Business Services

"[…] Medium to large organizations already contain many internal creative thinkers: the employees; and many external creative thinkers: the customers […]".
Jeffrey Baumgartner, editor of *Report103*


# Making preparations for a successful Joint Innovation Journey

## High level view

A significant number of people when innovation is mentioned say one of two things; 'it's all about execution, ideas are easy, anybody can have an idea' or 'innovation is about creativity and only creative people can innovate'. Experience within corporate organisations has shown that to generate good ideas that can be managed and turned rapidly into a form that can be executed requires both good process coupled with the organisations capability to learn. This learning process must take place internally (through a culture of knowledge sharing) and from the external environment e.g. customers, suppliers, regulators, environmental pressure groups, governments etc.

## Defining Joint Innovation

### What Innovation is and isn't about

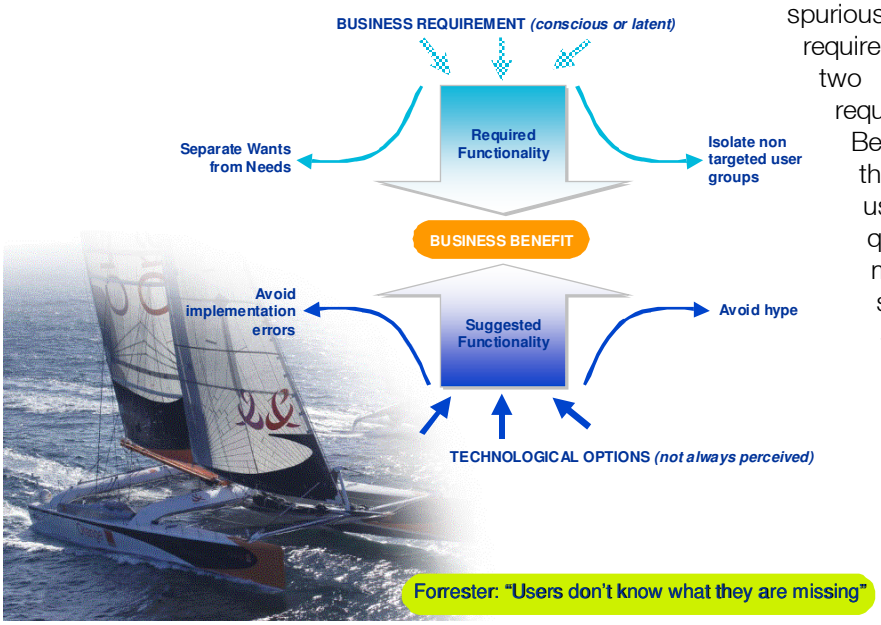
The first challenge with describing innovation (taken from Latin *innovare* – 'to make something new') is the variety of definitions applied to the word. To certain observers, it may mean developing new products or services. To others the focus of innovation in on the generation, prioritisation and development of radically new ideas (as opposed to on-going product development). Some will also interpret innovation as the process aimed at implementing new ideas successfully. Besides, Innovation may be deemed incremental or disruptive, hence the requirement to look after – at least – two different processes for innovation. Sometimes innovation is restricted to the creation of new devices or services resulting from study and experimentation.

### Our definition for Innovation

In essence, each of these definitions are right depending on the context. Innovation should have a composite definition: a process whereby a new idea is conceived and detailed in the mind, developed into a physical entity through detailed design, analysis, experimentation, and production, and then introduced to give a company a competitive edge. In simplest terms, however, innovation is simple change for better sales, better return and better benefits. Besides, all this needs to be translated into *real* projects in order to materialise.

## Analysing requirements or 'marketing the unknown'?

As a matter of fact, wondering whether Innovation is going to emerge from pure creativity and or business requirement analysis is a spurious question. Both will be required, and only the mixing of the two is going to produce the required business benefit. Besides, it is generally accepted that when a product/service is useful, it should sell in large quantities. In this context, marketing new products or services is indeed very straightforward, i.e. that requirements can be measured and that this measure can be applied to product or service design right away. However, in actual fact, it is very rare that things happen that way since Innovation is very much about marketing the *unknown*[1]. Hence delivering successful innovations for the enterprise is not so much about eliciting underlying requirements as much as it is about surprising people with new ideas, new approaches or new ways of selling existing products or services. It is also about experimenting new things jointly, and learning from experience. As a result, innovation is always the product of a dual process mixing technological advances and inventions and market responses and business requirements.




## Who needs joint innovation?

In an Economist article (published in 2005) it was reported that the S&P 500 companies during 2004 paid back to shareholders $ 197bn. The author postulated that these companies had squeezed all the efficiencies they could through cost cutting measures and now had cash to spare. These companies had reached a point were further measures could severely impact their business model. The quickening of market deregulation around the world, the long-term reductions in the costs of transportation and communication, the new opportunities for competition provided by new technologies and new scientific advances are all making it happen. In such a globalised and competitive world, corporate organisations can no longer wait for changes to happen, for fear of losing market share and potential for improvement.

[1] Marketing the Unknown: Developing Market Strategies for Technical Innovations by Paul Millier, 1999

"I can't understand why people are frightened of new ideas. I'm frightened of old ones."
John Cage

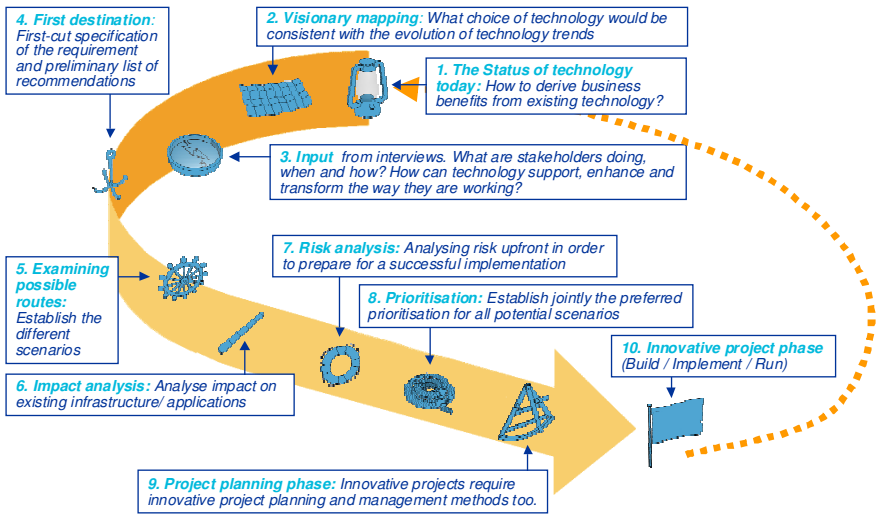
## The purpose of Innovation

As a consequence, most corporate organisations are looking for a process of innovation that will lead them to the next iteration of their business model. In effect a process they can drive which will cause disruption in their marketplace or take them into new markets to create new value. The disruption can be caused in a number of different ways; through the introduction of a new technology, a different commercial model or a new operating model (or indeed any combination of the three).

## The innovation Journey

This point of entry will make it necessary for the customer to embark on a journey into innovation. Experience has shown that when preparation is combined into a high impact session, typically taking place over multiple days, the results is a rich array of qualified ideas ready to move to the next phase and a highly motivated team of people ready to move rapidly to execution. The ingredients of the Joint innovation journey are described in the following diagram. Each of the steps into the journey are as many stages that form the steps of a successful innovation process. The order in which the stages are presented in this diagram is only indicative. They could and must be adapted to each particular case since each client has a different level of insight that may already be in place. Our approach recognises that we may engage in any point of the discussion, for example to explore the relevance of emerging communications technologies and their applicability to specific and customer defined scenarios. Our point of "application" can therefore be varied according to each client's need.

**The Joint Innovation Journey in 10 steps**



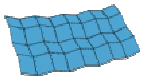
"It is information technology that has enabled this new creative era, expanding the space for speculative thought."
John Kao, from 'Jamming'

## The 10 steps that make up the Joint Innovation Journey

Despite the fact that generative new concepts is a 'gift' that is possessed by many if not every one of us, asking individuals to be 'playful' or even 'think harder' is not really helpful. It may even be stressful to such individuals who would be reluctant to show other members of their groups that they are a bit short of new ideas. When asked point-blank to be creative, most individuals will react in either of 3 different ways. Either they will jump to an obvious conclusion, so that they can get rid of the embarrassing problem and question and move to another issue. Alternatively, they might be led to an impasse because their minds are fixed on existing issues and problems that could not be solved in the past. Lastly, they might even say nothing at all out of perplexity.

1. **The Future and the Now:** This is the reason why it is necessary to use – depending on the context – the first stage of this innovation process as a stepping stone into a creative process. What are the ideas that can be enabled by the different kinds of technology available on the market and their current state of maturity? During this phase, Equant will not only use analysts' visions and reports. We will also bring our own vision of the current state of technology, thanks to the contribution of FT Group' s matter experts (including R&D where applicable). It must be emphasised that in this phase, we will be looking at technology from more than just from a technological view point. We will also be looking into the end-user, organisational and sociological perspectives.

2. **Visionary mapping:** Equant's experts can not only understand the current status of today's technology. They are also acting as our clients' trusted advisors with regard to the future evolution of these technologies. The visionary mapping of future technologies eventually leads to a joint technology roadmap (see above diagram for details) which is developed with the client for its benefit.

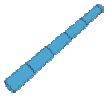


3. **Input from interviews:** This is the other piece of the puzzle in which the client's requirement is analysed, and possibly reshaped. The benefit of the joint innovation approach takes place when requirements are analysed jointly with Equant. Equant will once again act as a trusted advisor to its clients.

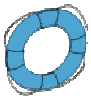
4. **First destination:** The first-cut specification of the requirement and preliminary list of recommendations is the third major deliverable of the Innovation journey after the status of technology and the visionary mapping. The combination of these three deliverables is key to the delivery of a joint innovative project with the client and its teams.

5. **Examining possible routes:** After the combination of the first three deliverables, Equant is able to propose different potential solutions for solving its clients' issues or addressing their most urgent business requirements. This is the fourth deliverable of the JIA.

6. **Impact analysis:** Equant's role does not stop with the understanding either of business requirements or technology potential. We also evaluate jointly with the client what kind of impact the different scenarios may have on the client's business and supporting infrastructure.



7. **Risk analysis:** Analysing risk is key to a successful implementation. Eighty percent of innovation projects suffer from bad implementation and this is mostly due to the fact that—although the initial idea was good—the risk of not being able to deliver the innovative solution properly was not assessed from the beginning. Equant applies its understanding of integration to the design and implementation of complex innovative solutions for its clients.



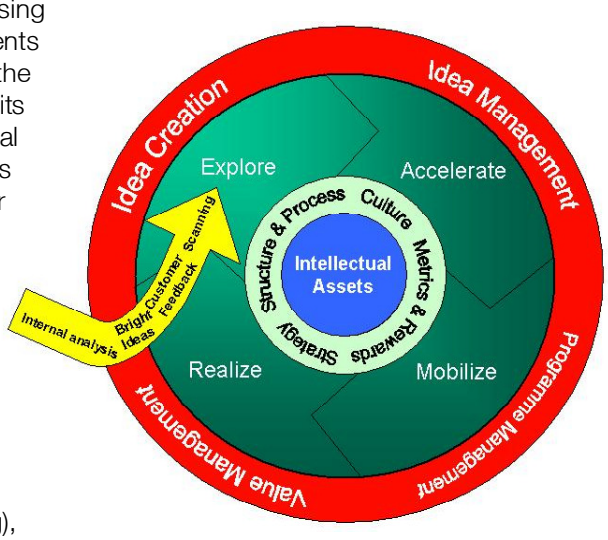
8. **Prioritisation:** Step 8 is about establishing jointly the preferred prioritisation for all potential scenarios.

9. **Project planning phase:** Innovative projects require different ways of handling project planning and responsibility. We at Equant, understand what it means to design an innovative project with a client and to successfully manage such an innovative project. Such projects require special ways of handling internal and external skills, deadline-focussed planning, orbital skills management (slightly disjointed from the traditional hierarchical organisational structure) with strong cross-organisational networking capabilities, and different resource planning techniques from standard projects. Above all, innovative projects require predictive trouble-shooting management techniques which are necessary to solve complex integration issues thanks to ruthless upfront risk management (see step 7).

10. **Innovative project phase (Build/Implement/Run):** This is the most crucial part of innovation. Ideas are cheap. Implementing them is the real issue. This is what we try and focus on at Equant innovation. We spend time and effort with our clients in order to make things happen. We once again act as our clients' trusted advisors not only to design but also to implement our clients' most innovative projects. Our outsourcing contracts become real drivers for business benefit (not just cost reduction).

## Innovating jointly with Equant

Equant (combined with the FT Group) is a driving force in idea creation and management for its clients. Equant has the capability to take potentially disruptive ideas (technical, commercial, operational) to customers through the quality of its people, using specifically designed process and tools in environments designed to support collaboration. Equant presents the group's capability for innovation in such a way that its customers can then combine them with other essential dimensions including changes in the business environment (global & local), lifestyle changes and other similar extraneous factors that impact business. Both partners can then put that learning into a context that generates value.




The core capabilities required for innovation include: the generation of new ideas, the management of the ideas, the implementation or programme management of the ensuing projects and value management. These capabilities are applied in the context of exploration (scanning),

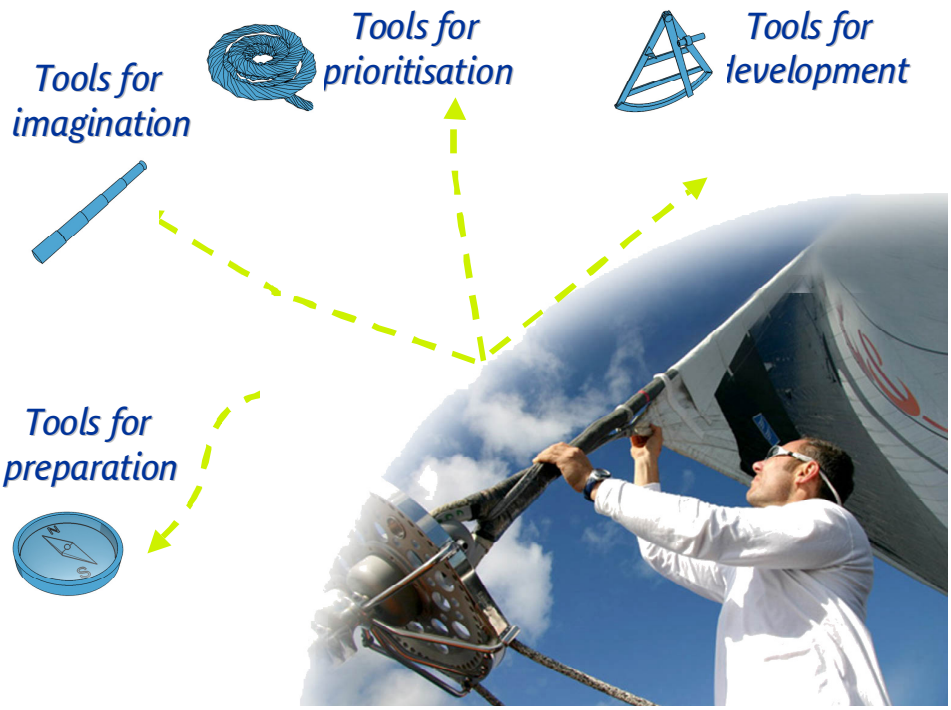
acceleration (rapidly and continuously combining and testing the ideas to create valuable business propositions), mobilization (turning the propositions into reality) and finally realisation (managing the outcome to ensure the value is created).

These capabilities are supported by organisational structure and process, they can only be executed in a culture that supports the belief that innovation is essential for growth/survival and all this has to be linked into the companies' strategy.

This understanding and support by Management must be translated into the set up and the strict implementation of an obligatory Innovation governance model aimed at creating the conditions for the generation, the development and the implementation of new concepts. Top management involvement in that process – through the above-mentioned governance model – is crucial and conditions the success of the implementation of the joint innovation process.

## The Equant Joint innovation toolkit

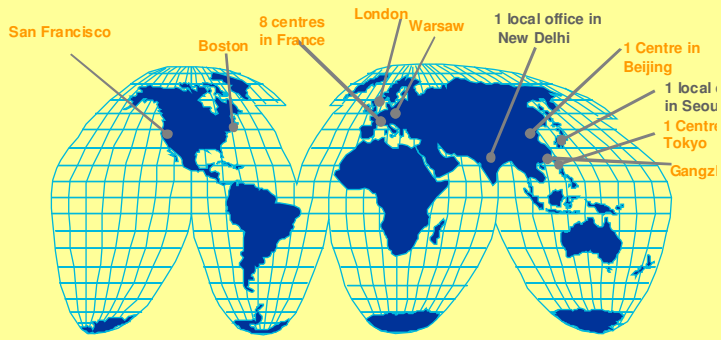
As we have suggested earlier in this document, there is nothing magical about innovation. The stakes are too high and creativity is too serious a business to be left to chance. Above everything else, it requires method, it requires management drive and most importantly it demands preparation. Equant has created the Joint Innovation Programme to that effect, so that we would cover all the crucial aspects of innovation and we have also designed an innovation toolkit aimed at supporting that innovation programme and process. This toolkit covers the four major stages of the joint innovation spectrum, from preparation to delivery.




For a detailed description of some of the tools used by Equant to animate its innovation workshops and meetings, please refer to the separate section of this document entitled *Some of the Innovation Tools we use*.

*The France Telecom group at the forefront of innovation*

**FT R&D worldwide centres**




The France Telecom Group is renowned in and out of the Telecom industry for fostering innovation. Its R&D arm is employing 4,200 technologists in 17 sites across 3 continents. In 2005, the group invested above € 600 million in R&D only and its investments in that area went up by 20% in 2004 and 2005.

By the end of 2008, there is a plan to invest € 1m in R&D activities. Each year France Telecom Group R&D is patenting over 450 new inventions each year. As of December 2005, its total patents portfolio was made of approximately 7 600 patents.

## The 'Ideation' process

*i·de·a·tion* (ī dē ā'shən) *n. The capacity to form an idea; imagine or conceive*[2]

## Do we need a model for creativity?

Many people would argue that creativity is not directed by process and that a model is no valid incentive for generating novel ideas[3]. Being inventive, imagining new ideas would be described by most as the ability to let one's mind wander and let the unexpected happen. As a matter of fact, if we look at art as a primary source of inspiration for creativity, no real standardised methodology can be derived from practice which would show the way forward in terms of imagination. Yet, it does not mean at all that artists are not resorting to creativity methods that help them come up with new ideas. On the contrary, there will be a multiplicity of methods used by different and even by the same artists. One of the most striking example used by most artists if not all of them is the ability to repeat almost indefinitely the same theme over and over again until new patterns emerge. Variations on a theme abound in music (let us just remember the amazing Goldberg variations[4]) and they have also been used time and time again in painting.

Likewise, when it comes to business issues and creativity applied to the business world, we cannot exclude methods and processes. But it would be wrong to assume that we would have to resort to the same tricks over and over. Many models have been exposed in the literature dealing with creativeness and as a matter of fact, none of them are right or wrong.

[2] adapted from *The American Heritage® Dictionary of the English Language, Fourth Edition*

[3] "[…] it is important to note that some experts dismiss the notion that creativity can be described as a sequence of steps in a model. For example, Vinacke (1953) is adamant that creative thinking in the arts does not follow a model. In a similar vein, Gestalt philosophers like Wertheimer (1945) assert that the process of creative thinking is a integrated line of thought that does not lend itself to the segmentation implied by the steps of a model. But while such views are strongly held, they are in the minority." Paul Plesk, Op.cit.

[4] "All the thirty-two pieces are built upon the same thirty-two-note ground bass and its implied harmony […] the rhythm of which is maintained throughout the work. […] In some movements, the theme acquires different harmonic flavours, while in others it is transferred to the high pitch range by the hand-crossing texture". Yo Tomita, Queen's University, Belfast [http://www.mu.qub.ac.uk/tomita/essay/cu4.html].

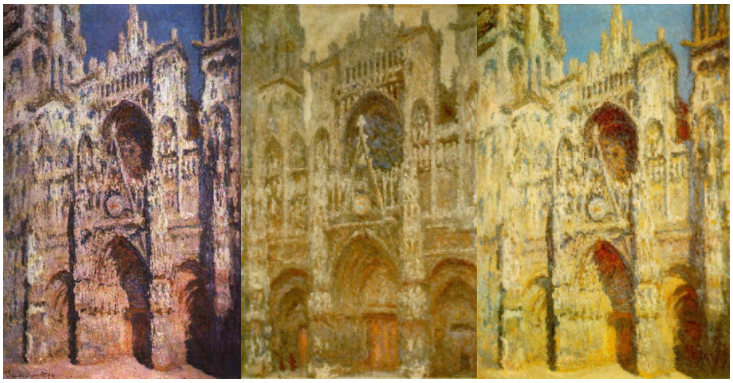


Figure 1: Monet painted more than thirty canvases of the façade of the Rouen Cathedral, of which we are providing 3 examples above. The subject mattered less to the inventor of impressionism than the different treatments of light and hue which could lead to intrinsic pictorial innovation

They merely serve the purpose of guiding the mind and channelling new ideas so that one would not lose exciting new opportunities which would be worth developing. On the whole, creativity models are used in order to:

- establish a right balance between imagination and analysis,
- purposefully generate new ideas under the direct control of a facilitator, as most modern models suggest (older models used to suggest that imagination was the result of a subconscious process),
- working on these newly generated ideas in order to turn them into concrete realities.

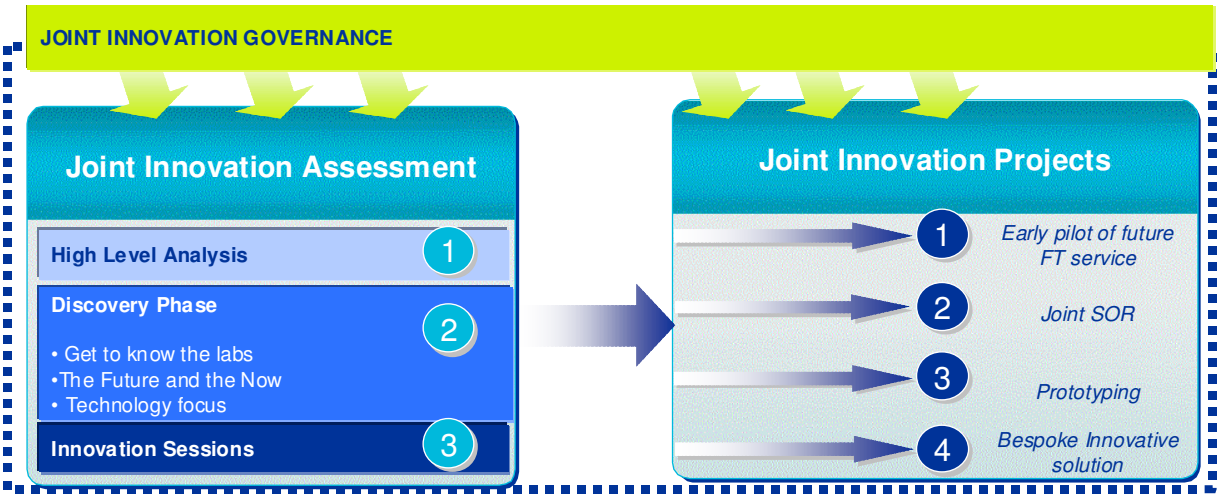
At Equant, we endeavour to get the best of both worlds, fostering imagination and creativity and also providing the framework for the valid and accurate business-driven analysis of new ideas.

## About Workshops and other creativity tools

Most of us are familiar with the standard workshop approach. It is typically a strongly facilitated process consisting of information being pushed at the attendees, some sharing on a group level, and fixed activities designed to reach an outcome. This approach has a place when the required outcome is in part known, for example a need to reach consensus amongst a group. However, it needs to be different when creativity is coupled with an unknown outcome. In this particular case, the *innovation workshop* will be the result of a preliminary investigation, which will have to take place beforehand. Face to face interviews and preliminary meetings will have to take place in order to target the main subjects which need to be investigated and prepare a successful workshop.

This is why the Joint Innovation Assessment phase of our process is aimed at setting the esatworkshops. Within the Joint Innovation Process there is no magic formula aimed at solving all issues or questions related to innovation. Handling all client situations requires that one builds an *a la carte* menu of tools, a set of instruments, each with a different purpose and method, aimed at solving a particular issue within the ideation process for a particular engagement and a given client context. For the preparation of an engagement, Equant consultants may choose between one or more of these tools in order to achieve the common objective set for the Joint innovation initiative. Besides, each of these tools can and must be adapted to the context of the situation to which it applies. The Innovation toolkit is described in a separates section of this document.

## Overall description of the Joint Innovation Programme




The joint innovation programme can be divided into two major parts. Its first part is dedicated to the uncovering of potential business opportunities for our clients and/or issues and related technological solutions and issues, and eventually the appraisal of potential solutions and the high level design of such solutions. We have entitled this process *the Joint Innovation Assessment* whereby we evaluate the innovation context, the environment and the potential of new ideas which could lead us to the creation and the launch of innovative projects.

But the Joint Innovation Assessment is only a means to an end. Pending the prioritisation of the estimated business benefit for each of the new ideas which the ideation process may have generated, we may then. Of course, not all ideas will lead to the generation of real projects. It is a perfectly normal process that ideas – even though they may have been deemed sound at the outset – are excluded from the process at a later stage. But it is the way that the ideation process is conducted that is going to determine the richness of the overall joint innovation programme.

This is the reason why a precise heuristics of creativity has to be defined, in order to avoid a dearth of information or ideas which could lead to the deferral of the launch of new joint initiatives. There are different types of joint innovative projects that we have defined at this point.

This list is by no means comprehensive. It could be completed with new inventive co-development techniques and related business models. It starts (project type number one) with the simple advanced test of a future service which will be launched by the FT Group and it ends with the design of complex, mutually beneficial innovative solutions which. Intermediate options include the design of a joint specification for a future initiative and the prototyping of a new solution aimed at solving the business issue of our client or partner.

# About Joint Innovation Workshops

*Describing our Innovation Workshops*

Our innovation workshops can take place at any of our worldwide locations called Innovation Gardens or even off-site in certain conditions depending on the context, the country and the clients involved.

*Innovative ways for innovation workshops*

Our workshops are usually conducted in meeting rooms but we are also making extensive use of our own telecommunications tools. Web and audio conferencing are used on a daily basis at Equant across the globe to reduce cost but also to improve efficiency. Such tools can be used in order to prepare the workshops or even animate some offline discussions before or after a workshop. Depending on circumstances, we may also resort to the Real-Meet virtual presence room in order to add participants to a workshop or even include remote presenters from remote R&D centres like Beijing for instance. The virtual presence rooms can be coupled with web conferencing and even 3D real-time web conferencing software. Obviously, we can also resort to classic videoconferencing services or enable the web video capability on our online communications tools.

## The audience

Our audiences may vary according to contexts but our innovation workshops are generally oriented towards Management and decision makers. These Innovation workshops aren't technical workshops although there may be presentations geared towards the presentation of technological solutions.

If technology is involved, the aim of the workshop is never to insist upon the technical sides of the solutions we show or present but on either the functional or even strategic aspects of such technologies, and how they are adapted from a process and financial point of view to the conduct of business.

## Workshop moderation

Our consultants will perform the preparation and the animation of the workshop as well as the wrap up and the follow up of whatever results will be generated by such an innovation workshop

## The heuristics of creativity

The heuristics (or rule of thumb) of creativity is a list of guidelines which each participant into an innovation session has to understand and adhere to. The workshop moderators are in charge of applying these rules and ensuring that attendees abide to them.

- Prepare and focus

- Focus your creative energies on just a few topic areas, but escape the confines of our current thinking on a topic
- Making additional connections to even more concepts

- Imagine
  - Deliberately let people give free rein to their imagination during the workshop however ludicrous their ideas may appear to you in the first place,

  - Value Quantity above Quality → a maximum of new ideas in the shortest time-frame
  - Try to come up with original and useful ideas by making novel associations among what you already know,
  - Recognize that your streams of thought and patterns of judgment are not inherently right or wrong; they are just what you think now based primarily on patterns from your past,
  - Make it a habit to purposefully pause and notice things, namely when you hear ideas that make you laugh the first time you hear them,
  - Others' ideas could and must become your ideas,
  - Escape premature judgment and the desire to please or criticise,
  - Self-deprecation is *not* allowed.

- Wrap up and harvest
  - Deciding to call an end to idea generation and move on to harvest the best ideas for more processing
  - Make a deliberate effort to harvest, develop, and implement at least a few of the ideas you generate.

## Typical agenda

### Background presentation introducing the subject and describing the topic

Such a presentation may start with a background description of a market, a segment, a service, a market survey, an audit or a combination of those. It will be used to focus the attention of the audience on a few key points which will serve as starting points for our joint innovation journey. The outcome of that first presentation will be to focus the attention of the audience on a few key topics which the group will then investigate.

### Creativity session

Following are the different steps leading to creativity in a typical creativity session. Please note that these steps may vary according to the context.

#### 1.1.1.1 Warm-up and preparation

- Methods used for the repositioning of the issue (e.g. in my mind the problem is …)
- Warm-up techniques

#### 1.1.1.2 The ideation phase

Overall, the ideation process covers 2 different phases: firstly, the moderators let the audience diverge and produce as many ideas as they can. Secondly, the list of ideas is broken down in categories, listed and refined. There are different ways of conducting the ideation phase and they may resort to different (or combinations of different) brainstorming techniques depending on the context and the desired result.

We have described a few of these potential brainstorming techniques in the following table and we have indicated comments which are aimed at understanding the characteristics of each method including the pitfalls which must be avoided at all cost for each of them.

| Method | Description | Comments |
|---|---|---|
| Classic brainstorming | Participants agree to the rules and express ideas verbally. They are not really restricted and can express themselves freely | Requires strong moderation to avoid blanks or the hijacking of the meeting by 'gurus' |
| Mitsubishi Brainstorming method | Participants write down their ideas in a silent period before verbal contributions begin | Can be combined with another technique |
| Brainwriting pool | Participants write down ideas and place them in a pile; someone else will later read them aloud to the group | As the ideas are not forcibly presented by the individual who wrote them, it enables group ownership of the process and enforces team building too. The presenters of the ideas could be randomly picked from the audience. One should avoid the selection of a unique presenter |
| Phillips 66 method | A large group is broken down into smaller groups. They have six minutes to generate ideas, which are then shared back in the larger group for harvesting. The six-minute brainstorming period can be repeated several times to allow for combinations of ideas. | Requires large audiences. Ideal for multi-client workshop sessions for team-building and actual group work |

Additional methods exist such as the Collective notebook for instance. With that method, the participants submit ideas on a given topic without ever having a face-to-face meeting. They feed the innovation process remotely and are given more information in return for their contribution. It is an ideal method if one cannot manage to get all the participants together at one place for a meeting – if they are scattered across different locations for instance – but it requires highly motivated participants so that the process is kept alive. Online collaboration tools can make such methods more practical however, but they will inevitably require a significant involvement on the part of the moderator.

More devices or techniques maybe added in order to spice up the ideation process, such as word play (lists of manipulative verbs, lists of relational words, lists of random nouns, etc.), alternative from fixed

points, leaping, etc. Depending on the context, Equant's consultants may be inclined to use one or more of these gimmicks and even add more to this list.

#### 1.1.1.3 The concept of Directed Creativity[5]

Paul Plsek's definition of Directed creativity is 'the purposeful production of creative ideas in a topic area, followed up by deliberate effort to implement some of those ideas'. Directed creativity is the means to reveal the inventiveness which is buried inside of each of us but that we may not always dare to show or even practice for fear of appearing stupid in front of our colleagues or business partners. It is not just enough to ask people to be creative. Directed Creativity is the set of methods and tools which are going to make the innovation workshop a success.

#### 1.1.1.4 Harvesting ideas

The final step of an innovation workshop is definitely about the wrap-up of the session, the collection of the ideas that were generated during the meeting and eventually the prioritisation of such ideas. Depending on the context we may decide to prioritise such ideas at the end of the session in front of the workshop participants or we may decide to undertake such a task offline in order to run the list of ideas by another set of people. Possibly, a number of workshops with different people may be carried out in order to match these ideas with another group's and compare them to one another. The more workshops with different groups you organise, the more chances there will be to generate different and rich ideas and improve the context. Methods our Equant consultants resort to for the harvesting of ideas include but are not limited to The Brown paper method and the Equant Business Benefit Prioritisation Technique (BBPT).

## Preparing an Innovation Workshop


Innovation workshops are undeniably the most advanced and elaborate way of generating ideas in group sessions. Such sessions are a mixture of playful exercises and serious presentations and working sessions. The lively – and to some extent exhilarating – character of parts of these sessions is however impressing wrong ideas in the minds of many, who think that an innovation session is mere child's play. As an actual fact, it requires a lot of hard work and preparation, notwithstanding the strenuous work of moderation which must be strictly executed during the workshop. In the above diagram we have described the steps that lead to the organisation of a successful innovation workshop. Such steps may be adapted to each customer and each context to maximise efficiency and result.

[5] Creativity, Innovation, and Quality by Paul E. Plsek, Irwin Professional Publishing