



keynote follow-up

## **Innovation is Not Scary!**

The need to innovate is often presented as a terrifying necessity. In other words, if you don't innovate now and come up with something REALLY REALLY BIG, then the world is going to leave you behind.

But that's not how innovation happens. Every one of the most incredible innovations you can think of came about slowly over time as its creators worked to turn a great idea into a reality. That's no exaggeration — 100% of the incredible things we have today took a while to get figured out, and exactly 0% of them happened overnight. This is true for computers, the Internet, space travel, gene mapping, television, cancer treatments, and everything else we've ever done. Big ideas don't start big. They become big.





The next Google will begin as a couple people working in a garage.

The next Facebook is currently a college student in a badly-decorated dorm room.





The next U.S. president will start out on a much smaller stage.

### Your next big thing will start as a very little thing.



# The Three Steps For Finding Your Next Big Thing!

There are three steps in every innovation. These three steps have been true for every industry and in every era, and they will be true for the rest of time. These three steps will work not only for your professional life, but in your personal life too. And the best part is, you already know how to do each and every one of these!

Step One – Find the Right Question
Step Two – Think About PossibleSolutions
Step Three – Do Whatever You've Thought Of

That's really are there is to it!



In 2013, after 10 months of perfecting the recipe, Brian Rudolph launched Banza, a gluten-free pasta substitute made from chickpeas with twice the protein and four times the fiber of traditional pasta. He launched Banza in two stores in 2014; and by the end of 2015 it was in 1,700, including Fairway grocery stores, where it was the top-selling pasta of any kind.

#### **Brian Rudolph's Three-Step Process**

- L "Could I make a healthier, less-filling form of pasta that would appeal to people who can't or won't eat traditional pasta?"
- 2. Of course I can!
- 3. Experiment with recipes, conduct some taste tests, research the food market, build relationships with local grocery stores, and look for business partners to help expand into new markets.

In a bid to upend the mattress industry, Philip Krim launched Casper in 2014. His company, which sells exactly one kind of mattress (although in different sizes), will actually mail your mattress straight to your doorstep in a vacuum-sealed box. Purchasers are given 100 days to try out their new mattress and can mail it back if they are unsatisfied. Casper's main innovation was to literally think inside the box — and in 2015, Casper reached \$75 million in sales.

#### Philip Krim's Three-Step Process

- I. "Is there a way to make mattress shopping as painless and enjoyable as other forms of shopping?"
- 2. Allow customers to shop online. That's the direction everything else is heading, and it will eliminate the need for physical storefronts which will reduce our overhead and allow us to sell our mattresses for less than our competitors.
- 3. Design a mattress that can be sent through the mail, copy other online models (quick delivery, free returns, etc.), advertise online and through social media, and look for investors to scale the idea from concept to company.



The pace of innovation has been shown to be directly correlated to wage growth. In other words, the more innovation that happens, the more that all of us realize higher wages and standards of living. (Source: The Hamilton Project)

Innovation can come in literally any form. For example, between 1998 and 2002, mobile phones were introduced to the coast of southern India. Before their introduction, fishermen would to their local market, where sometimes there were too few customers or too much competition. On average, about 7 percent of the fishermen reported waste and 24 percent of fishermen lost money as a result of that waste. When cell phones were introduced, fishermen were suddenly able to find out what the price was in different markets and take their fish to markets with higher demand. The result was the complete elimination of wasted fish — meaning better lives for thousands of Indian fisherman and their families. (Source: The Hamilton Project)

In 2015, the United States ranked 5th in the world in innovation, behind Switzerland, the United Kingdom, Sweden, and the Netherlands. (Source: 2015 Global Innovation Index)

Overall innovation in the United States has slowed since 1970. It is estimated that if the pace of innovation had continued at the same rate as was observed between 1949-1970, the average worker would be making \$18 more per hour than they do today. That's \$36,000 more every year! (Source: The Hamilton Project) A 2011 survey of 1,200 CEOs from around the globe found innovation to be the most important element in business growth and expansion. A full 78% of respondents believe that new innovations will result in 'significant' new revenue and cost reduction opportunities. (Source: PriceWaterhouseCooper)



# Questions To Help Get You Started

- What's one skill I don't currently have that would help me move forward in my career?
- 2. What's something I've been successful at in the past, and is there a way I can replicate that success with a current challenge?
- 3. What are some interesting things our competitors are doing that we can copy?
- 4. If our core business suddenly stopped making money, how else might we generate revenue?
- 5. What frustrates our customers, and what can we do to fix it?
- **6.** Are there any ideas we tried in the past that we should maybe consider looking at again?
- 1. How can we improve employee retention?
- **8.** What can we do to make our company more attractive to highly-skilled applicants who have a lot of options to choose from?
- How could we better identify people who aren't a good fit for our organization before we hire them?
- 10. What's one process that slows me down every day, and is there any way to improve it?
- II. What do I wish our company did that we don't?
- 12. If I had an unlimited budget at my disposal, how would I spend it?
- 13. What do I need to do in order to retire when I want and have the lifestyle that I want?



# Strategies for Improving Your Creativity and Innovation

- Write questions down and put them somewhere easily visible, so that you can be reminded of what you're working toward on a regular basis.
- 2. When you're stuck on a problem or realize that you're just 'going through the motions' at work, take a short walking break or find a colleague to talk to. Sometimes changing our environment can stimulate new and unexpected thoughts.
- 3. If you're worried that some of your colleagues might not like your idea, start with its potential problems first. This may seem counterintuitive, but psychological research has shown that people are more likely to be persuaded by our arguments when we begin with a possible drawback before moving into the potential benefits.
- 4. Train yourself to avoid reaching for your smartphone or the remote control whenever you find an idle moment. This may seem difficult, but remember you trained yourself into that habit, so you can train yourself out of it too.
- Organize your questions according to urgency for example, 'Need to Have' and 'Nice to Have.' Problems/opportunities that need immediate attention generally require us to devote more time to active thought, while those with longer timelines can sometimes be solved simply by allowing our minds to wander and "thinking about nothing in particular" from time to time.
- **b.** If you're unable to execute an idea by yourself (which will often be the case), look for champions and advocates who might help you toward a successful resolution.
- 1. Find examples of businesses (ideally within your industry) that failed to be creative and innovate, and use those as a reminder to others of the importance of constantly looking forward.
- If you are actively thinking about potential solutions to your questions and are getting frustrated by a lack of results, take a break and distract yourself with something else. Our brains are only capable of so much concentrated thought before they begin to function less effectively, and sometimes a distraction is just what the doctor ordered.



# The Business Case for Doing Nothing

Thinking often looks like it isn't productive, and so it's easy to convince yourself that you should always be doing something tangible. However, most successful business leaders recognize the value of deliberate thinking. Let them be an inspiration to you:

### **Reading:**

Bill Gates reads at least 50 books a year. Mark Cuban reads at least 3 hours a day. And Mark Zuckerberg reads at least one book every two weeks.

### Thinking:

Tim Armstrong, the CEO of AOL, makes his leadership team spend 4 hours a week just thinking. Jeff Weiner, the CEO of Linkedin, schedules two hours of thinking time every day.

## Reflecting on Mistakes:

Ray Dalio, the billionaire founder of the investment firm Bridgewater Associates, records every mistake he makes into a computer system that is publicly accessible to his employees. Sara Blakely, the billionaire founder of Spanx, has over 20 notebooks filled with things that have gone wrong and the lessons she's been able to extract from those experiences.

Source: Inc.com



Want to learn how to innovate more effectively? Want to enjoy the process? Subscribe to Jeff's <u>blog</u> and <u>newsletter</u> to get more information about all kinds of professional development issues.

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