Driving Innovation™

Innovate faster than your competition

“It’s brought a lot of velocity to projects we manage now.”

- Leah Davey
Business Manager Process Cleaning Technologies,
IXOM
Driving Innovation™ is a programme designed to increase the pace of innovation by changing traditional product development methods.
What is Driving Innovation™?

Driving Innovation is a 12 month in-business skills development programme designed to help NZ businesses to increase both the value and rate of their innovation efforts. Through an iterative coaching approach Agile principles will be taught and embedded to establish world-leading innovation disciplines in complex product development environments.

The programme delivers up to 200 hours of in-business support for a total cost of $40,000 plus GST. Callaghan Innovation will fund 50% of this cost.

Key Deliverables:

Driving Innovation will deliver the following outcomes:

- **Appeal**: Maximise the value delivered to consumers.
- **Profitability**: Maximise your value captured by your business.
- **ROI**: Maximise your Return on Innovation investment.
- **Outpace the Competition**: Accelerate product development.
- **Growth Mind-set**: Embed agile innovation as a business discipline.
- **Rapid Validation**: Reduce portfolio waste and risk.
Who should do Driving Innovation™?

Established and growing businesses with 20+ FTE’s that need to:

- Assess the current innovation practices, capability and performance in your business.
- Increase the pace of innovation by changing traditional product development methods.
- Find and maximise value through testing and validation.
- Provide coaching and insight to maximise business outcomes from the programme.
- Embed new innovation practices in the business to drive long term changes and capability.
## Outcomes

### Common Issues
- Getting ideas to market can be slow or unpredictable.
- Product Development Velocity is unclear.
- Factors that affect speed are not clear or visible.
- Changing direction in response to new environmental factors can be challenging or nearly impossible.
- Cost of change can be high.
- Decision lag can lead to compounding problems.
- Lagging indicators for market misalignments. You’re the last to know when there’s a customer experience problem.
- Organisational needs come first... customer needs are an after-thought.
- Risk management is focused on minimizing losses rather than maximising gains.
- This tends to amplify risk by stifling innovation and slowing execution.
- Excessive work-in-progress leads to low throughput and process waste.
- Organisation tends to be busy as opposed to productive.

### Driving Innovation
- Ideas have a clear path to market and progress can be monitored.
- Product development velocity can be measured.
- Organisational impediments are visible.
- Responding to change is easier with a clear process.
- The cost of change can be measured and managed down.
- Decision lag can be measured and systematically reduced.
- Customer experience and market need is the primary focus.
- Provides leading indicators of market misalignments: Early detection of customer issues.
- Creating Value Propositions is the norm.
- Continuous gap elimination at the core.
- Uncertainty management is focused on maximizing gains.
- Uncertainty is retired early through rapid execution loops and fast feedback.
- Processes and people become value focussed and waste repellent.
- Projects have defined start and completion criteria (eliminating the meandering finish and the ambiguous start- significant sources of waste).
### Process Overview

#### Engagement Phase
- **Discuss**
  - Callaghan Innovation and the business meet to discuss the value in undertaking the Driving Innovation process.

- **Statement of Works**
  - Provider to supply a Statement of Works to the client business. The client business is to agree and sign before co-funding agreement can be approved and signed.

- **Agreement**
  - Once agreement has been reached to proceed a Co-Funding Agreement is signed by Callaghan Innovation and the client business.

- **Service provider**
  - Once the Agreement is in place the appointed Service Provider works with the Company to engage with the appropriate staff and thought leaders within the Company.

#### Program Phase
1. **Discovery**
   - Set the platform for the “Driving innovation” programme including creating urgency for change and identifying key directions and objectives.

2. **Review point**
   - After the Discovery phase, a project review will take place.

3. **Challenge**
   - Directly question and challenge the status quo in order to find a new and improved “normal” - and introduce new organisational practices.

4. **Integrate**
   - Institutionalise new practices and build the platform for ongoing change and improvement.

   - Create opportunities for ongoing engagement, networking and knowledge sharing.
## Programme Details

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<tr>
<th>Approach</th>
<th>Outcomes</th>
<th>Outputs</th>
<th>Time Frame, Cost and Engagement</th>
<th>Resources</th>
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| **1** Discovery | Meetings with leadership team to understand:  
  - What’s working and what’s not working.  
  - The existing business and “context.”  
  - The key people, roles and responsibilities.  
  - Immediate innovation goals.  
  - Preferred approach.  
  - Innovation Fundamentals Workshop (1 day). | A benchmark of the current innovation practices and performance. | 2 to 3 introduction workshops to set the working relationship up. | 2 to 3 weeks  
  Callaghan Innovation advisor and Customer Manager  
  Senior company leaders |  
| **2** Challenge | Introduce a Delivery Coach to the organisation. | The company has overcome the inertia of getting new initiatives started. | Conduct 3 marketing opportunity tests to explore immediate opportunities (using the Lean Start-up methodology). | 12 weeks  
  Project team |  
| | One-to-one coaching for Executive leadership and staff. | Capability to validate opportunities in a rapid and lean way. | Innovation Governance framework established. | 110 hours of engagement  
  Project team |  
| | Regular “deep-dive” workshops to explore innovation topics (aligned to Doblin Ten Types) – and practical ways to implement. | Risk is retired early through rapid execution loops and fast feedback. | 5 to 8 “deep dive” workshops conducted on key topics. | $22,000  
  Project team |  
| | Develop specific innovation practices. | Greater throughput on ideas. |  |  
| | Facilitation of at least three market opportunity experiments. | Deeper understanding of the customer. |  |  
| |  | Improved voice of the customer. |  |  

**Review point**  
Callaghan Innovation advisor and Customer Manager  
Leadership Team
## Programme Details

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<td><strong>3</strong> Consolidate</td>
<td>Align innovation and R&amp;D activities to the organisational strategy. Provide one-to-one coaching for executive leadership and staff. Hold review meetings to evaluate recently introduced practices.</td>
<td>Ideas have a clear path to market and progress can be monitored.</td>
<td>Regular insight reports offering an appraisal of new innovation practices and the impact of changes on the business.</td>
<td>12 weeks</td>
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<td>Embed a platform for improved innovation practices across the business.</td>
<td>Product development velocity can be measured.</td>
<td>Documentation, information and support to help the business become more self-reliant.</td>
<td>40 hours of engagement</td>
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<td>Establish an innovation unit. Provide documentation, information and support to help businesses become self-reliant.</td>
<td>Responding to change is easier with a clear process.</td>
<td>Deep dive workshops to address any innovation practice issues or to pursue specific opportunities.</td>
<td>$8,000</td>
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<td>Provide one-to-one coaching for executive leadership and staff. Create opportunities to engage with other New Zealand innovators. Encourage knowledge sharing and ongoing learning opportunities.</td>
<td>Customer experience and market need is the primary focus.</td>
<td>Insight report providing an appraisal of the overall impact of the Driving Innovation programme on the business.</td>
<td>12 weeks</td>
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<td>Creating value propositions is the norm.</td>
<td>Key recommendations for embedding practices and maximising long term benefits.</td>
<td>15 hours of engagement</td>
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<td>Risk management is focused on maximising gains.</td>
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<td>$3,000</td>
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Support Team

A Callaghan Innovation approved provider will engage directly with your business. Two coaches will be appointed – for Capability and Delivery coaching respectively. Each programme engagement will be tailored to suit your business and will build on existing strengths.

**Capability Coach**
- Executive team support and guidance.
- Workshops to explore and identify opportunities.
- Leading pilot programmes.
- Focused coaching to provide advice and maximise innovation performance.

**Delivery Coach**
- Working directly in the business with your team.
- Teaching and embedding new practices.
- Identifying innovation champions.
- On-the-job coaching and support to maximise outcomes.

**Support**
- Your Callaghan Innovation advisor ensures delivery quality is maintained and delivery milestones are met.
- Your Callaghan Innovation advisor connects your business to the Callaghan Innovation ecosystem.
Testimonials

We’ve managed to accelerate the projects, realise when a project is struggling or stalling, and be able to provide the support to ensure that it does succeed.

Antoni Tisot  
Innovation and Development Manager,  
Downer New Zealand

“The big thing for me is it’s really focused our attention on what’s important for the business, and then we’ve gone hard after those innovations that really could benefit the business at the current time.”

Mike Maunsell  
Director Network Operations,  
Downer NZ

“Some of the things we’ve noticed change as a result of the programme are firstly; the energy and enthusiasm that our team has about the opportunities that lie ahead. Secondly, we’ve really convinced people that we need to change, and thirdly we are exploring opportunities that are a little outside of our core, which is really exciting.”

Leah Davey  
Business Manager  
Process Cleaning Technologies, IXOM