CREATIVIZING
HONG KONG BUSINESSES
Setting the course for innovation

Changing an existing practice is never a simple task, let alone big corporations which are generally more adamant to change. As innovation is necessary for big and small companies, Stanislas Bocquet points out how to bring about digital innovation while Daryl Chan introduces the Agile approach as a working tool to give birth to more efficient outcomes.

When a company wants to take its operation digital, there are many challenges and a variety of approaches to be considered. Stanislas Bocquet, founder and CEO of digital innovation and transformation company PALO IT, presents his views on the process.

DIGITAL metamorphosis

Digital transformation is everywhere. Going digital is a huge but exciting challenge for all companies; you are creating a new paradigm that presents challenges, opportunities but also high uncertainty for the majority who are late to the party. Google, Amazon, Apple, Facebook, Twitter and others have revolutionised access to knowledge, social relationships and consumer habits. Never before has mankind created so much value in so little time.
In this context, companies will undoubtedly face many challenges, including:

- How to benefit in the long run from technology trends like big data analytics, Internet of Things (IoT), the cloud, context-rich systems, Blockchain, Uber for X, 3D printing, robotics and cognitive systems, among others...;
- How to explore and initiate new digital businesses or new business models;
- How to accelerate creative thinking and empower innovation capabilities;
- How to change business processes in order to accelerate time-to-market;
- What governance model to steer the course; and
- How to transform employee mindset and improve employee engagement.

In the face of drastic change, companies often suffer from a lack of vision – they confuse digital transformation with e-commerce, which is far from being the only opportunity. Another common mistake is a lack of method: when they might have a relatively good understanding of the challenges at hand, they do not know how to start. Additionally, it is important to have courage, which is a requisite when you need to explore and transform.

To help them, we first accelerate their ability to innovate and experiment with new value propositions focusing on customer business value. Then we assist them in transforming their organisation by adopting Lean and Agile enterprise models. An idea is valuable only if it is well designed, well executed and used by the real users.

**How to bring about digital innovation**

At PALO IT our first message is “Think Big”. To do this, we ignite a start-up mindset within organisations in order to unleash the creativity. We use “gamification” techniques, human-centred innovation approaches and leverage technology trends to help our clients create new user experiences, business models and disruptive products and services.

Our second message is “Make it happen”. Digital transformation is the largest business opportunity ever, and the next five years are going to be intensively disruptive. The time to embrace this transformation is now.

For example, in 2014 we helped one of our key customers, Carrefour, to accelerate its go-to-market strategy when it opened a Group showcase store. With Carrefour teams and a pool of start-ups, we designed a new indoor location-based interactive service called “C-Où” (“Where is it?”). This mobile and connected watch app gave Carrefour customers the ability to create a shopping list from their home, access detailed product information and receive customised purchase routes using in-store localisation maps for their shopping lists.

The C-Où application was delivered from design to deployment in four months, with a limited budget and in a fun “intrapreneurial” spirit. This application has been widely reported by the media, and downloaded by thousands of clients. It’s a good example of how, in the future, “connected” stores are changing to adapt to everyday customers’ experience and making shopping more attractive.

Using gaming techniques such as our “Innovation Games” is a fun and effective way to collect a large volume of information, create positive collaboration and produce highly valuable results. We use stimulating, visual and interactive processes that dramatically increase the group’s intellectual performance, maximise participants’ engagement and output relevance. Gaming also promotes an environment of trust, and allows people to “let go”.

One month ago, we organised an Innovation Day for a luxury goods company, bringing together a group of 50 worldwide leaders. In addition to creating an exciting collaborative work experience, workshops were designed to facilitate the emergence of a new definition of their “marketing mix” that was developed with the R&D department. The results were stunning: in a single day, participants created an almost complete marketing mix strategy, came up with about 30 new disruptive products and service ideas, and the experience generated tremendous engagement from all leaders.

**Incorporating “Design Thinking”, “Lean Startup” and “Agile” processes**

When multinational leaders, investment funds and start-ups need to accelerate their business dramatically, we carry out the following to help them:

- Introduce disruptive Design Thinking to embed digital innovation in their business;
- Foster a start-up mindset to ensure collective success;
- Deliver high value-added innovative software fast; and
- Enhance their information systems and organisation with continuous improvements.

But our global approach is not only about new technology or methodologies. It is based on PALO IT’s core values, inspired by Open Source and Agile principles that include:

- **Sharing**: knowledge, experience, excitement and successes
- **Commitment**: as well as thinking, doing together, acting simply and making commitments
- **Goodwill**: listening carefully, being honest and humble
- **Enthusiasm**: being thirsty for knowledge, bold in taking the initiative, passionate and positive

The digital culture in Hong Kong is still relatively small, although there is growing interest. A lack of Interest among local talent for technological know-how is a concern, but the extraordinary efficiency of the Hong Kong market and rapid decision-making will allow us, I am sure, to quickly bridge the gap.
“Agile”
the new practice in innovation

Agile is fast becoming key to organisations creating collaborative environments that can deliver great outcomes quickly. Daryl Chan, senior consultant at why innovation!, shares some insights on how this new approach fuels creativity and innovation, and what it means for Hong Kong organisations.

Open up LinkedIn or Twitter and more often than not you’ll see a post about a TED talk that has inspired someone, or a story on how Apple or some start-up is changing the world. Innovation has hit the mainstream and many want to be part of it, whether they work in start-ups or large organisations. The benefits include the excitement of being involved in something cutting edge, working more collaboratively – and more concrete benefits such as increased brand recognition and profit.

Innovative outcomes can be achieved with conviction, dedication and a slice of luck – but to increase the likelihood of success, an effective and adaptive way of working is beneficial. Agile is a key approach for inspiring innovation to thrive around the world.

Agile: not just for software
Agile is a set of principles for better ways of working together. Instead of creating products using a big bang approach, value is delivered iteratively and incrementally. Cross-functional teams do just enough up-front planning to obtain a useful view of the future, but then shift focus towards creating releasable pieces of functionality in short iterations of just a few weeks.

Companies unfamiliar with Agile often spend too much time documenting ideas up front, then passing these sequentially from team to team to be worked on before releasing a final product to market. Thus, delivery of products is overly lengthy, the potential for team collaboration is reduced and there is high overhead when changes are inevitably raised – common problems which often dampen ideas and enthusiasm.

As Agile teams prioritise work regularly based on the latest information, they can make “just in time” decisions about what to deliver in the next iteration – whether they be tweaks to increase customer satisfaction, or new functionality to beat the competition. Feedback on how the team worked together is also used to identify improvements for each iteration, meaning that product, process and people are always evolving.

Whilst Agile has provided much success in the software world, it has also brought benefits to other industries – for example auto manufacturer Wikispeed, which built a car using the Scrum framework.

The most popular Agile framework: Scrum
If Agile principles are about “being” agile, then Scrum is about “doing” Agile. It is a simple empirical process that prescribes certain events, roles and rules for managing complex product development.

A new and popular role is that of the Scrum Master, which is a much different role to a project manager. Scrum Masters are servant-leaders and facilitate the team’s work, whilst ensuring that the team understands and adheres to the Scrum rules. The most skilful Scrum Masters balance the tension between autonomy and discipline, which are key constraints in innovative environments.

Becoming Agile
Whilst anyone can start learning and practising Agile, it is not easy to find experts in organisations that are new to its principles. Common issues involve resolving organisational barriers to being Agile, finding ways to scale Agile across distributed teams, as well as individuals who may use Agile as an excuse to be undisciplined with planning and commitment.

My current work with why innovation! involves guiding a large organisation through its Agile transformation and solving similar issues. We are coaching individuals and teams in applying the Agile mindset (not only Scrum, but also Kanban and the more hands-on DevOps), assisting departments on structuring their portfolios of work, and advising leadership on the transformation strategy.

It is a blend of Agile coaching and consulting; rather than merely preaching about Agile, we keep practitioners accountable whilst maximising the benefit to the organisation. We also train up some internal Agile coaches for our client, in order to embed and sustain adaptive and resilient qualities, to inspire new ways to deal with uncertainty. Further benefits can be gained by combining Agile with disciplines such as Design, User Experience (UX) and Lean Start-up methods.

Agile, Hong Kong and the future
In Hong Kong, there is a lot of talk about innovation from companies, government and investors alike. Whilst we must be cognisant of other factors that influence the way in which organisations work, there is much potential for Hong Kong companies to catch up to others worldwide in terms of creating more game-changing products, meaningful customer experiences and shaping truly collaborative working cultures.

Agile on its own won’t immediately make you innovative, but it provides a foundation on which to explore and maximise the opportunities to be. With the right approach and dedication, one day it might be Agile that leads to you and your colleagues being the ones whom others are admiring and posting about.