

## Decoding Innovation's DNA

### *Managing innovation from concept to cash*

Matthew Greeley of Brightidea details how openness and social software features create opportunities for IT to innovate.

Interview conducted by Vinod Baya and Bo Parker

**PwC:** Could you please describe your company and the value it is creating for your customers?

**MG:** Sure. Brightidea was founded about 11 years ago. We're a longtime leader in applying software to the challenge of innovation in a large organization. Currently our solutions are in a SaaS [software-as-a-service] offering and therefore have a multi-tenant architecture and subscription business model. Where we differentiate is that we have a very social platform, so our product is Facebook-like. We believe innovation is a social activity, and until software became social, it was impossible to really try and automate the innovation process.

We just released our Innovation Suite, which we believe is the first in-the-world case of a seamless flow from idea to launch of a product. The suite has three products—WebStorm, Switchboard, and Pipeline—that cover the entire innovation process from the moment an individual has an idea until the organization realizes that idea as cash. WebStorm handles ideas, Switchboard handles proposals, and Pipeline handles the development of projects, which could be products or cost savings improvements.

**PwC:** How do your products help enterprises manage the innovation process?

**MG:** Our company is named Brightidea, and the insight we had when we started was that the object or the element of an idea is the

atomic element of the innovation process. Every innovation starts as a new idea.

We set out to build a system that would track those elements. So just as you track your leads in a sales system, we identified the idea as the starting point when directed work on a particular innovation project begins. There certainly can be activities you do ahead of having an idea. You do a lot of strategy, road mapping, and market research, and you look for customer insights. A whole bevy of activities happen ahead of that idea, but we identify the moment in time when an idea gets recorded. It can be a core concept, it can be on a mobile device, or it can be through a browser submission or something like that as the start of the innovation process.

Let's think about what happens after you have an idea. You start linking ideas and clustering them. You allow people to collaborate and you allow them to vote, to prioritize. Then you move into this proposal framework where people are refactoring the scattered data points of the ideas into a business proposal, and they're looking at competition and market size and the general business parameters. There are tools to create scorecards and prioritize with expert reviewers at that level. Then you move into a project that is funded, and that can either hand off to an existing portfolio management system or you can continue the project within our Pipeline product, which is a social project management application and is a lot like Facebook.



**Matthew Greeley**

Matthew Greeley is founder and CEO of Brightidea, a provider of cloud-based innovation pipeline management (IPM) software. Prior to founding Brightidea, Greeley consulted for Wrenchhead.com, helping the company raise more than \$100 million in venture funding, and he co-founded Silicon Valley enterprise software provider Alyanza Software. Greeley began his career at FMK Advisors, an East Coast hedge fund, where he focused on marketing and fund-raising. In this interview, Matthew Greeley discusses how CIOs can enable innovation by focusing on the end-to-end process from concept to cash and opening up data and other IT capabilities.

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You can follow a particular project, and you can get all the updates you want if you're following that project. So you get a lot more visibility and transparency, and executives can keep their eye on what's going on with the projects that matter most to them.

**PwC: A lot of enterprises are looking to their CIO for innovation, to help grow the business, and to create new value. What do you think CIOs can do with respect to innovation?**

**MG:** IT can definitely drive innovation, and the invention of FedEx tracking numbers is a great example of it. The company went all in to build the systems necessary to track packages in real time. A transformational customer experience resulted from it, and it's a world-class company. IT can definitely drive specific innovation projects if they're thinking strategically and if they're seeing their role to innovate and enable innovation.

The nuanced view I have is that IT's role increasingly will be to select a platform for managing innovation and making the necessary enterprise-wide decisions. I think some end up shortchanging the innovation for some features of a social platform. Instead, they must be really clear about where they will get their competitive advantage and what the real benefit of these tools is. Our view is if you just lay in a social platform, you might get some innovation, but if the tool isn't specifically designed for that, you're not going to tap the innovation potential of the enterprise.

If the tool collects only ideas, it's like a sales funnel that collects only leads. There's no way to move the leads forward to contracts. CIOs need to get smart quickly on innovation, as they're the ones in the organization who understand how technology evolved and how to deliver on an end-to-end process. They understand that adoption of new systems isn't trivial, that they must work with business champions and specific business units and specific roles to show the value.

**PwC: What can CIOs specifically do to spur innovation?**

**MG:** Historically, IT groups were fiefdoms unto themselves within the organization, and I think there's huge potential to open up the data sets. For instance, I referred to FedEx earlier: simply by making available to end customers in a very safe and secure way the data that the organization already had, the company transformed the customer experience.

We work with companies whose whole product is data. We work with The Nielsen Company and Experian, and they're constantly reformulating how they repackage the data. Experian does credit reports, and they can do credit reports for the auto industry, for home loans, or online buyers, and so forth. And they can do bill consolidation. They're constantly looking at ways to repackage the data. Freeing data in an intelligent user-driven or customer-driven way is a really important trend.

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**PwC: Could you talk a little bit about how an ethic of such openness has penetrated your company and what are the lessons for CIOs?**

**MG:** It is very straightforward. You can go to [ideas.brightidea.com](http://ideas.brightidea.com), and that's where our customers tell us what they want to see in the next version of our products. It's wide open. Our competitors can see it. They often do. We view the value of openness in terms of the relationship we have with our customers, the innovative ideas and agility we're going to get, and the

ability to listen to the customer more intimately. We view that as a huge value, and that's why we incur the risk of our competitors trolling through there and seeing what they can find.

From an architectural standpoint, we have a full-blown REST API [representational state transfer application programming interface]. Basically, every data element within our system can be exported and pulled out, and customers have done things that have just blown us away. For example, GE had a product design group use our API to pull out all the data from this global collaboration, and they did a Flash visualization of all the data. That never would have happened if there was a 15-step process with three documents and four checkpoints to free up a data set.

You have to be smart, obviously. We don't want someone from one enterprise getting into another enterprise's data, but once you are in this Net-native configuration, where you assume the information can flow like water between systems, that alone is a trigger for unleashing creativity and lowering the barrier to people trying new things. If it takes someone two hours to do something or it takes them two days to do something, the chance of them doing it falls off precipitously, just because of the pure friction of the process and getting it done.

That's how we approach the transparency, openness, and extensibility as well. We have all sorts of hooks to other third-party systems, such as portfolio management systems, agile project management systems, and issue tracking systems, and we've built in that extensibility from day one. I think CIOs should lean on their larger enterprise vendors and say, "I need ways to free up my data in a smart way." There was this dream that you were going to have everything on one platform and you'd be able to view it in the slice you wanted to view it in. But the reality is that new services emerge every quarter. It's just a dream that you're ever going to have all the data on one system.

So it's better to accept that chaos and make sure the systems that you do have are open and you can rip data out of them. One of our customers has a dashboard where they have a unified view of their customer, their bookings and billings, all their support information, and all the ideas that those customers are feeding them for their next-generation products. That's only possible if you buy into this openness and extensibility paradigm.

**PwC: On the mobile and tablet platforms, we are seeing a large number of apps being delivered. Do you think the barrier to developing applications is getting lower, and what does this mean for IT-driven innovation?**

**MG:** I definitely agree that the barrier is being lowered, and that openness enables that to happen—not just the development time to be compressed, but then the overall process time to be compressed at orders of magnitude. Some folks in the product development R&D group at Kraft will take a picture if they see something. That picture immediately is in a shared space where other people can collaborate on it. In the past, they did innovation days once a year where people would get together and have a big poster board with their new product that they're developing.

In terms of creating value, you would think that when processes have been reduced to days, there's not much room left for transformational or quantum-leap breakthroughs in them. But now we're talking about processes that are happening in minutes, so I think the mobile and the open data really enables that.

But to come back to another point, I think simple REST-based APIs are just table stakes for anyone in the cloud. It's as important as in a retail store where you have a sign out front. It's expected, and you'll throw people off if you don't have that. Our customers ask us to integrate with customer support systems, their project management systems,

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portfolio management systems, and financial accounting systems. For some of those, we see recurring integrations.

It's just we're all peers. There's a fluid flow of information that can go back and forth if our platform is designed well, if we protect the data that needs to be protected, and if we expose the data that can be exposed.

**PwC: Most CIOs of large enterprises are not starting fresh with a greenfield in terms of being Netcentric or in the cloud. They have a mix of legacy, Web, SaaS, and so on. How do they get more like you in a safe and secure way?**

**MG:** We have a phrase we use internally where we say, when you're first getting started, don't do heart surgery. Polish a couple of fingernails. It means you don't go into the beating heart of the business and try and swap that out. It just doesn't make sense. However, both SaaS and social software have enabled new applications, so things that you never even had a system for—innovation being one of them—are good places to start. You start on the fringes, polishing a fingernail. You'll still get ROI [return on investment], payback, and all that other stuff.

As you're easing into software as a service, you're easing into this open, infinitely integratable environment. The CIO may not even know that someone in the department is integrating system A with system B, because they're both on the cloud and they're using a local resource to do the hook-up. I think you always start at the periphery, and then you work your way toward the center. But it's going to be a long time and, in my view, probably will never happen where

everything goes into the cloud. There's talk of private clouds and all, but frankly, I see many CIOs worried about having as much heterogeneity in the cloud as they have right now.

**PwC: Do you ever see a future where solutions might extend to a point such that if the idea can be realized through IT, the system could trigger prototyping and solution extension, rather than focusing on being a system of record for ideas and their flow?**

**MG:** I definitely think so. Even in our current usage, we have people using our product as a front end to the IT portfolio—helping them determine what projects IT should be working on and helping them open their ears to their internal customers. I've seen IT organizations deploy our product as a service model, where they're the center of excellence for the innovation process and they're providing the tools the same way they provide e-mail or something else to the organization with the best practices to actually get results. I've also seen IT organizations use our product internally, where they're getting ready to roll out a new desktop image across a 60,000 person organization and IT lets people chime in on what they like or dislike about the current desktop image before IT locks down the spec.

IT is a key execution engine for new ideas, proposals, and initiatives. I think IT gets the process of adopting new technology. They realize that it can be tricky and that they must find champions in the world and within their organizations that will adopt them, so IT is actually extremely well situated to be a driver of the innovation process and the adoption of these tools.