

Making Innovation Programs More Effective: Innovation Styles versus Innovation Process

Innovation and how to achieve it is still king of the hill in business thought fashions.

With all that thinking, why are companies still not innovating the way they want to?

Our first thesis: most people are not naturally innovative and even the ones that are may not be the ones that you need for the various types of business circumstances.

Our second: companies have relied on process to fuel innovation but they need to recognize that there are innate innovation styles. Without understanding these innovation styles, their innovation programs will not be fully effective.

For more on our research see [The Three financial Styles of Very Successful Leaders](#)
(McGraw-Hill, 2005)



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Innovation mistake number 1: Assuming that managers and staff who are given the responsibility to innovate will actually do so.

Our research shows that most people are not naturally innovative. This has nothing to do with intelligence. All too often, companies assume that people who are highly intelligent are also innovative. This is not true, as we explain further below.

Innovation mistake number 2: Assuming that innovative people will come up with commercially relevant products or services.

Most innovative people will come up with innovations that are not commercially viable. That is because most people who are innovative do not have a thinking style that will result in the innovation actually adding value in a commercial sense. So they will innovate. The problem is that their innovations have virtually no chance of ever leading to commercial enrichment.

Innovation mistake number 3: Assuming that professional innovators will be more innovative than non-professionals.

What do we mean by professional innovators? This includes product development staff, scientists and engineers in R&D and learning and development staff.

There is plenty of evidence to show convincingly that most innovations that add commercial value, as opposed to those that do not, come from outside the discipline. That is, most innovators are amateurs (at least in the new field that they are innovating in).

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Companies often assign those who have professional innovation qualifications to the innovation task because they appear to have the formal skills to do it. Yet, in fact, the people with the most appropriate skills will frequently be amateurs from outside the discipline who are not constrained by the paradigm limitations of people inside the discipline.

Amateurs do not know what is not supposed to work so will try things that professionals think is impossible. Oftentimes the amateurs will succeed.

Innovation mistake number 4: Assuming that innovation programs need high investment.

Our work shows that there are two main types of innovators. One – the professional – tends to rely on high expense investments such as research and process in order to conduct their research. The other – usually but not always the amateur – shuns high investment and instead relies on a frugal style which spurs inventiveness since it is driven by the assumption that resources in any magnitude will not be available.

We call the professional innovation style, nov-max. That is innovation through high resource utilization. The other is nov-min, innovation through little or no investment. These are two distinct innovation styles. It is the nov-min style that results in most innovation breakthroughs. Yet most professional innovators are nov-max.

Nov-max people are normally found in large companies. Nov-min people are normally found in small entrepreneurial companies. That is why most innovations derive from the latter and why a good path to innovation is the acquisition of nov-min companies by their much larger brethren.

The 3 Financial Styles of Very Successful Leaders

By Dr. E. Ted Prince; McGraw-Hill, 2005.

nov-min styles as our research demonstrates. Companies that wish to innovate need to distinguish between the two in whatever way they can in order to make their innovation programs more effective.

Innovation Process vs. Innovation Style

The current debate and approaches to innovation focus on process. They are based on the idea that if the internal systems and corporate processes emphasize innovation issues, then innovation outcomes will be good. These processes include formal identification of innovation objectives, formal innovation targets and metrics, formal innovation structures and models and formal standards for recruitment and development. All of these are important, but they are not enough.

“...most innovations that add commercial value, as opposed to those that do not, come from outside the discipline.”

Corporate recruitment and selection processes in larger companies are heavily biased towards using nov-max people for innovation. This builds in a systematic bias to heavy resource utilization and to the exclusion of low-cost but out-of-the-box solutions. It is possible to identify and measure nov-max and

Hints and Recommendations

- Select and prepare individuals to run and implement innovation programs based on their innovation style.
- Assign nov-max and nov-min individuals to different types of innovation programs based on the business circumstances in which they will be most effective based on their innovation styles.
- Do not confuse professional expertise with propensity to add value even if an individual possesses the propensity to innovate
- Avoid the temptation to always use innovation professionals in innovation programs.
- Identify and utilize nov-min individuals as innovation assets.

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