Managing the Innovation Process

Cross-Functionality

Overview

- Take-Away
- Required Readings
- Supplemental Readings
- Caveats

Take-Away

Innovation can be fostered by heavyweights

Innovation can be hindered by thought worlds

Innovation relies on team functional diversity

• Innovation requires organizational adaptation

(Clark & Wheelwright, 1992)

- "Organizing and leading "heavyweight" development teams"
- <u>Types of Development Project Teams</u> (functional, lightweight, heavyweight, tiger/autonomous)
- <u>Heavy-Weight Structures Are Most Effective</u> (example Motorola's Bandit line of pagers)
- Change Required in Fundamental Behavior (example Fred / Team A vs Jim / Team B)

(Dougherty, 1992)

- "Interpretive barriers to successful product innovation in large firms"
- <u>Linking Technology/Market With Product Design</u> (contribute to innovation and new product success)
- <u>Departmental Thought Worlds</u> (technical, field, manufacturing, planning)
- <u>Organizational Routines</u> (interdepartmental relations, market definition, product standards)

(Ancona & Caldwell, 1992)

- "Demography and design: Predictors of new product team performance"
- <u>High-Technology Industry</u>
 (increasing reliance on new product teams e.g., photo)
- <u>Designing Cross-Functional Teams</u> (should there be more or less diversity— of which types?)
- <u>Functional Diversity Related to External Communication</u> (external communication related to manager performance)

(Eisenhardt & Tabrizi, 1995)

- "Accelerating adaptive processes: Product innovation in the global computer industry"
- Global Computer Industry
 (product innovation facilitates adaptation)
- <u>Inertial Organizations vs Malleable Organizations</u> (slow shifts vs punctuated equilibrium and fast change)
- <u>Compression Model vs Experiential Model</u> (squeezing well-known vs improvising uncertain process)

(Griffin & Hauser, 1992)

- "Patterns of communication among marketing, engineering, and manufacturing"
- <u>Automobile Industry</u> (parallel component projects, e.g., headlight and taillight)
- Marketing, Engineering, Manufacturing (new product development in two different teams)
- <u>Phase-Review vs. Quality Function Deployment (QFD)</u> (traditional vs. Japanese development process)

Caveats

- What if you don't have access to heavyweights?
- When do thought worlds help knowledge acquisition?
- Is too much functional diversity harmful?
- How does time pressure affect functional integration?