THE TRUTH ABOUT

INNOVATION

"A small book about big ideas"

MAX MCKEOWN

Praise for *The Truth About Innovation*

"If you want to lead innovation efforts in your company, buy it for everyone so that they all understand how to create an innovation culture."

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"For once a book about innovation that does not sound idealistic or impractical. Max fills his text with great examples and simple 'rules' which bring the subject to life, and at the same time show how innovation is possible anywhere, anytime."

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"We now live in the Innovation Age. I loved this book – it will help you begin and continue your lifelong innovation journey."

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"Refreshingly helpful and stylishly entertaining: Max gives useful information which is excitingly new and common sense. This takes talent – something he amply demonstrates in this thought-provoking book."

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"It's a great book that shows innovation is about keeping our eyes and minds open, questioning what we know and reconciling the irreconcilable. To keep at hand and share widely."

Helene Finidori, author of *The Menemani Blog*

"Max has created something of use to both new and experienced practitioners. The bite-sized essay format is an easy read, and highly recommended for anyone that wants to get a handle quickly on the business – and process – of innovation."

Dr. James Gardner, Head of Innovation at Global Retail Bank

"The Truth About Innovation *is a highly provocative and engaging book about the simple, yet often overlooked, important, yet often ignored, and critical, yet often underestimated, rules of innovation. Pick up a copy!"*

Kevin C. Desouza, Director of Institute for Innovation, University of Washington

Within the extremes, there are identifiable types. These are not the only ones that exist but they do give a useful feel for the impact of structure on innovation.

- **The simple structure** is organised organically around one person. The good news for innovation is that decisions generate actions very quickly and that you know whom to influence to get your ideas used. The bad news is that everyone is dependent on the opinions and available time of just one person. Bad decisions remain unchallenged. Necessary decisions remain unmade. If the leader has the right qualities, there is nothing better for making breakthrough innovations.
- **The machine bureaucracy** is designed for efficiency. Company growth encourages the hiring of more experienced managers who make more rules to meet the demands of bigger customers and bigger volume sales. Everything is organised like an assembly line. Typically, managers conclude that they don't need new ideas, avoid anything that disturbs efficiency and ignore the ideas of their people. This approach can drive out variation and experimentation. Innovation stops.
- **The professional bureaucracy** is more decentralised because the people it employs have professions that are harder to micro-manage. The problem for innovation is that each profession specialises. These specialities work against the communication and holistic understanding that innovation needs.
- **The divisionalised form** is decentralised *and* organic. The various parts of the organisation are pretty much allowed to make their own decisions. Each focuses on innovating to meet local needs. The result is often that the divisions ignore the centre and each other. This reduces learning and causes missed opportunities.
- **The adhocracy** is highly flexible, designed around projects. The great thing is that they learn and unlearn quickly. This allows them to adapt and innovate rapidly. They find it difficult to maintain their shape and may sleepwalk their way to bureaucracy to find the comfort of specialisation.

While it is good to know the innovation limitations of existing structures, it is even better to design structures to meet your

innovation needs. Take the best of the various structures and combine them so that strengths of one approach compensate for the weaknesses of another. There is no one best way.

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Even useless can be useful

Breakthrough innovation comes from mass experimentation. Trying over and over again to solve stuff from different angles and then rearranging them until something improves. Taking insights gained from useless ideas and using them to generate useful ideas. That's how innovation works.

Expecting all ideas to be useful is unrealistic. It also places unhelpful constraints on creativity. Better to encourage bold playfulness that generates an excess of creativity than to suffocate originality and end up with a shortage.

In an effort to overcome the pressures of practicality, a Japanese author founded an inventor's movement he called Chindôgu—the art of the unusual. There are popular Chindôgu clubs, awards and bestselling Chindôgu books. The rules of Chindôgu formally require an invention to solve a problem while causing so many new problems that they are effectively useless.

Entertainingly useless inventions like a toilet roll fixed to a hat for hay fever sufferers with continually running noses. Plastic cover-all bathing suits for aquaphobics. Wonderful cat-sized duster slippers so the family feline can do its fair share of the housework . . .

The rules of Chindôgu emphasise its philosophy and spirit of anarchy. They cannot be practical. They are not for sale. Nor can they be patented.

These rules appear at first glance to run counter to the notion of innovation as new stuff that is useful. Yet, it's often difficult to distinguish between the results of intentional and accidental Chindôgu—some stuff is designed to have fatal flaws, while other stuff ends up with a fatal flaw despite the best efforts of its designers.

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Years ago, a scientist at 3M invented a low-tack, reusable adhesive that appeared to be useless. Five years later a colleague of his, who sang in a church choir, used the adhesive to stop his bookmarks falling out of his hymn book. He developed his idea through a series

of improvements into the Post-It product that has generated a billion dollars a year for the company. The idea moved from being from being useless to very, very useful.

The 3M story is a reminder that it's not always necessary to start from the beginning when trying to innovate. Start with what exists and just find ways of reducing problems until they no longer exceed the existing benefits. Look around your company. Can you find any examples of accidental Chindôgu?

There is a role for revolutionary change but it's still usually a throw of the dice. You don't know the costs of a new solution until it has been tried. Even if the new idea is fantastic, it will involve adjustment costs. Even if it's brilliant it still risks being implemented poorly in which case its flaws may outweigh its usefulness.

Improve on the useless attempts of others. You will know that someone wants a solution, that others have failed, and what doesn't work. All three are valuable insights when deciding where to put your efforts.

Dr Thomas Starzl, a newly qualified surgeon, took it upon himself to improve upon previous "useless" attempts to perform organ transplants. They were useless because patients just bled to death. So did his first—during surgery. And his second 22 days later. His attempts were termed cannibalisation by his critics. His methods were still, essentially, Chindôgu. Starzl operated relentlessly—sometimes for days at a time. Each operation taught him something. He solved problem after problem with hundreds of breakthrough innovations. Each attempt was a little less "useless". He made remarkable scientific breakthroughs in organ preservation, procurement and immunosuppressants. After four years, he performed the first successful human liver transplant.

There is a link between Chindôgu and the Japanese word for the kind of continuous improvement practised by Starzl. The original kanji characters for Kaizen are KAI meaning "change" and ZEN meaning "good", while the kanji for Chindôgu are CHIN meaning "unusual" and DOGU meaning "tool". Unusual tools create good change.

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Many attempts to invent produce useless ideas. Many of these useless ideas can become useful given a different situation and enough attempts. Every solution has new problems—and so every new solution requires Kaizen *and* Chindôgu.