

# Creating an Innovative Enterprise

*Innovation for Impact: making high-value innovation inevitable*

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# Innovation is a Mystery to Most

"Every CEO will at least give lip service to the idea that the world is moving faster and that we need to do a better job at innovation.

But if you go into an organization and ask people to describe their innovation system, you get blank looks.

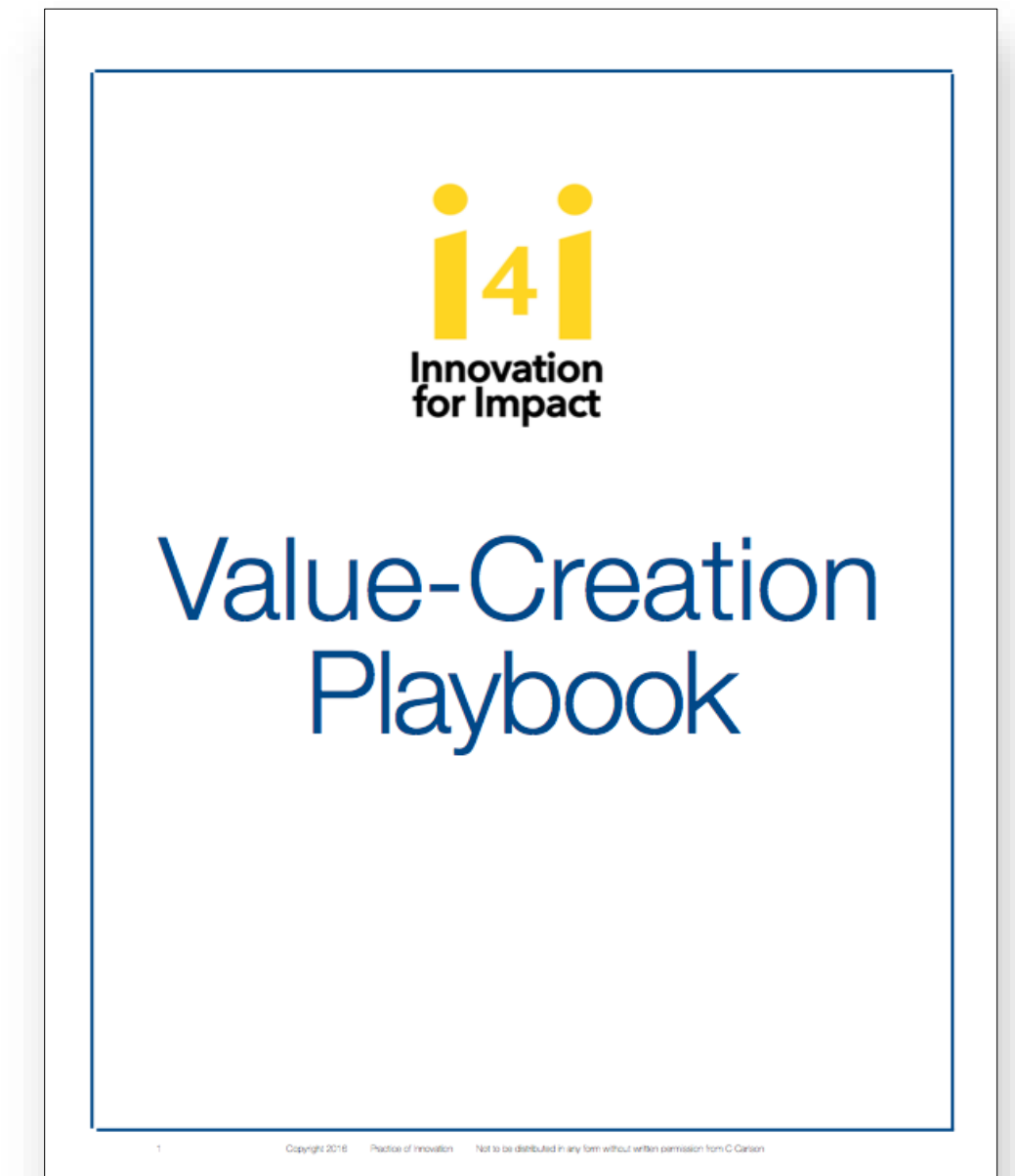
They have none."



*Gary Hamel*

# Three Essential Concepts

1. Important customer and market needs
2. Value-Creation Playbook:  
NABC value propositions
3. Intense learning:  
Value-Creation Forums



- If these elements are not in place, at best the results will be episodic
- High-value innovation must be inevitable

# What Is Innovation?

Creation and delivery of new customer value in the marketplace with a sustainable business model



# Poor Performance



Companies



National Laboratories



University “Tech Transfer”



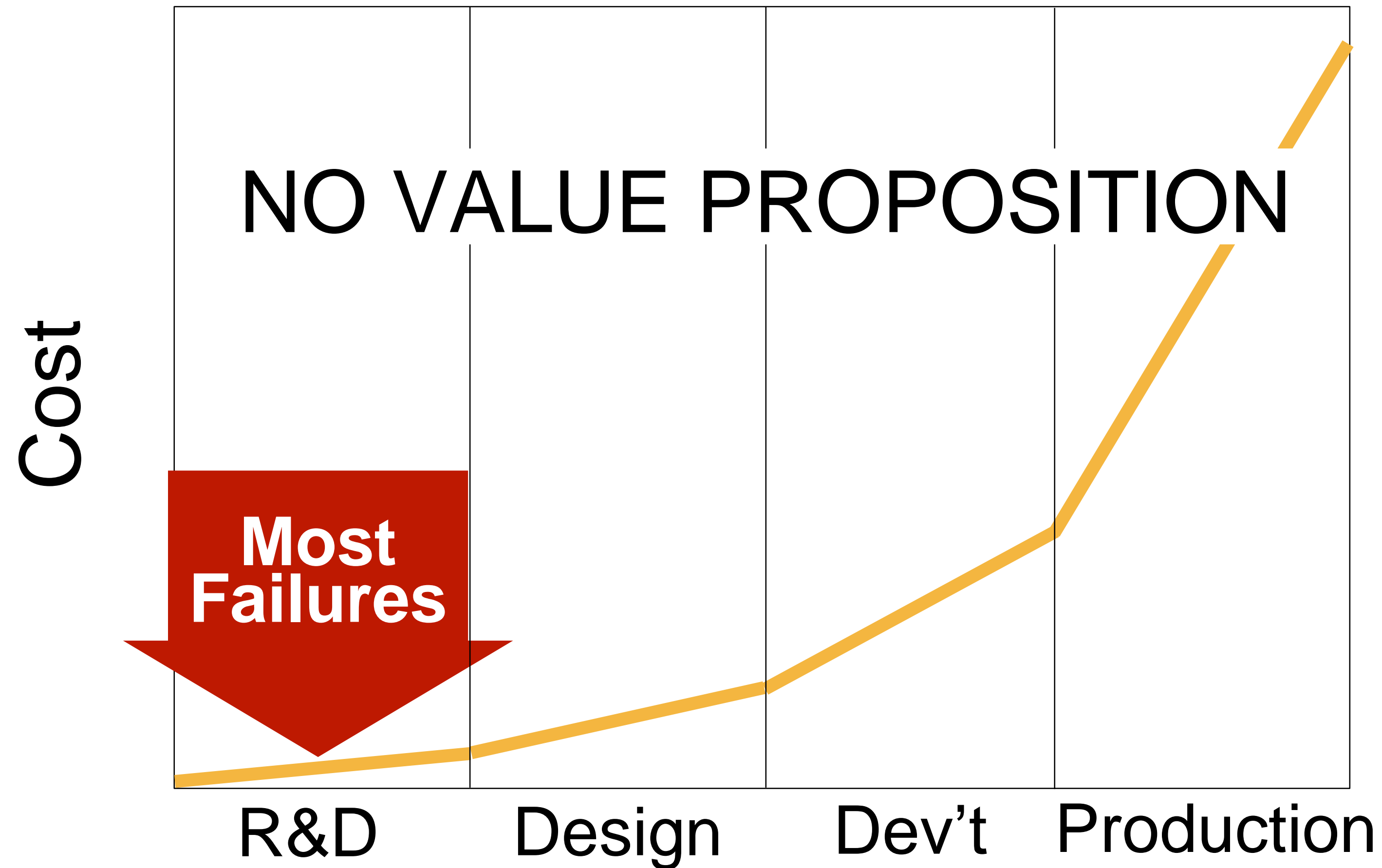
Silicon Valley

# Many Unproductive Ideas

Fail fast to ~~not~~ succeed early

Learn fast to succeed early

# Most Failures Start at the Start



< 20% of R&D has any value

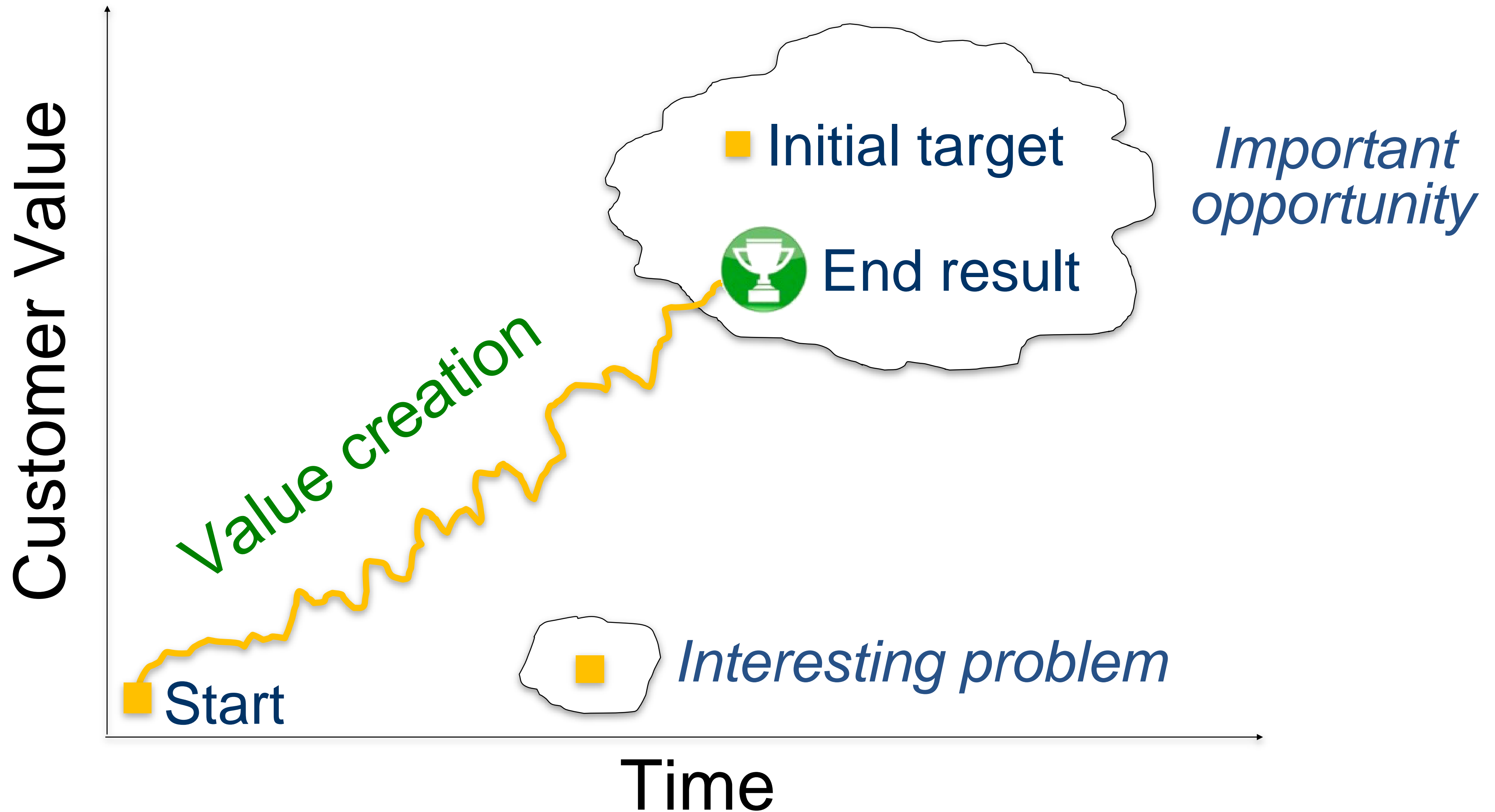
# Best Practices Rarely Used

- Lack of focus on:
  - An important opportunity
  - Best practices: no Value-Creation Playbook
  - Intense, effective team collaboration for fast learning
- Progress: U.S. NSF and Singapore NRF





# Important Needs; Not Interesting Ones



# Definition of a Value Proposition

Need

Approach

Benefits/costs

Competition or alternatives

Applies to everyone in the enterprise

# The Most Common Failure

N A B/\$C

>95% of presentations are like this

# Value-Creation Forums for Learning Fast



- Recurring, multidisciplinary, facilitated meetings
- 3-5 teams, 2-20 minute NABC value propositions
- Speaker listens to feedback: no talking back
- Risk-reduction, investments, IP

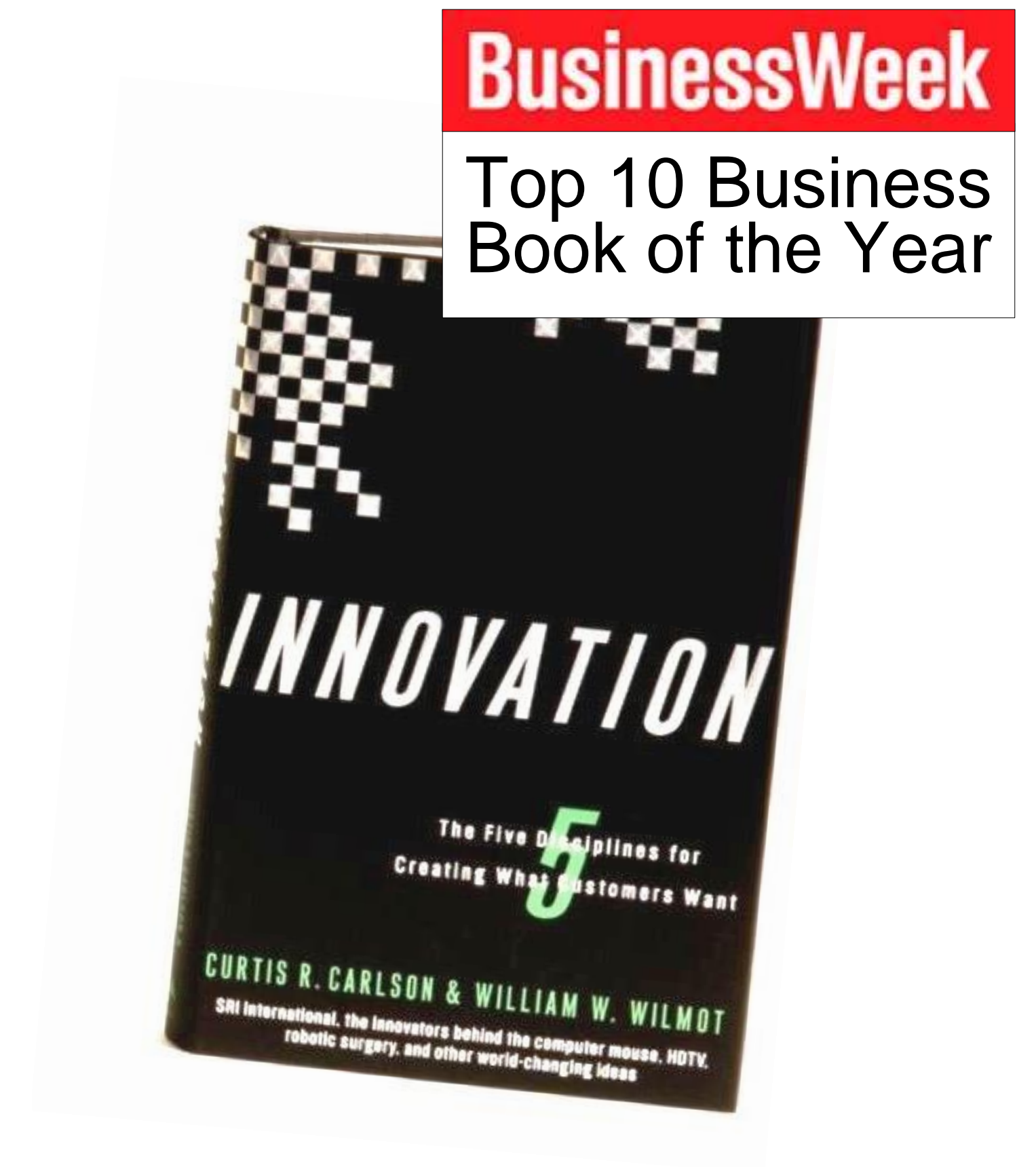
# Example: Formation of Siri



NABC Value Propositions → Business plan

# Conclusions

- Success requires:
  - Focus on important customer needs
  - Use of a Value-Creation Playbook, including NABC value propositions
  - Intense learning through Value-Creation Forums
- Like in the Olympics, be the best at what you do



# Thank You

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