



PERMANENT INNOVATION

The Definitive Guide to the Principles, Strategies,
and Methods of Successful Innovators

By Langdon Morris

Preface by Hartmut Esslinger, Founder of frog design

Author's Notes for Readers and Reviewers

Intent of the Book

Innovation is an important and popular topic for all organizations today, and naturally there are countless books about it. Most of them, however, focus on only one or two relatively narrow facets of the broad innovation landscape. The intent of the book is to provide **a comprehensive overview** of the entire scope of innovation, including strategy, methodology, management, and practice. Thus, *Permanent Innovation* is **a powerful guidebook for managers** who *must* improve the innovation performance of their organizations.

Praise from Experts

Permanent Innovation meets a compelling need in the marketplace, and numerous experts in the innovation field have already praised it.

Among the comments offered were phrases such as **“a must read,” “mandatory,” “foundation text,” “inspiring,”** and **“important and comprehensive.”** (Comments received to date are copied at the end of these Notes.)

In the Preface, the legendary product designer and *frog design* founder Hartmut Esslinger notes that, “in this excellent work Langdon analyzes, describes, and recommends with both humanistic vision and meticulous, process-oriented pragmatism, how to achieve and sustain ‘Permanent Innovation.’ **This is a remarkable contribution to the literature on innovation, and I am very happy that he has written it.**”

The Concept of “Permanent Innovation”

Innovation is the critically-important process of creating new ideas and turning them into new business value. **Permanent innovation is the process of doing it continuously**, as a matter of strategy, method, *and* habit. It happens in organizations that embrace innovation as a core value, practice innovation as a core methodology, and produce

innovation as a consistent output. Permanent innovation is thus a *strategic and human* process much more than a technological one.

The notion of permanent innovation may at first be startling, and it may even seem to be a contradiction. The concept of permanence implies stability and the absence of change, while the concept of innovation implies constancy of change and novelty. Combining these two, however, yields an important synthesis, the practice of innovation not as an occasional occurrence, but as a repeating process of value creation and organizational adaptation.

Permanent innovation thus contrasts with random, intermittent, or one-shot innovation processes, none of which are sufficient for today's markets, and none of which are the basis for the excellence we aspire to. In these times of accelerating change and increasing competition, **Permanent Innovation with a focus on the human dimensions of innovation is an absolute necessity**, and in fact its principles are contributing significantly to the success of leading companies around the world.

The Four Big Ideas of *Permanent Innovation*

The Strategic Imperative:

Among all the possible strategic responses to a changing world, innovation is widely understood to be most effective - if you can do it! It's not easy at all, but the many recent failures of large and medium-sized companies show that the failure to innovate is characteristic of organizations that fail to survive. This makes innovation a strategic imperative and a strategic priority. Knowing that the stakes are so high, most managers are simply not satisfied with the innovation performance of their own companies. They know they have to continuously do better, and they're constantly looking for tools such as Permanent Innovation to help them.

Four Types of Innovation:

Most people are aware of the differences between small, or incremental innovations and big breakthroughs, and they also know that breakthroughs are very difficult to achieve, and thus rare. But there are also two other types of innovation that are critical to success in today's markets: **Business Model innovations** are new ways of doing business that are often more significant than product breakthroughs. Many examples are analyzed, including Wal-Mart, Starbucks, Nike, Southwest Airlines, and Dell. Another important type of innovation is the creation of **New Venture Innovations** such as Lexus, Visa, and Old Navy. The most successful companies master all four types.

Methodology Rather Than Luck:

In many organizations innovation happens as a matter of luck, but this just isn't good enough. **If you're going to succeed you'd better be using a powerful and effective innovation methodology** that constantly results in new business value. This is essential to enabling companies to adapt to change, and better, to create change; hence the concept of **Permanent Innovation is now a mandatory requirement**. An extensive discussion of Permanent Innovation methodology is **the heart of this book**, consisting of five very detailed chapters that describe the critical steps in the innovation process, and the

important nuances concerning methodology as it applies to each of the four different types of innovation, and proper balance of the four key viewpoints (see below).

Four Viewpoints:

New ideas come about when people see familiar things with new eyes; **great ideas happen when people with different viewpoints share their experiences and insights.** Hence, managing innovation requires **integrating the four different perspectives into a cohesive system:** top-down, bottom-up, outside-in, and peer-to-peer. Different approaches and tools are needed to optimize the results gained from each viewpoint and to achieve their successful integration.

Other Key Insights

Defining Innovation: Most organizations don't have an effective working definition of innovation, which causes many of their innovation efforts to fail. People confuse important but different concepts such as innovation, creativity, and learning. **Developing a shared language is critical to success.**

People make innovation: It is people who create innovations, people dedicated to finding better solutions to old and new problems alike. It is their determination, their searches, their insights, and their ability to turn ideas into real products and services that makes innovation happen. And often they must do all of this in the face of great resistance, for innovation also means change, and change can provoke intense opposition. Thus, it's critical to apply sound strategies to meet the many obstacles that would-be innovators must overcome.

Innovation occurs in five stages: Innovation begins with the development of new ideas. It continues with Targeting, the selection of the best ones, followed by Innovation Development, transforming ideas into business value. Market Development is next, preparing the market to embrace new products and services, and finally the Innovation Culture emerges as an expression of organizations in which innovation is a regular output and a defining characteristic. Mastering both the details and the broad overview of this vast process is necessary to success.

Ideation Methods: There are many ways to develop great new ideas. The book surveys the best tools in six categories, and describes a total of 44 different methods.

Innovation Targets: In most organizations there are at least 40 different types of opportunities to innovate, far more than any company could possibly address. Hence, choices must be made carefully. *Permanent Innovation* offers important guidance on how to make these choices to achieve the greatest benefit.

The Design Process: Creativity is essential to success at innovation, and the design process is a rigorous and proven tool for managing creativity and helping people optimize the search for ideas.

Innovation Infrastructure: The right infrastructure can significantly enhance the search for innovation. This typically consists of work processes that accelerate learning

and enhance collaboration, and facilities like Collaboration Centers that make it easier for people to turn their ideas into business value.

Game Changer: The Game Changer methodology for new venture innovation is a proven approach to turning great ideas into business concepts that literally create the future of the organization.

In addition to these 12 key concepts, *Permanent Innovation* is filled with dozens of important insights, distinctions, concepts, and definitions to help every manager and every innovator.

An Innovative Approach to Publishing: Free Downloads and Open Source

It's fitting that a book on innovation should be published and distributed in an innovative way, so although traditional houses offered to publish *Permanent Innovation* we opted for a unique multi-media strategy that makes the book **available in all of these formats**:

- You can **download Permanent Innovation for free**. During just the first three weeks after we posted it online and let people know about it, more than 300 people downloaded it. Word of mouth referrals are, because more people from every continent are downloading it every day. (Note that this is not just a preview of the book, but the complete and entire book.)
- You can **buy a paperback**. We're using the Lulu on-demand custom publishing service to eliminate inventory and facilitate easy and regular updates. This is a much more timely, responsive, and cost-effective approach that also enables us to provide updates on a regular basis.
- You can also access the copyrighted material through an **open-source Creative Commons** license, an emerging publishing concept uniquely well suited to our knowledge economy and to the content of this book. Creative commons licensing promotes collaboration and the progressive improvement of ideas.
- There is also, of course, a Permanent Innovation **blog**. Readers are encouraged to share their own experiences of innovation and permanent innovation for the benefit of the entire community of people who are dedicated to innovation.

To download or buy *Permanent Innovation* go to www.permanentinnovation.com; to view the blog go to www.permanentinnovation.com/blog/

About the Author



Langdon Morris is **recognized worldwide as an expert** in innovation. He has worked with dozens of leading organizations around the globe, including NASA, L'Oréal, Wipro, DuPont, Stanford University, SAP, the American Heart Association, and Cap Gemini among many others.

Langdon is co-founder and partner of **InnovationLabs LLC**, and he has been a consultant in innovation and strategy for 20 years. He is also Senior Practice Scholar at the **University of Pennsylvania's Ackoff Center**, Senior Fellow of the Economic

Opportunities Program of the **Aspen Institute**, a member of the Scientific Committee of Business Digest, Paris, and a member of leadership team of the **Aerospace Technology Working Group**.

Other Writings

Permanent Innovation is Langdon's 6th book.

His prior book on innovation, 4th *Generation R&D: Managing Knowledge, Technology, and Innovation*, co-authored with William L. Miller, is considered **a classic**, and is both a reference work for R&D managers and a textbook. Experts have given the book their highest praise. Xerox's John Seeley Brown called it, "**A sweeping and insightful analysis**," while The Council on Competitiveness President John Yochelson called it, "**a tour de force!**" It is now in its tenth printing.

Langdon's first book, *Managing the Evolving Corporation*, is a detailed examination of organization design and organizational innovation, and together *Permanent Innovation*, 4th *Generation R&D*, and *Managing the Evolving Corporation* compose **a highly-praised trilogy** covering three critical facets of contemporary management: organization design, R&D management, and innovation management.

Langdon's other books are *The Knowledge Channel: Corporate Strategies for the Internet*, *The War for America*, and *Beyond Earth: The Future of Humans in Space*, of which is co-author and co-editor. All are **available at Amazon.com**.

For additional information, to download, or to buy

www.permanentinnovation.com

Contact Langdon Morris at LMorris@innovationlabs.com.

For the Press:

These notes, as well as the author's photo, cover design, and other photos may be downloaded at www.permanentinnovation.com/press/

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Praise for PERMANENT INNOVATION

“Langdon in his very characteristic style details out what works and what doesn't to make innovation happen. It deals with situations that large organizations often encounter, road blocks to sustaining their innovativeness. He has dealt with the contradictory nature of permanence and innovation with absolute clarity. It is **a must read** for those in the business of enabling innovations in organizations. It makes a good learning for those who would like to jump start their innovation journey.”

Divakaran Mangalath
Chief Technology Officer
Wipro Technologies

“This book is **a mandatory tool** in making your mind clear about what is really needed to achieve this famous ‘growth through innovation’ for your company. After having read it, just do it ... no more excuses.”

Léopold Demiddeleer
Director of R&D and New Business Development
Solvay

“I've had the chance to review *Permanent Innovation* and I must admit that I love it! Langdon is an engaging writer with a fine ability to clearly communicate the notion of inventiveness and its realm. *Permanent Innovation* is simply **a must read book** that has many ideas and resources to help us address some of the challenges we will face in the future. Thank you for putting this effort together.”

Dr. Mohammed A. Alansari
Intellectual Assets Management
Saudi Aramco

“Langdon's new book is itself an innovative contribution. It reshapes and elucidates what it takes to support, develop, and sustain innovation at the personal or enterprise level. This should be **a foundation text** for anyone in the modern organization.”

Larry M. Starr, Ph.D.
Director, Organizational Dynamics Graduate Programs
Executive Director, Center for Organizational Dynamics
School of Arts and Sciences
University of Pennsylvania

“Amongst so many books about innovation, this is **one of the best**. It rests on twenty years of practical experience by one of the leading practitioners in the field. I was delighted to find the right mix of actionable information and deep concepts, several of which are ground breaking. I consider Langdon Morris to be a master.”

Pascal Baudry
President
WDHB Consulting Group

“*Permanent Innovation* presents an **important and comprehensive** approach to understanding how

the elusive phenomenon of innovation actually works. Langdon has written for a wide audience of practitioners, not just academicians debating the niceties of theoretical models. He provides a near encyclopedic overview of the field, practical every day tips, and some truly new insights regarding Innovation's unique relation to product, category and strategy development. **A must read** for anybody who takes innovation seriously.”

Michael Barry

Principal, Point Forward

Adjunct Professor, Stanford University School of Mechanical Engineering

“I enjoyed *Permanent Innovation* enormously. The conversational tone is just a treat, and it succeeds in being powerfully authoritative in a pleasing, understated way. The material is typical Morris: lots of very practical and practicable observations and prescriptions written directly to the managing executive, all in a way that gets the reader interested in experimenting. Morris' experience facilitating (almost forcing) rapid change is reassuring, demonstrating that it's possible to grasp the crucial principles of change. The book takes the reader from foundation principles of innovation and organizational transformation to the contemporary battleground of the market. *Permanent Innovation* is **inspiring to read**, and in a practical way.”

Robert Gregory

Director, Strategy

Xpress Data, Inc.

“Permanent Innovation sounded like an oxymoron to me when I first heard it. But after reading Langdon Morris' extensive analysis of the *process* of innovation along with illustrative examples from successful innovators like Dell, Saturn, Apple Computer, and FedEx, I understand Langdon's choice of the title. His book is a **pragmatic guide** for designing and implementing a methodology for continuous innovation so necessary to meet the challenges of exponential change facing every organization today. Read it and you'll understand how to make innovation a permanent process in your workplace.”

Dave Davison

Venture Investor

“A **powerful and practical** book for executives who seek to understand the basic principles and practices of innovation. Langdon Morris has the rare gift of being both astute and practical. This book is a jewel because it points the direction to where innovation is evolving – to more collaborative systems.”

Stu Winby

Founder and Executive Managing Partner

Sapience Group - Silicon Valley