Innovation, what is it?

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What is innovation? Where does it come from? How can we encourage it?

Every company is faced with these questions, once it becomes aware of the need to prepare for its future, for its survival, to differentiate itself from the competition and to protect its margins, while at the same time meeting the needs of its customers.

It is difficult to find a simple definition of innovation in the dictionaries and searchable online encyclopaedias, or among the opinions of gurus, consultants, inventors and creative minds. Perhaps this is because it does not exist, because it is a complex synthesis of forces – the product of a system in which different elements interact to collectively produce the innovation. Let's try to define this system.

It should be apparent to most of us that innovation is above all an idea that arises, spontaneously or after a period of development, as a result of experience and knowledge. It emerges from a state of creativity that has been freely inspired by similar ideas, for example, or stimulated by a challenge, an obstacle or a necessity, perhaps even a shock. Relevant examples would be the creation of the calculator by HP or the Walkman by Sony. While some individuals are certainly more apt to be serial innovators than others, a "good idea" is more often the result of a debate – a constructive exchange between several individuals – than the result of one person working in isolation, who never meets anyone who can challenge his or her ideas. This raises an obvious question for recruiters: who are these people who are capable of generating good ideas, these unique beings, these "marginal secants" (influential outsiders with ties to several groups), these geniuses – and how can we identify them? Or is everyone capable of this when placed in a creative context? We will discuss this issue in a forthcoming paper. At this stage, we will simply say that innovative people do not look for ideas by navel gazing while sitting at their desks, but by observing the environment, other individuals, laws, and other companies and industries. The origin of an idea is most often external, something found on the other side of the door. An innovation is an idea, a good idea, which was chosen from among others. It is the result of selection, of a process.

Frequently cited in Anglo-Saxon countries, and with a strong following in companies such as General Electric and Unilever, the definition of innovation as a process introduces the principle that, more than just an idea, innovation is the result of a series of discussions, decisions and actions, beginning with the emergence of ideas in response to a challenge, and ending in a product or service that is finally placed in the hands of its end-user, the consumer. On this basis, we can contrast the concept of invention as practiced by Leonardo da Vinci from that of innovation according to Dyson, the creator of the bagless vacuum cleaner. The implementation of this process is all the more critical in that it forms a link between the chaos of creativity and the need for organisation and management of the company. It puts in place key steps: collaborative selection, using the criteria of risk, appropriateness and feasibility; the incubation stage, and ending with the development of the project, leading to the launch, commercial or otherwise, of the innovation. It would be a valid stance to say that innovation does not truly exist until the results are placed in the hands of a user or consumer. Furthermore, it is up to the consumer to judge whether or not innovation is present in the final product, to the extent that the customer can observe a profound change between the "before" and the "after." This is true whether the innovation is incremental, a profound shift, or something in between.

Let's look at another aspect of innovation: management. In our businesses, innovation cannot be created, cannot exist or be recognised without a managerial vision, an "ambition", a strategy. Like 3M, BNP Paribas has identified innovation as a strategic priority of the group, and can relay the issue to its managers and employees through its internal communications. It can define the resources to be allocated to it – for example, the budgets and teams dedicated to innovation management. In this current period of economic crisis, where targets and resources are tightly managed, innovation is above all a managerial policy.

Finally, we can think about innovation as a culture, a state of mind, where not only success but also risk taking, and even failures, are valued. A company that praises and rewards its innovations and their originators creates conditions that motivate innovators. Through innovation awards, exhibitions and stories about the creation of innovative projects in both internal and external journals, innovation begins to emerge as a major event in the life of the company, an object of pride and appreciation. Celebrating our business triumphs and all of our successes, including each of our innovations and our innovators; this is the food that nourishes a culture of innovation, where a particular state of mind can flourish, in which the key characteristics are communication, listening, lack of censorship, initiative, "yes, and ..." instead of "yes, but ...", playing "angel's advocate" (identifying the positive aspects of an idea), appreciation and recognition.

In presenting these four broad themes – the idea, the process, managerial policy and culture – which are four definitions of or ways of looking at innovation, the most important concept is the principle that corporate innovation is the indivisible union of these four themes, a system to think about and to manage as a whole. Of course, when we first launch innovation management, we need to start with just one piece, with only one of these themes – but take care not to start with culture, as "innovation cannot be mandated".

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