P&PM Dispatch: Turn Your Innovation Tunnel into an Innovation Funnel

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In this week’s P&PM dispatch, the team suggests a surprising solution for transforming your innovation tunnel to an innovation funnel.

Killing projects is hard – it requires strong gatekeeping, clear prioritization, and active communication within the innovation team. Changing the culture to switch into the mindset of actively killing projects is even more difficult – it requires heavy change management and a considerable amount of time to reap the full benefit of your initiative.

Do you struggle to kill projects in your pipeline? If so, you may be like many companies that have an innovation tunnel instead of an innovation funnel. Often, this happens because of weak gatekeeping and poor project prioritization. Many companies don’t realize that improving idea selection in the beginning of the process is one of the best ways to minimize the impact of an innovation tunnel.

When companies follow a leading practice approach to portfolio management, ideas funnel through a phase gate process which yields the necessary results for, “go / no-go” decision making. Innovation leaders must kill projects that don’t received a “go” in order to avoid the tunneling effect. This ensures the remaining projects are of the highest value and the utmost importance. Projects can then be allocated the necessary resources to ensure a higher chance of success.

A simplified solution for addressing an innovation tunnel is to incorporate greater rigor between ideation and portfolio entry. By refining the evaluation process for ideas to become projects, organizations can shape a more narrow and robust innovation tunnel. This targeted innovation funnel provides a higher return on R&D investment and results in a higher quality of work, removes wasted effort, and has a much lower cost of change.

The key to success lies in using hard data to drive decision making by using a scorecard-based approach. The scorecard should align ideas with corporate strategy, technical feasibility, and market potential. By considering inputs from various functional areas, your organization can get better visibility and alignment, resulting in a much higher probability of success for your innovation efforts.

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