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21st to 23rd August 2019

Theme: Renewable Energy Solutions for a Sustainable Future

Successful Innovation:

Key Lessons for Sellers, Selectors and Adopters of Enabling and Renewable Technologies

Plenary Address: Wednesday 21st August 2019 at 14.30 hrs

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The speed with which successive innovations are adopted by consumers has increased exponentially. Millions of people can adopt something before less connected people even become aware of it. Given the pace of such changes and the offerings available at affordable prices why is innovation an issue?

Consumers with sufficient money may try new things that appeal when they become aware of them. Many organisations - especially larger ones - and Governments move more slowly. Even with an urgent challenge such as climate change, various factors can hinder progress.

Available budgets may already be committed. Lengthy consultation and procurement processes may be involved. Vested interests may fight for the continuance of existing activities.

There may be dependencies. A complementary infrastructure may first need to be put in place, such as charging points for electric vehicles. Contracts may need to be renegotiated or terminated. Approvals, regulations or legislation may be required.

An innovation may create the potential for various benefits. Whether or not they occur, can depend upon factors such as understanding, demand, price and the availability of alternatives.

Many current approaches to selling, selecting and adopting enabling and renewable technologies are not helping. We need to speed things up.

Continuing innovation is reducing the cost of renewable technologies and increasing their performance. We need to ensure that their greater potential is realised.

We don't need to transform every area of corporate operation. We need to focus on the critical success factors for certain key tasks and understand what top-quartile super stars do differently in these areas.

Average performers can often be quickly helped to adopt the winning ways of high achievers. Returns on investment can be quicker and much higher than those from more general approaches.

For 30 years I have led the Winning Companies; Winning People research programme. Its origins lie in a visit I made to the London Business School library to shelter from the rain.

A librarian recognised me as an alumnus and showed me a new search facility. Searching with a term like leadership revealed more literature than it was practical to read.

However, searches related to growing a business yielded far fewer hits. The accessible literature on pricing was limited. Much less was found on winning a competitive bid.

To redress the balance we set out to identify critical success factors for key corporate activities such as winning new business, competitive bidding, building key account and other customer relationships, purchasing, pricing, corporate learning, creating and exploiting know-how and change, knowledge and talent management.

Over 2,000 companies, over 500 professional firms and various public bodies were surveyed.

Over 20 reports now cover sectors such as engineering and engineering consultancy. Other evidence-based reports and the book *Winning Companies; Winning People* are concerned with quicker, more affordable and less disruptive routes to high performance organisations.

Even the best companies are only very effective at less than a half of the identified critical success factors. The performance of every company participating in every survey could have been quickly increased by putting additional critical success factors in place. Performance can increase with each additional one that is adopted.

The investigation has a number of key lessons for buyers and sellers of renewable energy and other enabling technologies.

The difference between top quartile winners and the bottom quartile losers was stark and many critical success factors concern understanding. Top quartile bidders were six times as likely to understand 'cost of ownership' impacts on buying decisions. They were four times more likely to understand the business environment within which customers operate, the value and benefits they were seeking and the factors they consider when buying.

Whereas losers focused on selling, winners were much more likely to focus on helping people to understand, select and buy what was most relevant for them.

Not one of the bottom quartile losers in the investigation on building key and strategic customer relationships appeared to be effective at any of the factors for locking in a customer.

The pricing laggards were reactive, cut costs, standardised and used discounts to buy business and ended up as commodity suppliers. The pricing leaders proactively differentiated, tailored, offered additional services, delivered more value and became sought after business partners.

There are many ways of differentiating that do not involve competing on price, including the forms of relationships that are offered. We found buyers who spent much of their budgets on procurement and sellers who spent heavily on selling. Both engaged in win-lose haggling.

Both buyers and sellers wanted more collaborative relationships with trusted partners to achieve better solutions and share the costs of buying and selling.

The superstars in the top quartile of achievement were few in number. Only 4% of participants in the study of competitive bidding won more than three quarters of the bids they entered.

The key to coping with variable performance and increasing productivity is to identify superstars in key workgroups and capture and share what they do differently. There are many affordable ways of doing this and making it much easier for people to do difficult jobs.

Using simple checklists in operating theatres has reduced inpatient deaths by 40%.

A team I co-founded and chaired developed simple support tools for leading IT and engineering companies. Helping people to understand and excel at difficult tasks can be the key to the more rapid adoption of innovations and new technologies.

The support we developed could be individualised and made available 24/7 when and wherever it was needed, including while on the move. It was simple, scalable, cost-effective and simultaneously delivered benefits for people, organisations and the planet.

Support tools we developed won awards for innovation, including internationally, coinciding with a meeting of OECD Ministers concerned with innovation and enterprise.

Some renewable energy technologies cannot be easily acquired by individual consumers. Organisations and public bodies can be agonisingly slow to adopt what is obviously beneficial.

In the 1980s I experienced working AI environments at Xerox PARC that could have been used then in healthcare. Possible applications of AI are still being discussed.

You are creating ever more affordable technologies that offer hope in tackling one of the greatest challenges that has ever faced life on this earth. They will not be adopted just because they exist and can reduce carbon emissions.

Producing innovations is the first step. Help people to understand, select and acquire them. Be creative in offering ways in which people can finance acquisition and implementation.

You may need help in packaging solutions. Partner with others who understand the contexts in which solutions may be sought.

Technological innovation needs to be accompanied by complementary innovations and innovation in relationships. I hope I have shown that there are affordable ways of helping people to understand and adopt innovations and new technologies.

You can do what I have been talking about with your existing organisational structures, infrastructure, people and cultures. Go for it.

Selected Works Mentioned in Speech and Bibliography

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An experienced chairman of award winning companies and vision holder of successful transformation programmes, Colin is the author of over 60 books and reports and he has spoken at over 300 international events. He has also held public appointments at local, regional and national level and professorial appointments in Europe, North and South America, Africa, the Middle East, India and China. He was educated at the London School of Economics, London Business School, UNISA and the Universities of Aston, Chicago and Southern California. He is a fellow of seven chartered bodies and obtained first place prizes in the final exams of three professions. He obtained the CSR Lifetime Achievement Award at the 2018 CSR Leadership Summit. Details of his most recent books and reports can be found on: <http://www.policypublications.com/>