Danmarks Biblioteksskole &
Danmarks Biblioteksforening

Innovation temadag

27. maj 2010

Torsten Bjørn

Torsten Bjørn –

Gift med Susanne siden 1991 – folkeskolelærer (LEGO Design manager/ designer i 18 år)

2 – børn – Astrid  17 år adopteret fra Kina - 1994
Anthon 16 år adopteret fra Vietnam – 1998

Fritid – Fodboldcoach/konsulent, løb, tennis, golf, familie-ferie i Frankrig (helst), kunst/kultur

- Senior Director – LEGO Group (1989…..) – Product & Marketing Dev.
  * Design Manager, Chef-designer, Project Manager, Director/senior director Concept & Design Management

- Leadership development:
  - Pathfinder 2001-2002…..Leadership and coaching
  - Managing Corporate Resources (MCR) /IMD – 2005 Lausanne
  - MBA – Strategic  Leadership & Management  2006-2008  Aalborg

Agenda

# LEGO Innovation

- LEGO Shared Vision
- LEGO Development Process (LDP) - 2004
- LEGO Innovation Model - 2006-2009
- LEGO Innovation next step…..
- ----------
- Case 1 – (gruppe + plenum)
- MBA speciale– Next Gen. LDP – version 2 - 2008-2009
- Case 2 - (gruppe + plenum)
- Opsamling

122 millioner stk. pr. år
- 4 milliarder totalt

# Strategic direction of LEGO

# Shared Vision –

***At blive den førende legetøjsvirksomhed ved optimal udnyttelse af vores kerneværdier***

*Mere end 400 millioner børn og voksne vil i år lege med LEGO elementer*

# Shared Vision er en 7-årsplan i 3 faser, hvor der fokuseres på den fremtidige kerneplatform

2004 / 2005

2006 – 2008

2009+

Stabilisere virksomheden (få kontrol)

Forbedre indtjening i kerneporteføljen

Fortsat forbedre kerneforretningen

Rebalancere kapital struktur

Vækst

**Overlevelse**

**Profitabel kerneplatform**

**Organisk vækst**

**Turnaround** → **Forretnings-transformation** → **Styrkelse af brand**

*LEGO er verdens største dækproducent med 300 millioner stk. pr. år.*

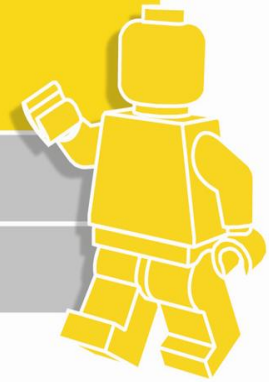
# LEGO® Brand Framework

udgangspunktet for alle strategier
som former vores varemærke og kultur

# LEGO® Brand Framework

## - LEGO varemærkets essens og 4 løfter

| | |
|---|---|
| Mission | At inspirere og udvikle dem, der skal bygge fremtiden |
| Oplevelser og forventninger | **Play Promise**<br>**- vores legeløfte**<br>Glæden ved at bygge. Stoltheden ved at skabe. |
| | **Partner Promise**<br>**- løftet til vores samarbejdspartnere**<br>Fælles værdiskabelse baseret på LEGO varemærket |
| | **Planet Promise**<br>**-vores løfte til omverdenen**<br>En LEGO autentisk, positiv påvirkning. |
| | **People Promise**<br>**- vores medarbejderløfte**<br>Vi lykkes sammen. |
| Motto | "Det bedste er ikke for godt" |
| LEGO værdier | Kreativitet – Sjov leg – Læring – Kvalitet – Omsorg – Fantasi |



# Vores motto og værdier

Kreativitet Sjov leg Læring Kvalitet Omsorg Fantasi

# Innovation = Leadership

*MWB= Must-Win-Battles

Strategisk dialog
Corporate Man.

Business Units

***New Innovation focus***

# LEGO Development Process – LDP

2004 -……

# High Speed portefølje

**- Start your engines! -**

September 2004

# Change management
# LEGO Development Process Principles

**Projektets hovedformål:**

"Vi skal skabe en betydelig forbedring af udviklingsprocessen på tværs af porteføljen ved at:

•Reducere udviklingstiden for porteføljen til 12 måneder

•Øge reaktionsevnen på input fra detailhandlen og forbrugertrends

•Skabe mindre og mere effektive projektteams

•Øge den overordnede organisatoriske effektivitet

•Skabe en performancekultur på tværs af organisationen"

# LEGO Development Process – portfolio milestone overview
## The strategic part of the development of the portfolio

*Year x-2*

March | May | SEP | NOV

**Portfolio milestones**

P0 | P1 | P2 | P3

**Focus area**

Strategic scoping

Opportunity freeze

Concept portfolio freeze

Project portfolio freeze

Strength

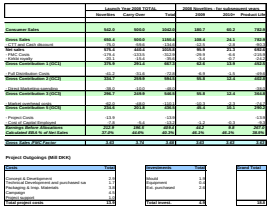
Weakness

Opportunity

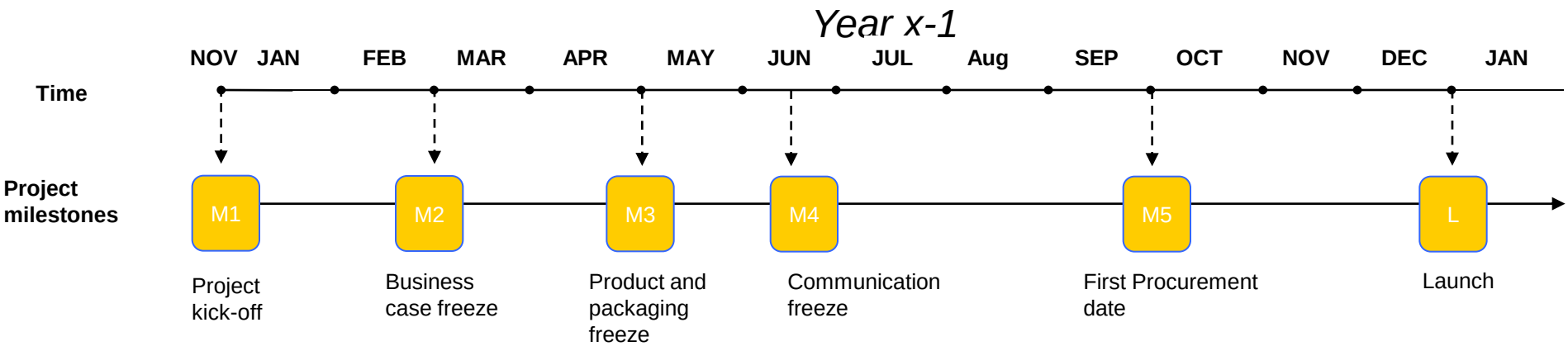
Threat

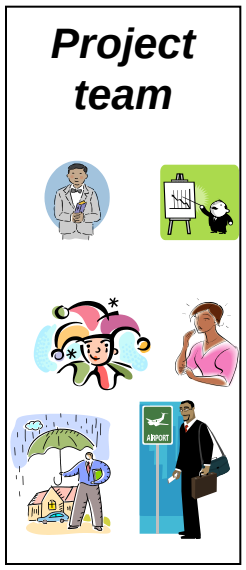
***Issue***
- ***Opportunity 1***
- ***Opportunity 2***
- ***Opportunity 3***
- ***Opportunity 4***

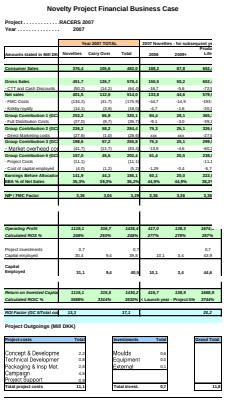
***Issue***
- ***Opportunity 1***
- ***Opportunity 2***
- ***Opportunity 3***
- ***Opportunity 4***



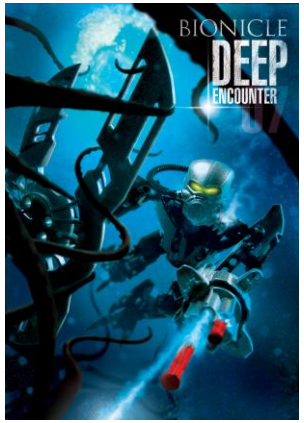
# The Project Milestone phases are more organic and the projects decide when they are ready to pass a gate, but we have last date that a gate should be passed



TV spot
Packaging graphic
Key visual
Campaign tool box



# Change management
# LEGO Development Process Principles

Det skal vi gøre ved at implementere fem grundlæggende principper:

- Fokuserede og sammentømrede teams (færre men bredere og mere dedikerede roller)
- Parallelle processer
- Fleksibel beslutningsproces
- Én virtuel udviklingsplatform
- Fokuseret mindset

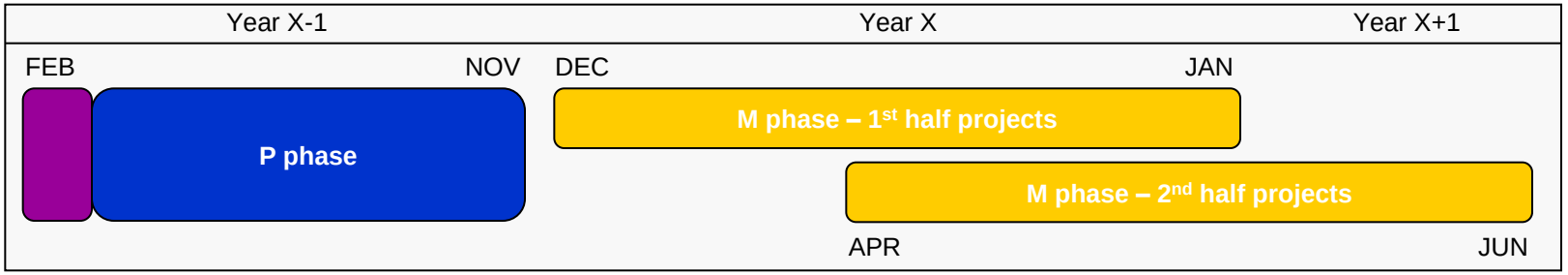
# The key pillars of the LEGO Development Process …

## LEGOs "High Speed Ground Rules"

- Jeg er her for at tjene penge til virksomheden
- Jeg melder klart ud, hvad jeg forventer
- Jeg udsætter/forsinker ikke beslutninger
- Jeg overholder mine deadlines
- Jeg respekterer endelige beslutninger
- Jeg er her for at servicere kunden
- Jeg hjælper mine kolleager i deres arbejde
- Jeg giver direkte feedback
- Jeg stiller høje krav til mig selv
- Jeg er en rollemodel

# The process is based on a flexible stage-gate model …

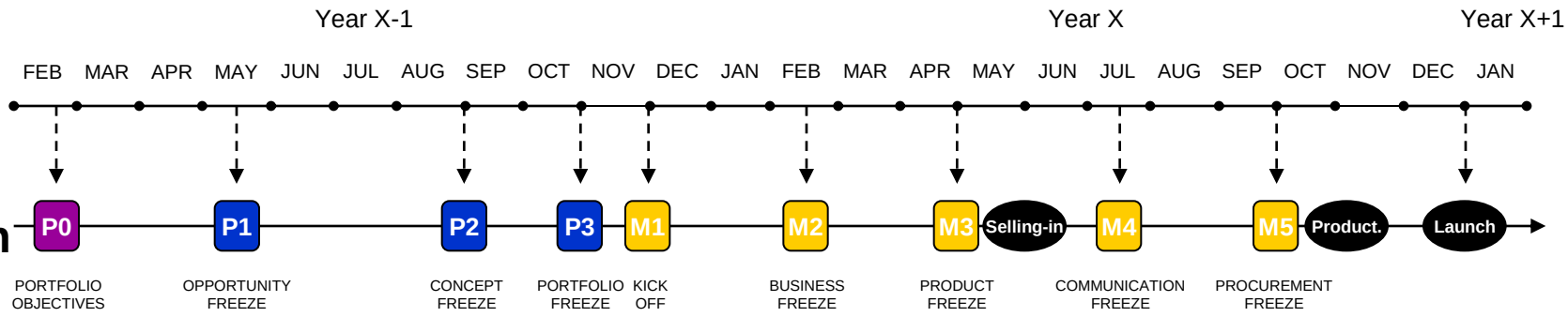
## Overall process logic



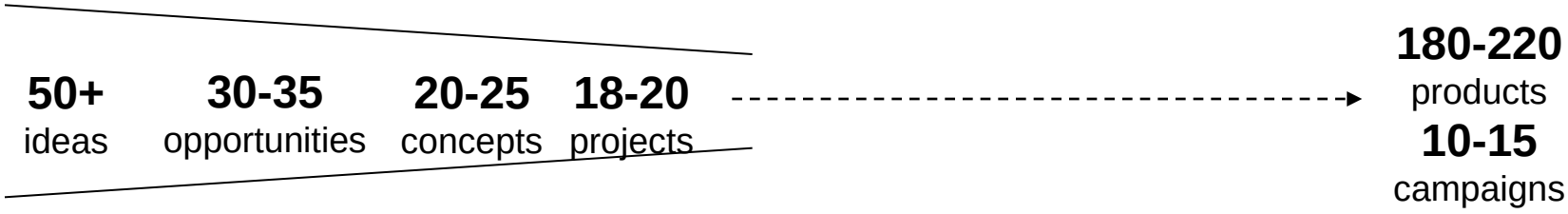

## Time

## Milestones

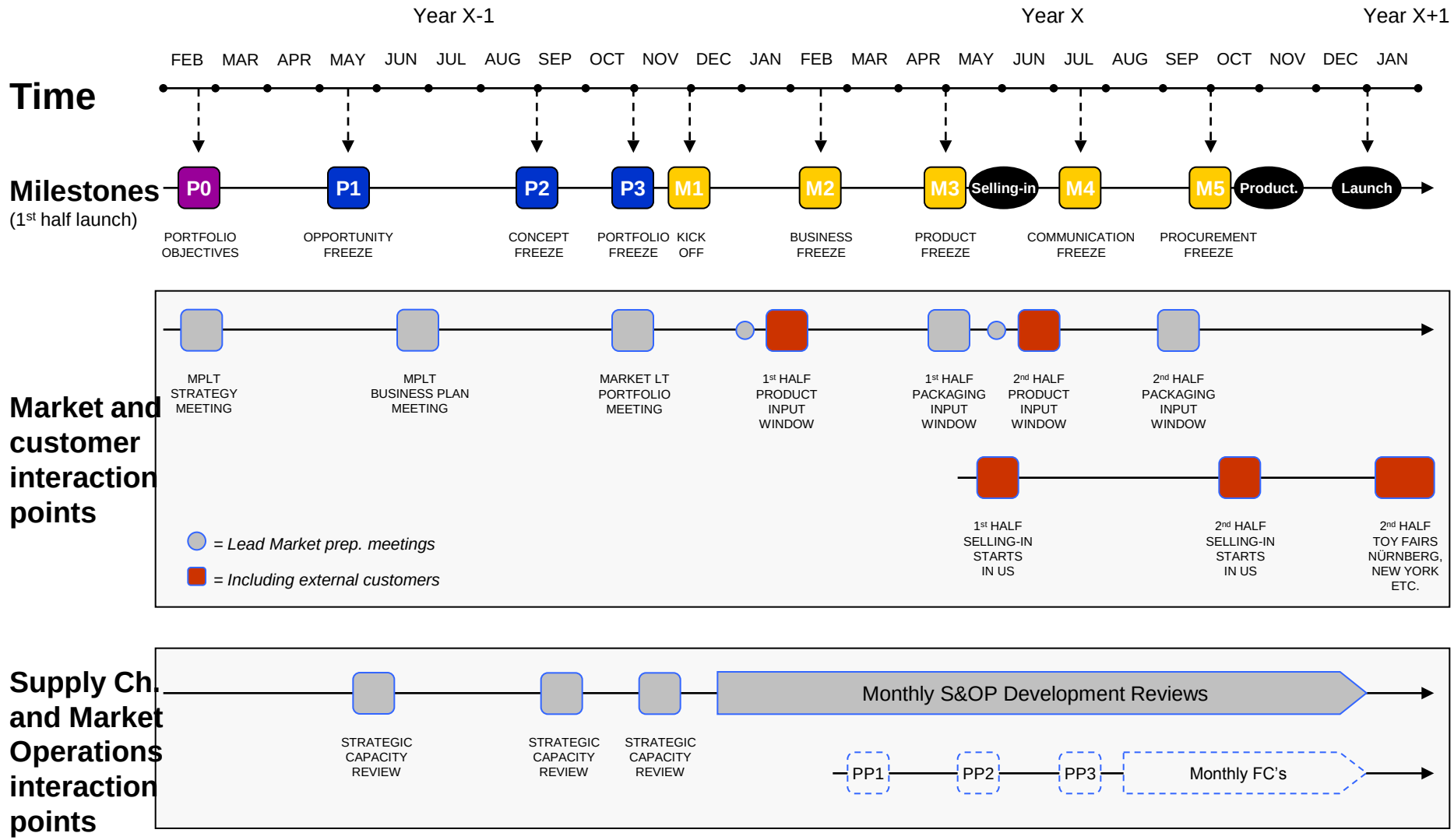
(1st half launch)




## Funnel



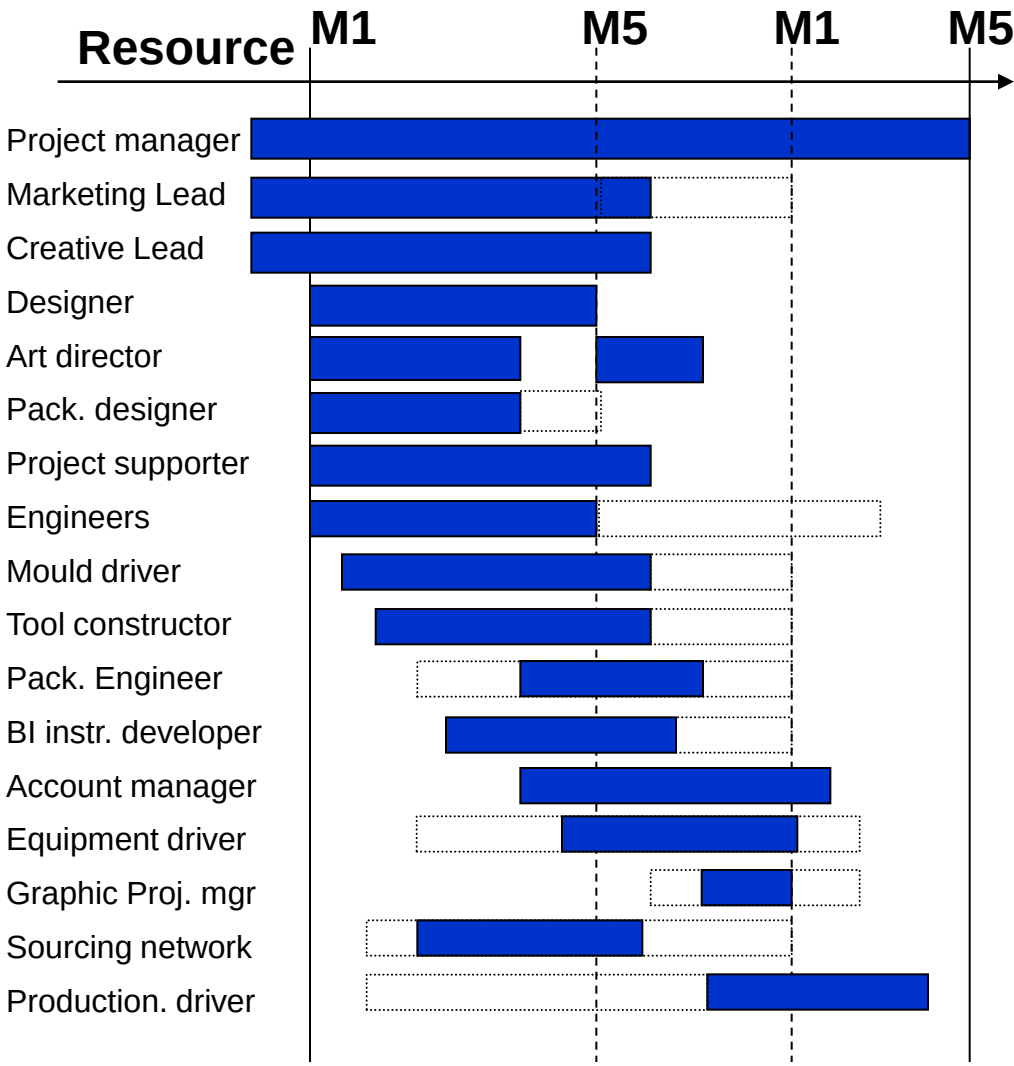
# And it is based on continuous interaction with key stakeholders …



# Focused and close-knit teams build around a dedicated core …

## - Team structure -

## - Staffing profile – example



# HOT TEAMS – High Performance Teams

# All project teams are located physically in few buildings

John P. Kotter:

## Ottetrinsprocessen til at skabe større forandringer:

•1. Etablering af en oplevelse af nødvendighed  (konkurrence-sit. – potentielle kriser etc.)

• 2. Oprettelse af den styrende koalition (etablere stærk gruppe/team)

•3. Udvikling af en vision og en strategi

•4.Formidling af forandringsvisionen (konstant kommunikation – adfærd )

•5. Skabe grundlag for handling på bred basis (fjernelse af forhindringer – ændring af systemer)

•6. Generering af kortsigtede gevinster (planlægning af synlige præstationsforbedringer)

•7. Konsolidering af resultater og produktion af mere forandring (opstramning af processen)

•8. Forankring af nye arbejdsmåder i kulturen (bedre lederskab, midler til at sikre udvikling og kontinuitet i lederskabet

# Design For Business –

# Innovation Model

*…..børn verden over bruger I alt fem milliarder timer hvert år på at Lege med LEGO klodser*

**PROJECT OBJECTIVES:**

*to* improve the contribution to business of the design function

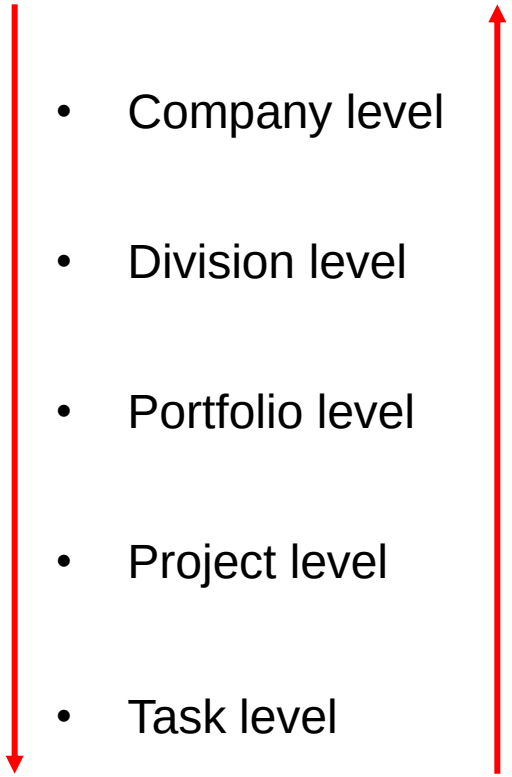
*by* increasing their effectiveness & efficiency without losing creativity

*with* a series of relating tools & processes including coaching & implementation

*for* **creative directors, creative leads, designers, marketing leads, project managers, PMD-LT, etc.**

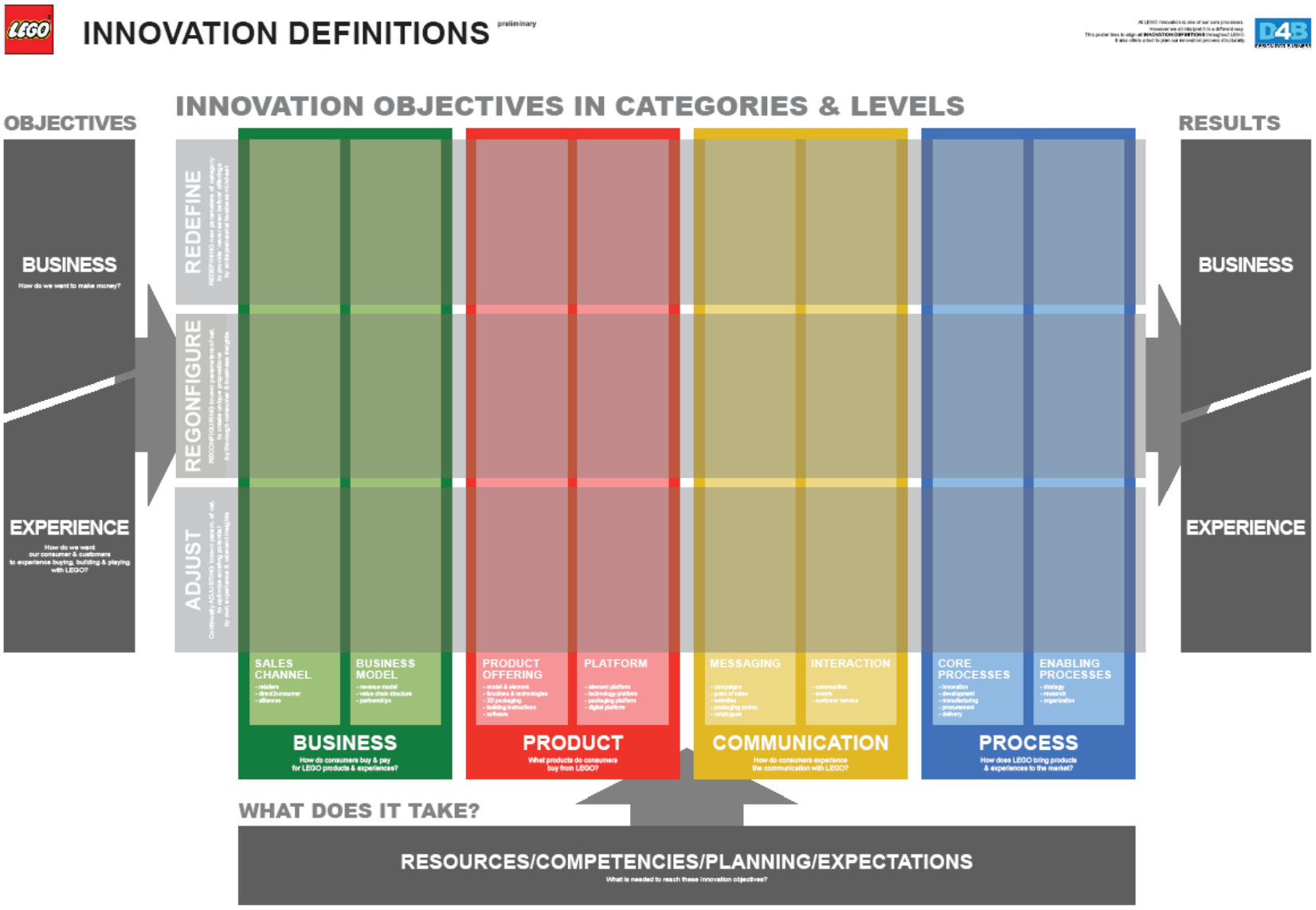
# Shared understanding & vocabulary across entire company

- Facilitate strategic dialogue, setting clear direction and objectives

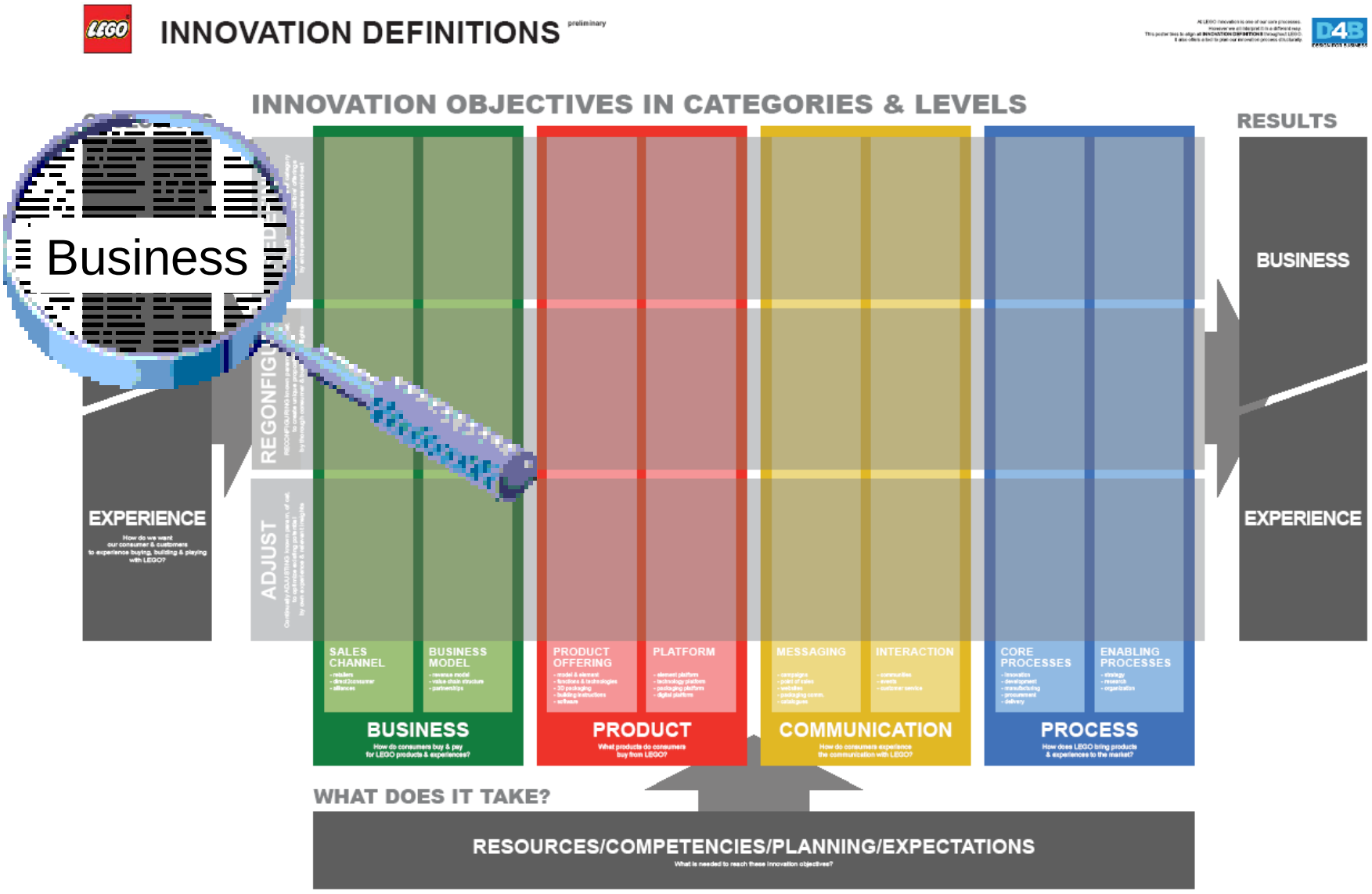


- Company level
- Division level
- Portfolio level
- Project level
- Task level

# Takeaway 1: *Develop an Innovation Model that is tailored to your business and development needs - to secure a broad and holistic approach to development….*

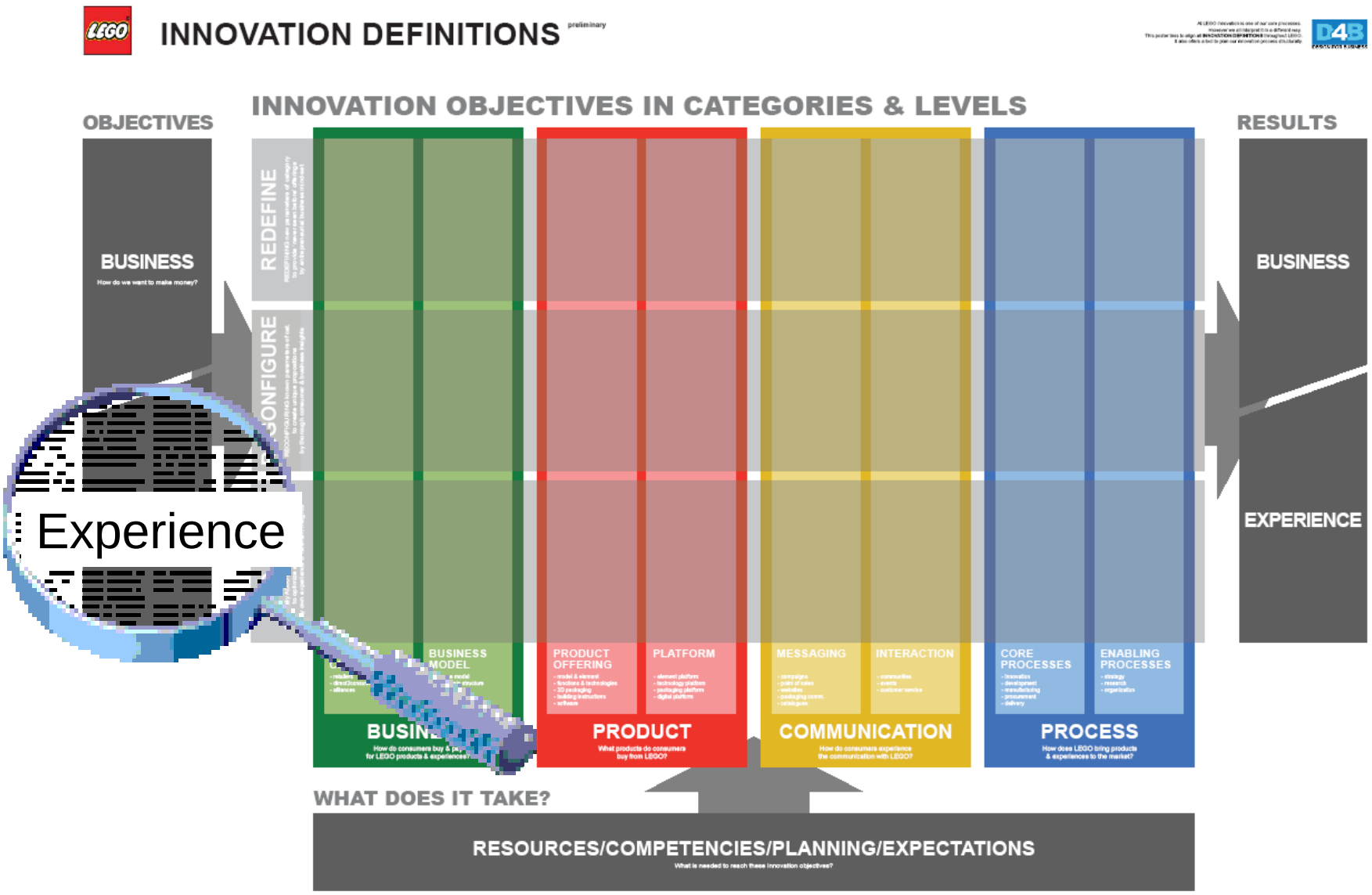


# *The LEGO Innovation Model takes a natural starting point in business and experience objectives…..*

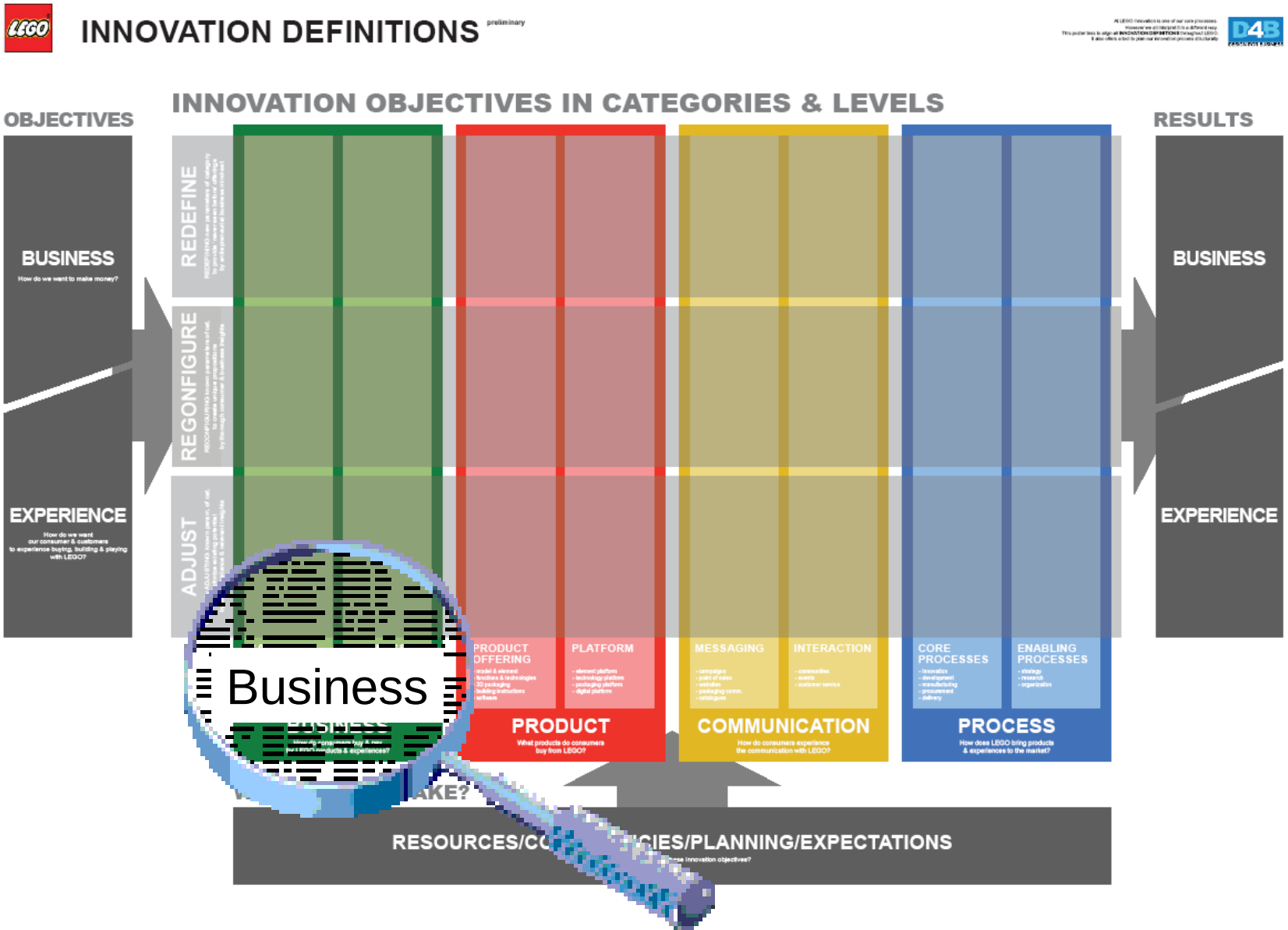


# *The LEGO Innovation Model takes a natural starting point in business and experience objectives…..*

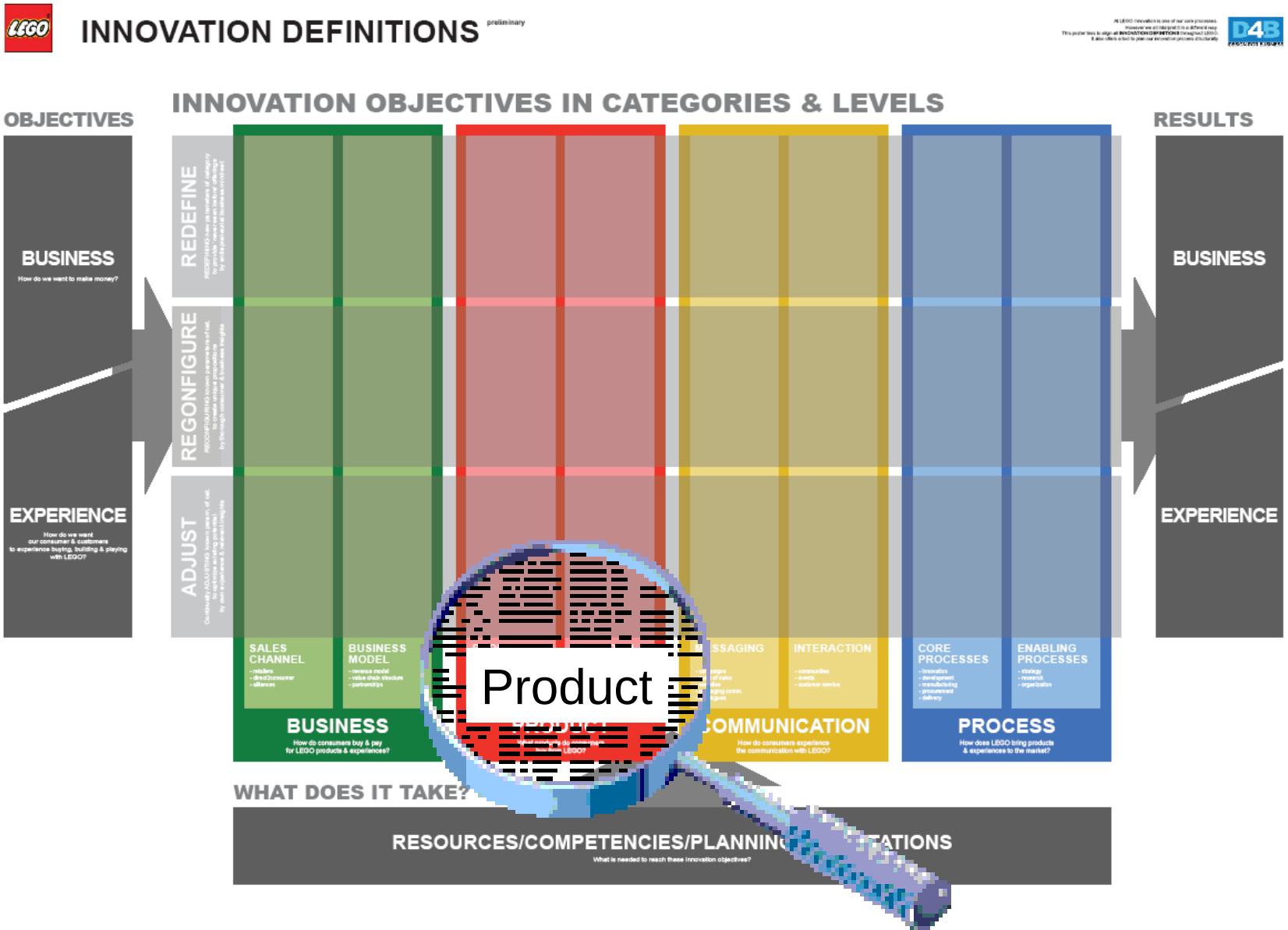
DESIGN FOR BUSINESS



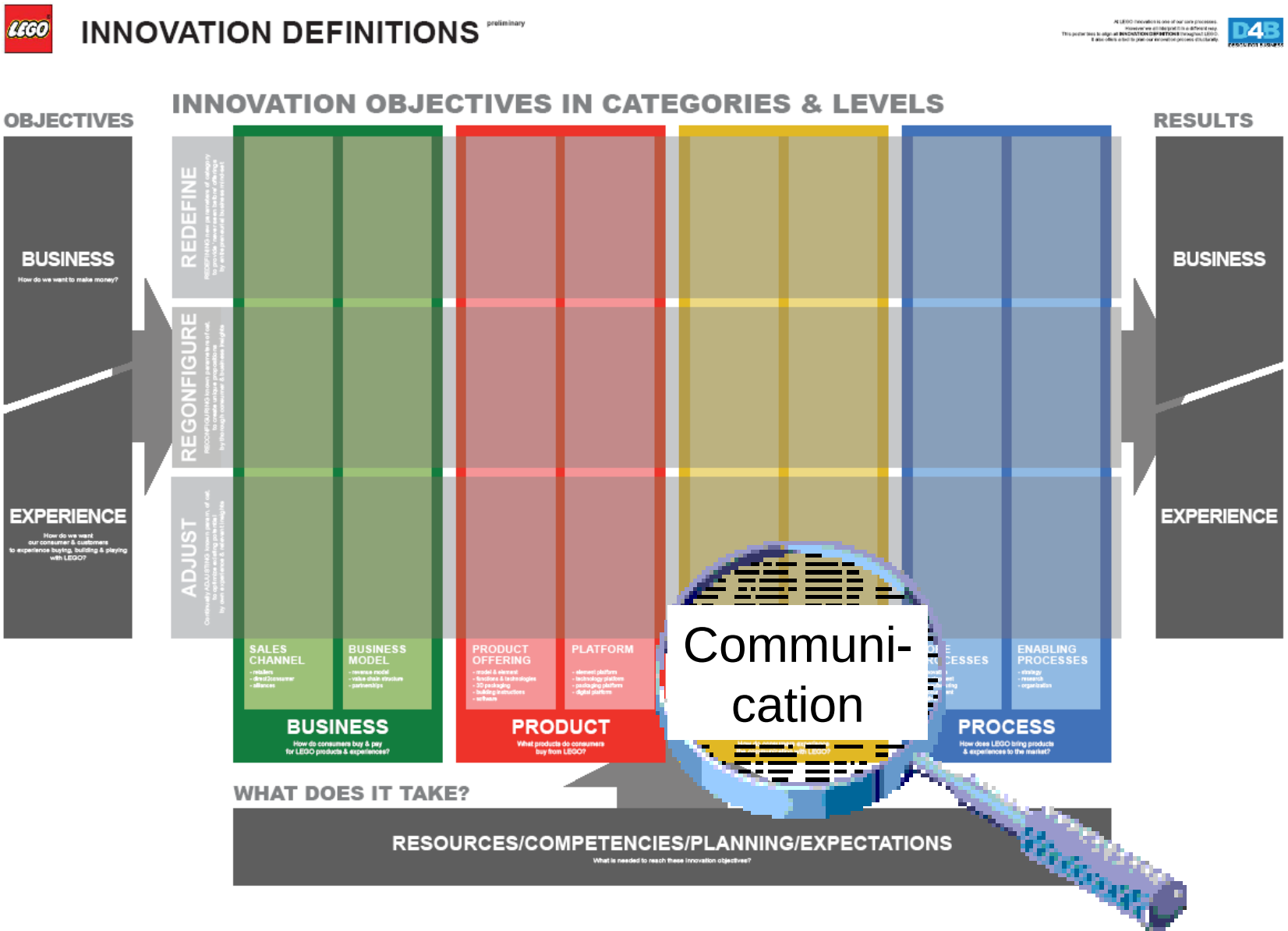
# *It talks about 4 different TYPES of innovation…….*



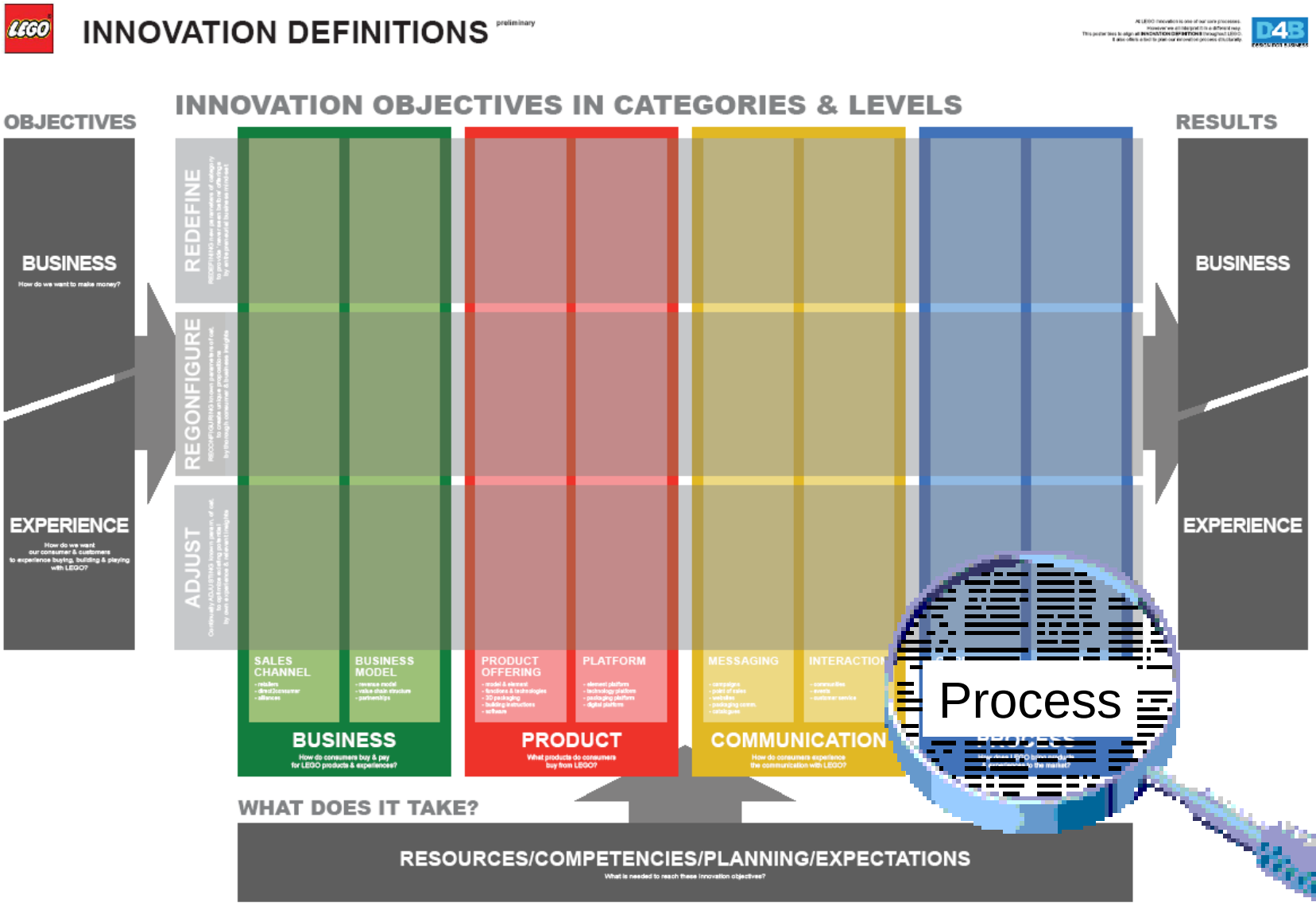
# *It talks about 4 different TYPES of innovation…….*



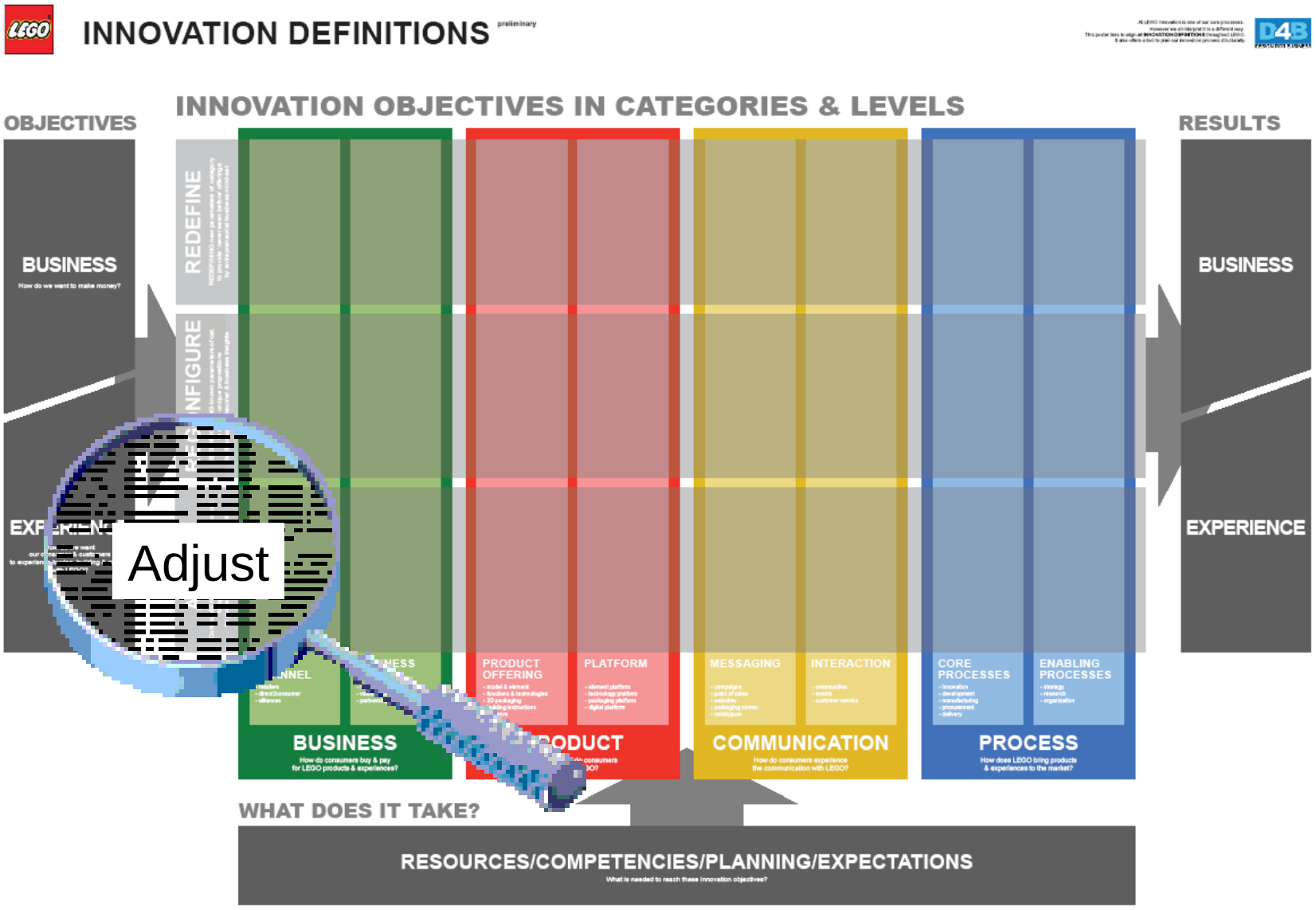
# *It talks about 4 different TYPES of innovation…….*



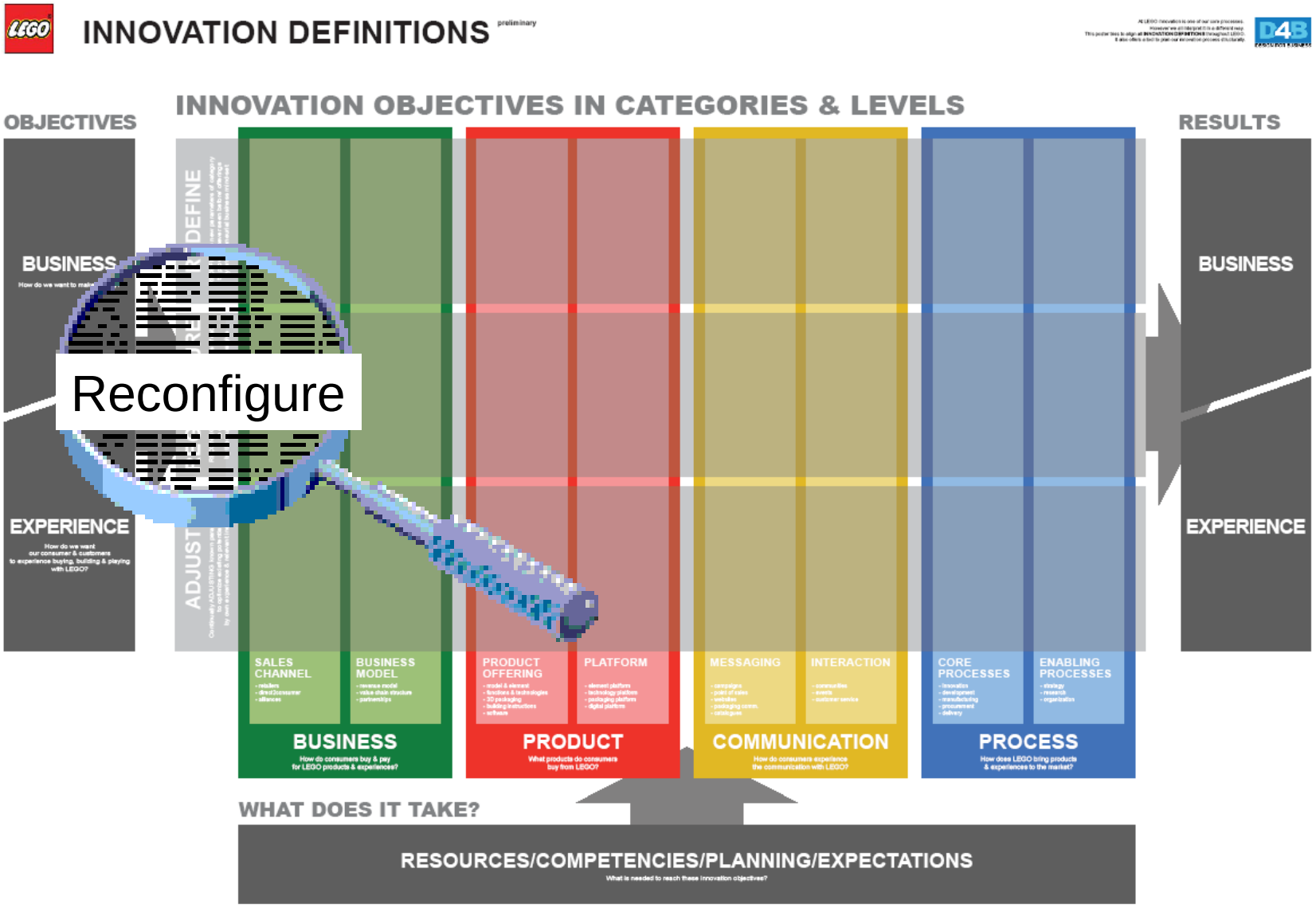
# *It talks about 4 different TYPES of innovation…….*



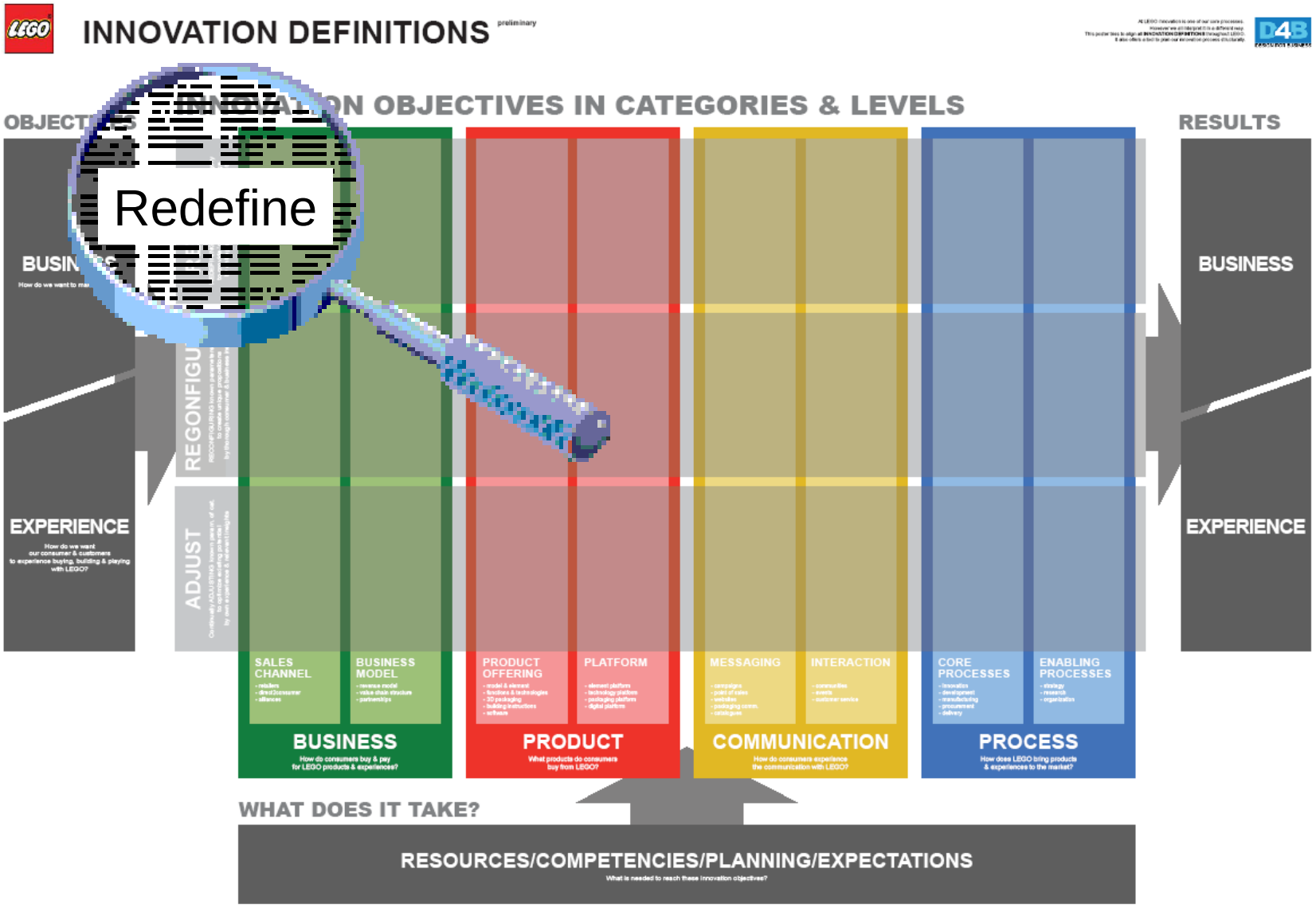
# *It comprises 3 different LEVELS of innovation…..*



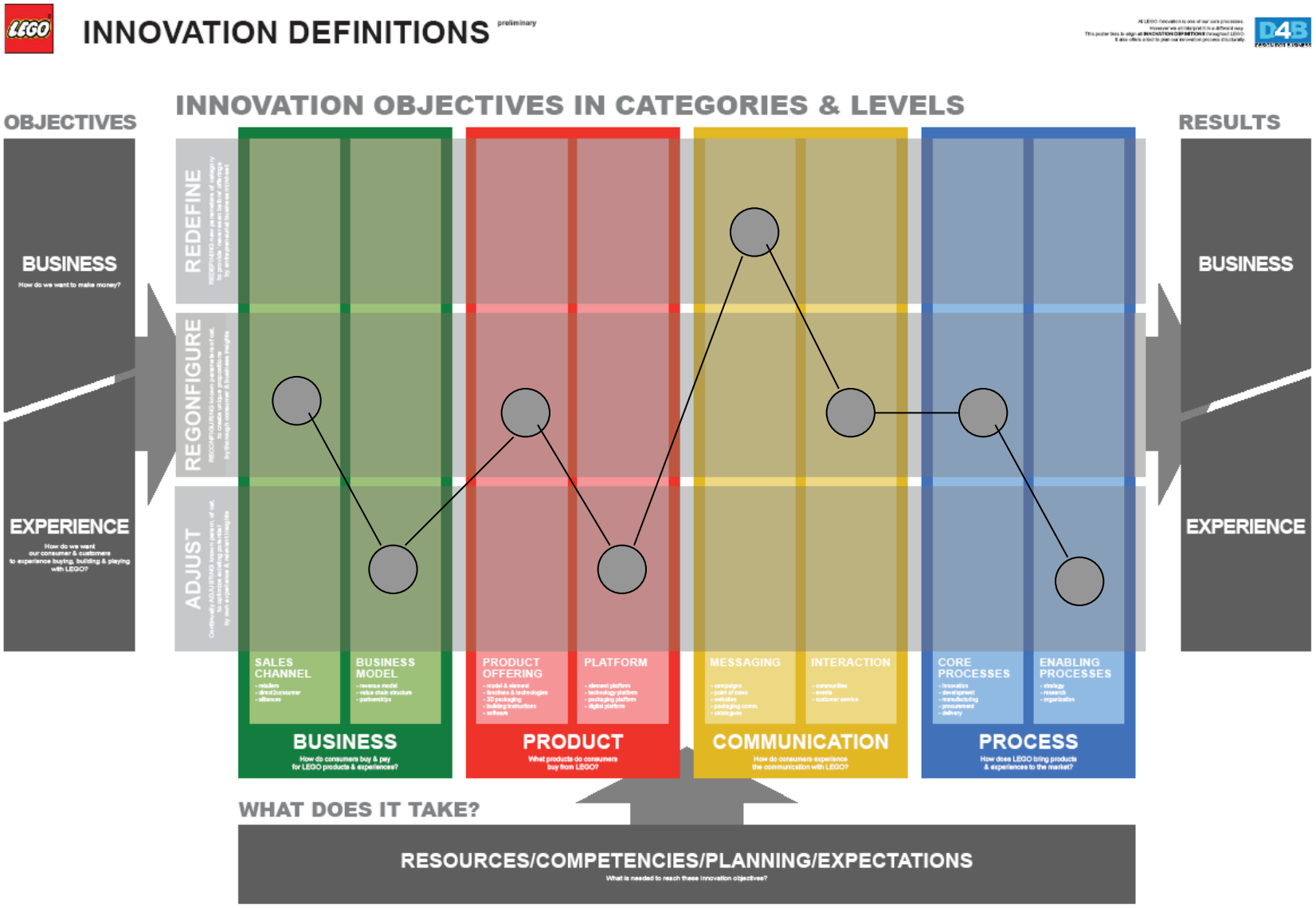
# *It comprises 3 different LEVELS of innovation…..*



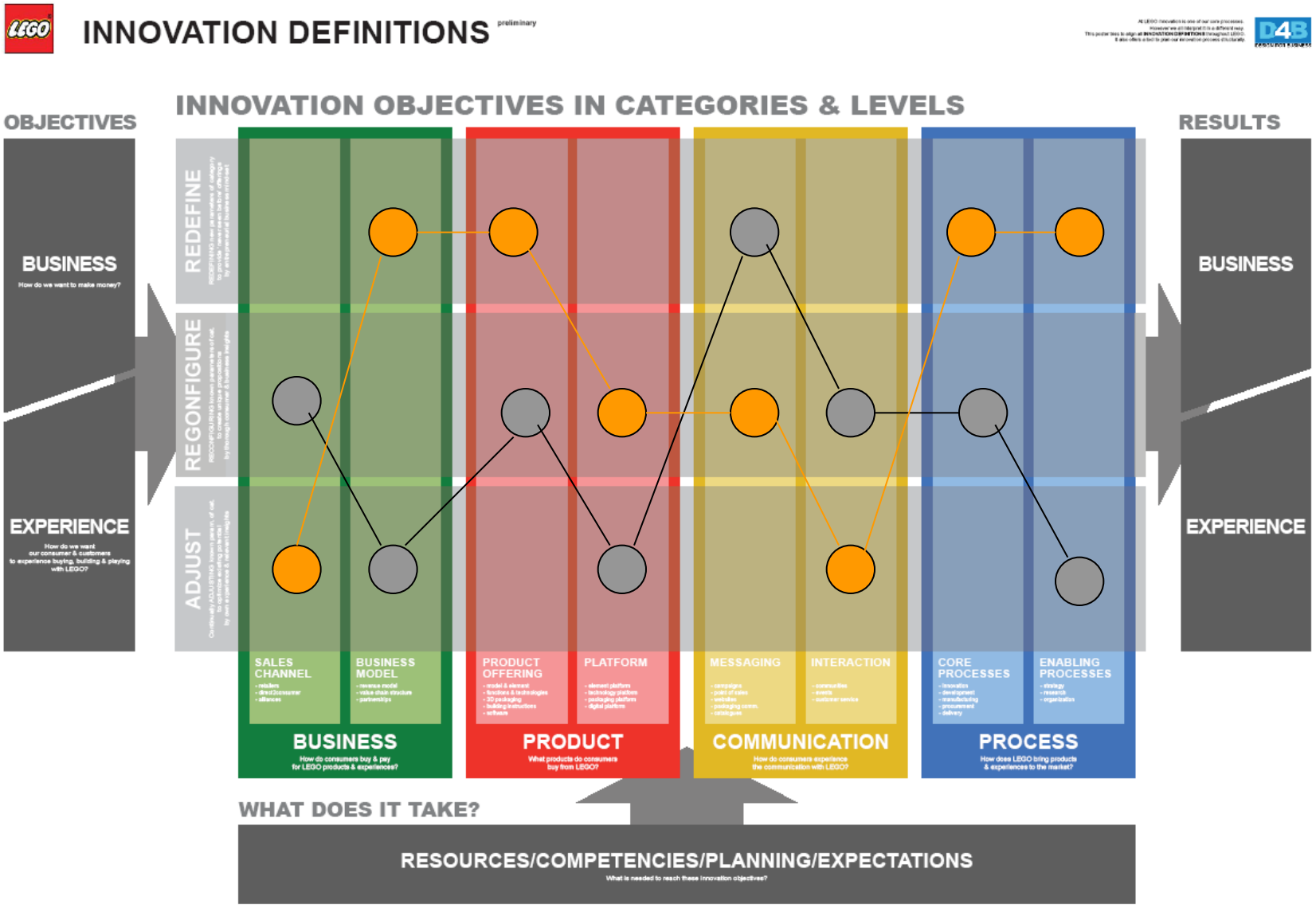
# *It comprises 3 different LEVELS of innovation…..*



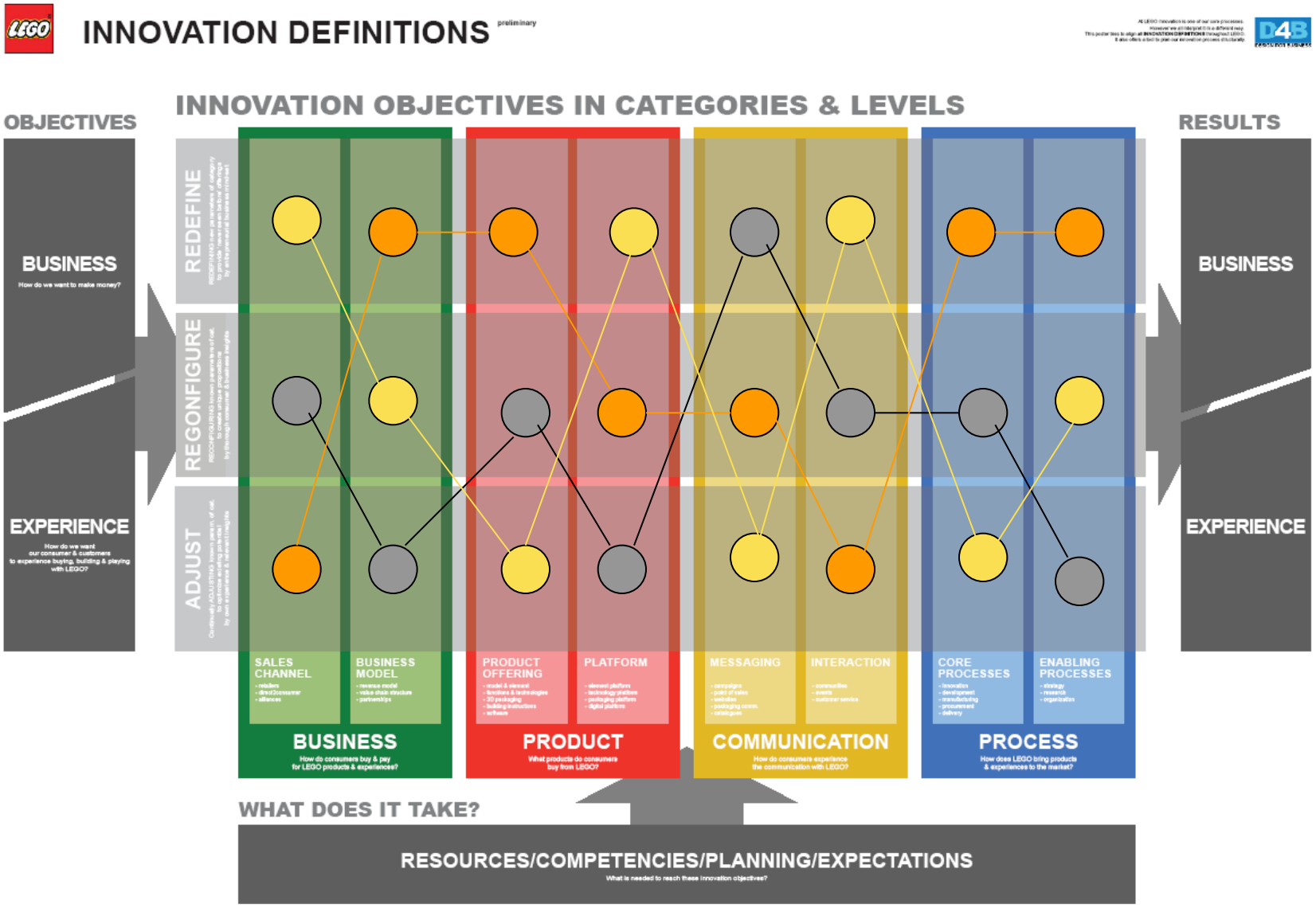
# We can draw an "Innovation profile" for a project……



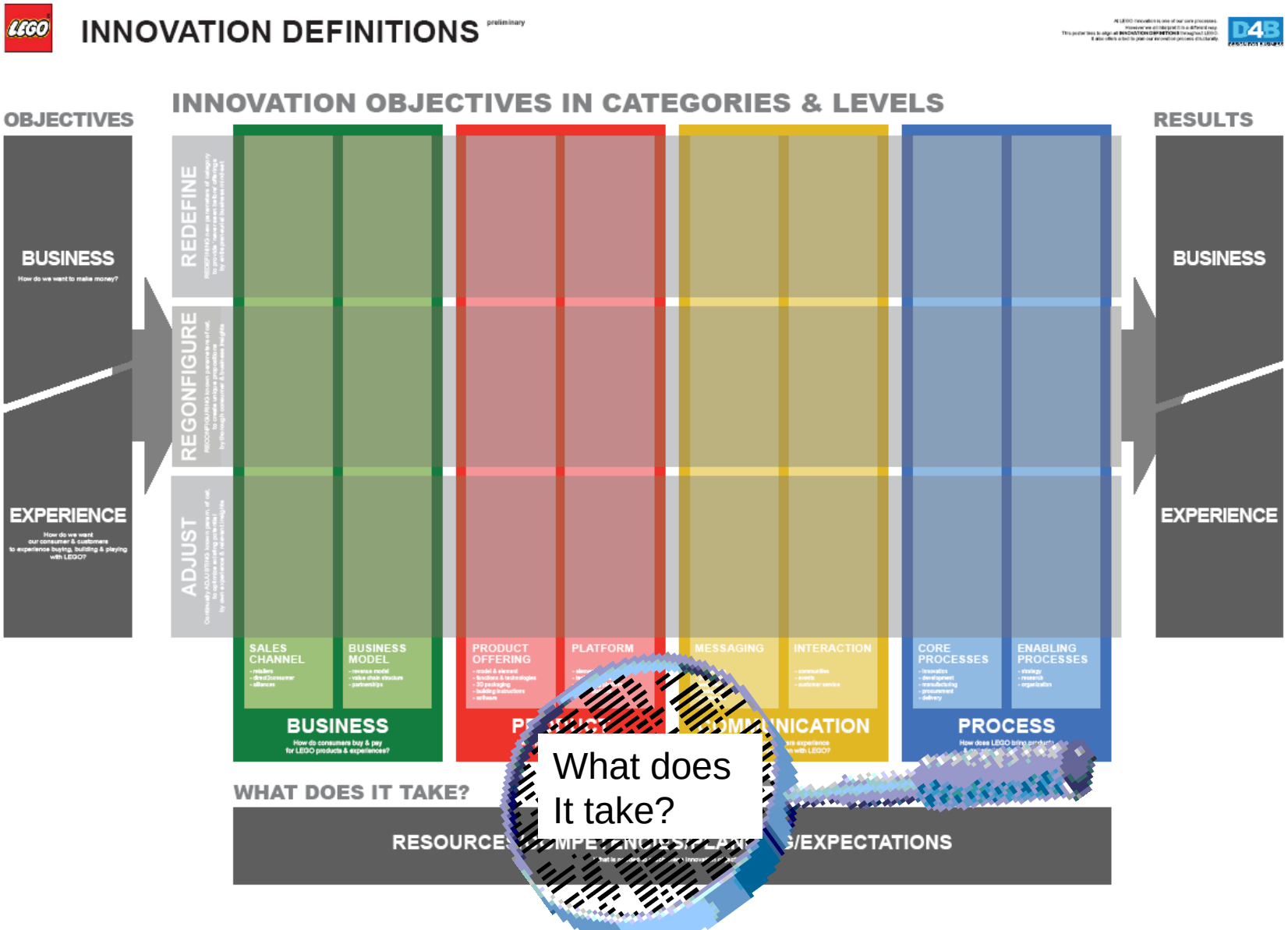
# ….or an entire portfolio of projects…….



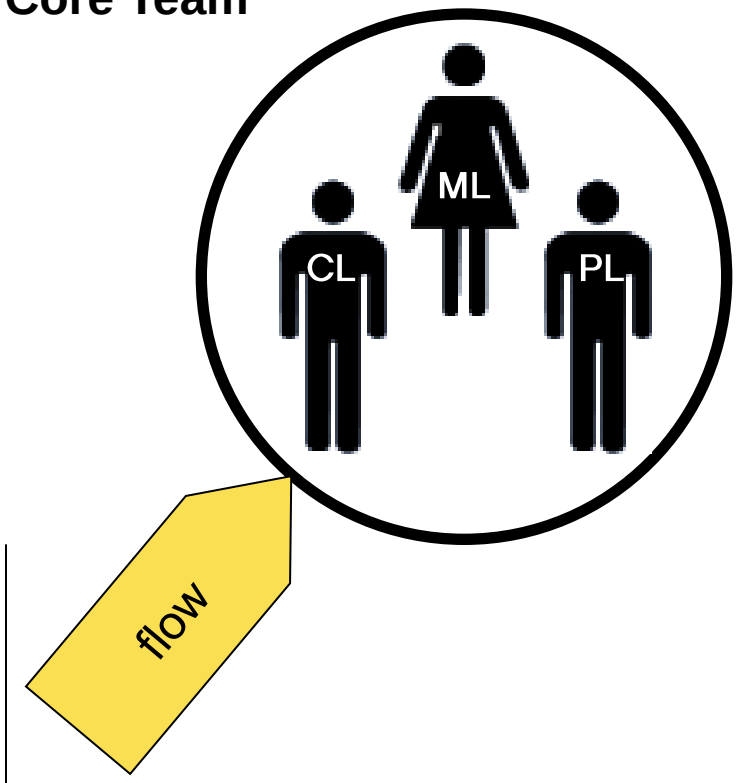
# ….or an entire portfolio of projects…….

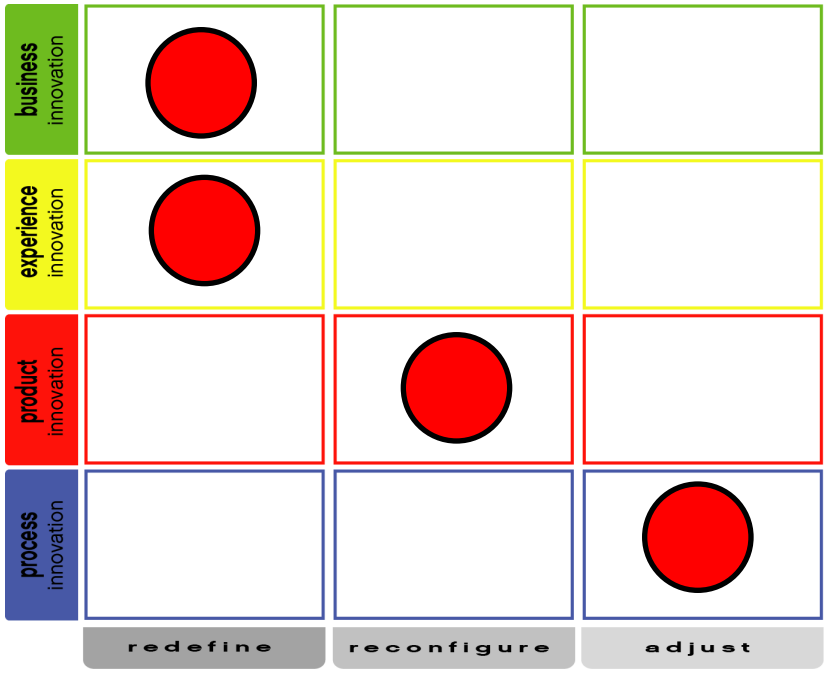


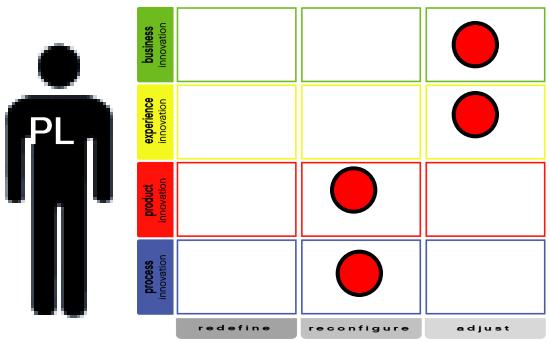
***And it can help us establish a picture of risks, resources and competencies needed to drive forward a project/portfolio of projects……***

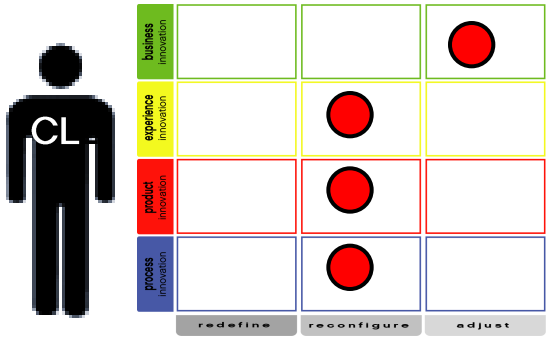


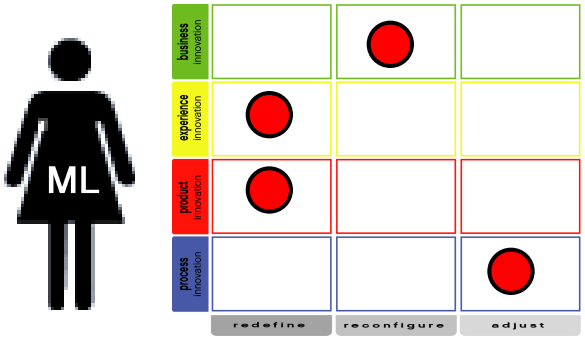
## Core Team


ML
CL
PL
flow


business innovation
experience innovation
product innovation
process innovation
redefine
reconfigure
adjust


PL
business innovation
experience innovation
product innovation
process innovation
redefine
reconfigure
adjust


CL
business innovation
experience innovation
product innovation
process innovation
redefine
reconfigure
adjust


ML
business innovation
experience innovation
product innovation
process innovation
redefine
reconfigure
adjust

## P3 CONCEPT FOUNDATION

# PG X: NAME OF CONCEPT

P3 concept foundation contains:

1. concept objectives
2. business rational
3. experience rational
4. innovation objectives
5. business profile
   - appendix A: launch & support overview
   - appendix B: assortment overview
6. product profile
7. communication profile
8. procurement profile
   - appendix C: risk log
9. recommendations & key tasks
10. resources profile

# Design process and…….Project process

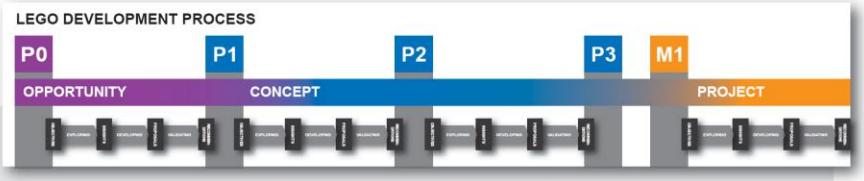
## DESIGN PROCESS

**INTRO**

Just like regular design processes, the design process at LEGO is devided in three main TASKS:
1. **EXPLORING**
2. **DEVELOPING**
3. **VALIDATING**

Each of these main tasks lead to specific DELIVERABLES:
- exploring lead to **INSIGHTS**
- developing lead to **PROPOSALS**
- validating lead to **RECOMMENDATIONS**

Dividing the design process into these tasks & deliverables helps:
- to reach the set objectives (being more effective)
- to plan the appropriate resources, tasks, tools, etc. (being more efficient)
- to communicate design progress to non-designers like management team




This design process starts directly after each gate and ends at each following gate (see above).
In line with the different gates, the character of the design process changes; the type of design work between P1 and P2 is different from the design work between P2 & P3. However, the principle stays the same: starting with objectives, exploring to find insights, developing to create proposals & validating to deliver recommendations

**DESIGN PROCESS**

DELIVERABLES **OBJECTIVES**

TASKS **EXPLORING**

DELIVERABLES **INSIGHTS**

TASKS **DEVELOPING**

DELIVERABLES **PROPOSALS**

TASKS **VALIDATING**

DELIVERABLES **RECOMMEN-DATIONS**

**QUESTION**

'What are the objectives that you need to fulfill?'

'What are the exploring tasks you should undertake to find relevant insights?'

'What are the insights you gathered about and how do they look like?'

'What are the developing tasks you should undertake to develop a series of proposals?'

'How do the proposals you developed look? How detailed are they?'

'What are the validating tasks you should undertake to validate the proposals into final recommendations?'

'What are your final recommendations to your core team mem-bers or even to PMD-LT in relation to the initial objectives?'

**EXAMPLES**

Exploring can be done in different WAYS:
- **DESK RESEARCH**
- **FIELD RESEARCH**
- **INTERVIEWS WITH CONSUMERS**
- **INTERVIEWS WITH EXPERTS**

Exploring can be done in different AREAS:
- **CONSUMERS** (e.g. reason of moms to buy bulk in Creative Building)
- **THEME** (e.g. theme of Ninja in Constraction)
- **LEGO EXPERIENCE** (e.g. former space projects in Mars Mission)
- **COMPETITORS** (e.g. offer of transforming action figures in Spirit Warriors)
- **RETAILERS** (e.g. new retail context for Street)
- markets (e.g. need of markets to 'go down in age' in Technic)
- **PROCUREMENT** (e.g. procurement challenge in Creator Mini)

Developing can be done in different STEPS:
- **STAGE-SETTING** (with pictures & words of context/mood/world/stage)
- **SKETCHING** (on paper, with foam, using SLA, etc.)
- **PRESENTING** (with PowerPoint, on posters, final models, etc.)

Developing can be done on:
- **THEME**
- **MODEL**
- **ELEMENT**
- **LINE-UP**
- **PACKAGING**

Validating can be done with different STAKEHOLDERS:
- **CONSUMERS** like kids, moms & gift-givers (e.g. do kids like the theme Underwater World in Bionicle?)
- **RETAILERS** (e.g. do retailers approve new struc tural packaging of Spirit Warrior?)
- **MARKETS** (e.g. do markets approve to assortment overview in Technic?)
- **EXPERTS** (e.g. is Mars Mission differentiating enough from Starwars & Exoforce?)

Validating can be done on:
- **THEME**
- **MODEL** (on play, appeal & quality)
- **ELEMENT**
- **LINE-UP**
- **PACKAGING**

**FLOW**

Takeaway 5: *If you do not keep a scoreboard you are only practicing…… make sure you constantly measure performance up against set targets…..*

DESIGN FOR BUSINESS

| GO TO NXT GATE | | DESCRIPTION |
|---|---|---|
| REASONS | 1. | |
| | 2. | |
| | 3 | |

| NO GO TO NXT GATE | | DESCRIPTION |
|---|---|---|
| REASONS | 1. | |
| | 2. | |
| | 3 | |

| EVALUATION | CRITERIA | PROGRESSION | | |
|---|---|---|---|---|
| | | | | |
| OBJECTIVES | | | | |
| | | | | |
| BUSINESS | | | | |
| | | | | |
| PRODUCT | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| COMMUNICATION | | | | |
| | | | | |
| | | | | |
| PROCESS | | | | |
| | | | | |
| RESOURCES | | | | |
| | | | | |
| | | | | |

# We want to lift

# THE POWER TO INNOVATE!

# Innovation Workshop

**INNOVATION ◦ OUT OF THE BOX ◦ INSPIRATION ◦ TIME TO REFLECT ◦ BEYON EXPECTED**

**GETTING SERRIOUS ◦ TALKING STRATEGY ◦ SETTING AMBTION ◦ SETTING DIRECTION**

# Innovation Workshop 2

## LT STRATEGY WORKSHOP :

**ONE PAGER DOCUMENT:**

- Gather all insights, foundation and material from P0 and Innovation Workshop 1
- Foundation for LT discussion and workshop
- Briefing for PG1 Core Teams

**IT WORKS!**

# Vinder - Innovation Cup 2009

”**Store innovationsmestre**

LEGO, Gabriel og Oticon ligger alle meget højt, men nogenlunde på linje, når det gælder de fundamentale forhold for innovation samt innovationsprocesser.

LEGO viser sig dog noget stærkere indenfor den sidste fase i innovationsprocessen, nemlig implementering.
Det er nok en del af årsagen til, at når det kommer til innovationsresultater, så er der dog ikke noget at rafle om – her er LEGO i en klasse for sig selv.”

Innovation leadership (summary):

- Facilitation
- Diversitet (kompetencer)
- Kultur (adfærd-attitude)
- Strategiske ”pejlemærker”
- Skabe merværdi i værdikæden

# Work smarter – not harder

# THANK YOU….? !