'Insanity: doing the same thing over and over again and expecting different results.'
Albert Einstein

THE
INNOVATION
BOOK

WINNING WITH INNOVATION MAKING NEW IDEAS USEFUL SELLING RADICAL CHANGE
CREATING DYNAMIC BUSINESS MODELS THINKING LIKE A GAMECHANGER
LEADING INNOVATIVE TEAMS USING POWERFUL CREATIVITY TOOLS

MAX MCKEOWN
Award-winning author of The Strategy Book

FT PUBLISHING
FINANCIAL TIMES

Praise for *The Innovation Book*

'Innovation is often seen as something others do. But, as Mckeown argues, it's something we can all do. He describes a very human, holistic approach to collective creativity complementary to Jugaad, the art of overcoming harsh conditions through frugal and flexible innovation.'

Jaideep Prabhu, Jawaharlal Nehru Professor of Indian Business and Enterprise at Judge Business School and co-author of *Jugaad Innovation*

'Written with real elegance, it oozes a presence of solid experience. I tend to require visuals but his words intrigue and enchant. It's very deep, extremely well thought out and offers a lovely pulse between framing challenges, offering insight, and suggestions to "go try this." I love that.'

Marc McLaughlin, Partner, Business Models Inc.

'Mckeown gives powerful ways of tapping your deepest wells of creativity for truly spectacular results. A remarkably accessible read, it will transform how you think, work, speak, problem-solve, and perform!'

Marshall Goldsmith, author of New York Times and global bestseller, *What Got You Here Won't Get You There*

'If I weren't so damn busy following the principles in Max's book, I would be reading it. He's an amazing presenter and communicator and has a fantastic perspective that he shares unlike anyone else I've ever met. The next best thing to seeing him live is to get inside this book.'

Clark Scheffy, Managing Director, IDEO, Global Design Consultancy

products. The combination also inspires employees to keep innovating.

Objective

New ideas are created and used by people. Innovation culture is how we describe how – effectively or ineffectively – people work together to create and use new ideas.

Culture is the sum of the values, beliefs and assumptions of human groups. Culture is about the personality and behaviour of a social group. It is all the different forces that shape what groups are likely to do next. These flavours, traditions, norms and attitudes distinguish one group from another. The culture of your organisation shapes the way people create, think and solve problems.

Idea-toxic	Idea-wasteful	Idea-friendly	Idea-hungry
Creativity is not welcome or rewarded. There is indifference, apathy or fear about new ideas and change.	New ideas and insights are treated casually and mismanaged. Creativity is seen as a threat to productivity.	Creativity is welcomed since new ideas are valued. New ideas may get introduced and reviewed by hierarchy.	People seek new ideas. They make the world better with radical improvement beyond existing limits.

Some parts of any culture will encourage innovation while other parts will discourage innovation. The idea-toxic culture hides from newness and behind the defences of tradition, rank and inertia while the idea-hungry culture celebrates both novelty and its ability to transform the world. The highly innovative group also tends to be highly attached to a shared identity as a creative force.

In an idea-hungry culture, real-world experience with experimentation prepares individuals to thrive amid sporadic, unpredictable, externally linked, waves of innovation.

Involvement in hunting ideas and solutions conditions creative muscles to cope with uncertainties, fast change and slow pay-off. There is a collective awareness of what it takes and willingness to do what it takes.

Context

No culture is a vacuum. Everyone comes into your group from another group. Every organisational culture lives alongside regional, professional or national cultures.

When you want to encourage creativity, you have to contend with anti-creative attitudes and unhelpful assumptions picked up from other places and learned from other experiences. Too many efforts to increase innovation ignore the way that people think and feel in their day-to-day work.

Too few innovation projects empower daily working lives with the result that too few people gain working knowledge, and belief, in their ability to improve and change their own organisations. If you don't allow people to change what matters most to them, why would they ever engage their precious creativity in solving problems that matter to you?

It helps to signal how things are different. Put the power to change the organisation in the hands of those people you expect to be creative. Help people experience the lives, worries, headaches and passions of their colleagues and customers. Innovation cultures feel different. There is a happy excess of imagination, daring, initiative and play. Creative experience feeds creative behaviour.

Challenge

The first challenge is to encourage creative behaviour that leads to successful innovation. The second challenge is to develop a tradition of creative behaviour that keeps leading to more and more successful innovation. Both of these challenges are about the climate and conditions that encourage – or discourage – the effective use of new ideas. They are both about cultural change.

Raising expectation is about higher ambition leading to innovation because it becomes an attractive way – or the only way – of achieving those bigger, bolder goals. Introducing examples of better (products, services, processes and results) prompts desire to achieve better. Understanding how other organisations involve the creativity of people at all levels (frontline, middle, specialist and top) resets assumptions about collaboration. Seeing, feeling, tasting, experiencing real innovation helps.

Increasing experimentation is about learning-by-doing so that innovation is done better and more often because people find innovation easier and more productive. Introducing more people to how real-world innovation is done (science, hypotheses, testing and prototypes) prompts them to try. Getting involved with practical experiments develops innovation skills, habits and thinking styles. Helping people become comfortable playing with the cutting edge and exploring the unknown is the goal.

Lowering barriers is about bringing people and ideas together to make it more likely that ideas combine and people collaborate. Dissolving boundaries between cliques, teams, departments, professions, seating plans and personalities helps find the insights for breakthrough innovation. Making it easier to gain the knowledge, information and resources that innovators need is how you discover new innovation superstars. Mix up the day-to-day. Deliberately open minds and plans.

Innovation is about practical creativity. That's why developing an innovation culture is about developing practical creativity as groups. Try not to get lost in too much corporate talk about adding layers of complication. Encourage experimentation, raise expectations, and lower barriers.

Success

You're succeeding with innovation culture when people are idea hungry. They actively seek out new ideas and know how to nurture them. Everyone is involved with bringing ideas to the group. People reach out beyond tasks to trends, behind projects

to purpose. They talk about the possibility and reality of break-throughs. People are connected to each other, to the outside world and to dreams.

New ideas come from every part of the organisation (and beyond). Ideas are understood, prodded, tested, developed and trialled before they are even formally proposed. Every individual understands how to progress bits of insight into something more substantial. People have innovation partners, buddies, mates, pals, friends, conspirators, allies, comrades, playmates, intimates and muses.

People know that every innovation has a sell-by-date. They move between different time frames. They work to make existing ideas work on a day-to-day basis, improve existing ideas for the-next-day and find day-after-tomorrow breakthroughs that can replace the way things are done now. The language of innovation (theory and practice) is the mother tongue – shaping thought and action. You are surrounded by a diversity of makers and thinkers working together to make better futures.

Innovator's measure of success

- Everyone is an innovator.
- Ideas (start to) come from everywhere.
- People (begin to) see impossible as motivational.
- Fluid networks nurture insights and ideas.
- People speak the deep language of innovation.

Pitfalls

It's dangerous to think that innovation culture solves every-thing. You can have an idea-hungry culture and still fail in the real world. People can become overwhelmed by big cultural change programmes imposed top-down as an attempt to increase bottom-up innovation. Bottle-necks of expectation may develop between what is promised and what happens. Traditional hierarchy and habits often reassert themselves as people worry

about loss of control or fear of failure. Efforts to improve creativity, initiative and ambition fail because they stay theoretical rather than practical.

Innovator's checklist

■ Take a look at the existing culture in your organisation. Talk to people about where new ideas emerge. Ask people in different teams and positions about what happens when they have a new idea. How innovative are the ideas that get attention? How many new ideas get implemented? Do people tend to have positive or negative experiences with innovation? Are they hungry for change?

■ Develop an innovation hub. Have a library of new ideas. Provide open-access learning about how to solve problems creatively. Collect experiences with practical innovation. Provide a home-from-home for incurable radicals, experienced campaigners and curious novices. Offer idea-clinics to show people how to develop their own ideas. Create your own mini-culture.

■ Inject innovation into the cultural circulatory system. Regular team meetings can be adjusted to encourage and develop new ideas. Add a creative show-and-tell where different people share insights, technology, trends or problems. Ensure reward and recognition system includes innovation. Redesign training to teach innovation. Add diversity to recruitment and role descriptions. Encourage playfulness and improvement everywhere.

■ Democratise sophistication. Pin up diagrams like the innovation pyramid (see page 150) on walls. Make them poster-size. Get everyone involved in discussions about concepts that explain how innovation works.

Related ideas

Edgar Schein, MIT psychologist, introduced a three-level model of culture. *Artefacts* are visible parts including physical (buildings, design, clothing, objects) and behavioural (jokes, language, posture, actions). *Values* are what groups say publicly about beliefs and rules for behaviour. *Shared Basic Assumptions* are about invisible, taken-for-granted viewpoints and priorities. The way people work with new ideas in a culture depends on artefacts, values and assumptions. All three can change.

One more thing

One of the first 3D printing pioneers was Charles Hull. He was investigating one thing (resins that could be cured with ultra-violet light) when the insight into another thing happened. Frustrated with the time taken to make prototype plastic parts, he figured out a way of combining photochemistry, lasers, scanning optics and software to 'print' 3D objects by building up a pattern layer by layer. He built it himself with lab time donated by his employer before turning it into a commercial product. Thirty years later and 3D printers have been used to print cars, planes, robots and even replacement organs. A post-industrial revolution is emerging from this 3D community.

Do this now!

Devote 60 minutes a week to some kind of creativity get-together. Start this month

Start informal. Grow by iterations of enthusiasm – and results. Gather together in a bar, coffee house, canteen, restaurant, art gallery, park or sports ground. Innovation groups. Play. Discover. Buzz sessions. All-night problem festivals. Build the credibility of the process and the people involved. Make innovation stars and creativity heroes. Start with one or two people. Then recruit a handful, by recommendation or word of mouth. Take photos. Don't create false urgency. Simply enjoy.