



The argument for a common framework approach to innovation management

Following the release on Monday, April 25, where we [published](#) a Collaborative Innovation Reference Model by Jeffrey Phillips of OVO Innovation and myself, Paul Hobcraft of Agility Innovation, I would like to put forward some further opening arguments for proposing the broad adoption of a common framework for the innovation management process.

You can read more about its background [here](#) and you are welcome to participate.

Why innovation does needs a common reference point?

When you don't have a common approach to something, in this case the management of innovation, you can have considerable pockets of inefficiency and a high level of ineffectiveness to deal with. Your organizational energies become fragmented as you constantly deal with differences, gap issues & misunderstandings that result in much hidden costs and 'spent, unproductive' capital. Resources are not focusing on advancing innovation; they are often spent on fixing what you have. By not having a clear common approach that everyone understands you fail to establish a common language. By not adopting a common set of innovation reference points you can remain often unproductive, consistently readapting, re-working and plugging gaps that could be better invested in managing the many aspects of complexity you always find in a better thought-through innovation management structure, one that focuses on advancing your activity.

Simply Jeffrey and I believe that the innovation space needs a common starting point – a collaborative reference model. Certainly many other large and successful industries have common standards – the IBM PC, for instance, or common accounting protocols in financial services or a host of others that have significantly advanced that industry or service. With these shared and transparent frameworks, clients can gain knowledge, have a growing confidence and understanding by recognizing the value of having something in common and the opportunity to leverage from this. Organizations focus should be on advancing innovation activity not constantly adjusting and adapting to different 'standards' or approaches.

Today innovation management advisory firms are mostly small, loosely organized, some highly specialised, that have a flourishing complexity of activity but often spent inordinate time reinventing many aspects of innovation management that are not necessary and serve little value for the client. While client's requirements for structuring innovation are often claimed as unique and distinctive, they are in many cases, actually not. What they really want is to acquire a common, repeatable, scalable innovation structure that allows them to manage their distinct innovations on a consistent basis. The understanding of the innovation process is basically common. Until this point of difference between what a client wants, a common, scalable process and the providers wanting to offer their own versions, innovation in general will face numerous disadvantages in not advancing, as it is not formed around a basic set of common standards.

Why argue for a common approach?

The benefits of using and developing a common approach are numerous. They provide confidence, reliability and comparability in the market place. They also help to build and place the focus, cohesion and critical mass into building more efficiency and value into the process of innovation.

Common approaches can accelerate the advancement through clearer applications of technology and leading practice, and focus on the ability to reduce the transaction costs along the whole

innovation value chain. Using a common language for information sharing, or developing more common thinking, can still allow individuals to gain a competitive advantage in the appropriate place, in their innovations advancement.

Developing further from a common standard can alert customers to the features of a product, service, technology or process improvement, to consider for adoption. It further optimizes and builds from this common point. Having a common approach can actually offer the choice of connecting to an increased number of partners for building connectivity/compatibility between different collaborators. It becomes a multiplier from this 'common' application, it lifts the standards.

Adopting a common innovation framework has numerous advantages

Clients in partnership with advisors can build from this basic common platform of understanding by the more effective use of applying people with the right skills and capabilities to focus and accelerate the job-on-hand: the need-to-deliver innovation consistently to final clients needs. If consultants, advisors and practitioners can demonstrate that their solutions are based on a common framework they they set about the creation of *their* differentiation, based on their unique skills and points of value-add, not hiding behind the need to fire fight and plug gaps, or sometimes add to the mystery that unclear aspects of innovation management or incomplete advice can generate. It degrades efforts in our view.

So what are the advantages? What value do common approaches bring to an industry?

This lack of a common model creates uncertainty for potential corporate innovators, who must decide which innovation method or approach seems the most appropriate or valid. In the absence of a common starting point or framework every solution considered seems equally reasonable until you arrive at a point where it is not doing the job you had wanted. A lack of a common approach creates different levels of uncertainty because there are many competing methods and tools that all seem reasonable, often with vested interests in the models proposed but it is the supporters of these different approaches who benefit from the advocacy of their approach, not the management of innovation.

We believe that creating a common innovation model or framework will have a significant number of benefits, for innovation practitioners, for companies and for innovators. It can become the common reference point to build from. It can be used repeatedly to refresh and validate changes in thinking and can allow us all to move on from focusing on the process of innovation to the leveraging of the innovation process- a huge step in our opinion.

Specific advantages that a common approach to innovation can provide

Transformation of ideas to a marketable concept

The accepted or recognized concepts and emergent thinking gets 'pulled through' to market by their incorporation into this common approach at increasing rate. The use of appropriate measurement allows the concepts to be defined and quantified so that the suggested common approach is widely understood and accepted. It accelerates by increased adoption.

Networking and access to experts

Access to recognized experts through association to prescribing to a commons approach can be extremely beneficial to an organization, in the development of their own innovation approach, as they will gain a better appreciation of the state-of-the-art in other organizations, across industries and compare more with their competitors. You also gain in growing benefits from the collective expertise of the community that subscribes to this and in their combined knowledge or expertise, in

that it brings a multiplicity of partners together that might not have had the same opportunity in a fragmented market. Smaller and medium-sized enterprises (SMEs) in particular can enhance their status and can gain a marketing advantage in growing specialization, expertise and knowledge advancing.

Competitive advantage

Developing a new common approach for the innovation process in fresh thinking is a way to apply pressure on competitors, whilst gaining a competitive advantage. It enables an organization to 'raise the stakes' and alert consumers to the latest feature, insight or knowledge advantage. Common solutions actually 'push' the industry to improve its game, raise its standards and increase value to clients. Due to the potential of reducing costs associated by taking a common approach, the use of commonality also allows for growing price competitiveness in the market- not a bad thing.

Using standardized approaches reduces the amount of research needed at that early stage so investment can be made more in its advancement. It directs activity to more forward looking advancement of innovation management. It can also reduce much of the present duplication and legacy issues from past efforts that are often resident in uncertain situations. Finally it increases the purchasing power of the interested parties to evaluate far more on this common platform accreditation with growing confidence on common criteria alongside the value adding points of differentiation to meet the work that needs to be done.

Network effects

Today the network effects in adopting a common approach typically increases with the number of users sharing and feeding off of each other in learning, knowledge and experience. This more 'open' sharing effect accelerates collaborations, connections and knowledge disbursement.

Network effect markets will become increasingly attractive targets for companies who can position their own proprietary technology (technology that is protected through IPRs) as the technical standard in that market to improve upon the common approach to help in its management and execution. Having a common approach provides an essential building block for collaborative platforms for different parties to work together in more 'open' innovation for their mutual goals that is increasingly recognised as less likely to be achieved by working in isolation.

Quality and reputation

Organizations today are demanding better quality, depth and expertise in what they adopt. Adoption is more likely if it is backed up by accepted common approaches that are recognised by the broader community. Alternatives will increasingly become harder to accept with the growing disadvantages of not being party to the potential of sharing around the commonalities within this approach to innovation management practice.

Growing international and global recognition

Involvement accelerates across global organizations by adopting these set of common approaches to innovation. Through subscribing to international common approach standards and practices, throughout the organization's global innovation activity, this will give a common language, clarity and greater line of sight. Operating on a common approach agreement, gains in the longer term for collaborative ventures all working through the same common approach or platform.

Variance is significantly reduced.

The number of different approaches to solutions is reduced by adopting a more common set of solutions, due to increased optimization of the process. This is known as variety reduction. Variety reduction leads to economies of scale that can lower production costs and therefore investments.

Variety reduction would help along the whole innovation value chain. It can lower core adoption costs allowing organizations to concentrate on the features that are most important to their innovation needs, thereby leading to a sharper focus on what is critical for their specific innovation delivery. It promotes greater creativity by providers of solutions by focusing on the positives and building from this more focused approach to demonstrate competitive advantage.

So to summarize

When relevant common approaches do not exist then organizations remain uncertain and weary, they limit their investments resulting in inadequate application and understanding of innovations true value. Investment made without a consistent approach have high levels of inefficiency cost built in and the market remains unhealthy as there is this consistent under investing occurring due to ongoing uncertainty.

When relevant common approaches can be established organization confidence increases significantly, risk is more quantified, there is a growing understanding of the common approach by a broader audience and increased funding is more available for forward looking investment. The health of the innovation market benefits from this potential cycle of increased investment. It builds upon a stronger platform not lots of fragmented pieces.

Benefits and key takeaways:

We believe that creating a common innovation model or framework will have a number of significant benefits, for innovation practitioners, for companies and for innovators, actually for the whole innovation community that believes in innovation as the most significant enabler to growth and renewal. It can become the common reference point to build from. It can be used repeatedly to refresh and validate changes in thinking.

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Principle Source of Reference and Guidance for structuring the specific advantages: Standards and Intellectual Property Rights: A Practical Guide for Innovative Business by Matthew Clark, published in 2004.

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