

Driving Repeatable Business Innovation

The Vision to Action Lifecycle™



The Unmet Promise

A recent MIT Sloan/Deloitte Social Business Survey found that a top issue facing businesses today is stagnant or slow-growing revenue, often the consequence of the company's lack of adaptability¹. To support these efforts, businesses are looking toward managing the innovation process. The Corporate Executive Board underscores this:

“75% of executives are concerned with not having transformational ideas to drive growth.”² Not surprisingly, technology has become the critical edge to innovate faster and demonstrate greater agility than the competition.

And as social workflow has become familiar to employees over the last two years, businesses accelerated deployments of these social tools to facilitate employee communication and collaboration in real-time. While the trend is expected to continue, with huge growth rates and a market opportunity (Forrester predicts the market for social enterprise apps and related services will grow at a compound annual growth rate of 61% to become a \$6.4 billion market in 2016.³) social software alone has been unable to deliver innovation that leads to tangible business results.

Two years into the adoption, the reality check is in. ZDNeT reports that over 77% of employees never use their enterprise social network⁴. In fact, according to

Gartner's Anthony Bradley, the vast majority of social collaboration initiatives fail due to lack of purpose. Bradley suggests that the current “provide and pray” approach is underwhelming with just a 10% success rate⁵. The reality is that transformational opportunities from enterprise social networks will only result when technologies help solve real business challenges –such as creating new products and services, increasing revenues, reducing costs and leveraging customer insights. While there have been some widely reported success stories attributed to enterprise social, the jargon around social software – “reduce email,” “join the organizational conversation” and “serendipity” has yet to translate into consistent, repeatable ROI.

¹2012, MIT Sloan Business School (in collaboration with Deloitte) Research Report on Social Business

²2012, Transformative Innovation: Reinvigorating Teams and Processes to Spur Breakthrough Ideas, The Conference Executive Board

³2011, Social Enterprise Apps Redefine Collaboration, Forrester Research

⁴December 16, 2011, “Social Business and Enterprise Usage: The Lessons” Dion Hinchliffe, ZDNeT

⁵April 2, 2013, Gartner Says the Vast Majority of Social Collaboration Initiatives Fail Due to Lack of Purpose, Gartner Press Release

The current generation of Social Business tools has missed a huge opportunity to impact business innovation and results. By focusing on functionality that emphasizes communications, they've omitted the required structure and process needed to meaningfully affect the business. The prevalent Social Business products have been heavy on the "social" and light on the "business" which wears thin after the initial novelty passes. Reportedly, "only 25% of organizations have gone past the use of a generic social media tool to step up to one that has dedicated innovation capabilities built in or added on," even though more sophisticated tools exist.⁶ As a result the software often ends up as trendy shelf-ware.

Not surprisingly, only 39% of companies use a social platform with dedicated ideation capabilities built-in or

added on.⁷ And when used as the basis of idea development, these general communication tools severely limit the innovation that companies can effectively manage to completion. Many existing technologies and approaches "create silos of implementations, without agile frameworks for managing change."⁸ These immature programs operate within business departments – such as IT, sales and marketing – forcing companies to manage innovation within the same silos that their technologies force them into. Without a holistic approach leveraged across organizations, opportunities are lost.

What remains is a corporate environment that, while cognizant of the need to develop "clear processes, incentives, and governance for their innovation programs"⁹, is simply ill-equipped to do so.



The vast majority of executives, 93 percent, hitch their company's long-term success to their ability to innovate but at the same time, less than one out of five (18 percent) believe their own innovation strategy is delivering a competitive advantage.

Accenture, "Why Low Risk Innovation is Costly", May 2013



⁶Ibid.

⁷Chip Gliedman, Forrester Report: CIOs Are Not Ready To Support Business Innovation, February 2013.

⁸Alex Cullen, Forrester Playbook: Drive Process Innovation Using BPM Technologies, Methods, and COEs, April 2013.

⁹Ibid.

The Importance of a Structured Platform for Managing Innovation

Although many organizations have accepted the necessity for innovation, the majority have not put the structure in place needed to make innovation programs successful. A recent Forrester survey of IT leaders “found that only 45% of firms have formalized their practices and processes” by establishing a group dedicated to innovation¹⁰. The survey also found that “fewer than half of firms have defined processes to evaluate the ideas generated through innovation programs, and only a third have funds dedicated to incubating and commercializing those ideas deemed promising.”¹¹

However, a recent IDC report suggests that change is on the way:



In order to capture feedback and enable ongoing conversations, organizations are looking beyond an enterprise social network tool to innovation management solutions. Customers are demanding broader and more specific idea capture and management scenarios that tie together internal and external constituents but also deliver end-to-end management of the ideas or feedback into action in the business. With this, companies are now able to make many smaller changes that add up to larger, more significant changes and an overall more agile and innovative organization.¹²



To be successful, the software platform must foster innovation by enabling businesses to engage employees, partners and customers at scale to find and execute transformative ideas that drive business growth. Companies need to break away from the limitations of general purpose communication platforms, add structure to their innovation process, and then tie that process to purpose-driven project management to improve the success of their innovation programs. Yet, most of these widely-deployed platforms do not have the inherent capabilities to progress ideas into projects that can be executed, requiring yet another layer of business software to help with project planning and execution.

This creates a highly fragmented software landscape where social interactions happen in one system; idea generation and selection happen in another and project execution in a third. This currently hampers the very business agility these software systems were designed to facilitate. Companies will drive growth and profitability from vendors that offer a complete enterprise innovation platform, allowing companies to deftly control the entire innovation process, from start to finish, instead of coordinating relationships with several different vendors.

¹⁰Chip Gliedman, Forrester Report: CIOs Are Not Ready To Support Business Innovation, February 2013.

¹¹Ibid.

¹²Vanessa Thompson, IDC MarketScope: Worldwide Innovation management Solutions 2013 Vendor Analysis, May 2013.

The Vision to Action Lifecycle™

With the explosion of crowdsourcing for everything from content creation, funding for entrepreneurial ideas and the collection of natural disaster data, companies are starting to understand the value of idea generation as it pertains to innovation. However, for companies to put their best ideas to work there needs to be a process in place to ensure ideas aren't just generated but actually completed. Projects that impact the business must be successfully implemented, with a continual framework that allows for repeatable and scalable innovation throughout the organization. Recent research from Bain and Company underscores this direction: "Innovation is a complex process that must be managed...It must mobilize key factors essential to achieving success: leadership, management, process alignment and repeatability."¹⁵



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A process that effectively manages innovation from idea creation through opportunity selection to project completion.

¹⁵Eric Almquist, Bain & Company: Taking the measure of your innovation performance, May 2013.

When properly done, innovation management exploits the strengths of all players in one's ecosystem, tracks and evaluates the incoming ideas in alignment with the organization's strategic goals and funds and staffs further analysis through prototyping. Project management then commercializes the most promising prototypes.

The Vision to Action Lifecycle™ provides a framework to make business growth a repeatable process. The key phases of the Lifecycle include:

► Crowdsourcing Ideas

For an innovation program to become self-sustaining, it needs a portfolio of ideas at various stages of incubation.

Crowdsourcing ideas is the initial step of the Vision to Action Lifecycle™ that ensures idea generation and refinement at scale.

It fosters innovation, by encouraging engagement and participation at scale from the crowd – your employees, customers, partners and vendors. The process of crowd innovation is usually most successful when people are challenged to collaborate in a purposeful, structured social platform to solve a specific business problem, rather than creating a wide open “digital suggestion box” of ideas. This “challenge” style of collaboration has several benefits.

First, it is typically sponsored by a business stakeholder that gives the crowd assurance that they are collaborating towards a goal that is a business priority. Second, it fosters a purposeful roadmap for collaboration by identifying intent and an execution path for the resulting ideas. Since the challenge is usually a well formulated question with guidelines attached, it ensures that the ideas and suggestions from the crowd have depth and meaning. Third, the challenge has a timeline so that the problem gets solved at the speed needed by the business.

Note that this structure of challenges is different from simple communities (or groups in older generations of general purpose Social Business Software). “Challenges” are in fact the evolution of social communities with added structure that makes them purposeful spaces for collaborating on specific business needs. During this phase of the Vision to Action Lifecycle™, the ability to go as wide is as appropriate, but with security and governance, is important. For example, you should be able to innovate with public communities, private (employee), or even invite-only communities. In fact, a global organization may have several simultaneous challenges in progress by different parts of the business, making it important to have appropriate role-based access controls in the platform for enterprise scale.

► Surface Opportunities

Ensuring that the best ideas see the light of day requires a structure and process to separate the signal from the noise.

While only a few ideas may be selected, this phase also safeguards that the organization has a pipeline equipped with solid bench strength to support innovation.

Once you've received ideas from the crowd, you'll need to aggregate your knowledge and then discern which ideas will have the highest business impact. In this phase, the Innovation Platform should help you accomplish this at scale, in order to help "separate the innovation signal from the social activity noise." Automated idea graduation is critical. Multiple idea stages (configured to match the organization's innovation process) can be defined with graduation thresholds. The number of crowd votes, views, discussions and other key parameters can be defined as thresholds to "graduate" an idea automatically from one stage to the next. This allows the crowd to do the heavy lifting of spotting good ideas in the early stages of a challenge. The limited resources of experts can be effectively leveraged at later stages to set graduation parameters based on expert review. This phase requires a sophisticated workflow engine to ensure that the right level of rigor – objective scoring based on defined criteria and subjective reviews like marketing review, legal review and operations review – is added to the idea once it reaches a stage where it is seriously being considered for implementation. A well-defined graduation process is key to taking an idea closer to the project-planning phase.

Another critical capability is leveraging advanced voting algorithms such as Pairwise Voting, which presents users with a series of choices (A or B?). Besides being engaging this ensures that each idea is carefully considered. A thoughtful "rank order of ideas" then emerges versus the "popular vote", which may not surface the right business ideas or ignore late submissions. Selecting the wrong idea, or leaving a breakthrough idea to "die on the vine", could have unknown or adverse business effects. General-purpose social platforms often have only simplistic "up" voting mechanisms and do not offer advanced algorithms to reduce risk during idea selection. Deep algorithms behind the Pairwise mechanism ensure that all ideas are considered equally. The algorithm should correct for user voting fatigue, transitive errors and use advanced Bayesian vote weighting techniques to eliminate "gaming the system". Pairwise voting can be used at any stage, but perhaps its most compelling use is in later stages when the number of ideas has been winnowed down and you call upon experts to carefully consider and create a thoughtful ranking. Enterprise Innovation Platforms should have multiple available voting mechanisms that can be used at different phases – Up/Down Voting to discern overall sentiment, Star-ranking to determine depth of sentiment, and Pairwise Voting to surface a thoughtfully ranked order and ensure careful consideration of all choices.

In addition to Pairwise, Idea Trading is another great mechanism. While voting forces people to make binary yes or no decisions, Idea Trading encourages people to be earnest about what drives value. They are unlikely for example, to invest their virtual currency in an idea that's frivolous or less likely to succeed in the market— much like stockbrokers would evaluate to stocks in the exchange. Idea Trading allows a subset of ideas to be carefully weighed and is one predictor of an idea's potential business impact.

► Project Planning

Armed with a great idea, you're now looking for a great outcome. Effective project planning results in a road map that gets you there. There's some leg work that has to be done – aggregating ideas, analyzing information, and organizing all the details – so that you and your team can fulfill the vision while keeping the project on time and within budget.

By laying out projects visually, everyone can always see the big picture and drill down into the details when needed so that nothing is missed.

A map is a good tool to outline all those potential questions, answers, roadblocks and opportunities. It helps address the basics: Is your great idea achievable? What's the goal? What's the scope? Is there budget? Is the timing right? How does your idea fit into the bigger business plan? With a little upfront organization you can keep your priorities straight so that potential conflicts are clearly visible – and easier to solve. If not, you are wasting time and money and everything can grind to a halt.

With the relevant questions laid out, you can now dig into the details to create a schedule: list requirements, outline resources, create dependencies, develop budgets and add assignments. Attaching documents and important links to the schedule helps bring it all together providing context so that everyone has a clear understanding of how they contribute and how the plan relates to the original idea.

Through it all, bring team members into the process and leverage technologies that can help you collaborate in real time. It pays off big. You get stronger alignment and commitment on resources, schedules and budgets while minimizing missteps and business risks that can happen when dependencies aren't considered and priorities are misaligned.

Finally, communicate your finalized plan to your team members and stakeholders. Highlight all major plan details and gain agreement. This way everyone has bought in before the first step is taken. And while there are sure to be missteps, the route is known and agreed upon.

► Project Management

Project Management is how great plans become great successes. To make the most out of your plan you have to execute flawlessly. It starts and ends with keeping your team on the same page.

To be effective you'll need to assign tasks, track progress and communicate dynamically. But the way we work is different than even a few years ago. Our teams are often geographically dispersed making miscommunication and missed deadlines more likely.

When team members don't get things done on time, entire projects can stall. Waiting on QA, the design team, or outside vendors is frustrating. The clock is ticking and everyone is sitting on their hands. The trick is to quickly identify bottlenecks before they impact the timeline. Ensure that milestones and deadlines are in context with each other and map up project goals.

Now you can see exactly where the biggest schedule risks are, and take action before the untimely and costly events occur, so you can keep the project on course.

Being successful today is about being agile and executing better and faster— managing tasks, aligning dispersed cross-functional teams and accelerating time to market. To do this, every team and every individual has to on board and be ready to adapt. Rigid project plans might seem airtight, but if you can't revise your plans to match changing markets, your great plan could be dead in the water.

Social task management tools that provide continuous updates and streams of information enable quick problem identification and resolution. Threaded communications keep everyone in the loop when the direction changes. Updates to the plan appear in your activity stream or inbox, so everyone knows what's changed, why it changed, and what happens next.

Note: Every project you work on comes with a huge pile of documents and files which is a lot to keep track of. To be effective you'll have to be able to find the right files, right away. Otherwise, it's lost time and effort. To avoid drag and slow downs, make sure everyone on the team can access, download, share, and revise documents quickly. Attach them right to tasks or maps so the people working on the project always have the latest version. Use shared repositories or online services like Dropbox, Box, Google Drive or SkyDrive.

► Making Vision to Action Production Ready

Today's businesses must become skilled at transforming and inventing new processes while improving their agility in executing changes. This clearly defined process provides an efficient way to surface the best ideas and opportunities for growth. By intelligently leveraging crowds and communities, teams can further garner unique and innovative ideas. Businesses are also able to engage with outside experts, such as customers, suppliers and partners, to collaborate on ideas and contribute feedback from additional relevant viewpoints. This includes the use of templates, visualization, reporting, analytics and project management. Each of these improves efficiency and culminates in more successfully completed projects.

A key benefit of the Vision to Action Lifecycle™ is making business innovation a repeatable business process at scale in a company.

By leveraging each phase and utilizing all the people in your ecosystem in a frictionless way, teams can develop transformative ideas and drive sustainable business growth.

This framework also extends to employees who engage with customers, leading to added internal and external benefits. It is flexible enough to allow for contributions from a variety of personality types. Leveraging this across departments and types you can establish a repeatable process leading to cultural shift around innovation - amplifying its effect across the entire organization for exponential gains.

At the end of the day, it's about executing better and faster – aligning dispersed cross-functional teams, effectively managing tasks, and accelerating time to market. To do this, every team and every individual has to be on board and ready to adapt. When you've built a process that creates a

more efficient path to success, your employees will follow. In this important way an executable and repeatable process is the foundation for laying out a great culture.

The inverse is also true. Creating a truly innovative culture requires a structure that allows for replication of the process of solving business challenges within disparate business units in the organization, rather than the occasional accidents of chance. Top companies like Citi, Metlife, Fidelity, Pfizer and others do this. They've established a centralized Center of Excellence that provides internal competence, with the new crowd dynamics of a scalable innovation process, and the internal structure and governance of Innovation Charters, Blueprints and Playbooks that provide operational guardrails, funding procedures, and organizational metrics that guide an organization to success. In this way, culture and process become symbiotic.

According to Forrester, "Executives, including the CIO, must create a corporate culture that encourages employees to contribute new ideas, solicit ideas from partners and customers, and support an embedded innovation process. To help build and maintain an innovation culture, CIOs must work to enable a culture of trust, acceptance of failure, flexibility, and open communications across the enterprise."

With that in place the entire organization stands to see iterative gains and impressive wins.

Business results and ROI

There are a number of ways to measure the success of an innovation process within a company or team. It is necessary to track key indicators of business success in order to ensure that the process of inspiration to realization is valuable. Key business outcomes of an innovation process platform are increased revenue, cost savings, competitive agility, risk mitigation, and higher customer satisfaction and employee engagement.

Yet, the ultimate success of a company's innovation efforts needs to go beyond the outcomes that are externally visible. Analyzing the success and impact of the process used for innovating is equally as important as measuring final outcome, since it can be a leading indicator. Number of people participating in innovation, number of ideas proposed, number of votes, discussions, reviews, reputation scores and number of ideas selected are all metrics that indicate a healthy culture of innovation.

Summary

Although many businesses are using generic social tools designed for communication that rely on serendipity and the occasional accidental outcome, they are now realizing that this approach is neither sustainable nor effective. The fragmented landscape of software vendors and solutions have forced businesses to deploy a patchwork of point software solutions for social engagement, innovation management and project management that has kept the promise of true enterprise innovation from being fulfilled. The limitations of these patchwork solutions are now wholly apparent, both from a qualitative and quantitative perspective. Companies and teams are now looking for measureable results and business value when implementing a repeatable innovation process. To do this they require a framework or process in the solution that enables repeatable success. The Vision to Action Lifecycle™ does just that by providing organizations with a structured business process that's comprehensive, scalable and, most importantly, repeatable. By combining Mindjet and Spigit's product portfolio with the Vision to Action Lifecycle™ businesses can innovate faster, manage ideas and projects more effectively, and demonstrate value that directly contributes to the bottom line.

About Mindjet

Mindjet provides the first software platform to drive repeatable business innovation.

Mindjet enables the world's leading brands to manage innovation from idea creation to opportunity selection to project completion. Mindjet's project-based collaboration suite, MindManager and ProjectDirector combined with Spigit's Innovation Platform, Spigit Engage, are used by millions of users and over 83 percent of the Fortune 100 to build cultures of innovation.

Businesses can use crowdsourcing, mind mapping, big data analytics and game mechanics technology to surface and develop the very best ideas, and then bring those ideas to market with a purpose-driven project management suite.

Mindjet is headquartered in San Francisco with offices throughout the United States, United Kingdom, France, Germany, Japan and Australia.

For more information, visit www.mindjet.com and www.spigit.com.



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