



Prof. John Bessant – University of Exeter Business School, UK

Key Concepts: Managing Innovation


Managing the Innovation Process



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Commercially Successful Innovation




When did you last use your **Spangler**?

- Most people have one
- Some of you might have touched it recently

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Commercially Successful Innovation



When did you last use your **Spangler**?

James M. Spangler

Invented electric vacuum suction sweeper





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Commercially Successful Innovation


 When did you last use your **Spangler**?


William Hoover

Did not invent electric vacuum but built a global business innovating around that



A (Sadly) Typical Pattern...


 **Fraunhofer Institute for Integrated Circuits**


 **MP3**

ALGORITHM

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A (Sadly) Typical Pattern...

 **Tomislav Uzelac**



Created Mp3 player



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A (Sadly) Typical Pattern...

Steve Jobs

Popularised owning an Mp3 player

Innovation Isn't Like This...

It's not like the cartoons...

That is not innovation

That is invention

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Invention Is Not Enough

Gas-filled umbrella

Musical flamethrower

Decoy ducks & stay dry!

Foetus Walkman

Cheese-flavoured cigarette

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Understanding Innovation

How we think about something...

...shapes the way we manage it

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Partial Models of Innovation

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Partial Models of Innovation

We need to put all the different things we learned about that process together to create a model through which we can manage the process successfully



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Long-Term Innovation Success Needs

- ? What's the DNA of 'serial innovators'?
- ? Are they lucky gamblers – or do they have a system?
- ? How do they use innovation management as a competitive capability

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Simplified Model of the Innovation Process

100

years worth of research

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Simplified Model of the Innovation Process

Learning

Pro-active linkages

Innovation strategy

Search Strategic selection Implementation

Innovative organisation



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The Innovation Journey

Over time, we learn to manage innovation

We need a vessel

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Different Journeys, Different Ships, Same Basic Pattern

... for a start-up

... for an established organisation

Do we have a clear innovation strategy?

Do we have an innovative organisation?

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Even Smart Firms Get It Wrong...

Having a process for innovation does not guarantee success every time

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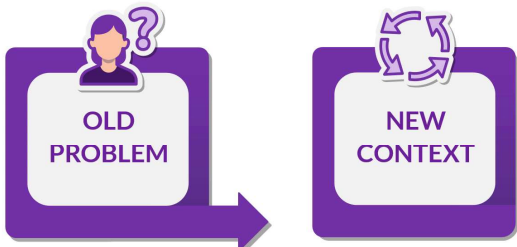
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Even Smart Firms Get It Wrong...



Many examples from very well known organisations where they've innovated and failed


Innovation Is a Moving Target



Creating value from ideas
But the context in which that happens is constantly changing

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Innovation Is a Moving Target



Knowledge production

Knowledge globalisation



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Innovation Is a Moving Target

Market fragmentation

Market virtualisation

Innovation Is a Moving Target

Mass customisation
and active users

Innovation Is a Moving Target

Dynamic capability
=
need to learn new tricks



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Summary

- Innovation is a journey, not a 'lightbulb moment'
- Need for a process model if we are to repeat the trick
 - Learning to improve the process and the way we undertake the journey
 - Building innovation management capability
 - Need for dynamic capability

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