

# From Innovation Theater to Growth Engine



The playbook to assess and improve  
your company's ecosystem to drive  
world-class innovation

Written by:

Tendayi Viki  
Alex Osterwalder  
Lucy Luo  
Yves Pigneur  
Fred Etienne

[strategyzer.com](https://strategyzer.com)

 Strategyzer

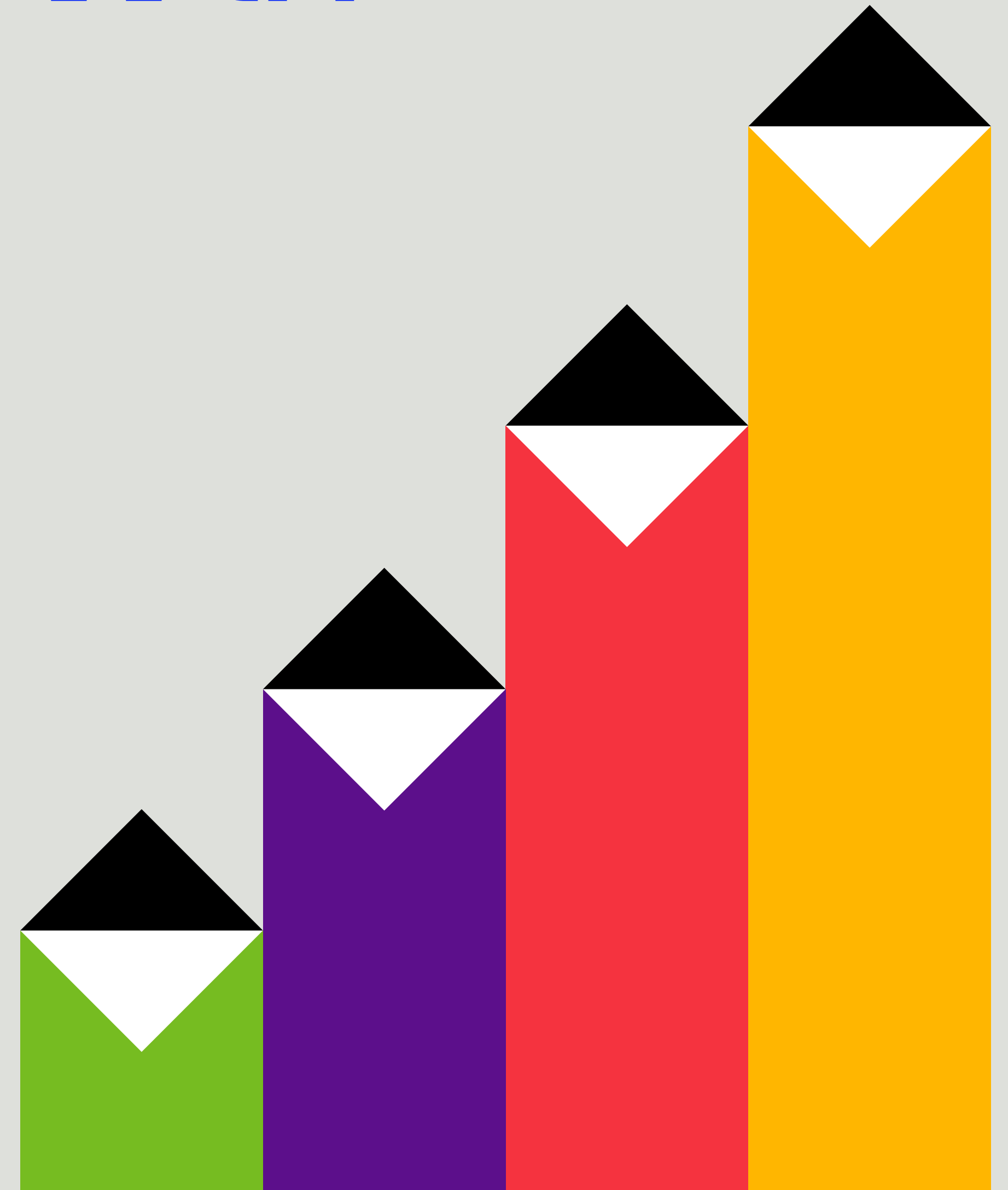
# More Growth. Less Guessing.

Strategyzer helps the world's leading companies unleash their people's entrepreneurial potential.

Stop risking your future with business as usual.

Use our globally trusted tools, methodology, coaches, and engaging platform to drive innovation throughout your business.

# We unlock your growth potential at scale.



Explore Strategyzer’s unique integration of consulting, education, and software to innovate and grow reliably.



Consulting

Outcome-focused coaching and program management

Trust our global network of world-class coaches and advisors to help your teams and leaders produce results

Tools and training

Industry-defining tools, thought leadership, and books

Join leading international companies who apply our tools and methodologies to shift mindsets

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Make innovation repeatable, scalable and transparent

Use our platform to manage your innovation programs, enable your teams and make transparent portfolio decisions

“With Strategyzer’s world-class coaching and expertise in discovery sprints, we are bringing new ideas forward faster and ultimately advancing our portfolio management systems and growth.”

— Sergio Pupkin, SVP and Chief Growth and Strategy Officer, Sealed Air



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# Bridging the gap between innovation theater and tangible growth results

## Growth ambitions

In our work with companies, we have experienced a significant change in the value that leaders place on innovation. A majority of them now rank innovation as one of their top three priorities.

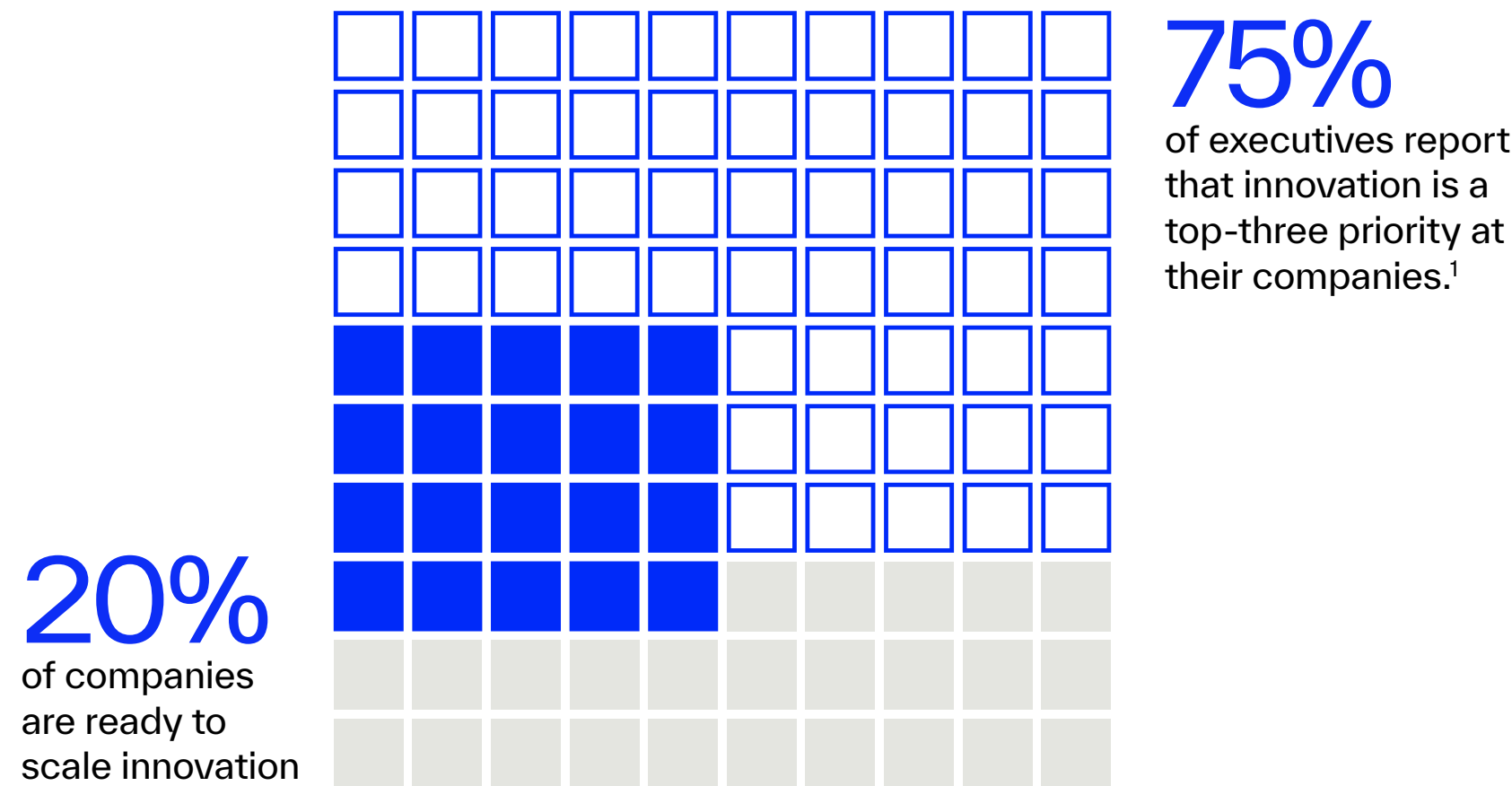
The Covid-19 pandemic and today’s difficult global environment have further accelerated this. They revealed the challenges that companies deal with when facing change and disruption.

## Innovation theater

Unfortunately, there is a gap between innovation aspirations and organizational capabilities. Results in terms of growth from innovation rarely live up to expectations. This, despite an abundance of innovation activities.

# Bridging the gap

To bridge this gap and achieve results, Strategyzer built dedicated benchmarks. We assess and co-design three pillars of innovation success.



<sup>1</sup> Justin Manly et al. - Boston Consulting Group (2021). Overcoming the Innovation Gap.

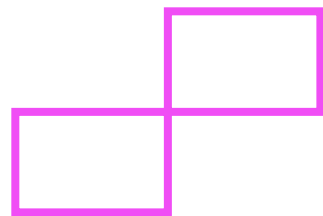
# 1. Portfolio

## 2. Programs

### 3. Culture

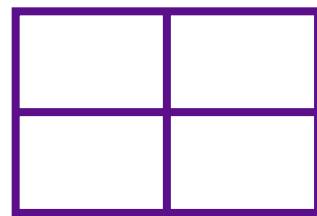
This playbook highlights how to close the gap between innovation aspirations and capabilities. We believe that the right ecosystem makes innovation success repeatable and scalable. A system that doesn't rely on luck makes innovation predictable and reduces risk.

Post Covid-19, leaders need to develop innovation as a key organizational muscle. By the time a crisis arrives, it is too late to start exercising. Building strong innovation capabilities needs strong buy-in and involvement at the C-suite level. It's time to overcome innovation theater.



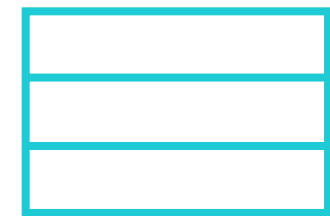
#### Portfolio

What should a portfolio of innovation projects look like?



#### Programs

How are high-performance innovation programs structured and managed?

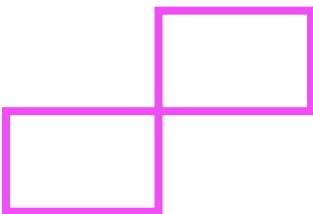


#### Culture

What are the blockers and enablers of a true innovation culture?

# Three pillars to drive innovation

## Portfolio



Analyze and shift your innovation portfolio from a focus on...

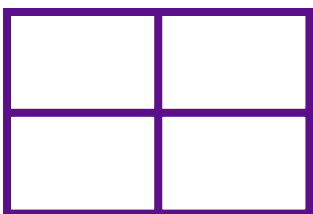


**becoming irrelevant efficiently**  
an innovation portfolio dominated by few large-scale bets on efficiency innovation projects and occasional sustaining innovations



**growing for decades**  
a diversified portfolio with many bets that systematically produces winners from efficiency to transformative growth innovation.

## Programs



Analyze and redesign your innovation programs to move them from producing...

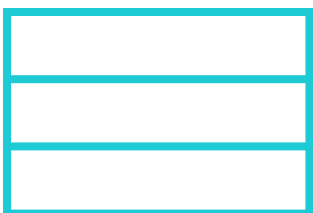


**innovation theater**  
an ecosystem with many loosely connected or disconnected innovation activities, programs, and investments



**tangible results**  
strategically integrated and company-wide innovation activities, programs and investments that are optimized to collaborate and produce innovation results.

## Culture



Assess and boost innovation culture by identifying and transforming...



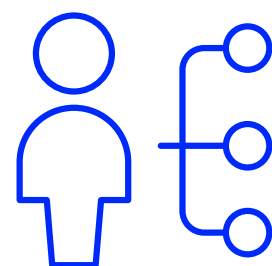
**blockers of innovation**  
a culture in which innovation lacks status and legitimacy and faces many blockers.



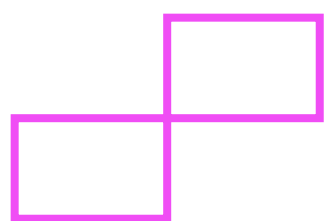
**enablers of innovation**  
a culture in which innovation has power and influence and enables initiatives.

# Three perspectives on innovation success

Senior Executives

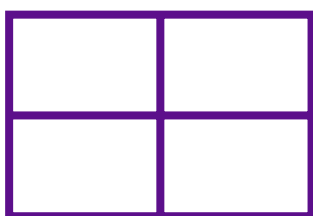


## Portfolio



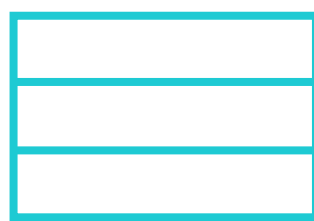
Get transparency and clarity on the performance of your innovation portfolio to better allocate resources.

## Programs



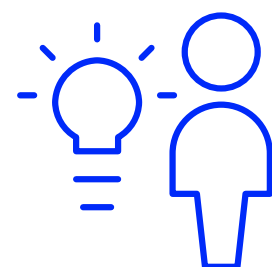
Understand how the pieces in your innovation programs fit together and develop the right capabilities to drive innovation.

## Culture



Eliminate the institutional blockers and establish systematic enablers of a flourishing innovation culture.

Innovation Leaders

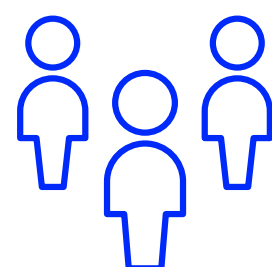


Design and manage an innovation portfolio of many small bets and evidence-based follow-up investments.

Together with senior leaders, identify the missing pieces in your programs to transform the organization and produce tangible results.

Co-create the right environment and culture with senior leaders so teams can fearlessly explore new ideas.

Innovation Teams



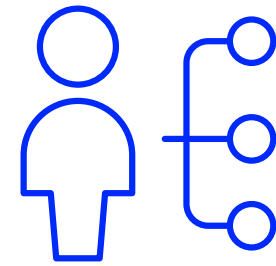
Focus on testing and adapting bold ideas to produce growth from either efficiency, sustaining, or transformative innovation.

Drive conversations with innovation leaders about the kind of support and programs you need from them to succeed.

Work with innovation leaders to identify and eliminate the blockers that are holding you back from succeeding.

# How to use this playbook

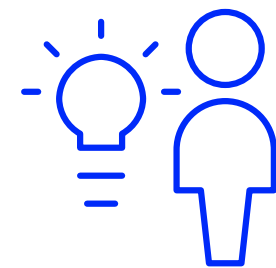
## Senior Executives



**As a business leader,** your main concern is ensuring that you are getting good returns from your investments in innovation. Use the tools in this playbook to:

- Get transparency and clarity on your innovation portfolio. Are you investing across all types of innovation? Which innovation projects are on track to create value for your company?
- Understand how all the pieces in your innovation ecosystem fit together. Does your company have the right capabilities and culture to drive innovation?

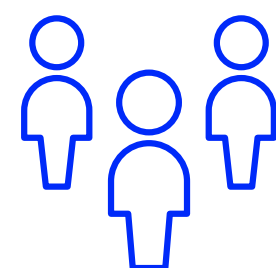
## Innovation Leaders



**As an innovation leader,** you are leading the teams that are working to de-risk ideas, develop new value propositions and discover breakthrough business models. Use the tools in this playbook to:

- Work with senior leaders to co-create the right environment for your innovation teams to thrive and succeed.
- Drive the right conversations with leaders around investing in the innovation portfolio, developing the right innovation programs, and removing the obstacles that block innovation.

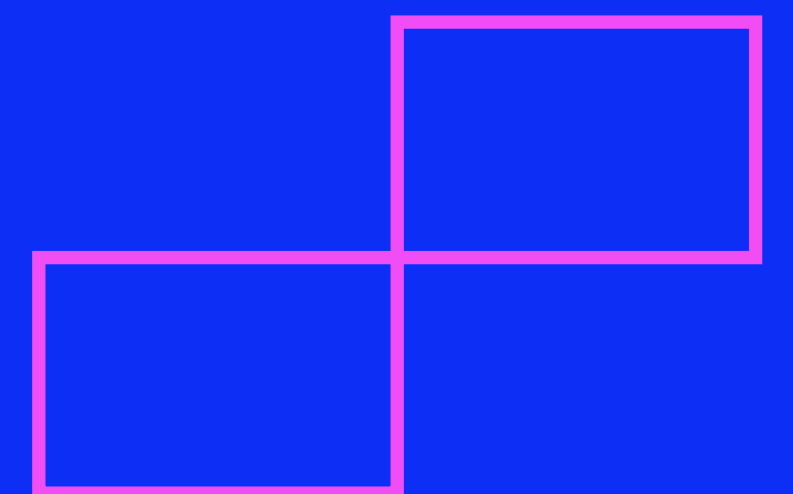
## Innovation Teams



**As part of an innovation team,** you are working on designing and testing value propositions and business models. Use the tools in this playbook to:

- Drive conversations with your leaders about the innovation culture in your company. Do you have what you need in terms of leadership support, organizational design, and innovation practice?
- Is the culture in your company enabling or blocking your innovation efforts? How do you reduce the blockers and accentuate the enablers?

# 1. Portfolio



Is your innovation portfolio optimized  
to help your company:

- ⊗ become irrelevant efficiently?
- ✓ grow for decades?

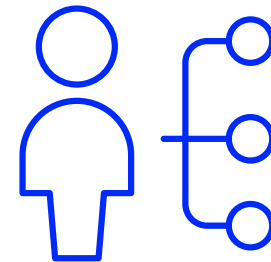
# Which company are you?

## ⊗ Becoming irrelevant efficiently

### Senior Executives

Spend less than 20% of their time on innovation every week.

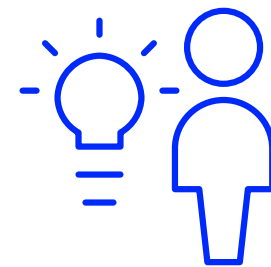
- ⊗ The message to the organization is clear when the CEO and leadership team don't spend time on innovation: it doesn't matter to the future of the company. They may talk about innovation but don't give it the power and attention it needs to succeed.



### Innovation Leaders

Expect every team to succeed.

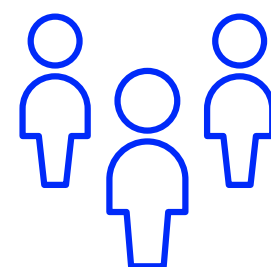
- ⊗ Risk-taking disappears when innovation leaders “condemn” teams to succeed. Innovation efforts will gravitate towards improving the core business. These innovation leaders tend to manage a portfolio of mostly efficiency innovations.



### Innovation Teams

Work on safe bets because they are afraid to fail.

- ⊗ Teams that need to write business plans, deliver a return on investment, and are expected to succeed will play it safe. They won't explore anything breakthrough because they are afraid to fail.



## ✓ Growing for decades

### Senior Executives

Block out at least 40% of their time to manage the innovation portfolio.

- ✓ Innovation outperformers visibly invest their time in innovation. They provide clear strategic guidance to explore new arenas. They allocate substantial resources towards value proposition and business model exploration beyond traditional technology or science R&D.

### Innovation Leaders

Make it safe to experiment and fail.

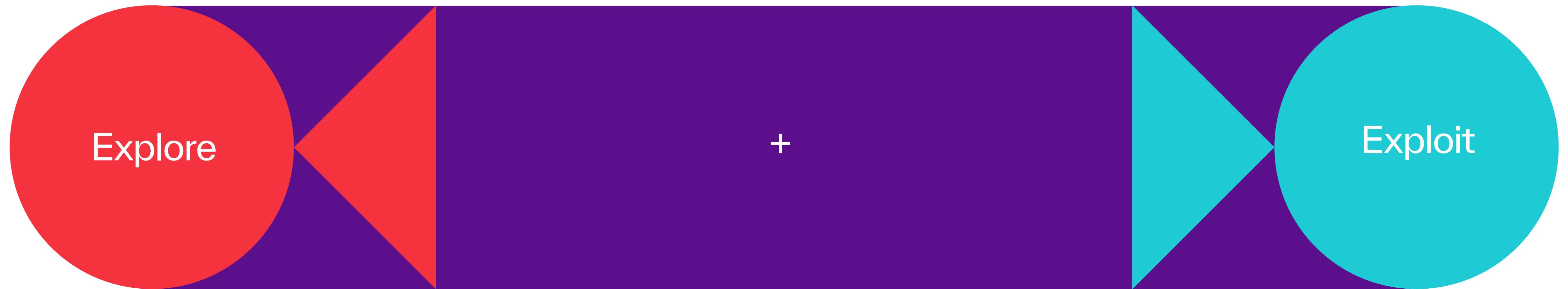
- ✓ Successful innovation leaders build growth portfolios with a funnel. They make many small bets and quickly retire projects that don't produce evidence after 3 months. Follow-up investments go to only 25% to 50% of initial projects. It's safe for teams to fail and come back with new ideas.

### Innovation Teams

Are not afraid to explore breakthrough innovations because it's safe to fail.

- ✓ When the incentives are aligned and it's safe to experiment, teams will readily explore breakthrough opportunities. They will search for evidence that an idea could work. If it doesn't, they will iterate and adapt until it works. If there's nothing there, they will stop and not hide the failure.

Invincible companies are good at simultaneously exploring new opportunities while exploiting their current success. We help leaders close the gap in their innovation portfolio by asking about:



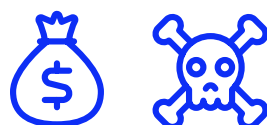
1. The composition of their portfolio and the types of innovation they are investing in. This means efficiency, sustaining, or transformative innovation investments.
2. Their process for managing an innovation funnel and how good they are at retiring innovation projects. Specifically, the number of ideas they are investing in, killing, and taking to scale.

# Explore and exploit



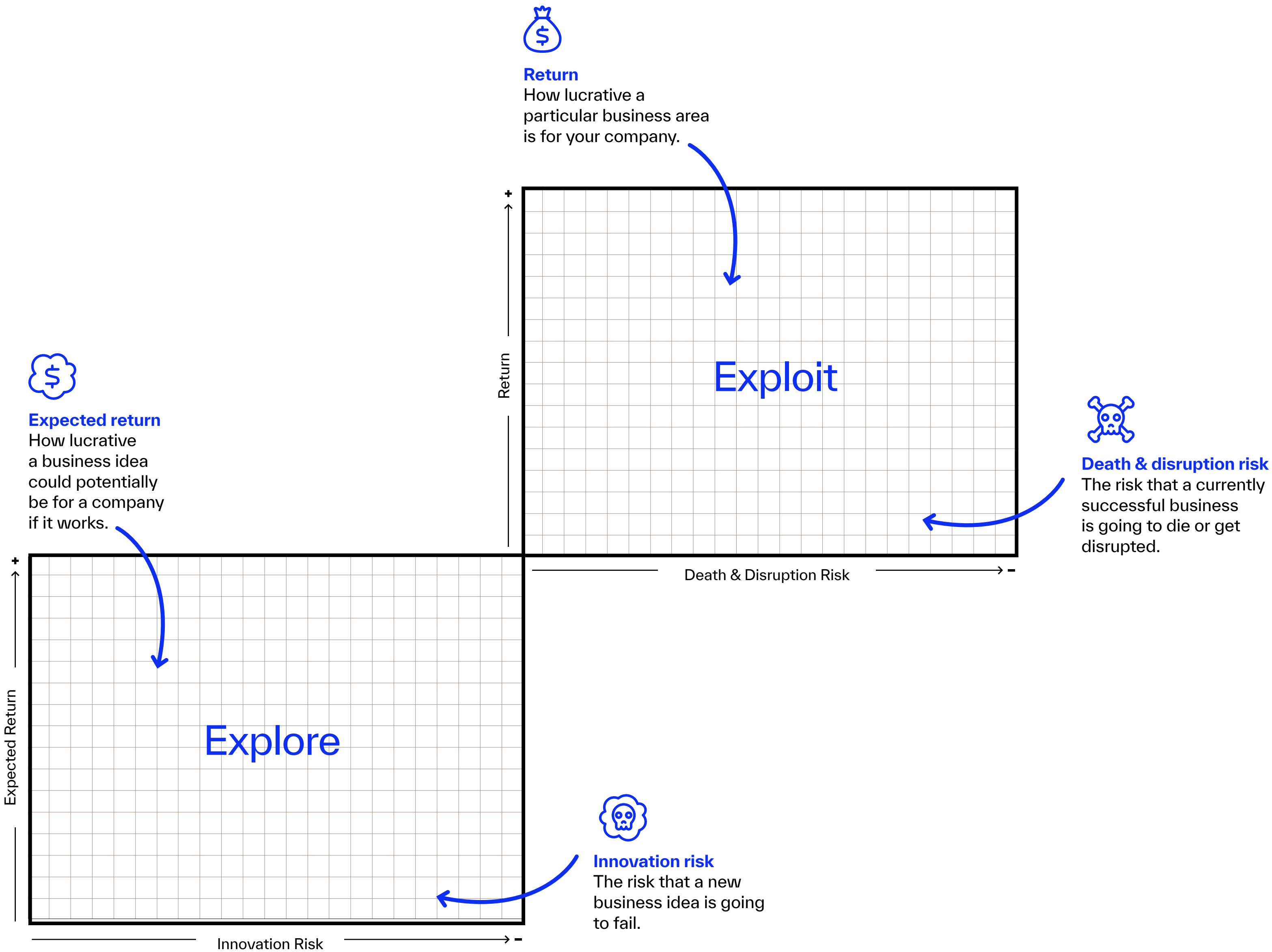
## Explore

The Explore portfolio is about the search for new value propositions and business models. This process involves designing and testing business ideas rather than execution.

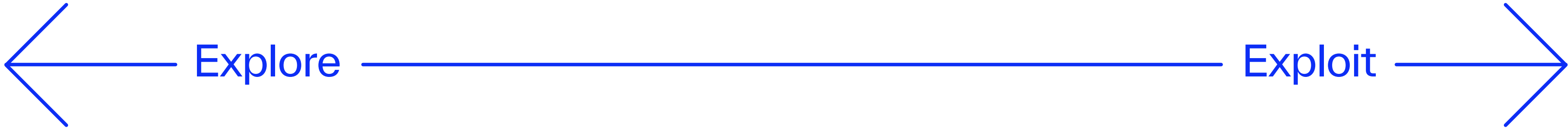


## Exploit

The Exploit portfolio is about managing the existing business models and maintaining their growth trajectories. This includes scaling emerging business models, renovating declining ones, and protecting the successful ones.



# Types of innovation



When we evaluate a company’s innovation portfolio, we assess all innovation projects that are taking place within the organization. This includes new value propositions and business models or improving the existing ones. Based on the work of Clay Christensen, we evaluate the composition of your portfolio in terms of how much of it is efficiency, sustaining, or transformative innovation.

Each of these three types of innovation requires different skills and resources. The composition of your portfolio will also impact your organization’s resilience and longevity. It may simply make expiring value propositions and business models more efficient. Or it may reposition your company for the long term.

## Transformative

- High growth =
- Net new revenue
  - Long term

Transformative innovation helps a company create substantial growth from radically new opportunities. This involves exploring new value propositions or business models. Typically these are outside of a company’s comfort zone. Transformative innovation helps position a company for the long term.

## Sustaining

- Medium growth =
- Some net new revenue
  - Medium term

Sustaining innovation explores opportunities that build on top of a company’s existing business model. The goal here is to strengthen the company and make it more adaptive. Sustaining innovations are typically about new products and services for existing customers. They may also involve new distribution channels, production technologies, or geographical expansion.

## Efficiency

- Low growth =
- No net new revenue
  - Short term

Efficiency innovation focuses on improving operational excellence. The business model itself doesn’t change in any meaningful way. Typical examples include technologies that improve operations, distribution or processes in general. It may also include process innovations that help make an organization more effective.

# Portfolio review: composition

## What types of innovation are you investing in?

To evaluate a company's innovation portfolio, we first gather data. We collect information about all the innovation projects that are currently running. We then categorize the projects in terms of the three types of innovation. The map that emerges provides a clear visual of a company's innovation focus. It highlights which types of innovation a company is working on.

In our experience, companies tend to invest a majority of their resources in efficiency innovation. Some resources go to sustaining innovation. Very little to none is committed to transformative innovation. This state of affairs can result in a company optimizing itself towards eventual failure.

# Case study

We have performed this portfolio assessment with many organizations across various industries. Results are very similar, regardless of industry and region. Generally, there is a lack of investment in substantial growth opportunities. Resources are heavily invested in efficiency innovation.

Before the Covid-19 pandemic, we worked with a large international airline. Their newly appointed Global Head of Innovation was concerned about the number of innovation projects they had. We used the following steps to assess their portfolio:

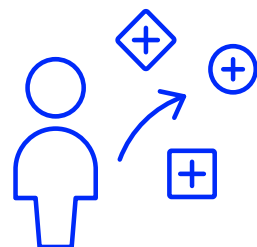


## Interviews

Data

Time commitment:  
2-3 weeks

We worked with the various innovation leads company-wide to gather information on innovation projects. Innovation leads were understandably proud of what they had accomplished. Some of the projects they had launched had received global innovation awards.

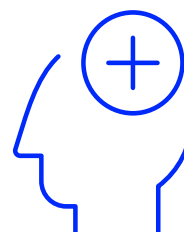


## Workshop

Analysis

Time commitment:  
Half-day workshop

We then held a workshop with the innovation leads and their new Global Head of Innovation. In the workshop, we carefully captured each innovation project. We then engaged the group to classify each project as one of the three types of innovation. A clear picture of their innovation focus started to emerge.



## Insights

Review

Time commitment:  
Half-day workshop

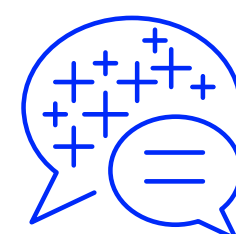
For the remainder of the workshop, we unearthed insights about how much the company focused on efficiency innovation. This came as a big surprise to participants. They genuinely believed they were transforming their organization. For example, several of their innovations had won awards. One of them was for their new in-flight entertainment systems. While this was great work, it didn't produce new growth, nor did it position the company for the future. These insights from the portfolio analysis led to deep conversations about how to allocate innovation resources better.

# Portfolio review: process

How good are you at  
killing ideas?

We also work with companies to review the governance processes they use to manage innovation. We analyze how investment decisions in innovation are made and who is involved in the process. Our goal is to help leaders design the right process to invest in the right innovation projects and the right teams.

We recently worked with Sealed Air (NYSE: SEE), a packaging solutions company known for its globally recognized brands CRYOVAC® brand food packaging, SEALED AIR® brand protective packaging, AUTOBAG® brand automated systems, BUBBLE WRAP® brand packaging, SEE Automation™ solutions and prismaiq™ brand smart packaging and digital printing. We co-created an innovation framework that encourages teams to gather evidence for customer needs, value proposition resonance, and potential business model; before completing a detailed business case.

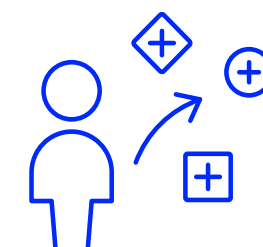


## Interviews

Data

Time commitment:  
2-3 weeks

Prior to the workshop, we work with leaders and teams to gather data on how the company invests in innovation projects. We generally look at investments made over the previous 12 months. During this interview and data-gathering process, we analyze several variables. Firstly, who is involved in these investment decisions? Secondly, what is the average size of investments made at the beginning of innovation projects? Thirdly, how are decisions to increase or reduce investments in projects made?

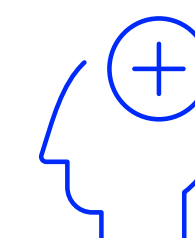


## Workshop

Analysis

Time commitment:  
Half-day workshop

We then gather a group of key decision-makers to review our findings. We begin by showing a good example of an innovation funnel using the Portfolio Map. We also illustrate the innovation stages and decision criteria used in an innovation funnel. After this, we map their own investments and process against this typical funnel to illustrate key differences.



## Insights

Review

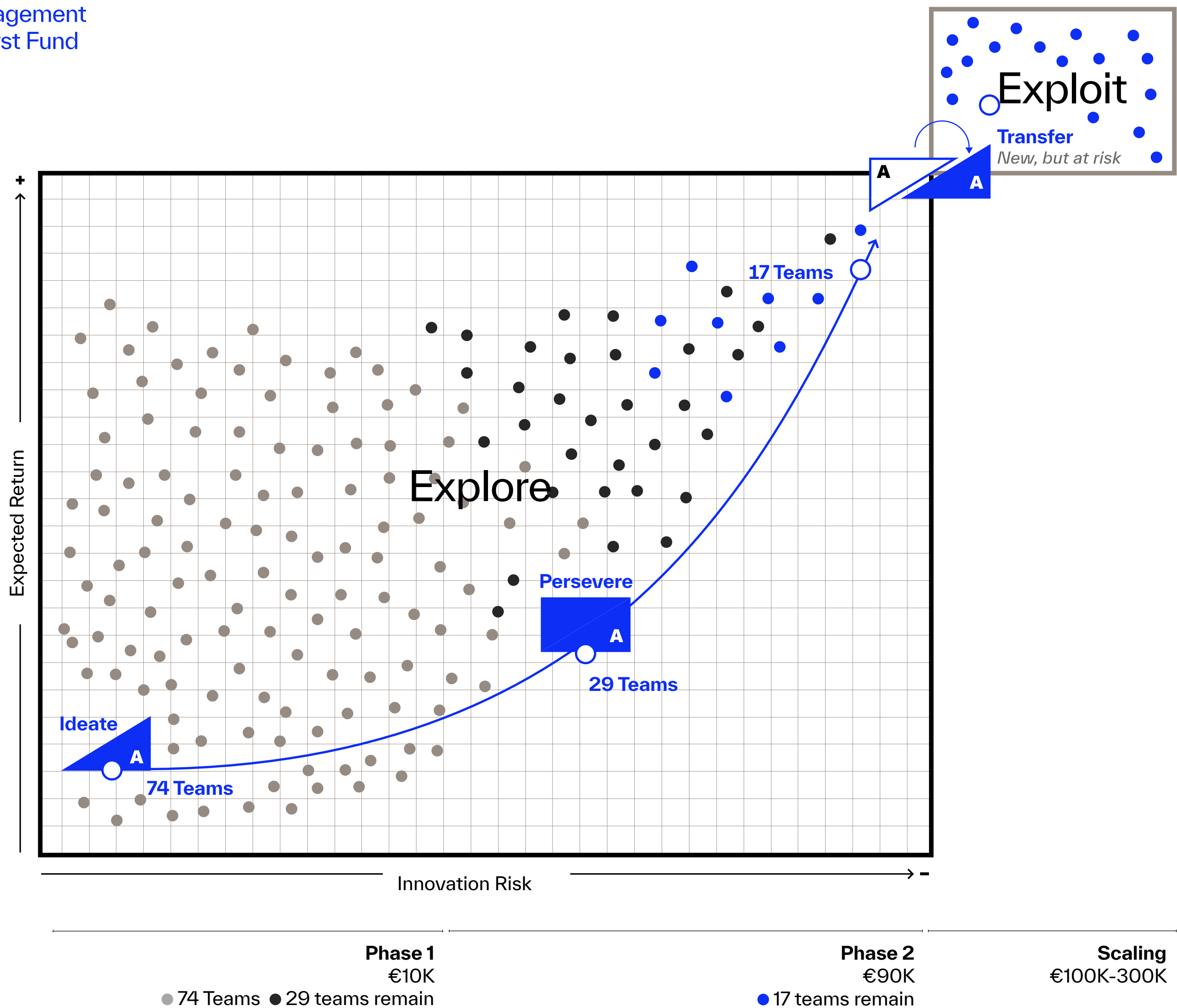
Time commitment:  
Half-day workshop

After the workshop, we visually highlight their portfolio of investments. It often becomes clear to leaders that they are not making enough small early bets. Instead, they make a few large investments, which concentrates risk. Furthermore, once a project enters the portfolio, it rarely gets stopped. A team may keep going for years, despite insufficient evidence for future success. We call this managing an innovation tunnel, not an innovation funnel. These insights generally get leaders to redesign their investment decision-making process.

# Portfolio management Bayer's Catalyst Fund

We worked with Bayer's Catalyst Fund for three years to help drive their innovation funnel. Their Catalyst Fund is a really good example of how companies can manage investment in their innovation portfolio.

Bayer's Catalyst Fund was run like a venture fund, but the investments were made in internal teams.<sup>3</sup> Throughout the program, they received over 400 proposals from which they invested in 74 projects. The initial investment into each project team was €10,000. In exchange for this investment, the teams were expected to go out and test their ideas until they generated evidence that the opportunities they were working on were real and that the solution they had in mind was desired by the potential users or customers.



After four months, the teams convened to present their evidence to senior business leaders. We helped to train these senior leaders on how to make decisions based on evidence and not how much they liked the idea. 72 projects from the initial 74 investments made it to the pitch day. Of these, 29 projects were selected for a second round of funding. The average funding that was granted at this next stage was €90,000.

Of the projects that got further funding, 17 have successfully shown feasibility and viability in a pilot and have been continued by the business with a further investment of €100,000 – €300,000. Five of these projects have now been launched into the market.

Bayer's Catalyst Fund is a good example of an innovation portfolio management model. They began by making multiple small bets and only increased investment in ideas that were showing traction and progress. Using this method, they were able to create real value for the company over the three years we worked with them.

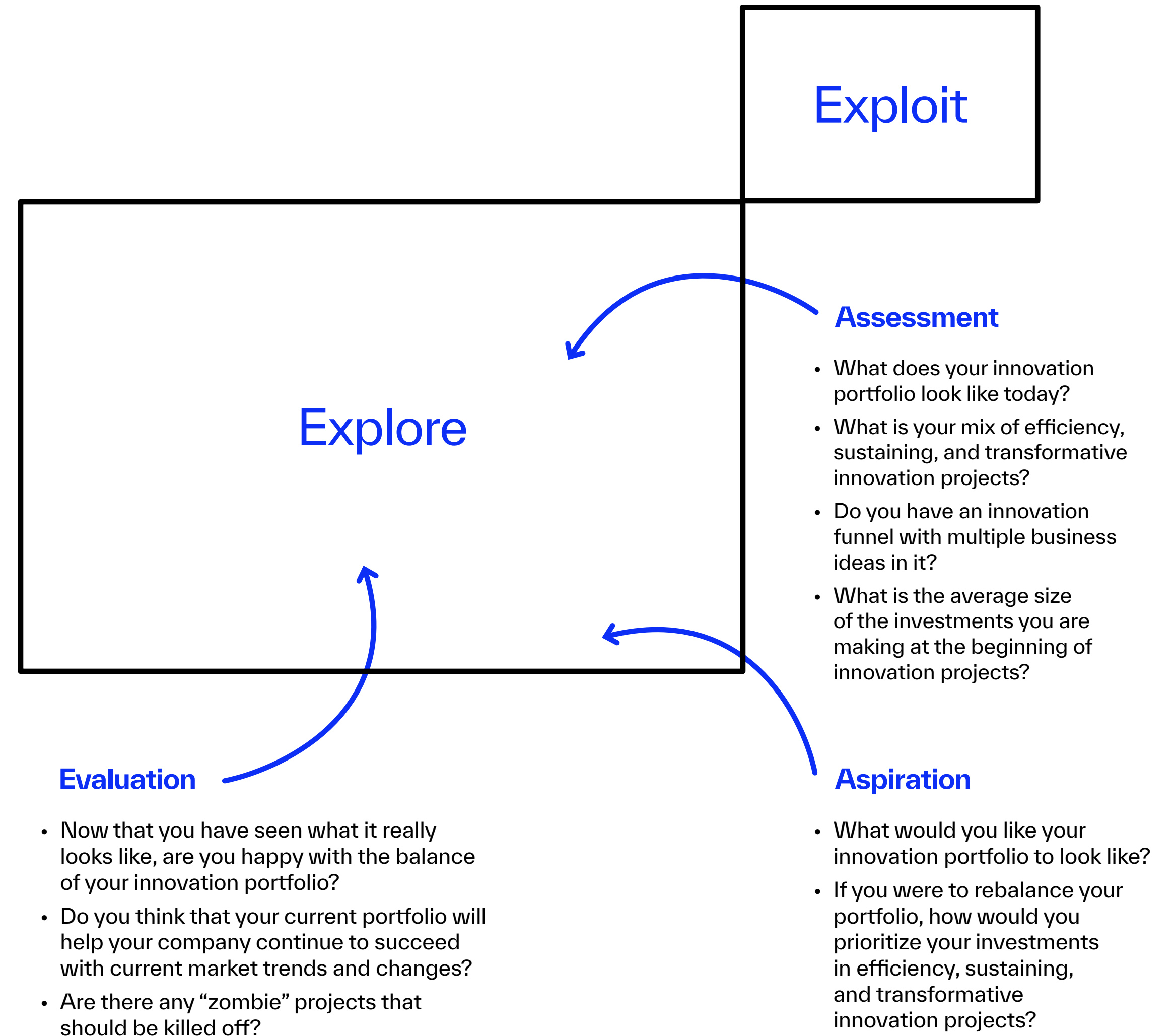
<sup>3</sup>Bayer's Catalyst Fund was recently wound down due to an internal reorganization. During the time we worked with them, Bayer's Corporate Innovation Team consisted of Henning Trill – Head of Corporate Innovation, Julia Hitzbleck – Head of Life Hub Berlin, Ouelid Ouyeder – Senior Program Lead for Entrepreneurship and Peng Zhong – Senior Program Lead for Entrepreneurship.

# Portfolio design

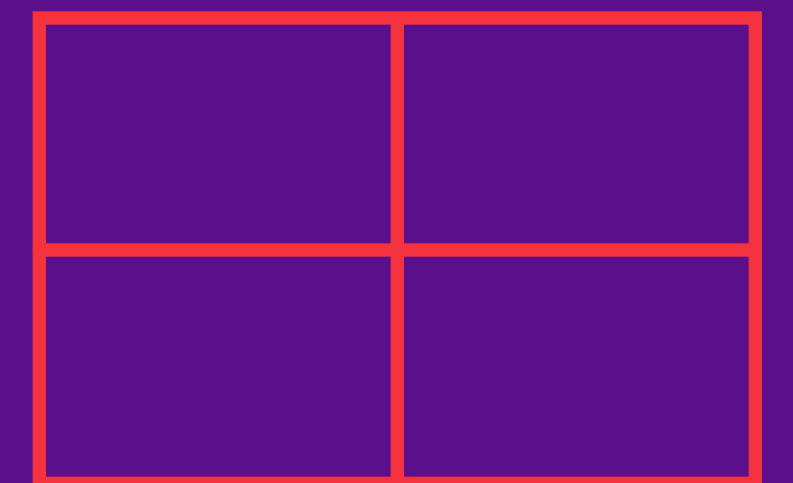
Innovation portfolio composition matters. It is what drives long-term growth. We work with leaders to help them make conscious and strategic portfolio allocation decisions. Our visual tools make these choices explicit. We help leaders understand where they are now and what's missing, so they can make informed decisions about what to do next.

# We don't tell leaders what to do:

We facilitate the assessment and design of the right innovation portfolio to address their strategic challenges



# 2. Programs



Are your innovation programs:

- ⊗ mere innovation theater?
- ✓ producing tangible results?

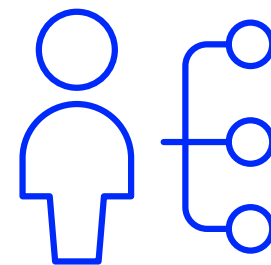
# Which company are you?

## ⊗ Innovation theater

### Senior Executives

Give different people permission to start disconnected programs.

- ⊗ Few organizations lack innovation activities. Yet, little good happens when they're not thought through nor strategically integrated. Results remain elusive when you let "a thousand programs bloom".



## ✓ Tangible results

### Senior Executives

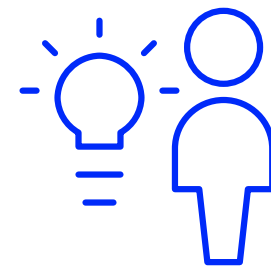
Build an innovation ecosystem that the whole organization understands.

- ✓ Magic happens when senior leaders design and manage a well-thought-through innovation ecosystem. They ensure that all programs have a clear goal, are interconnected, transform the organization and deliver results.

### Innovation Leaders

Are territorial and isolate their programs from other efforts.

- ⊗ You get innovation theater when innovation leaders are more concerned about the appearance and image of their programs than about value creation. Politics is the death penalty for innovation results and growth outcomes.



### Innovation Leaders

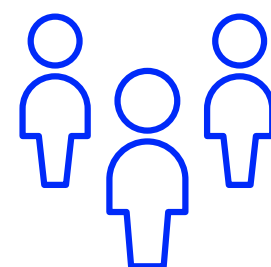
View their work as part of the broader innovation ecosystem.

- ✓ Innovation leaders become strong enablers when they view their role as part of a broader innovation ecosystem. They measure their success in terms of either growth outcomes or impact on the organization's innovation culture.

### Innovation Teams

Excessively focused on ideation rather than testing and adapting ideas.

- ⊗ You get an ephemeral sparkle at the expense of long-term results when innovation teams excessively focus on ideation or creativity instead of testing and adapting ideas.

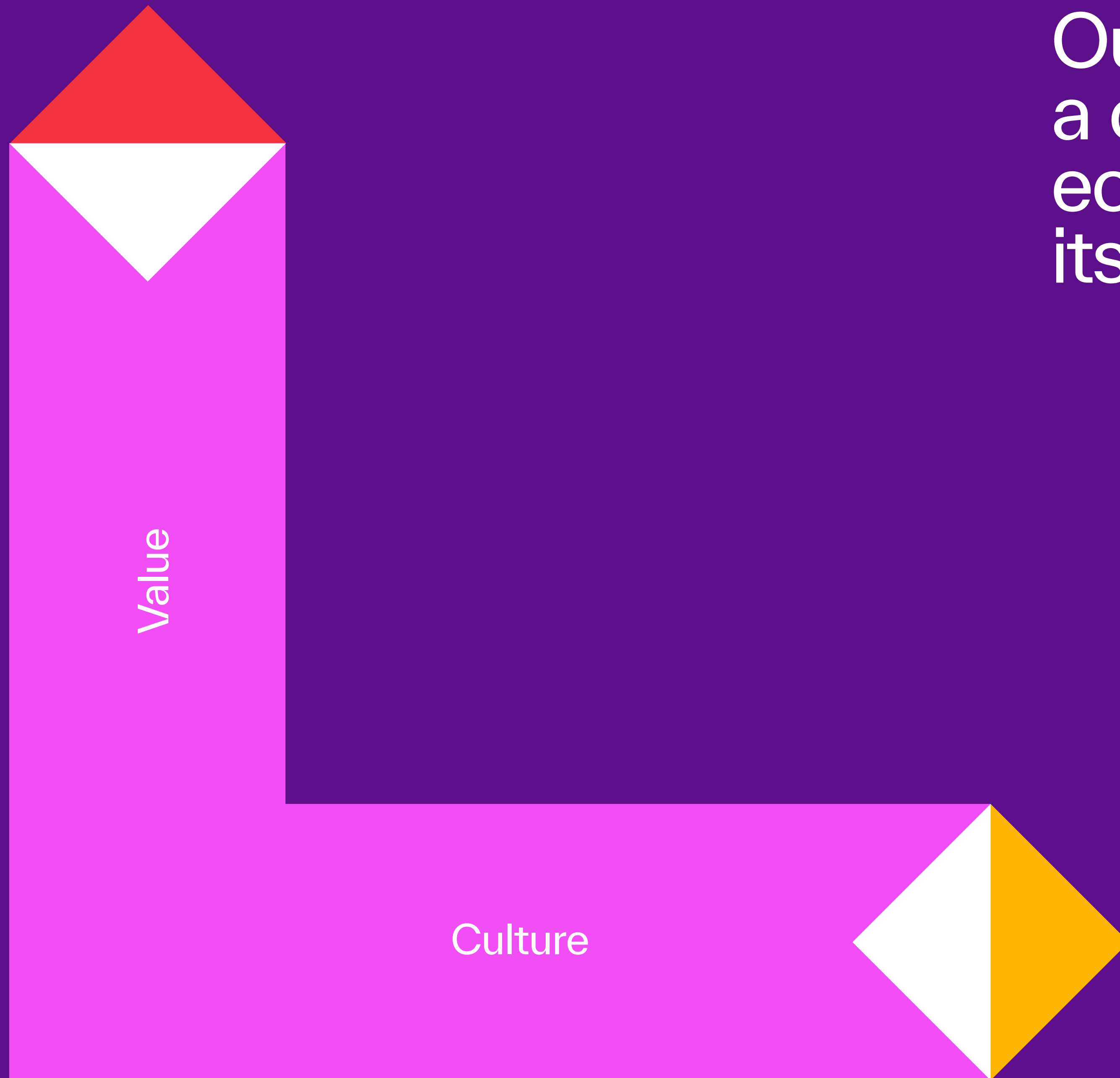


### Innovation Teams

Focus on testing and adapting value propositions and business models.

- ✓ The hard part of innovation is not the ideas but adapting them until you have a value proposition that customers care about embedded in a profitable and scalable business model. By testing and adapting ideas, great teams reduce innovation risk before scaling.

Our second step in evaluating a company's innovation ecosystem is to assess all its innovation programs.



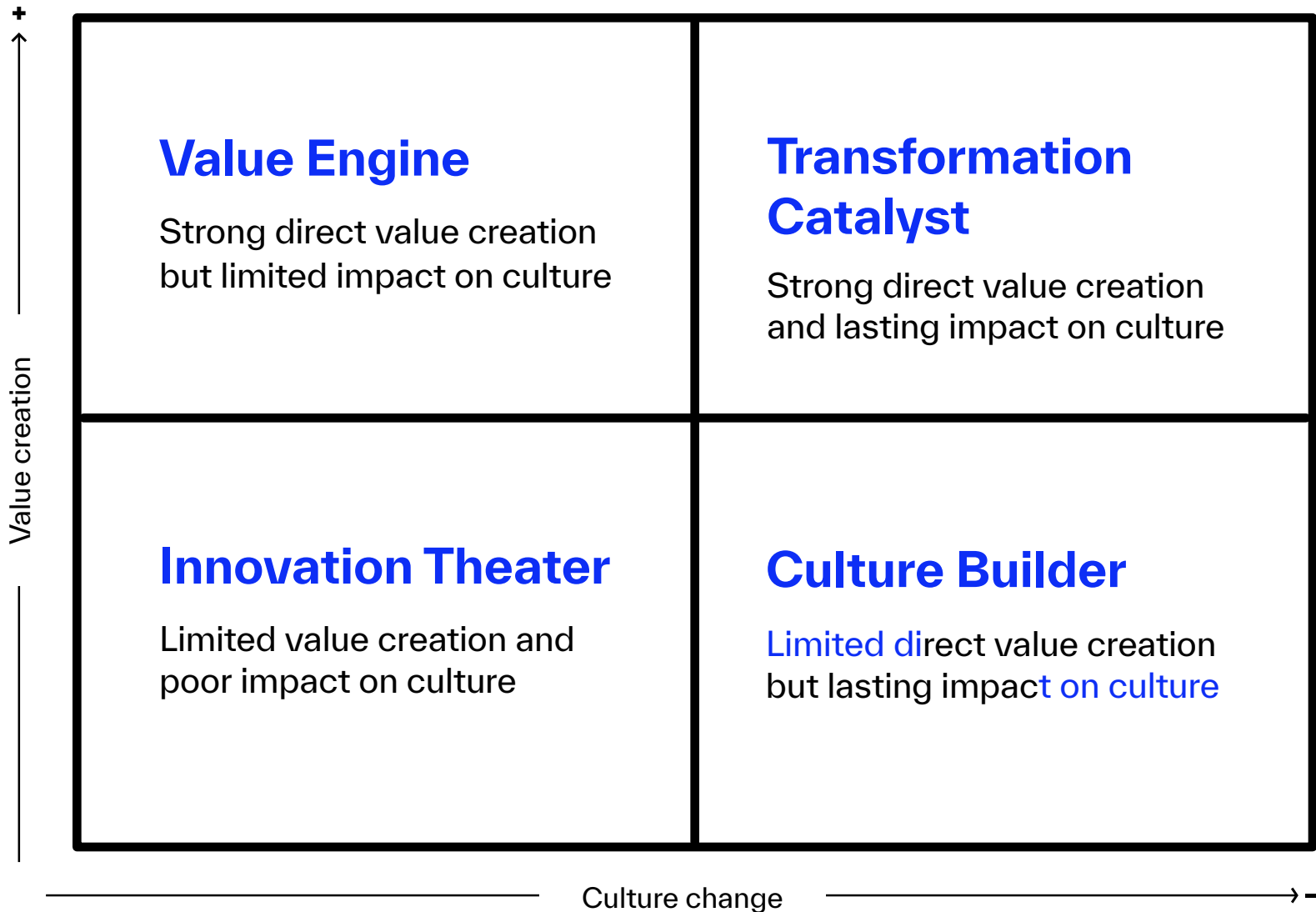
Programs either focus on innovation projects, establishing an innovation culture, or both. Together with the company, we evaluate each program's performance in terms of its ability to achieve:

1. Value creation (revenue/profit)
2. Culture change (structure/processes)

# An ecosystem of programs

Value creation

is about the creation of new products, services, value propositions, and business models. The goal of these programs is to invest in and manage innovation projects. These projects create value by either producing new growth or cost savings.



## Culture change

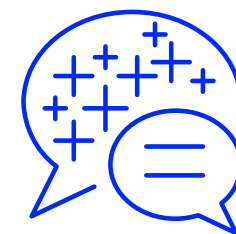
is about transforming the company to establish an innovation culture. This may include new processes, metrics, incentive systems, or changing organizational structures. These transformations help the company innovate in a consistent and repeatable way. Programs to establish an innovation culture typically address:

- **Leadership support:** to provide strategic guidance, portfolio management, and protected resources.
- **Organizational design:** to harmonize collaboration between innovation and core business, create incentives for innovation, and establish legitimacy and power for innovation.
- **Innovation practice:** to put in place the right innovation tools, methods, and processes and grow or acquire the right innovation skills.

# Innovation program assessment

When we work with organizations, we conduct a workshop activity based on our Ecosystem Map. We do this to help leaders and teams see whether their innovation programs are creating value. We want to help leaders and teams avoid engaging in innovation theater—running innovation programs that look good but do not create any real value for the company.

We recently worked with Schreiber Foods, a U.S -based leading FMCG manufacturer. With more than 9,000 employees and \$5 billion in annual revenue, Schreiber Foods has just begun developing its innovation ecosystem. Their Chief Innovation Officer, Vinith Poduval, and Director of Innovation, Sara Stabelfeldt, were interested in assessing whether the innovation programs they had engaged in since 2019 were creating value and also how they could improve them. We used the following process in our work with them:

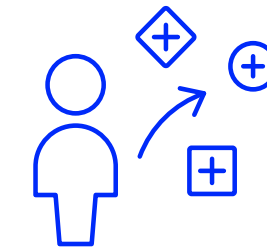


## Interviews

Data

Time commitment:  
3-4 weeks

Prior to the workshop, we worked with Sara Stabelfeldt and her team to capture the details of every innovation program they are running within their company. Examples of innovation programs include accelerators, innovation labs, and digital studios.

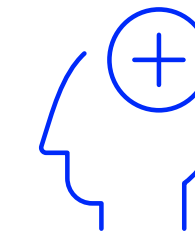


## Workshop

Analysis

Time commitment:  
Half-day workshop

We then ran a workshop with the whole team to discuss each program the company is running. We evaluated each program's goals and current impact on the company. We had an honest discussion about the extent to which each program created value or changed the company's culture. We also asked how the innovation programs complement each other. We asked how they create a tight-knit ecosystem with mutually reinforcing activities. To visualize the ecosystem and its impact, we use the Ecosystem Map with its two dimensions of impact.



## Insights

Review

Time commitment:  
Half-day workshop

During the review, we discussed each program and its positioning on the Ecosystem Map. The map provided a visual outline of all programs and their impact. It allowed Vinith and Sara to make informed decisions about whether to continue, stop or change any particular program they were running. They also decided to create new programs to ensure progress towards an innovation culture.

“Innovation ecosystem development is a purposeful journey — each element contributing to our overall purpose and results, either enabling us or slowing us down.”

— Vinith Poduval, Chief Innovation Officer at Schreiber Foods

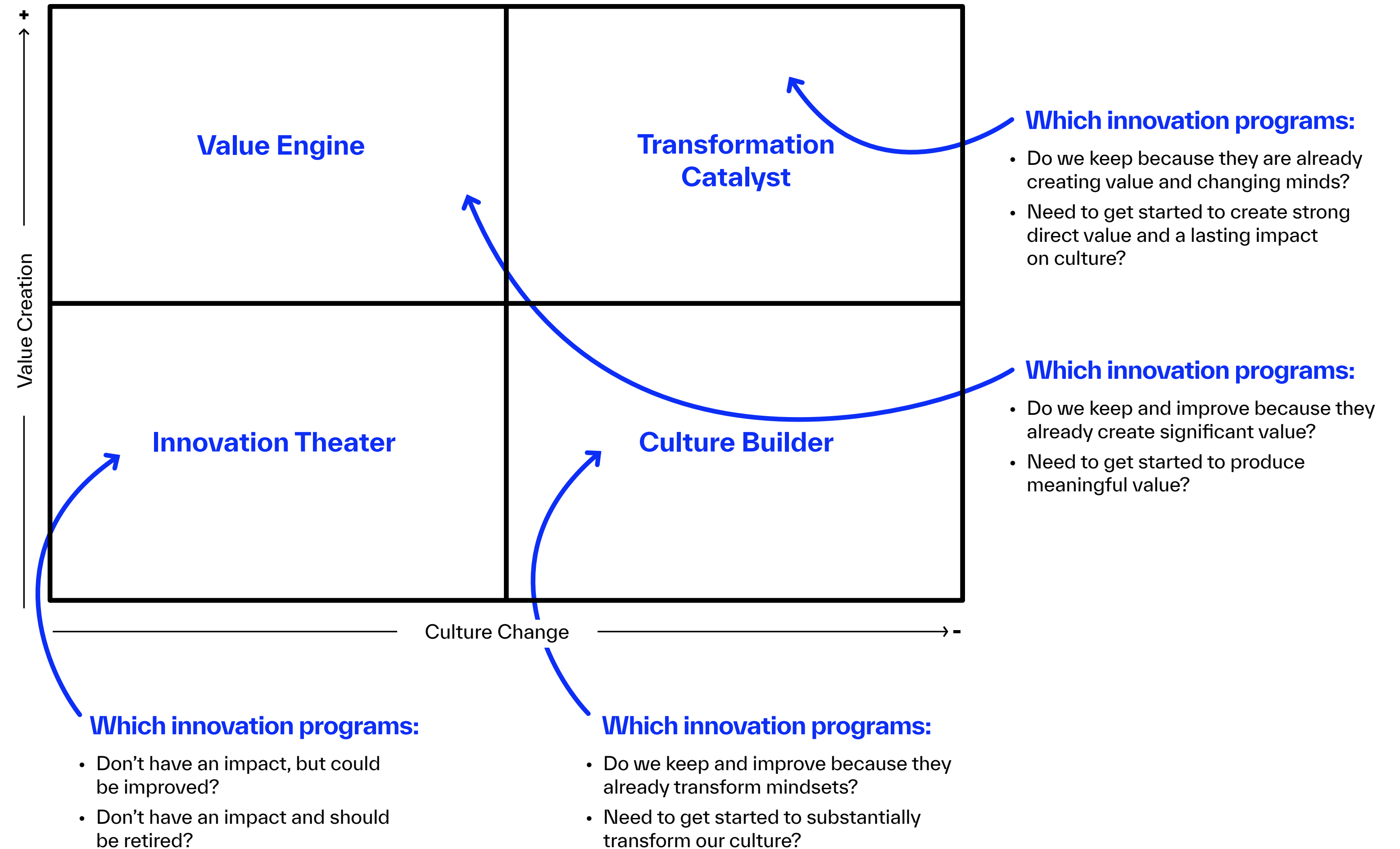


# Program design

Innovation programs can be a powerful driver of culture change and value creation. We work with leaders to help them evaluate the performance of their current programs based on our expertise. We then support them in designing strategically integrated programs. This consists of improving, retiring, or adding completely new programs to their ecosystem.

# We don't tell leaders what to do:

We facilitate the assessment and design of strategically integrated innovation programs.



# 3. Culture


How would innovation teams describe your company? Is it dominated by:

- ⊗ blockers of innovation?
- ✓ enablers of innovation?

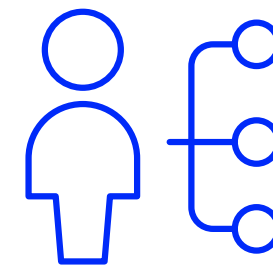
# Which company are you?

## ⊗ Blocks innovation

### Senior Executives

Don't strongly protect people's time and resources for innovation.

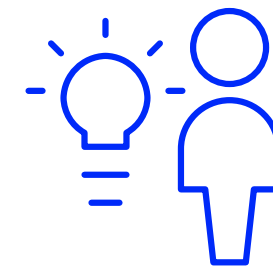
- ⊗ An innovation culture can't emerge when teams have to fight for time and resources to innovate. It gets even worse when leaders believe they can pick the winning ideas. That leads them to neglect their job of building the ecosystem to let winning ideas and teams emerge.



### Innovation Leaders

Lack status and legitimacy within the organization.

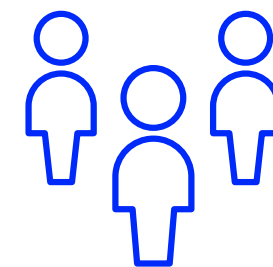
- ⊗ A true innovation culture can't emerge when innovation leaders need to run projects using skunk works outside official channels. You can't develop a flourishing innovation culture when innovation lacks influence and power.



### Innovation Teams

Need to comply with traditional execution-focused KPIs.

- ⊗ Innovation teams can't do their work correctly when they're judged based on traditional execution metrics. They'll avoid taking risks and won't explore breakthrough ideas. They'll mask ideas that are unlikely to work or hide failures because they could affect their career.



## ✓ Enables innovation

### Senior Executives

Give innovation prestige and institutionalize resources for innovation.

- ✓ Innovation blossoms when senior leaders see it as their job to build powerful innovation ecosystems. Leaders don't pick winning ideas and teams. They let them emerge from a strong innovation portfolio with institutionalized resources.

### Innovation Leaders

Have power and influence in the org chart and represent the future of the organization.

- ✓ Innovation becomes part of the organization's DNA when innovation leaders have power and influence. They need to feature high up on the organizational chart. They are able to entirely focus on innovation. Clear company policies empower them to collaborate with key functions within the business.

### Innovation Teams

Know that ideas are evaluated based on evidence, and failure is not punished.

- ✓ Organizations unleash their innovation potential when processes and metrics are optimized for innovation. Teams focus on reducing risk and uncertainty of ideas through experimentation and adaptation. You know you have an innovation culture when teams openly share quick and cheap failures. This boosts organization-wide learning and encourages the exploration of bold new ideas.

# Unleash a culture of innovation

The final gap that we help organizations address is to change mindsets and unleash a culture that drives innovation.

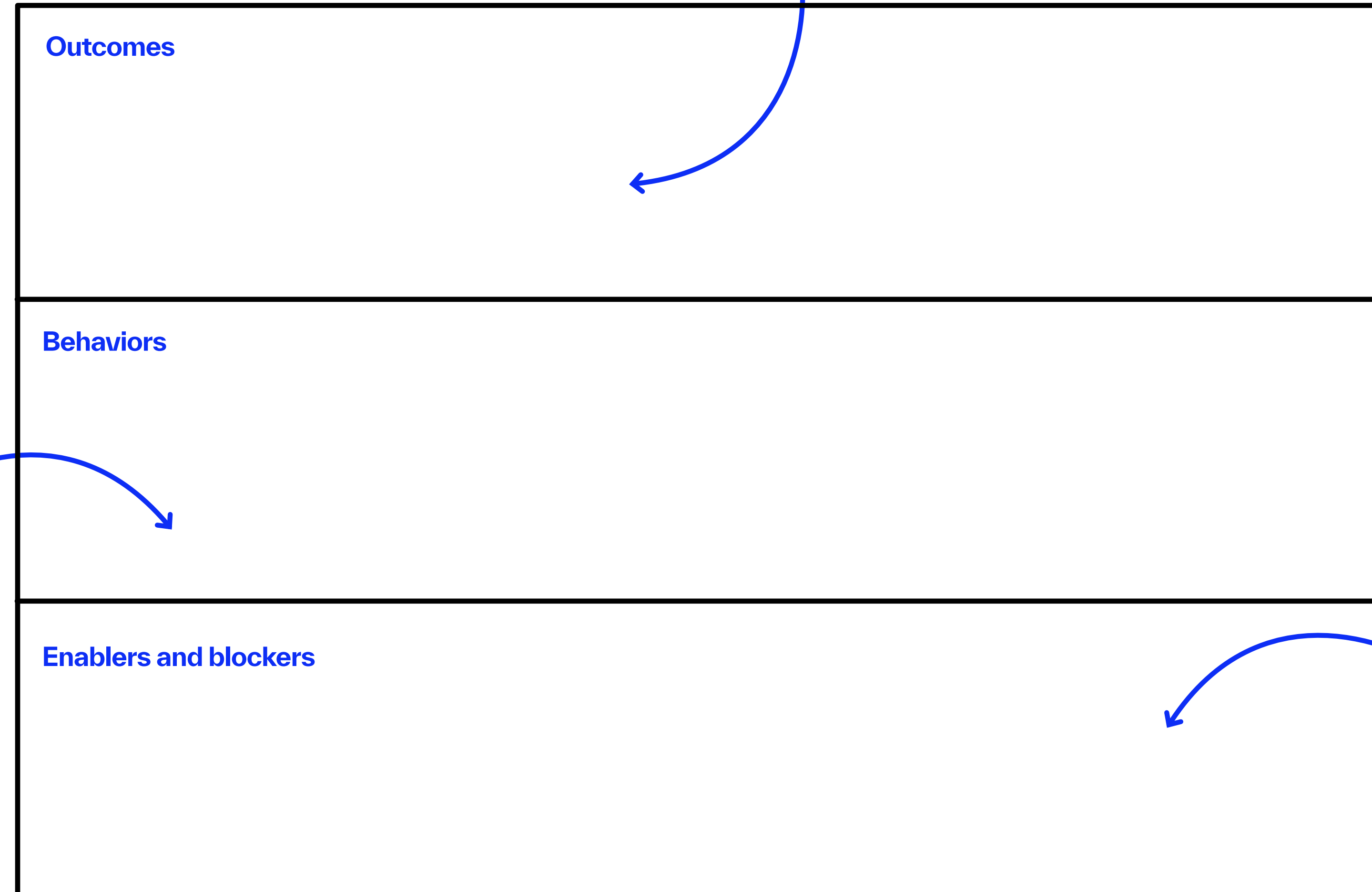
Invincible companies systematically eliminate blockers to innovation and replace them with enablers. That leads to the right innovation behaviors and produces systematic results.

# The culture map

To map out a company's existing and desired innovation culture, we use: The Culture Map.

Strategyzer developed this tool together with author and entrepreneur Dave Gray to map, analyze, design, and manage an organization's corporate culture.

What **behaviors** will allow us to achieve our desired innovation outcomes?



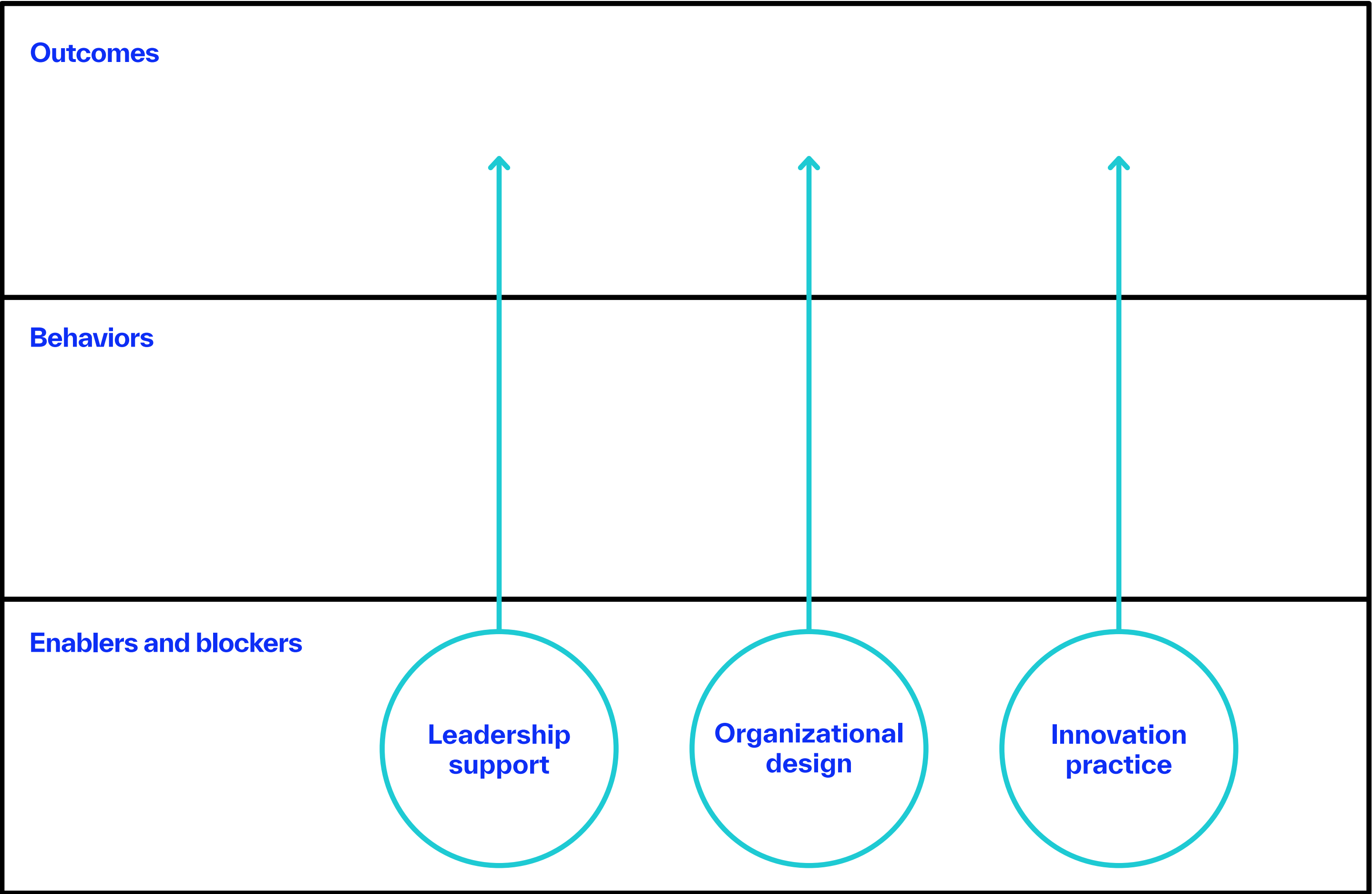
What are our desired innovation **outcomes**?

What **enables or blocks** us from our innovation goals?

Our final step in assessing the ecosystem of a company is to look at its overall innovation culture. Invincible companies build a strong innovation culture that thrives alongside the core business.

We help organizations focus on three cultural levers:

- **Leadership support:** How leaders can have the biggest impact on innovation in terms of time spent, strategic guidance, and resource allocation.
- **Organizational design:** How to give innovation legitimacy and power, the right incentives, and clear policies for collaboration between innovation and the core business.
- **Innovation practice:** The right tools, process, and metrics to test and adapt ideas in order to reduce risk. How to develop people’s innovation skills and experience and acquire the right innovation talent.



# Innovation Culture Readiness Scorecard

How ready are you to become an invincible company?

- Give your company a score from 1 to 5 for each area.
- Define which area you'd like to improve over the next 12 and 36 months.
- Eliminate the blockers and implement the enablers that will help you achieve your improvement goals.

		BEGINNER We have little to no experience with this topic	We have some experience	INTERMEDIATE We regularly work this way but not systematically	We frequently work this way	WORLD-CLASS Our practice is used as a case study for others to learn from
Leadership Support	Strategic Guidance	1 Leadership does not provide explicit strategic guidance for innovation	2	3 There is some strategic guidance for innovation, but not everybody in the company knows it	4	5 Leadership provides strategic innovation guidance at important meetings, and everybody knows it
	Resource Allocation	1 Resources for innovation are bootstrapped or on an ad-hoc project basis	2	3 Resources for innovation are available, but they are not substantial and not protected	4	5 Resources for innovation are institutionalized, and leaders commit at least 40% of their time to innovation
	Portfolio Management	1 Leadership is mainly focused on improving the core business	2	3 We make some investments to explore the future and new business models, but it's not systematic	4	5 Leadership is eager to pioneer and invests in a large innovation pipeline of small bets of which the best get follow-up investments
Organizational Design	Legitimacy and Power	1 Innovation projects are skunk work and outside official channels	2	3 Innovation is officially in the org chart but lacks power and influence	4	5 Innovation is at the very top of the org chart and has power and influence
	Bridge to the Core	1 Innovation teams have limited or no access to customers, resources, and skills of the core business	2	3 The core business and innovation teams collaborate, but there are conflicts	4	5 There are clear policies that help innovation teams and the core business collaborate as equal partners
	Rewards and Incentives	1 Innovation does not have a dedicated incentive system that differs from the core business	2	3 We have some incentives in place to encourage innovation and reward it differently from execution	4	5 Innovation has a dedicated incentive system that rewards experimentation and new value creation
Innovation Practice	Innovation Tools	1 We do not use business model, lean startup, or design thinking tools for innovation	2	3 Business model, lean startup, or design thinking tools are used in pockets of the organization	4	5 Business model, lean startup, or design thinking tools are widely adopted and mastered
	Process Management	1 Our processes are linear and require detailed business plans with financial projections	2	3 We occasionally use iterative processes and systematic business experiments to test business ideas	4	5 Our processes are optimized for innovation, and we systematically measure the reduction of risk in new ideas
	Innovation Skills	1 We don't hire for innovation skills and experience and don't develop them	2	3 We occasionally hire experienced innovation talent and train some specialized staff in innovation	4	5 We hire and develop world-class innovation talent with extensive experience across the organization

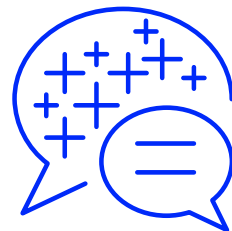
# Culture assessment

We recently worked with a large global fast-moving consumer goods company. They were designing their innovation framework and brought us in to help them.

# Culture assessment

The global FMCG company was already running a global innovation accelerator program. The program invested in teams that tested new business ideas over three months. Over 150 teams had gone through the program globally in one year.

The biggest challenge they faced was how to help the teams after they left the program. In most cases, the innovation projects would stop as teams went back to their day jobs. We helped them analyze what was getting in the way of these innovation teams to pursue their ideas.

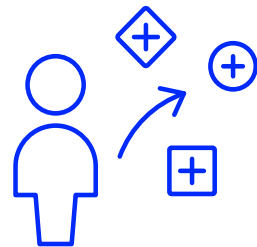


## Interviews

Data

Time commitment:  
2-3 weeks

We used the Innovation Culture Readiness Assessment tool to evaluate their innovation culture. Interviews with key stakeholders also revealed that there were pockets of great innovation practice within the company. Yet, leadership support and organizational design were still at the beginner level. This blocked their innovation practice from scaling.

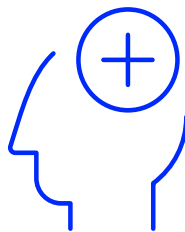


## Workshop

Analysis

Time commitment:  
Half-day workshop

During the workshop, we used the findings from the assessment and asked the team to evaluate their innovation accelerator program. The question we asked them to consider was the ability of their program, as presently designed, to change the key elements of innovation culture within the company. The team evaluated their impact on each element of innovation culture.



## Insights

Review

Time commitment:  
Half-day workshop

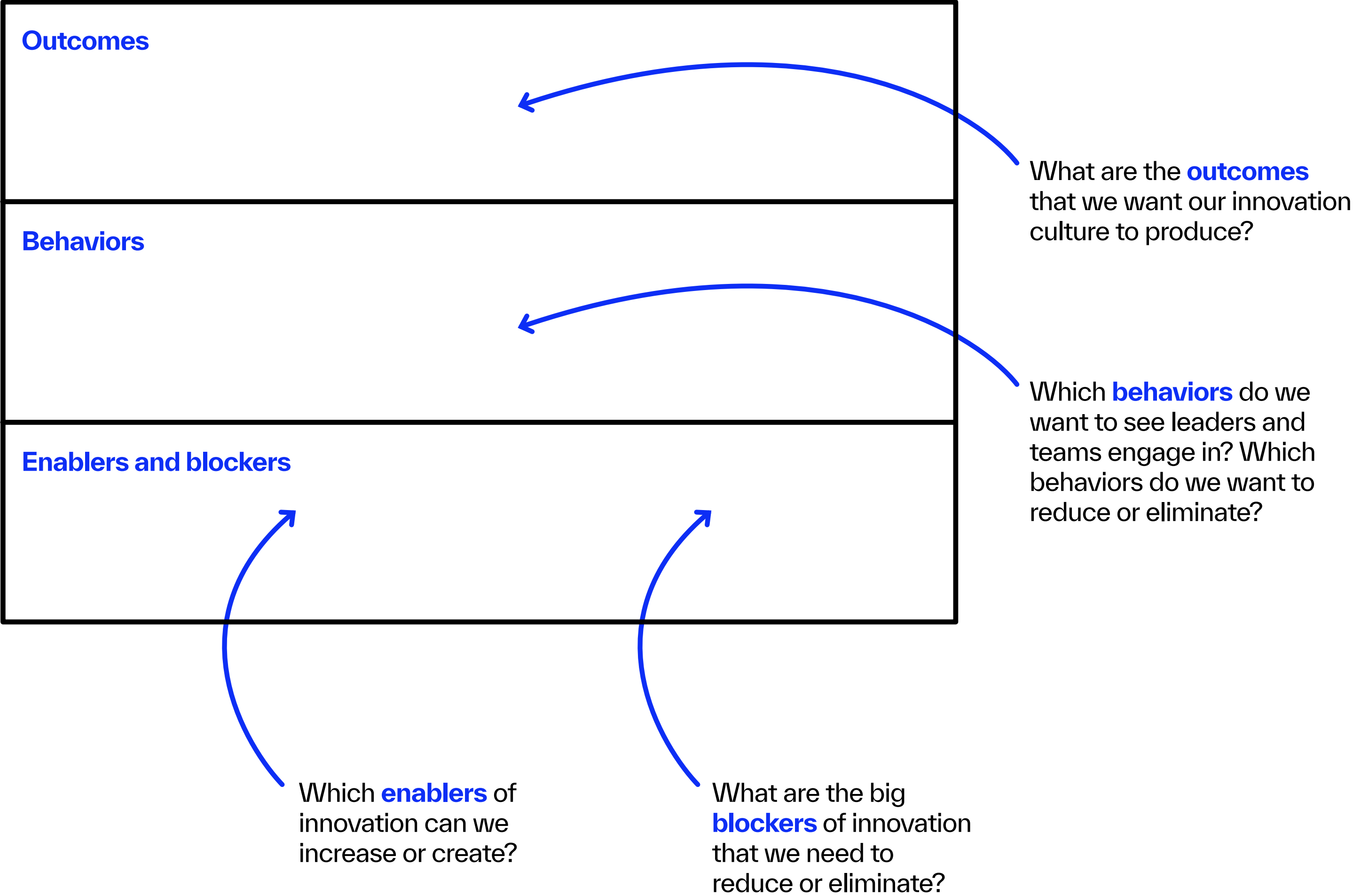
The team realized that they had been focusing exclusively on innovation practice. They had neglected other aspects of the company culture. This was why innovation projects were dying after they left their program. These insights led us to have detailed conversations about how to improve their program and boost innovation culture.

# Culture design

The right culture is the foundation for a repeatable and scalable innovation ecosystem. Driving cultural change is the key role of a company's leadership. We work with leaders to help them evaluate their culture.

# We don't tell leaders what to do:

We facilitate the assessment and design of the right innovation culture to drive repeatable innovation.

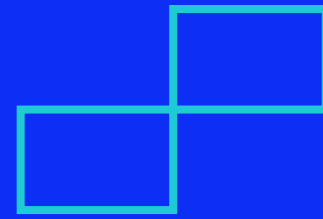


# What now?

We have worked with many organizations to assess their innovation readiness. We noticed a willingness to innovate, but a certain lack of urgency to implement. This changed with the Covid-19 crisis and today's difficult global environment. We feel there has been a noticeable shift in mood. For some companies, the crisis revealed the urgency to develop their innovation ecosystem. For others, a bunker mentality has taken over, and they are now exclusively focused on rescuing their core business.

We believe that post-Covid-19, the companies that will thrive are those that have the right innovation ecosystem in place. The best way to view innovation culture is to think about it like an organizational muscle. By the time the crisis arrives, it is too late to start exercising. So we recommend that now is the time to start putting your organization into the right shape. Gather your leadership team and take the necessary time to assess the three areas shown to the right.

In the end, the important thing is to act on the decisions you have made. Do not procrastinate or postpone.



## Portfolio

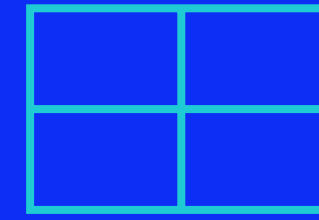
**Assess** your current innovation portfolio and how you make investment decisions. Where do you focus your innovation efforts? Are you mainly focused on efficiency innovation and sustaining innovation? Do you sufficiently invest in transformative innovation? Do you make evidence-based investments that reduce risk and uncertainty? Or is it still unclear which ideas get resources and which ones don't?

Use the results of your assessment to decide on improvement actions.

If you need support, you can get in touch with our team, and we will be happy to help.

Contact [sales@strategyzer.com](mailto:sales@strategyzer.com)

[strategyzer.com](https://strategyzer.com)



## Programs

**Assess** whether your innovation programs create substantial value for your company. How strong are your innovation results in terms of growth or cost savings? Evaluate if your innovation programs change mindsets and create a true innovation culture. Make sure that your programs reinforce each other and align with company strategy.

Designed by innovation experts you can trust

Enterprises using our methodology

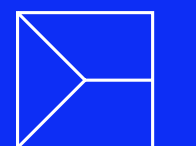
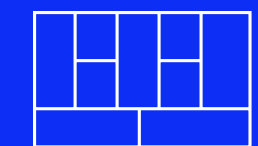


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