From Idea to Innovation:

A Handbook for Inventors, Decision Makers, and Organizations

Dr. Bernd X. Weis

Status 16. September 2014

We must have the courage to let the NOTHING encounter us. Face to face with the NOTHING, we do realize that we are not only SOMETHING real, but that we are creative beings able to let something emerge from the NOTHING.

Martin Heidegger

Foreword by Dr. Martin Stark

The ability to innovate is a fundamental property an enterprise needs to achieve sustainable success.

This book examines innovation holistically, taking into account the variety of aspects and the corresponding interactions, which determine innovativeness in the real economy. Especially the many known, but most of all the unknown and therefore not considered interactions assess the complexity of innovation processes. Successful enterprises are able to actively manage or influence these interactions and the associated risks. Examples of this are abound. For an enterprise, the management of innovation is of fundamental importance: a failing innovation may shake the enterprise, but must not endanger its very existence. This is the maxim.

In this book, Bernd Weis shows how innovation occurs – from the initial spark of an exciting idea, its sometimes tedious elaboration, to the organizational integration into the daily business of the enterprise. Based on his experience as inventor, innovator and experienced leader he knows the traps and pitfalls in which inventors, decision makers and entire organizations may fall, thus defeating in their very beginning promising innovative approaches. He analyzes these pitfalls and provides methods and techniques to circumvent them.

The range of the issues discussed stretches far. Innovation is enabled by the – not always harmonious – interplay of creative people in an organization that supports an innovative, creative development while at the same time preserves its existential economic interests. This book provides the reader with an overview of the factors that shape and influence this interplay. However, despite all efforts, the result of the innovation process often depends on luck or chance – and also this is not withheld here.

For your own path to innovation competence, this book is an exceptional and therefore valuable companion for those who want to delve deeper into the subject of innovation in its fascinating diversity and complexity.

Weinheim, December 2013

Martin Stark

Foreword by the Author

"Another book about innovation – the bookshops are full of them."... but anyway.

The purpose of this book is to venture beyond the phenomenology of innovation and to shed some light on the causes, reasons and drivers of innovation. It is about the why, about the understanding of innovation, which comes in so many facets. It is about people who have ideas, who invent, about organizations for which innovation is the elixir of life and whose existence depends it, about markets that cannot get enough innovation. It is about success and failure, chance and luck.

Innovation leads to change and change leads to innovation. This elementary cycle forces perpetual change. It is also the causes of the complexity of innovation processes, and complex processes have the truly unpleasant property that it is not easy – if at all possible – to understand, to see through them. Therefore, the underlying general tenor in every reasoning is that the future is by its very nature unforeseeable and certainly not predictable. Future is contingent – it can turn out one way, but also some quite different way. The reader will notice that I used in the text often weak words like "often", "usually", "sometimes", "occasionally", "hardly" is used, rather than strong words such as " always" or "never". This has precisely to do with the fact that statements are not always or never true – even if they seem so obvious and counter-arguments or examples do not immediately come to one's mind.

Innovation is art. An artist should master the techniques and rules of his profession, even when he develops other techniques and breaks the rules – the art lies in the idea, the composition and the specific execution. Likewise, the innovator must master the techniques and rules that lead from idea to innovation, even if he intends to go an entirely different course himself. The art of innovation lies in the idea, the design and implementation in different proportions.

The book is the result of over 30 years working with innovation. In these years, I discussed and debated in countless meetings with teachers, work colleagues and friends even on evenings and weekends. From each of these encounters I have taken a lot. From this perspective, many are involved in this book, including Professor Herbert Kroemer, who is Nobel Prize laureate (2000) in Physics, and Michael Ashby, grandson of Ross Ashby, one of the founders of cybernetics, who I will refer to in this book. However, to list them all would be beyond the scope of this book as well as my recollections.

Essential for this book are the contributions, constructive criticism, and the enthusiasm of Dr. Joachim Crone (Munich), Ines Engel (Asperg), Peter Graeser (Berlin/Freiburg), Dr. Susanne Happ (Bonn), Susanne Moser (Munich), Dr. Astrid Sandweg (Stuttgart) and Thomas Volk (London/Bobingen).

Stuttgart, December 2013

Bernd X. Weis

Content

1	Introduction	1
2	Creative Destruction	6
	2.1 Creative Destruction: Selected Topics	8
	2.2 Creative Destruction: Concepts and Contexts	10
	2.2.1 Entrepreneur and Organization	10
	2.2.2 Protagonists in the Drama "Being Innovative"	11
	2.3 Creative Destruction: Tools	14
	2.4 Creative Destruction: Summary	18
3	Innovation	19
	3.1 Innovation: Selected Topics	20
	3.1.1 Hand-Axes: Example of an Innovation	20
	3.1.2 Cycles of Innovation 3.1.3 Russell's Chicken and BLACK SWANS	21 24
	3.1.3 Russell's Chicken and BLACK SWANS3.1.4 Uncertainties and Probabilities	24 29
	3.1.5 Anomalies and Fallacies	30
	3.1.6 Perpetuations and False Inferences	33
	3.2 Innovation: Concepts and Contexts	34
	3.2.1 What is an Innovation?	34
	3.2.2 Innovation Typology	35
	3.2.3 Innovation Aspect Content: Definitions According to OECD	35
	3.2.4 Innovation Aspect Creation	40
	3.2.5 Innovation Aspect Impact	42
	3.2.6 Life Cycle Models of Products and Technologies 3.3 Innovation: Tools	44 50
	3.3.1 Around an innovation project: Questionnaires	50
	3.3.2 Key indicators of innovativeness	52
	3.3.3 Innovation Platforms	55
	3.4 Innovation: Summary	56
4	Business Models	57
	4.1 Business Models: Selected Topics	59
	4.1.1 Motto of the New Economy	59
	4.1.2 Business Model Innovation: Examples I	59
	4.1.3 Business Model as a System	62
	4.1.4 People in the System: Ecosystem4.1.5 Business Model Innovation: Examples II	67 72
	4.1.5 Business models: Concepts and Contexts	75
	4.2.1 Value Creation	75
	4.2.2 What is a Business Model?	78
	4.2.3 Limiting the Business Model	80
	4.2.4 Target and Time References of the Business Model	82
	4.2.5 Innovation Potential	85
	4.2.6 Develop the Business Model	87
	4.2.7 Intellectual Property (IP)4.2.8 More on Business Model Innovation	90 91
	4.2.8 More on Business Models model innovation 4.3 Business Models: Tools	91
	4.3.1 Purpose of a Business Model	92
	4.3.2 Questionnaires Business Models	93
	4.3.3 Plausibility Check of Business Model	98
	4.4 Business Model: Summary	100
5	Innovation Culture and Innovation Management	101
	5.1 Innovation Culture and Innovation Management: Selected Topics	102
	5.1.1 Motivation	102
	5.1.2 Decisions	112
	5.2 Innovation Culture and Innovation Management: Concepts and Contexts	123
	5.2.1 Culture, Organizational Culture, Innovation Culture	123
	5.2.2 Innovation Management5.2.3 Metrics of Innovation Performance	135 147
	5.2.4 Innovation Management Must Fit	147
		140

	5.3 Innovation Culture and Innovation Management: Tools	150	
	5.3.1 Organizational Culture and Innovation Culture	150	
	5.3.2 Innovation Management	152	
	5.4 Innovation Culture and Innovation Management: Summary	160	
6	Invention	161	
	6.1 Invention: Selected Topics	163	
	6.1.1 Inventing Stories	163	
	6.1.2 Innovation Stories	166	
	6.1.3 Innovation Stories: Example	169	
	6.1.4 Additional Concepts	171	
	6.2 Invention: Concepts and Contexts	174	
	6.2.1 From Idea to Invention (Cloud Phase): Overview	175	
	6.2.2 From Idea to Invention: Marketing Model	178	
	6.2.3 From Idea to Invention: Cost Model6.2.4 From Idea to Invention: Business Case	183 185	
	6.2.4 From Idea to Invention: The Business Case in the Decision Process	200	
	6.2.6 From Invention to Innovation (Module Phase)	200	
	6.3 Invention: Tools	202	
	6.3.1 Strategy Tools	205	
	6.3.2 Other Financial Indicators to Complement the Business Case	210	
	6.4 Invention: Summary	213	
7	Creativity	214	
•	7.1 Creativity: Selected Topics	216	
	7.1.1 Creative Process	216	
	7.1.2 Bohm's Dialogue as Creative Process	218	
	7.2 Creativity: Concepts and Contexts	222	
	7.2.1 The Thinking Creative Human	222	
	7.2.2 Tasks and Goals	224	
	7.2.3 Scenarios	227	
	7.3 Creativity: Tools	233	
	7.3.1 Time to be Creative – Preface	233	
	7.3.2 Brainstorming	234	
	7.3.3 Brainwriting	235	
	7.3.4 Mind Map	236	
	7.3.5 Bisociation	237	
	7.3.6 Morphological Analysis7.3.7 Osborn Method	238 239	
	7.3.8 Reversal Method	239	
	7.3.9 Six Thinking Hats	240	
	7.3.10 Syntegration	241	
	7.3.11 World Café	243	
	7.3.12 Scenario Technique	243	
	7.4 Creativity: Summary	244	
8	Outlook	245	
Re	References		
	Index of Persons		
Index of Organizations			
Index of Definitions			
Index			
IIIUEA		258	