5-Step Guide to De-Risking Innovation

FOR MAXIMUM ROI + IMPACT

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Introduction

Innovation is the driving force behind progress, propelling businesses into new horizons and reshaping entire industries. These initiatives can be as far-reaching as a new company direction or a digital transformation that touches every corner of your business. Yet innovation is more often small, targeted changes, like experimenting with a new service offering or expanding your product's feature set.
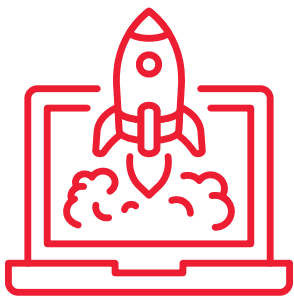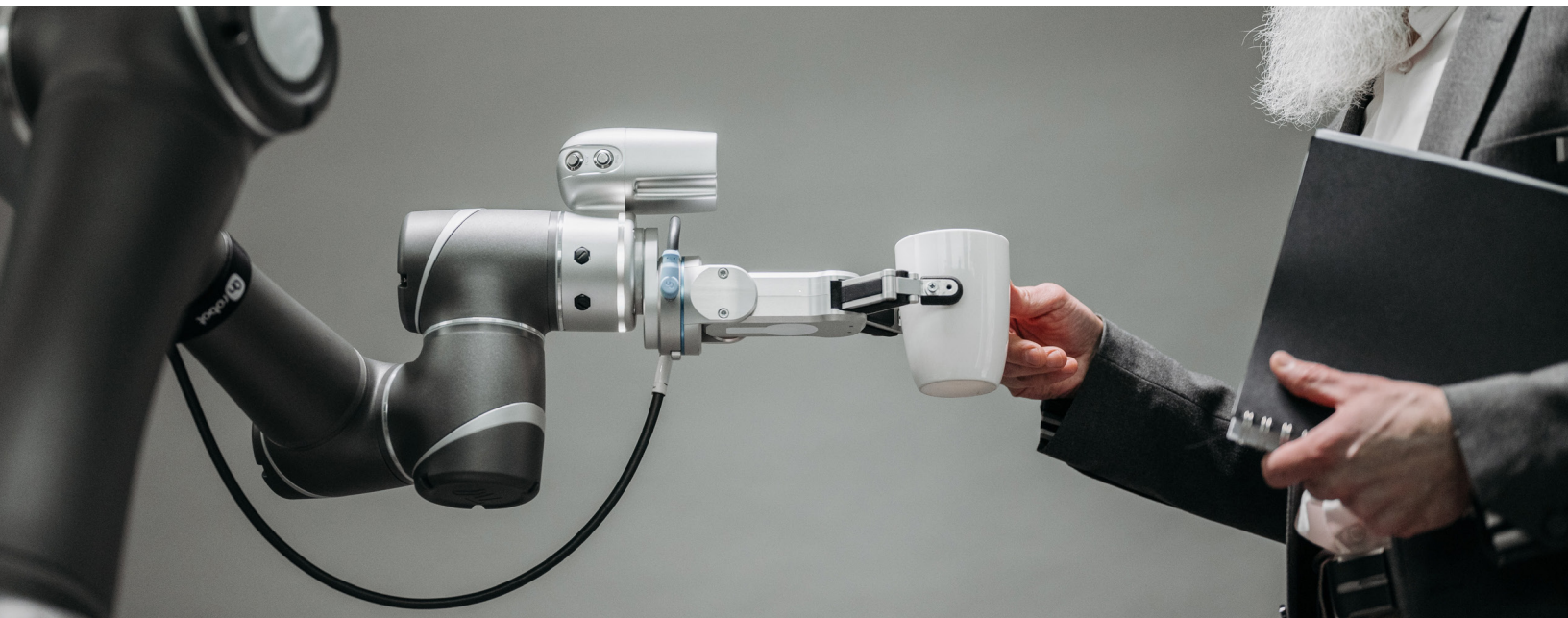
Either way, change and risk go hand in hand. The innovator's path is precarious and full of pitfalls. Amidst the uncertainty is an inescapable truth: innovation is not optional. It is a necessity for remaining competitive and relevant in an ever-evolving landscape. To grow and thrive, companies must embrace innovation while simultaneously taking steps to mitigate risks.

In this paper, you'll learn the art of de-risking innovation through a 5-step process that keeps users at the center:

1. Research
2. Iterative ideation
3. Experimentation
4. Agile delivery
5. Change management

Each step is a must for impactful innovation. Too many organizations see a problem, have an idea, and go straight to delivery. They skip right over research, ideation, and experimentation. But together those three steps contain the design thinking process–a foundational element of de-risking innovation. Design thinking reduces risk by focusing the innovator's attention on proven user needs and then by vetting their ideas for addressing those needs. In other words, you can make sure you're not only solving the right problem but that your solution will work.

If you don't start by focusing on your users, your innovation project is doomed to fail. But if you follow this flow from design thinking to agile delivery, with change management underlying it all, you'll have everything you need to win big for your users and your business.

Step 1. **Research**

Explore business objectives and areas of friction for users

Even if you observe a problem, you still need information from your users. How can you tell if it really deserves your limited time and attention until you dig deeper? Research reduces risk by directing focus to the right problems–problems with the greatest impact on your users and stakeholders.

In the research stage, your goals are to:

> **Explore all the different problems that stakeholders and end users are experiencing**

> **Identify causes of user behavior, including the influence of user needs, attitudes, and environment**

> **Discover the biggest opportunities for products or experiences to support key business objectives**

Research typically involves user experience researchers conducting qualitative and quantitative studies, including stakeholder and user interviews. After analyzing the information gathered, these experts build personas, define user journeys and tasks, and map out how various people and systems interact. This work can unearth challenges inhibiting critical things like user engagement, satisfaction, sales, or productivity.

Step 2. **Ideate**

Identify and prioritize potential solutions

Next it's time to use these newly acquired insights to devise potential solutions to identified user, business, or customer needs.

For each product and experience idea, list every individual problem it could solve. This work can help you to create program and product roadmaps with prioritized products and features.

Vision casting and design sprint workshops are useful at this stage. Illustrative design concepts and future experience maps can also help teams explain goals and ideas.

Step 3. **Experiment**

Visualize and validate the best ideas

The last step in design thinking is experimenting and iterating on the most promising solutions to the problems identified in the research stage. Experimentation can tell you two things about an innovative idea:

1. Will it have the desired impact on users?   **2. Is it technologically feasible?**

Creative experiments provide an answer to question one. These experiments are visual manifestations or prototypes of your ideas that you can test with users. Testing should be an iterative process of repeatedly refining and testing your ideas. There's a reason it's said that a picture is worth a thousand words. Through this process, you can:

Identify and mitigate potential adoption hurdles

Gain further clarity for your product goals and plan

Develop a clearer picture of the desired future experience

Generate stakeholder excitement, attention, and investment

Demonstrate business value before the more costly build phase

Technology experiments (also called technical spikes) answer the second question. These experiments focus on technical and data complexities. The goal is to put the riskiest technical assumptions under a microscope and explore possible solutions. This way issues are identified and managed early, instead of later in the process where they can put project timelines in jeopardy.

Experimentation will lead to pre-vetted features that are ready to be story-mapped and prioritized for agile delivery. You will have a general sense of each feature's impact on the user experience, solutions to technical and data hurdles, and the time needed to build. Armed with this information, you will enter design and development with much lower risk.

Step 4. Agile Design & Delivery

Apply agile processes
to deliver on de-risked ideas

Agile design and delivery processes allow teams to plan, build, and launch products as efficiently as possible, while quickly identifying and mitigating risk along the way.

The agile framework avoids long-term big bets in favor of continuous risk mitigation. Design, development, testing, and measurement happen in iterative, incremental chunks. Agile is also collaborative. It prioritizes business impact while bringing clarity and alignment to all involved in the work.

With regular checkpoints, meeting cadences, and product demos, agile allows for ongoing progress with room for addressing feedback and opportunities as they arise. These features enable rapid learning and progress for the delivery team, translating to earlier impact and ROI for the business.

Step 5. Change Management

Boost user adoption and impact

Innovation is all about creating value by doing something different. Yet it's hard for people to change established routines, habits, and behaviors. To get people to use a new product or process, you need to prepare, equip, and support everyone who is impacted.

Assess

Be sure you fully understand the current state and the impact of the planned change on stakeholders. How big will this shift be? What training and skills will be needed? What attitudes already exist about the current state or upcoming change?

Plan

Decide who will own and lead the change. Plan out the required stakeholder engagement, communications, training, and metrics you'll use to measure and monitor success. Determine what steps you'll take if those metrics don't meet expectations.

Execute

Work within the cultural landscape, using everything you know about your users, stakeholders, champions, and messaging channels, to implement your strategy, communication, and training. Collect data as you go.

Reflect

At predetermined checkpoints, gather and evaluate feedback from stakeholders. Examine your performance metrics. Identify opportunities to improve and adjust accordingly to keep the plan on track.

Creating a Continuous
Innovation Program

Maintaining a competitive advantage requires constant innovation. The key to ongoing innovation is to do design thinking (research, ideation, and experimentation) in parallel with agile delivery.

Each step will move at a different pace. Research can take a while but produce a high volume of opportunities. Ideation and experimentation can move faster, but not every experiment produces viable results. Agile generates small chunks of production-ready functionality on a predictable basis.

To operate at full speed, keep all phases running simultaneously. Each stage will generate a queue of work for the next. Research opens the door for new ideas to experiment on. Those experiments create a stream of user-vetted, de-risked features ready for implementation. With this ongoing list of to-dos for your teams (and change management supporting new feature and product releases), innovative, user-centered, and de-risked features will flow like clockwork into your products and experiences.
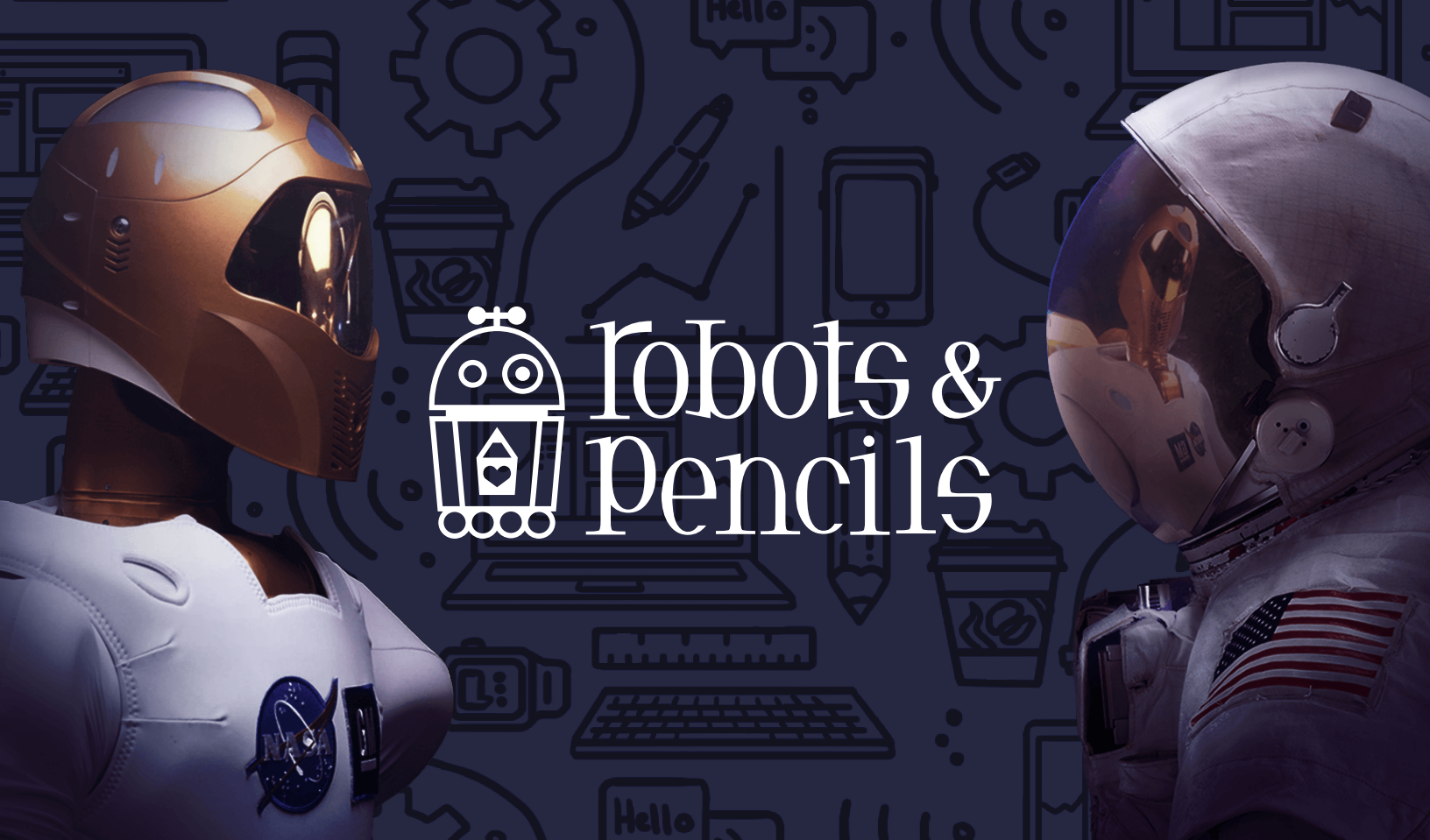
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Robots & Pencils develops journey-focused digital products and experiences that deliver exponential impact for our clients. We design and build solutions that unlock data and insights, infuse intelligent automation, and accelerate innovation across the organization. Fusing technology + creativity, we help brands transform their businesses, deliver delightful customer and employee experiences, and maintain a competitive edge amidst a constantly changing industry landscape.

To learn more about our work and how we can help you de-risk your next innovation project, visit **robotsandpencils.com**