

# How We Built Innovation

## **Colorado Housing and Finance Authority**

### Management Innovation: Operations

#### **HFA Staff Contact**

Heather Johnson

[hjohnson@chfainfo.com](mailto:hjohnson@chfainfo.com)

## **Summary**

Talking about Innovation and executing innovation are two different concepts. Just as teaching innovation is vastly different than working on real-world problems. To encourage the creative process and foster an innovative environment, our team challenged ourselves to communicate our innovation practices to our staff and our Board of Directors in a unique, easily understandable way. After many attempts, we decided to use an existing wall in our building to provide a creative space to develop ideas.

## **Problem**

While innovation is encouraged, it is not the priority of our daily activities. Innovation in a 45-year old quasi-governmental organization was different than innovating in a start-up or early stage company. While principles like [Minimum Viable Product](#), [Pivoting](#) and [Business Model Generation](#) espoused by [Eric Ries](#), [Steve Blank](#) and [Alex Osterwalder](#) were certainly applicable, it was difficult to see how to translate those concepts in ideas our staff would understand and more importantly, use. It was clear our innovation team and our staff needed a better understanding of how to drive this concept in large, established organizations. Our innovation team also needed to find methods to translate many of the innovation tools used by other organizations into language our staff could understand and use in their daily work activities.

A core Innovation team comprised of directors and staff developed an Innovation Framework designed to embed innovation into our corporate culture. We tried to “innovate innovation” by redefining our definition to differentiate our new approach from the lean Six Sigma “continuous improvement” programs we previously used, and we began training everyone in the art and science of business innovation, which continues today.

Pleased with the early results, we began using “Design Thinking” techniques and we developed an approach to innovating new product ideas, solving challenging problems, and entering new markets. Cross-divisional teams were successful in developing concepts and creating prototypes and we were making progress. As we introduced a new process building on the design thinking concepts used by the initial teams, we realized connecting our front-line staff to what we were actually doing in the organization was a critical component.

We connected staff with the “why” of innovation, and trained our staff on the “how” of innovation, but people outside the core project teams weren’t connected to what we were doing—what specific projects were underway, and the launch status of those project. Early innovation ideas were being generated from our executives and directors instead of from our staff. Our staff has first-hand knowledge and experience, and often has a better understanding of our customers and business partners’ needs, but staff seemed reluctant to make innovation suggestions. This led us to incorporate employment engagement into our innovation development process.

We already use an employee suggestion program—an “Idea Box” that allows employees to provide anonymous suggestions for improvement. As great as the ideas have been, few could be considered “innovative” and many ideas did not fully align with our strategy, mission, or vision. Some ideas were submitted based on staff aspirations, and the anonymity did not allow staff to own the idea from concept to execution.

## **The Solution**

We needed an Innovation Marketplace – a place where ideas could be collected from all levels of the organization; where ideas were available for collaboration; and where everyone could see the progress of the

ideas from inception, through the Frame, Discover, Ideate, Develop and Launch phases of innovative projects. We wanted a place where everyone could see the results of our innovation efforts, which would motivate employees through public recognition of ideas.

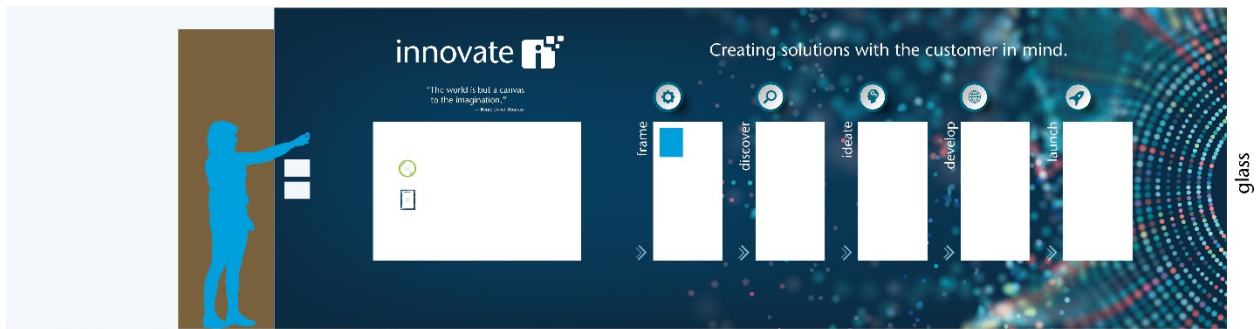
That led us to create our Innovation Wall. Based on the “Unifying Innovation Methodology™” and principles of “Design Thinking,” our Innovation Wall is located strategically across from one of our project rooms, close to our Board of Directors conference room, our executive director’s office, and our staff lounge area. This placement allows staff to walk past the wall as they visit the lounge, engage in meetings, or visit with other team members.

The wall is used as a “canvas for imagination.” The wall consists of magnetic panels and staff are encouraged to write their ideas on magnetic tiles. The ideas begin on the left side of the wall, and they may potentially move across and around the wall as the idea progresses through the innovation methodology. In some cases, more developed ideas have jumped to the “Discover” or “Ideation” section of the wall, while others remain in a more stagnant position until they attract more collaborators or more questions about the idea are answered. Although our Innovation Wall has only been active for a few months, we realize this is an ongoing learning process. Some staff find posting an idea to be intimidating, and they prefer the anonymity and perceived security of our Idea Box. Some staff are concerned about the strength of their ideas, or that their ideas will not gain traction. Other staff have expressed concerns regarding time management and the ability to fully execute the idea.

As we develop our Innovation Framework, we will continue training on each aspect of the Innovation Process with focus on framing, customer discovery, prototype development and business model canvas. We celebrate ideas that make it to Launch and learn from ideas that were not successful. This also allows us to determine which ideas need project management assistance and/or guidance, and ideas that can evolve and be independently executed. As this is a creative process, we are also working to understand how to measure the success of our innovation efforts.

Our goal for our innovation wall is to help encourage a creative culture where staff are comfortable sharing ideas and exploring initiatives without fear of condemnation or retribution. We hope staff will see us as an organization that is open and accepting of new ideas. We are also hopeful staff will have a working knowledge of our innovation process and use it in their daily activities allow everyone the opportunity to see how new ideas are fostered within the organization. All staff have the ability to influence the direction of our business, and we are encouraging them and motivating them to continue to share ideas, collaborate towards success of those ideas, and promote productivity.

innovation wall  
concept 1



larger project plan magnet = 8"x10"  
rectangle magnets = 5"x7"  
circle magnets = 6" wide

circle icons = 10" approximately  
large magnet/white board (1) = 72"x48"  
smaller (5) magnet/white board = 24"x48"

boards hung 24" from floor  
6ft person shown to scale



