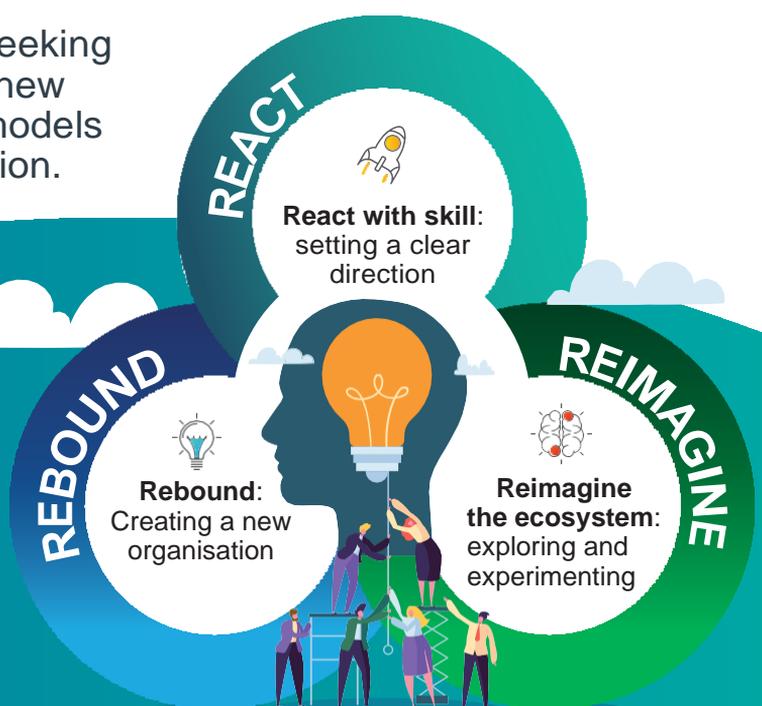


Innovating in a Crisis

Best practice for leaders seeking opportunities to innovate new processes and business models amidst the current disruption.

React: setting a clear vision



Support business contingency

All hands-on deck. Establish the processes to continue business as usual. Brainstorm with employees on ways to support business contingency. Investigate and scope for new ideas. Move to create and embed new ways of working, by having a repeatable method in place to collaborate around ideas.



Focus on growth, not just cost-cutting

The negative economic environment we're currently experiencing and its knock-on effects to the cash-flow of businesses has led to necessary, but often painful, cost-cutting. A focus should also be put on areas of potential growth within the maelstrom, and resources moved to those areas if possible. An early focus on growth areas will lead to an earlier influx of cash.



Embrace the speed

The pace of experimentation, decision-making and implementation all increase dramatically during times of crisis. Senior leaders should embrace this speed of change by encouraging the sharing of new ideas and testing their viability in quick, iterative feedback loops. Use these times of change to test new ideas and to fail fast; when it comes to decisions in a crisis, leader's sometimes have to make calculated risks.



Reconsider current innovations

Taking stock of ongoing projects and either adjusting them or putting them on hold will decrease the likelihood of wasting crucial resources. Gathering up data from divisions and then taking projects line-by-line and reallocating resources is a necessary step. At peak crisis moments, decision-making power should be devolved to the teams on how to proceed before feeding back results later.

Reimagine the ecosystem: exploring and experimenting



Reimagine the system

Major economic and social shocks change the economy and society in fundamental ways. The SARS outbreak of 2002 and 2003 is now widely seen as an accelerant behind the rise of e-commerce in China and exponential growth of the online retailer, Alibaba. Create senior level working groups and ask the question 'what will our ecosystem look like after this pandemic?'



Prepare everyone for change

Use this opportunity to cut through internal politics and the typical strife you experience during a change process. People will be more willing to be flexible during these times and open to doing things differently, particularly when the overall goal is clearly communicated by leadership.



Encourage ideas to emerge from everywhere

At the moment, different elements of our society, business and technology are colliding together in new and different ways. This can cause chaos, but also innovations. Many of these innovations will come from your front-line, not your leadership team. Techniques such as design thinking should be used to harvest these ideas, and the leadership must have the focus and will to utilise the most useful and share them widely.



Endorse and experiment

People have a natural tendency to want things to stay the same. It is imperative for leaders to break this fearful mindset and encourage imaginative insights from their people and embolden practical and real-world experimentation where possible — nothing gives an idea the impetus that potential implementation can.

Rebound: creating a new organisation



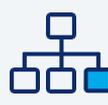
Increase investments in emerging opportunities

Uncertainty is not a reason to postpone innovation and, where possible, investment. Research shows that across industries, the best time to grow differentially is when aggregate growth is low. While companies that emerge successfully from downturns do reduce costs to maintain their viability, they also innovate around new opportunities and reinvest in growth pillars to capture emerging opportunities.



Think of Kaizen

Kaizen is the Japanese word for the concept of continual improvement in business functions. When our processes have been disrupted so much, small challenges can become widespread across an organisation and significantly increase inefficiencies — think of a bad video meeting platform for example. Techniques include continuous feedback, embracing incremental change and working collectively on problems can turn this tide in your favour.



Reallocate employees (and their ideas)

For some business areas, employees may not be able to carry out their regular or former activities. Assess with HR and management how employees can be re-allocated around the business to allow for them to be redeployed. Encourage these employees with one key, overriding principle — bring your ideas into new areas — and brief their new line managers to encourage the same.



Spot new consumption practices being formed

During times of rapid change, often new market realities and new consumption practices emerge. It is important to stay attuned to these consumption practices and to adopt them into the organisation, where possible as they may offer areas for sustainable growth beyond the crisis. Europe will come out of this after other regions, so lessons can be learned and implemented ahead of time.

Sources:

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