

The 3 Paradoxes of

Putting creative thought to practical use — that's how we define innovation. We like that definition because it's so simple. *Or is it?*

If you really stop to think about it, just saying the words *creative* and *practical* in the same breath creates a certain kind of tension, given the diametrically opposed meanings of the two words. That complexity is fine with us, since it suggests that innovation is, at its very essence, paradoxical — and in more ways than one.

At the highest level, innovation is paradoxical because of the very context in which it takes place — the business world. This is a realm where efficiency is king and those who do it well are held in high esteem (e.g., Wal-Mart, Dell, FedEx).

This sphere rewards quick decision-making, cut-and-dried analysis, aggressive deadlines, objectivity, productivity and clarity. Yet *innovation* and *creativity* require just the opposite to survive and flourish. They need a place where the *fuzzy front-end* is not only welcomed but also encouraged.

Though *innovation v. efficiency* might be considered one of the most perplexing innovation paradoxes, it is by no means the only one. During years of innovation consulting, we've stumbled on plenty of innovation paradoxes, all equally confounding to the real-world innovator.

Just recently, we found a few amidst the results of a *Reveries.com* reader survey on innovation. For example, 68 percent of the 200 marketing and business professionals who responded said they felt their company has the resources and talent in place to innovate successfully. Yet the same group said that their two biggest challenges with regard to innovation were *money* and *time*.

However, we've noticed that the more that companies become aware of — and even embrace — innovation paradoxes, the more likely they are to succeed at innovation. The three most compelling innovation paradoxes, in our experience, involve *process*, *change* and *work/play*.

1. The Process Paradox. Only half of the *Reveries* survey respondents said their company has an innovation process. But before you accuse us of being *glass-half-empty* kinds of people, bear in mind that we frame it this way because 90 percent of the respondents said that innovation is a priority at their company.

If innovation is a priority, then it deserves a process. Innovation's *process paradox* is essentially this: An innovation process is critical, yet it's possible to have *too much* of a process.

Let's take the example of a large, unnamed packaged goods company. They were very eager to set up an innovation process and did so happily. After a big kick-off meeting at which the CEO announced that innovation was a main priority for the company, they set up an innovation process funnel and came up with project charters to enter into the funnel.

They trained product managers in how to use the funnel. They met monthly to discuss how many ideas they had in the funnel. They estimated the potential revenue impact of the projects in the funnel. They discussed how their reporting system was working. They were doing all of this and were quite proud of their shiny, new innovation process.

And yet, when it came right down to it, their approach didn't yield any more product innovations than they had launched previous to their setting up the new process.

Seduced by the tangible, easy-to-grasp project management tasks that accompanied their process, this company fell into the clutches of the dreaded process monster — a trap that can be avoided if you're aware of the *process paradox*. The key is that you've got to keep the process simple, so that managing the process doesn't overwhelm the innovation itself.

Too many checkpoints, hurdles, and to-do's to check off the innovation process list will be a distraction. In other words, the innovation process should

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act as a means to an end, and not an end in itself. Here are the essentials of a good innovation process:

- **Tools.** The staff will need access to a toolbox to help them create new ideas, evolve those ideas and validate them with consumers. Ideation sessions, qualitative consumer research, creativity training, trend tracking and competitive intelligence are some of the most helpful tools of innovation.

- **Leaders.** The second-most cited innovation challenge (behind “time”) in the *Reveries.com* survey was *innovation leadership*. Innovation leaders make sure innovation is a priority and that people have the resources they need to innovate successfully. They, themselves, don’t have to be the idea-people, but they do need to be pushing the idea people forward.

- **Goals.** These can be quite broad and should be bold. How about setting a goal that 30 percent of company revenue over the next few years should come from your new innovations? Or that you shoot for one breakthrough innovation a year and six line-extensions? If you’re like Thomas Edison, you might plan to turn out “a minor invention every ten days and a big thing every six months or so.”

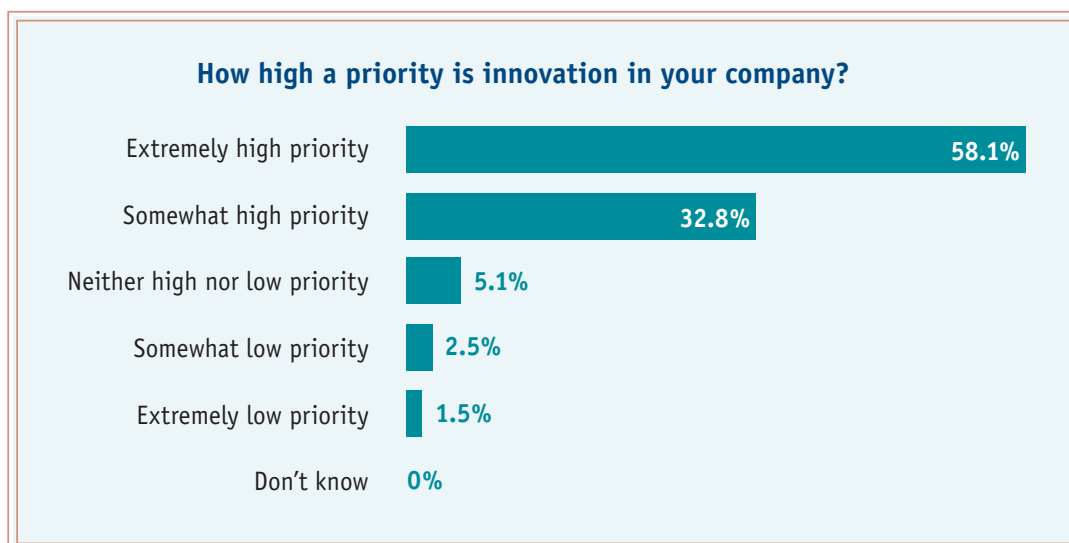
At the heart of the *process paradox* is that the innovation can be messy, and your process should be sufficiently flexible to allow for that. Sometimes when doing research with consumers to uncover insights

or develop new ideas, you may realize that the *fuzzy front-end* just isn’t getting any clearer. Or that you are on the wrong track. Or that you need to back up a bit before you can go forward.

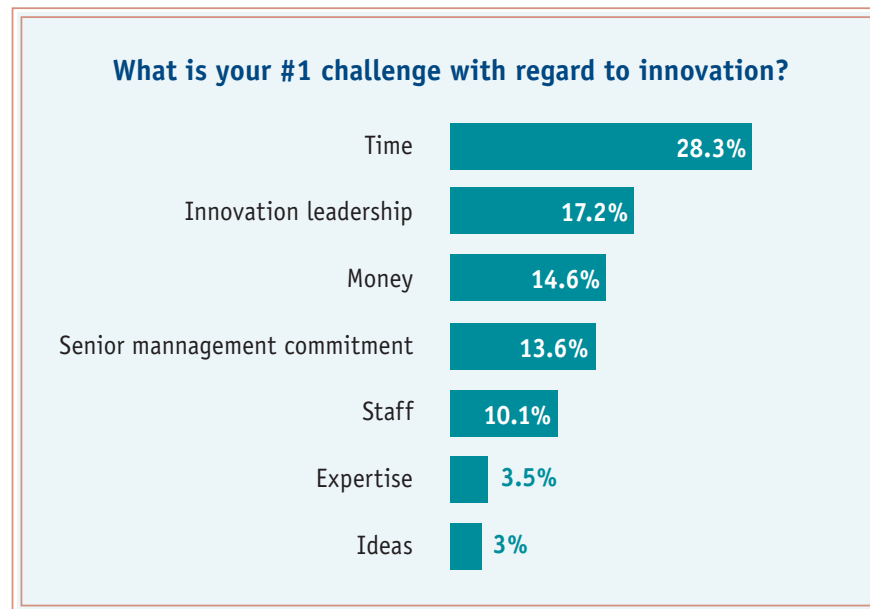
This unpredictability won’t work within the confines of a too-linear innovation process. Real innovation circles back on itself as more information becomes available. An idea that you may have thought to eliminate yesterday can suddenly return into play when you make an unexpected discovery today. Forcing innovation into a linear, one-way funnel process can too easily kill a promising idea.

2. The Change Paradox. There’s a fundamental misconception that company-wide innovation requires painful, large-scale organizational change. Not true. What companies need is an actionable framework for generating business-building new ideas without ripping apart the existing system. That a significant cultural shift can come from small changes is counter-intuitive to most.

How many of you have experienced the following phenomenon in the workplace: The CEO gives a speech emphasizing the critical role of innovation to the future of the company at the annual employee meeting; a “skunk works” innovation team is established and located off-site to develop large (+\$100 million) longer-term growth initiatives.



SOURCE: *Reveries.com*



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A new innovation process, with supporting software, is launched to track, prioritize, and drive the most promising new product ideas. Business units are re-structured to include new innovation teams dedicated to developing shorter-term, *closer-in* new products/services. An existing conference room is converted into an *innovation room*, complete with comfortable chairs, brightly colored walls, and provocative reading material. HR develops inspirational messages encouraging innovation, and posts them throughout the company's hallways and elevators.

Unfortunately, as those who've participated in these initiatives know, few — if any — meaningful, bottom-line enhancing ideas ever result from these approaches. While well intentioned, such initiatives miss the point. Although they are highly visible, these change initiatives are ultimately low-impact activities that contribute little to realizing the true innovative potential of the company.

Similar to the overly complex process we mentioned in the *process paradox*, these actions are flavor-of-the-month innovation “*means*” masquerading as profitable-growth innovation “*ends*.” This type of dramatic, painful re-org doesn't work because it attempts to change the culture of an organization from the outside in. Nowhere in this scenario does anyone start the process of stimulating new ideas, sharing them with each other, or getting feedback on them from consumers. The company simply rearranges the pieces on a game board and waits for the ideas and innovations to flow.

To become more innovative, a company needs to emphasize the *doing* and its results — not the restructuring of the current organization and its processes. It's only in *the doing* (*not* in the talking about the doing) where people can fully experience the excitement of creating new things, commit to the principles and practices of results-oriented innovation, and ultimately start changing the world around them.

You don't innovate by changing the culture; you change the culture by innovating.

Here are a few essential activities for companies that want to get started with the *doing*:

- **Focused Ideation.** One of the most effective activities a company can engage in is a focused ideation session. This typically involves 20 to 30 people from a variety of company functions coming together for a one- or two-day session. The key is that the brainstorming activities must be extremely focused.

A story we like that often inspires businesses to stop their usual procrastination and start *doing* something is the story of the Schick Intuition women's razor. One single ideation session provided the creative spark that ignited that product team and helped sustain them during their year-and-a-half long development process.

During that session, one of the new product engineers came up with the notion to combine soap with a woman's shaver to make shaving a one-step, one-hand process. She made a prototype by hand that night and tried it the next morning. Somewhat to her surprise, it performed beautifully, and she worked with the marketing team to develop and launch what became one of Schick's biggest hits in 20 years.

- **Consumer Insights.** New-product development focus-groups today are under-leveraged, even woefully misused. Conventional wisdom says that consumers are only good at providing judgmental, yes/no reactions to new product concepts. Our experience has been quite the opposite.

Not only can consumers be true development partners in areas of opportunity for a new product or service, they can help evolve nascent ideas into fully developed and successful marketing propositions. Furthermore, when consumer research is used in conjunction with focused ideation sessions in an iterative

way, insightful, integrated, and highly motivating consumer propositions emerge with increased probabilities of success.

With Danaher, maker of Sears Craftsman tools, we conducted almost 30 hours of consumer focus-groups before even beginning idea generation on its new line of hand tools. Our goal was to discover and leverage consumer insights to create new collections of hand tools and better ways to merchandise current lines. The results of the consumer research, which was integrated with focused ideation sessions, were a dozen new products and a new tool-organization system, for which Danaher received an unprecedented six Vendor-of-the-Year awards from Sears.

• **Creativity and Innovation Training.** We've trained employees at organizations ranging from fashion giant LVMH (Louis Vuitton Moët Hennessy) to the New York City government in the use of effective ideation techniques they can employ themselves, on a day-to-day basis. For optimal learning, we require that workers bring their current business challenges to the training, and we make solving them part of the session. This leads to two primary benefits: 1) new ideas to help the business; and 2) confidence among the trainees that they will have no trouble applying the new techniques outside the training classroom.

The result of all of this kind of *doing* we've described above is that it leads to successes—new ideas, fresh consumer insights, and an energized staff. And because success tends to beget success, once you get the momentum rolling, you'll find you've done more to change your company culture by initiating these easy-to-execute activities than you would have by instituting an organizational overhaul.

What's more, you will have accomplished it much less painfully.

3. The Work/Fun Paradox. Innovation isn't easy. Most companies really struggle with it. Yet those who make a long-term commitment to it and are persistent find that they not only succeed, but that they have some fun along the way. It's important to be conscious of the innovation *work/fun* paradox in order to strike a balance between *work* and *fun* as you innovate.

There's no avoiding the work part of innovation. We actually notice that in talking about innovation, many people gloss over this part. They tend to discuss the *fuzzy front-end* and the ultimate launch of new products, but they often skip all the stuff in between. That's because so

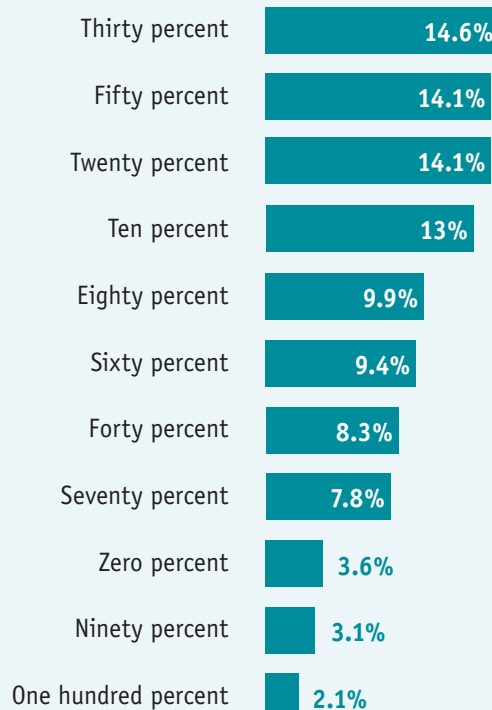
much of the in-between is the hard part or, as we call it, the *muddled middle*.

The *muddled middle* is where ideas are lost or disregarded because they are difficult to execute or because they are surrounded by many ambiguities. It's this period in the process where lots can—and will—go wrong, and where it may seem easiest to give up.

Our work on Mentadent Toothpaste provides a good example. As with any groundbreaking innovation, we encountered many stumbling blocks along the way. Take its packaging, for instance. Because the formula depended upon keeping baking soda and peroxide separate until the toothpaste was dispensed, a standard toothpaste tube would not suffice for this product. Instead, intensive packaging development was undertaken to create a dual-chambered pump.

Furthermore, this special pump required significantly more shelf space than a typical tube of toothpaste, something retailers initially weren't crazy about (until they learned of the product's high profit margins). Last but not least, the company had to con-

With regard to new product/service launches, what would you estimate your innovation success rate to be?



SOURCE: *Reveries.com*

vince consumers to pay twice as much as they usually paid for toothpaste for this as-yet unknown brand.

As each step in the innovation process for this toothpaste transpired, it seemed as if the innovation gods would throw another hurdle in its way—packaging complexities, an initially difficult story for the trade, a significantly premium price for consumers. Yet our team was persistent, had good leadership, and didn't allow themselves to get bogged down.

We worked through each issue and ultimately launched a \$250-million dollar brand that changed the toothpaste market forever. Though we may have felt like Thomas Edison working on the light-bulb every time we went down a path that ended in failure, we made sure we learned something from those false starts. That's the attitude innovators need to get through the tough work of innovation.

That's exactly what happened with the Mentadent team. We all knew from our research with consumers that the benefit of freshly mixed baking soda and peroxide was so compelling that we were motivated to carry on and overcome the hurdles we faced—to plow through the *muddled middle* until we achieved success.

Knowing how and when to inject fun into the innovation process and how to keep that energy and momentum going through the *muddled middle* makes all the difference in creating a dynamic and energized environment in which innovation—and those doing it—thrive. It's why the *work/fun* paradox is important to embrace.

So, what can we learn from these innovation conundrums of *process*, *change* and *work/fun*? We believe companies that not only understand these challenges, but also employ the approaches we

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For us, the fun part of innovation comes from the fact that ideas create energy. We've often found that after facilitating a brainstorming or ideation session, the participants tell us how invigorated they feel and how exhilarating it was for them to participate in that session, come up with ideas, build on the ideas of others, and think creatively without constraints.

They talk about the palpable energy they felt in the room and how refreshed and inspired they feel. We like to call this sensation the *innovator's high*. Like the runner's high, it leaves a person feeling happy and energized.

A similar kind of experience sometimes occurs when talking to consumers. Many of our clients come out of focus groups saying, *I can't believe I never knew that*, or *It's amazing what we learned today!* This discovery process is all part of the fun of innovation and it helps make all the hard work worth it.

An added dimension that ideation sessions and consumer research bring to the table is that they bring people together for a common cause—the team witnesses and understands an idea's origins and the passion that idea evokes from consumers. Suddenly, the group is united in a fun challenge, a creative puzzle to be solved, and their commitment to the idea pulls them through.

describe to counter their potentially damaging effects, can ultimately overcome the mother of all innovation paradoxes—the *innovation v. efficiency* paradox.

In other words, we'd suggest companies “bite off just what they can chew” when taking on these innovation paradoxes. You've just got to start *doing* something. Get some easy wins under your belt, and then build on those successes. With this in mind, it's time to get to *work*... or should we say... *fun*? ■



BRYAN MATTIMORE and **GARY FRASER** are principals at **The Growth Engine Company** (www.growth-engine.com), an innovation agency dedicated to partnering with companies to provide a continuous stream of innovative products, services, and ideas for significant top-line growth.



With more than 45 years of experience as project-based innovation consultants, they have converted to an agency model to help companies facilitate a long-term approach to continuous innovation.