

Cognitive Transitions

The 'Business Case' for Idea Management Systems

Information Release: November 2007

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Authored: November 12th 2007

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Abstract:

Innovation is increasingly central to organizational growth and, increasingly, survival. A systematic and repeatable approach to innovation processes is a core component of innovation success. However, Idea Management Systems – the key organizational tool for delivering consistent, repeatable and effective innovation processes – are not yet at the center of mainstream innovation thought and practice. This information release briefly reviews the case for why Idea Management should be at the center of any organization's innovation agenda.

Release:

Innovation is increasingly moving to center stage on the executive agenda as a key organizational tool for achieving new product, service, process and business models; achieving growth targets; product and service differentiation; and sustainable competitive advantage. To quote IBM's CEO, Sam Palmisano, “either you innovate or you're in commodity hell” (IBM 2007).

However, a recent survey by the Boston Consulting Group (*Measuring Innovation 2007: A BCG Senior Management Survey*) has highlighted that of 377 Senior Executives surveyed, only 46% were satisfied with their current financial return on innovation.

A 2005 Bain Management Tool survey asserted that “A whopping 86% of respondents believe that 'innovation is more important than cost reduction for long term success.' But so far, no innovation-related tool has proved it can truly satisfy that need.”

Idea Management Systems deliver just such an innovation tool. A PriceWaterhouseCoopers survey focusing on the difference in focus between the highest performing innovators and lowest performing innovators found that “the top 20% in the survey turn their ideas into action via well defined idea management processes.” Similarly, a 2006 Cap Gemini report *The CEO Innovation Agenda* highlighted that all of the leading Swedish innovators considered in the research used an Idea Management System of some type. These and similar findings suggests that Idea Management processes and systems, in some form or another, are the critical tool that top performing innovators turn to for facilitating the management of innovation systematically as a measurable and repeatable process and realizing significant and consistent results.

About Cognitive Transitions

Cognitive Transitions is a consultancy focused on assisting organizations achieve significant positive change. Cognitive Transitions provides the Idea Management Systems Report to assist companies that are evaluating Idea Management Systems as a tool in achieving significant and repeatable innovation outcomes.

The above material is excerpted from the Cognitive Transitions research document “Trends and Developments in the Idea Management Product Space” released as part of Cognitive Transitions's Idea Management Systems Report Subscription.

Information regarding the Idea Management Systems Report Subscription is available from <http://www.cognitive-transitions.com/products.html>

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