

## ⋮ Innovation: The Driver of Growth ⋮

### Product Development & Management

“Every organization needs  
just one core competency-  
innovation”

....Peter Drucker



### Overview

It is widely accepted that innovation and new product development are the key drivers of growth in today's competitive environment. However, it is one thing to claim that innovation is a priority and it is something entirely different to execute a program that delivers real results. Successful innovation is much more than the creative spark of invention. It is also much harder to come by. Successful innovators are able to consistently capture those sparks and translate them into profitable businesses.

Innovation - in new products, in business processes, and in people's ability to be creative - means different things in different companies. For some, it is about defining and implementing the systems to stimulate innovation and increase return on investments in research, new product development and information technology. For others, it is about building the skills, awareness and attitudes needed to achieve successful business outcomes. At MIDIOR, one thing that we know for sure is that innovation depends on a continuous injection of entrepreneurial spirit and accountability into project and product teams.

### How to Cultivate Innovation

Today, it is accepted wisdom that "innovation is good" and management gurus have written extensively about the advantages that accrue to innovative companies yet little is actually known about how innovation happens. At MIDIOR, we maintain a few basic tenets about innovation and the management of change as it fosters new product development. We believe that:

- Successful innovation is highly dependent on key individuals - you will not have more successful, innovative products than you have excellent product champions. Therefore, you need to encourage and support those internal entrepreneurs by creating rewards, a career path, and supporting tools and systems.
- Successful innovation does not correlate with process. It does correlate with small, cross-functional teams who have strong leadership, are able to communicate with all types of individuals, have a high degree of knowledge about the relevant subject matter and most importantly, love what they are doing.
- True product managers are the CEO's of their products and product lines. They maintain a balance of passion and accountability with respect to their product and thrive on their product's success, not on an increasing their number of direct reports.
- Innovation can happen anywhere. It is a part of everyone's job description and attempts to innovate should be celebrated.

### What We Know

The concept of managing innovation and change is counterintuitive and in some cases contradictory to accepted management theory. Many independent factors influence the translation of innovation into new products and services but there are a few guiding principles that we believe in.

**Risk is essential.** Without risk, there is no opportunity. To be successful, you need to develop a culture that is tolerant of risk. The companies that learn to capitalize on non-intuitive opportunities will be rewarded with growth.

“Innovation is the intersection of preparation and opportunity.”

**Fail quickly, fail often.** If you're not failing then you are not trying hard enough, and you won't learn anything. There's a lot more to learn from experiments that fail, than flukes that succeed.

**Time-to-market is the wrong metric.** More business failures can be attributed to being "too early" to market than "too late" to market. Time-to-revenue is the metric MIDIOR uses as a leading indicator of success.

**Plans don't predict.** We like to say that the one thing you can count on, is that the plan is wrong. Business plans and forecasts are not predictions of the future, they are tools for thinking through what needs to be done and communicating to others what to do next.

At MIDIOR, we won't accept the status quo just because it is the path of least resistance. We work with organizations that are actively looking to change on multiple fronts. While it is widely believed that small companies have the advantage when it comes to innovation, we have seen a culture of innovation flourish with some of our largest clients.

Are you ready for change?

For more information, contact MIDIOR at 617.864.8813 or email us at [info@midior.com](mailto:info@midior.com)