Dancing with Disruption
Answering the big questions on organisational change

INNOVATION

Innovate or die: Must the road to digital be so risky?

Well-established businesses in mature markets can find themselves faced with new, dynamic and fast-moving competitors causing a scramble to survive, even among the fittest and most dominant players.

Innovate or die! It's such a popular aphorism, and one increasingly used in the context of business transformation and disruption. In many industries, the reality of change can be on a slower timescale, even with high rates of surprise and apparent competitive suddenness.

In so many cases, incumbents are underestimating, or just not seeing, the innovation new competitors bring to their market. Sometimes adjacent markets make incumbent markets irrelevant very quickly, if not overnight. What can make things worse is customers voting with their feet before there is time to react to their changing needs.

> **"A program of building innovation thinking, processes, and systems will be more successful than an isolated lab. Innovation must start at the top as part of a wider effort. To be truly transformative, it must be led by strategy, not technology"**

When considering a response to this, the process of Digital Transformation is often put forward without a clear understanding of what it really means to the business. Often, the heroic assumption is that fairly small efforts to better engage with customers, such as introducing self-service, or even chat bots, will get the company on the right path. What is often overlooked, and not addressed properly, is a company's ability to innovate. In so many cases of market disruption, the post mortem shows the successful companies didn't just bring one innovative idea to market and then "settle in" to a successful, slow moving corporation. The ones that truly embraced, built, and fostered innovation, making it a core part of their business, succeeded in their first market, worked out how to stay ahead, and then moved on to win in other markets.

How do organisations go about building or even retro-fitting a culture of innovation? While it's fair to say it isn't an easy task, what makes it harder (and less effective) is to isolate innovation into a "hub", or business function, in an effort to isolate risk. By building an "innovation lab", with new people working on unusual, non-core ideas and technologies, you run the risk of sending a message to the rest of the organisation along the lines of: "If you're not in the innovation hub, then we don't need your ideas, thanks."

A program of building innovation thinking, processes, and systems is likely to be more successful than an isolated lab. Innovation must start at the top as part of a wider digital transformation effort. To be truly transformative, it must be led by strategy, not technology. When a culture of embracing innovation starts to make its way through the organisation, and the infrastructure is put in place to foster and speed it up, the organisation embraces everyone's ability to innovate every day. It results in the whole organisation being driven by a customer-centric, always-improving motive that defines today's most successful organisations.

When we are talking about survival, as many disrupted companies grapple with today, older adages can come into play, such as: the right way is often not the easy way.

Making tough choices now will limit risk and long-term exposure when it comes to digital disruption. And there are many ways to take advantage of digital to change your business before it winds up in the graveyard of obsolescence.

Anthony Woodward is founder and Chief Executive Officer of Accelera

Asking the right questions about innovation

When trying to come up with something new, do we have a culture that tolerates failure?

A culture of innovation is built on trying something new. There's a high chance that new things will fail and it's a cultural shift to allow for failure. The key is to recognise something isn't working, have the courage to call it out, and pull the pin. This is known as 'failing fast' - and the benefit is quickly abandoning ideas without fear of trying again.

What new products or services are we bringing to market?

There is innovation for fun - trying new things with no real end goal in sight - and then there is innovation that takes customers' pain-points into account, and delivers a new and better product or service to address them. When considering innovation, doing so through the lens of solving the customer problem is both empowering and focusing. Your organisation likely has great ideas for how to do things better - recognising and acting on them can galvanise the team to action.

Do we have a strategy to take the lead and innovate?

In a disruptive world, many organisations react by 'battening down the hatches' and hoping disruption will fail, or affect others and not them. As they say, "hope is not a strategy" ... your company needs a strategy set from the leadership down, to take advantage of disruptive opportunity and lead from the front.

How can all our staff collaborate on innovative ideas?

Innovation doesn't "just happen" it is led by creative people. The good news is: most people in your organisation are creative - they just need a voice for sharing ideas and collaborating with each other. Think about what processes, tools and acceptance your team needs to be innovative, set them in motion and the ideas will come. Acceptance is key – all the technology in the world won't make people want to come up with new ideas.

Do our IT platforms, systems and people support a rapid innovation cycle?

Once we have great ideas or new products we want to work on, does our technology maturity allow for true innovation at speed? Many organisations have recently found that their internal IT systems and functions hold back their desire to innovate and deliver new products and services to customers. How do yours stack up? Review your systems and processes to determine how long it takes to innovate and develop a new product – there might be a lot of room for improvement.

About Accelera
Strategic Disruption Specialists

Accelera is a business-first digital transformation consultancy for mid-market companies. We help private and government organisations get ahead of change and lead disruption by improving their digital capability. Our founders carry 25 years of real-world experience creating and helping mid-market businesses leverage digital transformation. Our purpose is to enable businesses to not only cope with change, but to become innovative disruptors.

We put strategy before technology and results above all. Get ahead of change and start your journey with us today.