Netstairs: Innovation From Concept to Reality

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Innovation is a complex phenomenon. It is a process, product and context. As a process innovation involves researching, discovering and constructing a novel idea and taking it through a sequence of stages from concept to reality, including proof of concept, product design, engineering, manufacturing, marketing, distribution and adoption. The successful implementation of this process requires that leaders and entrepreneurs generate a broad and diverse set of roles and relationships between internal and external stakeholders who have different ways of being, knowing, acting and communicating based on their background, training, skills, experience and culture. The outcome of the innovation process is a new product, technology, service, or performance that provides utility and value to consumers.

As a context innovation occurs within a dynamic social and economic ecosystem consisting of universities, corporations, small businesses, competitors, government agencies, regulators, funding

agencies, venture capitalists, and consumers – all of whom have different needs, interests and stakes in the object or outcome of the innovation process. The context also includes the broader culture and subcultures (traditions, values, norms, practices, technologies and artifacts) in which stakeholders reside and take action. The shear complexity of the innovation process, product and context accounts for the high failure rate of inventions and new ventures estimated to be between 70-95% (Nobel, 2011; Gage, 2012).

Research indicates that nine factors correlate highly with innovation: leadership, strategy, organizational structure, resources, technology, knowledge management, employees, culture, and the innovation process (Smith, Busi, Ball, P and Van Der Meer 2008). Attempts by leaders to simplify or take short cuts during the innovation process by reducing it to a few variables, methods or approaches, risk undermining its success and the very benefits it offers. Given the complexity of the innovation process, a diversity of approaches and methods are needed to address different aspects of the innovation process and context. Therefore, a pluralistic and mixed method approach is necessary to take new ideas from research through commercialization to adoption by stakeholders and users.

One of the most pressing challenges in innovation today is the need for people to communicate and work together across ideological, geographic, cultural, disciplinary and functional boundaries. Many leaders and entrepreneurs have a tendency to work within their own traditions and try to implement the innovation process alone or with a small group of closely related colleagues rather than engaging a broad range of partners and stakeholders and building relationships with experts from other fields. There is a tendency in innovation for entrepreneurs to "hunker down" with people of similar backgrounds and interests and forgo the opportunity to learn from different disciplines or try new methods.

But leaders and entrepreneurs cannot afford to hunker down. The challenge of leadership and innovation is to learn from people who are different and to create social capital – relationships and networks based upon trust. It is through the development of social capital that organizations and people execute their competencies, adapt to change, innovate and accomplish their goals. Engagement, interaction, dialogue and collaboration are the vehicles through which new meanings, relationships and networks, based on trust, are formed and through which leaders and entrepreneurs execute their

competencies to innovate.

Embedded in this approach to innovation is the use of mixed methods of research for engaging stakeholders in a collaborative process through which they can exchange ideas and information, create meaning, develop plans, and coordinate action. Action research and learning is a powerful method for engaging others and building commitment for collective action.

Action learning has been defined as, "the process of systematically collecting data about an ongoing system relative to some objective, goal or need of that system; feeding these data back into the system; taking actions by altering selected variables within the system based both on the data and on hypotheses; and evaluating the results of actions by collecting more data" (French and Bell, 1999:130).

The underlying assumption of action research and learning is that engagement with a broad range of stakeholders through dialogue and collaboration increases understanding and commitment, which in turn leads to action and results. This method is instrumental to completing essential tasks within the innovation process that are critical to a successful outcome including the following:

1. **Executive team building** – to build relationships between members of the founding team and construct a culture of expectations.
2. **Definition of the innovation ecosystem** – to identify and key stakeholders and partners who are instrumental to successfully implementing the innovation process and crossing the "valley of death."
3. **Engagement and communication with partners and stakeholders** – to build relationships and networks of allies and translators to get the new product to consumers for adoption.
4. **Benchmarking** – to learn from successful organizations and competitors by conducting research and identifying best practices.
5. **Strategic planning** – to engage stakeholders and partners in a process to set direction, determine strategy, coordinate collective effort, and measure progress.
6. **Develop a business model** – to determine the value propositions for partners and stakeholders and the flow of work, resources and revenues.

7. **Design an organization structure** – to implement the strategic plan and business model by determining the roles and responsibilities of key positions needed for the startup and sustainability of the new venture.
8. **Create financial, marketing and change plans** – to forecast startup costs and resource requirements and returns, and identify target markets and communication and training strategies for delivering products and services to consumers.

These tasks require ongoing "real time" communication and relationship building for success. Netstairs RT offers an amazing technology that can help implement and connect the innovation process with the innovation ecosystem and take new and exciting ideas from concept to reality.

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