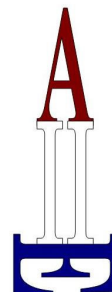


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Research Report



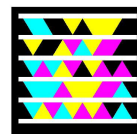
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## **Innovation Centers of Excellence**

Next Practices in Innovation Management

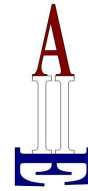
*Research Lead: Paul R. Williams*



June 2011 – American Institute for Innovation Excellence



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## Introduction

*“Excellence can be obtained if you:  
...care more than others think is wise;  
...risk more than others think is safe;  
...dream more than others think is practical;  
...expect more than others think is possible.”*

- Author Unknown

*“Champions do not become champions when they win the event, but in the hours, weeks, months and years they spend preparing for it. The victorious performance itself is merely the demonstration of their championship character”*

- T. Alan Armstrong

A number of recent studies and surveys on the topic of recovering from, and planning beyond, the current global economic condition show that executives are increasingly waking up to the reality that years of cost cutting and short-term operational focus have left their product and service development pipelines empty. The perceived dormant risk of obsolescence brought about by repeated incremental improvements and by “sticking to the knitting” is dormant no more. Based upon this awakening, the senior leaders participating in these studies and surveys have increasingly indicated that a renewed focus on growth-based initiatives, primarily via innovation approaches, must be pursued in order to extend strategic planning horizons and return some balance to risk-averse portfolios. In

essence, they see a need to swing the pendulum back toward the middle.

Innovation management practitioners have certainly taken notice of the renewed focus and attention on growth being espoused by the executive ranks. Outright enthusiasm, however, is somewhat tempered by skepticism and the fact that many practitioners have a realistic understanding of the inherent difficulty in re-igniting a dormant program or building one completely from scratch. Added to this cynicism is the unfortunate fact that far too many executive-level decision makers continue to simply “talk the talk” rather than “walk the walk” when it comes to adequately funding, resourcing and personally engaging in an innovation management initiative.

For those leaders who do legitimately see innovation management discipline as the preferred vehicle for driving growth-based initiatives, additional internal obstacles exist for even getting such an approach off of the ground. Some of these obstacles include:

- Short-term (quarterly) focus
- Lack of a strategic plan
- Risk averse culture
- Leadership that punishes risk taking, failure or anything “out of variance”
- Lack of resources or time for innovation
- No processes, models or approaches available for moving ideas into execution
- Lack of education/training on creative problem solving, idea management and innovation management concepts
- Lack of leadership support or attention

One of the most intricate obstacles that many executives are encountering as they start to pursue growth via innovation management is the difficulty related to embedding a continuous

innovation culture, mindset and discipline within and across the organization. Without a dedicated and continuous effort to build, maintain and support innovation approaches, the effort is likely doomed to fail before it even begins. Building upon that belief, some organizations are exploring a myriad of structural options that include traditional Research & Development departments, internal strategic focus teams, innovation-based project portfolio management approaches and executive-level leadership roles responsible for the growth-based initiatives of the organization.

Another organizational management approach, however, that may be applicable for providing structured leadership of innovation concepts is the “Center of Excellence” model. A Center of Excellence is typically defined as “a place where the highest standards of achievement are aimed for in a particular sphere of activity.<sup>1</sup>” A common concept deployed in the Information Technology space, the “CoE” or Center of Excellence approach provides structure, centralized knowledge and dedicated resources to a narrow area of expertise or specialty.

*“One of the most intricate obstacles that many executives are encountering as they start to pursue growth via innovation management is the difficulty related to embedding a continuous innovation culture, mindset and discipline within and across the organization.”*

<sup>1</sup> [http://encarta.msn.com/dictionary\\_1861694214/center\\_of\\_excellence.html](http://encarta.msn.com/dictionary_1861694214/center_of_excellence.html)

It is this “Center of Excellence” approach that the American Institute for Innovation Excellence has sought to better understand and discover its potential applicability to innovation management. The Institute will develop this knowledge and understanding through disciplined and dedicated research using the following focus...

#### Research Question:

Can the popular “Center of Excellence” concept be applied to innovation management and successfully deployed within an organization to establish a dedicated team of internal resources tasked with developing, deploying and maintaining a continuous focus on innovation and idea management?

### The “Center of Excellence” Concept

As previously mentioned, the Center of Excellence or CoE concept is not a new one. Historically, it been leveraged by information technology leaders seeking to facilitate the creation of hubs for knowledge sharing and for building and enhancing capabilities within a specific technical specialty area. Key within this approach are the tactics and assumptions surrounding improved flexibility, increased productivity, cost efficiency and resource utilization. To explore this concept further, let’s start out with some fundamentals regarding what a Center of Excellence really is and what it can provide for an organization.

First, a CoE is simply a centralized body of knowledge and subject matter expertise on a specific field, function or technology that utilizes a structured set of processes, procedures and activities that support high levels of

efficient and effective performance. In support of this approach, the CoE is typically staffed with subject matter experts in the chosen field who promote collaboration and the application of knowledge, techniques, tools and processes. Second, the Center of Excellence provides:

1. Skills
  - Highly specialized
  - Limited availability
2. Oversight
  - Process and methodology selection, implementation and maintenance
3. Body of Knowledge
  - Training materials
  - Process documentation
  - Templates, tools, techniques, etc.
4. Community
  - Team-based problem solving
  - Complete end-to-end view of processes
  - Collaboration
  - Knowledge sharing

Finally, Centers of Excellence traditionally operate as one of, or in any combination of, three main delivery-based business models:

#### Repository Model:

- Maintenance, support and subject matter expertise on best practices, methodology and tools
- Provides a consulting / training role
- Research and advice function

#### Governance Model:

- Project planning support
- Portfolio management functions
- Enforcement of methodology

#### Service Provider Model:

- Development of turn-key solutions
- Resources that are dedicated to the Center of Excellence for projects
- Coordination of efforts and initiatives

Primarily, however, the CoE's key functions are to:

- Enable collaboration across business units to ensure consistency and integration of strategy to activities
- Provide for a “right-sized” governance framework
- Establish a clearinghouse for process, methodology, models, tools and technology
- Provide a clear mapping between business strategy and project-based initiatives
- Serve as an organizational focal point and singular voice for a specific business strategy or function
- Provide training and consultation functions for the subject matter
- Development and monitoring of success criteria for metrics and systems of measurements
- Central repository for research and study materials

Now that we have a foundational understanding behind the Center of Excellence concept, let's explore the extension of this concept to innovation management.

### Applying Center of Excellence Concepts to Innovation Management

Many leaders struggle not only with the concept of innovation itself, but more tactically, how innovation management can be deployed and embedded within their organizations. The lack of a consistent, well-defined framework for creating an innovation “discipline” is but one of many obstacles that organizations face.

*“Innovation management is a field of specialized knowledge, leveraging complex processes that are spread among limited trained resources.”*

Organizations that are committed to leveraging the benefits of a formal innovation management approach that drives growth and executes upon strategy must take into consideration a number of key “must-haves” for success:

1. The innovation initiative must have at least one (1) executive leader who is willing to sponsor, engage and actively participate
2. Innovation must be treated as true business discipline, with its own organizational structure, financial portfolio, P&L responsibility and with equal standing and consideration among more traditional business operating units such as Finance, Human Resources or Marketing
3. A sufficient amount of resources must be dedicated to the innovation initiative to ensure its success. These resources include financial resources, human resources, time resources and spatial resources
4. The innovation initiative must also have a collection of appropriately tailored methodologies, processes, tools, techniques and systems in place to ensure the effective and efficient delivery of growth-focused directives

These four (4) key “must haves” for innovation success integrate and align very closely with the

definition and description of successful “Center of Excellence” approaches that were referenced earlier in this report. In fact, innovation management, idea management and the management of creative problem solving processes all lend themselves quite nicely to the Center of Excellence concept.

Innovation management is a field of specialized knowledge, leveraging complex processes that are spread among limited trained resources. It is also likely to be the organization’s sole business unit dedicated to strategic future growth. Think about that for a moment...what other business functions do organizations typically have that are dedicated to ensuring the future of the organization?

#### Finance?

- Limited to budgeting, payroll, accounts payable for supporting existing operations and accounts receivable for sales made on existing products / services

#### Human Resources?

- Acquires, manages and supports human resources who are tasked to build / deliver upon a set of existing products / services

#### Information Technology?

- Builds and maintains technical support and automation solutions surrounding existing business structures

#### Sales and Marketing?

- Focused on selling existing products / services to customers
- Includes increasing customer awareness via promotion, advertising and other marketing campaigns

Operations (Engineering, Manufacturing, Supply Chain, etc.)?

- Focused on lean, efficient and effective design, build and delivery of existing products / services

In fact, none of the aforementioned key business operations typically expend much more than a passing glance at what is planned beyond the next fiscal quarter, much less what may be coming on the distant horizon.

Typically, where longer term strategy, business vision and future growth sources are primarily conceived, debated and planned is at the executive leadership level. However, with the frenetic pace and splintered focus maintained by today’s executive ranks, keeping an eye on “what could be” frequently falls victim to making sure that “what is” stays on track.

There are cases where formal research and development functions exist within larger or technically focused organizations. These teams traditionally provide the dedicated future-focused view needed to ensure the organization maintains some kind of attention to the “next big thing.” In reality, however, most organizations do not have an R&D center to fall back on. This is where the Center of Excellence concept can have the greatest positive impact.

In contrast to the absence of available organizational focus on growth or the lack of need and/or resources required for a dedicated R&D function, an Innovation Center of Excellence would center its attention on providing innovation, organizational creativity and idea management subject matter expertise for the organization. It would also supply facilitation services and development oversight

for new ideas, products, services and customer experiences in direct pursuit and alignment with the organization's long term growth strategy. Additionally, the Innovation Center of Excellence serves as the champion for innovation internally and would also explore a wide variety of external sources of ideas so as to continually incorporate new concepts, practices, processes and opportunities into the organization. While the Center of Excellence may not be directly responsible for designing, building or implementing innovative products and/or services, they would be responsible for encouraging, fostering, supporting, guiding and embedding an innovative culture and environment.

*“Typically, where longer term strategy, business vision and future growth sources are primarily conceived, debated and planned is at the executive leadership level.”*

Bound by the following core guiding principles, the Innovation CoE would exist to:

- Promote the belief that EVERYONE is creative
- Capture the creativity, ideas and passion for growth from all employees
- Facilitate and champion a culture of innovation, collaboration, calculated risk taking and the deliberate pursuit of new ideas within the organization
- Provide opportunities for growth and learning within the organization regarding innovation, creative problem solving and general creativity concepts

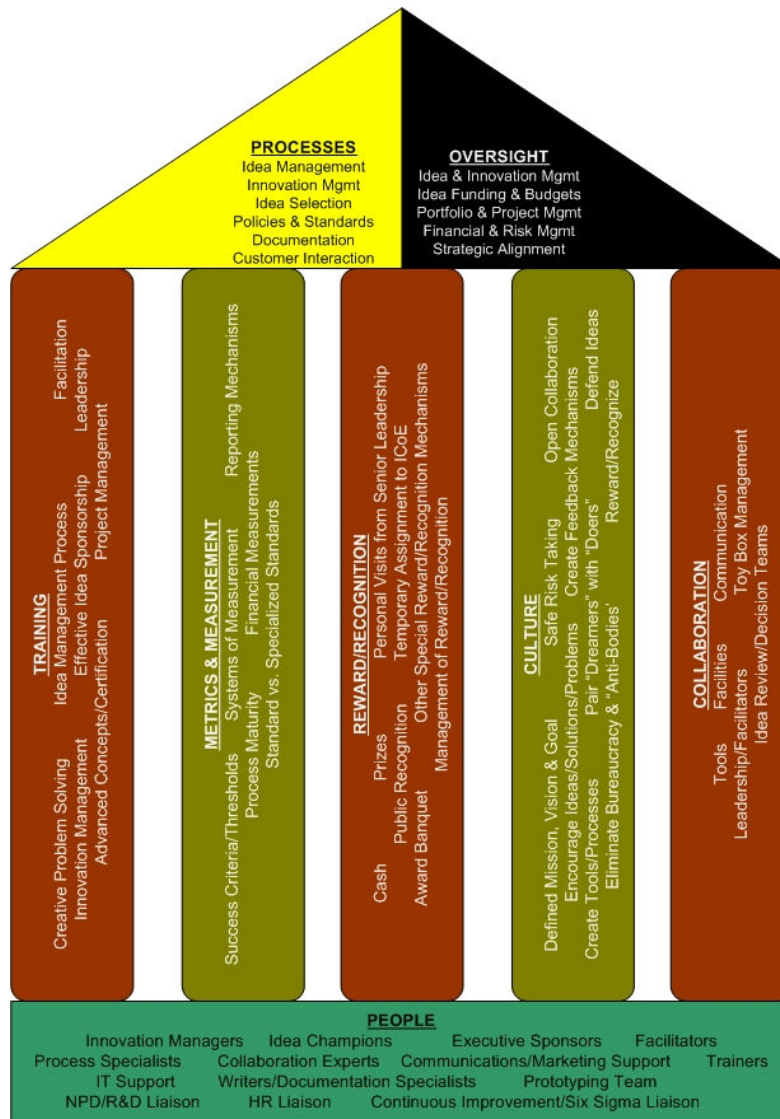
- Solicit general improvement ideas from (and for) the entire organization and its customers
- Partner with all other problem solving, business development and/or continuous improvement teams within the organization to collaborate and improve customer service

Additionally, a number of common operational principles would also guide the structure and direction of the Innovation CoE:

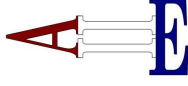
- Participation is open to all business unit stakeholders who have an interest in furthering the purpose of innovation and the Center of Excellence itself
- No individual business unit or executive leader will dominate the direction of the Center of Excellence. The Center of Excellence will match its direction to the overall strategic goals set forth by the organization
- Unless otherwise determined for legal purposes, all models, processes, tools, techniques, concepts and plans are open and available for use to all stakeholders and participants

Finally, and while a more comprehensive, global model of the Innovation Center of Excellence is provided later in this report, we next share our early thoughts and designs on the foundational structures that we consider necessary to properly, effectively and efficiently support and embed the Innovation CoE concept within any organization.

## Foundations of an Effective Innovation Center of Excellence

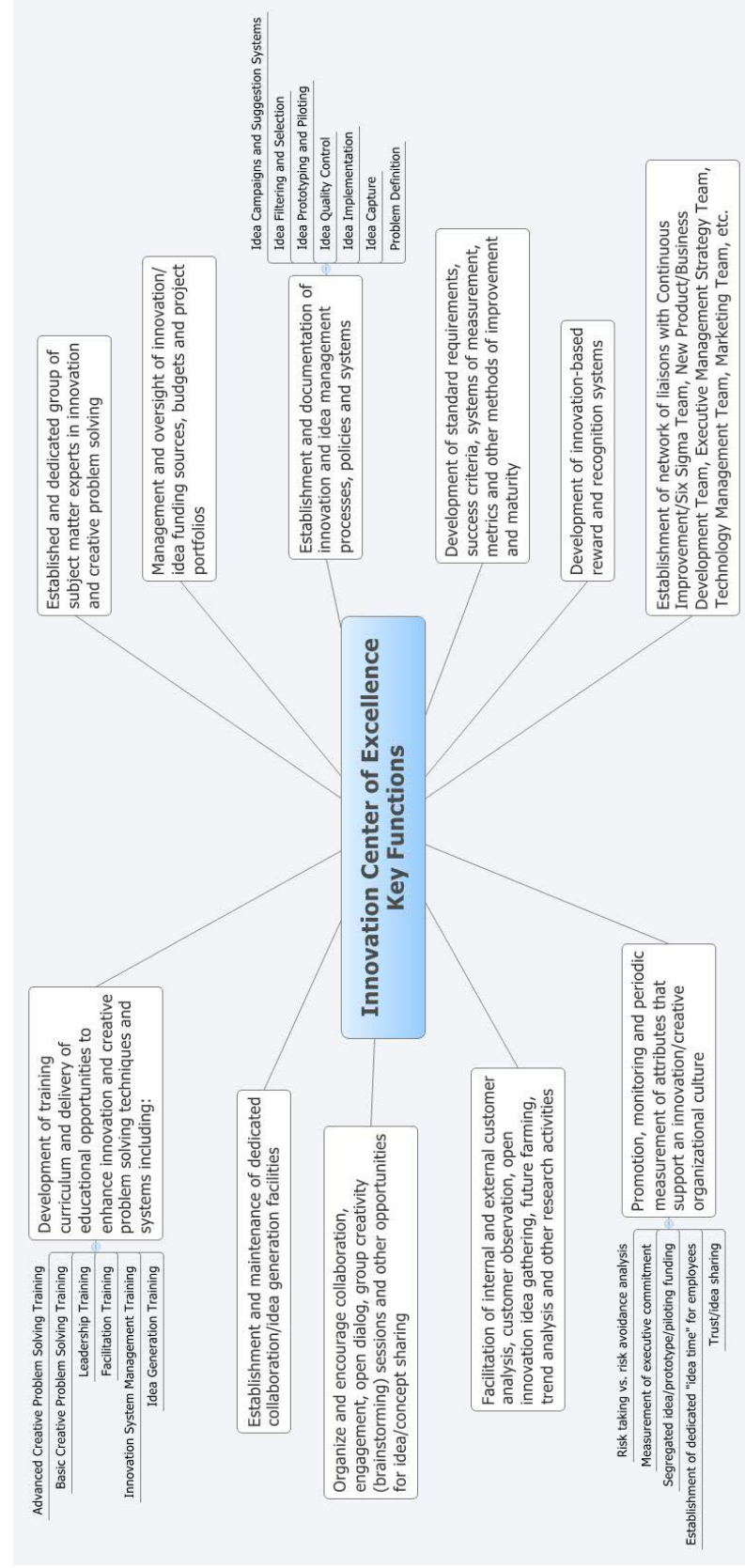


This new visual structure displays the underlying foundation of the Innovation Center of Excellence (People), its “pillars” or key themes that provide structure, maintenance and daily operational support (Training, Metrics & Measurement, Reward & Recognition, Culture, Collaboration) and finally, the necessary oversight, management and process framework that gives it “cover” and holds the entire structure in place (Processes and Oversight).



## Functions and Goals of the Innovation Center of Excellence

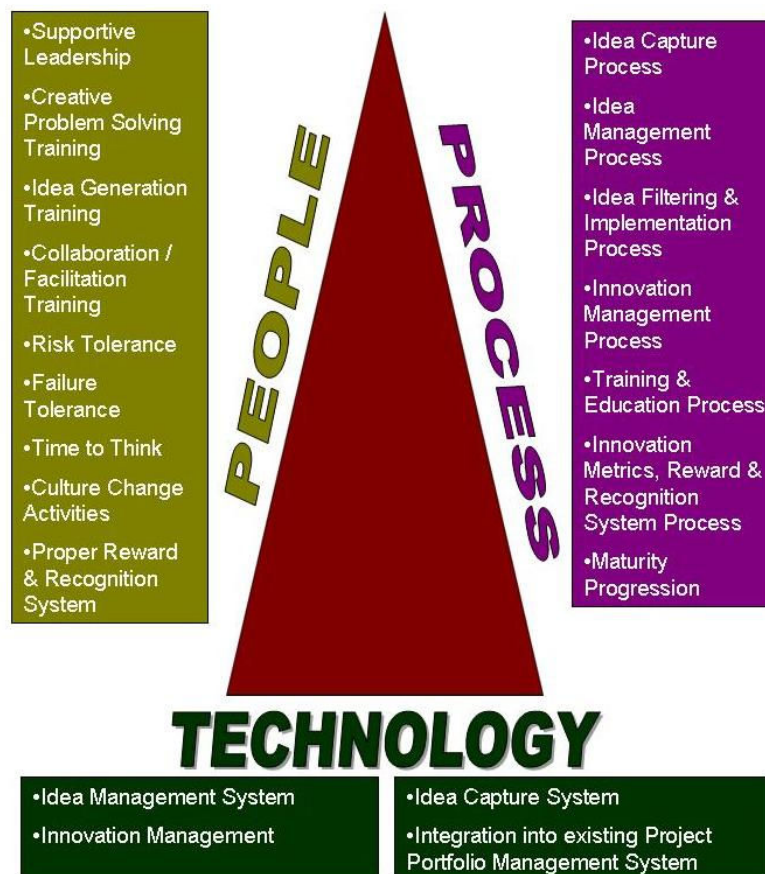
Similar to the previous framework, the day-to-day operation of the Innovation Center of Excellence requires a number of specific functions that are designed to best leverage the innovation management approach to organizational growth. These functions are displayed in the following mind map format:

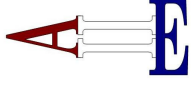


Through the execution of the key functions identified above, the Innovation CoE's main performance goals are to:

- Translate industry research into best and next practices for the organization
- Collect critical information and resources for ideas, innovation and creative problem solving
- Serve as a centralized clearinghouse for processes, methods, approaches and models for utilizing the information and data collected
- Build and maintain an educated resource pool through training and hands-on experience
- Provide internal consulting, coordination, mentoring and coaching
- Act as the liaison and representative for the organization among industry, institutional and organizational peers
- Serve as a recognized leader in the field of innovation management

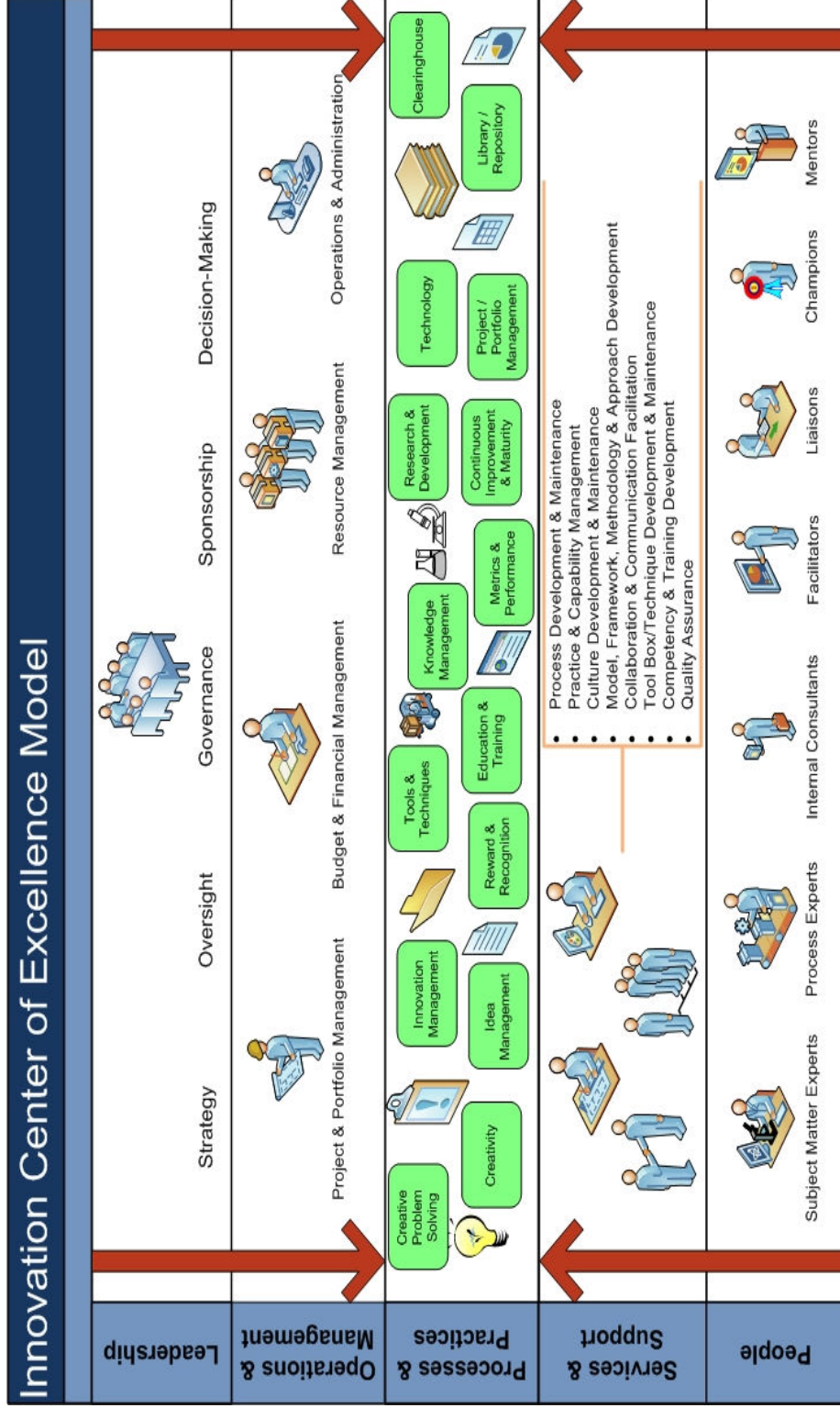
Key to these performance goals and operational functions are people, process and technology as depicted here:





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## Introducing The Innovation Center of Excellence Model



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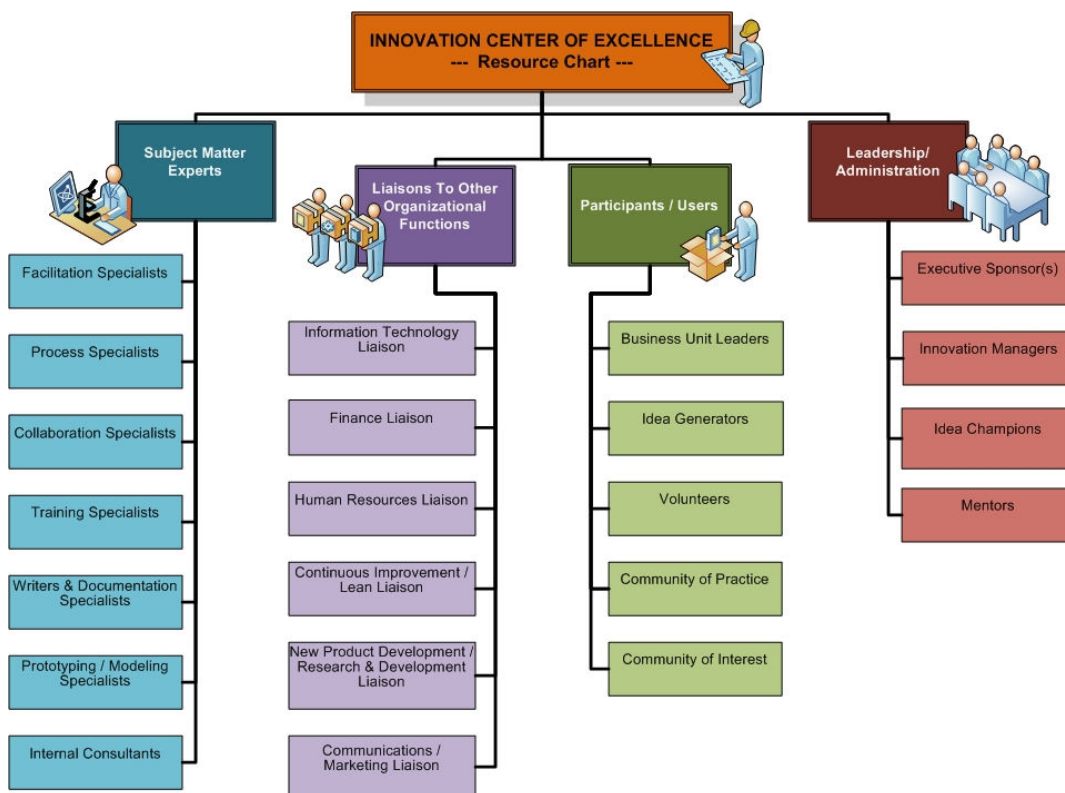


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The unique combination that has resulted from leveraging our comprehensive research regarding the design and successful deployment of the Center of Excellence concept utilized in other industries and areas of practice, and via the placement of key functions and tasks that support innovation-specific tactics within that concept, and by building upon the development of core foundational structures that we feel are critical to the achievement of the primary goals for an overall innovation management approach, we have developed a unique “Innovation Center of Excellence Model” that serves as a new alternative or reference point for those organizations seeking to embed quality-based, successful innovation management initiatives within their organizations.

The model is constructed by combining both a “top down” and “bottom up” approach that results in key innovation-centric functions, processes and practices meeting in the middle. We feel that this accurately represents the best practice currently being deployed in the innovation management space today.

Taking a closer look at the model, we will start by splitting our focus on both the top and the bottom layers, or with the people and roles required to build, maintain and support the Innovation Center of Excellence:



Starting at the bottom-up view, critical roles dealing with the day-to-day operations and functioning of the Center of Excellence concept are depicted:

- Subject Matter Experts
  - Operations
  - Manufacturing
  - Design/Engineering
  - Product Development
  - Supply Chain
  - Business Analysts
- Process Experts
  - Methodology Specialists
  - Process Improvement Specialists
  - Lean / Six Sigma Belts
  - Business Process Architects
- Internal Consultants
  - Innovation Management Professionals
  - Idea Management Professionals
  - Creative Problem Solving and Organizational Creativity Professionals
- Facilitation Specialists
  - Idea Generation Session Facilitators
  - Training Specialists
- Liaisons to other functional areas in the organization
  - Finance
  - Human Resources
  - Information Technology
  - Marketing & Sales
- Idea Champions
  - Individual Idea and Project Sponsors
- Mentors
  - Current and Former Innovation CoE Leaders
  - Idea Champions
  - Executives

Taking a top-down view of the Model now, we examine the key leadership and operational

management functions / support roles required to ensure that appropriate levels of oversight, sponsorship and governance are applied and that the strategic alignment back to the overall strategy of the organization is constant and continuous:

- Leadership:
  - Executive Sponsor(s)
  - Innovation Center of Excellence Director
  - Coordinator and/or Administration role
- Operations & Management:
  - Project & Portfolio Management
  - Budget & Financial Management
  - Resource Management
  - Operations & Administration

*“Moving to this organizational structure shows a dedicated and continuous effort to build, maintain and support innovation-based approaches.”*

Two (2) additional layers of the Model, “Services & Support” and “Processes & Practices” reflect the actual work effort and activities that are designed, developed, tested and implemented within the Innovation Center of Excellence.

Services & Support details and defines the scope of responsibility and accountability for the general maintenance and support roles inside of the Innovation Center of Excellence:

- Process Development & Maintenance
- Practice & Capability Management
- Culture Development & Maintenance

- Model, Framework, Methodology & Approach Development
- Collaboration & Communication Facilitation
- Tool Box / Technique Development & Maintenance
- Competency & Training Development
- Quality Assurance

Beyond these functions, there are specific innovation-centric Processes and Practices that make up the bulk of the services provided by the Innovation Center of Excellence:

- Creativity & Innovation Management:
  - Creative Problem Solving Facilitation
  - Personal and Organizational Creativity Enhancement
  - Idea Management
  - Innovation Management
- Process & Execution Management
  - Tools & Techniques
  - Project / Program / Portfolio Management
  - Continuous Improvement & Process Maturity
  - Research & Development
  - Technology Selection, Implementation and Support
- Metrics, Systems of Measurement and Performance Management
  - Corporate Strategy Alignment
  - Corporate Profitability
  - Corporate Growth
  - Value Creation
  - Customer Acquisition
  - Customer Retention
  - Execution Process
  - Idea Throughput
  - Process Efficiency
  - Process Effectiveness

- Commitment and Focus
- Network Development
- Education & Training
  - Basic Training
    - Creative Problem Solving Concepts
    - Idea Management Concepts
    - Innovation Management Concepts
    - Project/Portfolio Management Concepts
  - Advanced Training
    - Innovation Architecture
    - Innovation Portfolio Management Model
    - Innovation Center of Excellence Model
    - Innovation Management Maturity Model
    - Problem Identification and Root Cause Analysis
    - Strategic Planning Concepts
    - Scenario Planning Concepts
    - Mastering the Innovation Playbook
  - Specialist Training
    - Idea Generation Facilitation
    - Idea Champion/Sponsor Leadership
    - Research-Specific Training
- Knowledge Management
  - Process Clearinghouse
  - Document and Artifact Repository and Archive
- Cultural Development & Maintenance
  - Culture Assessments & Diagnostics
  - Reward & Recognition
  - Prototyping / Experimentation
  - Risk Management
  - Collaboration Tools and Facilities

As a comprehensive package of roles and corresponding activities, the Innovation Center of Excellence Model depicts the latest thought leadership and next practices for the development of an organizational concentration on innovation-related growth. Moving to this organizational structure shows a dedicated and continuous effort to build, maintain and support innovation-based approaches. It also provides executive leadership with confidence in the organization's ability to embed a continuous innovation culture, mindset and discipline within and across the functional business areas.

### Benefits of an Innovation Center of Excellence Approach

As with any proposed new business model, the Cost/Benefit and Return on Investment thresholds must be crossed and justified. This new Innovation Center of Excellence approach does introduce real and potential new costs stemming from increased or re-allocated human resource needs, physical capital such as technology investments, prototyping materials, collaboration and conferencing tools, data management tools, along with general expenses related to the start-up, daily operation and continued maintenance of the Center. Those costs can quickly be identified and compared against the following benefits and cost savings:

- Increased Revenue
  - Generation of a continuous stream of ideas for new products / services
  - Management of new product and service investment risk / reward ratio through portfolio management discipline
- Reduced Cost
  - Standardized content, process and methodology

- Concentrated and streamlined operations
- More accurate estimation of project-based work
- Reduced product development lifecycle time and cost
- Reduction of organizational rework and/or duplication of effort
- Reduced Risk
  - Centralized source of expertise
  - Exploitation of consistent and proven methodology
- Increased speed to market
  - Specialized resources that have an enhanced focus on growth
  - Decreased time to problem resolution
  - Managed risk taking
  - Dedicated research and prototyping activity
- Tighter Alignment With Strategy
  - Integration with business goals
  - Focus on longer timeframes
  - Governance and oversight of growth-related activity
  - Managed performance and execution of strategy
  - Portfolio-based view and integration of cross-organizational resources and investments
- Improved Communications and Change Management
  - Centralized coordination and communication across business units
  - Increased process adoption rates
  - Increased awareness of growth focus and desire for new ideas
  - Focus on customer needs and problems
  - Specialized training and support functions for all practices, standards and processes

- Familiar starting point for users of innovation management services
- Decreased learning curve for new employees or those new to the system

## Barriers to the Innovation Center of Excellence Approach

Admittedly, this structure-based approach is not appropriate for every organization. There are some common barriers and/or drawbacks which one should be cognizant of that may limit success:

- Centralizing innovation management may lead to individual or business unit level apathy
- Executive-level conflict on strategic direction or intensity of growth focus
- Organizational readiness for growth focus and innovation culture creation
- Abandonment in times of organizational trouble or economic weakness
- Potential for executive-level disconnect due to assumption of a well-managed system
- Lack of ability to eliminate or reduce the influence of organizational change “anti-bodies”
- Lack of appropriate systems of measurement to ensure focus on program milestones, deliverables, budget, quality and deadlines
- Lack of appropriate feedback mechanism for end users of the Center of Excellence
- Lack of appropriate communications mechanism that limits correlation of increased capabilities, value and benefits

to the activities and work products of the Innovation Center of Excellence

This research team also recognizes that the approach recommended in this report is most applicable to larger organizations that have the capability, capacity and size to fully deploy a model of this magnitude. We do feel, however, that the underlying processes, methodology, approach and structure can be scaled down to be useful to organizations of any size and scope.

## Conclusion

Very little debate remains surrounding the benefits of leveraging an innovation management approach for driving new growth within organizations. The practice and approach, when appropriately staffed, funded and given due attention and engagement from organizational leadership has proven successful in generating new ideas, new products, new services and new business models. And, when combined with a disciplined approach to execution, an end-to-end innovation management practice has also shown to give firms a distinct competitive advantage. Put simply, the process works.

As with any management approach, dedicated leadership, patient resolve, an appropriate appetite for risk and strategic foresight are what drive success. Organizations must be in a healthy enough position to pursue a growth strategy. Leadership must decide to execute upon the growth strategy. Management teams must be able to embed the growth-based tactics and goals. Employees, suppliers and customers must participate in the activities and behaviors that lead to growth.

As we defined at the beginning of this research report, there are four (4) main “must haves” for success via innovation:

1. Leadership Engagement
2. Business Discipline
3. Resources
4. Processes

We have explored and defined the payback that results from addressing these “must haves” for success by leveraging a “Center of Excellence” structural model, where appropriate. We focused specifically on innovation-centric tactics and strategies where the benefits of reduced cost, reduced risk, repeatability, faster time to market, better alignment to business strategy and goals, and where taking advantage of a centralized source of expertise pays the

highest dividends on investment and outweighs the typical start-up and maintenance costs.

It is the opinion of this research team that leaders who meet the following criteria would be best served to consider the utilization of the Innovation Center of Excellence approach:

- Dedicated themselves and their organizations to a growth-based strategy
- The growth strategy depends on a robust and efficient innovation management program
- The organization has the appropriate amount of capability and capacity to undertake such an investment
- The organization seeks to leverage the benefits that a centralized optimization of best practices and creation of next practices via a shared services model provides

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## APPENDIX A: Suggested Innovation Center of Excellence Implementation Roadmap



### Timeline of Events:

#### 1. Assess

- Evaluate the organizational strategic growth plan
- Evaluate the organizational capability and capacity for execution upon the strategic growth plan
- Evaluate customer demand and need as inputs to the strategic growth plan
- Understand available organizational and structural options

#### 2. Plan

- Develop a strategic plan combining identified competencies, opportunities, benefits and challenges
- Communicate executive and organizational commitment
- Identify and assess existing innovation resources, processes, methodology and approach

#### 3. Design & Develop

- Define and design scope, responsibility and authority
- Identify and secure commitment of executive sponsor and management champions
- Determine working relationship between the Center of Excellence and other business units
- Define roles & responsibilities
- Define the value proposition and systems of performance measurement
- Develop activities, tasks, milestones and other plans for the implementation of the Innovation Center of Excellence

#### 4. Implement

- Allocate people, money, space, time and tools to the Innovation Center of Excellence
- Provide training, knowledge management and support functions
- Embed Center of Excellence functions
- Adapt portfolio management approach and structure

- Embed key practices, methodology and strategy.
- Market the Innovation Center of Excellence services and other offerings to the organization

#### 5. Improve

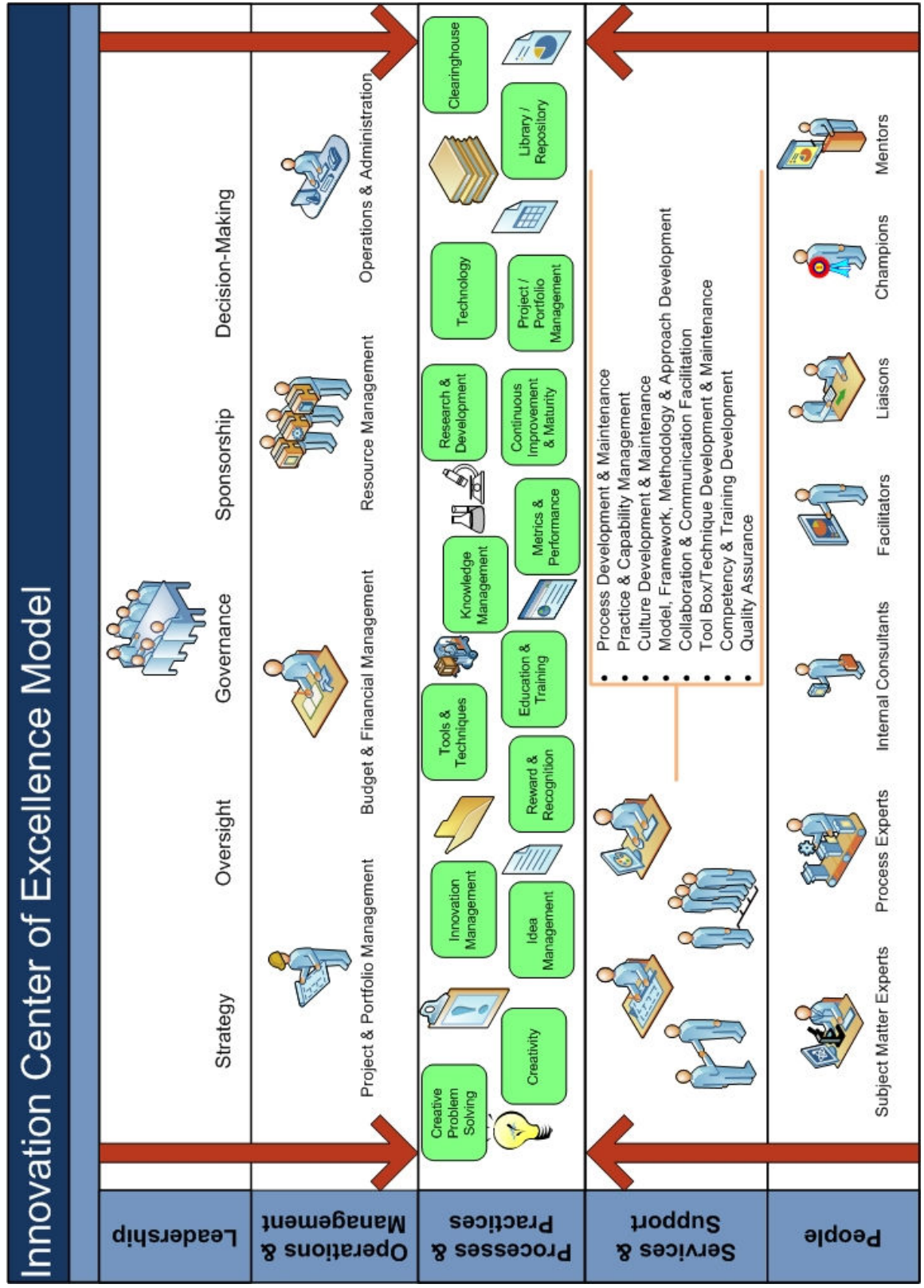
- Allow the Center of Excellence and its relationships to develop naturally
- Create opportunities for open dialog with outside perspectives
- Allow for various levels of roles / participation:
  - i. Leadership
  - ii. Management
  - iii. Active Participant
  - iv. Passive Participant
- Manage portfolio blend and align to strategy
- Improve existing processes and look for new, more efficient processes
- Build and maintain supporting culture for new ideas, innovation and execution

### Foundational Milestones:

- Develop Innovation Center of Excellence design
- Secure the resources (human, financial, time and spatial)
- Develop the key functions, products, services and offerings list
- Design and launch the appropriate oversight mechanism
- Establish the preferred processes and methodologies supported
- Design training and other educational programs
- Design and begin tracking the metrics and key performance indicators
- Begin culture change / enhancement activities
- Design and implement collaboration tools
- Develop Partnership and Alliance Opportunities Externally
- Conduct Executive Center of Excellence Workshops
- Establish relationships with key partners and liaisons from other business units

## APPENDIX B: Sample Innovation Center of Excellence Operating Framework

Leadership	Operations & Management	Processes & Practices	Services & Support	Resources
Strategy	Innovation Management	Standards / Methodology	Process Development	People
Oversight	Idea Management	Metrics	Practice Development	Time
Governance	Project & Portfolio Management	Tools	Quality Assurance	Space
Sponsorship	Risk Management	Technology	Culture Development	Financial
Decision-Making	Budget & Financial Management	Organizational Creativity	Collaboration	
Alignment – Business & Strategy	Resource Management	Creative Problem Solving	Communication	
Stakeholder Relationships	Administration	Reward & Recognition	Technique Development	
Market Analysis	Daily Operations	Research & Development	Competency Development	
	Knowledge Management	Continuous Improvement	Training	
	Capability & Capacity Management	Process Maturity	Consultation	
		Clearinghouse	Technical Support	
		Library	Facilitation	
		Repository / Archive	Customer Analysis	
			Assessments / Audits	

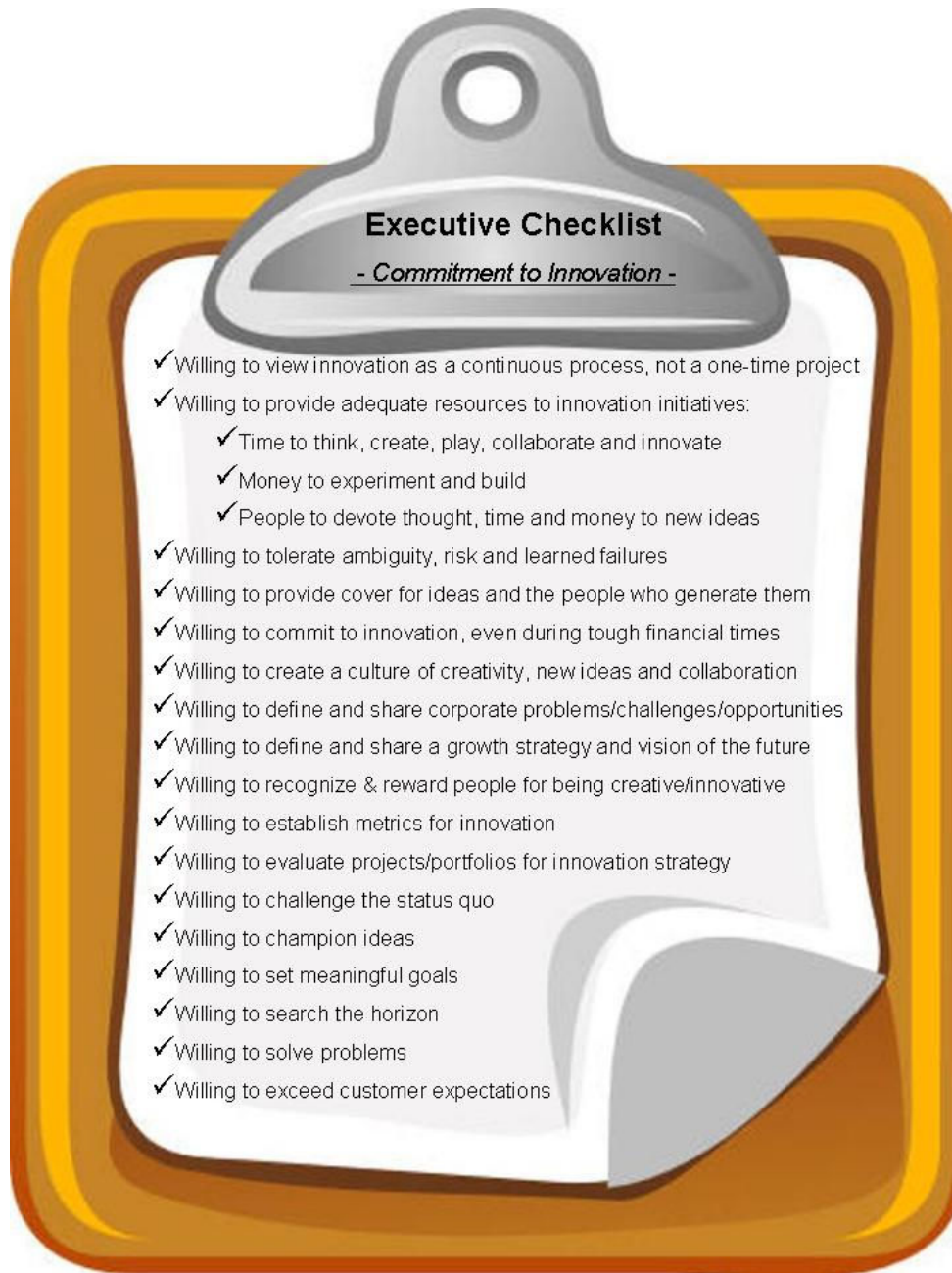


## APPENDIX C: Sample Innovation Center of Excellence RACI Chart

(Responsible, Accountable, Consulted and Informed)

Innovation Management Center of Excellence Role & Responsibilities Chart		Executive Sponsor/Partner	Center of Excellence Leader/Directo	Portfolio Management Office	Center of Excellence Team	Project Team(s)	Specific Business Areas	External Partners	Comments
<b>Center of Excellence Management</b>									
Design appropriate COE structure	C	A		C					
Plan scope of COE activity	C	A		R	C	C			
Define and solicit resources needed	I	A			C	C			
Analyze and organize COE activities		A							
Develop and execute the communication strategy	I	A		R					
Develop and administer/facilitate portfolio management approach	C	R	A						
Manage collaboration, relationships and silo busting activities		A							
Build and maintain best/next practices		A							
Serve as a singular focal point of contact		A							
Provide strategy, direction, guidance and operational management	A								
Leader of continuous improvement within the COE		A							
Share best practices inside and outside of the organization		A							
Conduct benchmarking reviews with outside organizations		A							
Promote process governance		A							
Managing budget, cost and other P&L responsibilities		A							
Quality review and management		A							
Monitoring execution		A							
Maintain competencies		A							
Define roles and responsibilities		A							
Manage risk		A							
Define standard operating procedures		A							
Define business continuity and disaster recovery		A							
Support technology			A						
Manage the innovation agenda throughout the global organization, inspiring confidence, excitement and 'talkability'		A							
Responsible and accountable for the delivery of any assigned innovation projects from ideation & concept development through to launch in market(s)		A							
Serve as the dedicated innovation community development lead or "innovation partner" internally to the various business units; and externally with key partners, customers, suppliers, etc.		A							
Develop and manage clear understanding of the roles within cross-functional teams, ensuring that all parties' responsibilities are clearly communicated, understood and delivered.		A							
Ensure clear, decisive communication within the project team throughout the development process.		A							
Establish and monitor project metrics which will alert teams to problems as early as possible, support division objectives, and emphasize learning rather than control		R	A						
Demonstrate the energy and drive required to champion projects through the process, even when hurdles are presented		A							
Develop and manage partner engagement strategy (internal & external)		A					C		
Balance 'drive to deliver' with strong analytical and sound strategic thinking. Be commercially pragmatic, understanding the commercial impact of decisions.		A							
Document key learning achieved during the project, both technical and learning, relative to the project management process.		A							
Manage project budgets for each project and work with the project team for input on initial project budget.			A						
Identify enabling programs, services, tools and technologies associated with the innovation project.		A							
Develop metrics that provide measurable and accountable return on investment for projects.		A							
Prepare and give updates to senior management on major projects	I	A							

## APPENDIX D: An Executive Checklist - Commitment to Innovation



**NOTES:**

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