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Innovation Workshop

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Introducing: Joe Kelleher!!!!!

- Joe Kelleher – BCL, MBA, CMC

- Management and Business Development Consultant.
- Principal of a management consultancy practice: WMJ Kelleher & Associates

- Work with early stage and growing businesses.

- Assist owner managers to achieve their goals and objectives.

- We have helped hundreds of businesses understand the basics of success and make the transition from one stage of development to the next.
- I am an InterTrade Ireland Consultant on its FUSION Programme
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The 'Alice in Wonderland' Approach!!!

Alice came to a fork in the road.
"Which road do I take?" she asked.
"Where do you want to go?" responded the Cheshire cat.
"I don't know," Alice answered.
"Then," said the cat;

"it doesn't matter."

It Does Matter Because;

The success of your idea will depend on your ability to define a market need and create value.

Question!

How many great ideas are created every year?

Michael Kremer

- Kremer is an economist in Harvard.

- He argues that the rate of economic progress is proportional to the world's population.

- The Kremer 'rule of thumb' is: One really brilliant idea is created per billion people of population per year.

Kremer's Idea Creation Rate!

- Back in 300,000BC, Fred Flintstone and the other 1 million population would be creating an idea every 1000 years.

- By 1800 AD (the dawn of the Industrial Revolution) with a world population of 1 Billion, the invention rate would have risen to one idea per year.

- In 2014, with 6 Billion population, we should now be producing great ideas every two months or 6 per annum!!!

How are great ideas received?

Breaking News 1865

Well informed people know that it is impossible to transmit the voice over wires and that were it possible to do so, the thing would be of no practical value.

Editorial in the Boston Post

Breaking News 1858

We do not believe in the permanence of his reputation.

The Saturday Review, London, on

Charles Dickens

Breaking News 1909

That the automobile has practically reached the limit of its development is suggested by the fact that during the past year no improvements of a radical nature have been introduced.

Scientific American

Breaking News 1970s

So we went to Atari and said "Hey, we've got this amazing thing, even built with some of your parts, and what do you think of funding us? Or we'll give it to you. We just want to do it. Pay our salary, we'll come work with you."

And they said "No."

So we went to Hewlett-Packard and they said, "Hey we don't need you. You haven't got through college yet."

Apple Computer founder Steve Jobs

Idea Generation Techniques

Idea Generation Techniques

- Brainstorming!!!

- Systematic Inventive Thinking (SIT)

All Cars Should be Painted Yellow!

I have contacted all of the car manufacturers and have suggested to them that all cars should be painted yellow?

What do you think of that IDEA?

The Yellow Car - Pluses

- Easier to see on the roads.
- Easier to see at night.
- No problem in deciding which colour you wanted.
- No waiting to get the colour you wanted.
- Easier for the manufacturer.
- The dealer would need less stock.
- Cars would tend to become just transport items

The Yellow Car - Minuses

- Boring.
- Difficult to recognise your car.
- Very difficult to find your car in a car park.
- Easier to steal cars.
- The abundance of yellow cars might tire the eyes.
- Car chases would be difficult for the Gardai.
- Accident witnesses would have a harder time.
- Restriction of your freedom to choose

Now isn't that Interesting!!

- It may also be of value to investigate the 'interesting' points.

- So what are the interesting points that have been raised by the previous responses to the suggestion that all cars should be painted yellow?

The Yellow Car – Interesting Points

- Interesting to see if people appreciated the safety factor.

- Interesting to see if enforceability was raised as an issue.

- Interesting to see who would support the idea.

- Interesting to see if commercial feasibility was an issue.

P.M.I. Technique

- The PMI technique was developed by Edward De Bono –(see also De Bono's 'Six Hat' Framework).
- Many people would claim to do the PMI in all cases.
- The PMI should be used when we have no doubt about the situation but have instantly decided that we like it or do not like it.
- The advantages of PMI is that gets us to stop from running to judgement and gets us scanning the possibilities. So don't rush to judgement!

TRIZ

- TRIZ "The Theory of Inventive Problem Solving"

- Based on Altshuller's research of patents in 1946-1948.

- 95% of inventive problems in any particular field have been solved already in another field

- Key lesson from TRIZ is existence of patterns

Systematic Inventive Thinking (SIT)

- Simplified TRIZ based on Roni Horowitz work in 1990's.

- 70% of innovative products show 5 thinking patterns.

- SIT process is easier to learn for businesses to generate new product/service concepts.

S.I.T. – 5 Thinking Patterns

- The five thinking patterns behind 70% of all successful innovations were identified as:

- 1. Multiplication
- 2. Subtraction
- 3. Division
- 4. Attribute dependency
- 5. Task unification

Our Search for Uncontested Market Space

Can you create value for your customers by changing the 'competitive factors' of the industry?

- Which of the factors the industry takes for granted should be **eliminated**?

- Which factors should be **reduced below** the industry's standard?

- Which factors should be **raised above** the industry's standard?

- Which factors should be **created** that the industry has never offered?

Idea Generation is about Being Creative!!!

Creativity:

Seeing the same as everybody else, but

thinking something different…

An Image
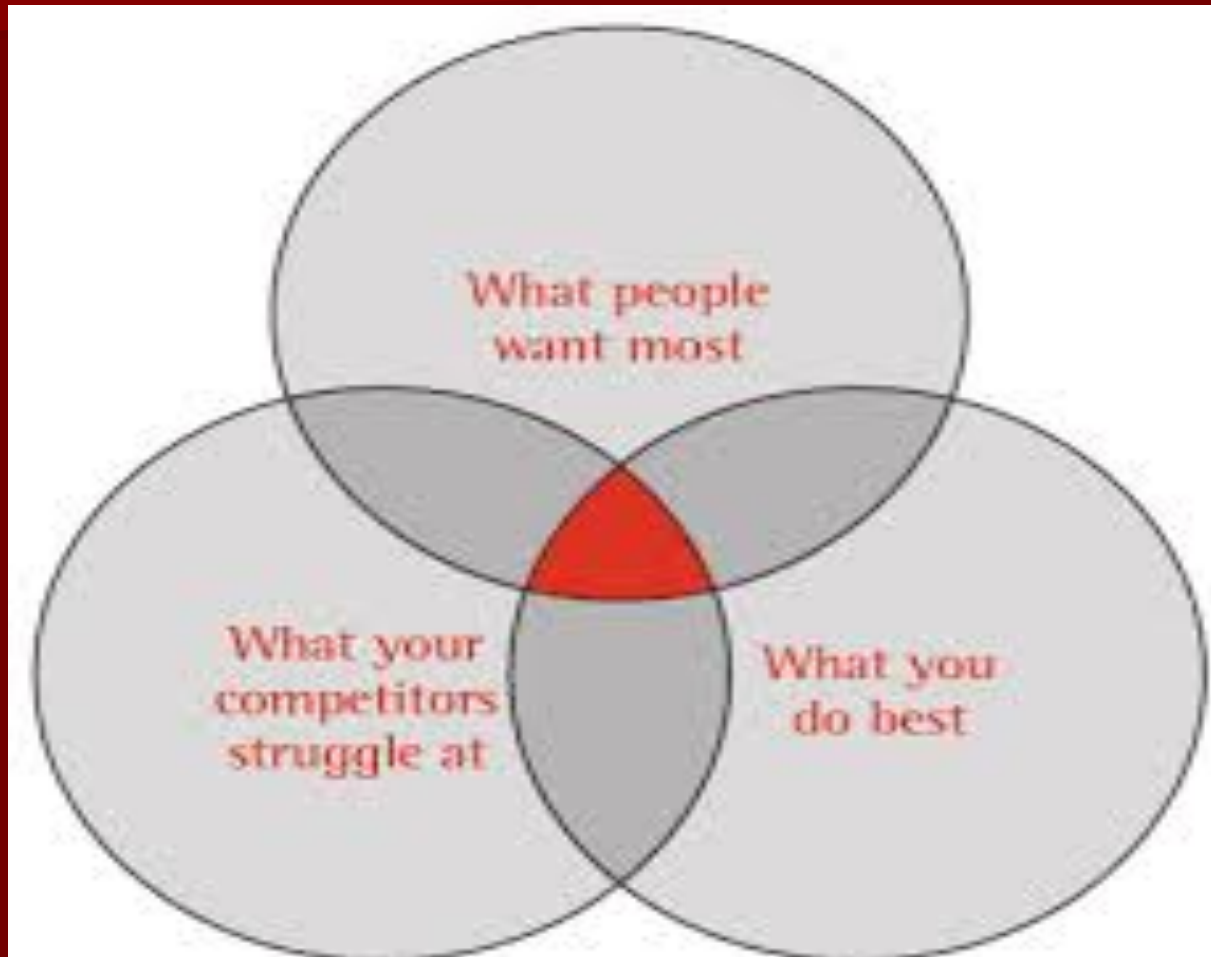# What Do We See?

How we see things

- **Make the equation below a true statement by repositioning one and only one digit in the equation.**

- **You cannot add or delete any mathematical symbol or move the - or = signs.**

- **26-63=1**

Dunker's Experiment

Attach candle to corkboard so that it can be lit safely.

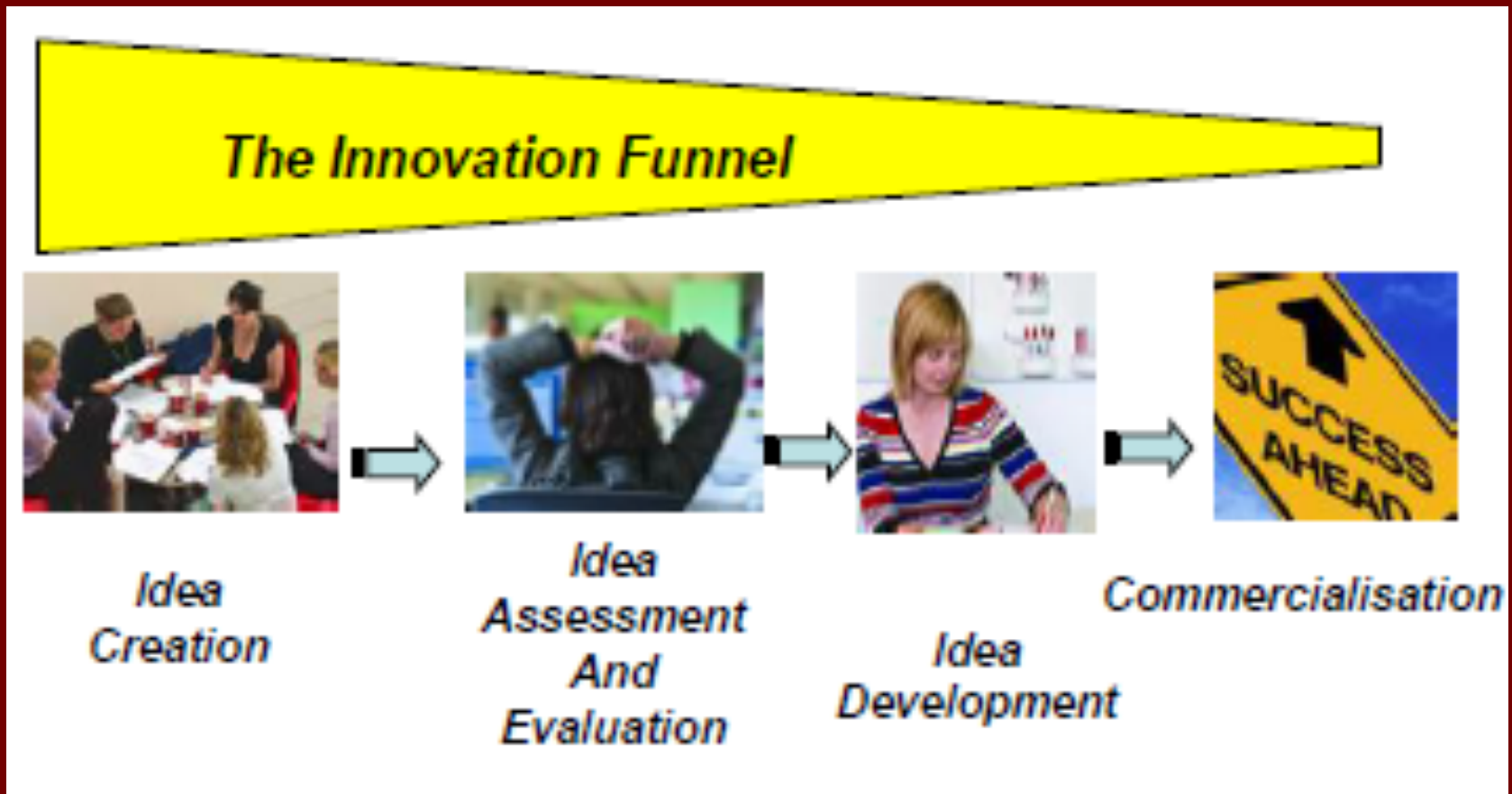# Identifying the 'Sweet Spot'

Sometimes Our Vision and Identification Abilities are 'Blurred'

- **Overconfidence** – the more knowledgeable someone is the more overconfident and susceptible the person is to blunders.

- **Magical Thinking** – When people are convinced of positive correlation, they will find confirmation and justification.

- **Poor Predictability** – There is always someone who "knows" it from the start.

- **Anchoring** – People are anchored to their original ideas.

- **Functional Fixedness** – is a bias that limits a person to using an object only in the way it is traditionally used.

Bringing Ideas to Fruition

Bringing Ideas to Fruition is a Process

The Innovation Funnel

Idea Creation

Idea Assessment And Evaluation

Idea Development

Commercialisation

Categorisation of Ideas

Sources of ideas for new businesses broadly fall into three categories:

1. Problem solving businesses.
2. Copycat ideas
3. Innovative ideas

Problem Solving Ideas

- Wouldn't it be good if I could buy/use/get some product or service that doesn't exist?

- Your proposal is able to make potential customer's lives or businesses easier/better by using your product or service.

Copycat Ideas!

- A 'me-too' business.
- The challenge is in improving on the one you are copying.
- Issues of market saturation come into play.
- Some of the best copycat ideas take a business that works in one location and transports it to another location.

Innovative Ideas

- A product or a service is developed that we didn't know we needed but now can't live without.

- They may represent a huge opportunity.

- Create like a God! – Disruptive Innovation

Validation

- Ask potential customers.

- Confidentiality and Intellectual Property.

- Research the market – is it there already?

- Take on board positive feedback offered but be mindful of the advice of the '3Fs' – Fools, Family and Friends.

- Will idea help you create a 'USP' – Unique Selling Proposition?
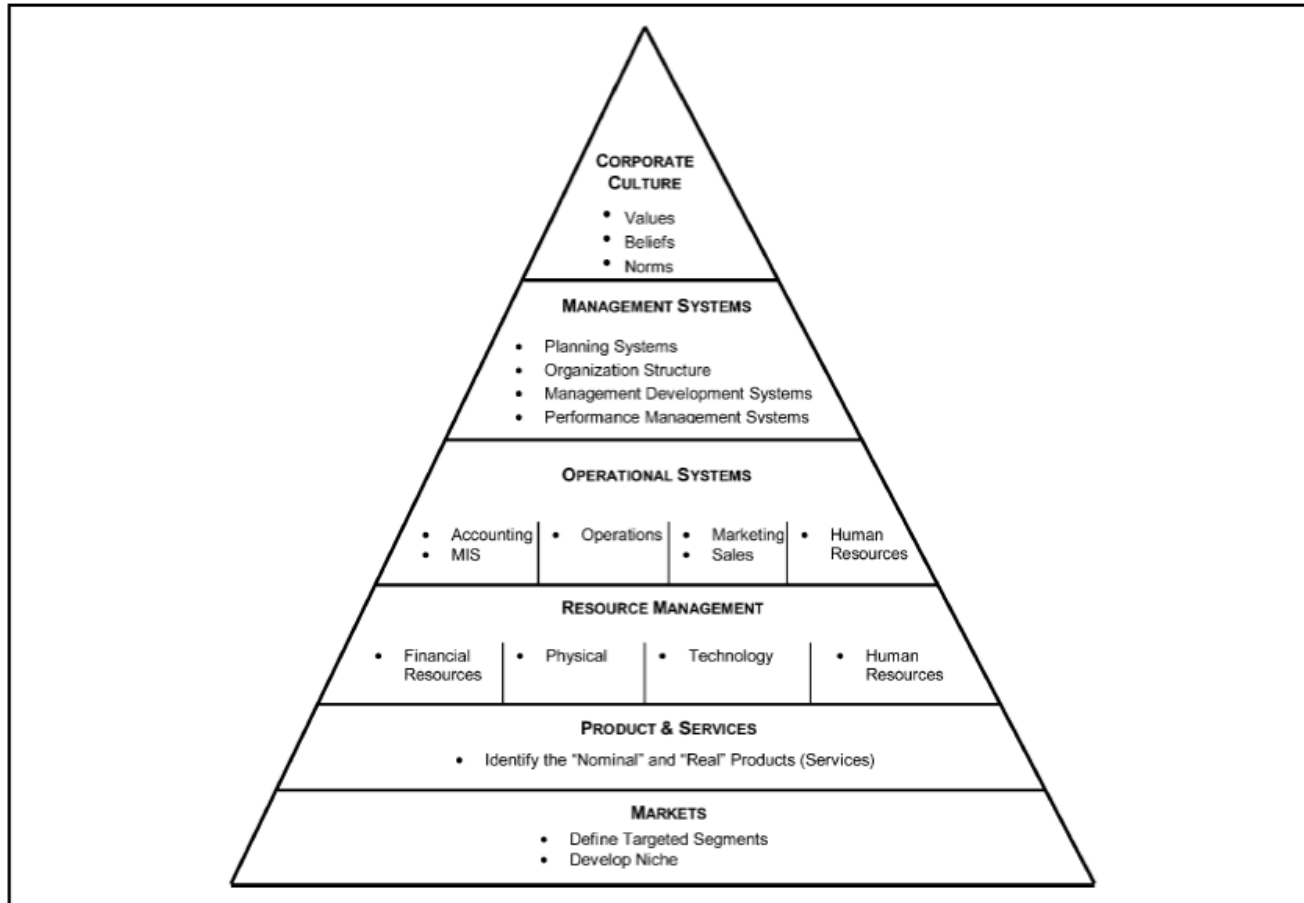
From Idea to Business

Figure 1   Pyramid of Organizational Development: The Six Key Building Blocks of Successful Organizations

Summary

- Focused on how to generate and develop commercially viable ideas.

- Powerful ideas are not well received.

- Techniques such as Brainstorming, PMI, or SIT can assist in generating ideas.

- Will the idea help me create a market niche – the first 'building block' of a business idea?

- How can I create value for my potential customers?

FINALLY!!!!!

Wishing you every success with your proposals.

Thank You, Go Raibh Míle Maith Agaibh