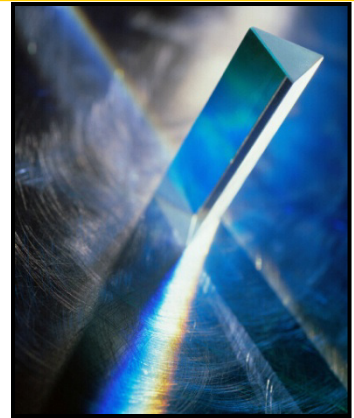


Five Ways to Make your Organization more Innovative by the End of the Day.



During the economic downturn of the past several years, companies around the World have had no choice but to tighten up their belts and navigate through tumultuous times. The largest and most successful organizations are not immune to this condition, but they have something that struggling small and mid-size organizations do not: massive resources to hunker down and weather the storm.

The best and brightest of them accomplish this by ramping up innovation. That is, finding opportunities to improve efficiency, reduce costs, ramp up profits, and bring new products to market. However, all of these initiatives still need to be uncovered, vetted, and developed organizationally before they can be implemented.

But perhaps your company doesn't have time for all of that. What can you do immediately, with limited resources, to start driving innovation? You need some simple, effective suggestions for improving innovation, which you can easily put into play right this moment. May we suggest five?

1.) Start Listening to Employee Input

If you value innovation, then show your employees that you value their ideas, input, and suggestions. Did you know that 85% percent of the solutions to your current organizational issues already exist in the minds of your employees? It makes sense - the people that work with your products, market, customers, management systems, and business

processes every single day are the ones best-suited to offer up suggestions for improvement, new products, new markets to capture, and new ways of doing business. It seems so simple, but most companies fail to leverage this remarkable knowledgebase of ideas and improvements because it is viewed as unmanageable, or as a resource drain.

Still more companies think they have this area covered well, but don't have a clear-cut process in place for dealing with what they find. That inevitably leads to suggestions, ideas, and potential projects entering a black hole, where they don't receive the attention they deserve. The end result is disillusioned employees who don't feel welcome to share suggestions with management in the future. You don't want to create a culture backlash where employees don't feel listened to or valued, one of the top reasons for churn.

At Rogers Communications in Toronto, the customer care group collects input and ideas from their service agents. They use that insight to resolve recurring issues much faster and fix problems proactively, cutting metrics and saving support costs across the board. This is just one example of an area that benefits greatly when you tap the minds of your employees for suggestions and input.

2.) Recognize and Reward Your Employees for Being Innovative

Recognizing employees for their contributions is a highly valued practice at top innovative companies, while so many others

overlook it. This may be because most companies are simply not assessing their employees properly. A recent survey from the US Bureau of Labor Statistics shows that 84 percent of managers don't know how to accurately measure the effectiveness of their team members' work. Naturally, you can't reward an employee for something you're not able to benchmark.

In the context of employee input, it's that 'quid pro quo' that makes the entire program function smoothly. If you're asking for their input, but not giving regular recognition to those that contribute, your program probably won't be successful for very long. In many cases you're encouraging employees to do something beyond their typical job function or "service level agreement." This is something that should be acknowledged and rewarded whenever possible.

So this is an easy one. If you're starting to collect input, then make sure contributor recognition is integral to that process. An easy way is by creating a simple "points" or "gold-star" program. For a simple example, you could issue a point for every suggestion made, fifty points if the idea passes a particular analysis, and a hundred points if it produces some pre-set measurable benefit or meets a specified goal. Equate the points to a monetary value that makes sense for your business and allow team members to "cash in" their points for rewards - pre-paid gift cards, extra days off, or the latest gadget.

You can also base your rewards scale on the "return on investment" metrics for projects launched out of the employee suggestion box. If you're tracking these correctly, you will be linking the original idea submissions to some measurable benefit like new revenue creation, cost savings, or market share increase.

Another major element is public recognition - never underestimate the value of being thanked or called out by the boss for your contribution. This will cost your organization zero dollars, yet it goes a very long way in motivating your participants. The pride an employee feels when their idea becomes a winning endeavor for your company (and everyone hears about it) is high value stuff.

At UPMC Health Plan in Pennsylvania, outstanding employees are nominated by managers or peers for a quarterly "Superstar Award." This type of recognition extends beyond the daily metrics by recognizing individuals for great achievements or involvement in special projects that produce a major benefit to the company. Recipients receive a cash bonus, a public award, and a personal recognition letter from a top executive. An important factor is openness: anyone is eligible at any time.

So throw down the gauntlet to your staff today. Let them know that, in connection with your new employee input initiative, you'll be recognizing the top contributors. Do it consistently and keep this in mind: experts say that in order to make an incentive program stick, you need to be continually recognizing between 5 and 10 percent of the participants. Less than that and the rewards will not seem realistically attainable. More than that and the recognition loses the sense of exclusivity.

3.) Conduct Executive-Sponsored Challenges to Solve Business Problems

In addition to collecting feedback or input from employees, there is a methodology that you can use right now to boost innovation by solving targeted, specific internal problems. Many companies have found success by running "executive-sponsored" challenges. Today, call on one executive leader in your company and ask them this question: "If you could solve one perplexing issue in your department right this very moment, what would it be?"

Take their answer and turn it into a problem statement that you can share with your employees. If it's appropriate to do so, broadcast it across as many functional areas as possible. Put a time limit on the challenge to keep the urgency high - a personal message from said Executive would be helpful. This will increase the number of solutions and ideas you receive in very short order. You'll find that the involvement of this top-ranking leader compels more employees to pitch and solve the problem.

At MasterCard in St Louis, an Executive

VP wanted to solve a specific issue in the technology area. He met with some folks on his team, but wasn't having much luck extracting good ideas to solve his problem. As usual, most of his people were head-down on various projects and implementations. He created a challenge statement and sent out a personal memo, along with a deadline and a modest cash offer for the top idea. Since the email came from the boss, the responses were overwhelming. Everyone on the team wanted to contribute to the problem-solving effort. Perhaps it was the motivation of winning the competition, or just the prospect of being noticed by a leader.

You can get this program going today, and more importantly, you can repeat it over and over again to solve any issues across the company. Make your "challenges" occur weekly, monthly, or quarterly, depending on your resources and availability. It's an effective way of gathering a steady stream of focused solutions around specific problem areas. Doing this consistently helps to keep employees innovating and solving problems at their peak.

4.) Get Your Employees Collaborating Across Departments

Every employee brings a unique skill set, perspective, and sphere of knowledge to their job. Due to this phenomena alone, you already have a diverse workforce that can help you solve problems very effectively across functional areas. But if you're like most companies, you probably have very strong separation in place, rather than an environment of free-flowing information between departments, groups, and business units.

To optimize innovation, you need to start sharing problems across normally disparate groups today. Try creating a "zone" - a physical meeting place or virtual space like a message board - where your employees from different areas can freely discuss and brainstorm around the business and technical problems they face. Encourage workers to earmark a small percentage of time every week for collaborating with others and helping them

solve problems. You'll find that by sharing these unique perspectives in one common "area," innovation happens at a much faster pace than in organizational "silos"

An interesting study found that when searching for a job, employees tend to gravitate towards companies whose products or services closely align with their own personal interests and knowledge, even if that means taking a position that is slightly out of scope for them. For example, you might have a purchasing manager that came to work for your aeronautics firm because of a personal interest in flying. What this means is that you have people that might be able to contribute to efforts in other areas (and most likely want to). In fact, about half of American workers say they feel they could help solve problems in departments other than their own, but aren't encouraged to do so.

An executive that we spoke said that she always thinks about her employee's strengths, personalities, and areas of interest when building a collaborative project team. She tries to avoid placing folks with similar educational background and work experience together. This helps to avoid "skill-overload" in a particular area, with the team lacking perspective or expertise in another.

That same wisdom can be applied to solving virtually every problem your company faces. If you want to get the most depth out of your workforce, then encourage collaboration throughout different groups and departments, whenever possible. As more problems get solved, and employees begin to feel less compartmentalized, innovation increases substantially.

5.) Institute a 'Pet Projects' Program

You've probably heard about how wildly innovative companies like Google and Apple allow (or in some cases require) employees to spend between ten and twenty percent of their work time on "Pet Projects." These are initiatives, such as helping to launch a new product, that are closely aligned with the employees' areas of interest.

The idea started at 3M, who first

encouraged employees to spend fifteen percent of their time researching or creating something that they were passionate about, with the ultimate goal of increasing innovation company-wide. You can use a similar methodology to improve innovation and creativity among your employees. The fifteen or twenty percent may be a radical figure for most companies to digest, but you can start small by encouraging a few hours per month toward your “Pet Projects” program.

At the majority of companies today, project implementation and R&D are typically closed-loop processes guarded by project managers, product developers, or improvement professionals. Have you ever considered opening up these processes just a bit? Assign a liaison from another area, whose subject matter expertise aligns with the objective. Make sure that you allow them to set aside the time on their schedule each week to attend development meetings, perform research, and provide deliverables.

Of course, it is essential to know something about your employees’ backgrounds, special interests, and subject matter expertise. Many companies don’t track this information well. However, since you’re now collecting a stream of ideas and input from employees (See #1), you can simply allow contributors whose ideas get implemented to stay involved as the project Champion.

Go Forth and Implement!

There you have it - five straight forward things that you can do to increase innovation - and these are all things you can do today! If you need the tools, we would like to introduce you to Flagpole™, the web-based On-Demand Idea Management system. Flagpole offers a fast, affordable platform to help you:

- Capture Employee Input and Feedback
- Start Recognizing Employees for Their Contributions
- Conduct Challenges and Problem Solving Initiatives
- Collaborate on Problems and Developing Ideas
- Launch and Track Projects

Flagpole can be deployed and shared with your employees quickly with no adoption hassles or training. It’s a collaborative space on the web where employees’ suggestions get heard and their contributions gain more visibility. Ideas become more developed and problems get solved in less time with collaboration. Companies have found remarkable success by using it to uncover new initiatives, commercialize new products, and find opportunities for improvement.

Flagpole was designed with respect to the best practices in use at today’s top companies. Yet we kept it simple so you can begin using it today to drive better innovation in any area of your company. For additional project tracking features, we also offer StageTrak™, the affordable On-Demand stage gate Project Management tool which integrates seamlessly with Flagpole to take approved ideas to the next level. Start using these tools and gain better control over innovative initiatives from concept to completion.

John Gabrick is the founder of MindMatters Technologies, an enterprise solution provider delivering a comprehensive management platform for intellectual assets that facilitates capture, collaboration, and commercialization of new and emerging innovations.