

BSBSTR801

**LEAD
INNOVATIVE
THINKING
AND
PRACTICE**

BSBSTR801

Lead innovative thinking and practice

Release 2

Learner Guide

Aspire Version 1.1



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Before you begin

This Learner Guide is based on the unit of competency *BSBSTR801 Lead innovative thinking and practice*, Release 1. Your trainer or training organisation must give you information about this unit of competency as part of your training program. You can access the unit of competency and assessment requirements at: www.training.gov.au.

How to work through this Learner Guide

This Learner Guide contains a number of features that will assist you in your learning. Your trainer will advise which parts of the Learner Guide you need to read, and which Practice Tasks and Learning Checkpoints you need to complete. The features of this Learner Guide are detailed in the following table.

Feature of the Learner Guide	How you can use each feature
Learning content	Read each topic in this Learner Guide. If you come across content that is confusing, make a note and discuss it with your trainer. Your trainer is in the best position to offer assistance. It is very important that you take on some of the responsibility for the learning you will undertake.
Examples	These highlight key learning points and provide realistic examples of workplace situations.
Practice Tasks	Practice Tasks give you the opportunity to put your skills and knowledge into action. Your trainer will tell you which practice tasks to complete.
Summaries	Key learning points are provided at the end of each topic.
Learning Checkpoints	There is a Learning Checkpoint at the end of each topic. Your trainer will tell you which Learning Checkpoints to complete. These checkpoints give you an opportunity to check your progress and apply the skills and knowledge you have learnt.

Foundation skills

As you complete learning using this guide, you will be developing the foundation skills relevant for this unit. Foundation skills are the language, literacy and numeracy (LLN) skills and the employability skills required for participation in modern workplaces and contemporary life.

The following table provides definitions for each foundation skill.

Foundation skill area	Foundation skill description
Reading	<ul style="list-style-type: none"> Identifies, analyses, interprets and evaluates visual and textual information from a range of sources to identify innovation strategies, practices and trends
Writing	<ul style="list-style-type: none"> Uses clear and precise language to document research findings for reference purposes Develops complex plans, strategies and systems to integrate innovation into the organisation using appropriate formats for the audience and purpose
Initiative and enterprise	<ul style="list-style-type: none"> Discusses, presents and seeks information using appropriate structure and language for the particular audience Uses questioning and active listening to encourage discussion and to clarify or confirm understanding Plans, develops, implements and monitors practical strategies to introduce and support innovation in the workplace Develops new and innovative ideas through exploration, evaluation, analysis and critical thinking
Numeracy	<ul style="list-style-type: none"> Interprets, analyses and presents numeric/financial information in complex documents
Self-management	<ul style="list-style-type: none"> Evaluates and reflects on personal effectiveness to develop strategies to enhance own performance
Teamwork	<ul style="list-style-type: none"> Understands how own role links in with others and contributes to broader work goals Uses a variety of relevant communication tools and strategies to build and maintain effective working relationships Uses inclusive and collaborative techniques to communicate, negotiate and consult effectively with a range of stakeholders Actively seeks the perspectives of others as part of work role
Problem solving	<ul style="list-style-type: none"> Leads in the development of strategies to integrate innovative practices into the organisation Uses formal analytical and lateral thinking techniques to identify issues, generate and evaluate possible solutions, and select most appropriate option

What do you already know?

Use the following table to identify what you may already know. This may assist you to work out what to focus on in your learning.

Topic	Key outcome	Rate your confidence in each section
Topic 1: Generate innovative thinking and creativity	1A Identify trends shaping organisational thinking and practice	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1B Identify and use techniques to generate ideas	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1C Research conditions for innovation	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
Topic 2: Lead innovative practices	2A Assess and refine personal leadership style	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2B Promoting sustainable innovation activities	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2C Promote knowledge transfer	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2D Identify, evaluate and manage risks	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
Topic 3: Support a culture of innovation	3A Identify, introduce and promote innovation	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3B Capture, communicate and share ideas and practices	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3C Foster and build a workplace culture that encourages innovation	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident

Topic	Key outcome	Rate your confidence in each section
Topic 4: Sustain innovative thinking and practice	4A Develops strategies for embedding innovation in organisational activity	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	4B Develop and monitor processes for assessing awareness of and contribution to innovation	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	4C Devise strategies to respond to barriers	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	4D Analyse and reflect on innovation performance	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident



Topic 1 | Generate innovative thinking and creativity

- 1A Identify trends shaping organisational thinking and practice
- 1B Identify and use techniques to generate ideas
- 1C Research conditions for innovation

1A Identify trends shaping organisational thinking and practice

Ideas about innovation have grown and changed over time.

When people think of innovation, they typically think of a product, such as a laptop computer or a self-driving car. However, innovation is also a process, which can lead to the creation of a new product.

Innovations need not just be products. Services and practices can also be innovative. This means that every organisation can be innovative.

Innovation can be difficult to define, however it is widely agreed that innovation involves *doing something new*. Additionally, an innovation needs to have *value* – for example, it needs to generate profit for a company or provide benefits for its stakeholders such as customers or staff.

To understand innovation as a concept, it is useful to examine past and present innovation theories.

Past and current theories about innovation

One of the first people to study innovation as a concept was an Austrian economist

At the beginning of the 20th Century, Joseph A. Schumpeter identified five types of innovation:

- New products
- New methods of production
- Opening new markets
- Developing new sources for raw materials
- New market structures

Schumpeter made a clear distinction between a person who produces and a person who innovates. An innovator introduces something new which increases profit for a business, beyond the profits of a similar business which is not innovating. He argued that these profits can only be sustained if a business continues to come up with innovative ideas.

The process of innovation

Innovation is defined as both a process and an outcome. The innovation process involves the development of a new idea or method; the outcome of that process is an innovative product or practice.

A British sociologist named Roy Rothwell identified historical changes in how people understand the innovation process; each era is characterised by a specific 'innovation process model'. These innovation process models provide an insight into how our understanding of innovation has changed over time.

Era	Model	Description of model
1950s-mid 1960s	Technology push model	<ul style="list-style-type: none"> The market benefits from innovative products and customers simply buy what is on offer. Innovation is a linear process: research, development and output of new products occur one after the other in sequential order.
Mid 1960s-early 1970s	Market pull model	<ul style="list-style-type: none"> The needs and demands of the market determine research and development of new products. Innovation is still viewed as a linear process: research, development and output of new products occur one after the other in sequential order.
Mid 1970s-mid 1980s	Interactive model	<ul style="list-style-type: none"> Marketing and research and development become more intertwined. Innovation is viewed as the result of technology push and market pull forces. The innovation process is still sequential but with 'feedback loops'.
Early 1980s-mid 1990s	Integrated business processes	<ul style="list-style-type: none"> The market is represented at the beginning and end of the innovation process. Research and external input (from suppliers and customers) happens at the same time – a parallel rather than a sequential process. There is greater cooperation and collaboration between the research, development and production teams.
1990s+	System integration and networking	<ul style="list-style-type: none"> Time becomes a critical factor – businesses that produce innovative products in the shortest period of time have a competitive advantage. During this era, there is less time for research and development, however, the costs of innovation are also reduced. Technology plays a key role in enhancing the efficiency of the innovation process.

Sources: <https://journals.sagepub.com/doi/full/10.5772/56920>; <https://stratagemgr.wordpress.com/2012/09/29/rothwells-generations-innovation-models>

None of these understandings of or approaches to innovation are superior to the other and previous models have not been completely discarded or replaced. The appropriate model of innovation depends upon the type of industry where innovation is occurring and the type of product, service or process that is being developed.

Innovation vs invention

Another useful way of understanding innovation is to distinguish between an invention and an innovation. An invention is typically something that has never existed, whereas an innovation may involve changing an existing product or idea.

For example, cameras were invented in the early 19th century. Before the invention of the first camera, there was no method for recording a real-life image. Digital cameras are an innovation because they rely on digital technology to capture and save photographs. Although digital cameras are a new device, they are based on an existing product – the original camera.

Another distinction that is often made between inventions and innovations is the outcome of each. Any new product, service or process can be an invention. However, to be considered an innovation, a product, service or process needs to be introduced into a market and generate value – whether that is value for the customer or client, value for shareholders, employees or profit. In other words, inventions do not need to have any value, whereas innovations do.

Invention and innovation can also be viewed as two separate but necessary stages in the innovation process. Invention involves coming up with an original idea or concept and innovation involves creating a product, process or practice and ‘taking it to market.’

Radical and incremental innovation

There are a range of different types of innovation including disruptive, architectural and discontinuous innovation. However, the most important distinction is made between radical and incremental innovation. A description of each of these two types of innovation along with some examples of each is provided below.

Type	Description	Examples
Radical innovations	<ul style="list-style-type: none"> ▪ Breakthrough products or services that transform an industry or lead to significant social change ▪ Address needs in completely new ways, or meets a need that was previously unknown ▪ Require significant time and development 	<ul style="list-style-type: none"> ▪ Airplanes transformed the way people travel and how they view the world ▪ The Internet radically changed how the world communicates and functions ▪ Smartwatches are mini-computers that can be worn on a person's wrist
Incremental innovations	<ul style="list-style-type: none"> ▪ Gradual, continuous improvements to existing products and services ▪ The core characteristics of the original product or service does not change ▪ May make a product or service more appealing to a larger market or audience but does not lead to the creation of new markets or audiences 	<ul style="list-style-type: none"> ▪ A more flexible umbrella that is less likely to break in harsh weather conditions ▪ A television that doubles as a piece of art ▪ A new mobile phone model with additional features to the previous model

Note that to some theorists, incremental innovations are not innovations at all. They are merely adaptations. However, at the same time, drawing the line between what is a radical innovation and what is an incremental innovation can be difficult.

Researching trends

Past and current theories about innovation provide an insight into how ideas about innovation change and grow over time.

This might lead you to wonder: what are the key trends affecting your industry currently? What trends are predicted to affect your industry in the future?

Understanding the trends that are influencing and shaping your area of work is critical to innovation. When organisations do not pick up on 'signals of change' they can become less profitable, less effective or less efficient.

For example, a retail sales business that fails to identify and respond to changing customer behaviour can lose customers to another more innovative company.

To learn more the trends affecting your sector and industry, you need to undertake research. For the purposes of this unit, research involves three steps: **sourcing** information, **evaluating** information and **analysing** and **interpreting** information.

Source information

When identifying trends, gather information from a range of sources. Avoid gathering all your information from a single website, or multiple editions of the same magazine. Instead, gather information from at least two different websites, two different magazines and books.

Your search should be wide enough to encompass a range of sources but contained enough to be feasible given the time available.

Examples of potential sources of information are listed below.

Sources	Examples
Websites	<ul style="list-style-type: none"> Industry websites that include information about trends Government websites that describe trends in an industry or sector Academic websites that outline the latest research about trends
Trade magazines or newsletters	<ul style="list-style-type: none"> Books and magazines about: <ul style="list-style-type: none"> workplace trends (e.g. processes, practices) market trends (e.g. customer preferences and needs)
Journals	<ul style="list-style-type: none"> Peer-reviewed journals¹ specializing in: <ul style="list-style-type: none"> a specific sector or industry trends relating to processes, practices or services
Reports	<ul style="list-style-type: none"> Reports published by trusted and authoritative organisations (e.g. KPMG, PWC, etc.)

¹ Peer-reviewed journals contain articles published by experts that have been reviewed by other experts in their field. Some peer-reviewed journals are available online and others can be accessed through university libraries

Insights from other sectors and industries

In general, the most relevant information about trends will come from sources that relate to your specific industry. However, you might also find useful information from other industries and sectors.

In fact, some of the most successful innovations were based upon ideas from unexpected sources. For example, Henry Ford's assembly line model of production was based on a process used in a meat processing factory. The assembly line model of production used by Ford then led to the 'Speedy Service System' developed by McDonalds.

The ability to apply lessons from one industry or sector to another requires lateral thinking.

Lateral thinking

Lateral thinking is a process that involves coming up with unique answers to complex questions. Rather than using a logical thinking process, lateral thinking involves a more creative approach.

For example, an employee who is struggling to communicate a complex concept to a client might learn about an approach her child's teacher is using to help her students understand fractions. The employee might then use elements of the teacher's strategy to communicate the complex concept to her client.

In this case, the employee's ability to think laterally is demonstrated by her ability to identify a solution to a problem via an unconventional source.

Here are some techniques that can help you think laterally.

Technique	Description of technique
Transitional objects	<ul style="list-style-type: none"> Identify a person or character that symbolizes specific traits or qualities that are missing within your organisation and ask yourself what you can learn from that person to address a problem you are facing. For example, Oprah Winfrey embodies genuineness, passion and a willingness to trust her gut feelings. How might these qualities inform the problem you are addressing?
Jump to the wrong answer	<ul style="list-style-type: none"> Ask what would be the one thing that shouldn't be done in a situation. For example, if all your company's major competitors have a strong web presence, perhaps the worst thing you company could do is get rid of their website. Asking what shouldn't be done can help you get beyond conventional ways of thinking.
Tell a different story	<ul style="list-style-type: none"> Issues, projects and problems in the workplace are often described according to a specific type of narrative. These narratives reflect the basic archetypal plots found in fiction, such as comedy, tragedy or 'overcoming the monster.' Perhaps previous attempts within an organisation to encourage creative thinking were not successful. The process is described as a tragedy, which limits people's willingness to try again. Pick another type of narrative – such as voyage and return – and tell the story in a different way. This can lead to emotional and strategic shifts and new ideas about how to tackle a problem.

Evaluate information

Whenever you are gathering information for the purposes of research, evaluate the information to ensure it is relevant and reliable.

Reliable sources are:

- unbiased: opposing ideas, arguments and explanations are considered
- authored by people with relevant qualifications or expertise: such as qualifications and/or expertise in innovation, creative thinking, leadership and management
- current: contain up-to-date information
- in-depth and comprehensive: consider or informed by a range of relevant theories and concepts, case studies and examples
- accurate: the information is correct, and the conclusions are informed by sound and reasonable arguments.

One technique used to evaluate information is critical reading. Critical reading is a tool used to encourage critical thinking.

Critical reading is defined as ‘active, thoughtful reading, as opposed to passive acceptance of whatever appears on the printed page’.

Critical reading involves four key steps.

Skim	<ul style="list-style-type: none"> • Glance at the document to get an overview of its contents. • Consider the issue the author is writing about, their position on the issue and the evidence provided to support their view. • What evidence do they provide to demonstrate that the practice leads to improved outcomes?
Reflect	<ul style="list-style-type: none"> • Consider your own views on the issue. • What ideas do you have about the issue that could encourage you to accept or reject the author’s view?
Read	<ul style="list-style-type: none"> • Read the entire document carefully. • Underline or highlight importance sentences. • Keep note of any questions or thoughts that emerge as you read through the document
Evaluate	<ul style="list-style-type: none"> • Ask questions to help you avoid passive acceptance of the information: • Are there a lot of vague or ambiguous terms in the document? • Does the author use ‘emotionally charged’ language? • Is the document based upon opinion, rather than evidence? • If the answer to any of these questions is yes, the document may not be reliable.

Source: Vincent Ryan Ruggiero, 2004. The art of thinking: A guide to critical and creative thought.

Analyse and interpret trends

The process of analysing and interpreting information involves examination, comparison and reflection.

1. Examine each source of information separately and identify common issues and themes.
2. Compare the issues and themes identified from each separate source: Are there commonalities? Are there contradictions?
3. Reflect upon what these commonalities and contradictions mean for your sector, industry and organisation.

Current and future thinking and practice in your organisation

There are two ways you can explore current and future thinking in your organisation

Once you understand some of the key trends within your industry, you need to examine how those trends are shaping your organisation's thinking and practice. Some questions you may want to consider include:

- Which trends are influencing your organisation's current practice? Which have been overlooked?
- What is your organisation doing to respond to trends in your industry or sector?
- How is the organisation planning and preparing to respond to emerging trends?

You can explore these questions in two ways:

- Seek out the views and perspectives of relevant people within your organisation.
- Analyse relevant internal organisational documents, such as strategic plans and annual reports.

Seeking out the perspectives of others

Where possible and appropriate, consider speaking with a diverse group of people from different levels and teams.

Senior staff will most likely have a good understanding of high-level plans and goals. Non-managerial staff, on the other hand, will have a good understanding of the progress of those plans and goals 'on the shopfloor'.

Regardless of who are you speaking with, it is important to use an inclusive and collaborative approach. Inclusive techniques make people feel valued, welcome and part of the group, regardless of their background or perspective. Collaborative approaches involve people with diverse expertise working together to accomplish common goals.

Here are some examples of inclusive and collaborative approaches within the workplace.

Inclusive	<ul style="list-style-type: none"> • Rather than selecting specific individuals to take part in an activity – such as a group discussion – send an open invitation. Allowing people to ‘opt in’ helps people feel included. • Show respect for all types of diversity – such as diversity relating to ethnicity, ability and personality types – and avoid making assumptions about people’s knowledge and experience.
Collaborative	<ul style="list-style-type: none"> • Share information with colleagues that you think might be helpful to them – don’t wait for them to ask. • Seek to gain consensus when making decisions – when you need to negotiate with colleagues, strive to find a ‘middle point’.

When seeking out the views and perspectives of people in your organisation, use language that is appropriate to their role and level of seniority.

When seeking out the views and perspectives of people in the workplace – regardless of their role or level of seniority – you should also:

- ask the right questions in the right way and
- actively listen.

Asking the right questions in the right way

Questions are a powerful tool in the workplace; they facilitate the exchange of ideas and help to build rapport.

Open-ended questions encourage people to participate in a dialogue because, unlike closed-ended questions, they require more than a yes or no answer.

Here are some examples of closed-ended questions that have been turned into open-ended questions.

Closed-ended questions	Open-ended questions
Do you think this company encourages innovation?	What approaches are being used to encourage innovation among employees?
Do you know of any approaches that could be used to encourage innovation?	How do you think the company could encourage innovation among employees?

Do you use techniques to encourage creative thinking among your team?

What have you learned about encouraging creative thinking in your team?

When seeking information from a group of people, try to encourage quieter members of the group to take part. Rather than asking individuals directly to contribute, address the whole group.

For example, rather than saying, 'Dana, you've been very quiet – any thoughts you'd like to share?' you could say, 'This side of the table has been pretty quiet – is there anything you would like to share?'

Active listening

Active listening involves making a conscious effort to hear what another person is saying. When someone is actively listening, they are not distracted by what is going on around them. One of the benefits of active listening is that it encourages people to communicate more openly.

Active listening involves five key strategies, each of which can be demonstrated through various means of verbal and non-verbal communication.

Strategy	How to demonstrate this when asking questions
Pay attention	<ul style="list-style-type: none"> Face the person who you are questioning. Give the person your undivided attention. Don't look at your phone, watch or other people in the room.
Show you are listening	<ul style="list-style-type: none"> Be aware of your body language – crossed arms can be read as judgement. Use brief verbal comments to encourage the person (e.g., 'Okay', 'I see', 'Yes, I understand what you're saying'). Use facial expressions to encourage the person, such as nodding and smiling.
Provide feedback	<ul style="list-style-type: none"> Reflect on what the person has said by paraphrasing. Summarise the person's comments. Ask related and relevant questions.
Respond appropriately	<ul style="list-style-type: none"> Try not to interrupt the person unnecessarily. Respond openly and honestly. Treat the other person respectfully.
Defer judgement	<ul style="list-style-type: none"> Demonstrate empathy and a non-judgemental attitude. Avoid making assumptions. Listen to the entire answer to your question before commenting.

Analysing internal documents

Internal documents provide insights into trends shaping your organisation's current and future thinking and practice.

Documents, such as strategic plans, annual reports and official meeting minutes, can provide an indication of current and future thinking and practice. To identify relevant documents, you may need to consult with other people within the organisation to determine which would be most useful.

To analyse internal documents, you will need to use the same critical eye that you use for analysing external documents (critical reading). Obviously, the documents are relevant but you still need to assess whether they are reliable. For example,

- is there a clear justification for the decisions that are made about processes and practices within the organisation? (unbiased)
- are plans for product development based on the most up-to-date information about customer and client needs and preferences? (current)
- are the decisions relating to future changes to a service informed by sound and reasonable arguments? (accurate)

You can use the three-step process described previously (examine, compare, reflect) to analyse and interpret the information in internal documents, only this time reflect upon how your organisation's current and future plans align with the trends you identified in your previous research. For example:

- is the organisation using processes and practices that reflect the latest research findings about effectiveness and efficiency?
- do the organisation's future plans align with emerging trends in your industry?
- have changing customer needs and preferences been considered when developing plans for the future?

This process involves reviewing your organisation's thinking and practice in light of the trends in thinking and practice within your industry, sector or the world at large.

Interpreting and analysing visual information

The documents you identify could include text and/or visual information. Visual information could include diagrams, graphs and charts.

Graphs and charts are often used to display numeric or financial information. Some common types of graphs and charts – along with examples of each – are described below.

Type	Use	Example
Bar chart (or graph)	<ul style="list-style-type: none"> Shows data using blocks of different lengths Used for comparing data across categories 	A bar graph that compares expenditure versus budget in different
Line graph	<ul style="list-style-type: none"> Shows data using a series of points connected by straight lines Used for displaying trends over time 	A line graph that shows product sales over a 3 month period in four different regions
Pie chart	<ul style="list-style-type: none"> Shows data using a circle with segments Used to display contribution of each category to the total 	A pie chart that shows the proportion of customers who base their purchasing decisions on cost, convenience, quality or sustainability
Scatter (or X-Y) chart	<ul style="list-style-type: none"> Shows data using a series of dots 'scattered' on the page Used to demonstrate correlation between two factors 	A scatter chart that shows the relationship between weather conditions and sales of a specific product (e.g., temperature and sales of ice cream)

Evaluating the reliability of numeric and financial information is just as important as evaluating the reliability of textual information. Two especially important factors to consider are: is the data *current* and is it *accurate*?

In some cases, you may have raw data that you need to analyse. Raw data is data that has not been processed for the purposes of analysis. For example, you might have an Excel spreadsheet that includes pages and pages of numbers. To analyse the data, you will need to process it. This can be done using various software applications, including Excel. However, more complicated quantitative analysis may require a more specialised software application.

Example

Identify trends shaping organisational thinking and practice

Marnie is an assistant manager at Hunter, a company that designs and manufactures streetwear clothing for men and women. Hunter started as a small business, led by two highly creative fashion designers who saw a gap in the market. Hunter has since expanded to become a medium-sized business employing between 250-270 full-time and part-time staff.

Marnie has undertaken research to identify trends in the clothing sector. She identifies three key common themes relating to trends in the industry: personalisation, sustainability and non-binary gender identification.

To assess how those trends are shaping Hunter's current and future thinking and practice, Marnie speaks with a range of people within the organisation, making sure her approach is inclusive and collaborative.

As the culture in the organisation is laid-back, Marnie feels comfortable using a casual tone when speaking with her colleagues and encourages others to share their views.

Based upon her discussions, as well as an analysis of some internal documents, Marnie notes that Hunter is well-prepared to address the need for greater personalisation – the company is currently developing a new online feature that allows customers to choose their own colour combinations for a limited number of clothing items.

One trend that Hunter is not prepared for is the influence of non-binary gender identity. Although the company sells some unisex items, most of their clothing is clearly divided between clothing for young women and clothing for young men.

Practice Task 1

Question 1

Which of the following actions will help you identify trends shaping your organisation's current and future thinking and practice relating to innovation? Tick all that apply.

- Critically reading two articles from the same publication on innovation and creativity
- Seeking out the views and perspectives of relevant people within your organisation
- Analysing relevant organisational data and information, such as strategic plans and annual reports
- Examining organisational budgets and forecasts to determine resource expenditure
- Discussing innovation with non-managerial staff in the organisation

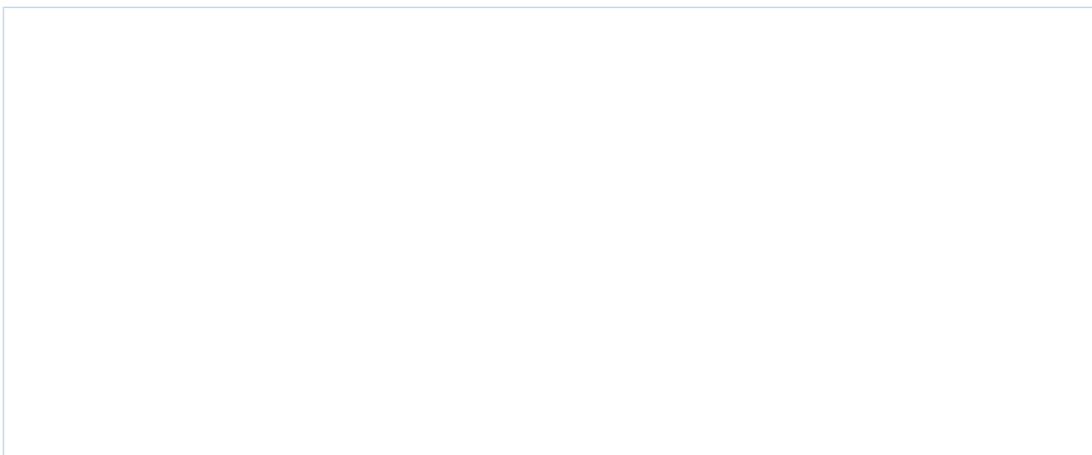
Question 2

List four possible sources of information on trends relating to innovation and creative thinking.



Question 3

Explain how critical reading and analysis can help you develop new and innovative ideas.



Question 4

Which of the following statements are correct? Select yes or no for each one.

- | | | |
|--|-------|------|
| a) Close-ended questions encourage dialogue because, unlike open-ended questions, they require more than a yes or no answer. | » Yes | » No |
| b) When seeking information from others, use language that is appropriate to them such as using formal language with managers. | » Yes | » No |
| c) Active listening encourages people to be brief and to the point. | » Yes | » No |
| d) Active listening involves making a conscious effort to hear what another person is saying. | » Yes | » No |

1B Identify and use techniques to generate ideas

The techniques used to generate ideas rely upon creative thinking

Creative thinking is often referred to as 'thinking outside the box'. This type of thinking helps people challenge the status quo and drives change and innovation.

Creative thinking is:

- generative – the purpose is to make something out of nothing
- non-judgemental – you cannot think creatively if you are being judged
- expansive – by generating ideas and exploring, you tend to get more ideas.

Creative thinking is essential for innovation. Although it comes easier to some people than others, everyone has the capacity to think creatively.

Identifying techniques that generate ideas

Various tools and techniques have been developed to generate ideas and facilitate thinking

Two of the most common techniques are brainstorming and Blue Sky Thinking. Although many people are familiar with these techniques, many people don't use them correctly. For example, brainstorming is not simply an unstructured group discussion where 'anything goes.'

Technique	Description
Brainstorming	Brainstorming is a technique involving a group of people generating ideas together and following five basic rules: <ol style="list-style-type: none"> 1. Criticise nothing: People often feel nervous about sharing new ideas in a group – criticising or mocking new ideas suppresses creative thinking 2. Aim for a lot of ideas: although one idea might sound great, try to come up with as many ideas as possible – the more ideas, the richer the rewards 3. Be daring: Don't limit the discussion to 'sensible ideas.' Be daring. Don't hold back 4. Build on ideas: Build on the ideas that emerge by asking a lot of 'What if...?' and 'What else...?' questions. See where those questions take you 5. Stay focused: Avoid 'drifting off' from the problem – the potential to lose focus is common when multiple people are discussing ideas and concepts

Technique	Description
Blue Sky Thinking	<p>This technique is designed to generate visionary ideas. It is brainstorming but with no limitations and ideas are not necessarily practical or realistic.</p> <p>To be effective, it should incorporate these steps:</p> <ol style="list-style-type: none"> 1. Relax: in order to unlock your unconscious mind – and thereby fire up your imagination – you need to relax 2. Doodle: Once you're relaxed, take a sheet of paper and start sketching randomly. Ask yourself vague, silly or provocative questions about the topic. 3. Stretch: When you think you've reached the limits of your imagination, do one of the following: <ol style="list-style-type: none"> a) redouble your efforts – ask yourself twice the number of questions you asked before and give yourself half as much time to answer them b) take a break – step away from the exercise; make a cup of tea or take a walk

Using techniques in a workplace

Different tools and techniques will be appropriate in different workplaces.

Identify tools and techniques which are most appropriate for your organisation. For example, several contextual factors might need to be considered when using a creative thinking techniques such as:

- workplace setting such as large numbers of people in a team or department or people in various remote workplaces
- organisational culture such hierarchy of management and politics of inter team/ disciplinary interactions
- employees' familiarity with creative thinking.

Consulting with other people within your organisation will help you determine which tools and techniques have the best chance of succeeding in your organisation. Staff at all levels of the organisation – from the most junior through to senior management – will have their own views and perspectives on which techniques are likely to work.

When consulting with others about potential techniques, remember to use an inclusive and collaborative approach. For example, ask a diverse range of people for their thoughts and ideas and thank them for their input, regardless of their level of experience. Share your own thoughts and ideas and work with others to shape and refine your ideas.

When you use a specific technique to generate ideas, make sure you monitor the process. For example, you could ask:

- Did the technique generate more creative thinking about a problem?
- Did the tool encourage people to ‘think outside the box’?
- What did people say about the technique – did they think it was useful?

If you find that a specific technique is especially useful for generating ideas and facilitating thinking, this will provide you with a more solid foundation for promoting that technique more widely across the organisation; if people know the technique has been effective for you and your team, they are more likely to use it themselves. This is modelling the use of creative thinking techniques.

Promoting techniques

As a leader of innovative practice, you can promote creative thinking techniques.

Here are some examples of how you could promote creative thinking techniques in your workplace.

Discuss creative thinking techniques with your colleagues – encourage them to share their thoughts, ideas and concerns about these techniques by asking questions and using active listening.

Answer your colleagues’ questions about creative thinking techniques.

Use multiple forms of communication to present information about creative thinking techniques to staff (e.g. formal presentations, email, blogs, team meetings).

Work collaboratively with other people in your organisation to develop plans and strategies to integrate creative thinking into organisational processes and procedures.

Champion creative thinking techniques by highlighting their benefits; where necessary, provide evidence to support your claims.

Example

Identify and use techniques to generate ideas

Jed is a team leader in a large logistics, transport and warehousing company, and he promotes creative thinking techniques in the organisation whenever he can.

During informal discussions with his colleagues, he talks about how the five rules of brainstorming have helped his team become more confident about sharing new ideas.

He also writes regular blogs that he publishes through the company intranet about different creative thinking techniques.

In a meeting with senior managers, Jed listens to a group of managers talking about a new, innovative company in the sector. One manager argues that it is easier for smaller companies to come up with new ideas, especially during the first few years of operation.

Jed challenges the manager on this point and argues that large organisations can be just as innovative and that a good place to start is building staff confidence to share new ideas. The managers ask Jed how this can be done. Jed explains the benefits of creative thinking techniques such as brainstorming.

"We brainstorm all the time," one of the managers responds. "There's nothing 'new' about brainstorming."

Jed responds by explaining how brainstorming is often misunderstood, explaining the five rules that encourage people to share their ideas without judgement. He also describes two other creative thinking techniques that he is using with his own team that could be rolled out more widely in the organisation.

Practice Task 2

Question 1

Which of the following techniques can generate ideas and facilitate thinking? Tick all that apply.

- Blue Light theory
- Brainstorming
- Blue Sky Thinking
- Lateral thinking
- Logical thinking

Question 2

List three ways managers can promote creative thinking techniques in the workplace.

1C Research conditions for innovation|

The factors that enhance or undermine innovation and creative thinking can be internal to the organisation, such as organisational culture, policies and procedures, or external to the organisation, such as government incentives and public infrastructure.

Identifying enablers, as well as obstacles to innovation, will help you develop effective strategies for enhancing innovation and creative thinking. When you better understand potential roadblocks, you can develop plans to overcome them should they arise.

Research innovation conditions

As part of your research, it is important to examine the:

- workplace conditions required for innovation to take place
- factors that drive and facilitate innovation
- factors that undermine innovative thinking.

This research could involve an analysis of textual information and/or speaking with staff and colleagues.

The main purpose of this analysis is to determine which conditions are most relevant to your organisation. Although resources such as websites, journal articles and reports will give you an understanding of common obstacles and enablers, staff may be able to give you a better understanding of the enablers and roadblocks specific to your organisation.

Drivers and barriers to innovation

Here is a list of examples of factors that can either drive or be a barrier to innovation and creativity. The examples are organised according to those that are primarily internal (emerging from within the organisation) to those that are primarily external (influences outside the organisation).

Internal factors	
Drivers	Barriers
<p>✓ A co-operative mindset</p> <p>A co-operative mindset is characterized by a willingness to share knowledge, build relationships and social responsibility. An organisation's practices, process, behaviours and norms help to create a co-operative mindset in the workplace.</p>	<p>✗ Internal politics and turf wars</p> <p>Innovation requires collaboration and a co-operative mindset. When individuals or teams are overly protective of their ideas, innovation can be thwarted.</p>

Internal factors	
Drivers	Barriers
<p>✓ A 'boundary spanning' approach A boundary spanning approach is characterized by a willingness to explore and listen to diverse ideas and insights and think beyond your immediate boundaries, such as physical distance.</p>	<p>✗ Inflexible rules and procedures within an organisation To think and collaborate in a creative way, people need the flexibility and freedom to consider and express new ideas.</p>
<p>✓ A sense of purpose When people have a sense of purpose, they are more likely to feel inspired and engaged in problem-solving. A shared vision gives employees a sense of purpose and energy.</p>	<p>✗ Micromanaging and constant surveillance When people are micromanaged or under constant surveillance, they are less likely to explore or take risks.</p>
External factors	
Drivers	Barriers
<p>✓ Competition Competition can drive innovation – for example, new businesses with new business models or products can encourage other businesses to innovate.</p>	<p>✗ External policies, regulations and standards External policies, regulations and standards are critical to ensuring effective and ethical practice in all industries. However, they can also restrict organisation's ability to innovate.</p>
<p>✓ Government support Governments can encourage innovation through, for example, the tax system or other regulation or changes in the law that places limits on how businesses must operate and their compliance requirements.</p>	<p>✗ Lack of access to funds A lack of access to additional funds has been identified as a major barrier to innovation among Australian businesses.</p>
<p>✓ Social change Social changes can drive innovation – for example, greater public interest in the environment and concerns about climate change have led to various 'green' innovations, such as energy saving and alternative sources of power.</p>	<p>✗ Lack of public infrastructure A lack of public infrastructure, such as transport infrastructure, can undermine the potential for innovations.</p>

Example

Research conditions for innovation

Marnie has undertaken research to identify trends in the clothing sector. Through her analysis of a range of documents, Marnie has identified numerous factors that impact upon innovation and creative thinking at the company Hunter.

She speaks to several people within the company to analyse which of those conditions are most relevant to the organisation. Through these consultations, Marnie learns that although staff within Hunter are not afraid to share their ideas and explore new possibilities, the recent expansion of the organisation appears to be limiting opportunities for collaboration across teams.

For example, all Hunter staff once worked in the same open plan office. Their recent move to a new building was necessary to accommodate the rapid increase in staff numbers, however staff are now separated into teams and located in separate areas. Several staff have told Marnie that this has led to 'territorialism' – because people don't know and trust each other as much as they used to, different teams are more reluctant to share their ideas.

Marnie concludes that although individual teams are still coming up with new ideas and concepts, 'turf wars' between teams are having a significant impact upon cross-team innovation and creative thinking.

Practice Task 3

Question 1

Which of the following are examples of internal drivers of innovation? Tick all that apply.

- A co-operative mindset
- Stringent rules and procedures
- A 'boundary spanning' approach
- Constant surveillance
- Creating a sense of purpose

Question 2

Describe three external factors which enable innovation in a workplace.

Question 3

Which of the following statements are correct? Select yes or no for each one.

- | | | |
|---|-------|------|
| a) A lack of public infrastructure, such as transport infrastructure, can undermine the potential for innovation. | » Yes | » No |
| b) External policies, regulations and standards can restrict an organisation's ability to innovate. | » Yes | » No |
| c) Micromanaging people helps boost employees' knowledge and skills, so they are better able to innovate. | » Yes | » No |
| d) Lacking access to additional funds is a major barrier to innovation. | » Yes | » No |

Summary

- Innovation involves doing something new – innovations need to have value, that is what distinguishes them from inventions.
- Some innovations are radical – they are completely new – others are gradual and continuous, such as additional features for an existing product.
- To remain successful and relevant, organisations need to be aware of the trends influencing their industry.
- When seeking out the perspectives of colleagues, it is important to pay attention to asking the right questions in the right way and using the skill of active listening.
- Creative thinking is critical to innovation; anyone can think creatively.
- Although most people are familiar with common creative thinking techniques, such as brainstorming, the techniques are also commonly misunderstood.
- The factors that undermine innovation and creative thinking can be external to the organisation, such as external regulations and standards, or internal to the organisation, such as managerial and employee attitudes and beliefs.

Learning Checkpoint 1

Generate innovative thinking and creativity

Part A

1. Draw a line to match each theory and thinking about innovation with its definition.

- | | |
|-------------------------------------|--|
| » Technology push model | » The innovation process is still sequential but with 'feedback loops'. |
| » Interactive model | » Innovation depends on technology and decreases costs but time becomes a critical factor – businesses that produce innovative products in the shortest period of time have a competitive advantage. |
| » Integrated business processes | » Innovation occurs in a linear process: research, development and output of new products occur one after the other in sequential order. |
| » System integration and networking | » Innovation involves research and external input happening at the same time; in parallel rather than a sequential process. |

2. Which of the following practices help generate ideas during a brainstorming session?
Tick all that apply.

- Practice doodling and sketching randomly while asking vague, silly or provocative questions about the topic.
- Do not criticise any ideas suggested by others because it will discourage new ideas in a group.
- Aim to come up with as many ideas as possible.
- Only consider practical and sensible ideas that have a chance of being implemented.
- Build on the ideas that emerge by asking a lot of 'What if...?' and 'What else...?' questions.

Part B

Read the case study, then answer the questions that follow.

Case Study

Mariana is the operations manager at a registered training organisation (RTO) that delivers training in beauty and make-up. Over the past 12 months, her organisation has seen a 40% drop in student enrolments. Mariana understands that most students want the flexibility of online learning but the trainers at the RTO and senior management all agree that beauty and make-up qualifications must be delivered face to face so that techniques and treatments can be demonstrated and practiced. Staff remain steadfast in their belief that by being a solo face-to-face delivery provider, they will stand out from all other RTO's offering the same courses.

When Mariana tries to broach the subject of online learning, they quickly shut it down. She decides to do some research. She contacts current and former students and asks them to complete a questionnaire about their experiences, suggestions for improvement and acknowledgement of what worked well. When speaking with the students, she learns that this is the first time they have been asked to give feedback about their training. Mariana is now more determined than ever to make innovative changes at the RTO.

1. Identify and explain one trend occurring in Mariana's industry that is shaping her organisation's current and future thinking and practice.

2. Describe one issue or barrier to innovation that exists in Mariana's workplace.

3. Describe two drivers of innovation that Mariana can use to her advantage to encourage the RTO to consider new approaches to training and delivery.

4. Mariana wants to open up discussions about future directions for the organisation.

Which of the following techniques can Mariana use to gather information on the perspectives of her colleagues? Tick all that apply.

- Directing individual staff to contribute with new ideas
- Valuing the input of each person
- Encourage participation by asking open-ended questions
- Actively listening and deferring judgement
- Speaking from a position of authority and giving information that colleagues may not want to hear



Topic 2 | Lead innovative practices

- 2A Assess and refine personal leadership style
- 2B Promote sustainable innovation
- 2C Promote knowledge transfer
- 2D Identify, evaluate and manage risks

2A Assess and refine personal leadership style

Leadership is a process of influence whereby one person brings together a group of people to accomplish a common task.

Although everyone leans naturally towards a specific leadership style – for example, some people are quiet and calm leaders, whereas others are more passionate and extroverted – it is possible to adapt and refine how you guide, motivate and manage groups of people.

A person's leadership style can have a powerful influence upon innovation and creativity among the group they are leading. By assessing and refining your own personal leadership style, you can help to encourage innovation and creative thinking within your team and your organisation.

Leadership styles

Three of the most well-known leadership styles are the autocratic, democratic and laissez-faire styles.

Several other leadership styles have also been included in the table below.

Leadership styles	Description
Autocratic (authoritarian) leadership	<ul style="list-style-type: none"> Clear directions and expectations Group members have no (or minimal) involvement in decision-making Can be beneficial for people who need a lot of supervision
Democratic (participative) leadership	<ul style="list-style-type: none"> Build consensus through participation and collaboration Group members involved in decision-making but leader has the final say Helps group members feel like their voice is being heard
Laissez-Faire (delegative) leadership	<ul style="list-style-type: none"> A laidback leadership style All authority is given to group members Suitable for highly qualified and experienced teams
Pacesetter leadership	<ul style="list-style-type: none"> Expectation of excellence and self-direction from group members Suitable in fast-paced environments May not be suitable for people who need coaching and mentoring

Leadership styles	Description
Transformational leadership	<ul style="list-style-type: none"> ▪ Motivating and inspiring leadership ▪ Pushing boundaries of group members and encouraging them to get out of their 'comfort zone' ▪ Useful for growth-minded organisations
Charismatic leadership	<ul style="list-style-type: none"> ▪ Willingness to take risks ▪ Using unusual strategies to meet goals ▪ May not be suitable for people who need coaching and mentoring
Transactional leadership	<ul style="list-style-type: none"> ▪ The leader-follower relationship is viewed as a transaction: the group member agrees to follow the leader in exchange for an award (e.g. A salary) ▪ Roles are clearly defined ▪ May suppress 'out of the box' thinking and creativity

Encouraging innovative thinking and practice through leadership

In general leadership styles that encourage innovative thinking and practice include the following characteristics.

Collaboration	<ul style="list-style-type: none"> ▪ Listening and asking questions ▪ Recognising and drawing on the ideas and contributions of a range of people
Encouraging diversity	<ul style="list-style-type: none"> ▪ Bringing together people from diverse backgrounds and areas of expertise ▪ Supporting unique and diverse skills, talents and identities
Adapting to different needs during different stages of the process	<ul style="list-style-type: none"> ▪ Avoiding process management during the initial stages of development ▪ Providing time and resources for exploration
Accepting and learning from failure	<ul style="list-style-type: none"> ▪ Recognising types of failure and how they can be beneficial ▪ Creating processes for evaluating ideas
Motivating	<ul style="list-style-type: none"> ▪ Allowing people opportunities to simply do 'good work' ▪ Providing a space for independent thought and action

Source: <https://hbr.org/2008/10/creativity-and-the-role-of-the-leader>

Reflecting on your personal effectiveness

The process of reflecting and evaluating our own effectiveness can be challenging.

It is difficult to be objective about ourselves. To be honest and realistic about our effectiveness, we need to be self-aware. In other words, we need to have the ability to recognise and understand our emotions, motivations and their effect on others.

Various tools and techniques are available to assist with self-reflection. For example, the Johari Window is a tool that helps people improve their self-awareness by clarifying what they know about themselves and how they appear to others. You will find many references to Johari window online.

Some of the questions you can reflect upon regarding your approach to innovation are listed below.

How effectively do you:
<ul style="list-style-type: none"> ▪ build open, diverse and positive teams?
<ul style="list-style-type: none"> ▪ challenge assumptions (both your own and other people's)?
<ul style="list-style-type: none"> ▪ question and challenge ideas?
<ul style="list-style-type: none"> ▪ give praise and credit?
<ul style="list-style-type: none"> ▪ build collaboration and teamwork?
<ul style="list-style-type: none"> ▪ follow through on your ideas through, for example, planning and implementation?

Source: Jeremy Kourdi. 2015. The Big 100: The 100 Business tools you need to succeed. John Murray Learning

In addition to self-reflection, feedback from your staff, colleagues and manager can help you gain insight into your personal effectiveness, as well as your strengths, weaknesses and areas for improvement.

When asking for feedback, be specific about what you want feedback on and ask open questions.

Refining your practice

Most of the work of self-evaluation involves looking back in time – what have you achieved, what could you have done better? However, self-evaluations can also provide you with an opportunity to set new goals and think about the future. How could you apply the skills you have learned? What steps will you take to address your weaknesses? The answers to these questions provide the foundation for refining your practice: what do you need to change?

To help you set goals and targets for refining your practice, you could develop a plan. You could develop a plan that only you have access to, or you could develop it with a colleague or supervisor. When another person knows about the goals and targets you have set for yourself, this can be a powerful motivation for you to achieve them.

Example

Assess and refine personal leadership style

Jed has spent some time reflecting on his personal leadership style. He thinks his personal leadership style is democratic. Having gathered feedback from three colleagues who know him well, he has confirmed that his strengths include the ability to ensure all voices are heard, and be able to reach consensus decision-making.

Jed's own self-reflection, and the feedback from his colleagues, highlights his proven ability to lead teams in a calm and considerate manner. One area where he could improve is his ability to motivate his team. He and his team have been working together for so long that they have 'gotten into a groove'. Jed would like to push them into new territory, encouraging them to think beyond the next set of deliverables. To do this, Jed needs to be able to motivate and inspire his team.

With the help of a close colleague Dimity, Jed reviews and refines his plan for becoming a more motivating and inspirational leader for his team and thereby better supporting innovation. Jed puts together a plan outlining what he will work on to improve, how he is going to achieve it and when he knows he has been successful. Dimity provides some feedback and suggestions. Jed then sets up three more informal coffee catch-ups with Dimity so he can discuss his progress.

Practice Task 4

Question 1

Which of the following leadership styles can help foster positive innovative thinking and practice? Tick all that apply.

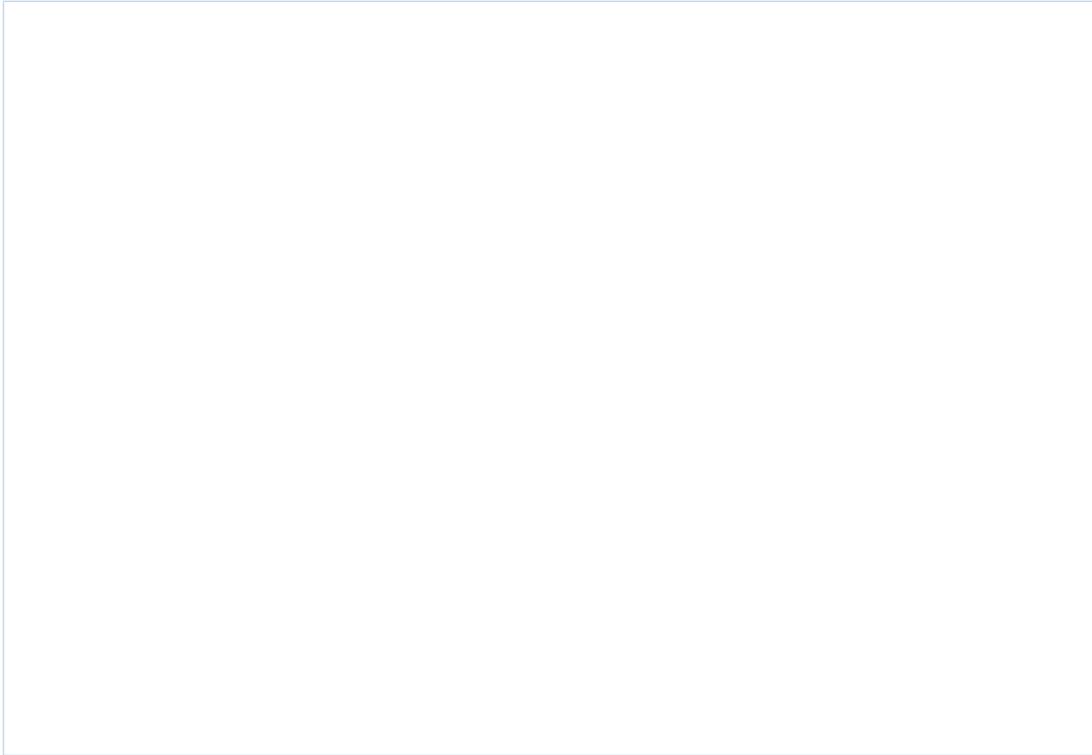
- Autocratic
- Democratic
- Transformational
- Transactional
- Charismatic

Question 2

Select three leadership practices and briefly outline how they can be used to model and support innovation in others.

Question 3

List three ways a leader can review practices to make sure they are supporting innovation.



2B Promoting sustainable innovation activities

One of the greatest challenges for any organisation is maintaining innovation.

‘Innovation stagnation’ is a term used to describe a gradual reduction in innovation. Innovation stagnation can occur for a range of reasons including resistance to change, a siloed organisational structure and a lack of commitment to continuous learning.

Despite the best intentions, innovation stagnation can also take hold when the culture of the organisation does not align with the factors that encourage innovation. For example, in an organisation where failed projects lead to reputational damage, employees will be less willing to take risks and put forward new ideas.

To avert or reverse innovation stagnation in your organisation, you will need to promote sustainable innovation activities.

Methods for sustaining innovation

Employees can feel disconnected from the engines of innovation.

To sustain innovation there needs to be a commitment to innovation at the very top of the organisation. This requires leaders to:

- acknowledge the value of both incremental and major innovations
- recognise the psychological factors that promote innovation
- proactively encourage an innovative culture.

In addition to a high-level commitment to innovation, other methods for sustaining innovation include the following.

A clear direction	<ul style="list-style-type: none"> • Make the purpose of consistent innovation clear within the organisation – is it to broaden the customer base? Is it to add customer value to existing products? • Employees need a clear sense of the direction and target for innovation – that will help them ascertain which new ideas to focus on.
Open communication	<ul style="list-style-type: none"> • Open communication between organisational management and employees provides a foundation for trust. • Managers need to initiate the process of open communication by sharing information regularly, including the good and the bad news. • Two-way communication is critical – employees need to have opportunities to share ideas and feedback and feel heard.

Reduce bureaucracy	<ul style="list-style-type: none"> ▪ Bureaucracy impedes innovation. A creative and innovative approach may help to reduce bureaucracy within an organisation.
Instil a sense of ownership	<ul style="list-style-type: none"> ▪ When employees know how their work impacts organisational performance, they will be more likely to think about and put forward new ideas. ▪ An employee who feels like their own interests are aligned with the interests of the organisation is more likely to extend themselves.
Consistent rewards and recognition	<ul style="list-style-type: none"> ▪ Reward the performance that reinforces the culture you want to create. ▪ For example, only rewarding teams who come up with successful 'big ideas' undermines the work of other teams who are consistently demonstrating a willingness to come up with new ideas – even if those ideas are not implemented.
Tolerate risk and failure	<ul style="list-style-type: none"> ▪ Innovation is risky and organisations must be able to tolerate failure to encourage innovation. ▪ Failure should be viewed as one aspect of the learning process, otherwise employees are unlikely to take a risk and put forward new ideas.
Support continuous learning	<ul style="list-style-type: none"> ▪ An organisational culture that supports continuous learning is more likely to become and remain innovative. ▪ Learning does not have to occur in a formal learning environment – such as a seminar or training course. It can also occur during conversations, encounters and observation.
Maintaining and building upon relationships of trust	<ul style="list-style-type: none"> ▪ Innovation occurs when people share knowledge and collaborate on ideas. To do this, people need to trust each other.
Eliminate ineffective processes and projects	<ul style="list-style-type: none"> ▪ Discard projects and processes that are going nowhere. Innovation requires optimism and continuously aspiring towards higher performance.

Source: Cillo, V et al. (2019). Understanding sustainable innovation: A systematic literature review. *Corporate Social Responsibility and Environmental Management*, 26(5), 1012-1025.

Requirements for promoting sustainable innovation

A range of practices, processes and systems need to be in place to promote sustainable innovation within an organisation.

Some process and systems that help to promote sustainable innovation include:

- consistent messaging about the direction and targets for innovation
- two-way internal communication processes for sharing information
- high-level public commitment to continuous learning
- processes for measuring and communicating the impact of individual employees' contribution to overall organisational performance
- processes for evaluating projects.

Changing a workplace culture to ensure it promotes sustainable innovation will require attitudinal change. For example, high-level managers are unlikely to get behind sustainable innovation activities if they don't believe that it will lead to improved productivity or performance. Similarly, employees are unlikely to put forward new ideas if they don't believe those ideas will be taken seriously or acted upon by managers.

When considering what is required to promote sustainable innovation within an organisation, it is important to consider both the tangible requirements – such as resources and systems – as well as less tangible requirements – such as attitudinal change.

Example

Promoting sustainable innovation activities

Marnie works at 'Hunter. She was attracted to the business because of its reputation for innovation and generating new ideas. The company started small, with a few dedicated and highly skilled staff who were willing to 'think outside the box.' The recent expansion of the company, however, has led to some changes in workplace culture; most notably, increased territorialism.

Marnie determines that what is needed to sustain innovation at Hunter is:

- recognition among senior managers that building trust among the employees is critical to maintaining Hunter's innovative edge
- stronger role modelling of information sharing and open communication by managers and leaders
- a way of monitoring levels of trust and territorialism within the organisation on an ongoing basis.

Marnie assesses the requirements to promote these activities are a stronger two-way communication channel between senior managers and employees and a method for monitoring and evaluating collaboration and trust among employees.

Practice Task 5

Question 1

Draw a line to match each method for sustaining innovation to its definition.

- | | |
|--|---|
| » Open communication | » Innovation requires that projects and processes that are ineffective be disregarded as innovation means aspiring towards higher performance. |
| » Consistent rewards and recognition | » Organisations must be able to tolerate the possible failure of innovation and use it as a learning process. |
| » Tolerate risk and failure | » Recognising that learning occurs all the time, in a variety of different ways such as during conversations, encounters and observations. |
| » Eliminate ineffective processes and projects | » Managers need to initiate regularly sharing information, including the good and the bad news and employees need to be given opportunities to share ideas and feedback and feel heard. |
| » Support continuous learning | » Acknowledge the teams who are consistently willing to come up with new ideas, even if those ideas are not implemented. |

Question 2

Which of the following practices, processes and systems will promote sustainable innovation?
Tick all that apply.

- Include consistent messaging about the direction and targets for innovation.
- The flow of information should be from the top down.
- Formal training should be offered to learn about innovation.
- The impact of contributions to innovation should be measured and shared.
- Processes should be used to evaluate and review the effectiveness of projects.

2C Promote knowledge transfer

Knowledge transfer is the process of disseminating knowledge to people within or beyond the organisation.

Knowledge transfer can occur in an informal way, such as 'watercooler conversations', or through formal methods, such as mentoring and job shadowing.

When employees share what they know, employers reap the benefits – research demonstrates that the sharing of knowledge among employees leads to greater creativity, innovation and enhanced performance at the individual, team and organisational level.

Knowledge transfer methods

Various factors can undermine or discourage knowledge transfer within an organisation.

Ensuring that employees within an organisation have the information they need when they need it is critical to organisational effectiveness.

It is important for organisations to construct and implement methods to promote knowledge transfer. Here are examples of these methods.

Establish 'hang out' areas	<ul style="list-style-type: none"> Common areas where employees can gather can help to inspire discussion, collaboration and creative thinking.
Create a respectful and trusting workplace culture	<ul style="list-style-type: none"> Employees will be more willing to share their knowledge in a workplace where they feel respected. A workplace that fosters trusting relationships provides a strong foundation for knowledge sharing.
Offer incentives	<ul style="list-style-type: none"> Without incentives to think of new ideas, employees may see no benefit in thinking 'outside the box'. Incentives for innovation can encourage people to share knowledge and ideas even when they are busy with their everyday work.
Create a 'knowledge cascade'	<ul style="list-style-type: none"> This is a method for disseminating the knowledge of subject matter experts (SME) throughout an organisation. The SME mentors individual learners. The learner are responsible for 'pulling out' the SME's knowledge. Those learners then pass that knowledge on to others by, for example, mentoring and training.

Job shadowing	<ul style="list-style-type: none"> ▪ Methods such as job shadowing can help to ensure organisations retain valuable knowledge; if a specialist leaves the organisation, there will be other people who can step in to fill knowledge gaps.
Use tools to embed knowledge into practice	<ul style="list-style-type: none"> ▪ Use checklists and templates to help employees understand how a process works.

Develop a knowledge transfer plan

Creating a knowledge transfer plan can help with the process of implementing knowledge transfer processes. A plan outlines the system used within an organisation to manage, assess, apply and create knowledge. When this system is in place, it is easier for people to contribute and access knowledge.

Effective knowledge transfer plans include:

- a clear process for collecting knowledge within the organisation
- a common sense method for organizing knowledge
- an outline of how employees can access information
- a description of incentives for applying knowledge
- a strategy for encouraging knowledge generation (e.g. brainstorming).

Example

Promote knowledge transfer

Jed's key challenge at the company where he works to bring about cultural change in the workplace.

The company has a culture of risk aversion and 'siloes' teams. There is a lack of diversity, which is reflected not only in a culturally homogenous workforce but also in how people who 'think outside the box' are consistently shut down at all levels of the organisation – from executive managers through to junior staff.

To encourage innovation and collaboration at the company, Jed works with two other senior managers to develop ways for promoting knowledge transfer, especially across 'siloes' teams. The two methods they decide upon are:

- a monthly 'innovation through collaboration' award for employees from different teams who come up with and present a new idea to their teams and managers. A working group comprising multiple people from across the organisation will decide which idea has the most promise and the collaborators will be rewarded with a gift voucher
- a 'thinking hub' that is both a physical space (in a disused room in the basement of Head Office) and a virtual space on the company intranet. The thinking hub will initially be promoted as a space where employees from different teams can work on their 'innovation through collaboration' ideas and, if successful, can then become a permanent fixture for any type of employee-led collaborations.

Practice Task 6

Question 1

Draw a line to match each method to promote knowledge transfer to its definition.

- | | |
|--|--|
| » Establish 'hang out' areas | » A culture that fosters trusting relationships and provides a strong foundation for knowledge sharing |
| » Create a respectful and trusting workplace culture | » Rewards that encourage innovation so people will share ideas |
| » Offer incentives | » This method ensure valuable knowledge is retained and people can step in to fill knowledge gaps |
| » Create a 'knowledge cascade' | » Common areas where employees can gather to inspire discussion, collaboration and creative thinking |
| » Job shadowing | » A method for disseminating the knowledge of subject matter experts (SME) throughout an organisation |

Question 2

Which of the following relate to a plan for capturing knowledge transfer within an organisation?
Tick all that apply.

- A process for collecting knowledge within the organisation
- A method for organising knowledge that includes references and bibliography
- A process for how employees can access information
- A strategy for storing and accessing information from the internet
- A list of incentives for applying knowledge

2D Identify, evaluate and manage risks

Innovations always involve an element of uncertainty, especially during the early stages of developing a concept.

However, *not* innovating is also a risk. For a profit-making business, for example, a failure to update an existing product could lead to a downturn in sales if a competitor has introduced a superior product. The decision to go ahead with or dismiss an innovation should be informed by data and facts, not fear.

Risks associated with innovation

Workplace risks are typically grouped according to risk categories.

Risk categories include economic risks, legal risks and operational risks. Although these risks are all relevant to innovation, there are specific risks associated with innovation that also need to be considered – here are some examples.

Wasted money	<ul style="list-style-type: none"> Innovation can be expensive. The risk of wasting money on innovative products and services is increased in a workplace where employees fear failure, or where employees are highly protective of their own ideas.
Investing only in incremental innovations	<ul style="list-style-type: none"> Incremental innovations are small improvements that help organisations keep up with trends and the changing needs of clients and customers. Most organisations are good at making incremental innovations – and incremental innovations are important and necessary – however they may not be as beneficial as the breakthrough innovations that lead to radical change.
Relying on a single breakthrough	<ul style="list-style-type: none"> Although breakthroughs can be highly beneficial to organisation, relying on a specific breakthrough and viewing it as the answer to all your organisation's problems is risky. It is impossible to predict which innovation will be successful; there are multiple factors – both internal and external – which could affect the likelihood of success.
Only innovating when problems arise	<ul style="list-style-type: none"> When everything is going well, organisations may neglect innovation, preferring to focus on 'business-as-usual.' However, innovation takes time. If organisations only focus on innovation when there is a crisis, they may not be able to innovate as quickly as they need to. A consistent commitment to innovation over time is likely to lead to better outcomes at a lower cost.

<p>Intensely focusing on product innovation and ignoring other forms of innovation</p>	<ul style="list-style-type: none"> ▪ Most innovative products do not generate a profit; those that do are usually quickly copied by competitors. ▪ To be innovative in the long-term, organisations also need to come up with innovative processes and services.
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Sources: Annual Report of the Government Chief Scientific Adviser 2014. Innovation: Managing Risk, Not Avoiding It. Evidence and Case Studies.

Innovations can also create, amplify or decrease risks. For example:

- a new prescription drug might *create* a risk to consumer’s health if it hasn’t been tested properly
- an innovative approach to money lending might *amplify* the risk of consumer debt
- an innovative renewable energy invention might *decrease* the risks associated with climate change .

Source: Annual Report of the Government Chief Scientific Adviser 2014. Innovation: Managing Risk, Not Avoiding It. Evidence and Case Studies.

Risk strategies

Different techniques can be used to identify and assess risk, including brainstorming, checklist analysis, a risk matrix or a SWOT analysis.

Here are some examples of strategies that have been used to respond to innovation risks.

<p>Examine the innovation from an external and internal point of view</p>	<p>The external point of view is the intended user (e.g. a customer, client, team, stakeholder). Use research and consultation with intended users to assess the following:</p> <ul style="list-style-type: none"> ▪ is there an audience for this innovation? ▪ is the innovation filling a need or want for the user? ▪ will the user want the innovation? <p>The internal point of view is your own organisation or business. Consult with relevant stakeholders, as well as internal documents, to address two key issues:</p> <ul style="list-style-type: none"> ▪ Technical feasibility – can it be made? Does the required technology exist to create the product or service? ▪ Business viability – is it relevant to your business? Is our organisation the best placed to implement this innovation?
<p>Set up checkpoints</p>	<p>Establish multiple ‘checkpoints’ throughout the innovation process – from planning through to execution – where you stop and review your progress and ensure you are on the right track.</p> <p>This could involve checking in with the teams involved in the innovation or consulting with intended users. Based upon this information, you may need to amend or revise the innovation.</p>

<p>Encourage a culture of continuous learning</p>	<p>People who are developing new products, processes, practices and service should be learning throughout the process of development, as Michael Schrage states, "innovations should, quite literally, change how [innovators] view their original ideas'. Culture of continuous learning encourages people to learn throughout the innovation process, which generates deeper, richer and more advanced insights into the value of the thing they are developing and how it might benefit the intended users.</p>
<p>Create an environment that encourages critical thinking</p>	<p>People who are passionate about a new idea can fall prey to 'confirmation bias'. Confirmation bias is the tendency to look for the information that confirms what we believe and ignore that information that contradicts our beliefs. Critical thinking can help discourage confirmation bias.</p>

Sources: <https://thrivethinking.com/2018/10/13/manage-the-risks-of-innovation>; <https://hbr.org/2013/09/three-signs-that-you-should-kill-an-innovative-idea>

You may need to document the risks of a specific practice, process, product or service by using a risk register or a risk management plan.

Example

Identify, evaluate and manage risks

Marnie undertakes two brainstorming sessions with relevant stakeholders to identify the risks of innovation for Hunter. She then uses a risk matrix to identify the probability and severity of harm for each risk.

One of the risks emerging in the brainstorming session is wasted money. Although Hunter has traditionally been very good at coming up with new ideas, there has also been a tendency to not 'follow through' on ideas, leading to inefficiencies. The probability that this will happen, and the severity of the harm leads Marnie to decide that this is a major risk that the company needs to respond to.

In collaboration with other managers, Marnie develops a new system for assessing new ideas (to determine which is most likely to succeed), establishing checkpoints (to monitor the progress of those ideas) and provide the necessary support through to innovation (to ensure that the best ideas are 'followed through').

Practice Task 7

Question 1

Which of the following are risks associated with innovation? Tick all that apply.

- Only innovating when problems arise
- Focusing only on product innovation and ignoring other forms of innovation
- Investing in both incremental and breakthrough innovations
- Relying on a single breakthrough
- Not acting on signals of change

Question 2

Describe a method for evaluating and managing risks associated with innovation.

Summary

- A manager's leadership style has a powerful influence upon innovation and creativity among their team.
- Some of the characteristics of leadership styles that encourage innovation include valuing diversity and accepting and learning from mistakes and failure.
- To sustain innovation, organisations need a commitment to innovation from the most senior staff.
- Processes and systems that encourage sustained innovation include two-way internal communication processes and consistent messaging about innovation.
- Knowledge transfer is the process of disseminating knowledge within or beyond an organisation.
- Knowledge transfer can occur in a formal or informal way.
- The transfer of knowledge within an organisation is critical to innovation.
- Innovation always involves an element of risk and uncertainty.
- Some of the risks that organisations experience in relation to innovation include only investing in incremental innovation and relying on a single breakthrough.

Learning Checkpoint 2

Lead innovative practices

Part A

1. Draw a line to match the personal leadership style to the way it encourages innovation and thinking and practice with a team or organisation.

» Democratic leadership

» Builds consensus through participation and collaboration. The leader has final say but the team are involved in decision-making which makes the team feel like their voice has been heard.

» Charismatic leadership

» Motivates and inspires others by pushing boundaries and encouraging the team to move out of their 'comfort zone.'

» Transformation leadership

» Encourages risk-taking by using unusual strategies to meet goals. This drives and inspires innovation by pushing group members to think in new ways.

2. Which of the following practices, models and supports innovation? Tick all that apply.

- Bringing together people from the same areas of expertise for specialist knowledge
- Providing a space for staff for independent thought and action
- Recognising types of failure and how they can be beneficial
- Using work processes to guide and monitor discussions
- Drawing on the ideas and contributions from a diverse range of people

3. Briefly describe three risks associated with innovation within an organisation.

4. Which of the following statements are correct? Select yes or no for each one.
- | | | |
|--|-------|------|
| a) To manage innovation risks, multiple checkpoints should be established throughout the innovation process. | » Yes | » No |
| b) Risks can be managed by checking in with teams involved in innovation, consulting with intended users or revising designs. | » Yes | » No |
| c) Using a 'dual lens' risk management approach requires examining the external and internal environment, including organisational and legislative requirements. | » Yes | » No |
| d) Risks associated with innovation should not be managed as the process kills innovative thought. | » Yes | » No |

Part B

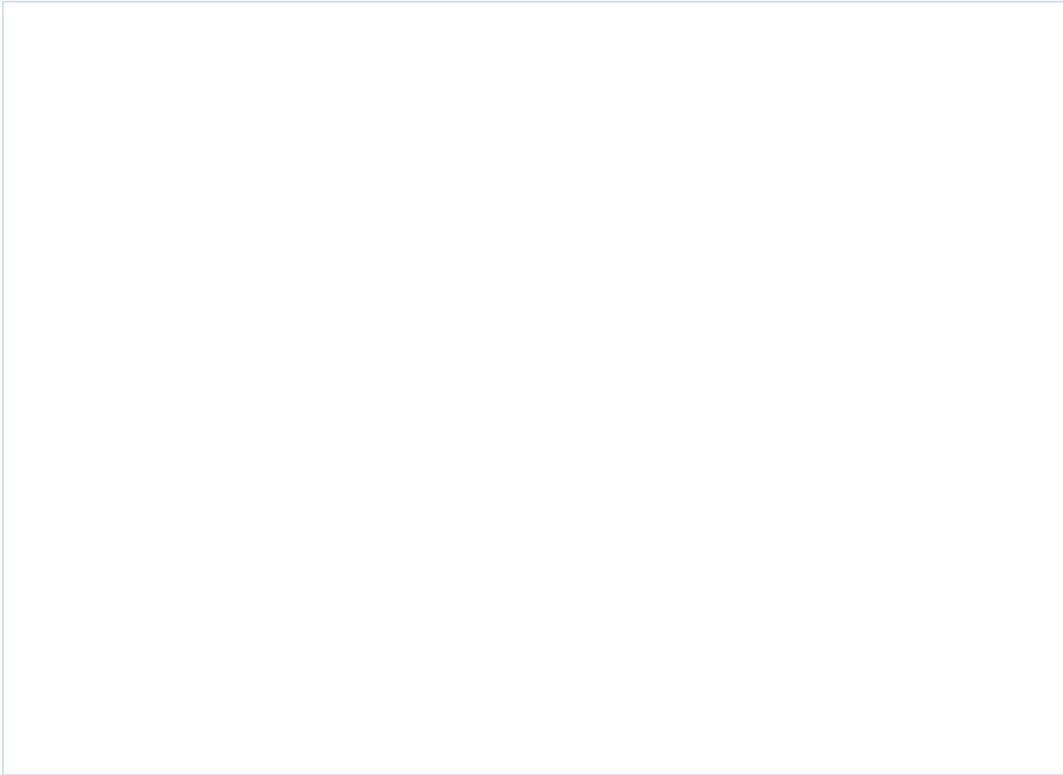
Read the case study and answer the questions that follow.

Case Study

It has been six months since Mariana and her team implemented an online training system to deliver beauty and make-up courses to students all over Australia. In those six months, student enrolments have increased dramatically, especially as more and more people are choosing to study and work from home. Mariana does not want her team or herself to become complacent as she knows what a competitive environment the online learning world is and she wants to stay ahead of the game as much as possible.

1. Suggest five ways Mariana can sustain innovative activities in her organisation.

2. Due to the increased student numbers, Mariana's organisation has had to employ additional administration, IT support, and training personnel. Suggest how Mariana can promote the knowledge transfer of innovative practices to new employees.





Topic 3 | Support a culture of innovation

- 3A Identify, introduce and promote innovation
- 3B Capture, communicate and share ideas and practices
- 3C Foster and build a workplace culture that encourages innovation

3A Identify, introduce and promote innovation

It is easy to recognise a new product or a new feature of an existing product. It is less easy to recognise a new process, practice or service.

Innovative products generate demand, increase profits and differentiate companies from their competition, whereas innovative processes and practices typically improve efficiency, reduce costs and improve the quality of people's work.

Innovative services are typically measured according to their economic value, however, customers' perspectives on the value of the service can determine the success of service innovations.

What is an innovative product, process, practice or service?

People have different opinions about innovation – for example, one person might argue that a product is a radical breakthrough, whereas another might argue that is simply an adaptation.

However, innovations can be viewed as being genuinely new and valuable in terms of profit or other type of benefit to a business. Here are four examples:

Type of innovation	Definition of innovation type	Example of innovation
Innovative product	A new product, an improved product or a new feature for an existing product	<ul style="list-style-type: none"> The Hills Hoist is a rotary clothes hoist that was invented in Australia. It was innovative because it provided households with a cheap and effective way to dry clothes.
Innovative process	Using new technologies, methods or systems to undertake tasks	<ul style="list-style-type: none"> The mechanical assembly line created by Henry Ford significantly reduced the time it took to manufacture cars. Rather than building a single car by hand, workers constructed cars incrementally as they moved through a conveyor system. The mechanical assembly line enhanced the efficiency of the manufacturing process, leading to benefits for consumers, such as cheaper cars.

Type of innovation	Definition of innovation type	Example of innovation
Innovative practice	A new approach to workplace practice, such as innovative management practices	<ul style="list-style-type: none"> • Holacracy is an innovative practice that involves self-managing teams. Teams within an organisation are given decision-making power. • The approach can lead to greater flexibility in the workplace, and an increased capacity to respond to changing and emerging needs.
Innovative service	A new or improved service	<ul style="list-style-type: none"> • Airbnb is an online service that provides customers with accommodation options provided by people who want to rent out a house or a room. Airbnb offers an alternative to traditional accommodation services such as hotels. • The exponential growth of Airbnb, as well as the company's net worth, are indications of its success as an innovative service.

Sources: <https://www.destination-innovation.com/an-assembly-line-of-innovations/>

How to develop innovative ideas

There is no universal formula for developing new and innovative ideas.

Contemporary understandings of innovation suggest successful innovation is rarely a linear process. Nevertheless, some tools can be used to generate the creative thinking required to identify potential innovations. These include lateral thinking, brainstorming and Blue Sky Thinking (each of which is described in Topic 1).

Paul Sloane, a popular innovation consultant and author, devised a list of techniques that can be used to identify and explore new and innovative ideas. Some of these techniques are listed below:

Ask your customers / clients	<ul style="list-style-type: none"> • Ask your customers or clients how to improve your product, process, service or practices. They will have ideas about how to make a product cheaper, how to make a process faster, or how to make a service more user-friendly. • Review these ideas and explore a couple that are especially unique or interesting.
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Observe your customers / clients	<ul style="list-style-type: none"> Watching how your customers or clients use a product, engage with a service or respond to a practice can help generate innovative ideas. For example, Heinz observed that customers stored their tomato sauce bottles upside-down, and then designed an upside-down bottle.
Review complaints	<ul style="list-style-type: none"> Customer or client complaints can be a starting point for new ideas. What would make your product easier to use? What make your service more efficient? How could you address customer and client complaints through a different or altered product or service?
Combine ideas	<ul style="list-style-type: none"> Combine two radically different ideas to come up with something new. For example, a suitcase and a skateboard = a suitcase with wheels. Or a phone and a camera = a mobile phone with a camera.
Eliminate	<ul style="list-style-type: none"> Can something be removed from a product, process, service or process to make it better? For example, Amazon removed the bookshop to make it easier for the customer to buy books from the comfort of their own home.
Ask – what if?	<ul style="list-style-type: none"> Challenge the boundaries that apply in your field. For example, what if making a profit was not a core function of your business? Or, what if your service catered to children instead of adults?
Go back in time	<ul style="list-style-type: none"> What methods or approaches were used in your field in the past that have subsequently gone out of style? Can they be revived in an updated form? For example, speed dating is based on a Victorian dance format where women used cards to make 'appointments' with suitors.

The importance of critical thinking

Exploring new ideas and concepts, also involves evaluating and analysing those ideas and concepts. Two important factors to consider when assessing and refining your ideas are:

- the needs of the audience: will this innovation meet the needs of the people it is intended to benefit (employees, customers, clients, stakeholders)?
- organisational requirements: is this innovation feasible given the available resources within the organisation (staffing, equipment, budget)? Does the innovation align with the organisation's vision, mission and strategic plans?

Critical thinking is essential when evaluating and analysing new and innovative ideas. Critical thinking involves analysing and evaluating thinking with the goal of improving it. When people think critically, they use reason to work through issues and assess a problem from multiple viewpoints.

Various techniques are used to help people think critically; one of the most common is De Bono's Six Thinking Hats technique.

Six Thinking Hats

According to the Six Thinking Hats technique, by taking on different 'thinking hats' (or thinking styles) we can look at problems from different perspectives and make better decisions. It can be used by an individual or a group.

In a group situation, each person 'wears' a hat and looks at the problem from that particular perspective. When used by an individual, a person 'wears' each hat sequentially, working through the problem according to each particular perspective.

White hat	<ul style="list-style-type: none"> • Focuses on information and objective elements relating to the idea • Identifies gaps in knowledge • Analyses trends and data
Red hat	<ul style="list-style-type: none"> • Focuses on feelings, hunches and intuition • Looks at ideas using gut feelings and emotion • Not required to justify feelings with logic
Black hat	<ul style="list-style-type: none"> • Focuses on weaknesses and shortcomings of an idea • Commonly referred to as the 'devil's advocate' • Considers the 'worst case scenario'
Yellow hat	<ul style="list-style-type: none"> • Examines ideas from a positive and optimistic standpoint • Looks at why ideas will work and why they are beneficial • Considers similar past actions that have worked well
Green hat	<ul style="list-style-type: none"> • Focuses on creativity • Considers possibilities and alternatives • The type of thinking that involves 'thinking outside the box'
Blue hat	<ul style="list-style-type: none"> • Manages the thinking process • Sums up what has been learned or presented • Identifies ways of moving forward

Sources: 100 Business ideas, <http://www.debonothinkingsystems.com/tools/6hats.htm>, <https://lo.unisa.edu.au/mod/book/view.php?id=611321&chapterid=100453>

For more information about how to use the Six Thinking Hats technique see: aspirelr.link/six-thinking-hats

Introducing and promoting innovations

Here are some examples of techniques for introducing and promoting innovations to others:

Written documents	<ul style="list-style-type: none"> ▪ These include formal documents, such as a business case, a report or less formal written documents such as an email. ▪ When writing documents to introduce and promote new practices, you may need to include the findings of your research. When documenting research findings, use clear and precise language. For example: <ul style="list-style-type: none"> – use short sentences – cut out unnecessary words – avoid long and overly complex words and sentences – avoid vague terminology. ▪ It is also important that the document you write uses an appropriate format, style and structure. Some organisations will have a 'house style' or 'style guide' that needs to be followed.
Oral presentations	<ul style="list-style-type: none"> ▪ As with written documents, it is important that you use appropriate language and an appropriate structure for an oral presentation. ▪ The structure of the presentation should cater to the needs of the audience. For example, if the audience has a good understanding of the background of a new product, you can afford to provide a very brief background in your presentation. ▪ Including a 'question and answer' section at the end of your presentation will give your audience the opportunity to put forward their own ideas and thoughts. When responding to questions in an oral presentation: <ul style="list-style-type: none"> – repeat the question if you do not understand it and check that your interpretation of the question is correct and – offer to find the answer to the question if you don't know it – if the person accepts your offer to follow up on the answer, make sure you follow through.
Discussion and consultation	<ul style="list-style-type: none"> ▪ Managers have more influence than non-managerial staff over which practices, processes, services and products are used in an organisation. However, staff need to be involved in the implementation. Therefore, it is important to use a collaborative approach when introducing and promoting innovations widely across the organisation. ▪ During discussions remember to: <ul style="list-style-type: none"> – use language that is appropriate to the person – ask open-ended questions and use active listening to encourage discussion – use a collaborative and inclusive approach – regardless of a staff member's seniority or level of experience, encourage them to provide feedback and offer their own thoughts and ideas.

Negotiation

When introducing and promoting innovations, you may need to negotiate. For example, you may need to alter the timeline for the introduction of a new process in order to address the concerns of senior management, or you may need to tweak a new practice so it better meets employees' needs. Alternatively, you may need to simply convince a group of colleagues that a new practice, process, service or product is a good idea and worth the change.

The best way to negotiate effectively with any audience is through collaboration. People are more likely to approve of an idea if they are involved and invested in its success. Getting people 'on board' with a new idea or approach is part of your role as a leader of innovation and creative thinking.

Example

Identify, introduce and promote an innovative practice and process

Jed and his colleagues have worked hard to develop two new innovations that they believe have genuine potential for increasing efficiency within the logistics, transport and warehousing company where they work. One is an innovative practice, another an innovative process.

Jed and his colleagues used brainstorming and the Blue Sky Thinking technique to identify their new ideas. At first, the team found these techniques challenging – they were not used to creative thinking and spent some time identifying the obstacles that would make an idea impossible to implement. However, by sticking to the rules of 'no judgement' and giving themselves permission to 'think outside the box', they eventually found the process motivated them to think differently in their everyday work.

The team used the Six Thinking Hats technique to assess each of the ideas they came up with, which is how they whittled their list of down to two ideas.

Jed writes a proposal for a trial of the innovative practice and the innovative process. The report is for senior managers, so uses formal language and follows the house guide and template. Jed sets up a meeting where he will present his ideas to the group.

Jed prepares by thinking about the points he may need to negotiate as he suspects some of the senior managers may be resistant to new ways of doing things. He rehearses a list of the benefits he can use if required.

Practice Task 8

Question 1

Draw a line to match each type of innovation to its example.

- | | |
|------------------------|---|
| » Innovative products | » Mechanical assembly line. This type of innovation uses new technologies, methods or systems to undertake tasks which can improve efficiency, reduce costs and improve the quality of people's work. |
| » Innovative processes | » Remote working. This type of innovation can improve efficiency, reduce costs and improve the quality of people's work. |
| » Innovative practices | » Uber. This type of innovation has given rise to the sharing economy industry and is typically measured according to its economic value; however, customers' perspectives have also been used to determine the success of these innovations. |
| » Innovative services | » Solar panel. This type of innovation can generate demand, increase profits and differentiate companies from their competition. |

Question 2

List three techniques managers can use to introduce and promote an innovative idea to their organisation.

3B Capture, communicate and share ideas and practices

Innovative ideas and practices can emerge from within or outside your organisation.

Keeping track of external innovative ideas and practices will help your organisation stay relevant and 'ahead of the game'. Ideas from outside your organisation can also spark new ideas within the organisation.

It is critically important to keep track of innovative ideas that emerge from within your organisation; anyone can come up with an innovative idea or concept – a method for capturing those ideas is essential to sustainable innovation.

External ideas and practices

Your organisation needs information about ideas and practices from other organisations to determine which innovations are relevant and potentially useful and which will have the greatest chance of success. To do this, your organisation needs a way to capture, communicate and share innovative ideas and practices that are developed outside the organisation.

Some examples of how your organisation might do this are listed below:

Reviewing resources	Regularly review relevant resources, such as websites, influential reports and other trusted sources.
Sharing learnings	Employees often learn about new ideas through external events such as conferences and seminars – encourage staff to share what they learn when they attend these events, especially any new and innovative ideas.
Using channels of communication	Newsletters and bulletins provide a regular channel of communication to employees; for example, a company newsletter can include a section on new ideas in your sector.

Internal ideas and practices

The idea that innovative ideas only come from specialists, experts or creative geniuses is not necessarily true. Anyone can come up with a great idea. To draw upon the skills and knowledge of everyone within an organisation, it is necessary to establish methods for capturing, communicating and sharing everyone's ideas. Some examples of how you might do this are listed below.

Messaging systems	Messaging systems that facilitate group chats (e.g. Slack) give everyone the opportunity to contribute to new ideas and monitor the progress of ideas as they evolve.
Idea management software	Idea management software can help organisations collect, evaluate and implement innovative ideas generated by their employees.
Intranet	Intranet platforms can be used to encourage employees to share their ideas because they are typically accessed by a broad range of employees; 'like' and 'comment' functions can help in the process of refining and building upon new ideas.
Brainstorming sessions	Incorporating regular brainstorming sessions into weekly or monthly meetings to help employees become more accustomed to creative thinking and provide them with a sounding board for new ideas.
Bring people together	Bringing together people from different teams, branches or departments can assist in the process of communicating and sharing new ideas.

Example

Capture, communicate and share ideas and practices

Through consultation and a review of internal documents, Marnie has learned that staff at Hunter are very good at thinking creatively and coming up with new ideas. However, the company has not developed strategies for recording those ideas in a systematic way. Hunter needs a system for capturing, communicating and sharing ideas, especially as the business is expanding rapidly and more new staff are now joining the business.

Because of the way the company is structured, the method needs to be easy to access in a range of work settings. Some staff work from home, some work at various off-site locations and many are in and out of the Head Office multiple times a day.

Marnie researches a messaging system that can capture and communicate their ideas. The system is especially appropriate because it is portable and convenient and staff can download the app to their smartphone. The system gives people opportunities to provide feedback on ideas.

One team will be responsible for recording ideas in a database which will be reviewed every three months by a different cross-team group of employees. The task of that group is to assess the ideas and present their findings to the senior managers.

Practice Task 9

Question 1

Which of the following can be used to capture, communicate and share innovative ideas and practices in an organisation? Tick all that apply.

- Teams should work in silos so they concentrate on their areas of expertise.
- Regular reviews should be done of known websites and reports to capture new ideas.
- Staff need to share new ideas from conferences and seminars.
- Systems can be used to manage the collection and implementation of innovative ideas generated by their employees.
- Communication tools can be used to by staff to share ideas and monitor the progress of ideas as they evolve.

3C Foster and build a workplace culture that encourages innovation

Organisational culture has a powerful influence on innovation and creative thinking in a workplace.

For teams to be innovative, the conditions need to be right. Team environments need to encourage and promote information sharing through open communication and consultation.

Relationships within teams are a crucial element for an innovative workplace – when team members trust and respect each other, they share information and collaborate.

Fostering and building a workplace culture that encourages innovation requires the development and implementation of appropriate strategies and the establishment of systems and processes that support innovation.

Reviewing workplace culture among teams

To make the most of everyone's creative potential, empower employees to ask questions, think creatively and share their ideas.

Consulting with people within the organisation – both managerial and non-managerial staff – provides insight into whether the workplace culture is supportive of innovation. Relevant internal documents, such as organisational policies, processes and procedures, could also be a useful resource for assessing workplace culture.

Here are some examples of questions you could consider asking when consulting with staff and analysing internal documents; they may need to be adapted to meet the needs of your audience and organisational context. The answers to these types of questions will help you determine whether your organisation is fostering a culture of innovation.

Questions to consider when consulting with staff	Questions to consider when analysing internal documents
Do teams share useful information with each other without being asked?	Are there organisational policies regarding sharing information across teams, such as a communication policy?
Is there a willingness among teams to collaborate?	What do the results of staff surveys say about opportunities for cross-team collaboration?

Questions to consider when consulting with staff	Questions to consider when analysing internal documents
Do team leaders demonstrate a willingness to listen to a diverse range of views and perspectives?	How is respect for a diversity of views reflected in organisational guidelines, manuals and management practices? Are there examples of cross team collaboration in projects?
Do employees feel comfortable about challenging a course of action or identifying flaws in a decision?	Do key internal documents such as codes of conduct reflect an appreciation of constructive criticism, regardless of where it comes from?
How do team leaders and managers respond to employees who challenge a course of action or identify flaws in a decision?	What constitutes 'trouble-making' within the organisation?
Are there opportunities for employees to think outside the boundaries of their role? Are employees encouraged to engage in creative thinking?	Is time for creative thinking built into project plans? Is creative thinking included in performance management evaluations? Is there a space set aside where staff can go and discuss new ways of thinking.
Are team leaders and managers willing to acknowledge their mistakes and demonstrate vulnerability?	Do organisational values reflect a tolerance for mistakes and failure?
Are there opportunities for teams to develop relationships of respect and trust? For example, team-building activities?	Do HR policies discuss opportunities for team-building? Is team building part of the team performance plans or project plans?

Source: <https://hbr.org/2020/10/to-foster-innovation-cultivate-a-culture-of-intellectual-bravery>

Strategies to foster a culture of innovation

Consulting with others will help you determine which strategies are most appropriate, what has worked in the past and what is feasible. Better still, collaborate with others to develop the strategies.

When people are involved in the process of developing a strategy, they typically have a greater investment in and commitment to its success. This is driven by a sense of ownership that is not as easily achieved when strategies are simply imposed upon a group of employees.

The table below provides examples of strategies for fostering a workplace culture that encourages innovation:

<p>Encourage questioning and the exploration of ideas</p>	<ul style="list-style-type: none"> Encourage everyone at every level of the organisation to ask questions and challenge assumptions. Institute a 'no judgement rule' when discussing solutions to problems – this helps people 'think outside the box'. Thank people when they ask questions and encourage others to do the same.
<p>Support and encourage experimentation, creativity and passion</p>	<ul style="list-style-type: none"> Use brainstorming to encourage creative thinking – encouraging people to have fun when coming up with new ideas and possibilities. Passion drives innovation – hire passionate people and give them the opportunity to pursue that passion through their work. Commit to demonstrating creative thinking wherever you can. When people in leadership positions demonstrate creative thinking, it helps to create an environment of 'psychological safety' for employees. Use prototypes, models of simulations so teams have an object to work with – the process of refining a prototype can encourage new ways of thinking and working. Set up a 'Shark Tank' competition where employees can pitch ideas to decision-makers within your organisation.
<p>Encourage and promote the values of respect, trust, openness, diversity and empathy</p>	<ul style="list-style-type: none"> Develop a list of shared values and include examples of what these values look like in the course of everyday work. Discourage infighting, politicking and gossip within the organisation and within teams; this behaviour damages respect and trust.

Sources: Rebecca Shambaugh. (2019). How to Unlock Your Team's Creativity. Harvard Business Review.

You could also do your own research to identify additional strategies for developing and applying strategies. Some questions you could ask when undertaking this research are listed below:

- What practices are being used in our industry to encourage innovation?
- Which techniques are being used in our industry to promote creative thinking?
- Which innovation and creative thinking practices have been shown to be effective in which workplace settings?

Establish systems and processes that support innovation

Innovation needs to be supported by organisational systems and processes and embedded in the everyday activities of the organisation.

Some of the characteristics of systems and processes that encourage innovation are listed below:

A clear mission and goals	Including a commitment from senior managers to take on responsibility for the risk of failure
Valuing innovation	Encouragement for employees to think differently, take risks and challenge the status quo
Adequate resourcing	Resources for innovation in line with strategy
Shared responsibility	All staff take on responsibility for innovation
Commitment to follow-through	Acknowledging the creativity is necessary but not sufficient for innovation; there must be a commitment to follow-through on ideas
A performance management system	To assess innovation and build upon learning
Incentives and rewards	Incentives and rewards for innovative teams

Source: Oliver Serrat. 2017. *Harnessing Creativity and Innovation in the Workplace*. Knowledge Solutions: Tools, Methods and Approaches to Drive Organisational Performance.

Here are some concrete examples of how organisational systems and processes can support innovation:

Embed creative time into the workday	Institute a policy that allows employees to spend some of their work time doodling, imagining and experimenting. Employees' ideas should not have to relate to their work – the process of thinking creatively in any capacity can spark new ideas and strengthen employees' creative 'muscles'.
Encourage employees to take their leave entitlements	Time away from work can make people more productive and boost their creativity. Addressing the factors that make employees reluctant to use their annual leave entitlements – and reluctant to 'switch off' from work, even when they are on holiday – could lead to increased innovation and creativity within an organisation. ¹
Make cross-team collaboration standard practice	Schedule a standard regular meeting where employees from every team can meet to discuss and present ideas and/or talk about challenging work problems. Incentivise the activity by rewarding or acknowledging cross-team collaborative groups who come up with innovative solutions and actionable ideas.
Develop connections and work with other organisations	The idea that 'all the smart people work for us' is problematic when it comes to innovation. Freeing up an organisation and its teams to develop connections and work with other organisations could facilitate new ideas and creative thinking.

Align support for innovation	Align support for innovation across the organisation including in budgeting, performance measurement, recruitment and leadership.
Design workspaces to encourage creative thinking	Consider the impact of physical space on creative thinking and design workspaces accordingly – physical spaces that encourage creative thinking provide accessible, casual meeting spots, physical stimuli, space for reflection and a variety of communication tools.

¹Australians are notoriously bad at using their leave entitlements; they have more unused annual leave than their counterparts in similar countries, including the United Kingdom and the United States

Resources for innovation

Here are some examples of resources you might need to support the process of innovation within your organisation.

Technology, such as...	<ul style="list-style-type: none"> apps that help people communicate, collaborate and share ideas software that can assist with the collection, storage and analysis of data for the purposes of evaluation
Information, such as...	<ul style="list-style-type: none"> customer data to help analyse trends feedback from staff (e.g. to monitor potential obstacles to innovation)
Professional development and training resources for...	<ul style="list-style-type: none"> managers, such as developing a leadership style that supports innovation employees, such as how to think critically, creatively and laterally
Dedicated space for employees to...	<ul style="list-style-type: none"> gather informally and 'hang out' brainstorm and collaborate on ideas
Staff with the knowledge and skills to...	<ul style="list-style-type: none"> evaluate projects 'draw out knowledge' from specialists and communicate that knowledge across the organisation
A budget for...	<ul style="list-style-type: none"> staff to attend conferences, seminars and workshops where they can learn about trends, new ideas and build networks for potential cross-institutional collaborations team-building activities (to help establish trust)
Guidelines, manuals or information sheets that outline...	<ul style="list-style-type: none"> the organisation's innovation targets how to apply innovative thinking in a specific workplace and setting

In addition to assessing which resources are required, you may also have to provide a budget of the costs of those resources. Some techniques to use to estimate resources are listed below:

Technique	Description
Judgement of experts	Ask experts and people who have performed similar types of work for their opinion on resources required such as managers from other areas or departments.
Alternative analysis*	There is usually more than one way to perform a task; an alternative analysis involves exploring different options for the number and type of resources used.
Project management software	Software may include features that help project managers estimate resources and costs.
The bottom-up estimate	This involves 'breaking down' large tasks into smaller tasks to get a more detailed understanding of all the resources and costs. The resources and costs for each small task are then added up to obtain a total estimate.
The three-point estimate	This technique involves an estimation of the duration or cost of an activity from a: <ul style="list-style-type: none"> ▪ a realistic perspective (e.g. \$4000) ▪ an optimistic perspective (e.g. \$2800) ▪ a pessimistic perspective (e.g. \$6500) and then averaging out all three estimations (e.g. $4000 + 2800 + 6500 = 13,300 / 3 = \4433 days).

Source: <https://twoproject.com/blog/estimate-resources-project>; <https://www.simplilearn.com/estimation-tools-and-techniques-part-ii-article>

Seeking approval for resources

To provide resources for innovation, you may need to firstly convince key decision-makers that the resources are required. This might involve writing a proposal or business case. Remember to follow the tips provided throughout this guide for writing clear and concise documents.

If you are presenting numeric or financial data in the document – such as the cost of resources – make sure you present it in a way that easy for your readers to understand. Charts and graphs are a good way of presenting this type of data and are usually preferable to tables filled with raw numbers.

Other useful tips for presenting numeric and financial data are outlined below:

<p>Consider colours carefully</p>	<ul style="list-style-type: none"> Using colour in charts and graphs can help to draw in the reader. Contrasting colours can highlight key elements. However, in some cases – such as complex charts with multiple variables – patterns rather than colour will be easier for the reader to interpret.
<p>Use words sparingly and strategically</p>	<ul style="list-style-type: none"> Charts and graphs are typically accompanied by a heading. Although the chart or table tells a story visually, a pithy heading can help engage the reader's interest. The heading of a chart or graph needs to be concise but not too vague – for example, a graph which has the title 'sales' tells the reader less than a graph which has the title 'sales have increased steadily'.

Source: <https://www.forbes.com/sites/bernardmarr/2017/09/11/5-top-tips-for-presenting-data-more-effectively/?sh=52f0d04d52a8>

Once the resources are available, make sure that the people intended to use the resources are aware of their availability and know how to use them. For example, you may need to send an email to all staff to tell them that new software is available, along with instructions on how to access and use that software.

Example

Build a culture that encourages innovation

The company where Jed works was established more than fifty years ago. Although it is a very successful with an excellent reputation, it has a strict hierarchical structure which undermines collaboration and inclusion and is historically resistant to change.

With the support of his direct manager, and some other keen managers, colleagues and staff, Jed is playing a lead role in building a workplace culture that encourages innovation.

Through consultation with staff, Jed finds that there are high levels of trust and respect in the organisation, however thinking outside the boundaries of one's role is not encouraged and the opinions of people who ask questions about how or why things are done a certain way are mostly ignored. There are very few opportunities for cross-team collaboration as teams work in 'silos' on their own projects.

To make a change, Jed works with his project team to identify ways that creative thinking can become a bigger part of the everyday roles and interactions. The team also develops an information sheet for employees that outlines the steps to follow when looking for ideas on new practices and processes.

Jed calculates the resources required to get groups of employees together for a series of brainstorming sessions which will double as cross-team relationship building exercises. He presents his budget and expenses to the senior management team, making sure he explains the spreadsheets in a clear and understandable way.

Practice Task 10

Question 1

Which of the following strategies will help foster a workplace culture that encourages innovation? Tick all that apply.

- Encourage everyone at all levels of the organisation to ask questions and challenge the way things are currently done.
- Arrange for cross team brainstorming sessions that encourage staff to work together develop new ideas and possibilities.
- Ask one team member to judge each new idea to limit the number of suggestions that can be investigated further.
- Encourage competition within the organisation so teams push each other to try harder.
- Managers should role model creative thinking wherever they can to make it part of the workplace culture.

Question 2

Suggest five systems and processes an organisation can implement that will promote and support innovation.

Question 3

Draw a line to match each resource needed to innovate with its correct examples.

- | | |
|---|---|
| » Technology resources | » Programs for managers, such as leadership training that supports innovation |
| » Information resources | » Funding for team-building activities |
| » Professional development and training resources | » Software that can assist with the collection, storage and analysis of data for the purposes of evaluation |
| » Budget resources | » Customer data of feedback from staff |

Question 4

Suggest five ways to confirm that teams use communication, consultation and team development approaches that foster innovation.

Summary

- There is one formula for coming up with new and innovative practices, processes, products and/or services.
- Critical thinking is a very useful tool for evaluating and assessing ideas and concepts.
- When people think creatively they rationally work through a problem and assess it from multiple perspectives.
- Just as there are techniques for encouraging creative thinking, so too are techniques for encouraging critical thinking, such as the Six Thinking Hats technique.
- To remain innovative, organisations need systems and processes for capturing and sharing new ideas both outside and inside the organisation.
- Workplace culture is one of the key factors that can drive (or undermine) innovation and creative thinking.
- Some of the strategies that can be used to encourage an innovative workplace culture include encouraging employees to ask questions and providing opportunities for exploration and experimentation.
- Organisations typically need resources to promote innovation, such as technology and/or training.

Learning Checkpoint 3

Support a culture of innovation

Part A

1. Which of the following actions can help you determine whether approaches used in your organisation or team foster communication, consultation and support a culture of innovation? Tick all that apply.

- Consult with staff to see what staff think about opportunities for cross-team collaboration.
- Check the review date of organisational policies and procedural documents.
- Consult with customers to see whether products and/or services received are innovative.
- Refer to the vision, mission and goal statements for references to innovation.
- Examine performance management policies for incentives and rewards for innovation.

2. Identify three examples of different types of resources that could be used to support innovation process.

Part B

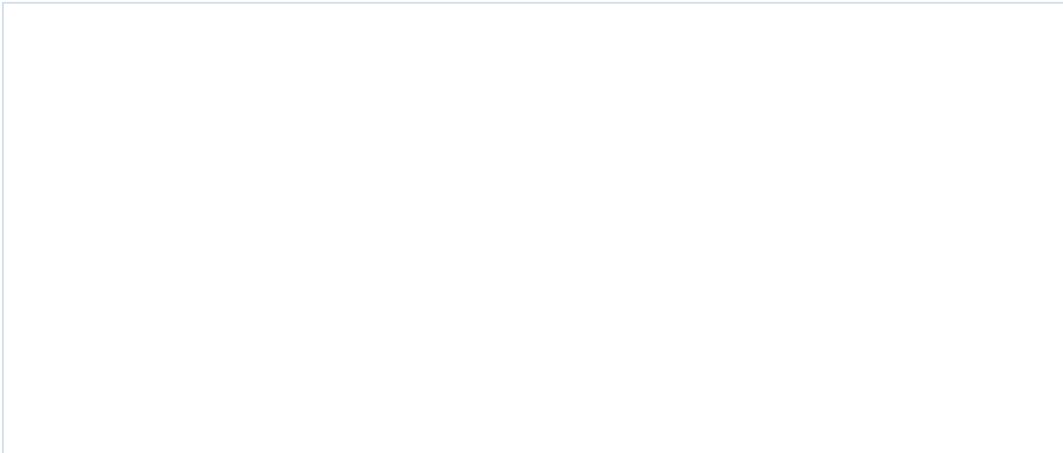
Read the case study and answer the questions that follow.

Case study

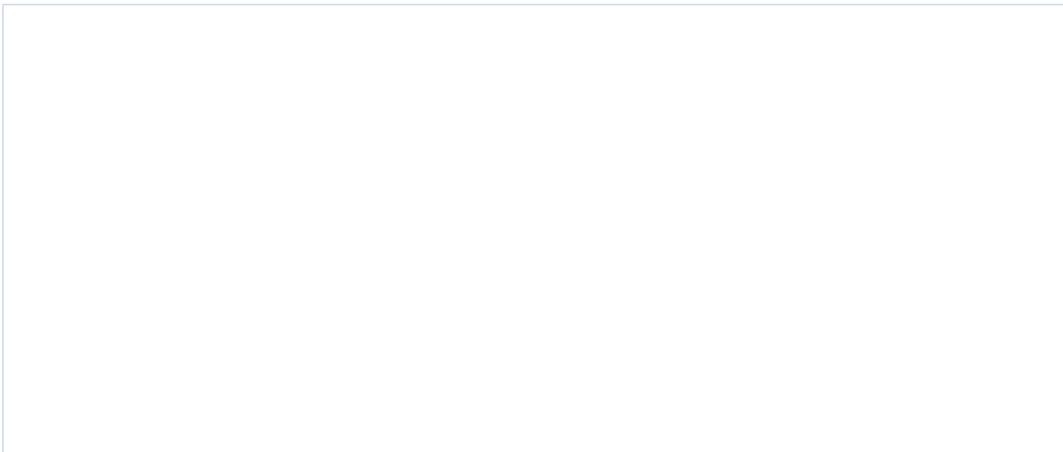
Derek owns and manages a chain of cafés that are very popular with dog owners and families with young children. He attributes his success to the fact that he invested funds into a craft and activity corner in each café which is popular with families. Derek also appeals to dog owners by serving doggie cappuccinos and treats which are complimentary with purchases over \$20.

Unfortunately, when Derek had to close the shop due to COVID-19 shutdowns, he was only able to offer takeaway. Derek is back but needs to come up with some new ideas to make his café successful and keep his staff employed.

1. Identify at least one innovative practice, one process, and one product or service that Derek could introduce and promote to customers to help his business survive during the pandemic.



2. Although Derek employs 35 staff across his stores, and he wants his team to be innovative, especially during the uncertain times or shutdowns and businesses unable to open. Suggest how Derek can capture, communicate and share innovative with his staff.



3. Discuss three strategies Derek can apply to foster a workplace culture that encourages innovation.

4. List three systems and processes that Derek needs to establish that will support ongoing innovation.

5. Which of the following communication methods should Derek use when introducing and promoting innovative practices and processes to his staff? Tick all that apply.

- Write out plans using clear and precise language.
- Use a format, style and structure that caters to the needs of the audience.
- Post announcements regarding innovations on the company's website.
- Ask open-ended questions to encourage discussion.
- Invite customers to a brainstorming session to broaden the input of new ideas.



Topic 4 | Sustain innovative thinking and practice

- 4A Develops strategies for embedding innovation in organisational activity
- 4B Develop and monitor processes for assessing awareness of and contribution to innovation
- 4C Devise strategies to respond to barriers
- 4D Analyse and reflect on innovation performance

4A Develops strategies for embedding innovation in organisational activity

Innovation needs to occur all the time; it should not be viewed as an 'exceptional event'.

A common myth about innovation is that it occurs as a 'lightbulb moment'. This myth involves a lone genius seeing the potential for a radically new product and takes it to market, where it generate massive profit and widespread acclaim.

However, innovation should be viewed as a journey as well as the destination. Innovative products and processes can only be realised in a culture that promotes innovation. A culture of innovation provides the resources and confidence for continuous innovation and encourages innovative thinking during every day activities.

Strategies for embedding innovation

Here are some examples of strategies that can embed innovation in the everyday work activities of an organisation.

Strategy	Examples
Encourage coaching, not fixing	<ul style="list-style-type: none"> When managers try to fix problems brought to them by staff, they undermine the problem-solving capacities of their staff. Innovation is more likely to come about when people have opportunities to stretch themselves and come up with their own solutions to problems.
Develop policies that facilitate creative and critical thinking	<ul style="list-style-type: none"> Institute a policy whereby staff can take a few hours out of their weekly schedule to pursue new ideas. Encourage staff to provide regular feedback on the obstacles to creative and critical thinking. Then, involve staff in developing strategies for overcoming those obstacles.
Encourage quick and simple experiments	<ul style="list-style-type: none"> When people view innovation as a large system change, they will see it as someone else's responsibility. Use quick and simple experiments that can be carried out on everyday practices and processes make innovation more relevant to everyone.
Promote innovation through multiple channels	<ul style="list-style-type: none"> Include something about innovation in every issue of a bulletin or newsletter or every staff meeting. This might be showcasing an innovation, sharing new ideas or showing how innovation can be part of everyday practice.

Strategy	Examples
Change the discourse	<ul style="list-style-type: none"> Train managers to challenge negative or defeatist attitudes towards innovation, such as: <ul style="list-style-type: none"> – ‘We can’t do that here’ – ‘That would never get off the ground’. Encourage open-minded and curious approaches by asking, ‘Is there another way we could do this?’ Present innovation as an expectation for staff, rather than an ‘exceptional event’ or something that only happens if they have time.
Make processes more open and inclusive	<ul style="list-style-type: none"> Share customer feedback with a range of people or with teams in the organisation. Invite suggestions on how to address common negative feedback (remember: no judgement).
Focus on innovative behaviour rather than innovative people	<ul style="list-style-type: none"> By rewarding innovative behaviour you show others what innovation looks like. This can help people apply innovation to their own work, rather than reinforcing the idea of the ‘innovative specialist’ being required to lead and initiate innovation.

Source: Patterson, F. (2009). Everyday Innovation: How to enhance innovative working in individuals and organizations. NESTA.

Example

Strategies for embedding innovation at work

The company where Marnie works has been good at generating new ideas in the past but, since the recent expansion of the company there has been a change in how staff talk about and view innovation.

New ideas are viewed as the responsibility and specialisation of the design team. The design team and the design office is seen as the place ‘where the magic happens’ and this is reinforced by the design team themselves, who view themselves as a specialist team and other work within the company as ‘business as usual’.

To integrate innovation into the everyday work of *all* employees, Marnie comes up with a strategy for changing the discourse within the company. In collaboration with the managers of each team, Marnie and her colleagues develop resources that can be used throughout the organisation to encourage innovation, including posters, notepads and mouse pads with statements designed to remind and encourage staff to think about and apply innovative thinking.

Managers are also briefed on how to they can counter negative attitudes and role model the behaviour they would like to see in their teams. They discuss ways to change the work culture that innovation only happens in the design team, and commit to trying to change this prevailing belief.

Practice Task 11

Question 1

Which of the following strategies can make innovation an integral part of organisational activity? Tick all that apply.

- Develop new policies on creative and critical thinking.
- Train administration teams to see innovation as a change led by managers.
- Rather than fixing employees' problems, support them come up with their own solutions to problems.
- Expect innovation from staff, rather than treating it as something that will only occur if there is time.
- Focus on recognition and reward for innovative behaviour rather than innovative people.

Question 2

Provide two examples of methods of communication that could be used to promote innovation and make it part of everyday work practices.

4B Develop and monitor processes for assessing awareness of and contribution to innovation

Organisations need ways to monitor innovation over time.

To sustain innovative thinking and practice, organisations need to measure:

- individual and team awareness of innovation, such as how they can contribute to innovation in the workplace
- the progress of innovation in the workplace, such as whether individuals and teams are contributing to innovative thinking and practice.

Monitoring awareness of and contribution to innovative thinking and practice can help:

- enhance employees' capacity to innovate
- develop new strategies to promote innovation
- revise existing strategies to maximise the potential for innovation
- acknowledge and reward individuals and teams who are making a contribution to innovation.

Monitoring methods

Processes need to be clear about what they are monitoring and how this will happen.

One important thing to remember is that the focus should be on what you want to monitor, rather than what is easy to monitor. For example, it might be easy to monitor employees' understanding of the benefits of innovation, but if your strategy is to monitor the number of new ideas, then you are measuring the wrong thing.

The methods used for monitoring awareness could be different to the methods for monitoring contributions. For example, you could:

- survey staff to find out if they know about ways to contribute to innovation in their role (awareness) and
- monitor their contributions to innovation by analysing efficiency outputs (contributions).

Alternatively, you could use one method to measure both. For example, you could use a staff survey to measure what staff know about how to contribute to innovation and how they have contributed to innovation within their team.

Other ways to monitor awareness of and contributions to innovation include:

- inputs, such as the number of staff who have completed a training course

- outputs, such as the number of new ideas being generated by all your employees
- culture, such as the willingness of individuals, teams and managers to tolerate failure.

Note that some approaches to monitoring contributions to innovation can stifle innovation. For example, monitoring every individual's contribution *during the process* of innovation can encourage competition rather than collaboration. Hence, it is important to evaluate performance over time and across multiple projects or tasks.

Organisational considerations and requirements

The methods you use within your organisation will depend upon a range of contextual factors, including the:

- resources available to collect and analyse data (e.g. time, funding for external consultants, software)
- available data (e.g. data on inputs and outputs)
- workplace setting (e.g. office, factory, remote locations).

When you are developing a process for monitoring awareness of, and contributing to, innovation, consult and collaborate with other teams, department and managers to ensure the process is appropriate and feasible.

You may also need to work with key stakeholders within your organisation to ensure that the information and data you are collecting is accurate and reliable. For example, you may work with an HR specialist in your organisation to ensure that data about staff training is collected and stored correctly.

Example

Awareness and contribution to innovation

Jed's company is at the beginning of its innovation journey. Innovation has not traditionally been a priority for the company, and only recently have managers started to see the benefits of innovation, allowing staff to engage in innovation activities.

To monitor staff awareness of innovation, Jed establishes a process for collecting data about staff knowledge, attitudes and beliefs about innovation. This takes the form of a series of questions that will be included in the regular staff satisfaction survey.

To monitor contributions to innovation, Jed works with the HR department to develop a system for recording the number of cross-team brainstorming sessions that occur. To assess contributions to innovation, Jed uses a simple reporting system which requires team members to record the key outcomes of brainstorming sessions. This data is then used to assess output.

Practice Task 12

Question 1

Which of the following are methods to monitor contributions and awareness of innovative thinking and practice? Tick all that apply.

- Measuring inputs, such as the number of staff who accessed an online course on innovation
- Measuring outputs, such as the number of communications between staff discussing new ideas
- Evaluating staff surveys to determine what staff know about innovation in their role
- Analysing customer feedback to determine level of product or service innovation
- Measuring the number of products or services provided to customers within a given period

Question 2

Briefly describe one disadvantage of monitoring each person's contribution during the process of innovation.

4C Devise strategies to respond to barriers

Barriers to innovation can be structural and attitudinal.

Organisations need to be looking for barriers to innovation, including organisational factors that impede innovation, such as inflexible procedures and/or behavioural and attitudinal barriers, such as resistance to change.

Barriers to innovation are inevitable but not insurmountable. The best way of addressing these is to establish effective and appropriate strategies for responding to them.

Responding to barriers

When developing strategies for addressing barriers to innovation, consider relevant contextual factors, such as organisational requirements and workplace conditions. For example, although some rules within a company could be inflexible, they may be in a place to protect the health and safety of employees.

Here is a list of potential barriers, along with examples of strategies for overcoming them:

Barrier	Description of barrier	Examples of strategies for overcoming barriers
Internal politics and turf wars	<ul style="list-style-type: none"> Innovation requires collaboration and a co-operative mindset. When individuals or teams are overly protective of their ideas, innovation can be thwarted. 	<ul style="list-style-type: none"> Run a focus group with staff and key stakeholders to identify barriers to the sharing of ideas. Set up a working party to systematically address those barriers.
Inflexible rules and procedures	<ul style="list-style-type: none"> To think and collaborate in a creative way, people need the flexibility and freedom to consider and express new ideas. 	<ul style="list-style-type: none"> Examine rules and procedures relating to workplace flexibility and identify which can be amended or discarded.
Micromanaging and constant surveillance	<ul style="list-style-type: none"> When people are micromanaged or under constant surveillance, they are less likely to explore or take risks. 	<ul style="list-style-type: none"> Institute a new approach whereby staff choose how they undertake a task; the outcome may be determined by the team leader, but the staff member decides how it will be done.

Barrier	Description of barrier	Examples of strategies for overcoming barriers
Groupthink	<ul style="list-style-type: none"> Groupthink is the tendency to make decisions in a group based upon consensus and without critical reasoning. Groupthink usually occurs in workplace situations where questions and constructive criticism are silenced or discouraged. 	<ul style="list-style-type: none"> Train teams on how to use the 'devil's advocate' approach; the job of the devil's advocate is to ask tough questions, poke holes in arguments and challenge consensus beliefs and opinions.
Shutting down conflict and debate	<ul style="list-style-type: none"> Shutting down conflict and debate limits people's ability to bounce off and build upon each other's ideas. Healthy conflict and debate can inspire creativity. 	<ul style="list-style-type: none"> Develop a resource for managers that outlines how to model and encourage healthy conflict and debate among their teams.
Highly critical evaluation of ideas	<ul style="list-style-type: none"> Fair and supportive evaluation of ideas is necessary and useful in the creative process. However, highly critical or threatening or judgmental evaluations undermine creativity. 	<ul style="list-style-type: none"> Provide support for teams to apply the five rules of brainstorming – especially 'criticising nothing'.
Lack of diversity	<ul style="list-style-type: none"> Bringing together people with diverse perspectives, backgrounds and viewpoints encourages creative thinking. Diversity of cultural background, gender, age and ability are all important, as is diversity of skill (e.g. junior staff and senior staff), and interpersonal style (e.g. introverts and extroverts). 	<ul style="list-style-type: none"> Apply a method for collecting and analysing data on diversity within the workforce – use that data to inform how and where jobs are advertised such as recruitment that uses 'word of mouth' for a recommendation to a new position, tends to encourage less diversity.
Conformity	<ul style="list-style-type: none"> Not all conformity is bad. Harmful conformity is what we do when we go along with a group to avoid the risk of being different. Harmful conformity undermines creative thinking. 	<ul style="list-style-type: none"> Work with leaders in the workplace to develop a strategy for encouraging tolerance of different personality styles and ways of thinking. For example, how can you challenge the belief that people who ask questions are 'troublemakers' or people who identify flaws are 'cynical'.

Barrier	Description of barrier	Examples of strategies for overcoming barriers
Resistance to change	<ul style="list-style-type: none"> Rejecting new ideas and perspectives is characteristic of a resistance to change. To engage in creative thinking, we need to suspend judgement long enough to give ideas the chance to 'prove themselves'. 	<ul style="list-style-type: none"> Use Blue Sky Thinking to encourage employees to use their imagination and thinking 'outside the box'.

Sources: <https://www.businessnewsdaily.com/8267-obstacles-to-innovation.html>; <https://www.linkedin.com/pulse/want-innovation-stop-valuing-conformity-over-charles-rathmann>

Example

Devise strategies to respond to barriers

By monitoring the progress of innovation in the company where he works, Jed has identified a major barrier.

Although staff have demonstrated an increased willingness to share their ideas – including their ideas on how to address problems – managers are demonstrating some resistance to this change.

After consulting with managers and staff, Jed realizes that there is a history in the company that has led to this specific barrier. Under previous management, staff who raised problems and identified flaws in processes and practices were typically ignored or shut-down. Managers simply are not accustomed to hearing about or responding to staff who are proactive and engaged in problem-solving.

In collaboration with managers, Jed works with his team to develop their skills in dealing with situations like this. He arranges role-playing sessions where managers can practice how to encourage staff to offer solutions, rather than shutting them down. The managers agree to meet up on a semi-regular basis to check-in with each other on their progress, and provide support to each other where needed.

Practice Task 13

Question 1

Draw a line to match each barrier or risk to innovation with an appropriate response strategy.

- | | |
|---|---|
| » Groupthink | » Collect and analyse employment data to ensure there are a variety of perspectives, backgrounds and viewpoints to encourage creative thinking. |
| » Micromanaging and constant surveillance | » Encourage creative thinking by running sessions using 'Blue Sky Thinking' to encourage imagination and thinking 'outside the box'. |
| » Lack of diversity | » Train teams to ask tough questions, poke holes in arguments and challenge consensus beliefs and opinions. |
| » Resistance to change | » Use an approach whereby staff choose how they undertake a task. |

Question 2

Identify three ways to overcome group conformity during the process of innovation.

4D Analyse and reflect on innovation performance

A key aspect of sustainable innovation is ongoing analysis and reflection on innovation performance.

The strategies you implement for enhancing innovation will only work if you know *how* they work and what needs to be improved.

To make improvements to innovation strategies, you will need to seek feedback from relevant stakeholders, analyse and reflect upon that feedback as well as the data collected via your monitoring processes. You can then develop a plan for ways to make changes if required.

Seeking feedback

Feedback about the performance of your organisation will help you identify areas for improvement.

You will need to decide who are the most appropriate people to seek feedback from on these issues. The stakeholders could be internal or external to the organisation. For example, staff might be able to provide feedback on the progress of strategies designed to encourage innovation in the workplace, and customers and clients can provide feedback on the benefits and use of innovative products and services.

There are many methods for collecting feedback some more suitable for different stakeholder groups, such as customers or clients. Depending on the resources available small focus groups may be suitable rather than a generic staff survey. Alternatively, video conferencing technology can be used for interviews and for gathering information about performance.

Remember that whatever tool is used to collect feedback, an inclusive approach is required so people across the organisation are given the opportunity to provide their input. Think about the benefits of seeking a wide range of views from staff in other departments, managers of different teams who may have slightly different perspectives on innovation and the way it was or can be implemented.

Maintaining positive relationships with whoever you seek feedback from is critical. Here are some tips on how to gather effective feedback in a respectful way.

Be specific about what you want feedback on (e.g. 'I was wondering if I can get some feedback on the brainstorming sessions you've been leading?').

Prepare a set of questions to ask the person you want feedback from and, where feasible and appropriate, give them the opportunity to read the questions before you meet with them.

Ask open questions when seeking feedback. Answers to open questions will provide you with a more in-depth and nuanced understanding of performance.

If you are heavily invested in strategies for supporting innovation, you may have a strong emotional reaction to feedback on those strategies. Be aware of how you are feeling when you listen to the feedback and manage your emotional responses appropriately.

Ask for specific examples if you need help understanding the feedback, e.g. 'What would have been a better way of getting your team to think creatively?', 'How do you think the process could be improved?'

Thank the person for giving you feedback, even if you don't agree with it.

Analysing and reflecting on performance

Data might be from a staff survey or data relating to input or output of individual staff or teams. Alternatively, it could be feedback from a group of managers, or data from a focus group with a small number of stakeholders.

Once you have your information or data, you will need to analyse and reflect upon it. The data may be responses to questions with some lengthy discussion and examples. Other data may be responses to closed questions such as in a checklist. These will need to be tallied and results summarised.

The process of analysis and reflection will provide the basis for potential improvements to the strategies you developed and implemented. The process used for analysing and reflecting on trends can also identify potential improvements. This involves:

- examining each source of information separately and identify common issues and themes
- comparing the issues and themes identified from each separate source: Are there commonalities? Are there contradictions?
- reflecting upon what these commonalities and contradictions mean for improvements.

Once potential improvements have been identified, you can make the required adjustments to the strategies, practices or processes you developed to encourage innovation. This might involve:

- providing additional resources to support a strategy that encourages innovation, such as a funding to support training or a session with an external speaker or time from work to support a strategy that encourages innovation
- expanding a strategy that has been effective so it is available to more staff or teams, or at more locations, such as a space that staff can use to discuss innovation or creative ideas
- abandoning a strategy that has proven to be unsuccessful, such as it failed to have an impact on staff or had to be ‘parked’ due to a critical risk to the business or is too expensive or doesn’t fit the team or organisational culture
- developing a strategy for dealing with a new barrier to innovative thinking or practice, such as a conflict between staff that needs to be resolved before innovation is possible
- involving a new group of people in a strategy to make it more inclusive, such as blending teams or bringing various teams together for the purpose of innovation.

Example

Analyse, reflect on and enhance innovation strategies

Marnie collects feedback internally and externally which she then uses to analyse and reflect upon Hunter’s performance regarding innovation. She will then use that information to make changes to the strategies she has developed for:

- reducing turf wars
- recording and disseminating ideas
- promoting innovation across multiple teams
- changing the view that innovation is only applicable to the design team.

The feedback Marnie collects suggests that there been a decrease in ‘turf wars’ within the organisation. There is greater collaboration between teams and more willingness to share information. This appears to be largely the result of increased opportunities for cross-team collaboration.

The process for recording and disseminating ideas has been successful; many ideas have been created and some of these have led to new clothing lines. The strategies for promoting innovation across all teams have also been partially successful: staff report that they were barely aware of the notepads and mousepads that were designed to encourage innovation, but they were aware of the posters and felt that they did make them more aware of the need to be innovative in their everyday roles.

The most successful strategy has been the system for assessing new ideas, establishing checkpoints and providing support for innovation. The stores that sell Hunter’s products report that two products emerging from this process have sold very well.

Based on this feedback, Marnie tweaks the strategies she has implemented. She proposes an increase in resources for the systems that has led to two new successful lines of clothing. She recommends that Hunter continue to provide opportunities for cross-team collaboration. Finally, she abandons her plans for more resources for staff to encourage innovation, considering the failure of the notepads and mouse pads, however she recommends that the company keep using the posters, as they remind staff about the importance of everyday innovative thinking and practice.

Practice Task 14

Question 1

Which of the following statements about feedback are correct? Select yes or no for each one.

- | | | |
|---|-------|------|
| a) Staff can provide feedback on the progress of strategies designed to encourage innovation in the workplace. | » Yes | » No |
| b) Feedback will determine how strategies for enhancing innovation worked and what needs to be improved | » Yes | » No |
| c) Staff in senior positions will provide valuable feedback on the benefits of the innovation on staff outputs. | » Yes | » No |
| d) Closed questions provide the most straightforward answers to feedback on performance. | » Yes | » No |
| e) Specific examples provided in feedback can help direct improvements and actions. | » Yes | » No |

Question 2

Which of the following are examples of data useful for analysis of innovation performance? Tick all that apply.

- Data from a staff survey
- Data from staff performance reviews
- Data relating to input or output of staff
- Feedback from a group of managers
- Data from a focus group with a small number of stakeholders

Question 3

Provide three examples of changes to innovative thinking and practices that may be required as a result of feedback received.



Summary

- Innovation should be viewed as a journey as well as the destination.
- Innovation should not be viewed as something that is only applicable and achievable in certain roles and teams.
- Monitoring awareness of and contribution to innovative thinking and practice can help an organisation in many ways including enhancing employees' skill sin innovation and acknowledge and reward those who are making a contribution.
- A variety of methods can be used to monitor awareness of innovative thinking and practice, including staff surveys.
- Organisations need to be looking for barriers to innovation, including organisational factors that impede innovation.
- Barriers to innovation include inflexible rules and procedures, Groupthink and conformity.
- Strategies for addressing barriers to innovation will help organisations encourage creative thinking.
- Strategies you implement for enhancing innovation will only work if you know *how* they work and what needs to be improved.
- Internal and external feedback can provide important insights into improvements to innovation strategies.

Learning Checkpoint 4

Sustain innovative thinking and practice

Part A

1. Describe two ways to measure individual and team contributions to innovative thinking and practice.

2. Suggest two reasons why an innovation strategy might be put aside or abandoned after analysis and reflection of its performance.

3. The process of analysis and reflection can be used for identifying potential strategies for improvement. Provide three examples of the steps involved in analysing and reflecting on innovation performance.

Part B

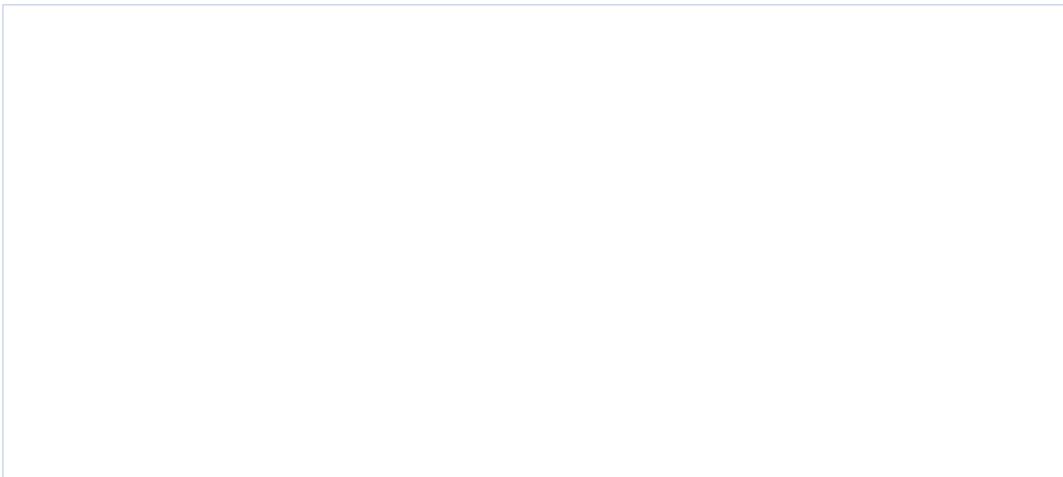
Read the case study and answer the questions that follow.

Case Study

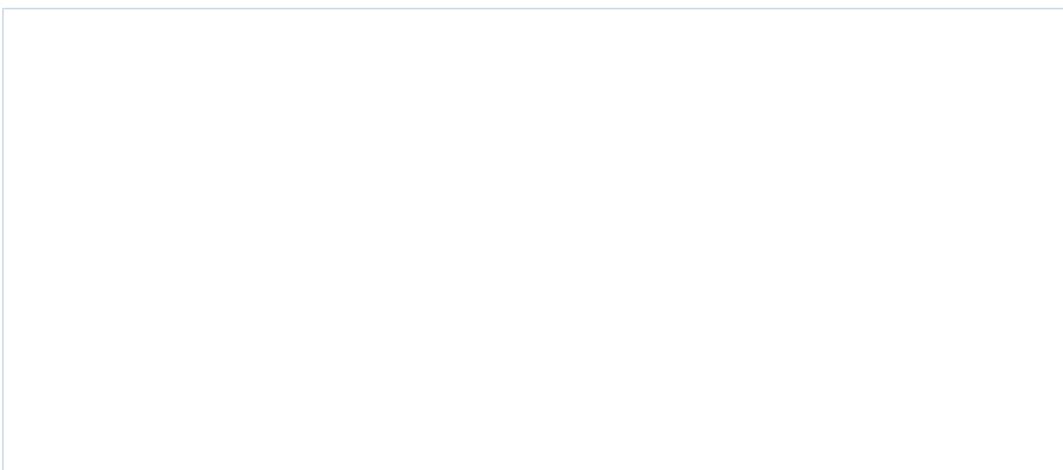
Derek has been successful in keeping his business viable and his staff employed during lock downs during the pandemic outbreak. With a few innovations, such as developing an online store and providing home delivery of ready-to-eat meals, his earnings have only been lightly affected compared with the previous year.

Focusing on the next year ahead, which looks to be as unpredictable as the previous year, Derek now wants to turn his attention on developing a workplace that sustains innovative thinking and practice.

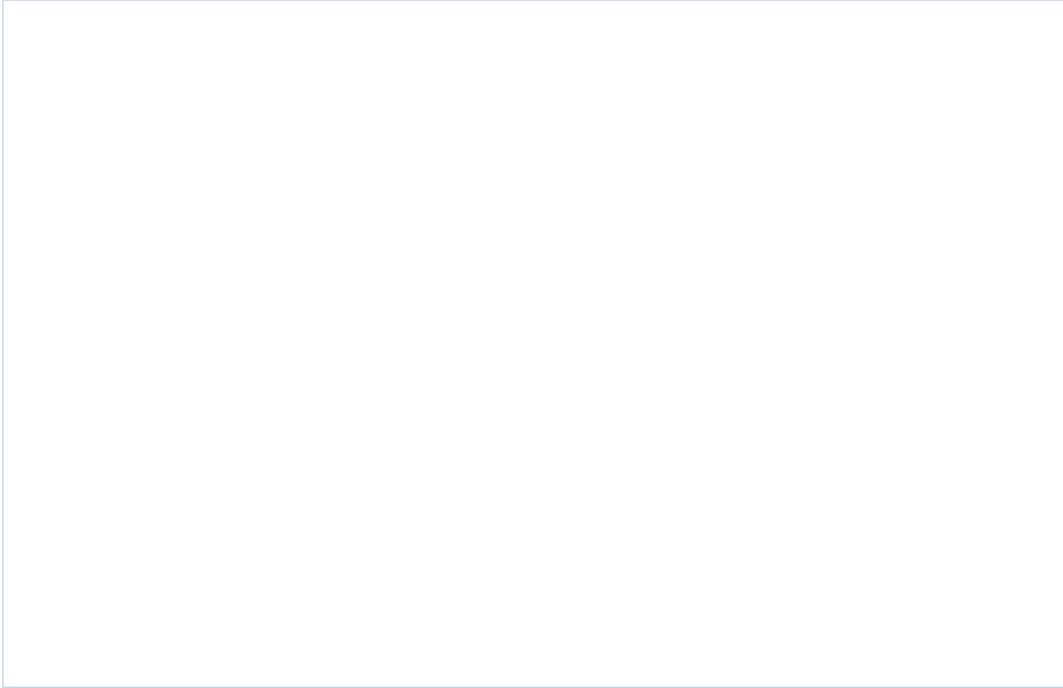
1. Provide three examples of strategies that Derek can implement which make innovation an integral part of the café's activity.



2. Identify three potential barriers or risks to innovation in Derek's business and devise strategies to counteract each.



3. Suggest two examples of feedback Derek could seek about innovative thinking and practice within his business.



4. Derek receives positive feedback from the team with improvements to processes for storing food that was identified during a scheduled creative thinking session. However, although customers were very satisfied with the time they had to wait to be served, they commented on the quality of some of the dishes had dropped.

Based on this feedback, suggest a change Derek can make to practices in his business.

