

How to manage innovative ideas in the modern enterprise

By Terri Griffith Jun. 9, 2011

When was the last time you saw someone open up a locked suggestion box? We've moved on from physical suggestion boxes to web tools that accept ideas from customers and employees located all around the world. Organizations from the U.S. Transportation Safety Authority (TSA) to LG Electronics use the web to ask for ideas about how to improve their businesses or what new products to offer.

The Internet provides companies with a great way to reach out for new ideas. But if you use the web to gather ideas, it's also important to think about how you ask for them, and what you'll then do with them. Idea generation — also known as ideation — is generally the first step in an organization's innovation process.

Two ideation process examples

The TSA's ideation process starts with a site called the IdeaFactory. Enabled in April of 2007, the site is described as being “created to empower TSA employees to suggest and promote ideas to improve their workplace and the way TSA does business.” Employees can post, rate and comment on ideas. The IdeaFactory team goes through the ideas, and then it processes those that are best suited to the agency's strategic goals or are especially popular.

LG's process is much more formal. External collaborators are asked to submit a proposal for a solution related to a theme or specific issue noted on the company's Collaborate & Innovate site. LG provides a downloadable template asking about the team proposing the solution, the stage of technology development, intellectual property issues, etc. The LG Collaborate & Innovate team then evaluates the submissions and responds within four to eight weeks (a detailed description of the process is available [here](#)).

The TSA and LG examples are ongoing practices, but ideation can also be event-focused, such as IBM's Innovation Jams.

Event-focused ideation

IBM has been “jamming” since 2001. Innovation Jams are focused online brainstorming and collaboration sessions held around a specific topic designed to spark innovation. The process has grown, and the company now offers it as a consulting service. As an indicator of the size of this process, in 2006, \$100 million was granted to the top ideas generated by 150,000 IBM employees, family members, business partners, clients (from 67 companies) and university researchers who participated in two 3-day phases, with contributions made 24 hours a day from 104 countries. (More about the Innovation Jam process.)

What makes ideation work?

Whether you use a single event or an ongoing process, the process you use to ask for ideas matters. Researchers recently had the opportunity to follow a grassroots innovation platform at Microsoft to identify design challenges and opportunities in the process. The researchers were able to track type of participation with platform, and through interviews with recent and top contributors and managers, dig deeper into participant motivations. They followed 1,491 users who made 2,211 votes, 488 comments and contributed 315 ideas around the topics of business problems in peer-to-peer advertising, identity-based system services and social computing. Overall, the researchers felt that participation was low, given that the organization had over 95,000 employees at the time.

As a result of their study, the researchers identified a variety of recommendations for increasing participation and overall value in the innovation process, but these three struck a chord with me:

Foster meaningful participation. In the Microsoft study, only a small percentage of the corporate community participated in the pipeline. To improve participation, the researchers recommend incentives and clarification of how to balance regular work duties with contributions to the innovation process.

Use business-relevant criteria in the voting process. Digg-style voting systems, as used in the Microsoft system, do not take business value into account, and the author's passion for an idea may be diminished if too few votes are received. The researchers suggest that capping the number of votes a user can give, or asking users to rank ideas, can solve these problems.

Support the process of innovation within the system. In the Microsoft example, the innovation platform is only used for a part of the idea pipeline, which means that users become unaware of the status of ideas as they move forward outside the system, leading to frustration. The platform also fosters the misconception that innovation is easy. Adopting a macro-level process of innovation in the system would allow the entire idea pipeline to be captured as it unfolds.

That last recommendation — to support the process of innovation within the system — is echoed in a comment by Edward Bevan, IBM's vice president for technology and innovation programs, speaking about the IBM Jam process: "Idea generation is in some ways the 'easy' part — and darling star child — of innovation, whereas advancing, refining and building support for those ideas is the really tough part. . . ." Ideation needs follow-through to provide value.

Today's top innovation management system vendors hope to facilitate ways of advancing, refining and building support for ideas — as well as idea generation. Over the next few weeks I'll be talking with people from some of these vendors (first up, Brightidea) about how to best support innovation that comes from anywhere. Hint: It's never just about the tool.