Innovation Culture 25 Behaviors Affecting Your Program's Success

Rate your company: how well are you positioned for collaborative innovation?

Culture is one of those difficult terms, with a wealth of definitions depending on the particular context. How an organization behaves is crucial for maintaining a sustainable innovation program, so HYPE continuously analyzes which behaviors affect a program's success and how. During our work with clients, we have come to understand there is a set of factors that help set your program direction and tactics.

The first thing to consider is: Where are we today? Consider the following 25 factors where an organizational behavior can help or hurt a company's innovation capacity. Note: no company is perfect on this scorecard. But based on the findings, it will be much easier to match your ambitions to the readiness of your company.

| LEADERSHIP | | | | | | | |
|---|--|-------------------------|--------------------|--------------------------|---------------------|------------------------|---|
| Cultural Factor | Negative Behavior | | Your | Com | pany | 1 | Positive Behavior |
| Clear organizational mission | No mission exists; or the mission speaks in high level platitudes that people ignore because it's not actionable in their actual work. | ○ -? Extremely negative | ि न Quite Negative | 🔘 🗢 Neutral/Intermediate | 🔘 - Quite Positive | ○ ~ Extremely Positive | The mission is the touchstone for daily work, referred to regularly as decisions are made. |
| Strategic imperatives | Innovation is catch-as-catch-can, with little guidance on key strategic innovation areas. | 2 | _ -1 | 0 | 0 1 | 0 2 | Focus areas for innovation have been identified, and are connected to the company mission. |
| Prior internal program rollouts | New top-down programs are tried out frequently, with little follow-up making them seem like the "flavor- of-the-month". | 0 -2 | -1 | 0 | 0 1 | 0 2 | Other corporate programs (e.g. sus- tainability) are rolled out sparingly, integrated with the overall mission and committed to long-term. |
| Types of innovation | The types of innovation desired are unknown by employees, who cannot describe what innovation the company wants. | 2 | -1 | 0 | 0 1 | 0 2 | Company leaders have articulated the types of innovation desired (e.g. customer experience, products, markets). |
| Executive sponsorship | The innovation initiative lacks any type of senior leader sponsorship, signaling it's not in the flow of important work of the company. | 2 | -1 | 0 | 0 1 | <u>с</u> | The C-Suite sponsors the innovation program, signaling to employees the importance of the effort. |
| Ownership of innovation program | The program is considered a project by some distant "innovation group" that people don't know internally. | 0 -2 | _ -1 | 0 | 0 1 | 0 2 | The innovation program is embraced by the heads of the different business units. |
| Focus on tangible business questions | Crowdsourced innovation initiatives focus on fluffy topics that fall outside "hard" business objectives. | 2 | 0 -1 | 0 | 0 1 | 0 2 | Innovation campaigns seek input on real issues that people understand as relevant and want to help address. |

| AWARENESS | | | | | | | |
|---|--|-------------------------|--------------------|--------------------------|--------------------|------------------------|---|
| Cultural Factor | Negative Behavior | | Your | Com | pany | | Positive Behavior |
| Program communications | Little information is communicated about the program, people are unaware of what is happening with it. | 🔘 ୍ୟ Extremely negative | 🔘 – Quite Negative | O O Neutral/Intermediate | 🔘 ~ Quite Positive | ○ ← Extremely Positive | Innovation program team, with leadership involvement, regularly send out updates on the innovation program: results, focus areas, recognition, etc. |
| Communication internally | Communications are expected to follow a hierarchical protocol, inhibiting expression of true insights. | 0 -2 | _ -1 | 0 | 0 1 | <u>с</u> 2 | Senior leaders make themselves accessible, and are regularly "reaching down" and talking with employees everywhere. |
| Recognition for quality contribu- tions | No one ever sees praise for quality contributions, leaving employees wondering how much quality is valued. | 2 | -1 | 0 | 0 1 | <u>с</u> 2 | Ideas and comments that provide quality and advance innovation are highlighted to the broader community. |
| Success stories | Successful outcomes are known to a few, but most people never hear about them. Missed chance to boost enthusiasm for collaborative innovation. | | 1 | 0 | 0 1 | 0 2 | When ideas sourced through employees deliver results, or the program makes connections that add value, these are celebrated and shared with everyone. |

| EMPLOYEE ENGAGEMENT | | | | | | | |
|------------------------------------|---|---|---------|---|--------|-------------------|--|
| Cultural Factor | Negative Behavior Your Company | | | | | Positive Behavior | |
| Time to participate | Employees are told to get their work done, and not spend time on something others in the organization can handle "just fine, thank you". | 2 | _ -1 | 0 | 0 | О 2 | Employees are encouraged to spend time thinking about innovation and participate in campaigns. |
| Company leaders engagement | No one hears from company leaders, creating uncertainty as to whether they're paying attention. | | 1 | 0 | 0 1 | 0 2 | Company leaders from different levels engage employees on their ideas and comments. |
| Constructive criticism on ideas | People are discouraged from "bad mouthing" others' ideas. Or innovation antibodies weigh in with generic "never work" comments. | 2 | _ -1 | 0 | 0 1 | О 2 | Criticism that helps strengthen an idea or find its fatal flaws is encouraged. |
| Feedback on ideas and comments | People post ideas, never hear anything on themfrom anyone. | | 0 -1 | 0 | 0 1 | 0 2 | As regularly as possible, idea and comment submitters receive feedback on their contributions. |
| Response to non-starter ideas | Open criticism is communicated asking why we have so many "bad" ideas. | 2 | | 0 | 0 1 | 0 2 | Submitters are given guidance on why an idea will not be selected to move forward. |

| GOVERNANCE | | | | | | | |
|--|--|------------------------|--------------------|--------------------------|--------------------|------------------------|---|
| Cultural Factor | Negative Behavior | | Your | Com | pany | | Positive Behavior |
| Guidelines on successful ideas | No information is provided for what constitutes good ideas, causing the submission of many unworkable ideas. | • ? Extremely negative | 🔘 🕂 Quite Negative | 🔘 🗢 Neutral/Intermediate | 🔾 – Quite Positive | ○ ~ Extremely Positive | For each campaign, general characteristics of what makes a good idea are described, providing useful guardrails. |
| Basis of idea selection | No one has provided information on how ideas will be selected, leading employees to fill-in-the-blanks on why an idea will be chosen. | 2 | -1 | 0 | 0 1 | 0 2 | Employees have a clear sense of how ideas will be selected at the end of a campaign or within a set time period if submitted to an open suggestion box. |
| Idea processing | No plan for the process of determining which ideas will be selected; employees are unclear on how their contributions will be considered. | 2 | -1 | 0 | 0 1 | 2 2 | Going into a campaign, the flow of activities that will occur around submitted ideas are understood by participants. |
| Evaluation of ideas | Submitted ideas languish with no one ever giving the best ones an assessment. | | 0 -1 | 0 | 0 1 | О 2 | Ideas that have potential are actually evaluated by a credible team. |
| Selection of ideas | Ideas never or very rarely result in action to take them forward. | 2 | -1 | 0 | 0 1 | 0 2 | Highest potential ideas are selected for next steps: trialing, prototyping, development, projects. |
| Idea follow-up | Ideas end up in a dead letter file, with no final decisions made on them. | 2 | -1 | 0 | 0 1 | 2 2 | Final statuses for all submitted ideas are set, providing everyone with feedback on their contributions. |
| Record for why de- cisions were made | ldeas are selected, but no reason is given. Employees are left to speculate the basis of selection. | 2 | -1 | 0 | 0 1 | 2 | After a set of ideas are selected for moving forward, employees can see the reasons they were selected above others that were submitted. |
| Involve interested employees in devel- opment of ideas | Employees aren't allowed time outside their assigned jobs to work on ideas they have generated or supported. | 2 | -1 | 0 | 0 1 | 2 2 | Idea submitters, commenters and supporters are invited to help see their selected ideas become reality. |
| Selected ideas fail, in trial or once they're live | Failure on an implemented idea becomes a black mark on a person's job performance or internal reputation. | 2 | -1 | 0 | 0 1 | 2 | Ideas which fail as they are developed or after they're rolled out are celebrated as examples of being aggressive and learning. |

Score assessment and recommendation

| Points | Assessment | Recommendation |
|--------------------|-----------------|--|
| 25 points or more | Exceptional | Innovation culture is a competitive advantage. Consider expanding initiatives to address more adventurous innovation topics such as new markets or business models. Your organization also has the capacity to scale up external innovation activities, systemizing supply chain and customer innovation programs. |
| 10 to 24 points | Satisfactory | Culture is a positive contributor to your innovation potential, but the organization is missing its full potential. Focus on exploiting strategic innovation topics with your engaged community, develop a balanced innovation portfolio that progresses ideas through to implementation. |
| -9 to 9 points | Average | The level of innovation culture doesn't benefit the company significantly. Outcomes are generated unevenly, without a fundamental understanding for how they occur. HYPE recommends an incremental approach to involving more people in innovation and establishing better behaviors, focus on quick wins and boosting sharing, collaboration and increase the belief in collaborative innovation by advertising success. |
| -24 to -10 points | Underperforming | Culture is a negative contributor, erecting hurdles to achieving innovation outcomes. Find a senior sponsor to support a directed innovation activity (such as an idea campaign), choose your topic carefully, and focus on a tactical win to demonstrate the value of enterprise innovation. |
| -25 points or less | Ineffective | Culture is actively undermining the organization's innovation efforts. Consider inviting HYPE to brief your senior stakeholders on how the most innovative companies work and the value that can be driven from greater focus on innovation behaviors across the company. |



Frank Henningsen, Executive VP Professional Services



Colin Nelson, Director of Strategic Consulting



Hutch Carpenter, Head of Consulting US

See any of them around? No? For a more detailed assessment of your innovation potential please get in touch with us at **hypeinnovation.com/contact**.



US Headquarters HYPE Innovation, Inc. | 485 Massachusetts Avenue | Cambridge, MA 02139-4018 | USA | Tel.: 1-855-GET-HYPE

European Headquarters HYPE Softwaretechnik GmbH | Trierer Straße 70-72 | 53115 Bonn | Deutschland | Tel.: +49-228-2276-0