



INNOVATION CAPABILITY MATURITY MODEL

This paper provides a model that can help companies examine where they are in their innovation practices and what steps they can take to improve innovation. It derives from the belief that situation assessment and goal setting both can benefit from a high level model that provides an easy to understand framework for viewing and discussing the organization’s practices. The model displays a continuum of innovative sophistication across five levels of innovative maturity.

We have observed that where programs attempt to introduce constructive change into large systems, they often run into initial apathy and resistance, because they have difficulty clearly articulating to management and employees the current conditions in the organization, the next desired change steps, and the course or direction that the change initiative should take over time. The ICMM provides a framework for resolving this by enabling discussion of the big picture view of innovation practices as well as for comparing one organization against another.

The ICMM framework suggests that most companies begin at the “1” maturity level (level one). They begin with innovation as an organizationally unplanned, underfunded, and ad hoc process performed by a narrow number of individuals and functions such as R&D. A company can choose to progress to greater maturity levels of innovative by using it as a roadmap to adding various attributes, functionalities, knowledge, and process improvements.

Initial	Nurtured	Defined	Managed	Optimal
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ICMM – INNOVATION CAPABILITY MATURITY MODEL SUMMARY

A summary of the key components of the five maturity levels.

<p>I Level One</p>	<ul style="list-style-type: none"> • Ad hoc and inconsistent • Innovation owned by the few (often R&D only) • Reliance on idea champions and the heroic few (not scalable) • No centralized dedicated funds and resources • Few involved 	<ul style="list-style-type: none"> • Slow - subject to traditional business process. Ideas from Y1 funded in Y2 • Unclear how to submit ideas • Powered by fear, not opportunity • Informal idea management • Intolerance to failure • Awakening
<p>N Level Two</p>	<ul style="list-style-type: none"> • Fundamental corporate innovation goals • Senior management interest • Some lessons shared across entities by idea champions • A full time Innovation Team (INT) established and funded • Some involved 	<ul style="list-style-type: none"> • Still slow - funding lag continues • Minimal training started on creativity • Metrics – some ROI and hurdle rates emerge • Innovation turf conflicts • Low tolerance for failure
<p>D Level Three</p>	<ul style="list-style-type: none"> • Senior management support and commitment • Compensation and recognition programs begin • INT strengthened and drives changes • Innovation portfolio defined • Core of advocates, consultants, coaches deployed • Speed improves, scalable 	<ul style="list-style-type: none"> • Clear how to submit ideas • Innovation University begins • Better metrics – IT supported • Permanent focus on the process • Common understanding of processes, roles, and responsibilities • Turf conflicts decline • Tolerance for failure improves • Many involved
<p>M Level Four</p>	<ul style="list-style-type: none"> • Senior management ownership • Innovation supported by a formal process (fully scalable) • Corporate and Divisions drive change – INT evolves • End to end process defined • Expanded core • Faster funding fuels process 	<ul style="list-style-type: none"> • High level of training and knowledge transfer • Recruitment for innovation • Refined process map • Most involved • Failure encouraged as learning activity
<p>O Level Five</p>	<ul style="list-style-type: none"> • Innovation owned at all levels • Innovation as expectation • Highly defined Business, Product, Process innovation • Everyone generates ideas and involved 	<ul style="list-style-type: none"> • Sophisticated database and IT • Ideas flow organically across the organization • Failure becomes opportunity

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