

## **Get Lean. Get Innovative.**

**You need to innovate to remain competitive. But are you willing to make the necessary investment?**

“Innovate or die.” That’s the mandate of the global economy these days. And though you’ve been trying to create a culture of innovation at your firm, you’ve had little success. Why do some companies seem to be breeding grounds of innovation, while yours is, at best, a breeding ground for mosquitoes?

### **Innovation requires investment**

You’re not Mr. Bumble, and you don’t run Oliver Twist’s workhouse for starving orphans. So simply ordering people to work harder and innovate probably isn’t a great strategy. (Besides, you’d have to serve gruel in the company cafeteria, and just try to find a food service company that has that on the menu.) As a result, companies that consistently innovate are ones that invest in working conditions that enable workers to be creative.

Google, for example, is well-known for its “20% time,” in which employees are allowed – even encouraged – to use 20% of their time on offbeat projects. But Google pays a price for that: the company has a gourmet cafeteria that runs all day, operates shuttle buses to and from work from 6am to 9pm, and pool tables and other games to encourage people to stay at the office for more than 40 hours per week.

3M predates Google in this approach. The company has a similar “15% rule” that encourages technical staff to work on projects of their own choosing. And it offers venture capital-like “Genesis Grants” of \$50,000 to for researchers to develop prototypes.

Chiquita, recently profiled in *Industry Week* for its ongoing innovation, picks its best people – even pulling them out of areas where they’re contributing – and tells them not to worry about the day-to-day business, but rather to think about how they’re going to make their quota in two years. Similarly, Lockheed Martin is legendary for its Skunk Works. The company built an entirely separate facility to house people they feel can dream up breakthrough innovations.

Are you willing to invest in these ways to stimulate innovation? Do you have the financial and human resources to allow this kind of investment? If not, don’t despair. There’s hope.

### **Time, the most precious resource**

More than anything else, innovation requires time: time to think, to dream, to experiment, to break the rules, and to rewrite them. Does your staff have this time? Or are they so busy fighting fires, digging themselves out of email hell, wasting away in one-hour meetings that last actually last 75 minutes, and dealing with the consequences of poor planning by their supervisors, that it’s all they can do to keep their email inboxes below 8000 before running out of the office at 6pm to catch Seinfeld reruns?

**The waste is under your nose.**

Make no mistake: Lean isn't just about reducing defects and WIP. It's about finding better ways to work. It's about eliminating waste of all forms. And business processes and administrative functions are as ridden with waste as any other process. (Probably even more so: while many companies have applied Lean to their production lines, they haven't yet applied it to accounting, or HR, or product development.)

Take a close look around your offices, and spot the waste. See the office that looks like Katrina just hit? Calculate the time squandered searching for a file in that mess – time that could be spent innovating. Think the 8000 messages in someone's email inbox is just a hassle for the IT department? Imagine each of those emails as inventory, an inventory of ideas that's not flowing smoothly down the value stream to the customer, an inventory that's impeding innovation. See the multi-tasking rampant in your workplace (often caused by you, by the way, when you interrupt with a sudden question)? Think of the inefficiency caused by those interruptions – a loss from 20-40%, according to a study by the University of Michigan and the FAA – and think of the innovation that could have been occurring.

**Get Lean. Get time.**

So what's the solution? Apply Lean methodology to the way knowledge workers operate.

Teach people to examine their work processes, and challenge them to find better ways to do their work. That's the first step in getting enough time for the innovation that's crucial to your survival. Teach them how to create a robust architecture for their files and workspace that embodies 5S principles. Teach them the process by which they can reduce the 3Ms that undermine their efforts. Teach them how to plan projects so that they can level the flow of work throughout their department.

Teach people to act Lean and think Lean. If you show your staff how to apply Lean methods to their knowledge work, they'll have more time and energy during the day to start innovating.

Either that, or I can get you a good deal on a bunch of pool tables.