

# Driving Sustainable Innovation with High Performance Teams

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Consumer goods companies today are rediscovering New Product Development (NPD) as a response to the constant pressure to achieve profitable growth and adapt in an ever-evolving marketplace. Changing consumer tastes and competitor responses require consumer goods leaders to innovate more rapidly than ever to secure and grow market share. While innovation has become a mantra for delivering this sought-after growth, the challenge lies in achieving and sustaining innovation to realize year-in and year-out success.

Executives are striving to attain sustainable growth by developing new business strategies, innovation processes, portfolio management, master planning, and stage gate optimization. While each of these has merit and demonstrates important contributions to company growth and success, when it comes to sustainable innovation, these processes cannot stand alone.

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So what is another critical component for companies to achieve great execution, ideation through post-launch? The answer is people – people with different backgrounds, experiences, and capabilities. By forming collaborative teams to create products and services that result in customer satisfaction, people are not only an important organizational asset, but vital to achieving sustainable innovation.

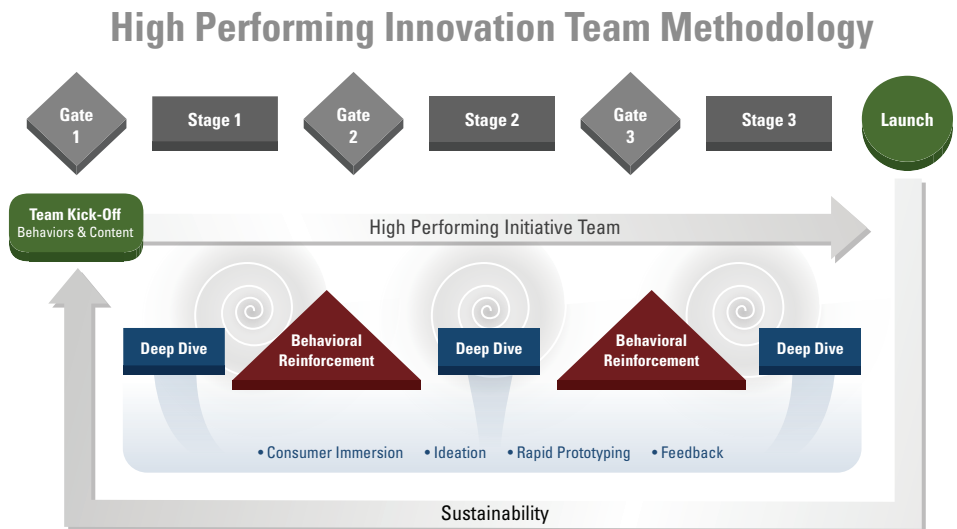
While innovation strategies and processes are essential for creating profitable products and services, high performing teams make it happen. The data is compelling that holistic, effective cross-functional teams are significantly more likely to produce better business results. Of the best performance companies, 65.5% show good cross-functional cooperation on project teams, whereas only 24% of the worst performance companies do. Organizations with high performing teams significantly outperform their peers by effectively leveraging the capability and experience of each individual team member.

How can companies unleash the potential of people to create high performing teams? Kalypso's High Performance Team methodology is designed to empower people to achieve innovation success. High performing teams:

- Seek value in everyone's contributions.
- Build capability through experiences and interactions over time, not through books or conferences.
- Prototype early and quickly to achieve faster and better results.
- Walk a mile in the lives and experiences of the consumer.
- Regularly reinforce positive behaviors to embed them in team culture. Team "esprit" has a short half-life without reinforcement.
- Implement training as part of the team's work.
- Budget to ensure funding.
- Achieve the business goal and deliver the optimal customer experience.

Consumer goods companies must invest in their people beginning with project kickoff. Bringing different personalities and job functions together for a common goal does not happen without addressing the group dynamic, and requires processes and training. As this group transforms and starts becoming a team, this is where the magic of high performance happens. The team becomes a well-oiled machine, leveraging the strengths of each individual, creating a synergy that could not have been achieved working separately in silos.

A key aspect of developing high performance teams is including consumer immersion techniques or “deep dives” as part of the process. All that matters to consumers – the end users – is execution; they don’t care how the products and services are created and produced, because they experience only what is delivered to them. Consumer immersion – walking in the shoes of the consumer – provides a powerful route to creating meaningful ideas that a typical focus group session cannot.



A series of Deep Dive and Behavioral Reinforcement loops *built off* of a Team Kickoff meeting and *built into* the stage gate process

As a result, it is important to include all involved – not just marketing or business intelligence – in these immersion techniques so that every member understands the underlying forces behind consumer purchasing decisions and motivations. The insight and feedback gained from these immersions must then be built back into the stage-gate model and impact the choices management makes regarding the new product initiative.

Additionally, a strong kickoff to facilitate group dynamics and consumer immersion is not enough without reinforcement throughout the lifecycle of the initiative. Periodic monitoring and sessions provide team members with feedback and recommendations to ensure the dynamics born and nurtured during the kickoff persist. As a result, when these individuals are sent back into the organization for future projects, the fundamentals of high performance teams are upheld and proliferated.

Kalypso helps clients deliver on the promise of innovation by combining best practices for creating high performance teams, human-centric innovation processes (consumer immersion, rapid prototyping, brainstorming, and actualization) and behavioral reinforcement with the standard practices of NPd.

## About Kalypso

Kalypso is a consulting firm serving the world’s most innovative companies. The firm helps clients to deliver on the promise of innovation. Service offerings encompass all aspects of innovation including product strategy, development, introduction, commercialization, lifecycle management, and PLM systems selection and implementation. In addition to the firm’s deep industry, technology, operational, and training expertise, Kalypso provides a flexible, collaborative approach to deliver unparalleled client satisfaction.