

"Innovation to
the Core,"
p.78-79

the trends that seem to have the most portent for industry upheaval, the competencies and strategic assets that could best be leveraged in new ways, and the customer needs that are currently going unmet.

One of the ways you can make that happen is by sending out members of the discovery teams to talk to diagonal slices of the organization for a few hours at a time, explain what they are trying to do, and ask other people to contribute their views. The input that is captured in these sessions can then be fed back to the rest of the team members to support them in the process of developing new insights. At a later stage, when the discovery teams are distilling out those insights, they should also go back to the organization to test and validate them, making sure there is nothing important they might have missed.

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SELECTING AND USING "DISCOVERY INSIGHTS"

To help your discovery teams evaluate the quality of their potential insights and make a final selection, here is a set of criteria we often use:

- Does the insight allow you to see new opportunities and describe the strategic implications for disrupting or changing the rules of the game?
- Does each insight represent a unique point of view backed by documented learnings (data, observations, interviews, secondary research)?
- Does the insight challenge convention and not merely restate the obvious?
- Is each insight articulated well (leaving no room for multiple conflicting interpretations)?
- Does each discovery team have a *portfolio* of insights? For example, do the "orthodoxy" team and the "discontinuity" team have insights across each element of the business model? Has the "competencies" team gathered insights that reflect latent, core,

and possible future competencies? Does the “customer insights” team have insights across the entire customer experience? Or across important target segments?

- Did the team step out of the comfort zone to generate this insight, or was the insight based on “outsourced” or “second-hand learning”?

At the end of the discovery phase, having made a final selection from perhaps hundreds of potential candidates, your four teams should be able to present the company with a potent collection of new strategic insights that can serve as the foundation for break-the-rules business innovation. We like to refer to these final findings as *discovery insights*. Usually, they come in three types:

1. That which was previously *unknown*—that is, “something we never saw before.”
2. That which was previously *underappreciated*—that is, “something we saw, but, frankly, we discounted it or didn’t do much about it, because it just didn’t seem important to us until now.”
3. That which was previously *underleveraged*—that is, “something we’ve been working on already and that we know is important . . . but wow, we ought to be really doing way more about it.”

These important insights—which are intended to broaden the perspectives of the organization—should later be fed into a companywide conversation on innovation and strategy with the aim of inspiring a slew of new growth opportunities.

Ultimately, what you want from the discovery process is not just a collection of insights but a common point of view. You want your discovery teams to be able to say, for example, “Here are what we believe to be (a) the most important orthodoxies our company can overturn; (b) the discontinuities that have the most potential to upend our industry; (c) the core competencies and strategic assets we can best leverage into new products, markets, or businesses; and (d) the most significant unmet needs of customers—and *potential* customers—that we can address to create new value.”