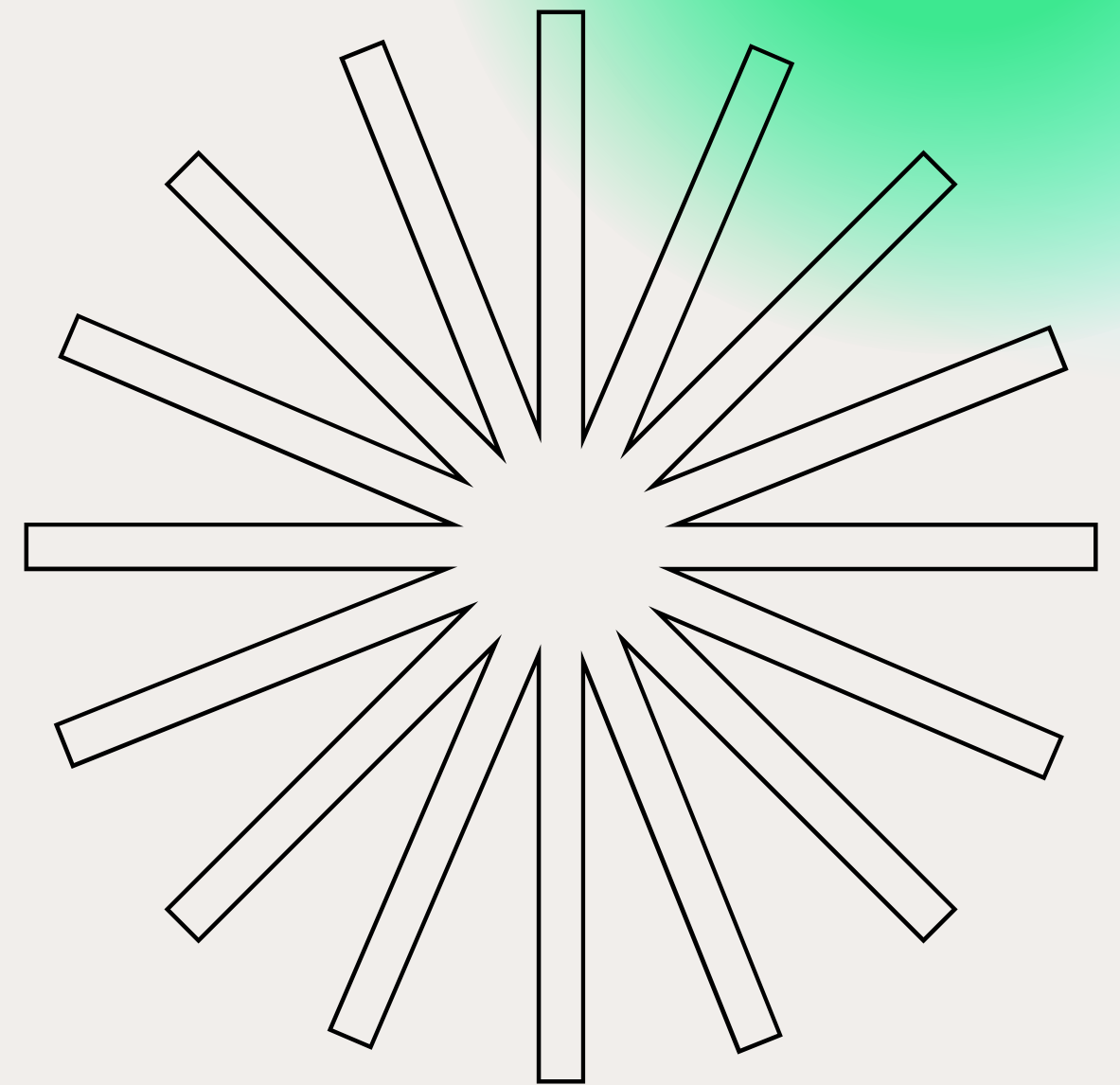# Innovation management

# CONTENT

- Corporate innovation
- Lean startup
- Customer development
- Innovation loop
- The innovator's dilemma
- Two-speed innovation

**I.**

**Corporate innovation** frameworks are strategic approaches that organizations use to develop and implement innovative solutions. These frameworks provide a structured approach to innovation, allowing organizations to identify new opportunities, develop new products and services, and create value for their customers

**II.**

Some common corporate innovation frameworks include:
1. Open Innovation
2. Lean Startup
3. Design Thinking
4. Disruptive Innovation
5. Blue Ocean Strategy

# Lean startup

The Lean Startup methodology is centered around three key principles:

1. **Build-Measure-Learn:** this principle involves creating a Minimum Viable Product (MVP), which is the simplest version of a product that can be built and tested with real customers
2. **Validated Learning:** this principle involves using data and feedback from customers to validate assumptions and test hypotheses
3. **Innovation Accounting:** this principle involves measuring progress and success based on validated learning and metrics, rather than traditional financial metrics. This allows the team to focus on delivering value to customers, while also ensuring that the product is sustainable and profitable

idea

Learn

Build

Lean startup
cycle

data

Measure

product
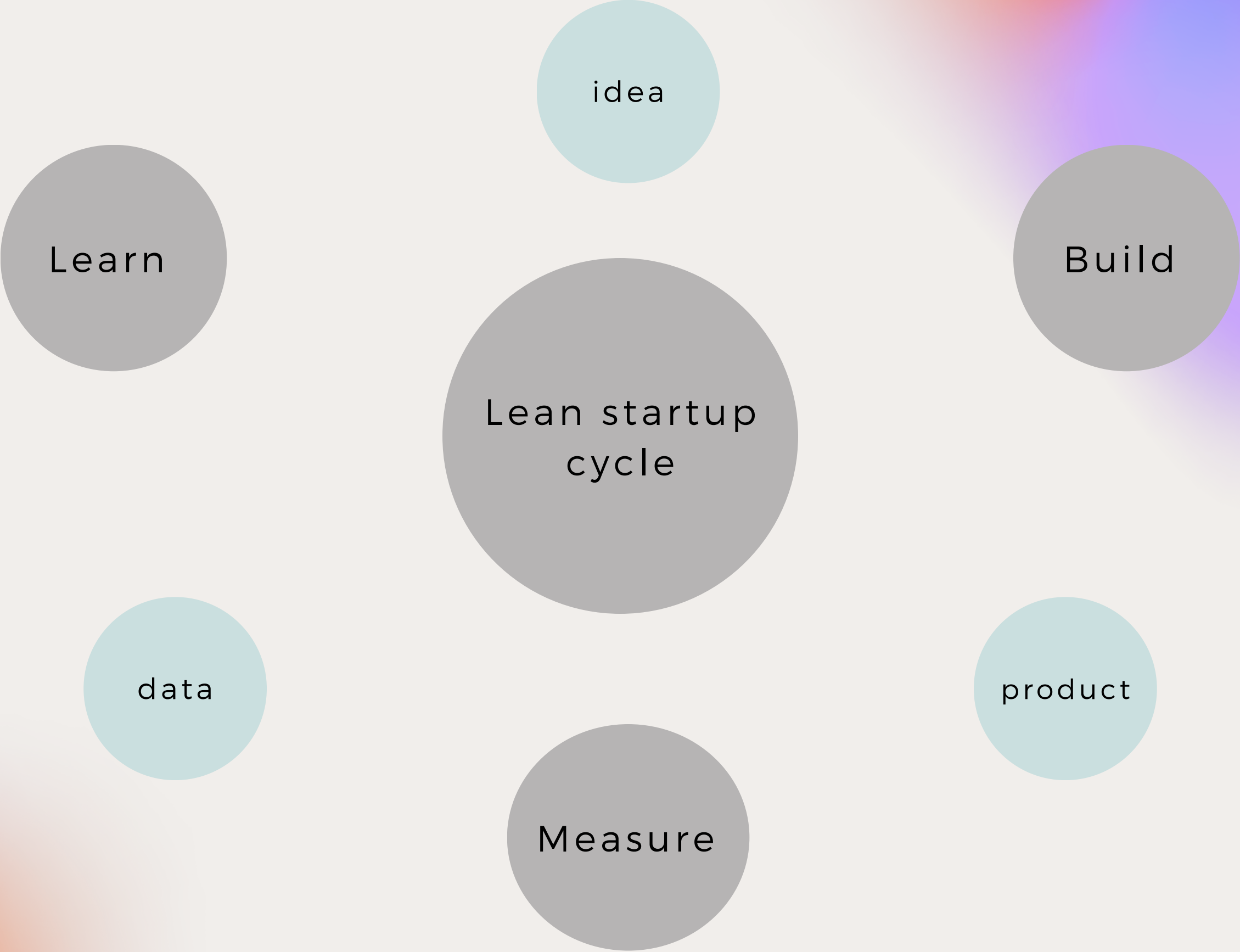
# Lean startup

**Another principles of Lean startup:**
- there are entrepreneurs everywhere
- entrepreneurship is management
- confirmation by facts
- the "create-evaluate-learn" cycle
- accounting for innovations

# Customer development

Customer development is a process for discovering and validating customer needs, wants, and preferences in order to build products or services that are better aligned with customer needs

The customer development process involves four key steps

| customer development | customer validation | customer creation | company building |

# Customer development rules

- Don't ask people about the future
- Do not be afraid to clarify the respondent's thoughts in order to accurately understand their essence
- Do not sell a product during an interview
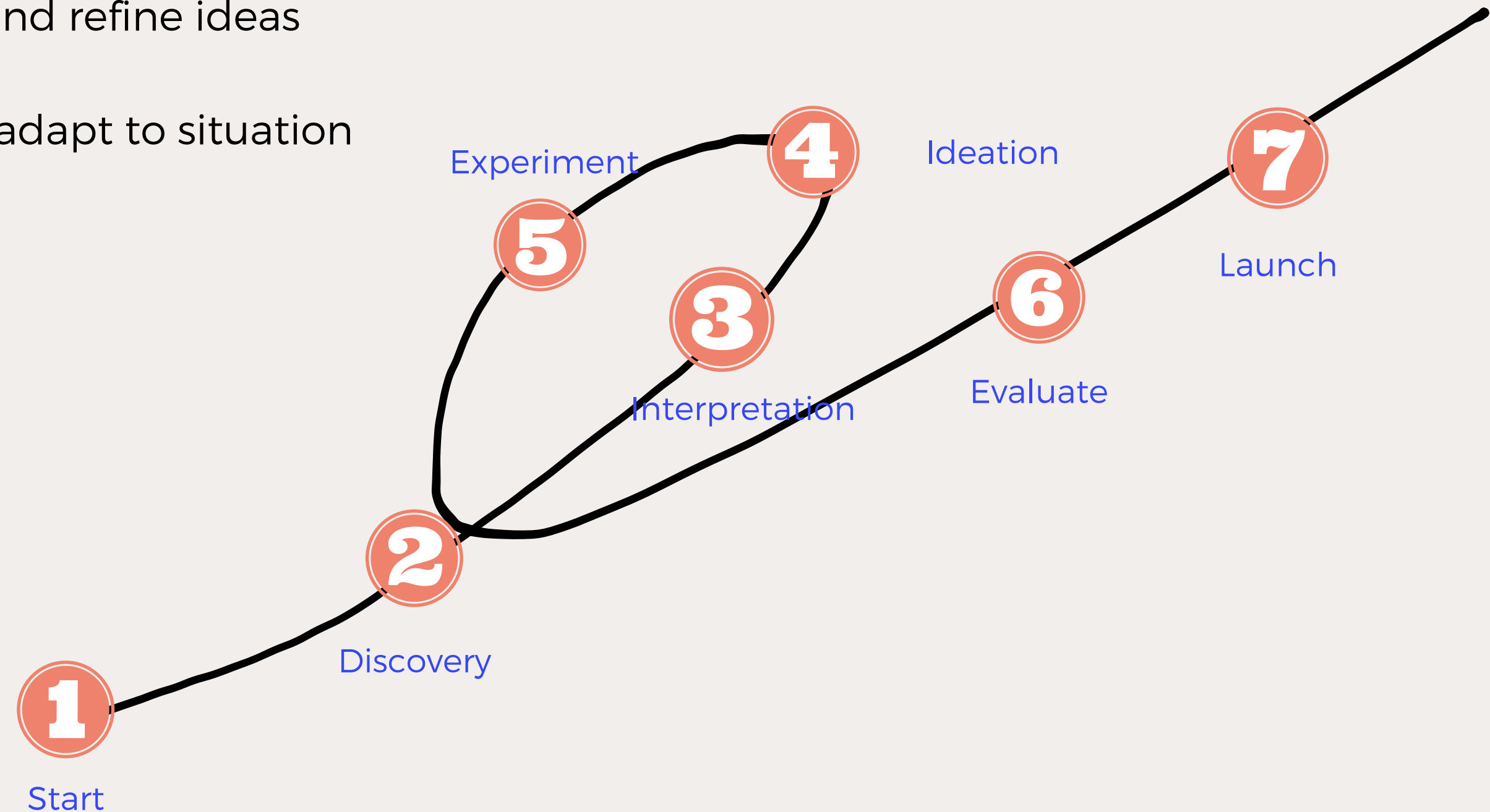- Plunge into the environment of a potential user

# Innovation loop

Innovation loop is a process of continuous innovation and improvement that involves a feedback loop between customer needs, product development, and market testing. The goal of the innovation loop is to create products or services that are better aligned with customer needs, and that can deliver more value to the customer

Stages

launch

testing

prototyping

ideation

discovery
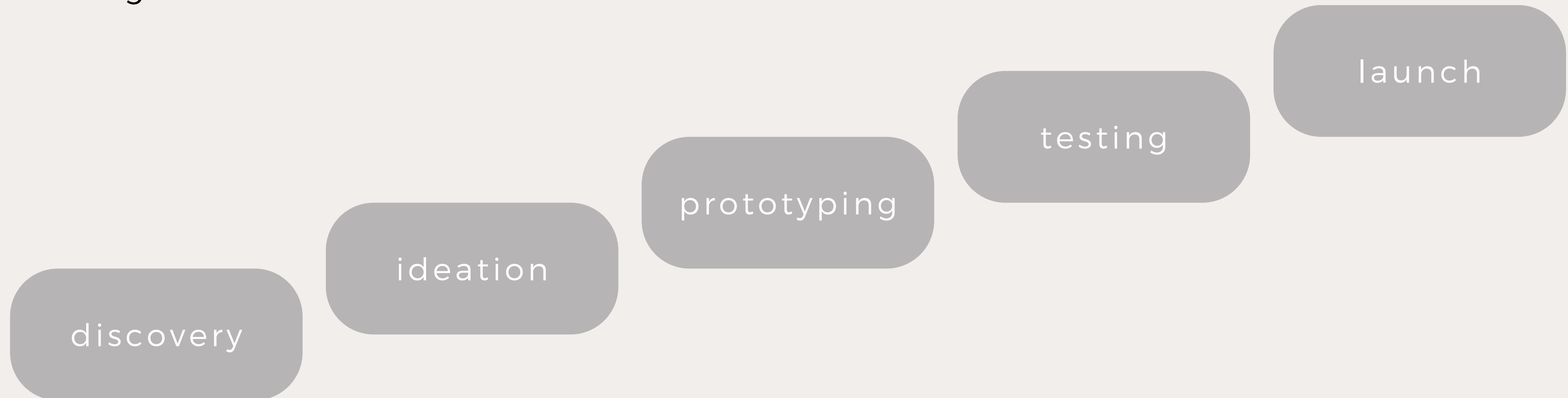
# Innovation loop's model

- Define your goals
- Look for facts and useful information
- Seek understanding
- Generate and refine ideas
- Test ideas
- Learn and adapt to situation
- Go bigger

Experiment

Ideation

**4**

**5**

**7**

Launch

**3**

**6**

Interpretation

Evaluate

**2**

Discovery

**1**

Start

# The innovator's dilemma

According to the theory, established companies often focus on improving their existing products or services, rather than investing in new, disruptive technologies or business models. This focus on optimization and efficiency can make it difficult for them to recognize and respond to disruptive innovations that may initially seem inferior or niche but later prove to be game-changers
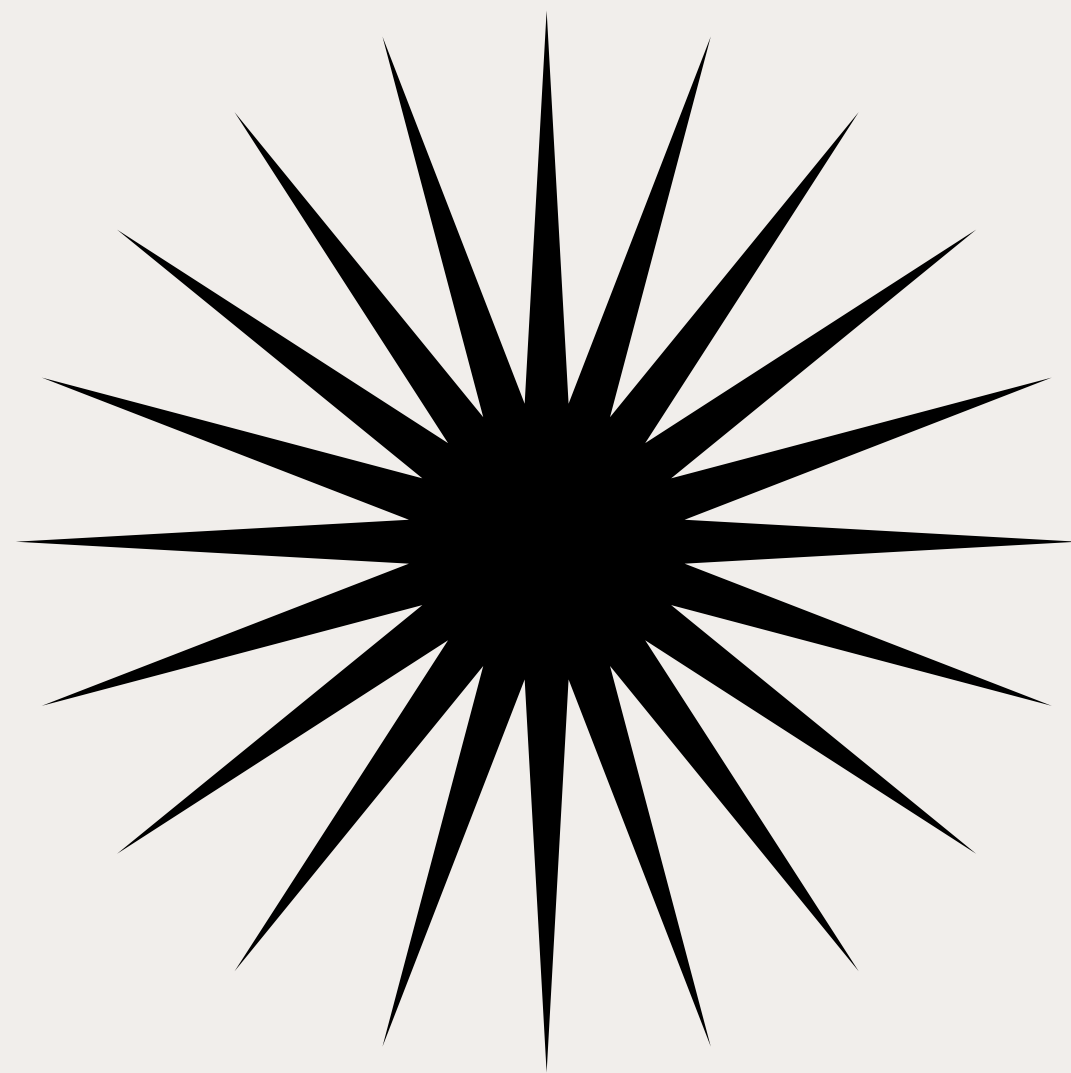
The innovator's dilemma arises when established companies are faced with a choice between investing in new, disruptive technologies that may cannibalize their existing products or services, or continuing to focus on optimization and efficiency. The dilemma is particularly acute when the new technology or business model is initially less profitable or has a smaller market than the existing products or services

# Two-speed innovation

Two-speed innovation is a framework that involves dividing an organization's innovation efforts into two distinct speeds: a fast-moving, agile speed for exploring and experimenting with new ideas, and a slower, more deliberate speed for executing and scaling successful ideas

**The fast-moving speed** is focused on exploration, experimentation, and learning. It involves creating small, cross-functional teams that are empowered to experiment with new ideas and technologies, test them in the market, and quickly iterate and improve based on feedback

**The slower**, more deliberate speed is focused on execution and scaling. It involves taking successful ideas from the exploration phase and scaling them up for broader adoption. This speed is often associated with traditional project management methodologies, which prioritize planning, execution, and risk management

Thank you for
your attention!