



**Topic for the day**

**Should Indian cricket be revamped**



# Manage People They manage Innovation

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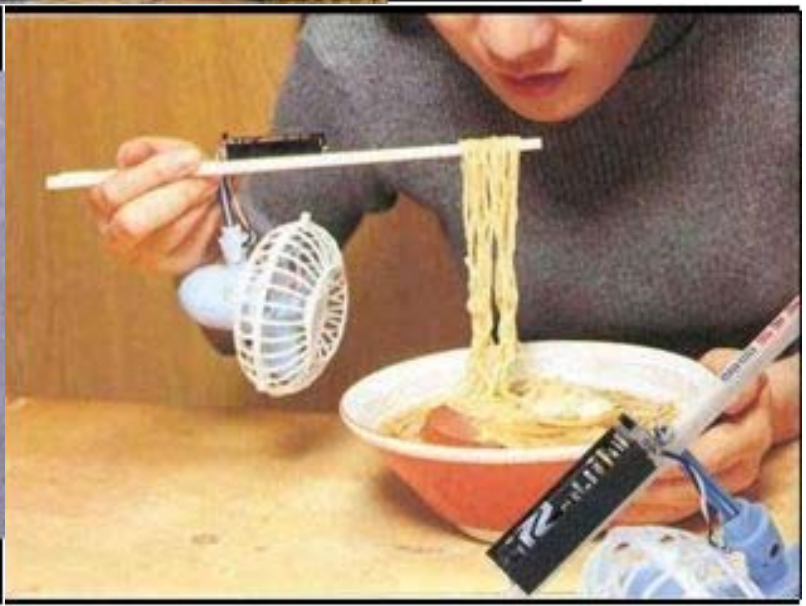
- ◆ “...the test of an innovation is always what it does for the customer...it is by no means hunch or gamble...it is not precisely science...it is judgment” – Peter Drucker
- ◆ “Innovation does not happen just because you have a research department and spending money” – Jim Clemmer
- ◆ “Innovation seems to be rediscovered in each managerial generation (about every six years) as a fundamental way to enable new growth” – Rosabeth Moss Kanter in a recent HBR article

- ◆ What is once a silly idea may pave the way for a breakthrough innovation
  - Who would have believed in 1980s that we can “carry” our telephone?
  - Who could have assumed in 1960s that software can be developed “offshore”?
- ◆ Asking the right question is more important to innovation than chasing the answers!

Which is better – one thought leader or many thoughts

- ◆ What could be possible Vs What is today
  
- ◆ Intimate understanding of customers
  - Unarticulated needs of customers
  - Unseen corners of their businesses
  - Transcending “Belief systems” that prevent asking questions
  - Understanding customers and their needs may be more difficult than understanding women!
  - Not by market research alone
    - Understanding Latent needs

Some innovations are interesting but not practical !!!

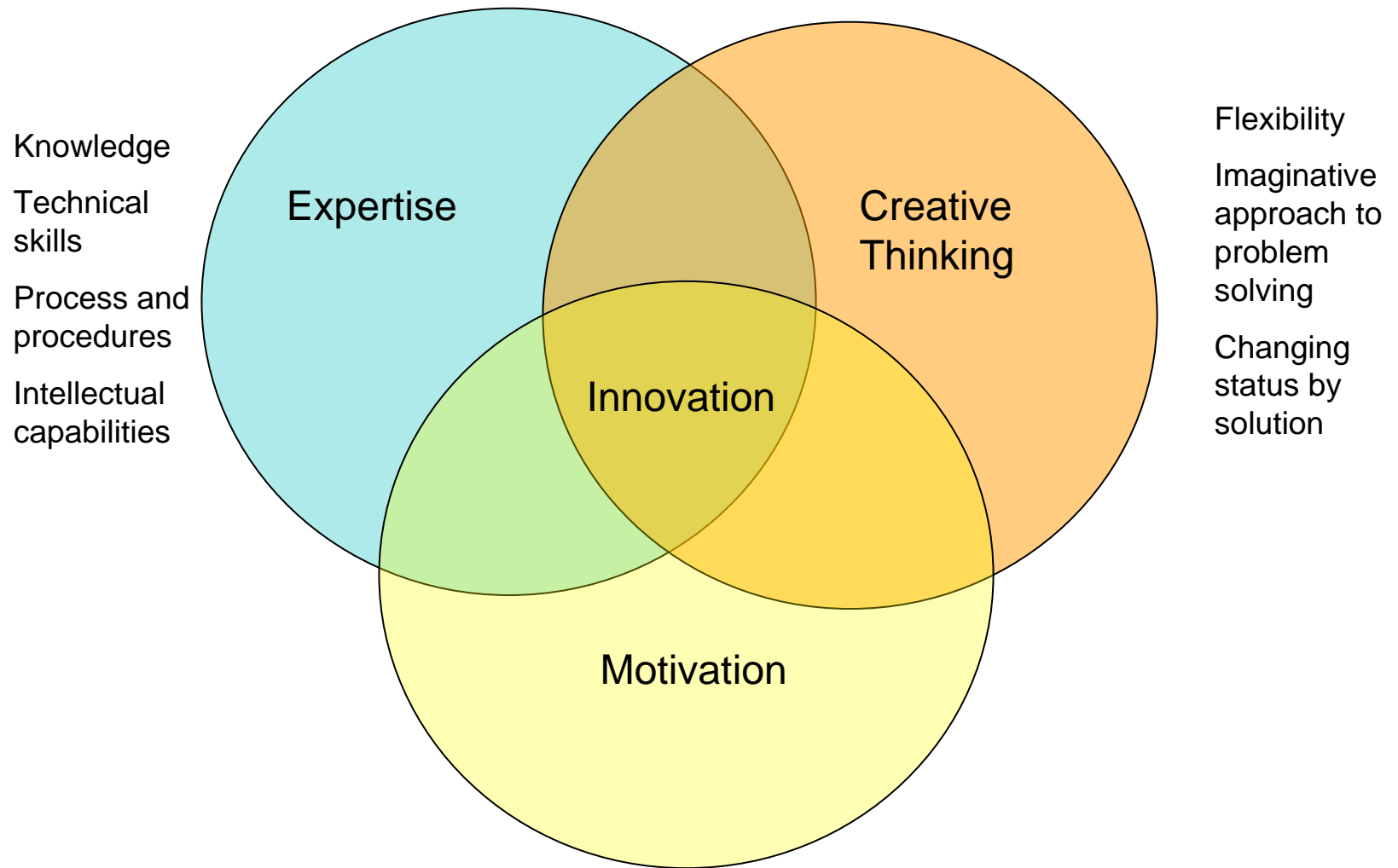


## ◆ Basic Values

- Trust and Integrity
- Honesty and Openness
- Learning and Growth
- Risk-honoring and respect
- Compassion and Commitment
- Contribution and success
- Inclusiveness and safety

## ◆ Innovation Values

- Freedom
- Passion
- Intuition
- Synergy
- Curiosity
- Beauty
- Fun

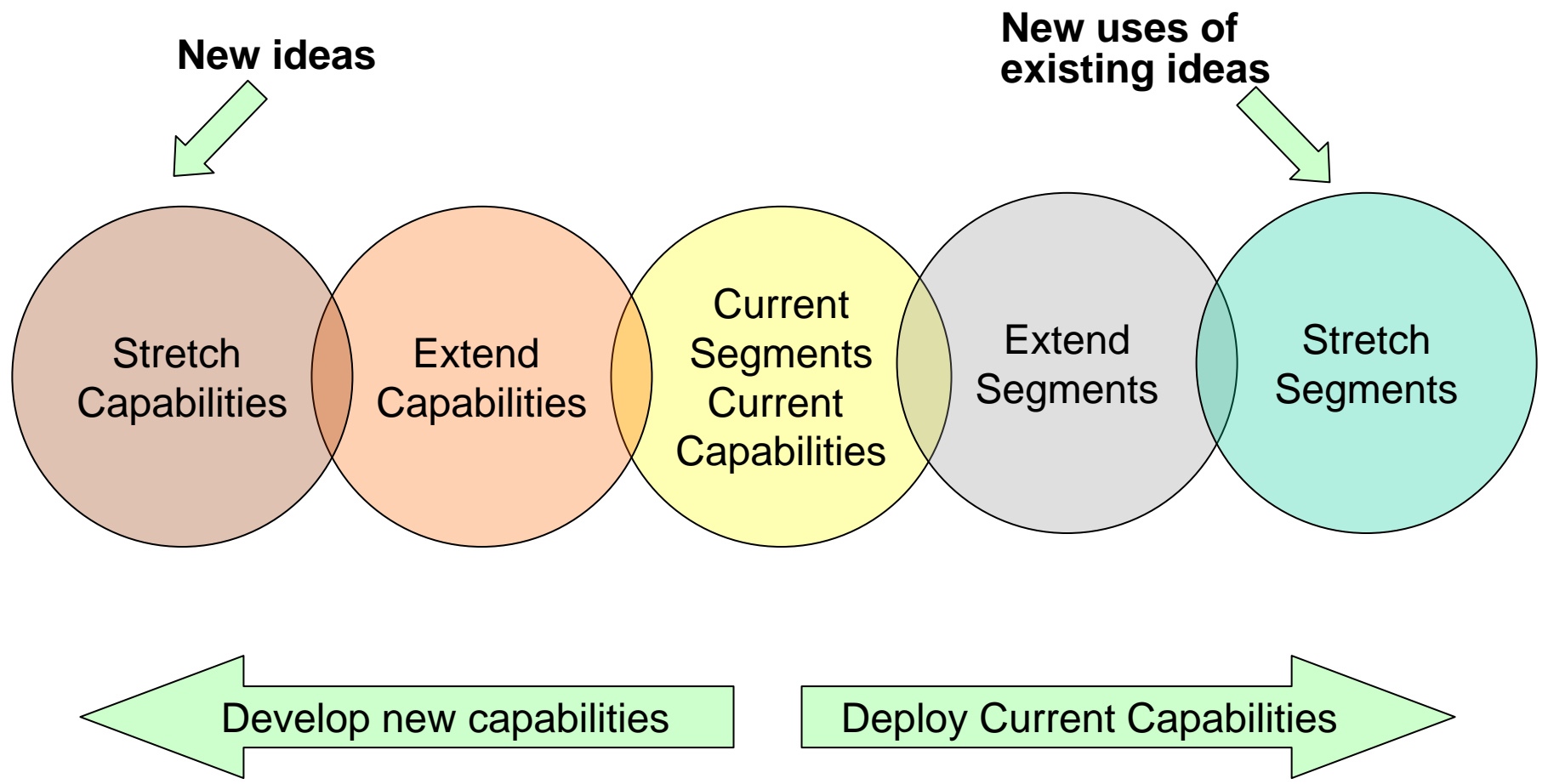


Intrinsic motivation, work environment, recognition and reward

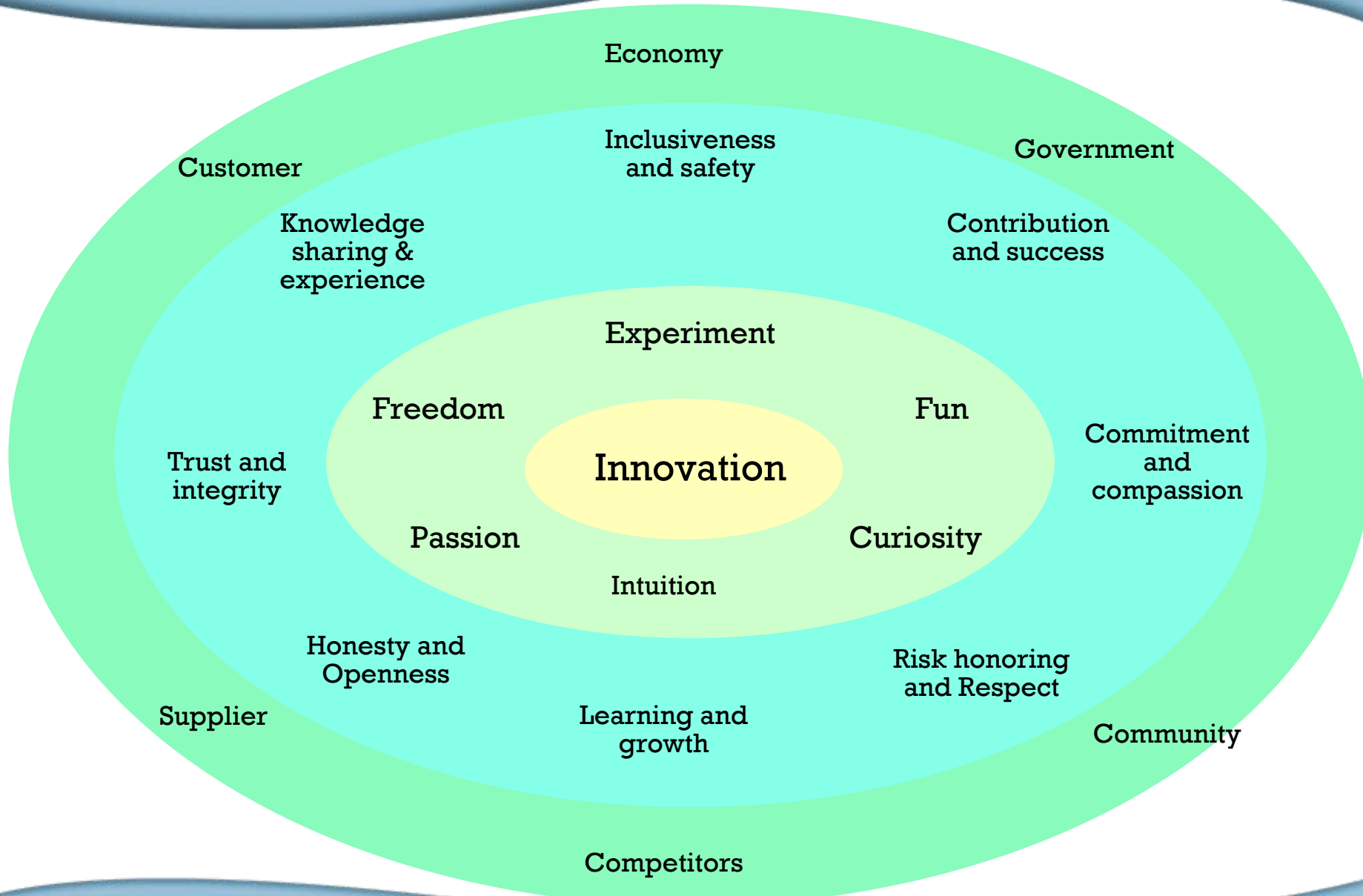
# Influencing Innovation



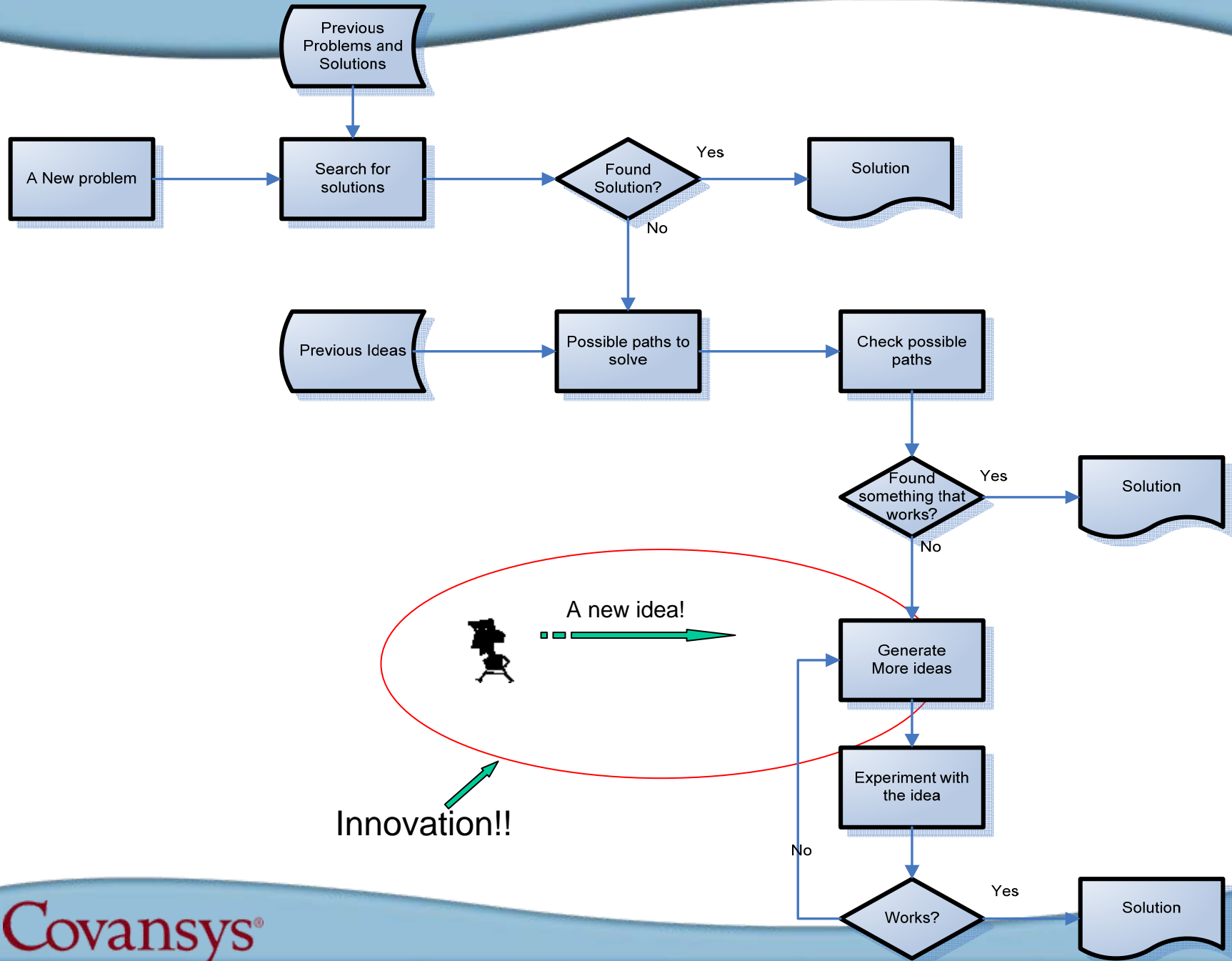
# Customer centric Innovation Strategy



# What influences innovation Micro to Macro level



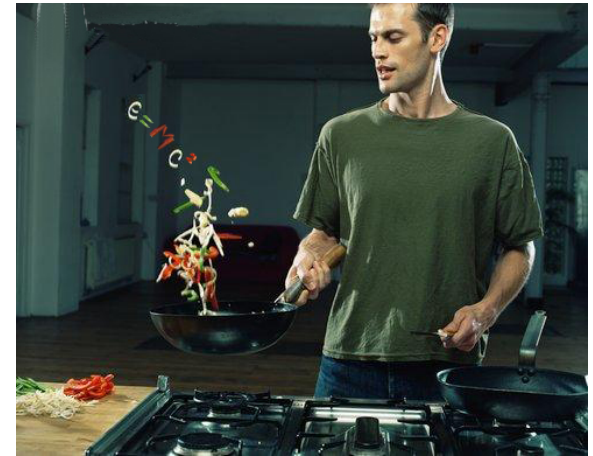
# How do we innovate?



# Innovation Value Chain

Ideation	Project Selection	Development	Commercialization
<ul style="list-style-type: none"> <li>➤ New Ideas</li> <li>➤ New business Concepts</li> <li>➤ Customer insights</li> <li>➤ Trend analysis and Interpretation</li> <li>➤ New extensions of existing ideas</li> </ul>	<ul style="list-style-type: none"> <li>➤ Strategy</li> <li>➤ Governance</li> <li>➤ Project approval</li> <li>➤ Valuation methods</li> </ul>	<ul style="list-style-type: none"> <li>➤ Gate process</li> <li>➤ Time to market</li> <li>➤ Fast track</li> <li>➤ Resource allocation</li> <li>➤ Elimination of bottlenecks</li> </ul>	<ul style="list-style-type: none"> <li>➤ Market plan</li> <li>➤ Investment plan</li> <li>➤ Competitive response timing</li> <li>➤ Promotion</li> <li>➤ Tracking value</li> </ul>

- ◆ A safe haven for new thinking
  - Open for questions
  - Intellectually stimulating
  - Hassle free support systems
  
- ◆ Active involvement of all
  - Cross pollinate ideation groups
  
- ◆ Process for follow through of ideas
  
- ◆ Appropriate rewards
  - Not financial alone
    - Financial “bribes” and crude incentives such as stock options do not always work!
  - Satisfy the craving for “accomplishment”
  
- ◆ Leadership that understands the value of being creative



# *Ways to kill innovation*

- ◆ Not creating a culture that supports innovation
- ◆ Not getting buy-in and ownership from business unit managers
- ◆ Not having a widely understood, system-wide process
- ◆ Not allocating resources to the process
- ◆ Not tying projects to company strategy
- ◆ Not spending enough time and energy on the fuzzy front-end
- ◆ Not building sufficient diversity into the process
- ◆ Not developing criteria and metrics in advance
- ◆ Not training and coaching innovation teams
- ◆ Not having an idea management system

# *Steps to keep Innovation alive*

- ◆ Remove fear of failure
- ◆ Make innovation part of the performance review system for everyone
- ◆ Implement an innovation process
- ◆ Build in enough looseness into the system
- ◆ Align all innovation to corporate strategy
- ◆ Teach people to scan the environment for new trends, technologies and changes in customer mindsets.
- ◆ Teach people the critical importance of diversity of thinking styles
- ◆ Provide appropriate tools to Innovation teams
- ◆ Implement idea management system that captures ideas

# Strategy for managing people

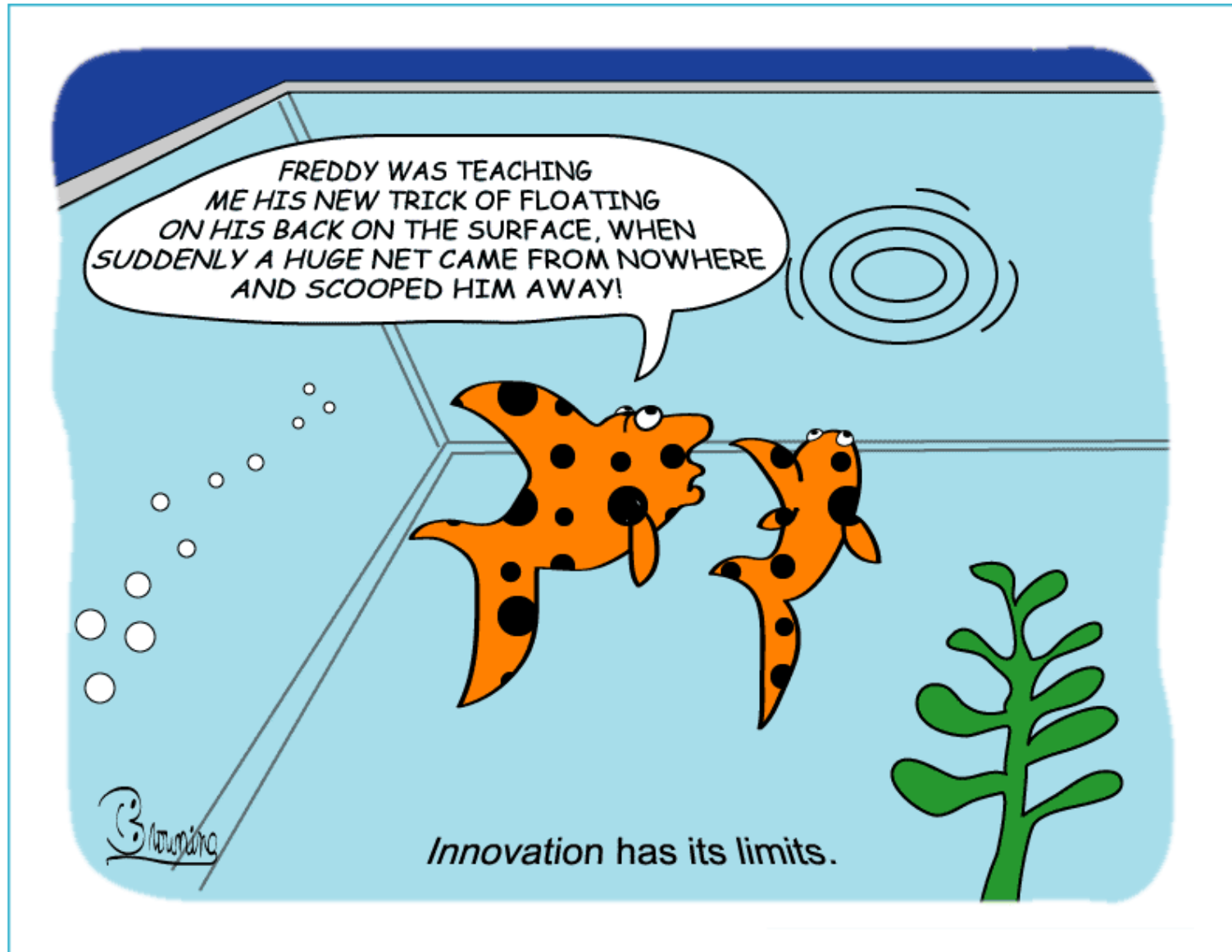
- ◆ Involve everyone
  - Detecting an empty soap box in an assembly line
- ◆ Allow “freedom”
  - Google allows its staff to do “whatever they want for 20% of the time” but at the same time chooses the ideas to go forward towards implementation after careful analysis
- ◆ Flat, decentralized and team based organization tends to be more innovative
- ◆ Leadership is the key – should be able to see beyond “what is” to “what could be”
- ◆ Harness creative energies of all stakeholders
- ◆ Long term interaction between customers and employees to promote “productive accidents”
- ◆ Investment in “creative capital”
- ◆ Look for small innovations – block buster innovations are rare!

## *Some common lessons not to be learnt!*

- ◆ Bury innovation teams under bureaucracy
- ◆ Treating innovation teams as “more valued corporate citizens” than those who work in the current business
- ◆ Leaders with no understanding of the “innovation life cycle”



# Innovation has its limits !!



# *Our experience in innovation*

- ◆ Customer relationship problems
  - Project issues
  - Governance problems
  
- ◆ Customer application issues with respect to their business
  - System related
  - Business related
  - IT management related
  
- ◆ Constituted a cross-functional team
  - Part time activity
  - Team members were the most busy people
  - Met for 2 hours 2 days a week
  
- ◆ OASIS as the process model for maturity in customer-vendor relationship
  - Collaborative working process is the key
  - Innovation results in better business

Covansys Employee structure enables innovation through employee involvement

Result- Improved customer relationship  
Better business performance  
Improved end user satisfaction

- ◆ Employee structure that enables participation of employees in management
- ◆ Going beyond maturity models
- ◆ Relationship frameworks for employees and customers
- ◆ Promotes a collaborative approach
- ◆ Provides environment for innovation- open, transparent, risk/reward, knowledge sharing





RANK **8** COVANSYS

BUSINESS TODAY NOVEMBER 20 2005



Thumbs up to Covansys: Subrahmaniam (centre), flanked by jubilant employees, conveys a spirit of camaraderie

# All Play And Some Work

Covansys takes great pains to treat its people well.

**Covansys**<sup>®</sup>

NITYA VARADARAJAN

RANK  
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COVANSYS



# A Fun Place To Work In



## A BT-Mercer-TNS survey of India's best employers

November 5, 2006

Oodles of fun: Covansians dressed up to the spirit of Indian states for the Ethnic Day celebrations

This is one company that takes the idea of play very seriously, but still manages to meet targets with ease.



NITYA VARADARAJAN

**Thank you**