

Introduction to innovation management system

- What it is and why it is important

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Contents

1. What is it and why now?.....	4
2. The systems approach to innovation management	5
3. What is innovation?	6
4. Key elements of an innovation management system.....	7
5. The specifications for innovation management at European level	8
6. Ongoing work in ISO on innovation management.....	9
7. Innovation Management Principles.....	10
8. Implementing an Innovation Management System	11
9. Professionalizing innovation management.....	12
10 Read more.....	13

1. What is it and why now?

Guiding your organization to innovate on purpose - again & again.

An Innovation Management System is a guiding framework for all types of companies and other organizations that want to strengthen their innovation capabilities. It is a check list, based on a systems approach, of what the organization should consider implementing given its overall innovation ambitions and abilities. The guiding framework is generic and adaptable and does not prescribe specific tools or methods.

The world's first guiding international management system standard has been developed by ISO, the International Organization for Standardization, with about 50 participating countries. ISO 56002:2019 Innovation Management System – Guidance was published in July 2019.

There are seven key elements in the framework: context, leadership, planning, support, operations, evaluation, and improvement.



A globally agreed guiding standard for innovation management will establish a common terminology and a credible reference framework, including innovation management principles. This will help managers to understand what innovation is and what it takes to effectively manage innovation activities. Companies and organizations can adopt a systemic and systematic approach to address their innovation challenges that will increase the likelihood for success.

The guiding framework is compatible, and can be integrated, with management systems in other areas, such as quality and environment, in the organization. It also provides the basis for consultants offering innovation management services.

2. The systems approach to innovation management

Companies and organization are increasingly under pressure to innovate to remain relevant for the future. A much-needed guiding framework for Innovation Management System can help address challenges.

Increasing need for innovation

Innovation is important for most companies and organizations. They must continuously renew their products and services, find new ways to work smarter, and satisfy evolving needs of clients and users. New technologies, environmental considerations, government regulations and global competition are some forces that are driving the need to innovate everywhere.



Organizations are struggling

At the same time, companies and organizations are struggling to innovate and many are dissatisfied with their innovation performance. Some have tried increasing the research and development budget, running creativity workshops, or implementing digital idea management tools. All without achieving the desired results.

We know from research and practice that managing innovation activities can be very challenging in established companies and organizations. This is especially true when it comes to radical or disruptive innovations that are challenging the current ways of working, business models or organizational culture. Transformation and change is often an uphill battle.

Systems approach necessary

We also know that innovation activities can be managed to a large extent by creating the right conditions, removing barriers, and engaging people in the organization. The ability for an organization to innovate is dependent on several interconnected factors such as leadership, resources, culture, structures, processes and so on. This is why a systems approach is necessary for managing innovation activities.

An innovation management system provides a systemic and systematic approach for any organization to address their innovation challenges.

3. What is innovation?

A shared understanding of what innovation means is key for building an effective innovation management system. ISO is providing a broad definition with a focus on novelty and value.

Towards a common definition

There are many proposed definitions of innovation out there. The lack of a common language is one barrier for innovating effectively in and across organizations, as well as for public efforts to promote innovation activities in general.

The definition used in ISO standards is broad, inclusive, and focus on two fundamental characteristics: novelty and value. Value is not limited to financial value but can be any kind of value, such as an experience, well-being, or social value. Furthermore, anything can be innovated according to the definition. The innovation entity can be, for example a product, service, process, model, method, etc., ranging from incremental to radical.

new or changed
product, service, process, model, method, etc.
realizing or redistributing value

Innovation is an outcome

Innovation is defined as a “new or changed entity, realizing or redistributing value”. According to the definition, innovation is an outcome, rather than a process or activity. The broad nature of this definition often requires the use of one or more attributes in order to be more specific, for example process innovation, incremental innovation, radical business model innovation, or social innovation.

ISO-OECD collaboration

ISO published its first definition in ISO 9001:2015. It has been further elaborated and published in ISO 56000:2020 Innovation management – Fundamentals and vocabulary. There has been close collaboration on definitions between ISO and the OECD during the development of the Oslo Manual 2018 (4th edition).

The definition is intended to provide a foundation and common reference that organizations can use as a starting point and relate to, even if they choose to have a different definition.

4. Key elements of an innovation management system

The elements, or success factors, to innovate effectively are structured in seven key areas: context, leadership, planning, support, operations, evaluation, and improvement. Recommendations to organizations are provided in each area.

The systems approach to innovation management recognizes that there are several interrelated and interacting elements or factors in an organization that must be in place to ensure innovation success. The structure of the guiding standard for Innovation Management System (ISO 56002:2019) covers seven key elements, one for each heading in the document. These headings are the same for all management system standards.

CONTEXT: The organization should track external and internal issues and trends, e.g. user preferences, technology developments, and internal capabilities, in order to identify opportunities and challenges that can trigger innovation activities.

LEADERSHIP: Based on the understanding of the context, top management should demonstrate leadership and commitment by establishing an innovation vision, strategy, and policy, including the necessary roles and responsibilities.

PLANNING: Innovation objectives, organizational structures, and innovation portfolios should be established based on the direction set by top management and the identified opportunities and risks.

SUPPORT: The support necessary for innovation activities should be put in place, e.g. people with the right competences, financial and other resources, tools and methods, communication and awareness creating activities, as well as approaches for intellectual property management.

OPERATIONS: Innovation initiatives should be established in line with the strategies and objectives. Innovation processes should be configured according to the types of innovations to be achieved: identify opportunities, create and validate concepts, and develop and deploy solutions.

EVALUATION: The performance of the Innovation Management System as a whole should regularly be evaluated to identify strengths and gaps.

IMPROVEMENT: Based on the evaluation, the system should be improved by addressing the most critical gaps with regards to the understanding of the context, leadership, planning, support, and operations.

The guiding framework is applicable for all types of organizations, regardless of type, sector, or size. An organization can select the most relevant parts of the system to be implemented depending on its specific situation.

5. The specifications for innovation management at European level

The European guiding specification CEN/TS 16555-1 Innovation Management System was published in 2013. The work of ISO is building on the experience from the standards developed by CEN.

The first initiative

The development of a guiding specification for innovation management at the European level started in 2008. Spain took the initiative and approached CEN, the European standardization organization, and a committee (CEN/TC 389) was set up.

Six working groups were initiated covering different aspects of innovation management. The work involved some 15 European countries with national experts from many companies and organizations covering several expert areas such as innovation management, quality management, and management system standardization.



Important choices

Early on, it was decided to develop guidance specifications rather than requirements. This means that the published guidance specifications are not meant for the certification of organizations. Compare with for example ISO 9001 Quality Management System which is a requirement standard.

Another important choice was to use the common document structure (the so-called Annex SL of ISO/IEC Directives) that had been adopted for all other management system standards. This means that the Innovation Management System is compatible, and can be integrated, with other management systems in the area of e.g. quality, environment etc.

What is standardization?

International standardization is a voluntary process based on consensus among the participants. On the one hand, this means that the process takes several years to complete. On the other hand, the resulting publications have a high level of credibility and legitimacy since they are based on the agreement between a large number of interested parties.

First publication 2013

The first and main publication from the committee was the guiding specification CEN/TS 16555-1 Innovation Management System that was published in 2013. Starting in 2020, the European specifications will be replaced by the guiding standards developed by ISO as they become available.

6. Ongoing work in ISO on innovation management

The world's first guiding international standard for Innovation Management System was published in July 2019. 50 countries and key international organizations are working to develop a set of standards under the auspices of ISO.

The ISO approach

ISO, the International Organization for Standardization, set up their committee (ISO/TC 279) for innovation management in 2013, led by the French secretariat of AFNOR.

Like the approach taken at the European level, it was decided to develop guidance standards that provided recommendations rather than requirements. It was also decided to use the established common structure for management system standards (the so-called Annex SL of ISO/IEC Directives). This means that an Innovation Management System can be part of an integrated or general management system already in place in a company or an organization.

Working groups and deliverables

The work is currently conducted in four working groups with participating national experts and observers from about 50 countries:

- 1. Innovation Management System** covers the seven key elements of a management system and provides more detailed guidance under each area. The group is working under the convenorship of Argentina and the main deliverable was ISO 56002:2019 (formerly called ISO 50501).
- 2. Terminology** covers the fundamentals of innovation management, the Innovation Management Principles and a comprehensive list of terms and definitions, including the definition of “innovation”. The group is led by a convener from Norway and the main publication is ISO 56000:2020 (formerly called 50500).
- 3. Tools and methods** covers several areas under the overall convenorship of Canada and will publish documents in the series from ISO 56003 and up. Examples of standards are Tools and methods for innovation partnership, Intellectual property management, Strategic intelligence, and Idea management.
- 4. Innovation Management Assessment** will provide guidance for assessing the innovation management capacity of a company or organization. The group was led by a German convener and the document ISO/TR 56004:2019 was published in 2019.

Several international organizations, including OECD, WIPO, World Bank, WTO, UNIDO, UNDP and ISPIM, are following and contributing to the work as liaisons.

You can get involved

Contact the secretariat at AFNOR or your national standardization organization to find out how you can participate in the ongoing standardization activities. This is the only way to get drafts and being able to provide comments.

ISO standards can be purchased from national standards organizations, such as SIS Swedish Institute for Standards, or from ISO directly.

7. Innovation Management Principles

Eight principles form the foundation for managing innovation activities in organizations. They are embedded in the innovation management system developed by ISO.

The innovation management principles were developed to capture the essence of effective management of innovation activities. They can be used as an introduction to understand the innovation management system or as a tool for assessing the innovation capabilities of an organization.

- 1. Realization of value** – Value, financial or non-financial, is realized from the deployment, adoption, and impact of new or changed solutions for interested parties.
- 2. Future-focused leaders** – Leaders at all levels, driven by curiosity and courage, challenge the status quo by building an inspiring vision and purpose, and by continuously engaging people to achieve those aims.
- 3. Strategic direction** – The direction for innovation activities is based on aligned and shared objectives and a relevant ambition level, supported by the necessary people and other resources.
- 4. Culture** – Shared values, beliefs, and behaviors, supporting openness to change, risk taking, and collaboration, enable the coexistence of creativity and effective execution.
- 5. Exploiting insights** – A diverse range of internal and external sources are used to systematically build insightful knowledge, to exploit stated and unstated needs.
- 6. Managing uncertainty** – Uncertainties and risks are evaluated, leveraged, and then managed, by learning from systematic experimentation, and iterative processes, within a portfolio of opportunities.
- 7. Adaptability** – Changes in the context of the organization are addressed by timely adaptation of structures, processes, competences, and value realization models to maximize innovation capabilities.
- 8. Systems approach** – Innovation management is based on a systems approach with interrelated and interacting elements, and regular performance evaluation and improvements of the system.

Innovation Management Principles



The innovation management principles are published in ISO 56000:2020 Innovation management – Fundamentals and vocabulary, that also includes the terms and definitions, and on the ISO site.

8. Implementing an Innovation Management System

Innovation management capabilities assessment, strategy development, and top management commitment are key for implementing an innovation management system.

Implementing an innovation management system can be a major effort involving organizational and cultural change. It can help to structure the effort in four phases: prepare, implement, scale & maintain, and evaluate & improve.



I. PREPARE: Start by assessing your current innovation management capabilities, including mapping of ongoing innovation activities and other existing management systems. Another important activity is to understand the innovation opportunities and challenges facing the organization, including new user needs, technology trends, competitor moves, and other changes in society and the environment. Finally, decide your innovation intent or ambition-level. What is it you are aiming for in terms of innovation activities for your organization, and why?

II. IMPLEMENT: Develop an innovation strategy and policy that describe the areas of opportunity for the organization, the types of innovations that will be focused on, the resources that will be allocated to pursue the opportunities, the people and teams that will be involved, and how results will be measured and followed up. Start with “low-hanging” innovation initiatives, communicate frequently, create awareness, and recognize achievements. Also, focus on competence development and on providing (digital) tools and methods for innovation managers, facilitators, and coaches.

III. SCALE & MAINTAIN: Build momentum by reinforcing top management commitment, forming innovation portfolios, and by measuring and communicating progress, good examples, and results in the organization. Broaden innovation activities by inspiring and engaging more people in the organization as well as external partners and collaborators. Support all leaders in the organization to foster a culture that is promoting innovation activities. Demonstrating that value is realized for the organization, users, and other stakeholders is key in this phase.

IV. EVALUTAE & IMPROVE: Analyze and evaluate the performance of the entire innovation management system with all its elements. Are you capturing the most significant innovation opportunities? Have the innovation objectives been achieved? Are you gradually building the right culture in the organization? Based on the evaluation, prioritize gaps and improve the system by adjusting the innovation strategy, improving the understanding of the context, re-allocating resources, involving partners, improving innovation measurements, and so on.

Successful implementation throughout all phases is dependent on dedicated and competent innovation management professionals and on continuous top management commitment in your organization.

9. Professionalizing innovation management

Managing innovation activities in a company or other organization is an emerging profession. A body of knowledge, personal certification, and international standards are supporting this development.

What is an innovation management professional?

Innovation management professionals are responsible for, or actively contributing to, leading and organizing innovation efforts and for building innovation capabilities in or for an organization. A professional model is emerging similar to the development for project and quality management professionals. Many organizations already have one. They can be called for example innovation managers, facilitators, coaches, or officers.

Job description

In the Swedish context, the Association for Innovation Management Professionals in Sweden (Innovationsledarna) started to develop a job description in 2015. Six specific responsibilities, from strategic to more tactical, were identified based on the experience of the members of the association. The purpose was to define and strengthen the identity of the profession.

Body of Knowledge

As a next step, a first version of a Body of Knowledge for innovation management professionals was developed. The purpose was to define the core innovation skills related to the responsibilities of the job description based on the content of international guidance standards (ISO 56000 and ISO 56002) and on the latest research- and experience-based knowledge in the area of innovation management. The Body of Knowledge was developed by the community of practitioners of Innovationsledarna and can be used as an introduction to the profession, for competence development, and as the basis for personal certification.

There has also been an increasing interest outside of Sweden to explore the development of a global Body of Knowledge, for example by ISPIM (the International Society for Professional Innovation Management) and their Special Interest Group (SIG) on Body of Knowledge.

Personal certification

The final step in the Swedish context was to establish a personal certification program. The purpose was to further strengthen the legitimacy of the profession and the employability of innovation management professionals. The program is based on the Body of Knowledge and an independent certification body: the certification arm of RISE Research Institutes of Sweden. Training is provided by third party companies and is not part of the certification program as such. The program is open to anyone inside or outside of Sweden that fulfill the requirements.

10 Read more

Go to www.innovationmanagementsystem.com to find more information, articles, downloads, tools, and links.

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