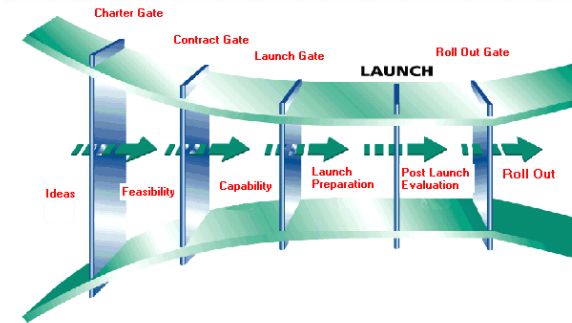


Innovation Process Management (IPM)

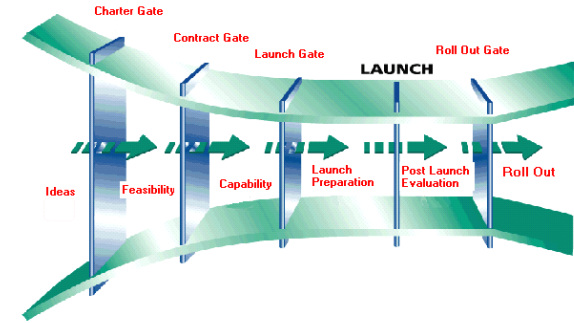
Louise Travers

So the main objectives of this training are...

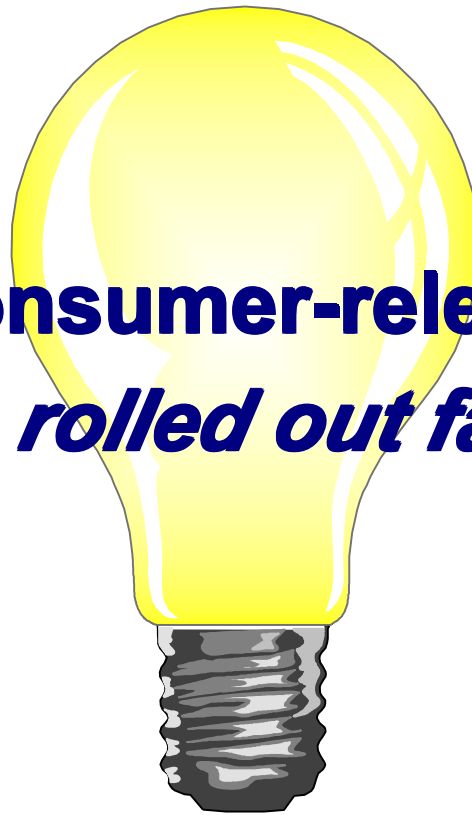


- Brief history and background of IPM
 - Lotus Notes
 - Explain how to use IPM IT Tools (Inoplan)
 - starting a project
 - managing a project in Inoplan
 - viewing projects in Inoplan
 - Post Launch Evaluation procedure
 - IPM support (network; Info & Feedback)
-
- *Project Management (Jane Turner)*
 - *Risk Management (Mike Trevethan, Yalin Xu)*

The Unilever IPM - The Goal

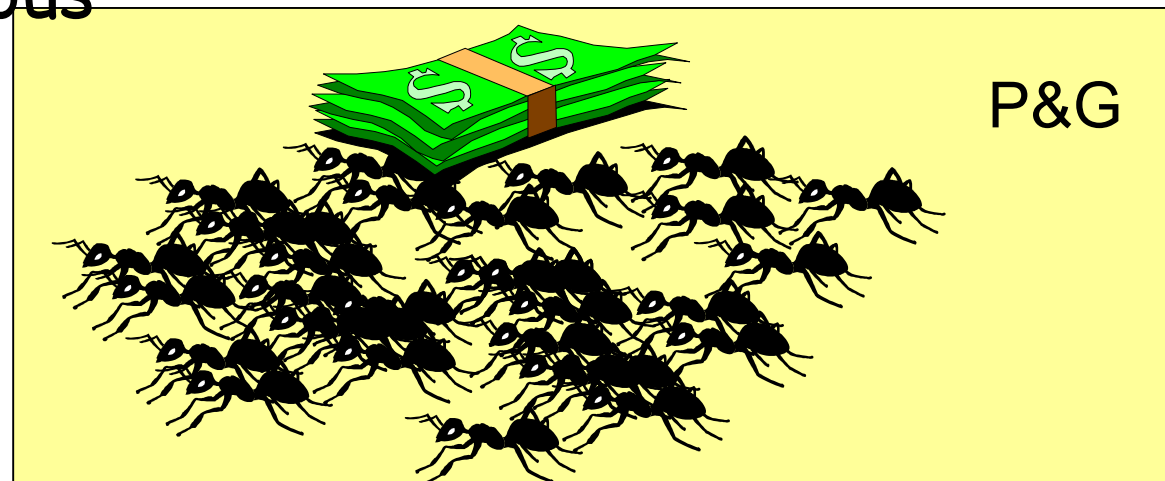
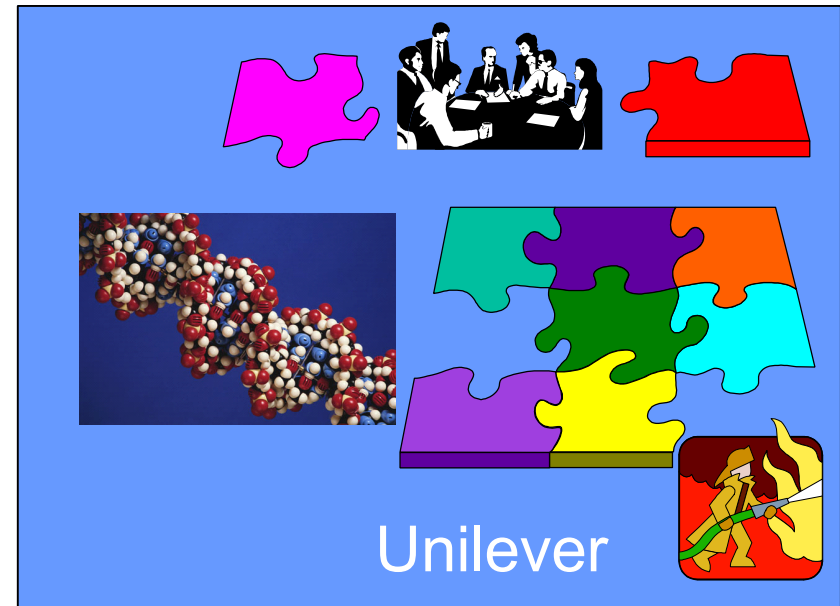


**“Big, bold ,consumer-relevant innovations -
rolled out fast”**

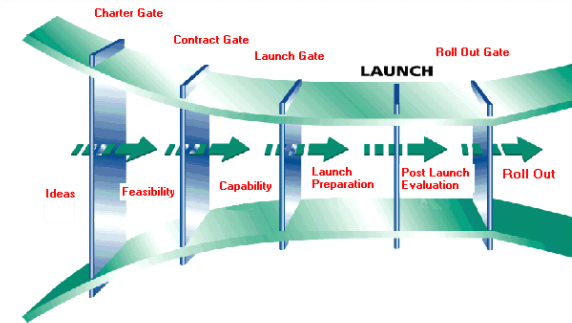


Innovation in Unilever

- Historically
 - poorly managed process
 - no priority or focus
 - fragmented
 - unambitious

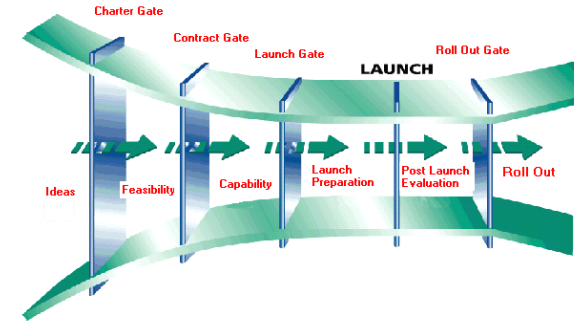


UEC commit to common Unilever IPM



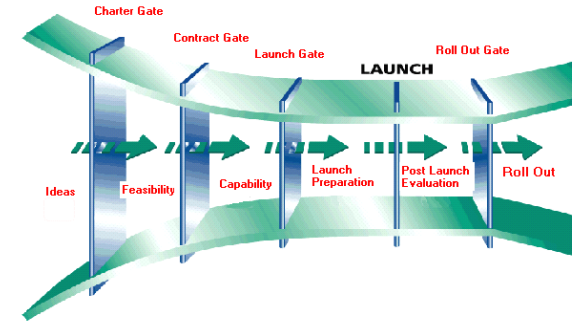
- n On July 31st 1997 the UEC 'unanimously and enthusiastically' committed to adopting a single common IPM across the whole of Unilever.
- n This will become a normal way of working for all of us.
- n It's essential components are
 - all Unilever Companies will establish and gatekeep a funnel
 - funnels contain innovation projects of all kinds
 - the funnels contain the sum of all Unilever innovative and brand launch/relaunch activity
 - the funnels and the 8Q Activity Plans are electronically linked
 - as a result authorised viewers can access excellent information on innovation projects of relevance to them
 - transparent, global project information will flow.

Inoplan: Current Statistics



- **176** Companies using Inoplan
- **7558** projects in the Inoplan system
 - *including* **2213** already brought to market
 - *plus* around **2390** ideas in Innopad
- **1450** Brands- currently

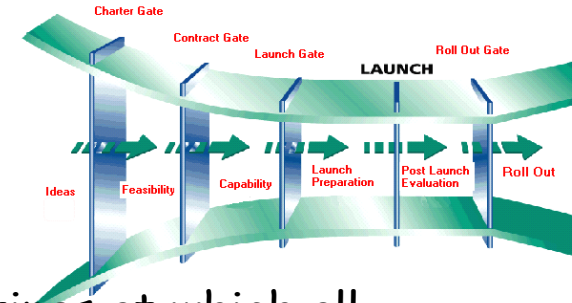
A bit of history - What has happened/will happen



	Business	IT
1997 Development	Definition of the IPM process	Development of the IT tool
1998 Implementation	Training & Projects coding	Enabling IT infrastructure
1999 Institutionalisation	Digestion of discipline/embedding culture	Wider & more sophisticated IT tools
Maximisation of Benefits (now onwards)		

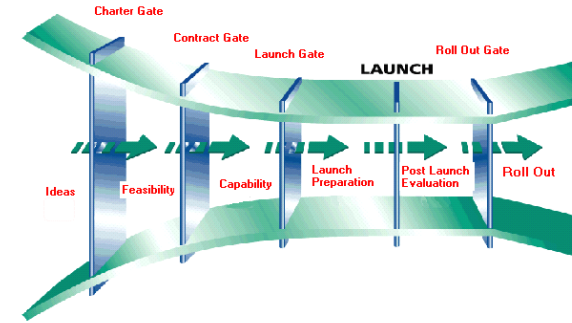
The IPM Mandatories

- for **all** Operating Companies



1. There are regular - preferably monthly - Gate Meetings at which all strategic decisions on company projects are made.
2. The Gate Meeting is chaired by the Chairman/MD (or by exception other Board Director) and all relevant Board Directors/functional heads are in attendance.
3. There is a formal process for monitoring risk.
4. Original innovation projects which involve substantive capital and/or market place investments must bring Simulated Test Market evidence to Launch Gate.
5. INOPLAN to be installed in all Unilever Companies.
6. All projects to be entered into INOPLAN and managed via INOPLAN.
7. *New for 2000: Innovation Rate-using the Unilever IPM definitions is being applied & reported quarterly (see the Unilever IPM-Innovation Rate Manual)*
8. *New for 2000: The key learnings from ALL projects (whether successful or not) are being documented and PLE (within 12 months of launch date) are being completed for all projects that are taken to market.*

The Unilever IPM Accreditation



- Depending on the implementation status, each company falls into one of the following status:
 - (i)Accredited
 - (ii)Gold
 - (iii)Grey
- For fuller definitions of each refer to IPM Documentation under Info & Feedback database
- IPM Champion responsibility to apply - nomination form in I&F
- To get the Unilever IPM accreditation, not only the system has to be implemented and users trained, but also IPM has to be at the heart of the company and become an ongoing process for managing innovation.
- China BG
 - Unilever Taiwan Accredited
 - Unilever China (Foods) Gold
 - Unilever China (HPC) Gold
 - Unilever China (Ice Cream) Gold
 - Unilever Hong Kong Gold

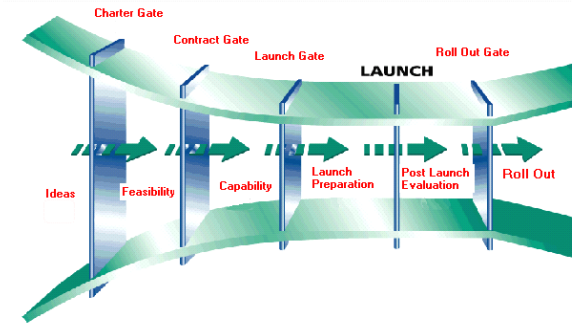
KEY STATISTICS

CRITERIA	NOTE	% ACHIEVED
ACCREDITED	Implementation Completed AND Company meets all Unilever IPM Mandatories. IPM has become an ongoing process for managing Innovation. Accreditation Nomination received, reviewed in detail, AND formally approved. 138/171	81%
GOLD	Implementation Completed (full portfolio of projects visible in BG Portfolio with good data). 31/171	18%
GREY	Implementation Started but NOT Completed (some but not all projects visible in BG Portfolio; and/ or data not clean). 0/171	1%
BLACK	Implementation Not Started (no projects visible in BG Portfolio). 0/171	0%

IPM GLOBAL SUMMARY

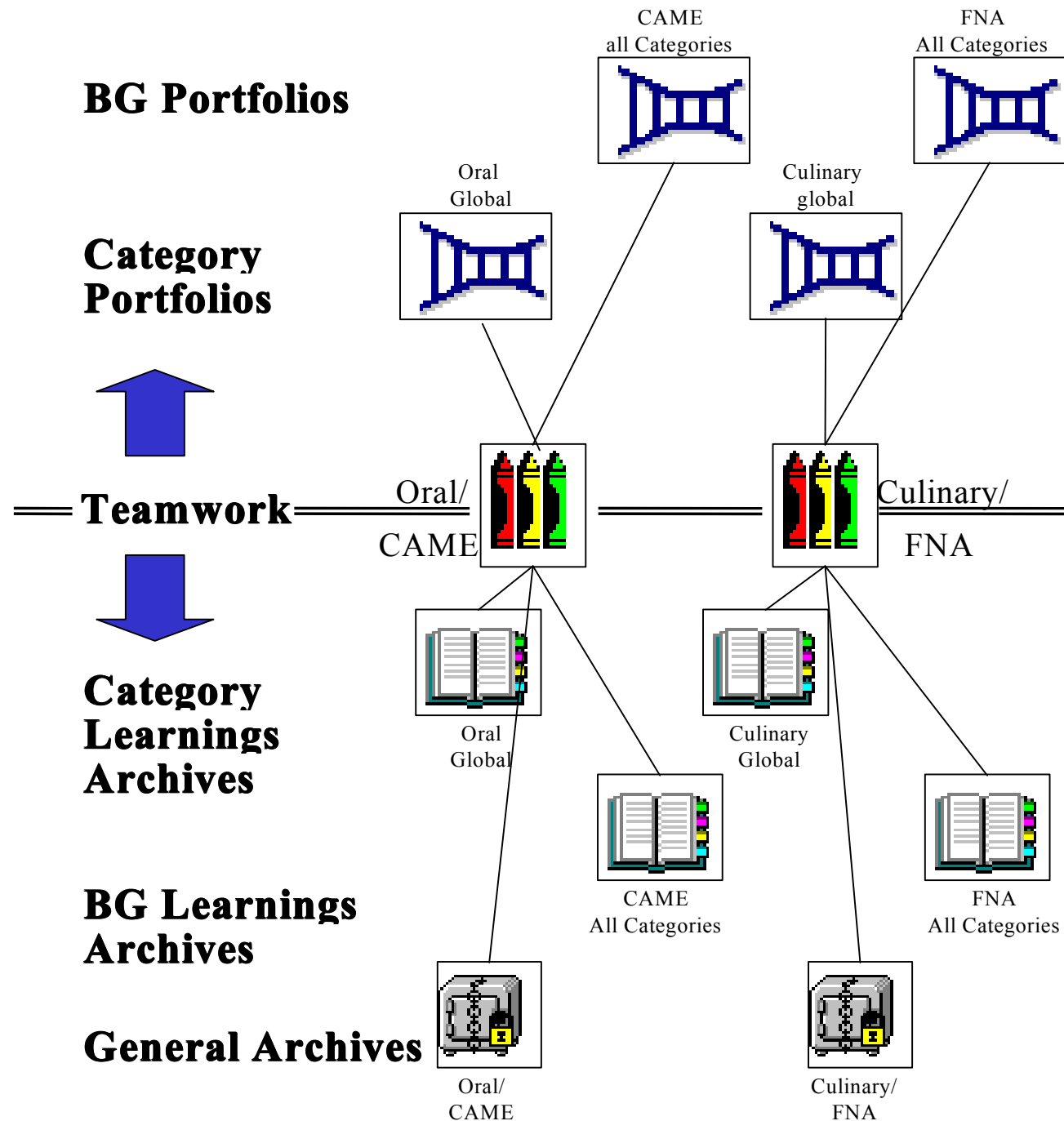
	TOTAL (excluding Special Status uncoded)	% ACCRED	ACCREDITED	GOLD	GREY	SPECIAL STATUS	
						Coded	Uncoded
AFRICA	14	100 %	14	0	0	0	0
CAME	17	94 %	16	1	0	0	2
CEE	18	72 %	13	5	0	0	0
CHINA	5	20 %	1	4	0	0	0
EAPG	12	50%	6	5	1	0	0
FBE	24	54 %	13	11	0	0	2
FNA	7	57 %	4	3	0	0	2
HPCE	26	100%	26	0	0	1	0
HPCNA	5	100 %	5	0	0	0	0
ICFE	21	95 %	20	0	1	0	0
LA	22	91 %	20	2	0	0	3
TOTALS	171	81%	138	31	2	1	9

Inoplan & IPM IT Toolset

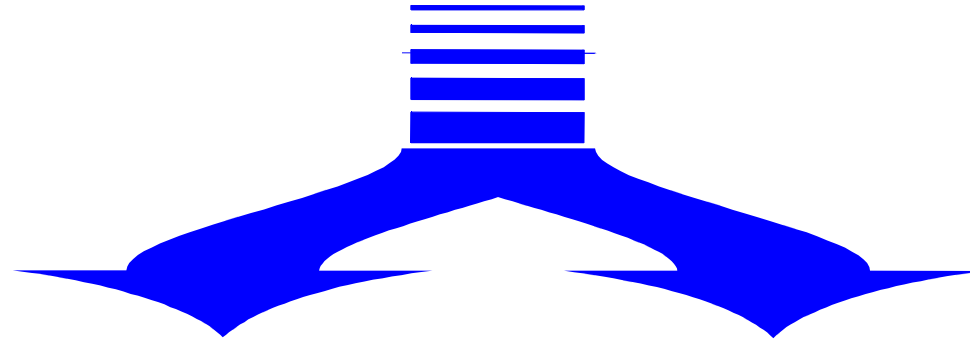
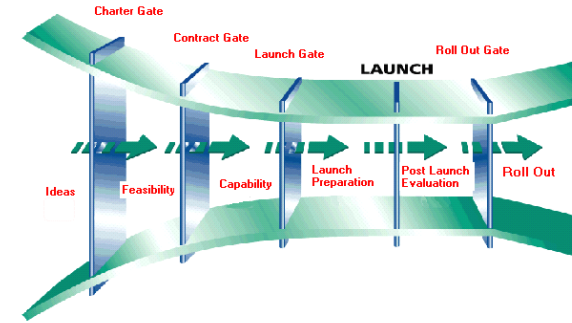


- Innopad (HPC and Foods)
 - chance for fame and glory, your wild ideas for new products
- Teamwork
 - where the raw data goes in (that's you)
 - project management
- Portfolio
 - collections of projects (Category or Business Group aggregation)
- Learnings Archives and General Archives
- Toolbox (HPC only)
 - storehouse of Brand success (technical, marketing, packaging, claims)

Structure of Inoplan



IPM: a game of 2 halves



Managing a Project

Managing a portfolio
of Projects

Creating a
Project

Gates

Documents

Reports

C/T matrix

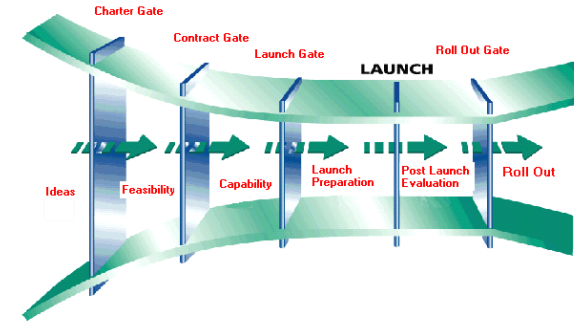
Funnels

8QAP

Resource
demand

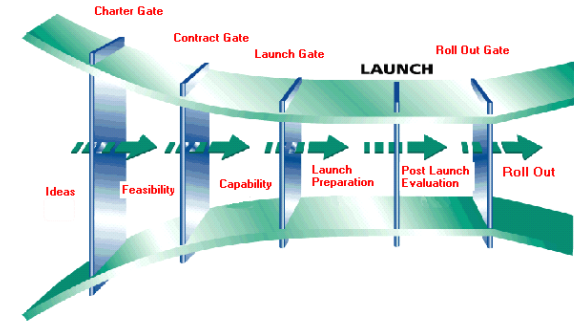
Networks

What is an Innovation Project ?



- n An Innovation Project is any project involving the launch, or other material change to a brand in a given country and/or the innovative endeavour leading up to it.
- n Examples
 - Pond's Foaming Cleanser
 - Persil Tablets
 - Dove Deo
- n Counter examples
 - On-going cost saving programmes
 - Promotional Activities
 - Administrative Projects

Before starting a project..



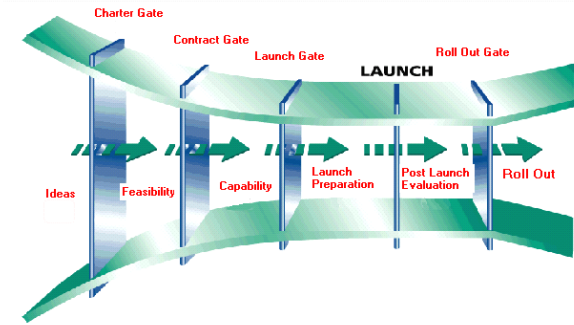
- Before Starting
 - look in Toolbox (successful projects)
 - look in Innopad (electronic suggestion box)
 - look in Inoplan (current projects in funnels)
 - look in *General/Learnings Archive* (post mid-2000) for similar projects

DEMO -

Innopad

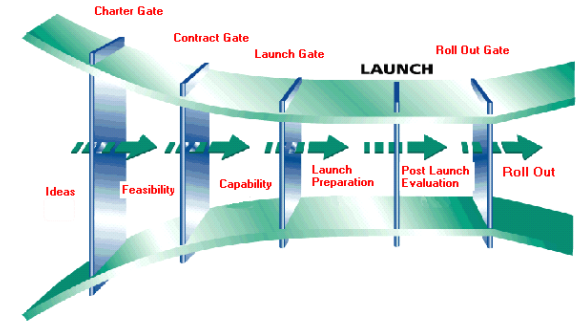


To start in Inoplan



ò To Start a Project

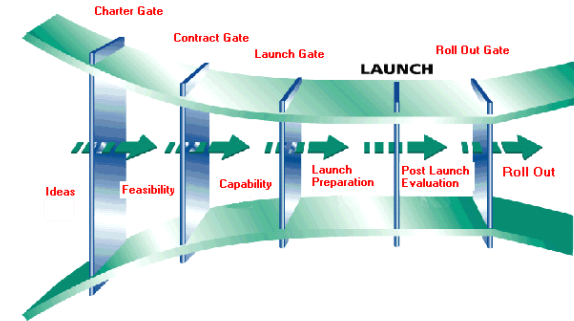
- authorised person creates and supplies certain project 'codings' in ideas phase
 - project leader/deputy project leader
- team builds draft charter
- team leader 'proposes' charter to gatekeeper
- roll out or Fast Track project can be created further down funnel



Coding a project into a
Teamwork..

Definitions of fields within
Project Parameters

The Unilever IPM - definitions 1



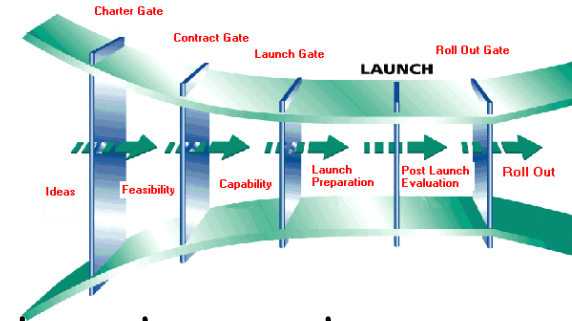
n **'Original' Project**

- brand innovation being undertaken for the first time in Unilever

n **'Roll Out' Project**

- a project involving the launch of either a new brand mix or product has been launched or is already in the process of being developed by another Unilever company

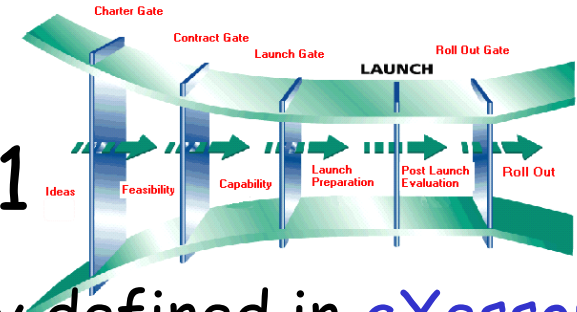
The Unilever IPM - definitions 2



An innovation project is any project involving the launch, or other material change to a brand in a given country and/or the innovation endeavour leading up to it including

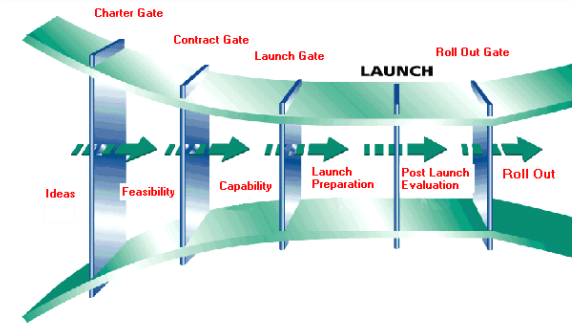
- **Launch** - a new brand name for the consumer in a country
- **Relaunch** - a material change to an existing brand mix
- **New variant** - same brand, same product form but a new item in the range.
- **Line extension** - takes the brand into a new category or sub-category
- **New product format** - same sub-category in a new and materially different format
- **No change project** - no material change to the brand mix is intended
- **Brand migration** - a project to merge part or all of the mix of one brand with that of one or more other brands

Managing a project in Inoplan - 1



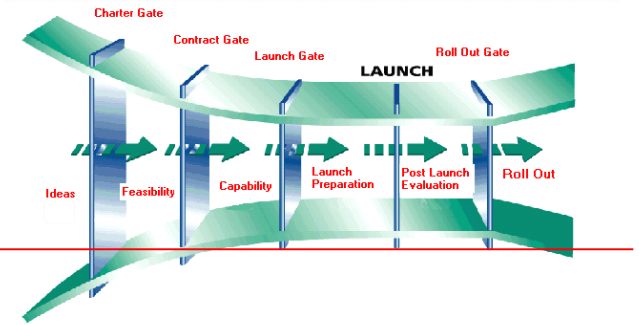
- A Project Leader needs to be correctly defined in **aXessor** in order to gain edit access rights in Teamwork ie, before they can create a project.
- A project is created by an authorised Project Leader 'coding' it to the **Project Parameters** area of the Teamwork database...
- Project Leader is responsible for adding Team Members/Guest Members
- ...In comes the need for **Picklists** - Project Parameters are fed by the **Picklists** which are maintained by IPM Operations Centre.

PickList Manager



- There are **Picklists** for:
 - » Category/Sub-Category
 - » Company
 - » Brand
 - » Business Group/Category
 - » Currency
 - » Gatekeeper
- Picklists feed **Teamwork, aXessor, Innopad** so it is imperative they are kept up to date.

Managing Projects in Inoplan -2



Project Leader Responsibilities

Once a project has been coded in the Project Leader is responsible for:

leading the project and the project team

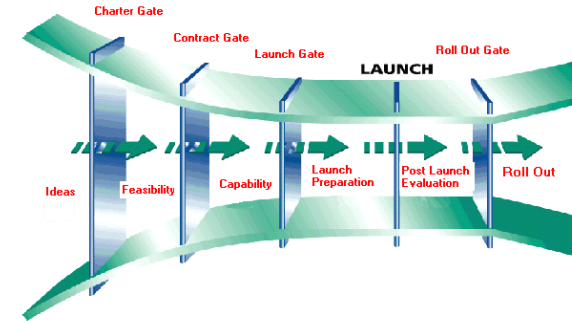
- proposing the Gate document at each gate and moving the project through the funnel

- amending the parameters (e.g. launch date) as and when necessary.

Gate documents are cumulative. For instance an 'approved' Charter becomes a 'draft' Contract to which further information can be subsequently added.

If the Project changes nature so radically to require a fundamental rewrite, then this suggests that the project be closed and a new project begun.

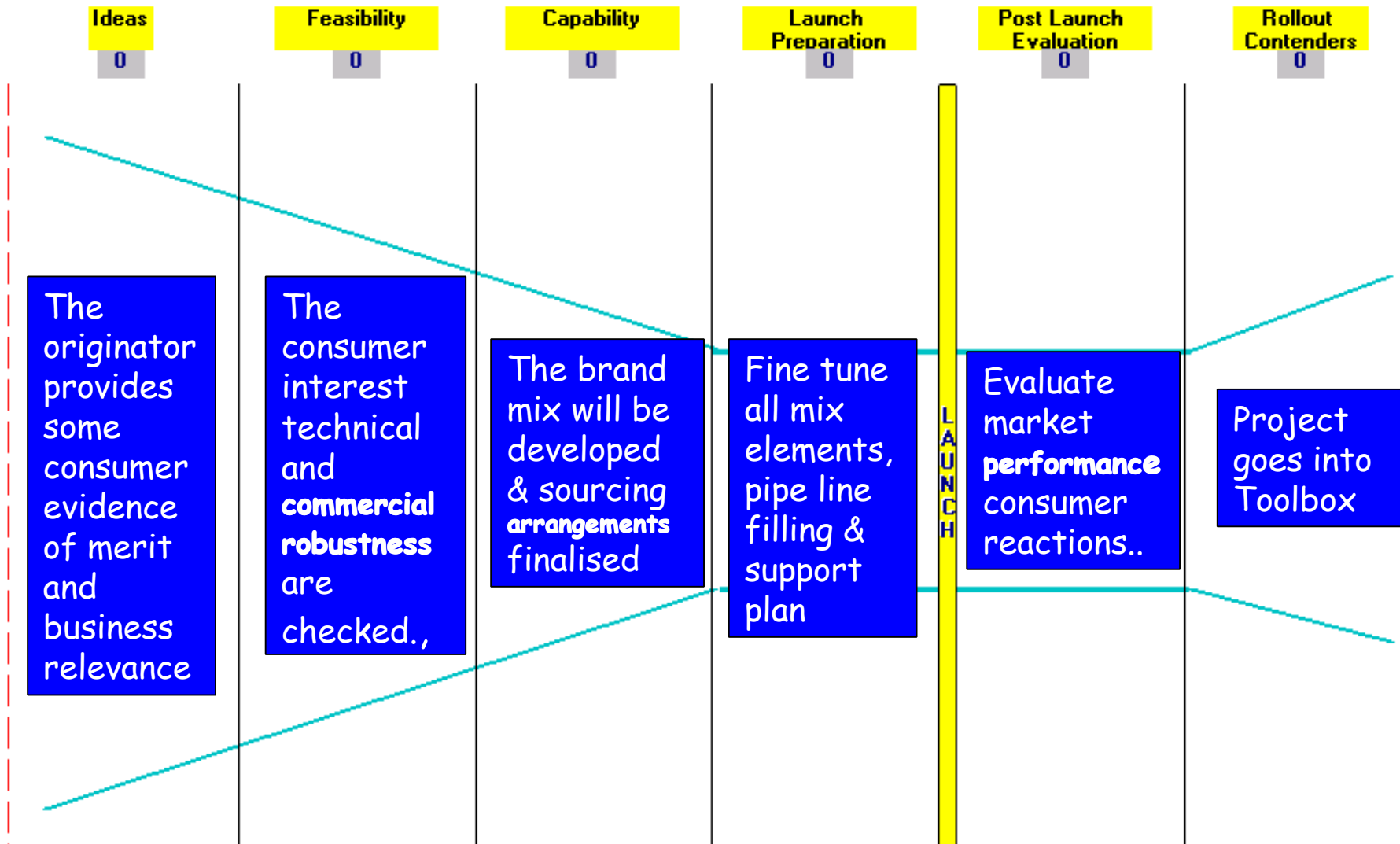
Managing Projects in Inoplan -3



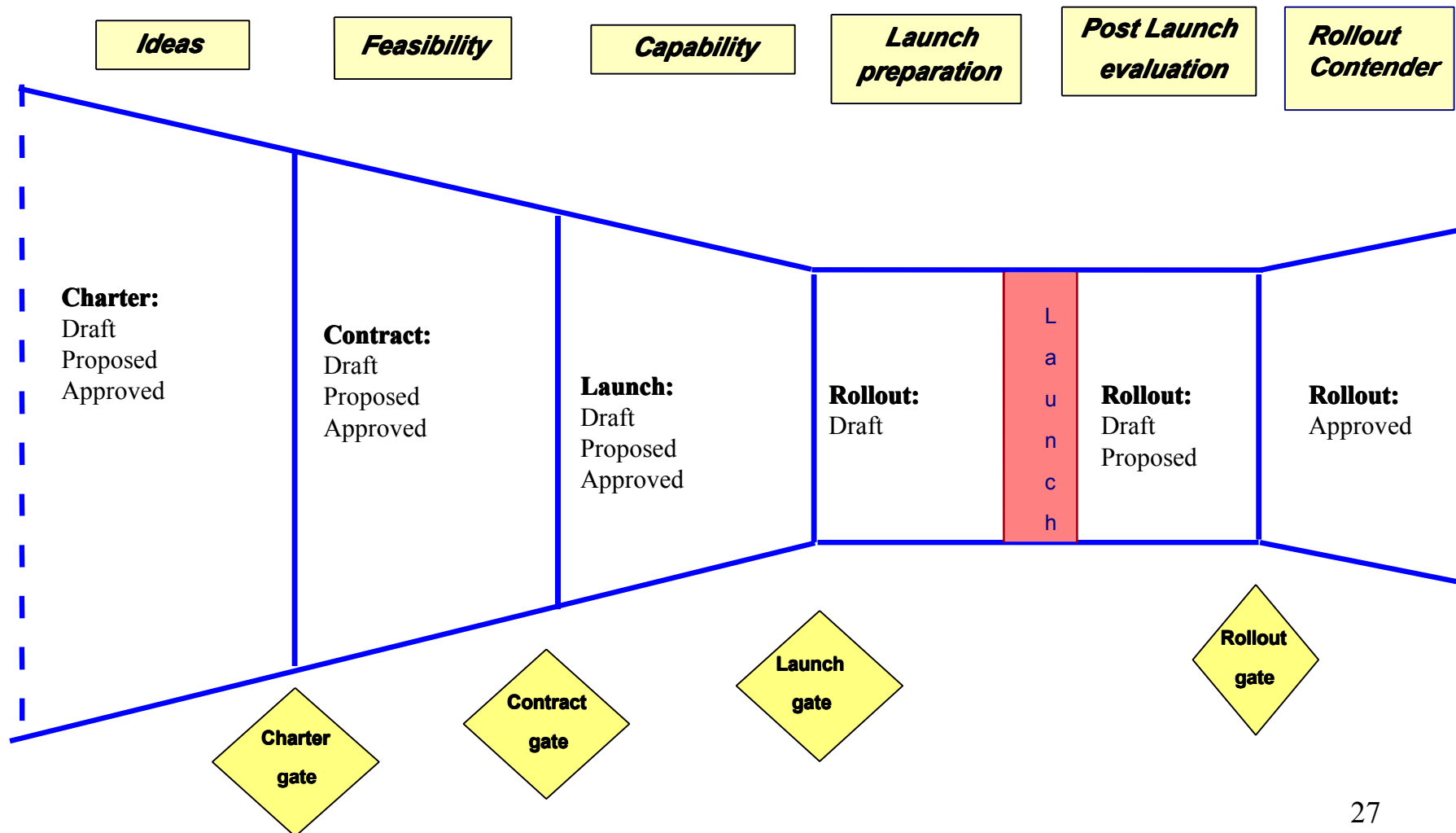
Gatekeeper Responsibilities

- n Have an input to the strategy
 - n Control resources for the projects
 - n Have responsibilities for communicating project requirements
 - n Have the right information/experience to make decisions
 - n Three fundamental decisions:
 - Kill the project
 - Ask for more information/clarification
 - Approve the move to the next phase
- t Once approved the project will move into the next stage of the funnel (draft status).

Funnel Stages



Funnel Phases and Gates

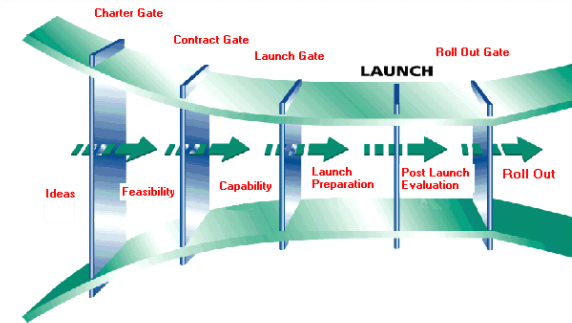


DEMO -

Creating a project in Teamwork

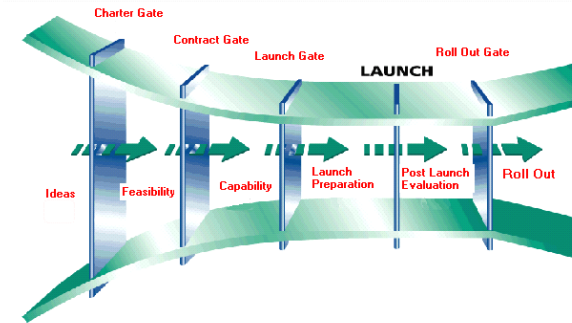


Benefits of working in Teamwork



- n INOPLAN is a set of FOUR databases which are provided to support the management of brand innovation in Unilever
- n It is designed to help YOU to do your job - reflecting what you do and how you actually do it!
- n Saves time and money by reducing the need for physical meetings
- n Easy communication between a Gatekeeper and project leaders
- n Transparent
- n Only do it once
- n Email facility
- n Gate Documents are cumulative
- n Enable cross-functional teams

Inoplan: Who needs to input?



Project Leaders

- n editing and updating team documents, project parameters and gate documents for presentation to gatekeepers

Team Members

- n keeping documentation up to date

Quality in - Quality out!

It is down to you!

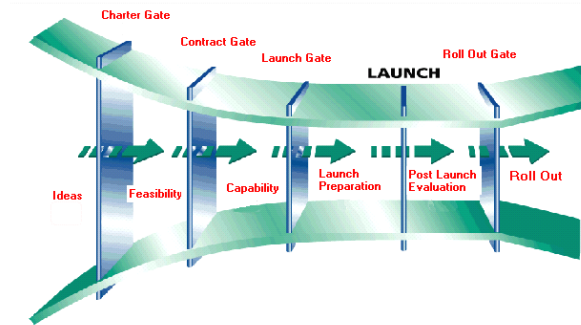
Major board level decisions will be made on the basis of this information!

Checklist for Project Leaders...

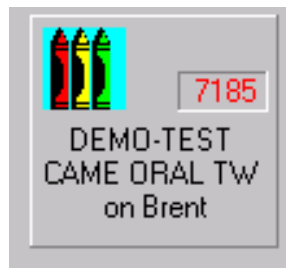
Checklist for Project Input

- **Project Name** must be unique
- Indicate whether **Original** or **Rollout**, if rollout then create project using the original name and add country abbreviation to indicate rollout
- **Positioning** should be as per global recognized listing
- **Launch date status** must be updated as the project progresses down the funnel.
- **Company priority** is an internal indicator
- **Business impact** is a global indicator for the project
- Definition of **Consume Value Perception** and **Enabling Technology** must conform to the Unilever definition as per the *Unilever IPM Team Member Manual*
- **IC Resource Allocated From** must be agreed with the relevant parties before it is indicated in the project; and **URL Resources Allocated** must be part of Category Research Programme.
- **Target Launch Date** must be relevant through the life of the project
- Financial figures must be inputted in the denominations indicated.
- **Team members** and **Guest members** must be selected from the Unilever Name and Address book and not typed in as freetext.
- **RISK SCANNING** (Initial and Risk Quick Scan if needed).
- **Post Launch Evaluation** after 9-12 months of the launch.

IPM - Live

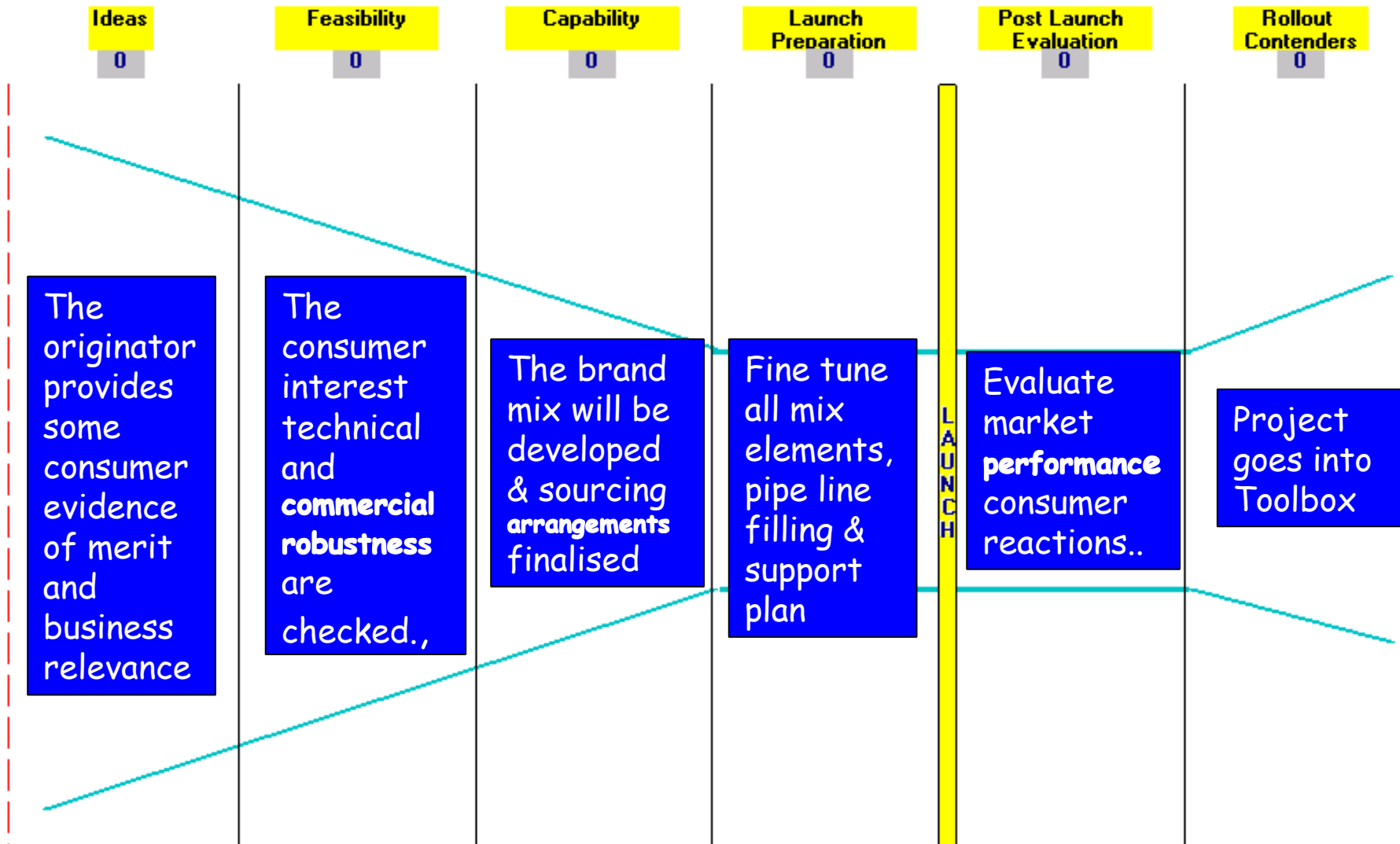


- Trying out Teamwork yourself



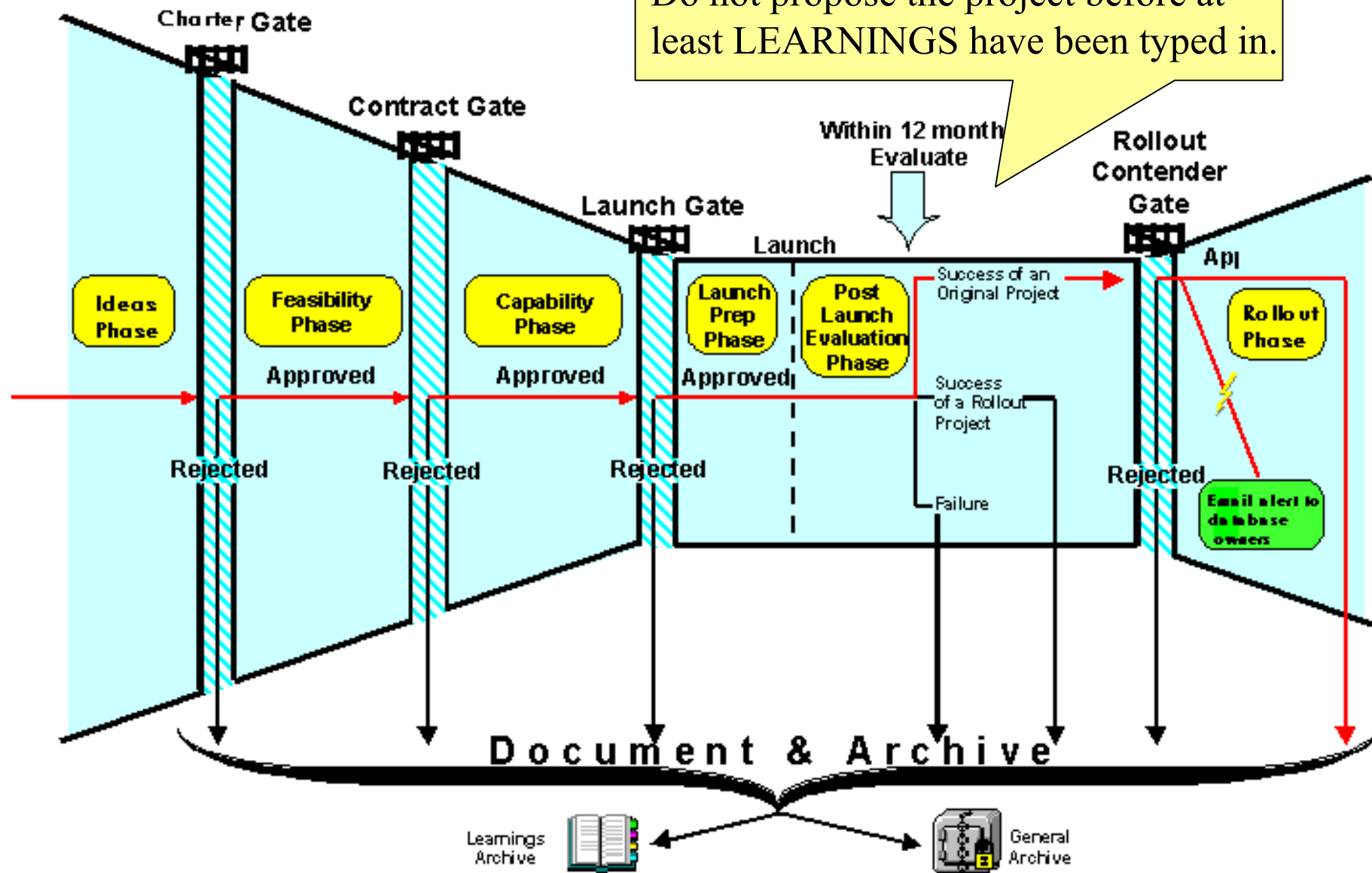
Post Launch Evaluation

Funnel Stages - Recap.

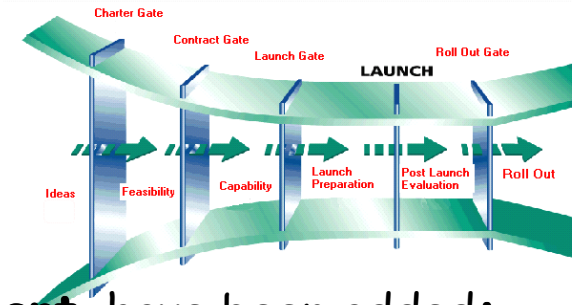


Post Launch Evaluation

Do not propose the project before at least LEARNINGS have been typed in.



Sharing the Key Learnings from all projects



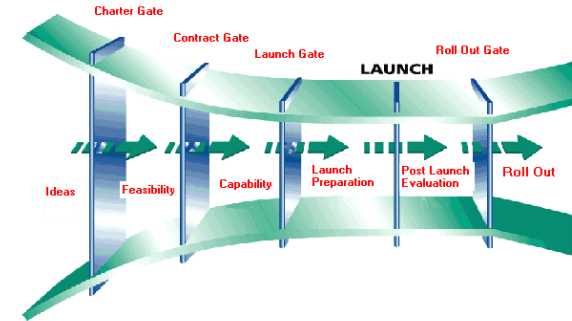
1. The following **two new sections to the gate document** have been added:

Section 13 : “Team Learnings” to capture a few short learnings on all completed projects : whether they make it as far as launch or not.

Section 14 : “Summary of Post Launch Evaluation” for the headlines on the performance of the launched project in its local market. This section is to be completed within 12 months of launch and is applicable both for projects recommended as Rollout Contenders, and for projects that have been less successful (in order to capture learnings for the future).

2. **A separate Post Launch Evaluation Form in Team Documents** has been added for a more extensive description of the same.
3. **A second archive facility called the “Learnings Archive” has been added.** There will be one archive for each Category and one archive for each Business Group. These summaries require no human intervention and will be electronically aggregated from the Project documentation to give the key Project description and learnings.

Post Launch Evaluation



Project successfully passes the Launch Gate (9-12 months from the launch):

a) Original Projects that are very successful are proposed to ROLLOUT CONTENDERS.

to be done:

- filling Post Launch Evaluation Form
- offer Learnings in Gate Documents
- briefly summarise the Post Launch Evaluation in Gate Documents.

B) Original Projects that are less successful, are not proposed as rollout contenders.

to be done:

- filling Post Launch Evaluation Form
- offer Learnings in Gate Documents
- ARCHIVING

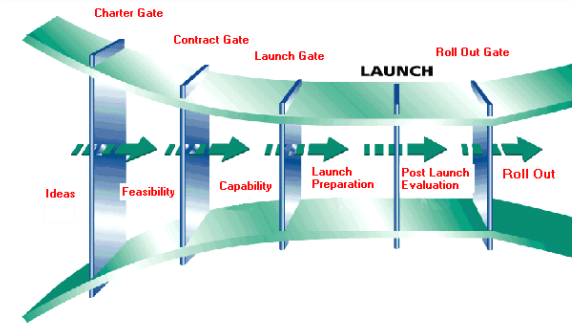
C) Rollout Projects, regardless of their success:

- filling Post Launch Evaluation Form
- offer Learnings in Gate Documents
- ARCHIVING

For details please refer to:

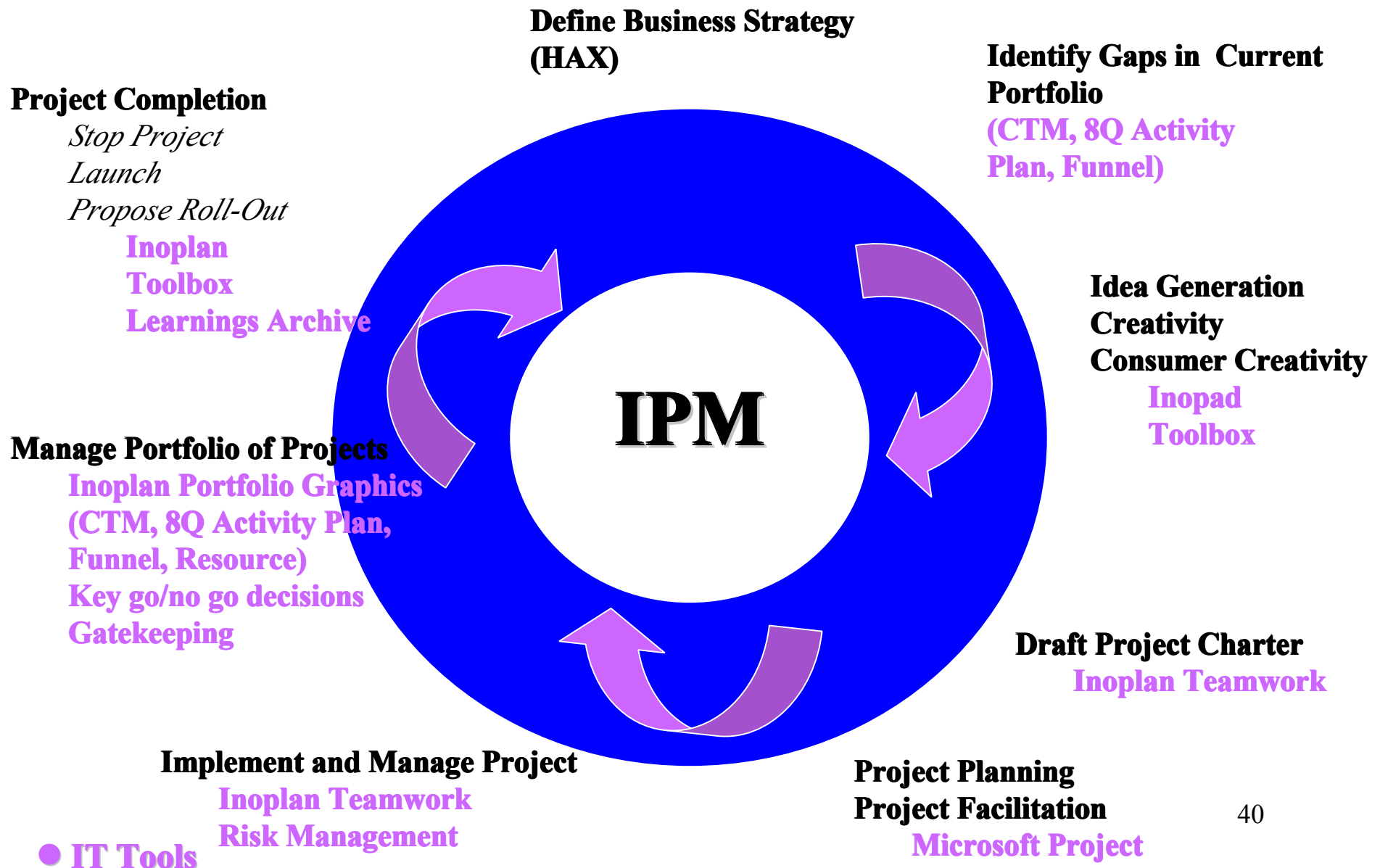
The Unilever IPM Project Completion Discipline & Sharing the Learnings.

Learnings & General Archives



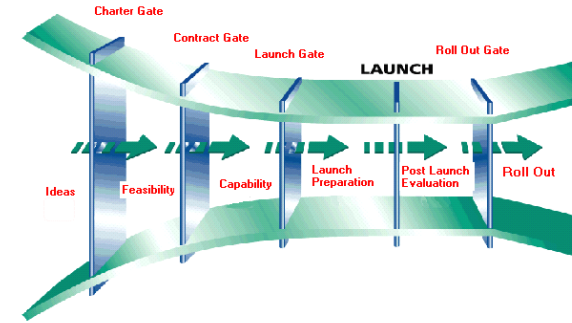
- Learnings should be added to a project as soon as the project is terminated (whether successful or not), before the team disbands.
- Projects that have been archived with learnings: a summary of the project parameters with the learnings and the Post Launch Evaluation form (if the project launched) will go to the Learnings Archive.
- Learnings archives are arranged by Business Group and by Category (like the portfolio) eg. China Learnings and Deodorants Learnings.
- Projects without learnings (eg. projects created in error) and a full copy of the projects that have been archived with learnings will be sent to the General Archive (arranged in the same way as Teamwork) eg China/Deo.

Innovation Process Management



Access Management

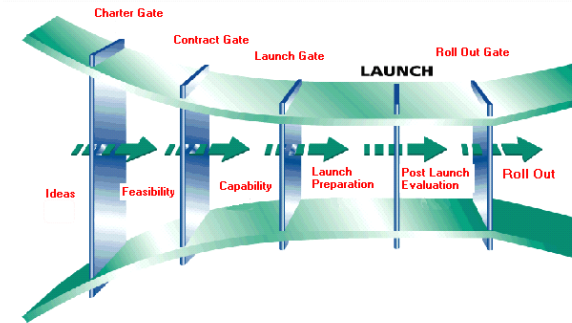
IPM Access - Standard Access



Teamwork Access

- Anyone Unilever employee can access a Teamwork BUT only see the projects they are working on.
- There is one database for each Business Group/Category combination (e.g. CAME/Laundry). This is where projects are created and managed by project teams.
- There are three separate access levels within this database
 - € **Project Leader** - the user can create projects and publish documents into the Portfolio database,
 - € **Team Member** - the user can read and create documents for a project
 - € **Guest Member** - the user can read documents for a project

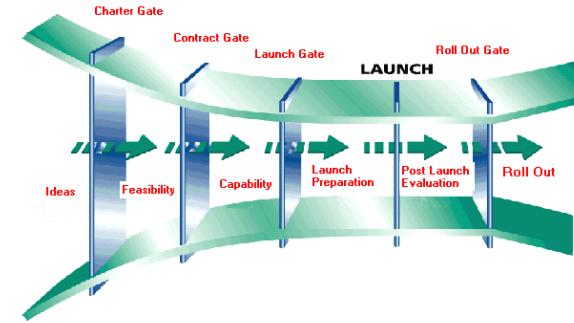
IPM Access - Standard Access



- Portfolio Access

- By Category (global portfolio)
- By Business Group: 3 levels:
 - entire BG Portfolio
 - category within a BG
 - company within the BG

IPM Access - Standard Access



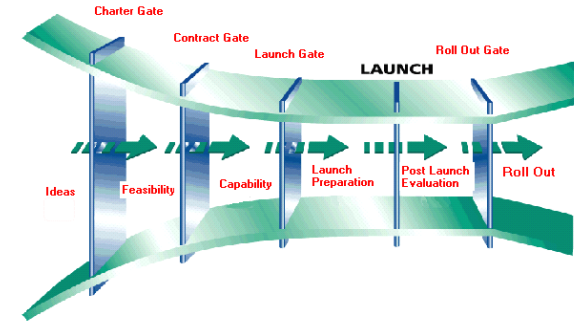
•Toolbox

There will be one database for each of the 17 categories (currently only available for HPC and Ice Cream categories) with two access levels:

€ **basic access** - *basic product description*

€ **full access** - *full mix details*

IPM Access - Standard Access

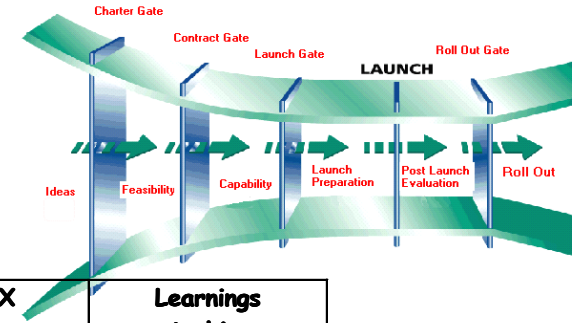


•Innopad

There is one database each for HPC and Foods. There are two access levels for this database:

- € **user** - user can create new ideas and view published ideas
- € **publisher** - user can publish ideas, from their company, to the Unilever world.

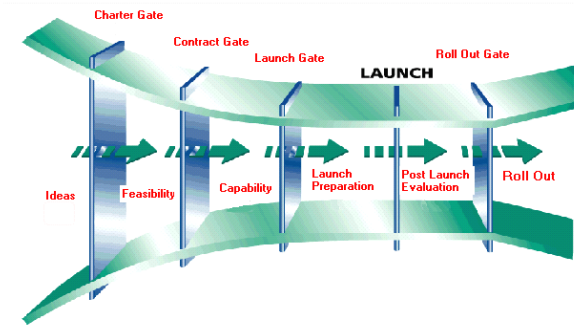
The Access Guide



	POSITION/ ROLE	Category Portfolio	Business Group Portfolio			TOOLBOX		Learnings Archive	
			BG	CAT	CO	FULL	BASIC	BG	CAT
1	EXCO/ UEC	ALL	ALL				ALL	ALL	
2	Senior Category Staff	Own				Own	Own		
3	Senior Business Group Staff		Own				Own	Own	
4	Senior URL Management	Own				Own	Own		
4b	Managers with Category Specific Responsibilities			Own					Own
	Where the Company is NOT an Innovation Centre:								
5	Chairman General Manager Managing Director		Own				Own	Own	
6	Marketing Director Senior Marketing Manager (WL3+) Head of Development Development Director Senior Develop. Manager (WL3+)			Own	Own	Own	Own		Own
7	Marketing Manager (WL2) Brand Manager (WL2) Development Manager (WL2) Other Functions with Category Specific Resp.			Own	Own		Own		Own
8	Commercial/ Financial Director Personnel/ HR Director Technical/ Supply Chain Director Other Company Directors				Own				
9	Other Company Funnel Viewers				Own		Own		
10	Teamworking Users						Own		

Please see the Inoplan Access and Security Guide ⁴⁶
for more details (available in I&F, IPM Documents)

IPM Access - Out of Standard Access

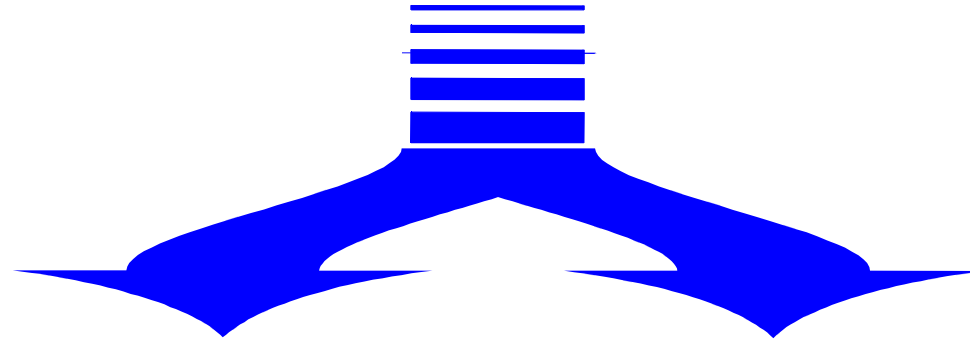
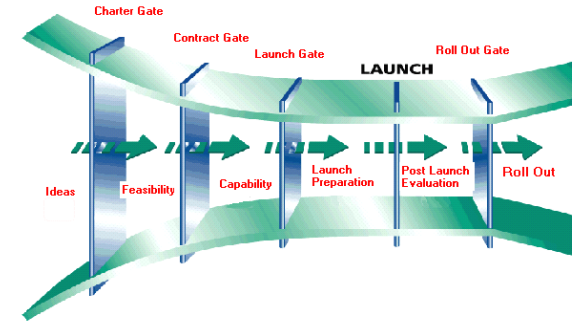


Out-of-Standard REQUEST...

In addition to their Standard Access Rights, users may also request additional **Out of Standard Access** (i.e. access privileges which fall outside the above policy) to other Portfolio databases and/or access levels. These requests are made by **the Company IPM Champion** to the relevant Access Owner(s).

When approved by the Access Owner, these are known as **Out of Standard Access Rights**.

IPM: a game of 2 halves



Managing a Project

Managing a portfolio
of Projects

Creating a
Project

Gates

Documents

Reports

C/T matrix

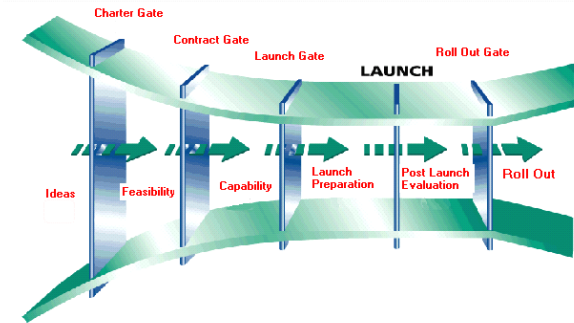
Funnels

8QAP

Resource
demand

Networks

Inoplan Portfolio: Who is it for?



Senior Management tool

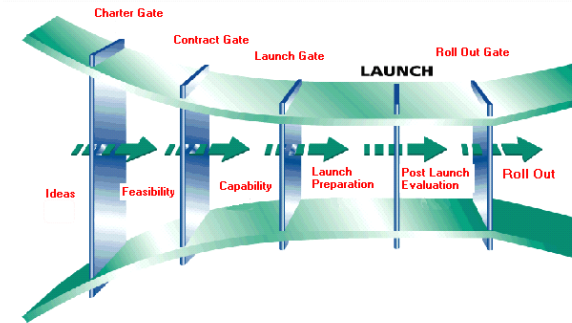
-enables instant viewing of a category/company/regions innovation portfolio

- Unilever is for the first time transparent!
- Strategic planning
- Go/no go decisions
- Resource allocation
- Tracking of progress towards strategic goals
- Sharing real time knowledge

Demo - Portfolio



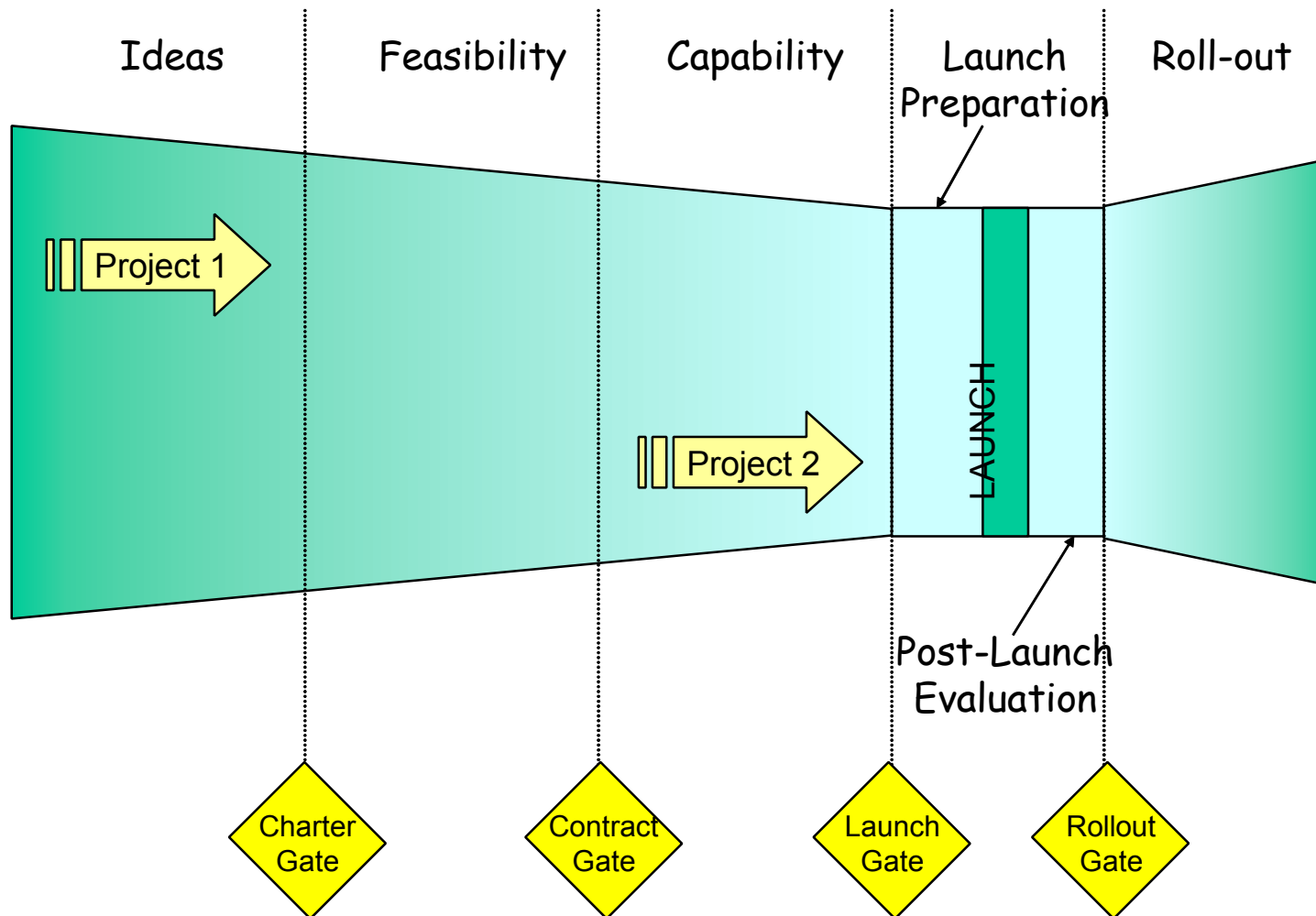
Inoplan Portfolio Graphics:



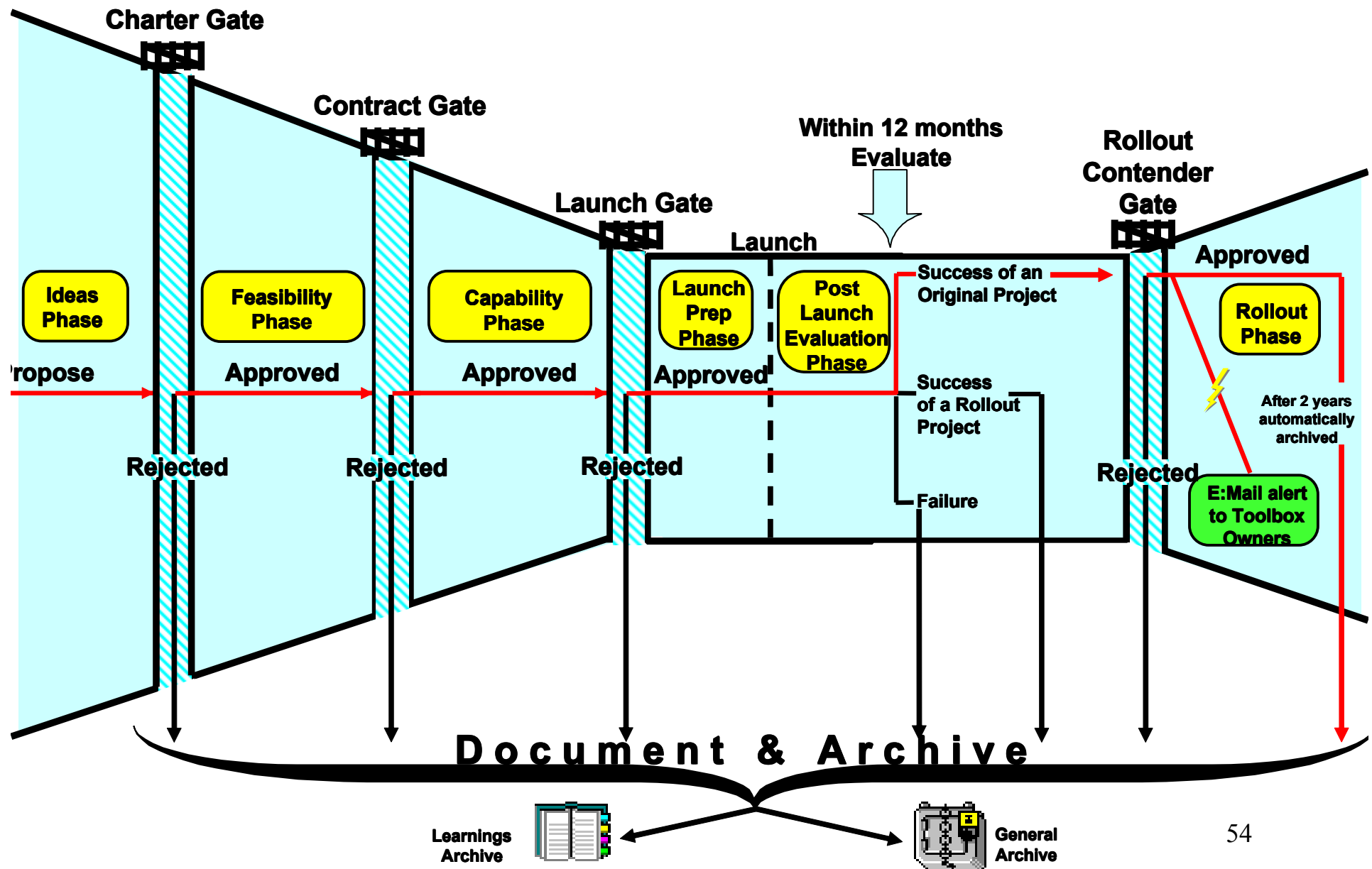
-FOUR MAIN TOOLS:

- the Funnel
- Consumer Technology Matrix (CTM)
- eight-quarter activity plan (8QAP)
- resource allocation

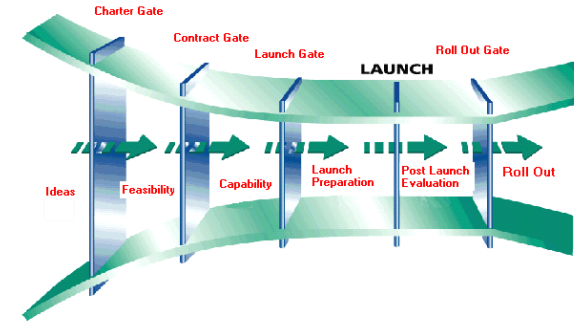
Funnel - doing things right.



The seven different ways in which a Project may be completed and then archived



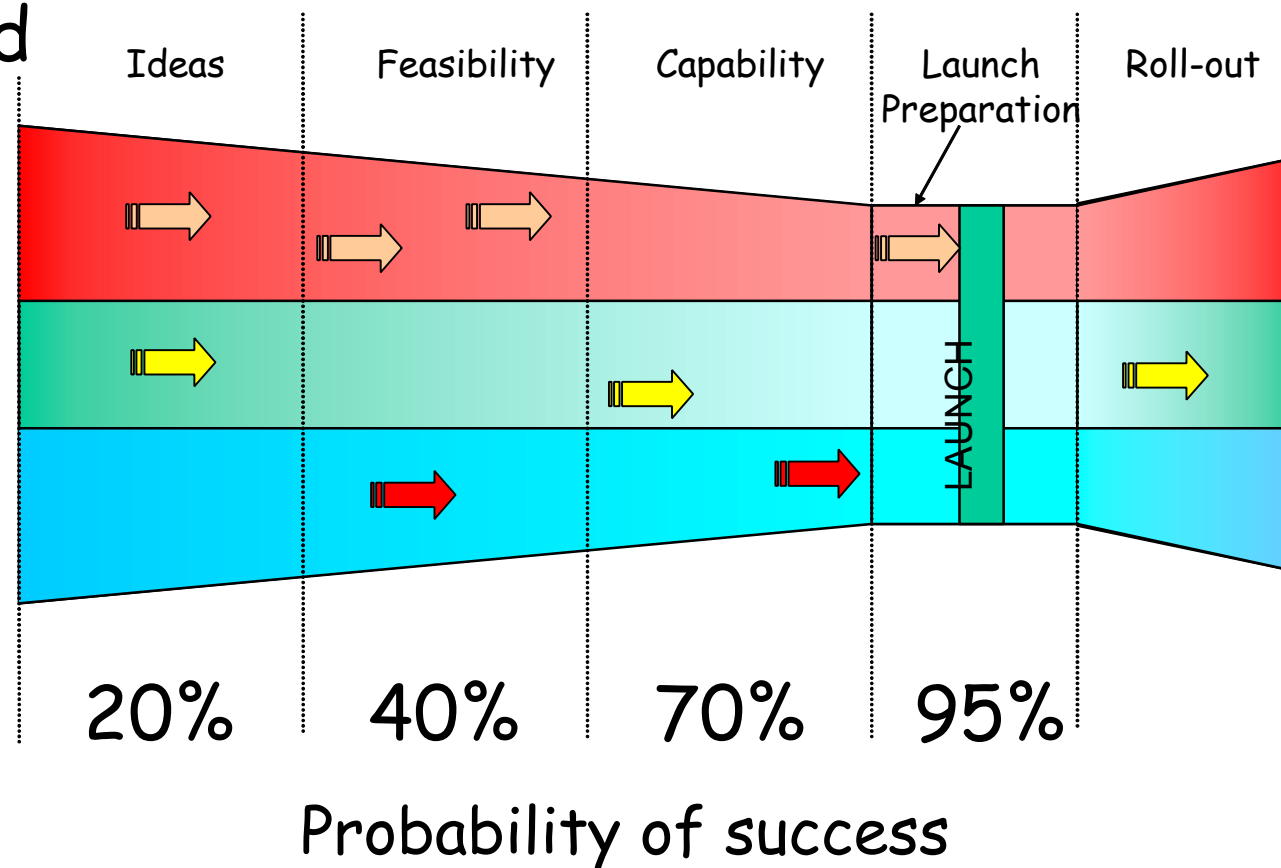
Why Funnels ?



- Formalised project management process
 - allows projects to be defined, tracked and reviewed
 - discipline !!
- Mutated/evolved to Unilever needs
- Involves senior management at an early stage

Start with more, end with less

- Innovation is a difficult road



Ideas phase and Charters

Tasks

- Draft charter
- Refine concept from initial consumer evidence
- Assess strategic fit
- Assess fit with brand architecture
- Assess business opportunity
- Communicate idea
- Explore possible technology routes
- Draw up resource plan for Feasibility
- Finalise the Charter

Criteria to pass Gate

- Idea has consumer merit
- Idea is relevant to business strategy
- There is some indication of how it might be done
- There are resources to explore it's feasibility

Feasibility phase and Contracts

Tasks

- Refine and test concepts
- Confirm branding (if applicable)
- Demonstrate practicable technology
- Create and refine prototypes
- Begin product/process development
- Begin packaging development and design
- Begin advertising development
- Initial development of product mix for quantitative test
- Assess manufacturing, supply chain and capital issues
- Draw up resource plan for the Capability
- Prepare the Contract

Criteria to pass Gate

- Gatekeeper is confident that the proposed innovation is worthwhile
- It can be realised to a degree of confidence that justifies the allocation of material company resources and/or capital in order to bring it to market

Capability phase and Launch Proposal

Tasks

- Complete product, process and packaging development including
 - Proven technology route
 - Patent protection
 - Claim substantiation
- Refine all key mix elements and test final mix
- Refine commercial assessment
- Install production capability
- Evaluate final mix test results and build demand forecast
- Plan launch support material
- Prepare Launch Proposal

Criteria to pass Gate

- The brand mix is complete in all essentials, it is robust and is ready for launch.

Launch/Post-Launch Evaluation and Roll-out

Tasks

Pre-launch

- Fine tune the advertising mix
- Fine tune production and document final specifications
- Produce launch stock
- Implement launch support plan

LAUNCH!!

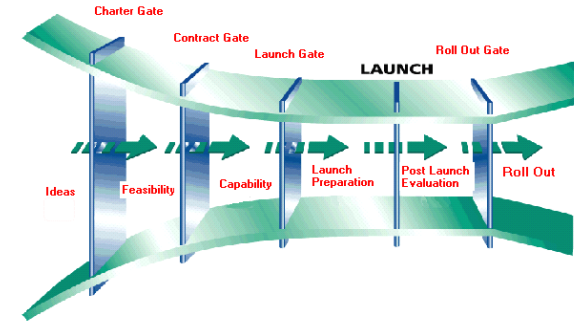
Post-launch

- Review business performance in launch market(s)
- Assess key learning and findings of the project team
- Prepare Roll Out proposal
- Project team disbands

Criteria to pass Gate

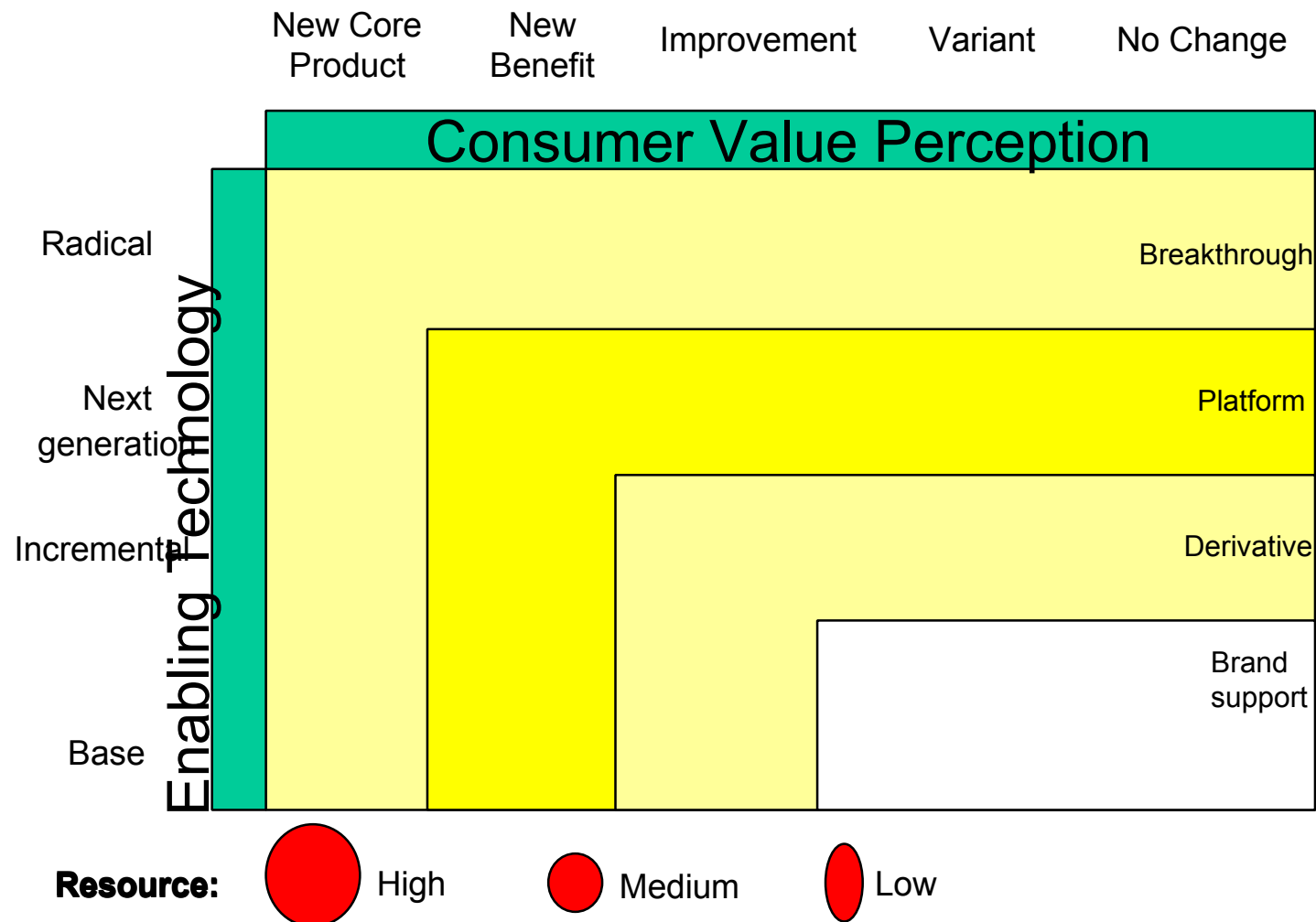
- There is sufficiently robust evidence of success in the market place to declare the project a contender for Roll Out

C/T Matrix

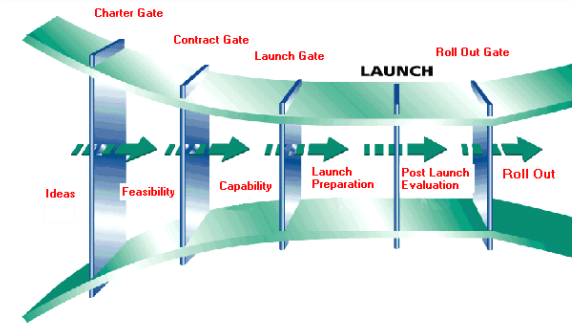


- The CTM is used to:
 - Describe the strategic significance of individual projects
 - Provides a perspective view on entire innovation portfolio
- The characteristic dimensions for project positioning are:
 - Enabling Technology
 - Consumer Value Perception

Consumer Technology matrix - doing the right things

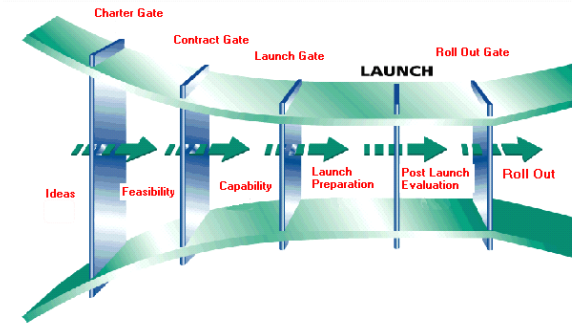


C/T matrix - technology



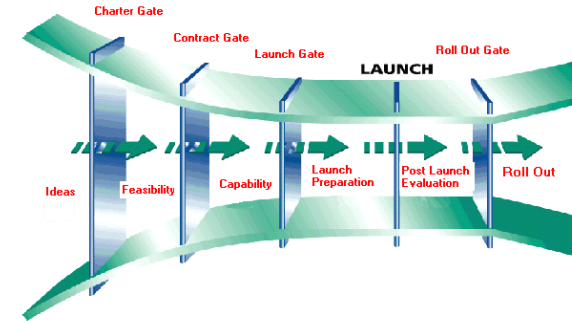
- Radical
 - first implementation of technology that sets a new category performance benchmark
- Next Generation
 - Significant innovation leading to major enhancement in product performance and claim strength
- Incremental
 - Improvement in current technology
- Base
 - exploitation of technology that is freely available

C/T matrix - consumer value



- New core product
 - new product form that stimulates consumer usage and expands/creates a new category
- New Benefit
 - Significant qualitative change that delivers new benefits with scope for a new brand or repositioning
- Improvement
 - Incremental product that yields consumer discernible product enhancement relative to existing
- Variant
 - Parity with competing products but new features
- No change
 - no perceivable change to products

C/T matrix - project types



- Breakthrough

- first to market, new core product
- sustainable dominance
- high risk

- Platform

- superior products, increased share
- sustainable segmentation
- medium risk

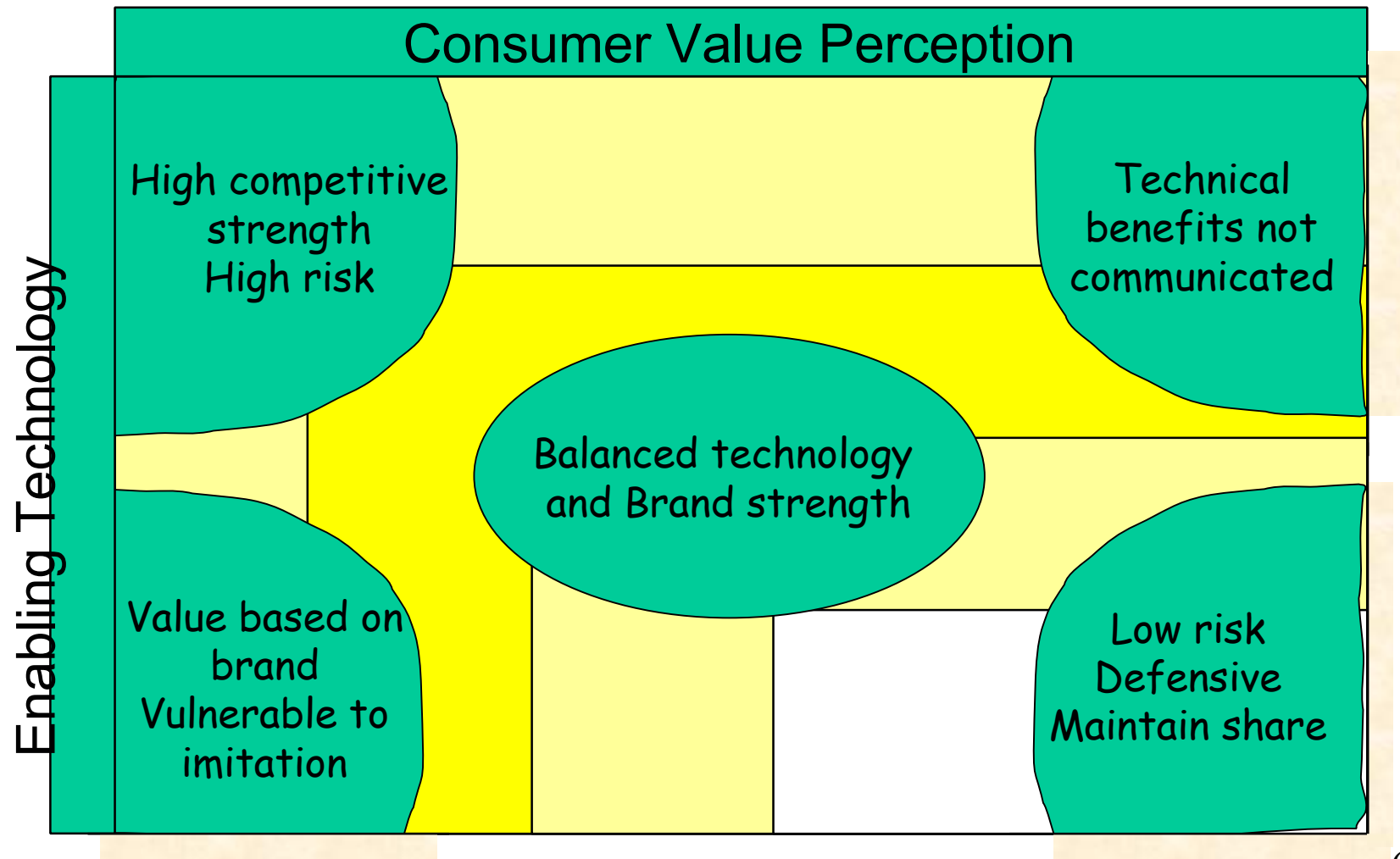
- Derivative

- extension to existing products
- distinctive claims
- low risk

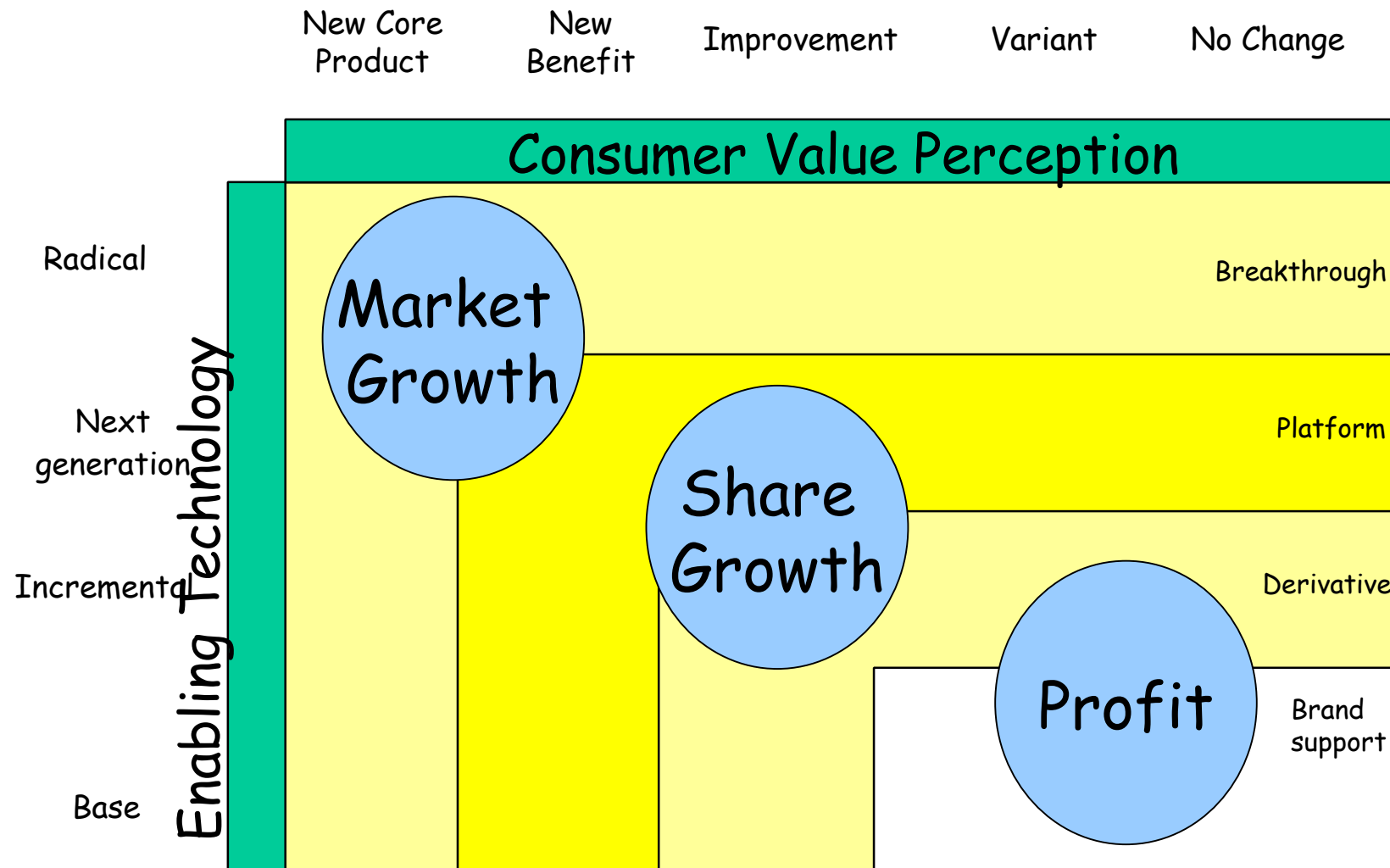
- Brand support

- minimal changes to maintain image
- perhaps catch-up with competitors
- tiny risk

C/T matrix - strategic stuff



C/T matrix - simple



8QAP

Household Care Portfolio
Brand = Cif
Business Group = LA

Company	1999 – Q2	1999 – Q3	1999 – Q4	2000 – Q1
Gessy Lever (& IC for Pwash – Laundry)	RICHARDS-BR [P] Small surface cleaners Relaunch Harmonisation			
Unilever Argentina (& IC for Hair – Deo – HHC)	RICHARDS-RP [P] Small surface cleaners Relaunch Kitchen Trigger	FRANKLIN RP [P] Small surface cleaners Relaunch New Liquid Cream LULLI RP [P] Small surface cleaners New Variant Antigrease w/bleach	ARMSTRONG RP [P] Small surface cleaners Relaunch New Kitchen Trigger BERTRAND RP [P] Small surface cleaners Relaunch New Bathroom Trigger	
Unilever in Chile	CALUGA Small surface cleaners New Format Low Cost Format			BILL GATES CHILE [P] Window/Shiny Surface Cleaners Relaunch UV Protection

Note: Only 4 quarters shown for clarity

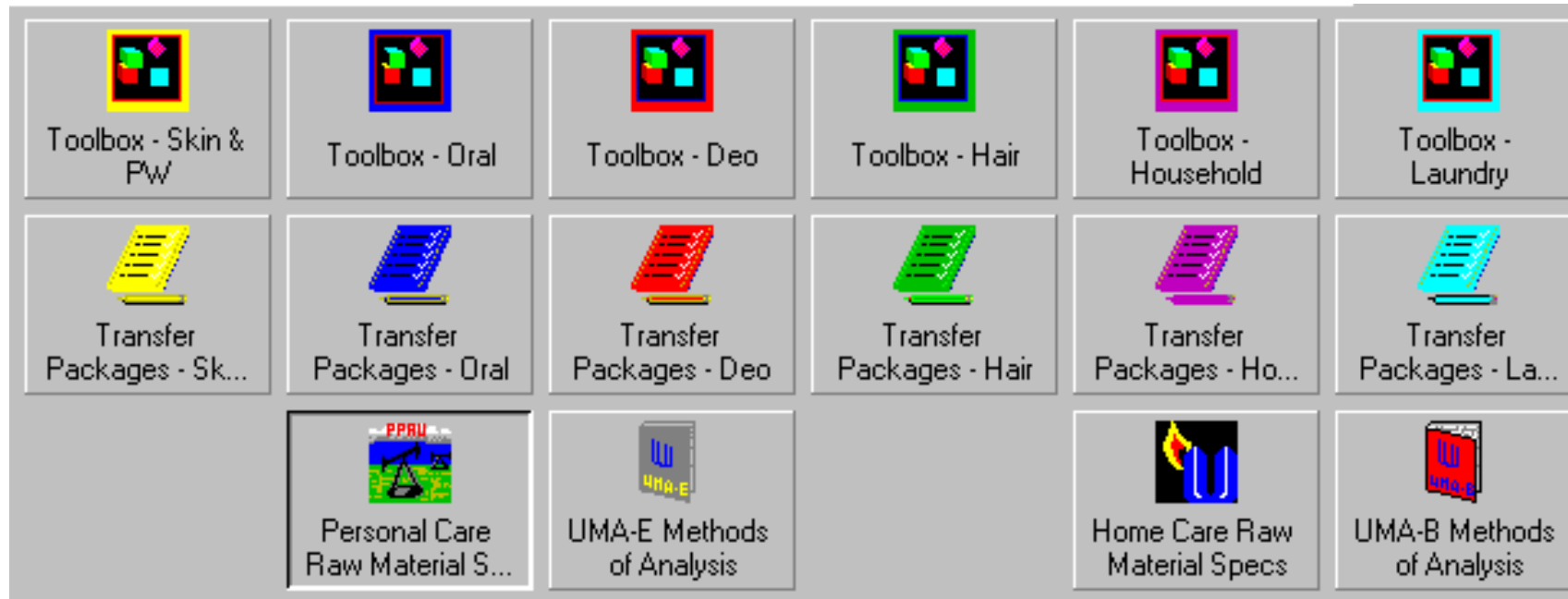
Demo - Portfolio Graphics



Demo - Inoplan Info & Feedback



TOOLBOX



The concept of **Toolbox** is easy access to factual marketing, technical, and commercial information on products that have been successful in at least one country and are recommended by the Category SVP for consideration elsewhere.

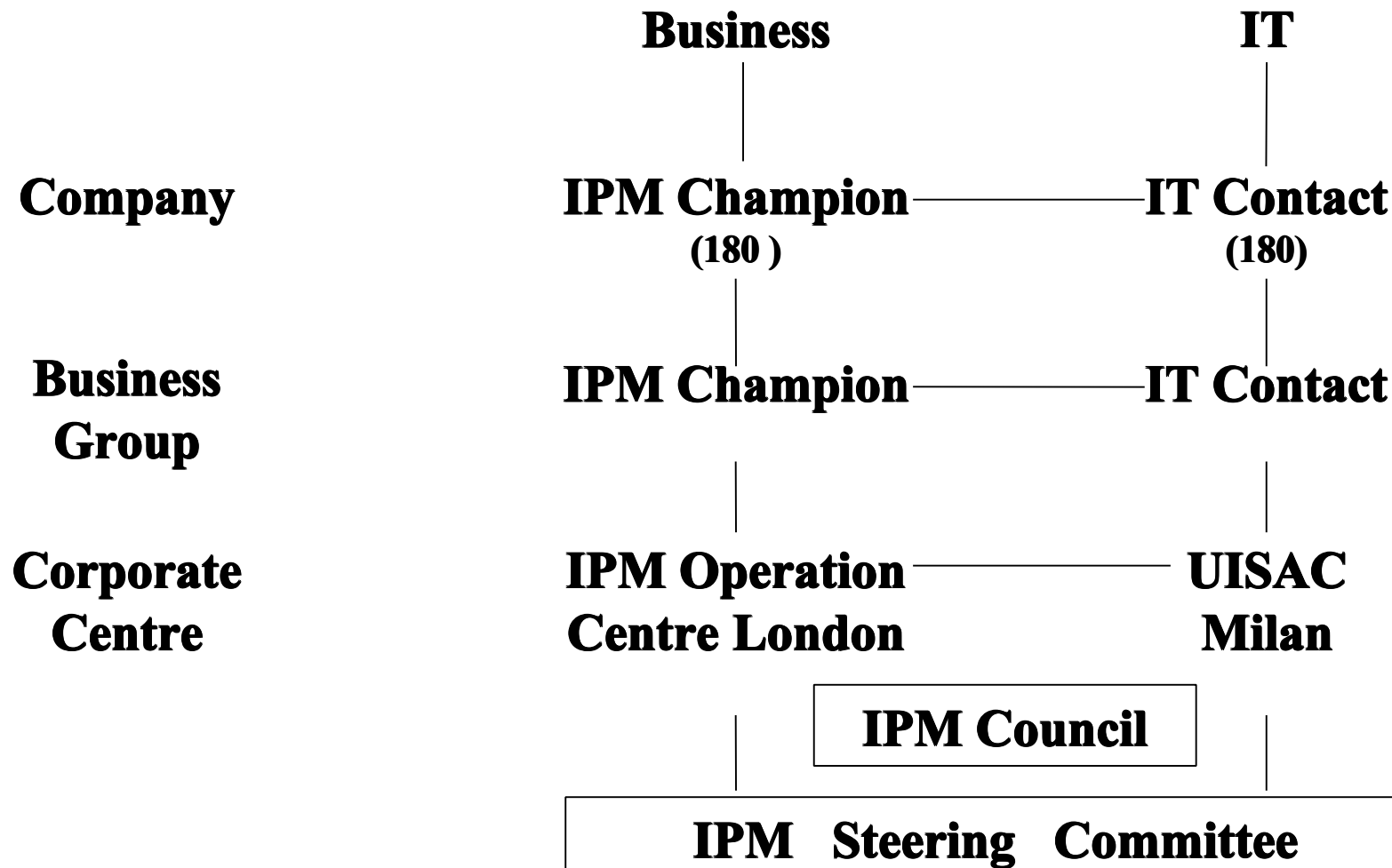
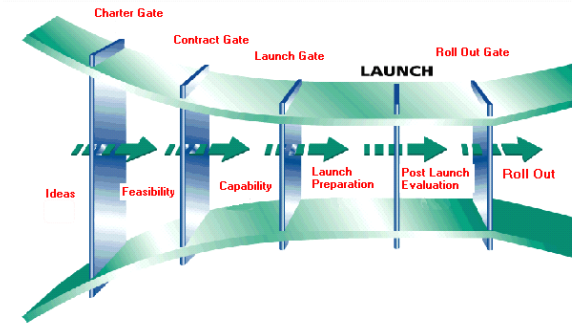
Toolbox is organised by Category and within HPC there is a Toolbox for Deo, Hair, Household, Laundry, Oral and Skin & PW.

How to locate and add these databases to your Workspace in Lotus Notes

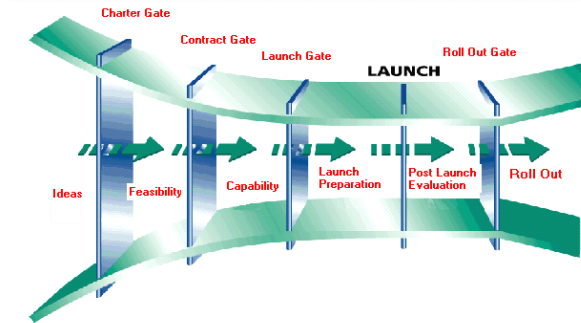
..

- Refer to the Info & Feedback database - 'IPM World' - 'Inoplan & IT Toolset: Filenames/Location/Map'

Building up the IPM Network/Support



Need help?



- IPM Champion
- Silver Liu/Frank Chen
- Louise Travers/Holly Casswell

or

- Submit a Business Issue in Info & Feedback