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Evaluating Innovation

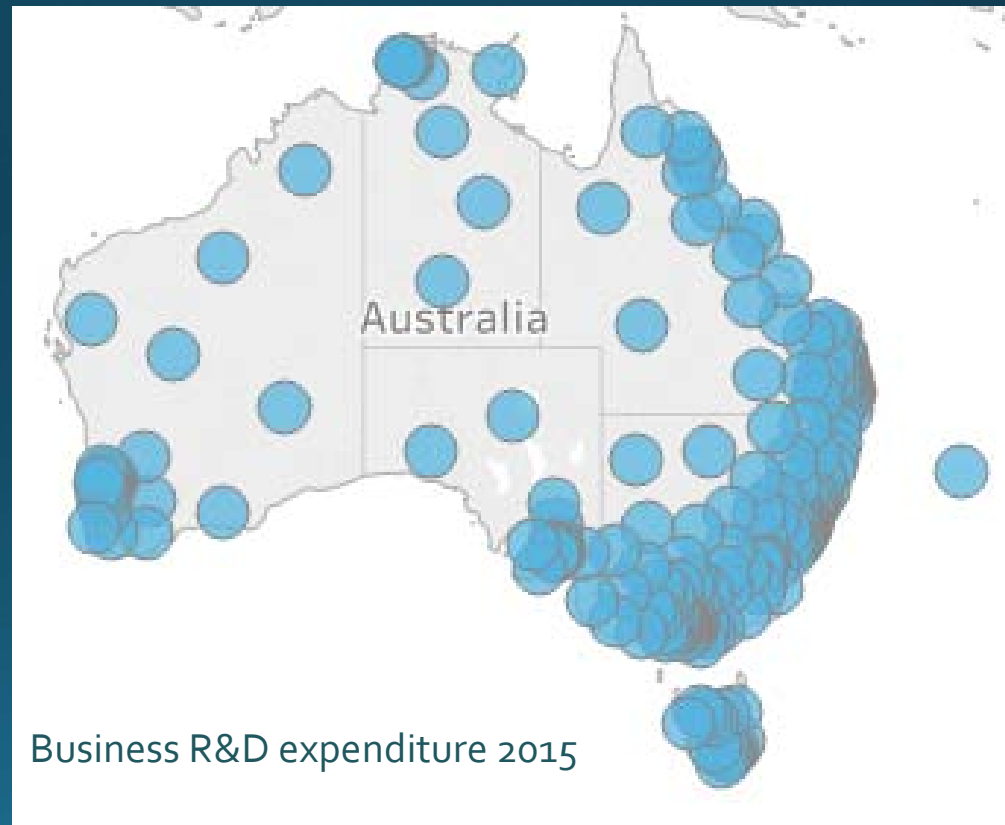
the start of a conversation

What is Innovation?



THE
**Sheep Industry
Business Innovation**
PROJECT

Innovation in Australia



Defining Innovation

Business.gov.au - Innovation generally refers to **changing processes or creating more effective processes, products and ideas.**

Innovation in *Empowering Change: Fostering Innovation in the Australian Public Service* is “the generation and application of **new ideas**”.

New ways to solve problems - **InnovationXchange**

Extraordinary **technological change** is transforming how we live, work, communicate and pursue good ideas. **National Innovation and Science Agenda**

New and innovative projects: The project is a new approach, process or technology or a **significant adaptation from conventional methods** – *Jobs Victoria Innovation Fund*

Defining Innovation

Doing something new that adds value

We don't want
to stem
creativity

We need to
know what we
are measuring

Measuring Success

Separate:


Innovation – the process of encouraging new ways of addressing problems

From:

Outcomes – the change we hope to see

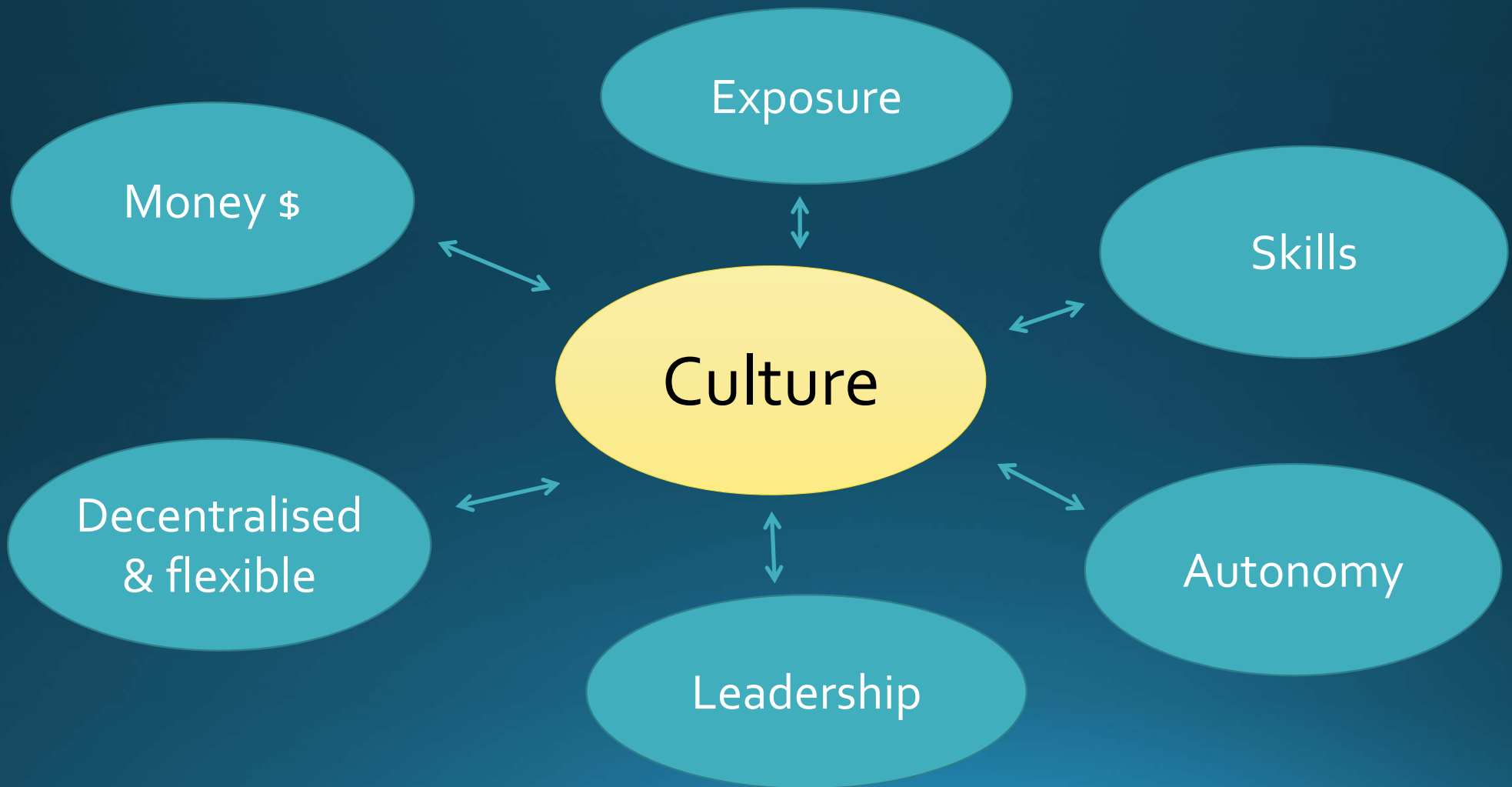


Why?

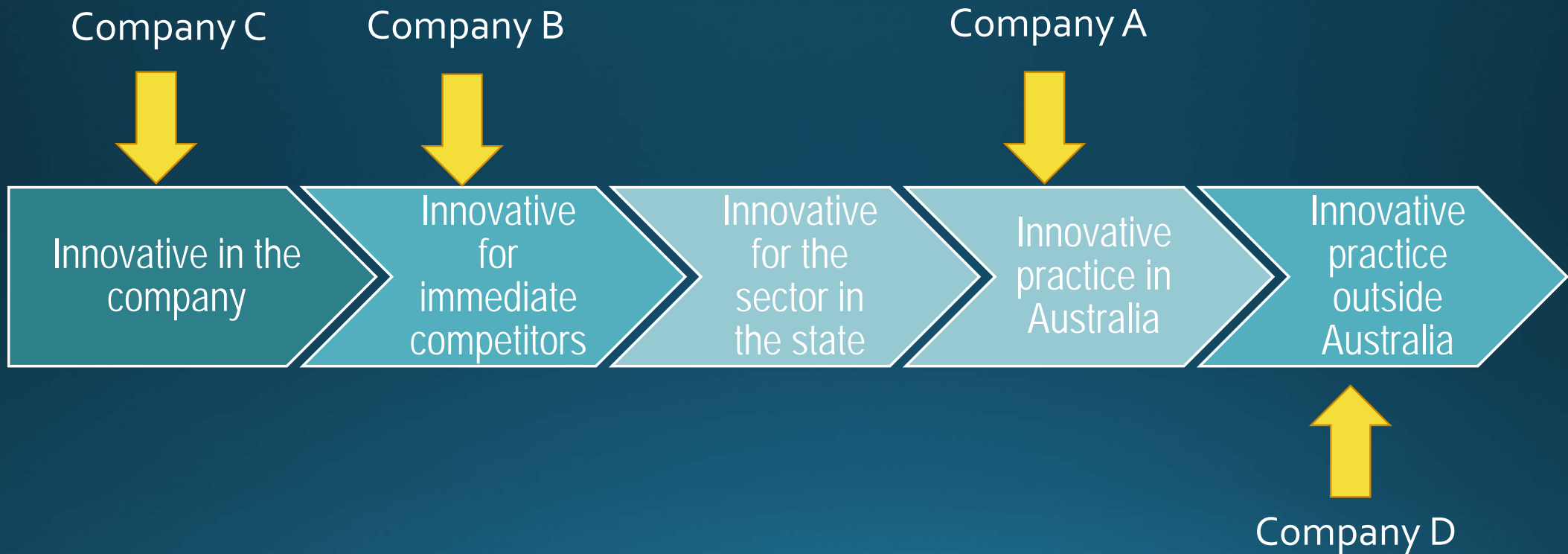


Failure is the
mother of
innovation

Culture of Innovation



A comparative scale for innovation



Innovation alongside other outcomes

	Payback period	Level of learning	Knowledge shared	Behaviour change	Innovation level	Overall VfM Ranking
Company A	3.5 - 18 m Rank 1	82% learnt a lot Rank 2	46% internal, 31% external, 6% didn't share Rank 4	77% Rank 2	Innovative in Australia Rank 1	10 Best VfM
Company B	11-17m Rank 2	94% learnt a lot Rank 1	49% internal, 32% external, 5% didn't share Rank 3	72% Rank 3	Innovative within competitors Rank 2	11
Company C	4-26m Rank 3	87% learnt something new Rank 4	64% internal, 27% external, 7% didn't share Rank 3	87% Rank 1	Innovative in the company Rank 4	14
Company D	28-56m Rank 5	100% learnt something new Rank 3	54% internal, 33% external Rank 1	67% Rank 4	Innovative within competitors Rank 2	15
Company E	31m Rank 4	33% learnt something new Rank 5	33% internal, 66% didn't share Rank 5	33% Rank 5	Innovative in Australia Rank 1	20 Poorest VfM

Marrying ToC with Systems approaches

Funding of 10 innovation projects
(Manufacturing, construction, health, food processing)

Participants have increased knowledge of environmental and financial costs of wastes produced

Participants have Increased knowledge of operational changes required (\$, skills, technology, alternate resources) to avoid waste and reduce costs

Financial Savings

Reduced use of resources

Reduced C&I and C&D waste

Lessons for sharing on innovation and waste avoidance/prevention



Final Reflections

- ❖ Defining innovation is important
- ❖ Consider both innovation **and** outcomes
- ❖ Innovation pre-conditions in an organisation
- ❖ Supplementing high level ToC with systems analysis can be useful
- ❖ Regular reflection, learning and adaptation provides insight.

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