

BY ALEXANDER MENRISKY



**INNOVATION EXPERT JIM CARROLL** speaks on trends and techniques to grow and thrive in an always, faster-changing market. “I think people shouldn’t make the word [innovation] mysterious,” Carroll says. “They need to understand that it’s not just about the invention of new products or new services. It goes back to that fundamental issue of ‘how do I run my business better, grow my business and transform my business.’ I think if people get caught up on innovation as new product development, they miss a huge opportunity in terms of what they can do.”

**Pulse:** *What do innovative companies do that others don’t do?*

**Carroll:** I’ve got this theme I’ve been talking about for a few years: What do world-class innovators do that others don’t do? I wrote a little list of 10 things, and it keeps getting longer. I keep discovering things that I think world-class innovators do, such as focus on their speed and ability to change. They focus on understanding how their customers are changing or changing their business model before they change it themselves.

**P:** *Do you have any specific examples of strategies that stand out to you?*

**C:** I think the big issue is speed. The common thread is that everything is now changing so fast. Regardless of the industry, businesses are changing faster, new competitors can emerge faster and consumer behavior is impacted by social media or by new influencers who consumers see online. Change is happening faster, but a lot of organizations have built cultural bureaucracy that makes them very slow to change.

**P:** *In the service and hospitality sectors, what innovations do you see that can help increase revenue and customer satisfaction?*

**C:** I think personalization is becoming a huge issue. The consumer expects a very highly customized, personalized experience, regardless of where they are. There’s sort of this raised bar of expectations that people have in terms of what a company can provide to them or the way they can support them. Regardless of who you are, you’re measured against the service you get from Amazon online or Wal-Mart online or anything like that, and you have to meet the same expectations.

**P:** *For small or startup businesses, what’s your advice when innovating with limited resources?*

**C:** One of my catchphrases, which I picked up from a big financial client, is: “Think big, start small, scale fast.” That can work for big organizations, but it can also work for a small company.

“Think big”—you’re small and obviously want to grow. You’ve got to have really big ideas and big goals in terms of what you might hope to accomplish, in terms of trying new

ideas and exploring new things and doing things you haven't done before.

"Start small"—play with a lot of new technologies, try a lot of new ideas, take risks. Do some projects in which you might succeed at some things and you might fail, but at least do things. So you start small, you try out a whole bunch of small things. This builds up your experience, and the more experience you have, the better position you're in for success in the future.

"Scale fast"—learn how to scale it. How do you ensure you can keep doing these things as you grow?

**P:** *How can one encourage innovation within one's team?*

**C:** That's a leadership thing. That's continually challenging your team to think about that phrase—run it, grow it, transform it. What I can tell you not to do is to make it "special." Don't say, "We're going to make this person the innovation person, we're going to form an innovation team of two or

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## INNOVATION KILLERS

*According to Carroll, these are some of the common phrases that kill innovation:*

**"We've always done it this way."**

**"It won't work."**

**"That's the dumbest thing I've ever heard."**

**"That's not my problem."**

**"You can't do that."**

**"I don't know how."**

**"I don't think I can."**

**"I didn't know that."**

**"The boss won't go for it."**

**"Why should I care?"**



**CLICK** to see Carroll share his insights on the speed of innovation.



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three people,” because that excludes everybody. Everybody has to feel that they’re responsible for new ideas. You just have to develop a culture and an attitude that you’re not going to make excuses that limit new ideas.

**P: Can you provide big new trends in business innovations for 2014?**

**C:** One of the biggest trends is that the speed of innovation in every industry is being taken away from that industry, and it’s being taken over by the speed of companies like Apple. If we made this spa- or fitness-related, just think about how quickly fitness equipment is evolving—you can connect to iPods, iPads, all of that. So what’s happening is that the speed of innovation is increasing, and is increasingly the speed at which companies like Apple innovate, and that makes it very difficult for a lot of organizations to keep up with the rate of change. I certainly think about the trend of more and more kids coming out of university or community colleges and into businesses with their iPhones and iPads, asking, “Where do I plug in?” Half of the global population right now is under the age of 25. That’s a huge trend. I think it comes back to the issue of speed. Things will continue to accelerate. ■



“WHERE DO I PLUG IN?”

**NOT SURE WHERE TO START** with your own innovation culture and process? [Click here](#) for more expert insights.

**INNOVATION CASE STUDIES**

**Problem:** A hospitality/travel-oriented company evolved to such a point that many of the properties in its network were used for no consistent purpose. Customer expectations were often challenged when visiting various properties due to inconsistent quality of products, amenities and experience.

**Solution:** The organization undertook an exhaustive brand innovation project to realign its properties into one of three different ‘brand buckets,’ the branding of which was more closely aligned to the actual amenities and products at each location.



**Problem:** An agricultural company can now provide solutions to seed farmers that can dramatically increase year-over-year yield increases. But not all farmers are open to new ways of working and exploring new ideas; some are reluctant to change current methodology.

**Solution:** The company took a “big data” approach, within deep analytical quantitative and quality research of their massive national customer base. They have now determined which five percent of their customers generates 82 percent of their total profit, and focus many of their sales and support efforts on that small group of farmers.

