



## Case Study 6: Lessons Learnt from the Innovation Working Groups

### ForestWorks Innovation Skills Program

#### Introduction

In a quest to generate greater industry capacity for innovation by lifting innovation skills, ForestWorks' Innovation Skills Program (ISP) has carried out a range of awareness raising and educational forums across the industry and Australia.

Following discussions at the Innovation Forums and with industry leaders, ForestWorks established six Innovation Working Groups (IWGs). ForestWorks assisted these groups through funding and the facilitation of a series of workshops to develop their knowledge of, and skills in, innovation.

The IWGs were established progressively, across different sectors of the industry, under the guidance and leadership of selected associations and individuals who represented the particular sector's value chain. The first four groups met for the first time in August 2014.

#### The Approach

ForestWorks' key objective was to support innovation skills development and create more opportunities for industry to work together, so that they could collaborate on innovative projects to achieve mutual benefit across their industry sectors.

ForestWorks' approach encouraged participants to develop:

- **New knowledge and awareness.** So they were able to adapt to the changing external operating environment.
- **New thinking skills.** Adopt emergent and divergent thinking to replace outdated ideas about problem causes and to facilitate solutions, applying a process of idea generation and exploration into solutions.
- **New attitude.** Adopt a mindset of openness and collaboration, to build collaborative ways of working together.

- **Cultural change.** Be comfortable with the fact that innovative activities require new skills, knowledge and ways of working together. Because change is new, it feels uncomfortable (or wrong) and it requires organisational resources and time to nurture.
- **Risk and investment.** Recognise that innovation presents not only opportunities to do things differently and better, but it also is an investment with no guarantee that what is pursued will be successful.

## The Challenges

The first stages of collaboration and innovation required building relationships and establishing the goal, creating strong supportive structures and developing a project plan.

The main challenges faced by the IWGs, and the Program as whole, were the following:

- Motivating people to engage in the dialogue and provide feedback.
- Helping people feel comfortable to share experiences, knowledge and ideas within the group, as the tendency for many was to just act as an observer.
- Achieving a sufficient level of leadership, which required the ability to connect the right people, and to move actions to outcomes progressively.
- Getting commitment to attend group meetings and contribute to actions,

as well as manage the process of differing levels of commitment (and positivity) amongst participants.

- Solutions, which needed significant resources, funding, and changes in the established processes of some of the involved businesses, where the business commitment was not there yet.
- Providing people guidance, as a leader or facilitator, to resolve contradictory issues arising in the group.
- Moving participants from fixed thinking and “known” solutions, to an exploration of the issues and the root causes of problems.
- Following a systematic process designed to understand the problem and to encourage creativity in solution generation.

## The Lessons Learnt

Enabling people to collaborate and innovate is difficult, given the competitive nature of the industry, and pressures that arise from a range of forces. Some influencing factors which were beyond individual businesses’ control included:

- Global competition
- The commodity nature of a number of key industry products
- Embedded industry structures and contractual relationships
- Fixed mindsets - many successful managers know what made them

successful and are sometimes attached to the practices that made them successful even if they are not relevant in a changed operating environment.

The IWGs established through this program went through different experiences in their innovative and collaborative journey and, in so doing, learned what worked and what didn't.

The key learnings of the Innovation Working Groups, which can be taken into consideration when similar collaboration objectives are pursued, include the following:

**Lesson 1: Fundamentals.** An outcomes-focused approach, supported by a step-by-step process for actions and results, is successful in developing and embedding collaboration for innovation. Achieving this requires selection of the right partners (intentional and determined and with the right levels of organisational authority or influence), strong leadership/management and independent facilitation.

**Lesson 2: Language and communication.** Developing and using a common language, and articulating from the early stages, the potential 'bigger rewards' from innovation, unlocks the value propositions for the partners ensuring their commitment.

**Lesson 3: Clarity of purpose.** When building the foundation for collaborative relationships, it is important to start with a clear purpose. Clarity of purpose needs to be reached individually by each business and/or person involved in the

collaboration, and collectively as a collaborative network.

**Lesson 4: Research.** When research is factored in, the knowledge base and possibilities to the group become richer and this can generate more opportunities. Activities based on researching a range of options allow time for the members of the group to develop and consolidate relationships/trust.

**Lesson 5: Skills for innovation.** Innovation processes require critical, emergent and divergent thinking. Achieving this requires a good mix of skills and knowledge in various business areas, including skills in problem identification, stakeholder analysis and project design. It also requires a strong focus on performance, delivery and results (management skills). A lack of basic management skills is a significant barrier for innovative processes

**Lesson 6: Skills developed from collaborative innovations.** The collaborative and innovative potential grows exponentially if skills acquired continue to be utilised.

Skills that can be developed by people during collaborative and innovative activities include:

- Greater confidence to share information with peers through improved understanding of how to develop trust, and by realising that other enterprises are not always competitors and in many cases can become partners in projects for mutual benefit.

- Increasing skills in understanding the true nature of problems/challenges and the factors influencing them.
- Learning to work with a problem to understand the root cause rather than jumping to “known” solutions.
- Thinking divergently by learning to explore and analyse all possibilities.
- Practical new skills and knowledge about the world of business through experiential learning and learning from other participants.

**Lesson 7: Analysis and risk management.**

Groups pursuing innovation through collaboration should be aware that not every idea can be developed or generate innovative potential. By analysing the idea in the early stages of innovation the group can avoid investing in any ideas that are unlikely to result in a solution, this can include reviewing any issues around timing, resources and restraints.

**Lesson 8: Importance of small steps.**

Collaboration networks pursuing innovation should be tolerant of the need to take small steps and the value that small steps add to the innovation process. Small steps consist of connecting one point to another, to help define the solution.



**From left to right: Innovation Working Group members at the *Innovation in Action* forum in March 2015, with Michael Hartman, CEO of ForestWorks and Forum Chair Bill Watson, CEO of First Super.**

From left to right: Paul O’Loan, Account Manager at Big River Group; Kersten Gentle, Executive Officer of FTMA; Jim Henneberry, former CEO of Australian Paper; Michael Hartman; Adele Elice-Invaso, Executive Director at Appita; and Bill Watson.