

Innovate or Die!

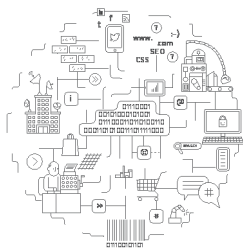
Too often we hear the term 'innovate or die', off course we don't want our business to die, and we choose to innovate. But do we really know how we embark this journey?

The Innovation Policy Platform (IPP) study revealed that human resources are a major weakness of Indonesia's STI (science, technology and innovation) system. Indonesia is now aiming to build a stronger culture for innovation through education, awareness-raising and the design of more participatory policies.

Innovation could be in form of product innovation or process innovation. Both entail different activities, though some might be related. IPP, which developed by OECD and the World Bank, defines product innovation as the introduction of a good or service that is new or has significantly improved characteristics or intended uses; whilst process innovation refers to the implementation of a new or significantly improved production or delivery method.

Let's put product innovation aside in this discussion, and have a simpler discussion on process innovation, or to make it more earthly, let's call it process

improvement, where most of us, ordinary people, can do.

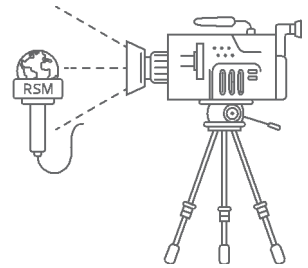


Process innovation or process improvement start with identifying all processes that can be considered for innovation or improvement, this is like identifying possible candidates when you do your employee recruitment. However, in process improvement, your focus will be on which process that needs immediate improvement initiatives that are critical to your business. This selection process helps us to priorities our efforts, energies, and resources on the exact process (or processes) that urgently need change. Hence, identifying and selecting processes for improvement is a prerequisite to any change.

Key Steps

It is very human of us to want more and more, but what do you think the success rate will be in when we want to improve all of our processes at the same time, with limited resources? I do not have the statistics, but my gut feeling it will not be high. So, we need to count how many key processes can we really handle, as key process is really a sum of many (and sometime invisible) processes. The fewer and broader the processes, the greater the possibility of improvement through process integration; as it reduces the problems of understanding, measuring and changing the process and culture. Most organizations cannot successfully deal with improvement on a large scale.

Once the processes have been identified at a high level, we need to identify the challenges between those processes to enable us in managing it. Then, we start to select individual processes within to



improve. Improvement effort should be based on organizations' capabilities and resources. An organization must understand the level of change it can endure and must use that knowledge to determine how many processes it can successfully improve. One critical consideration in process selection is the assessment and judgment on the importance and strategic relevance of that process to support achievement of intended goals.

Now you can embark on the journey. Don't throw out the scoped out processes, as it might still be important to your business, and could be the next phase in your business improvement phase. Lastly, throughout the process, don't forget to execute a good project management to assist you in safeguarding the execution of your plan.

KEY POINTS

- Identifying and selecting processes for improvement is a prerequisite to process change.
- Focusing on few key processes increases your chance of success.
- Good project management is important to keep you on track.

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