



...inspiration or perspiration?

Innovation management is the systematic planning, management and monitoring of innovations in organisations. In contrast to creativity, which is all about developing ideas in the first place, innovation management focuses on making the best possible use of them. The management of innovations can involve products, services, manufacturing techniques, management processes ... to name but a few. While product innovations aim to improve customer satisfaction by better meeting their needs, process innovations are geared towards increasing the efficiency and effectiveness of how things are done.

So how does this translate to the field of logistics? Service innovation is the development of a new service. There are certain features that make it unique. These include immateriality, patent protection proving to be a virtual impossibility or the overlapping in time of production and consumption. On account of this, service innovation requires a different approach. One of the key issues relates to how innovation management is integrated into the organisational structure of a company.

Whilst machines are normally developed by engineers in R&D departments, responsibility for the development of services is often dealt with in a different way. Sales and market research methods have a major role to play in this context. Consequently, a number of functional units within a company are involved in the organisation of the innovation process, rather than this being concentrated in R&D departments.

It is precisely this factor which puts innovation management at significant risk of being under-represented in the service industry. Because responsibility is distributed across several different areas of a company, nobody really takes ultimate charge, or pending tasks are pushed down the pecking order. This potential risk can be avoided if the various areas of the company involved come together to define the tasks, responsibilities and competences associated with innovation management, and adopt a strategy of open communication and central management.

It is not enough to embed the innovation process within the organisational structure of a company. In order to be kept alive, it requires stimuli to generate and implement ideas. Such stimuli might take the form of in-house incentives or financial bonuses, for example. A company could even enter a public competition, such as Germany's Logistik-Innovationspreis, which recognises innovations in logistics. Let's also not forget external partners (in logistics). Used wisely, they can provide an objective viewpoint, as well as bringing in new knowledge and ideas.

Successful innovations are the fruit of a targeted and structured approach. To talk of "invention" within this context is therefore something of a misnomer. Above all, managing innovations is an ongoing process which must be anchored in the organisation of a company with clear, defined responsibilities. Innovation management is hard work and therefore certainly more perspiration than inspiration.

It could be a hot summer!

Yours,
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