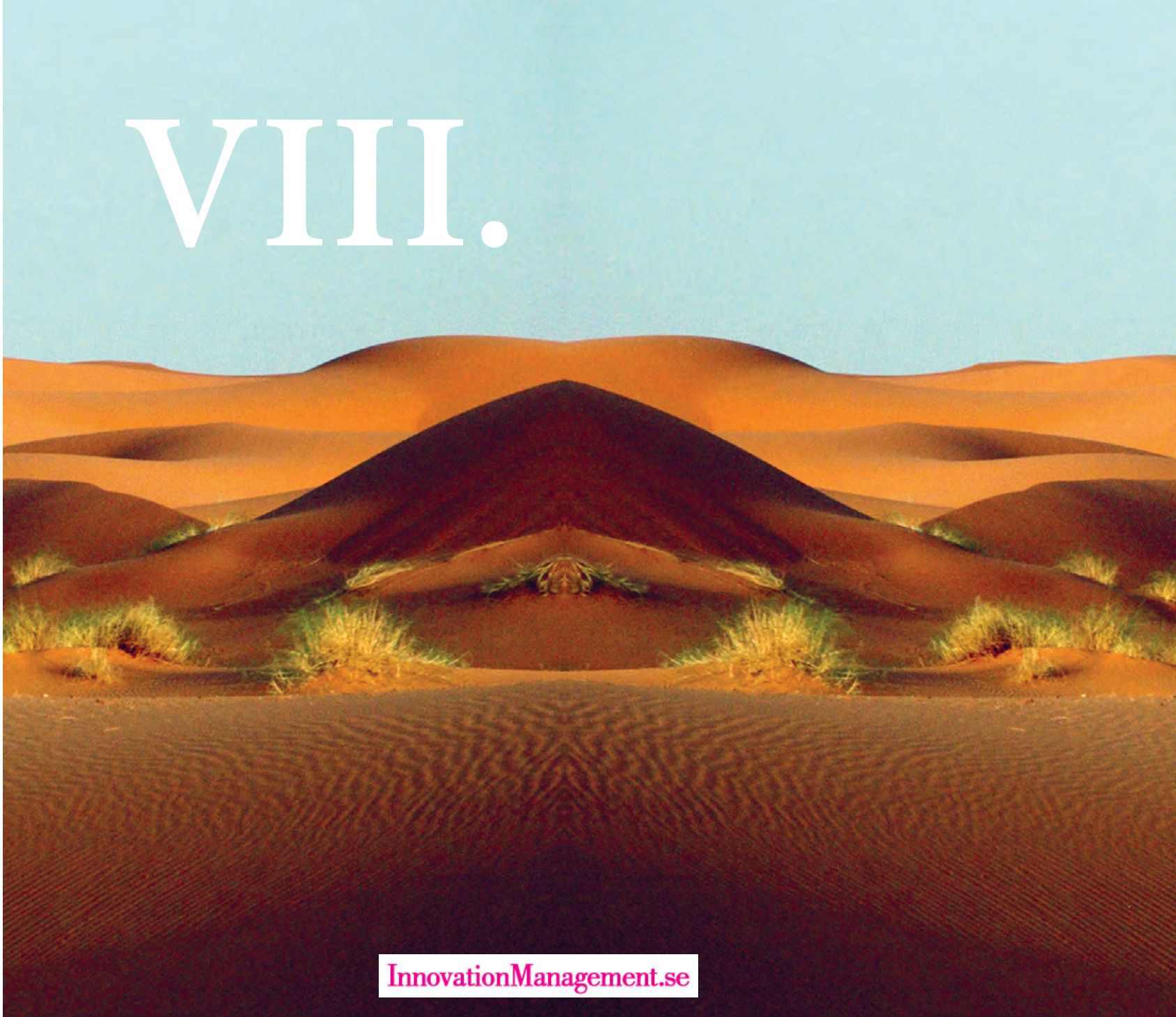
THE INNOVATION EXPEDITION

A VISUAL TOOLKIT TO START INNOVATION

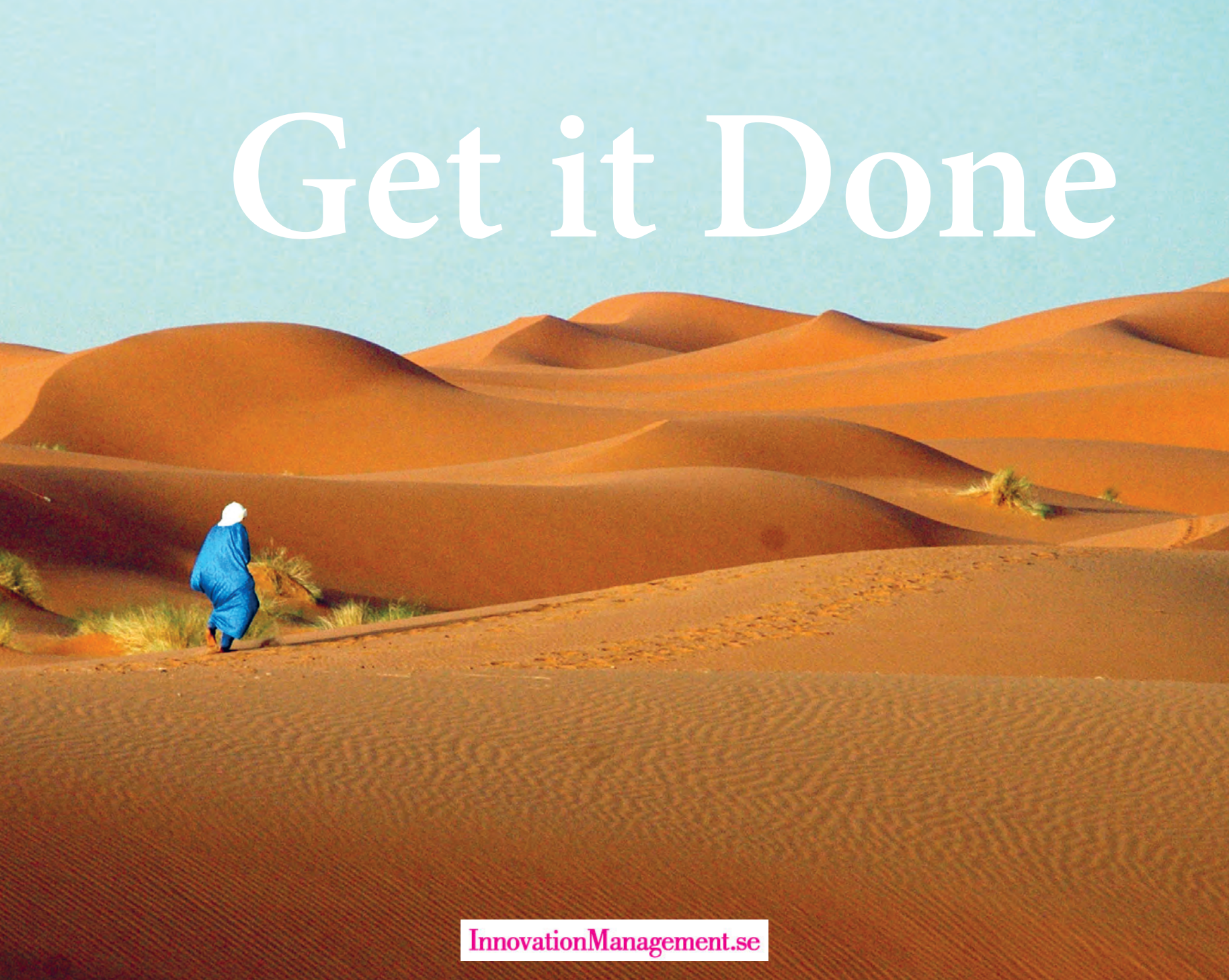
BUSY BUSY BUSY ESCAPE HARBOUR

OUR OWN BLIND SPOTS

VIII.



Get it Done



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Helpful Skills to Move Ideas into Reality

Many innovators use a phase-gated innovation process. It offers a blueprint for structuring the innovation process. A split is made between 'the fuzzy front-end' and 'the sticky back-end'. The lack of clarity in the beginning of the innovation process led to it being called the 'fuzzy front-end of innovation'. Innovation research (Cooper, 2005) reports that out of the seven new product ideas only one is successfully introduced on the market. What happened to the other six? They got stuck in the innovation delivery phase due to a lack of priority, lack of resources or because they seemed unfeasible.

So, the front-end is fuzzy and the back-end isn't very effective. Creating new products, services or business models is not easy. The fact that it is so hard is what I like about it. Learning from my 'front-end experience', I'd like to share with you three practical suggestions for the innovation delivery phase that I hope will inspire you. I call them the 3 Cs: Connect, Customer, Creativity.

Connect

Once an innovation project has passed the initial front-end gates, it becomes one of many. The big question is: how do you get your innovation project to stand out and draw the attention of the decision makers? I found a solution in the FORTH method. I have an extended team join the core project team. For the extended team I invite, on a personal basis, top decision makers from the business end of the company. The main purpose for this is to keep the members of the extended team fully aware of the progress made. And once they are made part of the team they will support the outcome. So, get top decision-makers connected to your project in the innovation delivery phase.

Customer

In innovation, the real struggle mainly lies within the organization. A lot of colleagues and managers spend their workday disagreeing on everything. In the FORTH innovation method we test twelve new product ideas among customers at the front-end. And in the last step, we focus on working out mini new business cases for the three to five most attractive concepts. We use the 'voice of the customer' to justify our choices. I suggest you continue to do the same thing at the back-end. Present your concept or prototypes to potential customers for their feedback on a regular basis. And use their enthusiasm to get higher priority and more resources internally. Use the voice of the customer!

Creativity
A lot of people associate the front-end with creativity and the back-end with structured project management. We're passed that. The front-end in the FORTH method is highly structured. And at the back-end you need more than regular project management to deliver an innovation project. Even though the soul of the innovative concept may have been created at the front-end, you'll still need to stay flexible and creative throughout the process. More than ever, you'll need professional brainstorming tools and creativity to deal with complex feasibility issues.

To help you deliver your innovation, make sure you continue using front-end ideation skills during the back-end. This will make you a much more professional innovator.

New Rules for Realizing New Ideas

Once you've got the green light from your boss, your innovation board or financer, it's once again up to you to deliver the concept you've promised them. Depending on the nature of your new concept, in the next step you will deliver a prototype, a full business case or interested business or technology partners who will join the product development team.

Naturally, you will make a delivery plan. Working at one of the large corporations you will be obliged to follow some form of project management method, like PRojects IN Controlled Environments (PRINCE). It covers the management, control and organization of a project. It tells you what you have to do to manage your projects from start to finish. It describes in-depth every step in the project life cycle, so you know exactly which tasks to complete, when and how.

The assumption is that by applying control you will reach the planned goal on time, within budget and scope. Unfortunately, you can't really call innovation a 'controlled environment'. That's why traditional project management, which puts its emphasis on heavy up-front planning, has a difficult match with innovation projects in a world which is moving faster and faster.

I hope I can provoke you into rethinking your regular approach for innovation delivery with these 11 'rules' of extreme project management[1]:

Rule 1: The management of creative people and processes calls for creative management processes.
Rule 2: The less the project manager knows about the technical issues of the project, the better.
Rule 3: What happens after the project is over is more important than what happens during the project.
Rule 4: A project plan developed without full participation of stakeholders is nothing more than one person's fantasy.
Rule 5: The more time the project manager spends with the stakeholders, the better.
Rule 6: If you haven't defined project success at the start, you'll never achieve it at the end.
Rule 7: Show them the money – nothing else matters.
Rule 8: Your project stakeholders can be your best allies or your worst enemies – you decide.
Rule 9: If you can't predict the future, don't plan it in detail.
Rule 10: If your project has not changed, be afraid – be very afraid.
Rule 11: In e-projects, a day is a lot of time.

I hope when you read this, your mind will be open to an extreme change in some of your 'regular procedures' for realizing your innovative concepts.

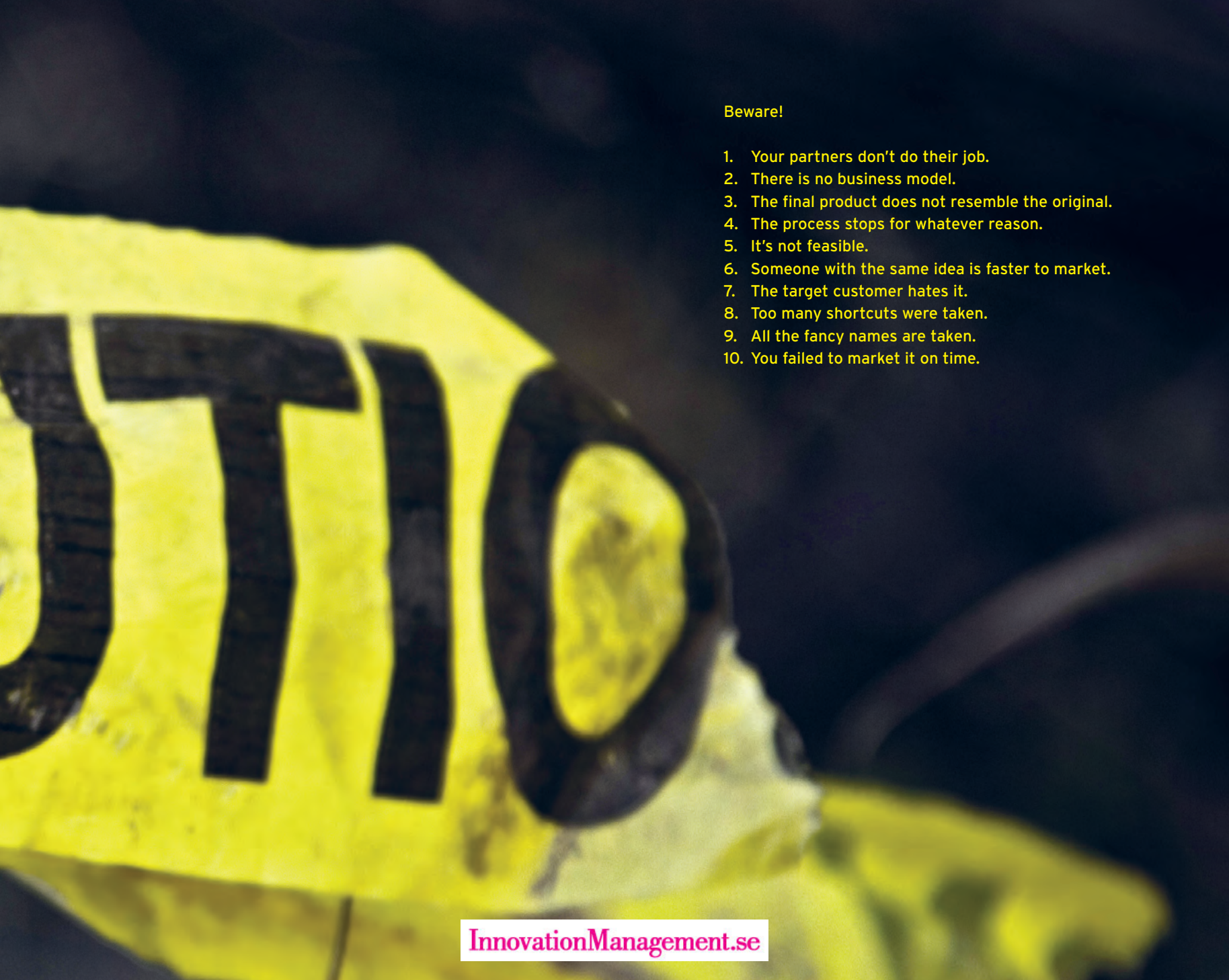
1. Catrine M. Jakobsen, XPM - From Idea to Realization, Synopsis, December, 2001.

Ashleigh Brilliant, author:

Good ideas What's uncommon who'll work hard

are common.
are people
enough to bring
them about.

10 PITFALLS REALIZING IDEAS



Beware!

1. Your partners don't do their job.
2. There is no business model.
3. The final product does not resemble the original.
4. The process stops for whatever reason.
5. It's not feasible.
6. Someone with the same idea is faster to market.
7. The target customer hates it.
8. Too many shortcuts were taken.
9. All the fancy names are taken.
10. You failed to market it on time.

Take Ideas to Market Faster

Shomila Malik is the Head of Enterprise Lab at Telefonica O2 UK. She has over 14 years experience in conception and delivery of creative mobile services for IBM, FT and Telefonica O2, blending business, technology, and innovation management. Rapid and collaborative innovation is her focus. The telecommunications landscape has changed. Telco providers are able to try out betas and iterate fast, even fail and be accepted.

The regular product development process is suited to traditional products. In this model, it's difficult to stop half way and change your mind – too much time, effort and cost have already been spent – even with agile development processes. For the telecommunications world, it means that every product adheres to the 'telco grade' but this whole process takes months and months. It has many dependencies – especially the suppliers who are usually other large companies with similar processes. It quickly gets complex and very difficult. Trying to innovate in this process is a challenge – too much room for distraction and too many stakeholders. A few companies succeed when they are ruthlessly focused on a product.

The Enterprise Lab is a division of the Lab at O2, which is a team that develops beta products to go to market faster. Started in January 2011, it operates in the UK – close to the market. It allows people outside O2 to try beta products, Consumer and Enterprise, under their own lab brand. Successful betas move to an industrialization path outside the lab. The management is very light. The team is about 40 people, mostly developers and there are four managers. The role of the managers involves selecting projects to work on, allocating resource to projects, working with other areas of the business to maintain good relationships with stakeholders, manage budgets, coaching and setting product strategy and goals.

The objectives are tied to those of the business but have specific targets for the lab – some objectives are based on product success and some are around people. There is a high degree of autonomy for the lab – they are able to set their own objectives and strategy. A steering committee is in place, which meets once a quarter to give feedback on their direction – it is made up of a small number of directors. The idea is that the steering committee acts as venture capitalists and the Lab tries to operate as a startup as much as possible. The O2 Enterprise Lab has focus on openness: open at the front end and in execution, open APIs, open source, and beta testing. Openness is also necessary as they let others bring the product through industrialization.

"O2 Connect": developing VoIP on mobile in four months

"In the UK, mobile coverage is not so good at home and at the office: a lot of users are going to Skype and Viber, accessing their phone over wifi in VoIP technology. Skype owns phone numbers, so you can even get called on your own phone number. We decided to explore the opportunity of competing with our own VoIP service.

We sought a specialist partner (on VoIP) because we wanted something high quality that was different – we knew we could produce something better with a niche provider rather than a large supplier who would provide the same for all telecommunications companies. We wanted

a partner who was as motivated as us – and would challenge our own thinking. By working with a small, focused partner, we could cut out dependencies, distractions and shorten the time to market. We set-up an "open innovation" collaboration with start-up Voxygen, a technology company, specialized in designing innovative communications products. Sharing product definition, leveraging on Voxygen's know-how to create open source components and acting with a similar culture, led us to great collaboration and faster development."

"O2 Connect" was delivered in four months, integrated with our network, and launched in October 2011. It won the 'highly commended' award for best new VOIP service.

"The key success factor was autonomy for the team and high level support. One of the key factors to be able to work fast is to reduce the number of decision makers so we worked in a small team and made key decisions ourselves."

Source: Taken from Nicolas Bry's interview (nbry.wordpress.com) with Shomila Malik. www.innovationexcellence.com/blog/2012/09/10/take-ideas-faster-to-market-by-shomila-malik-head-of-02-enterprise-lab/.

THE IDEA IS READY.

WHAT'S NEXT...

Specify
Execute
Design
Develop
Deploy
Implement
Prepare
Change
Communicate
Calculate
Present
Create
Structure
Make
Explicate
Alter
Assemble
Try
Prototype
Build
Research
Produce
Test
Modify
Introduce

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