Qian Hu chairman Kenay Yap (second from right) and Biosensors International chairman Lu Yoh Chie (extreme right), at the last Business Excellence Awards. Their firms are among the well-known award-winning ones which practise good synergistic innovation management.
Paving the S’pore path to innovating professionally

This will make organisations more profitable and the Republic a truly smart city

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A part of Singapore’s national efforts to prepare its citizens for the demands of the knowledge-based society and to nurture the city-state’s economic clusters, educational institutions continue to roll out new master degree programmes ranging from business analysis to clinical investigation. An interesting case in point is the management of innovation.

The term innovation refers to the implementation of a new or significantly improved product, service or process that meets customers’ needs at an affordable price. Examples include mobile phones with GPS map capabilities, digital marketing methods (social media), new organisational methods in business practices such as open innovation and so forth. The word itself is derived from the Latin word novus (“new”) and innovare (“something newly created”). Innovations can range from small incremental improvements, such as Nintendo’s extension of the Game Boy, to radical breakthroughs, such as Japan’s battery-powered Pills.

While innovation forms part of the innovation process, the latter goes far beyond invention because it involves the critical process of commercialisation so that new products, services or processes can subsequently be introduced into the market.

As in the case of a root-canal treatment or when it comes to patching up a wound, making innovation work is about listening to the professionals.

While this may sound like common sense, it is arguably not common practice. Although empirical studies about the number of professionally educated “chief innovation officers”, “innovation development managers” or “organisational excellence specialists” in Singapore-based organisations are hard to come by, anecdotal evidence suggests that concerns about their organisations’ ability to innovate effectively do keep many chief executives awake at night as “real” innovation talent is still rare.

Can corporate Singapore afford not to innovate profitably? The answer is obvious. Whether smart(er) business models, smarter traffic, smarter hospitals, smarter banking or smartphone apps, innovation opportunities exist across all sectors of the economy but are not always seized due to the lack of awareness of strategic innovation know-how.

There is also reluctance at times to utilise available support schemes provided by government agencies such as Spring, which supports a wide range of capability upgrading initiatives for SMEs as part of its Capability Development Grant (CDG) scheme, and the Workforce Skills Qualifications (WSQ) training programmes funded by the Singapore Workforce Development Agency, which are customised to develop deep, vertical and horizontal skills across various industry disciplines and job functional areas.

There are other award-winning firms which practise good synergistic innovation management: Hewlett-Packard’s Innovative Technologies (Jan Hui) and Singapore Airlines with their differentiation through service excellence, innovation and superior levels of operational efficiency. What does it take so that more organisations’ senior management systems, which deliver the desired innovation results consistently with similar levels of cutting-edge professionalism?

One strategy to target improvements in innovation work is to attract, retain, develop and reward professionally trained innovation specialists who are able to think beyond current paradigms and to turn strategically sound innovation ideas into tangible new products, services, processes and business cases.

Provided they have received proper competency-enhancing innovation management education, they will be instrumental in managing commercialisation challenges and market launch with confidence, whether they work for MNCs, financial services firms, statutory boards, hospitals, government agencies or small and medium-size enterprises. And once the market has accepted the innovation, those specialists will know how to accelerate further growth and create sustainable value through appropriate business development, risk management, financing and value extraction strategies.

To support the innovation culture and, in particular, innovation for service excellence, the Singapore Workforce Development Agency (SWDA) is offering up to 100 scholarship places for the Singapore Management University’s Master of Science in Innovation (MSI) Programme under its Service Excellence-Step Skills Training for Excellence (Programme) funding initiative.

Creating value

“Step” is an initiative by the Ministry of Manpower and WSBD to help professionals, managers and executives (PMEs) update their skills, knowledge and expertise to remain competitive in today’s global business climate.

Pledged up to 90 per cent of the M1 course fee, the Service Excellence-Step Scholarship aims to provide a progression pathway for service leaders and champions who are keen on advancing their careers in the field of service innovation.

Service innovation is just one of several areas where strategic innovation (or “white space”) exists. Other innovation forms include product innovation (eg D’วย’s intelligent toothbrush), process innovation (eg Walmart’s product distribution system) and business model innovation (eg Amazon’s single-click ordering).

And then, there are the various types of innovation such as radical innovation (eg Samsung’s flat-screen TVs with new LCD technology), architectural innovation (eg Sony’s Walkman), which was based on reconfiguring existing components in a new way, and incremental innovation (eg Apple’s iPhone Mini/Max).

Properly trained innovation profession-als will be able to drive managed innovation on the basis of winning innovation strategies and a balanced innovation portfolio, comprising both front and back-end innovation.

Innovation experts know how to create real value for customers and to capitalise on that, ensuring that the organisation retains some percentage of the customer value it creates to secure transaction of the new online stream. A good example is LinkedIn whose revenues are based on the premium subscriptions it sells to users. Its talent and marketing solutions are attractive to recruiters as well. As the war for talent continues, it is likely that demand for its services will further increase.

Besides the need to support business managers in driving their innovation teams to greater success by effectively organising internal (or open) innovation management systems, there are other target groups that would benefit from systematic innovation management programmes, such as engineers, scientists and designers (by equipping them with commercialisation skills), entrepreneurs (to enable them to apply design thinking principles), fresh graduates (who can reap benefits if they are paired with experienced business mentors, health professionals (to leverage new developments in connectivity and monitoring) and social entrepreneurs who wish to dive deeper into the world of sustainable innovation on the basis of new social models.

Seeking available opportunities for innovation management education here will not only be instrumental in making organisations more profitable but also help to further improve Singapore’s status as a truly innovative, livable smart city.

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