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7 Key Questions for Evaluating an Innovation Management Platform

Letter from Bea

Companies looking to become more innovative may often decide that an innovation management platform is their inroad. Finding a purpose-built system that brings together all your innovation activity could prove critical to unlocking cost-savings, reducing risk, and increasing productivity. The possibilities are endless: you can use a platform to create a more innovative culture, to help with R&D idea gathering, or to improve how your business adapts to changing times.

But how do you know which of the platforms out there to choose?
In such a disruptive landscape where fortunes can change quickly, it is best to evaluate your platform options on their success now as well as the potential to diversify later on. The agility that this provides your business with goes hand-in-hand with the need to innovate at scale. To protect and foster your organization's success, you must be prepared.

In this report, we'll outline 7 key considerations for evaluating innovation management platforms, by linking them to your current applications and use cases as well as the opportunities for future success.

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Introduction

Organizations across the globe are realizing that innovation is more than simply a nice-to-have addition to existing enterprise. Instead, it is a necessary, vital function to continue to thrive. The real threat of disruptive models and innovations can force even market-leaders to the outskirts of the spaces they previously dominated. Skype has fallen to the wayside as Zoom continues to grow, with legacy communications technologies a new area of interest and their brand even becoming a shorthand for video calls.

Many companies have experience with innovation at early maturity stages: corporate ideas boxes, hackathons, and democratized workplaces can all serve to surface bright ideas that can lead a company forward. However, where the ideas from these sources succeed, they succeed in a limited manner. Organizations that use Excel spreadsheets for collecting ideas or suggesting improvements in processes are operating at what's called an 'event-based' level of innovation. Without the connection to wider areas where actual impact can be achieved, these ideas tend to revolve around improvement – not the disruptive change that ensures organizations remain on the cutting edge.

Companies need to move beyond an event-based model to one that instils their entire network with innovative capability, turning good ideas into repeatable, scalable value. Making this shift is no longer just for adaptable, agile start-ups. With new levels of connectivity and collaboration, organizations of any size, scale, or industry can transform into more innovative outfits.

Becoming more innovative involves tracking the performance of your activities, sourcing and prioritizing ideas, fostering a culture of innovation, and having access to knowledge outside of your company and space. Moving towards more systemic innovation processes requires certain things:

- **Culture of innovation**
- **Strategy and overarching goals to link innovations to**
- **Leadership buy-in and resources**
- **Tools and processes to supercharge your success**

In our 'Innovation at Scale' white paper, we explained that this innovation shopping list can be simplified into 3P's: Platform, Process, and People. One of our core beliefs is that, provided with the right technology and ways of working, people have the innate potential to solve any problem. In this report, we'll focus on how to choose the right platform to support them.

One of the key ways to formalize and grow innovation in your business is with an Innovation Management Platform. Let's say you've decided to take the step to innovate across your entire enterprise. How do you choose which platform to go with? What criteria should you be judging platforms against?

Does the innovation management platform give you…

1. …a track record of success across multiple use cases?

Some platforms for innovation are excellent for idea gathering and others have processes that establish success through 'intrapreneurship' programs. A key point to evaluate your choice of platform on is whether they can manage all these processes and more, in different ways or at different times. Those with the widest array of functionality will be more useful for organizations looking to differentiate their innovation. Other companies might focus very narrowly on one area of innovation.

What is important is that there is a track record of success in the use cases that the platform does support. Organizations can use innovation from a process improvement perspective, to bolster their product suite with R&D ideas, to implement sustainability goals, and in many other ways.
Innovation use cases that you can use a management platform for may include:

Sustainability	R&D
Co-Creation	Customer Experience
Foresight & Scanning	Employee Experience
Process Improvement	Product Development
Training	Culture of Innovation programs
Open Talent	Digital transformation

Finding a platform where other organizations have succeeded in many different ways speaks to that platform's range of success.

2. …data and benchmarking capability?

Innovation as a process must be viewed as an ongoing endeavor: there won't be one silver bullet that fixes all the needs in an organization while unlocking lasting cost-savings immediately. To that end, while the data performance of an innovation program should be monitored, it shouldn't be the sole measuring stick.

Keeping an eye on the ROI of your innovation is a good way to start – but how can you track it? Many innovation management platforms will total the value of an idea solely in a quantitative way: how much money did it save or make us, how long did it take us, can we repeat it quarter after quarter?

Others will have the functionality to look at engagement and the human impact of innovation, through gamification and people-based data. These more qualitative metrics can link to an organization that's trying to measure the acceptance of its innovation practices, the progress of its culture, or even just whether the platform is being used on a daily basis. Traditionally, the metrics used are about engagement, throughput, and output:

→ Engagement – how much and in what areas are people using your platform

→ Throughput – the amount of data, ideas, or material that passes through your platform

→ Output – what occurs as a result of the platform. This could mean the impact of a finished product, a fully -formed idea that is ready for implementation, or an employee intrapreneurship program devised on the platform.

The best innovation management platforms will have the functionality to present these metrics in a number of ways, both on the platform itself and in an exportable format. That way, the success of innovation from either a human or a bottom line perspective can be shown to relevant stakeholders and ensure that programs can keep up their innovative work.

Benchmarking capabilities are also critical to assessing the value of innovation activities. This can come through in both business contexts and industry contexts. Having access to both in one place makes a platform more usable and useful – your organization can have eyes on movements in their sector as well as within their own walls. This oversight and knowledge helps you to better understand your position in the industry or sector and the future viability of this innovative way of working.

Benchmarking can be useful in the short-term and the long-term: take the idea of an organization that finds itself at the top of the rankings. Their position now gives insight into their potential future strengths, as well as where they would have to shore up to fend off competitors. Measuring your data and benchmarking against competitors on the lines of activity and successes can give your organization a more rounded picture of their innovation work – both internally and throughout the wider market.

3. …established processes for success?

When evaluating a platform, organizations may only look to its features or products to determine its potential use. However, just as important are the processes that a platform has or unlocks in a company that purchases it.

The capability to create and sustain a culture of innovation is different from the processes that are needed to make that culture a success. Think of it in terms of building flatpack furniture: it's very different to have bought the pieces and have them ready to assemble compared to also having the instructions and method to ensure that the furniture doesn't fall apart.

Examples of processes for success might include providing the buyer with additional training and accreditation to use the platform effectively. It could also take the form of an overarching ethos in the way that the platform either tackles problems or explores opportunities.

Having a proven, baked-in way of working can help overcome initial platform acceptance issues and accelerate the possible successes.

4. …access to networks?

Open talent networks can provide a huge force multiplier to businesses. However, not all networks are about open talent and marketplaces. The best innovation management platforms give you access to a variety of networks: in different industries, of different specialties, or involved in different areas of life.

For many organizations, there are some problems that can't be solved internally: whether due to time constraints, a lack of resources, or its complexity. One way to solve problems and explore opportunities that an increasing number of global companies are using is open innovation. Using the crowd in this way opens your business up to a diversity of insights and expertise that it wouldn't otherwise have access to. Open innovation doesn't have to involve just a one-time idea or single-use solution: marketplaces can also offer the ability to leverage a crowd's problem-solving capability on a more regular basis.

Examples of this include accelerators that pair startups with innovative companies in a similar space. MassChallenge's 'Ultimate Guide to Corporate Innovation' report shows that accelerators and incubators 'help corporations speed up innovation cycles, which leads to gains in productivity and performance'. Pairing with startups or university programs brings the diversity of thought and ideas that bolster a company's innovation efforts.

Organizations will also look to points throughout their supply chain for ideas about process improvement, optimization, and areas for expansion. Many platforms will have the functionality to create dedicated spaces to workshop ideas with suppliers, customers, and partners. The innovations that can come out of these conversations are valuable as they come from those who know your product or service best.

A McKinsey survey of 100+ companies in multiple sectors showed that those that "regularly collaborated with suppliers demonstrated higher growth, lower operating costs, and greater profitability than their industry peers." Data sourced by the McKinsey Procurement Practice shows that those that innovate regularly with their suppliers tend to beat industry trends by around 2x in growth.

Innovation management platforms that extend a company's reach into other networks are invaluable: especially when this functionality is available in-platform, through the internet.

5. ...room for scalability?

Put simply, the scalability of a platform is its ability to manage all of your projects in one place. This scalability can cover changes in size, complexity, control, or its scope.

Transformation
If you use an innovation management platform in one business unit, could it be upscaled and used across your entire organization? If you use it for one identified issue, can this be expanded to run a number of Challenges in parallel? Platforms that are worth investing in will allow you to involve members from across your entire business and run as many Challenges as you need, all from one overview.

Potential
Platforms that have the security and bandwidth to invite many more members or run more Challenges at once will be more useful in the long term than any without these features. This corresponds to point one, 'Does the Innovation Management Platform have a track record of success across multiple use cases?': if the platform can solve problems and explore opportunities in different areas of your business at the same time, then it's inherently scalable.

Integrations
It is important that any platform be a value-add to your business, including through being well-matched to your existing ways of working. Platforms with integrations to corporate messaging channels (like Slack or Teams) or project systems (like Monday) will see a higher rate of uptake and users will find it becomes a natural part of their workday.

Innovation management platforms should allow you to cover every part of your innovation project in one place. The control that these platforms provide means that you can adapt and expand your innovation activities.

6. ...security to be confident in and UX that has staying power?

Security and the protection of data has become among the greatest concerns in our digital world. Ensuring that you protect what's yours is the function of legal and IT teams across the globe, but how does security play into innovation, where companies must collaborate and share in order to find the best ways forward?

The global landscape for data security is changing constantly as nations and industry standards agencies update requirements. In Europe, GDPR considerations are of the utmost importance due to the harsh fines inflicted upon organizations that transgress them: in July 2021, Amazon received an $877 million USD fine around cookie consent issues under GDPR.

When open talent networks are involved, IP transfer and security of payments is another issue to be mindful of. As with most Web2 marketplaces, both the payee and the organization that pays must have strict rules and processes around the timelines, delivery, and exchange of IP and money. This balance is achieved by using some degree of SSO or IdP authentication, to match that the user is from where they say they're from.

Users tend to react much more favorably to systems that provide them with small dopamine hits through success. A study cited in the Harvard SITN blog states that "cognitive neuroscientists have shown that rewarding stimuli – laughing faces, positive recognition by our peers, messages from loved ones – activate the same dopaminergic reward pathways."

Innovation Management Platforms must always have security at their core, to protect the data that customer organizations upload to them while still ensuring that the user experience is easy and intuitive.

7. …the ability to foster a culture of innovation?

Every organization of a certain size has had an experience where, after adopting a shiny new platform for some function, the novelty wears off. How can you stop your innovation management platform from going the same way? We suggest reviewing the options on a couple of factors:

Ease of adoption
Platforms must be simple to use, have clear workflows, and be easily navigable to see success in an organization. Anything with too many unclear features or a high barrier of entry may not make it past the first hurdle.

Competition and gamification
Providing methods for users to match up their progress and activity against others can keep people engaged and inspire others to match them. Using methods like competition and gamification can keep your program self-sustaining: visibility around who's contributing can foster a sense of pride and ownership. This can lay the foundation for a cultural shift where employees and members of the platform can be more aligned to company innovation goals and aims.

Ensure that the platform continues to find success in your company by choosing one with rich social features and a relatively low barrier of entry.

Conclusion

While the criteria that you should measure an innovation management platform against might seem numerous and diverse, the choice you make can be simplified by thinking about whether it serves three overarching needs: the adoption test, current applications, and future opportunities.

If a platform of choice resonates with your users (employees or anyone in your network), it is likely to find success in the short term. The cultural significance of becoming more innovative as an organization is sure to bring benefits to the quantity and quality of ideas coming from your users.

However, a platform that works in the short term is no guarantee of future success as your company grows, changes, and reacts to the market. Finding an innovation management platform that can provide success across a number of use cases can ensure your innovation programs have room to grow and the capability to develop.
Asking yourselves these 7 questions should help to differentiate between the platform choices and find one that will support your innovation programs now and into the future.