The Innovation Matrix

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Introduction to the Innovation Matrix

What this model is about and the purpose of it

The Innovation Matrix characterises four areas of innovation, and innovation activities, each with a different leadership approach and style.

Innovation can be divided into two groups, explained as an optimizing innovation (solving existing, well-known problems in new ways) or disrupting innovation (solving problems that are unknown or only vaguely understood).

It may occur in your daily life, or it may be as part of your strategy.

The Innovation Matrix is a model that helps you map and understand how innovation in your organization takes place.

The model describes the four areas of innovation, and each one of them has a different leadership style.

It has a two-dimensional spectrum of innovation:

- 1. Strategic or everyday, and
- 2. radical or improve.

Credits and rights when using this model

The model was initially proposed by <u>Maz Spork</u> and <u>Søren Skov</u>. It was further extended to capture leadership angles and featured in the book 'The Responsive Leader' by Erik Korsvik Østergaard.

All attribution goes to Maz Spork and Søren Skov for the original idea of the Innovation Matrix. Thanks for letting us modify and adapt the original model for leadership usage.

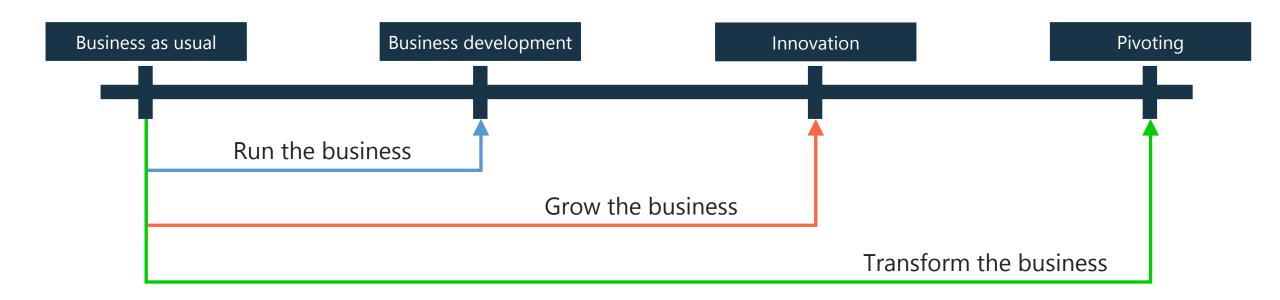


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The Mindset of Developing the Business

Innovation resides in the middle of a continuum of activities, spanning from business as usual to radical pivoting of the business. Depending of the activity, it can give a different value for the business.





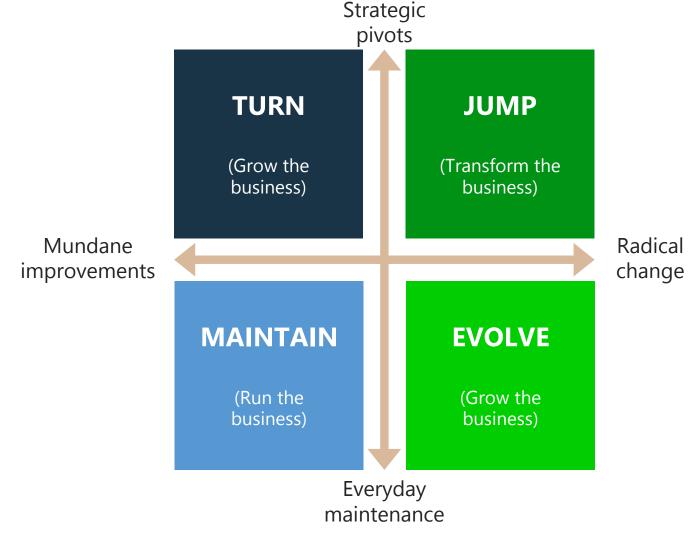
The Two-Dimensional Spectrum of Innovation Strategic

pivots **JUMP TURN** Is 'Transform the business', and Is a 'Grow the business' activity, is where the *really* innovative and ideas are usually strategic ideas happens, and the business improvements, tested and changes patterns, markets etc. validated. Mundane Radical improvements change **MAINTAIN EVOLVE** Is a 'Run the business' and is Is when you 'Grow the business' where you are the most. This is you exploit new opportunities where minimum activities and encourage your team to happen but activities that's evolve. necessary. Everyday maintenance



Combined you'll get the Innovation Matrix

The Innovation Matrix





Maintain – run the business

"Running the business" is what you do most, and where you spend most your time. It requires minimum of innovation activities and maximum of everyday tasks, focusing on improving the everyday business. This is where activities like Lean and DevOps thrive.

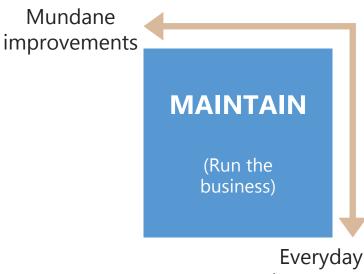
Often, we spend most time running the business and forget to innovate, or we don't have time to re-think our everyday innovation.

Everyday innovation is important. If you don't make everyday improvements AND evaluate them, you'll end up cultivating yourself out of the business.

Without re-thinking and evaluating, it often results in a repeatable rhythm, so you end up being too skilled, super-optimized and too specialized to be able to drive fast change. Therefore, to have a successful innovation process, when it comes to maintaining and running your business, you need to stop and re-think what you're doing.

Your leadership style should be process-oriented with focus on creating efficiency and productivity.

If you're not already doing this; that is, if you're not even performing everyday improvements, you'll be out of business very soon!



maintenance



Evolve – grow the business

Encourage your team to exploit new opportunities to grow the business. Most leaders know this from projects – but not from operations. As soon as you develop and change the way you organize tasks and teams, you evolve!

Evolving means changing the rhythm in the framework you've set up in the organization – including people, progress and products.

Moving your focus from maintain to evolve requires a leadership shift. <u>Start by understanding the capabilities</u>, then understand where you can release control and empower the employees to take over. Remember, reorganization should be driven by employees who orient themselves to what they do instead of what they are in an organizational matter.

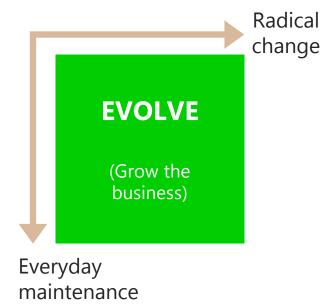
Be aware of following when organizing towards an Evolve-state:

- To talk about the need for reorganization towards teams-of-teams.
- To enable teams to take over.
- To find room for changed and new leadership roles in a new organization in a middle thing of hierarchy, matrix, network organization and Holacracy.

Therefore, start to engage teams-of-teams and self-organizing mechanisms in the organization. By then you'll be able to facilitate innovation processes in your organization and start evolving.

Your leadership style should be product-oriented with focus on development and test, based on known requirements.

Your distributed leadership is key here!





Turn – grow the business

When turning and growing the business, it means strategic improvements in the organization. This is where innovative ideas are investigated, tested, validated and evaluated as a part of "growing the business". This is where we turn the direction in the organization.

This means going fast and slow at the same time with an agile leadership style and inviting and involving key influencers in the idea-generation and strategic innovation process.

It can be quite challenging for organization to make a 'turn' in their organization.

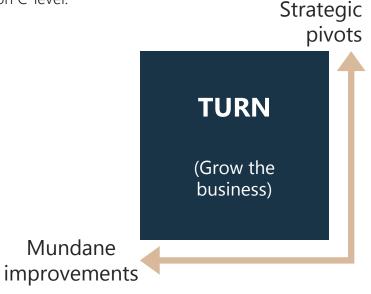
If you want to be sure to innovate on a 'turn' level to grow the business, you need to embrace agile leadership on C-level.

This means:

- Have a back-log of activities
- Prioritize them in short and manageable sprint with a length of one to three months.
- Focus on value creation
- Launch speedboats to investigate, explore and validate

Your leadership style should be business-oriented with focus on facilitating, inviting and involving.

Try, inspect, and adapt. Fail fast, fail forward, so we can learn and evaluate, and apply or throw away.





Jump – transform the business

Jump is where the *really* innovative – maybe even disruptive – ideas are explored and exploited, and this is where the business jumps to new patterns, markets, ways of working, and identity and image. To create these kinds of jumps, you must have the "can-do" attitude, and it will result in "let's test this, and test it fast" philosophy and a "break-away" mindset.

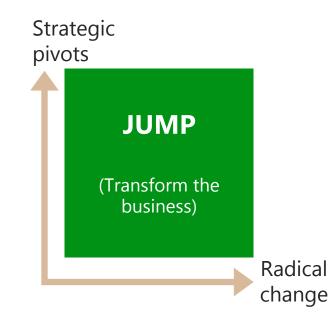
Your leadership style should be costumer-oriented, enabling and empowering.

The responsive leader thrives here!

The responsive leader has eight behaviors:

- She ensures purpose,
- She focuses on roles and network,
- She challenges status quo,
- She measures the right things,
- She ensures delegation,
- She is a role model on emotional intelligence,
- She values collaboration,
- And she thrives with uncertainty.

The re-merge from innovation and development back into operation must be done fast, hence the omni-present demand of change willingness.





Workbook:
How to use the Innovation Matrix
– mapping your innovation spectrum

How to facilitate: mapping innovation

Prepare before the workshop

- When doing the Innovation Matrix exercise, we recommend you print the next slide with a big version of the matrix, ready to hang and use for mapping. We recommend paper size A2 if possible.
- Read about the matrix, and prepare how to explain all four box to your team, as described in the previous pages.
- Have a sheet ready to write down how much time is spent on the innovation type and compare it to the preferred.

How to facilitate the workshop

Part 1 - Brainstorm:

- Have a silent two-minutes brainstorm and write down all the innovation tasks or projects driven by the team on post-its.
- Then map all post-its in the matrix. Where do you Maintain, Evolve, Jump and Turn? We suggest you go one-by-one presenting your post-its. Estimated time: 5 minutes per person.

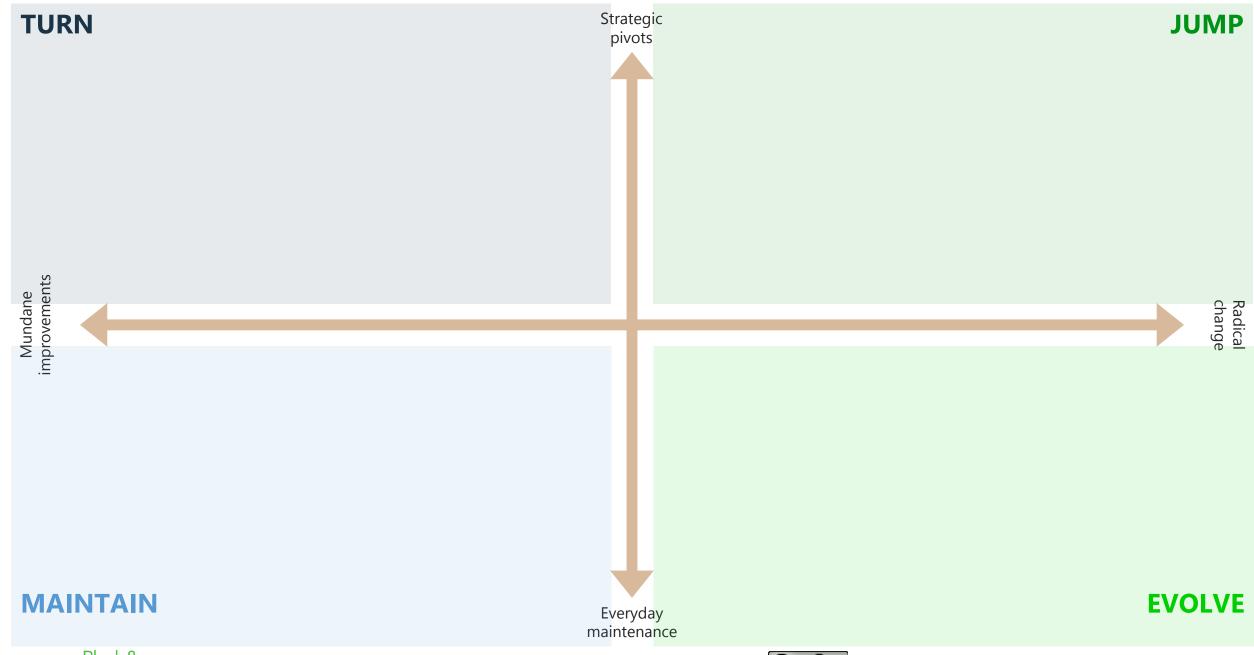
Part 2 - Overview:

• Make a second brainstorm, where you think about what's missing. Did you suddenly remember more after the first brainstorm and wishes to add post-its?

Part 3 - Time:

- The next step is to talk about how much time is spent on each of the four squares (if it help use percentages' is it 75%/15%/5%/5%?).
- Ask yourselves these questions:
 - How much time should you spend on each?
 - What would be the perfect/preferred/optimal time usage in each?
 - Is the actual time spent and the preferred time the same or do you need to move energy and effort into another square in the matrix?
 - Where do you create the most value?





Bloch& Østergaard