

Innovasjon i styrerommet

Silvija Seres

Styrelederskolen

Refsnes Gods, 13 November 2013

A Fine Balance



**Control
Vs.
Value Creation**

Fox & Hedgehog



**Long-term principles and values,
short-term goals and KPIs**

Innovation: Product or Process?



PHOTOGRAPH BY SPENCER.

THEODORE TILTON

ENGRAVED BY H. JOHNSON.

“Organizations, by their very nature are designed to promote order and routine. They are inhospitable environments for innovation.” (T. Levitt).

The Road To Success



what people think
it looks like



what it really
looks like

Uncompromising Team

OWNER – BOARD – MANAGEMENT



CEO



CTO

CFO

Love Asperger



It's OK to be
a **prima donna**;
It is not OK to be
negative.

Love Diversity

Be proud of it;
Manage it;
Use it;

And do NOT try to neutralize it.



Does the market know?

*"If I had asked people what they wanted,
they would have said faster horses."* Henry Ford

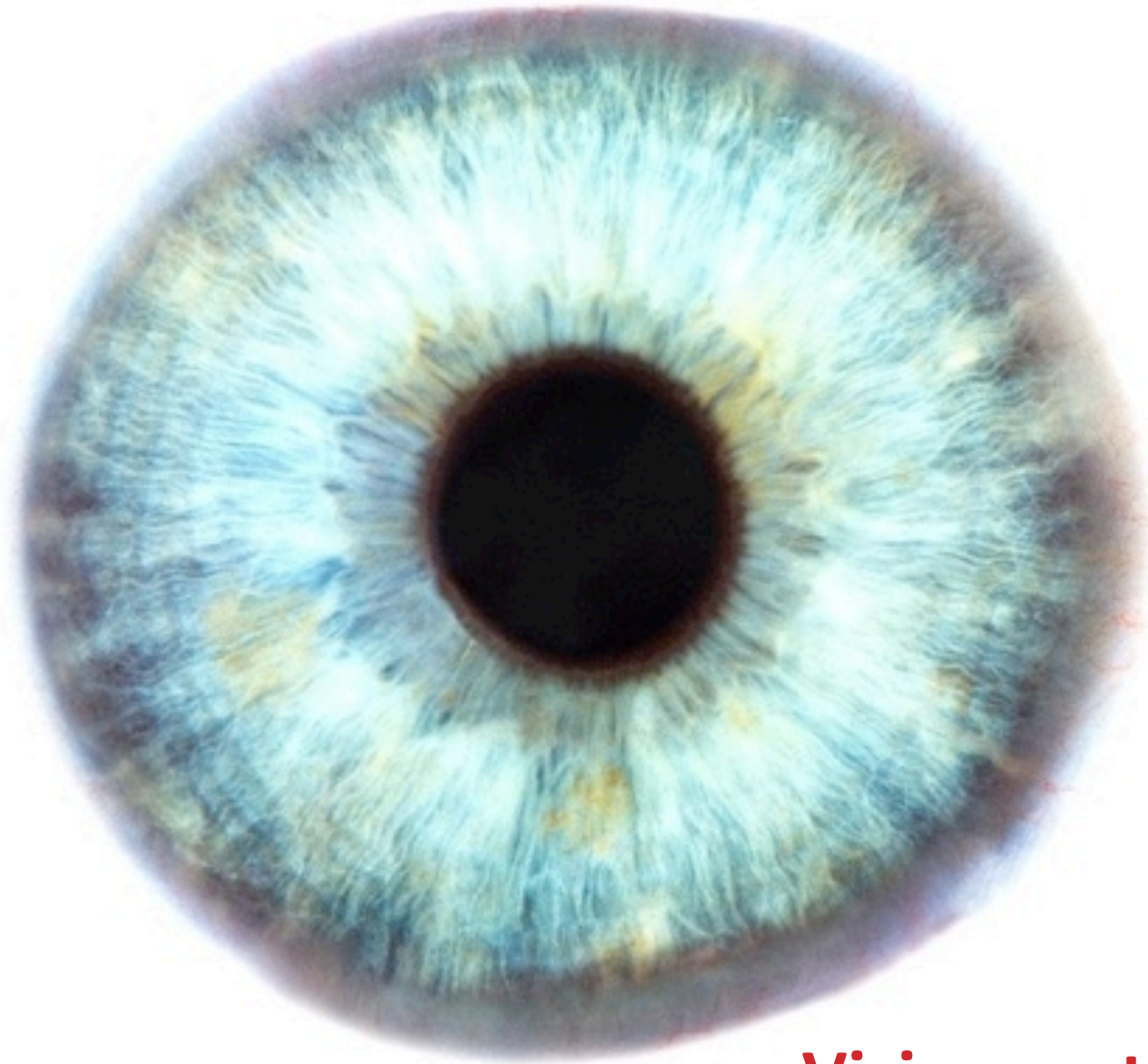


Sense of Urgency



Joseph
Schumpeter's
process of
*creative
destruction*

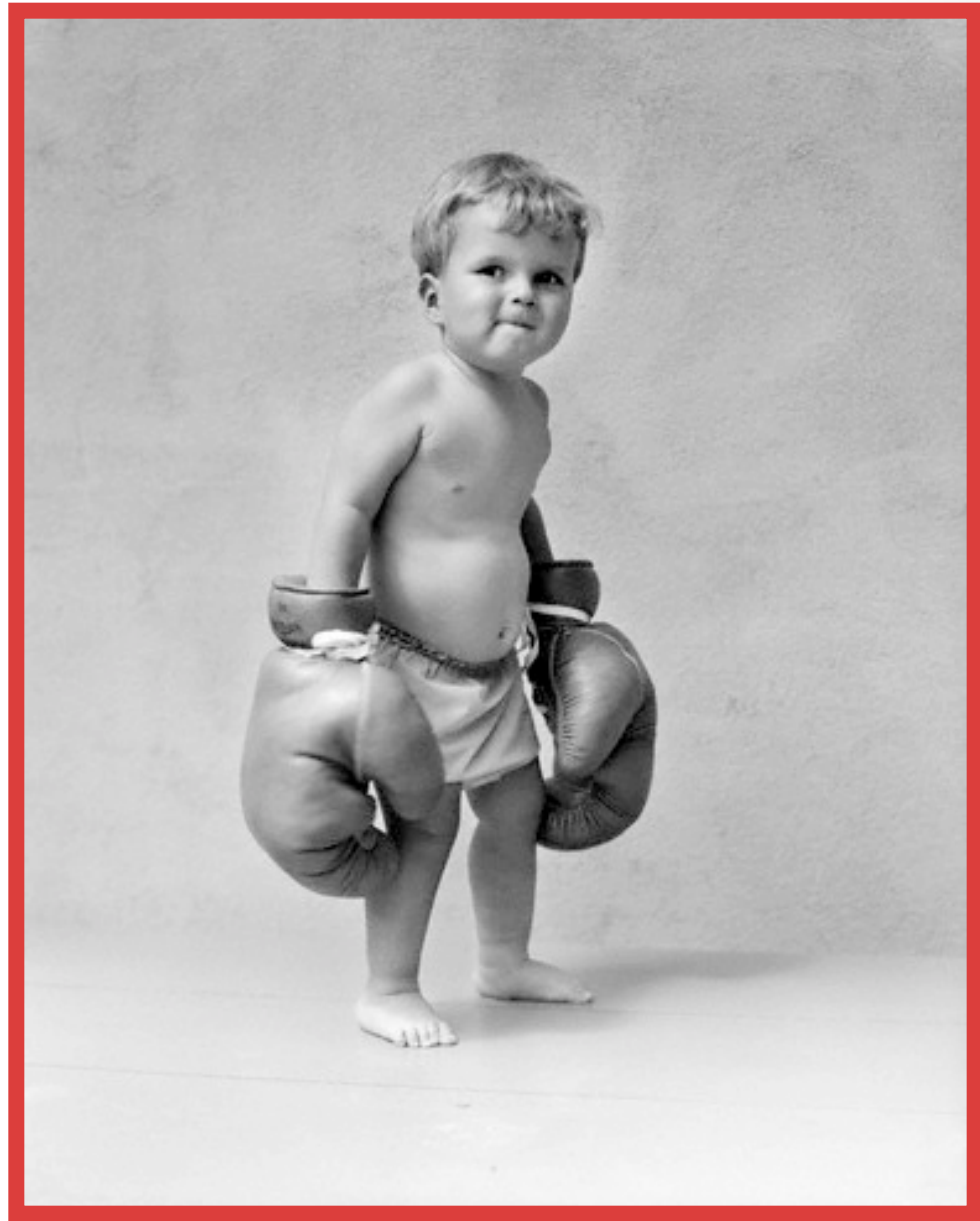
Focus!



Vision, not statistics!

Think big!

**You are
what you
settle for**



Changing World

**Not taking any risk
may be
greatest risk of all**



Beware Flinkisme

Doing things right
Vs.
Doing the right things



Beware Bottom-Up Strategising



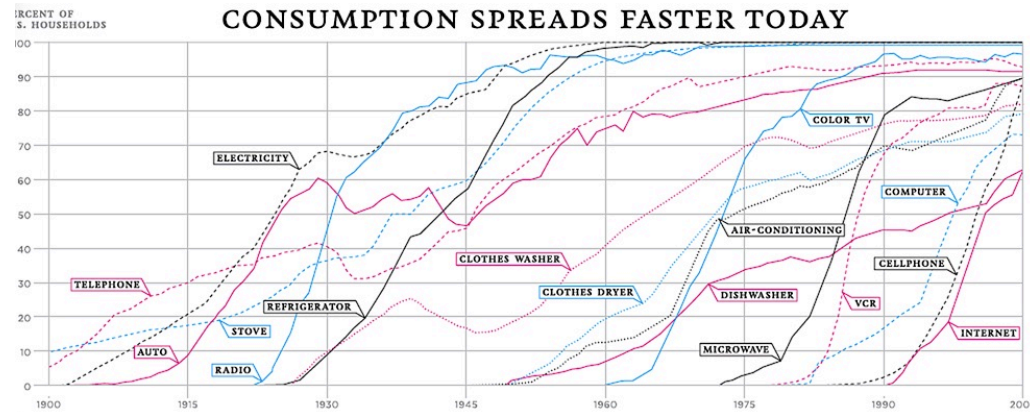
A Vision is a Bet



Skunkworks projects and X-labs



Speeding



$$\text{Ecosystem Adoption} = T \frac{Mr \cdot Av \cdot I}{Tm F \cdot A^2}$$

T - Time

Mr - Market Readiness

Av - Application Value

I - Investment

Tm - Total Market

F - Friction (Market, Consumer, Training, Cost, etc.)

A - Alternative technologies

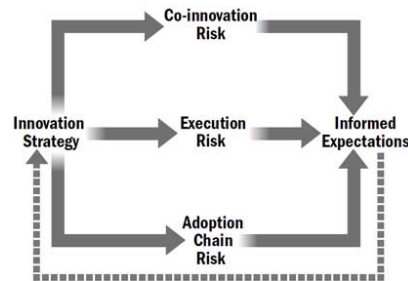
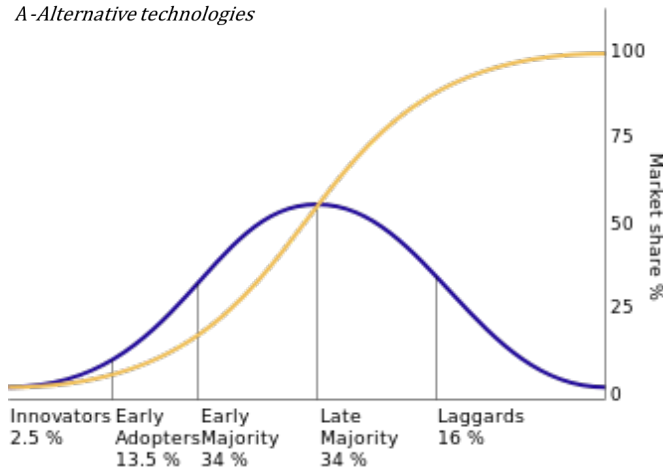


Figure 1.5: The three risks of innovation.

High-tech leapfrog

Number of years after invention for selected technologies to reach 80% country coverage

1750-1900



1900-50



1950-75



1975-2000



Source: World Bank

Marketing

Either write something worth reading, or do something worth writing about. *Ben Franklin*



Focusing

Bank robber Willie Sutton reputedly replied to a reporter's inquiry as to why he robbed banks by saying "because that's where the money is."



Which clusters?
Which customers?

Speed is no replacement for direction!



Lesson 1: Oxford vs DEC SRC



One man shows?
Sharing of ideas?
Filtering of ideas?
Incentive systems?
Cross-functional teams?

Systems Research Center
130 Lytton Avenue



Lesson 2: AltaVista vs. Google (1997)

What's the core business?

Who sets the strategy?

Technology vs commercialization?

Sources of funding?



Launch 1995. Original idea, by Paul Flaherty: provide services to make finding files on the public network easier. Louis Monier wrote the crawler, and Michael Burrows wrote the indexer.



1995: Larry Page og Sergey Brin meet at Stanford. In 1996, they collaborate on BackRub search engine. 1997, the search engine vhanges name to Google. In 1998, a company is formed, and one of SUNs founders invests USD 100K. 2001 Eric Schmidt chairman of the board, then CEO. 2001 Google largest internet index in the world.

Lesson 3: Vision of innovation at FAST



fast

is transforming search into a
*key enabler for mission-critical
applications*
and an
IT infrastructure necessity

Who drives?
What are the boundaries?
What is the overall strategy?

ESP5 Changes the Game

*People want answers, not references
Businesses want differentiating solutions
Extreme scalability changes a business
Rapid deployment of new business models*

World's Leading Businesses Rely on FAST



Lesson 4: Innovate vs. SELL at FAST



“

The reasonable man
adapts himself to the world;
the unreasonable one persists
in trying to adapt the world to himself.

Therefore all progress depends on the
unreasonable man.

(George Bernard Shaw).



**According to former
Secretary of Education
Richard Riley...**

**...the top 10 in-demand jobs in 2010
did not exist in 2004**

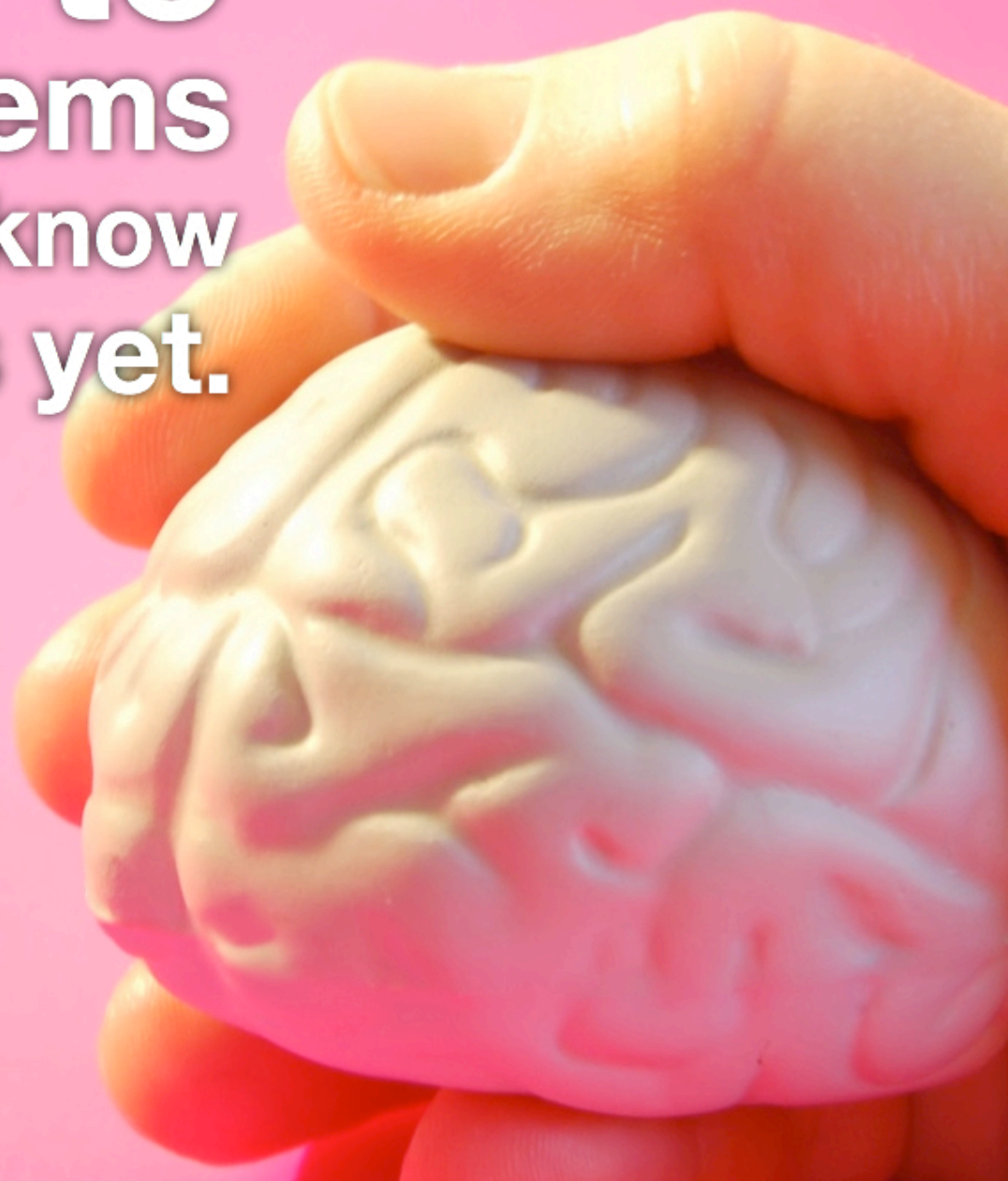
**We are currently
preparing students
for jobs that
don't yet exist...**



using technologies
that haven't
been invented...



**in order to
solve problems
we don't even know
are problems yet.**



So what can a board do?

1. Team
2. Dynamics
3. Ambitions
4. Vision
5. Sense of urgency
6. Diversity
7. Faith

Appendix

Silvija Seres

Styrelederskolen

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A few words about me

IT studies: BSc and MSc in Informatics, University of Oslo

Academic research: PhD in Maths, Oxford University, Fellow Magdalen College

Teaching: Prof in Saudi Arabia, Advisor in China

Software Development: DEC SRC in Silicon Valley, Alta Vista

Business studies: MBA at INSEAD

Management: Fast Search 6 Transfer, Microsoft

Business Development: Boards and investments GeoKnowledge, Camo, Sonitor

Board Work: Statkraft, Norsk Tipping, Aschehoug, Making Waves, Norman



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