

Innovation continued

Investment and growth

Innovation metrics have been developed to ensure we measure both input and outcomes to achieve our objectives. We have committed financial resources for training and the commercialisation or implementation of ideas.

Organisational capability and innovation culture

Sustainable innovation requires that we embed a culture of innovation based on transparency, increased risk tolerance and collaboration. To build innovation capability, a series of creativity and idea-generation workshops were held to stimulate creativity inside PPC and create opportunities to innovatively solve challenging issues. The portfolio of

opportunities will be managed as a pipeline to transform ideas into profit or organisational value.

To build our innovation capability, PPC implemented a best practice web-based idea management system – **PPC Innov8** – to encourage a bottom-up flow of ideas, ensure continuous feedback and remove barriers to implementation. The system democratises the process through social participation where ideas can be submitted, commented on and voted for. The social aspect enhances inclusiveness, collaboration and knowledge sharing. A formal process of review and feedback identifies ideas with potential for further development and implementation. Ideas are stimulated by challenges that are issue-

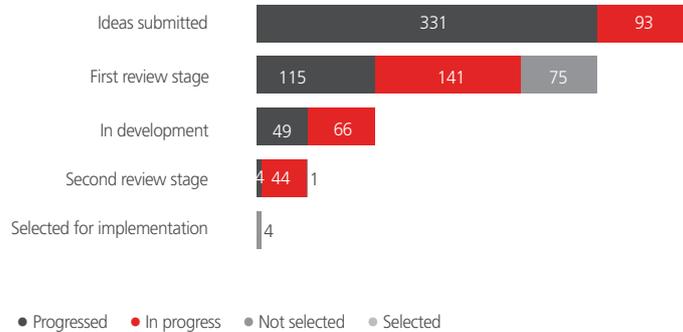
based or have site-specific goals. These challenges have rewards and recognition programmes. They are managed in a business-integrated approach to build a culture of everyday innovation.

Future capability-building plans include idea development and collaboration with customers, suppliers and partners using focused challenges. As an example, the PPC Imaginarium (page 123) is an innovation platform that uses creativity and design to explore alternative uses for cement and concrete. PPC has also completed two pilot studies with international technology scouts to evaluate the potential for outward-in innovation.

Leadership

PPC's innovation leadership capability was benchmarked using the *Innovation Leadometer* from the Research Institute for Innovation and Sustainability. This assessment tool uses an organisational dynamics framework to assess the dimensions and determinants of success in a 360° approach, generating individual innovation leadership profiles as well as organisational benchmark indices. The survey highlighted our strengths in implementation and development of innovative solutions, but that our ability to coordinate, communicate and organise knowledge was an area for development. Organisational support for innovation through leadership support will be driven by performance metrics on scorecards. The results of the assessment were used to plan future capability-building initiatives.

INNOV8 IDEAS (OCTOBER 2015 to MARCH 2016)



Case study:

Innovative bag designs

Pre-packaged cement is sold in 50 kg paper bags which have to conform to the compulsory cement standard. This resulted in a large number of bag designs, each specific to the cement product, type and manufacturing site. Bags were not interchangeable, and product changes or marketing initiatives required changes to all bag designs at great cost. A simple solution was developed to accommodate a number of different products and manufacturing sites using a common bag design. Fewer bag designs reduce the cost of design changes and require less management time. This innovative approach also reduced bag inventories and lowered the risk of obsolescence or stock-outs.