

# The Many Facets of Creative Innovation Management

**Motivating employees to come up with creative ideas and to develop them further until they become innovations is a capacity increasingly crucial for success. Methods and concepts from science can help to foster innovation ability and decision reliability.**



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Today, generating innovation is a decisive competitive factor. In the past, it was sufficient for a business to find a promising niche or an attractive growth sector prior to any competitor (Gärtner, 2011). Nowadays, moving targets dominate the order of the business. Whoever wants to be successful in saturated or fast emerging markets will not succeed without a strong capacity for innovation. A true competitive edge is only gained by innovating professionally and identifying market potential. Action instead of reaction is the key to success (Gassmann, 2009).

The interplay of influencing factors correlating with innovation ability is highly complex. There is no simple recipe. The capacity to continually generate innovation lies on the foundation of structural and cultural preconditions, but also on the planning and operational competence of individual employees. If nothing else, people with all their creative ideas but also their wishes and needs are at the centre of the concept of innovation.

## The creative part of innovation processes

Against the background of demographic change and the increasingly apparent skills shortage, a new change - learning and innovation-oriented corporate culture - is taking precedence. Recently, participative approaches to foster the

capacity for innovation in businesses emerged and established themselves. At their centre is the intention to tap into the knowledge potential and creativity of all employees within the organisation and to enhance it with external knowledge. With these thoughts in mind, the St.Gallen Innovation Centre IZSG-FHS has developed an approach which divides the creative part of the innovation process into four distinct phases: prototyping, provotyping, prototyping, and presentyping (see *image 1*).

The difference between invention and innovation is that the latter is being developed until marketability and commercial launch. The way leading up to this is cumbersome with many hurdles to be tackled: specialists from different fields of expertise have to be enthused, decision makers have to be convinced and complex correlations have to be made comprehensible. In practice, many inventions fail to meet these challenges and never become innovations. Against this background, it is crucial for innovation managers to know as soon and as reliably as possible where to invest their limited resources. Traversing iteratively the four phases helps to foster this decision reliability:

1. Innovation processes do not start with the immediate discovery of ideas or even solutions, but with understanding and framing the problem. In the

prootyping phase current and potential challenges are being addressed employing different inspiration and irritation methods, like trend analysis and scenario technique. In particular, examining societal trends provide fertile soil for developing creative ideas. A trend is not understood as a temporary fad but as an underlying force that shapes and influences markets, businesses and products. They correspond to currents in societal changes and reflect the shifting needs of society (Horx, 2009).

2. The aim of the provotyping phase is to generate as many distinct ideas as possible. Co-located idea storming workshops, where participants systematically develop idea fragments using various creativity techniques, lend themselves to that end. In addition, forms of virtual collaboration like crowd sourcing can be used to tap into the creative potential of a larger group and to broaden the scope of possible ideas.

3. Using specific methods, the large quantity of ideas gathered are condensed to identify the most promising ones. In the prototyping phase the first prototypes are produced

to meet that goal. These might take the different forms from early, preliminary visualisations to physical mock-ups. Using prototypes as a means of concretion allows us to gain a comprehensible view about a specific idea and to filter out inconsistent or imperfect ideas.

4. Finally, the selected ideas have to be sold to the right people. Therefore visualisations and concepts of storytelling are being developed around the chosen idea in the presentyping phase. Appealing visualisations and tantalising stories enable us not only to convey abstract concepts and ideas, but also to entrap the audience's attention. They foster a comprehensible discussion about the logic of the commercial success of the future innovation. In doing so, they provide a powerful tool to develop and test at a very early stage of the innovation process.

An iterative walk through these phases promises to develop – in a systematic and sustainable way - creative ideas and informed decisions. The scientific foundation of these phases is found in the insights from the field of Design Thinking or Design-driven Innovation

Development. This approach is based upon the assumption that problems can be solved better when people from different fields of expertise collaboratively frame the underlying problem, identify the needs and motivation of a targeted group of people and, based upon these insights, develop concepts which are subjected to constant testing (Brown, 2006).

### Innovation in research, education and consulting

The St.Gallen Innovation Centre IZSG-FHS was established six years ago to institutionally anchor innovation at the FHS University of Applied Sciences St.Gallen. The centre focuses the university's capacities in the innovation domain and helps businesses and organisations to identify and develop product-service systems and business model innovations. In collaboration with practice, different approaches and methods from the fields of collaboration, idea management, simulation, and design are being employed to develop new ideas or gain new perspectives on existing solutions.

The range of activity of innovation managers is manifold. As pioneers, they clear the arduous path for ideas leading up to the commercial launch by connecting different departments, leading processes and specialist teams. They build bridges between engineers and business economists, between clients and developers, and inventors and decision makers. As lead and lateral thinkers, innovation managers help shaping the future of their businesses.

Innovation management be understood as a discipline of its own, but also as a horizontal competency of project leaders, developers, designers and marketing specialists. Particularly in SMEs, project leaders take on the role of innovation managers. The methods and tools of innovation management enhance and deepen the existing

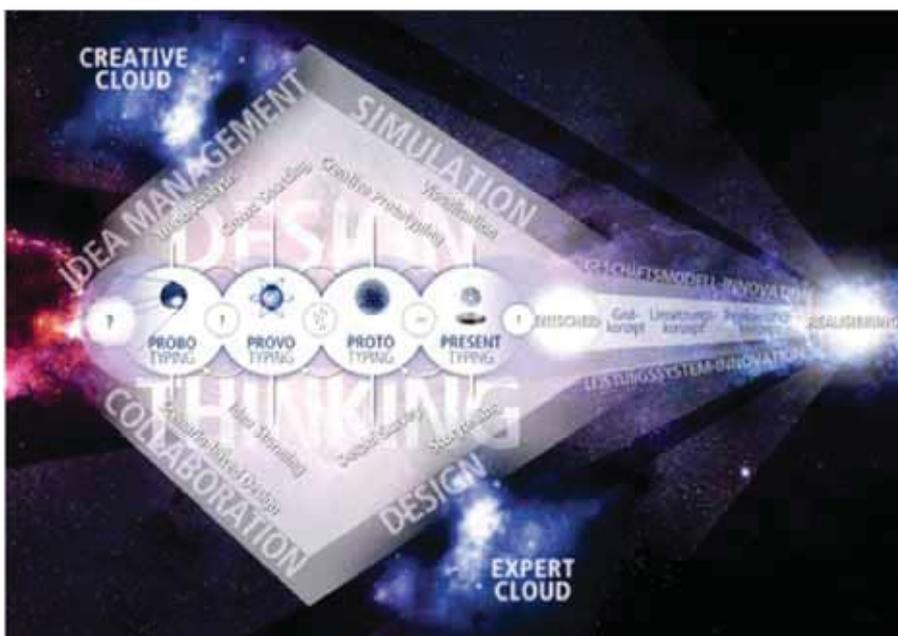


Image 1: the creative part of innovation processes



capacities of the project leaders and thus enable SMEs to introduce and conduct successful innovation processes.

*Image 2: Design Thinking applied in the MAS Corporate Innovation Management programme.*

The St.Gallen Innovation Centre IZSG-FHS lives, breathes and teaches the many facets of the craft of innovation management. In education, bachelor students as well as further education students in the MAS in Corporate Innovation Management benefit from the centre's specialist lectures. The modular structure of the MAS programme allows students to design their own learning path along their individual talents, interests and skills. As core innovation methodology, all modules build upon the Design Thinking approach. Workshop and studio work guarantees a high relevance for and easy transferability into practice. The focus of the imparted craft of innovation management is to give

students the ability to lead innovation projects and to comprehensibly understand the nature of innovation itself.

For more information about the Master of Advanced Studies programme please visit: <http://www.fhsg.ch/mas-cinm>

## Literature

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## Authors

*Prof. Schmid and Prof. Utz conjointly lead the St. Gallen Innovation Centre IZSG-FHS at the FHS University of Applied Sciences St. Gallen. With their team, they investigate science-based approaches and methods to foster innovation capacity and decision reliability for SME in search of product-service systems and business model innovation. The insights gained from their applied research are being put into practice by means of various consulting offerings and educational contents.*