

Six steps to improving innovation performance



The results of a large-scale industry survey and 12 innovation case studies have provided the background for a guide to improve innovation performance in the construction industry.

The 'Innovate Now!' guide was developed by the BRITE Project of the Cooperative Research Centre for Construction Innovation. The guide provides six action steps for interested consultants and contractors.

Step 1: Identify opportunities for innovation

Project clients can be particularly effective in creating opportunities for innovation, under certain circumstances. 'Leading edge' clients, who have high levels of technical competence and extensive experience, are more able to accommodate and encourage an innovative approach.

For example, leading-edge clients are more likely to use value-based tender selection and design new forms of contract to allow flexibility, creativity and cooperation among stakeholders. With the backing of an experienced client, even crises on projects can become innovation opportunities.

Innovative businesses seek work with leading-edge clients.

Step 2: Build effective relationships

Clients, consultants and manufacturers are the main encouragers of innovation in the industry. Contractors are encouraged to form strategic relationships with them, to gain access to innovation assets, such as 'demanding requirements' from clients,

'creativity' from consultants and 'R&D' from manufacturers.

Innovative businesses form strategic relationships to gain access to new capabilities.

Step 3: Know where to find ideas for innovation

Clients, consultants and manufacturers encourage innovation in part by providing ideas to contractors. Other sources of innovation ideas for all industry stakeholders are industry associations, conferences, previous projects and very importantly, in-house staff. Nearly 70% of businesses in the construction industry find in-house staff a prominent source of new ideas.

Innovative businesses value in-house staff and provide incentives for them to develop value-adding ideas.

Step 4: Anticipate obstacles

Obstacles to innovation are usually non-technical in nature, with cost and insufficient time being the main obstacles to innovation. Businesses can usefully provide employee training in areas such as value-management, planning and social skills in order to better manage the challenges posed by cost and time constraints.

Project-based businesses are also encouraged to look at joint approaches to innovation, to spread the potential risks.

Innovative businesses provide employee training in areas such as value-management, planning and social skills,

Step 5: Take action for innovation

You are now ready to:

- Assess current innovation readiness
- Assess the value of existing staff-related practices
- Develop and use relationships to achieve innovation goals.

Innovative businesses develop an action plan to improve their innovation performance.

Step 6: Share your success

Successful applications of innovation should be widely broadcast throughout the industry. The sharing of successes helps speed the diffusion of new ideas and benefits the reputation of the innovating business.

Confining innovation within a single project or business represents a missed opportunity for growth. Capitalise on experience by having systems in place to collate what has been learnt on projects and integrate this into an ongoing business plan, as well as sharing the successes with others.

Innovative businesses seek opportunities to share their successes across their projects and throughout the industry.

This abridged guide was prepared by the BRITE Project of the CRC CI. For the full version, go to www.brite.crccl.info. The guide provides detailed steps for businesses wanting to improve their innovation performance, along with checklists to assess innovation readiness and to help businesses develop an innovation program. For further information, contact Dr Karen Manly, BRITE Project Leader at k.manly@qut.edu.au.