

## The Role of Innovation for Individuals and Organizations

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QUESTIONS AND ANSWERS WITH DESAI CEO, MR. JATIN DESAI

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## Executive Summary

At The DeSai Group, our consulting, learning, and research primarily focus on the question:  
How do we create organizations that add value to customers and investors using innovation?

We are deeply passionate about how organizations can grow, change, build capabilities, learn, remove boundaries, and harvest the available potential of human hearts and minds. Through this passion, we hope to help organizations become [Living Organizations](#).

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In our constant search and research efforts to address the role of innovation in generating business value, we are thankful to our clients, partners, colleagues, industry friends, and other visionaries who share our common passion, and allow us to ask questions that get us out of our 'box'. Recently our CEO, [Jatin DeSai](#) was asked the following questions by a reporter:

### MAIN INQUIRY:

1. What is the game of innovation? Is innovation a game?
2. What are some myths associated with innovation?
3. What are some critical trends individuals and organizations need to know for weathering the economical storm and beyond?
4. Jatin, you say innovation is a critical driver of growth. Isn't all growth done by innovation or do you mean folks stick to tried and true methods for growth?
5. How can innovation help discover what your customers (internal and external) really want?

### SUGGESTIONS ON HOW TO USE THIS INQUIRY:

If you are intrigued with any of the answers:

- 1) Talk about it with others... see what they can 'see'.
- 2) Tell us what you think...send a note to Mr. Jatin DeSai – [jdesai@desai.com](mailto:jdesai@desai.com).
- 3) Subscribe to more such inquiry from DeSai at <http://www.desai.com/icontact.asp>
- 4) Share this document with others...to help them 'zoom'.



## Q&A on The Role of Innovation for Individuals and Organizations:

Q1: What is the game of innovation? Is innovation a game?

A: Yes, innovation is a game. It is a game because it requires knowledge and skills to compete and win in the ever changing markets. Innovation is a game that every business today needs to play to avoid becoming useless or even extinct.

In addition, part of the game of innovation is global competition, the energy crises, economic system failure, poverty, population expansion, and many other mega trends that are here to stay. All of these are converging upon every business sector simultaneously. They are like huge rivers all merging in to one. The turbulence, the waves, and the force created by these mega trends have never been seen by humanity before.

That is why running a business the 'same old way' will only guarantee that its management will end up on a so-called "commodity island" – where everything is price competitive and customers don't see very much difference between that business and the competition. From my perspective as an innovation consultant, I believe that every business must figure out a way to meet every challenge directly or indirectly, with a focus on winning the game of innovation. This means, businesses must learn to experiment, fail, learn from failure, and try something else – until they develop new business acumen to sustain and grow.

The rules of the innovation game have also changed. This is primarily due to two "major" forces: the information revolution and globalization. There is plenty of evidence that shows how these two major trends are shifting consumer buying patterns, local and regional economies, access to education, environmental issues, and the pace of life for everyone.. This has created a more urgent need to invent new ways of doing business and do it faster then ever before. The average life span of a company is shortening and more businesses are failing faster due to these two major trends.

Innovation is generated from the act of being creative. Creativity comes from people. So to play this game correctly and compete in this new age, CEO's must find a way to tap in to the hearts and minds of



employees, customers, suppliers, and partners. Our latest research shows that the most critical new competencies that must be developed and managed in your company culture will be discovery, creativity, influence, implementation, and mindful action. These skills cannot be outsourced and will play more an important role when creating and keeping customers for life.

**Q2: What are some myths associated with innovation?**

A: Among the myths about innovation is that most people think of innovation as an invention or breakthrough products like the iPhone, hybrid cars, green computers, GPS in cars, etc. Another myth is the belief that innovation is only for large companies. Other myths associated with innovation include the idea that innovation is too risky, eccentric, and time consuming to achieve. Some think innovation is only for R&D areas or for high-tech companies and consumer product industries. Some believe that innovation is too costly and that it takes too long to identify areas in need of innovation.

All of these ideas and many more are unfounded. Every organization, for profit or not for profit, large or small, in every function and at every level can greatly benefit from innovation. The key is to understand it, define it for their respective business, and point all innovation efforts towards one of three value-generation business outcomes – to grow revenue, to grow profits, or to grow market reputation.

**Q3: What are some critical trends individuals and organizations need to know for weathering the economical storm and beyond?**

A: There are several trends. For instance, the future of employment does not look good for traditional jobs or regular activities performed in exchange for payment, including computer programmers, bank tellers, customer phone representatives, certain types of nurses and lawyers, and doctors. Those jobs, according to research we have conducted, will be either enhanced or eliminated within the next 5-10 years due to two major trends: Information Automation and Globalization.

Another trend is that most businesses today are 'wired' to create profits, not create new jobs. This is a critical point that is often forgotten. It means businesses will do whatever is necessary to make a profit. They will automate every job task and overlook the passion behind the job which is the human element.



The only solution to the challenge of making a profit versus maintaining valuable employment positions is for individuals to re-innovate themselves. This can be achieved by applying more human skills to existing jobs or developing new skills that cannot be automated or outsourced..

In our applied research, we have discovered that for most organizations considering automation, the answer is the same. In order to survive in business, organizations must rethink how to attract, retain, and grow talent pools with skills that cannot be automated – discovery, creativity, influence, resilience, implementation, and mindful action. These are some examples of competencies which we believe will be in greater demand in the future. At DeSai, we call these the new 'Hyper Skills' needed in every future position.

To compete effectively, businesses will have to focus on the importance of the quality and readiness of their talent. Finally, I believe millions of new jobs will be created, not by organizations, but by creative and innovative people themselves. Those who can figure out how to re-invent their own jobs to keep them from being 'automated or outsourced' will greatly benefit. The period when employers only designed new job positions are about to be eliminated, with more opportunities for those who can create their own job roles and activities to help their organizations.

One last point. I believe a large percentage of workers in the future will need to seek employment outside of the corporate umbrella. I think that individuals who can, directly or indirectly generate income and profits outside of the organization will see the most success in the future. We will definitely be more of an entrepreneurial society.

Q4: You say innovation is a critical driver of growth. Isn't all growth done by innovation or do you mean folks stick to tried and true methods for growth?

A: Most businesses are designed to make profits alone. In our more than 25 years of experience, senior executives seem to pay more attention to the bottom line (profits) and ROI metrics than to top-line growth. Top-line (sales/revenue) growth is much harder to achieve than the bottom line. Most incentives and compensation plans are primarily tied to the bottom line and stock value. I believe this is one of the primary causes of our financial system failure.



Motivation for top-line growth with innovation rarely exists in the business ecology. Innovation, by definition, requires allocation for 'mindful failure' (planned projects for purpose of trial, error, and learning), experimentation, and courage to withstand financial performance pressures. When there is no incentive to grow by innovation, only those real leaders with the highest moral integrity are willing to do it. Here lies the irony of our current economical situation.

Q5: How can innovation help discover what your customers (internal and external) really want?

A: Innovation has very specific management processes. It can be organized and managed in a similar way to every other organizational capability. At our firm, we have created training programs, courses, tools, and methods to teach our clients how to be more creative and strategic for future growth.

One of our tools is designed to discover everyone's own "Innovation Style™"; i.e. what stimulates creative thinking and how people approach problem solving. By understanding this 'human side' of innovation, it is absolutely possible to identify a client's deeper intent (beyond the needs). Once everyone learns how to bring out the best 360° thinking in themselves and from others, the organization can achieve extraordinary success and generate maximum value with assets they already have. This sounds simple, but learning to ask questions tailored to an individual's style is a much more complex. However, once individuals and management in organizations learn the skill of asking the right questions, they will become more successful in determining what customers 'really' want and need.

You can download a full paper (and many other resources) on DeSai's thoughts about

innovation and our framework called "Strategy-Driven Innovation<sup>(sm)</sup>" at

<http://www.desai.com/resources>



## ABOUT THE DESAI GROUP

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DeSai is an Innovation Execution consulting firm, helping our clients build sustainable innovation capabilities for continuous growth.

Our Four Service Domains: To thrive in today's business climate, a business must constantly evolve to nurture the true needs and aspirations of the organization by effectively integrating four critical elements for breakthrough results:

1. **Innovation** – ability to offer new products and services with speed and agility.
  2. **Execution** – to flawlessly deliver on the business promise - with discipline, rigor, accuracy, and commitment.
  3. **Leadership** – ability to create history for where there is none – moving beyond management and bottom line mindset to strategic and long term future thinking mindset.
  4. **Learning** – to develop and grow by harvesting the highest potential of all employees through creativity and engagement.
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199 oakwood avenue  
west hartford, CT 06119  
860-233-0011  
[www.desai.com](http://www.desai.com)  
u.s.a.