

INTERVIEW

Bank on innovation

Massive vaults, gold bars in deep cellars and tellers counting money – even if that picture is clearly outdated, banks are often still perceived as being conservative. Raiffeisen Bank Czech Republic shows that this is simply not true any more. Ondřej Slačálek explains how they implemented an innovation process that has already led to several new product introductions.

by Libor Čadek

Why did you assign external innovation partners?

Ondřej Slačálek: The first reason was that our supervisors asked us to design an innovation process that reflects current trends and is not solely devised for our local branch. They demanded an unbiased outside view. Secondly, I personally wanted to get fresh ideas from innovation specialists, also with regard to creating a holistic innovation process for our bank. I did not want to be limited to local experience only, I wanted something that is proven to work abroad as well.

Why is innovation a rather peculiar topic in banks?

Ondřej Slačálek: Well, in my opinion, the banking environment is a relatively conservative one, which means that innovations and their implementation take a lot of time. Banks and other more traditional institutions are basically fueled by success. But innovation needs space for trial and error. Therefore, it requires very high persistence in our environment and the most important thing is to get practical results.

Could you already achieve practical results?

Ondřej Slačálek: Yes, we could indeed. A very positive result is that several people have already gotten actively involved in the innovation process. They share their ideas and one of those ideas was already devel-

oped in a project. This new product has recently been launched and we are pretty sure it will be a success.

What is the next challenge?

Ondřej Slačálek: To keep people motivated. People are currently motivated because they recently participated in workshops and saw some successes. Now we need to transform this short-term motivation into something that lasts. Communication and feedback are the key. People should continue to send their ideas and even if the ideas are not good enough or unsuitable, we need to tell them what happened to their idea and why.

Do you recognize any response from customers?

Ondřej Slačálek: We have already launched two big innovation projects with a great impact. Customers' reactions to the new services are very positive. But we have yet to find ways to better communicate our innovations to the market. ●



Ondřej Slačálek
is Director of Customer Innovations
at Raiffeisen Bank Czech Republic

INTERVIEW

More than creating ideas

OP-Pohjola Group, Finland's largest financial services group, wanted to activate innovation work in their company. In order to do so, they asked Innotiimi to train a group of specialized innovation workshop facilitators who could then run internal innovation workshops professionally. Kirsi Saarikko, Vice President of Innovation, shares her thoughts on how the training has made a difference at OP-Pohjola.

by Jarno Poskela

Why did you decide to train innovation workshop facilitators in the first place?

Kirsi Saarikko: We wanted to get our personnel more deeply involved in innovation work and intensify cross-organizational collaboration between different functions and units. We also aimed at democratizing innovation work so that every person – independent of their organizational position – would have similar opportunities to participate in innovating. For these purposes, we wanted to have more innovation workshops and we knew we needed skilled facilitators to run them professionally. Naturally, our ultimate goal was to attract new customers and generate more profitable business. As one of our directors put it: »There have been no radical changes in the banking industry since online banking.«

What did people think about these new innovation workshop facilitators?

Kirsi Saarikko: Actually, they welcomed them in a very enthusiastic way. People really wanted to participate in these innovation workshops. I think that the main thing

was that these trainings were not just for creating ideas, but also for developing concrete solutions to our real challenges. We also facilitated innovation workshops for our partner organizations and our top management, which shows how much they were committed. We worked on a very wide range of topics, e. g. new products and services, improving processes, developing own work activities. I remember facilitating a workshop for our secretaries on how they could develop their own work. We utilize similar methods for different kinds of groups, regardless of their organizational position.

You have been running this program for three years now. What have the results been so far?

Kirsi Saarikko: Well, we have created a couple of very good new products through these workshops, such as »Group Interest Account« and »Pivo mobile wallet.« The main idea of the Group Interest Account is very simple: the more people collectively deposit money into an account, the higher the interest each participant will earn is. Furthermore, you can follow the current interest rate as well as the number of people par-

participating online at any given time. Another very positive result of the workshops is an increase in employee satisfaction. Employees feel more positive regarding their possibility to participate in innovation work. Within one year, the score increased by 0.5 points on a scale from 0 to 5. This shows that we really have succeeded in democratizing the innovation work.

How would you describe the added value of the innovation workshop facilitators?

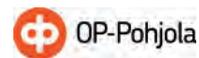
Kirsi Saarikko: The trainings for innovation workshop facilitators that were held by Innotiimi established a solid foundation and have enabled us to set up workshops in a different way than we used to. The training was not just about creating ideas, but also about developing solutions that were many steps ahead of our current situation. We also managed to get concrete results within reasonable time limits, which brought efficiency. Without the Innotiimi trainings, we would not have been able to achieve such concrete results. Innovation workshop facilitators were quickly accepted as experts. The trained methods guided them in their work, kind of automatically, in a right way, and they were very quickly able to focus on deeper things such as how to take the participants' feelings into account or how to modify a workshop process according to previous steps.

During your work life, you have seen many kinds of trainings. What are the key differences of this facilitation training compared to earlier, similar ones?

Kirsi Saarikko: One thing is that this was a very systematic approach toward innovation workshops; first ideas, then concepts, and finally concrete solutions. This structure enabled us to create specific results and was, on the other hand, easy to learn. What's more, it uses highly versatile methods. We were able to understand natural differences in people and find appropriate tools for different kinds of individuals and groups. I also liked the fact that concept development was emphasized over ideas, since this leads to successful results in innovation workshops.

What have you personally learned about a workshop-oriented way of working?

Kirsi Saarikko: First, it is important to show participants that there are resources to put things forward when we manage to get something innovative out of workshops. Also, decision criteria on how the results will be evaluated are important to share beforehand. Second, you need to have skilled facilitators so that we really know how to run innovation workshops. Otherwise, it is just sticking post-it notes to walls. Finally, it is critical that the participants are heterogeneous enough. Not just your closest colleagues or best friends, but utilizing different functions and also doing workshops with partner organizations and customers. ●



Kirsi Saarikko is currently employed at OP-Pohjola Group in Product and Services Development as Vice President, Innovation. She believes that the best innovations are born when individual ideas are brought together and as a result of the process, something totally new is created. She cultivates this approach in her daily work. OP-Pohjola Group is the largest financial services group in Finland. It provides its customers with the best loyalty benefits and the most extensive and diversified range of banking, investment and insurance services. The Group has three business segments: Banking, Life Insurance and Wealth Management.

CASE

Fresh ideas for fresh apple juice

Philips

Enjoying a glass of freshly-squeezed carrot juice for breakfast is a wonderful start to a Sunday morning, don't you think? Wouldn't it be wonderful if you could give yourself this treat or variations of it with apples, oranges or pineapples at home every day – freshly made, and almost effortlessly?

by Stefan Posch

Philips is one of the leading companies that offers solutions that will grant this wish, in the form of juicers. The company has been in this business for many years and in order to stay ahead of the competition, is in constant need of innovations – innovations resulting in new models that go beyond a simple face-lift and bring real, new benefits to their users.

The company, especially its center for kitchen appliances in Klagenfurt, Austria, is well equipped for this challenge. For example, in order to understand customers' needs and problems, they established a customer application center many years ago. There, people like you and me are invited to try out a variety of products and are observed while doing so. This is a powerful source of insight when it comes to finding levers for real innovations.

Another pillar of Philips' success in creating new, great products out of ideas is its development process, with a plethora of expertise in any necessary technical field. The most outstanding pillar, however, is the culture of creativity that can be experienced at the Philips site in Klagenfurt. Creativity is the core competence that this location has consciously chosen as its mantra. It is visible in the design of the office: a fresh and colorful layout full of well-decorated prototypes among individually designed workspaces. You can also

see it in the attitude of the employees who work together in mixed teams on new kitchen appliances of all kinds.

Juice the juicer up

We want to tell you the story of the next generation juicer that started in 2009 and that we were invited to accompany from the very beginning – the so-called »front-end« phase of the innovation process. In 2009, Roland Waldner, responsible for the function development team and mastermind of the creativity culture of Philips Klagenfurt, was given the task of developing a completely new, next generation juicer with his team. He saw this not only as an opportunity to come up with a great new product, but also as a chance to further deepen the value of creativity and creative thinking in his organization. Targeted creative thinking is something that can be learned and also demands constant training. Switching from daily operational work into a very productive and yet crazy creative mode is a value for an innovative organization that does not come without investment.

In close co-creation, we used the early phase of the project to pursue two paths in parallel. On the one hand, we drafted a sequence of several ideation workshops, knowing full well that they would be needed



Philips Avance Juicer: a real-life innovation project.



throughout the project even if the topics of each of these sessions had not been defined at the beginning. On the other hand, we conducted a training in deep dive ideation for creative problem solving. A large group of employees – not just those involved in the project – were part of this training. We fueled the practical part of this training continuously with new tasks of the juicer project that called for creative problem solving. This is the good thing about real-life innovation projects: if you allow for it, tasks that require a creative solution pop up almost every day. In contrast to the classic picture of the innovation funnel where ideas are just created in the beginning and are then just executed, our experience shows that an innovation project is rather a journey that needs the willingness and ability of its participants to switch from hard execution work into a playful, yet serious mode of creativity. This is where project work and training supported each other in a perfect manner.

The juice was worth the squeeze

After we finished the first training phase, employees who became very enthusiastic about this way of working got trained as internal facilitators of creativity sessions. In the meantime, the project had progressed

into the tough phase of realization. Finally, after three years, a new product was introduced to the market. The Philips Avance Juicer Collection offers ten percent more juice than other juicers on the market and takes only a minute to clean. It became such a huge success because it satisfied so many user needs. Especially the easy-to-use and fast cleaning design made it the most highly demanded product on the market.

Innovation culture

In 2012, the product won the Red Dot Design Award and in 2013, it was named the best juicer by Stiftung Warentest*. It took the team about four years from the first ideation workshops to product launch – a long journey with many ups and downs as well as countless challenges that had to be solved with creative thinking and acting. In the end, it has not only led to financial success, but also to an internal innovation success story that fuels a living corporate innovation culture. ●

*Stiftung Warentest: A German consumer organization and foundation that investigates goods and services in an unbiased way.

INTERVIEW

Innovation makes money

Continental Automotive Romania sees innovation as a process of open-mindedness toward identifying future trends and product development. They set up a process, including several innovation workshops, to transform the trends into products. Camelia Postaru explains how the trainings helped to create a common sense of innovation.

by Alexandra Postolache and Mihai Svasta

What was the objective of the innovation workshops?

Camelia Postaru: I think that many people do not really know what »innovation« or »to be innovative« really means or that they have a wrong impression of it. Within our company, being innovative is the key to being successful; innovation makes money out of knowledge. So we gathered people from different areas like software and hardware development, mechanical design and functional development and asked them to participate in the workshops. We made sure, that they understand our new approach towards innovation. Further, we wanted everyone to learn a set of new creativity tools and how to apply them.

How would you describe the added value of the training?

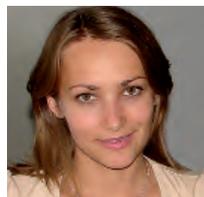
Camelia Postaru: You see, innovation can be applied to so many levels of development and this is what I want my team to understand. The training helped me to better understand what innovation is. But what I think is more important is that the trainers taught me how to transmit the concept of innovation to my team. In my opinion, creativity is a personal quality that everybody has, but only few have the courage to show. There is no such thing as wrong ideas; there are only people who do not understand how or where to apply them.

What were the key differences compared to other workshops?

Camelia Postaru: I think the fact that the trainers succeeded in involving us right from that start with games and practical examples was the key to success. I have already participated in a lot of trainings; both technical and nontechnical. But I have never experienced a soft skills training where the atmosphere was so relaxed while at the same time allowing me to learn so much.

How did the facilitators support your learning?

Camelia Postaru: They got us involved in the training from the very beginning and this helped us to become a team right from the start. Usually, when we have soft skills training, we are very pleased because it gets us out of our daily technical routine and we just want to relax our brains a little. This training succeeded in making us very interested in the theoretical part as well as the practical tools. ●



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