Building Innovative Organization

Knowledge Sharing Session By
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By the end of this course you will Understand about:

1. Why innovation is essential for both individual and organization

2. 3 dimensions to build innovative individual and organization: Creative Thinking, Climate and Action
Leader of Business Computer at 1985. Where are they now?
Why Innovation?

- 100 years
- 70 years
- 25 years
- 10 years
- < 10 years?
Why Innovation?

Our study in blue chip group of companies showed: To have a frog leap growth, this group needs habits of *innovation with invention* in one or combination of the following aspects: value proposition, business process, technology, and people

Growth of a High IQ Company (%):
- Innovation with invention

Growth of a Medium IQ Company (%):
- Innovation with ingenuity

Innovation and “business as usual” do not provide an adequate growth

Source: BINUS analysis, 2004-2009
Why Innovation?

Your Passport for Higher Job Security
Building Innovative Organization

In 3 years beat Sony & Microsoft

Grew almost 200x in 17 years

Creative Thinking
- The dynamics that underlie creative thinking
- Becoming creatively fit as an individual
- Breaking and making connections for an enterprise

Climate
- The climate for creativity in an enterprise
- Personal creative climate: the bubble

Action
- Leadership: Fostering Systemic Creativity
- Purposeful Creativity
- Sustaining the Change
Creative Thinking

- The dynamics that underlie creative thinking
  - Becoming creatively fit as an individual
  - Breaking and making connections for an enterprise

Motivation

Curiosity & Fear

Breaking & Making Connections: Forming New ideas

Evaluation

Non Customer: why they don’t consume? How to help them do work better?

Current Customer: What make them more happy?
Creative Thinking

- The dynamics that underlie creative thinking
- Becoming creatively fit as an individual
- Breaking and making connections for an enterprise

Creative Profile

Motivation

Curiosity & Fear

Breaking & Making Connections: Forming New ideas

Reclaiming Creative Health

Evaluation

What do you want in life?

Do you learn things daily that interest you?

Can you accept it when things don’t work out the way you thought they might?

Do you enjoy new ideas both yours and other people’s?

Can you see how most new ideas have merit?
1. Forced connection of two ideas or two words e.g. PAMA Pit Stop Case

2. ERRC Grid: Eliminate, Reduce, Raise, Create (see next page)
ERRC Grid:

- **REDUCE**
  Which factors should be reduced well below the industry’s standard?

- **ELIMINATE**
  Which of the factors that the industry takes for granted should be eliminated?

- **CREATE**
  Which factors should be created that the industry has never offered?

- **RAISE**
  Which factors should be raised well above the industry’s standard?
Creative Thinking

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Encourage Conflict of Ideas
Encourage Risk Taking
Promote Diversity
Organize for Intrinsic Motivation
Information Flows that Support Creativity
Using More & Less Information
Climate

- The climate for creativity in an enterprise
- Personal creative climate: the bubble

- Expectations & Behavior Underpin Climate
- Expectations & Behaviors Reinforcing Creativity
- Providing Autonomy & Support
- Large-Scale Climate Change
Climate

- The climate for creativity in an enterprise
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The Bubble

- Expecting Success
- The Power of Passion
- Reaching Out

Corporate Climates Adapting to Personal Climates
• Leadership: Fostering Systemic Creativity
  • Purposeful Creativity
  • Sustaining the Change

Action

Reduced Controls

Creativity Friendly Rewards

New Attitude About Efficiency & Failure

Communicating The Value of Creative Change

Resources

Guiding The Corporation
Action

Stage 1: Groundwork & Immersion
Stage 2: Divergent Exploration
Stage 3: Selection
Stage 4: Focused Exploration
Stage 5: Initial Articulation of a Potential Solution
Stage 6: Development & Transformation
Stage 7: Implementation

Leadership: Fostering Systemic Creativity
Purposeful Creativity
Sustaining the Change
Action

- Leadership: Fostering Systemic Creativity
- Purposeful Creativity
- Sustaining the Change

Plan Ahead

Record Result

Expect Resistance

Encourage The Flow of Information

2. Innovating at the Top, Roland Berger, Soumitra Dutta, Tobias Raffel & Geoffrey Samuels, INSEAD Business Press, 2009


5. BINUS Business School Study on Indonesia Group of Companies vs. Fortune 500 Company’s Growth, 2009
Thank You!

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