



ERASMUS KA2 - Cooperation and Innovation for Good Practices

Sector Skills Alliances in vocational education and training

Project Reference no. 591939-EPP-1-2017-1-IT-EPPKA2-SSA

Project name: EQ-WOOD - European Quality qualifications for the Woodwork and furniture industry

WP 5

DELIVERABLE D5.9
TRAINING TOOLKIT
SUMMARY UNIT 2
INNOVATION MANAGEMENT

Lead organisations	 WOODWIZE nooit op eigen houtje Allée Hof ter Vleest 3 1070 Anderlecht, Belgium woodwize.be	 INNOVAWOOD 66 Rue du Luxembourg 1000 Brussels, Belgium innovawood.com
Main authors	Jeroen Doom	Uwe Kies, Radmila Ustych
Date	March 2020	
The European Commission's support for the production of this publication does not constitute an endorsement of the contents, which reflect the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.		Co-funded by the Erasmus+ Programme of the European Union



Table of Contents

UNIT 2 –INNOVATION MANAGEMENT.....	3
Introduction.....	3
Subject 1. Introduction to innovation and innovation management	3
Topic 1. Importance of Innovation.....	3
Topic 2. What is innovation?.....	3
Topic 3. Innovation management	4
Topic 4. Innovation managers	4
Subject 2. Innovation as a process: the EQ-WOOD Innovation Canvas	4
Topic 1. The innovation process – how to use the innovation canvas	4
Topic 2. The Brainstorming and co-creation – your product idea	4
Topic 3. Customer Segmentation – your target groups.....	4
Topic 4. Value proposition design - your offer.....	4
Topic 5. Brands and messages	5
Topic 6. Channels and relations	5
Topic 7. Partners.....	5
Topic 8. Resources and processes.....	5
Topic 9. Value creation: how do we make money?	5
Factsheets of innovative company cases	5



UNIT 2 – INNOVATION MANAGEMENT

Introduction

In this unit, basic concepts and types of innovation and innovation management in a company are presented, along with some inspirational examples of innovative solutions from furniture and other industries. The learner will be prepared to approach the innovation project with a creative and customer-centered mindset.

At the end of the course »Innovation management«:

- You will know the basic concepts, insights and success factors related to innovation,
- You will understand that the organization of innovation depends on the context and the preconceived goals,
- You will know how to establish a step-by-step plan (lean canvas) and to apply this to a concrete case,
- You are ready to organize an innovation project in a professional manner within a team, with the company focus in mind,
- In addition, you can apply the knowledge, skills and attitudes acquired in the previous units of the curriculum.

The unit is organized in lectures, and includes furthermore by factsheets about interesting furniture and wood processing industrie cases, plus a final quiz.

Subject 1. Introduction to innovation and innovation management

Topic 1. Importance of Innovation

This topic looks at the reasons why innovation is so important, and you will have a better understanding of why you need to innovate with every opportunity you get. You'll especially learn about:

1. How the **digital transformation** is changing the industry,
2. How different **types of organisations** need to collaborate more to unleash the power of innovation and transformation of the society, and
3. How organisations need to put **real values** in the centre of their innovation process, to convince clients that they can make a difference.

Topic 2. What is innovation?

You are introduced to a commonly known typology by the OECD that distinguishes four types of innovation:

1. Product innovation
2. Process innovation
3. Marketing innovation
4. Organisational innovation

In addition, we go through various aspects of innovation, where a company can choose from as much as **15 different types of innovation strategies** to enhance and renew its product range over the entire maturity cycle of a product.

We also discuss how the global **macro-economic context** influences the role of innovation specifically in Europe, where innovation of industries was put a top priority on the policy agenda.



Topic 3. Innovation management

Innovation management combines the management of innovation processes with change management. In this topic we look at various tools to leverage the creative potentials inside an organization, involving all its staff.

The technological change of an organisation can be built on **incremental versus radical innovations**. Very successful radical innovations can even emerge to be disruptive to a whole market or sector.

Gap analysis can be used as an effective technique to address to develop a path and action plan towards an innovative vision of a company.

Topic 4. Innovation managers

Each day, innovators around world – and Innovation Advisors just like you - create new products, methods, and ideas. They manage to look at problems differently and come up with solutions that others cannot. In this topic we will introduce you to the competence profile an Innovation Manager needs to develop.

An innovation manager has to fulfil many qualities and many roles. This is called a **“T-shaped capability profile”**. It means that he or she combines the capabilities of an “expert”, who has deep knowledge in certain fields, with the capabilities of a “generalist”, who can understand and relate to many different fields, without having deep expert knowledge in these topics. He or she also needs to acquire special intrapreneurial skills and to coordinate between different departments of a company.

Subject 2. Innovation as a process: the EQ-WOOD Innovation Canvas

Topic 1. The innovation process – how to use the innovation canvas

Innovation can be seen as a process by which new ideas are generated and successfully exploited to create economic, social and environmental value. In this subject, you will learn how innovation can be conceptualized using a special tool, the **EQ-WOOD Innovation Canvas** (EQWIC). It gives you a systematic approach for quick examination of innovative ideas that works for any compan.

We will walk you step-by-step through each section of the canvas, to let you understand how it can be used as a guiding roadmap for innovation in an organisation. Basically the EQ-WOOD Innovation Canvas consists of a set of interconnected fields (boxes) that help you to collect the relevant information. The canvas includes the following topics:

Topic 2. The Brainstorming and co-creation – your product idea

To start your Innovation Canvas, you will have to define your “Product Idea”. We introduce you to some helpful tools to develop a new or improved product idea, such as brainstorming, co-creation, and trend-spotting.

Topic 3. Customer Segmentation – your target groups

It is fundamental to target the right customer segments, so you have to understand their needs and create a beneficial offer for them. This needs to be based on core values to which your cusomters can relate to.

Topic 4. Value proposition design - your offer

Here you will learn techniques how to design your specific value proposition offer. The aim is to match the customer segments with the value proposition. You have to go through several iterations to improve it, until the convincing level of “product to market” fit has been reached. This is your Unique Selling Proposition (USP), which shall give you an unfair advantage to be ahead of your competition.



Topic 5. Brands and messages

In this part of the canvas, you will focus on marketing and sales and make sure, that your customer feels interested or even teased towards the value of the brand. You will learn how to create value to the customer using the brand name, the brand logotype and the brand message. You will also find a set of extra tools that we can recommend to develop your brand's name, message and logo.

Topic 6. Channels and relations

You have now a product designed to solve your customers' problems in a unique way, but: how are your future customers going to know about that? In this topic, we will explain which channels and relations you can use to reach your target customers. We will go through five stages of channels and discuss tools that help you build long-term relationship with customers in order to retain them.

Topic 7. Partners

In this topic we discuss that good partnerships are vital for your business. It is important to decide for the right type of partnership (for example: full, limited, or limited liability), and also for the necessity of strategic partnerships. You will also need to focus on where you are creating value for your business. A lot of services, for example also R&D services, can be outsourced to a large extent. However, activities that are important components of your value proposition must be controlled and outsourced very carefully. They rely on key partnerships for your business, which must be secure and a win-win for all parties.

Topic 8. Resources and processes

Here we show what resources you need to produce and deliver the products or services, including intellectual, human resources, financial and also digital resources. We then focus on which (internal) key processes do we need to produce and deliver the products or service. A mapping of the processes can visually describe the complete flow of work.

Topic 9. Value creation: how do we make money?

Finally, the key aspect is to find out how you are going to make money from the innovation. Without a solid revenue stream, no business can survive for long. It is essential to find revenue streams that can deliver a Return on Investment (ROI), and to find a recurring revenue model that can create sustainable growth. You will be introduced to the main concepts behind pricing of your products and services and to many possible ways that you can choose to generate additional revenue streams.

Factsheets of innovative company cases

This collection introduces you some real-world cases and inspirational examples of innovative solutions from the furniture industry.