Objectives

1. Understanding Innovation, and innovation program
2. Reflecting on biblical principles in light of innovation
3. Reflecting on determinants of an innovation program
4. Discussing Challenges of innovation
5. Applying innovation to our context

Content

- Introduction
- Biblical basis
- Concept
- Determinants
- Key challenges
- How to build innovation program
- Applications

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Introduction

- Research and experience reveals how most practices are initiated to serve a purpose. But over time, even the best practice can lose its usefulness.

- It takes a wise leader to know when to change something.

- It takes insight to recognize when it's time for innovation.

- Jesus certainly understood the role of change and rebuked those who stood in the way of innovation:

- Before going deeper into this topic, we should clarify that successful corporate innovation is not just about a well implemented innovation program.

- That's why it's also important to explain what we mean by innovation program including the concept and models of innovation.

- Usually, the discussion around innovation programs is focused mostly on **specific innovation initiatives**, such as accelerators, incubators, innovation hubs.

- These initiatives can of course be part of your portfolio of activities, but if you just focus on them, you **might miss the forest for the trees**.

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Biblical basis(5P'S)

- **Perspective**: Lasting fruits from **eternal perspectives** demands innovative thinking and strategies as well described in the Parables of the talents(Mathew 25:14-30). Jesus illustrated it as well in John 15 and Mathew 9:16-17 about the lasting fruits and new wine and new wine skin .

- **Purpose:** Created in His image and likeness for dominion, multiplication, fruitfulness and replenishment: Innovation is the part of this package. Genesis 1:26-28, Ephesian 2:10

- **Potential**: Creative and innovative ability: **Unleashing the full potential** :Ephesian 3:20 ,Colossians 2:3: Christ as the power ,hidden treasure of wisdom and knowledge

- **Plan:** Innovative planning for better execution of the great kingdom agendas **(Great commission, Great commandments and Great concern : Barnaba's Plan :Act11:25-30**

- **Practice: Innovative model** to practice the transformative kingdom plan: Jesus was our innovative model as He challenged the pharisees and the Sadducees religious and traditional practices .The incarnation model continued to serve through the church as His hands and feet's :John 1:14 , Mathew 16: 18-19

Concept

- **Innovation** is the practical implementation of ideas that result in the introduction of new goods or services or improvement in offering goods or service

- A common element in the definitions is a focus on **newness, improvement**, and **spread of ideas or technologies**

- **Definition** : Innovation is the multi-stage process whereby organizations transform ideas into new/improved products, service or processes, in order to **advance, compete and differentiate** themselves successfully in their marketplace

Four types innovation model

Henderson and Clark divide innovation into four types;

- **Radical innovation**: "establishes a new dominant design and, hence, a new set of core design concepts embodied in components that are linked together in a new architecture."

- **Incremental innovation**: "refines and extends an established design. Improvement occurs in individual components, but the underlying core design concepts, and the links between them, remain the same."

- **Architectural innovation**: "innovation that changes only the relationships between them [the core design concepts]"

- **Modular Innovation**: "innovation that changes only the core design concepts of a technology"

Spectrum of Novelty

Non-economic innovation

- The classical definition of innovation being limited to the primary goal of generating profit for a firm, has led others to define other types of innovation such as: social innovation, sustainable innovation (or green innovation), and responsible innovation.

- **Social innovations** are new social practices that aim to meet social needs in a better way than the existing solutions,

- **Responsible innovation** is a process that takes the wider impacts of research and innovation into account. It aims to ensure that **unintended negative impacts are avoided**, that **barriers to dissemination**, **adoption and diffusion of research and innovation are reduced,** and that the positive societal and economic benefits of research and innovation are fully realized.

- *Sustainable innovation* is a process where sustainability, ecological, economic, and social considerations are integrated into company systems from idea generation to research and development to, organizational transformation resulting in societally desirable outcomes that enhance wholistic growth at all level.(contextualized definition)

What is an innovation program?

- An innovation program is a portfolio of initiatives built around an innovation strategy aligned with **the organization's business goals**.

- To pursue an innovation program, the portfolio should adhere to a **set of policies and actions** aimed at achieving your goals.

- In short, an innovation program is the **concrete manifestation of your innovation strategy.**

- Now, some might think, what is an innovation strategy and how is it different from a corporate strategy

- The **corporate strategy** tells you where you want to be in the future and the **innovation strategy** simply outlines the role innovation needs to play in **helping you get there.**

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Reflection

- How do you relate the LIA Core values with the innovation program: Discuss

- What is the LIA corporate strategy(high level strategies) ?

- Do we have innovation strategy ?

- Discuss and recommend based on your findings

Determinants of an innovation program

- The theory is simple but in practice, things are more complex.

- Most failures of innovation programs are attributed to a combination of factors.

- Research and Development(R&D) revealed what impacts innovation in a positive or negative way.

- Researchers have identified as many as 13 different elements spread across all areas of innovation.

- The practical aspects such as **processes, decision-making and organizational structures** were the most predominant factors.

- There isn't a single factor to point at, but rather a combination of several. In effect, you need to balance **structures, capabilities, culture, and strategy** to **increase your chances to succeed.**

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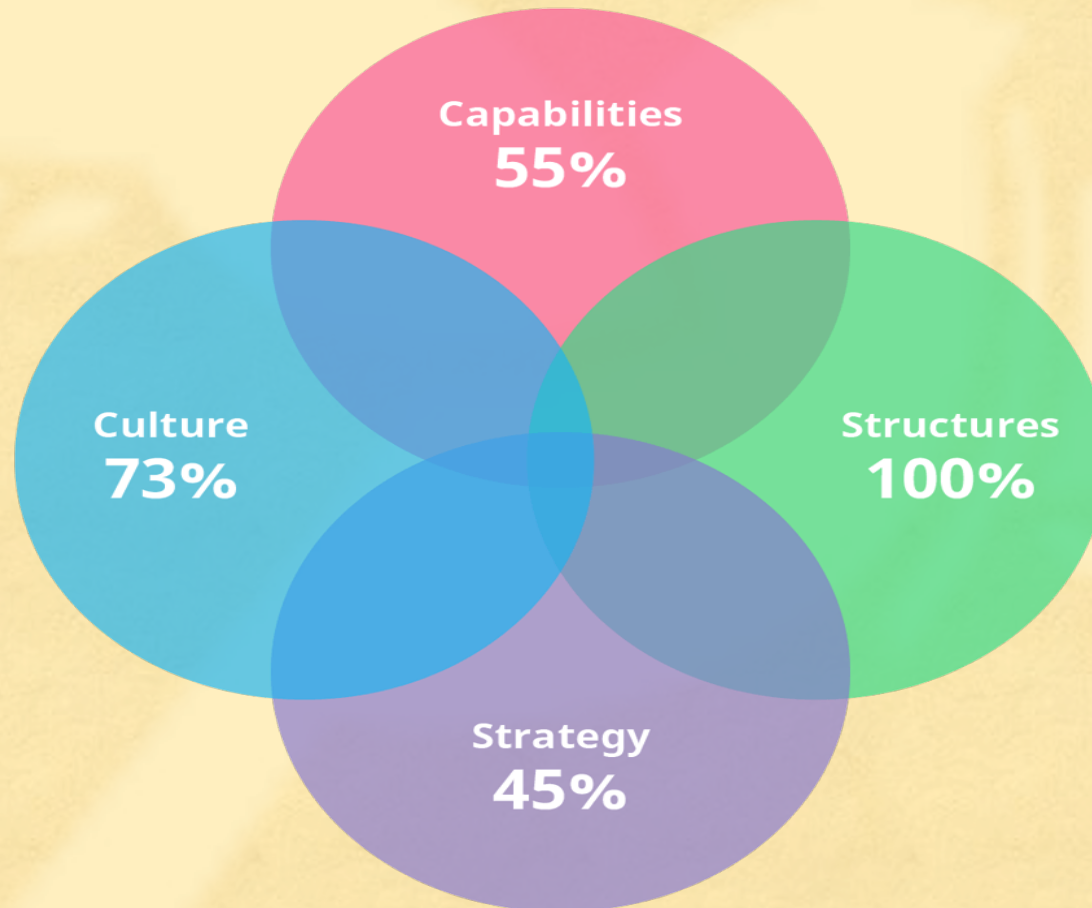
4 steps towards an innovation program

Integrate all four aspects of innovation: capabilities, structures, culture, and strategy. This alignment will look different from case to case.

STEP1. Have a practical innovation strategy

- A good innovation strategy is practical and considers **the organization's business objectives.**

- **Unless you make these things a priority**, **you won't see things moving in the right direction.**

- This will also give you a better understanding of the current state of the organization in terms of innovation.

- Knowing your starting position will help you determine how to get where you want. In this case you can use a tool like the **innovation maturity matrix.**

Innovation maturity matrix

- The <u>innovation maturity matrix</u> is a framework that helps you illustrate where you are by considering two important variables: **maturity and scale.**

- With the innovation maturity matrix, we can classify innovators into

1. **Beginners,**

2. **Traditionalists,**

3. **Scalers, and**

4. **Advanced.**

Innovative Maturity Matrix

Reflection

Based on this framework, please position LIA as an organization on the scale so we can assess :

- Our maturity level :all the innovation processes, decision-making and organizational structure etc.

- The skills and resources

- The scale at which innovation is present within LIA (how widespread and embedded innovation is in the culture).

- *The innovation maturity matrix helps you illustrate the big picture. You visualize your current position, look at what is missing to reach your goals, what capabilities you need to build, then break it all down into smaller, achievable objectives.*

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STEP 2: Turn practical goals into an actionable roadmap

- We can't stress enough how important it is to have **practical goals**

- Successful innovation programs require a systematic process to plan, prioritize, and execute different initiatives.

- An innovation program should consist of different streams of activities that take place simultaneously. How do you see the LIA WTD model? The Five Pillars

- *An innovation program should consist of different streams of activities that take place simultaneously*.

- *Leading from the future*". What do you want to achieve in 5-10 years from now? You basically break the future goal into smaller ones and take a systematic and methodical approach to do that(LFA can be sited as good methodical approach)

Reflection

1. **leading from the future**". What do you want to achieve in 5-10 years from now? You basically break the future goal into smaller ones and take a systematic and methodical approach to do that

2. Consider the country based WTD Strategic Targets (Goals)

3. Do you want to be a **leading Transformational organization/ program** in the country, region and globally in the coming ------- years ?

Step 3 : Clear communication

- When you communicate the program clearly, as well as the goals and vision you have in mind, you're already one step ahead

- Unclear communication can lead to **misunderstanding a**nd people could see a **high-level program for innovation** as a **threat t**o their power within the organization or to their **personal interests.**

- Usually, innovation is not part of everyone's job description, so it doesn't come naturally for everyone to change mindsets as soon as they start working on a new initiative

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Step 4:. Build the capabilities of the organization

- When we speak about capabilities, we usually refer to the **resources, human and financial as well as the processes and structures** that enable innovation

- Prepare to focus on a specific venture, in this case, you can **create a dedicated division** within that unit. **That is why the *LIA Model Country Program team is created to focus on WTD innovative approaches***

- In the context of innovation programs, we can think of two different capabilities you would need to develop.

✓ **First, those required for the short-term, immediate goals that can support innovation initiatives**

✓ **Second, the capabilities that support innovation on the long-term and across the organization.**

❖ **This is where the innovation maturity matrix we mentioned earlier comes in handy**

Reflection

- **Do you think we can enhance our capacity working through Model Country Program Teams on building innovative WTD program? Any other innovative ways ?**

- **Propose short term and long term goals that support innovation initiatives?**

KEY CHALLENGES

- Companies are often eager to rush into small, low-impact individual initiatives, instead of planning **outcome-oriented innovation programs.**

- There's a wide range of factors that lead to unfruitful innovation programs, but we can't overlook the importance of a holistic approach to innovation.

- **One initiative can't transform your business the same way a well-thought innovation program can.**

- **Do you think LIA is on the right course taking in to consideration WTM as one innovative program ?**

- **However, if you are already on a good path and you're working on a proper innovation program, there are still challenges ahead**

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Key challenges
1. Unclear goals and misaligned strategy

- According to a KPMG survey, 60% of respondents said their innovation activities are ad hoc or emerging and 45% said their innovation and strategy is only somewhat connected, or not at all connected and aligned

- Integration is propelling innovation .

- Embrace both long term and short-term projects.

- Look into inspirational, high-level things you can do to support the bigger goals in the future and do more of the practical things that can move the needle in the short term but are still following the broader strategy.

- Reflect on WTM as future back approach (LIA change theory) to alleviate this challenges

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2. Insufficient resource

- Researches indicate lack of resources as one of the top five barriers to innovation.

- Lack of funding is often cited as a major roadblock to innovation, but even if you don't have the budget you'd want, it doesn't mean that you should give up on innovation

- If your workforce has the right knowledge and skills, they can turn these constraints into a competitive advantage.

- Even though insufficient resources, especially financial ones, can become roadblocks for innovation, you can use them to unlock creativity and come up with <u>outside the box innovations</u>

3.Lack of ownership

- The lack of ownership is a problem that has its roots in the company's culture. But it all starts at the top.

- For employees to take ownership, leaders should clearly define goals, offer support, and leave them space to make decisions and be autonomous

- At the same time, they always have to consider the bigger picture, to be on the look for roadblocks and opportunities and steer everyone in the right direction.

- If organization want innovation to happen, leaders and managers should find the right balance between governance and flexibility to enable their workforce to take ownership

Applications

1. Where are we in terms of building Innovation Program at organization-level ?

2. What are the key challenges?

3. What do you recommend to build an innovation program for your respective organization?

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Thank you