

# How to be Successful with **Breakthrough Innovation**

"In our experience, it is practical downstream issues — rather than any lack of creativity, good ideas, or technical ingenuity — that tend to be the real barriers to effective breakthrough innovation."



Rick Eagar Senior Consultant, Cutter Consortium Chief Innovation Officer, Arthur D. Little

# Your organization CAN be innovative. Understanding how is the first step.

Growth. It's what CEOs are after. In today's world, where core business may be easily disrupted, companies need innovation more than ever to achieve the growth that shareholders expect. How can a company develop a truly innovative culture? Should it have special units or programs dedicated to driving breakthrough innovation? Are other models, such as incubators, effective?

Understanding how innovation happens is critical, but it's only the first step to becoming an innovative organization. Organizations need to be set up and develop their people in a way that paves the path to innovation. They need to understand who – internal people? customers? crowds? a combination? – to involve in the innovation process; how to enhance innovation with deep customer and technology insights; what barriers to innovation exist; how to bring innovations to market; how to manage and nurture innovators; and more.

That's why Cutter Consortium experts Prof. Robert D. Austin and Rick Eagar have come together to offer the *How to be Successful with Breakthrough Innovation* workshop.

# How to be Successful with Breakthrough Innovation Delivers the Tools

#### **Open Your Team to Innovation**

To set the stage for creating breakthrough innovations, your team needs to understand the underlying factors that impede innovation. Exposing them to the lessons learned, as well as the strategies and tactics that the most innovative firms have used to become even more innovative, will give your organization the knowledge, and be the catalyst it needs, to create real breakthrough innovations. *How to be Successful with Breakthrough Innovation* delivers the tools.

#### Who Benefits?

Rob Austin and Rick Eagar developed the *How to be Successful with Breakthrough Innovation* workshop curriculum to support senior executives down to top-end middle management. Each session's content, along with discussion around how to apply the concepts to your organization's specific situation, will jump-start innovation in new and unexpected areas.







#### What to Expect

Creating your own *How to be Successful with Breakthrough Innovation* syllabus from our modular sessions will ensure that your program is right for your organization. No matter how you configure the series of sessions, you can be sure you'll be getting strategy, insight, and advice that you can put to work right away. You can choose one, several, or even all of the sessions to design a program where your team learns:

- How to govern, organize and manage breakthrough innovation in a large corporation
- How to balance efficiency and control with creativity
- How and when to use Agile approaches for innovation
- How to make the most out of collaborating with start-ups
- How to inculcate a truly innovative culture

**Course Development:** Cutter Consortium will help you identify and design the right mix of modules to address your most pressing needs.

**Instruction:** Rob Austin and Rick Eagar are seasoned educators. Whether presented lecture-style, or via case study, every module is high-energy and interactive, engaging your entire team.

**Facilitation:** When you build in a half-day facilitation session, Cutter Consortium's Rob Austin or Rick Eagar will lead your team in discussions that will tie together the modules you chose, and ensure you emerge from the workshop with a plan to implement the strategies learned and take them forward.

#### **Concrete Outcomes**

You'll emerge from *How to be Successful with Breakthrough Innovation* with new ideas and strategies that have been tested and proven by innovative business leaders, and which you can put into action immediately.

# **Workshop Modules**

Select from these modules to create the workshop optimized for your organization.

#### Half-day Session

#### A Closer Look at How Innovation Really Happens

Most executives and their employees know they need to innovate and aspire to innovate. But, perhaps surprisingly, many people do not have a deep understanding of how innovation happens, and the problems that can keep it from happening. Some of the truths about innovation are challenging and counterintuitive. In this session, we probe deeply into the nature of innovation processes, and why they are often challenging to do well. We'll draw on examples from the history and research on invention and innovation to identify patterns that provide deep, foundational insights. This is a good session to schedule early in a new innovation program.

#### Half-day Session

#### Organizing for Breakthrough Innovation

Established companies in mature industries sometimes struggle to achieve the dual objectives of *efficiency* and *innovativeness*. They know they need to innovate, to create new and important product and service offerings. But how to actually do that can be elusive, especially when there is a need for more radical - or breakthrough innovation, which may be beyond the core business. In fact, many of the smart management moves we make for efficiency reasons can distract from and even work against efforts to innovate. How can we set up our organizations and develop our people so that we can achieve efficiency and innovation simultaneously? In this session, we draw on research and company experiences to explore the broad range of options in organizing for breakthrough innovation, identify the plusses and minuses associated with the different options, and help you figure out which direction is best for your company.

#### **Half-day Session**

#### Collaboration on Innovation between Large Companies and Startups

For most large corporations, working with start-ups is now seen as a key way to drive breakthrough innovation and stay ahead of disruption. For startups, working with large corporates can provide valuable access to facilities, funding and customers. Yet in practice, many corporate/startup collaborations fail to deliver the expected benefits, and in some cases, partnerships are already being closed. In this session we'll take a look at the practicalities of making it work, building on actual case examples and the experience of specialist startup collaboration brokers.

#### Full-day or Half-day Session

#### Users, Customers, and Crowds: When and How to Include "Outsiders" in Innovation

There are a surprising range of opinions about whether customers or other "outsiders" should be included in innovation processes. At one end of the spectrum, there are innovators like Steve Jobs, who was famously dismissive of customer inputs into innovation. But this attitude would be heretical in many companies. In fact, there is compelling research that suggests that to best innovate, we might need to increasingly tap the wisdom of "lead users," who are essentially smart, inventive customers. Meanwhile, for some time, other companies have been accessing the wisdom of outsiders who are sometimes customers - and sometimes not customers - under the banners of "open innovation," "co-innovation," and "crowdsourcing," using a variety of formal and informal collaboration models. As a result of these disparate approaches, there is much confusion. How do we sort it all out? When can we boost innovation with traditional approaches like market research? When do such approaches limit our innovativeness? This session will provide clarity about these and other questions.

#### Full-day or Half-day Session

#### Building Breakthrough Innovation Capabilities through Digital Technology

It is hardly sensational to say that digital technologies are transforming every part of our lives. One little-understood fact, however, is that a historic transition in the way we use digital technologies is now creating the potential to enhance any organization's innovation capabilities. Technologies like digital prototyping, simulation, visualization and others are combining to allow processes that have traditionally been slow and fraught with risk to become cheap and rapid. New data analytics tools such as Artificial Intelligence and Machine Learning are transforming technology and customer intelligence. And e-learning and virtual workplace technologies are opening up new collaboration possibilities with innovation partners. If the pieces are assembled well, more rapid innovation and learning is possible. In organizations that are achieving this, many processes that used to be slow and planning-based are restructuring into more rapid and iterative ones. The result: new products, new revenue from services, and new business models. In this session, we'll examine how all this works and how your organization can set up cheap and rapid innovation cycles through adept combinations of digital technologies.

#### **Half-day Session**

#### **Creating the Conditions for Bringing** Fledgling Innovations to Market

In many large organizations there are great ideas that never make it beyond the prototype stage. Moving from a prototype to a scaled-up, de-risked, commercialized product is often referred to as the "valley of death" – for good reasons. In fact, for many companies, challenges at the back end of the innovation cycle are much more "In the innovation economy, you won't get it right the first time. You can't. If you do, it won't be good enough. 'Get it right the first time' is not the right principle. Try, instead, 'Make it great before the deadline' — or something like that."



Rob Austin Fellow, Cutter Consortium Professor, Ivey School of Business

significant than those at the frontend. In this session we'll explore the range of factors that can cause problems at the backend, and identify what companies can do to overcome them.

#### Half-day Session How to Make Agile Work in Non-IT Contexts to Achieve Innovative Outcomes

Agile has become the buzzword of every large corporation that is looking to become more innovative. From their origins in software development. Agile principles are now being widely adopted across every type of product and service innovation, from aerospace to food and beverage. There are some good successes being achieved, but also some failures. Is Agile suitable for every type of product or service innovation? Can Agile processes be implemented alongside traditional waterfall processes? Does the entire organizational structure and culture need to be transformed to make Agile work? In this session we'll explore the pitfalls of implementing Agile in non-IT contexts, and look at some practical ways of making it work.

#### Full-day or Half-day Session Managing & Cultivating Talented Innovators

Creative and resourceful people are arguably the most important input to innovation. But where do we find them? How do we develop and nurture their talents? What do we expect of them, and how do we best manage them? Companies that are viewed as especially good at innovation also know that the people aspects of building and maintaining innovation capabilities can be very challenging. People who are very strong innovators often know they are good and use that leverage to get what they want. Often, they are driven by objectives not perfectly aligned with commercial aims. In this session, we'll take a deep dive into the exciting and challenging world of how to manage the people who are, as author Michael Hiltzik once put it, "dealers of [innovation] lightning" — and how we harness their energy without putting it out or getting fried in the process.

#### Half-day Session

#### Finding the Best Governance Approach for Innovation

Innovation in a very large, complex and maybe decentralized corporation is at least an order-of-magnitude more difficult than in a small, compact organization. In large corporations, the way in which top management exercises leadership and governance over the innovation process has a huge impact on its effectiveness. There are many different ways of doing this: Do you employ a Chief Technology Officer or a Chief Innovation Officer? Do you need an Innovation Committee, and if so, who should sit on it? How do you decide what innovation to oonduct in the center versus the business units? In this session we explore some of the governance approaches that companies use and expose their strengths and weaknesses.

# **Create and Schedule Your Custom Workshop Today**

Contact us to tailor a program that's right for your organization. We'll help you choose the right modules, the appropriate number of days, and the best mix of expert instructors.

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# **Cost, Schedule and Location**

Workshops are scheduled in collaboration between your organization and Cutter Consortium's experts to accomodate everyone's schedule, and are held onsite at your location. Pricing is based on the number of days of the program you create: US \$15,000/€13,150 for one day; US \$25,000/€22,000 for two days; US \$38,000/€33,250 for three days. Travel and living expenses are additional.

### **About Cutter Consortium**

Cutter Consortium is a global business-technology advisory firm dedicated to helping organizations leverage emerging technologies and the latest business management thinking to achieve competitive advantage and mission success. Through its consulting, research, training, and executive education, **Cutter enables digital transformation.** 

Cutter helps clients address the spectrum of challenges technology change brings — from disruption of business models and the sustainable innovation, change management, and leadership a new order demands, to the creation, implementation, and optimization of software and systems that power newly holistic enterprise and business unit strategies.

Cutter pushes the thinking in the field by fostering debate and collaboration among its global community of thought leaders. Coupled with its famously objective "no ties to vendors" policy, Cutter's *Access to the Experts* approach delivers cutting-edge, objective information and innovative solutions to its clients worldwide.







# How to be Successful with **Breakthrough Innovation**

### **About the Experts**



# **Robert Austin**

Robert D. Austin is a Fellow with Cutter Consortium's *Business Technology & Digital Transformation Strategies* practice. He is a professor of IT management at the Richard Ivey School of Business (Canada), and an affiliated faculty member at Harvard

Medical School. Previously, Dr. Austin was Professor of Management of Innovation and Digital Transformation at Copenhagen Business School. From 2011-2013, he was Dean of the Faculty of Business Administration at the University of New Brunswick at Fredericton, Canada. He has also served as CEO of the CBS-SIMI Executive Foundation (now CBS Executive), a top provider of non-degree executive education in northern Europe. For many years, Dr. Austin served as Chair of Harvard Business School (HBS)'s executive program for CIOs and is a former HBS Professor in economics, financial reporting, IT, and operations management for MBAs and executives. In addition, he serves on the advisory boards of several IT industry firms and advises major corporations worldwide. Before joining HBS, he was a technology manager at the Ford Motor Company.

Dr. Austin's research deals with management of knowledge-intensive activities with a particular focus on innovation. His most recent books include: Adventures of an IT Leader and Harder Than I Thought: Adventures of a Twenty-First Century Leader, coauthored with Cutter Fellow Richard Nolan and Cutter Senior Consultant Shannon (O'Donnell) Hessel; and The Soul of Design: Harnessing the Power of Plot to Create Extraordinary Products, coauthored with Lee Devin. Dr. Austin is also coauthor (with Devin) of Artful Making: What Managers Need to Know About How Artists Work, the groundbreaking management book that explains why and how the metaphor of directing a theatre ensemble offers a powerful approach for innovating by iteration and introduces a collaborative model for strategy formation, product development, and other creative business activities.

Dr. Austin earned a PhD in management and decision sciences from Carnegie Mellon University; a master's degree in industrial engineering from Northwestern University; and bachelor's degrees in engineering and English literature from Swarthmore College.



# **Rick Eagar**

Rick Eagar is a Senior Consultant with Cutter Consortium's Business Technology & Digital Transformation Strategies practice, Chief Innovation Officer at Arthur D. Little (ADL), and Global Leader of ADL's Technology & Innovation

Management practice, responsible for functional expertise in innovation, R&D, and technology management. He has over 30 years' consulting experience in technology, innovation management, R&D strategy, and organization and has 10 years' industrial experience in capital projects.

Mr. Eagar has advised well over 100 corporations and other organizations. His focus is on how large organizations can develop and implement innovation capabilities to deliver business value. Much of his work is concerned with innovation-based growth, especially identifying and exploiting new opportunities in adjacent or new business areas. This includes extensive work in both the *how* and *what* dimensions of innovation: how to set up innovation and R&D functions, organizational designs, governance approaches, and operational models; and what and where to innovate, including portfolio and program development or realignment. Breakthrough or radical innovation approaches are also a key focus area.

Mr. Eagar has broad industry experience, including food & beverage, energy and utilities, chemicals, materials, manufacturing and rail. In the public sector he has worked on national and regional science, technology and innovation policy, and on strategy and transformation with leading research institutes. Prior to consulting he had 10 years' experience working for Shell International in capital project engineering and management. He has lived in both the UK and the Netherlands, and worked extensively across the globe including Europe, America, the Middle East, Africa and Asia. He is the author of various publications on innovation and R&D management, and is a regular speaker at international conferences.

