Zombie Amnesty

Do you feel like you don't have sufficient resources to take promising ideas forward? It is possible that you have succumbed to a pernicious plague that can kill innovation energy: the plague of the zombie project. Do you have efforts that, if you are honest, will never have material impact but still shuffle and linger on, sucking the innovation energy out of your organization? If so, then a zombie amnesty, where you kill projects but pardon people, may be for you! Innosight's fieldwork and the work of like-minded academics — most notably Rita Gunther McGrath of Columbia University (a certified zombie killer if ever one existed) — suggests six keys to success:

1. *Predetermine criteria.* Shutting a project down can be very emotional. Setting and sharing a shortlist of criteria before the process begins can help participants to view the process as being as rational as possible. These criteria will be guidelines, not rules, as final decisions will always require subjective judgment.

2. *Involve outsiders.* Parents can attest to how hard it is to be objective about something you played a part in conceiving. An uninvolved outsider can bring important impartiality to the process.

3. *Codify reusable learning.* McGrath teaches that any time a company innovates, two good things can happen. Successfully commercializing an idea is clearly a good outcome. So too, however, is learning something that sets you up for future success. As seminal research into product failure notes, "knowledge gained from failures [is] often instrumental in achieving subsequent successes." So capture knowledge to maximize the return on your investments in innovation.

4. *Celebrate success.* Any time you innovate, future success is unknown. Therefore, learning that an idea is not viable is a successful outcome—as long as that learning happened in a reasonably resource-efficient way. Prospect theory holds that people hate losses more than they enjoy equivalent gains. Add this to a culture in which taking well-thought-out risks carries the potential for punishment, and it is no surprise that people hesitate to take risks.

5. *Communicate widely.* Innovation happens most naturally at companies that "dare to try," a conscious reference to the BEAN at Tata that celebrates failed projects (see chapter 3). Shining a spotlight on purged zombies naturally makes it safer for people to push the innovation boundaries. After all, if you don't dare to try, how can you hope to succeed?

6. *Does the team have a believable hypothesis about how the offering will make money?* Innovation is something different that creates value. If you don't at least have an idea about how you will create value, you aren't really innovating.

7. *Have team members identified all the things that must be true for this hypothesis to work?* Every idea is partially right and partially wrong. Good innovators clearly separate fact from assumption and seek effective ways to turn unknowns to knowns.

8. *Does the team have a plan for testing all those uncertainties, which tackles the most critical ones first?* Does each test have a clear objective, a hypothesis, specific predictions, and a tactical execution plan? Successful innovation always comes from disciplined experimentation. Seek to be scientific as you manage and eliminate the uncertainty that, by necessity, underpins your idea.

9. *Are fixed costs low enough to facilitate course corrections?* The only thing you can be sure about is that you will have to make some changes for your idea to succeed. Even if it costs a little more in the short term, keeping costs variable by engaging contractors and using third-party vendors will save heartache in the long run.

10. *Has the team demonstrated a bias toward action by rapidly prototyping the idea?* One of the most powerful concepts connected to the so-called lean startup movement is the idea of the minimum viable product ("MVP") — that is, something that is good enough to solve the customer's problem without all the bells and whistles behind it. That doesn't always mean a physical prototype: a mock website, a storyboard that walks you through a new process, or even a skit showing how an idea will work can all serve as vehicles to accelerate learning.

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