Business Innovation Results

How To Avoid 5 Innovation Traps That Doom Bottom-Line Results
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Do you fall into traps that prevent innovation and the business results you want to achieve?

Our point of view:
Innovation is strategically positioned ideas implemented to create business value.

Innovation is the lifeblood to the long-term survival of any organization. The process of innovation—which happens in teams far more frequently than individually—is just as important in small steps as it is in big leaps.

An innovation isn’t always fundamentally new. It may be a recombination of elements that already exist. An innovation can be a new product or service, an internal process, a customer experience, or a business model.

It’s impossible these days to open a business magazine or peruse the latest business books without reading about innovation—and being admonished to be more innovative. But really, what does that mean?

What are the mental traps that shape how we think about the ability to be innovative and contribute to organizational success and bottom-line business results?

Strategy is leadership’s proactive game plan for strengthening the performance of an organization or enterprise. It’s not copying the competition or hoping that the shiny new technology will be the magic answer or relying on past successes to determine your future direction.

At The Experience Praxis Group, our point of view is that innovation is strategically positioned ideas implemented to create business value.

True innovation has a strategic focus that zeros in on what matters. It leaps the gap between where you are today and where you need to be in the future to beat the competition. It’s about ideas that create business value and improve your bottom line.

Let’s take a look at the traps and what actions you can take to jump-start innovative thinking today.
What do we mean by a mental trap? A mental trap is an assumption we make that undermines our ability to be innovative and limits our ability to see new possibilities and realities. These mental traps can also trip us up by inadvertently suppressing the innovative potential of others around us—our reports, our peers, and our team.

Everyday pressures can stymie anyone’s desire to innovate. However, within every organization there are individuals who have innovative ideas, can influence decision-makers to sponsor the innovative idea, and can help move the idea from dream to prototype to reality.

Overcoming these mental traps contributes to the bottom line by:

- Creating more effective and efficient work processes
- Driving sales results
- Increasing customer satisfaction
- Gaining a competitive advantage

So, how do innovators avoid mental traps and what do they do differently?

Read on to see if any of these traps sound familiar in your organization.
Innovation is not my job (it’s R&D’s job)

Innovation is about doing things differently and better, transforming work practices and thought processes, providing an exceptional level of customer service, and standing out from the competition.

Shouldn’t everyone be thinking about or doing these things?
Sure, it’s easy to think of an innovation only as a product, like the iPhone. But it’s more. An innovative company is distinguished by its ability to innovate products or services while simultaneously improving the process of creating and selling those products, improving the customer experience, and creating innovative internal processes that sustain people as well as core processes.

Amazon is an example of a company that is consistently and continually innovating in all four innovation opportunity categories—goods and services, customer experience, business model, and internal processes—with the success that other online retailers struggle to achieve. The basics of Amazon CEO Jeff Bezos’s business philosophy—focusing on long-term customer loyalty over short-term profits and never-ending expansion into new businesses—have been consistent over the years.

Consider how easy it is to order or return products: Innovative internal processes and software enable a consistent, easy-to-use online experience. Wondering what blender to buy? Customer-verified ratings was first to provide unbiased feedback that customers can rely on for solid information. Amazon Prime is a business model coupled with a two-day free delivery promise that meets customers’ desire for speedy delivery and cost savings. The Kindle e-reader is both a product and a service, so Amazon makes money from the sale of the device and when people download content. Amazon also hopes to be among the first e-commerce company to deploy its own fleet of drones for packages under five pounds.

The most innovative companies around the globe do not leave innovation to chance. Rather, Amazon, Tesla, Salesforce.com, Under Armour, and Starbucks use a focused, disciplined innovation process that is customer-obsessed and strategically focused.

What are your organization’s unrealized innovation opportunities?

Have employees in your organization fully embraced its strategic direction?

Are they customer-driven and motivated to bring innovative solutions that delight your customers?
Traps 2

We know what customers will buy (they want a better mousetrap with more bells and whistles)

This trap has a couple of pitfalls.
The first is the assumption that goodness wins: If you build a better mousetrap, the world will beat a path to your door.

Used by entrepreneurs, this motto has misguided millions into believing that a sufficiently good idea will sell itself. Sure, you can build a better mousetrap, but that doesn’t mean people will want it. There are more than 4,400 patents for the mousetrap, but only about 20 of these have made any money.

The second assumption borders on arrogance: We know better than our customers and our past success proves it.

Consider these leading companies that dominated their space but failed to keep an innovative advantage over the competition: Kodak. RadioShack. Blockbuster. Dell. Nokia. BlackBerry. Myspace—the list goes on and on.

In 2016, Nokia CEO Stephen Elop summed up what happened: “We didn’t do anything wrong, but somehow, we lost.” Of course there are a myriad of reasons why companies fail. But not knowing what customers really want plays a role in their marketplace failures.
The more agile and able to innovate you are, the easier it is to keep up with changes in consumer trends and avoid going out of business.

Industry disruption is so prevalent today that all businesses face the threat of disruptor companies.

Only 12 percent of firms on the 1995 Fortune 500 list remain on that list today. And the average time companies spend on the Fortune 500 will shrink to 12 years by 2020 (from 60 years back in 1960).

How to avoid this trap? First, remember that customers want a product or service that achieves what they really want to accomplish—value from their perspective.

A new start-up from Australia is an example of a company that leaps over this trap. Shoes of Prey is an online store that provides a shoe application for designing your own custom-made shoes at a fraction of designer shoe prices, in effect saying, “We’ll provide the inspiration, materials, and expertise; you design what you didn’t know was possible at this price.”

So the next time you’re thinking about building a product which is “better,” look to your customer for the answers and don’t rely only on backward-facing market research or past successes. Be the advocate for innovation by focusing on a strategic intent aimed at amazing customers with new, highly beneficial solutions—solutions that deliver value that customers didn’t even know they needed and that they want to buy.
Trap 3
Customers know what they need (I just have to ask them)

Okay, you’ve avoided the “we know what our customers will buy” trap. You know that if a company is not able to keep up with the changing needs of its customers, it will become irrelevant.
But if it were only that simple. True innovation is rarely ignited by customers telling you what they need.

The adage attributed to Henry Ford sums it up: “If I had asked my customers what they wanted, they would have said a faster horse.” Of course what customers really wanted was faster, more dependable, and safer transportation.

An innovator understands customers and their problems via empirical, observational, anecdotal methods or even intuition. Innovators should also know when to ignore customers’ voices.

Innovation gives customers the ability to do what they can’t currently do—and would want to do if they knew it was possible.

So how do you innovate solutions, whether creating new products and services for external customers or creating and adding value to processes for internal customers?

How do you delight customers with innovative solutions that cement your company as their choice over the competition?
Imagine you live in Milan and were asked what you would want in a new condo. Would you say, “A tree growing outside my windows, cleaner air, and energy savings”? Likely not, because this doesn’t sound realistic. But that is exactly what’s been built in Milan.

Bosco Verticale is an innovative eco-project in Milan, designed by architect Stefano Boeri, which blends both urban and nature into one harmonic whole. The project is composed of two towers with giant cantilevered, staggered balconies that permit fairly big trees to be planted. Gray water is used to water the trees and plants, and air-conditioning costs are significantly reduced due to the natural cooling effect of the gardens. Altogether, it holds 900 trees and is the equivalent of two football fields of forest. Basically, it’s a vertical forest in the heart of a busy urban center.

In March 2017, the Chinese president announced a new vision for China: “We will make our skies blue again.” Stefano Boeri has announced plans for China’s first vertical forest called Liuzhou Forest City, which is a blueprint for blanketeting new cities in China in greenery to fight air pollution.

What an excellent example of giving customers what they really want but would never imagine or ask for: a garden-clad home, cleaner and cooler air, and energy savings, all in the heart of a dense city.

What would your customers want that they don’t now have if you made it possible?
Trap 4

Innovation is just another name for problem-solving (we already do Kaizen, Six Sigma, etc.)

The electric light did not come from the continuous improvement of candles.
—Oren Harari
So next time you are in a problem-solving meeting, ask if the solution would be what the customer would want now if you made it possible.

You could spend lots of time and energy making a candle that burned the longest or the brightest, but you would never get to a lightbulb—it would always be a candle.

Improvement approaches and innovation processes go hand in hand but focus on two different outcomes. Process improvements are just that: internal processes that are the correct solution to meet customer needs, but require fine-tuning.

Innovation opportunities go beyond fixing internal processes to include new goods and services, customer engagement, and the business model.

Innovation—strategically positioned new ideas implemented to create business value—can happen anywhere in your organization. Strategy, by definition, is about making goals to attain a desired future state. Innovation starts with this end in mind and then gains deep insight into the internal or external customer to understand current pain points and gather ideas to address them. Innovation then goes beyond fixing the problem; it examines the gap between the current state and desired future state (or ideal outcome). What may come to light during this process is the realization that the process answers a need that is no longer sufficient or that no longer exists.

This is the point when you should stop continually improving and begin to innovate a new process that meets the future as a competitive advantage.

Here’s the takeaway: It’s easy to confuse improvement with innovation. But only innovation creates the unique outcome and bottom-line business results that allow you to step into a future that competitors are unwilling or unable to match.
Trap 5

Innovation is about being creative (I think brainstorming is a waste of time)

Did you just think “that’s true! I’ve been in too many brainstorming sessions where flip charts are filled with random sticky notes and nothing ever gets done.” Corollaries of this trap are thinking “I’m in finance and we don’t innovate” or “I’m not creative so I have nothing to offer.”
A common assumption about innovation is that creativity and innovative ability go hand in hand and only emanate from those who are more intuitive, perceptive, extroverted, and right-brained.

Yes, creativity is one aspect of innovation. It’s the idea-generation part: coming up with possibilities. This is where brainstorming does add value, but it’s only a piece—actually a small piece and perhaps the easiest of the innovative process.

It’s been said that innovation takes 1 percent ideation and creativity, 9 percent evaluation and polishing of an idea, and 90 percent implementation. This means that everyone in an organization can contribute to innovative ideas by evaluating, testing, polishing, and finally, implementing. Only then can an idea become an innovation that creates business value and bottom-line business results.

So the next time someone says “let’s brainstorm,” jump in with confidence. Remember that “perfect is the enemy of good”—so be messy, and ask yourself “what if . . . ?” or “hmm, I wonder if . . . “ And at the end of the brainstorming session, remind others in the meeting of the purpose/strategic intent of the meeting. Ask what will happen with all those sticky notes, and who will take the lead on getting ideas into action. Now the real work begins.
Here’s the bottom line: Organizations don’t innovate, people do. But not just anyone; innovation requires people who are energized, curious, confident, creative, adaptive, collaborative, and committed. It also requires thought leadership.

Thought leaders know that true innovation has a strategic focus that zeros in on what matters and leaps the gap between where the organization is today and where it needs to be in the future to beat the competition. They intentionally foster a culture of innovation in meetings and during hallway conversations. But they don’t just talk about the need to innovate: innovative leaders sponsor and implement an innovation process that is disciplined, repeatable, and sustainable.

Overcome these mental traps that prevent innovation in your organization. Expand your ability to be a thought leader and contribute to the bottom line. Isn’t this what your job is really all about?

What can you do right now to encourage innovation?

Avoid Traps
Spark Innovation
Impact Results
Steve Jobs once said, “Innovation distinguishes between a leader and a follower.” The Experience Praxis Group has done the hard work of developing a proven methodology that will ignite your organization’s ability to innovate.

Industry leaders, including a visionary, a high-tech company, a global digital marketing company, and one of the world’s largest suppliers of fruit products, have hired The Experience Praxis Group because they understand what got them here will not get them there.

Every Experience Praxis Group client achieves a sustainable, competitive advantage through strategically focused innovation. Our comprehensive, toolkit-based approach provides the rationale and detailed guidance to enable disciplined and repeatable innovation everywhere in your business. Our proprietary I4 Framework integrates strategic insights with the latent potential of all our your employees, resulting in a critical strategic asset – a sustained fast pace of innovation throughout your business. The result: Sustainable innovation with empowered employees who are able to innovate again and again.

To hear from our clients, their experiences and the business results they’ve achieved, please visit our website The Experience Praxis Group.

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About The Author

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