

Top 10 Innovation Killers

Want to cripple your ability to innovate? Here are some sure fire ways to do it.

Not Knowing What You Want to Achieve

If you don't know your destination, any road will get you there. What kind of innovation are you seeking? A more slippery coating on your catheter? A more reliable and cost-efficient approach to remote patient monitoring? A systematic process for discovering available new technologies relevant to the markets you serve? Your objectives matter a great deal; are you trying to solve a very specific technical problem or do you wish to improve an internal business process? There is no point in trying to innovate unless and until you can *precisely* define what you are trying to achieve.

Not Understanding Customer Needs and Wants

Who does not agree that unmet needs must be discovered – i.e. problems must be defined – before responsive solutions can be invented? Everyone. But you wouldn't know it by examining some of the products that reach the market and fail miserably. Not listening to customers remains a common shortcoming today. Do they prefer your product in blue? Do they want a product that is easier and more intuitive to use, even though it's more expensive? Would they prefer to pay for your service on a per-use basis instead of repeatedly signing up for annual subscriptions? There is no point in trying to innovate unless and until you know *precisely* what your customers really want and are willing to buy.

Ignorance of Clinical and Healthcare Economics Trends

Fail to pay attention to what's happening "out there" at your peril. You will not succeed if you have solved a 1990s clinical problem in 2011 at a price that will far exceed 2012's insurance reimbursement. Maintaining awareness of worldwide clinical and economic landscapes is essential today. And, it's not just for large companies. Small firms, and especially startups, must be keenly aware of the future in which they hope to exist.

Over-Reliance on Internals

This is the all-too-familiar not-invented-here syndrome. Yes, it's still prevalent. "Our staff knows everything there is to know about our technology, product and market domains." This is a prescription for enterprise failure. The arrogance of the NIH attitude is remarkable: "Our 'gang of 15' knows more and will always know more than the other 40 industrialists, 100 academics and 20 consultants in our space. So we soldier on to innovate with our own team." Good luck with that!

Over-Reliance on Familiar Externals

"No NIH here – we reach out to our regular expert advisors all the time." This is certainly a step in the right direction, but will it allow you to (excuse me) think out of the box? Perhaps repeatedly using your scientific advisory board or the clinical experts

you've used forever will leave you unable to achieve disruptive innovation. If your current outside advisors can readily reach out to a broader community, that's great. If not, consider trying someone new.

Inability to Reach Out Effectively

So, how do you go about reaching out when that's the right course to follow? As I've suggested, you may not be well served by your usual advisors. In my view you need to find a way to tap the knowledge and experience of a broad array of resources in your general domains of interest, people you do not necessarily know today. There are several ways to do this. You can find certain experts by means of referrals or an Internet search, or you can try aggregators like InnoCentive, NineSigma or Alibaba. Perhaps you know of a consulting firm or two that can assist in making the connections you need. Learn about all these options and use the ones that make sense in each case.

Poor Assessment of External Resources and Ideas

In some ways this is the most important innovation killer. When presented with outside experts, apparent problem solutions, or new technologies, you obviously need to assess their merits – essentially separate the wheat from the chaff. Can you do this reliably? Let's face reality: Most commercial enterprises cannot possibly objectively evaluate all the resources and ideas that originate from their external networks. Too many issues get in the way, including their sheer volume, corporate politics, or internal biases. You may have installed an assessment infrastructure that works well and speedily; more likely you have not. Consider seeking out third-party support.

Ignorance of the IP Landscape

Ask any professional investor about their most important decision criteria. They will likely say “people and intellectual property”. As you assess technologies that come to you in response to your advertised need or that come in over the transom, you should be asking questions like a professional investor: (1) Who, or what organization, is behind the invention; (2) is the invention protected or protectable; and (3) would I have freedom to operate within my domain of interest? Large commercial organizations employ internal staff or contract patent specialists who can assess the strength of claims and the competitive intellectual property landscape. Small companies should seek out ad hoc assistance as needed. Ignorance will not be an excuse if you find yourself on the losing side in a court battle.

Exploitive Deal Negotiations

Large self-important companies sometimes kill innovation in their dealings with small technology providers in industry or academia by their greed and overbearing style during negotiations on deal terms. Often the inventor is quite desperate or just wants to deal with the biggest fish in the pond, so this unsavory behavior actually works. Just as often it does not, and the inventor moves on to commercialize the invention with another partner. So my advice is to play nice. You will lose fewer deals that might have been favorable for all concerned.



Poor Relationship Management

Of course signing a deal is just the beginning. The process of commercializing an idea – turning an invention into cash – can be arduous and stressful. Both partners need to maintain a productive, mutually beneficial relationship throughout this process. If it's a simple licensing deal, the process won't last long. If it's a manufacturing or distribution partnership, the process can last a decade. There are too many ways the relationship can get off track, thereby restricting both partners' opportunities for success. Work hard at continuing, respectful relationships.

Here's to your avoidance of these traps and your innovation success!

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