



The Innovation in Innovation Consulting

Read about the idiosyncrasies of innovation consulting and what makes it distinctive - a guest article from Steve Wunker

As a specialist in consulting to companies seeking innovation, I sometimes get the question “What’s so innovative about that?” At one level, it certainly looks the same, with slides, data analysis, and interviews. But innovation consulting has its own idiosyncrasies that differentiate it from what the big firms do. Having worked in both worlds, several lessons stand out, which may have meaning for others whatever their consulting focus.

What’s Distinct?

Crafting strategy for markets that are new or rapidly changing prevents easy application of some of a consultant’s most trusted tools. Market trend lines cannot be extrapolated, financial models compile unknown on unknown, and other firms may become ally, rival, or sometimes both. Different approaches are needed, and I wrote my first book *Capturing New Markets* to lay out methods for spotting new markets, assessing what doesn’t exist, and developing long-term channel strategies when so much is in flux. The key undercurrent is identifying patterns of market evolution. While many might claim that flexibility should be the watchword, oftentimes you really do need to make a decision. Patterns help to point the way to success.

Innovation clients are also their own genre. Their mandates are often fuzzy (“go make us more innovative!”), so selling to them has to be highly consultative to hone the project scope. At the same time, they often feel uncomfortable with their charge, so having a well-defined process for a project provides reassurance that the results will get delivered. Executing the project with them needs to be participatory; otherwise bold recommendations can feel as though they landed from Mars and have no buy-in for implementation. A recommended suggestion here is to have a client co-lead a focus group with you, or join you on ethnographies, to make the findings visceral and to spark the sort of creative back-and-forth that PowerPoint can struggle to trigger.

What’s Changed?

I entered this field in 2004, when most thinking about innovation was at quite a different level than it is today. Initially, clients wanted idea hunts, having outsiders lead countless brainstorming sessions in search of The One – the big idea that would reshape the company. This was a tall order and had several fatal flaws, but many clients believed they could recreate Edison’s genius in a conference room (never mind that, in reality, Edison networked extensively outside his labs, constantly iterated his creations, and failed innumerable times). Gradually, those beliefs have subsided and there is a growing realization that innovation has to follow a disciplined approach – one that consistently looks outside a company’s typical confines.

Projects also used to have a strong bias toward developing new products, rather than services or internal processes. This is changing, and now I'm doing projects on topics like "The Future of the Supply Chain" which would have been unthinkable a dozen years ago. People are realizing that innovation isn't just for the white coated lab employees, but for anyone in the corporation.

Like many fields of consulting, innovation has endured fads. Design thinking, for instance, started with what is a valuable approach in certain circumstances and stretched it into fields poorly suited for its methods, or applied it in ways that displayed infatuation for process rather than results. The hype cycle in this case denigrated a valuable methodology, and now after disillusion some clients are applying design thinking techniques in more limited settings and embracing a broader portfolio of approaches elsewhere. People still want silver bullets, of course, but in innovation there really are none. This reality benefits the skilled practitioner who can advise on the right type of approach in the right circumstance.

What's Coming?

I see three major trends affecting this field in the coming few years.

1. Strategy and market research are being unified. The traditional division of labor between strategists and researchers falls apart when innovation is the subject. It is essential for strategists to get intimate with the customer. Far from distaining the task of conducting 50 interviews, strategists should embrace it as a chance to gain insight and trigger ideas that printed reports can never equal. This calls for a more senior mix of resources on consulting teams, which is one reason why the big firms struggle in the innovation field – they won't shift their staffing model.
2. Clients are increasingly demanding actionability. They have been burnt far too many times by seemingly great ideas that lacked a series of clear next steps. I've written my second book, to be published in November, to provide this sort of approach for projects looking to reshape markets or approaches to customer segments. *Jobs to be Done: A Roadmap for Customer-Centered Innovation* uses the "roadmap" term quite consciously; this is what clients crave.
3. Finally, there are increasing numbers of engagements with a long-tail backend, in which a consultant is kept on for occasional counsel as innovations progress to market. Clients are recognizing that situations change fast, and that quick iteration of concepts is something counter to most corporate DNA. A skilled outside adviser can keep companies flexible and savvy.

Where's the Innovation?

To answer the question posed at the start of this article, much in innovation consulting is innovative, and yet the lessons seem more general. Clients increasingly want tailored approaches, extensive participation, deep market insight, actionability, and help in sticking with new plans. These desires benefit a-connect IPs, because they have the experience and flexibility of approach that is often lacking on the standardized case teams of big consulting firms. As clients become ever more sophisticated about their needs, the signs point to a bright future ahead.



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