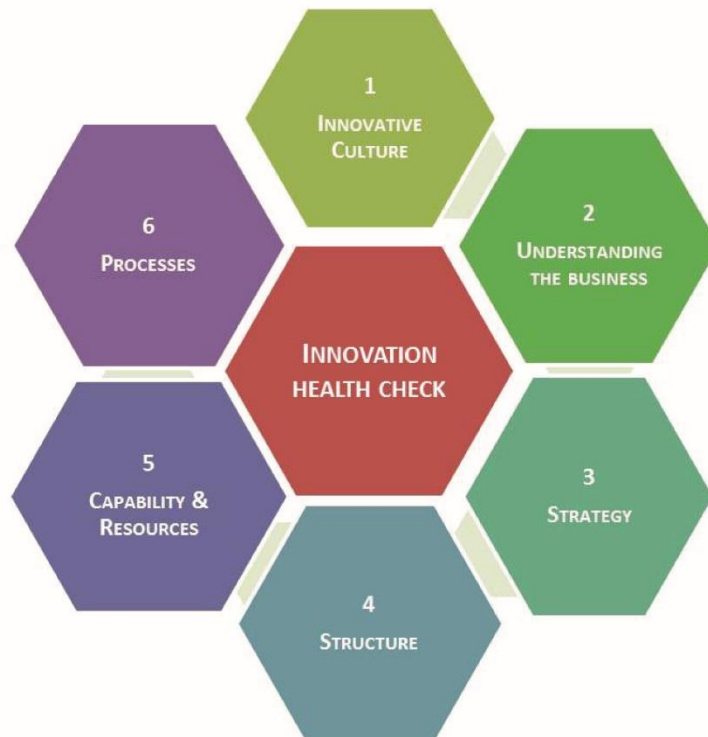


INNOVATION HEALTH CHECK Questionnaire

Benchmarking of the Innovation Process



Introduction

The Innovation Health Check will help establish how 'Innovation' oriented your company is. Long term studies have shown that at least 50% of companies who do not actively innovate have ceased to trade after 10 years. The innovation Health Check is designed to evaluate your innovation process. It looks at how the process operates from the outset, capturing customer needs (stated and un-stated), idea generation, concept development, product/service development up to the commercial realisation stage and all steps in between. The Innovation benchmark will explore how this process is impacted by company culture, business strategy & structure, the company capability & resources and the level of innovative processes that are in place.

Innovation in a business sense involves doing something new for commercial gain and or competitive advantage. There are different degrees of newness:

- New to the company
- New to the industry sector
- New to the world

Innovation should involve a holistic approach and can include:

- Creativity
- Non-technical development
- Invention
- R&D
- Leveraging developments in science & technology

Many innovations do not involve technical development either directly, or at all – such as development of a novel business model. There is a vast amount of existing knowledge we can use for innovations. Technology development and technology integration can be important for some companies and for this a well-functioning applied research activity is needed.

Research shows that many people have an incomplete understanding of innovation. Many companies equate innovation with the development of new products, but new process or service innovation may be more relevant. In an Innovation context 'new product development' on its own may provide little or no return.

A good definition of Innovation is
'Innovation is the successful exploitation of new ideas'

Would you recognise successful Innovation?

Successful innovation has the potential to add value throughout the entire business. It's essential to follow a course of actions that produce ongoing improvement. It is essential to observe and measure throughout the Innovation process. A system of metrics and decision gates will objectively show your progress and success each step of the way – **Plan, Do, Check, Act**.

Innovation can be found in many areas of the business. Successful businesses can be built and grown by developing customer offers in a number of areas of business such as those identified below,

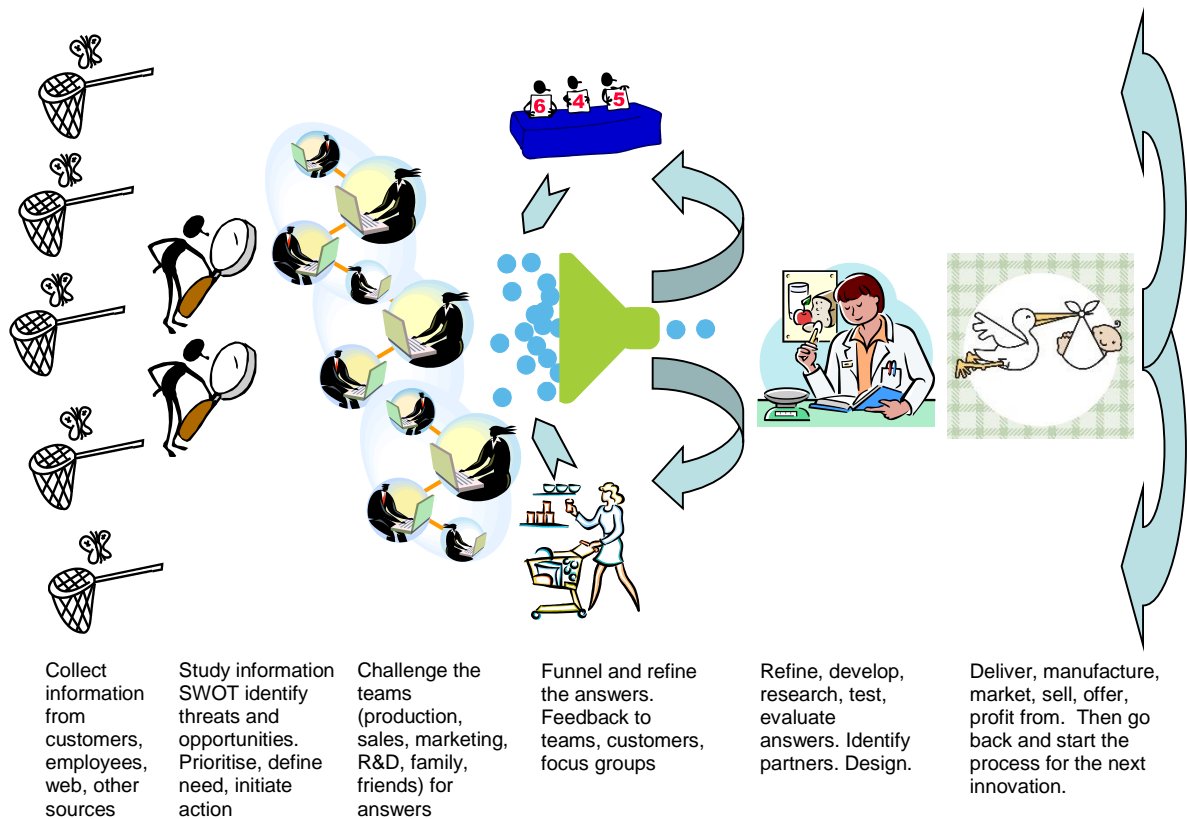
What are the benefits of paying more attention to Innovation?

Changing things within the company can be an expensive business since it soaks up resources, may disrupt commercial activity and can lead to uncertainty and difficulty. The intended pay-back is in enhanced commercial performance delivered by efficiency savings, greater reliability with less rework, better margins and expanded markets.

By having a more highly developed innovation system within the company, the downside costs can be minimized and planned, timelines can be shortened and successful commercial outcomes more likely. The most successful companies have all, to some extent, reinvented themselves over time to respond to changing opportunities and threats. Not only that, but they recognize that change is constant and that forward planning and a systematic approach pay dividends.

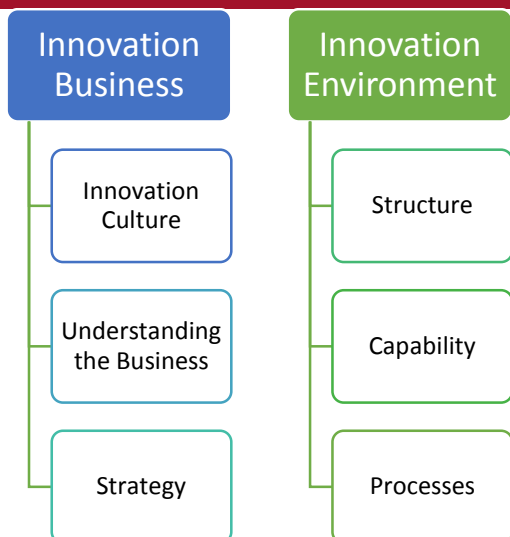
Areas of Business	Innovation Focus	Innovation Drivers
Finance		♦ New business models to give better results
Business Model	How you make money	
Network & Alliances	How you join forces with other companies for mutual benefit	♦ New customer experiences
Offerings		♦ Creation of new markets / new channels to market
Product Performance	How you design your core offerings	♦ Better positioning and branding
Product System	How you link/or provide a platform for multiple products.	
Service	How you provide value to customers and consumers beyond and around your products.	♦ Extension of the product range
Process		♦ Reduced labour costs
Enabling Process	How you support the company's core processes and workers.	♦ Improved production processes
Core Processes	How you create and add value to your offerings	♦ Reduced materials usage
Delivery		♦ Reduced environmental damage
Channel	How you get your offerings to market	♦ Replacement of products/services
Brand	How you communicate your offerings	♦ Reduced energy consumption
Customer Experience	How your customers feel when they interact with your company and its offerings.	♦ Conformance to regulations
		♦ Improved quality

As can be seen from the above Innovation has the potential to add value throughout the entire business. If an Innovative culture is successfully embedded it results in 'Innovation as being everyone's job' resulting in ongoing measurable improvements. This will deliver improved company performance, customer satisfaction and ultimately increased profitability.

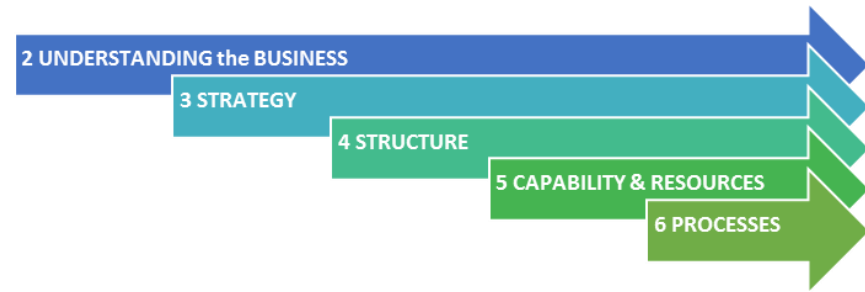


Company Profile

Company Name				
Date of Facilitation				
Product/Service Description				
Company Establishment Date				
Facilitator				
Country				
No. of Full Time Equivalent (FTE) Employees				
Turnover <i>Tick box in one or both of the more than & or less than options</i>	More Than €k		Less than €k	
	250		250	
	500		500	
	1000		1000	
	3000		3000	
	5000		5000	
	10000		10000	
	30000		30000	
Benchmark Ref				
NACE Code				



Innovative Culture	Structure
<p>Innovation culture is the first of six parts to this questionnaire. It is important because without the right culture in place, it is difficult to implement and sustain a proactive innovative approach to company growth.</p> <p>There are three broad themes:</p> <ul style="list-style-type: none"> ♦ Environment for innovation including motivation and ambition to grow ♦ Management style, company leadership and openness to change ♦ Managing success, learning from failure, managing & tolerating risk including an appropriate reward structure. 	<p>Structure is the fourth part of the questionnaire. It is important that the company is structured in an appropriate way to achieve its strategic goals.</p> <p>The broad themes are:</p> <ul style="list-style-type: none"> ♦ Organisation of resources involving team working, effective communication and knowledge sharing ♦ Appropriate empowerment and management of staff ♦ Appropriate processes to best manage different areas of businesses such as sales, marketing, operations and R&D etc.
Understanding the Business	Capability & Resources
<p>Understanding the business is the second part of the questionnaire. It is important that the company has a clear understanding on all aspects of the business and how they impact on performance.</p> <p>The broad themes are:</p> <ul style="list-style-type: none"> ♦ Gathering information on customers, markets, competitors and technology trends ♦ Analysing information to identify threats and opportunities ♦ Identifying sources of competitive advantage for your company 	<p>Capability and Resources is the fifth part of the questionnaire. It is important that a company has sufficient financial resources, the capability to achieve its goals, identify gaps and establish appropriate skills.</p> <p>The broad themes are:</p> <ul style="list-style-type: none"> ♦ Appropriate skill requirements are identified and satisfied through training or acquisition ♦ Resource requirements are identified such as equipment, third party support etc. ♦ Suitable systems and processes are identified to minimise waste
Strategy	Processes
<p>Strategy is the third part of the questionnaire. It is important for the company to have a clear view of how it will grow and to focus its resources to maximise its return.</p> <p>The broad themes are:</p> <ul style="list-style-type: none"> ♦ Define objectives and goals based on the identified sources of competitive advantage ♦ Strategic planning, looking at a wide range of product/market ideas to define a business model ♦ How to link innovation strategy with the overall company strategy and the use of appropriate tools to improve company performance 	<p>Processes is the sixth and final part of the questionnaire. It is important to give structure to the innovation process and to be able to evaluate outcomes in a timely manner.</p> <p>The broad themes are:</p> <ul style="list-style-type: none"> ♦ Developing and managing ideas from inception to commercialisation ♦ Systems that allow timely and stage-gated evaluation of development projects including post project reviews ♦ Use of business and innovation tools with appropriate linkages to third level colleges, customer supply chain, competitors and potential licence partners etc.



1 Innovative Culture

Innovation culture is the first of six parts to this questionnaire. It is important because without the right culture in place, it is difficult to implement and sustain a proactive innovative approach to company growth.

There are three broad themes:

- Environment for innovation including motivation and ambition to grow
- Management style, company leadership and openness to change
- Managing success, learning from failure, managing & tolerating risk including an appropriate reward structure.
- Managing success, learning from failure, managing & tolerating risk including an appropriate reward structure



1.01 Innovative Environment & Motivation

SCORE

Is the environment in the organisation one where people know that they can put forward innovative ideas and expect support? Are all staff motivated with shared enthusiasms for new ideas? Can staff try new ideas without being held back by fear of failure? How are innovations encouraged?

1	2	3	4	5
New idea generation is a management function. Staff are allocated tasks in implementation and delivery.	Innovations are encouraged but originator generally takes responsibility for risk of failure. Little collaboration across departments. Management control the process.			Staff & management actively exploit new ideas. Ideas are encouraged, supported and funded. Risks are minimised through the application of tools and processes.

NOTES

1.02 Ambition to Grow				SCORE
<p>Your business is either growing or dying, so if you are only trying to maintain your market share, then it is the latter. Your growth ambitions must by their nature be high and wide in their scope.</p>				
1	2	3	4	5
<p>Our ambition is to survive in this very competitive market. Growth will be incremental in line with market growth.</p>	<p>We have a 3 year plan with ambitious targets for growth. However, our history of achieving targets has been mixed.</p>		<p>The company has significant plans to grow and lead in the sector. We usually achieve our annual targets. Our horizons for growth opportunities go beyond our current market sectors.</p>	
NOTES				

1.03 Leadership			SCORE
Do the leaders know where the business is going? How good are they at articulating the vision and bringing their people with them? Leaders need not necessarily be management.			
1	2	3	4
The role of management is to control operations and set tasks. All decisions are made by senior management.	Our leaders have a clear plan for the direction of the business. The plans are normally shared beyond senior staff and hence create no difficulty when enacted.		Our leaders create a clear vision and communicate it consistently. Staff are empowered to work towards achieving the vision while setting clear targets to measure success.
NOTES			

1.04 Management Style	SCORE
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A company's management style should encourage the sharing of knowledge through teamwork along with openness so that there is a questioning of issues without feeling threatened. There is strong interaction by staff into management decisions.

1	2	3	4	5
Management decisions are made clear to staff. There are no mechanisms for consulting staff on strategy or operations. Management control all aspects of idea development	Management allow staff to input on planning and decision making, but retain control. Some level of delegation of actions.		There is an inclusive approach to planning and decision making. Active discussion, with a strong influence by staff, exist. Management actively delegates and encourage participation.	

NOTES

105 Openness and Attitude to Change					SCORE
<p>The level of openness and trust in a company will help to guide its attitude to change. Change needs to be managed and issues discussed openly and fully. Openness leads to trust which leads to greater staff flexibility.</p>					
1	2	3	4	5	
<p>Communications between management and staff are generally formal and demand-driven. Change is usually effected through local bargaining.</p>	<p>There is a certain level of openness and trust which allows small changes to go through quickly. Bigger changes need to be managed more closely.</p>			<p>Change is something we are good at and work on throughout the company. There is an openness here where issues are discussed and solutions found with everyone involved.</p>	
NOTES					

1.06 Learning from Successes and Mistakes	SCORE
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Learning from past projects and their problems will help avoid similar problems in the future. A project review process is required as part of the innovation process? How are the learning outcomes captured? How is learning disseminated and shared for maximum impact?

1	2	3	4	5
<p>No specific project review processes are in place. Projects often run over time and budget.</p>	<p>A project review process is in place. A review is not always carried out. Learning seldom goes beyond the project team members.</p>		<p>A formal review process is in place for all projects. Learning outcomes are incorporated into Innovation management procedures. A database of previous problems and solutions is maintained.</p>	

NOTES

1.07 Risk Tolerance				SCORE
<p>How is risk viewed in the company? Low risk gives low returns. High risk can give high returns but the level of success can be low. Getting the balance right is very important.</p>				
1	2	3	4	5
<p>New developments are generally a reaction to market threats. The company is generally risk averse.</p>	<p>The company is somewhat risk cautious. Low level risks are tolerated but higher levels of risk are avoided.</p>		<p>There is a balanced approach to innovation with a mix of incremental change and larger high potential projects. Failure is seen as a learning experience and managed. Successes are acknowledged.</p>	
<p>NOTES</p>				

1.08 Employee Recognition			SCORE
<p>While the level and type of recognition may vary from company to company, people expect a certain level of appreciation. Without it, staff will become less motivated over time. By having a clear rewards system (e.g. small gifts, personal projects, money, access to learning etc.) in place, people have a clear expectation of the system used.</p>			
1	2	3	4
Innovation is a normal part of the job role, therefore additional reward and recognition is not considered necessary.	People are individually acknowledged when they make a significant contribution to innovation with a small reward when exceptional.		<p>A reward system is in place for all employees. Everyone in the company understands and appreciates the contributions made.</p>
NOTES			



2. Understanding the business

Understanding the business is the second part of the questionnaire. It is important that the company has a clear understanding on all aspects of the business and how they impact on performance.

The broad themes are:

- Gathering information on customers, markets, competitors and technology trends
- Analysing information to identify threats and opportunities
- Identifying sources of competitive advantage for your company



2.01 Understanding the Customer				SCORE
<p>How does your organisation capture the voice of the customer? Are informal means such as employee feedback and customer complaints exploited? What formal mechanisms are there such as market research, customer surveys and focus groups to identify current and future expectations? How is this data used to improve existing services and design new services?</p>				
1	2	3	4	5
<p>The only customer interactions are those associated with the provision of services.</p> <p>There is no direct customer input to the development of new products or services.</p>	<p>Customer feedback is mainly reactive.</p> <p>Efforts are made to translate customer feedback into improved service.</p>		<p>Formal and informal mechanisms are used to identify customer issues.</p> <p>Customers' views and ideas are actively sought throughout the business and acted on.</p> <p>There are multiple points of service engagement with customers.</p>	
NOTES				

2.02 Customer Information	SCORE
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Within your company there is a lot of customer data, their buying habits and product sales data with analysis. How good are you at gathering information from your sales people, customers and competitors?

MK 1.1

1	2	3	4	5
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<p>Apart from some observations from the sales force, there is little customer data collected.</p>	<p>The volume/value of sales through the different markets and channels is known. Sales information is analysed for important customers.</p>	<p>Buyer behavior and sales data is analysed as part of a marketing information system. There is regular consideration of future customer requirements.</p>
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NOTES

2.03 Capturing Customer Feedback

SCORE
MK 1.3

How do you know how satisfied your customers are? Do you carry out any surveys, use focus groups or formal customer interviews? How do you use this data in your business? Is it easy for a customer to communicate with your organisation? How are complaints captured? What is done with complaint data?

1

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3

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No formal procedures for capturing or using customer feedback.

Customer feedback is not formally sought but is captured by sales and service staff.

Customer feedback is used to monitor customer satisfaction.
Feedback is actively solicited and used for planned product & service improvement.

NOTES

2.04 Keeping Abreast of New Technologies / Developments in the Market				SCORE
How do you make yourself aware of changing technologies within your sector? Do you look for the arrival of potentially disruptive technologies and trends?				
1	2	3	4	5
The company has established products and markets with little focus on research.	The company uses industry support bodies, periodicals and trade literature to keep informed of new technologies and developments.		The company regularly attends conferences, industry specific seminars and networking events. Industry experts are utilised. New technologies are proactively sought and evaluated.	
NOTES				

2.05 Segmenting the Market

SCORE
MK 2.2

How do you identify different market segments? Do you differentiate your response based on geographical, culture or industrial sectors etc? Some companies approach segmentation in a different way to the competition by looking at it from a different perspective

1	2	3	4	5
Little or no market segmentation is carried out.	The company recognises market segments exist but product or service remains largely undifferentiated.		Market segmentation is used as a tool to target specific areas or customers. Product or service is matched to the target customer needs.	

NOTES

2.06 How Does the Company Market its Product & Services?

SCORE
MK 2.3

Successful companies have a defined marketing strategy. This defines your customer offer. How do you communicate with your customers and build brand reputation? Companies that don't differentiate themselves from the competition usually compete on price and profits suffer.

1	2	3	4	5
<p>The company relies on its reputation, targeting specific new customers and occasional trade shows. It has no defined marketing programme.</p>	<p>The company has a marketing strategy in place but is not regularly updated. Plans may lack differentiation from competitors.</p>		<p>The company has a well-defined market offer targeting multiple channels. It has positioned its offer and understands how the target market defines value and chooses between vendors.</p>	

NOTES

2.07 Customer Potential

Are you assessing potential customers by gathering data, such as profitability, purchases requirements and potential sales prospects for your company?

SCORE
MK 1.2

1

2

3

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The profitability of customers and target customers is not known and no analysis is carried out.

The company has some idea of which customers have superior profitability and market share.

The company has identified the most attractive target customers and uses a sales and marketing process to develop a pipeline.

NOTES

2.08 Competitor Information					SCORE
How well do you know your main competitors? Where do you get the information such as financial, sales, pricing, product function/performance and customer base?					MK1.4
1	2	3	4	5	
Little competitor information is collected.	The company occasionally looks at pricing, product performance and financial perspective. Information is normally gathered when there is a market change.		Competitor information is gathered and analysed in a structured manner. An information data base is maintained.		

NOTES

2.09 Analysing Competitive Advantage

SCORE
MK 1.5

How do you identify your competitive advantage? Do you use the data gathered on customers and competitors to build a strategic plan? Do you use your technical and commercial capabilities to identify competitive advantage? Do you cover areas such as products, processes, services, markets, technologies, other resources etc.

1

2

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5

No analysis is carried out on competitive advantage.

Informal systems are in place to assess competitive advantage.
Management occasionally assess their competitive position.

Structured strategic analysis is used to identify sources of competitive advantage (internal and external). This is carried out on a regular basis by the company.

NOTES

2.10 Service Innovation					SCORE
<p>The company's service offer is viewed as distinct from the product offer and managed in its own right. How often do you look at new services and innovative ways to deliver to the customer? Service offer could cover logistics, product financing, packaging, personalisation service and maintenance etc.</p>					
1	2	3	4	5	
<p>Little interaction with customers on service issues. There are fixed conditions on sales with a service offer not defined.</p>	<p>The service offer is reviewed and modified in reaction to customer issues and market trends. There are occasional innovations in the service offer.</p>			<p>Commercial return is maximised with service offer matched to customer needs Regular review of the service offer with customer engagement to meet their needs.</p>	
NOTES					



3. Strategy

Strategy is the third part of the questionnaire. It is important for the company to have a clear view of how it will grow and to focus its resources to maximise its return.

The broad themes are:

- Define objectives and goals based on the identified sources of competitive advantage
- Strategic planning, looking at a wide range of product/market ideas to define a business model
- How to link innovation strategy with the overall company strategy and the use of appropriate tools to improve company performance



3.01 Company Objectives and Goals

SCORE
MK 1.8

Has the company developed a well-defined and tested strategy? How is the strategy translated into clear objectives and how will these be achieved? Do all employees know and understand their role in achieving these objectives? Are there KPIs¹ to drive the strategy towards achieving the objectives?

1

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The company sets sales and profit targets to measure performance but there is not a clearly defined growth strategy.

A strategy is in place and a range of financial objectives have been developed. Outside of management, few employees know what is the company strategy and objectives. The strategy may be reviewed from time to time.

The company strategy has been well developed and has resulted in clearly defined objectives and goals. These are communicated, understood and acted upon by all employees. It is regularly reviewed and modified to match the changing environment.

NOTES

¹ Key performance indicator (KPI) is a business metric used to evaluate factors that are crucial to the success of an organization. KPIs differ per organization; business KPIs may be net revenue or a customer loyalty metric, while government might consider unemployment rates

3.02 Future Market Focus	SCORE
---------------------------------	--------------

Unless companies are looking at the horizon (future trends) of their markets, they fail to see emerging trends and how they will change the whole market focus. Occasionally all markets suffer significant disruptive change due to technology or business model changes. These are difficult to predict, unless regularly assessed.

1	2	3	4	5
Markets are served in reaction to customer's needs.	In addition to serving existing customers, occasionally new markets and technology opportunities are explored.			A comprehensive system is used for gathering intelligence on technology and market trends. Scans for disruptive technologies are occasionally undertaken.

NOTES

3.03 Defined Business Model	SCORE
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Business Modeling is an important tool to capture, design, innovate and transform the business. How does your business create a value proposition? Companies can distinguish their business model in relation to product, technology, finance, service, logistics etc.

1	2	3	4	5
The business model has evolved over time. It is based on past experience and industry norms.	A business model has evolved with regard to the business proposition and customer value.			A clearly defined, regularly reviewed, business model exists. This matches the requirements for a viable customer value proposition and sustainable growth.

NOTES

3.04 Strategic Planning

SCORE
MK 1.7

How comprehensive is your planning? Would you describe it as systematic and strategic? What makes it so?

1

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There is no written plan with little or no time given to forward planning.

There is a 3 - 5 year plan in place with inputs from management team and annual reviews.

A regular (2 - 4 times p.a.), comprehensive and systematic approach to strategic planning is used, which is discussed widely and understood throughout the company.

NOTES

3.05 Innovation Strategy in Business Plan	SCORE
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Research shows that 50% of companies that do not innovate over a 10 ten year period, cease trading. From a strategic view, what structures, processes and resources are devoted to developing new products, services, opportunities and ideas? Does the company’s structures support this?

1	2	3	4	5
The business plan does not recognise innovation as a separate element.	The benefits of an innovation strategy is recognised but not formally resourced. Time and effort are invested when issues arise.		The business plan recognises and invests in innovation as an important element of the company's strategy. There are distinct targets for elements such as R&D, business model development, opportunity identification and selection.	

NOTES

3.06 Use of Strategic Tools in Innovation					SCORE
The use of strategic tools in innovation helps companies to understand where they are positioned in the marketplace. This in turn, helps them to identify their strategic direction.					
1	2	3	4	5	
Strategic tools are not used in our innovation process.	Some of these strategic tools are used from time to time to plan our innovation.			Tools such as SWOT ² , PESTLE ³ , technology watch systems and technology road maps are used to plan the strategic direction of innovation.	
NOTES					

² SWOT analysis (alternatively SWOT matrix) is a structured planning method used to evaluate the strengths, weaknesses, opportunities and threats involved in a project or in a business venture.

³ PESTLE stands for - Political, Economic, Sociological, Technological, Legal, and Environmental. The term PESTLE has been used regularly in the last decade or so and its true history is difficult to establish. Various other similar acronyms have been used including ETPS, STEP, PEST, and STEEPLE

3.07 Commitment to Ideas Generation

SCORE

How successful is your innovation strategy in terms of generating new ideas? Successful companies generate sufficient new ideas to meet their immediate needs within the strategic direction set by the company. They will likely have other ideas which are captured and held for further consideration as the strategy changes.

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There is no formal recording of ideas generated.

Ideas when generated can be dismissed without formal evaluation.
Teams meet occasionally to evaluate ideas.

Ideas from all sources are recorded and captured for current and future use.
Ideas are evaluated against the strategy.
Teams meet regularly to generate, qualify and evaluate ideas.

NOTES

3.08 Project Outcome vs Targeted Gains

SCORE

How do you approach the setting of targets? Good companies have a systematic approach to setting specific targets based on customer needs. Sustainable competitive advantage is an integral aim of setting project targets.

1

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There are no set targets at the start of the project.

Targets are set but not regularly achieved

Project targets were met or exceeded

NOTES

4. Structure

Structure is the fourth part of the questionnaire. It is important that the company is structured in an appropriate way to achieve its strategic goals.

The broad themes are:

- Organisation of resources involving team working, effective communication and knowledge sharing
- Appropriate empowerment and management of staff
- Appropriate processes to best manage different areas of businesses such as sales, marketing, operations and R&D etc.



4.01 Cross-Functional Teams

SCORE
MK 3.5

Cross functional teams can help improve the time to market with new products. In small firms this can be done in an informal way. A properly functioning and resourced innovation system within the company should use all the key skills necessary to develop new products or services.

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The use of cross functional teams is not structured and happens only sporadically. There is little formal communication between different departments.

Cross-functional teams are used to some extent. Innovation is normally led by a small team with occasional engagement by others on projects.

The use of cross-functional teams is the norm. There are well tested communication systems in place.

NOTES

4.02 Ownership / Empowerment				SCORE
<p>The use of fully devolved project ownership can greatly enhance employee commitment to idea generation and development. Employee empowerment can enhance the quantity and quality of projects undertaken.</p>				
1	2	3	4	5
Project ownership resides solely in the management function.	<p>Management control project selection, budget and resourcing.</p> <p>A degree of responsibility is devolved for particular actions to staff.</p>		<p>A devolved project ownership structure is in place.</p> <p>Controls are in place and regular reviews of all projects are conducted.</p> <p>There is devolved accountability and autonomy to progress projects between reviews.</p>	
NOTES				

4.03 Organisation of Resources

SCORE

Good companies have a well laid out organisation structure with defined staff roles along with good systems and processes. This allows for good planning and optimal usage of resources which can aid success for the business.

1

2

3

4

5

Resources are allocated in a reactive way as required to meet short term business demands.

Organisational structure is in place with staff roles defined.
Realignment of resources is somewhat reactive to changing demands.

The organisation is structured with defined staff roles matched to delivering the business model.
This structure is regularly reviewed and realigns quickly to changing business objectives.

NOTES

4.04 R&D Structure				SCORE
Structured R&D with appropriate processes are proven to increase the likelihood of selecting better projects and completing projects on time, within budget and with better company outcomes.				
1	2	3	4	5
No dedicated person/team or formal R&D structure in place. Projects are progressed on an ad hoc basis.	R&D responsibility is assigned to a particular person or group with objectives and a budget. It relies on project based support from operational departments. Project reviews are conducted at management meetings.		A structured R&D team is in place with defined objectives, resources and budgets. Control systems are in place to aid good decision making and project management. Regular reviews are undertaken to best use available resources for most advantageous outcomes.	
NOTES				

4.05 Knowledge Capture and Sharing					SCORE
<p>Use of knowledge capture best practices will greatly enhance company planning, performance, future product planning, investment planning and recovery planning. Systems are in place to retain existing corporate knowledge such as skills, know how, I.P. and commercial information.</p>					
1	2	3	4	5	
<p>The company relies on individual staff knowledge rather than formal information systems to capture knowledge and on management sharing available information with staff.</p>	<p>The core staff group use knowledge systems to capture and share key customer, sales and product information.</p>		<p>Well defined knowledge capture & sharing systems are in place. This information is used to improve planning for the future.</p>		
NOTES					

4.06 Effective Communication & Use of Tools				SCORE
<p>For improved project results it is essential that key project information is communicated to all relevant staff so that their relevant aspect of the project plan can be optimised. Extensive research has shown that the use of design, knowledge and business tools can significantly improve project outcomes. Examples are concept selection, value analysis, DFMA⁴ and IRR⁵.</p>				
1	2	3	4	5
<p>No formal communication structures are in place. Communication occurs through irregular project meetings and informal staff contact. Project tools are not commonly used.</p>	<p>Regular project meetings inform staff of key issues but can be affected by other business needs. Some project tools are applied but not in a formal structured manner.</p>		<p>Project management structures ensure timely and effective communication of key project information. This results in better project planning and implementation. Project tools are a key part of the project management structure.</p>	
NOTES				

⁴ DFMA stands for Design for Manufacture and Assembly. DFMA is the combination of two methodologies; Design for Manufacture, which means the design for ease of manufacture of the parts that will form a product, and Design for Assembly, which means the design of the product for ease of assembly

⁵ Internal rate of return (IRR) or economic rate of return (ERR) is a rate of return used in capital budgeting to measure and compare the profitability of investments

4.07 Intellectual Property (IP) Management				SCORE
Is there a policy in place to identify, capture and protect the company's IP (in all its forms – know how, patent, trademark, copyright and brand)? Is due diligence and compliance taken into account during R&D and when acquiring, licensing IP etc.?				
1	2	3	4	5
The company holds very little in terms of IP. There is no need to have a policy to cover IP or conduct an IP audit.	An IP policy (including know how) is in place but it is not fully implemented. Know how in the company may not be recognised or captured systematically.		The IP policy is rigorously implemented and regularly reviewed. Regular IP audits are conducted. All IP is protected as appropriate.	
NOTES				

5. Capability & Resources

Capability and resources is the fifth part of the questionnaire. It is important that a company has sufficient financial resources, the capability to achieve its goals, identify gaps and establish appropriate skills.

The broad themes are:

- Appropriate skill requirements are identified and satisfied through training or acquisition
- Resource requirements are identified such as equipment, third party support etc.
- Suitable systems and processes are identified to minimise waste



5.01 Staff Innovation Skills					SCORE
<p>The innovation thinking and practices of companies can be learned, nurtured and should be updated regularly. Everybody is capable of contributing to innovation. Innovation skills can be learned and should be practiced within the company. Staff have a mixture of skills, experience and knowledge that can be harnessed in a team environment to best effect.</p>					
1	2	3	4	5	
<p>There are no formal innovation management structures, tools or training in place. Some staff have gained tacit experience in innovation skills from working on ad-hoc projects.</p>	<p>There is a limited amount of experience in the company on innovation management which is viewed as adequate. Some staff have practical experience. Limited training on innovation skills is provided.</p>			<p>The company harnesses existing staff innovation skills. It invests in staff learning & development. A team approach is used as are a range of innovation tools. Innovation management structures are in place.</p>	
NOTES					

5.02 Managing the Capability Gaps				SCORE
<p>For an effective innovation management culture to exist, a company should have the following elements in place:- senior management commitment, clear company objectives, invest in staff innovation skills, information systems and allocation of time and resources. The company should on a regular basis analyse their systems and objectives to identify current or future gaps.</p>				
1	2	3	4	5
<p>The company is mainly reactive to its capability shortcomings and tries to find a workable answer as necessary. Gaps are clouded by a lack of knowledge of the process.</p>	<p>The company knows its own capabilities but lacks a clear focus on where it needs to be. It is understood in a broad sense but not clearly defined.</p>		<p>The company's capabilities are analysed regularly to identify current and future requirements. It has a clear picture of where it wants to be and the capability gaps that exist and addresses these.</p>	
NOTES				

5.03 Discipline

SCORE

Companies need to have the right level of discipline in managing innovation so that they balance a number of competing processes. It starts with project alignment of the company's objectives and strategies. Management of the process is equally important to achieve 'on time' completion with the proper governance.

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Maintaining a disciplined approach to innovation is very challenging given other competing demands. Projects often run over in both time and cost.

In managing projects, discipline is usually maintained.
Project deadlines are usually or nearly achieved.
Some improvement could be made on governance and management.

The company has the discipline required to manage project selection and implementation.
There is good governance and alignment with company objectives.

NOTES

5.04 Fire Fighting				SCORE
<p>To what degree does fire-fighting⁶ impact on your company's resources? A high level of fire fighting in the company is indicative of systemic issues that need to be tackled. Good innovation practice would analyse these issues, identify solutions or ways to turn the problem to the company's advantage.</p>				
1	2	3	4	5
Fire-fighting is an accepted norm in the company.	A level of fire-fighting is accepted in the company but where significant problems arise, analysis and improvement projects are undertaken.		The innovation team regularly analyses customer complaints, production re-work and there are regular improvement projects to ensure that fire-fighting is kept to a minimum.	
NOTES				

⁶ Fire-fighting is the practice of dealing with problems as they arise rather than planning strategically to avoid them.

5.05 Innovation Budget

SCORE
MK 3.8

This question on budgets looks at the level of sophistication. It goes from an ad hoc approach to total integration with the business plan. This budget should allow evaluation of all ideas and prioritisation and resourcing of the best ideas in line with the strategic plan and company return.

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Innovation has no separate budget, the company allocates money in a reactive way.

Planning Innovation is a significant part of the business planning process and budgets are assigned.

Formal budgeting is a systematic process which includes all business process improvements and new product or service development projects.

NOTES

5.06 Devolved Responsibility for Small Projects				SCORE
Companies who allow a controlled degree of devolved resource spend can benefit greater from the quick implementation time for small improvement projects and the empowerment of staff to solve issues within the company.				
1	2	3	4	5
Small projects are progressed based on the normal project structure.	Responsibility for small projects is devolved but the process is stifled by lack of autonomy. Senior management can over-ride the system on occasions in order to fast track a project.		Product development systems are flexible which allows fast tracking of small projects when appropriate. Staff are given a degree of autonomy to quickly enact small projects.	
NOTES				

5.07 Projects - on Time and Within Budget

SCORE

Is there a detailed planning process, that includes interim reviews, defined milestones, stop / go approval points. For every stage of project development, costs escalate significantly. Early analysis and termination of unviable projects is critical.

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Projects are not reviewed in terms of cost & time.

Projects are monitored in terms of the cost and time but targets are regularly missed.

Projects are completed on time and within budget.

NOTES

6. Processes

Processes is the sixth and final part of the questionnaire. It is important to give structure to the innovation process and to be able to evaluate outcomes in a timely manner.

The broad themes are:

- Developing and managing ideas from inception to commercialisation
- Systems that allow timely and stage-gated evaluation of development projects including post project reviews
- Use of business and innovation tools with appropriate linkages to third level colleges, customer supply chain, competitors and potential licence partners etc.



6.01 New Idea Generation

SCORE
MK 3.1

How are new ideas generated? Are ideas encouraged from all staff members on all aspects of the business e.g. process improvement, product improvement, new products, service improvement & new services. Are external sources used? Do you employ idea generation and or problem solving techniques? The necessity to evolve, be more competitive and to improve our products & services is understood. Ideas generated are captured and retained for future use.

1	2	3	4	5
It is difficult to set aside time for identifying new ideas and opportunities. There is no formal process for generating new ideas.	Idea generation is mainly in response to problems. There is a semi-formal structure in place to capture and process ideas.			Idea generation is encouraged across all business areas and from all employees. A variety of idea generation techniques are used as appropriate for ideas, problem solving & improvement projects with internal and external inputs.

NOTES

6.02 Project Screening & Selection Process

SCORE
MK 3.2

The selection process used to examine innovation projects (product, process or service) should be structured and well defined in order to maximise success. Is there a good balance between process, product and or service related projects? What screening or selection criteria do you use? Multiple screening criteria is the ideal including for example, technological, commercial and marketing factors.

1	2	3	4	5
Projects are selected on an intuitive basis rather than selection criteria. The focus is primarily on product or process innovation.	Some criteria to screen the medium or larger scale projects are used, mainly technical and commercial. There is some prioritisation of new development projects with feedback to management.			There is a robust project selection process in place. Multiple screening criteria are used such as technical, commercial and marketing. There is a check on alignment with the company objectives. There is a good balance between process, product and service projects.

NOTES

6.03 Implementation and Commercialisation				SCORE
<p>There is planned and structured interaction with other areas of the business as projects progress, to ensure concurrent development and enactment of the marketing plan, sales team training and operational planning to ensure delivery of quality and optimisation of return. The 'right first time' principals should apply. When projects are organised on a functional basis delays can be experienced</p>				
1	2	3	4	5
<p>Projects are enacted on a functional basis with each area of the business becoming involved as the need arises.</p>	<p>Generally there is co-operation from all areas of the business to deliver projects.</p> <p>Lack of consistency or discipline can mean that certain elements of the project launch plan are missed. This leads to project delays.</p> <p>Poor communication or time pressures are the more common issues experienced.</p>		<p>Multi-functional teams are the norm (marketing, sales, operations and R&D) developing and enacting plans to avoid any unnecessary delays.</p> <p>All areas of the business are made aware of any blockages or obstacles and these are addressed.</p>	
<p>NOTES</p>				

6.04 Measurement of Innovation Success

SCORE
MK 3.9

Do you know how successful your innovation efforts are? What methods do you use to capture innovation successes (e.g. number of projects commercialised, employee participation, team working, no. of ideas generated, productivity improvements, sales growth, increased market share, new markets). Do your innovation efforts increase your competitive advantage? Innovation success provides benefits to the company and employees e.g. secure employment, profitable sales growth, and sustainable company growth.

1	2	3	4	5
The success of innovation efforts is not captured. Successful projects contribute to the bottom line, but are not analysed for their contribution.	Improvements are captured from larger scale projects. There is sense of the benefits gained from large projects but may not be captured for smaller projects.			The company has a 'continuous improvement' mindset. A wide range of methods have been used to capture innovation successes. Employees understand the need for & benefits of innovative activities.

NOTES

6.05 “Time to Market” Performance

SCORE
MK 3.7

How quickly you can develop products, processes, services and get them to your customers. This may determine your competitive advantage. Do you work at reducing "time to market" in a structured manner? Do various departments (operations, marketing etc.) concurrently develop their plans? It is important that alongside the R&D activity, consideration is given to the process required to commercialise product in volume.

1	2	3	4	5
“Time to market” is not normally considered as part of the project plan.	Targets are set for “Time to market” performance, but monitoring may be sporadic.			There is a rigorous approach to reducing “time to market” to create strategic advantage by concurrent development of various aspects of the project. Monitoring of progress at all stages allows corrective action, if necessary.

NOTES

6.06 Continuous Improvement					SCORE
Do you adopt lean principals and seek to continually improve your products, processes and services? Companies that use 'continuous improvement' processes are usually more competitive and profitable than other companies					
1	2	3	4	5	
The systems works well and change is rarely considered necessary.	From time to time some improvement activity is carried out on our processes but mainly product or service focused.		Processes are reviewed in all areas of the business. New ways of doing things are regularly evaluated to seek improvement in business outcomes.		
NOTES					

6.07 Balance Between Portfolio of Projects and Resources					SCORE
Are there enough resources to meet the company's needs in innovation? Resources can be scarce and maybe the potential winning project is postponed					
1	2	3	4	5	
There is little resource to put towards innovation and good projects are hard to find.	The company has sufficient resources to carry out most innovation projects. Shortages in experienced personnel can mean that some large projects get left out.			There are sufficient resources to carry out innovation on all projects that have significant potential.	
NOTES					

6.08 R&D Linkages

SCORE
MK 3.3

Greater use of customers can lead to more relevant products while greater use of suppliers and others can accelerate the process. The involvement of research firms and college research teams can give you access to new technology which can accelerate the R&D process. Engagement with these linkages will vary from project to project.

1	2	3	4	5
There is little involvement with customers, suppliers, 3rd level colleges or research firms on innovation activity.	There is some evidence of customer or supplier interaction which has positive impact on innovation projects.			There is a high level of appropriate customer, supplier and research provider involvement in projects. On occasions there is collaboration with competitors in areas of mutual interest.

NOTES

6.09 Use of Business Tools in Innovation			SCORE
<p>Successful companies use a balanced range of business tools such as Marketing tools (e.g. Ansoff matrix⁷, Portfolio Management, Product Life Cycle ⁸etc) Financial tools (e.g. DCF⁹, NPV¹⁰, Sensitivity Analysis ¹¹etc) and Engineering tools (e.g. QFD¹² methods, FMEA¹³ Value Engineering, Taguchi Methods ¹⁴etc)</p>			
1	2	3	5
Business tools are not used regularly by the company.	A number of business tools are used during the project lifetime, but use is sporadic and ad hoc.		The company uses a balanced range of business tools in a structured way to assist successful innovation development.
NOTES			

⁷ The Ansoff Matrix is a strategic planning tool that provides a framework to help executives, senior managers and marketers devise strategies for future growth

⁸ Product life cycle is the cycle through which every product goes through from introduction to withdrawal or eventual demise

⁹ Discounted cash flow (DCF) analysis is a method of valuing a project, company, or asset using the concepts of the time value of money. All future cash flows are estimated and discounted to give their present values (PVs)—the sum of all future cash flows, both incoming and outgoing, is the net present value (NPV), which is taken as the value or price of the cash flows in question

¹⁰ Net present value (NPV) or net present worth (NPW) is defined as the sum of the present values (PVs) of incoming and outgoing cash flows over a period of time. Incoming and outgoing cash flows can also be described as benefit and cost cash flows, respectively

¹¹ Sensitivity Analysis: This is analysis of an investment's profitability according to various changes. It considers potential changes to interest rates, costs, and/or other variables and measures how this will affect the return on the investment. Sensitivity analysis is a form of quantitative research. It can be useful in making investment decisions. It is sometimes called a what-if analysis.

¹² Quality Function Deployment (QFD) is a structured approach to defining customer needs or requirements and translating them into specific plans to produce products to meet those needs. The "voice of the customer" is the term to describe these stated and unstated customer needs or requirements

¹³ Failure Mode & Effects Analysis (FMEA) is another quality-oriented, statistical process designed to forecast product and process problems so they can be addressed in the design development

¹⁴ Taguchi Method: Quality control methodology that combines control charts and process control with product and process design to achieve a robust total design. It aims to reduce product variability with a system for developing specifications and designing them into a product or process. Named after its inventor, the Japanese engineer-statistician Dr. Genichi Taguchi who also developed the quality loss function.

6.10 Idea Management System

SCORE

Innovative companies often employ an idea management system to monitor & manage ideas in a structured way. Do you have a repeatable ideas generation & rigorous evaluation and selection process? Are you confident the best ideas are selected for further development? Bad ideas are quickly eliminated.

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There is no ideas management system or idea bank in place.
Generally ideas are acted on or lost.

Ideas are handled in a semi structured way based on available resources, with some falling through the cracks.

Ideas are evaluated in a structured way.
The best ideas are selected through a process of generation, collection, prioritisation and evaluation.
Bad ideas are quickly eliminated.

NOTES

6.11 Effective Project Management					SCORE
<p>There is a structured stage gate process in place with an effective project management system. There is involvement of all relevant parties (e.g. suppliers, customers,) with full collaboration across all relevant departments. There is regular review of project status (go/stop/park/refocus) and post project review to ensure lessons are learned and recorded for future projects.</p>					
1	2	3	4	5	
<p>Projects run their course without regular review. The process relies on available time and resource to advance.</p>	<p>Systems are in place for effective project management but not always followed due to day-to-day workload pressure, time & other constraints.</p>		<p>Projects are tightly managed with a structured stage gate process in place. Stop - go gates are in place with defined criteria for projects to proceed to the next phase. Projects are killed, parked or refocused as appropriate ensuring good control & delivery.</p>		
NOTES					

6.12 Post Project Review				SCORE
<p>Do you have a post project review process? How effective is it? Are the learning outcomes captured? How is this learning disseminated / shared for maximum impact? Are processes and future projects conducted differently as a result of the previous project?</p>				
1	2	3	4	5
<p>Post project review is rarely conducted due to business pressures. The main focus is starting the next project.</p>	<p>Post project review is built into the system. If it happens, it is generally team dependent. Cost and time are the main focus. Other learning's from the project seldom go beyond the project team members.</p>		<p>The post project review process feeds into continuous performance improvement. There is good collaboration across all departments with the right people being involved at the right time. The learning outcomes are widely shared and are incorporated into our innovation process and project management procedures.</p>	
NOTES				

