

Gartner Research & Development Leadership Council

6 Steps to Improve Leadership Commitment to Innovation



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What is innovation?

Innovation...

...is something new or different



The introduction of something new; a new idea, method or device. (Merriam-Webster Dictionary)

...takes on a broad scope



New products, services, business models, customers and markets, methods and processes, etc. (Gartner)

...involves process



Innovation is the process that translates knowledge into economic growth and social well-being. (Australian Research Council)

Process by which an idea or invention is translated into a good or service for which people will pay. (BusinessDictionary.com)

...yields commercial impact



A change in product offering, service, business model or operations which meaningfully improves the experience of a large number of stakeholders. (Hutch Carpenter, VP Product, Spigit)

The successful exploitation of an idea that adds value to the customer and commercial return for the creator. (Chris Beswick, The Road to Innovation)

Innovation is the multistage process whereby organizations transform ideas into new/improved products, service or processes, in order to advance, compete and differentiate themselves successfully in their marketplace. (Baregheh, et al., "Towards a multidisciplinary definition of innovation")

Innovation is the implementation of new ideas with sustainable commercial impact.

“A significant challenge has been deciding what innovation means to our organization and how we can drive that culture. To be honest, we’re not sure what it means.”

VP, Engineering and Technology, Industrial Manufacturing Company

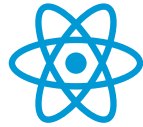
What is a culture of innovation?

Key Elements of a Culture of Innovation



Process

- Strategy validation
- Portfolio management
- Idea generation and selection
- Development and commercialization



Environment

- Permission to challenge assumptions
- Openness to new ideas — internal and external
- Freedom to experiment, fail and learn
- Risk tolerance

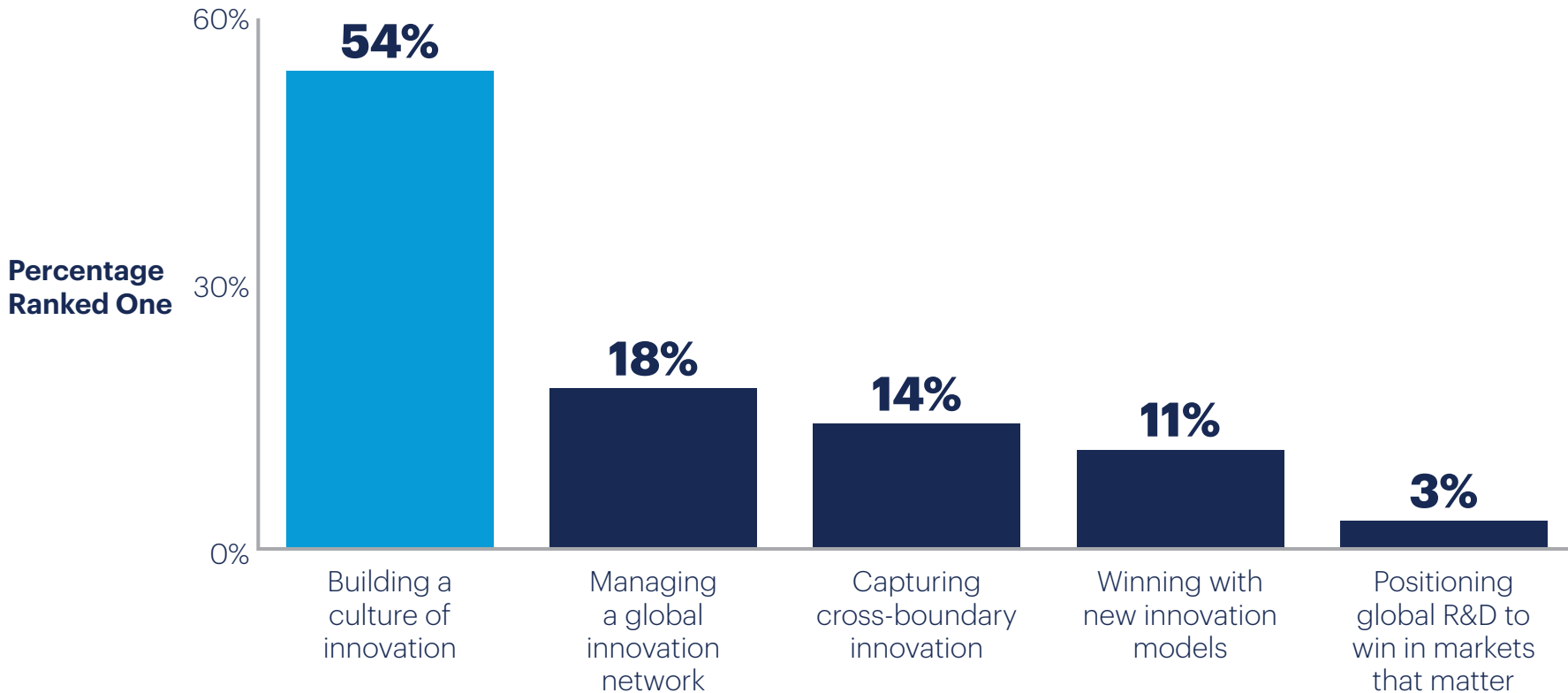


Talent

- Individual skills, capabilities and behaviors
- Training and development
- Performance objectives, management and recognition programs
- Talent placement and team composition

Building a culture of innovation is a high priority for R&D

Percentage of Senior R&D Executives Ranking Topic as Most Important



n = 65.
Source: Gartner

“Our success as a company is largely based on innovation. We need to change the way we think about innovation if we’re going to hit our growth goals moving forward.”

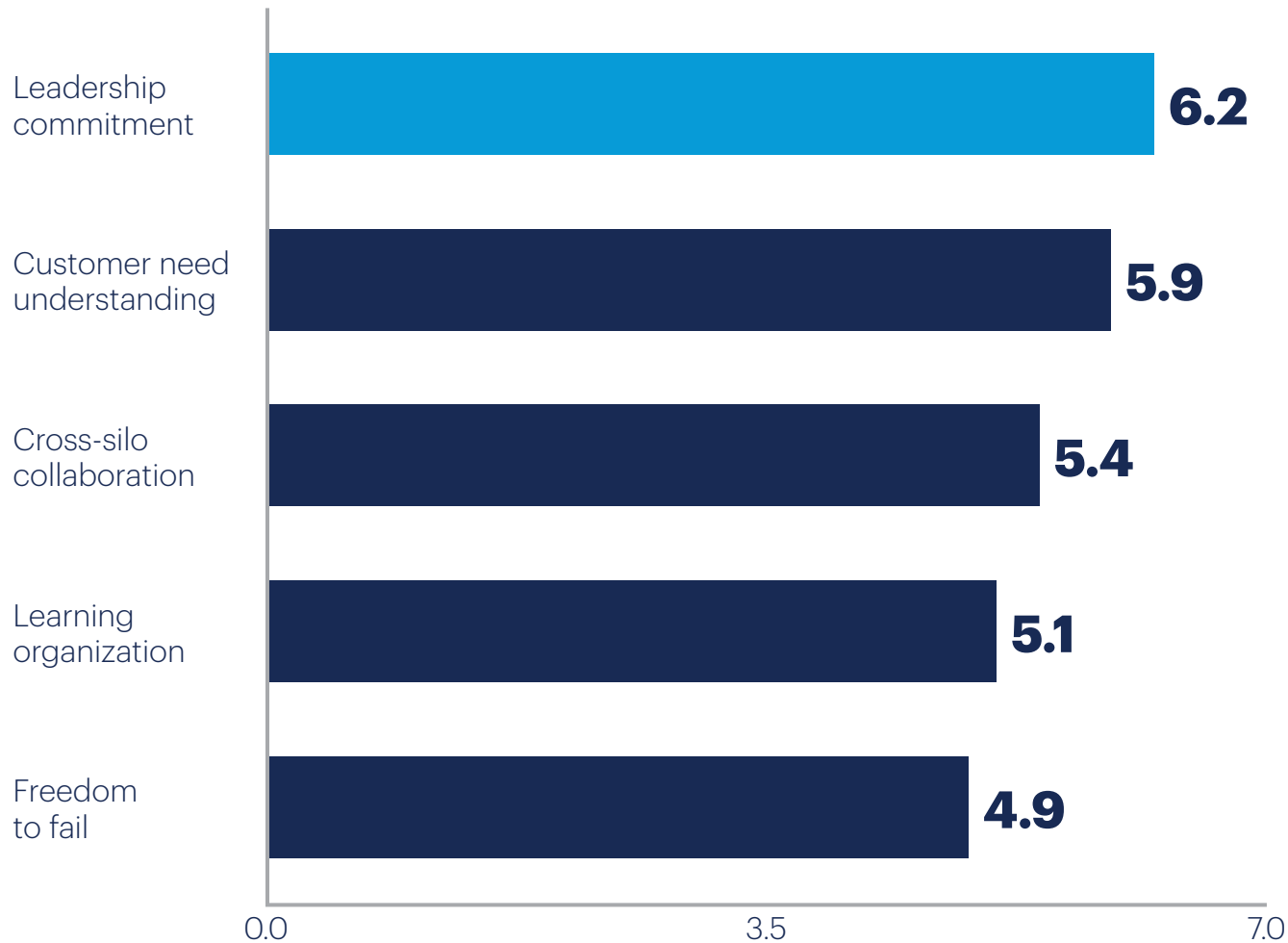
VP, Global R&D, Consumer Products Manufacturer

“Having a culture of innovation is core to our success and ability to grow the company in any way. Without it, you end up with a culture of ‘we’ll do what’s safe.’”

VP, R&D, Electronics Company

The top five opportunities to impact the culture of innovation

Overall Average Opportunity Scores*



Attribute Definition

Senior leaders recognize the urgency to prioritize innovative ideas and ensure they are adequately resourced.

Employees are immersed in the needs of customers.

Employees collaborate across silos to identify and develop new ideas.

Employees actively incorporate lessons learned from past projects into current initiatives.

Employees have permission to experiment — and fail — provided experiments are efficient and produce quality learning.

n = 103.

Source: Gartner

* Opportunity Score = Performance Gap x Importance, where Performance Gap = Importance Score - Effectiveness Score.

Six steps to improve leadership commitment to innovation



Create opportunities for senior leaders to talk about innovation

Incorporate this topic into town halls, blog posts, annual/quarterly performance updates, or sponsor stand-alone innovation symposiums.



Set the tone

Senior leaders should discuss idea generation, creativity, risk taking, etc. consistently, emphasizing that they expect all employees to participate.



Issue innovation challenges

Launch innovation competitions, either with structured focus areas to promote idea generation around business objectives or open-ended challenges to give individuals practice at innovating.



Train managers to support innovation teams

Build out the competencies essential for managing innovators.



Incentivize innovation

Incorporate innovation/ideation/creativity in employee expectations and performance objectives.



Recognize innovators

Create an awards program for top innovators or write internal profiles on individuals with creative ideas.

About Gartner

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Our unmatched combination of expert-led, practitioner-sourced and data-driven research steers clients toward the right decisions on the issues that matter most. We are a trusted advisor and objective resource for more than 15,600 organizations in more than 100 countries — across all major functions, in every industry and enterprise size.

We can help you assess the strengths and weaknesses of your innovation culture, and close critical capability gaps.

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