

Innovation

Q+A with IDEO: Six Critical Innovation Qualities

The Creative Difference tool helps identify and measure qualities crucial for innovation.



For more than two decades, IDEO has been helping organizations come up with industry-leading breakthrough ideas — famously designing the first manufacturable mouse for Apple. Now, the global design and consulting firm is providing teams with a new tool. The [Creative Difference](#) tool measures six qualities IDEO describes as critical to innovation. 360 sat down with David Aycan, managing director of IDEO Products, to learn more about how to foster creativity and [innovation in the workplace](#).

360: Why did you decide to move from cultivating innovation to measuring it as well?

David: A big part of what IDEO's been working on is how to scale impact in organizations and help them drive change on their own. Our history is product and service design. Yet, for years we've been asked to help build innovation capabilities within organizations. We've gotten better and better at doing that, but we've realized there's only so much you can do with boots on the ground.

We shared a number of ideas with some of our biggest clients, including executives and leaders trying to work on innovation. What came up over and over again is that their teams are struggling to figure out where to focus in order to take their practices to the next level. They want to be customer-centered or challenge the status quo, yet the tactical steps to get it done are challenging.

360 REAL TIME PODCAST

IDEO Measures Innovation to Enhance Team Effectiveness: Hear how to cultivate innovation and surprising insights from IDEO's Creative Difference tool.

We saw a need to help unpack where teams are and help leaders focus on the factors that are going to move the needle. That set us on this journey of saying, "Well, what are those factors? Can we measure their impact on teams and team effectiveness? And then, can we give leaders concrete actions to help take their organizations to the next level?" That's essentially why we built Creative Difference.

360: The six qualities you eventually decided to measure with Creative Difference are really interesting. Is there a quality you identified as being most impactful?

David: We're learning that *empowerment* is the most powerful lever. Empowerment is about creating a clear path forward for people and trusting them to do the right thing. It's about giving them the right tool kits, helping them understand how to tackle creative challenges, and letting them use their own judgment to solve problems as a team. When people understand that there is a clear way for ideas to move forward and that they have access to the methods and tools to get them to go forward, they're much more likely to actually put energy and time into these efforts to innovate.

360: Tell us about the other five qualities. How do those fit together?

David: First is *purpose*. Basically, does your organization have a clear reason to exist beyond making money? It's saying, "Of all the things we can do in the world, why would we do this one versus another?" That's a huge advantage in terms of sending people on a common mission. It really fires people up and helps them bring their best selves to work.

The next is *looking out*. What we see is that people love to sit around a table and debate. And we see the effort of navigating internal processes and politics eats up a ton of people's energy and time. What we see in big organizations, as they mature, is that they forget to glance outside and see what their customers really value. Organizations that do this well have sensors out in the world to bring those stories into the organization so that people inside can really understand their customers and their market.

Interestingly, in companies that are looking out well, there's no shortage of ideas. The challenge usually becomes, how do you prioritize? Many organizations do technical prototyping or piloting, but a lot of them are missing out on *experimentation*, a faster way to explore ideas. Experimentation is having a good and fair framework to test ideas in lightweight ways. Through experimentation, you can determine how to move forward and invest in ideas appropriately and fairly in ways people can really understand.

Collaboration is about getting multidisciplinary teams together to work on challenges in agile ways. We see that teams that work in parallel are much more effective than those that work in series. So, instead of just saying one function has a go, then handing it off to the next function — in which case anyone might suddenly raise a red flag — you get people ideating and working together. It has a massive impact on team effectiveness.

Finally, we look at *refinement*, which is investing in craft and creative problem solving through technical execution. We find that organizations often have this artificial division in their heads between the upfront creative process and the execution process. In reality, that's a blurred line. Just because you have a great idea that's validated doesn't actually mean it's going to be an elegant solution that fulfills the initial purpose. You need to give the people in charge of execution the time to problem solve against technical challenges that emerge so they can solve those problems effectively.

360: For teams who master some or all of these qualities, how big a difference do you see?

David: What we've seen is that if you have teams that get the basics right, they don't even have to be excellent in each creative quality. Teams that master some of these fundamentals are three to five times more likely to meet their stated objectives than teams that don't. This has a massive impact on how likely teams are to reach their goals or launch successful solutions.



The Creative Difference team at work in IDEO's San Francisco office. (Courtesy: IDEO)

360: How important do you find the work environment in relation to the principles that you discovered?

David: We definitely see that the most creative and innovative organizations have spaces that represent those qualities. We dug a little deeper into our space-oriented data and we were surprised by how crucial energizing spaces are to the effectiveness of teams. We found that organizations that prototype effectively and have high experimentation scores have dedicated spaces to do those things. You can't expect people to try things, build new ideas, and test them if you're not making the resources and spaces available.

We looked at a bundle of factors — spaces that represent customers, have room for prototyping, and highlight relevant technologies. We saw a more than 45 percent improvement in the effectiveness of teams that were in the 90th percentile in terms of having energizing spaces, compared to those that were below the 50th percentile. We were pretty shocked to see how big an impact the environment has.

360: It seems you're still finding new insights from this data. Do you expect the learnings to continue to grow?

David: We've been observing how effective these qualities are for decades now. It's been nice to explore the data behind them and to learn ourselves. There are a bunch of techniques that we know work, but there's still a lot more to learn about the specifics of setting up teams and how frequently they use different processes across industries. For example, what types of expertise are best brought together to work on projects? Creative Difference is a treasure trove of knowledge and data.

Hear David Aycan in a [360 Real Time podcast](#) discussing more findings from the Creative Difference tool, including insights about distributed teams and how to use these measurements to improve organizational effectiveness.



David Aycan is an entrepreneur and business designer. He leads the development of new ventures for IDEO's Design for Change studio. David is currently focused on helping leaders to build more creatively competitive organizations—companies capable of leading through innovation, adapting quickly to market changes, and effectively improving their operations.

*Photos Courtesy of IDEO

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