* New Research on Product Development and Innovation Management *

- Innovation Tools -

by

Brad Goldense and Ervin Kule

In the August 25, 2008 issue of 2PLM we highlighted recent research on product development and innovation processes, tools and top corporate metrics by Goldense Group, Inc. In this issue we present the fifth in a series of six articles, which focuses on results in the area of "Innovation Tools." Next issue we will look at results on "Top Corporate Metrics."

The survey investigated "generally available" Innovation Tools, and their penetration and degree of usage in corporations. This research subject contained a list of 67 Innovation Tools that GGI researchers categorized as being generally available out of a list of over 250 tools that we track. Replies to GGI's 2008 Product Development Metrics Survey were received from 209 companies across a range of industries including industrial and medical products, aerospace, defense, electronics, chemicals, and pure software companies.

Innovation tools span a wide range of capabilities. An Innovation Tool could be a simple stand-alone enabler, such as Yoga or Meditation, to extremely complex multi-module integrated software suites and on-line web portals. People or groups of people use them, individually or in large groups, in-person or virtually, as tools in the workplace. Most of them help people to get out of the box to mitigate daily distractions that might reduce a creative outcome when an innovative solution is clearly required. Many of them also have applications to writing, and to personal life as well.

In 1970 few existed. Yoga, Meditation, and Edward de Bono's Six Thinking Hats were among the few. As the demand for innovation has increased during the last 3-4 decades so has the number of offerings increased to meet the demands of the market place.

GGI researchers have categorized these tools into 5 groups: outliners/sketchpads/text manipulators, self-help/group-help, sharing information, sharing and structuring information, and increasing domain knowledge. All five groups of tools have value. The value depends on the specific environment and needs of the corporation.

Without regard to the categories described above, collectively these tools are still in the nascent stage as the market for them grows and matures. Of the 67 tools, excluding the innovative applications features of Microsoft Word and Microsoft Powerpoint, only five tools have exceeded a 15% penetration rate including the tools that are free of charge. The top 5 tools are: USPTO Website, Wikis, Triz, Blue Ocean Strategy, and MindManager.

"Penetration" means that they are "internally available and/or owned by" companies. "Usage" is different. GGI researchers investigated two levels of usage, used occasionally versus fully embedded. The free tools get the most usage. But it is interesting that some tools that have only penetrated a small amount rise up when one looks at usage. The outliners/text manipulator/sketchpad tools, "Mindmanager" and "MINDMAP" and "Brainstorm" if owned are used. Self Help/Group Help tools also get used if owned, especially tools that do "storyboarding."

Clearly the market is in its early stages. Only five tools have penetrated more than 15% of the market. Only five tools are used occasionally by more than 8% of the market. Only five tools are used frequently and are fully embedded by more than 2% of the market.

In summary, proceed cautiously when selecting specific innovation tools. If the tool is free or has a low acquisition cost and a short inexpensive training period, it can't hurt to try it out. If the tool is expensive and/or has a long and possibly expensive training period, make sure you are committed to giving the tool a full exercise to discover its usefulness. In all early markets, many of the initial entrants will not be the long run survivors.

For more information about GGI's 2008 Product Development Metrics Survey, the research and the available report please go to GGI's website, http://www.goldensegroupinc.com/. To purchase reports with text and graphical analysis of the results, please go to http://www.goldensegroupinc.com/cgi/catalog.cgi?display_p355.

Bradford L. Goldense is President and CEO, Goldense Group, Inc. Ervin A. Kule is Manager of Market Research, Goldense Group, Inc.