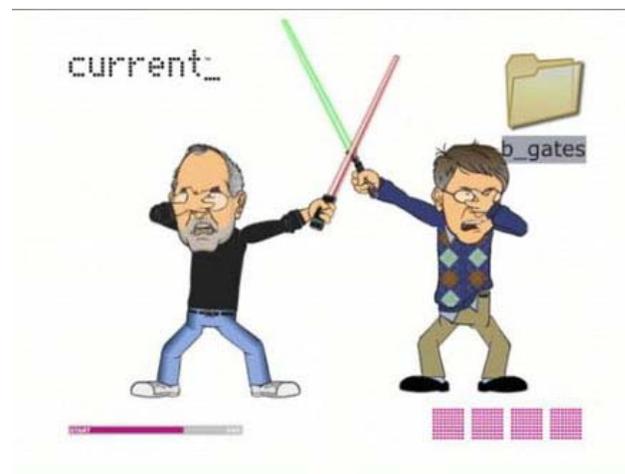


Swimming in Troubled Waters- 3



Reinventing itself... *P&G*

- In 2001 Lafley tapped Claudia Kotchka from the design department to create P&G first global design division
- The company hired around 150 mid career designers over 5 years
- Lafley established a design advisory board ,bringing in experts from outside to examine and shape innovations
- Kotchka and Lafley also launched Design Thinking , an initiative to teach new ways of listening, learning,visualizing and prototyping
- They built innovation centres around the world replicating home and shopping environment to encourage co creation insights with consumers and retail partners
- Lafley encourages research that focuses on what drove customers' emotions, beliefs and behaviours



Reinventing itself...P&G!

- Inside a converted brewery in Cincinnati's Clay street an innovation studio was built.
- Conference rooms were filled with crayons, whiteboards, chalkboards and toys
- The studio seeks to create EUREKA moments!
- Under Lafley, P&G's organic growth rate has averaged 6%, twice the average for the categories of companies in which it competes and its stock reached record highs before the current downturn
- Lafley was named CEO of the year in 2006
- Voila! That's innovation for you!



The idea in brief....



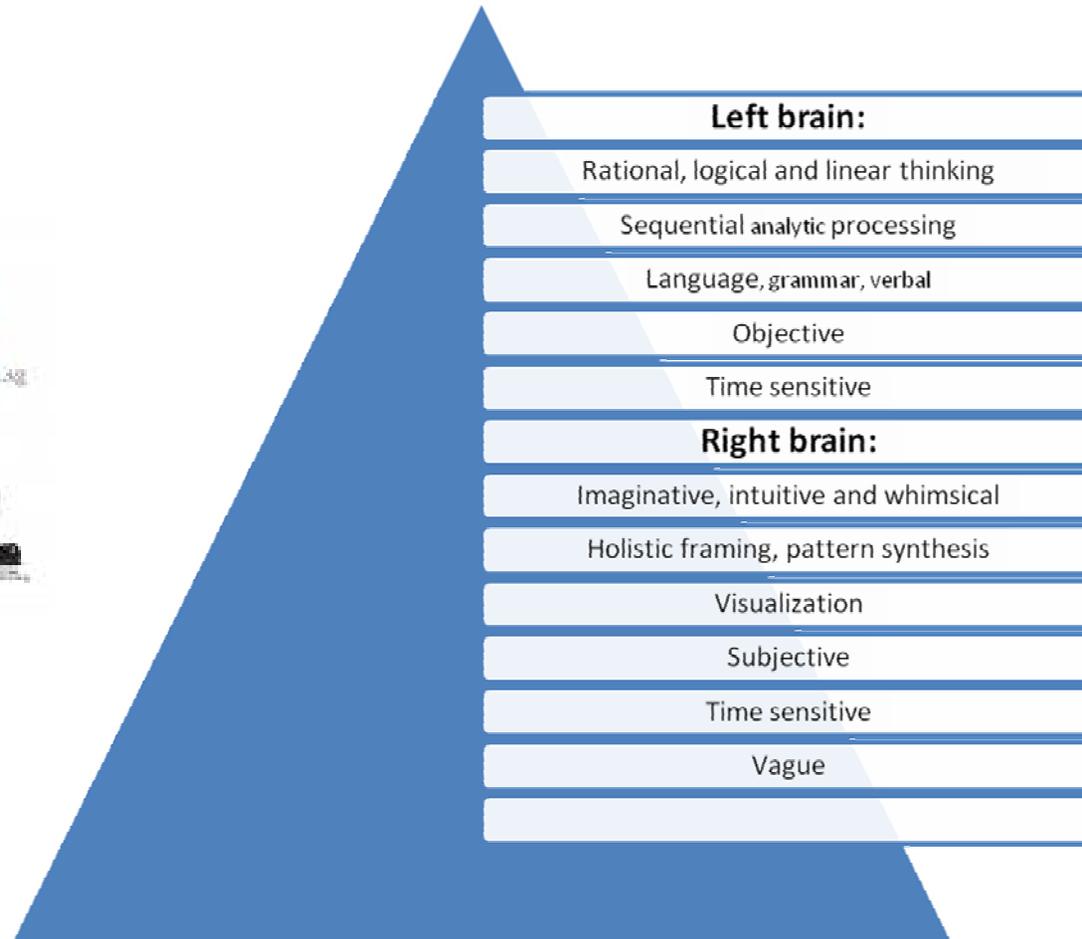
- Innovation is a messy process- hard to measure and hard to manage
- Executives in a recession often conclude that their innovation efforts aren't worth it.
- The contrary view is of course is that innovation is both a vaccine against market slowdowns and an elixir that rejuvenates growth
- The creativity that leads to game changing ideas is absent in most companies.
- Too few businesses have creative right brain types in leadership positions.
- A leadership duo that unites **right-brain creative skills** and **left-brain management skills** offers the best way of ingraining innovation in a business.

The Fashion Industry: Innovation a way of life

- The Fashion industry is the perfect example for innovation. They constantly have to reinvent their product lines and its brands every season.
- Its businesses are “both brain” run by pairs of powerful executives with complementary- creative and analytic style
- They are structured to support left-brain and right brain partnership
- Innovation becomes a way of life, not a marginal activity
- Examples of successful partnerships are Calvin Klein and Barry Schwartz, Louis Vuitton and Marc Jacobs International- Marc Jacobs and Robert Duffy



Hemispheres of the brain



How to make a successful Partnership work?

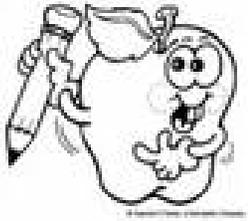
- Awareness of strengths and weaknesses
- Complementary cognitive skills
- Trust in each other
- Relevant knowledge
- Strong communication channels
- Motivation
- Eggs of successful Partnerships:
 - HEWELETT-PACKARD –David Packard and Bill Hewlett
 - PARFUMS CHANEL –Pierre Wertheimer and Coco Chanel
 - PIXAR John Walker and Brad Bird



First steps to innovate...



- ✓ **Strategic clarity:** Innovating effectively means creating your own opportunities in a crowded marketplace to avoid both mediocrity and commoditization.
- ✓ **Patience:** Creativity is a fickle thing, and it doesn't always follow the clock. False starts and the occasional flop are part of the process and must be accommodated.
- ✓ **Strong leadership:** Innovation doesn't happen by committee. Visionaries with effective management skills are hard to find, but they're a critical ingredient for success.



Tailor your tactics: the Apple way to innovate!!



- ❖ **Clear Your Mind**

Goal: Understand what it takes to create truly remarkable products.

- ❖ **Build Your Fortress**

Goal: Create the infrastructure you need to innovate.

- ❖ **Cultivate Your Elite**

Goal: Empower your most valuable employees to do amazing work

- ❖ **Don't Rush, Don't Dawdle**

Goal: Prevent short-term, cyclical, or competitive pressures from overwhelming an effective strategy.

- ❖ **Clone Your Own Steve Jobs**

Goal: Put a tyrannical perfectionist in charge, institutionalize his thinking.

Sources



- Harvard business Review
- www.nysketches.com
- The Apple way to innovate courtesy: The Apple bookshelf
 - Compiled by Ms. Sandhya Santhanakrishnan