Undermining Innovation

by Bill Poston

Scott Kirsner published a new article on the HBR blog last week titled "11 Ways Big Companies Undermine Innovation." The short post offers a number of insights that are very consistent with my experience working with large organizations to improve their innovation performance.

Large, established enterprises have tremendous advantages in the innovation game; superior financial resources, abundant talent, better infrastructures, and existing channels to market. However, many of these firms get in their own way when it comes to executing innovation initiatives and they struggle to consistently deliver returns on their investment.

Among the challenges Scott identifies, the ones I see most often are:

- Companies that are unwilling to compete with themselves which leaves them open to disruption by others. The political power is always in the line organizations that are making payroll today.
- Innovation groups that are forced into short-term projects by being too close to the existing business, or are too far removed from the business to get the participation they need when necessary. This is exacerbated by what Scott calls the "paradox of proximity."
- Disconnected initiatives that are "the CEOs thing" and fail to take advantage of the strength of the firm. These projects are often viewed as foolish distractions by those that are not involved.
- Corporate attention deficit disorder that prevents follow-through when poor quarterly results impact the enthusiasm once displayed for a breakthrough innovation initiative.

Finally, Scott calls out Chief Information Officers that alter their title in search of more influence and power. The Chief Innovation Officer is an important role with broad responsibilities for delivering on the promise of innovation. Sorry, but based on the way we define the role, that doesn’t happen in IT. Scott is on the right track with his research. Executives from organizations large and small will benefit from his insight.

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For the past 30 years, Bill has helped executives in technology-driven industries transform their competencies to deliver results. He is a highly regarded consultant, speaker, and writer on the topics of innovation strategy, product development, portfolio management, technology commercialization, and the software systems that enable innovation. Keep up with Bill's latest research and thoughts on innovation and the rising role of the Chief Innovation Officer at www.TheChiefInnovationOfficer.com.