HOW BREAKTHROUGHS HAPPEN

The Surprising Truth About How Companies Innovate

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MAIN IDEA

The key to creating the breakthrough products of the future is to do an even better and more creative job of exploiting what has already worked in the past – both in your own industry and in other unrelated industries.

In other words, very few (if any) business breakthroughs come in a “eureka moment” – where an individual has a flash of brilliance which leads to a new and revolutionary product. Instead, the vast majority of worthwhile and valuable breakthroughs come as a result of “technology brokering” – where the ideas and concepts which have worked in one industry are transplanted into another entirely different industry. Thus, to succeed in the future, do a better job of harnessing the past.

“The notion of the lone genius laboring away in the basement laboratory to invent a future is, by now, one we should all be safely free of. Innovative firms succeed not by breaking free from the constraints of the past but instead by harnessing the past in powerful new ways. The result is an innovation process that thrives by making smaller bets, by building the future from what’s already at hand.”

– Andrew Hargadon

1. The strategy of technology brokering ........................................ Pages 2 - 3

Technology brokering is all about being organized around the process of the recombination of old ideas rather than invention. To be an effective technology broker, you need to span a number of industries and move ideas from where they are known and practiced to where they are not. Recombinant innovation is the essence of how to come up with product breakthroughs.

2. The importance of networks for technology brokering ........................................ Pages 4 - 5

To become better at technology brokering, expand your networks and broaden your perspective. To be more specific, there are three things you can and should do:

- **Diversify**
  - Become more of a generalist rather than specializing in any one field.

- **Network**
  - Learn how to think differently by interacting with more people.

- **Build**
  - Develop a community around original and new innovations.

3. How to implement technology brokering in your firm ........................................ Pages 6 - 8

To pursue innovation within your own firm by employing a technology brokering strategy, you can take any of three distinct actions:

- **Emulate**
  - Change your business strategy to become a technology broker.

- **Form groups**
  - Set up internal teams which can span your entire organization.

- **Export**
  - Seize opportunities to sell your technology to other industries.