

Innovation in motion



Learning from the brave

In issue 6 of SA Innovator I covered an innovation framework model at length. We have made a case for getting the basics right first and stated that we view the first three years as crucial as it would involve a lot of thinking, planning, creating and learning as you become aware of the interdependencies and intricacies involved in implementing innovation.

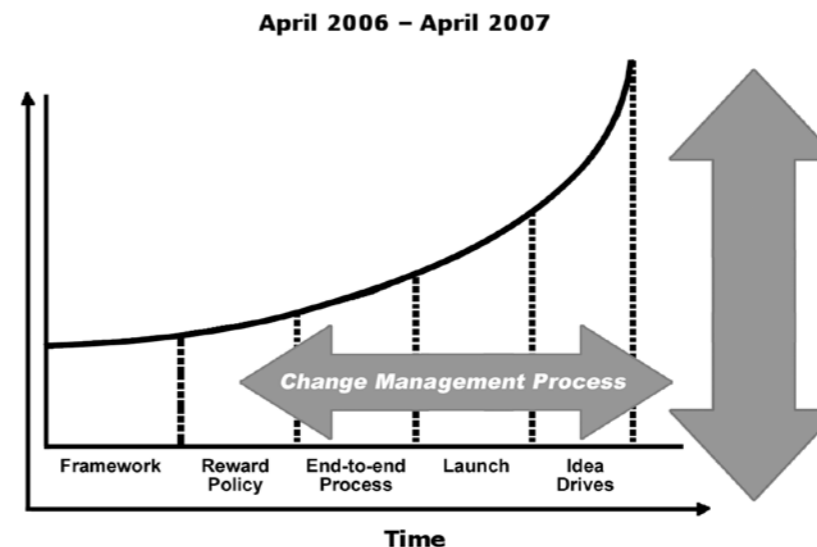
Talking about innovation is easy. It is managing and supporting innovation and ensuring sustainable growth that is the difficult part. In this issue I share with you the lessons learnt by an organisation that has taken the innovation framework model to heart.

The case of the Gauteng Shared Services Centre

The Gauteng Province is growing as the economic hub of South Africa and Africa

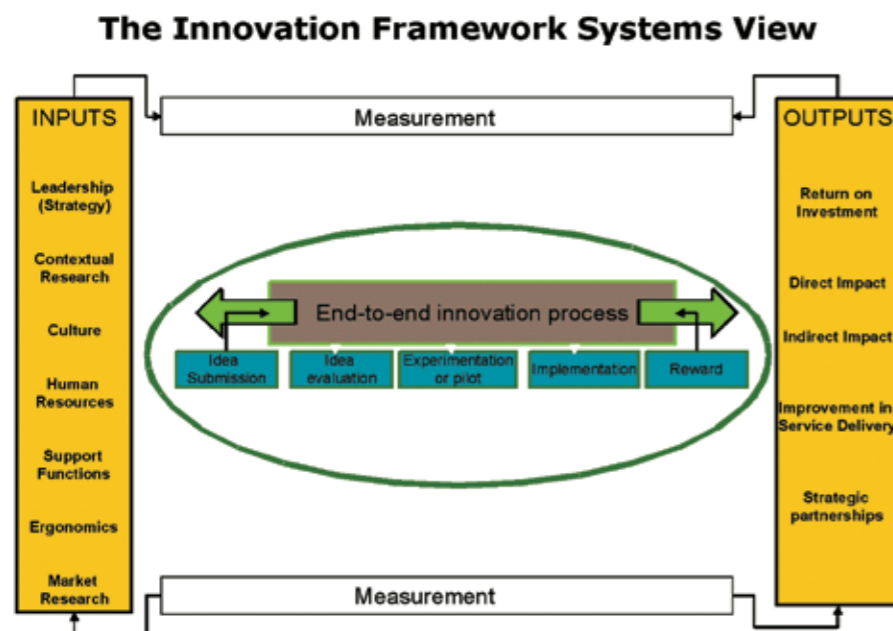
as a whole. This phenomenon is placing a tremendous strain on the resources of the province, as the growth in demand for services are not met by a concurrent growth in revenue. In response to this, the Gauteng Shared Service Centre (GSSC) was established to centralise back office functions such as human resources, procurement, finance, technological support and internal audit into a single provincial government department. The vision of the GSSC is to develop a competitive advantage through optimising economies of scale, standardisation, and a single leading edge technology base for improved service delivery. This competitive advantage will enable the GSSC to execute back office functions at a vastly superior service delivery level freeing up the other provincial government departments to allow them to focus on their core services. To create and sustain this competitive advantage the GSSC has developed and implemented an innovation process. The Research Institute for Innovation and Sustainability (RIIS) has worked with the Gauteng Shared Service Centre (GSSC) for some time. We have always been impressed by their commitment to innovation and their desire to make innovation a core capability in the organisation. This is their experience and I hope that it will inspire and excite you. Innovation at the GSSC

The GSSC kick started their innovation intervention in April 2006 and although senior management is passionate about developing an innovation capability, they started from zero. April 2006 to April 2007 was spent planning and creating innovation platforms and frameworks. They drafted a high-level innovation framework addressing an innovation definition, goal setting, identifying risks and listing priorities; a high-level innovation process; evaluation criteria pertaining to idea evaluation and a reward policy. Since April 2007 innovation is being given legs at the GSSC. The innovation initiative was launched and at least three innovation drives were initiated. Excellent ideas were implemented and the innovators have already been visibly rewarded. The GSSC has also taken it one step further and created a baseline for innovation measurement. One of the activities that received early attention was to establish what innovation looked like in the GSSC at that specific time; this helped them to identify strengths and weaknesses and informed their goal setting from the start. The GSSC will now be able to measure innovation progress and impact against this baseline they created. Innovation management activities at the GSSC in the first year are illustrated in Graph 1 below to portray a timeline and order of events.



Graph 1: GSSC Innovation Activities Year One

As illustrated above, the GSSC started with crafting the innovation framework whereafter the development of an innovation reward policy received attention. The end-to-end innovation process was then addressed and it is here where issues around idea submission, the relevant evaluation criteria per category, prioritisation, business case development and experimenting with or the piloting of ideas were considered. Throughout this period attention was given to change management, marketing, idea development and communication initiatives. The Innovation Framework Systems View model, as discussed in the article "the Art of Innovation Management" (SA Innovator issue 6) is reproduced here for ease of reference.



Graph 2: The Innovation Framework: Systems View

When the above model is considered, the GSSC addressed the inherent components as follows:

Inputs:

- The allocation of human resources
- The implementation of intellectual capital and knowledge management systems
- Innovation framework development and
- Implementing the required technical systems

Process (End-to-end Innovation):

- Designing an innovation end-to-end process (from idea submission to reward)
- Evaluation criteria development
- Business case development
- Addressing innovation reward mechanisms

- Addressing experimentation and piloting

Outputs:

- Targeted innovation drives resulted in a database of ideas ready for development.
- Communication around the idea drives created awareness around the importance of innovation.
- Innovation reward demonstrated tangible results for innovation efforts.
- Demonstrated direct impact on service delivery by means of improved processes.

In general the GSSC view their innovation outputs as still in the development phase and in need of further impact.

Innovation measurement took place and the innovation baseline created in February 2007 will be repeated this year. This measurement will illustrate innovation progress and concretely measure the impact the GSSC had in the past two years.

Dr. Morris Pereira (Senior Manager – Centre of Innovation) expressed satisfaction with the progress made with innovation implementation at the GSSC and said that an idea commercialisation model will be considered in the coming months. This model will involve a core COI (Centre of Innovation) team as well as a business team comprising of knowledge workers and an implementation team ultimately responsible for idea implementation.

It has however not always been an easy road to travel and the GSSC learnt various lessons on their innovation journey.

Lessons Learnt at the GSSC

The GSSC’s innovation journey over the past two years can be broken down into the following main innovation development components:

Early interventions focused on creating platforms for ideation, the formation of teams to address evaluation, prioritisation and the development of business cases and the creation of a project management competency for taking ideas to implementation. Quick wins were also sought, identified and communicated.

One of the most challenging imperatives remains internal change management and awareness creation. This is still an on-going activity at the GSSC. Awareness creation here is carefully planned and supported by an appropriate budget and communication plan.

While sharing their innovation experience, Dr. Morris Pereira summarised learning at the GSSC as follows:

- Innovative ideas need to be rewarded early but a balance is necessary between rewarding ideas received and rewarding implemented ideas.
- Innovation only happens if good ideas are implemented, therefore implementation needs to be addressed early. It must be someone’s responsibility from the start.
- Change management is crucial; it takes time and costs money.
- Awareness creation needs to be impactful. Do people UNDERSTAND what innovation means?
- Timing is everything. When awareness creation precedes the organisation’s innovation output (readiness to receive and implement ideas) it has little effect.
- You need buy-in from the right people. Politicking is important and the support of the CEO is crucial.

- Monetary reward works, however, big monetary rewards create expectations, jealousy, misconceptions and often has unintended consequences.
- Know your staff and organisational context; you need to experiment with solutions and intended platforms to establish the correct fit.
- Ensure allocation of responsibility for business plan development.
- One of the biggest problems is that managers do not see innovation as legitimate work and therefore are not prepared to allow their people to get involved.
- A diverse workforce is imperative for creating an innovation capability but it needs to be targeted at different levels. A “one-size fits all” approach is not effective. Different approaches and communication vehicles targeted at

different levels in the organisation will be more impactful.

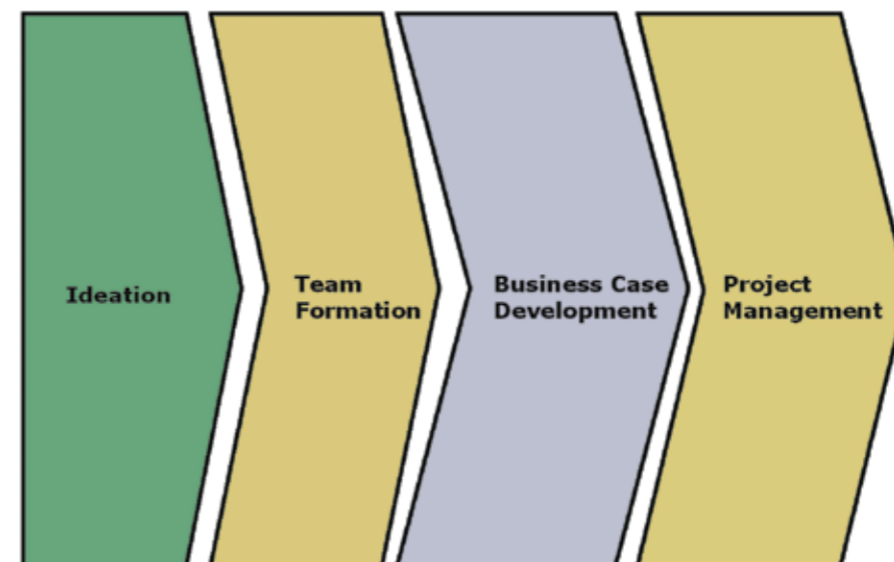
• Innovation at the GSSC is driven within an effective structure which by design, looks for standardisation and repeatable processes. However structural hierarchies can stifle innovation and a more flexible structure and approach is needed.

Through trial and error learning has taken place and the GSSC’s efforts have already started paying off. The organisation was awarded two Premier Service Excellence awards last year. They won the Gold Award in the Back Office Support category for an innovative and revolutionary Mobile Application System that was developed and implemented recently. The GSSC also received top honours by being awarded the overall Platinum Award in recognition of their outstanding contribution to making Gauteng a smart province.

Innovation is a long-term investment; it is a lot of work. You need to realise that and plan appropriately. The management and implementation of innovation in your organisation is one of the most important business issues facing your organisation today.

You will only learn what works in your environment and what not once you start managing your innovation capability.

Figure 1: GSSC Innovation Development



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