**Title: “Guiding the search for innovation”
An HBR Channel Management Tip
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Review draft**

**Video caption:** Thomas Wedell-Wedellsborg, co-author of the HBR Press book *Innovation as Usual*, explains how managers can guide the search for new ideas.

-- TEXT FOLLOWS --

A lot of managers think innovation is about giving people freedom: tell them to think big, have lots of ideas, and not to worry about resources, then the good ideas will come. But in fact, the research into creativity suggests that freedom is a double-edged sword. Giving people complete freedom to innovate will increase the chances they’ll get a *really* original idea, but it also means you’ll vastly increase the number of ideas that are mediocre, bad, or just plain irrelevant to your business.

As we wrote our book “Innovation as Usual”, my colleague Paddy Miller and I spent a lot of time examining how managers succeeded – or failed – at creating better results through innovation. Our conclusion was clear: Focus beats freedom. Managers are often better off giving people a clear and limiting focus in the search for new ideas. Let’s take a look at some ways you can direct the search for innovation.

**GFX: DESCRIBE THE OUTCOMES YOU WANT**

First, tell people what counts as a good result for your company, so they can focus their efforts accordingly.People can get creative about a number of things — pleasing customers, attracting talent, improving quality, — but from a strategic perspective, some outcomes will be much more important for your business than others. Tell people what to aim for.

**GFX: POINT PEOPLE TOWARDS PROMISING OPPORTUNITY SPACES**

Second, point people towards what I call opportunity spaces. An opportunity space is an area where you believe there’s a greater potential for finding value-adding ideas – like a new technology, an unsolved problem, or a customer segment that’s been ignored by competitors. In the Swiss life sciences company Lonza, one of their products had come under heavy price pressure. So the management team told their employees, “We need an idea that can create cost savings of at least 30 percent” – that’s the outcome – “and we want you to focus on the manufacturing process, because that’s where we believe the greatest gains can be made.” Within a few weeks, Lonza’s people had identified a new process that turned the failing business into a highly profitable one. If you have a good guess as to where the treasure might be hidden, tell your people where they should start digging.

**GFX: SHIFT THE SEARCH SPACE**

Third, shift the search space away from ‘the usual suspects, ’like new products or services. Often, the big-impact ideas are hiding elsewhere in your business model. In our book we talk about Go Travel, a British travel accessory company that became a market leader by innovating their merchandising strategy. The turning point happened when their Managing Director, Glenn Rogers, said, “Wait a minute, we always focus on developing new products. How about the point of sale?” Like Rogers did, examine your value chain and ask people to look for ideas in areas that normally don’t get attention.

**GFX: CLEARLY DEFINE THE NO-GO AREAS**

Finally, make it clear where people are NOT allowed to get creative. In one company I worked with, the manager encouraged his employees to take more risks and celebrate their failures. The strategy backfired, because a few months later, he had to fire two people for breaching the company’s ethical guidelines. When you ask people to innovate, be very clear on the no-go areas. You’ll vastly increase the chances that their ideas will make a *positive* difference on the bottom line.

Guiding the search for innovation at your company requires a focused approach, one that balances freedom with structure. By setting clear and specific goals for your employees, you’ll likely find your workplace a more creative and productive space.