



# Idea Management

## Overview



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## Title

Idea Management Overview

## Key Message

- Idea management is about capturing, evaluating and implementing innovative ideas from your workforce
- Idea management is the umbrella of activities that enlist ideas from numbers of an organization as well as customers and suppliers
- The key components of the idea management are idea generation, idea capture, idea management, idea evaluation and employee rewards systems

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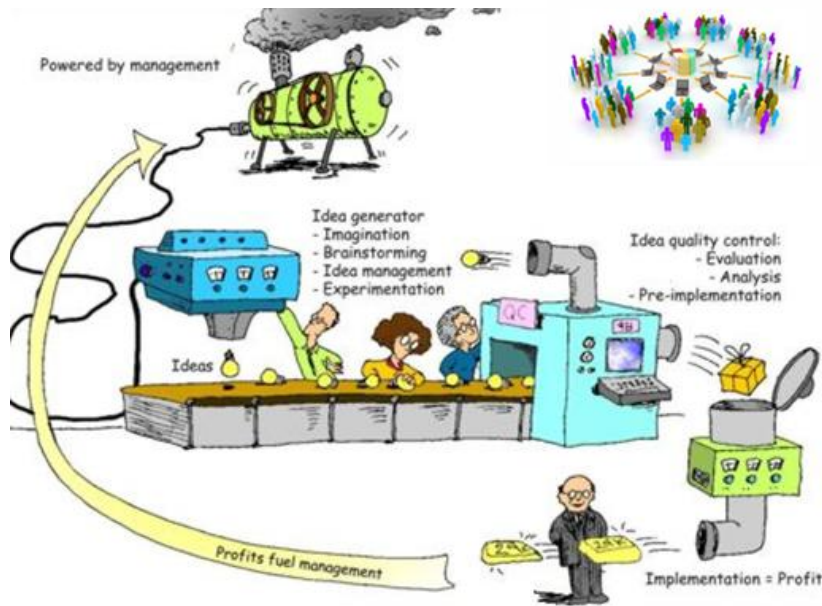
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# 1. Idea Management 개요



Idea management is about capturing, evaluating and implementing innovative ideas from your workforce.

Idea management is the umbrella of activities that enlist ideas from numbers of an organization as well as customers and suppliers



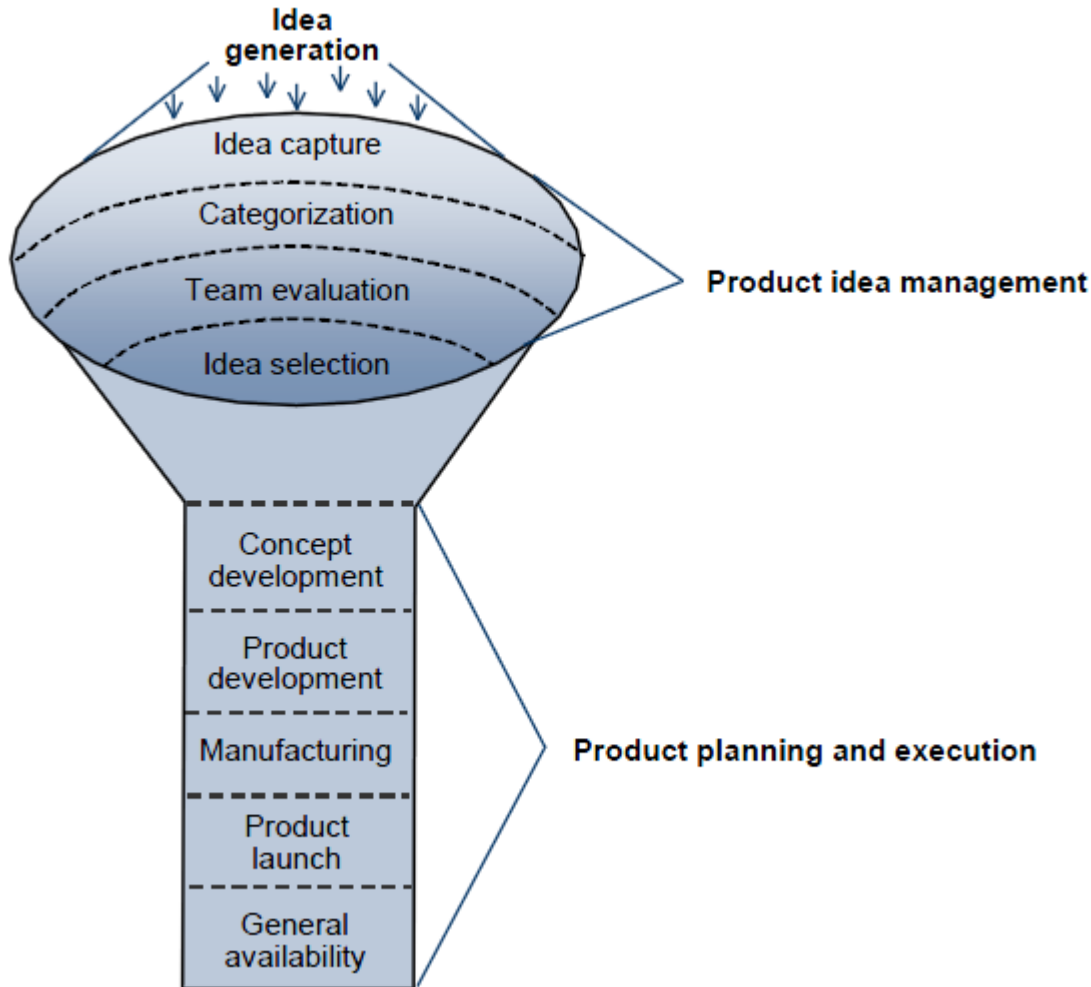
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Source : Jpb.com

Source : Idea Management – Innovation by Capturing and Sharing People’s Ideas, Jim Schwarz

## 2. Idea Management 구성 요소

### 2.1. 개요



Idea Generation

Idea Capture

Idea Management

Idea Evaluation

Employee Reward  
Systems

## 2. Idea Management 구성 요소

### 2.2. 구성 요소 설명



- **Idea Generation**
  - **Overview**
    - Considering that idea generation is the first step in the creation of valuable corporate assets
    - This phase must be managed as carefully as the development of financial or marketing plans
    - Ideas can be gathered from a number of sources, both internal and external of company
  - **Internal**
    - Research and development (R&D)
    - Sales and marketing
    - Production
    - Field Service
  - **External**
    - Raw materials and component suppliers
    - Customers
    - Competitors
    - Research institutions
    - Independent investors
- **Idea Capture**
  - **Overview**
    - Develop a systematic approach to capturing, managing, and evaluating these ideas
    - Some S/W provides and consultants recommend the use of standardized idea submission forms to ensure procedural consistency and structure

## 2. Idea Management 구성 요소

### 2.2. 구성 요소 설명 (Cont'd)



- Idea Management

- Overview

- Develop clearly outlined business procedures that can be shared with all idea submitters or at the least with submitters of the most important ideas
    - Idea managers are charged to make the initial decisions about whether submitted ideas are sound and whether the company should invest in exploring their potential value
    - Combining sound business processes and rules with the selection of the right people for idea management can go a long way toward avoiding such conceptual pitfalls

- IT and application

- IT infrastructure plus software applications can help smoothen this process
    - Easy-to-use role-based interfaces, workflow, conferencing, and access to product data management systems and, where required, visualization capabilities can increase efficiency and appropriateness in idea categorization and interaction will all concerned parties

## 2. Idea Management 구성 요소

### 2.2. 구성 요소 설명 (Cont'd)



- Idea Evaluation

- Overview

- Once categorized, newly submitted ideas must be evaluated for their potential value as corporate assets
    - This evaluation addresses several dimensions
      - Level of innovation
      - Technical feasibility
      - Breadth of impact within a company
      - Strategic fit within the company
      - Timeliness of the innovation
    - The idea manager driving this evaluation process must have the authority, the structure and the IT infrastructure at hand to rapidly assemble the right groups of experts to assess the potential value of each idea

- Decision Type

- No go : No value, no demand, no feasibility
    - Closer evaluation : Some investment in feasibility, market research, and prototype design
    - Valuable and full commitment for fast-track development : Hand over to product development
    - Valuable, but no strategic fit : May consider selling patent to outside partners or spin out an inside group to run with it

## 2. Idea Management 구성 요소

### 2.2. 구성 요소 설명 (Cont'd)



- Employee Reward Systems

- Overview

- To create an open and standardized process, idea managers should integrate the originators of ideas into the evaluation process
    - Establish internal employee reward systems for ideas that have the potential to improve the company's value

- Rewards examples

- Fixed dollar amounts based on the contribution category of the idea
    - Percentages shares of the revenue stream created by a new idea
    - Job promotions
  - Companies may do well to ensure that such reward systems are structured
  - Monetary rewards may be linked to the status of an idea in the evaluation process, which means that the idea management process has to be accessible or linked to human resources or finance for payout of reward bonuses or for promotions



# 3. P&G Case study



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Ideation

	IDEA GENERATION			CONVERSION		DIFFUSION
	IN-HOUSE	CROSS-POLLINATION	EXTERNAL	SELECTION	DEVELOPMENT	SPREAD
	Creation within a unit	Collaboration across units	Collaboration with parties outside the firm	Screening and initial funding	Movement from idea to first result	Dissemination across the organization
KEY QUESTIONS	Do people in our unit create good ideas on their own?	Do we create good ideas by working across the company?	Do we source enough good ideas from outside the firm?	Are we good at screening and funding new ideas?	Are we good at turning ideas into viable products, businesses, and best practices?	Are we good at diffusing developed ideas across the company?
KEY PERFORMANCE INDICATORS	Number of high-quality ideas generated within a unit.	Number of high-quality ideas generated across units.	Number of high-quality ideas generated from outside the firm.	Percentage of all ideas generated that end up being selected and funded.	Percentage of funded ideas that lead to revenues; number of months to first sale.	Percentage of penetration in desired markets, channels, customer groups; number of full diffusion.

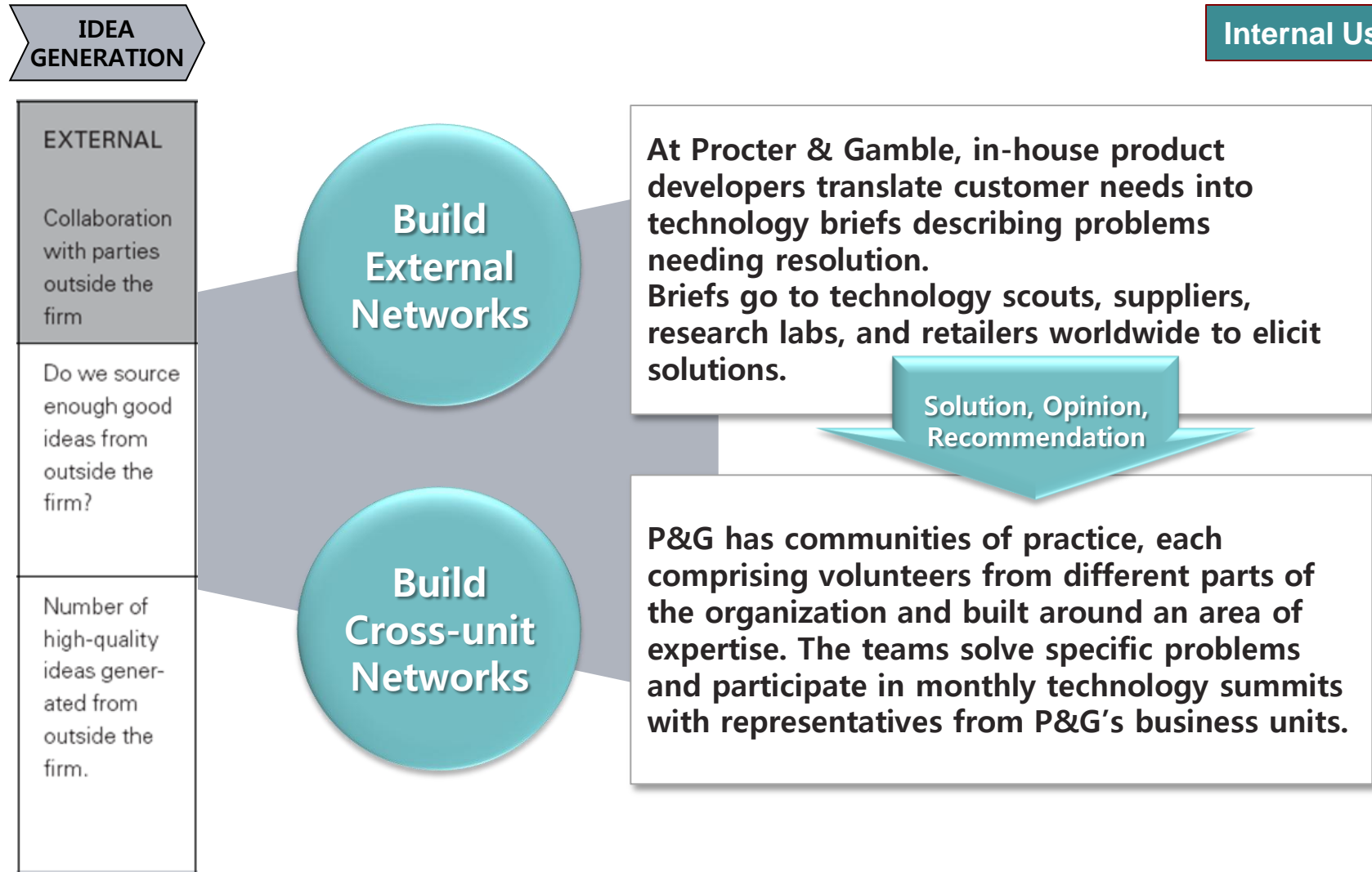
← Number →

← Percentage →

### 3. P&G Case study



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Transforming products to assets