

ACCELERATE YOUR CAREER



FAST TRACK TO SUCCESS

INNOVATION

ANDY BRUCE & DAVID BIRCHALL

PRAISE FOR INNOVATION FAST TRACK

“ *Innovation is rapidly becoming the critical success factor of the twenty-first century. To survive and thrive in the modern business environment requires companies to think differently, to implement breakthrough ideas with rigor and to stand out from their competition – in short, to innovate. Innovation Fast Track provides the necessary insights, challenge and solutions to:*

- *identify critical gaps in your current innovation performance*
- *implement an integrated approach to innovation from ideas to implementation, and*
- *develop the leadership skills you need to succeed in this key role.*

”

Lindsay Brook, HR Director, Nokia

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ANDY BRUCE AND DAVID BIRCHALL

Vice President, Publisher: Tim Moore
Associate Publisher and Director of Marketing: Amy Neidlinger
Operations Specialist: Jodi Kemper
Acquisitions Editor: Megan Graue
Cover Designer: Sandra Schroeder
Managing Editor: Kristy Hart
Project Editor: Jovana San Nicolas-Shirley
Proofreader: Debbie Williams
Compositor: Tricia Bronkella
Manufacturing Buyer: Dan Uhrig

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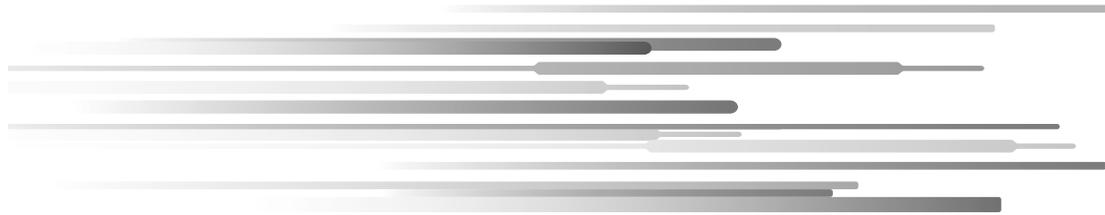
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THE FAST TRACK WAY

*Everything you need to accelerate
your career*

The best way to fast track your career as a manager is to fast track the contribution you and your team make to your organization and for your team to be successful in as public a way as possible. That's what the Fast Track series is about. The Fast Track manager delivers against performance expectations, is personally highly effective and efficient, develops the full potential of their team, is recognized as a key opinion leader in the business, and ultimately progresses up the organization ahead of their peers.

You will benefit from the books in the Fast Track series whether you are an ambitious first-time team leader or a more experienced manager who is keen to develop further over the next few years. You may be a specialist aiming to master every aspect of your chosen discipline or function, or simply be trying to broaden your awareness of other key management disciplines and skills. In either case, you will have the motivation to critically review yourself and your team using the tools and techniques presented in this book, as well as the time to stop, think and act on areas you identify for improvement.

Do you know what you need to know and do to make a real difference to your performance at work, your contribution to your company and your blossoming career? For most of us, the honest answer is 'Not really, no.' It's not surprising then that most of us never reach our full potential. The innovative Fast Track series gives you exactly what you need to speed up your progress and become a high performance

manager in all the areas of the business that matter. Fast Track is not just another 'How to' series. Books on selling tell you how to win sales but not how to move from salesperson to sales manager. Project management software enables you to plan detailed tasks but doesn't improve the quality of your project management thinking and business performance. A marketing book tells you about the principles of marketing but not how to lead a team of marketers. It's not enough.

Specially designed features in the Fast Track books will help you to see what you need to know and to develop the skills you need to be successful. They give you:

- the information required for you to shine in your chosen function or skill – particularly in the Fast Track top ten;
- practical advice in the form of Quick Tips and answers to FAQs from people who have been there before you and succeeded;
- state of the art best practice as explained by today's academics and industry experts in specially written Expert Voices;
- case stories and examples of what works and, perhaps more importantly, what doesn't work;
- comprehensive tools for accelerating the effectiveness and performance of your team;
- a framework that helps you to develop your career as well as produce terrific results.

Fast Track is a resource of business thinking, approaches and techniques presented in a variety of ways – in short, a complete performance support environment. It enables managers to build careers from their first tentative steps into management all the way up to becoming a business director – accelerating the performance of their team and their career. When you use the Fast Track approach with your team it provides a common business language and structure, based on best business practice. You will benefit from the book whether or not others in the organization adopt the same practices; indeed if they don't, it will give you an edge over them. Each Fast Track book blends hard practical advice from expert practitioners with insights and the latest thinking from experts from leading business schools.

The Fast Track approach will be valuable to team leaders and managers from all industry sectors and functional areas. It is for ambitious people who have already acquired some team leadership skills and have realized just how much more there is to know.

If you want to progress further you will be directed toward additional learning and development resources via an interactive Fast Track website, www.Fast-Track-Me.com. For many, these books therefore become the first step in a journey of continuous development. So, the Fast Track approach gives you everything you need to accelerate your career, offering you the opportunity to develop your knowledge and skills, improve your team's performance, benefit your organization's progress toward its aims and light the fuse under your true career potential.

ABOUT THE AUTHORS

ANDY BRUCE is widely acclaimed as an authority in innovation management – covering the creative and innovation process from ideas to implementation. He has worked with corporate and public sector clients over the last 15 years to help improve performance and profitability through the introduction of what he refers to as an integrated innovation framework.

In the late 1990s, Andy founded two companies specializing in innovation and project management. The first, SofTools,¹ develops web-based applications to enable management visibility, control and confidence over their pipeline of new ideas and their portfolio of implementation projects. The second, Project Leaders International,² provides consulting and training services to assist the adoption of innovation and project management best practices.

Andy previously worked as a management consultant, focusing on the design and implementation of organizational change. Clients included corporates such as EDS, Nokia and Coca-Cola, as well as UK public service organizations such as the Department for Work and Pensions, the Ministry of Defence, Trust hospitals and even political parties.

Before working as a consultant, he served a short service commission with the Army, (Royal Electrical and Mechanical Engineers) and worked in a variety of engineering and commercial roles for a manufacturer of computer-driven production machinery – his last two years as a company director working on market research projects in Australia.

Andy gained a BSc at Southampton University in 1981 and an MBA at the Australian Graduate School of Management in 1990. He is also currently Programme Director of the International Business Accelerator programme at Henley Business School.

¹SofTools: www.SofTools.net

²Project Leaders International: www.Project-Leaders.net

He has written a total of eight business books, including the best-selling *Strategic Thinking* and *Project Management* titles in the Dorling Kindersley Essential Manager series.

Andy Bruce, SofTools,
Greenlands, Henley-on-Thames, Oxfordshire, RG9 3AU, UK

E Andy.Bruce@SofTools.net

T 00 44 (0) 1491 412 400

W www.SofTools.net

DAVID BIRCHALL is a Professor at Henley Business School and has developed innovative management programs, and researched and advised organizations on innovation performance. He has worked on projects in many European countries and spoken extensively at conferences in the United States and Asia. With George Tovstiga, David co-authored *Capabilities for Strategic Advantage: Leading Through Technological Innovation*. His current research focuses on capabilities in business building.

E David.Birchall@henley.reading.ac.uk

A WORD OF THANKS FROM THE AUTHORS

We would like to thank the following for their generous contributions to this book.

- **Liz Gooster, Pearson.** There are many exciting new ideas in the publishing world at present, but without an enthusiastic champion, most will simply die a slow death. Liz had the confidence to commission the Fast Track series and associated web-tool on behalf of the Pearson Group at a time when other publishers were cutting back on non-core activities. She has remained committed to its success – providing direction, challenge and encouragement as and when required.
- **Ken Langdon.** As well as being a leading author in his own right, Ken has worked with all the Fast Track authors to bring a degree of rigor and consistency to the series. As each book has developed, he has been a driving force behind the scenes, pulling the detailed content for each title together in the background – working with an equal measure of enthusiasm and patience!
- **Mollie Dickenson.** Mollie has a background in publishing and works as a research manager at Henley Business School, and has been a supporter of the project from its inception. She has provided constant encouragement and challenge, and is, as always, an absolute delight to work with.
- **Critical readers.** As the Fast Track series evolved, it was vital that we received constant challenge and input from other experts and from critical readers.
- **Professor David Birchall.** David has worked to identify and source Expert Voice contributions from international academic and business experts in each Fast Track title. David is co-author of the Fast Track *Innovation* book and a leading academic

author in his own right, and has spent much of the last 20 years heading up the research program at Henley Business School – one of the world's top ten business schools.

Our expert team

Last but not least, we are grateful for the contributions made by experts from around the world in each of the Fast Track titles.

<i>EXPERT</i>	<i>TOPIC</i>	<i>BUSINESS SCHOOL/ COMPANY</i>
Professor Ben Dankbaar	Designing innovative organizations (p. 14)	Nijmegen School of Management (NSM), The Netherlands
Professor Julian Birkinshaw	Building a better organization (p. 25)	London Business School
Professor George Tovstiga	Capturing return on innovation – the learning bit (p. 58)	Henley Business School, University of Reading
Professor Klas Eric Soderquist	Open innovation (p. 76)	Athens University of Economics and Business, Greece
Professor David Birchall	Innovation in services (p. 90)	Henley Business School, University of Reading
Professor Ben Dankbaar	Global sourcing and innovation (p. 112)	Nijmegen School of Management (NSM), The Netherlands
Dr. Rebecca Stelarios	The sourcing of new knowledge for strategy making – tapping into the best brains (p. 135)	Engineering and Physical Sciences Research Council, Swindon
Associate Professor Josiena Gotzsch	Innovation through design (p. 152)	Grenoble Ecole de Management, France

INNOVATION FAST TRACK

Innovation is probably the hottest topic of today, but why? Most industries are now highly competitive, with better-informed customers expecting 'more, faster, cheaper and better' all at the same time. Few companies can compete purely on price and so most now have to differentiate to survive, and to differentiate you must innovate.

Innovation may be the hottest topic in business today, but while everybody talks about it and agrees that it is important, there is no one general roadmap to success. So how do you turn innovation from a marketing concept into something tangible with an impact on the bottom line? There is of course no simple answer, and to succeed a different way of thinking and working is required – one that combines analytic and creative thinking and that focuses as much on implementation as it does on ideation.

Practical innovation is therefore a key concern for many businesses. Increasing global competition over the last five years has brought growing pressures. Western businesses can't make their products cheaper than the so-called BRICK countries (Brazil, Russia, India, China and Korea), so what can they do to differentiate themselves from the flood of companies targeting their markets from overseas? The developing countries are hungry, eager and Internet-enabled and pose a major threat, but these expanding markets also present many opportunities for expansion for companies willing to think differently and innovate. Companies in every country and all industry sectors must innovate to survive, let alone thrive.

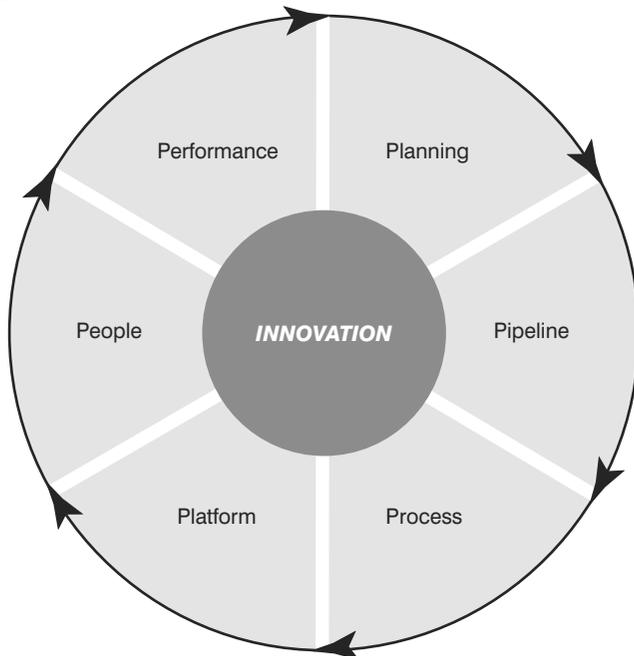
But for innovation to be more than a buzzword it has to be deeply embedded into a business's structure. It was experiences with small entrepreneurial businesses and large corporates, including Nokia and Coca-Cola, that led us to develop a model for integrated innovation management. While these market leaders are not necessarily seen as

the most creative companies, both Nokia and Coca-Cola have taken a sustainable approach to innovation involving every member of staff actively seeking out new opportunities and new and better ways of doing things.

As you seek to implement your approach to innovation, one caveat is important: don't expect every attempt at innovation to succeed. Most of the top global companies have had notable failures – think of Coca-Cola and their UK launch of Dasani, or Dyson's attempt to move into washing machines. They're not necessarily failures of innovation. Nine times out of ten, the reason innovation ideas fail is because those involved haven't thought through the potential pitfalls and 'what could go wrong.' Often the likely reasons for the failure aren't difficult to spot – a consumer focus group could do it – but, historically, the people in charge of innovation are enthusiastic positive thinkers and don't want to look at the negative side.

We are going to talk about the **six Ps** that companies that innovate successfully tend to get right: planning, pipeline, process, platform, people and performance (see figure). All are elements of an integrated framework – like a chain, it's only as strong as the weakest link.

Taking the six Ps in order, **planning** reflects the fact that innovation



needs to start with strategy. Over the next few years, what are the high-growth or high-revenue areas the CEO wants the company to focus on? What success factors will you need to consider when planning something new? For a fizzy drinks supplier, for example, an obvious strategic driver would be the trend toward health drinks. Planning, therefore, provides a context or focus for innovation activities, enabling ideas to be generated that address critical business issues.

It isn't, of course, enough just to have an idea. A **pipeline** reflects the fact that ideas must be captured, organized, screened, prioritized and managed. Unfortunately this is often determined by who shouts the loudest or which senior manager has a pet idea. That's not how you want to choose. Without a structured pipeline, people become disillusioned as they watch the organization follow the wrong ideas.

Process is about managing creative ideas through to implementation – what is often called project management in other areas of business. Everybody likes to have a good idea, but somebody has to take it from the generic concept through to successful implementation. This includes everything from assessing the idea's feasibility and creating a detailed business case, to developing, piloting and implementing it – and, after rollout, helping to feed back good experience into further future ideas or lessons on how not to do it.

Platform refers to web-based software that tracks an idea from its time in the pipeline to assessing its value post-implementation. It is not just a task and resource-planning tool; it gives senior managers visibility, control and confidence over the entire innovation portfolio. The software also ensures that all teams follow a common approach based on best practice, and provides the status reports needed at the regular review meetings.

An effective innovation framework also needs the commitment of key stakeholders: **people**. Senior managers need to be open to new ideas, as innovation thrives only in a supportive culture. There needs to be a champion who drives every idea through to completion, and an executive sponsor who allocates the necessary budget, time and resources, and motivates the team. And at all levels of the organization people are effectively the eyes and ears of the business, constantly scanning for market trends and competitor activity.

We like to cite Nokia as a leader in the area of innovation. Mike Butler, then Managing Director of the Nokia UK Product Creation Centre, set only two ground rules for the 18 people who took part in an innovation workshop: 'No ideas around time travel or teletransportation – have fun!'. He then walked out leaving the team to get on with it. Out of that initial workshop came ideas that now, ten years later, are helping convert Nokia from simple mobile handsets to complex lifestyle communications devices (see the Case Story on p. 6). Current new services such as making credit card payments via mobile phones and downloading music or games on to phones were ideas on the table in that workshop ten years ago.

Performance, the final P, drives all of this. The critical success factor for integrating and introducing innovation is how you monitor performance – defining the key innovation performance indicators, agreeing who sits in the monthly review meeting and focusing the agenda on innovation. Too often, today's managers are too fixated by the company's profit and loss statements, the information that impresses actual or prospective shareholders. But financial reports tend to focus on past performance, which we liken to trying to drive a car by looking in the rear-view mirror. While keeping an eye on the current financials is important, future success depends on getting your plan for innovation right and implementing it effectively in order to keep your organization that one step ahead.

Innovation needs champions, people who will drive through the problems and setbacks, convince skeptics of the need to do new things and make a good idea produce results. Perhaps you are that champion: perhaps just for your team or division of the company, or perhaps for the entire organization as the Chief Innovation Officer. If so you have an exciting time ahead. Remember, once a great idea is recorded it can never die; but there's a lot to get right before you can be sure that it will fly: so let's get on with it.

HOW TO USE THIS BOOK

Fast Track books present a collection of the latest tools, techniques and advice to help build your team and your career. Use this table to plan your route through the book.

PART	OVERVIEW
<i>About the authors</i>	A brief overview of the authors, their background and their contact details
A Awareness	<i>This first part gives you an opportunity to gain a quick overview of the topic and to reflect on your current effectiveness</i>
1 Innovation in a nutshell	A brief overview of innovation and a series of frequently asked questions to bring you up to speed quickly
2 Innovation audit	Simple checklists to help identify strengths and weaknesses in your team and your capabilities
B Business Fast Track	<i>Part B provides tools and techniques that may form part of the innovation framework for you and your team</i>
3 Fast Track top ten	Ten tools and techniques used to help you implement a sustainable approach to innovation based on the latest best practice
4 Technologies	A review of the latest information technologies used to improve effectiveness and efficiency of innovation activities
5 Implementing change	A detailed checklist to identify gaps and to plan the changes necessary to implement your innovation framework
C Career Fast Track	<i>Part C focuses on you, your leadership qualities and what it takes to get to the top</i>
6 The first ten weeks	Recommended activities when starting a new role in innovation, together with a checklist of useful facts to know
7 Leading the team	Managing change, building your team and deciding your leadership style
8 Getting to the top	Becoming an innovation professional, getting promoted and becoming a director – what does it take?
D Director's toolkit	<i>The final part provides more advanced tools and techniques based on industry best practice</i>
<i>Toolkit</i>	Advanced tools and techniques used by senior managers
<i>Glossary</i>	Glossary of terms

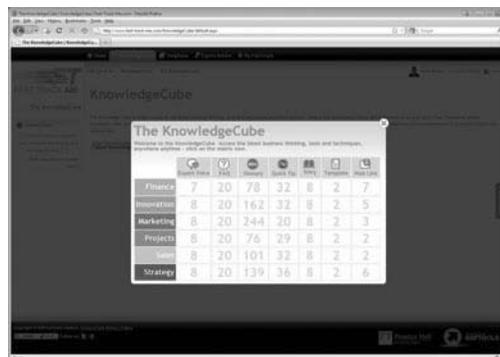
FAST-TRACK-ME.COM

Before reading this book, why not start by visiting our companion website www.Fast-Track-Me.com? This is a custom-designed, highly interactive online resource that addresses the needs of the busy manager by providing access to ideas and methods that will improve individual and team performance quickly, and develop both your skills and your career.

As well as giving you access to cutting-edge business knowledge across a range of key topics – including the subject of this book – **Fast-Track-Me.com** will enable you to stop and think about what you want to achieve in your chosen career and where you want to take your team. By doing this, it will provide a context for reading and give you extra information and access to a range of interactive features.

The site in general is packed with valuable features, such as:

- **The Knowledge Cube.** The K-Cube is a two-dimensional matrix presenting Fast Track features from all topics in a consistent and easy-to-use way – providing ideas, tools and techniques in a single place, anytime, anywhere. This is a great way to delve in and out of business topics quickly.



- **The Online Coach.** The Online Coach is a toolkit of fully interactive business templates in MS Word format that allow Fast-Track-Me.com users to explore specific business methods (strategy, ideas, projects etc.) and learn from concepts, case examples and other resources according to your preferred learning style.
- **Business Glossary.** The Fast Track Business Glossary provides a comprehensive list of key words associated with each title in the Fast Track series together with a plain English definition – helping you to cut through business jargon.

To access even more features, carry out self-diagnostic tests and develop your own personal profile, simply log-in and register – then click on My FastTrack to get started! Give yourself the Fast Track HealthCheck now.

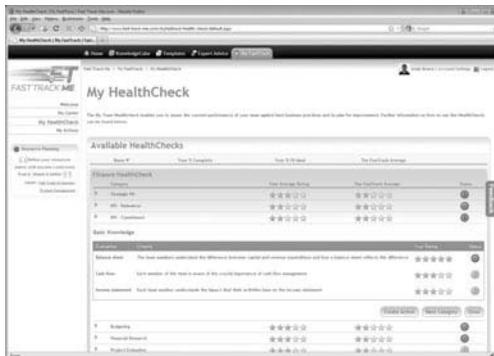
My FastTrack

These are the different areas you'll discover in the My FastTrack area.

My HealthCheck

How effective is your team compared with industry 'best practices?' Find out using a simple Red, Amber, Green (RAG) scale.

After identifying areas of concern, you can plan for their resolution using a personal 'Get2Green' action plan.



My Get2Green Actions

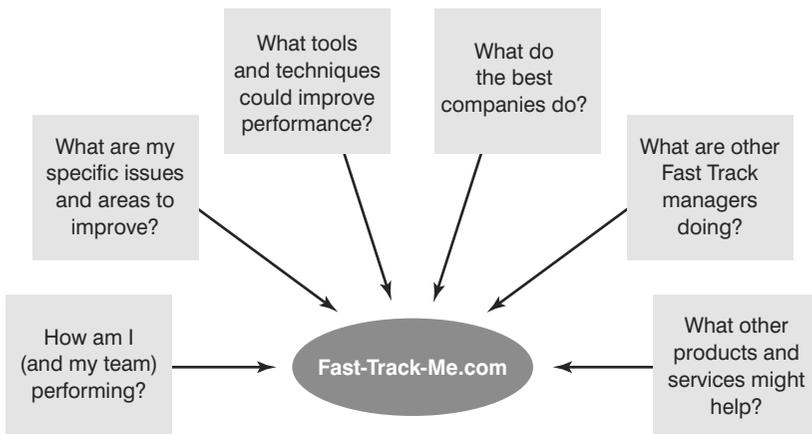
What are the specific actions you and your team will implement in order to 'Get2Green' and improve performance? Log, prioritize and monitor your action points in the My Get2Green Action Plan area to help you plan for future success – fast.



My Career

Reflect on your current role and plan your future career – how prepared are you for future success?

Fast-Track-Me.com provides the busy manager with access to the latest thinking, techniques and tools at their fingertips. It can also help answer some of the vital questions managers are asking themselves today.



Don't get left behind: log on to www.Fast-Track-Me.com now to get your career on the fast track.

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PART

A

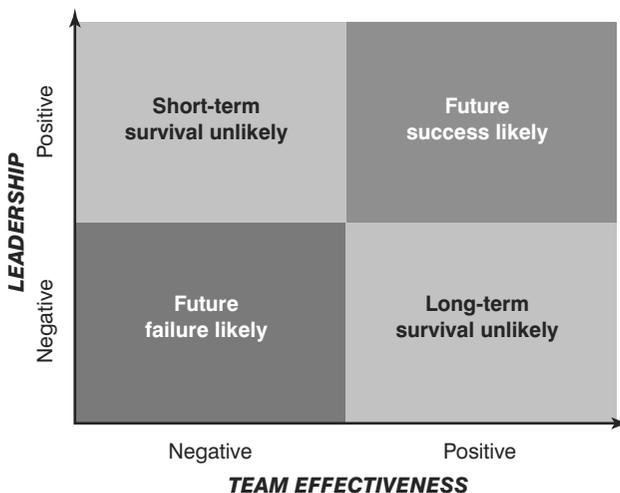
AWARENESS

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This book introduces a sustainable approach to innovation aimed at keeping you, your team and your organization at the forefront of the process, thus contributing toward the future of all three. The starting point is to gain a quick understanding of what innovation is and what it is not, and to be aware of your own and your team's capabilities in this area right now. For this reason we will ask you a number of questions that will reveal where you and your team need to improve if you are truly to have a culture of and meet the aims of innovation – an exciting product set for your customers and business processes that will put your service to customers among the leaders in your industry.

“Know yourself” was the motto above the doorway of the Oracle at Delphi and is a wise thought. It means that you must do an open and honest self-audit as you start on the process of setting up your framework for innovation.

The stakes are high. Innovation is at the heart of success in this global, competitive marketplace. Your team, therefore, need to be effective innovators and you need to be a good leader in innovation. Poor leadership and poor team effectiveness will make failure likely. An effective team poorly led will sap the team's energy and lead in the long term to failure through their leaving for a better environment or becoming less effective through lack of motivation. Leading an ineffective team well does not prevent the obvious conclusion that an ineffective team will not thrive. So, looking at the figure below, how do you make sure that you and your team are in the top right-hand box – an innovative and effective team with an excellent leader? That's what this book is about, and this section shows you how to discover your and your team's starting point.



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INNOVATION IN A NUTSHELL

Starting with the basics

Just what is innovation?

Some people think that innovation is simply the generation of new ideas, but we would refer to this as creativity. New ideas are worth nothing if no one takes those ideas forward and puts them into practice. When people implement new ideas we can call that innovation. Innovation in business terms then becomes “the commercial exploitation of ideas.” So you and your team not only need to generate ideas that will improve your performance but also have to do something about them. This can be very difficult, particularly if the new idea steps on the toes of some of the beliefs and processes of the organization that have been in place for a long time.

So to truly become an innovative team you have to effectively combine the phase when you generate creative ideas, thinking outside the box if you like, with a structured and rational screening and implementation process so that a successful change will bring improved results.

Why is it so important?

Innovation is not a new concept but it is certainly getting a lot of attention in the current business landscape, so we have to ask ourselves – why?

Fifteen years ago, organizations could survive on the basis of a good product if it was kept up to date with tweaks and changes to maintain

competitiveness and give opportunities for marketing relaunches, the so-called mid-life kicker.



CASE STORY NOKIA PRODUCT CREATION, MIKE'S STORY

Narrator Mike led the development of Nokia's new mobile phone products for the Japanese and American markets at a time when the company was driving for global leadership.

Context In the late 1990s Nokia was the number-three mobile phone business in the world with aspirations of leapfrogging Motorola and Ericsson to become global leader. It had grown quickly on the back of a rapidly expanding technology-driven market.

Issue However, the future of the telecoms industry would be driven less by technology than by lifestyle in the coming years. Functions would remain important, but brand and user experience would have an increasing impact on purchasing choices. Furthermore, technologies were merging and global partnerships with other product and technology providers would be required. This changed competitive landscape required a new approach and a different way of thinking.

Solution Mike decided to initiate a series of cross-functional innovation workshops where he wanted to encourage people to think differently. He introduced the first event simply by setting a couple of boundaries, "I don't want you to consider tele-transportation or time-travel – have fun!", at which point he walked out.

Learning This short but motivational speech set the culture perfectly, and two days later the team had generated 120 ideas, of which they would take the top 20 further over the coming months. This new process and mindset helped Nokia achieve its goal of global leadership within a three-year period.

Over the last 15 years, however, three major trends have emerged:

- 1 Maintaining competitiveness has become a relentless drive toward improved efficiency and effectiveness.** Just think of the things that cost relatively or even actually less than they did 15 years ago: clothes, electronic goods, toys... and we could go on. And the consumer is getting a better product with better after-sales service. The drive therefore to improve service and

reduce costs has led to changes in how organizations go about their tasks. Project management is becoming a core business tool – so that companies can deliver what they say they are going to deliver, on time and within budget. Most organizations are experimenting with and applying continuous improvement techniques such as total quality management, Six Sigma, lean, theory of constraints and so on.

- 2 Companies face increasing expectations from their customers and consumers.** Customers have gotten used to continuous improvement in what the business world offers them. They are better informed about possibilities because of access to information – in part fueled by the Internet, which offers opportunities for product/price comparisons that were impossible in the days when the only way you could get that information was from biased advertisements and walking around the stores. Put simply, customers want more for less, and they want it faster. They won't accept mediocrity because if we can't deliver, someone else will.
- 3 Globalization: no matter how big or small you are, you are now competing in a global market.** The corner shop, struggling with higher prices because it lacks the buying muscle of the big boys, is now also competing head to head with sellers on Amazon, and with a national retailer offering home-delivery.

Gary Hamel¹ summed this up as: “Those that live by the sword will be shot by those that don't!” Our summary is that if you can't compete on the basis of price you have to differentiate – and to differentiate, you have to innovate!



QUICK TIP BUSINESS ENVIRONMENT

Constant monitoring of your business environment will help to identify significant ideas for change (opportunities and threats). Look for trends and ask, “So what? How will this impact me or my team?”

¹ Hamel, Gary (2002), *Leading the Revolution*, Boston MA: Harvard Business School Press.

So why is it difficult – what typically goes wrong?

So, recognizing how important innovation is to the future success of a company, let's start by looking at what can go wrong. This should make you think about particular areas in your business or team where one or more of these problems occur and focus your attention on fixing them.

- 1 The team leader, founder or chief executive is not open to ideas.** This can have a very negative impact on the team in two ways. Firstly, it can stifle creative thought; after all if the boss isn't open to new ideas then what is the point of coming up with any? Secondly, even if plenty of new ideas are identified, a reluctance to share them with others means that they will simply not go anywhere.
- 2 There are too many “sacred cows.”** Even when the senior team are enthusiastic about innovation in general, there are often specific areas where discussion is curtailed. These might relate to personal hobbyhorses, areas where someone has had a bad experience previously, something that is too complicated for a key person to get their head around or even a perceived personal threat to a person's position or standing in the business. Ideas are met with sweeping statements (“We don't sell in Europe”; “We are not in frozen produce”) that curtail discussions in areas that may in fact be critical to future success.



QUICK TIP CHANGED AGENDA

Put innovation on the agenda at your regular team meetings and stimulate group discussion by asking questions that challenge current thinking.

- 3 Nobody cares – there is no perception of the need for innovation or a reward mechanism for the innovators.** Even if the chairman's statement in the annual report talks about the importance of innovation, unless this is translated into tangible actions that reflect day-to-day activities, and unless people are rewarded for great ideas, then people on the whole won't bother. It is not

that they don't care; it is just that most people are too busy dealing with other priorities. Lack of innovation stores up problems for the future because you're too busy dealing with the pressing problems of today.

4 There is no guidance on the boundaries to innovative ideas.

This decreases confidence. While the idea of setting boundaries for any creativity session is counterintuitive (we're supposed to be creative, aren't we?), without boundaries two things are likely to happen. The first is that the ideas are less likely to be aligned to current business goals, and will therefore probably not happen – this can be very demotivating to the person with the idea. Secondly, participants don't tend to take it so seriously if there is no clear focus point or context – rather like turning up to a meeting where there is no agenda.

5 There is no structure or method – so the wrong ideas are generated or prioritized.

Brainstorming alone is rarely sufficient to generate the right creative ideas. Innovation workshops need to have a clear purpose and structured agenda. By all means include creativity tools and techniques, but use them within a broader innovation process that impacts how all teams within the company operate all the time. The lack of a clear process for taking ideas from concept to completion will lower the overall probability of success.

6 Logistics get in the way – poor facilities, equipment or an inexperienced facilitator.

Imagine locking a team of five people in a small room with grey walls and no external windows on a hot day, and then asking them to come up with new creative ideas. Choice of venue, timing and space, as well as the use of a trained facilitator, can make a dramatic difference to the quality of ideas generated.

7 Not enough time is allowed.

All too often people are too busy to stop and think, let alone be creative. As individuals we may be too reactive – responding to one email or crisis. In a group situation lack of time tends to make the team focus on analysis of the first few ideas rather than exploring some of the more obscure ideas that may come out later on and prove to be the winners.

8 Inability to implement. Nothing can come of ideas if they do not get new money and resources allocated to their implementation, and all too often really great ideas come to nothing. If we don't have a plan that expects changes to occur, we must expect others to allocate insufficient resources or time or budget. This results in ideas that fail to deliver, and it can also kill off a culture of innovation simply because people won't see the point of producing a good plan for change when they know there will be no resources to implement it.



QUICK TIP TIME AND BUDGET

Work to a time frame and budget, as this will focus the internal team and build a reputation for delivering.

9 Innovation is not seen as a priority. Innovation is only a priority if the CEO regularly reviews it. Even given the right resources, people will not see innovation as a priority in the business, and it will quickly die if the senior managers do not review the topic regularly.

10 Innovation is seen as another fad. For many, "innovation" is just seen as the latest management fad. "The boss has just been to another workshop, or read another book." There is no real belief in the team that anything will actually change, and if it does, it probably won't be sustainable.

These potential pitfalls can be addressed in isolation, or as part of an integrated framework as presented in the Director's Toolkit in Part D.

So just what is innovation? – frequently asked questions

The following table² provides quick answers to some of the most frequently asked questions about the topic of innovation. Use this as a way of gaining a quick overview.

² All features throughout the book are available on the companion website: www.Fast-Track-Me.com

<p>FAQ 1 <i>What is innovation?</i></p>	<p>1 Innovation can best be described as the commercial exploitation of ideas. This implies that innovation will need to combine creative thought with the ability to implement successfully. Ideas must also encompass all aspects of business performance improvement – not just products and services.</p>
<p>FAQ 2 <i>Why is innovation important to our business when profits and revenues are good?</i></p>	<p>2 The pace of change in business today is phenomenal. What is profitable and successful today may be out of date or copied by competitors tomorrow. Innovation is the key to differentiation, and differentiation is the key to staying ahead.</p>
<p>FAQ 3 <i>What types of innovation are there?</i></p>	<p>3 Generically there are: product/service innovation (new or upgraded products or services); process innovation (new ways of producing, sourcing or manufacturing); market innovation (new markets or new ways of delivering goods and services); and business innovation (business transformation, business model innovation and diversification).</p>
<p>FAQ 4 <i>Who should be involved in the innovation process?</i></p>	<p>4 Everyone! If you can create a culture of innovation where it is part of the DNA of your business, then you stand a better chance of becoming more and more successful. You may start with a few “innovation primers” around the business, but innovation is not the exclusive preserve of marketing or R&D.</p>
<p>FAQ 5 <i>Surely the point about innovation is that it occurs when someone has an idea – you can't plan for it, can you?</i></p>	<p>5 It may seem an oxymoron but the most innovative companies are those that plan innovation into their business cycle. Focused innovation workshops, on a relevant theme, can be held quarterly. Innovation planning can be incorporated into the annual business plan and an ideas board can generate ideas daily.</p>
<p>FAQ 6 <i>Are creative people born or made?</i></p>	<p>6 Both! It's what you do with an idea that is important. Even mundane or dry ideas can get results. Some people may come up with more ideas and more inspired ideas than others, but getting everyone involved in innovation, to whatever degree, is still the best way forward.</p>
<p>FAQ 7 <i>How does innovation link to long-term success?</i></p>	<p>7 Continuously improving what you are doing today may not be enough for long-term survival, let alone success. If your industry is changing rapidly, then only improving dramatically on an existing product or breaking into a new market can set you apart from competitors.</p>

<p>FAQ 8 <i>Where do the best ideas come from?</i></p>	<p>8 Anywhere. Therefore you need an innovation process that captures ideas from customers, suppliers, staff, social trends, academia and formal research. Don't forget mistakes. Plenty of the best product innovations were accidents: Post-its, Superglue and Champagne to name a few!</p>
<p>FAQ 9 <i>How can we make ideas visible across the business?</i></p>	<p>9 Most companies, no matter how small, have access to the Internet or have an intranet of some sort. It makes sense to distribute ideas across the company to show what is being done and to spark further spin-off ideas. The days of the white-board in the corridor are numbered.</p>
<p>FAQ 10 <i>What are the pitfalls of a suggestion scheme?</i></p>	<p>10 Suggestion schemes can often die a very quick death. If you ask for ideas and then don't reply quickly enough, explaining the reasons why ideas have been rejected, you run the risk of killing off any further ideas from staff. Suggestions also tend to be individually based, and schemes therefore have to be managed and constantly improved. A suggestion scheme may be worthwhile, but it is rarely the starting point and will only ever be one small part of an integrated approach to innovation.</p>
<p>FAQ 11 <i>What is the best way of filtering out bad ideas?</i></p> <p>have</p>	<p>11 Having a set of objective criteria against which all ideas will be measured, in advance, is the <i>only</i> way of filtering out poorer ideas (no such thing as a "bad" idea). Make sure everyone knows what these criteria are and why you them, ahead of their submissions. However, make sure you test your criteria thoroughly as you don't want to kill off ideas simply because they are unusual, and if you think you are rejecting good ideas then review the criteria, as they should not be set in stone for eternity.</p>
<p>FAQ 12 <i>Is innovation relevant to service companies and the public sector?</i></p>	<p>12 Absolutely. Everyone thinks innovation is synonymous with products and product development, but in today's service economy innovation is equally valid to service companies. Think of new ways of providing your services as well as the services you provide.</p>
<p>FAQ 13 <i>What amount of innovation is appropriate?</i></p>	<p>13 The amount spent on innovation should reflect the goals set by the business senior team, which in turn will reflect business performance. If there are ambitious growth targets or a critical need to turn business performance around, innovation spending must go up. If the business is highly profitable and in a steady state then the need for innovation is less. However, few organizations can ever be accused of spending too much.</p>

FAQ 14 *How do I measure the cost and return on innovation?*

14 Using standard project management tools and techniques, you can easily do a return on innovation investment (ROI) calculation. Consider the impact on profitability or business goals, and the associated costs in terms of resources consumed during implementation. Recognize that calculations will not be easy and there will be uncertainty in your measurements.

FAQ 15 *How do I know if my innovation process is working?*

15 Setting your innovation objectives in advance is crucial to assessing whether your innovation management process is working. Are you measuring success by the number of new products launched or by the number of ideas going before your review panel? Check what other companies are doing and how you compare. At the end of the day, business key performance indicators that are showing improvement are the most relevant measures.

FAQ 16 *What are the risks of not being innovative?*

16 Without innovation companies stop changing. This is OK in static markets, but few organizations operate under such conditions. For most it is also not possible to compete on cost alone, and so to survive organizations need to differentiate, and to differentiate they need to innovate. You do not want to be the most efficient producer of what you do today if nobody wants it tomorrow.

FAQ 17 *Will focusing on innovation take my eye off operational priorities?*

17 Historically, good operational teams have always had one eye on continuous process improvement. A structured approach to innovation takes this concept further and pushes the ideas that all departments should constantly strive to improve products, services, routes to market, processes, etc. through formal innovation processes.

FAQ 18 *How much of the budget should I allocate to innovation activities?*

18 It depends on your business and the goals you have set for your innovation program. Some technology and research-based companies spend a very high proportion of their revenue on R&D and innovation. Try to do a return on investment (ROI) calculation of the value of new products, services and markets to your company and invest as much as you can afford. The key is to make sure investment in tomorrow's ideas is in today's budget.

FAQ 19 *What skills are required to be innovative?*

19 It seems that the most innovative individuals and companies value certain attributes rather than definitive skills: attributes such as "open-mindedness" and "flexibility." The tenacity to see things through to a definitive conclusion is often highly valued. However, effective teams will also have a range and balance of skills.

FAQ 20 *Is innovation a fad?*

20 Innovation in all its forms is central to successful business. The most successful companies since the Industrial Revolution have been those bringing in new ideas to market before competitors. Call it what you will, innovation is the key management skill for the twenty-first Century.

**QUICK TIP INNOVATION FATIGUE**

Plan the launch of new products and services carefully, as innovation fatigue may turn people off.

We hope that these FAQs give a quick start to getting to grips with innovation. The rest of this book shows you how to move from understanding what the key elements of innovation are to an active implementation of innovation either within your team or division, or company-wide if that is your role.

***Designing innovative organizations***

Professor Ben Dankbaar³

“ One of the earliest books to appear under the title *The Management of Innovation* was written more than 40 years ago by Burns and Stalker.⁴ Not surprisingly, it does not deal with all the issues and techniques discussed in handbooks on the same subject today. It does not contain discussions of research and development, stage-gate processes, multi-disciplinary teams, project management and all the other practices associated with modern innovation management. Instead, it deals with the relationship between organizations and their environment. For Burns and Stalker, management of innovation was concerned with survival in a turbulent environment. Basically, they argued that if changes are frequent and unpredictable, the organization needs to be structured in such a way that it can react quickly and creatively to whatever comes up. In their empirical

³ Dankbaar, B. (ed) (2003), *Innovation Management in the Knowledge Economy*, London: Imperial College Press.

⁴ Burns, T. and Stalker, G.M. (1961), *The Management of Innovation*, London: Tavistock.

work, they had found that organizations operating in a changing environment had what they called “organic” structures, characterized by loosely defined tasks and responsibilities, horizontal rather than vertical communication and considerable latitude for employees to guide and direct their own work. These structural characteristics enabled organizations to react and adapt to challenges in the environment.

More recent studies tend to define innovation management in a more proactive fashion. Innovation management today involves the implementation of strategies for the more or less continuous renewal of the product portfolio of companies and of the underlying production processes. This is more than reacting to changes in the environment; it also aims actively to change and indeed create the environment in which the firm wants to survive. Are the insights offered by Burns and Stalker still useful today? Later research has shown that successful innovative organizations are not necessarily characterized by loosely defined tasks and responsibilities and other features identified by Burns and Stalker. And indeed, these features seem to be more appropriate for small organizations or for research laboratories than for big corporations. But the comparison of organizations with organisms is still useful to understand the design requirements for innovative organizations. Burns and Stalker showed that the traditional “mechanistic” design of organizations was inadequate in a rapidly changing environment. They argued that organizations had to be perceived as open systems, just like organisms that survive in constant interaction (breathing, digesting) with their environment.

Being organic, then, implies the ability to perceive disturbances, changes and chances in the environment and to act upon these perceptions in a timely fashion. Over the past 40 years, researchers have uncovered various ways in which companies can be organic in this particular sense. We now know that innovative organizations have to incorporate the following elements:

- 1 a decentralized system for the generation and identification of ideas for new and improved products and processes, including ideas coming from outside the organization;
- 2 a well-structured system for the selection and further development (or sale) of the most promising ideas, including a set of criteria based on a long-term vision for the company;
- 3 efficient structures for the production and delivery of (new and existing) products and services;
- 4 a well-organized system to register feedback from customers and react to it.



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2

INNOVATION AUDIT

In order to improve performance you first need to understand what your starting point is, what your strengths and weaknesses are and how each will promote or limit what you can achieve. There are two levels of awareness you need to have. The first is to understand what the most successful innovative teams or businesses look like, how they behave and how near your team is to emulating them. The second is to understand what it takes to lead such a team – do you personally have the necessary attributes for success?



QUICK TIP CREATIVE THINKING

Make sure you add creative thinking to your selection criteria when recruiting people to join your team.

*Team assessment*¹

Is my team maximizing its potential to innovate?

Use the following checklist² to assess the current state of your team, considering each element in turn. Use a simple Red-Amber-Green evaluation, where Red reflects areas where you disagree strongly with the

¹ You can complete your self-audit and team audit online at the companion site: www.Fast-Track-Me.com.

² Table on p. 18 from Integrated Innovation Framework, Project Leaders International, 2008: www.project-leaders.net/innovation-management.php. Reprinted with permission.

statement and suggests there are significant issues requiring immediate attention, Amber suggests areas of concern and risk, and Green suggests everything is good and needs no immediate attention.

ID	CATEGORY	EVALUATION CRITERIA	STATUS
Innovation			RAG
1	Leadership	Innovation is a strategic priority: it is owned by a member of the senior executive team and its importance has been cascaded down through all management levels	<input type="checkbox"/>
2	Strategic focus	Senior management have defined the extent and direction of innovation, there is an external customer focus across the organization and there is an integrated approach to innovation	<input type="checkbox"/>
3	Internal sources of ideas	Sufficient time and budget is allocated to the internal generation of ideas that focus on achieving performance breakthroughs, and ideas are captured in a central database	<input type="checkbox"/>
4	External challenge	Trends in the industry are monitored, key competitors are understood and there is a systematic scanning (researching) process to keep market insights up to date	<input type="checkbox"/>
5	Idea evaluation	Ideas are formally screened against agreed criteria to ensure they are aligned to business goals and there is an integrated process from idea to implementation	<input type="checkbox"/>
6	Projects and implementation	Implementation initiatives follow best practice project management principles, have sufficient resources and budget, and address issues and risks	<input type="checkbox"/>
7	Support systems	There is a common web-based tool that provides visibility and control over the ideas portfolio, ensures teams follow a common process and encourages continuous learning	<input type="checkbox"/>
8	Innovation champions	Innovation champions exist in all teams across the business, their roles are formally defined and they have the necessary time and skills	<input type="checkbox"/>
9	Creative culture	There is a culture of creative challenge and innovation where mistakes are accepted and people are motivated to engage in innovation activities	<input type="checkbox"/>
10	Performance management	There are agreed key performance indicators for the innovation framework, a clear process for review and a culture of learning and improvement	<input type="checkbox"/>

**QUICK TIP LEARN FROM MISTAKES**

Mistakes can be a great source of ideas and innovations. Review rejected ideas and previous failures and never ever throw the idea away completely.

Having identified where the gaps are in your business or team capabilities, you need to understand if you are the right person to be leading the team as an innovation champion.

**QUICK TIP ONLINE SUPPORT**

Log on to www.Fast-Track-Me.com and do your innovation audit online.

Self assessment

Do I have what it takes?

This section presents a self-assessment checklist of the factors that make a successful Fast Track leader in innovation. These reflect the knowledge, competencies, attitudes and behaviors required to get to the top, irrespective of your current level of seniority. Take control of your career, behave professionally and reflect on your personal vision for the next five years. This creates a framework for action throughout the rest of the book.

Use the checklist on the next page to identify where you personally need to gain knowledge or skills. Fill it in honestly and then get someone who knows you well, your boss or a key member of your team, to go over it with you. Be willing to change your assessment if people give you insights into yourself that you had not taken into account.

Use the following scoring process:

- 0 Not yet recognized as a required area of knowledge or skill
- 1 You are aware of the area but have low knowledge and lack skills
- 2 An area where you are reasonably competent and working on improvement

- 3 An area where you have a satisfactory level of knowledge and skills
- 4 An area where you are consistently well above average
- 5 You are recognized as a key figure in this area of knowledge and skills throughout the business

Reflect on the lowest scores and identify those areas that are critical to success. Flag these as status Red, requiring immediate attention. Then identify those areas that you are concerned about and flag those as status Amber, implying areas of development that need to be monitored closely.

ID	CATEGORY	EVALUATION CRITERIA	SCORE	STATUS
Knowledge			0-5	RAG
K1	Industry and markets	Knowledge of your industry sector in terms of scope (boundaries), overall size and growth, and major trends. This should include an understanding of natural segmentation of products and markets	<input type="text"/>	<input type="text"/>
K2	Customers and competitors	Information about major customers, in terms of who they are and their must-haves and wants. Also an understanding of who the best competitors are and what they do, plus supply chain options and capabilities	<input type="text"/>	<input type="text"/>
K3	Products and services	An understanding of current products and services and how they perform in the marketplace against the industry leaders. This should include substitutes or solutions available from companies in different industries	<input type="text"/>	<input type="text"/>
K4	Business drivers	Insights into current and emerging technologies, legislation, environmental and economic trends that will impact on future product design, access to market or process improvements	<input type="text"/>	<input type="text"/>

ID	CATEGORY	EVALUATION CRITERIA	SCORE	STATUS
Competencies			0-5	RAG
C1	Creative thinking	Ability to use various techniques to challenge the current state and identify new product, market and process improvement breakthroughs	<input type="text"/>	<input type="text"/>
C2	Root cause analysis	Ability to appraise a situation and analyze factors that could enable or cause a dramatic improvement in performance	<input type="text"/>	<input type="text"/>
C3	Project management	Ability to define, plan, monitor and control change activities in order to deliver identified performance improvements on time and within budget	<input type="text"/>	<input type="text"/>
C4	Risk management	Ability to think ahead and identify, prioritize and mitigate barriers to effective and enduring implementations of ideas	<input type="text"/>	<input type="text"/>
Attitudes				
A1	Positive approach	Belief that you can make a difference and get things done. Avoidance of looking like a victim of circumstances when you have to overcome resistance from other people	<input type="text"/>	<input type="text"/>
A2	Seeking synergies	Willingness to look for ways to creatively combine several ideas (even if they are other people's) in order to develop a new and exciting concept	<input type="text"/>	<input type="text"/>
A3	Inquisitive mindset	Awareness of the need to constantly seek more effective or efficient ways of doing things. Willingness to challenge the status quo and ask why things are as they are	<input type="text"/>	<input type="text"/>
A4	Breakthrough thinking	Not accepting average or second best. Constantly seeking ways to dramatically change the way things are	<input type="text"/>	<input type="text"/>

ID	CATEGORY	EVALUATION CRITERIA	SCORE	STATUS
Behaviors			0-5	RAG
B1	Determination and commitment	Being prepared to see things through. Although no project goes according to plan, you are not put off by early setbacks or problems – you are resilient	<input type="text"/>	<input type="text"/>
B2	Visible and active support	Making it clear that you are supportive of priority ideas in the way you allocate your time, resources and budgets	<input type="text"/>	<input type="text"/>
B3	Encouraging others	Enthusiastic in coaching and mentoring others who have ideas or who are involved in the implementation of ideas. Looking for ways in which you can be the catalyst for the team	<input type="text"/>	<input type="text"/>
B4	Positive challenge	Challenging the ideas of others in a positive way, helping them to think differently about the way things are	<input type="text"/>	<input type="text"/>



QUICK TIP OPEN TO IDEAS

Ask members of your team how open they think you are to new ideas.



CASE STORY DOWNER EDI MINING, SHANE'S STORY

Narrator Shane (senior partner of Mainsheet – Australia's leading strategy consulting firm) assisted Downer to radically reduce operating costs in a competitive commodity-driven market.

Context Downer EDi Mining is one of Australia's largest and most successful mining companies. It has been successfully delivering open-cut and underground mining services for more than 80 years, and the company has a long track record in both coal and metalliferous mining.

Issue Like many companies in this sector, Downer was hit by reductions in raw material and commodity prices globally and by the spiraling costs of transportation. However, the company had a history of continuous improvement and an enviable reputation for the effectiveness and efficiency of its operations.

Solution A new way of thinking was required. First, it used the services of an experienced consulting firm in this sector (Mainsheet Corporation) to identify opportunities across all aspects of its supply chain – effectively buying in ideas from outside the business. Secondly, with Shane’s help, it implemented a web-based tracking tool to provide visibility, control and ultimately confidence over its improvement initiatives.

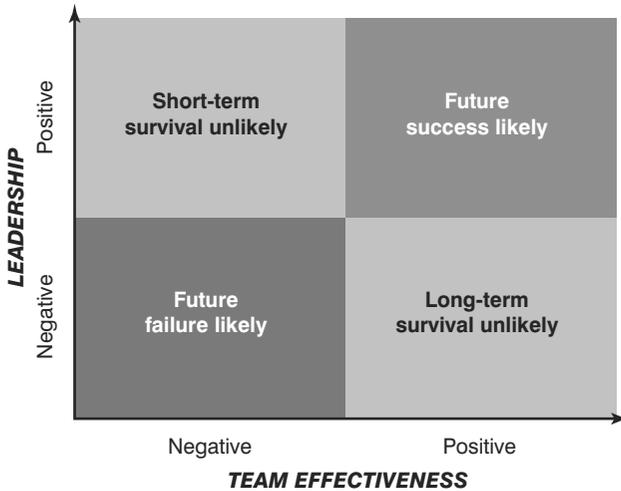
Learning The company recognized that there is a limit to how much innovation can be driven from inside the business and that often it requires an outside stimulus to take the innovation program to the next level. However, ideas alone are not enough – success also requires a mechanism and discipline to see ideas through to their conclusion.

Learning

Take a few minutes to reflect on the leadership–team effectiveness matrix on the next page and consider your current position: where are you and what are the implications?

- **Bottom left – poor leadership and an ineffective team.** This will result in failure. Who knows, you may already be too late.
- **Top left – great leadership but a poor team.** You have a great vision but will be unlikely to implement it, and so it will have little impact. You will need to find a way of developing and motivating the team and introducing systems and processes to improve team effectiveness.
- **Bottom right – poor leadership but a great team.** You are highly effective and efficient as a team but may well be going in the wrong direction. It is no use being the most innovative and efficient developers of black and white televisions if there is no market!

→ Top right – clear leadership and direction combined with an efficient and effective team. This is where we want to be. Lots of great new ideas for innovation linked to current business goals and with a team unit capable of delivering on time and within budget. You don't need this book; please give it to someone else!



STOP – THINK – ACT

Part A has given you a quick overview of what innovation is, and you will also have assessed the performance of yourself and your team against best-practice checklists. This will have raised your awareness of what is possible and clarified where you are now. Take time to reflect on your profile in order to:

- 1 identify any “quick wins” you could achieve today;
- 2 use the rest of the book effectively.

Look for areas where you could get a “quick win” and improve matters in the short term. Ask yourself and the team these questions:

What should we do?	What will we change today and what difference will it make (why)? How will we know if it has been successful?
Who do we need to involve?	Who else needs to be involved to make it work and why?
What resources will we require?	What information, facilities, materials, equipment or budget will be required and are they available?
What is the timing?	When will this change be implemented – is there a deadline?

Visit www.Fast-Track-Me.com to use the Fast Track online planning tool.



Building a better organization

Professor Julian Birkinshaw

“ If you were to start a new company tomorrow, what proportion of your time would you allocate to developing and selling a unique product? And what proportion would you devote to building a distinctive organization? If you are like the vast majority of entrepreneurs, you would focus on the product. The product is your source of revenue. The product is what makes you distinctive. The product is what investors want to hear about. Issues of management and organization are entirely secondary – they get attention only when they become obstacles to selling more products.

So is it possible for an entrepreneur to succeed by developing a unique internal organization first, and worrying about the product second? Yes it is. Consider the case of Henry Stewart, founder of Happy Computers. In the early 1990s Stewart was, by his own admission, a stressed-out, small businessman. He had cut his entrepreneurial teeth on the launch of the *News on Sunday*, a radical, left-wing newspaper. The group behind it had no business background but managed to raise £6.5 million. It was lost in six weeks.

“That’s where I learned the importance of good management,” Henry Stewart reflects. “It was a great irony that a company set up on humanistic principles was the worst place to work. There was endless backbiting, meetings, no clear decision making, and endless blame. And so after that, and the experience of getting sacked from my next job, I decided I didn’t want to work for anyone else again. I would work for myself and work at how you create a great place to work, how you deliver great service, while being effective and principled.”

With an IT background and an affinity for people, Stewart homed in on IT training as his niche, and set out to build a great IT training company based on a distinctive set of management principles. Principle number one was that managers need to get out of the way to let people perform – they should be coaches and coordinators, not in-your-face managers. “If you get into work and have a message that your manager wants to see you at 2 pm – do you feel excited?” asks Henry Stewart. “The most radical thing we believe is that managers should be chosen according to how good they are at managing people. They are usually chosen for technical competence and how long they’ve been in the job. As a result, one of the biggest reasons people leave a company is to get away from their manager.”

A second key area was recruitment. “One of the things that really gets me is that most recruiting is absolutely terrible,” says Stewart. Most people recruit the one who’s good at talking about it, not the one who’s good at doing it.”

Happy never asks for qualifications – it is “profoundly discriminating” and the qualifications requested usually have no relation to the job. Happy does not advertise: it has details of 2,000 people waiting on its website with their email addresses. When a vacancy occurs they are emailed and asked two questions: why do you want to work for Happy and what makes a great trainer? And rather than use an interview, Happy takes prospective employees through a condensed two-hour training module. “We’re looking for people who are supportive of each other, and people who have the potential to train others. So we ask them to prepare a 15-minute session, and then to see how they cope with change we tell them they’ve got to do it in six minutes. They deliver their session. And then we coach them and they deliver it again. We are looking to see an improvement over the first round. If they deliver the same session they don’t get in.”

Happy has ten distinctive management principles, including, “Celebrate mistakes” and “Peer appraisal for managers.” And the results speak for themselves: Happy’s staff turnover is around 9 percent, less than half the industry average. It has never lost a member of staff to a competitor. And customer satisfaction is 98.7 percent.

Remember, clients often view IT training as a commodity – as a tedious necessity, rather than an important service. And while the industry has contracted by 30 percent over the last six years, Happy’s turnover has doubled – without any advertising. “Our basic philosophy of marketing is to deliver great service and wait for the phone to ring,” laughs Henry Stewart. “Most companies understand what the customer wants, but

most companies then put in place a system of processes and rules that prevent their frontline staff from delivering it.”

There is an important underlying message here. You don't necessarily need a unique product to succeed. Happy sells IT training, just like hundreds of other companies. What makes it different is the attitudes, skills and engagement of its staff – and these qualities are an outgrowth of the company's distinctive management principles, not its positioning in the marketplace. So if you are an entrepreneur, the message is: build a better organization – and the world will beat a path to your door. ””

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