

The Top 5 Innovation Killers

Innovation has never been more important to companies as it is now. Economic, technological and social turbulence is creating new needs, and new forms of value are needed to fulfil them. Innovation is no longer a strategic alternative; it's a strategic necessity.

Yet many companies fail to achieve their innovation potential. So, what holds our companies back, and why is breakthrough innovation so rare? Here are my top five killers of successful innovation.

1. **An intolerance of failure.** The #1 top tactic for innovation, according to expert innovators, is to 'experiment fearlessly'. Nothing works first time, so you may as well get it wrong as soon as you can. If you cannot accept failure you are unlikely to see too much innovation, no matter how much money you throw at it.
2. **An excessive customer focus.** Professional managers are great at using customer research to improve existing products and services. But, faced with a radically new proposition people are poor predictors of their own future behaviour. In these situations, rapid prototyping and testing, rather than 'academic' focus groups, are the best way forward.
3. **A desire for a magic pill, not a daily exercise regime.** Companies that deliver consistent innovation-driven growth view innovation as a way of life rather than as an isolated change programme. 3M is the avatar of this approach, allowing its developers to spend a proportion of their time on their own development projects as a way of encouraging a stream of bottom-up ideas.
4. **An unwillingness to cannibalise sales.** The only way to prolong success is, paradoxically, to destroy it and create something even more valuable. Technology companies know that they must consistently add new features at lower prices if they want to stay ahead in the market. The same principles are true in other markets. Gillette has consistently strengthened its leadership in razors through its willingness to make its existing ranges redundant and introduce new, higher performing products and brands.
5. **A reliance on a small cadre of innovators.** Relying on a small development team to identify, create and deliver game-changing innovations is unrealistic. You have to cast your net much wider. Over the past decade, for instance, Procter & Gamble has dramatically increased its willingness to source ideas from – and work with – external organisations, aiming to develop at least half of its new growth ideas through these external networks.

How many of these “killers” are present in your company? Here are three rapid steps you can take with your team to assess and address the situation:

1. For each of these five innovation killers score yourself on a scale of 0-10 on its relevance to your business (where 0 = completely irrelevant and 10 = completely endemic):
2. For each killer which scores 5 or more, work with your team to identify the root causes of its existence and to assess ways in which they can be removed; and
3. Using the root cause analysis, create an action plan to rid your organisation of these insidious and inhibiting innovation killers.

Once you are willing to welcome failure, lead rather than follow customers, involve your whole organization and beyond, cannibalise your existing businesses and see innovation as a way of life, you're likely to make real and material progress and become a true, innovation-led organisation.