

THE NECESSITY OF INNOVATION

If you are not progressing and continuously improving your products, services, processes, customer satisfaction levels and employee skill-set as a business today, your direction is stagnation, and eventual failure. In this present tough economic period, only those organizations that are able to be innovators, despite the economic hardships will last and eventually thrive as the outlook improves. In fact, for truly pioneering individuals and companies the present economic hardship may mean they can leap ahead of their competition and come out on top as the situation unfolds. More than ever, innovation is going to define how successful companies define their behavior.

How can companies be innovative in the face of plummeting sales, increasing uncertainty and disappearing investment dollars? Intelligent risk taking, cut-throat critical evaluation of your existing methods and products and clear action plans are required in situations like the present recession. For some, complete refocus of the business may be necessary.

Innovation is constant. To focus on what is working and what yields fruit is absolutely necessary but to focus on this and not invest in new developments may doom future business. On the other hand, when we focus on innovation at the expense of what is working, we may doom ourselves even quicker.

Perhaps the greatest challenge when everything is working is to innovate. To innovate too much and you can diverge from your core competencies. Fail to innovate and you can be left behind when markets shift and what was once profitable is no longer.

Necessity once was thought to be the mother of invention. Why? Because it makes us want to innovate - or actually, need to innovate. However, most of us are already motivated. As workers in the Age of Ideas, we love to innovate, right? What we need is an environment where innovation comes naturally, where there are no unnatural blocks to our urge to create.

Organizationally speaking, our environment is the organization's culture - an all-pervasive force that shapes our individual expectations, actions, interpretations and responses to events. There are certain mandates in the culture that make it more natural for members of the organization to innovate. Typically, when you see a list of these, it includes things like trust, communication and risk taking. While those are all valid, they're a little too abstract to be readily used in leading an organization. Instead, here are three simple mandates that can help you create an environment that supports innovation.

Clearly, when it comes to bringing new ideas, processes and products to the forefront thinking in new creative ways is needed. In the present economic climate, the cost of inaction will prove to be the biggest cost of all. ■