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PROCESS PLAN FOR CREATING YOUR OWN INNOVATION PROGRAM

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INNOVATION PROGRAM PROCESS DIAGRAM

INCOMING IDEA

Interview with Idea Submitter

Present Idea to Dept. Partners

Quorum? — NO → Reject, Park, Escalate

YES

Determine Est. Hrs. + Priority Per Dept.

Est. Preliminary CTC Potential

Final Score and Queue

+2xCTC? — NO →

YES

Planning Meetings: Program Manager Facilitates Group Planning + Execution

Determine Cost/Benefit Analysis

Task Analysis + Dept. Assignments

Prog. Mgr. Drafts Tactical Plan

Share Final Draft with Dept. Partners

Project Complete and Launched

Conduct Weekly Progress Meetings

Plan Sign-Off with All Team Members

YES

Approved? — NO →

Presentation to Senior Management

YES

Requies Senior Mgmt. Approval? — NO →

YES

Quorum to Execute? — NO →

Meet with Group to Reach Consensus

Distribute Final Plan to Dept. Partners

Incorporate Indiv. Dept. Feedback

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EXECUTIVE SUMMARY

An innovation program is a methodology to involve all employees in driving innovation and developing good business thinking throughout your company. Since employees are at the front lines of operations, they are often the best able to identify both opportunities and threats to the company. Employees also bring a diverse range of valuable perspectives on viable solutions. Ideas can include improvements to operations, innovations in technology, ways to make your company a better place to work, and strategies to help your company attract new businesses. Giving all employees a voice in improving the company is expected to keep them engaged and motivated.

GOAL

Create a process for effectively managing all inbound ideas through a single channel of communication and to effectively organize, plan and execute all accepted ideas with the right responses and feedback loops in a timely manner.

THE IMPORTANCE OF EXECUTION

Historically, most companies have not always done a good job of implementing programs, meeting deadlines, monitoring progress and making modifications when a new initiative is not producing results. Your company is implementing this program to better manage the execution of important company initiatives. One individual, the Program Manager, will oversee this program and maintain the ticketing system. Your ticketing system can be on a Microsoft Excel or Google spreadsheet or on an intranet of all official projects. This ticketing system should be public, enabling all employees to see their ideas as they are evaluated, approved, rejected (we prefer the word "closed") or executed. The Program Manager will comment on the status of projects from the ticketing system and monitor progress. The measurement for success is that each approved idea is completed and integrated into operations.

ACCOUNTABILITY

PROGRAM MANAGER, COACH, PRIMARY FACILITATOR

The Program Manager will be totally accountable for new innovation projects. That means that if any initiative fails (or succeeds), he owns it. If other people do not cooperate, are not available, or do not complete their tasks on time, the Program Manager's responsibility is to be on top of the work and fix the problem.

PARTNERS TO INVITE AS TEAM MEMBERS (BASED ON SCOPE):
- Corporate Strategy Manager or his/her Appointee
- HR Manager or his/her Appointee
- Finance Manager or his/her Appointee
- Marketing Manager or his/her Appointee
- Professional Development Manager or his/her Appointee

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- Operations Manager or his/her Appointee
- Senior Management (For participation on High Risk, High Impact, High Cost Projects). These senior stakeholders should meet to review the final plan for executive approval to move forward on all projects projected to cost more than $500 (or whatever limit you determine) or requiring hiring additional personnel.

WORK PROCESS DESCRIPTION

EMAIL SETUP

One email address should be set up on the Program Manager's system who will confirm to idea submitters that their idea has been received and to set up a 1:1 meeting with the submitter.

TASK #1: INBOUND QUERIES

Lead Responsibility: Program Manager

Other Actors: Idea Submitter

Task Definition: Anyone can submit an idea to the innovation program. Once the idea is submitted, the Program Manager responds, thanking the individual for their idea along with informing the individual about the 48-hour turnaround initial review period. If the Program Manager is on leave or unavailable, the email will state that the initial review will be delayed until he/she returns. The Program Manager will meet with the idea creator in person. For ideas from different offices, a conference call will be scheduled with the submitter. The goal of the meeting is to engage the idea creator and learn everything about the idea. The Program Manager will totally understand the details and how the idea will benefit the organization, and the idea submitter must feel that the Program Manager totally understands. The Program Manager should not share his opinions on the idea; he/she will simply listen and understand.

Possible Problems and Escalations Procedures: None

TASK #2: INITIAL ASSESSMENT PHASE

Lead Responsibility: Program Manager

Other Actors: All Accountability Partners mentioned in Accountability Section (above).

Task Definition: If the Program Manager decides that the idea will be assessed (only ideas that are clearly not feasible will be rejected without an initial assessment), he/she will meet with the partners in each appropriate department

to gauge interest and bandwidth. He/she will invite the partners to include themselves or assign someone within their team to work on the project. They are under no compulsion to work on any ideas in the innovation program. The Program Manager must convince them that it is in their department's and/or the company's interest to participate. After speaking with partners and generating a quorum of team members, the Program Manager will schedule and facilitate a series of meetings to plan and execute the idea.

During the Initial Assessment Phase, all approved projects will be presented by the Program Manager, who will facilitate the team scoring of each idea based on the following formula (the scoring from the initial assessment is just a rough guess so that we have some idea of the relative priority of the project):

[PRIORITY RANK] X [CTC*] ÷ [NUMBER OF COMBINED WORK HOURS REQUIRED TO COMPLETE EXECUTION]

Examples:
- Priority 10 x 4xCTC ÷ 1 Man Hour = 40
- Priority 10 x 3xCTC ÷ 2 Man Hour = 15
- Priority 3 x 2xCTC ÷ 1 Man Hour = 6
- Priority 9 x 4xCTC ÷ 100 Man Hours = 3.6

All ideas will be categorized into four main categories:

A. APPROVED
All ideas that can be quickly executed with minimal disruption and show through cost/benefit analysis to be at a minimum 2xCTC, will require no escalation beyond Partners and the CFO.

B. TO BE ASSESSED
All ideas that have the potential to have dramatic impact at your company may not fit into category A. They may require significant financial investment in time and cost before reaping any return on investment. High risk, high impact, high cost ideas that show tremendous potential will be pitched to Partners for feedback and their outcomes shared with Senior Management to make an informed decision. The Program Manager will execute a final plan after establishing a minimum 2xCTC, with the expectation that most ideas in this category should be estimated at 3 or 4xCTC.

C. IDEAS TO BE PARKED
Ideas that have merit but are not supported by Partners at this time, are not as high a priority as other projects, or need further research, etc., will be parked on the spreadheet or ticket system for further development as projects are reviewed and queued each month with Partners. Each project in this category must have been assessed and pre-approved for execution and will be queued for implementation on a priority basis.

* CTC = Cost to Company

D. IDEAS TO BE REJECTED

All ideas that are rejected will still be archived. Only ideas that have very obvious flaws should be rejected without being assessed. If the idea is rejected, Bala will meet with the submitter and use guided questioning to help the idea creator understand why the idea cannot move forward.

Possible Problems and Escalations Procedures: When certain departments are unwilling to participate and Bala feels the idea should be assessed, Bala will escalate the issue to Hank for further discussion with the Partner.

Large scale projects that require high numbers of man hours but feature both high priority and ROI scores will be managed as longer term projects. These projects may require breaking them down into phases in order to get these programs queued on the implementation schedule.

TASK #3: PROJECT PLANNING

Lead Responsibility: The Program Manager

Other Actors: All Partners volunteering for Project Idea

Task Definition: The team members own the planning meetings. The Program Manager will act as facilitator, coach, and if necessary escalator. Brainstorming, writing the initial draft, setting assignments and deadlines will all be conducted during these meetings by the team. The deliverable at the end of these meetings should be a clear vision of what the final execution of the program will involve. The Program Manager will assist team members in writing draft sections of the plan that require their leadership to execute, and the Program Manager will collate and edit the final draft of the project plan and seek agreement from all team members who will commit to the project by signing the plan.

Possible Problems and Escalations Procedures: If the team cannot come up with an acceptable plan that can be implemented, (e.g., cannot create a 2xCTC cost benefit analysis or can't solve a fundamental flaw), the planning process can be escalated to Senior Management for additional discussion as to the fate of the project).

TASK #4: COST/BENEFIT ANALYSIS

Lead Responsibility: The Program Manager

Other Actors: Assigned Partner volunteering to handle this portion of the project.

Task Definition: Working with the Partners, the Program Manager will carry out a cost-benefit analysis to evaluate the value of each idea after it has been more fully defined in the planning meeting. The assigned partner will produce the research

(vendors, purchases, hiring plan, etc., to establish Return on Investment (ROI). All projects need to demonstrate an absolute minimum of 2xCTC, while most larger projects should demonstrate a 3 or 4xCTC. This analysis will be incorporated into the final plan.

Possible Problems and Escalations Procedures: Since many projects feature soft metrics such as employee engagement, improved morale, etc., the CEO will actively participate in the first few projects to ensure the group captures all benefits, both financial and cultural.

TASK #5: TASK ANALYSIS & ASSIGNMENT

Lead Responsibility: The Program Manager

Other Actors: Project Partners

Task Definition: The plan must include a detailed task analysis, breaking down the project into discrete tasks. Project Partners will be asked to volunteer for tasks, estimate number of man-hours to complete the task and commit to a deadline. Each task will include a definition of what completion of that task entails and to whom to communicate to confirm the work is done. This analysis will be incorporated into the final plan.

Possible Problems and Escalations Procedures: The Program Manager will have to closely monitor all milestones and ensure timely completion of all dependencies that could delay other work are completed on schedule. The Program Manager will work closely with these partners to anticipate issues, remind, and assist to meet deadlines. When required, the Program Manager should escalate to the CEO to handle any issues not capable of being addressed internally.

TASK #6: TACTICAL PLAN DEVELOPMENT

Lead Responsibility: The Program Manager

Other Actors: Project Partners

Task Definition: Each section of the tactical plan will be assigned to the individuals who will be executing those tasks. This will ensure that all involved completely understand their roles and responsibilities and commit to deadlines they themselves decide. The final plan will be collated by the Program Manager, who will review for completeness, meeting with team members to counsel them on any issues they may not have addressed in their section(s). The Program Manager will meet with each Partner to generate their feedback on the final plan to ensure all team members are committed. After meeting with everyone, he/she will finalize the plan and make updates based on the feedback.

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TASK #7: FINAL PLAN AGREEMENT

Lead Responsibility: The Program Manager

Other Actors: Project Partners

Task Definition: The final plan will consist of the documentation written during the planning meetings by individual partners, along with the cost/benefit analysis demonstrating ROI, and the task list with assignments and deadlines for each task.

After the plan has been reviewed by all partners and agreed to, one final milestone must be achieved. If the project requires hiring approval or costs are estimated to be more than $500 (or whatever your company decides is the limit), Senior Management approval is required. If either of these factors exists, the team will schedule a meeting to present the plan. The team will present as a group and defend the plan together. Senior management can accept the plan as is, or make comments, suggestions, pivots or share challenges to be addressed before final senior management can approve the plan. Senior management can also park or reject the project entirely if they consider it not consistent with long-term business goals.

Once Senior Management approval has been confirmed, each responsible Partner will formally sign the plan and be given a copy of the agreement. Perhaps the most critical meeting of all is the sign-off meeting. All of the signers identified in the final program plan must participate in this meeting. At this meeting, the leader should review the plan point-by-point and make sure that everyone understands each point. Any remaining disagreements must be fully understood, solutions offered, and final solution reached unanimously. In some cases, people will need to agree to cooperate for the good of the company even when they do not think the best plan of action has been outlined.

Everyone at the meeting must agree to his or her responsibilities and timelines. Getting everyone's buy-in a public forum is very effective. It is critical to have a sign-off meeting because:
- If you do not have the sign-off meeting it is likely that some people will say that they never agreed to the approach, did not fully understand the final plan, and never agreed to their deliverables and deadlines.
- The first time some people will totally pay attention is the sign-off meeting because they know this is their last chance to make changes.
- Some people may not have spoken up during the one-on-one meeting or may have needed more time to organize all of their thoughts and objections.
- New ideas may surface in a group setting that did not surface in the one-on-one meetings. It is critical that we keep an open mind and even change the plan if required. The sign-off meeting is the best way of making sure that we do not overlook any critical items that could seriously jeopardize the success of the program.

This task is complete when everyone at the meeting executes the sign-off sheet stating that he or she commits to achieve each of his or her deliverables and deadlines.

Possible Problems and Escalations Procedures: None.

TASK #8: EXECUTION

Lead Responsibility: The Program Manager

Other Actors: Project Partners

Task Definition: The Program Manager will conduct weekly meetings to record all completed tasks and establish the status for each ongoing project. The Program Manager will manage a spreadsheet that tracks all projects. This spreadsheet will be sent to all stakeholders (Accountable/ Responsible/Informed).

Possible Problems and Escalations Procedures: If milestones are not being met, and the Program Manager cannot solve it internally, he must escalate the issue to the CEO for intervention.

TASK #9: PROJECT COMPLETION

Lead Responsibility: The Program Manager

Other Actors: Project Partners

Task Definition: As part of the plan, the specific outcome will be detailed in observable and measurable parameters. Once all tasks are completed, the Program Manager will review the plan and mark it complete.

Possible Problems and Escalations Procedures: If tasks are completed but the project is not gaining any traction after launch (e.g., the spa is opened, yet no one is using it), the team must be called together to brainstorm ideas on how to reach the detailed outcome specified in the plan. This new plan may require bringing in new Partners (such as Marketing) to promote the new idea and increase engagement. If none of these tactics are successful, the CEO should be informed and a decision will be made to continue investment in the project or cancel the project.

TASK #10: PROJECT LAUNCH

Lead Responsibility: The Program Manager

Other Actors: Project Partners

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Task Definition: As part of the plan, a launch plan will be executed to promote the project company-wide and generate engagement.

Possible Problems and Escalations Procedures: Company-wide meetings, company-wide emails, etc., need to be scheduled and performed at a regularly scheduled time so that all team members are aware of the projects being worked on and their status. If engagement is low, Marketing will address this to ascertain the reasons why employees are not participating. The Program Manager and Marketing will address those issues that can be fixed internally; external issues will be escalated to the CEO.

MARKETING

This program should be launched through company-wide meetings and emails along with district off office-specific meetings and emails depending on the size of your company. A new email address should be promoted through all your communication channels. An intranet can feature a ticketing system for communicating and tracking ideas any time an employee is in the office. Your Marketing Team Lead should track every promotional email sent and any responses received for each one of these. The Marketing team should also include this program as a part of the induction presentation for all new employees. Each approved idea (and its creator) will also be promoted during company-wide meetings and emails and status on longer term ideas will be shared as well.

PROMOTION IDEAS

- **The Program Manager Walkabouts**
    - Promote program to Team Leads up to VPs in All Departments
    - Promote program to Support Services (including vendors)

- **Company-wide Meetings and Emails**
    - Promotions, e.g., "Imagine the kind of company you want to work in. Share this vision and let's make that company our company."
    - Project Updates
    - Project Launch Announcements
    - Project Impact Statements

- **Department Goal Assignments**
    - Goal: One team idea per month
    - Fosters teamwork, knowledge sharing and innovative thinking

- **Idea Themes:** Monthly emails to focus ideas on certain topics, such as:
    - Improving productivity
    - Improving quality
    - Improving communication
    - Increase revenue
    - Improve customer service
    - Save costs

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EMPLOYEE REWARDS
- Handwritten Thank You Notes
- Verbal Recognition from the Program Manager in front of supervisor and peers
- Public Announcements
  - Board Reports
  - Video Wall
  - Social Media
- Lanyard "Innovation Maker" Badges

ANALYTICS/REPORTING
During Initial Phase, the Program Manager will email all managers and higher on the status of all open projects each Friday. Stats on all open projects will also be communicated company-wide through monthly company-wide meetings and emails. You should track the following metrics:
- Number of Ideas per Employee (target: increase .05% each month)
- Number of Ideas per Month (target: increase 5% each month)
- Number of Ideas per Department per Month (target: increase 5% each month)
- Percentage of Employees that Submitted Ideas (target: increase 5% each month)
- Implementation Turn-Around Time (target: decrease 5% each month)
- % Ideas Implemented (target: increase TBD% each month)

Of course, your metrics may vary. establish a basleine and agree upon what is reasonable and actioable. These metrics will enable the senior leadership team to determine what tasks and where in the program structure needs to be improved. The Program Manager will escalate issues to the CEO as required. The Program Manager will meet with submitters to update them personally on the status of the project, even if they are not involved in execution.

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