

The future of innovation

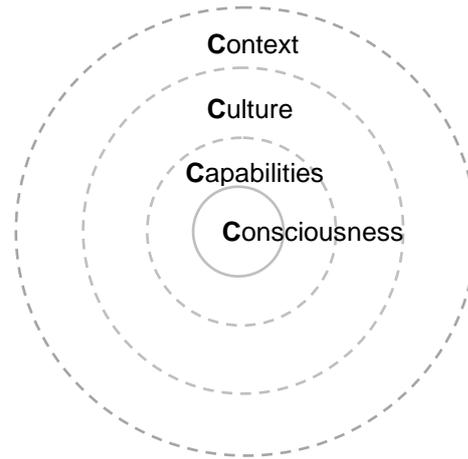
This article was published in the book "The future of innovation" by Stamm and Trifilova, Gower 2009, ISBN 978-0-566-09213-8

The future of innovation... is mental. – If we go 50 years back, companies didn't have strategies. Or, of course they had; they lived their strategies in their daily work. But there was no language to name what you were doing until the birth of *strategic management* in the 60'es. Igor Ansof published 'Corporate Strategy' about diversification in 1965, and Boston Consulting Group launched their popular portfolio matrix a couple of years earlier (the one with cash cows, stars etc.). But until there were such concepts and models to describe strategy making, it was no deliberate management discipline. In other words, you could see the practical results of your strategies, but there was no framework for reflecting and *learning* about strategy making. "You can't tame, what you can't name".

Innovation unfolds in real life, no doubt. But until the management vocabulary includes 'divergent thinking', 'architectural innovation', 'absorptive capacity' etc. etc., plus a number of models and tools to make the concepts operational, innovation is no deliberate management discipline. Today we face such transition from *innovation* to *innovation management* in the corporate world. It's about mastering what I call the four C's of innovation:

1. Innovation takes place in a societal **Context**, e.g. the market with its turbulence of changes, new competitors, technological development, politics, laws and regulations etc. In this sphere, you find many different "schools of thought" both regarding business models and competing technologies, expressed within other companies, within universities, research labs and within the public in general.
2. Integrated in the societal Context, the organizational life unfolds as self-organizing patterns of behaviour, or **Culture**. In this sphere you find many competing "schools of thought" within the corporation. It's also the sphere of emergent innovation.
3. A more formal structure is expressed in management systems, processes, competences etc., or the overall **Capabilities** of the corporation. In this sphere the official choices between the many ideas and concepts are made and articulated into strategies and plans, based on the established mental models of the organization. In other words, it's the home of planned innovation.
4. Finally, there is a possibility for the organization to learn and reflect, to identify the mental models at stake in both the emergent and the planned innovation, and to experiment with alternative ways of seeing the business. I call such activity **Conscious** leadership of innovation. This sphere is a dynamic "meta-layer" for adaptive innovation management.

To initiate, plan and guide an expedition through these spheres of your organization would be an act of conscious innovation management. By doing so, top management makes *innovation management* a **dynamic capability**. This mental step is where the future of innovation begins.



The “4 C’s of innovation”. The **Context** is society in general. The organisational **Culture** consists of self-organizing social processes. The **Capabilities** are structures, management systems, competencies etc. **Consciousness** is a meta-layer of learning and leadership; the key to innovation management as a dynamic capability.

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