

What do you think the next innovation theme will be?

By Iason Onassis

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Five years ago, Open Innovation, Design Thinking and Blue Ocean Strategy were well-established innovation management theories. However, innovation-related management theories succeed each other rapidly. Today's themes include Open Innovation, Ecosystems, Big Data and Lean Start-ups – topics we were already discussing at that time. What's next?

From the very first edition of Innoflash, now in its 6th year of publication, Philips Innovation Services, Industry Consulting, has successfully been identifying trends in innovation management theory. With five years passed, now is a good time to reflect on what has happened in innovation management in recent years and, more importantly, what we need to do to be prepared for the future.

More than five years ago, some of the big innovation approaches were Open Innovation, Design Thinking and Blue Ocean Strategy. So what happened since then?

I went back to the first edition* of the Innoflash, in which we published three articles. Paul Hissel discussed '**How to become an Innovation Chain Master**'. He posed that "innovation in the future will be far more global and based on multi-party collaboration than today". The key would be to be able to build the innovation chain (scouting, selecting and involving the innovation partners), linking the entities and sustaining the chain. Also key would be managing the processes and lastly, rewarding value appropriately. And we have seen that indeed, going beyond the one-on-one Open Innovation successes to multiparty successes is a challenge. One of the reasons is that value is in the eye of the beholder, and can be different for different parties, something on which the second article sheds further light.

Elke den Ouden, part of our group back then, pointed to her inaugural speech as Professor at the Eindhoven University of Technology and the book she has published since. It focused on the **different types of value companies** can create: not just money for a product or service, but also value of aspects of sustainability and the value of information that is created by all kind of different parties. Making sense of that data and thus creating new value is something we now call Big Data.

The second aspect was creating tools to understand how various players in ecosystems can collaborate. The **Value Network tool** and software app we developed over the last years proved its value in various multi-party innovations we took part in and showed the need to think in these ways.

Finally, Wil van Mil was featured in a webinar he held on **Lean Product Development**. In the webinar he shows how Lean thinking can be applied in **Product Development** and finishes off with the Introduction of **Lean Innovation**. Many companies nowadays are trying to implement Lean thinking for Innovation themselves, including the use of Lean Start-up methods where the emphasis is on how can we learn more quickly what works, and discard what doesn't.

It is good to have foreseen some of the key areas of innovation of the last five years, namely **Ecosystems, Big Data** and **Lean Start-up**. At the same time at Industry Consulting, we have also been working on other approaches over the last five years such as **Ideas2Business**, a practical way to use **Business Model Innovation** – the other big innovation management theme – to develop new businesses.

Ideas into practice

There are plenty of theories but the key question is always: What to do with these approaches? How do you incorporate them in your organization? We'd like to share our own practical approach:

1. Pinpoint the gaps between your capabilities and your ambition, strategy and the industry's requirements.
2. Once you've determined what you need to work on, pilot the key elements you need from existing innovation approaches. Learn, adapt and roll-out.

The keen reader will have noticed that this actually follows some of the Lean Start-up lessons above, like finding out what you need to learn up front (the diagnostic), trial fast and cheaply and pilot where needed.

Finding the blind spots

How do you find out what comes after Business Model Innovation and Lean Start up? What innovation methods to look out for or – better still – pursue actively?

Obviously here some innovation management tools can help. For instance looking at megatrends and working with scenarios.

My colleague Jeroen de Kempenaer suggests one tool that could become important: 'blind spot detection'. He observes that: "weak spots/ blind spots happen to any company, they develop over time. The advances in IT make information so readily available that structurally addressing them is possible. Companies have decision rooms for strategy and business tracking. These are also applicable in innovation, looking at markets, needs, competitors and upcoming technologies. If a new development could cannibalize your business, you had better act, because chances are high that someone else will move and preempt you."

Another innovation tool to use is TRIZ. A tool my colleague Christoph Dobrusskin often uses in his TRIZ work is the 'nine windows' model. It looks at different levels, system, sub-system and super-system as well as how these are connected in time. It is interesting to see that some of the innovation management methodologies (and also overall or strategic management approaches) can be explained with this tool. For instance while insourcing innovation or better collaboration / co-creation with suppliers was innovation 'in the system', Open Innovation took it one level higher into the 'super-system', by including users, customers, retirees, small companies or ventures that had no link yet to the company, incubators etcetera.

What's next?

The MIT Innovation Initiative recently announced it will create the Laboratory for Innovation Science and Policy to pioneer the emerging science of innovation. We look forward to finding out about more about the results of their initiative.

I would like to invoke one of the other innovation methods of the past five years: crowd sourced co-creation. We'd like you to help co-create the answer to the following question:

"What are the innovation methods, approaches and tools that will become hot in the next five years?"

Feel free to share [your thoughts](#) with us!

Then let's make an appointment in five years' time to see: was this foresight as good as that of my colleagues over five years ago? We look forward to hearing your thoughts on this.

*If you are interested in receiving the articles mentioned, please send an [email](#).

