Building, Leading & Sustaining Innovative Organizations

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Lessons Learned
Value From Innovation

Creating new offerings/markets/industries

Incremental Innovations to existing offerings

Source: Harvard Business Review, October 2004
CEO Survey on Innovation

Innovation has increased in importance over the last 10 years: 92%

Innovation plays an important role in assessment of company value: 73%

Confident in ability to manage and measure innovation impact: 35%

Source: Arthur D. Little Research
The 7 Immutable Laws Of Innovation
The Law of Leadership

Leaders prioritize innovation and show it through their actions
The Law of Culture
Culture eats strategy for lunch
Innovation = Change
The Law of Resources
Innovation requires committed and consistent resources
6 Innovation Metrics

1) % of Revenue Spent on innovation
2) Innovation Impact = Gross Margin / Innovation Spend
3) % of Revenue From Innovations In The Last X Years
4) Patent/Trade Secret Quality
5) % of Time Executives Spend on Innovation
6) Innovation Spend - Follow The Money
The Law of Patience
Innovation takes more time than expected. Get used to it.
The “Rule of 18” Trap
The Law of Process
Establish and continuously innovate a robust innovation process.
FOCUS • IDEATION • RANKING • EXECUTION
The Law of BHAG
Define a compelling target and clear finish line to catalyze the team.
Developing your BHAG

What are the basic assumptions under which the industry operates?

What are the basic assumptions under which the organization/team operates?

What external jolts have the potential to significantly impact my industry?

What if the opposite were true?
The Law of Execution
Ideas without execution are a hobby.
Execution
Ideas Without Execution Are A Hobby
What are the traits of innovation leaders?
Ignite The Passion
Celebrate Ideas
Foster Trust & Autonomy
Encourage Courage
Maximize Diversity
In Conclusion
Innovation is not the result of chance, it’s the result of action.

It’s NOT a thing to wait for. It’s a thing to do.
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