



What is Innovation?

Daniel Liebau

Agenda

- Introduction
- Examples
- Types of Innovation
- What contributes to Innovation?
- Innovation Governance
- Design Thinking
- Discovery Skills
- Recommended Readings
- Q&A



Background

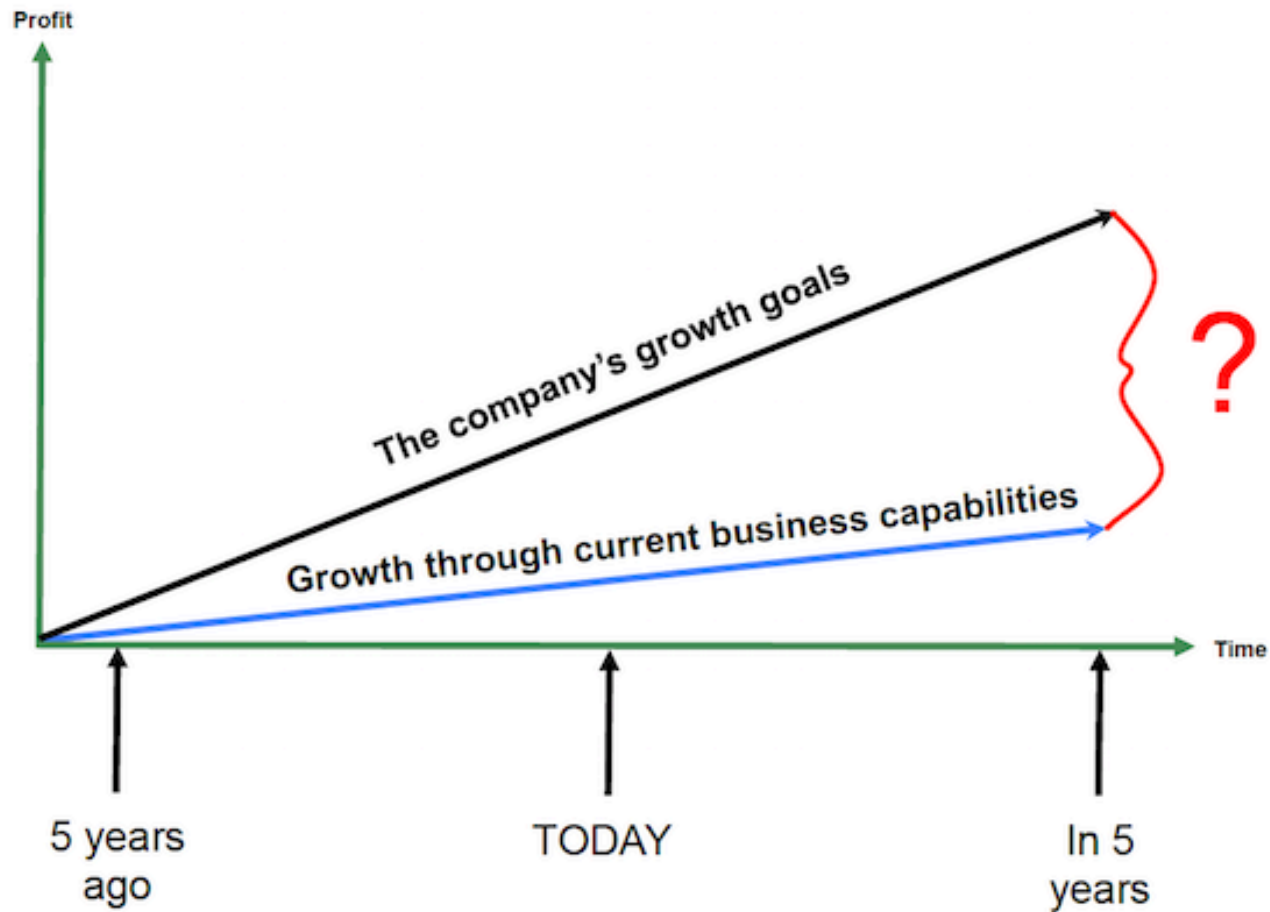
- Dan Liebau is the founder of Lightbulb Capital and has a passion for Innovation, Finance and Technology
- Previously COO & board member for HSBC Securities (Singapore) Pte Limited & IT Head of HSBC's Investment Bank in Singapore and Japan
- Ca. 15 years global Investment Banking / IT experience with HSBC, UBS, Barclays Capital and Close Brothers as well as RTS
- Master of Science in Innovation graduate from SMU in Singapore
- Global Master in Finance graduate from IE business school in Spain

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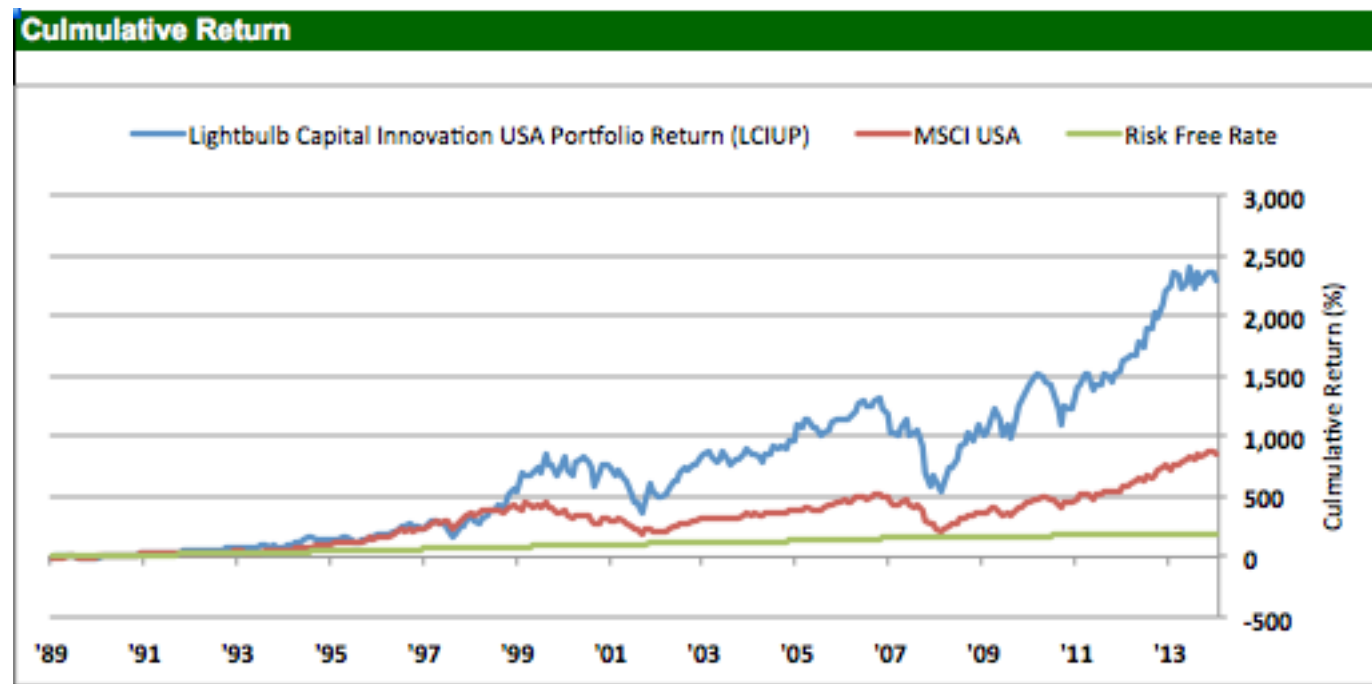
A close-up photograph of two gold wedding rings. The rings are simple, polished bands, one slightly overlapping the other, set against a plain white background.



The issue



Research: Innovation matters on the stock market



Some examples of great Innovation...



1/5 – The wheel

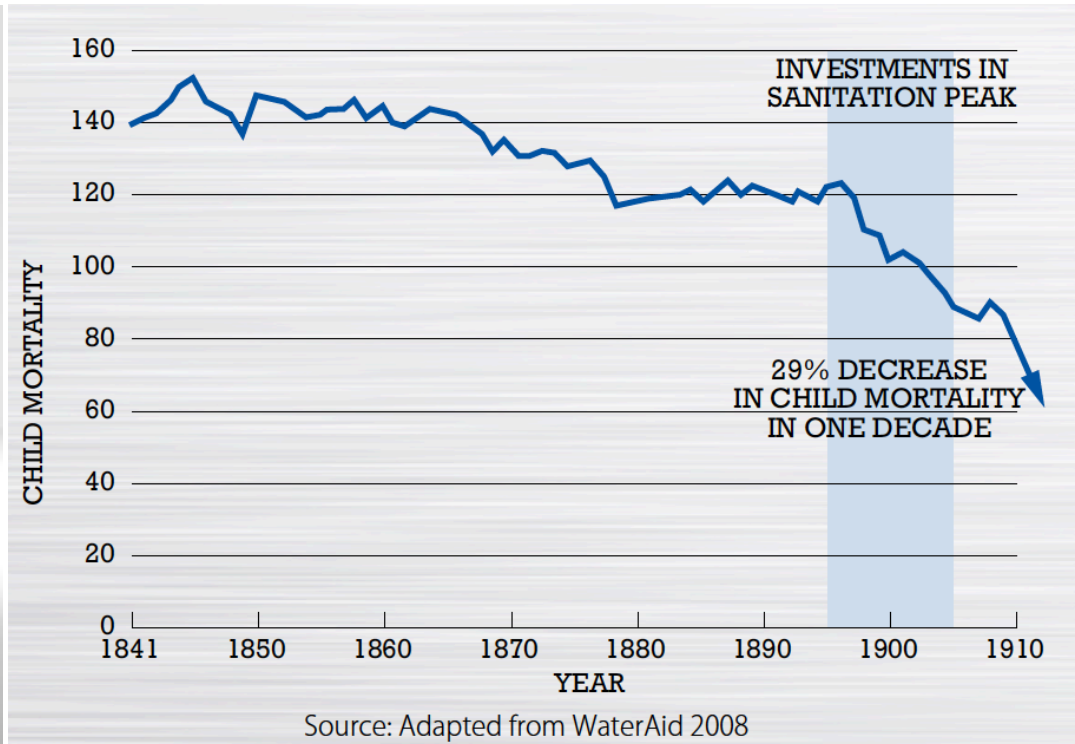


Documentation of first wheel dates back to 4000 before Christ in several different cultures including central Europe

Main application transport but also base for basic machines

Source: <http://www.dreamstime.com>

2/5 – The flush toilet



Source: <http://www.homeconstructionimprovement.com>

3/5 – The car



First 1 cylinder engine based car
invented by Benz in 1885/1886



Driverless car by google in 2014

4/5 – The internet



Source:<http://www.dailyrindblog.com>

- 204 million emails per minute
- China has more mobile internet users than on PCs
- More than 1bn users globally
- Google estimated in 2010, that the data size of the Internet is 5 million Terabytes, 61% from videos



5/5 – DNA sequencing



Source: yale.edu

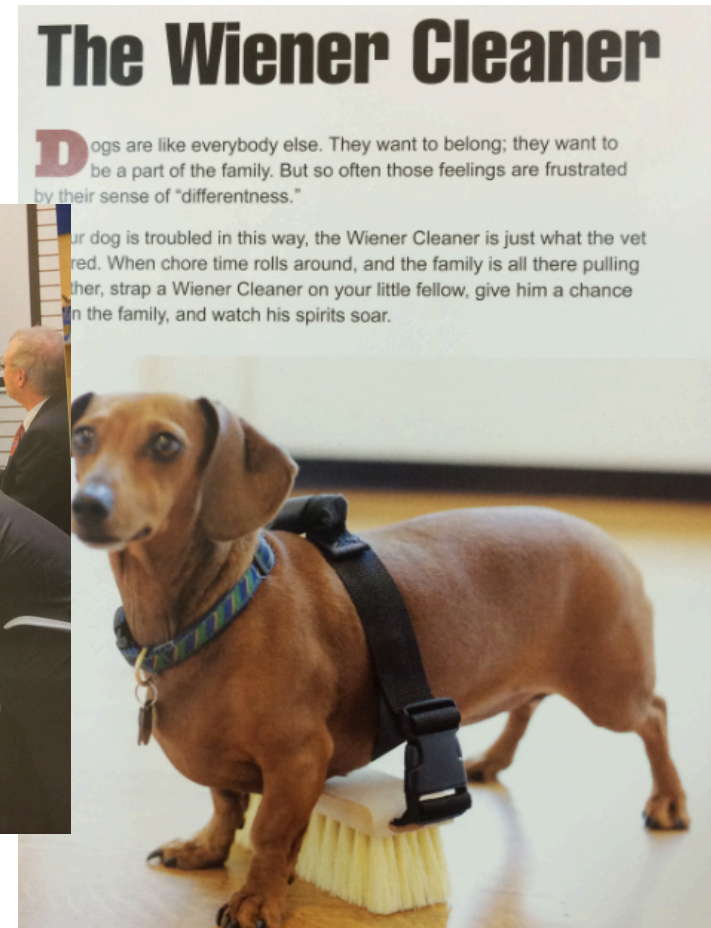
- DNA sequencing is the process of determining the precise order of nucleotides within a DNA molecule (Source: google)
- Can be applied to fight tuberculosis, cancer and other diseases

Let's explore by looking at what it is not...



www.chrismwakasiri.com

It's not Invention




Source: The Klutz Book of Inventions

It's not Ideation

Definition of *ideation* in English:

ideation

Line breaks: idea|tion

Pronunciation: /,aɪdɪ'eɪʃ(ə)n  /

NOUN

[MASS NOUN]

The formation of ideas or concepts.

MORE EXAMPLE SENTENCES

Source: Oxford Dictionary

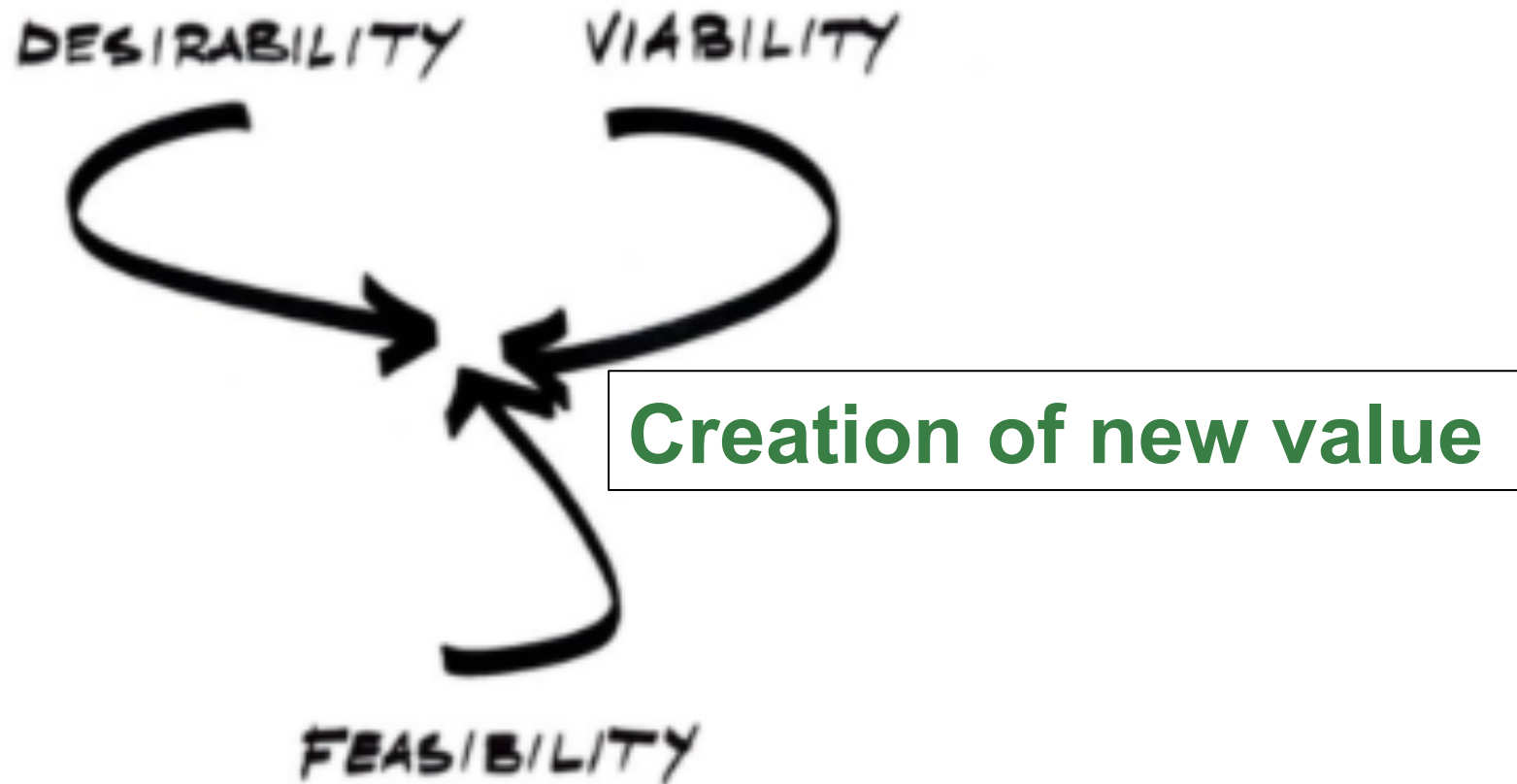
... an idea does not involve
any execution nor did it
created any value yet...

**It does not always have to be ALL new
either...**



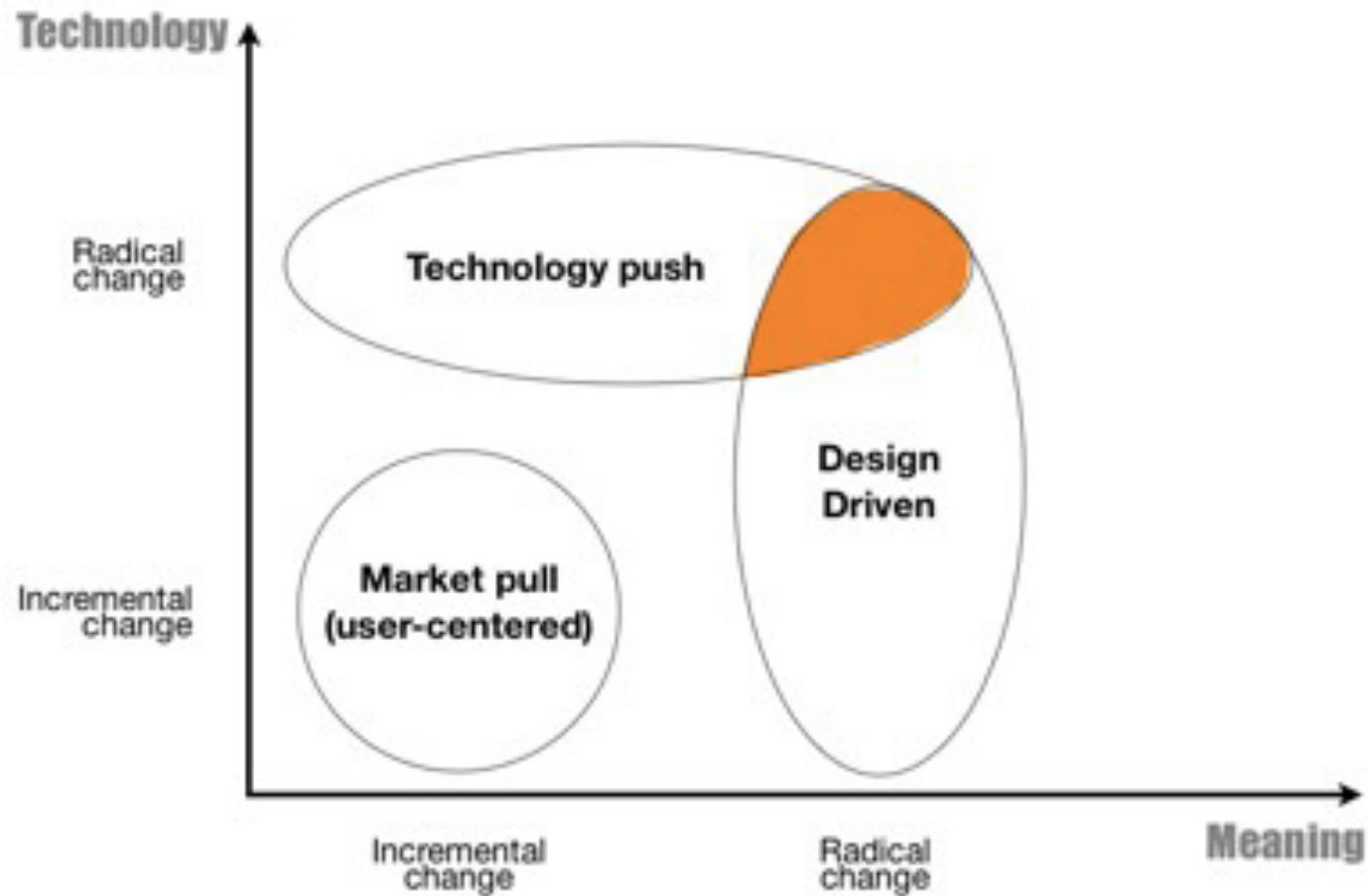
Source: www.officemax.com

Innovation is



Source: Change by Design, Tim Brown

How does Innovation come about?



<http://www.hotspotsmovement.com/uploads/newsletters/design-led-innovation.html>

Different types of Innovation...



Incremental Innovation

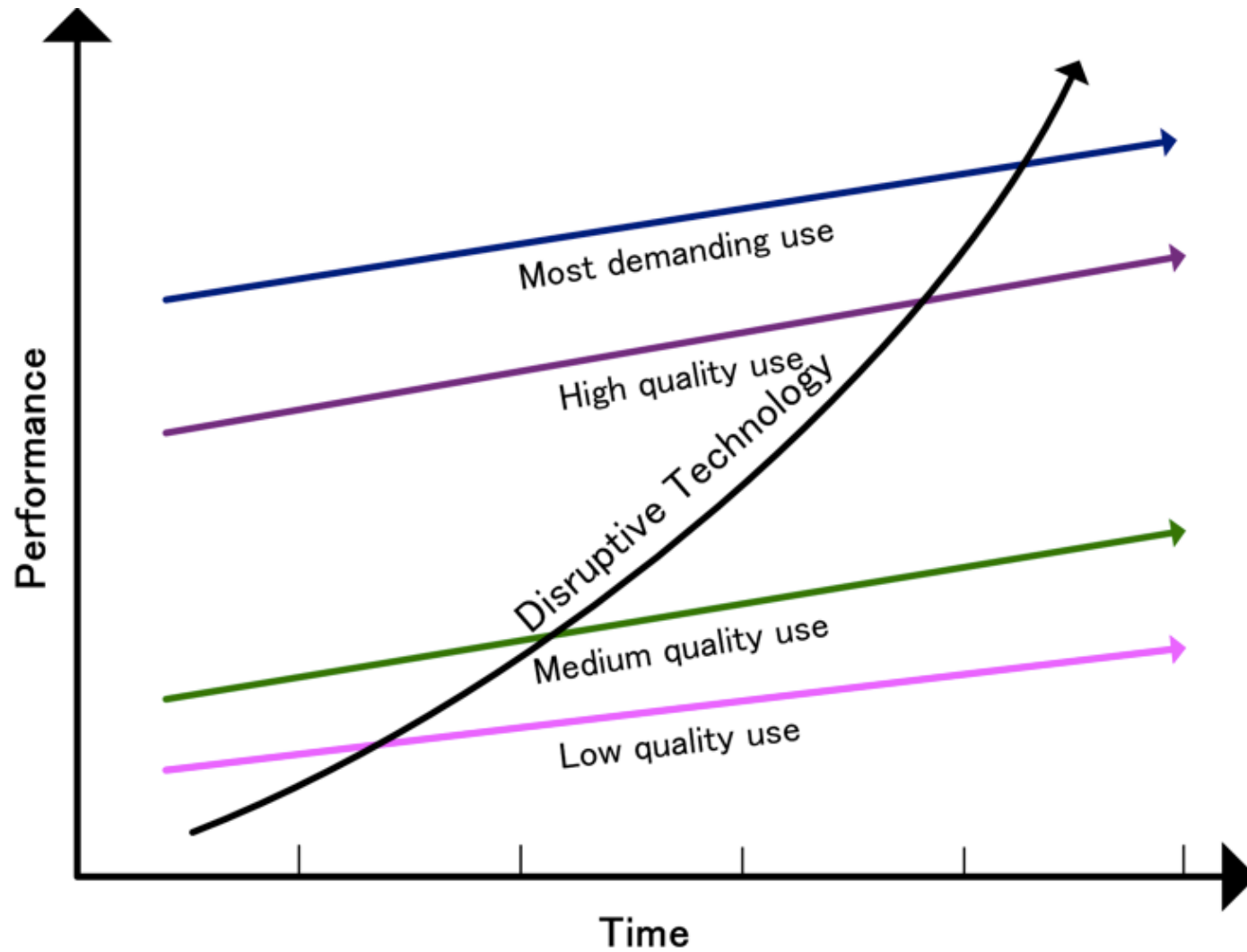
- A series of small changes to an existing product that improves it's competitive position over time

(Source: business dictionary)

- Focus of many companies



Disruptive Innovation



Source: C. Christensen

Product Innovation



Definition:

A product innovation is the introduction of a good or service that is new or significantly improved with respect to its characteristics or intended uses. This includes significant improvements in technical specifications, components and materials, incorporated software, user friendliness or other functional characteristics.

Source Publication:

OECD, 2005, "The Measurement of Scientific and Technological Activities: Guidelines for Collecting and Interpreting Innovation Data: Oslo Manual, Third Edition" prepared by the Working Party of National Experts on Scientific and Technology Indicators, OECD, Paris, para. 156.

Service Innovation

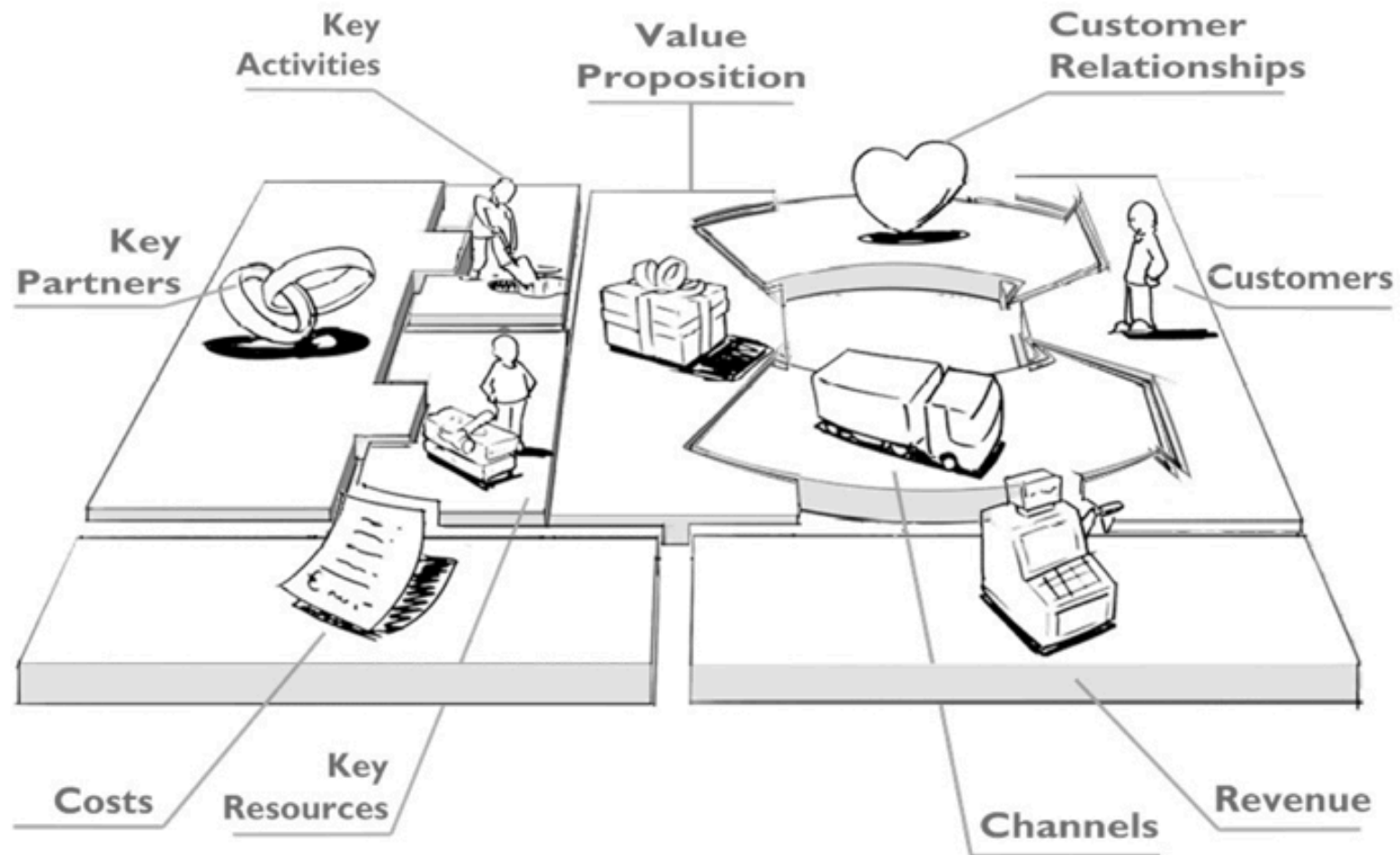
... is defined as the introduction of a new service offering (akin to "product innovation") or the development of a new way of delivering a service (Source: MIT)



Business Model Innovation: What's in for everyone?



Business Model Innovation

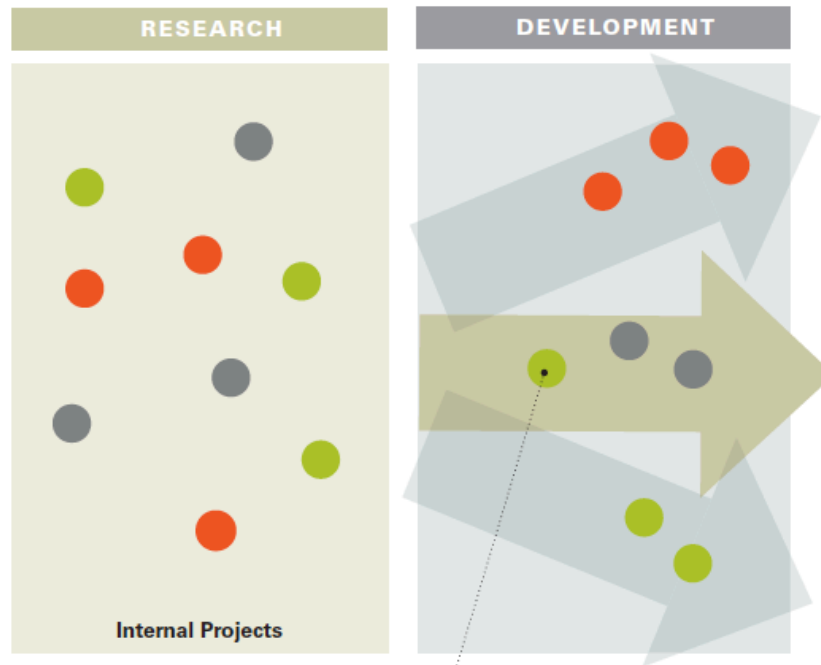


Source: Alex Osterwald

Open Innovation

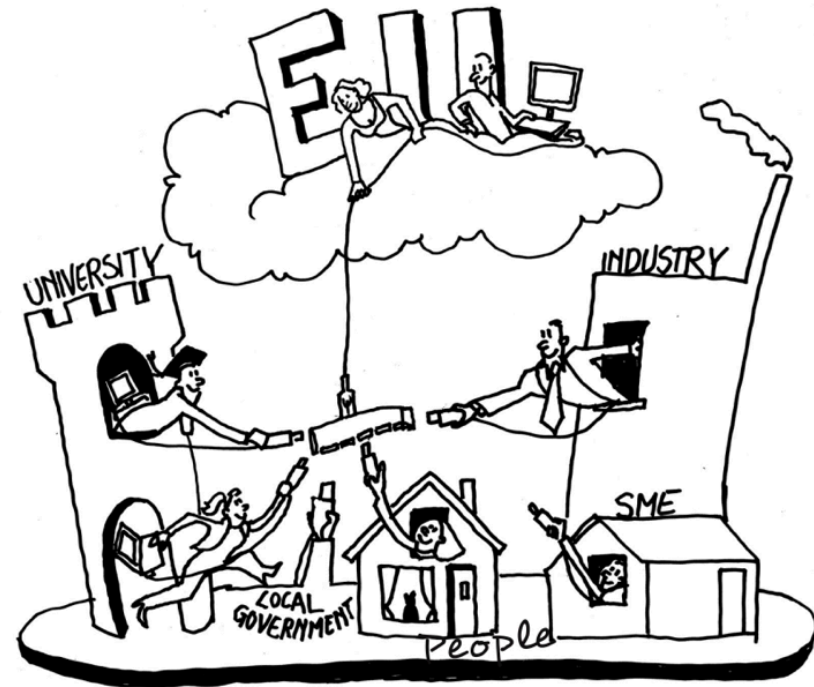
The Inside-Out Process

WHEN YOU PLACE some of your internal projects outside the company's walls, you can reduce R&D costs without relinquishing related growth opportunities. Each project will take a unique path to its most strategically sensible destination. Your job is to chart the course.



Some projects migrate during development.

Source: Harvard Business Review

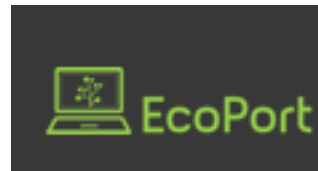


Source: European Union

Spin-Off Ventures
Others can be spun off as separate ventures that allow you to retain some equity (green dots).

Social Innovation

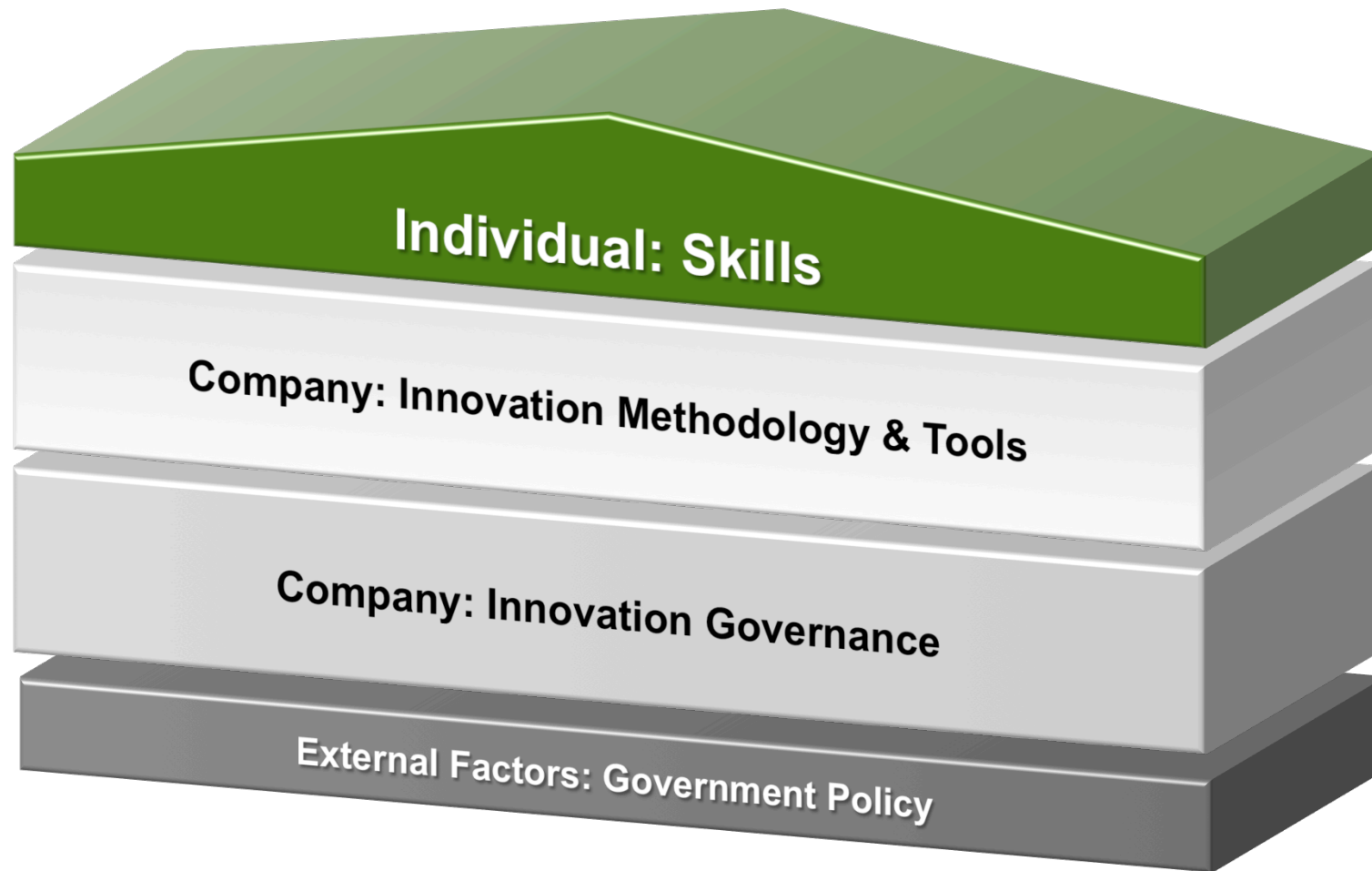
... is a novel solution to a **social** problem that is more effective, efficient, sustainable... and which the value created accrues primarily to society as a whole rather than private individuals



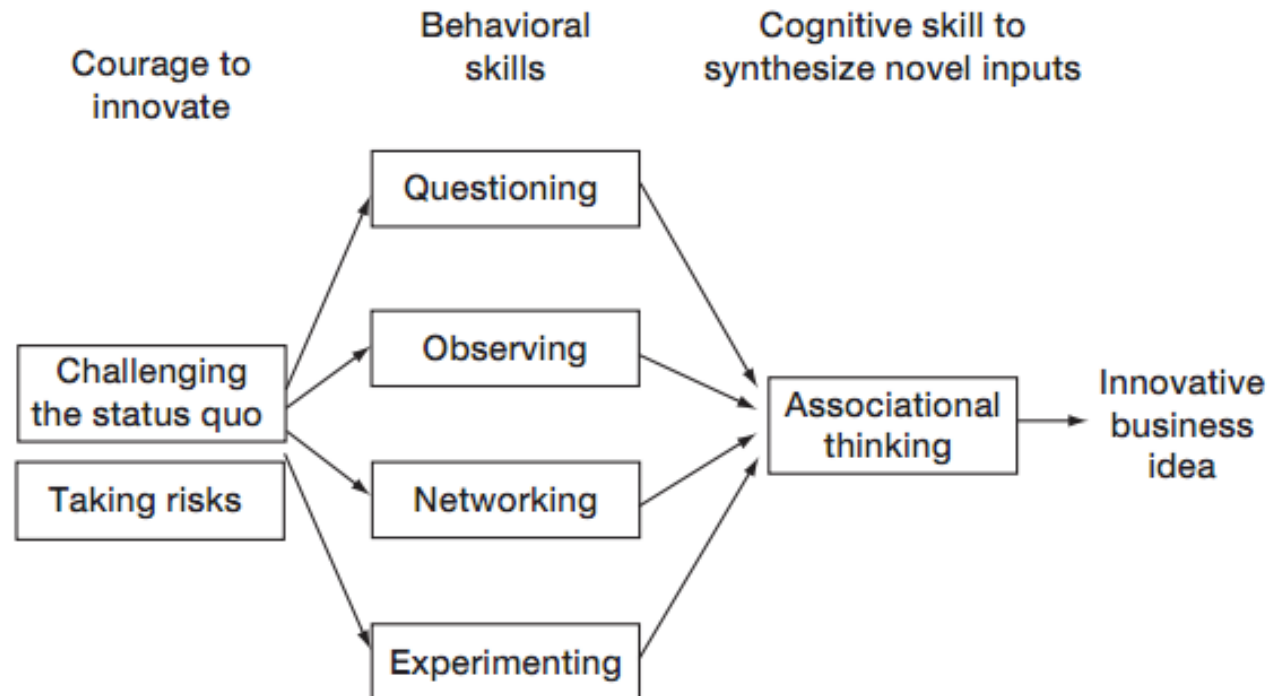
The next frontier:

Can there be a an incubator in for financial innovation start-ups that have the objective to create value for society in Hong Kong using novel financial solutions?

What contributes to Innovation?



Discovery Skills



Source: HBR

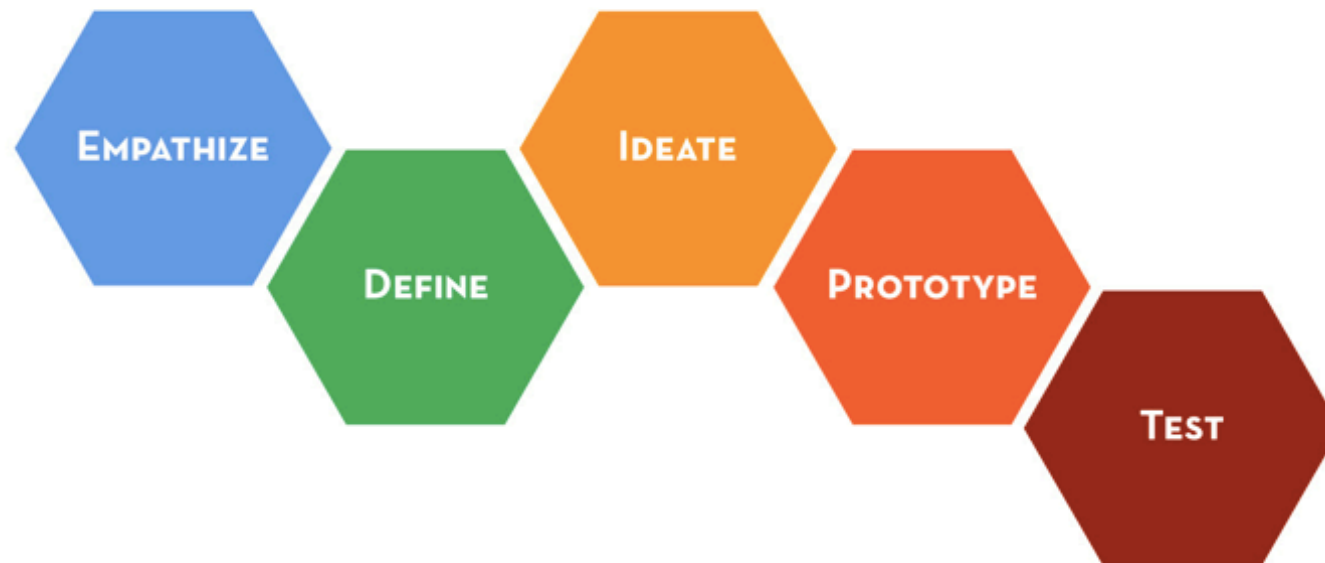
Good news:

It's possible to develop Innovation capabilities – unlike common belief it is not a birthright or godsend

Design Thinking

OUR APPROACH: DESIGN THINKING

"Design thinking is a human-centered approach to innovation that draws from the designer's toolkit to integrate the needs of people, the possibilities of technology, and the requirements for business success." —Tim Brown, president and CEO



(Source: Stanford)

Recommended readings



Questions & Answers



fanatepurp.co.za



Contact details

Thank you for your attention!

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