

Decision Drivers, Execution Tips

Getting started, then delivering on innovation

What Works

Collaboration is the key to bringing innovation to fruition

DEVELOPMENT TECHNIQUE

Cross-functional innovation teams	57%
Close relationships with customers	52%
In-house IT development	34%
Rapid prototyping	33%
Strong partnerships with vendors and/or outsourcers	32%

RESPONDENTS CHOSE THEIR TOP THREE.

When the Light Turns Green

Business needs drive decisions to go ahead with new initiatives

DECISION FACTOR

Urgency of the business need	72%
A cost-benefit analysis	57%
Opportunity to increase market share	48%
Success of previous company innovations	28%
Gut instinct	16%
CEO mandate	16%
Other	14%
What competitors are doing	10%
A strong risk-mitigation plan	10%
Adequate security/protection of customer privacy	9%

RESPONDENTS CHOSE THEIR TOP THREE.

Innovation by the Numbers

Winning Technologies

Handhelds, Web services and wireless dominate our honorees' IT investment plans.

HARDWARE

Handhelds/PDAs	54%
Laptops/Notebooks	32%
Mainframe/Midrange computers	20%
RFID	18%
Other	14%

INTERNET/TELECOMMUNICATIONS

Wireless	53%
Videoconferencing/Webcasting	27%
Search tools	26%
E-commerce tools	17%
Other	4%

OPERATING SYSTEMS/APPLICATIONS

Web services	56%
Business intelligence/Data mining	43%
Enterprise portals	32%
CRM	31%
Database management	31%
Linux	28%
Knowledge management	27%
Imaging/Document management	27%
Enterprise application integration	26%
ERP	21%
Supply chain management	16%
Hosted software	12%
Marketing/Sales automation	9%
Other	7%

Respondents chose up to three items.

Where Ideas Come From

Business unit leaders are most often the wellspring for innovative initiatives. CFOs rank last.

SOURCES

Business unit or function leaders	60%
Ad hoc task forces	51%
CIO	43%
IT staff	37%
CEO	27%
Business staff	17%
R&D group	13%
External customers or suppliers	10%
Other	9%
COO	8%
Board of directors	4%
Vendor partners	4%
CFO	3%

Respondents chose their top three.

Business Goals

Efficiency and increased productivity are top targets of winning initiatives.

GOAL

Efficiency/Increased productivity	85%
Competitive advantage	63%
Customer satisfaction	59%
Business innovation	58%
Generate revenue	38%
Improve global operations	18%
Improve supply chain	16%
Regulatory compliance	14%
Other	13%
Business continuity	11%
Security/Privacy	5%

Respondents chose all that applied.

Spending on New IT

Winners spend an average of **38%** of their IT budgets on new projects; **62%** goes to operations and maintenance.