

Innovation plays a critical role in business success – supports business growth, drives relevance in ever changing markets and delivers differentiation to attract and retain customers.

However, to innovate successfully businesses need to draw on a different approach, away from traditional decision-making methods, governance structures and performance metrics.

As Organisational Health experts, we have identified and support businesses to innovate successfully, by addressing the following 5 critical success factors:



Creativity & Trend Setting

Businesses striving for innovation will create demand rather than follow it, anticipating market trends



Considerations

- Identification of opportunities may not always be evidence based - businesses need to anticipate the trends, without directly supportive historic demand and consumer data
- Create the environment, mindset and ways of working to enable creativity from across the organisation – not only from within a single innovation team

If you would like to know more, please contact bozena.birt@q5partners.com



Agility

Businesses need to enable flexibility to deliver the ability to change direction and course correct

Considerations

- Mindset, measures and ways of working to enable speed of decision-making
- Remove bureaucracy and hierarchies
- See ambiguity and unanticipated change as an opportunity rather than a challenge
- Respond quickly to market changes



Risk Culture

To be innovative, a different risk profile is needed compared to operational excellence

Considerations

- Instil a culture that views project 'failures' as a pre-requisite to success – genuine innovation comes from trial and error
- Adjust expected returns to allow for investment in non-successful trials
- Create culture and processes to capture and apply learnings



Governance & Ways of Working

Alongside creativity and agility, discipline and structure is critical to enable successful innovation

Considerations

- Clear governance and decision-making accountabilities and processes are required to enable innovation
- Ensure the cadence, inputs and criteria are relevant for innovations – these will be different to those of the core business



Performance Metrics

A different approach to performance measurement of new products is critical to enable successful innovation

Considerations

- Adopt an appropriate set of measures to drive innovation – focus on outcomes rather than output or task
- Innovative products may need to be viewed as a longer-term investments (capital) rather than an operational expense