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About the Author

Elaine Dundon is the author of the best-selling book, The Seeds of Innovation which has been featured around the world, including Australia, Singapore, Norway, Canada, and the United States. The Seeds of Innovation was named one of the top ten business reads by The Globe and Mail and has consistently appeared on numerous bestseller lists.

Elaine is also the author of numerous articles and other publications on the hot topic of Innovation. She has extensive experience in organizational innovation, business planning and marketing strategy development and is currently adjunct professor of Innovation Management in the Executive Program at Penn State University.

The Big Idea

There is a need for organizations to become more innovative as markets become more dynamic and competitive. It is important to realize though that there is more to innovation than simply coming up with a new and unique idea.

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Introduction to Innovation Management

The Need for Innovation

The world is constantly changing. The need for innovation is increasing as change prompts organizations and companies to provide better solutions to the evolving world.

Innovation is composed of four components - creativity, strategy, implementation, and profitability. It gives companies the competitive advantage, attracts shareholders and employees, and retains current employees. Innovation is defined as “the profitable implementation of strategic creativity”.

Three Types of Innovation

1. **Efficiency Innovation** - Efficiency innovation focuses on identifying new ways to improve the current system (e.g. cost-cutting, total quality management, redefining the distribution system, etc).

2. **Evolutionary Innovation** - Evolutionary innovation identifies distinctly new and better ways to bring value to an organization. Unlike Efficiency Innovation, Evolutionary Innovation focuses on looking at the bigger picture and finding new ways to reach out to their market or improve their products and services.

3. **Revolutionary Innovation** - Revolutionary Innovation involves the introduction of radical new ideas that not only affect the organization, but the entire marketplace as well. More often than not, Revolutionary Innovation produces benchmarks in the industry.

The Seeds of Innovation

1. **Creative Thinking** - focuses on the discovery of new ideas as well as connections to these new ideas.

2. **Strategic Thinking** - strengthens the creative idea by adding value to the idea.

3. **Transformational Thinking** - takes on the implementation of the idea, from easing the extraordinary into the organization to taking action.

The Nine Step Innovation Process

The author has mapped out nine important steps in bringing innovation into any organization. There are three key stages in the process:

1. **Understanding**
   A problem that is clearly defined and understood is a problem half-solved. It is important for organizations to understand needs and to identify possible solutions before taking action. The steps in this stage are:
1. Gathering information.
2. Clarifying the Real Problem.
3. Setting Innovation Goal posts.

2. Imagination
Imagination prods the organization to gather inspiration, see the bigger picture, and make new connections to familiar ideas. There are three steps in the imagination process:
4. Seeking Stimuli.
5. Uncovering Insights.

3. Action
After ideas have been identified and strategically aligned to address the problem, action turns these ideas into full business concepts and plans. The final steps are:
7. Developing the Innovation Roadmap.
8. Gaining Commitment.

The Seeds of Creative Thinking

Believe in Creativity
In order for creativity to flourish in any environment, one must believe that creativity exists in everyone. It is a common misconception that only those who have the talent to express themselves creatively (e.g. artists, painters, and writers) are creative.

It is important to realize that everybody is creative in their own way. For a person to be fully creative he must be able to exercise creativity skills such as being able to challenge the norm, thinking out of the box, or doing something new every week.

Lastly, in order to believe in creativity, one must learn to accept failure. Failure is an opportunity to discover how things can be improved and to find more creative solutions and pathways to success.

Be Curious
Creativity thrives on curiosity. Curiosity involves having an open mind, gaining a broader perspective, and asking probing questions.

A curious mind acknowledges the fact that there are alternative ideas that exist. Curious minds challenge traditions.

It is important also to gain a broader perspective by observing the current environment, asking questions, and talking to those who are both inside and outside the process.
Curious minds also keep asking three important questions that push the limits in discovering new ideas: “Why? What if? What else?”

**Discover New Connections**

There are more than a million ideas already in existence, and it is important that one must be able to keep on finding new connections between things in order to be innovative.

One can build connections using imagination. Pushing the limits, doing the opposite of what is expected, looking elsewhere for inspiration are some of the exercises one can use to creatively connect one idea to another.

Another way to create connections is by using diverse stimuli. The problem has to be clearly defined to be able to determine what kind of stimuli is to be used. Stimuli can be found in either the internal or external workings of the organization. It is also important that an organization develops a systemized approach in gathering stimuli, i.e. idea banks.

An organization can also use the **Creative Connection Power Tools** to find connections between ideas. These tools are:

1. **Rummaging the Attic** - Rummaging the attic simply means looking into old processes and uncovering past ideas that can be reworked into new ones.

2. **Cultivating Obsession** - Living and breathing the challenge of finding new ideas can uncover facts that can help in generating new connections.

3. **Analyzing Frustrations** - Asking the people involved (such as customers, distributors, or the outsourced third party) helps an organization analyze what is wrong in the current situation.

4. **Identifying Gold Standard** - Learning from other organizations that have gone through a similar situation in an outstanding way can help an organization find the best ideas to approach their problem.

5. **Adopting and Adapting** - Adopting existing ideas and adapting them to the organization is a useful way of creating a connection between great solutions and the organization.

6. **Combining Ideas** - Similar to adopting and adapting ideas, combining ideas is fusing together existing ideas through new connections or new ways.

7. **Finding Similarities** - Finding similarities in other challenges that are not exactly similar to the situation presented can provide new solutions and approaches to the problem.

8. **Breaking Down the DNA** - Breaking down the problem into different segments and playing with each segment can outline the process and highlight areas where change can be done.
9. **Listing and Twisting** - Listing the process and twisting each segment - taking out a step, adding a step, or redefining a step - helps an organization create a more efficient process.

10. **Become a Visual Thinker** - Creating a visual of ideas and making a mind map helps establish the connections and shows relationships between all the elements combined.

**Evolving from Brainstorming to Innovation Groups**

Brainstorming was created for the purpose of idea generation. It is a group method wherein participants are gathered and led by a facilitator to discuss a problem and come up with possible solutions.

However, brainstorming poses several challenges, namely:

1. Lack of process.
2. Lack of skilled facilitator.
3. Lack of skilled participants.
4. Listing of rules.
5. No agreement on problem.
7. Pressure to be creative on queue.
8. Pressure to converge quickly.
9. Lack of follow up.

Innovation groups, on the other hand addresses these challenges through the following methods:

- Coming up with a more complete process of defining goals of the problem through several group meetings.
- Addressing pressure to be creative by using a 2-3 meeting process.
- Choosing a skilled leader who will focus on the overall process and inspire from the beginning to the end.
- Choosing the best participants.
- Providing guidelines.
- Clarifying the real problem.
- Introducing stimuli in the pre-work stages and during meetings.
- Using the Creative Connections Power Tools.
- Ensuring follow up.

**The Seeds of Strategic Thinking**

Strategic thinking is adding value to creativity where it is best for the organization and its interests. Everyone in the organization is involved in this practice as they are encouraged to see the big picture, look into the future, and to do the extraordinary.
See the BIG Picture

Seeing the big picture is stepping back from the problem and analyzing it from every view. It is important to gather information on different angles and examine what is the real problem.

This process also involves setting Innovation Goalposts. Innovation Goalposts focuses an organization's efforts in finding the most strategic ideas to address their needs. This prompts an organization to predetermine the criteria in selecting the best possible strategic idea.

There are several elements in seeing the big picture.

- **Systems Thinking**
  Acknowledging the task as part of a larger process develops system thinking. Seeing the relationship between tasks helps an organization realize how several changes can affect the entire system.

- **Clarifying the Real Problem**
  Listing all possible causes of the problem and probing the situation can help an organization identify and address the real problem and focus their efforts in the right direction.

- **Setting Innovation Goalposts**
  Innovation Goalposts provide structure and focus to creative work. It sets expectations to encourage faster decision making and find the most strategic ideas for the organization. There are five ways to set Innovation Goalposts:

    1. Gather information about various angles of the problem
    2. Define the real problem
    3. Discuss the ideal solution
    4. Decide on the type of innovation to implement
    5. Pre-determine the strategic idea criteria.

The creative idea must be strategically fit for the organization. Aside from fitting into the requirements of the Innovation Goalposts, the idea must be applied in the BIG-Picture Criteria:

- The idea must be simple.
- The idea must support the overall business strategy.
- The idea must be distinctly new and better.
- The idea must be proven.
- The idea must be profitable.
- The idea must be quickly implemented.

Look Into the Future

Looking into the future taps into the second part of the Nine Step Innovation Process called Imagination. Imagination focuses on these three steps: seeking stimuli, uncovering insights, and identifying ideas.
1. **Seeking Stimuli** - Observing and analyzing:
   a. Current states of the organization’s business.
   b. Customer ideas.
   c. Existing solutions available within the category.
   d. Current benchmarking excellence in their field.

2. **Uncovering Insights** - Through stimuli gathered, insights can be uncovered and they can help create new solutions or identify real problems. There are four key areas where one should delve into in order to gather insights. These are:
   a. Customer needs
   b. Emerging technology
   c. Marketplace
   d. Organizational Needs

3. **Identifying Ideas** - Before identifying ideas that the organization will use in the future, it must first choose a vision or future destination. Where does the company want to be years from now? After that has been set, the best and most strategic path to achieve this vision must be determined.

**Do the Extraordinary**

In order to break from the clutter, an organization must do something unique to stand out and be recognized. They can apply the following nine strategies used by successful and innovative organizations in turning the ordinary into the extraordinary:

1. Target the most profitable customers.
2. Offer something distinctly new and better.
3. Set your innovation priorities.
4. Make sure it’s easy.
5. Pick up the pace.
6. Systemize with modules.
7. Profit from the power of branding.
8. Add credibility.
9. Create a magnetwork (network that is the most cost-efficient to your organization).

**The Seeds of Transformational Thinking**

After an idea has been identified, creatively planned and strategically aligned, it is then ready to be implemented. Before implementing any idea, it is important that an organization must first examine its business or operating strategy and organizational design to determine the feasibility of implementation.

**Seek Greater Awareness**
Seek Greater Awareness of Self
The more aware a person is of himself and his environment, the more he is able to take advantage of opportunities to become innovative. Self-awareness can be accomplished by first slowing down the mind and recharging it, calming the mind to rid of all distractions, and lastly, clearing the mind to make space for more ideas.

Seek Greater Awareness of the Team
A team works best if they can bring out each other’s innovative spirits. However, there are several barriers in team innovation due to unawareness of these factors:
- Effect of one’s attitude towards others.
- Increasing need for more developed social skills.
- Need for widespread participation in the innovation initiative.
- Team’s resistance to change.

Seek Greater Awareness of the Organization
Understanding how an organization is structured and how the process flow is created is significant in creating innovative organizations. The most innovative organizations possess the following characteristics:
- They encourage all employees, partners and suppliers to take an active role in innovation.
- They welcome new ideas and new approaches.
- They are forward-thinking in the anticipation of their customers’ future needs.
- They redefine rules of the game and challenge complacent competitors.
- They embrace new technology to strengthen their competitive advantage.
- They employ internal processes that support innovation.
- They allocate resources to find, develop, and implement new ideas.
- They reward innovative efforts.
- They move quickly.

Ignite Passion
Passion is defined by the Concise Oxford Dictionary as “strong emotion or strong enthusiasm”. Nowadays, passion is lost because there are too many choices, not enough support, weak decision-making processes, fear and anxiety in many people, extrinsic rewards, cynical humor, and stifled environments. The presence of Passion Killers, or those who discourage new ideas, smothers innovation.

Passion at the Individual Level
Passion is a behavioral manifestation of one’s individuality - one’s life energy. It gives a deeper sense of meaning in one’s life. It is essential that one must focus and block out negativity in order to stay passionate.

Passion at the Team Level
There are two kinds of cultures: a stated culture and the real culture. A stated culture lists desired attributes of its team while the real culture recognizes the personalities and behaviors of its members.

There are four key passion drivers at work:
1. Doing challenging work.
2. Having the sense of ownership in identifying and implementing innovative ideas.
3. Being recognized and rewarded for innovative work.
4. Having the opportunity to work with other passionate people in a passionate environment.

**Passionate Physical Environment**
A passionate physical environment has energy flowing through it. When deciding to join an organization, an employee considers the environment, both in terms of space and opportunity for self-expression, as a key factor.

**Take Action**

**Developing Innovation Roadmaps**
In developing innovation roadmaps, ideas must first be categorized according to their feasibility; whether they should be put on hold for the future, be investigated further, or put on the fast track for immediate presentation, development, and implementation.

The 6 BIG-Picture idea must be implemented also in developing the innovation roadmap.

**Gaining Commitment**
In presenting an idea, the presenter must be able to encourage his audience to see the idea the way that he envisions it. A deeper understanding of the audience's backgrounds helps in pitching the idea in their perspective.

Preparing a prototype or a visual roadmap creates a solid picture of the idea that you are selling. It is important to walk the audience into the entire process, making it simple and easy to understand.

Kurt Lewin presents three processes to encourage people to become more receptive to change or new ideas. These are:

1. **Invalidation** - Asserting that current ways aren't working anymore and won't be applicable in the near future.
2. **Creation of guilt or anxiety** - Creating a forecast if ideas are not generated or accepted.
3. **Creation of psychological safety** - Creating opportunities for training, practice, and development of the idea

**Implementation of Roadmaps**
It is important for the innovation leader to apply the right pressure until the plan is fully implemented. He ensures the commitment of everyone involved and keeps an eye out for roadblocks.
Passion, Patience, and Perseverance
Success can be reaped by learning from failure, and it is important that one must be able to pursue innovative ideas without being easily discouraged. Timing must be considered, and supporters are needed in order to make an idea become a reality.

Organizational Innovation
The Innovation Systems Architecture Model
The Innovation Systems Architecture Model developed by Elaine Dundon and Alex Pattakos illustrates how innovation can be achieved by any organization at all levels. It consists of eight factors that build and sustain innovation.

1. Shared Innovation Vision and Strategy - Innovation is not limited to one area of the organization, rather, it applies to the organization as a whole.

2. Innovation Environment Supports - The organization's environment, created by behaviors and practices, should encourage innovation.

3. Innovation Resource Allocation - Access to innovation resources can be widened by allowing more time for innovation processes, for team leaders to coordinate innovation efforts, redesigning planning and budget processes.

4. Innovation Process Networks - The process of gathering ideas and implementing them should be efficient and strengthened to produce the best results.

5. Innovation Programs - Innovation programs are created to focus an organization's efforts on sustaining and improving innovation. It celebrates innovative efforts of an organization, encouraging its members to keep producing innovative ideas.

6. Innovation Skills Development - Members of the organization should be trained to think innovatively.

7. Innovation Rewards and Recognition - Organizations should recognize individual and team innovative efforts through informal celebrations or rewards.

8. External Stakeholder Innovation (Customers and Partners) - Every innovative organization should keep in touch with their external environment and create alliances in strengthening their magnet network.

The Innovative Organization Assessment: A Holistic Approach
An organization must assess its current innovation efforts. There are two ways to measure these efforts.

The first one is innovation output, which takes into consideration the success of new
products launched; profit earned, market shares, ratings, etc.

Another method is the innovation throughput, which looks into the organization's design or structure in terms of sustaining and supporting innovation. Innovation throughput looks at the eight pillars of Innovation Systems Architecture.

■ Conclusion

A common misconception about innovation is that it is synonymous to creativity. Creativity is just a component of innovation; strategy and implementation are also important in the innovation process. The integration of these three seeds of innovation - creative thinking, strategic thinking, and transformational thinking - are all essential and must be practiced by all members of the company in order to achieve success and become an innovative organization.