

# IT'S JUST DATRY HOW HARD CAN IT BE?





MY GOAL IS TO ENSURE THE BEST CONDITIONS FOR INNOVATION, WITH A SPECIAL ATTENTION TO HOW DECISIONS ARE MADE.

AFTER TODAY MY HOPE IS TO IGNITE YOUR CURIOSITY ON DECISION-MAKING IN YOUR OWN ORGANIZATION.



#### **MY BACKGROUND**

#### **PAST EXPERIENCE**



Facilitating innovation processes, workshops and innovation decision-meetings



Product Owner for ITsolutions



Building innovation governance processes, tools and templates

#### **CURRENT JOB - ARLA**



Developing and maintaining the innovation operating model



Training, implementation and change management



Innovation Business owner for the IT-solution for driving innovation projects/governance

COMMON FOR ALL - Innovation in large international companies

### OUR VISION

Creating the future of dairy to bring health and inspiration to the world, naturally



## OUR MISSION

To secure the highest value for our farmers' milk while creating opportunities for their growth



## We provide dairy that nourishes body and soul throughout life



































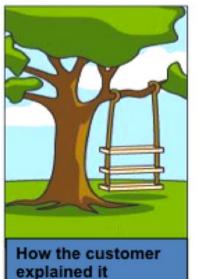
#### **KEY OBSERVATION ON CORPORATE INNOVATION**

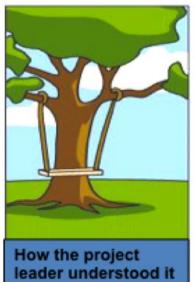
How an organization work with decision-making has a profound impact on their innovation practice

#### THE ROLE OF DECISION-MAKING IN INNOVATION



#### DECISION-MAKING IS ALSO COMMUNICATION AND UNDERSTANDING

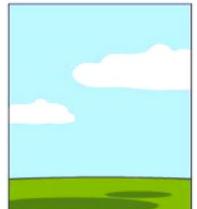




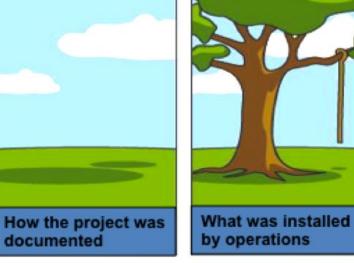






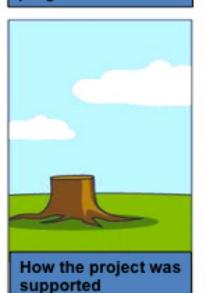


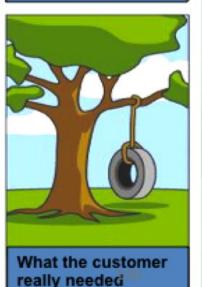
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was billed





## WHY DECISION-MAKING (APPROACH) MATTERS WHEN IT'S BAD



#### **STAGNATION**

Lack of speed and motivation and missing key milestones



#### HIERARCHY IMPACT

Vague decisions in the top causing confusion and misalignment on the ground



#### **WASTED RESOURCES**

Misallocations of time, money or talent



#### **COST OF POWER POINT**

CoPP \* (Cost of Power Point) sent around in decision-making processes



#### MISSED OPPORTUNITIES

Missing valuable growth opportunities



#### HIDDEN

The cost is often invisible and not in timelines or budgets

## WHY DECISION-MAKING (APPROACH) MATTERS WHEN IT'S GOOD

When there is a clear INTENTION and IMPACT of the decision

When we know WHO decides on WHAT.

When they KNOW enough to decide, and ACKNOWLEDGE they have the ROLE

When there is **PSYCHOLOGICAL SAFETY** to take decisions



#### **SPEED TO MARKET**

with accelerated development and deployment



#### **CLARITY & COLLABORATION**

Clarity in decision provides clarity for everyone and improves the general work environment



#### **REDUCED RISK**

Good decision-making in innovation includes experiment to reduce risk to better form decisions



#### IT'S GOOD BUSINESS

Cutting waiting time and increase clarity on direction leads to higher profit

#### FUN FACT - COGNITIVE BIAS IN DECISION-MAKING

#### IKEA Effect

We place higher value on things we partially created ourselves.



"Don't you love this pot I spent \$20 on? I painted it myself!"

#### Status Quo Bias

We tend to prefer things to stay the same; changes from the baseline are considered to be a loss.



Even though an app's terms of service invade Sally's privacy, she'd rather not switch to another app.

#### **Not Invented Here**

Resistance towards accepting something created by someone else



"We did not make it so it is most likely not right for us"

#### Optimism Bias

We sometimes are over-optimistic about good outcomes.



"It's going to turn out great!"

#### Ben Franklin Effect

We like doing favors; we are more likely to do another favor for someone if we've already done a favor for them than if we had received a favor from that person.



Greg loaned Francis a pen. When Francis asked to borrow \$5, Greg did it readily.

#### Pessimism Bias

We sometimes overestimate the likelihood of bad outcomes.



"Nothing will ever get better."

## In groups: Chose a bias "How could this bias be managed in a decisionmaking situation"

#### DIFFERENT APPROACHES TO DECISION-MAKING

#### Edward de Bono's six thinking hats model for critical thinking and problem solving



WHITE HAT

ObjectivityFact-finding

Wear the white hat to focus objectively on the available facts and figures.



RED HAT

Passion

IntuitionEmotions

Wear the red hat to look at the problem using intuition, gut reaction, and emotion.



**BLACK HAT** 

Caution

Pessimism
 Somberness

Wear the black hat to be vigilant and consider the negative sides of the event, issue, or problem.



YELLOW HAT

HopeOptimism

Wear the yellow hat to think positively. Consider all the benefits of the circumstances.



**GREEN HAT** 

CreativityInventiveness

Wear the green hat to get creative and invent new approaches.



**BLUE HAT** 

Direction

SynthesisOrganization

Wear the blue hat to perform meta thinking. Scrutinize and direct discussion. Synthesize all viewpoints. Which one do you often wear?

Which one do you prefer to collaborate with?





TOOL TIP - I-DO-ARRT



#### TOOL TIP - I DO ARRT

WHY we do it

**INTENTION**Why we do it



#### **DESIRED OUTCOME**

Tangible result from out workshop

HOW WE DO IT



#### **AGENDA**

Activities to create desired result



#### **ROLES**

Who should be present and which part do the play



#### TIME

Keep time on meeting and remember longer timeline



#### **RULES**

How we engage and interact

#### **WORKSHOP OVERVIEW**





#### INTENTION

Strengthen the link between the portfolios and the innovation process



- 1. A status on "XXX"
- 2. XX decisions



#### **PRE-READ**

Read XXX





#### ROLES

#### Participants and content providers

- 6 heads of markets in
- 4 heads of global brands

#### **Facilitators**

- Innovation Excellence



#### REMEMBER

- 1. Participants do the pre-read
- 2. Parking lot for "out of scope" topics





What is one thing you can do differently

To improve decisionmaking

**Starting tomorrow** 

?

## THANK YOU

