



RATE HOW YOU INNOVATE

How ready is your company to innovate? You could be fooling yourself - or maybe the spirit is willing but the organisation is weak. Most companies see themselves as creative and pioneering, but often systems and culture actually favour entrenching the status quo. Great new ideas can die because there is no place to take root and grow.

Take a quick “Cosmo” quiz to see how innovative you really are, and find out where you can improve. A great idea is not “innovation” until it makes a bottom-line and persistent difference to your business.

INSTRUCTIONS

Read the questions, and then tick up to TWO answers that describe your experience at your company. Don't think about it – your gut reaction is normally the most true. Mark your answers in the box on the next page, then follow the instructions to work out how your company scores.

Q1

One of your Bright Young Things comes to you with a great idea. Your first reaction is:

- A – Nod benignly and agree that things could be done better, and that management is certainly working on matters, and move on to other things.
- B – Tell them off for not sticking to the job you gave them. Sheesh!
- C – You tell them to send you an e-mail to deal with it later.
- D – Invite them to your monthly vision meeting where your team debates new areas of business development.
- E – Ask them to put their idea down in a document, with a quickie business case and some backup research.
- F – You suggest that your Bright Young Thing goes and talks to one of your senior team that has worked on similar projects and could be a good sounding board to develop the idea.

Your product development team is getting close to a final prototype of a new product or service.

Q2

- A – You hope they'll get done soon, because your product people will need to go through it all to approve it before it can be released.
- B – They've hit all their milestones, and they've checked in with key customers along the way to make sure it'll be wanted when it goes live.
- C – Their budget was cut during development, and whatever is not finished has been dropped.
- D – Once they're done it will be time to pack up the boxes of files and get them off to the storage room downstairs.
- E – The boss is really busy, but you know you'll be in for the high-jump if he/she doesn't have a chance to give the team a pep talk going into the final crunch time before launch.
- F – You've already started getting them involved in the other project groups.

The CFO is on your back about cost overruns in your business unit, and wants to reduce funds for the development team.

Q3

- A – To cut funding would be a disaster because the hard work would be wasted, especially if the team is split up.
- B – The teams have shown some prototypes to upper management and some clients, who are very interested. The priority projects will need management approval to go ahead, some of the others can be put on hold, but it's a decision for the exco to make.
- C – Again? Oh well, the development team is used to packing up their pet projects when the chief beancounter is on the warpath.
- D – Cutting costs is important, but R&D is no less important than any other unit, so there is no reason why they have to be the only ones to feel the axe.
- E – It will be frustrating for the dev team, but they can quickly pick up from where they left off from the documentation.
- F – Some of the projects seem to be making a bit of progress, and not all have had their budgets allocated anyway, so cutting funding just means not allocating any more money.

The operations director believes that developing a new system would be a waste of effort.

Q4

- A – If the operations director is not keen, then there's no point carrying on, because the board will just get into a long argument.
- B – After spending all that money on the new testing equipment for the new system and hiring that specialist, the development must go ahead otherwise all that money is wasted.
- C – Unless he can show some kind of compelling reason, the other senior managers will swat him down since they're all on board.
- D – The finance guys and the logistics guys have put in a lot of work to improve their systems, and have given the business integration team a lot of valuable knowledge which will be incorporated into the new operations system. It's already half way there.
- E – The project is being led by Jim, who will be so disappointed if it's cut. So maybe they should be allowed to keep going a little longer.
- F – The new operations system is being designed to work better with the purchase order system, making the investment in the accounting software pay off faster.



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The competition has launched a new product similar to the one your company is working on.

Q5

A – Frustrating! If only it had not taken so long to get the planning stage done we'd be out to market already.

B – Well, let's hope one of the other departments have something cool up their sleeves.

C – There's going to be hell to pay – management is going to haul everyone over the coals for wasting all that R&D money.

D – Irritating, although our version should still be stronger because it integrates well with the new line of products.

E – The development team is going to have to quickly revise their plans and move the “next generation” features into the current project to stay ahead at launch.

F – The competition will have to remove it from the market, because key patents covering the developments have already been lodged.

There is a great idea on the table to launch a product into a space that the company has never played in before, and several top managers are very excited about it.

Q6

A – The managers most interested have set up small working groups in their departments to study the plan, and the teams will meet at the end of the month to share findings.

B – After several meetings where the idea is debated, it is put on hold temporarily until a business unit can be formed that can be tasked with implementation.

C – Full steam ahead, because if it works it will be fantastic!

D – The new product development team takes on the project, starting with a look at feasibility to present back to management to decide whether to green-light it.

E – Don't want to be a wet blanket, but first a small team should look into how it fits into the company's long-term strategy, and if it fits with the brand.

F – The sales manager has already hired a new materials person, and put out a tender for a rapid prototyping rig.

Circle your responses per question, up to two per question, and add the number of circles per column.

	C1	C2	C3	C4	C5	C6
Question 1	B	D	C	E	A	F
Question 2	C	B	D	F	A	E
Question 3	F	B	A	E	C	D
Question 4	E	F	B	D	A	C
Question 5	A	D	B	F	C	E
Question 6	C	E	F	A	B	D
Count the number of selections in each column						

Now take the answers that you picked ONLY from the RIGHT column of each colour band and add them up to get your innovation capability score.

INNOVATION CAPABILITY SCORE

$$= C2 + C4 + C6 = \boxed{}$$

	C1	C2	C3	C4	C5	C6
Question 1	B	D	C	E	A	F
Question 2	C	B	D	F	A	E
Question 3	F	B	A	E	C	D
Question 4	E	F	B	D	A	C
Question 5	A	D	B	F	C	E
Question 6	C	E	F	A	B	D
Count the number of selections in each column						



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RESULTS: INNOVATION CAPABILITY SCORE

10-12: Your people, process and systems are in place to allow you to not only come up with great ideas, but your company can put them into action quickly, and get results that take your business forward. And when you get results, you know how and why you did so, and can duplicate this success over and over.

7-9: Your company may already be highly innovative, or is very well positioned in terms of how it is structured and run to be a successful pioneer. You have all the tools, now you need the spark of brilliance. There are a couple of areas that may need work – check how you did in the three main innovation categories below to see how you can improve.

4-6: Not great, but don't worry. This is where most companies sit in terms of innovation capability. Good ideas can be turned into reality, but often it's more by luck or passion than by design. Check out how you did in the innovation categories below to see where you can improve the most.

0-3: Red lights should be flashing – because even if you are innovating, it's an uphill struggle. You have to ask yourself – do you need to innovate to stay competitive? Not all businesses do. But if your answer to that question was “yes”, then it's time to make some changes.

AREAS FOR INNOVATION IMPROVEMENT

BLUE

INNOVATION PROCESS

Score of 3-6 in Column One: You may have weak Innovation Processes, meaning that ideas come up but are managed in isolation from the business, and resources are allocated ad hoc. More often than not ideas don't get from the concept stage to something solid.

Score of 3-6 in Column Two: Your business has strong Innovation Processes, meaning opportunities are identified looking into the future, and the ideas come from internal and external sources. Concepts are made tangible and tested, and risks are identified and balanced against rewards.

GREEN

KNOWLEDGE & COMPETENCY

Score of 3-6 in Column Three: Your business may be forgetting as fast as it learns – not only do people not collaborate, but information is often dumped into unstructured storage, making it hard to find later. Skills are brought in when urgently needed, not because forward planning identifies a gap.

Score of 3-6 in Column Four: Your business is strong on Knowledge and Competencies: teams work together and share knowledge, and intellectual capital is habitually captured. You have systems to make sure learnings are not lost.

ORANGE

ORGANISATIONAL SUPPORT

Score of 3-6 in Column Five: A lack of Organisational Support makes people feel out on a limb – the business rewards people that maintain the status quo... maybe not explicitly, but “don't rock the boat” people get ahead.

Score of 3-6 in Column Six: Strong Organisational Support means management actively supports and drives innovation projects, but you also have systems in place to make sure innovation happens. There are even resources set aside for research and development, and staff is incentivised to make things happen.

If you got less than 3 in any area, there may not be a clear strength or weakness.

This analysis quiz is a quick, fun way to find out how well your organisation supports innovation. For a more in-depth assessment visit www.indutech.co.za/ica

