

# 6 WAYS TO CREATE A SUCCESSFUL INNOVATION PROGRAM

The practice of innovation has come a long way, and for good reason.

Regardless of size or sector, every organization today faces existential threats from changing customer expectations and a booming technology industry. One significant example, [KPMG](#) predicts that within 25 years, the \$200 billion US auto insurance industry could shrink to less than 40% of its current size due to the advent of self-driving cars.

In response, even the largest, most established firms have prioritized creating a culture of innovation in order to thrive in the coming decades. "Disrupt, or be disrupted" is the mantra. But how exactly do you do that?

With over five million users in the [Fortune Global 500](#) from companies as diverse as UnitedHealth Group, Unilever and AT&T, Spigit is the world's largest provider of innovation management solutions. Having worked with the top innovation leaders across all major industry verticals, from banking and manufacturing to healthcare and energy, we've identified a few crucial factors and patterns that lead to effective innovation programs. Drawing data from Spigit's customer base as well as third-party research, here are six tangible steps every business can take to create a successful innovation culture.

**"If somebody's going to disrupt our industry, it might as well be us."**

- John Geyer, Senior Vice President of MetLife's Innovation Program, in [A New World of Opportunity: The insurance innovation imperative \(KPMG\)](#)

## 1 Involve key sponsors early and often

The overwhelming majority of Spigit customers (93%, according to our [2016 State of Crowdsourced Innovation](#) study) consider creating a culture of innovation a primary goal of their innovation programs. But when innovation is made mission-critical, it's more than just an end: it becomes the means to achieving a wide variety of additional business priorities.

So how do you make it mission-critical? Involve executive sponsors from the get-go and throughout the process. The same Spigit Crowdsourced Innovation study revealed that innovation programs sponsored by executives tend to be more successful, stronger, and longer-lasting. That's because the CEO and other senior leaders have very

specific business goals they're working toward. Convince them that crowdsourced innovation isn't a distraction but, on the contrary, an essential capability for enterprises to execute on their other goals.

When involved in innovation, those same sponsors will insist on routinely seeing results of innovation programs, and they'll be able to provide helpful feedback for refinements to better drive business results. Instead of stopping at just one, seek multiple sponsors involvement from various business units - from IT to sales - as this will help align silos while also bolstering the culture of innovation.

## 2 Don't produce innovation, enable it

If innovation is the responsibility of just one department or functional area inside a company, that's not a culture of innovation. That's an R&D department. In order to make innovation scalable across the organization, sustainable in the long-term, and impactful in regard to far-reaching business goals, sponsors must move beyond "producing" innovation to "enabling" it.

Innovation isn't a box to check, like connecting everyone's phones or getting the digital infrastructure online. Rather,

CIOs and other executive sponsors will best create a culture of innovation by submitting provocative questions to both their peers as well as the broader organization. From there, it's vital to measure engagement levels, quality, and the program ROI so that you can be more effective with your second, third, and fourth challenges. As John Klick, Senior Manager of Worldwide Innovation at Pfizer, put it, "Instead of us as a team of eight transforming the organization, how do we seed the organization so that we have 77,000 colleagues thinking like entrepreneurs?"

**"Digital business executives and software development leaders should not settle for separate digital labs; instead, create a seamless organization that is empowered to work differently, with innovation as part of its DNA."**

- via Forrester report [The Downside Of Digital Labs](#)

## 3 Reach unexpected innovators by making innovation mobile and real-time

The software "sharing" revolution is much more far-reaching than the ability to hail a ride or order lunch from a smartphone app. Changing expectations among employees and customers, combined with emerging technologies allow today's companies unprecedented opportunities for accessing and capitalizing on the untapped knowledge of their employees - wherever they are, on any device, and whenever they have an idea. That translates to collecting real-time data and feedback to make the next generation of products even better or it could mean taking formerly isolated and mobile personnel,

such as production line workers and field researchers, and bringing them into the innovation process.

In either case, it means collecting the best ideas straight from the source by speaking their language. As for those smartphones: every company should be making use of them. Nearly three-quarters of all adults in the U.S. own a smartphone today, according to the [Pew Research Center](#), and that figure jumps to an incredible 92% when you zoom in on millennials (adults aged 18-34). Take advantage of mobile saturation by enabling innovation anytime, anywhere, and from any device.

## 4 Motivate your employees and other innovators by inspiring them

While we encourage organizations to make their innovation challenges as inclusive as possible, the truth is that not everyone will participate, even if they are only asked to vote on ideas. And that's okay: the point is not to force everyone to participate, but to provide the option to those motivated enough to do so. Nearly two-thirds (64%) of surveyed customers use Spigit to engage employees across the enterprise, and another 64% believe participation from at least a quarter of their target audience would be considered a success.

Ultimately, however, quantity should never trump quality. That's why the approach to motivating employees and innovators is so important. Consider adding rewards and incentives, as well as elements of gamification. Rewards that align with the culture of your organization will have the most impact. We've seen incredibly high participation levels by offering creative rewards such as lunch with the CEO, or a company paid get-away. And remember to celebrate success at every stage, even if it's a small win.

**“Crowdsourcing applications typically include mechanisms to attract the desired participants, stimulate relevant contributions and select winning ideas or solutions. In other words, crowdsourcing means leveraging the collective intelligence of a diverse group of stakeholders to solve a problem.”**

- via Gartner's 2016 report [The Practices That Deliver the Biggest Bang for Your Bimodal Buck](#)

## 5 Aim beyond one-and-done

In the beginning, achieving quick wins is important, but the end game should be a more all-encompassing vision for the company. That vision should be a culture of innovation executing on business goals. To work toward that vision, establish both easy-to-reach guide posts as well as more ambitious targets, and be sure to mix and match innovation initiatives for a multi-pronged approach to generating ideas. Crowdsourcing is a powerful, proven way to surface great ideas from across the company, and it's one that can be used for everything from day-to-day issues to long-term obstacles. Additionally, other worthwhile innovation methods include the “Shark Tank,” where an individual

or group presents an idea to a panel of subject matter experts, and hackathons, one-day or weekend-long events where engineers experiment with testing new ideas.

Regardless of approach, don't let innovation itself become a one-hit wonder or siloed department. Innovation management solutions like Spigit work well with pre-existing tools for communication and collaboration. Get buy-in from a wide-ranging collective of experts and peers, and don't stop iterating on your innovation program. In other words, disrupt and keep on disrupting.

## 6 Pick the right software and partner

There is a lot an organization can do if it has never attempted to create an innovation program before: priorities include getting sponsors on board and evangelizing colleagues to support the cause. But when it comes to scaling innovation across the enterprise and driving impactful business results in the long-term, the best way forward is through collaboration with an innovation management solution and partner.

ability to easily scale across multiple business units, seamlessly integrate with existing systems, and meet the high bar of security requirements. The ideal solution also needs to be flexible enough to make innovation a repeatable business practice, engaging enough to sustain collaboration, and powerful enough to surface and select ideas with the greatest business value. Finally, and perhaps most important of all, the solution must be supported by an expert team experienced in the practice of innovation.

As far as software, enterprise-class organizations require enterprise-class solutions, or to put it another way, the

### REFERENCES

- <sup>1</sup> Henry Chesbrough, “Open Business Models: How to Thrive In The New Innovation Landscape,” Harvard Business School Press, 2006, Library of Congress Cataloging-in-Publication Data, accessed August 15, 2011.
- <sup>2</sup> Rob Koplowitz et. al, “Disciplined Social Innovation,” Forrester, Aug. 30, 2010, Forrester.com, accessed August 15, 2011.
- <sup>3</sup> Kathy Harris, “Use Innovation Network Design to Unleash Open Innovation,” Gartner, Feb. 28, 2011, Gartner.com, accessed August 15, 2011.
- <sup>4</sup> Tom Austin et. al, “Introducing the High-Performance Workplace: Improving Competitive Advantage and Employee Impact,” Gartner, May 16, 2005, Gartner.com, accessed August 15, 2011.

Spigit crowdsourcing software helps companies engage internal and external crowds in innovation, using patented algorithms, game mechanics, and crowd-derived data to identify and analyze the most valuable ideas, predict their potential business value, and assess challenges. Spigit's sophisticated, user-friendly interface powers engagement and ideation, amplifying a company's ability to innovate faster, more often, and better than competitors. Our mobile-first platform offers simultaneous releases in 11 languages and four global data centers, allowing for real-time, global innovation that is safe, scalable, and repeatable. Spigit's 4.5M users from 150+ countries have generated over \$1B from their enterprise innovation programs.

**SPIGIT** | 1160 Battery St. 4th Floor | San Francisco, CA 94111, USA | [spigit.com](http://spigit.com) | [hello@spigit.com](mailto:hello@spigit.com) | (US) 1-877-646-3538