3.1 Cooperatives start-up in real world environment - methodologies for the development of ideas in innovative projects

3.1.2 How to generate ideas to create an innovative business

e-module 3 (Social) entrepreneurship – cooperative start-up implementation
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3.1.2 How to generate ideas to create an innovative business

This lecture develop the following topics:

1. Stages in the process of developing ideas.

2. Techniques to generate ideas for innovative business

3. How to select the best idea.

4. 2 activities to apply ideas generation and selection

Innovative ideas

To create any business the first step is to have an idea for a new business. Having a brilliant idea and knowing how to make it real is the key to succeed in business.

The important thing is to take that idea and put it into practice, through a profitable business model that allows us to generate wealth.

Here we present some techniques to develop innovative ideas for your social enterprise.

If you are one of those who believe you are not smart enough to come up with ideas, you have gotten the whole concept wrong.

If you believe you do not have any good ideas, the most likely reason is that you're not putting an effort to make it happen.

Successful people do not wait for ideas to fall onto their lap. They follow a process and make an effort to come up with new ideas all the time.

Stages in the process of developing ideas

Two are three main stages in the process of developing ideas for a new product or service. Every stage has a different objective:

1. **Generate ideas:** In this stage we look for many ideas, as much as possible. It is not important if they are good or bad because in this case there are not really good or bad ideas. We want everything that comes to your mind.

2. **Select ideas:** The second stage consists of selecting the idea that, under a series of criteria, has more potential. Here the objective is to reduce the number of options, it is a phase in which you seek to keep the ideas with the greatest potential to continue working.

Techniques to generate ideas

The key to generate ideas is to make a persistent effort to get your brain thinking and you also need patience.

The definition of a brilliant idea is subjective and what you consider as a great idea might seem ordinary to other people.

The simplest way to get good ideas is to come up with as many ideas as possible. With training, your brain gets better and better.

The following are good techniques to generate ideas.

Techniques to generate ideas

Bring up 5 ideas a day:

It doesn't matter where they come from or how terrible they are. So let your imagination run wild.

Use your thinking time

Keeping aside 15-30 min of your time every day to think helps you gain clarity to achieve your goals.

Ideas do not only mean setting up a new business or finding a creative solution to a problem faced by thousands of people.

Finding ways to improve yourself in small ways are ideas in itself.

Techniques to generate ideas

Apply knowledge of one area into another

When you are thinking of ideas, do not inhibit yourself from using your expertise across different fields.

Look at your entire knowledge as one gigantic jigsaw puzzle.

As you fill more pieces, you start realizing the whole picture.

Techniques to generate ideas

Expose yourself to a broader experience

Your exposure and knowledge determine how far and wide your brain thinks.

Your thoughts are limited to your circle of awareness.

You cannot come up with ideas on areas you know nothing about no matter how powerful your idea generation process is.

You can do that by reading, talking to people outside your family or colleagues and learning more about your area of interest.

Techniques to generate ideas

❑ **Analyse the world around you and the market**

You can use your day to day experience to think deeper about your area. You'll have ample opportunities to think of ideas using what you see and hear around you. For example, you can look at a retail outlet and ask yourself, "What would I do better if I was the owner of the business?".

❑ Be curious and gather more information:

For this you can attend workshops and conferences, weeklies, business meetings and interact with other companies, which will help you to be aware of what is happening in the market.

Techniques to generate ideas

❑ <u>Recognise innovation opportunities</u>: this requires understanding the weaknesses of existing companies. If the industry is not satisfied with these products, there is an opportunity for innovation, to create new products or services that respond to the demands. An example is Uber, which has revolutionized the car rental service with a driver thanks to its mobile application.

❑ <u>Look broader, beyond industry for ideas</u>: Very often the best innovative ideas do not come from the sector itself but from others. For example, Henry Ford linked the idea of the meat processing industry production chain with the production of the automobile industry, which led to a huge increase in the volume of vehicle production and the workforce.

Techniques to generate ideas

❑ <u>Good ideas can come from the customers</u>: Customer surveys, social media, and market research help understand the changes that customers are asking for. It is not about innovating to innovate, it is necessary to understand the needs of customers to develop a better service or product.

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Techniques to generate ideas

❑ <u>**Run a contest, scout for ideas from colleges**</u>

In some technology and management schools there are incubators to help students generate project ideas, from solar energy to waste management and new products.

Some companies run competitions at universities and offer rewards. Look at universities in your area.

Techniques to generate ideas

Brainstorming and Brainwriting

Both techniques coincide in their purpose: to generate as many ideas as possible without a filter, but the differences are:

❑ In brainstorming, participants say the ideas in a group. In brainwriting, each part of the process is carried out individually.

❑ In brainstorming, some ideas can be built on others, chaotically and as they arise. In brainwriting, everything is collected on paper. Evaluations of the ideas included.

❑ Brainwriting is usually a shorter process.

Activity 1. Brainwriting session to generate ideas. Group work

This activity is developed in groups. The supervisor will divide the class in small groups. The time estimated for the activity is 45 min.

To carry out a perfect brainwriting session, you will have to follow several steps.

The first thing that the supervisor must do is choosing a challenge or a topic to create a new business.

In this case, **the challenge is "avoiding food waste in a supermarket".**

Write ideas about the creation of a business that help to solving that problem.

Consult the activity in the platform.

Techniques to select ideas

If you have reached this point, you will find that you have many ideas, tens of ideas written or on a wall full of post-its.

Now what we have to do is select the one that we think may have the most potential.

For that, you can use some of the following techniques.

Techniques to select ideas

Tag cloud

It is usually used when we have many ideas, starting from 100. The process is the following:

❑ Write down each of the ideas on a post-it,

❑ Stick them on a wall or large surface,

❑ From that moment on they are grouped by common themes. These themes may vary throughout the process.

❑ Give each cloud a title that reflects the new idea

For example, we are generating ideas to design new footwear, and we group together all the ideas that have to do with materials for the sole of the footwear. We could have a group of "ecological materials" and another of "breathable materials". In the end, what we achieve with this technique is to create **more powerful concepts and ideas, integrating different options**.

Techniques to select ideas

Vote

It is a classic technique, although you can apply different variants.

It can be a freehand vote within the team, or a collective vote if you open the vote to an entire organization.

You can also apply a "vote by pairs", which consists of comparing ideas 2 to 2. You can use the free online tool Allourideas.org, which allows you to buy the ideas entered 2 to 2 and makes a ranking with the most interesting ones.

Techniques to select ideas

Consensus

The team discusses the best and worst options it has on each of the ideas, to reach agreements. You can apply "The Six Thinking Hats" by Edward de Bono to adopt the different roles and find out what are the pros and cons of each of the ideas, to finally get the best ones.

Punctuation

A final selection technique is to score the ideas, value them numerically, from a scale. It is about preparing a checklist with a series of variables and criteria to rate the ideas and get a ranking with the best ones.
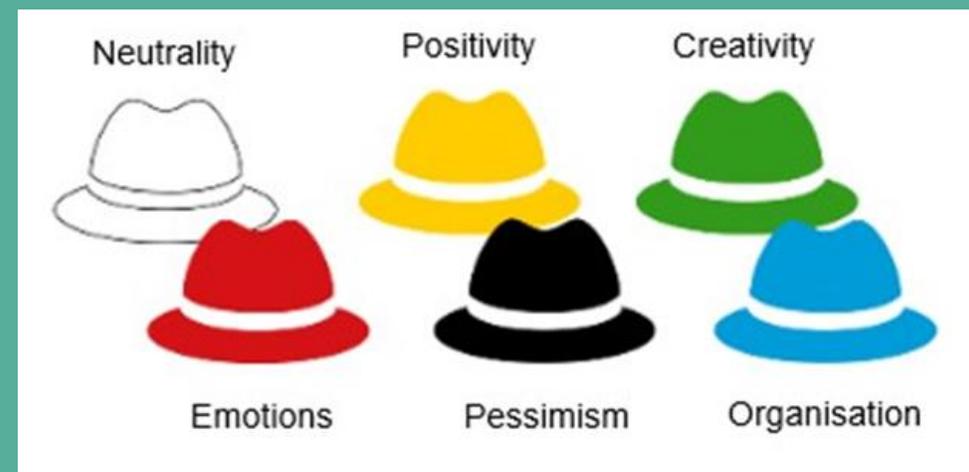
Activity 2. "The Six Thinking Hats" to select ideas. Group work

The participants analyse all the different point of views on a business idea, to then determine if it is really applicable. One of the advantages here is that people need to work collaboratively, gathering each other's expertise and thoughts, which leads to a more consolidated project. This also encourages team building.

To start with, we have 6 hats of different colour. Those colours have each a deeper meaning, allowing to better give diverse visions on a defined idea. Each team will "wear" one of the 6 hats (vision).

As you can see, a name / role is given for each colour (or hat). It means that you need to develop opinions aligned with the role / hat you have. We will now go through each hat to better understand what its role is.

Consult the activity in the platform

Neutrality   Positivity   Creativity

Emotions   Pessimism   Organisation

Activity 2. "The Six Thinking Hats" to select ideas

White hat: represents a neutral and objective point of view. Otherwise speaking, you should give perspectives based on existing data, without any judgement. Remember however that here you share opinions and not actual facts.

Red hat: in contrast to the white hat, here the goal is to bring your own opinions, based on your emotions, intuition and judgement. No negative feedback should be made from other members of the team on what the person thinks. You want each candidate to express themselves freely.

Black hat: this time, give negative opinions. Share with others why you believe the project is not promising, show all the problems you think will interfere and the project from being successful.

Neutrality · Positivity · Creativity
Emotions · Pessimism · Organisation

Activity 2. "The Six Thinking Hats" to select ideas

Yellow hat: oppositely to the black hat, this one brings out all the positive aspects of the idea. It means that you show motivation at this time and give the reasons why you believe so much in the project, why it will be a real success. On the other hand, stay down-to-earth, being positive does not mean being incoherent with your statements.

Green hat: here, be imaginative. You need to find creative alternatives helpful to answer the defined problem. To validate the detected solutions, you can go through the black and yellow hats.
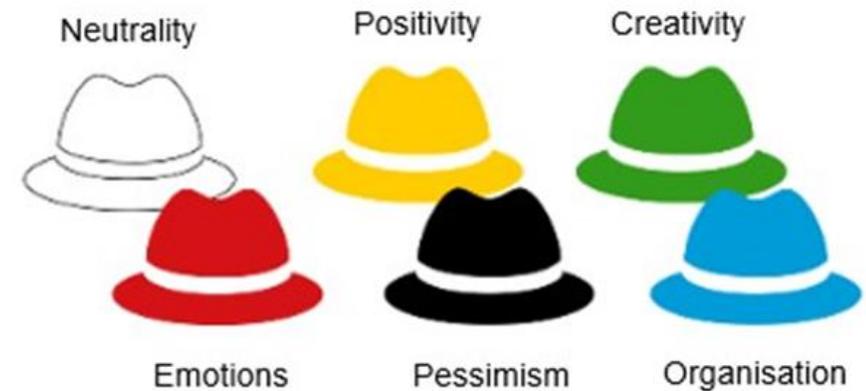

Neutrality Positivity Creativity

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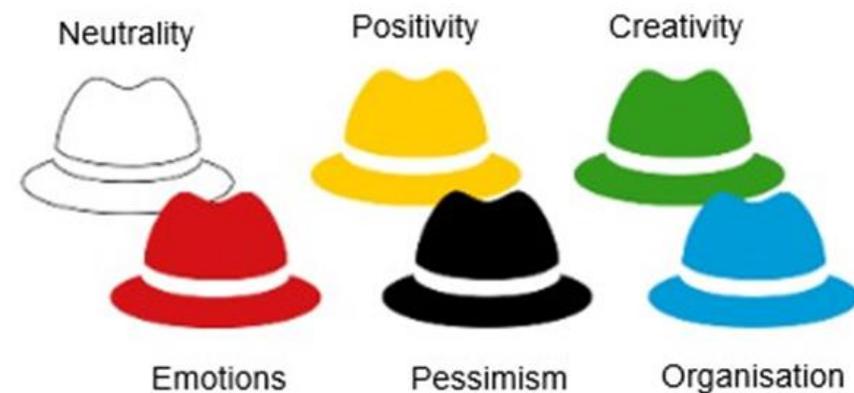
Activity 2. "The Six Thinking Hats" to select ideas

Blue hat: we can call it the disciplinary hat. The person given this role should mainly supervise the whole session. In other words, the **supervisor** is in charge of defining the problem and the context of the exercise, or also the objectives that need to be achieved. He/she should also determine which are the retained ideas and make a statement of the project progress.

The trainer will wear the blue hat. Every group created in the previous activity will wear one of the rest of hats.

The participants in every group will give the opinions according to their colour. The objective is to select the best 2 or 3 ideas among those that were expressed in activity 1.

Neutrality   Positivity   Creativity

Emotions   Pessimism   Organisation

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