

it all starts with an idea

How to run a regular ideation process to stay relevant and remain at the forefront of your industry

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Right thinking

- An approach that we regularly employ to obtaining and extending the best internal thinking is to run ideation sessions as part of the regular strategic and business planning cycle.
- Ideation sessions push participants to engage in future horizon thinking. In particular, to ensure you are staying ahead of disruptive forces and leveraging shifts in technology, consumer behaviour and government policy for your organisation's gain.
- These sessions typically involve up to ten of the organisation's leading thinkers in scanning the external environment, capturing current thinking, extending the thinking using structured ideation approaches and then prioritising ideas for validation and testing.

Business models are evolving at an alarmingly rapid pace¹

Reasons for the increasing speed of change include the relatively low cost of trialling new business models using digital channels, responsiveness of consumers to new offerings and an army of disruptive thinkers wanting to extract value from the value chains of existing industries. Fintech, where \$12b was invested in new technologies in 2014, up from \$4b in 2013 (Pignal 2015), is an example of a value chain that disruptive thinkers are targeting.

There are many ways to generate ideas to stay relevant to your customers and their future needs. Most of these ideas are obvious and include: reading widely to identify business model ideas that could transition easily from other industries; staying engaged and curious during your regular schedule of external meetings; and attending select events that extend your thinking. An often overlooked channel is soliciting and capturing the best ideas of the people within your organisation.

An approach that we regularly employ to obtaining and extending the best internal thinking is to run **ideation sessions** as part of the regular strategic and business planning cycle. We have found that running workshops that engage the organisation's best thinkers to address a major pain point is a highly effective tool for leaders wanting to cultivate an innovative culture. These sessions typically involve up

to ten of the organisation's leading thinkers in scanning the external environment, capturing ideas using structured ideation approaches and prioritising ideas for validation and testing.

The benefits of this approach

Benefits of incorporating regular ideation sessions into your strategic and business planning cycle are that it:

- Enables the regular identification of structural changes in the industry and discussion of whether they can be leveraged for the organisation's gain
- Brings participants closer to your customers and their evolving preferences by interrogating ways to better satisfy future customer needs
- Provides context and a sense of ownership to workshop attendees likely to be involved in implementing the solution/s identified
- Enables participants to maintain a greater focus on day-to-day operations, knowing that there are regular forums to confirm you are 'working on the right things'.

By having a wide range of your leading thinkers involved in the workshop you will be well placed to make go / no go decisions on ideas raised and determine the best approach to validating the ideas after the workshop.

1. We define business models as the means and methods a firm employs to earn the revenue projected in its plans (Business Dictionary 2016)

About the process

A pre-diagnosis of 'what the organisation is solving for' in the ideation workshop is the first step. This is generally done by diagnosing the organisation's most critical 'pain point' in a one-on-one discussion with the person championing the session.

Once this is determined, we: prepare the ground for the ideation workshop by compiling context on developments in the external environment; determine some useful idea triggers to add into the mix; and create a pre-workshop activity pack to get participants into the right head space.

In the workshop itself, we aim to have ten or fewer participants and the right mix of personality types. In particular we attempt to ensure that there are a couple of your best 'imagine the future' people present. Having participants who are naturally inclined to collaborate and develop the ideas of others is also beneficial.

Insights from our experience

Start with looking back before looking to the future – An illustration of an organisation that lost sight of 'what it was famous for' in the lead up to an ideation session is Lego. Lego was the world's most valuable brand in 2015. In the 90's Lego ran into trouble because it had external advice that suggested: 'this piece of plastic, this brick is really obsolete, it's been around since the '50s, why don't you diversify into all kinds of other toys that your competitors are doing' (Durkin 2015). Being clear about the strategic choices you have made and wish to retain at all costs (your DNA) is important for framing the ideation workshop.

Aim for disruption – You should set the bar high in ideation sessions. Aiming for the identification of ideas and initiatives that create new markets or invade existing markets by better satisfying future customer needs in the near term is a good target to aim for. However, we find that falling just short of this is still likely

to produce initiatives that could achieve significant market share gains.

Let people 'brain dump' – Provide participants with the opportunity to download all of their current thinking early on in the workshop before using more structured ideation approaches to extend participants' thinking. Without getting these ideas out, it is near impossible to engage participants in structured divergent thinking techniques.

Ideation requires time and space – We provide participants with the opportunity to work in silence or in pairs, at their own pace and generate and put forward ideas in a way that they are not immediately evaluated or 'shot down'. This allows people to move at their own pace between thinking about, writing down and evaluating their ideas. It also ensures that the talkative few do not dominate.

Determine clear next steps for the priority ideas – The participants in the ideation workshop will have gone on a journey together. While they are in this headspace, it is important to channel their thinking into the key questions and sources of information that will help to validate each prospective idea. Determining resourcing and a time frame for undertaking the validation process is also important.

An ideation workshop is a proven approach to starting on a journey of finding new ways of doing things. It starts with the identification of a major 'pain point' and enlists your organisation's best thinkers to determine options on the way forward.

These workshops, aimed at future horizon thinking, should form part of the toolkit of all innovative leaders. A well run ideation session helps organisations to identify potential solutions. It can also lead to a re-prioritisation of initiatives if more prospective ideas are identified. Other items for the innovation toolkit include the leader's innovation philosophy; a conducive work environment; and techniques to incorporate innovation into the day-to-day.

In 2014, Bill Taylor, co-founder of Fast Company, observed that 'Innovation is rewarded but execution is worshipped'. Keep in mind that going down the path of holding ideation workshops requires a broader commitment to validating, developing and executing the compelling ideas identified. After all, it is in the successful execution of the most prospective ideas that significant value for the business is created.

'Innovation is rewarded but execution is worshipped'



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If you would like Right Lane to help your organisation run an ideation process to help you stay relevant in your industry, contact **David Hershan**:

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