

S 2 I NEWS

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S2I News is a monthly publication of Strategies 2 Innovate. It aims to present information on topics important to today's business leaders. We hope these articles will help you develop a clear framework useful for guiding your organization's innovation and strategy.

This is the first of a three-part series on best practices for managing innovation in your organization. Our past series on developing a core competence strategy included issues such as: Feb/Mar 2003 "Identifying Your Core Competencies: Pt-1&2." Apr 2003 "Leveraging Your Core Competencies."

Strategies 2 Innovate supports business leaders in developing and implementing successful innovation strategies. Read about us and visit our **knowledge portal** at the web address below, or call us toll free at 1-866-978-8242.

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Management Practices That Boost Innovation

Even when things are going well, there are times when you may wonder whether you are doing the right things.

Following an extensive review of innovation literature, we have selected this collection of items that will help build confidence in your innovation management practices. To provide a better understanding of these topics, they have been grouped into two categories: strategic practices and operational practices, although some practices might fit both areas. In this issue, we will briefly describe eleven strategic practices that will supercharge your innovation capabilities. (All superscripts refer to literature citations – see page 2.)

Eleven Strategic Practices

Defining a Strategic Intent for the firm (see table below) is important for establishing long-term direction of corporate change, setting challenging attainable goals, and establishing criteria used to track progress³⁷. Such a statement is a means for making clear the goals of the firm and a basis on which to allocate valuable resources. In order to define such a strategic intent, it is necessary to understand the firm's internal capabilities and structure. One such practice for internal self-assessment is the Technical Innovation Audit³⁸, a method for strategically analyzing the firm's capabilities and practices and planning for change.

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11 Strategic Practices That Will Boost Your Innovation

	ACTION	STRATEGIC PRACTICE
1	Define	Strategic Intent
2	Perform	Technical Innovation Audit
3	Develop	Core Competencies
4	Identify	Core Products
5	Design	Strategic Architecture
6	Share	Values
7	Decide for	Architectural / Component Innovation
8	Foster	Radical Innovation
9	Apply	Combinative Capabilities
10	Continue	Incremental Innovation
11	Move	Designers upstream to conceptualisation



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Larry van den Berghe is the Founder and Principal of Strategies 2 Innovate. He has 20 years international experience in the aerospace and information and communications technology industries in England, Australia, Singapore and Canada. He has been an active manager and contributor in R&D and new product development in electronics, VLSI and software. He holds two US patents, one UK patent and has a number of publications. He is a Chartered Engineer (UK) and a Fellow of the Institute of Electrical Engineers.

Larry is also an adjunct professor for the Management of Technology @Distance graduate program at the University of Waterloo and a past faculty member with the Technical University of British Columbia. He has developed courses in new product development, strategic management of innovation and technology, entrepreneurship and knowledge management. His recent research on core competencies examined the adoption of emerging technologies for product innovation within the Canadian information and communication technology industry.

He holds a Ph.D. in Management Sciences (Management of Technology) from the University of Waterloo, a M.Sc. in Microelectronics (with Distinction) from Middlesex University, London, U.K. and a B.Appl.Sc. in Applied Physics from Curtin University, Perth, Western Australia. Larry has served as Chairman, Board of Directors, serves on the Education Committee of the Saskatchewan Advanced Technology Association and is V.P. Public Relations of a Toastmasters International Club.

Eleven Strategic Practices

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The identification of your organization's Core Competencies¹ is another very important practice. This helps your firm better understand its technological basis both in terms of know-how and of processes. These competencies are base skills or sets of base skills which, managed holistically, can deliver over time waves of end products.

Such a self-assessment can be performed as part of the innovation audit or as a separate process. Deciding on which competencies are core and which are not, is an important factor available later for managerial decisions regarding expansion or restructuring.

Also, your organization must understand which core competencies it needs to acquire and develop in order to maintain competitiveness. For more information, see our previous six-part series on core competencies.

Part of the above process involves identifying what are your organization's Core Products¹, that is, the components or subassemblies that actually

contribute to the value of the end products.

Once a clear understanding of core competencies is achieved, your organization can develop a Strategic Architecture¹ or roadmap of the future that identifies which core competencies to build up and their constituent technologies.

Such an architecture binds together the competencies with the goals (outputs) of your firm. Achieving this, it can then structure its development around the core competencies in order to meet its strategic intent. Such a strategy provides a cost efficient means of R&D investment.

Sharing these values³⁹ then is important for the dissemination of vision and objectives within your organization. This helps to ensure that all the resources work together effectively to achieve the same goals.

Next month we will address the remaining five strategic management practices and begin to look at operational practices that will boost your innovation.

See you next month!

Larry van den Berghe

SPEAKING ABOUT INNOVATION

Larry is a Competent Toastmaster and an enthusiastic speaker when it comes to innovation. He addresses critical issues such as core competencies, technological innovation, new product development, strategic technology planning, testing innovative business concepts through research, etc. Bring innovation to the *TOP* of your next speaking agenda. Call toll-free 1-866-978-8242 to discuss these possibilities.

For more information and for references to the literature as identified by superscripts notations (e.g. ¹) please visit our innovation strategy knowledge portal www.strategies2innovate.com and follow the links to "Knowledge References."