

# Test Your Innovation IQ

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Everyone knows that innovation means coming up with the next great idea in your industry, right? Actually, there's a lot more to it than that. Test your ability to separate innovation fact from fiction by answering the following questions true or false:

1. Innovation is the act of coming up with new and creative ideas.
2. Innovation is a random process.
3. Innovation is the exclusive realm of a few naturally talented people.
4. The biggest obstacle to innovation is a lack of organizational resources and know-how.
5. The most important type of innovation involves bringing new products and services to market.
6. Teaching employees to think creatively will guarantee innovation.
7. The most powerful way to trigger your brain is to simply ask it a question.
8. Most companies pursue incremental rather than disruptive innovation.
9. Most companies are not structured to innovate.
10. Listening to your customers is a great way to innovate.

Answers:

**1. False.** In business, innovation is the act of applying knowledge, new or old, to the creation of new processes, products, and services that have value for at least one of your stakeholder groups. The key word here is applying. Generating creative ideas is certainly part of the process. But in order to produce true innovation, you have to actually do something different that has value.

**2. False.** Innovation is a discipline that can (and should) be planned, measured, and managed. If left to chance, it won't happen.

**3. False.** Everyone has the power to innovate by letting their brain wander, explore, connect, and see the world differently. The problem is that we're all running so fast that we fail to make time for the activities that allow our brains to see patterns and make connections. Such as pausing and wondering....what if?

**4. False.** In most organizations, the biggest obstacle to innovation is what people already know to be true about their customers, markets, and business. Whenever you're absolutely, positively sure you're right, any chance at meaningful innovation goes out the window.

**5. False.** It's certainly important to bring new products and services to market. But the most important form of innovation, and the #1 challenge for today's business leaders may really be reinventing the way we manage ourselves and our companies.

**6. False.** New ideas are a dime a dozen. The hard part is turning those ideas into new products and services that customers value and are willing to pay for -- a process that requires knowledge about what your customers want and need, coupled with implementation.

**7. True.** Ask a question and the brain responds instinctually to get closure. The key with innovation is to ask questions that open people to possibilities, new ways of looking at the same data, and new interpretations of the same old thing.

**8. True.** Most companies focus on using internally generated ideas to produce slightly better products (incremental innovation). Then they strive to get those slightly better products to market as quickly and as cost-effectively as possible. This approach is quicker and cheaper than disruptive innovation. But it rarely generates the results that lead to sustainable market leadership.

**9. True.** Most organizations are physically set up with accounting in one area, marketing in another, and management off by itself. Employees rarely interact with other departments unless they need something to get their jobs done. And leaders and departments often withhold information, believing that it puts them in a position of power. Innovation requires teamwork, communication and collaboration, not isolated silos.

**10. Trick question!** The answer is "it depends." Research shows that customers can be a good source of ideas for improving existing products and services -- if you're looking to achieve incremental innovation. However, by itself, customer research is not sufficient for generating disruptive innovation because it only uncovers expressed, or known, customer needs. Disruptive innovation solves problems that customers didn't even know they had or were unable to clearly articulate to themselves or their vendors. It redefines the market at a very fundamental level or, in many cases, creates a new market.

If you got 8 or more correct answers, give yourself a pat on the back. If you scored between 4 and 7, I recommend some more research and work on these critical leadership skills. If you scored less than 4, wake up and smell the burnt coffee! Get some help.

If you're not constantly looking to improve your products, services, systems, and managerial processes, you will fall behind. And once you fall behind, it can be very difficult and often impossible to catch up!