

Corporate Innovation

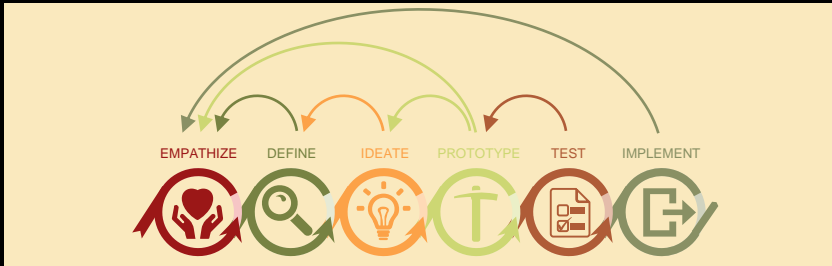
Building a capability...not running a process

14 March 2018

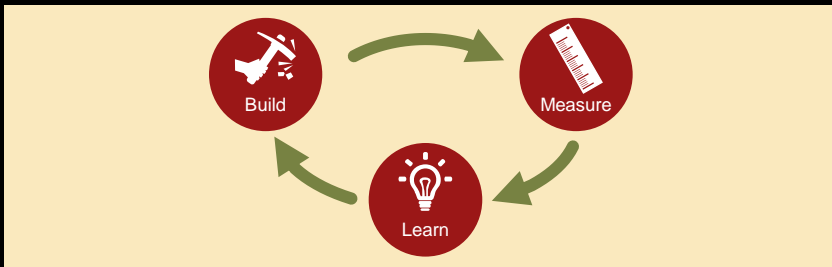
Nigel Andrade
nigel.andrade@atkearney.com



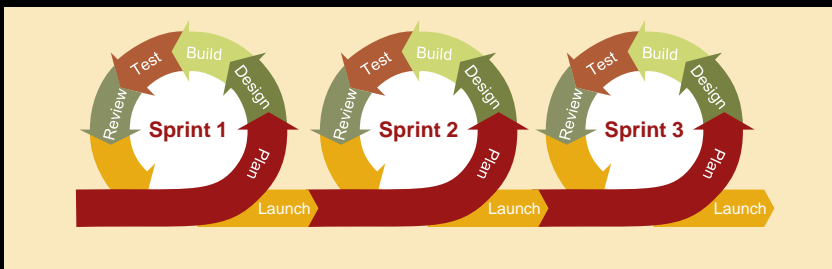
20%



Design thinking ...



Lean start-up ...

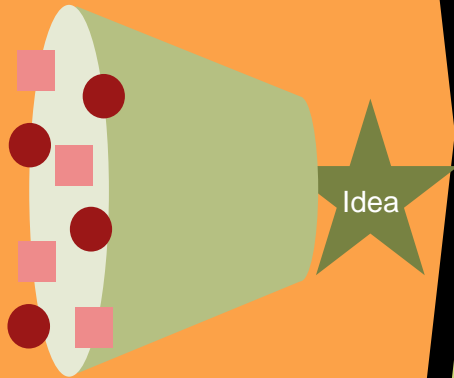


Agile development ...

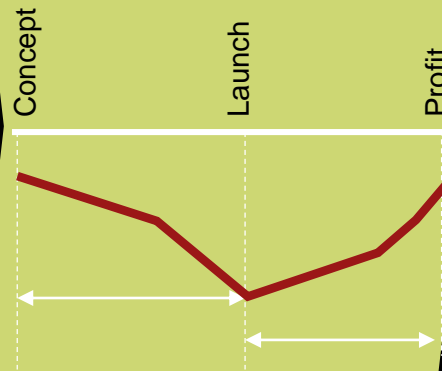
1 Strategy



2 Portfolio



3 Process



4 Profitability



5 Enablement

1 Strategy

Start with the business question innovation should solve – core, growth or exploratory

Align with business leaders upfront

2 Portfolio

Cast a wide net – customers, suppliers, academics, accelerators, employees

If engaging startups – don't focus on the money

3 Process

Match the process to the domain – core, growth or exploratory

Series of sprints – what can be done in 12 weeks

4 Profitability

Measure outputs and, importantly, outcomes (not just inputs)

Resist the temptation to hand-over until its metric-neutral

5 Enablement

Clarity on whether your 'lab' is a business or a shared service

Embrace adult learning principles – learn & do

Embrace an ecosystem

1 Strategy

- Win over competitions non-price sensitive customers
- Reduce cost to serve to retain own price-sensitive customers
- Business 'buyers' identified and signed up

2 Portfolio

- Sources of non-price differentiation (convenience, value adds) – customers, start-ups
- Sources of operational efficiency – supply chain partners, employees

3 Process

- Segregate ideas into core, growth and exploratory
- For core, ask business to lead
- For growth & exploratory incubate in lab
- In all cases, fund only next 12 weeks and review

4 Profitability

- Track win-rates of competitors customers and trend in customer costs
- For growth and exploratory ideas, hand over when commercial impact is accretive to avoid 'antibodies'

5 Enablement

- Lab primarily a business (in this case) – with (different) commercial responsibilities
- Work through first 4-5 ideas with keen oversight and issue resolution
- Supply chain partners and start-ups core to the ecosystem – can be swapped out if needed – champion/challenger model

- Speed
- Agility
- Employee engagement
- Rol