

Innovating Innovation

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Hurdles in Innovation

- What is innovation?
- Key hurdles
 - Generating and Evaluating new ideas
 - Creating a plan to move those ideas forward
 - Managing risk



Open Innovation

- Getting more people involved in innovation
 - Broadly within a company
 - Including external Subject Matter Experts
 - Engaging customers
- How can this be done effectively?
- Can it help to overcome the key bottlenecks with innovation?
- The plan
 - Explore open innovation and these bottlenecks
 - Draw an analogy between innovation and incubation

Ideation

- Well-studied processes for idea generation
- Advantages of opening up the process
 - Many independent voices
 - Varied experience base
- Disadvantages
 - Inefficient use of resources
 - Training needed
 - May require problems to be defined in advance

P&G connect + developSM
Corporate Collaborations

Moving Ideas Forward

- Large companies often innovate by buying entrepreneurial ventures
 - Ensures that ideas are carried forward
 - Minimizes risk
 - Can be expensive

Managing Risk

- Who will innovate in a company?
 - Upper-level management wants a particular number of innovative projects
 - Compensation for managers
 - It is not in any manager's best interests to take on an innovative project.
 - Failure will have a high personal cost.
- A key reason why firms innovate by acquisition

Innovating Innovation

- Let's apply innovation methods to the innovation process itself
- Analogy as a powerful ideation tool
 - Allow people to draw information from one domain to another
 - DeMestral, Cockleburs and Velcro
- Can we learn something about innovation from business incubation?



Austin Technology Incubator

Greg Pogue
Keela Thomson
Rosemary French
Ryan Wynett

- Ongoing research project
- ATI—Isaac Barchas, director
 - Early stage technology companies
 - Take them to first round of funding
- The model of business incubation is changing



Business Incubation

- Early model
 - Space and Technology primary
- A new model—The coral reef
 - Incubators still provide space
 - But, they also create a structure for an ecosystem
 - Member companies, investors, government, successful entrepreneurs, business talent
 - The directors’ “rolodex”
 - Connections
 - Training
 - The reef is an open environment
 - People are helpful without being stakeholders

Using the Analogy

- Many organizations create innovation consultancies
 - The IDEO model
- Instead, create an innovation ecosystem
 - Innovation experts are important
 - Subject Matter experts
 - Successful past innovators and managers
 - Connections to surrounding business community
- Successful innovation needs the same openness as successful incubation

Making this Happen

- Innovation centers can't be ideation centers
 - Innovators need to be embedded in a team
- Open the process
 - Engage people across an organization
 - Encourage coopetition
- Tolerate failure
 - Spread the accounting of failure broadly
 - Punish negligence, but not failure

Other Perspectives

- Ideation, Evaluation and Market
- Academia
 - Chris Schunn, Paul Paulus, Edward Anderson, Heath Naquin, Carolyn Seepersad, Sanjay Sisodiya, Clint Zintgraff,
- Business and Government
 - Wayne Fisher, Rob Smithson, Bob Little, Ben McAllister, Pam Henderson, Philip Wheat, Matthew Reedy, Matthew Love

