



35 things you need to know about business innovation and idea management

Great businesses are built on great ideas. And they grow through innovation. In this guide, we share the 35 things you need to know about harnessing ideas and innovation.

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Introduction

Building a great business requires great ideas that grow through innovation. So, what do you need to know to gather ideas, turn them into reality and to build an on-going [culture of innovation](#)?

Let's start with one caveat. Innovation is a powerful and effective way of building employee engagement. But, it is only one of many ingredients for success. Ideation and innovation programs will fail without employee engagement and a sound strategy.

Here's 35 things you need to be aware of before you start - and to inspire you if you're already on your way.



Part 1: Definitions

1. Ideation: meaning and definition

According to the [Oxford Dictionary](#), ideation is “*the formation of ideas or concepts*”. The secret of successful ideation is how your business asks for and acts on those ideas and concepts.

2. Business ideation

Business ideation involves gathering new [ideas](#) through techniques such as:

- brainstorming
- work-shopping
- suggestion schemes

The aim of [business innovation](#) is to gather as many ideas as possible. Then you select and progress the best of these ideas through to implementation.

3. Define innovation

Innovation is the spark of invention coupled with the process of delivery.



Creativity is thinking of something new.
Innovation is the implementation
of something new.

Paul Sloane

Innovation starts with spotting a need or an opportunity. That might be a different approach, a new process, or an improvement.



Part 2: Business innovation

4. Innovation and employee engagement

Employee-driven innovation succeeds when it's considered part of an employee engagement strategy. Employees who are not engaged are unlikely to contribute to your innovation initiative. So, when launching an employee innovation program, ensure you consider these essential ingredients:

- recognition
- news
- feedback
- company information

These elements feed and sustain both ideation and employee-driven innovation.

5. What is innovation management?

According to Gartner [innovation management](#) is:



A discipline that aims to drive a repeatable, sustainable innovation process or culture within an organisation. Innovation management initiatives focus on disruptive or step changes that transform the business in some significant way.

[Gartner](#)

Management is key if you want to take the spark of innovation and turn it into a valuable business resource. The 8 “must-haves” for innovation management include:

1. cultural diversity
2. encouragement of unproven ideas
3. listening to different points of view
4. a meaningful workspace
5. motivation
6. well-rounded talent
7. speed and flexibility
8. rewards for collaboration

These are common traits found in the best companies for leadership, who are able to foster innovation through their people.

6. Types of innovation

Here are the are 2 types of innovation (and 1 secret type):

1. disruptive innovation
2. incremental innovation

The type you choose depends on your organisation's ability to receive ideas, plan an action, and deliver change.

7. Disruptive innovation: great expectations

Disruptive innovation takes the established order and turns it on its head, fast. [Disruptive innovation](#) is a process whereby a smaller company with fewer resources is able to successfully challenge established incumbent businesses.

Think Uber, Dyson, Netflix, and Virgin.

8. Incremental innovation: stepping stones to success

Incremental innovation takes things slower. That doesn't mean it's not radical, it's rolled out in stages. The World Bank Group's [Innovation Policy Platform](#) suggests that "incremental innovation concerns an existing product, service, process, organisation or method whose performance has been significantly enhanced or upgraded."



9. The secret third way: “What if” innovation

“What if” innovation is more a state of mind than a type of innovation. It’s all creating the right perspective.

- What if our new product was the best on the market?
- What if we could make our services the best in the world?
- What would that sound like, feel like, work like?

In other words, what does **success** look like?



10. The innovation process

An average innovation process consists of 5 stages:

1. idea generation and mobilisation
2. advocacy and screening
3. experimentation
4. commercialisation
5. diffusion and implementation

Any innovation process needs to be robust, engaging, sustainable, and focused at every stage. From idea generation to implementation, your innovation platform must be transparent, resourced and managed. This way, success can be repeated and mistakes learnt from.

11. Innovation in the workplace

Building a [culture of innovation](#) in the workplace requires a commitment from management. They must recognise its importance, manage its processes, and celebrate its results.

As [one researcher](#) found: “Simultaneous improvement of performance and quality of working life is possible under certain conditions such as the participation of employees in innovation and change projects.”

12. What is open innovation?

[Open innovation](#) gives everyone in your organisation the opportunity to contribute their ideas. That doesn't mean that everyone should suggest ideas on everything and anything. Focus ideas by creating specific Challenges. You can make them time-dependent, or open only to preselected groups with relevant skill sets. This can help focus the ideas and help you draw out the real value.

13. The role of feedback in open innovation

The best innovation management and ideation systems include opportunities for feedback. A [study](#) into what stopped employees contributing ideas found that the two common factors were management's lack of follow-through on idea submissions and a lack of feedback on why ideas were not accepted.

Offering feedback is crucial, but how you give feedback is important too. Sometimes, employees have a negative reaction to feedback. If your staff react badly to feedback, collaboration is impossible.

There are 3 triggers that prompt a negative reaction to feedback:

1. A **truth** trigger is fired due to the content of the feedback, and any inherent disagreement with it.
2. A **relationship** trigger goes off when the person giving feedback matters as much as the feedback itself.
3. The final trigger is all around **identity** and is fired when the feedback hits at the core of who you are as a person.

Most of these triggers are perfectly natural. We all react to them to some degree. But being aware of these triggers can help you get more value from feedback.

Be self-aware. Before you give feedback, think about how you would feel if you were told what you are about to tell. Could you take it the wrong way?

You can avoid a negative relationship trigger by keeping feedback anonymous. If feedback is accurate, then who gave it should be irrelevant.

Arguably the most important part of open innovation is making sure everyone is open and receptive to feedback. Having open ears, and an open mind, is crucial for innovation to thrive in your organisation.

14. Innovation funnel, not innovation tunnel

Some perceive innovation management systems as dark tunnels. Places where ideas disappear, never to see the light of day again. An [innovation funnel](#) filters out impractical and inappropriate ideas. It retains the best for planning, costing and development to implementation.

15. Sifting and shaping: creating a culture of innovation

Your business needs to be able to determine the best ideas to take forward. You can achieve this through:

- open discussion
- peer to peer ranking
- interdepartmental collaboration

Again, the open approach is key. Involve your key stakeholders and drive direction through senior management.

16. What is continuous innovation?

At [UC San Diego](#), they define continuous innovation as “The ongoing, gradual evolution that occurs in our activities, operations, and creations... It drives organisations forward one project, change, and idea at a time.” Note the word ‘gradual’. ‘Gradual’ creates great products and services, not one-offs.

17. Sustaining innovation for busy businesses



It starts with having a very clear, articulated strategy. Once you’ve defined that strategy, make sure you have the right model, talent, and people focused on it.

Cheryl Perkins, Innovation Edge

18. Rinse and repeat: the innovation cycle

The innovation cycle should be “A repeatable process that results in the creation of a novel process, product, service, or business model that has business value.” Or, as Steve Jobs said on his return to Apple:



The cure for Apple is to innovate its way out of its current predicament.

Steve Jobs

The rest is history.



Part 3: Idea Management

19. The 21st century suggestion box

[Suggestion schemes](#) enable you to gather specific ideas that matter to your employees. They've evolved from dusty boxes in the corner to smart apps.

Today, anyone can submit a suggestion to the [idea box](#) when the idea strikes. That idea is then fed into your ideation and innovation system.

20. Generate actions from ideas

Generating ideas isn't always a problem. Making sure they don't disappear into a black hole of indifference is. Employee communication apps are an efficient method for idea submission. Ideas are discussed, rated, and implemented with full transparency and due credit to those involved.

21. Create continuous improvement

If ideation is a catalyst, continuous improvement is about delivery. For this to work, you need an innovation system in place that delivers meaningful changes. And this improvement needs to happen across your business. From procurement to service delivery and beyond.

22. The idea generation technique that works

The best idea generation tactic is to pose a Challenge. A Challenge is a business-focused request to solve an issue or think outside the box. It can be to a defined User Group, or company-wide. Make it an open discussion. Encourage collaboration within a system that converts the best ideas into actions.

23. How to use a Challenge

Some of the greatest scientific and engineering achievements came from competition. For example, the [1714 Longitude Act](#) offered large financial rewards for a way to determine longitude at sea. The winner was a self-taught clockmaker.

Use Challenges to find that clockmaker in your business, wherever they may be.

24. Idea software: plan to succeed

To ensure your ideation initiatives work, you need to create a communication plan. Think how you'll:

- publicise your Challenge
- communicate with those who take it up
- share insights and assessments
- track the progress of each idea

Cloud-based apps are perfect for this, allowing always-on access in any location.

25. Idea networks: bringing skilled people together

If your innovation challenges need specific skill sets and knowledge, create an "[idea network](#)". An idea network is a group of staff with similar skills but haven't worked together before. By bringing them together, you can tap into a wealth of knowledge, experience, and skills.



26. Dealing with a tsunami of ideas

When launching a suggestion scheme, expect a tsunami of ideas. Not all will be appropriate or relevant for immediate attention. An [Idea Bank](#) allows you to store good ideas that are not right for now and revisited in times of ideas drought.

27. Idea development: less is more

Is the best way to get great ideas to get lots of ideas?
No! What's important is the ability to identify the good ideas. You can do this by applying a system of star ratings, comments and discussions. The more popular an idea is, the more likely it is to succeed when finally implemented.

28. Idea fatigue

Through continual encouragement of ideas, your business runs the risk of idea fatigue. Ensure that your business paces its requests for ideas. Too many at once may be more than your system can handle. Too few, and ideation may stall.

Therefore ideation needs to hand over the baton of delivery to innovation management.

29. Ideation techniques for teams

In-person ideation sessions are a proven way to brainstorm new ideas. But if unstructured, they can sap energy and stifle creativity. [Ideation techniques](#) include:

- Platform ideation
- "What would Brand X do?"
- Empathy immersion
- Bringing in a customer

30. Put your suggestion box online

If you do nothing else towards innovation and ideation in 2020, do this. It enables your employees to add suggestions when inspiration strikes. Whether they're commuting on the train, at work, eating lunch, or at home.

It's been [widely studied](#) that we have our best ideas in the shower. An online suggestion box allows you make the most of those times when your staff are at their most creative.

31. One small step: suggestion box to ideas management software

Once a suggestion box is set up, the rest is easy. You create a natural step for employees to embrace idea management software. They'll see that enables them to do more, such as rate, comment and collaborate on ideas. You reduce the learning curve without dimming their enthusiasm.

Part 4: Sharing the success

32. The importance of recognition and reward

Putting forward ideas can be a daunting experience for employees. Systems of recognition allow employees to be confident that their involvement is valued.

Surveys conducted by [Sirota Consulting](#) revealed that only **51%** of workers were satisfied with the recognition they received.

Recognition starts by acknowledging where ideas originate. Then it continues right through beyond implementation to the final results analysis. And the results pay for themselves.

When [Walt Disney World Resort](#) established an employee recognition program, it saw a **15%** increase in staff satisfaction. These results correlated highly with high guest-satisfaction scores, which showed a strong intent to return, and therefore directly flowed to increased profitability.



33. Share your success stories

Celebrate the successes that come from your innovation and ideation programs by sharing their story across your organisation.



There is no single right way to tell a story..

Stephen Denning, former Director of
Knowledge Management, World Bank

...but, his [guide to effective storytelling](#) is a good place to start!

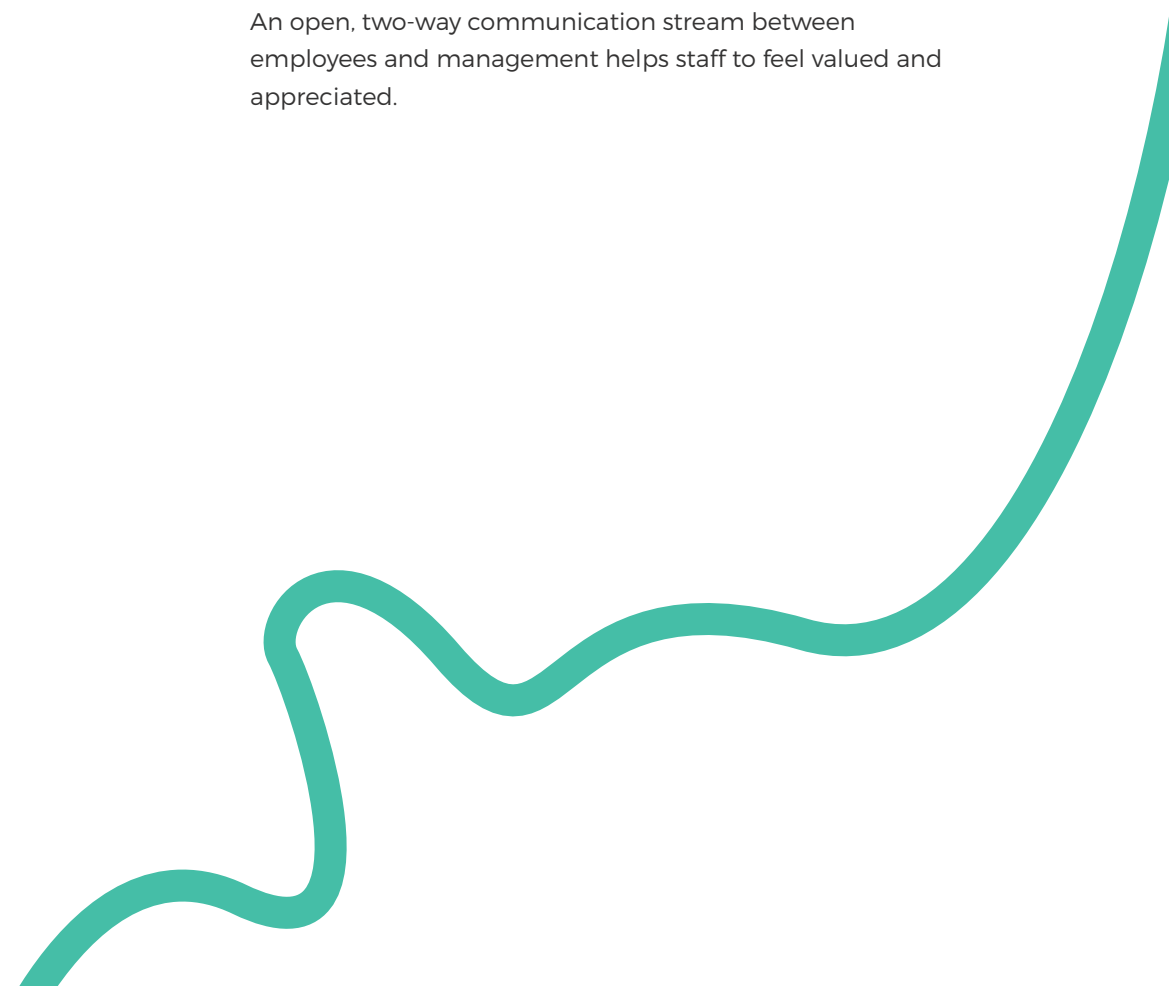
34. Innovation & idea management transparency

Efficient innovation and idea management relies on transparency. This allows participants to see the progress of their idea - from submission to final implementation. This also creates an audit trail for each idea that can be analysed to inform future ideation and innovation techniques.

35. Communication is key

A key pillar for continuous innovation (and sustainable innovation too) is on-going communication. Your business needs to tell colleagues about progress, milestones and, yes, setbacks. Information on activity breeds further activity and triggers inspiration.

An open, two-way communication stream between employees and management helps staff to feel valued and appreciated.



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