

Preface

*Inspiration is no substitute
for hard work*

Max Weber, German economist and
social scientist (1864 – 1920)

No good architect would dream of rushing to put his inspiration for a new house into practice by immediately starting to build it. Before the building work can start, numerous planning and preparation stages are necessary. Drawings need to be made, the land needs to be surveyed, plans must be drawn up to exact tolerances, and, last but not least, the owners need to give their agreement to the proposed work, which often turns out to be the most difficult part of the whole process. An architect actually works in even more minute detail: without a clear commission and a detailed budget, he won't even start with the planning; he will first want to know what vision the other party has of his future dream home, what criteria are to apply and how much money can be spent.

What would be obvious to any five-year old in the example of building a house should also be valid for the search for new ideas in a company. However, things are quite different in reality: the search for ideas in a company often resembles a builder who orders the cement mixer and building workers before it is even clear what kind of building is to be built. Even worse: the first idea which comes up in a company is often taken to be good enough to commission complex research and start a whole engineering team off on an expensive implementation chain, only to possibly find out a few months later, that the idea wasn't that good after all and the project is then quietly buried.

Inspiration is no substitute for hard work. And inspiration not the same thing as a well thought out idea. Generating ideas, which are economically interesting and can also be put into practice, is a demanding and exacting process, although one which can be learned, a game with various players, rules and instruments. Only those who understand the principles of this game can be guaranteed to generate good ideas, both for new products and services and for internal

challenges in the areas of processes, human resources management or strategy.

There has been a lot of talk about innovation and innovation management in the last few years. Many companies have sharpened their senses for the subject and are aware of how important innovation is for them. Some companies have defined processes and determined responsibilities for the development of innovations (primarily products and services). Unfortunately, these processes start too late. They rely on the fact that good ideas will be just lying around waiting to be fed into the processes.

But ideas don't just appear out of thin air. Sitting back and waiting to be hit by inspiration when looking for new ideas is like hunting for the famous needle in a haystack. Maybe you will have a stroke of luck in your search. Unfortunately, you will have bad luck more often than good luck, meaning you will often have to make do with an idea which neither meets the defined criteria nor is tailor-made for an existing problem. Luck and professionalism do not go together.

Every day, entrepreneurs ask themselves questions such as: how can I launch an industry trend? How can I immediately hit upon a brilliant idea? How can I use my company's resources to find ideas? How can I prevent the idea becoming a huge flop? Hundreds of books have been written on the subject of innovation, idea techniques, trends, suggested ways of going about it, criteria grids and so on. However, the thought that ideas could be developed systematically, i.e. that there could be a standardised process leading to successful, practicable ideas, is still highly unusual.

If you ask decision makers in industry how they come up with new ideas, then you get a range of very different answers. The most frequently cited methods are:

- Promote individual performance, often linked to a reward system or a suggestions scheme: the problem with this model is the rewarding of individual employees and the lack of acceptance by colleagues who were not part of the development. It has, however, been proved, that good ideas are created much more easily in a multidisciplinary team than by loners who, naturally, have a somewhat limited view of things. Wider support in the company is also worth its weight in gold in the implementation stage.

Therefore, well-meaning systems, such as company suggestions schemes, are often doomed to failure, because they do not encourage collective idea generation, but the hoarding of ideas and secrecy.

- A clever management, which discusses and develops ideas further in teams: the problem with this approach is the strong inward view – it is always the same people who are occupied always with the same idea. The subject is therefore only superficially exploited and unexpected solutions are rarely achieved. There is the additional danger of burnout with the core team.
- Ideas are linked to a certain manager: this is often the case in family-run companies, where the “patron” launches new ideas. This systems only functions as long as the manager concerned creates new ideas. If there is no efficient handover or no-one is let in on the secrets of this kind of idea generation, then the whole innovation power of the company – and thus the company itself – is at risk.

A clear, structured process for generating ideas is difficult to find in all of these methods. And yet company mission statements are still full of sentences such as “Our innovation power makes us market leaders ...”.

In some companies, several engineers work for months or even years on a single project (based on an idea) only to then establish that the idea doesn’t hold what it promised. Valuable time for launching something new has been lost. Wouldn’t it have been better to work on ten promising ideas in parallel for a limited time, to then see only some of them fail, whereas at least some of them would go on to become successful? Wouldn’t it have been more interesting, to use the whole power of a research and development department for a few days, rather than have these clever people work alone for months?

A defined ideas process can find 10,000 seeds of ideas, from which 20 brilliant ideas are selected, which all go off in completely different directions (always focussed on the core task). Up to 1.000 people are included. The ideas are immediately tested in the market and input from different industry sectors and countries flow into the process. Stakeholders (customers, former customers, employees, suppliers) contribute to the idea. An idea which is developed in this

way has wide support and you can start the implementation with a good feeling. And all of this costs significantly less than three top engineers who carry out research on a project for a year.

A determined, defined process for the development of ideas doesn't just serve to develop new products and services. An innovative company approaches every issue in an innovative way, regardless of whether it concerns an internal problem or the development of a new product.

Characteristics of innovative companies are: a love of experimentation, openness, the involvement of employees from all levels of the hierarchy, the inclusion of outsiders, the fostering of childlike curiosity and enjoyment of new things. In an innovative company, someone has been given responsibility for the development of ideas, clear processes exist for the development of new things (from the idea to implementation) and clearly allocated budgets are available for these projects. However, despite this clear assignment, every employee in the company is thought to be able to bring in new ideas.

Structures for innovation management must first be created and an idea generation culture must be consciously built up in the company. Structures, responsibilities, tools, rooms and procedures, criteria and frameworks are necessary to come up with good ideas, which can then be fed into the implementation pipeline. It may be necessary to include external partners who help to avoid tunnel vision.

In this book, you will get to know the parameters of successful idea generation. You will find out:

- how to approach idea development
- which players from inside and outside the company will be required
- how you should break down an idea task into details
- how you can search for a large number of ideas
- which methodology is suitable for it
- which filter processes should be used
- how good ideas can be shown and presented in a way which enables them to be compared
- which criteria are used in the decision process for the favourite idea

- how you can evaluate the quality of ideas
- which criteria are valid for this evaluation

And, you will have a great deal of fun in developing ideas at the same time. You can apply this process at any time to develop good, implementable ideas efficiently yourself.

By the way: you will not find that overused word “creativity” anywhere in this book.

If you would like to know a little more about any detail of industrial idea production at any point in this book, then give me a call or send me an e-mail:

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I wish you inspiring reading!

Biel, January 2005

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