The Innovation Change Agent’s Manual

A Structured Approach for Increasing the Impact of the Innovation Strategy Workshop

This Manual has been prepared to enable Innovation Change Agents to assist those enterprises whose managers have attended the Innovation Strategy Workshop (ISW) to gain the greatest benefit from their participation.

In addition, many of the methods and techniques described in this manual can be used to help other enterprises to innovate more often and more successfully.

This Manual was prepared by Dave Francis PhD and Professor Howard Rush (of CENTRIM, Brighton Business School) and by Miladys Parejo PhD (of Richmond Consultants Ltd.). A DVD accompanies this Manual.
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<td>Analyst</td>
<td>Provides an objective and comparative assessment of the status of the enterprise’s innovation capacity, innovation performance etc.</td>
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<td>CENTRIM</td>
<td>The Centre for Research in Innovation Management, part of the Brighton Business School, University of Brighton, UK.</td>
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<td>CEO</td>
<td>Chief Executive Officer (may also be described as a ‘managing director’).</td>
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<td>Certified ISW Trainer</td>
<td>A trainer who is licensed to deliver the ISW.</td>
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<td>Change Agent</td>
<td>A specialist, normally from outside the enterprise, who acts as a catalyst to increase the probability that a change process will be successful.</td>
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<td>Change Agent Styles</td>
<td>A variety of philosophies of how a Change Agent can help and enterprise to upgrade its innovation performance.</td>
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<td>Client</td>
<td>The object of the Change Agent’s interventions: can be an individual, team or the enterprise as a whole.</td>
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<tr>
<td>Coach</td>
<td>A specialist in one-to-one helping relationships who has the expertise to assist a client to reflect insightfully and find new ways to improve his/her contribution.</td>
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<td>Enterprise File</td>
<td>A comprehensive record of the entire intervention that a Change Agent has with a client enterprise. It will include details of the enterprise, financial and other performance data, background information on similar organisations, competitive comparisons and an innovation performance assessment. In addition, the Change Agent should keep a record of interactions.</td>
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<td>Enterprise</td>
<td>The organisation or part thereof that is undertaking the Innovation Strategy Upgrading Process (including the ISW).</td>
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<td>Entry stage</td>
<td>Early meetings with the client system when the Change Agent builds trust and develops a psychological contract with the client as to how the relationship will be developed.</td>
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<tr>
<td>Facilitator</td>
<td>A specialist with the expertise to enable groups of people to find better ways to get things done together.</td>
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<tr>
<td>Guide</td>
<td>An adviser on improving policies, practices and performance.</td>
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<tr>
<td>Industry analysis</td>
<td>A comparative analysis of those organisations that are similar to each other. The analysis looks at forces that affect all of the enterprises in the industry, performance ratio analysis, trends, different strategies, comparative strengths and weaknesses etc.</td>
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<tr>
<td>Innovation</td>
<td>Transforming opportunities into value-added.</td>
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<td>Innovation Change Agent</td>
<td>A Change Agent who specialises in promoting effective and responsible innovation, which includes relating innovation to an enterprise’s strategy, seeking to ensure that innovation is within the context of sustainable development, developing innovation organizational capabilities and improving the management of innovation.</td>
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<tr>
<td>Innovation Strategy</td>
<td>The formulae adopted by the enterprise for developing and focusing its organisational assets to deliver the quantity and quality of innovation required to progress towards achieving the enterprise’s strategic intent.</td>
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<td>Innovation Strategy Upgrading Process</td>
<td>This includes participation in the ISW, the work of the ISW Team and the Change Agent’s intervention in total.</td>
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<td>Interventionist</td>
<td>The activities undertaken by a Change Agent as s/he becomes involved in a client’s organisation.</td>
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<td>ISW</td>
<td>Innovation Strategy Workshop,</td>
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<tr>
<td>ISW Change Agent</td>
<td>A Change Agent who has the specialised knowledge and skills to increase...</td>
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the probability that attendance at an ISW will improve an enterprise’s capacity to develop an innovation strategy that is closely aligned with its business strategy for gaining and sustaining competitive or comparative advantage.

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<th>ISW Team</th>
<th>Representatives of the enterprise who will attend the ISW (normally between 2 and 4 senior managers).</th>
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<tr>
<td>ISW Trainer / Delivery Team</td>
<td>The team who deliver and facilitate the ISW.</td>
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<td>KPI</td>
<td>Key performance indicator – providing a means of measuring whether an individual or group is performing effectively within the context of what their organisation requires of them.</td>
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<td>Point-of-Contact</td>
<td>One person in the ISW Team who has been appointed to be the channel of communication with the Change Agent.</td>
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<tr>
<td>Psychological contract</td>
<td>A comprehensive description of how the client and Change Agent will work together. The psychological contract must be agreed jointly and will define how the relationships will be managed.</td>
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<tr>
<td>Responsible Innovation</td>
<td>Innovation that is targeted at delivering economic, environmental and social benefits.</td>
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<tr>
<td>Strategic Intent</td>
<td>A clear description of the desired outcome of the enterprise’s strategy.</td>
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<tr>
<td>Strategy</td>
<td>The formula adopted by the enterprise for gaining and sustaining competitive or comparative advantage within its agreed vision, mission and values.</td>
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<tr>
<td>TMT</td>
<td>The Top Management Team of the Enterprise.</td>
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<tr>
<td>Tuning-in</td>
<td>Activities undertaken by the Change Agent to become familiar with a client’s enterprise.</td>
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Introducing the Innovation Change Agent’s Manual

Purpose of the Manual

This Manual is for Change Agents who want to help an enterprise (defined as ‘a business, division, organisational unit, line-of-business, major project or a not-for-profit organisation’) to gain the maximum possible benefit from innovation.

- The first part of the Manual (sections 1 to 5) provides a structured approach for Innovation Change Agents to use as they provide support to enterprises that are undertaking the Innovation Strategy Upgrading Process (including the ISW). We refer to this specialised role of as an ‘ISW Change Agent’ as the interventions conducted are to help a client enterprise to make best use of their participation in an ISW.
- The second part of the Manual (sections 6 to 8) provides materials that generalist Innovation Change Agents (including ISW Change Agents) can use for their own development and to support additional sessions with the ISW clients and other enterprises that wish to improve their innovation capability or innovation performance.
- The Manual concludes with a references section (9) that provides suggestions for further reading.

Note that this Manual does not describe the ISW in depth.

Users of the Manual

The Manual is for Innovation Change Agents who will be interventionists, normally from outside a client’s enterprise. They will act as catalysts to increase the probability that an innovation-orientated strategic change process will be successful.

Often, an ISW Change Agent will be a Certified ISW trainer (i.e. a trainer has been licensed to deliver the ISW) but this is not required. However, it is essential that an ISW Change Agent has developed a comprehensive understanding of the objectives, purpose, content and structure of the ISW.

The Companion DVD

A DVD has been made to accompany this Manual. It covers key principles and provides additional insights into the role of the ISW Change Agent. Those sections of the Manual that are supported by the DVD are indicated with the symbol on the right.

We recommend that new Change Agents watch the DVD in full before they begin working through the Manual. This will provide an overview of the purpose, role, processes and deliverables expected. This Manual goes into greater depth and should be studied in detail before an intervention is undertaken.
**Structure of the Manual**

The Manual is structured into two parts and nine sections, as shown in the diagram below.

- **Part One** begins by reviewing the ISW (Section 1) and define the challenges that enterprises face as they attempt to implement the outcomes of the Innovation Strategy Workshop.
- **Section 2** provides an overview of how a Change Agent should work with their ISW clients.
- **Sections 3 to 5** provide the ISW Change Agent with a detailed process to follow during the three key meetings that should be held with the team of managers from the client’s enterprise, both before and after the ISW.
- **Part Two** deals with the role of the Innovation Change Agent more generally. **Section 6** provides a description of the key skills required by an Innovation Change Agent, including the tasks of being a Guide, Coach, Facilitator and Analyst.
- **Section 7**. Describes the seven possible roles that the Change Agent can play as they conduct their interventions into organisations.
- **Section 8** provides additional support materials and resources that can be used with clients.
- **Section 9** provides a list of materials for suggested further reading.
Section One: The Innovation Strategy Workshop (ISW)

The ISW is normally provided as a three-day intensive workshop, although it can be delivered in a modular format or as a Top Management Team (TMT) team-building event. For the purposes of this Manual we assume that the conventional three-day version of the ISW is being delivered.

Objectives of the ISW

The primary objective of an ISW is to enable the TMT of an enterprise to develop an innovation strategy that will support and deploy its strategy for winning (i.e. its Business Strategy). The key principles are shown in the diagram on the right. In the ISW it is assumed that a winning strategy must include the enterprise’s selected formula for gaining and sustaining competitive advantage (or comparative advantage for not-for-profit organisations or cost-centres in larger commercial companies). A key element of an enterprise’s Business Strategy must be its innovation strategy, which:

1. Develops the capabilities of the organisation to deliver value-creating innovation routinely in the quantity required;
2. Targets the enterprise’s innovation resources to where these are needed to fulfil aspects for the enterprise’s Business Strategy;
3. Proposes changes in Business Strategy that take advantage of new ideas and opportunities, as innovation should be a force that brings about change in the enterprise’s formula for gaining competitive or comparative advantage.

In the ISW ‘winning’, for commercial companies, is considered to be: ‘creating value faster than rivals in ways that benefit people and the planet’\(^1\). The speed of progressing innovation initiatives can be as important as the nature of the innovation itself. We know from research that a key element of a competitive strategy must be innovation. This is because, on average, innovative companies are twice as profitable as non-innovative firms. However, some innovation initiatives can create economic value whilst incurring social and environmental costs. From the point of view of the ISW it is responsible innovation (i.e. that which benefits profit, people and planet) that should be an enterprise’s goal.

The ISW recognises that not-for-profit organisations and cost centres\(^2\) within organisations need to innovate although their definition of ‘value-added’ will be different. For example, the Five Talents Programme in Tanzania seeks to: “fight poverty, create jobs and transform lives by empowering the active poor in developing countries using innovative savings and microcredit programmes”\(^3\). Organisations such as the Five Talents Programme see their mission as being the betterment of the quality of life rather than the gaining of economic benefit. The same is true of cost-centres within organisations. For example, a department such as Human Resources needs to have its formulae for creating value for the organisation that it serves. This value creating formulae may include, ‘providing a supply of world-class talent ready to take key roles’. Hence, cost centres need innovation to deliver their mission so that they receive support, are admired and deliver their required contribution to their wider organisation.

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\(^1\)This definition uses the Triple Bottom Line view of innovation see [http://en.wikipedia.org/wiki/Triple_bottom_line](http://en.wikipedia.org/wiki/Triple_bottom_line) for more information.

\(^2\)A cost-centre is a group that incurs costs but makes an indirect contribution to the output of the enterprise. Examples include an HR department or a Health and Safety Department.

During the ISW

Normally, participating organisations will send between two and four of their senior managers to an ISW - we will call this group ‘the ISW Team’. During the workshop the ISW Team, with the help of feedback from other enterprises, will clarify their own enterprise’s strategy for gaining and sustaining advantage through innovation. As they participate in the workshop the members of the ISW Team will gain insight into the importance of innovation and understand better how innovation should be managed better to take the business forward. In the workshop each ISW Team will seek to answer these six questions in relation to their own enterprise:

1. Where does our enterprise need (and not need) innovation?
2. How should innovation relate to our enterprise’s competitive / comparative strategy and to its chosen strategic identity?
3. What proportion of our enterprise’s resources should be dedicated to the different ways of facilitating innovation?
4. What do we require from innovation for the next stage of our enterprise’s development?
5. How should the costs of, and value-added from, innovation be assessed?
6. What should be the parenting model of our Top Management Team to facilitate flows of functional (rather than dysfunctional) innovation?

The overall aim of the ISW is to make a contribution to strategic processes within enterprises and provide the necessary frameworks, tools and processes.

After the ISW

Managers who attend the Innovation Strategy Workshop (ISW) leave the workshop with their minds buzzing with ideas about ways to improve innovation capabilities, processes and outcomes within their enterprise.

After the workshop, the ISW Team will return to their organisation to prepare proposals to present to their senior colleagues (normally this will be the enterprise’s TMT) on how to address the six questions listed above.

On returning to their own organisation, the members of the ISW Team will be likely to face these challenges:

1. They have experienced an intensive workshop but may not fully understand all of the concepts that they have encountered;
2. It may be that the members of the ISW Team have different views about what could and should be done to take the organisation forward, so they will need to come to a consensus;
3. The other members of the TMT have not been through the same learning process and are likely to struggle to understand the concepts, techniques and insights.
4. Considerable work will need to be done by the ISW Team to prepare the materials and ideas for the TMT so that they can to take advantage of the workshop.

It is important that the ISW Change Agent is aware of these likely challenges as the intervention model described later in this Manual is, in part, designed to help to overcome them.

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4 This concept is explained fully during the ISW.
Section Two: Intervention Design

Your role as an ISW Change Agent requires that you will undertake a structured intervention. You will enter the client’s enterprise with the sole aim of helping them to gain the greatest possible benefit from their participation in the ISW.

Normally, an ISW Change Agent will be an outsider to the enterprise, which means that s/he can be objective and outward looking. However, larger organisations sometimes appoint one of the senior staff to act as an internal Change Agent, which can be equally valuable.

It is important that the same ISW Change Agent works with an enterprise from start to finish, if possible. This provides continuity and increases the effectiveness of the intervention. In exceptional circumstances, should a Change Agent be unable to hold one or more of the required meetings, it is better for another Change Agent to work with the company than no one helps them.

An enterprise with which a Change Agent is working is referred to as ‘the client’. This term is used to remind the Change Agent that s/he is always in a position of providing help, assistance, support and expertise but the responsibility for making decisions and taking action will always remain with the client.

As a minimum, you will hold three meetings with the client’s ISW Team. One meeting will take place before the team attends the ISW. The other two meetings will take place afterwards. You should consider that your intervention includes:

1. Preparing for the first meeting (‘tuning-in’);
2. The three meetings (described later);
3. The ISW itself;
4. Supporting the trainers delivering the ISW (the ISW Delivery Team);
5. Exiting the client’s enterprise at a point when they are clear how to proceed.

These five stages comprise a single intervention that is intended to upgrade the capacity of your client to develop a corporate innovation agenda within their chosen strategic concept and formula for winning. Here is a diagram of a typical intervention design.

ISW Change Agent’s Pre-Work

Before you make contact with a new client it is essential that you have:

- A clear understanding of your role (i.e. how you will help the client);
- Preliminary success criteria for what you hope will be the benefits for the client, for yourself and for the ISW delivery team;
- A thorough understanding of the client’s business, including their comparative strengths and weaknesses when compared to competitors.

Role Clarification

Although you may choose not to present it to your client, your role description should be written, somewhat like a job description. It should contain a detailed description of your expectations about what you want to give to the client, how you hope that your

These topics are covered during the ISW.
interaction will develop and what you hope will emerge from the relationship. Notice that we say: “hope to achieve”. You cannot be definite as you will not be in charge of the relationship - your client’s opinions must shape the client-Change Agent relationship. You may wish to write your role description as a checklist that you will use when you have your first meeting with the CEO and the enterprise's ISW Team (these meetings are described later).

Your job description as an ISW Change Agent will have two sections. The first section will contain those items that, from your point of view, are fixed (for example, your ethical rules and the fact that information gathered from the client will be confidential). The second section will contain items that must be subject to negotiation with the client since the only effective Change Agent-client relationships are constructed between both parties. Lastly, you should include a set of steps or stages that your relationship will follow during the entry stage.

**Tuning-In**

Once you are clear about your role it will be time to tune-in to your client’s enterprise and to its environment. You will need to become familiar with your client’s enterprise in detail.

The term ‘tuning-in’ may seem odd, but it is the most accurate term that we could find for describing the process of acquiring the information needed to understand a situation holistically and in-depth. The expression tuning-in is borrowed from music where it refers to the initial phase of an orchestral performance when each musician tunes his or her instrument to the particular demands of the next piece to be played. That is exactly what capable Change Agents do whenever they are confronted with a new client.

Tuning-in will require you to gather information about your client. For each new client you should open an Enterprise File, in which you will keep all of your, records, notes and comments. Your Enterprise File will become an increasingly important document. It will become a comprehensive record of the entire intervention and will include:

- Details of the enterprise including financial and other performance data;
- Background information on similar organisations (derived from an industry analysis);
- Competitive comparisons;
- An innovation performance assessment.

The Internet can help you tune-in to your client. You will need to do the following things:

- Search the Internet for information about your client’s enterprise; not only their website but for comments and press reports about the company as well;
- Look for official records, like the Company Annual Return, that are available. Analyse these. What are the trends?
- Study the history of the client enterprise over the past three years and ask yourself: What has changed? What is the same?
- Gather first-hand experience about your client’s enterprise. If possible try their products or services yourself. Try to find other people who have been customers of the client enterprise and ask them to describe their experience to you.
- Search the Internet for information about competitor companies. Ask yourself - what are competitors doing that seems similar to my client. What is different? What can I learn from looking at the competitive environment in which the client enterprise finds itself;

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6 This section is drawn from *Effective Problem Solving* by Dave Francis, Published by Gower Press. Used with permission.
• Then try to zoom-out and examine the industry within which your client operates. Ask yourself: What are the key change drivers? How are customers’ tastes changing? Are there significant challenges in product, process, positional or paradigm for the industry generally?

When you have completed your fact-finding you will need to undertake a situation appraisal. This will require that all the relevant facts will be organised and turned into a meaningful assessment of the situation. Capable Change Agents adopt an outward-looking approach when they undertake a situation appraisal. Below we describe three useful techniques that help us to undertake a situation appraisal. Ideally you will have bold pens and two different coloured packs of Post-It Notes, postcard-sized sheets of card or a flip chart will be equally useful.

Structured Enquiry provides a framework to help you to ask the right questions. An individual can use the structured fact-finding technique but it becomes more powerful when used within a team. On the first colour Post-It notes / cards write down all the questions that you would like to have answered in relation to this situation. Do not think about the information that you have at the moment and write only one question on one note. When you have finished writing you can use a flat surface on which to mount the completed Post-It Notes or cards - clustering those questions that are similar together.

Structured Situation Analysis collects and organises available information - it follows directly on from structured enquiry. Take the other coloured Post-It Notes and write one item of information that you know about the situation on each. Try to answer each of the questions generated by the structured enquiry process. Mount the completed Post-It Notes on the surface under the questions. The situation analysis technique is even more valuable if it is undertaken as part of a group effort.

Significance analysis has a different purpose. It helps us to recognise what is relatively important. This is vital because there is a tendency to spend one’s time tackling urgent rather than important issues. To explore the significance of data gathered there are four key questions that should be addressed. It pays to write the answers down. The four questions are:

• Why should the client be concerned with this issue?
• How important is the issue (judged in relation to the other things that require my attention)?
• Who should be concerned with resolving the issue?
• What are the real constraints or limitations that the client faces?

Contacting the Client

When you have completed tuning-in, and you a well-researched background in your Enterprise File, you will be ready to send an email to (or phone) your client in the enterprise asking for a first meeting. If you do not know who to contact you should begin with the Chief Executive. Early on you will need to ensure that the enterprise appoints someone as your ‘point of contact’, so that you always know with whom to communicate in your interface with the client’s enterprise.

In your email (or phone call) you should:

• Introduce yourself;
• Say why you are writing;
• Say that you wish to visit the company (or have a telephone call if it is impossible to travel to them) in order to help them to prepare to make best use of the forthcoming ISW;
• Say that you would like to meet both the CEO (for at least 20 minutes) and all of the members of the ISW Team (for at least 1 hour and 40 minutes). The CEO can be present for the whole meeting if s/he wishes.

• Offer a draft agenda for your meeting;

• Tell them that you would like to spend the first hour of your visit on a tour of the enterprise;

• How they can prepare for the meeting with you.

You should aim to visit your client for the first time about four weeks before their team are due to attend the ISW. It is important that, for the first meeting you spend time with the CEO and with the ISW Team. If necessary, arrange to have a separate call or meeting with the CEO before the ISW Team attend the workshop.

Who is the Client?

You will not only have one client; rather, you will have a client system to deal with. Although the structure of the client system will vary on a case-by-case basis it is helpful to explore a typical client system. These are the variety of clients that you will have:

**Client 1** will be the CEO (e.g. the Managing Director or Chair of the TMT). Although s/he may not attend the ISW it will be necessary for the CEO to be involved in the innovation strategy upgrading process. The reason for this is that the most senior manager of an enterprise has greater ownership of the strategy than anyone else. If innovation is to play a greater part in the strategy process of the enterprise then the CEO must be supportive and committed.

**Client 2** will be an individual ISW participant. The relationship with the Change Agent will be one-to-one. Frequently individuals attending an ISW will have their own interests and concerns, often as a result of their functional roles (e.g. the Marketing Director will have different innovation concerns than the Director of Human Resources). The Change Agent can work with individuals and help them to reflect on the ISW process and consider what are the implications for their own area of responsibility.

**Client 3** will be the ISW Team as a whole (i.e. those who attend the ISW from a single enterprise). This team will undertake a learning journey together and they will have the responsibility to share their insights and thinking with their senior colleagues. Typically, a Change Agent will work with this group for much greater length of time than the other clients.

**Client 4** will be the TMT (Top Management Team). Each and every member of the TMT should be expected to make a creative contribution to developing the strategy of the enterprise. Hence, the members of the TMT will need to become acquainted with the relevant concepts from the ISW and debate their implications. After this has been considered fully, each member of the TMT will need to show commitment to (‘signed up’) to a strategically driven innovation agenda.

**Client 5** will be the enterprise as a whole. Although this may not have a voice it is important that the Change Agent considers the interests of the enterprise widely (for
example, it may be that the TMT do not consider that environmental innovation is important but many of the employees in the enterprise feel that this needs to consider this carefully). Hence, it will be the responsibility of the Change Agent to bring issues such as this into discussions.

**Client 6** will be intangible. The client is a set of principles and values that an Innovation Change Agent should serve. We call it ‘Responsible Innovation’. In essence, it means that the Change Agent’s interventions should serve two ends: firstly, to help the organisation to become more successful in all aspects of innovation; secondly, to innovate in ways that do good rather than harm to humanity: in short, to use innovation to serve the world in which we live and make it a better place for future generations.
Section Three: Meeting 1 - The Pre-ISW Briefing

OBJECTIVES OF THE MEETING:

- To enable the Change Agent to tune into the enterprise’s business, culture and innovation maturity level.
- To form a cooperative relationship with the client system.
- To clarify expectations of the ISW and the Innovation Strategy Upgrading Process.
- To advise on who should be members of the Enterprise’s ISW Team.
- To clarify pre-work requirements for the ISW.
- To clarify what should happen in the four weeks after the ISW.

WHO TO MEET:
The CEO and those selected managers who will attend the ISW (i.e. the ISW Team).

PRE-MEETING WITH THE CEO:

If the CEO of the enterprise is unsure as to who should attend the ISW you should arrange a pre-ISW meeting. During the pre-meeting you should meet the CEO and outline the objectives of the ISW and how it is structured. Then you should help the CEO to decide whom to select as ISW Team members. The criteria listed below will help the CEO to decide on the membership of the enterprise’s ISW Team:

- Enterprises send a team of two, three or and four people to an ISW.
- Those attending should be senior managers or others who have participated in formulating the enterprise’s strategy for gaining and sustaining competitive strategy (or for not-for-profit organisations, a comparative advantage strategy).
- The CEO is welcome to be a full ISW Team member and/or to join his / her ISW Team during the evenings.
- As a team, the mix of participants from a single organisation should have a deep understanding of the range of activities being undertaken by their enterprise.
- The ISW should be seen as a core strategic management process rather than an informative educational programme.
- In smaller organisations the owner or most senior manager should be a member of the ISW Team.
- Those who attend should commit themselves totally to the workshop as it is expected that participants will dedicate themselves to each of the working sessions without distractions.
- Each participating team will present their work-in-progress to another enterprise team that is attending the workshop, so that they can receive comment and feedback. Whenever possible, pairings will be made with enterprises from different and non-competing industries. All teams are asked to keep the information that they learn about other enterprises strictly confidential.

LENGTH OF FIRST ISW TEAM MEETING:

- One hour for your tuning-in tour of the enterprise
- Approximately 2 hours for the first meeting with members of the ISW Team (the CEO is welcome to attend).

PROCESS:

Getting Acquainted (at least 15 minutes): When you visit the company for the first time you need to develop a relationship of openness and trust. Usually the Change Agent will
begin by introducing him/herself to the CEO and give a five-minute overview of the ISW within the context of the Innovation Strategy Upgrading Process as a whole. Your five-minute overview should:

- Provide an outline of the Innovation Strategy Upgrading Process;
- Say what benefits it can offer to the enterprise;
- Explain your own role of as Change Agent (you can call yourself an ‘Innovation Adviser’ if you feel that this would be more acceptable);
- Explain the objectives of the ISW and how the workshop is structured;
- Describe how the ISW Team will need to work with the TMT after they return from the ISW to use the constructs from the workshop to upgrade the enterprise’s Innovation Strategy;
- Tell the CEO what s/he needs to do to increase the probability of success.
- Also, you should make it clear that your relationship with the client will be confidential and you will not disclose any information about the client’s enterprise unless you have their prior permission so to do.

After your five-minute overview has been presented you should ask the CEO to ask you questions and give his/her comments. You should act as a coach to the CEO in order to help him/her to understand the potential benefits that should flow from participation in the ISW.

Your discussion with the CEO should conclude with you and your client coming to an agreement as to what you (as the Change Agent) will do to help the enterprise and what the CEO can do to help you. You should make notes of this agreement (sometimes called a ‘psychological contract’) and write to the CEO within three days of your visit with a draft agreement. You should also keep a record of the agreement in your Enterprise File.

**Tuning-In Tour (1 Hour):** Once an open relationship with the CEO has been established then it is time to learn more about the enterprise. Different Change Agents have their own ways of doing this. We recommend that you take a guided tour of the enterprise that lasts for about an hour (even if it is an administrative organisation with, apparently, little of interest to see). As you visit different parts of the enterprise you will begin to understand more about the enterprise’s working conditions, the processes that they use and the attitudes of members of staff. This will help you to tune into the reality of the company, which may be different from the image given on the website and elsewhere.

Make notes as you undertake your tour. Some Change Agents also take photographs (with the permission of the CEO) so that they can remember better the operations of the client’s enterprise. Write your notes in your Enterprise File on the day of the meeting.

**ISW Team Kick-Off Meeting (1.5 hours):** You will need to meet all of the managers who will attend the workshop, as these managers become the enterprise’s ISW Team. The meeting will explain the purpose and structure of the ISW and describe, in detail, what the ISW Team will be required to do before they attend. It will be important that the members of the ISW Team are given opportunities to ask questions so that they can become totally clear as to what they are expected to do before they arrive at the ISW (you should check their understanding of their pre-ISW work programme by asking them to summarise their tasks before the close of the meeting). A format for the kick-off meeting is suggested below:

1. Introduce yourself - say who you are, give a short overview of your career and outline your role as a Change Agent (3 minutes).
2. Ask each of the members of the ISW Team to introduce themselves and say why they are interested in innovation within the context of their enterprise (2 minutes each, 6 minutes in total).
3. Give an overview of the ISW’s objectives, process and deliverables (you should have copies of the ISW Briefing Notes to give to the clients, which will be
available from the ISW Delivery Team). Explain that the working hours of the workshop will be from 9 am to 6 pm for the first two days of the workshop and 9 am to 5 pm on the final day (10 minutes).

4. Ask: 'what is your enterprise's key innovation challenge?' Facilitate a discussion to try to arrive at a statement that all the members of the ISW Team feel capture the key points. Ensure that each person contributes their opinions and participates in the discussion. Take notes for your Enterprise File (10 minutes).

5. Ask: 'what do you want to achieve from participating in the ISW - what are your hopes and fears?' Take notes for yourself and, with the permission of those present, to give to the ISW trainer team to help them in their preparation for the workshop (10 minutes).

6. Describe the preparatory activities that will need to be undertaken before the ISW. Each ISW Team is required to produce a 15-minute presentation that will be shown to one of the other ISW Teams that are participating in the workshop (note: for reasons of time management the presentation will not be shown to all of the teams attending the ISW). The introductory presentation should:
   a. Introduce the enterprise to the other team with details about its history, size and industry (2 slides).
   b. Outline the top five key industry trends that are influencing the enterprise (1 slide).
   c. State the enterprise's strategy for gaining and sustaining competitive or comparative advantage (for not-for-profit organisations (1 slide).
   d. Define the top three challenges the organisation faces in achieving its strategy (1 slide).
   e. Summarise the historic role that innovation has played in the enterprise (1 slide).
   f. Define what the enterprise hopes to gain from participating in the ISW and the Strategic Innovation Upgrading Process (1 slide).
   g. This presentation should be in PowerPoint format and it will require the ISW Team to work together for at least four hours in advance of the workshop. The ISW Team should take 5 hard copies of the presentation with them to the ISW (15 minutes).

7. Answer questions (time as required).

8. Agree who should be the lead contact person who will be responsible for liaising with you (5 minutes).

9. Clarify your role during the ISW and afterwards (5 minutes).

You should conclude your kick-off meeting by agreeing a simple psychological contract with the ISW Team. As you did with the CEO, you will need to come to an agreement as to what you (as the Change Agent) will do to help the ISW Team and what members of the ISW Team will do to help you. Initially, it may be sufficient to ask the questions: “what are the three most important things that I can do to help your team?” And, “what three things will you do to help me to help you?” You should make notes of this agreement and write to the agreed Point-of-Contact within three days of the meeting with a draft agreement. You should also keep a record of the agreement in your Enterprise File.

In addition, you should set a date and time when you will return for the post-ISW follow-up review meeting with all of the members of the ISW Team. This meeting should be held within a week after the ISW if possible and 2.5 hours should be scheduled for it. You should tell the ISW Team whether you expect to be at the ISW. Before you say 'goodbye' provide your contact details to the members of the ISW Team and tell them
that you are willing to answer their questions by email or phone. You should also collect their contact details for your Enterprise File.

**The Change Agent’s Role during the ISW**

It is always helpful if you can keep contact with your client as they experience the ISW. Ideally you will be able to participate in all of the workshop sessions with them, acting as an associate tutor (under the direction of the ISW Lead Trainer). If this is not possible then it is highly desirable if you can visit the ISW and have discussions with your clients in the ISW Team as frequently as possible. These discussions during an ISW have three advantages:

- You get to know your client better;
- You will demonstrate your commitment to the enterprise as a Change Agent;
- You will see how the members of the ISW Team respond to the different sessions of the ISW and be in a better position to extend their work after they have returned to their enterprise.
Section Four: Meeting 2 - Post-ISW Review Meeting

OBJECTIVES OF THE MEETING:
- To enable the ISW Team to consolidate learning from their attendance at the ISW.
- To assess the relevance of insights from the ISW to the enterprise.
- To plan how to share the insights from the ISW with the other members of the TMT.
- To assist the members of the ISW to consider how their own behaviour should change.

WHO TO MEET:
The ISW Team, and the CEO can join the meeting in whole or in part if s/he wishes.

MATERIALS REQUIRED:
- 15 Post-It notes or postcard-sized cards (10 of one colour and 5 of a different colour) for each member of the ISW Team.
- One large white-board on which to organise Post-it notes (or two smaller whiteboards).

LENGTH OF MEETING:
Two hours (allow 2.5 hours).

WHEN TO HOLD THE MEETING:
Ideally within one week of attendance at the ISW. Definitely within two weeks of the ISW.

PROCESS:
1. Gather all of the members of the ISW Team together and ask them to tell you how they felt about their experience on the workshop and what they learnt. Keep the discussion informal and ask that all members of the ISW Team give their views briefly (10 minutes).
2. Write on the left hand side of a whiteboard: “Insights from the ISW that I consider could help our business to develop its innovation capability”. Ask each member of the ISW Team to take 10 one colour Post-It notes (or postcard-sized cards) and write one insight on each separate note. Ask each person so work by themselves and to complete at least 5 and no more than 10 insights (10 minutes).
3. Ask one person to share one insight. Place his/her insight Post-It note on the left hand side of the white board and ask whether anyone else has anything similar. If so, the similar notes should be clustered around the first. Ask another person if s/he has a different insight. Again, place his/her insight Post-It note on the left hand side of the white board and ask whether anyone else has anything similar. If so, the similar notes should be clustered around the first. Continue until all notes are on the whiteboard (30 minutes in total).
4. Write on the right hand side of a whiteboard: “Initiatives we should begin to take within the next few months to strengthen innovation in this enterprise”. Ask each member of the ISW Team to take 5 different coloured Post-It notes (or postcard-sized cards), consider all of the insights suggested and write no less than three and no more than five suggestions as to initiatives that should be undertaken. Each suggestion should be as detailed as possible and state WHAT the initiatives should be and WHY he or she has suggested it. Each suggestion should be written on a separate note or card. Ask each person so work separately (10 minutes).
5. Ask one person to share one suggestion. Place his/her Post-It note on the right hand side of the white board and ask whether anyone else has anything similar. If so, the similar notes should be clustered around the first. Ask another person if s/he has a different suggestion. Again, place his/her Post-It note/card on the right hand side of the white board and ask whether anyone else has anything similar. If so, the similar notes should be clustered around the first. Continue until all notes are on the whiteboard (30 minutes in total).

6. With the help of all of the members of the ISW Team you should re-organise the suggestions, classifying in terms of importance (i.e. the likely beneficial impact on the company) and difficulty (i.e. cost and complexity of achieving the necessary changes) (20 minutes)
   a. Between your second and third meetings with the client the TMT will receive a presentation from the ISW Team that will enable them (using the constructs from the ISW) to reconsider the enterprise’s approach to directing innovation. After this, the TMT will begin to make decisions as to what Innovation Strategy they want to follow and prepare the enterprise’s strategic innovation agenda. This should include:
      i. The level of their innovation ambition (this was covered in the ISW);
      ii. The innovation initiatives needed to become a good example of organisational type and to possess the required attributes of competitive advantage (also covered in the ISW);
      iii. Major streams of innovation that will be required to achieve the enterprise’s short, medium and long-term strategy.

7. The outcome of this second meeting with the ISW Team should be a draft list of enterprise-level innovation requirements that are linked directly to the strategic priorities of the enterprise. These should be part of the ISW Team’s presentation to the TMT. As the ISW Team needs to agree:
   a. Who needs to be involved in moving forward with the development of the enterprise’s innovation strategy;
   b. What process needs to be used to bring the TMT and the other people who need to be involved ‘up to speed’ with the constructs of the ISW;
   c. How should the meeting with the TMT be structured? (25 minutes).

8. Conclude the second meeting by asking everyone to say one sentence about how they feel about being a member of the ISW Team and one sentence about their personal commitment to helping the business become more capable in innovation (5 minutes).

NOTE:
It sometimes happens that you, as the Change Agent, will be invited to the meeting of the TMT when they will receive the presentation from the ISW Team and decide how to move forward. It is acceptable for you to participate in this meeting but, to the greatest extent possible, you should avoid taking a leading role. It is for the enterprise’s ISW Team to take ownership of their analysis and to deliver the session to the TMT. Rather, you should act as a coach and help the ISW Team to construct an effective mini-workshop for the TMT. This should take place no more than four weeks after the TMT itself.
Section Five: Meeting 3 - Action Planning

OBJECTIVES OF THE MEETING:

- To assist the ISW Team to develop an outline action plan for upgrading innovation capability.
- To enable the ISW Team members to clarify their own contribution to action plans, as part of the Innovation Strategy Upgrading Process.

WHO TO MEET:
The ISW Team (the CEO and other members of the TMT can join the meeting in whole or in part if they wish).

MATERIALS REQUIRED:
- A large pad of Post-It Notes or postcard sized pieces of card.
- A Flip Chart or Whiteboard.

LENGTH OF MEETING:
Three hours (allow 3.5 hours).

WHEN TO HOLD THE MEETING:
Approximately one week after the TMT have discussed the ISW Team’s report.

PRE-MEETING ACTIVITIES:
Prior to the meeting, it is advisable for the Change Agent to receive a report from the ISW Team on the outcomes of the meeting with the TMT. This will enable the Change Agent to adjust the process of the meeting so that it deals specifically with clients’ concerns.

PROCESS:

1. The Change Agent begins the final meeting by reminding the members of the ISW team about the 4Ps model (this was explained during the ISW and is described in section 8 of this manual) (15 minutes). The key point to emphasise is that there are four possible targets of innovation (known as ‘the 4Ps of innovation’). These are:
   i. Products and/or services (“what we offer”).
   ii. Processes (“how we do things”).
   iii. Position (“how we select and communicate with customers”).
   iv. Paradigm (“the way that we think”).

2. Following an explanation of the 4Ps model, the Change Agent asks the members of the ISW Team to write down each of the Strategic Innovation Requirements suggested by the TMT during and after their mini-workshop. Each should be written on a separate Post-It Note or card. Once this has been done the 4Ps diamond diagram (shown on the right) should be drawn on a large whiteboard or sheet of flip-chart paper (15 minutes).

3. The Change Agent assists the members of the ISW Team to position each of the completed Post-It Notes / cards on the 4Ps diagram (30 minutes).
4. When all the Post-It notes / cards have been positioned on the diamond diagram the ISW team is ready for the second stage of the analysis, which is categorising the proposed innovation initiatives. The table on the right should be copied on to a whiteboard or flip chart (if possible, this should be done in advance of the meeting). Categorising the proposed innovation initiatives requires that each of the P areas be taken in turn, beginning with Product. In order to ease the analysis, similar notes can be clustered together into single innovation initiatives. Each proposed innovation initiative (either a (separate item or a cluster) should be assessed using the criteria in the right. The procedure is as follows:

- a. Team members are asked to consider whether a proposed innovation initiative is, as far as the enterprise is concerned, a progression of something that they do at the moment (“do better”) or whether it would be new to the enterprise (“do different”).
- b. The second step is to assess whether the enterprise has the capabilities to do this (“can do now”) or would need the development of new capabilities or competences (“needs new capabilities”).
- c. The third step is to consider the degree to which the proposed innovation initiative is mission-critical for the fulfilment of the enterprise’s strategy (“high strategic importance”) or not mission-critical for the fulfilment of the enterprise’s strategy (“low strategic importance”).
- d. The final step is to make a guesstimate of the likely advantages to the enterprise if the innovation initiative proves to be successful (either (i) in improving efficiency or effectiveness (ii) and/or increasing revenues or margins or (iii) better fulfilling the mission of the enterprise).
- e. The categorisation concludes with reviewing the assessments for each innovation initiative. If it meets all of the criteria listed in the third column (Low Cost / High Impact) then it should be place in a pile labelled ‘Category One’. If it meets all of the criteria listed in the fourth column (High Cost / High Impact) then it should be place in a pile labelled ‘Category Two’ (60 minutes).

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>Yes/No</th>
<th>Low Cost / High Impact</th>
<th>High Cost / High Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do Better?</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Do Different?</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Can Do Now?</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Needs New Capabilities?</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>High Strategic Importance?</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Low Strategic Importance?</td>
<td></td>
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<td>✓</td>
</tr>
<tr>
<td>High Potential Value Added?</td>
<td>✓</td>
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<td>✓</td>
</tr>
<tr>
<td>Low Potential Value Added?</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

5. When all of the Post-It notes / cards have been categorised, those in the Category One pile should be prioritised by importance and urgency. This list should be submitted to the TMT for their consideration. The Post-It notes / cards in the Category Two pile are higher risk, would require greater organisational development, are likely to be costly and will need the full commitment of the TMT. Accordingly, a business plan needs to be prepared for each of these but this is outside of the scope of the Change Agent intervention. Accordingly, the ISW Team should submit list of Category Two innovation initiatives to the TMT with a recommendation that a Business Plan be prepared for each of them (60 minutes).
The development of a Business Plan for a proposed do-different innovation initiative is necessary because this form of innovation has uncertainties and unknowns associated with it. Almost always, considerable resources will need to be invested in overcoming difficulties and achieving a successful do-different innovation. To the greatest extent possible, uncertainties need to be identified so that the advantages and disadvantages of the propped innovation initiative can be assessed. The TMT will need to consider that the enterprise cannot do everything and that hard choices will need to be made. A business case can be structured by answering these questions:

- Why should we do this? (Define the need, problem or opportunity).
- Why should it be our enterprise that does this?
- What is the link between this proposal and our wider strategy?
- What is the evidence that the innovation is wanted or needed?
- How much will it cost in money, time and resource allocation?
- How can this be better or faster than our rivals?
- What could go wrong? How serious would this be?
- What would we lose by doing this?
- What would be the key milestones and delivery dates?
- Do we have effective ways of marketing the innovation?
Section Six: Skills Required by ISW Change Agents

In this section we examine the skills that are required to be an effective ISW Change Agent. A skill is defined as: “the ability to perform a complex task well, time and time again”. We begin by distinguishing between a Change Agent, an Innovation Change Agent and an ISW Change Agent. The specific skills required by ISW Change Agents are described below. In the next section we examine the skills required by generalist Innovation Change Agents, which can be relevant for ISW Change Agents.

A Change Agent works with clients, who may be individuals, groups, organisations or stakeholders, with the aim of improving their capacity to function effectively. Change Agents come from outside of the immediate client system, which means that they can be objective, free from bias and be able to take a fresh look at issues. The Change Agent should not become a member of the client system. A Change Agent seeks to empower, develop, confront and support the client system in order to help them to become ‘the best that they can be’.

An Innovation Change Agent has all the skills of a generalist Change Agent and s/he the required specialist knowledge and skills to enable an enterprise to improve its management of innovation.

An ISW Change Agent is even more specialised. S/he uses the constructs and tools that are presented in the ISW to relate innovation to an enterprise’s strategy for gaining competitive (or comparative) advantage.

The key tasks undertaken by ISW Change Agents will vary according to the type of client organisation, the expectations of clients and the kinds of challenges being addressed. The four key tasks of the ISW Change Agent are to be an effective Analyst, Guide, Coach and Facilitator.

Key Tasks: Analyst, Guide, Coach and Facilitator

ISW Change Agents must develop the skills to act as effective analysts, guides, coaches and facilitators (as shown on the wheel diagram on the right[7]).

An analyst needs to be outward looking, evidence-based and concerned to make accurate comparative evaluations so that the enterprise can assess its innovation performance objectively.

A guide needs to understand, in great depth, the specialised frameworks, tools and techniques that are used on the ISW and s/he able to apply them to help clients. In addition, the guide shows clients how to move forward and warns of potentials difficulties or problems ahead.

A coach needs to be able to assist the different sets of clients in the client system to reflect deeply on how they contribute to innovation, and to assist their clients to explore issues deeply and experiment with different points of view.

A facilitator needs to be able to work intensively with groups by designing processes for communication, collaborative working and decision-making. This includes helping

[7] This model has been adapted from The Innovation Change Agent by D Francis and M Parejo, in press, used with permission.
people to explore the similarities and differences in other’s viewpoints and promoting the development of consensus.

It is important that, over time, ISW Change Agents develop all four of these skill-sets and we will describe each of them in detail below.

Skills Required by Analysts

An effective analyst enables an enterprise’s performance to be assessed objectively, which results in any weaknesses being identified clearly. Once a problem has been identified it is more likely that action can be taken to reduce or eliminate the weakness. Analysts can be outward looking (towards the environment within which the enterprise operates) or inward looking (into the capabilities of the enterprise). We will examine both perspectives.

OUTWARD LOOKING ANALYSIS

Perhaps the best example of an analytical study leading to innovative change was Massachusetts Institute of Technology’s five-year International Motor Vehicle Programme, which compared Japanese and Western vehicle manufacturers\(^8\). At the time the study was conducted (during the 1980s) Japanese manufacturing systems were greatly superior, with lower costs and higher quality. However, the recognition of these facts did not explain the reasons why there were huge differences in productivity. Careful analysis provided the answer. The Japanese had developed a philosophy of manufacturing known as ‘lean’ whereas the Western companies used more traditional ‘mass production’ methods. These manufacturing philosophies were very different. They were based on different assumptions about how people, routines and processes create value. After a book describing the research was published, many Western companies it was recognised that the lean philosophy of manufacturing was superior. Companies realised that they had a huge task to catch-up, which meant innovating in paradigm (moving from mass to lean production), in process (using, for example, just-in-time methods for stock control) and in product (making cars as they were ordered rather than for stock). This transformation was largely successful and, now, there are far fewer differences in cost and quality between Western and Japanese cars.

Analysts must be outward looking and impartial. The mind-set required is that of a scientist. An analyst needs to develop insightful methods for collecting data and be evidence-based when coming to conclusions. Often it is necessary to undertake comparative analyses (as was done in the International Motor Vehicle Programme).

In the last decade, because of developments in computing, there has been considerable innovation in the range of tools and techniques that are available for analysts (these are described as ‘business analytics’). In addition to specialised sets of human skills there are a range of technologies, computer applications and disciplines for the systematic analysis of business performance, that has the aim of gaining new insights and driving business plans forward. The discipline of Business Analytics provides a deeper understanding of performance using data, predictions and statistical methods. The aim is to answer questions like, “what is happening?” “Why is this happening?” “Who is better than us?” “What will happen next?”

It is rare for an ISW Change Agent to have sufficient time to undertake large-scale analyses. However, s/he can assess whether their client’s enterprise has the skills to gather and use data to identify strategic innovation requirements. Often, client’s enterprises lack reliable comparative data on which to base their decisions about where and how to undertake innovation development initiatives.

\(^8\) Additional material on this topic is available in section 7 of this Manual.

INWARD LOOKING ANALYSIS

In addition to looking outwards, it can be important to analyse innovation capability and innovation performance within a client's enterprise. This is an important aspect of the ISW but this may need to be supplemented by the Change Agent.

A useful initial step is to make an assessment of the Innovation Maturity Level of the enterprise, which will be helpful for ISW Change Agents. This does not need to be undertaken with great precision, as a rough guide is often adequate.

The notion of an innovation maturity level is based on a finding that enterprises are rarely with highly innovative of totally non-innovative, rather they are somewhere in between. The pathway from being non-innovative to innovative can be visualised as a staircase, with five steps (shown in in the diagram on the right).

Enterprises that are developing innovation capability often, but not always, ascend the innovation maturity staircase, from having a low rate of innovation (L1) to possessing strategically driven innovation (L5).

1. At the bottom of the staircase, at Level 1, there is an enterprise that rarely innovates successfully. Managers and other members of staff are unwilling and, perhaps, unable to adopt new ideas or do so slowly and unsystematically. Managers and members of staff may be sceptical or dismissive of suggestions about how to improve their organisation or its contribution to the world. When innovation does occur, it is because the need for change is external to the enterprise.

2. Enterprises at Level 2 do try to innovate but do so relatively rarely. Often the few innovation initiatives that are successful have been driven by a progressive manager, working on his or her own initiative. Perhaps because of the lack of familiarity with innovation, innovation initiatives are often less successful than is desired.

3. In enterprises at Level 3 innovation is expected and most managers have this as one of their Key Performance Indicators. But the commitment to innovation is not, in reality, a priority and initiatives tend to be haphazard and unmeasured.

4. Level 4 enterprises have found ways to build innovation initiatives into many parts of their organisational development and there is a readiness to undertake innovation and the skills, processes and resources to make this happen.

5. Level 5 enterprises have developed further. They see innovation as a strategic asset that provides a capacity to enrich and fulfil the enterprise's strategic vision. In L5 enterprises innovation is no longer a separate stream of activities. Rather innovation is seen as a core strength of an enterprise (technically known as a 'dynamic capability').

For an ISW Change Agent, the Innovation Maturity Level Framework can be helpful in three ways:

- It provides a simple framework for working with a client on defining what needs to be done to become a L5 organisation (this is the aim of the ISW);

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10 This model has been adapted from The Innovation Change Agent by D Francis and M Parejo, in press, used with permission.
• The framework provides a Change Agent with clarity as to what capabilities an enterprise needs to develop in order to upgrade its innovation capability;
• The framework can be used to assess progress over time.

**Skills Required by Guides**

The role of the ISW guide is diverse and has several sub-roles, including information provider, interpreter of ISW constructs, teacher and problem solver.

It can be said that the main role of an ISW guide is to mediate between the world of the ISW (dealing with such matters as competitive and comparative strategy and innovation management) and the life-world of the client’s enterprise. The key skill can be described as ‘cognitive brokerage’, which has the aim of making it easier for clients to use what they have learnt in the ISW to define what they are trying to achieve and how to move forward.

Guides are familiar with how to undertake journeys and the challenges of the routes being followed. They give advanced warnings of potential difficulties to help clients to prepare for a difficult journey and avoid the dangers. Moreover, guides are motivating. They give encouragement when people being to feel that the journey is too arduous or uncertain.

An advantage of making use of a guide is that s/he is experienced. They have seen others make mistakes and are able to draw from their experience and say, “in my opinion, this is a better way to go”.

Guides need strong personal qualities: the ability to understand how the client thinks and feels, empathy, an ability to listen, confidence, decisiveness and the ability to communicate in ways that the client understands.

Guides begin on the bottom tier, unconsciously incompetent. Some experience takes them to the next level (consciously incompetent); then, with more experience, s/he advances to the third level (consciously competent), before reaching the top tier where he / she is unconsciously competent.

**Skills Required by Coaches**

Much of the work of an ISW Change Agent requires that you become an effective coach.

You will need to:

• Learn about the coaching process in depth.
• Develop skills to help different kinds of clients in different situations.
• Understand the content of the ISW, in great detail.
• Develop your own evidence-based theories of how innovation can help (or harm) businesses and not-for-profit organisations.

We will begin by thinking about what it takes to be a great coach. Later, we will answer the question: “what is special about being an ISW coach?”

**The Mind-Set of a Great Coach**

A good coach focuses on helping the coachee to play a more effective role. This means that the client will need to do most of the work! It will be s/he who takes action following the coaching session. The coach will be working to help coachees to understand what needs to be done, define what is getting in the way and what s/he can do to increase the probability of success.

As a coach, you will have your own opinions. You will be interested in analysing the situation, suggesting options and recommending ways to move forward. But ultimately, whatever is decided must be the client’s own decision. Always remember that you are in a helping, not an executive role. Ensure that the responsibility for action remains with
the coachee. It must be the coachee that “owns the problem” and “owns the solution”. Your goal as a coach is to help your client to become more self-sufficient.

A coach works differently than a teacher. A teacher begins with a body of knowledge that s/he wishes to transfer to students. A coach helps a coachee to find new and better ways to be effective and efficient. Hence, as a coach you believe that people are wiser than they know and you help them to develop themselves. Your intention will be to help your coachee to learn from his or her experience and to generalise from their own real-life lessons.

**WEIR: Wise, Empowered, Informed and Reflective**

A coach has one key task: to help a client (called a ‘coachee’) to become more effective and efficient. Notice that we say that a coach gives “help”. This is the essence of the relationship. It requires that you, as the coach, that increase the probability that each of your coachees will develop, both as a person and as a professional. Your key assumption is that most coachees will have similar needs: they need to develop themselves to become more able to be:

- **Wise**
- **Empowered**
- **Informed**
- **Reflective**

As a coach it will be your task to help your clients to develop these WEIR capabilities\(^1\) and to help them to apply them in their working lives. We will explain more about the WEIR capabilities below.

**Being wise** may seem like a strange requirement. But the fact is that some people make better judgement decisions than others. You want your client to make good judgements – you want them to be wise. Wisdom requires being able to predict the outcomes of decisions with a high degree of accuracy, although wise managers know that they will not be able to get everything right. Wisdom is especially important when innovation is being managed, as there is a greater level of uncertainty when something new is being done than in other areas of management. From the point of view of the coach, this means that you will strive to assist your coachee to improve their ability to foresee the future and to predict accurately what will be the consequences of their and other peoples’ actions.

**Being empowered** means that your client is able to take initiatives, get things done and cope with setbacks and problems themselves. This requires that your coachee feels powerful, self-confident and capable. Notice that we say that the client needs to ‘feel’ empowered. In order to be empowered, a person needs to perceive himself or herself as being capable of making a difference: they need to possess an empowering self-concept. From the point of view of the coach, this means that you will help your coachees to identify any of their habits of thinking that will prevent them from being fully empowered and, then, it will be your task to help your coachee to reduce the power of any disempowering inner messages.

**Being informed**, for innovation coaches, means that the client understands a great deal about managing innovation. Managers need to be able to:

- Define where innovation is needed in their businesses.
- Develop the organisational capabilities required to be innovative.
- Act as capable innovation leaders and managers.
- Involve others in making innovation happen successfully.

\(^1\) This definition is similar to that found in research into the nature of Emotional Intelligence (see references section).
• Ensure that innovation is adding value faster than cost (i.e. innovation is helping the enterprise to move ahead).

From the point of view of the coach, this means that you will help your coachee to find ways of exploiting the power of innovation for business or comparative advantage.

**Being reflective** means helping your coachee to analyse their own situation in depth and draw positive lessons from their reflective analysis. Of course, not all reflection will be constructive. Sometimes, we reflect on situations and become disillusioned or confused. Constructive reflection requires rigorous analysis followed by constructive decision-making. The aim is to gain the best possible outcomes from a real situation. From the point of view of the coach, this means that you will assist your coachee to reflect deeply, analyse their situation systematically and to find positive ways forward.

**Coaching is a Practice, Not a Theory**

We can define the aim of coaching as ‘to improve the ability of the client to do the right thing - and to do things right’. It is difficult to be an effective coach, in part, because different people need different kinds of help. Sometimes a client needs emotional support or encouragement, sometimes s/he needs to be taught new techniques for analysis or even helped to realise that the ways that they behave are part of the problem.

On the journey towards becoming a capable coach you will need to practice and obtain feedback from your clients and colleagues. We will never finish learning how to become effective in the role of a coach. During every intervention the development journey is not only for the client: it is for you, the coach, as well.

When you begin a coaching relationship the first thing to do is to build trust with your client. The client needs to feel that you are interested in them, you can help them and that you will respect them. How can you build trust? Well, the first step is for you to be clear about what kind of relationship you want to have with your client and, from the first moment that you meet the client, you need to behave in ways that are trustworthy, show real interest in their situation and be open and honest in everything that you say and do.

**Skills Required by Facilitators**

A Change Agent needs to become an effective facilitator. This means working with a variety of people to improve their collective effectiveness. The task of the Facilitator goes beyond enabling the team to, as it were, ‘hold up a mirror’ so that they see development needs in a new way. Members of the team may, themselves, be ‘part of the problem’. Facilitation can be about helping people to change their behaviour. It is not enough simply to know more. The key roles of the facilitator are outlined below.

**Action Planner**

The Facilitator may need to become the action planner for the team - noting actions, identifying responsibilities and producing minutes.

**Catalyst**

A Facilitator, by their presence, changes the way in which the team operates. S/he makes things happen that would otherwise not occur.

**Confronter**

The effective Facilitator helps the team to reflect on its past performance and its situation. This can be confronting. The Facilitator can be described as ‘holding up a mirror’ to others so that they see themselves better.

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12 This section has been adapted from *Developing Agile Organizations* by Woodcock and Francis, Used with permission.
**Devil’s Advocate**
The Facilitator needs to be able to question, generate informed debate and stimulate the exploration of alternatives. This is essential when discussion does not survey available options, there is unwarranted optimism, ethical standards are slipping or when information is ignored when it might shatter illusions.

**Disciplinarian**
Some topics require examining issues that are uncomfortable, long-term or abstract. The Facilitator should set standards of careful inquiry and seek to maintain them despite frustration, tiredness or accusations of irrelevancy.

**Listener**
Sometimes the right thing for the Facilitator to do is nothing. When members of the team are sharing values, feelings or personal views the facilitator is advised to consider psychologically withdrawing. There is a special skill in ‘not being there’, whilst sitting in the room. Listening should never be a passive activity. The facilitator ought to make observations but allow the conversation to ebb and flow and wait until it is time to intervene using one of the other roles we have described.

**Mentor**
Frequently members of the team will need help coming to terms with theoretical constructs and unfamiliar processes. Later they may know what they want to achieve but do not know how to get there. The accomplished facilitator has a storehouse of skills, techniques and models which can be used whenever necessary.

**Presenter**
Sometimes presentations on theory and process will be required. It is vital that the members of the team acquire understanding of the underlying frameworks in depth.

**Supporter**
The encouragement of the facilitator can be important. It is important that all members of the team buy-in, and manage a process of getting buy-in from others whose help is needed.

**Behavioural Skills Required by an ISW Change Agent**
ISW Change Agents, working as analysts, guides, coaches and facilitators, need a high level of behavioural skills. The seven behavioural skills outlined below are necessary in a wide variety of interactions with clients.

**Behavioural Skill One: Active Listening**
You cannot be a good Change Agent unless you are an excellent listener. Listening is a set of skills that take time to learn. Perhaps the chief requirement is to ‘have room’ for others. If we are preoccupied with our own thoughts and feelings we cannot be available to actively listen.

The first step is to develop the self-discipline to be able to devote yourself to striving to understand fully and completely what the client is saying. A good listener deliberately prepares to listen. This is easier said than done as, usually, when we are listening to someone else we think about what we want to say in reply. A good Change Agent does not do this. Rather the Change Agent gives full attention to the task of listening, S/he summarises what the client has said to make sure that they have fully understood. So, the rule is: concentrate 100% on listening and do not try to do anything else at the same time. People who give relaxed, open attention are rated as effective listeners and better recall what has been said.
An active listener signals his/her readiness to listen both non-verbally and verbally. Let us begin by considering non-verbal communication. You should always strive to signal that you are open, attentive, interested, not distracted, concerned and appreciative. People who signal that they are closed, uninterested or distracted cannot be effective listeners.

It is necessary to strive constantly to understand the other person’s view without superimposing your own views or judgements. Active listening shows others that you respect and value their contribution. It is hard to accept that differences between people offer a resource for progress: yet if we can manage to bridge gaps, there is much of value to be gained.

**Behavioural Skill Two: Skilful Questioning**

Asking good questions is a key skill for Change Agents. It helps the client to think through things deeply. It may seem strange, but as the client answers your questions s/he will learn more about what s/he thinks and feels.

There are four important types of question: open, probing, checking and committing.

- **Open questions** encourage the client to tell you more about the situation and how s/he thinks about it. Examples of open questions are: “what do you think are the most important things about the situation?” or “what are the barriers to moving forward?”

You should use open questions to give you more information and to encourage the client to explore how s/he sees the situation.

- **Probing questions** encourage the client to be analytical and include questions like: “what evidence did you have for making that decision?” or “what, exactly, were the reasons why you decided to do that?” You should use probing questions to deepen your understanding and to encourage your client to be rigorous in their thinking.

- **Checking questions** are used to make sure that the coach and the client see things in the same way. Questions might include: “This is what I hear you to be saying. Tell me if my summary is not correct or incomplete”.

- **Committing questions** encourage the client to commit to undertaking a specific course of action. Questions of this type include: “what steps will you take to make progress?” “How will you know when you are successful?” “What changes will you make in your own behaviour following this conversation?”

**Behavioural Skill Three: Educating Your Client**

As a Change Agent, focusing on the topic of innovation, you may need to educate your client. This means helping the client to re-interpret their view of their situation and their opportunities using an ‘innovation lens’, so that they develop a more creative, realistic and deep understanding of the role that innovation can play in taking their business forward. Often clients have some sense of the problems that they face but they lack an understanding of how to move forward. This is where the Change Agent can be particularly useful. An important service that you can offer is to translate difficult concepts or jargon into everyday speech. This will help to empower your client as if someone feels that they do not understand something then it is less likely that they will move forward. People need to feel that they are ‘on top of’ a new topic before they gain the confidence to take action.

**Behavioural Skill Four: Giving Feedback**

Helping a client to become more self-aware is a key objective for a Change Agent. The best way in which we become more self-aware is to receive feedback from someone else. The purpose of feedback is to give the client new information that s/he can consider and they may decide to change their behaviour. This is an important self-development process as we all can benefit from understanding better what we are doing, considering
The skills of giving effective feedback are vital as this can profoundly influence the ways in which people behave. However, as with many powerful tools, feedback can be abused. Sometimes people are hurt or deflated through receiving feedback. Since the intention behind giving feedback should never be to damage or hurt, ways should be found to give feedback that results in the receiver becoming stronger and more effective. Feedback is most effective when the receiver has invited the comments. This gives an opportunity for the receiver to ask for feedback in particular areas of concern. Good feedback is specific and deals clearly with particular incidents and behaviour. The most useful help is direct, open and concrete.

Assume that David is manager who is perceived by others as: taking hasty decisions on the basis of partial information and not listening to what other people have to say. David may feel that he is decisive and bold and he may believe that he is admired for this. But, David has a false perception of himself. It is the task of a coach to help David to assess his behaviour objectively by receiving feedback from others. This can be given indirectly (the Change Agent may suggest that David asks for feedback from others on how they perceive his decision-making style) or directly when the Change Agent says: “I have observed you taking a decision very quickly and I would like to tell you how I felt about the way that you did it”.

Those giving feedback, and those receiving feedback, need to do so with care and skill. The giver of feedback needs to be as objective as possible, concentrating on how the person behaves rather than giving his or her judgments or opinions. The receiver of feedback needs to listen rather than argue. Consider these two statements:

“You are an poor communicator”.

“When you spoke to me about the new product I ended the conversation feeling confused, as you used several stories that I was unable why they were relevant”.

If you had used the first of these sentences (“You are an poor communicator”) then you would be giving unhelpful feedback. This is because you are being judgmental and unspecific. The person receiving this feedback would be likely to feel insulted and bewildered. S/he would not know what behaviour needed to be changed in order to become a better communicator.

If you used the second of these sentences (“When you spoke to me about the new product I ended the conversation feeling confused, as you used several stories that I was unable why they were relevant”) then you would be giving useful feedback. This is because you are saying how you reacted to a specific situation and you are being specific. The person receiving this feedback would be likely to understand what s/he could do to improve (i.e. avoid confusing a message with stories in future).

**Behavioural Skill Five: Prizing and Accepting Others**

There are times when a Change Agent needs to be tough. However direct and confronting you are there is one thing that can make what you say acceptable to your client. This is if you show that you respect your client and you are ‘on their side’. You can do this by valuing or prizing who the person is, even though you may not admire everything they do. In fact, you need to show that you believe in what they can become rather than how they are at the moment.

One of the best ways to show that you prize and accept your client is to use ‘Appreciative Enquiry’ - an approach developed by Cooperrider (see the references section). Appreciative Enquiry helps a client to:

**STEP 1 - INQUIRE INTO WHAT WORKS WELL**

- Find that which has been successful.
• Collect evidence to understand the conditions and ingredients of success.
• Construct a complete description of the ‘alchemy of success’.

STEP 2 - EXPLORE THE REASONS WHY SUCCESS HAS BEEN ACHIEVED
• Bring together key people in the organisation.
• Imagine better futures that build on insights into the alchemy of success (that you have recognised and analysed) to find your own ‘formulae for success’.
• Find where people have the enthusiasm and commitment to move forward by using your formulae for success.

STEP 3 - ASSESS WHAT CAN BE DONE
• Design a strategy for extending success (increasing its impact and using the success formulae in other areas of the organisation).
• Ask for feedback: use criticism to help you to improve.
• Ask for commitment from the heart and the head to building on your formulae for success.

STEP 4 - BUILD ON SUCCESS
• Construct the capabilities that favour the adoption of the formulae for success.
• Be creative and experimental in extending your insight into the formulae for success.
• Explore, dream and re-design whenever things get stuck.
• Apply the formulae for success in new places.

**Behavioural Skill Six: Using Tools Effectively**
One of the most useful things that an innovation Change Agent can do is to provide and help a client to use frameworks, tools and developmental processes. We will consider each of these in turn.

**Frameworks** are structures that help to improve the quality of thinking. For example, imagine that your client is a senior manager wants to analyse why his organisation is not being as innovative as is required. The coach may say: “Let’s try using the 7Ss framework to complete the analysis systematically. We will look at systems, skills, structures, strategy, style, staff and shared values separately. This will improve our understanding as to where there are blockages to innovation”. In this case, the coach is using the 7Ss model to provide a framework for structuring thinking. The Change Agent knows that there are many frameworks (sometimes called Management Models) that are available and it is his or her job to select a model that is right for the issue being examined and likely to be useful to the client.

**Tools** are step-by-step processes for getting things done. For example, brainstorming is based on a framework that suggests that creativity will be constrained when idea generation is mixed with idea evaluation. However, brainstorming provides a sequence of steps that, if followed systematically, can provide hundreds of ideas – many of which will be new or unexpected. From this point of view, brainstorming is a tool – a way of getting something done that would be difficult or impossible without it.

**Processes** are sequences of steps that are likely to help the client to move forward. An example makes the point. Perhaps the Change Agent has agreed with the client that s/he would benefit from understanding more about the way that s/he presents ideas and proposals to others. The Change Agent may suggest a process by saying “I want you talk to six people who have seen you present ideas and proposals and ask them: ‘what three things do I do that are effective when I present my ideas and proposals and what three things do I do that are less effective?’ When you have this information I want you to make a list of your strengths and weaknesses so far as other people see them and then you and I can discuss them during our next coaching session.” Here, the Change Agent has suggested a process that the client should follow. From experience, the Change
Agent knows that it will be highly likely that the client will learn a great deal by listening to the feedback of others.

**Behavioural Skill Seven: Facilitating Change Management**

Almost always there will come a point when the client says: “we are not doing this the right way. Things need to change in this organisation”. At this point it is likely that the client needs to manage a process of change. Often this proves difficult and the Change Agent can provide specific guidance on how to manage change. Whilst it is true that change management differ according to the nature of the organisation and the type of change, there are 10 areas with which innovation coaches need to be familiar. These are:

1. Being able to describe clearly the results of a successful change effort.
2. Identifying clearly the forces that are helping and hindering the change effort.
3. Finding and enthusing people who will act as change champions.
4. Capacity to present strong and persuasive arguments to support the case for change.
5. Fluent and capable communication skills, to explain, persuade, encourage, align and facilitate.
6. Project management disciplines: to provide a methodology for managing a temporary organisation.
7. Team-building effectiveness: to weld people into cooperative groups.
8. Asking for feedback frequently as the change effort proceeds.
9. Making adjustments to the change process in the light of feedback and further reflection.
10. Codifying learning—so that mistakes and errors are not repeated and good practices are reinforced.

**Developing Yourself as an ISW Change Agent**

Being an effective ISW Change Agent requires a commitment to personal development. This requires developing the required personal qualities, relevant skills, specialised knowledge and establishing a personal development support system.

**Personal Qualities Required by an ISW Change Agent**

Although much can be achieved by following a systematic process, the effectiveness of the ISW Change Agent will depend, to a large extent, on his or her personal characteristics. Experienced Change Agents often say that, ‘the best instrument for facilitating change is oneself’. There are five qualities that contribute to personal effectiveness for Change Agents. These are being:

- **Authentic** - saying what you really believe and being your true self in your relationships with clients.
- **Bold** - being action-orientated and doing everything that is necessary to make progress.
- **Conceptual** - using mental maps and frameworks to help the client to make sense of the situation in new ways.
- **Data-Driven** - basing comments and suggestions on objective facts.
- **Empowering** - enabling the client to be stronger and more effective.
- **Facilitative** - helping the client to find ways of overcoming difficulties and moving forward.
- **Goal-Orientated** - always working to measurable objectives.

Developing these personal attributes requires that an ISW Change Agent needs to invest time in self-directed development. Especially for the first few assignments, we
recommend that Change Agents work with others who can provide feedback and support. Also, it is important that ISW Change Agents learn by reviewing their own performance, obtaining detailed feedback from their clients and studying the field of Organisation Development in general (the role of the Change Agent was developed by Organisation Development practitioners who have much expertise in this area).

Learning Log
In order to capture your insights as you act as a Change Agent you are asked to keep a Learning Log. This will help you to record, explore, codify, reflect upon, review and codify your learning. Your Learning Log will help you to plan what you need to do next. These questions may be helpful as you make entries in your Learning Log:

- What did I intend to do?
- What were my assumptions about the best way to proceed?
- What happened?
- What went well? Why? What did I learn?
- What went less well? Why? What did I learn?
- How can I improve for next time?
- What have I learnt about myself?

Constructing a Personal Support System
In order for you to undertake assignments effectively, you will need a personal support system. Try to find someone in the same position as you who is prepared to act as your critical-friend (sometimes known as a ‘buddy’) and, in addition, there may be experts, coaches, university teachers, trainers, on-line programmes etc. that could help you.

The Buddy / Critical-Friend Role
A key element of the personal and professional development process will be acting as a buddy to one or two of the other participants on the programme. A buddy or critical friend can help their partner to formulate questions, discuss issues, explain their viewpoints and reflect on their experience. The best kind of buddy is a critical, supportive and inspirational friend.

The roles of the buddy include:

- Giving feedback to you partner as to the impact of his/her behaviour;
- Exploring how different behavioural strategies, adopted by your buddy, could influence the situation for advantage;
- Assisting your buddy to consider his/her values, principles, practices, knowledge-bases, skills, methodologies and analytical techniques;
- Being supportive in dilemma situations - where decisions must be made that will change the flow of events.

The buddy role should be two-way. Each interaction provides a learning opportunity for both. The skills of buddies are similar to those of a coach; but there are important differences as the buddy is a fellow traveller rather than a remote guide. S/he is a comrade in adversity. This provides an opportunity to struggle together to find a way forward. Your discussions with your buddy should:

- Challenge perceptions and generating fresh perspectives.
- Expand and enrich situational (“where are we now”) analysis.
- Develop habits of ‘reflection before action’.
- Be empowering.
- Question your beliefs, assumptions and the relevance and adequacy of your existing knowledge (so that the requirement to gain new knowledge can be clarified).
- Deepen perceptions and provide new insights on both personal and professional levels.

**Key Performance Indicators**

It is a helpful discipline for ISW Change Agents to establish Key Performance Indicators. These could include:

- Defining accurately and comprehensively needs for innovation-orientated change;
- Relating an enterprise's strategy to its innovation capability development programme and to its innovation goals;
- Helping others to realise that more and better innovation is desirable and possible;
- Facilitating the development and execution of a innovation-orientated change plan;
- Orchestrating the involvement of others;
- Taking steps to increase the probability that innovation-orientated change will be sustainable over time.
Section Seven: Roles of the Innovation Change Agent

Until this point in the Manual we have focused on the qualities needed to be an effective ISW Change Agent and the tasks and processes that will be required to assist an enterprise to obtain the greatest benefit from their participation in the ISW and the broader Innovation Strategy Upgrading Process. In this and the next sections of the Manual we will broaden the scope and offer guidance to those undertaking the wider role of Innovation Change Agent. This provides additional guidance and tools that will be useful if an ISW Change Agent agrees to work more extensively with a client than the three mandatory meetings already described. In addition, much of the guidance will be of value to Innovation Change Agents generally.

In this section we provide a more extensive description of the range of roles that Innovation Change Agents can play. When a Change Agent enters an organisation for the first time there is every likelihood that the client has no clear expectation as to what an ‘Innovation Change Agent’ is or what benefits can come from the interaction. It is for the Change Agent to define the relationship and it helps if the Change Agent is clear about what role or roles s/he will play. In total, there are seven different roles that an Innovation Change Agent can play. These are outlined below. Consider each of the roles and answer two questions: (i) what would you need to learn to be able to perform this role well? And (ii) in what circumstances do you believe that this role would be appropriate?

Role One - Innovation Evangelist

An evangelist is someone who believes deeply that they know the right way forward and they have a mission to convince others to share the same beliefs. An innovation evangelist sees innovation as an essential attribute of every organisation and s/he wants others to become equally passionate advocates of innovation. If you adopt the role of an Innovation Evangelist then you believe that a successful organisation must have innovation as a core value and, most importantly, an enterprise can only succeed if it succeeds in putting the innovation value into action in everything that they do.

An Innovation Evangelist needs to win sufficient numbers of hearts and minds to develop a shared belief that “innovation is vital for us” and this becomes a core element of the enterprise’s culture. A Change Agent who adopts this role will strive to help people to discover the importance of innovation for themselves and to feel that they can be a contributor to creating and sustaining an innovative organisation.

As an Innovation Evangelist, you will be powerful when sharing your convictions about the importance of innovation. You will use stories and persuasive conversations that will show that innovation could be a guiding principle in the client’s world, that it is achievable and it will benefit their organisation. Your conviction will be persuasive. You will invoke respect and admiration and you will be seen as an inspiring guide.

Your skills include: helping others to clarify their own values, storytelling, visioning and persuasive presentation.

If you are a successful Innovation Evangelist then people will say, ‘this person helped us to see the importance of innovation and it has become the way that we live’.

Role Two - Human Potential Liberator

A Human Potential Liberator believes that almost everyone has a vast quantity of latent creativity that is neglected and undervalued in most enterprises. It is well known that innovation requires invention, ingenuity, passion and creativity. So, a Change Agent who works as a Human Potential Liberator will encourage managers to change their

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13 This section is adapted from The Innovation Change Agent by D Francis and M Parejo, in press, used with permission.
organisation's culture so that people's latent capabilities are allowed to grow and be channelled into improving the enterprise. The result is that people will express themselves fully and the organisation becomes more vibrant, responsive, agile and innovative.

The role of Human Potential Liberator becomes clearer if you consider how some young people join a club that provides them with opportunities to act in plays, make music, undertake adventurous trips and the like. Over time, these young people become more confident, adaptable, capable and creative; it can be said that they have 'grown as people'.

The Human Potential Liberator believes that people can, and should, continue to grow throughout their lives. Much of this growth comes from allowing natural talent, ability and confidence to be expressed. By participating in new things then new capabilities develop. The person becomes wiser, stronger and more capable.

As people develop their latent potential they become able to contribute to innovation. No longer do they say: “I'm paid to come to work and do what I am told. It's not my job to come up with ideas about how things could be better”. Rather, they say: “I'm someone with experience and with ideas. I can make things better. I do what I can to help things to move forward”.

This approach is not idealistic; it has been put into practice. For example, one of the largest companies in the UK (that specialises in replacing worn out car tyres, batteries etc.) decided that they would send all of their younger members of staff (16 to 18 years of age) on a three-day creative problem-solving course in a remote mountainous area of the country. When the young people returned to work it was found that they were more willing to contribute to the company's continuous improvement programme and that they suggested more and better ideas: they became more effective contributors to innovation.

When a Change Agent adopts the role of a Human Potential Liberator s/he begins by working with a client to assess the degree to which the client believes that: (i) most people have untapped potential to grow and (ii) the client is implementing policies and practices within his/her area of responsibility that encourage personal growth. If the client feels that s/he can promote innovation by encouraging personal growth then the Change Agent can help the client to explore practical ways how this can be done.

Your skills include: helping others to explore their beliefs about the importance of people and convincing managers to create the conditions in which people grow in confidence and ability.

If you are a successful Human Potential Liberator then people will say, 'this person enabled us to see that enabling people to develop as individuals increases our capacity to innovate from within'.

**Role Three - Innovation Educator**

An Innovation Educator considers that the main reason why organisations fail to be innovative is that managers, and other people in the organisation who should be involved in innovation, do not know enough about how to manage innovation effectively. In short, they need to be educated in understanding the benefits and risks of innovation and what specialised management approaches are needed in order for the organisation to have the quantity and type of innovation needed for it to become more successful and to create and seize opportunities.

An effective Innovation Educator does not ‘sell’ innovation as an answer to every problem. S/he knows that some companies have found that their investments in innovation have been a mistake and it would have been much better if they had been more cautious. However, a Change Agent playing the role of an Innovation Educator begins with a belief that all organisations will need to innovate in order to adjust to new
In effect to become a corporate entrepreneur. The strength, skills and self-confidence to do the things that they believe should be done: in effect to become a corporate entrepreneur.

Role Four - Intrapreneurial Developer

An Intrapreneurial Developer sees his or her main task as helping the client to develop the strength, skills and self-confidence to do the things that they believe should be done: in effect to become a corporate entrepreneur.

If you are a successful Innovation Educator then people will say, *this person helped us to see how we could use innovation to strengthen our organisation*. Conditions, opportunities and threats. What will be necessary is to decide: (i) where innovation is needed, (ii) how innovation initiatives can be managed efficiently and effectively and (iii) what capabilities are needed to increase the likelihood of success.

It helps if the Innovation Educator works with his/her client to identify where education is most needed. Here the 7Ss framework that we mentioned above (see references section for more information) is particularly useful. Consider the 7Ss in more detail.

1. **Structure** is the shape, skeleton or architecture of the enterprise. Increasingly organisations have flexible structures that adapt to the requirements of the moment. Innovation often requires temporary organisational structures to be formed that cross the conventional departmental or functional divisions.

2. **Strategy** is a set of managerial commitments that provide a plan of how the enterprise will develop and address its key challenges. Strategies require allocating resources to achieve identified goals over time. Innovation needs to be integrated into strategy, since it shapes the way in which the enterprise will develop in the future and frequently requires resources to be allocated.

3. **Systems** are routines, processes and procedures that are used within an enterprise to control and co-ordinate work, develop capabilities and focus attention on important factors (like customer services). Innovation has a big part to play in introducing, improving, re-focusing or integrating systems. In many enterprises there are countless opportunities to facilitate innovation in systems.

4. **Staff** is defined as sets of human-resource competences within an organisation. It is the people (frequently now described as 'talent') who make an enormous contribution to the success of an organisation in the knowledge-based society. Innovation in talent management includes finding better ways to hire capable members of staff, strengthen their learning and development, provide incentives, increase motivation etc.

5. **Skills** are best seen as what the enterprise does well - its competencies (sometimes called 'capabilities'). So, one enterprise might have all the skills necessary to give customers a great experience whereas another enterprise may have the skills to solve complex technical problems quickly and effectively. Innovation is needed to develop and upgrade the sets of skills that enable organisations to perform their mission-critical tasks.

6. **Style** defines the distinctive culture of the enterprise and the philosophy of management that is practiced. It includes the values, beliefs and norms that have become enduring features of the organisation's life. You can look on style as describing an organisation's 'distinctive personality'.

7. **Shared values** are policies or shared mental maps that organisational members have in common and that guide their actions. Innovation helps to upgrade policies and re-form mental maps so that the enterprise's collective thinking processes are more constructive.

*Your skills include:* helping others to learn about the benefits, risks and practices that are needed for effective innovation.
Consider, for example, the case of a manager who realised that much could be gained if the organisation began to integrate its computer systems so that many of the tasks that were done by hand at the moment (and were frequently done badly) could be automated. This manager lacked self-confidence and occasionally discussed his ideas with his line manager but nothing came of it. Later, his innovation coach helped him to see that little would change unless he became more proactive - in effect and internal entrepreneur or ‘intrapreneur’.

The word ‘intrapreneur’ was first used by Pinchot (see the references section) who defined them as ‘dreamers who do.’ They do not only develop visions of the future. They also ask business questions like: “How much would it cost? What has to happen first? Do we have the competencies? Who might be our competitors?” etc.

The essence of an able intrapreneur is that s/he is good at finding, organising and motivating people to get exceptional things done. This includes persuading others to take a proposal seriously, but it is much more extensive as the work of getting things done needs to be included as well.

Intrapreneurship uses a blend of managerial and entrepreneurial skills to increase the probability that innovation takes place. An intrapreneur is concerned with implementation and exploitation. And uses a wide range of methods to move forward, including teamwork, cross functional groups and influencing organisational politics.

Your skills include: helping others to become committed to driving action and persuading others to play a part.

If you are a successful Intrapreneurial Developer then people will say, ‘this person helped key individuals to develop their personal strength and ability to overcome obstacles and make innovation initiatives happen’.

Role Five - Capability Development Adviser

A Capability Development Adviser has adopted a distinctive perspective on the nature of innovation. S/he will have been influenced by recent studies that have found that innovation is enabled by the scope and depth of capabilities (or resources) that the enterprise possesses or can gain access to (this is known as the Resource Theory - see the references section).

Those who developed resource theory observed that innovation flows from the ownership of capabilities - providing that these are being effectively managed. Let’s spend a few moments examining an example in order to make the construct clear. Imagine that you own a Hotel Lodge close to the Serengeti National Park in Tanzania. You have 10 bedrooms and employ staff to keep the rooms clean, supply simple meals and provide a bar service. This keeps you busy. When you think about innovation you consider issues like: what could be done to reduce the numbers of mosquitos; how to clean the rooms more effectively in less time; how to train your reception staff so that they are more friendly and so on. Notice, that your thinking about where new ideas are needed is limited by the kind of business that you have at the moment. But imagine that you win a prize from the tourist board that provide you with a team of three marketing professionals for six months to help you to improve your business. When the marketing team arrive they help you to develop a website, form an alliance with local tourist guides to offer safaris, form links with local photographers to provide specialised tours and develop secure storage facilities for foreign film crews who want to work in the Serengeti but need to know that their expensive equipment is safe from thieves. Notice, that by acquiring a new resource (a temporary marketing team) you started to think differently about innovation. Later, you develop two kinds of new capabilities - alliances and a secure storage room - and these enable you to innovate in ways that you had not thought possible previously.
Those Change Agents who want to adopt the role of a Capability Development Adviser should begin by developing a deep understanding of the practical implications of resource theory. When they are working with clients this kind of Change Agent often takes a three step approach, working with their client to (i) map the existing capabilities of the enterprise and assess the likely innovation pathways that the existing resource-base is able to deliver (just as in the Serengeti Lodge example); (ii) help the client to develop an enriched strategic vision of where the enterprise could develop and (iii) identify the capabilities needed to enable the enriched strategic vision become a reality. Your skills include: using the resource theory of organisational effectiveness in practical ways.

If you are a successful Capability Development Adviser then people will say, ‘this person helped us improve innovation that came from our existing capabilities and construct new capabilities that moved us forward’.

Role Six - Technology Analyst

A Technology Analyst is a different kind of coach from the ones that we have described above in the sense that s/he focuses attention outside of the client organisation. A technology analyst focuses on only one aspect of innovation: the use of technology. However, since technology has been the most important driver of innovation in many different kinds of organisation then an effective Technology Analyst can make a big difference.

If a Change Agent adopts the role of a technology analyst, then s/he will help the client most by being objective, analytical, outward looking and comprehensive. Often, Technology Analysts use a four-step approach, which is:

STEP ONE: AUDIT
Examine what technologies are being used in the organisation at the moment, list the advantages gained from using the technologies and consider how well they are being used.

STEP TWO: COMPARE
Look at other organisations of the same type (especially those that are world-class) and answer the question: ‘What key technologies are they using?’

STEP THREE - PREDICT
Consider how technologies are likely to evolve and change over the next 5-10 years and what benefits these new technologies may bring.

STEP FOUR - RECOMMEND
Write a report, and prepare a presentation, for senior managers that (i) gives an objective and comprehensive overview of the organisation’s current use of technologies, (ii) says what the organisation would need to do to use existing technologies effectively, (iii) indicates the costs and benefits of upgrading the technological base of the organisation and (iv) suggests ways in which the organisation can upgrade its technologies over the next few years.

When considering the range of technologies being used within an organisation the analyst will look beyond hi-tech methods. So, for example, the techniques being used for recruitment, training, planning, customer analysis, cost management etc. will be seen as technologies and will form part of the review process.

Your skills include: having a deep understanding of the potential of technologies to help a business and being able to talk with non-specialists.

If you are a successful Technology Analyst then people will say, ‘this person helped us to make good investments in technology and gain maximum benefits from technology’.
Role Seven - Innovation Performance Analyst

An Innovation Performance Analyst takes a similar stance to the Technology Analyst but adopts a wider perspective. S/he is objective, analytical and s/he can be a stern critic. If you play this role then you will need to be clinical and dispassionate. For it will be your task to assess the innovation performance of your client’s organisation systematically against the best local, national and international competitors. When you have done this you should present your findings to the client without any concern for their feelings or sensitivities. Your work should enable your client to gain an accurate and complete picture of the work that they will need to do if they are to become an innovation leader.

In order to be systematic you will need an analytical framework. One that we use, the 12 box model, is a specialised version of a construct originally developed by Michael Porter (see reading section) and is shown below.

Begin by taking a good look at the 12-box model. The first thing that you will notice is that the diagram is shaped like an arrow. In the head of the arrow is the word ‘margin’. This represents the aim of a firm is to add value faster than cost. Overall the organisation is viewed as a system for creating or adding value. The system is divided into sub-systems, each of which has a distinctive function or can be said to make a specialised contribution to the whole. Each of the twelve sub-systems (‘boxes’) adds cost; the essential requirement is for the organisation to add value faster than incur costs and make a healthy margin.

There are five core-process sub-systems are shown as shaded boxes in the diagram above. These are:

1. Marketing - ensuring that the firm understands the customer’s valuing system.
2. Operations - transforming inputs into outputs.
3. Logistics - acquiring inputs and distributing outputs.
4. Sales - inducing potential customers to buy.
5. After sales - enhancing value after sale.

The seven support sub-systems are:

6. Direction - determining strategy and resourcing.
7. People Management - all aspects of the management of people.
10. Technology - developing systems and methods.
11. Learning - sustaining an open organisation.
12. External Linkages - sustaining positive interfaces with the outside world.

It is possible to innovate in each or all of these boxes, in ways that we suggest below.

**MARKETING**
The primary function of the marketing sub-system is to ‘ensure that the firm understands the customer’s valuing system’. Marketing has two dimensions: firstly, defining and assessing customers’ valuing systems and, secondly, aligning the organisation to be able to deliver real value consistently. Many innovations are possible within marketing, ranging from improved ways to analyse customers’ needs to communicating via social marketing.

**OPERATIONS**
The primary function of the operations sub-system is ‘transforming inputs into outputs’. Firms have to transform something into something else otherwise they would not be adding value. Operations are hugely varied so may include producing products, giving advice, cleaning streets, writing TV scripts and running a hip-hop club. Innovation is key to operations as the process of transformation can be improved in many ways as, for example, has happened in the car industry where much operational work is carried out by robots.

**LOGISTICS**
The primary function of the logistics sub-system is ‘moving inputs and outputs from where they are to where they need to be’. Many firms acquire tangible inputs and distribute their outputs. A supermarket chain, for example, has an enormous logistical task in getting thousands of products on the shelves but customers handle most of the outbound logistics themselves. There are considerable opportunities for innovation in both in-bound and out-bound logistics, including working with suppliers to improve products, increase responsiveness and agility and provide better real-time information.

**SALES**
The primary function of the sales sub-system is ‘inducing potential customers to buy’. Sales activities have become hugely varied in the last thirty years so that, today, a computerised voice may call everyone in California who has purchased a lawnmower in the last six months to sell them grass seed. The line between marketing and sales activities can be indistinct, however there are many opportunities for innovation as has been shown, for example, by the imaginative use of the Internet.

**AFTER SALES**
Some firms make after-sales service a strong feature of their competitive strategy. People buy Mercedes Benz car because they believe their servicing better trained and well-mannered staff will meet requirements and Mercedes' breakdown warranette gives added security of mind. It is possible to be highly innovative in after-sales activities by, for example, using intelligent systems to monitor performance and alerting the customer when a piece of equipment is likely to fail.

**DIRECTION**
The primary function of the direction sub-system is 'determining strategy and resourcing'. The resourcing function is widely defined to include the provision of funds, intellectual capital, joint venture expertise, key policies and the provision of leadership direction. It may seem that innovation is unusual in this box but this is not the case, For example, management information systems that provide real-time performance data can greatly improve the quality of decision-making at the top.

**PEOPLE MANAGEMENT**
The primary function of the people management sub-system is ‘all aspects of the management of people’. This is the most disparate of the twelve sub-systems as every manager plays a role in the task of ensuring that people are well motivated, competent and directed. Innovation is mainly relevant for the policy, systematic and standardised aspects of human resource management that are directed and controlled by a group of professionals in Human Resource Development departments.

**PRODUCT DEVELOPMENT**

The primary function of the product development sub-system is ‘creating tomorrow’s’ offerings’. This includes all of the work necessary to maintain a stream of new products and services; some of which may be minor enhancements whilst others are truly revolutionary. Product development usually has an organisational focus (the R&D department) but the function is much more widely spread across the organisation – for example, sales people often suggest great new ideas. Here innovation is a core process both for the products or services being created and the organisational systems (e.g. open innovation) by which they are progressed.

**COST MANAGEMENT**

The primary function of the cost management sub-system is ‘spending money wisely’. This is a vital area; for some firms up to 80% of their costs are brought in. Expertise in managing costs gives many advantages. In recent years we have seen considerable development in the ability of finance specialists to actually provide information that helps managers take better decisions. Cost management includes the basic requirement of knowing the cost structure of every significant product or service (and being able to compare this with competitors). Additionally, the function of procurement is included under this heading. Innovation in cost management has been greatly aided by computer systems, especially those that cover the enterprise as an integrated system.

**TECHNOLOGY**

The primary function of the technology sub-system is ‘developing systems and methods’. The term ‘systems and methods’ must not be interpreted narrowly: often people think of computer systems but there is much more to it than that. Imagine that you arrive for cocktails at a big hotel. Immediately you interface with the systems of the organisation. The doorman whisks open your taxi door and greets you with a subtle blend of friendliness and servility (the training system); you walk into the lobby and are seated by an attentive waiter (the supervisory system); your order is fed into a computerised unit (the loading, billing and stock control systems) and you sit and enjoy your drink until the man at the next table is ejected for throwing a drink over his wife whilst angrily disputing her acquisition that he is having an affair with his secretary (the security system). Systems and methods represent the accumulated wisdom of the organisation in a codified form. Innovation is required to use cutting-edge technologies effectively.

**LEARNING**

The primary function of the learning sub-system is ‘sustaining an open organisation’. Openness to outside factors is key; think of the organisation as a living organism capable of learning. Organisational learning is facilitated both from within, normally driven by the energy of key individuals, and without, normally from contact with others whose ideas are demonstrably superior. Organisational learning (sometimes called ‘Absorptive Capacity’ - see reading section) is important, since learning at the organisational, functional, team and individual levels drives much innovation.

**LINKAGES**

The primary function of the External Linkages sub-system is ‘sustaining positive interfaces with the outside world’. No organisation is an island. Linkages are backward, forward, upward, sideways and outward. These sub-divide into eight major external interfaces that must be managed for sustained competitive advantage. They are:
suppliers, partners, distribution channels, owners, customers, ‘teachers’, government and the public. Again, much innovation can take place in improving the relationship between the organisation and its wider ecosystem.

It is the task of the Innovation Performance Analyst to (i) analyse the quantity and quality of innovation in the client organisation in each of the 12 boxes, (ii) analyse quantity and quality of innovation achieved by best-in-class organisations in each of the 12 boxes, (iii) compare and contrast the innovation performance of the sub-systems and the organisational system as a whole and report to the client.

*Your skills include:* being able to assess the innovation performance of organisations effectively.

If you are a successful Innovation Performance Analyst then people will say, *‘this person helped us to understand where and how we could improve our performance in innovation’.*

**Using the Seven Roles Model in Practice**

The seven role model can be related to the innovation maturity level of an enterprise, although there will be many variations in the roles needed to help a client to move up the staircase. The graphic below summarises a common relationship between Change Agents’ roles and maturity levels.

The five levels of innovation maturity are as described earlier. For enterprises at Level 1 it often happens that they become aware of their lack of innovation from a critical and comprehensive analysis of their innovation performance, that shows, conclusively, that they are lagging behind their rivals. Once the senior management in an enterprise have realised that innovation needs to be improved (Level 2) the enterprise needs to revision its identity, helped by an innovation evangelist. In Level 3 it is necessary for the enterprise to realise the importance of Intrapreneurship. Further education about innovation management is needed in Level 4 and technology analysis and capability development in Level 5.

These roles are indicative but they can help Change Agents to answer the question, “what roles would be most helpful to my client at the moment?”
Section Eight: Resources for Innovation Change Agents
In this section we provide six additional resources that the Change Agent can use if appropriate.

Resource One: The 4Ps of Innovation Model

Type of Resource: Model.
When to Use: For categorising ideas and opportunities for innovation.
Time Required: About one hour.
Process: The Change Agent reminds the client of the 4Ps Innovation Model that was introduced during the ISW. Ideas for undertaking innovation initiatives are located using the 4Ps categorisation.

The 4Ps of Innovation Model

PRODUCT
A product is anything a customer can pay for separately - item, service, experience, promise etc. Product purchase requires a customer choice. Products are often bundled - they may include services (e.g. help-desk). A shoe, hotel room, visit to Disneyland and Insurance Policy are all 'products'.

PROCESSES
Processes are sequences of interdependent activities, often proceeding horizontally, which are transformations. Innovation can introduce or improve processes that aid management, reduce costs, enhance efficiency, add benefits to stakeholders, improve quality and/or increase agility. Examples of transformations include metal into product, prospect into sale, data into information, untrained into trained worker, student into graduate, idea into product proposal.

POSITION
A position is a choice taken about markets selected, sources of competitive advantage and distinctiveness to be signalled. Position is multi-layered: it operates at the level of firm, product family and product. Positioning can be proactive - to serve a market that does not yet exist, is changing or can be changed.

PARADIGM
'Paradigm' is more than 'culture' - it combines intention, vision, constructs, attention foci, routines, norms and decision-rules into a shared system of ways of seeing the world and provides guidelines for action.
**Resource Two: The 4Ps Capability Cube**

*Type of Resource:* Model.  
*When to Use:* For exploring the managerial implications of a 4Ps analysis.  
*Time Required:* About one hour.  
*Process:* Use the cube for further analysis of ideas and opportunities.

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**The Capability Cube**

The diagram below takes the 4Ps model a step further. It should be noted that this model is more complex and will take a little longer for managers to understand. The 4Ps are shown on the vertical axis and the ‘do better / do different’ dimension is added across the top. On the front face of the cube there are five required organisational capabilities: motivating, increasing, selecting, implementing and exploiting. The purpose of the cube is to provide a structure for managers to consider the strengths and weaknesses of their current innovation capability (for example, an enterprise may identify that it is weak in selecting ideas for process innovation that are ‘do different’).

The outcome of a capability cube analysis will be a list of strengths and weaknesses. For example, Enterprise A may conclude that our strengths are (i) motivating behaviour for do-better product innovation, (ii) selecting ideas for do-different process innovation and (iii) exploiting do-better positional innovations. However, our weaknesses are (i) do-different product innovation, (ii) increasing the sources of ideas for do-better process innovation and (iii) implementing do-better positional innovations.
**Resource Three: Innovation Leader’s Questionnaire**

*Type of Resource:* Questionnaire.

*When to Use:* In coaching.

*Time Required:* About one hour.

*Process:* Work with a manager to answer the seven questions below and consider what s/he could do more or better.

<table>
<thead>
<tr>
<th>Question</th>
<th>My Score 1 = Low 5 = High</th>
<th>I could do this more by...</th>
<th>I could do this better by...</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  I allocate several hours a week to get close to the key people in my organisation who are trying to find and implement major new ideas.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2  If possible, I say ‘yes’ when people come to me and ask for additional time and resources to enable them to take their ideas forward.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3  Everyone in my organisation would be able to give a full explanation of where we need to find and implement new ideas to take the company forward in the next year.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4  I am very active in encouraging people in my organisation to have a ‘can-do’ attitude to implementing new ideas - so that we are very good at getting new things done.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5  I, personally, spend a lot of time looking outside of the company so I understand what changes are likely to occur in the future.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6  I ensure that we have a clear business strategy but that it can be changed quickly as unexpected things occur.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7  All of the members of our top management team are open, positive and support each other as we innovate (i.e. find, select, implement and exploit new ideas).</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Resource Four: Skilful Brainstorming

Type of Resource: Process.
When to Use: When facilitating groups.
Time Required: One hour and 15 minutes.

Process: The activity is suited to groups with between three and eight members. Larger groups should be subdivided. The Facilitator introduces the activity by outlining the purpose of the session and describing his or her role.

Materials Required
The group (or each subgroup) will require a comfortable room for discussion, equipped with a flip chart, pens and tape for fixing paper to the wall. Each individual will need a note pad and pen. The five basic rules for brainstorming (see below) should be written on a flipchart before the session.

Method
1. The facilitator introduces the activity by presenting the five basic rules for brainstorming listed below (which should be written on a flipchart)
   a. There will be no criticism stated or implied during the brainstorming phase.
   b. All ideas, no matter how apparently ridiculous, are encouraged.
   c. As many ideas as possible should be produced.
   d. Ideas should be 'built on' whenever possible.
   e. Brainstorming must continue for the allotted time even if the group temporarily 'dries up'.
2. The facilitator states a ‘task’ to be brainstormed by the team for 5 minutes as an exercise, from one of these suggested topics - “How to make this team operate better”, “How to plan meeting agendas for the most efficient use of the group members’ time”, “How to reduce mugging of people in large cities”, “How to give teenagers a constructive summer vacation”.
   a. The leader lists all the ideas generated on the flipchart.
   b. At the end of the brainstorming, the leader invites the team to provisionally evaluate the ideas produced, using the following processes:
   c. Clustering ideas that are similar.
   d. Evaluating the ideas produced in terms of:
      i. Value/benefit
      ii. Cost
      iii. Feasibility
      iv. Resources needed
3. The leader posts the final listing of evaluated ideas, and the team may determine a rank order of feasibility. (5 minutes)
4. A second practice session is held on the topic “How to use the Brainstorming technique in our team meetings” (30 minutes)
Resource Five: Are My Ideas Great?

Type of Resource: Checklist.
When to Use: In coaching. This activity will assist an individual to reflect on the ‘quality’ of his/her ideas.
Time Required: About 30 minutes.
Process: Work with a manager with the checklist and consider its implications.

These are 10 reasons listed below as to why an idea can be considered ‘great’. Use the checklist to help you to assess your own ideas and those of others. Select three ideas that you have had over the past few months for a new or improved product and ask yourself these 10 questions. We define an idea as great if it does one or more of the following things:

✓ Adds more value to the firm’s products than the costs incurred.
✓ Extends the market for a product to new groups of customers.
✓ Extends the life of a product so that revenues flow for longer.
✓ Makes your product superior to others, at an affordable cost.
✓ Lowers your costs without lowering quality.
✓ Increases your capacity to respond immediately to opportunities and threats.
✓ Improves the quality of life of your people.
✓ Helps your firm to be a better citizen.
✓ Puts you in a position where you can innovate faster than others.
✓ Opens new windows of opportunity for the firm.

Now consider what you could do to have more great ideas!
Resource Six: Improving Group Decision Making

Type of Resource: Process.

When to Use: For a top management team that is having difficulties about which ideas to select to take forward.

Time Required: About 1.5 hours.

Process: The Facilitator introduces the activity by outlining the purposes of the session; she or he presents the Seven Principles of the Nominal Group Technique (see below) and leads a discussion (15 minutes). Once the principles are clearly understood, the facilitator asks the group to undertake an exercise to test the principles (about 1 hour followed by a 15 minute review).

PRINCIPLES OF THE NOMINAL GROUP TECHNIQUE

The Nominal Group Technique enables individuals to contribute more effectively to a group problem-solving discussions. Ideas are generated privately, listed on a flip chart, discussed and voted upon using a structured approach.

THE SEVEN PRINCIPLES

1. Individual’s independent views are essential.
2. Groups are effective generators of ideas, but individuals develop ideas more skilfully.
3. Group decision-making needs to be focused.
4. A group memory (e.g. flip-charted records) helps keep the group focused, reduces repetitive talking, improves listening and assists in handling complexity.
5. Group effectiveness is improved if ideas are ‘built on’ rather than prematurely demolished.
6. Implementation of ideas and decisions is increased if all members have a sense of ownership in their work.
7. An ‘outcome’ is needed: both for operational reasons and the collective satisfaction of group members.

USING NOMINAL GROUP TECHNIQUE

1. Carefully phrase the ‘trigger’ question (a single – not multi-topic - and clearly worded questions needed (e.g. what steps should be taken to increase our business in the Far East?) (10 minutes).
2. Allow time for individuals to generate ideas personally (no talking!) (Approximately 5 minutes).
3. Collect and flip chart ideas (each round consists of one idea from each member, faithfully recorded. As many rounds as necessary to collect all the ideas. Ideas should be numbered. The completed list is displayed on the wall (approximately 20 minutes).
4. Discuss each of the ideas to ensure understanding (do not evaluate at this stage - that comes later) (approximately 20 minutes).
5. Ask each member to vote by picking the top five items individuals give 5 points to their first choice, 4 to the second and so on. This should be done privately) (time as required).
6. Votes are tallied. The ideas with the greatest number of votes are listed in order (approximately 10 minutes).
Section Nine: References

There are many books and papers that are helpful. Some of the authors who have inspired us are listed below.


- *Coaching Essentials: Practical, Proven Techniques for World-class Executive Coaching* by Patricia Bossons, Denis Sartain and Jeremy Kourdi (2009)

- *Dynamic Capabilities and Strategic Management: Organizing for Innovation and Growth* by David J. Teece (2009)

- *Executive Coaching: A Psychodynamic Approach* by Catherine Sandler (2011)

- *Facilitation - an Art, Science, Skill - or all three? Build your expertise in facilitation* by Tony Mann (2007)


