

APPLIED INNOVATION MANAGEMENT™

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COLLABORATIVE IDEA MANAGEMENT

*- Using the creativity of
crowds to drive innovation*

by Magnus Karlsson

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PART 1 INTRODUCTION

PART 1 PROVIDES AN INTRODUCTION TO THE ARTICLE, WHAT YOU CAN EXPECT FROM IT, INFORMATION ABOUT THE AUTHOR, A SHORT SUMMARY INCLUDING SOME BEST PRACTICE EXAMPLES.

About this article

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Welcome to the Forum

The knowledge in brief

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About this article

Applied Innovation Management™ is a series of articles for innovation management practitioners created in collaboration with experts in the field of innovation management from leading companies, business schools and universities. This article discusses an approach to collaborative idea management based on the initial experience by Ericsson and insights from other organizations. In addition five design rules will be highlighted to inspire your organization to put a collaborative idea management system in place.

Collaborative idea management is a way to engage all the employees in your organization to drive innovation. A systematic approach to gathering and channeling ideas will give you the advantage of:

- **utilizing the diversity** and collective creativity of all employees
- **ensuring that the** right ideas end up meeting your relevant innovation needs
- **being able to** measure and drive front-end innovation activities
- **providing participants with** feedback and recognition
- **integrating idea management** with other innovation and collaboration practices and tools.

THIS IS WHAT YOU CAN EXPECT FROM THIS ARTICLE

This article will provide you with fresh experiences and insights from how Ericsson worked with designing and introducing a collaborative ideas management system. It will enable you to:

- **get a basic** understanding of both the problems and solutions connected to collaborative idea management
- **achieve more constructive** and higher quality management team discussion by providing a common ground and a common language about preparing for collaborative idea management
- **better reflect on** the structure of your company and take action to create an environment that supports collaborative idea management
- **prepare for the** challenges, and avoid repeating the mistakes of others
- **identify the vital** steps that needs to be considered when designing and implementing a collaborative idea management system.

About the author

Magnus Karlsson is Director New Business Development & Innovation at Ericsson Headquarters in Stockholm, Sweden. He joined Ericsson in 1998 and has been working in the areas of external research relations, strategic foresight and innovation management. Recently, he was driving the Group-wide scenario planning project Communicating Worlds 2020.

Between 2003 and 2006 he served as Science & Technology Counselor at the Embassy of Sweden in Washington D.C. responsible for policy and technology intelligence. In a previous foreign assignment, he worked at the Office of Science & Technology at the Embassy of Sweden in Tokyo, Japan.

He has two basic academic degrees in Applied Physics and International Relations as well as a Ph.D. degree in Technology and Social Change from Linköping University, Sweden.



Magnus Karlsson

Why should organizations improve their innovation management skills?

– Going beyond pure luck and invest in a systematic approach to innovation will increase the ability of your organization to drive productivity and renewal. Better management of innovation will improve performance and the chances to prosper in the future.

Why are you interested in innovation management?

– The complexity of innovation is the challenge. It involves people, structures and processes throughout an organization. Culture is the key to get it right.

Welcome to the Forum

The InnovationManagementForum.com provides a platform and channel of communication exclusively dedicated to innovation management. You are also invited to discuss questions that you might have about how to implement the knowledge presented in this article in your organization. This is a valuable opportunity to exchange experiences with likeminded and with colleagues from around the world. The author of this article will also take part in these discussions.

➡ www.innovationmanagementforum.com (open and free for everyone)



THE KNOWLEDGE

IN BRIEF

Many organizations are trying to find effective ways to handle new ideas - ranging from small improvements to radical new business innovations - to drive growth and renewal. How do you effectively use the creative potential of your employees, customers and partners to address the innovation challenge? And how do you make sure ideas reach the right people who can take action?

At the same time many organizations are implementing new collaborative IT tools that will allow employees across the organization to work together effectively using discussion forums, wikis etc. The new IT tools have an impact on the corporate culture, driving openness, sharing and collaboration within the organization.

This article will discuss an approach to collaborative idea management based on the initial experience by Ericsson and insights from other organizations. Five design rules are high-lighted to inspire your organization to put a collaborative idea management system in place: **(1)** Invite everyone to engage the entire organization, **(2)** Use the principle of self-organization to handle complexity, **(3)** Embrace collaboration to leverage expertise and a diversity of perspectives, **(4)** Secure feedback and recognition for a sustainable initiative, and **(5)** Integrate idea management into your overall collaboration effort.

When innovation is more important than ever, collaborative idea management can help organizations to surface new ideas internally and externally, collaborate to improve them and make sure they reach the right people. It is also a way to empower and recognize innovative employees, to measure and stimulate creative activity and to promote a more open and collaborative innovation culture in the organization.

IN PRACTICE

A number of organizations have implemented different types of idea management systems. Some are internal initiatives; others have focused on gathering external ideas. The degree of collaboration and openness also varies between the different implementations. Some examples of internally focused systems are ThinkPlace by IBM, Innovation Grapevine by Accenture and Innovation E-space by Whirlpool. IdeaStorm from Dell, YourIdea from 3M and Idea X from Best Buy are examples of externally focused systems.

Ericsson started to pilot a system for collaborative idea management called IdeaBoxes in 2008. We decided to develop a solution ourselves, fully integrated into our Microsoft SharePoint environment and aligned with the collaboration strategy.

Participation has grown bottom up, through viral marketing internally and use has been boosted by several focused idea generation campaigns. In mid-2010, the system had over 9000 ideas, 15000 comments and about 150 “idea boxes”, each reflecting a specific innovation need.

In IdeaBoxes, all ideas are open to all employees, box managers are responsible for handling the ideas within his/her boxes and ideas “self-organize” into boxes automatically using keyword matching. Next, the ambition is to open up and invite customers and partners to participate.

PART 2

UNDERSTANDING THEORY & BACKGROUND

PART 2 PROVIDES A DISCUSSION OF SOME OF THE CHALLENGES RELATED TO THE SUBJECT OF THIS ARTICLE. IT INCLUDES EXAMPLES AND A THEORETICAL FRAMEWORK FOR UNDERSTANDING THE MECHANISMS RELATED TO THE CHALLENGES OF INTRODUCING AND IMPLEMENTING COLLABORATIVE IDEA MANAGEMENT.

Innovation on the agenda

What is idea management?

Idea management challenges

Why is it important?

INNOVATION ON THE AGENDA

Many organizations are facing an urgent need to exploit new ideas and opportunities to meet increasing competitive pressure and changing customer demands. The recent economic recession has further accelerated the urgency of innovation across industries and globally.

But from where do you get those much needed breakthrough ideas to drive growth, productivity and value creation? Are you effectively using the creative potential of your employees, customers and partners to address the innovation challenge?

Many organizations are trying to find new ways to handle ideas and to improve the productivity of creative work across larger groups of people. The efforts to uncover and exploit the creativity and knowledge of the collective has been discussed in several popular publications recently (for example Wikinomics by Don Tapscott & Anthony Williams, 2006, Wisdom of Crowds by James Surowiecki, 2004 and Group Genius by Keith Sawyer, 2007).

When innovation is more important than ever, collaborative idea management can help organizations to surface new ideas, improve them and make sure they reach the right people. It is also a way to empower and recognize innovative employees, to measure and stimulate creative activity and to promote a more open and collaborative innovation culture in the organization.

Realizing that we are in the beginning of learning journey, this article will discuss an approach to collaborative idea management based on the initial experience by Ericsson and insights from other organizations.

THE KEY ISSUES TO BE ADDRESSED ARE:

- **What is collaborative** idea management and why is it important?

- **What are the** key design rules and success factors to consider when attempting to implement a sustainable system of practices and tools?

WHAT IS IDEA MANAGEMENT?

Idea management is a structured process for the collection, handling, selection and distribution of ideas. It may include support for gathering, storing, improving, evaluating and prioritizing ideas by providing methods and tools, such as templates and guidelines.

Idea management is an integrated part of the innovation process. In the approach proposed by Hansen & Birkinshaw, idea management is facilitating the flow from idea generation to idea conversion in the innovation value chain (Hansen & Birkinshaw, 2007). Using the language of Järrehult, idea management is supporting the diverging ideation phase of the “fuzzy middle” – after insighting and before implementation – of the innovation reactor (Järrehult, 2009). See figure 1, page 9.

Idea management is relevant for all types of ideas, from incremental improvements to new and disruptive business opportunities. It can be ideas for improving the sales process, ideas for improving an existing product, ideas for an entirely new business model to service new customers, ideas to solve a technical problem, ideas to reduce cost in administration or ideas to improve customer engagement.



FIGURE 1 *Idea management is a structured process for the collection, handling, selection and distribution of ideas.*

But how do you channel the right ideas to the right places when the landscape of innovation needs is not easily defined top down?

The scope can range from being limited to one internal unit, to cover the entire organization, to include also external stakeholders, such as customers and partners. Idea management can be time-limited idea generation campaigns or a set up to handle ideas on a more continuous basis.

Tools for idea management have evolved from basically an electronic version of the traditional suggestion box using email, to more advanced web-based systems allowing users to share, comment and rate ideas.

IDEA MANAGEMENT CHALLENGES

The handling of ideas in organizations involves several challenges. First, the more people you engage the more difficult it gets to evaluate and give feedback on all the ideas. You need an alternative to chan-

neling all ideas through one central point that quickly gets choked.

Second, larger organizations typically have numerous and diverse innovation needs throughout the organization. Defining the innovation needs is a critical success factor to focus idea management efforts on the relevant themes and challenges. But how do you channel the right ideas to the right places when the landscape of innovation needs is not easily defined top down?

Third, for an idea management system to be sustainable you need to look beyond an IT solution. You need an infrastructure with guidelines and processes that is integrated with the overall innovation and collaboration efforts and aligned with organizational culture. That is easier said than done!

A fourth challenge is to engage employees to come up with new ideas and to con-



tribute them. In a recent blog post, Hutch Carpenter argues that employees are intrinsically motivated to come up with new ideas. Every day, employees think of ideas relevant to the organization. It is just happening as a part of their daily work. Ideas are generated from customer interactions, frustration with existing processes, individual career goals, the desire for meaningful work and so on. Carpenter calls the factors that produce employees' innovation energy for the "innovation dark matter" of the organization (figure 2). The

challenge for organizations is to harness these motivations and provide an outlet for them. The most innovative companies know how to effectively leverage their innovation dark energy (Carpenter, 2009).

Finally, organizations must ensure that their collaborative idea management initiatives actually deliver on the "wisdom of the crowd" promise. If the perception is that you just get more mediocre ideas, the effort will not be long-lived.

FIGURE 2 *The factors that produce employees' innovation energy. Source: Organizations' Innovation Dark Energy - Employee Motivations (Carpenter, 2009).*

WHY IS IT IMPORTANT?

The innovation imperative many organizations are facing is the overall driver to explore more effective ways to exploit creative and knowledge resources. A quote from the recent book Enterprise 2.0 is summing up this argument: “Companies don’t know what they know – but they need to learn soon” (McAfee, 2009). In addition, there are at least five reasons why it is important to look at collaborative idea management now.

1. BEST IDEAS FROM EMPLOYEES

People inside your organization are actually the most important source of innovative ideas. According to the IBM Global CEO Study, employees were the most significant source of ideas, closely followed by business partners and customers (IBM, 2006).

The importance of tapping the creativity of your employees is confirmed by the research of Terwiesch & Ulrich showing that across industries, about half of the innovation opportunities are created internally. Another quarter comes from interaction with customers (Terwiesch & Ulrich, 2009).

➡ **It is a** good idea to start managing ideas internally to learn and get some experience and then expand to include customers and partners.

2. THE ART OF COMBINATION

Innovation is fundamentally a collaborative effort. It usually emerges from a “series of sparks” – rather than from a single source of insight. According to the research of Sawyer, innovations emerge over time as a result of a collaborative effort – a continuous process combining a long chain of ideas. Successful innovation is the combination of just the right ideas in just the right structure (Sawyer, 2007. See also for example Duggan, 2007 and Fleming, 2007).

Moreover, the most successful organizations are shifting from trying to own and control the entire creative web for achieving this, to a more collaborative approach. As Henry Chesbrough argues in his frequently cited work on open innovation, is not likely that all the smart people work for your organization (Chesbrough, 2003).

Organizations are moving beyond the internal R&D lab to make innovation an integrated part of the entire organization, also extending the value creating network to their customers, suppliers, partners, and even their competitors. A fundamental characteristic of the most innovative companies in the world is that they clearly understand both their core capabilities and those of their partners as they collaborate to deliver innovative products and services (Innovaro, 2008).

➡ **It makes sense** to place internal and external collaboration at the center of your idea management effort.

3. EARLY STAGES ARE CRITICAL

It turns out that the early stages are fundamental to a successful innovation management process. AT Kearney studied innovation leaders and found that they invest more than three times as much effort in the front end of the innovation process than do followers.

The focus on innovation strategy, idea generation and

idea screening together with open collaboration with customers and partners, are the activities most strongly connected with an organization's success in innovation management. The study also concluded that, compared to followers, leaders considered a larger number of ideas to start with while selecting fewer of the ideas for concept development (AT Kearney, 2008).

Other studies are confirming the importance of idea management for innovation excellence. In a recent study, Arthur D. Little outlines three different innovation engines (idea-driven, research-driven and analysis-driven) that are used for innovation management and can be found across companies and industries. Their analysis of top innovators shows that idea management, together with product/service portfolio management, are major differentiation factors across all innovation engines (Arthur D. Little, 2010).

➡ **In short, "front-loading"** the innovation process by putting in place a system for idea management may be well worth the investment.

4. BENEFITS FROM COLLABORATION

For a couple of years now, organizations have increasingly adopted a set of internet applications – often called Web 2.0 technologies – to drive internal and external collaboration. Applications include shared workspaces, blogs, social networking, discussion forums, wikis, podcasts, rating, tagging etc.

Organizations are growing increasingly comfortable using the new tools. Younger employees are typically early adopters and are driving change in ways of working, mind-set and corporate culture. Keywords are openness, diversity and collaboration. The tools have a strong bottom-up element engaging a broad base of employees, building on their collective knowledge, creativity and motivation. The term Enterprise 2.0 is

sometimes used to describe how Web 2.0 technologies are used by organizations to become more agile, productive and innovative (see for example McAfee, 2009).

In a recent global survey by McKinsey, about 70 percent of the companies say they have gained measurable business benefits from their Web 2.0 investments, including an increasing number of successful innovations for new products or services (McKinsey, 2009).

➡ **We will see** continued investments in Web 2.0 technologies as organizations striving to capture benefits will leverage collaboration platforms and social software to support innovation processes, including idea management.

5. IDEA MANAGEMENT IS MATURING

Idea management as such is not a new concept; the first generations of tools and practices have been established for quite some time. According to Gartner's Hype Cycle Special Report for 2009, idea management has passed the hype phase and started the journey to maturity. Technology companies were early adopters with service industries and governments recently following.

At the same time, at the top of the hype curve, we find social technologies, such as social software and external community platforms. A number of early adopters have started to deploy and experiment with these technologies in their organizations (Gartner, 2009).

➡ **Now is the** time to build upon the existing idea management experience and follow the trend towards more open and social tools and practices.

PART 3

PART METHODOLOGY & PRACTICE INSIGHTS

PART 3 PROVIDES SOME SOLUTIONS AND SUGGESTIONS ABOUT HOW TO DESIGN PRACTICES AND TOOLS TO WORK WITH COLLABORATIVE IDEA MANAGEMENT. THE SOLUTIONS ARE BASED ON A THEORETICAL FRAMEWORK AND BEST PRACTICE INSIGHTS FROM INITIAL EXPERIENCES AT ERICSSON AND OTHER ORGANIZATIONS.

Designing practices and tools

Is your organization ready?

Concluding remark

Mistakes we learnt from

DESIGNING PRACTICES AND TOOLS

How do you design and implement collaborative idea management? The core of the IT tool is the idea database. The basic components are support for users to submit new ideas, comment and develop already existing ones as well as support for managers to capture, track and further develop promising ideas. Finally you need support to administrate, measure and follow-up.

However, a collaborative idea management system is not only an IT tool. Important for a sustainable approach is to put in place practices, including guidelines and processes, to ensure that tools are aligned and integrated with your overall innovation and business efforts.

Skarzynski & Gibson have proposed a set of requirements for organizations that wants to enlarge and enhance their innovation pipeline (figure 3). Their recommendation is to have broad and diverse involvement, across the organization and beyond, and to generate a lot of ideas within selected innovation themes (Skarzynski & Gibson, 2008).

The following design rules, based on the initial experience at Ericsson and insights from other organizations, might help when considering getting serious about idea management.

- › Involve **many minds**
 - Harness the creativity inside and outside your organization
- › Sow **enough seeds**
 - Generate a lot of ideas to yield a few big winners.
- › Widen the **front end**
 - Consider a broad range of innovation opportunities
- › Increase the **combinations**
 - Invite game-changing ideas by combining diverse perspectives.
- › Ideate around **specific themes**
 - Focus efforts on clearly defined challenges and issues.

FIGURE 3: Guidelines for creating an innovation pipeline. Source: *Innovation to the Core* (Skarzynski & Gibson, 2008).

1. INVITE EVERYONE

Involving everyone in your organization in collaborative idea management will increase the benefits. As you broaden innovation participation – from the strategy and R&D departments, to the entire organization and beyond to include customers and partners – you will have more ideas and thus increase the likelihood of getting a few really good ones.

Innovation is a statistical game. What you want are exceptional opportunities that can be turned into profits and competitive advantage. But most ideas are mediocre and useless and will never be realized. Idea waste and failure is thus expected and a natural part of the innovative and collaborative organization.

The conclusion is that you must start by generating a lot of ideas to finally arrive at a few high-value breakthrough ideas. Fleming calls these breakthroughs the long tail of innovation. To get to the breakthroughs, you have to understand the process that generates the entire distribution. According to Fleming, the process involves three things: **(1)** generating many ideas, **(2)** maximizing the value of each idea, **(3)** expand the variability of those ideas (Fleming, 2007).

Increasing the value of each idea by matching supply and demand on the one hand, and by openness and collaboration on the other, will be discussed in the design rules below.

Having broad participation in idea generation – inside as well as outside the organization – not only increases the number of ideas but also the range of perspectives resulting in greater diversity or variability of those ideas.

In large organizations, many of the best product, partnership, and management ideas come from the edges of the organization. Practices from a number of innovative companies, including P&G, Best Buy and GE show that diversity fuels innovation. To maximize diversity, you want to include young people, newly employed, people from other geographical locations as well as external stakeholders in the innovation process (Skarzynski & Gibson, 2008).

Finally, by inviting all employees you make the statement that innovation is everyone's job. Collaborative idea management can serve as an instrument to empower creative employees, engage everyone in thinking about renewal and improvements, and to drive a culture of innovation.

2. USE SELF-ORGANIZATION

With many users and a large number of ideas, complexity is increasing. Also, in large organizations there are many and diverse innovation needs distributed across the organization as discussed above. This means you need a structured approach to channeling ideas from multiple sources to multiple potential destinations in the organization.

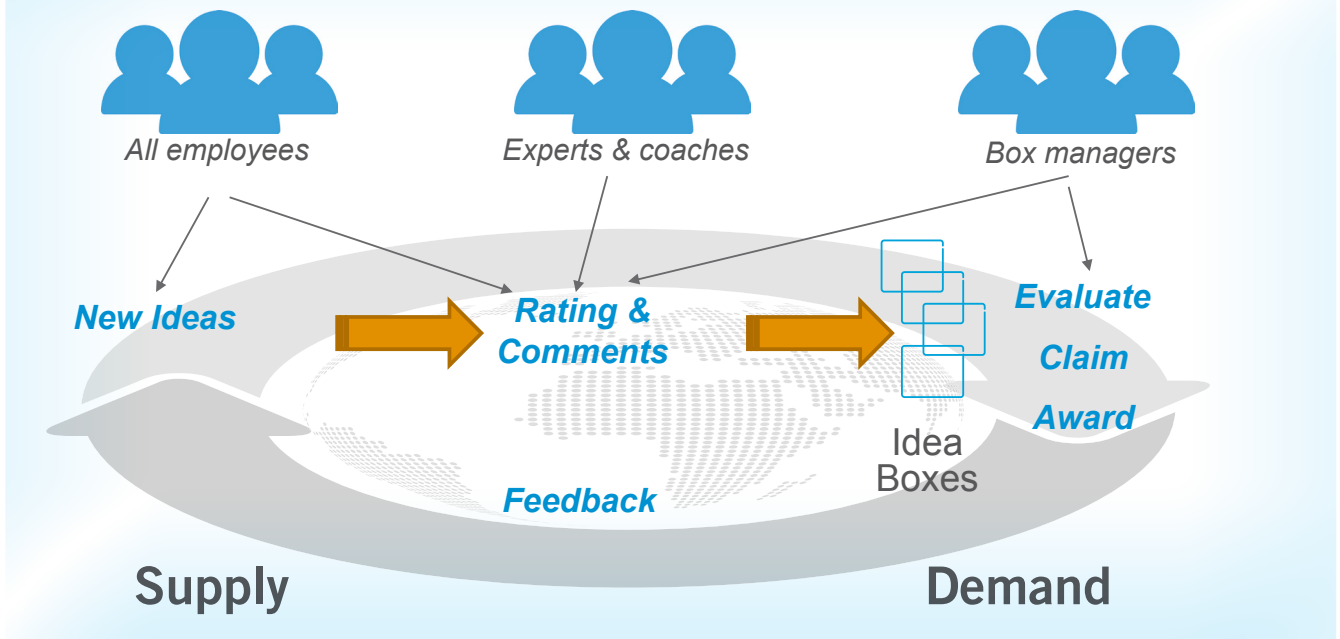
It is not feasible to administrate and guide all ideas through one central point in the system and in many large organizations it is equally difficult to build a predefined structure of where specific innovation needs are located within the hierarchy.

A compelling solution is to build a scalable and self-organizing system where innovation needs can be activated as they are identified and that ideas are au-

SELF-ORGANIZATION IN BRIEF

- ➡ **No central control,** committee or hub.
- ➡ **Innovation managers are** responsible for defining their innovation needs, add/remove boxes, and for providing feedback to idea creators.
- ➡ **New ideas can** be matched automatically to relevant boxes using keywords.
- ➡ **All users can** link ideas to create clusters of similar ideas in order to connect idea creators and to facilitate idea evaluation.
- ➡ **All users can** alert other people in the organization, e.g. experts, which can comment and improve on existing ideas.

An open market for ideas



tomatically matched towards the existing innovation needs at any one time. In this way, collaborative idea management is implemented like an internal idea marketplace – an open network for the exchange of ideas – without any central control or guidance.

For this to work, we need to introduce the role of innovation manager in the system. An innovation manager typically “own” one or more (1) innovation needs in the organization and have a (2) process and dedicated (3) resources to take ideas to reality within that scope. Any person in the organization that fulfills these requirements can become an innovation manager in the system. Each innovation need is described in a dedicated “suggestion box” in the system and each box can have one or more innovation managers responsible for evaluating and selecting the best ideas for action (figure 4). In this way, the demand-side of the idea market is emerging from the aggregation of numerous idea boxes reflecting real innovation needs across the organization.

On the supply-side of the market, employees in their roles as users in the system, get a clear overview of current innovation needs and can post ideas in one or more boxes, manually or automatically using keyword matching. Boxes are added and removed continuously as innovation needs evolve. An idea that does not match any particular box is kept in the system and is picked up as soon as a box targeting the relevant innovation need is opened.

With this self-organizing mechanism in place, the system can easily scale from one to several hundred boxes. The system is governed by the collective of currently active innovation managers, each responsible and accountable for their respective boxes and for handling the ideas matching their defined innovation needs. Active innovation managers and boxes can easily be identified by all users and may attract more attention and ideas.

In short, the innovation energy of employees in the organization gets directed toward real innovation needs that are backed by active innovation managers

FIGURE 4 An open and collaborative idea marketplace. The supply is all the ideas provided by employees – the demand is the innovation needs expressed in idea boxes by box managers.

and as a result increase the likelihood of the ideas being evaluated and acted upon.

The concept of self-organization is one of the most remarkable properties of Enterprise 2.0 but, to be fair, it does not come naturally to most organizations. A new mind-set is required to trust the collective and let go of central control (see for example McAffe, 2009).

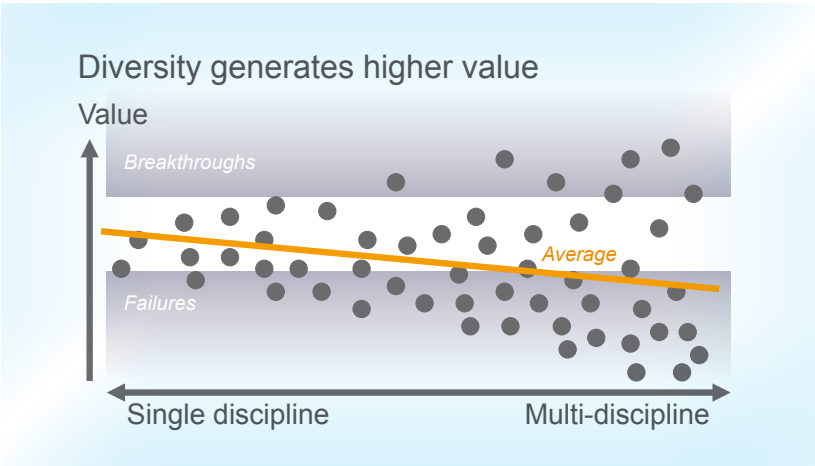
3. EMBRACE COLLABORATION

Building on broad participation and self-organization, collaboration based on openness is (of course) the key feature of a collaborative idea management system. Collaboration will help surface new ideas, improve existing ideas, leverage expert knowledge in the organization, provide feedback to users and help innovation managers to select and act on the best ideas.

New ideas are formed when people of different backgrounds, expertise and interests talk to each other. Therefore, cross pollination through collaboration across units internally and with external stakeholders, such as customers and partners, is important to spark innovation.

In the words of Frans Johansson, when and where different cultures, domains, and disciplines stream together toward a single point, they may connect, allowing for established concepts to clash and combine, ultimately forming a multitude of new, groundbreaking ideas. These “intersection” ideas are often surprising and have the power to open up new fields (Johansson, 2004).

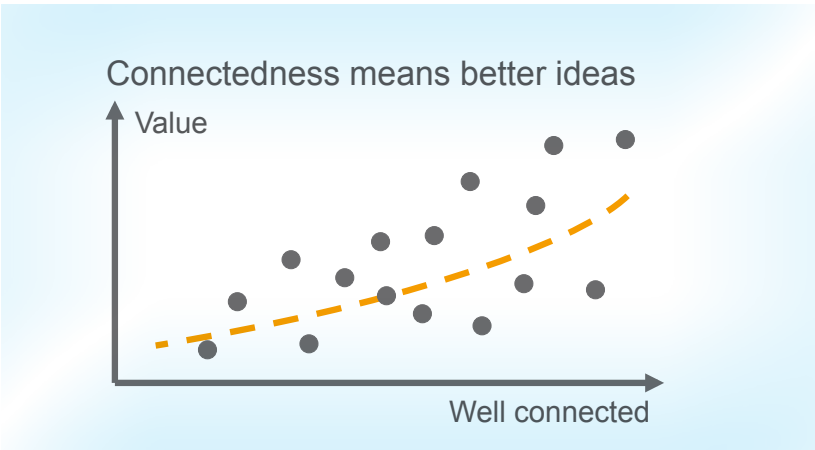
Multidisciplinary collaboration increases the variance of the ideas as discussed above in the way that failures as well as



breakthroughs become more likely. According to the research by Lee Fleming, it may well be that the average value of ideas will decrease with increased diversity. The conclusion is that collaborative inventors are better than lone inventors at generating a larger number of new combinations resulting in more breakthrough ideas with higher value. See figure 5 (Fleming, 2007).

Also supporting the case for collaboration and connectedness is the research by Ronald Burt. His findings show that being

FIGURE 5. With increased diversity, a larger number of new combinations are generated resulting in more breakthrough ideas with higher value even if the average value of all ideas actually decrease. Adapted from *Breakthroughs and the “Long Tail” of Innovation* (Fleming, 2007).



well-connected to colleagues across the organization results in generating higher quality ideas. See figure 6 (Burt, 2004).

Typically, cross-unit collaboration in large organizations is rare – it simply does not happen when you have decentralized

FIGURE 6. Being well-connected to colleagues across the organization results in generating higher quality ideas. Adapted from *Structural Holes and Good Ideas* (Burt, 2004).

structures with functionally specialized and geographically dispersed (business) units. Implementing a collaborative idea management system will encourage cross pollination where employees from any unit can contribute to the idea generation process.

All users can see all the ideas and join in to comment and rate any idea in the system. One user can comment and improve an existing idea by a user from another part of the organization. This will help increase the value of each idea and at the same time build “communities” of users that share an interest in a particular idea or a particular innovation need (around “boxes”, as defined above). These idea communities will cut across the organization and leverage the innovation energy and expert knowledge of the participating users.

Experience shows that users typically want to keep track of new ideas in the boxes of their respective areas of interest and expertise. This means that you will have the right people following and contributing to the right ideas – selectively applying the “wisdom of the crowds”. In addition, collaborative ideas are more likely to be adopted because the knowledge will be diffused by the idea community through multiple paths in the organization (Fleming, 2007).

Commenting, rating and the communities forming around the ideas are of great help to the innovation managers. The best ideas get better ratings and tend to have more active commenting and thus “bubble up” in their respective boxes. To get further support, innovation managers can assign innovation coaches to help idea creators stretch their thinking to further increase the quality of ideas.

Going from no or a few specialized and local idea management systems to one, open and organization-wide system with one idea database will have several benefits. Users can avoid duplication since they will be alerted if similar ideas already exist, everyone can see who is working on what ideas, ideas that fail their original purpose or was created at the “wrong time”, can be picked up and used elsewhere and at a later time.

Extending the system to customers and partners adds to benefits that include building collaborative relation-

PROCESS FLOW WHEN EVALUATING IDEAS

1. **Users, including experts,** innovation coaches and managers, comment and vote on ideas to facilitate evaluation.
2. **Box managers claim** ideas for interest to provide feedback to the idea creator that the idea is being screened.
3. **The idea is** claimed for action to indicate that the idea is relevant and that further analysis is initiated.
4. **When claimed for** action, the box manager can award the idea creator a virtual medal to indicate quality and usefulness.
5. **Finally, an idea** can be flagged as implemented in order to provide feedback to all users.

ships, opening up interaction beyond sales channels and bring innovation communities from the different organizations together.

4. LEVERAGE FEEDBACK

The next design rule is about providing feedback and recognition to users who are contributing their ideas. Timely and constructive feedback from peers and managers is key for sustaining any idea management effort. It improves the quality of ideas, provides idea status information, high-lights great ideas, builds reputation for successful innovators and drives innovation motivation in the organization.

The innovation energy of the organization can be boosted by appealing to the egos of employees. Having your idea published for everyone to see, receiving many view hits, comments and a high rating can be a huge reward in itself. Recognition does not have to be in the form of material or monetary awards. Building reputation is an important driver in social media environments, including in idea management.

By building a workflow around a few idea stages, it is possible for idea creators and others to follow the

progress of ideas. When an idea is published it can be viewed, commented and rated by any user. At the same time the idea appear in the relevant idea boxes for innovation managers to consider. Innovation managers can move individual ideas in and out of their boxes depending on if they think the idea is relevant for their innovation need/scope or not. The idea creator is notified of all these actions.

An idea will move to the next stage when an innovation manager decides to claim the idea for interest and then for action. Claiming an idea tells the idea creator and others that an innovation manager is interested in the idea and is taking action. The manager may contact the creator to get more information, send the idea to colleagues for evaluation advice or initiate a pre-study as the first step of the innovation process to realize the idea. If the idea will reach the final stage, the innovation manager can flag it as implemented in the system.

Once an idea is claimed by an innovation manager, he or she can choose to grant a virtual award to the idea based on its usefulness and quality. The award can have several levels, such as bronze, silver, gold and diamond, and each innovation manager can decide if they want to translate each level into real rewards, starting with for example two movie tickets, in a particular box they are managing. Since awarded ideas can be viewed by everyone they can serve as references and examples of the type of ideas that the organization value and is looking for. Used in the right way, openness will drive learning and may increase the quality and relevance of new ideas being submitted.

Idea stages and awards provide the basis for recognizing not only great idea creators but also the innovation activity for a unit or for an innovation manager. In this way, creativity and idea generation in the front end of the innovation process becomes measurable both in terms of quantity and quality. How many ideas are created by a person, a unit or the entire organization? How many of those ideas matched innovation needs and where claimed for interest by innovation managers? How many where high quality/value ideas and thus awarded?

With this host of metrics available, managers can set targets for employees in order to drive the desired behavior, increase innovation activity and promote a cul-

ture of collaboration and innovation.

5. INTEGRATE WITH 2.0 EFFORTS

The final design rule is about integrating the idea management tool into the general collaboration IT infrastructure of the organization. As discussed above, many organizations are launching Enterprise 2.0 initiatives involving collaboration platforms and social software. These tools are bringing new ways of working, transforming the structure and culture of the organization at the same time.

Benefits are best realized if collaborative idea management connects to other applications, such as social networking, team and project collaboration and knowledge management, on those platforms. You will get an integrated workflow, unified user interface and simplified support and maintenance under a common adoption and culture change initiative.

For example, a community around a specific business area might feature discussion forums, wikis and blogs bringing together people from different parts of the organization. Idea management can be an integrated part of that community to capture and develop ideas within the business area. A connection to social networking will add idea generation data, e.g number of published, awarded and implemented ideas, to the personal profiles of participants. When an idea has been selected to be worked on, a project collaboration site is opened for further evaluation, pre-study work and idea implementation.

As Enterprise 2.0 initiatives move beyond organizational borders to include extranets reaching customers and partners, collaborative idea management can follow and be an integrated part of the package. For large organizations, it might be a good idea to start the learning process internally and move externally as practices and culture matures.

To conclude, if you are serious about creating a sustainable idea management capability, the recommendation is to invest in a specialized application that is integrated into the general collaboration platform of the organization.

IS YOUR ORGANIZATION READY?

Collaborative idea management is not right for everyone. Is your organization ready? Before you get started you might want to consider these five success factors.

DO YOU HAVE MULTIPLE INNOVATION NEEDS?

Collaborative idea management makes most sense in organizations where you have multiple and changing innovation needs. Also, you need to think that a diverse group of employees, customers and partners can bring different perspectives to the table to address those needs. Typically this is the case in larger organizations where innovation is needed and executed in different locations and levels. It might also be applicable to any type of organization wanting to reach out to customers and partners.

ARE YOU PREPARED TO SUPPORT INNOVATION DEMAND?

The success of idea management is and will always be dependent on the capability of the “demand side” to act on ideas handled by the system. It is desired that top management own the innovation agenda and that it is translated into strategy and budget with clear roles and responsibilities. For example, innovation managers need support from the organization to define their scope, to have dedicated resources and to set up a process. Targets and incentives will help drive motivation.

DO YOU HAVE THE RIGHT ORGANIZATIONAL CULTURE?

Tools and processes for collaborative idea management are not complex as such but might challenge an organi-

zation and its culture. The new mind-set and required capabilities are often unfamiliar to many business managers. You need to trust people in your organization to collaborate rather than enforcing policies from the top. Cultural change takes time and involves both technology adoption and behavioral changes. It will always take longer than enthusiasts expect.

CAN YOU USE AN EXISTING ENTERPRISE 2.0 INITIATIVE?

The chances of success will increase if you can join forces and integrate with an ongoing collaboration and social software effort. Idea management can connect to project collaboration sites and social networking. In this way, your innovation mission will be boosted by the Enterprise 2.0 initiative.

ARE YOU PREPARED TO LEARN AS YOU GO?

Most Enterprise 2.0 initiatives are still in their early stages and that includes collaborative idea management. We have still a lot to learn before we can make final recommendations on how to do it right from the beginning. Every organization is different and must be prepared to experiment to find out what works best.

CONCLUDING REMARK

Many organizations feel an increased pressure to accelerate innovation to generate profitable growth or to increase the value of the output of whatever they are doing. It makes sense to try to utilize the collective creativity of all employees and even include external stakeholders to generate those much needed breakthrough ideas. Under the right conditions, a collaborative idea management system of tools and practices can help you to do just that.

Tapping into the innovation energy of employees, customers and partners might improve your ability to respond to what emerges, find differentiating opportunities, drive a culture of collaboration and innovation, and create a sense that every employee contribution is important for the future of the organization.

MISTAKES WE LEARNT FROM

Collaborative idea management is still in the early adoption phase. Many things can go wrong during the learning journey ahead. Based on the challenges we faced and our initial experience, a couple of things to consider might be:

- 1 Avoid a system** that relies on one single central point for evaluating and even routing ideas. It is likely impossible to keep track of the different and evolving innovation needs of your organization from one or even a few central locations.
- 2 Avoid including and** keeping innovation managers that are not motivated or active as idea takers in the system. Inactive innovation needs and managers should simply be removed. Users will not come back if nothing happens with ideas.
- 3 Avoid designing and** promoting a one-size-fits-all end-to-end innovation system in large and mature organizations where you typically already have “pockets” of innovation activities ongoing. Start implementation in areas, i.e. idea management, where a common approach adds value to established activities. This will promote adoption.
- 4 Avoid driving collaborative** idea management on a large scale in an organization if you don't have the some top management support or a culture that is ready for openness and collaboration. Better to start small and scale up.
- 5 Avoid evaluating and** closing down your collaborative idea management initiative too early. It takes time to implement new practices and tools across an organization. You need patience when dealing with changing the organizational culture.

PART 4

USING & IMPLEMENTING THE KNOWLEDGE

PART 4 INCORPORATES A SERIES OF SUGGESTIONS & ADVICES THAT WILL HELP YOU USE AND IMPLEMENT THE KNOWLEDGE GAINED FROM THE PREVIOUS SECTIONS, IN YOUR OWN ORGANIZATION. THE ADVICES ARE FOLLOWED BY COMMENTS FROM THE AUTHOR. THE ADVICES AND COMMENTS CAN BE USED AS GUIDANCE TO HELP YOU REFLECT ON AND FIND SOLUTIONS TO QUESTIONS THAT YOU NEED TO WORK WITH WHEN IMPLEMENTING THE KNOWLEDGE IN YOUR OWN ORGANIZATION.

Build on your innovation or collaboration strategy

Find the right tools for your organization

Engage internal communities of early adopters

Establish guidelines and demonstrate value early

Scale up and extend to customers and partners

DO IT YOURSELF

Why not let the implementation of collaborative idea management be the driver for boosting the overall innovation efforts in your organization? Here are some suggestions on how you can do it.

1

BUILD ON YOUR INNOVATION OR COLLABORATION STRATEGY

AUTHOR'S COMMENT

The transformation of your organization to become highly innovative, based on a “bottom-up” creativity culture, needs support from top management. Even if you start small with collaborative idea management and grow as you learn, you will need a strategy for innovation and collaboration with some level of senior leadership support.

Ongoing initiatives to drive growth, renewal, productivity or collaboration in your organization are natural connecting points for collaborative idea management. For some companies it might be an Enterprise 2.0 program, for others an innovation strategy or similar that provides the right context.

Start by building on your innovation or collaboration strategy, describing the rationale and the desired outcome of implementing collaborative idea management. You might want to set goals for the adoption across the organization and provide a roadmap for the initiative.

Get inspiration to your plan from the five design rules discussed above: **(1)** Invite everyone to engage the entire organization, **(2)** Use the principle of self-organization to handle complexity, **(3)** Embrace collaboration to leverage expertise and a diversity of perspectives, **(4)** Secure feedback and recognition for a sustainable initiative, and **(5)** Integrate idea management into your overall collaboration effort.

QUESTION TO READER:

Do you have fertile ground for collaborative idea management in your organization?

TOOLS

Tools for collaborative idea management can be custom built for your specific needs as a stand alone system or integrated with existing collaboration platforms such as Microsoft SharePoint. If you don't want to configure or build yourself, there are several vendors providing on-site and hosted dedicated solutions for idea management, including Imaginatik, Salesforce.com, Spigit and Ovo.

2

FIND THE RIGHT TOOLS FOR YOUR ORGANIZATION

AUTHOR'S COMMENT

Most organizations have policies governing their internal IT environment. Find out what kind of tools can be considered for deploying collaborative idea management. As mentioned above, a success factor is to integrate the effort into an existing collaboration infrastructure. One example is Microsoft SharePoint that is used in many organizations, including in Ericsson.

The advantage with an on-site integrated solution is that you maintain control of your idea database and you don't get yet another IT system to administrate, support and provide training for. On the other hand you might get started quicker with a hosted solution at lower initial cost.

There are several vendors providing on-site and hosted dedicated solutions for idea management, including Imaginatik, Spigit and Ovo.

QUESTION TO READER:

Questions to ask before selecting a solution: Does it scale to potentially reach all my employees? Can the system be accessed and administrated in a user friendly and secure manner? How much configuration and adjustments need to be done to suit your internal IT environment? Can it accommodate the expected number of innovation needs in your organization without adding administrative work? How does it integrate with other innovation and collaboration efforts, such as ideation and brainstorming activities, evaluation, screening and decision-making, business case support, social networking, team collaboration and extranet arrangements?

3

ENGAGE INTERNAL COMMUNITIES OF EARLY ADOPTERS

AUTHOR'S COMMENT

Don't start with all employees from day one. Find the communities within your organization that are already working with innovation, and perhaps have been experimenting with local idea management tools. This is more common in large, mature organizations. Typically, you have a few (or in some cases a large amount) more or less active and independent initiatives serving different innovation needs throughout the organization.

To successfully start the deployment of collaborative idea management you want to earn the trust and support of some of these early adopters. They understand the need for innovation and idea management and can help you to drive implementation. Communicate the value of a connected organization-wide system ("you will get more and better ideas") for the local innovation effort, replacing whatever local idea management tools that might exist.

Don't dictate use! Let employees and innovation managers be driven by their creativity and curiosity. You can support by creating awareness and targeting users and managers that can help create a critical mass for participation. Start small, enroll "ambassadors", observe.

QUESTION TO READER:

Who are the early adopters in your organization who can help you drive the initiative?

4

ESTABLISH GUIDELINES AND DEMONSTRATE VALUE EARLY

AUTHOR'S COMMENT

To scale up use of collaborative idea management you need to manage the balance between freedom on the one side and policies and guidelines on the other. You need freedom to set a low entry barrier for users and managers, and you need guidelines to sustain the value of the initiative. For example, users need to know when to use this idea management system as opposed to other systems that might exist for patent handling, improvement of existing products etc.

Most important is to set guidelines for innovation managers. They have to be able to clearly describe a relevant (1) innovation need in the organization and have a (2) process and dedicated (3) resources to take ideas to reality within that scope. An important additional

requirement is that they are motivated and active to evaluate and give feedback on ideas. By gradually enforcing these guidelines you ensure that users are submitting ideas towards current and relevant innovation needs in the organization.

Demonstrate value early by identifying success stories. Who has submitted the most ideas? Who got the first gold medal and why? Which ideas have been implemented? What value has been created? Recognize the serial innovators in your organization. A great way to create awareness and boost idea flow is to organize an idea campaign focusing on a particular innovation need. Team up with a motivated innovation manager, create a competition, engage the entire organization and offer a nice price for the winner.

QUESTION TO READER:

What simple guidelines do you need to put in place for your initiative to take off? What kind of activities/campaigns can boost motivation to kick-start your innovation efforts?

5

SCALE UP AND EXTEND TO CUSTOMERS AND PARTNERS

AUTHOR'S COMMENT

When participation grows you will increasingly appreciate the self-organizing capability of the system as well as the guidelines you have put in place. Innovation needs will be established and removed reflecting the changing innovation need of your organization.

When scaling up you might want to add additional roles, such as innovation coaches supporting users to improve their ideas, provide training for selected users and managers, integrate idea management with organized brainstorming sessions, collaboration and project management sites.

In this way you build and extend the innovation community in your organization and are creating a more robust and self-sustaining effort. Add additional useful tools and methods, and facilitate best practice sharing within the community. Share templates, decision-making criteria and process design.

At a certain point of internal maturity you might want to extend collaborative idea management to the external world. It may be customers and partners and in some cases even the general public. By starting building an internal innovation and collaboration culture, you are better prepared to handle ideas from the outside. You have articulated your innovation needs and you have an engaged (and trained) innovation community to support. One way to start is to address a specific innovation need/theme with a select group of like-minded customers or external lead stakeholders.

Additional guidelines are needed when extending collaborative idea management to customers and partners. Who owns the right to ideas generated? Who will have access to the system and how is it managed? How do you balance openness and security when connecting to your internal initiative?

QUESTION TO READER:

Does it make sense for your organization to collaborate with customers and partners to generate and manage ideas?

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