March Madness: Design and Deploy a Winning Innovation Team

by Austin Locke and Pamela Soin

The NCAA Division I Men’s Basketball Tournament is one of the top sporting events in the United States. Every year around the start of the spring season, the best college basketball teams in the country get together for a tournament so wild that it is affectionately referred to as March Madness.

This tournament is beloved for many reasons, not the least of which is its unpredictability. In fact, the outcome is so volatile that last year Warren Buffet would have made you a billionaire if you picked the winners. The meteoric rise of many teams is matched only by the heartbreaking fall of others. Competition is fierce and expectations are high as repeat contenders with rich winning traditions frequently face off against feisty new entrants looking to make a name for themselves. Every team starts the tournament with a clean slate and a chance to be the next Cinderella story. On top of it all, the pressure mounts with each game as the athletes advance into deeper and often unchartered waters.

Unpredictability, rapid changes, high expectations, mounting pressure, and fierce competition. Does this sound all too familiar? As a Chief Innovation Officer (CINO), you work in this type of environment every day. You face unique challenges, and just like this year’s March Madness tournament hopefuls, the best team will rise to the top.
You can’t transform your organization or win at innovation by yourself. You need an innovation team staffed with the appropriate roles. Most importantly, you need to know which lineups are best equipped to tackle specific innovation challenges. Here we discuss how to justify your innovation team, the roles you need, and which team members should be assigned to four common innovation challenges.

How to Justify your Innovation Team

If you’ve tried to tackle all of your organization’s innovation challenges by yourself, you probably don’t need any convincing that an innovation team is a critical element for success. Here are some pain points most CINOs face that justify the need for a team.

1. **Inherent Dualities of the Role.** As a CINO, you are expected to demonstrate quick wins and value today while simultaneously building sustainable value for the future. The only way to successfully accomplish these seemingly contradictory goals is to divide and conquer with a team.
2. **Tight Schedules and Timelines.** Your responsibilities include everything from helping the organization generate new ideas to designing the portfolio management and phase gate processes to support innovation. You simply don’t have time to manage every detail of every process. Use a team.
3. **A Single Face of Innovation will Fail.** Innovation touches every corner of the organization. You can’t be everywhere at once. A team effort is necessary to spread the message and stay visible throughout the organization. A diversified team will help broaden your reach.

Understanding the Team Roles

This is a big job. Here are the roles critical to the success of any effort to transform the innovation performance of an organization.

- **Performance Managers**: These individuals play a dedicated value capture role for innovation measurement, reporting and monitoring. They also perform innovation results analyses and define targets for innovation growth. Remember what Dr. Deming said, “In God we trust; all others bring data.”
- **Portfolio Managers**: Portfolio managers are essential when your organization has other priorities that compete with innovation. They characterize current investments, force priority decisions from leadership on how to resource projects, and provide business unit stakeholders with portfolio views that enable better decision making.
- **Capability Leaders**: Capability leaders implement and enforce both portfolio and phase gate processes. They’re responsible for ensuring adoption and adherence to new innovation capabilities. They also serve as a coach for key innovation initiatives.
- **Innovation Specialists**: These team members serve as consultants to the business units. They are heavily focused on innovation and often lead risk mitigation sessions and innovation workshops. Their expertise allows them to help new product development teams sort through complex issues that are putting an innovation program at risk. Think of them as your “sixth man” that will always come off the bench and deliver the boost you need.
- **Scouts**: If your growth strategy relies heavily on acquisitions, you’ll definitely need some scouts on your innovation team. They create external expertise networks while overseeing open innovation efforts. They’ll keep you well-connected to external groups.
- **Incubators**: Incubators are the real gym rats of your innovation team. They are fully dedicated to developing and advancing front-end concepts. If you have a robust innovation growth agenda and not enough in the current pipeline to deliver, add some Incubators.
- **Information Systems Support**: These individuals provide business intelligence across multiple systems
to track and measure innovation plans and results. They strongly support Performance Managers.

- **Informed Outsiders**: There are times when nothing will substitute for a fresh and knowledgeable perspective. Informed Outsiders support your innovation team by providing business and subject matter expertise to help advance innovation planning, processes, and development.
- **Quality Directors**: As consumers continue to demand higher levels of quality, the Quality Director is becoming increasingly important. They provide the quality lens to new innovations to maintain company product performance expectations.
- **Shared Functional Resource Lead**: It is likely that many members of your organization that work on innovation initiatives have other responsibilities within the business. When this is the case, a Shared Functional Resource Lead helps maintain resource and staffing expectations for shared resources between the innovation initiative and day-to-day business activities. They also establish rewards and career paths that encourage the growth of healthy innovation teams.

### Four Common Challenges and How the Innovation Team Can Help

Here are four unique challenges faced by Chief Innovation Officers and the innovation team roles that can help address those challenges.

**Challenge: Defining and Reporting on Metrics**

Every CINO needs to clearly communicate expectations from innovation over a period of time. What is the expected contribution to the top and bottom line from the investments you are asking the organization to make? How can you have clear metrics to report out publicly? How do you know that you are on track once you have targets?

**Who plays a role?**

- Performance Analyst
- Portfolio Manager
- Capability Leaders
- Information Systems Support
- Informed Outsiders

The solution to this challenge is to use expectations from strategic and annual planning to define yearly targets for metrics like net sales and gross profit. Next, determine how much of this target will be met by growing and investing in the base business vs. big, new innovation. Finally, implement Portfolio Management disciplines to track how the pipeline stacks up to delivering targets.

**Challenge: Encouraging Continuous Improvement**

Innovation is sexy, new and fun. How can the CINO continuously improve innovation work and results delivery?

**Who plays a role?**

- Capability Leaders
- Performance Analyst
- Information Systems Support

This challenge can be addressed by implementing an innovation results review process that looks at both business results and project execution excellence. Learnings from these reviews can improve results forecasting.
and help implement new protocols for how innovation delivery teams should operate.

**Challenge: Lack of Internal Expertise**

You want to make investments as successful as possible. You are moving into spaces where you don’t have a plentitude of internal experiences.

*Who plays a role?*

- Capability Leaders
- Dedicated SMEs
- Innovation Specialists

By building internal and external networks, you’ll be able to call upon expertise when you head into previously unchartered spaces. If critical showstoppers are anticipated, call on these valuable networks. Dedicated project teams can also help ensure big innovations have the time they need to fully develop.

**Challenge: Securing Support for Resources and Budget**

You compete for resources in shared functions like quality and regulatory. Also, in order to launch your advanced concepts to market, you need a business unit to accept the idea and its costs to develop.

*Who plays a role?*

- Capability Leaders
- Quality Directors
- Portfolio Managers

To address this challenge, develop a clear picture of the advanced concept and its anticipated impact and return in the market. Then, share this picture with the appropriate business units. This can be facilitated through strong portfolio dashboards and reports. Develop your advanced concepts through a quality lens to reduce resource requirements further down the road.

With the right team, the CINO can minimize the effects of unpredictability, rapid changes, high expectations, mounting pressure, and fierce competition. Avoid this madness with a balanced and robust corporate innovation team and enable the right team members to address common innovation challenges. But be prepared – building a robust innovation team is not a trivial task. As John Wooden, the greatest NCAA basketball coach of all time said, “Do not let what you cannot do interfere with what you can do.”

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