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**Corporate innovation glossary**

Definitions for all those confusing innovation terms you hear in workshops.

This glossary of innovation terminology will help you cut through the jargon and truly understand what words and phrases like ‘disruptive innovation’ and, well, ‘innovation,’ mean.

**A**

[**Accelerator**](https://www.boardofinnovation.com/business-design/corporate-innovation-accelerator/)**:**A structured innovation program format to speed-up and optimize the innovation process for a new venture to get to market in the shortest time and cheapest amount of investment.

**Agile:**
An implementation workflow to enable quick iterations, as well as to move and adapt to changes fast, by embracing frequent reassessment and testing.

[**Analogy Thinking**](https://www.boardofinnovation.com/tools/analogy-thinking/)**:**
Applying learnings from adjacent categories or market spaces to gain inspiration for new solutions. Think: ‘smart copying’.

**Architectural Innovation:**
An innovation type that requires an entirely new disruptive technology AND business model at a fundamental level. New technical competencies are needed, as well as new ways of capturing value entirely different to the current core business model.

[**Assumption**](https://www.boardofinnovation.com/tools/assumption-mapper/)**:**
Something that is assumed to be true (without evidence or prior proof). It is typically based upon individual or team biases, routine behaviors or experiences, and/or projected desires that are hoped to be true. Assumptions can make or break an innovation and therefore need to be validated in order to de-risk a launch.

**B**

[**Ballpark Figures**](https://www.boardofinnovation.com/tools/ballpark-figures/)**:**
Guesstimations of the monetary value your solution will potentially generate. Ballpark figures are generated based on minimal research and used to quickly explain the potential viability of an idea without having to build a full-blown business case in Excel as theatre.

**Barriers & Boosters:**
A way to think about and classify potential hurdles and accelerators that may help fuel the success of a given solution within your organization.

[**Brain Writing**](https://www.boardofinnovation.com/tools/brain-writing/)**:**
Brain writing is an ideation tool used in teams to generate ideas by building on each other’s suggestions. The goal is to come up with a lot of ideas with inputs from various participants involving multiple perspectives in a short space of time.

[**Brainstorm Cards**](https://www.boardofinnovation.com/tools/brainstorm-cards/)**:**
Brainstorm cards act as triggers for generating ideas from external and surprising sources. The goal is to inspire highly creative, non-obvious creativity and ideation.

[**Brainstorming**](https://www.boardofinnovation.com/business-design/ideation-brainstorm/)**:**
Brainstorming is a combination of techniques designed to help participants break out of traditional thinking patterns in order to come up with new ideas or creative solutions to a specific problem or around a specific theme. It is advised to use our tools as brainstorming on the fly can create sub-optimal ideas.

**Breakthrough Innovation:**
A type of innovation that leads to substantial improvements (greater efficiency or cost-effectiveness) built upon new enabling technologies and/or business models in the market. A breakthrough innovation can be either disruptive, radical, architectural or incremental in nature to your organization.

[**Build-Measure-Learn Feedback Loop**](https://www.boardofinnovation.com/blog/lean-startup-versus-design-thinking/)**:**
Lean Startup terminology for launching a new idea or concept into the market as quickly as possible to gain experience and gather feedback for further improvement based upon your most critical assumptions to test.

**Business Case:**
A business case is a detailed assessment of a perceived opportunity or solution (its costs, risks, benefits, and the organization’s capabilities to solve it) that is used to decide whether it is worth pursuing by an investment panel.

[**Business Model**](https://www.boardofinnovation.com/tools/business-model-kit/)**:**
A description of how a business creates, delivers and captures value to customers and or/buyers.

[**Business Modelling**](https://www.boardofinnovation.com/tools/business-model-kit/)**:**
The exploration of multiple prototypes that reflect value exchanges between stakeholders for a given solution as you intend to create, deliver and capture value.

**C**

[**Co-Creation**](https://www.boardofinnovation.com/blog/b2b-co-creation-50-key-learnings-and-insights/)**:**
A product-development approach that brings multiple entities – often customers, suppliers, startups, or business partners – together to come up with solutions or new concepts in both B2B and B2C.

[**Concept Cards**](https://www.boardofinnovation.com/tools/concept-card/)**:**
A tool to ensure the most critical aspects of an idea have been clearly considered in terms of customer needs and problems solving before moving on to prototyping and testing.

**Continuous Improvement:**
An ongoing effort to enhance processes, products, services, or know-how within an organization in order to improve operational efficiency and reduce costs (often referred to as Lean Six Sigma, The Toyota Method…).

**Copy of Analogy Thinking:**
Applying learnings from adjacent categories or market spaces to gain inspiration for new solutions. Think: ‘smart copying’.

[**Critical Assumption**](https://www.boardofinnovation.com/tools/assumption-mapper/)**:**
A high-risk assumption that needs to be proven true in order for a potential solution to be a success. Also referred to as a LOFA: Leap of Faith Assumption.

**Critical Thinking:**
Making reasoned judgments that are logical and well-thought-out, accomplished through honest and open discussions where feedback is meant to strengthen and challenge an idea.

**Customer:**
The individual or business who will be purchasing or engaging with a particular valuable solution. Their needs and wants must be solved sufficiently to adopt the value created. A customer can also be a buyer as in B2B.

**D**

[**Design Thinking**](https://www.boardofinnovation.com/talent/design-thinking/)**:**
“Design Thinking is the creative and systematic approach to problem-solving by placing the user/customer at the center of the experience”. It consists of 5 phases – Empathize, Define, Ideate, Prototype, and Test. It is best applied to innovation projects where the problem domain is not fully known or understood with a high degree of uncertainty and ambiguity.

**Desirability**:
A desirable solution is one that your customer is prepared to purchase, buy or use in some form as it solves their key needs and/or problems.

[**Disruptive Innovation**](https://www.boardofinnovation.com/tools/concept-disruptiveness-test/)**:**
A type of innovation that requires a new business model entirely (but doesn’t depend upon developing a new technologies), by disrupting the business models of key competitors.

**Dot-Voting:**
A simple method for group prioritization or decision-making. It enables teams to quickly see which options are the most relevant without spending too much time on discussion through silent voting with a limited number of dot stickers.

**E**

[**Empathy Interview**](https://www.boardofinnovation.com/tools/interview-guide/)**:**
An approach to discover key needs, pains and frustrations at a deep, emotional level in order to understand the choices that people make and why they make them. It requires putting aside your own judgements and beliefs in an effort to relate to the person’s individual needs and frustrations.

**End-User:**
The person, individual or buyer who ultimately uses a product or service.

**Evaluation Criteria:**
Benchmarks or objectives that can be used as a selection lens through which ideas can be compared, evaluated, and prioritized whilst limiting personal biases in decision making.

[**Experiment Card**](https://www.boardofinnovation.com/tools/experiment-card/)**:**
A tool designed to plan how you will test your critical assumptions to gain validated learning.

**Experimentation:**
The process of running experiment tests designed to help investigate and validate solutions, assumptions and hypotheses.

**F**

[**Facilitator**](https://www.boardofinnovation.com/talent/innovation-day/)**:**
A person or a group of people who enable others to perform certain tasks or processes in an effective way. A facilitator remains neutral and sometimes plays devils advocate in order to unleash the creative potential in the individual participants.

**Feasibility:**
The third phase of the innovation process attached to technical competencies needed in order to execute and build a new innovation.

[**Feedback Grid**](https://www.boardofinnovation.com/tools/feedback-grid/)**:**
A tool to capture and unpack insights from users in order to determine which improvements and new ideas to move forward with.

**First-Mover Advantage:**
The competitive advantage attained by being the first to enter a market or segment. It is often achieved through advanced technology or the control of scarce resources. It has been proven not to be an advantage in all cases in today’s rapidly changing business environment.

**Fixed Mindset:**
Companies and individuals who believe capabilities are static and unchangeable. Organizational cultures that value consensus thinking and individual talent.

[**Fragment Cards**](https://www.boardofinnovation.com/tools/fragment-cards/)**:**
A tool for documenting insights and observations discovered during an empathy interviews.

**G**

**Growth Mindset:**
Individuals who spend time and effort constantly challenging their status quo. They continually self-reflect in order to find key areas to grow and improve, whilst accepting being outside of their comfort zone.

**H**

[**How Might We Statement**](https://www.boardofinnovation.com/tools/how-might-we-statement-builder/)**:**
A divergent challenge statement based upon key insights gained from empathizing with customers/users/buyers. It is used to trigger the ideation phase by grounding the whole team in a common problem space to solve.

[**How-Now-Wow Matrix**](https://www.boardofinnovation.com/tools/how-now-wow-matrix/)**:**
A tool to help categorize ideas according to how easy or difficult they are to implement, to what extent they are novel, and whether they create value for the customer.

**Hybrid Thinking:**
Switching between and combining divergent (individual) and convergent (group) thinking effectively. Start by ideating individually, then share ideas which will in turn trigger further ideas.

**I**

**Incremental Innovation:**
A type of innovation that provides gradual improvements to existing products, processes, or methods, in order to maintain/sustain a competitive position over time.

**Incubator:**
A program with the goal of helping to create and grow new ventures by providing intrapreneurs with the necessary support and resources required to launch an idea to market as quickly as possible.

**Innovation:**
Innovation is the commercialization of an idea (the ability to create value through new ideas and improved solutions).

**Innovation Journey:**
A systematic and structured approach to generating, prioritizing, evaluating, and validating new ideas, as well as putting them into practice. The journey includes 5 phases (scoping, problem exploration, solution development, business model definition, and pitch design) with validation occurring throughout.

**Innovation Metrics:**
A measurement that describes either the quality or quantity of the inputs, or outputs, involved within the innovation process.

**Innovation Thesis:**
A vision about where a business is strategically headed. It can be used to guide the direction of innovation teams and initiatives.

**Insight Design Sprint:**
A series of short sessions designed to help teams empathize with customers and users in order to define key insights that will drive ideation, prototyping and testing loops.

**Interdisciplinary Teams:**
A coordinated group of experts from several different fields who bring together complementary skills while solving a needs and problems from the customer point of view.

**Intrapreneur:**
An employee who brings entrepreneurial skills to a corporate’s innovation process and generates new ventures for the business. A constructive trouble maker who get’s s\*\*\* done without letting the bureaucracy get in the way.

**Iteration:**
The continuous refining and improving ideas and solutions in order to achieve the desired quality and outcome.

**J**

**Joint Solutioning / Challenging Sprint:**
A one-off ideation session designed to bring together teams that have stakes, interest, or experience around a particular challenge in order to create shared values and outcomes.

**L**

**Lean:**
Lean is a project management methodology for developing business ideas, products and services through condensed product-launch cycles that involve experimentation, iteration and validated learning.

**Lighthouse Project:**
A project that aims to act as a successful and exemplary model, which future innovation teams can learn from and strive towards.

**Linear Unpacking:**
A structured approach for teams to share user stories, observations, and insights together in a logical, point-by-point manner.

**M**

**Makerspace:**
A specific space set up with prototyping tools and technologies, from 3D printers to drill presses and sewing machines, for employees to build and learn from using rough and ready prototypes.

**Market Pull:**
Starting the innovation process with inspiration drawn from an existing or potential customer need and then developing the technological and operational capabilities to execute it.

**Minimal Viable Product (MVP):**
The most basic version of a new product or service that can be offered to satisfy customer needs. A learning vehicle to ask questions about the most critical customer desirability assumptions before moving into the business viability phase.

**N**

**North Star:**
Long-term, high-level, aspirational goals that motivate or inspire teams and serve as ongoing guides once a specific strategic objective has been defined.

**O**

**Open Innovation:**
An innovation approach that runs counter to the secrecy and silo mentality of traditional corporations. Open innovation embraces co-creating solutions externally with hacker innovators’, extreme and lead users, partners and customers, etc.

**Opportunity Mapping Sprint:**
A half-day sprint designed to craft clarity with cross-functional teams while focusing on identifying and prioritizing the most critical business opportunities and challenges to focus an innovation project on.

**Opposite Thinking:**
An ideation tool that flips logic and assumptions on their head to provide interesting challenge statements to come up with radical ideas.

**P**

**Personas:**
Fictional profiles, developed as a way of representing a customers based upon their shared interests, needs, problems and daily routines. Persona’s allow project teams to gain empathy and get in the minds of their target customers.

**Pitch Design:**
The process of designing and developing a concise story as a proposition to gain further investment for new ventures. Typically structured as 1) problem to solve 2) proposed solution 3) value of solving the problem 4) team credibility 5) call to action.

**Playbook:**
A step-by-step guidebook designed to help teams follow the innovation process autonomously.

**Problem Exploration:**
Problem exploration requires teams to understand whether or not they are solving the right problem(s) based on a clear idea of their user’s unmet needs.

**Problem Sizing:**
A way to help determine whether a problem is big enough or worth solving in the first place before deploying innovation teams.

**Problem Validation Script:**
A tool to enable innovation project teams to (in)validate critical leap of faith assumptions within proposed concepts and solutions in a systematic way with customers, users and buyers.

**Problem-Solution Fit:**
The degree to which a problem is solved by a proposed solution. Also referred to the point at which customer desirability is comprehensively proven through iterative testing of solutions with many customers.

**Product-Market Fit:**
The point at which a business model is validated by the market and holds true for all stakeholders whilst generating economic value for the organization.

**Pros-Cons Matrix:**
A tool that helps you visualize the pros and cons solutions quickly and prevents teams from wasting time discussing too many options without moving forwards.

**Prototype:**
A tangible representation or sample of an idea used as a vehicle to as questions about the critical assumptions within a new concept, product or service for customers.

**Q**

**Qualitative Research:**
A scientific research method to gather non-numerical data. This type of research gathers insights to answer deep ‘why’ questions and consists of meanings, concept definitions, characteristics, metaphors, symbols, and descriptions of phenomena.

**Quantitative Research:**
A systematic investigation of observable patterns via statistical, mathematical, or computational techniques. This type of research refers to the ‘what’ and consists of numerical amounts, counts, or measures of patterns or phenomena.

**R**

**Radical Innovation:**
A type of innovation where entirely new technical competencies are required to bring it to market, but the business model more or less stays the same. Significant R&D investments needed for new technologies to emerge as main competitive advantage.

**Revenue Model:**
A framework for generating revenue as part of a solution’s business model. It identifies which revenue sources to potentially pursue, what value to offer, how to price the value, and who pays for the value.

**S**

**Scaling:**
To grow or expand a venture in a proportional and profitable way once Product-Market Fit has been conclusively demonstrated.

**Scoping:**
The first step in the innovation process which requires teams to align on key goals, responsibilities, teaming and outcomes for an innovation project to get the initial go-ahead from the organization.

**Scrum:**
A set of project management practices used in agile project development that emphasize daily communication and the flexible reassessment of plans that are carried out in short, iterative phases of work via a backlog.

**Smoke Test:**
An experimentation method to validate customer interest in a solution before fully building, typically using a landing page to test if a new idea is desirable with tangible success metrics.

**Solution Design Sprint:**
A series of short remote sessions designed to help teams ideate, refine, and determine the best way in which to solve a given challenge or opportunity.

**Solution Development:**
As the third step in the innovation process, solution development requires teams to ideate and explore many different ways in which to solve unmet needs and problem(s).

**Solution Validation Script:**
A tool designed to focus in on the key questions posed to a user when aiming to validate a solution or assumption.

**Speedstorming:**
A concept feedback tool designed to get early feedback from participants within an innovation workshop. Teams pair up and have 3 minutes to explain their concept and 3 mins to capture feedback. Pairs then swap roles to gain feedback vice versa.

**Sprint:**
A time-boxed iteration of a development cycle used in Agile development in which a planned amount of work is completed by a team and made ready for review.

**Stakeholder Mapping:**
Identification of the internal decision makers and external customers/users whose needs and opinions must be taken into account throughout the innovation process.

**Strategic Alignment:**
The process of linking an idea or solution back to the strategic objectives (short and/or long term) of the organization.

**T**

**Technology Push:**
Starting the innovation process with inspiration drawn from new and existing technology in order to search for and connect with key market unmet needs and problems. This is typically a high-risk innovation process as outcomes may never align sufficiently with customer needs in order for them to be purchased as value.

**The Five Whys:**
An iterative interrogative technique used to explore the cause-and-effect relationships underlying a particular problem. The primary goal of the technique is to determine the root cause of a defect or problem by repeating the question, ‘Why?’ five times. Each answer forms the basis of the next question. By the time you have asked ‘why?’ five times, you should have reached the root cause of an insight.

**U**

**Unit Economics:**
The direct revenues and costs associated with a particular business model expressed on a per-unit basis.

**User Journey Map:**
A tool that maps out key customer steps or phases a user takes when moving through a particular product or service. It is designed to help teams identify key moments in the user experience and opportunities for continuous improvement. Often part of the toolbox used in Service Design.

**V**

**Validation:**
The process of discovering if an idea has the potential to survive in the market. Typically, only the most critical assumptions related to an idea, prototype, or hypothesis are tested and reported on within a project team.

**Value Creation:**
The process of creating a product or service offering that solves a job to be done, need, pain or problem for a customer to such a degree that it will be purchased.

**Value Proposition:**
A clear and concise description of the key value a solution provides to a customer or user.

**Viability:**
Economic viability is the point at which a sustainable and repeatable business model has been prototyped and validated by a project team. It is the second phase in the innovation process after customer desirability.

**W**

**Wireframe:**
A way to prototype a digital service at a simple, structural level, typically during early stages of development to describe how customers or users with interact with a new concept or solution.

**Wizard of Oz:**
An experiment designed to manually simulate an interaction in order to test critical assumptions within a concept. Customers or users be convinced they are interacting with the real and finished service.

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