

HOW VISIONARY LEADERS USE DIGITAL PLATFORMS TO ACCELERATE INNOVATION



Dr Suraya Sulaiman
& Azim Pawanchik



DIGITAL PLATFORMS are quickly becoming an essential component of an organisation's innovation and transformation journey, providing structure, traceability, and inclusivity. More importantly, these digital innovation management platforms are able to furnish leaders with necessary data, supporting the leader through the many activities which are core to the transformation effort. This article strives to guide the visionary leader to leverage the power innovation management tools offer, to make exponential transformation a reality.

Innovation has now been recognised as an important component for economic growth and competitiveness in today's rapidly changing and increasingly globalised world, with many organisations placing a greater emphasis on it as a way to stay ahead of the curve, to meet the changing needs and expectations of customers, employees, and stakeholders. The recent pandemic accentuated the need for organisations to be more agile and adaptable in order to survive and thrive, with many having to pivot their business models or find new ways to deliver products and services to customers. Gone are the days when innovation can be a once-off gamble or an ad-hoc activity. Leaders need to steer innovation in a more predictable, and systematic manner, crystallising the focus and defining the expertise needed to navigate this process.

Over time, organisations have explored many approaches to embed and scale innovation. Some, more widely practised, like idea generation and internal pitch events, whereas others, like open innovation and digital idea management tools, have remained largely unfamiliar. More recently, continuous foresight and ISO 56000 for innovation management have surfaced to offer highly valuable approaches to managing innovation. While relatively new, these have been adopted by many avant-garde organisations and are widely gaining momentum.

SYSTEMATIC INNOVATION MANAGEMENT AND ISO 56000

The goal of innovation is to create value for the organisation and its stakeholders through introduction of new products, services, processes, or business models, and may involve improving existing offerings or creating entirely fresh ones. Innovation management on the other hand, is the process of overseeing and guiding the development and implementation of these new ideas, which involves identifying and evaluating potential opportunities for innovation, developing strategies and plans to pursue these, bringing the new ideas to market, while creating a culture that fosters creativity and an infrastructure that supports and encourages innovation.

By following a structured and systematic process, organisations can proactively identify and address emerging challenges and opportunities, enabling them to continuously improve and evolve their products, services, or operations. Management of their portfolios also benefit from a more systematic approach,

helping the organisation stay ahead of the curve and position themselves for perpetual innovation in the future.

The ambiguous and diverse approaches in managing innovation spurred the creation of the ISO 56002 standard for innovation management. A product from the collaboration of over 50 countries, it was released in 2019, and, similar to other renowned ISO Standards (ISO 9000, 14000 or 27000), it provides a framework for organisations, regardless of type, sector, or size, to implement, maintain and improve, how it manages innovation systematically. By embracing and aligning with globally recognised Innovation Management standards, organisations can showcase a tangible and quantifiable commitment to the significance of innovation as a strategic driver for future growth and sustainability. This bolsters credibility and positions the organisation as a forward-thinking and competitive entity, well-equipped to navigate the dynamic landscape it operates in.

Due to the elaborate nature of the entire process, many larger organisations are hence adopting innovation management softwares as a means to structure and manage the entire process of innovation in a more methodical and replicable manner. The role of the leader thus leans towards providing the vision, guidance, and support that are pertinent to effectively implement and sustain the innovation process. The adoption of software becomes crucial as teams get leaner, and as innovation becomes the responsibility of all in the organisation.

***"The role of the leader is pertinent
to effectively implement and
sustain the innovation process."***

The ISO 56000 framework includes terminology, tools, concepts, and principles which should be adopted by organisations, to guide them through the process and method of managing innovation. It is structured around the following clauses:

Clause 1 of the standard is about scope and in ISO Management System standards, this explains that the standard is not prescriptive and can apply to any organisation.

Clause 2 is Normative references which identifies other standards that provide support for the application of ISO 56000.

Clause 3 specifies the terms and definitions that are necessary to understand innovation management and an innovation management system.

*Clause 1 till 3 are not shown in the diagram.

Clause 4: Context of the organisation, outlines the importance of understanding the organisation's context, including its environment, stakeholders, and capabilities, in order to effectively manage innovation.

Clause 5: Leadership and commitment. discusses the role of leadership in driving innovation and the importance of establishing a culture that supports innovation.

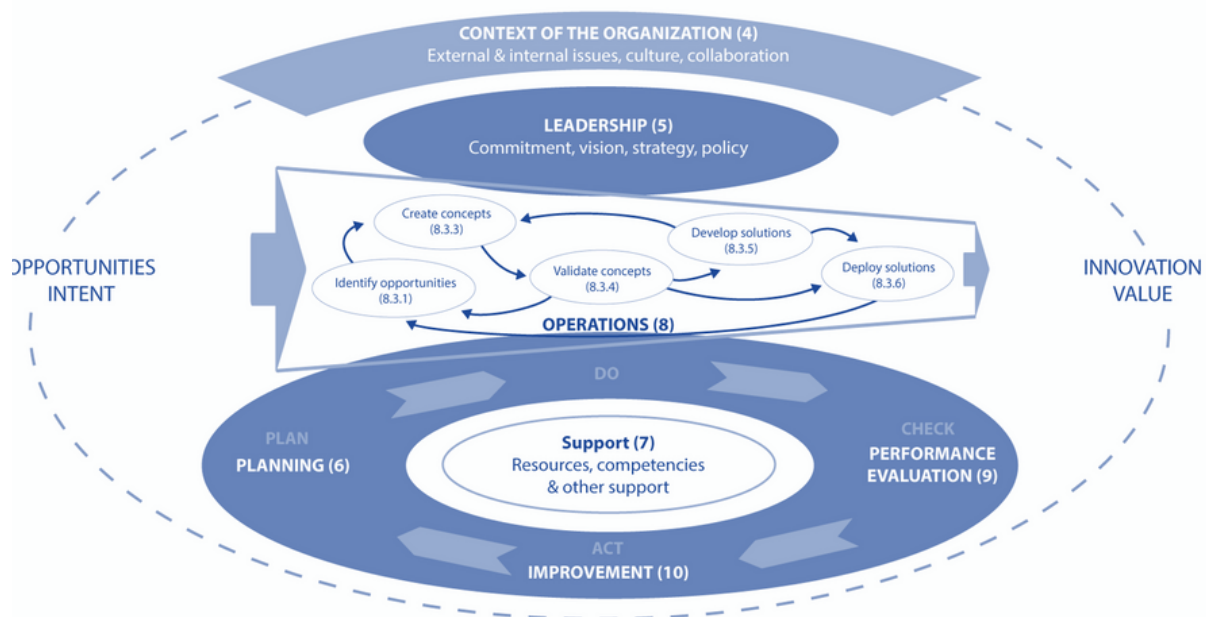
Clause 6: Planning, covers the process of planning for innovation, including setting innovation objectives and identifying innovation opportunities.

Clause 7: Support, elaborates on the resources and infrastructure needed to support innovation, including funding, personnel, and knowledge management.

Clause 8: Implementation, incorporates the process of implementing innovation, including prototyping, testing, and scaling.

Clause 9: Evaluation, discusses the importance of evaluating and measuring the impact and effectiveness of innovation, including the use of key performance indicators.

Clause 10: Improvement, covers the importance of continuous improvement and learning in the innovation process.



Source: <https://www.iso.org/obp/ui/#iso:std:iso:56002:ed-1:v1:en>

In applying guidance provided by the standard, there are eight core principles that organisations can consider and implement. These form the essence of effective innovation management. The 8 principles are shown here and further elaborated upon.

Innovation Management Principles



REALISATION OF VALUE

This can be either financial or non-financial, which may include, amongst others, brand value, employee engagement, environmental, emotional or social value. At its core, it should be remembered that invention is the action of creating something new, however, innovation is when the new or changed product, service, process, model, method etc. realises or redistributes value.



FUTURE FOCUSED LEADERS

The future-focused leader is someone who is able to think ahead and anticipate future challenges and opportunities, not only in their own organisation but also within the broader industry or market. They inspire and motivate others to do the same, guiding teams towards a shared vision of the possible future, pivoting where necessary. The future-focused leader is driven by curiosity and courage and is able to challenge the status quo.



STRATEGIC DIRECTION

This relates to the vision of the organisation, a high-level plan that outlines the steps that the organisation will take to reach its desired future state. Decisions regarding innovation should be aligned towards the strategic direction to ensure alignment.



CULTURE

Considerably one of the most important principles which refers to the common values, principles and behaviours that is not only enforced by leaders, but shared by everyone in the organisation. The aim is for the culture to be characterised by openness to change, calculated risk-taking and collaboration, to enable the coexistence of creativity and effective execution.



Exploiting
insights

EXPLOITING INSIGHTS

This principle focuses on exploring an optimal variety of internal and external sources to better understand the current operating environment, to systematically exploit both stated and unstated needs. This includes exploiting as much information, data, and research on key trends and patterns to make more informed and evidence-based decisions about its direction and strategy. This principle can help organisations identify new opportunities for growth or innovation, or help it anticipate and prepare for challenges or threats that may be on the horizon. Exploiting insights can also be about understanding customers, competitors, and other stakeholders, which can be critical in developing effective strategies.



Managing
uncertainty

MANAGING UNCERTAINTIES

This principle refers to the processes and activities that an organisation undertakes to identify, assess, and mitigate risks and uncertainties that may affect the achievement of its objectives. This includes identifying the sources of uncertainty, assessing the potential impact of those uncertainties on the organisation, and implementing strategies to minimise or mitigate their effects. Managing uncertainty is an important aspect of risk management, as it helps organisations identify potential challenges and take proactive steps to address them in order to achieve their objectives.



Adaptable
structures

ADAPTABLE STRUCTURES

Having adaptable structures means that organisations are able to change and adjust its processes, systems, and structures in response to emerging circumstances or needs, which is particularly important when accommodating innovation opportunities. This may include shifting company strategies, direction, resources, finance and budgeting, and even organisation policies and governance. It may also involve having flexible innovation teams. This principle gives organisations the agility to be more flexible and responsive to changes in the market or industry, which can be critical in today's fast-paced business environment.



Systems
approach

SYSTEMS APPROACH

The systems approach to innovation management recognises that several interrelated and interacting elements must be in place to ensure innovation success. The systems approach brings together knowledge, conversations, openness to different opinions from different sectors, and employees at all levels of an organisation's hierarchy.

FUTURE FOCUSED ORGANISATIONS

The pandemic has reminded us how crucial it is for organisations to be future-focused, to help anticipate and prepare for potential changes and of challenges that may arise unexpectedly. By anticipating and adapting to emerging changes in the market, technology, or customer needs, organisations are able to identify new growth opportunities that others may not have considered, and maintain a competitive edge against rivals. Potential risks may also be better anticipated and mitigated.

Being future-focused also encourages organisations to be more innovative and think outside of the box, which can subsequently lead to new products and services, and a more agile business model. This dynamism in mission and vision can further motivate and engage employees, lifting the organisation's morale.

Organisations that are seen as future-focused may also gain a reputation for being innovative and forward-thinking, increasing their brand value and reputation, and ultimately attracting talents, customers and partners.

The role of the leader is thus crucial in building the future-focused organisation, providing the vision, guidance, environment and support needed to effectively implement and sustain the effort. There are, however, many aspects which require the leader's attention. For many, managing the entire value chain of the innovation process is time consuming and tedious, with a number of organisations setting up dedicated departments to do just this. Based on the innovation management principles, we thus explore how digital innovation management platforms are able to provide approachable tools to assist future-focused leaders and the organisation as a whole, in realising these efforts in a seamless manner.

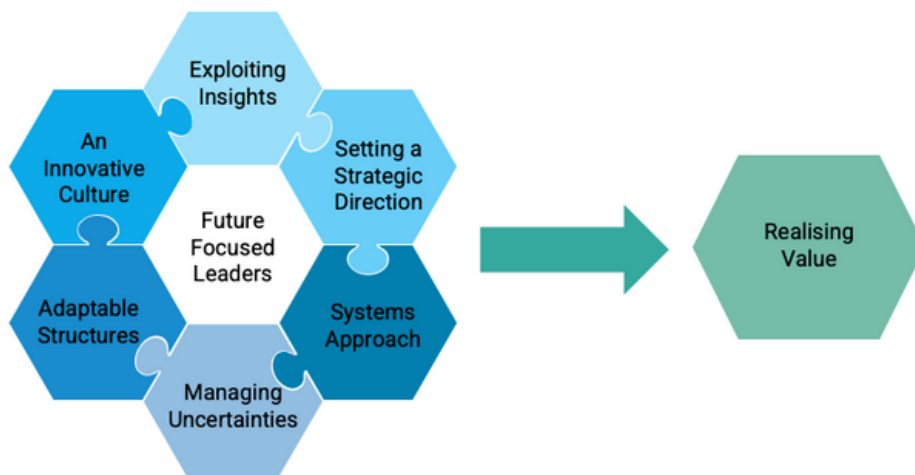


Figure 1.0: Six key areas which the future-focused leader can focus on towards realising value.

EXPLOITING INSIGHTS

Insights can come from anywhere within the organisation, from employees at the front-end, attending to customers, or from internally facing employees at the procurement or engineering division. It is important that everyone, no matter where they are within the organisation, has access to a system that will capture their insights or observations. Potential 'problem' areas are seeds from which innovation can grow.

Spurred by repeated complaints from suppliers, an internal procurement team member spotlighted the issue that the payment process for all transactions was similar, regardless of the amount. This led the organisation to identify that 38% of their procurement transactions were for amounts less than USD30,000, which did not require the lengthy approval it currently took. This spurred the organisation to relook into their procurement process, for amounts less than USD 40,000.

The means to surface the issue was possible due to the digital software which gave all employees access to highlight problems that needed attention. An added layer of identifying the value and urgency of the issue to be solved assists the organisation in decision-making. This can be done by leveraging on the 'crowd a.k.a employees' to help identify which are urgent and important issues to address, and which can be delayed. This will simultaneously circumvent biased decisions and viewpoints.

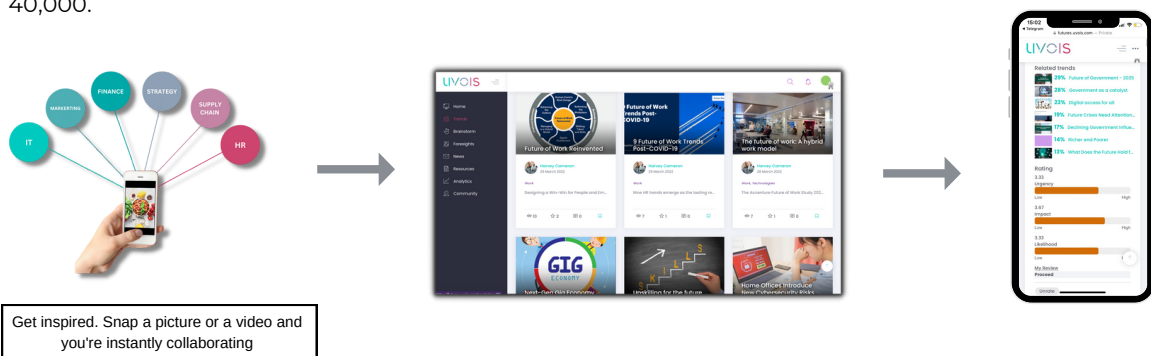


Figure 2.0: Team collaboration using UVOIS

SETTING A STRATEGIC DIRECTION

Leaders play a key role in setting the vision and direction for the organisation, including defining its objectives and the strategies or tactics that will be used to achieve them. Suggestions on focus areas may also arise from the insights or opportunities identified by employees. This offers a great opportunity to engage employees, whereby they are able to contribute feedback, ideas or input, to a certain degree. Aligned and shared innovation efforts can aid in fostering a feeling of urgency within the organisation, spurring employees to produce focus-driven ideas and to better allocate the appropriate resources.

Another important aspect when setting the direction is to subsequently cascade it throughout the organisation, to ensure alignment and understanding by the various teams. At a later stage, these platforms may facilitate communication of progress, keeping employees further engaged. This two-way communication may act as a game-changer in reinforcing employee engagement, thus strengthening the culture.

SYSTEMS APPROACH

The systems approach in principle, means looking at the organisation as a whole, and considering the interactions and dependencies between different parts of the organisation.

As organisations are made up of multiple parts that are interconnected and interdependent of one another, the systems approach is a way of ensuring that issues or problems are approached holistically, involving multidisciplinary teams. This requires a leader who involves and seeks an assortment of viewpoints and insights. This may be facilitated effortlessly by digital platforms, actively and passively embracing the full diversity of thoughts and opinions that the organisation shelters.

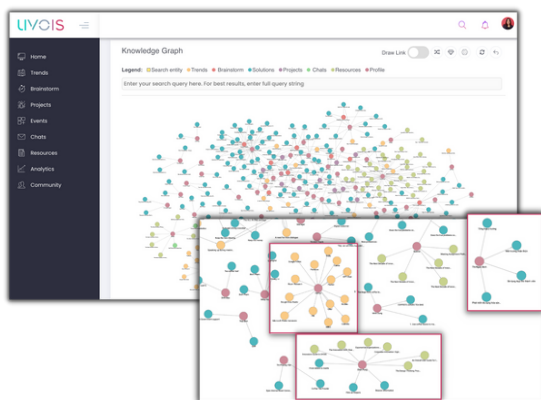


Figure 3.0: Sample of Knowledge Graph illustrating how seemingly unrelated information may be linked to one another, allowing for new insights to emerge.

Another aspect of the systems approach involves analysing data and metrics and conducting root cause analysis, to consider the interrelationship and interdependency between various components and factors. This is where leaders may leverage the augmentation power of knowledge graphs. A knowledge graph is a way to formally illustrate a network or a collection of interconnected objects, visualising relationships between various data points. In such a graph, information is ordered with nodes depicting data points and edges depicting connections of interest between such data points, helping the leader assimilate research from seemingly unrelated data sources.

The process of identifying opportunities and, as a result, innovating, is enhanced when leaders are able to take in the whole picture when making decisions and visualise how the information is connected to one another. Knowledge graphs, however, work well when there is accessibility to an abundance of information. Thus, this augmentation works well with an underlying digital platform that collates all the fragmented information.

MANAGING UNCERTAINTIES

Innovating is almost always associated with experimentation and exploration. Moving from a context where assumptions and uncertainties are predominant, to one where facts and information guide decisions. Here, the future-focused leader needs to be able to manage the risks associated with innovating, capitalising on the opportunity that is being presented. This may involve taking a portfolio approach to innovation projects, enabling the exploration of opportunities varying in both risk levels and potential impact. A portfolio approach may also include exploring a healthy balance between initiatives conducted in areas close to the company's expertise, adjacent to it, or alternatively in areas completely new to the company.

Taking on an iterative and systematic approach when deploying the projects are helpful in managing uncertainty, as it allows decision-making to be instituted at multiple points, reducing the overall risks of a project. In this context, the digital platform plays a moderating role, allowing leaders to visualise these project portfolios, and additionally, in getting feedback from a broader circle of experts, all the while having clear oversight of the project's progress. This would ultimately allow the leaders and organisations as a whole to better anticipate and manage uncertainties, and take measures accordingly.

ADAPTABLE STRUCTURES

Adaptable structures in an organisation refers to the ability of the organisation to shift and adapt to new circumstances or to quickly respond to new opportunities or challenges. For leaders, this fluidity within the organisation may be challenging to manage, handling shifting teams and emerging projects, while maintaining clear communication to keep everyone in the loop and continuously motivate the different players.

Here is where digital platforms offer respite. Offering transparency, empowerment and end-to-end oversight of projects, leaders are able to access real-time updates and monitor projects effortlessly. Additionally, the activities of the fluctuating teams, particularly in innovation projects, are easily tracked.

Still, there are other advantages that arise when future-focused leaders embrace the concept and breadth of adaptable structures- the ease with which teams are able to collaborate across divisions, yet having the means to document activity, fosters a culture of experimentation, which is essential in an innovative organisation. Flexible job roles can also empower employees to take ownership of their work and projects while digital platforms empower employees to make decisions that align with the organisation's goals.

"Digital platforms offer leaders transparency, empowerment and end-to-end oversight of projects, with real-time updates"

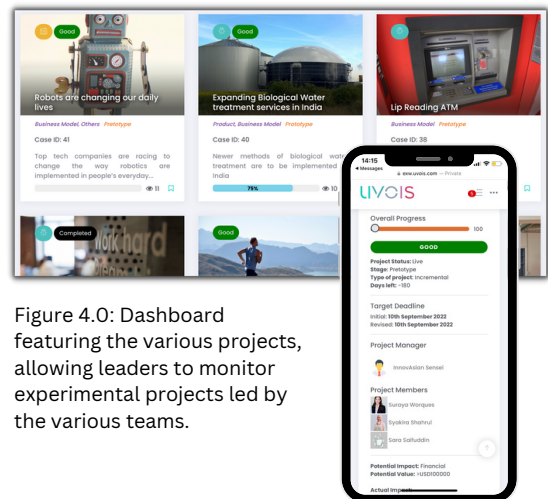


Figure 4.0: Dashboard featuring the various projects, allowing leaders to monitor experimental projects led by the various teams.

PROMOTING AN INNOVATION CULTURE

One of the key roles of the future-focused leader is to embed and strengthen the culture to support innovation within the organisation. This can be done by firstly setting a compelling vision that will enthuse the team, detail clear goals and expectations, provide resources and support, and foster a culture of continuous learning and improvement. To get innovation to flourish, leaders can create a sense of ownership and accountability for innovation within the organisation, and encourage employees to take an active role in identifying and addressing opportunities for improvement. Online activities can be complemented by in-person activities, such as holding purpose-driven campaigns, competitions, or solution hackathons. Managing these activities are also easily accomplished by leveraging digital platforms.

Another aspect of digital platforms which can be leveraged upon is the use of incentives or gamification elements to encourage active involvement of employees, be it to identify pain points, to share new ideas, collaborate on projects or participate in problem-solving activities. In doing so, points can be awarded to users that contribute to the organisation's innovation journey. Feedback and insights are further easier to manage on these dedicated platforms. Additionally, as with many new endeavors, if the company is new to the innovation journey, encouraging participation as a team has been found to be useful as many may not be comfortable jumping in as an individual.

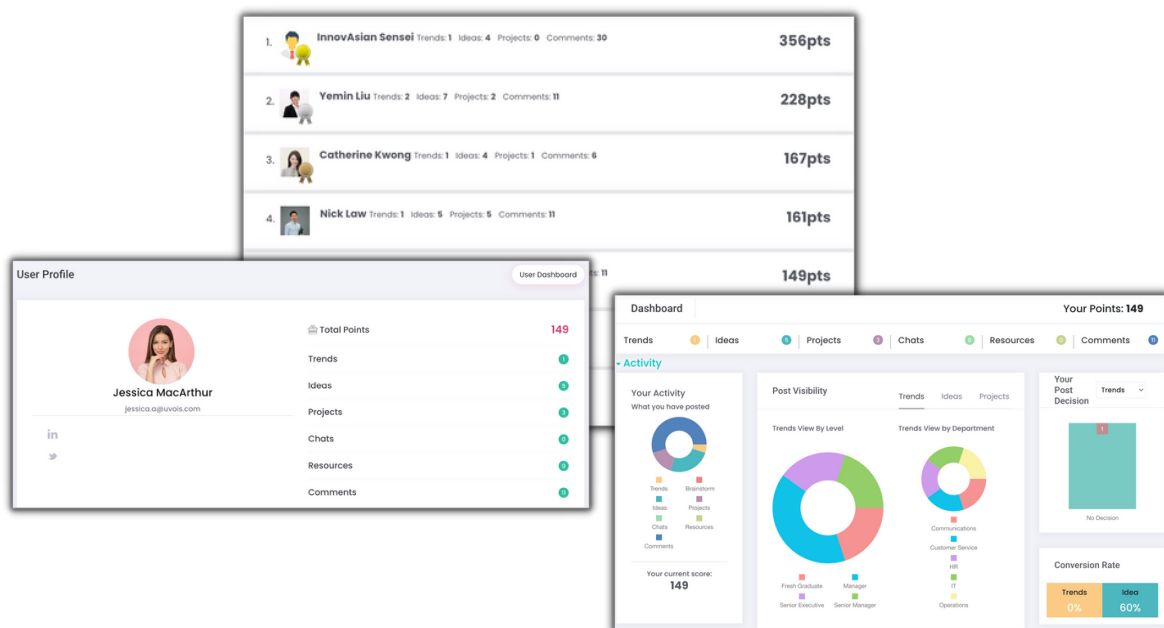


Figure 5.0: Gamification features are useful to encourage active engagement amongst employees. This may be further enhanced by the use of a ranking and medal system.

REALISING VALUE

The ultimate objective of innovation is to create value for the organisation. Therefore, leaders will always be pressed to ensure performance of their employees and organisation. Systematic innovation management systems can help organisations expedite foresight-driven innovation and transformation, and consequently succeed in digital innovation management. This involves not only implementing new ideas and technologies, and fostering a culture of innovation.

When the rubber hits the road, impact and outcomes need to be captured. Here is where digital platforms prove beneficial, providing real-time data analytics and oversight, complemented with aggregation of financial and non-financial impact for reporting. Moving forward, leaders are able to make better informed decisions and focus on higher value creation activities, while oversight for innovation becomes effortless.

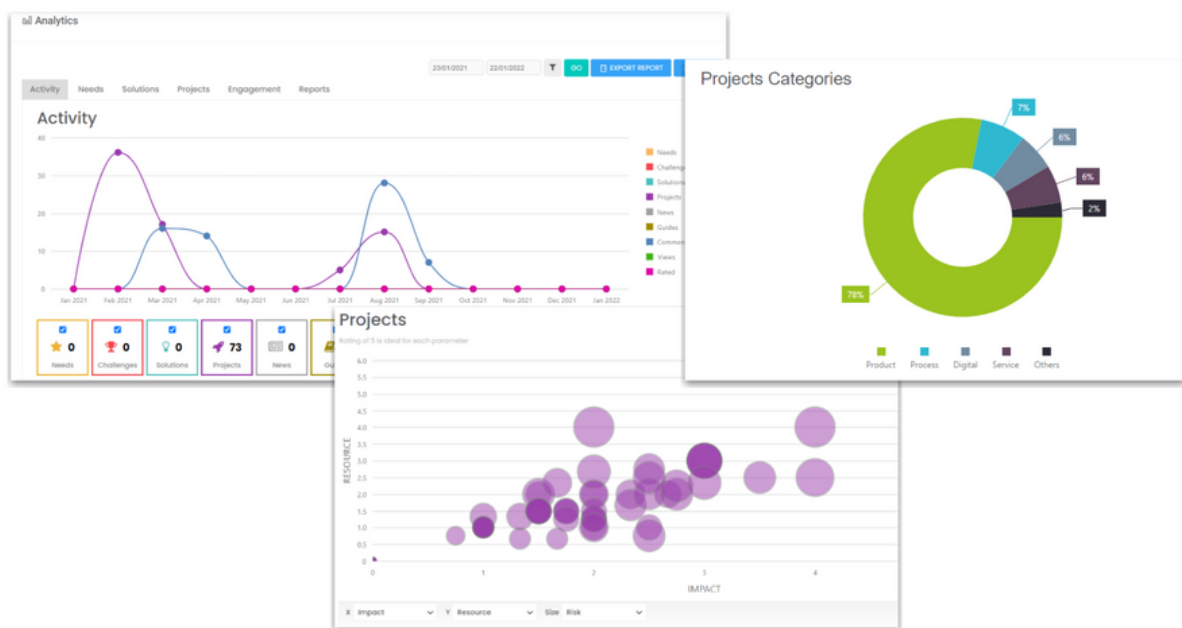


Figure 6.0: Real-time analytics guiding the leader in decision-making and oversight.



Dr Suraya Sulaiman is Innovation Provocateur at Alpha Catalyst, a boutique innovation consultancy. She specialises in innovation culture and capability, helping organisations address their growth and transformational challenges, through innovation. The images shared in this article are based on UVOIS, a proprietary digital innovation management solution structured for enterprise. UVOIS is designed to support organisations be aligned towards the ISO 56000 framework.



Azim Pawanchik is Innovation Strategist at Alpha Catalyst and is a leading expert on innovation in Asia. He specialises in innovation strategy, analytics, and open innovation, and has extensive experience in developing innovation measurements as well as establishing approaches and frameworks at a country and organisation level.