

CONCEPT ONE:

The Importance of Innovations

FROM THE FILM:


“ I call that place The Verge. It is where something and something different meet.

A robot and a rollercoaster, that fits doesn't it?

Special things happen at the Verge as differences come together to trigger new ideas, new combinations of elements, new partnerships.

The Verge has a huge potential to spawn innovations.

You find Verges between different industries, between different disciplines, between different professions, between different eco-systems. Yes, even Mother Nature has used the Verge to stimulate the creation of new biological innovations.

And when it is done right, innovation at the Verge creates whole new categories of products and services, wonderful opportunities for improvement, and huge competitive advantages.” 

QUESTIONS FOR CONSIDERATION:

➤ Explain what is the concept of the Verge?

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➤ How can the Verge concept spawn new innovations in your organization?

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➤ Explain how a recent innovation in your industry is changing the way you do business.

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IDEAS INTO ACTION:

➤ How can your organization change the way it communicates with email to make team collaboration within teams easier?

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➤ How can an innovation in customer service create new jobs in the organization?

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➤ How will these innovations generate new opportunities in your organization?

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CONCEPT TWO:

Adaptation Is Quicker Than Invention


FROM THE FILM:

“General Motors was able to dramatically improve their ability to catch errors in their new vehicles by partnering with the Center for Disease Control.

A GM vice president had noticed that the CDC was able to find the source of a food poisoning problem in a school in Michigan in less than 72 hours.

Yet, he noted, to find the cause for a car problem took GM more than two months.

So, GM called the Center for Disease Control and asked if they would share their methodology. It is important to note that GM didn't just apply the CDC protocols. They had to make them fit their situation. But also notice, they didn't have to invent the protocols.

And here is another lesson: adaptation is much quicker and more cost effective than invention and it is one of the hallmarks of Innovation at the Verge.” 

QUESTIONS FOR CONSIDERATION:

➤ What does Barker mean when he says adaptation is quicker than invention?

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IDEAS INTO ACTION:

➤ In your opinion, explain if the following are adaptations or inventions:

- » Mail order catalogs and eBay
- » CD Music and iTunes
- » Book-store chains and Amazon.com

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➤ Explain how a recent adaptation in your industry or business led to a new innovation.

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CONCEPT THREE:

Vergent Territory


FROM THE FILM:

“The first Innovation at the Verge pattern is what I call Vergent Territory.

It is the combining of two or more very different elements to create a new territory that didn’t exist before, so there is initially no competition.

Federal Express is a perfect example. Its founder, Fred Smith, saw a niche in the delivery of packages and assembled his company around the following elements:

Small expensive components that were needed as soon as possible; small jets to carry these valuable little packages; a pickup and delivery system that was flawless; a way to track every package.

When he put all those elements together, he had a ‘Vergent’ innovation and, ultimately, a multi-billion dollar business.” 

QUESTIONS FOR CONSIDERATION:

➤ What does Barker mean when he says the combining of two or more different elements can create a whole new territory?

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IDEAS INTO ACTION:

➤ What elements were used to create the MP3 player?

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➤ What elements were used to create on-line airline check in?

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➤ What elements were used to create home delivery for groceries?

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➤ What elements could be combined with an element in your organization to create a new opportunity?

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CONCEPT FOUR:

Partners Over There

FROM THE FILM:


“Target, a corporation that is known for its social responsibility, participated in a partners-over-there pattern with a surprising and important organization.

It started with a newspaper story about the impact of hard core repeat criminals on society. Shortly after, when a horrible murder was committed by a repeat offender, it sent up a red flag for some Target executives. So they contacted the Minnesota Department of Public Safety to learn more about the crime.

In the conversation, the commissioner of the department explained that there was a lack of communications between counties and a lack of any uniform standards for tracking this special population.

‘It sounds like an inventory management problem,’ said one of the Target staff. ‘We know where every pair of socks is anywhere in our system, but you don’t know where your felons are.’

And that began a collaborative project between Target and the State of Minnesota, using Target’s inventory system as a starting point.

The result is *CriMNet*, a statewide unified database which allows for faster, fairer, and better tracking of felons and paroles.” 

QUESTIONS FOR CONSIDERATION:

➤ What does Barker mean when he speaks about innovations with partners-over-there?

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IDEAS INTO ACTION:

➤ What can the delivery unit at a hospital learn from a luxury hotel chain?

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➤ What can your company learn from a partner-over-there?

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CONCEPT FIVE:


Over and Back

FROM THE FILM:

“The third pattern is Over-and-Back.

Toyota did this with their hybrid, the Prius. They went to other territories to collect battery technology, electric motor technology, and computerized power control technology and all the expertise that goes along with it.

Then they brought it back to the auto industry and assembled these very different elements into a car unlike any car on the market.

Other automobile companies, which initially rejected the idea as foolish, are now building their own hybrids. But Toyota saw the Verge opportunity before they did and has reaped the benefits.” 

QUESTIONS FOR CONSIDERATION:

- What does Barker mean when he describes one way of finding a Verge opportunity is going over-and-back into another territory?

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IDEAS INTO ACTION:

Better Place, a company out of Silicone Valley, is working to build an electric car network. Here is how they describe their idea:

“Think of it like this: we pay mobile providers for minute-by-minute access to cell towers connected together in cellular networks. Truth is, we pay comparatively little—or next to nothing—for the phones themselves. After all, what you’re really buying is air time, not a box with buttons.

The same model works for transportation. Just replace the phone with an electric car, replace the cell towers with battery recharge stations, and replace the cellular networks with an electric recharge grid. Now you’re buying miles, not minutes.”

- Explain how Better Place used the over-and-back concept to create this new Verge opportunity.

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