















What Use is My PMO for Innovation Management?

PMO
Conference
London
2017

David Dunning, Director, CPS

Synopsis



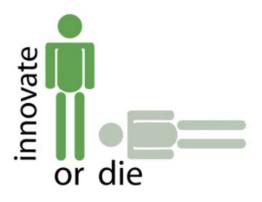
- Innovation what is it, why do it?
- What are the cultural, business, workload and technology <u>barriers</u>?
- What might a technology <u>solution</u> look like in concept, its components, and how could it be used – top down or bottom up?
- What is the <u>Role of a PMO</u> in this?
- What would an organisation have to go through to <u>get ready</u> to deliver technology supported business change? How do we get an initiative going?
- How do we measure success.

What is it, why do it?





- Invent = originate
- Improve = polish
- Innovate = better way (change, revolution, metamorphosis...)



innovation

/inəˈvei[(ə)n/ •)

noun

the action or process of innovating.

"innovation is crucial to the continuing success of any organization" synonyms: change, alteration, revolution, upheaval, transformation, metamorphosis, reorganization, restructuring, rearrangement, recasting, remodelling, renovation, restyling, variation; More

· a new method, idea, product, etc. plural noun: innovations "technological innovations designed to save energy"





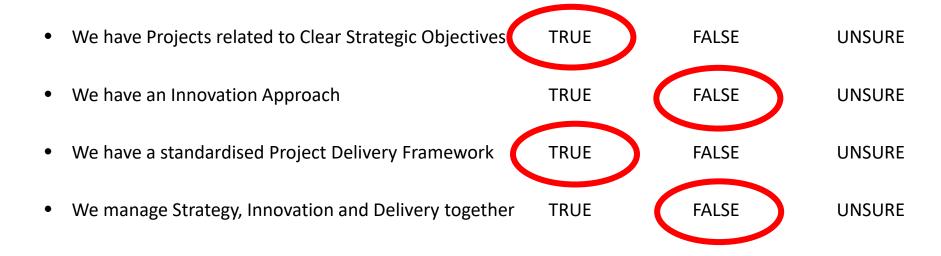
Business challenges Competitive **Environment**al factors Pressure Products too Wrong late to market product or solution Decrease in Regulation profitability

Fundamental Business law:

- **Commercial Circles**
 - If you do not advance, you will get overtaken
- Public Service
 - You will soon be given less, and expected to do more

Audience Participation!





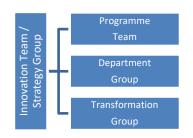
We may be accepting top down projects and have delivery frameworks, but do we recognise how innovation sits between improvement and invention?





- Invest in R&D
- Focus groups and test markets
- Acquire competitor or startup
- Invest in intellectual property protection
- Spin off/out group
- Reorganize the business

- Orchestrated
- Managed
- Performance measures
- Controlled
- Justifiable





Social Innovation Approach



- Crowd source ideas
- Set Challenges
- Use Game mechanics for Ideation
- Voting and rating
- Reward innovation
 - Cash and Kudos

- Bottom up
- Use all of your people?
- Enjoyable
- Creative, Unconstrained, Engaging
- May just originate something the R&D teams may not





Executive Office





Generate new marketing campaigns, product packaging concepts, messaging, etc.

Create an internal listening channel for employee feedback.

Solicit feedback

Human Resources

on workplace matters. Implement an internal

networking capability based on a common goal.

Sales

Improve selling procedures.

Voice of the customer to the business.

Engineering

Create a pipeline of ideas or concepts for new products.

Reduce time to resolution by leveraging expertise within the team.

ΙT

Discover new services and opportunities by sourcing proposals.

Provide a community for solution development.

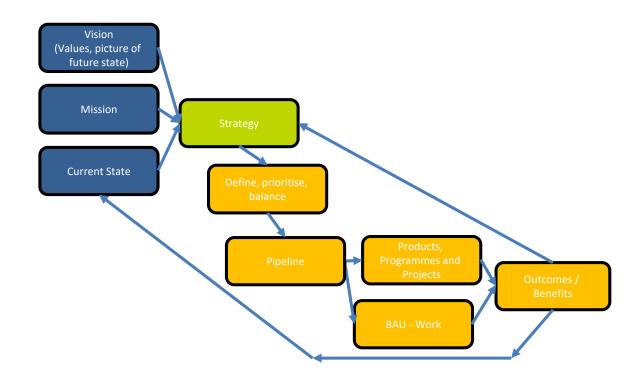
Finance

Faster ways to turn around billing.

Simpler procurement process.

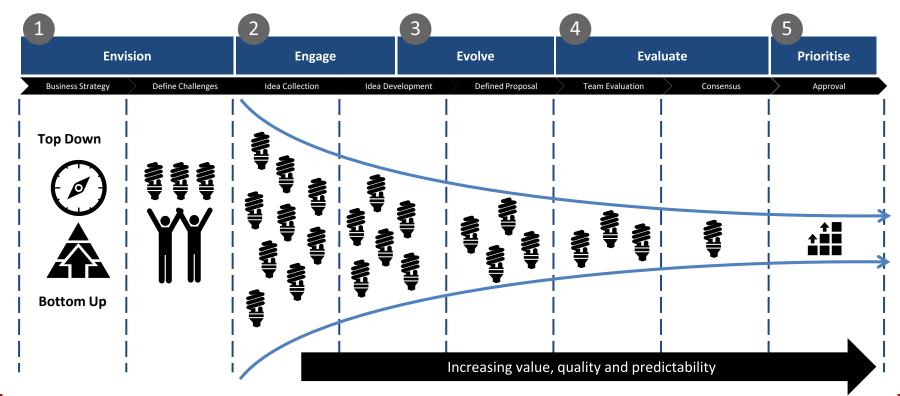


What is Portfolio Management?



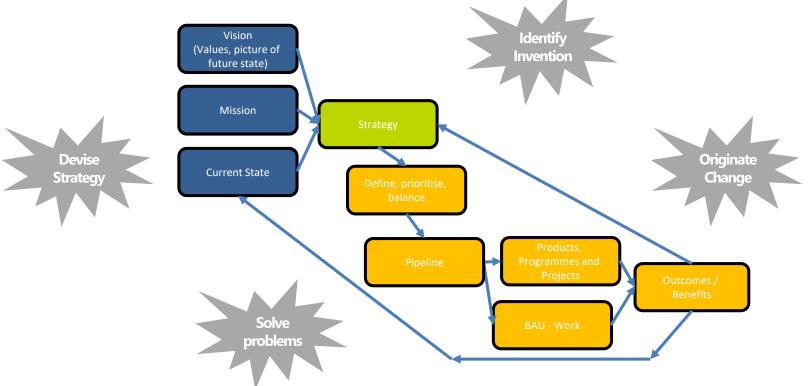
Integrated Portfolio Management







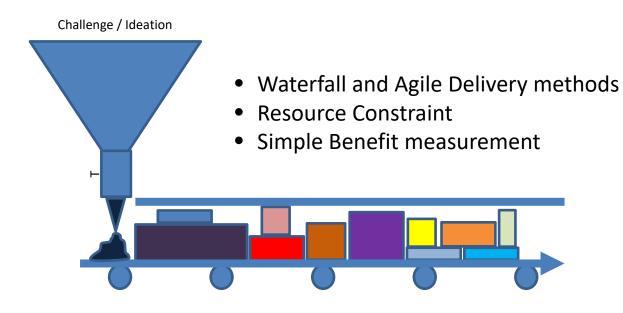
Innovation Helps...



PMO

Or... Set Aside Resource and Prioritise Innovation





Select > Deliver > Change > Benefit

Barriers

Innovation is not Simple



Business challenges		Innovation challenges		
Competitive Pressure	Threat of market disruption	Top Down approach limits ideation	Problems dimensions not fully understood	
Products too late to market	Wrong product or solution	Not enough good candidate ideas	Poor success rate from idea to solution	
Decrease in profitability	Regulation	Discourage expression, encourage suppression	Difficult to share / merge ideas	

Delivering Innovation is not Simple

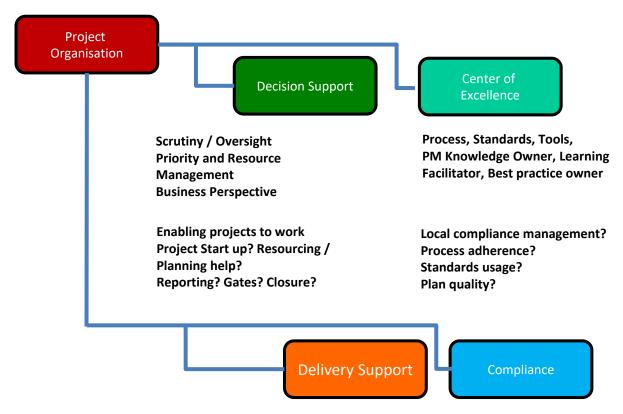


Business challenges		Innovation challenges		Delivery challenges	
Competitive Pressure	Threat of market disruption	Top Down approach limits ideation	Problems dimensions not fully understood	Pressure to do the day job	Resource competition
Products too late to market	Wrong product or solution	Not enough good candidate ideas	Poor success rates getting from idea to solution	Uncertain dependency	Failure to identify or manage risk
Decrease in profitability	Regulation	No way to nurture innovation	Difficult to share / merge ideas	Goals not well defined	No agreed prioritization or governance

Role of a PMO

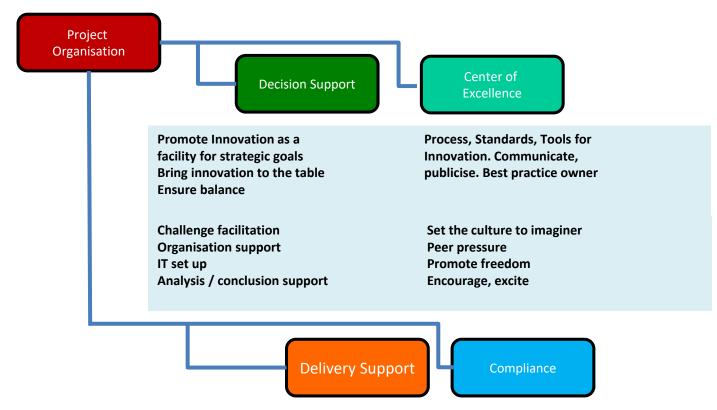
Role of a PMO







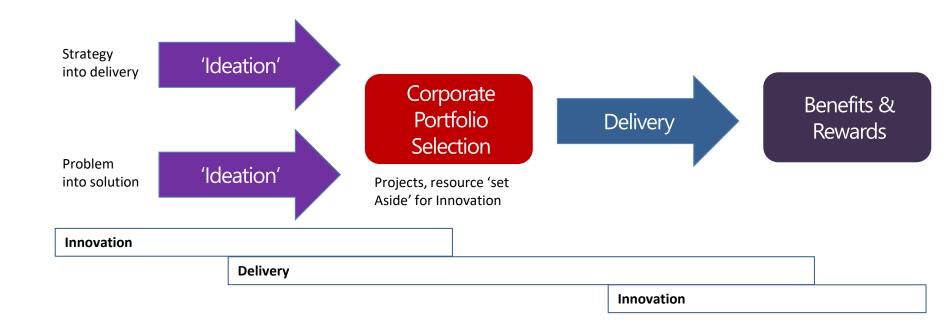




Solutions

Innovation Tools and Project Tools





Innovation Tools - Basic Concept



(Strategic) Drivers

- Ideation Framework
- Related to the business

Challenges

Focus though process

'Ideation'

Same Approach for invention, Innovation and improvement

Ideas

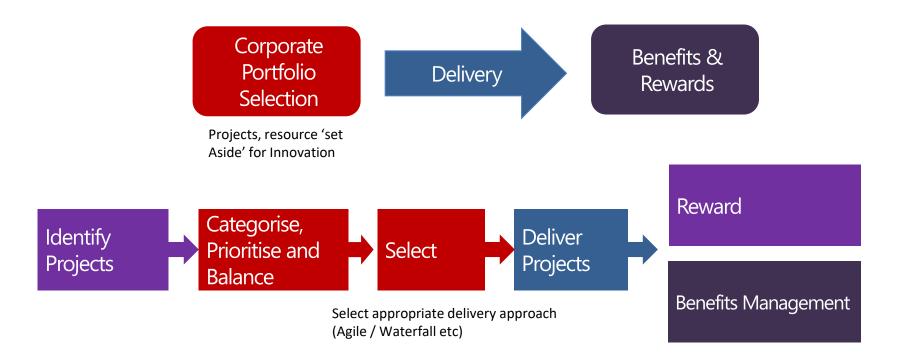
- Open / unconstrained
- Lifecycle

Exploitation

- Vote, challenge, rate& analysis
- End product

Innovation Tools and Project Tools





Get Ready

Readiness



People

- Inspired / informed
- Empowered / enabled

Technology

- Simple / effective
- Integrated

Process

- Functional / Productive
- Sustainable

Organisation

- Leadership / Motivation
- Resources / Support

Getting Going I



Express the challenges, and the benefits to be realised

Agree / set the rules to use v1

Work out the **support and governance** framework, reward models

How will we get it adopted, embedded, exploited?

Getting Going II



Awareness – what's coming and why

> **Readiness** – what are we going to use this for (Desire and Knowledge)

Same Approach for innovation and invention

Facilitation through first use, for example, a pilot? (Ability)

> **Promotion, acclaim**, reuse and sustainment. Business as usual status (Reinforcement)

Measuring Success

Measuring Success



People

- Engaged / retained
- Fulfilled / productive

Technology

- Used and Rated
- Greater ROI achieved

Process

- Greater volume of realistic proposals
- Less 'loss'

Organisation

- Strategy attainment
- Greater benefit realisation





Strategy Success

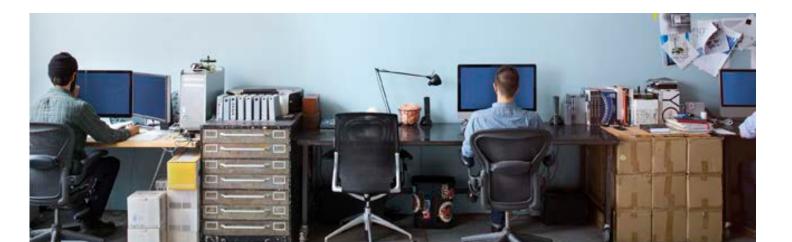
"We have a list of objectives and some idea what is most important"

"We deliver new projects and we measure benefits and whether they have contributed to our strategy"

"I know what our strategy is"

"We are not just operationally blinkered, there is drive to ensure we deliver our strategy"







Innovation Success

"Its not just the management team coming up with the same ideas each time"

"We seem to be able to keep on surprising our competitors and they seem to be playing catch up" "we have a lot of energy and excitement going into problem solving – which is great as it means we solve problems!"

"Employees really do have a voice and feel valued – we get "outcome" for their input" "We are now very able to reward good ideas, with financial and social dimensions"

"We now always realise when we have a great idea and don't re-invent so much"



Delivery Success

"Although we have agreed Stage Gates and project methodology we now also have this hooked into our corporate governance / decision making"

"We have great confidence in our resources demand and find it reasonably easy to schedule / prioritize future work "

"I can see all the work we have and is coming down the track. I can make resourcing decisions upon that.

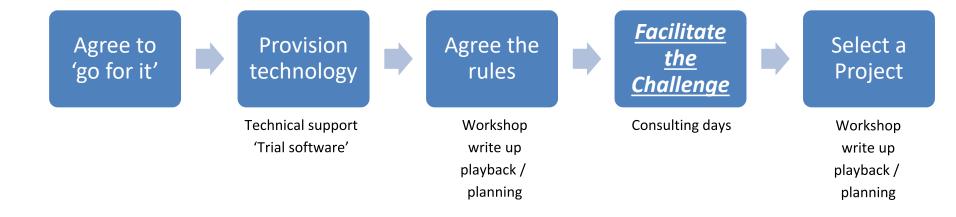
"Project Information is simple to gather, I now spend my time solving problems not worrying about data"



CPS Can Help

Six Week Innovation Challenge





What might yours be?

Facilitate the Challenge



Establish Ownership

- Challenge Leader Role
- Review Team
- Objectives, outcome

Setup Challenge parameters

- Challenge Name & Description
- Start and End Date
- Idea States and Notifications

Pre-populate Challenge with inspirational ideas

- 3-5 ideas examples
- Challenge Leader and Team
- Votes, reviews & comments entered

Advertise and promote Challenge

- Email, newsletter, social networks
- Link to Challenge

Open for Ideas & Reviews

- Ideas entered
- Reviews, votes, comments
- Sharing

Initial Evaluation

- Challenge Leader
- Review Team
- Select top 5-10

Advertise top ideas

- Email and social network
- Link to **Ideas**

Continue Ideas & Reviews

- Ideas entered
- Reviews, votes ...
- Comments, sharing

Expert Rating | and Review |

- Ideas entered
- · Reviews, votes, comments
- Sharing

Continue Votes & Reviews

- Ideas entered
- Reviews, votes,
- Comments & sharing

Proposal Selection

- Challenge Leader
- Review Team
- Select top 5-10

Close

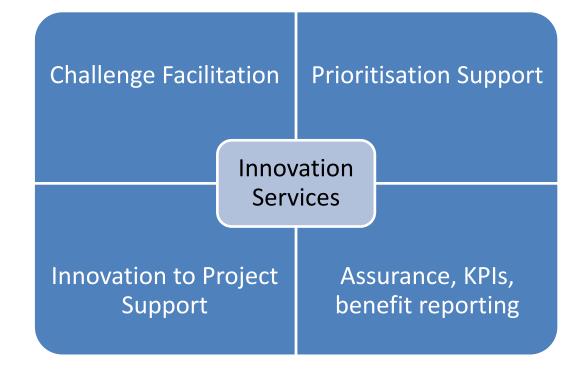




- Core Solutions
 - edison365
 - Project Portfolio Management (PS+)
- Making them work
 - Current State, Vision and Strategy
 - Technical Solution, Business Solution
 - Change
 - Sustainment







Summary



- Innovation its what makes you better
- Its generally seen as background, embedded as part of an organisation
- Technology can collect and manage data, give you insight
- A PMO can own what it is, pull it into Portfolio Management, drive / resource
- It needs business change leaders and motivators
- Success in bottom line, seen first with increased organisational energy





3.20pm — Coffee Break served in the Exhibition Hall







