

## What's the big idea?

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### **Introduction**

This book by the most eminent knowledge practitioners of the world is about how to manage ideas. New ideas can vitalise organizations. They can energize individuals and help them to work more creatively. New ideas can help companies improve their business performance. This book is about generating, evaluating and implementing ideas. The authors provide several insights, on selecting the right idea, establishing thought leadership and creating the right culture for new ideas to be embraced and implemented effectively by the organization.

Broadly speaking, business ideas serve two roles. They try to improve organizational performance. They also provide legitimacy by creating a feeling that the organization is genuinely trying to improve. Early adopters seem more motivated by real performance gains whereas later adopters are driven more by legitimacy.

Almost all ideas share one of three business objectives: improved efficiency, greater effectiveness, process/product innovation. Some ideas can incorporate all three objectives.

The practice of ideas has accelerated since the 1980s. Management attention to deal with new ideas is increasingly scarce. So there is a premium on selecting the right ideas for the organization. As the authors emphasise, there are no totally bad management ideas, only ideas managed badly. Ideas are cheap and plentiful. So they must be managed carefully. It is implementation, not idea generation that results in tangible improvement in business performance.

### **Idea practitioners**

The authors explain the important role played by idea practitioners in helping companies work on new ideas. Idea practitioners are the link between ideas and action. These are the people who use business improvement ideas to bring about change in organizations. They are not ivory tower intellectuals but pragmatic individuals who see the possibility of a better way of doing things. The most noble attribute of these individuals is their lack of cynicism. These people tend to be highly educated but often enter the business world in somewhat routine functions. Many are involved with information technology; some with consulting companies. They may move back and forth across idea creator/user role. They tend to work across boundaries. They can be seen in conferences, as members of communities of practice and as part of multi company research programs. But they become boundary spanners, typically after

having contributed to and made an impact within their organization. Idea practitioners are truly devoted to their ideas besides their own career advancement and their organization's improvement.

Idea practitioners move ideas typically through the following steps:

- They scan for and identify the idea. They consult various thought leaders. They read business magazines.
- They know how to package the idea. They have a clear understanding about how the new idea will be used. They keep the description of the idea very simple. They don't build too much hype around the idea to begin with. They break down the big idea into several little ideas and set them running in the organization. They have a social, not technology focus.
- They advocate the idea. Realising that new ideas have to be sold, Idea practitioners attempt to elicit senior management support. They try to link the idea to something the organization cares about and understands. Sometimes they try to get the support of outside experts.
- They make it happen. Implementation is easier if ideas have a quick pay off, are tied to performance appraisals and are found useful by individual workers.
- They take the ideas outside. Persistence, political savvy and access to senior executives play an important role in getting ideas from the inside of the organization to the outside.

### **Ideas & Fads**

Like products, ideas go through a lifecycle. The lifecycle of an idea within a company may be quite distinct from that in the press and the public. Any idea goes through the P cycle. First, ideas are introduced. Then pilots are run. After this the idea reaches the project stage. If the project is successful, it becomes a program or a series of projects. At this stage, the idea gets great visibility. When programs are successful and continue over a long period, they become a perspective.

The P cycle is quite different from the external popularity cycle. The first stage in the external life cycle is entry into public awareness. Articles may appear in a top journal, for example. During stage 2, the idea grows in popularity and gains acceptance. During stage 3, the idea receives critical and managerial scrutiny. In the next stage, the number of users begins to drop off. Only staunch or hard core supporters remain loyal to the idea in stage 5.

Ideas must be accepted and implemented only after a through grasp of their underlying foundation and their potential to improve business performance. Business fads must not be confused with good ideas. Fads are short lived states of enthusiasm that do not deliver any real benefit.

According to the authors, there are no faddish ideas, only faddish managers and faddish companies, which have the following characteristics:

- They embrace new business ideas indiscriminately.
- They look at new ideas as a panacea for their problems.
- They take up the most outrageous, radical formulation of ideas, instead of the simpler, more implementable versions.
- They blindly follow someone's idea of the process for implementing the idea without good evidence that it is worth pursuing.
- They talk about implementing an idea but don't apply sufficient resources or commitment to make anything happen.
- They don't get deeply involved in the implementation of an idea. Instead, they rely on outside consultants.
- They adopt more ideas than they can actually implement.

While evaluating an idea, it is important to take the right perspective. Most business ideas are not entirely new. Every new idea draws quite a bit from related ideas that have come before. Ideas usually have some relatively new components and some classical wisdom. For purposes of marketing, it may be desirable to emphasise their novelty. Revolutionary rhetoric can also draw attention. Herein lies the paradox. Ideas with the most power are often those packaged in revolutionary items. But these precisely are the ideas that are difficult to implement. The trick lies in drawing the attention of people by emphasizing their revolutionary potential while recognizing that implementation may be evolutionary and results will take time to come.

### **Gaining legitimacy**

Ideas gain legitimacy in various ways. Management gurus play an important role in the idea business. Gurus assemble, package and broadcast business ideas. They rarely create the whole thing from scratch. What they do is take components of an idea, reshuffle them a bit, add some description and examples, package them as an appealing concept and present them in public. Gurus tend to be boundary spanners. They do some research, some writing, some speaking and some consulting. They interact with companies, think and write and present their ideas at meetings and conferences. The most successful gurus combine research, articulation and writing capabilities.

Publishing, conferences and education play a key role in making the idea market. Publications have a clear role in legitimizing ideas and in publicizing and providing credential for the idea seller. Idea based executive education programs enrich the credential of the idea seller, lead to development of case studies that deepen the subject and educate practitioners who may go out and spread the message. Conferences help more in the initial stages of building an idea movement. They help gurus by focusing attention on them as keynote speakers. Conferences also tend to be cheaper than executive education programs.

Those who want to introduce new ideas must view themselves as salespeople. It is usually not a good idea to try to implement a new idea using an all or nothing approach. Ideas must be seeded in the organization through experiments. Experimentation facilitates modification of the idea where required, while minimising risk. Often, it makes sense to introduce a new idea in the organization's own language in terms of new and ongoing concerns. Any change must be implemented by people. So getting their buy in is important.

### **Selecting Ideas**

It is managers ultimately who buy ideas. They do so for various reasons. There is uncertainty about how to improve organizational performance. There may be pressure from analysts, directors, important vendors, customers and journalists to do something which makes a visible impact. There may be pressure to conform to what other rivals are doing. There is the pressure to quickly do something about an area where the organization is lagging behind other players in the industry. Then there is pressure to catch up with other well managed companies who are already good at implementing new ideas

Organizations need to evaluate ideas carefully as many ideas abound in the market place. The key questions to be asked are: What is the likelihood that the idea will be successfully integrated into the firm? Is the idea something that the firm can take ownership of? Would any firm want to own the idea? Timing is very important. The acceptance of an idea depends significantly on the prevailing economic, social and political environment. Companies must scan ideas proactively to reap first mover advantages wherever possible. They must visit book stores, libraries, and useful websites to keep track. Then they can check whether these ideas are in synch with the prevailing environment. Finally, they must take a call on how aggressively they want to embrace the new idea. When an organization changes its rhetorical keys, idea practitioners should change their focus as well.

### **Leadership**

Leaders, more than idea practitioners, hold the key to the successful execution of ideas. Leaders need not be idea practitioners themselves. But they must nurture the people who work with ideas, by providing rewarding careers. Ofcourse, leaders must select idea practitioners carefully. Many people pretend to be idea practitioners without having the necessary qualities.

Leaders must shape a culture that lets the right ideas flourish. They must signal what kinds of ideas will be welcome, depending on the need of the hour – efficiency, effectiveness or innovation. Leaders must keep articulating the core values so that employees know the boundaries within which they can ideate. Otherwise, too much

time will be wasted in launching initiatives that will have little impact on the performance of the organization.

The successful implementation of an idea depends on the dynamic interplay between the leader, the idea practitioner and grassroots employees. Leaders must have a trusting relationship with idea practitioners to encourage ideas to flow back and forth. Leaders must work closely with idea practitioners to build a logic between the idea and the firm. The idea must be packaged in terms of the firm's specific situation and needs. Leaders must send explicit signals about the importance of ideas. They can send out organization wide memos and emails. They can introduce the idea's key guru at a management meeting. They can keep a book relating to the idea, prominently in their room. While a cynical attitude towards ideas is dangerous, faddism must also be avoided. Leaders with faddish tendencies embrace too many ideas, accept the most sensational versions and drop old ideas when new ones come along. It is also dangerous to pretend to embrace an idea, while hiding the real intent. For example, many leaders embraced reengineering not so much because they wanted to redefine their processes but to reduce head count.

### **Conclusion**

Ideas have the potential to transform organizations. Yet implementing new ideas is not as easy as it looks. Ideas must be selected carefully. Ideas must be sold to people within the organization. Ideas must receive the backing of top management. There must be a genuine commitment to using ideas to improve business performance rather than using ideas to create hype or gain media publicity. The authors have explained how ideas emerge and become popular with two well known examples – Business Process Reengineering and Knowledge Management. This book is a must read for managers who work in companies which want to leverage the power of new ideas.