Ideation Software Solution Comparative Analysis

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IDEATION SOFTWARE SOLUTION
COMPARATIVE ANALYSIS

Executive Summary

In September 2009, the president initiated a *Strategy for American Innovation*, calling for agencies to increase their ability to promote and harness innovation by using incentives for individuals to submit ideas, such as prizes and challenges. In December 2009, the director of the Office of Management and Budget issued the Open Government Directive, requiring executive departments and agencies to take specific actions to further the principles established by the President's memorandum.

In response to ongoing efforts to solicit ideas from multiple sources, the U.S. Postal Service employed another means of collecting ideas from external personnel to complement its existing process of collecting ideas from employees. Those external to the Postal Service can submit ideas through an online form while internally, employees can submit ideas through a system called eIDEAS. The Postal Service also receives internal and external ideas via emails, letters and verbal communications.

The current systems and processes the Postal Service uses to collect ideas, do not allow for the tracking or progression of an idea through the full "lifecycle". The idea life cycle takes an idea from the initial submission, through evaluation and proposal, to ultimately a state where the idea, if appropriate, becomes a funded project. If it is not appropriate to fund the project, the idea may be discarded or filed for later consideration.

At the request of the president, Digital Solutions, we identified and reviewed potential ideation software that the Postal Service may use to help solicit, receive, and evaluate ideas, both internally and externally. In this paper, we discuss the various potential software solutions and whether they have the Postal Service's desired features and functionalities.

Key conclusions in this paper are as follows:

- The Postal Service's ideation program requires more than just effective software; people and programs are necessary to implement and maintain an ideation software solution.

- All the software solutions we reviewed had similar functionality that matched the preferred Postal Service criteria.

- When considering whether to select a cloud-based ideation or innovation software solution, the Postal Service should consider whether the ideation program is a long term solution, and to what extent it plans to expand the program to integrate a high number of users and large data storage.

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Introduction

In the face of increasing electronic diversion and a struggling economy, the U.S. Postal Service is at a critical period in its history. To address its changing business, the Postal Service must continually seek and research ways to meet the challenges of evolving mail and shipping needs.

The Postal Service uses a variety of means to collect ideas, including on-line for external idea submissions and eIDEAS software for internal idea submissions. These mechanisms, however, have limitations, such as the lack of integration and evaluation capabilities. The Postal Service's Digital Solutions group has expressed interest in improving its current method for soliciting, receiving, and evaluating ideas, both internally and externally. As such, the Digital Solutions group requested the U.S. Postal Service Office of Inspector General (OIG) to identify and review potential ideation software that might help the Postal Service achieve these goals.

Background

Ideation is the process of inspiring, collecting, and acting on ideas from a broad set of contributors who may be dispersed geographically and organizationally. Ideation is becoming more popular in organizations wishing to increase employee engagement and the quantity and quality of innovative ideas. The ideas may be contributed on an ongoing basis, or in response to targeted "challenges" that address a specific business goal or issue.

Before launching an ideation – or innovation – initiative, management in any organization should consider several factors and determine whether conditions for successful innovation are in place. Consideration should be given to:

- Obtaining necessary top-level commitment from the chief executive officer or influential executives.

- Whether there is organizational awareness of why it is innovating.

- Whether the organization's focus is on increasing business value and tapping into key innovators.

- The organization's culture, which should focus on or be fully prepared for innovation.

- The willingness within the organization to provide the fundamental resources necessary to implement innovations.

- The organization's strategic and operational commitments to sustain ongoing value from innovation.

- The need for the organization to have innovation aimed at delivering disruptive and radical changes, and avoiding a focus on incremental improvements or changes.

Organizations, including private companies and government agencies, collect and evaluate ideas, from their employees as well as the public, through innovation software. Organizations that successfully manage innovation programs can increase revenue generation, improve operational effectiveness, and pursue new business models or business structures.

Currently, the Postal Service's innovation program consists of collecting ideas from its employees through a program called eIDEAS and from the public through an online form on its website. The Postal Service also receives ideas via emails, letters, and verbal communications. These mechanisms allow the Postal Service to collect ideas but do not allow for collaboration and evaluation of ideas. The Postal Service also does not provide feedback to people outside the organization that submit ideas, or notify individuals regarding the status of their ideas. In 2010, the Postal Service Office of Inspector General reported that the eIDEAS program was not timely and management's resulting actions were not transparent.[1] Our survey of employees who submitted ideas revealed that untimely evaluation, insufficient management commitment and communication, and insufficient program transparency were perceived as inhibitors to the program's success.[2]

Evaluation Activities

To identify potential ideation software solutions the Postal Service could use, we conducted the following activities:

- Met with several entities to facilitate our understanding of ideation software needs and capabilities, including:

  o Postal Service staff to assess the needs and desired system functionality.

  o Corporate Executive Board[3] representatives to gather information on existing technology and data analytics.

  o A business analyst and subject matter expert from Gartner Inc.[4] to validate our list of providers and system evaluation criteria.

- Participated in demonstrations of six ideation software products.

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[1] *Management Advisory – eIDEAS Timeliness and Transparency*, page 1 (Report Number DA-MA-10-003, dated August 3, 2010).
[2] *Management Advisory – eIDEAS Timeliness and Transparency*, page 2 (Report Number DA-MA-10-003, dated August 3, 2010).
[3] The Corporate Executive Board is a member-based advisory company that provides comprehensive data analysis and research and advisory services.
[4] Gartner Inc. is a leading information technology research and advisory company.

- Reviewed Postal Service Publication 333, entitled "eIDEAS," which describes the eIDEAS processes, awards, and features; and tested the online idea submission tool.

- Reviewed Gartner Inc. reports related to innovation.

- Explored various federal government innovation websites to understand how other large organizations collect and process ideas.

Evaluation Criteria

We developed a list of desired Postal Service functionality and features, based on our understanding of ideation software, as well as discussions with Postal Service Marketing Strategy and Innovation Group personnel. We used this list as criteria to review and analyze the six software products. These criteria include:

- *Ranking Feature/Crowd-Sourcing* – This criteria identifies profitability, return on investment, impact on brand name, legal ramifications, practicality, complexity, and so forth. Additional feature that uses crowd-sourcing for promoting ideas for further evaluation and exposure.

- *Compensation/Awards Mechanism* – This assigns awards to ideas, and differentiate between internal and external ideas to compensate accordingly.

- *Identifying Duplicates* – This reduces redundancy of ideas by using crowd-sourcing[5] to easily identify similar ideas.

- *Internal/External Idea Integration* – This establishes one database in which the ideas collected externally, from the public, are integrated with those ideas submitted internally, from employees.

- *User Friendliness* – This is a submission process that has a simple interface and promotes the submission of additional ideas.

- *Public Visibility* – This allows anyone using the system to see previously submitted ideas and modify or add to them.

- *Feedback Features* – This allows individuals external to the organization to see what ideas have already been submitted, and provide a 'common language' for internal and external automated responses.

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[5] Crowd-sourcing allows for greater collaboration and evaluation of ideas through voting and commenting on ideas by many or all users, similar to social media.

- *Tracking* – This provides the status of idea submissions via life-cycle updates.

- *Solicitation/Challenges* – This allows the capability to post specific challenges, or to solicit ideas on specific issues, incorporating prizes and awards as incentives.

- *Manager Coordination* – This routes ideas to the appropriate product manager and to identify who has been assigned the ideas for action.

- *Organization/Categorizing* – This establishes portfolios for ideas based on topic, product, and so forth.

- *Input Format Integration* – This has one repository for all ideas regardless of source (e-mail, hard-copy, website, and so forth).

- *Security and Protection* – This flags and protects proprietary information on ideas submitted by internal and external individuals.

See Appendix B for our detailed analysis for each of the six ideation software companies based on the aforementioned criteria.

Conclusion

We identified the following six software providers that might be able to meet the Postal Service's ideation software needs and interests based on the aforementioned criteria:

- Brightidea
- Hype
- IdeaScale
- Imaginatik
- Kindling
- Spigit

The Gartner Inc. business analyst confirmed that these are the top six software providers, emphasizing Brightidea, Hype, Imaginatik, and Spigit as four of the most well-known and established providers in the industry. See Appendix A for a detailed profile of each of the six companies we reviewed. The pricing information provided in Appendix A is all of the pricing information available for each of the companies. In several instances, there is not a specific price amount; rather pricing depends on many factors including the client's needs and usage.

Software Features

All of the software solutions we reviewed are structured around 'challenges,' which entails an organization posing specific issues or problems it would like ideas to address. The software solutions also incorporate crowd-sourcing, similar to social media. With each solution, users are able to vote, comment, submit, and track ideas that interest them. Users are also able to identify similar ideas that have been submitted. Some software solutions offer more project management tools, while others emphasize ranking and crowd-sourcing by end-users.

After initial registration, including acceptance of terms and conditions and log on, many of the software interfaces were user-friendly, although some were less busy and simpler to navigate than others. All software solutions allowed importing and exporting of documents, categorizing and tagging ideas, and some variation of reporting.

All six of the providers we reviewed offer Software as a Service (SaaS) cloud computing, which allows the consumer to use the provider's applications on a cloud infrastructure.[6] The applications are accessible from various devices through either a web browser or a program interface. The consumer does not manage or control the underlying cloud infrastructure including network, servers, operating systems, storage, or even individual application capabilities, with the possible exception of limited user-specific application configuration settings.

The ideation software providers prefer the use of cloud computing software and much of the private sector is moving toward the cloud. The benefits of cloud-computing include greater efficiency, agility, and innovation through greater data storage and near-instantaneous increases and reductions in capacity. Some of drawbacks associated with cloud-computing include perceived data security concerns and loss of data control. Three of the ideation software providers we reviewed – Spigit, Hype, and Imaginatik – recognize these concerns and offer the option to forego the cloud system and allow clients to use their own firewalls or other security measures.

Elements of an Effective Ideation Program

An effective ideation program requires more than just effective software. People and programs are necessary to implement and maintain the software and create effective challenges to solicit new ideas to problems. Use of a moderator may also be necessary to engage participants in discussions about ideas, follow the activities associated with an idea, evaluate and prioritize ideas, and advance ideas to projects that are funded. Ideas that do not warrant funding may be discarded or tabled for consideration in the future.

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[6] The National Institute of Standards and Technology (NIST) defines cloud computing as a model for enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable computing resources (for example, networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction. *The NIST Definition of Cloud Computing*: *Recommendations of the National Institute of Standards and Technology,* U.S. Department of Commerce, page 2 (2011), *http*://csrc.nist.gov/publications/nistpubs/800-145/SP800-145.pdf.

Four key components are necessary to effectively foster an organization's innovation system:

- Leadership is critical to setting the strategic intent for the focus of the innovation, and articulating where the organization wants to go to ensure that innovation is in strategic alignment with the organization's vision. Leaders also communicate that focus so that the organization and external stakeholders understand the direction and the problems innovation may solve.

- Effective processes and employing the right types of techniques, tools, and activities to de-risk and test ideas are essential.

- The best organizations use leverage to effectively collaborate internally between business units and teams, as well as with external parties such as vendors, partners, and customers. For example, a company may generate ideas through a web portal that captures ideas from customers. The website may function as an open forum, allowing customers to post their own ideas and then read and vote on other customers' ideas. Such a voting mechanism can provide a preliminary vetting process for all of the ideas submitted to the site. Additionally, the best organizations also leverage their assets and understand their areas of competitive advantage.

- Having the right people in place is crucial to the success of an innovation program. Having the right people in place means employing and structuring the right talent; managing that talent via sourcing strategies; creating reward and incentive structures and career paths for innovation talent; and fostering a strong culture of innovation.

Appendix A: Company Profiles

Brightidea

Brightidea, 101 Montgomery Street, Suite 2500, San Francisco, CA 94104
http://www.brightidea.com/ 212-594-4500

Overview

Brightidea is a cloud-based system that emphasizes the use of challenges, each of which is moderated. It operates similar to a social network site, allowing ideas to be ranked by subject-matter experts and by crowd-source voting. It concentrates on moving raw ideas into tangible projects and assigning specific tasks. Each challenge may be open for everybody to use or limited to internal submissions with invitations to outsiders. The site provides feedback on quantity of posted ideas, comments, and status of ideas.

Major Clients:

º *Hewlett-Packard Development Company, L.P.*

º *Cisco Systems, Inc.*

º *Robert Bosch LLC (Bosch).*

º *Motorola Inc..*

º *City of Houston.*
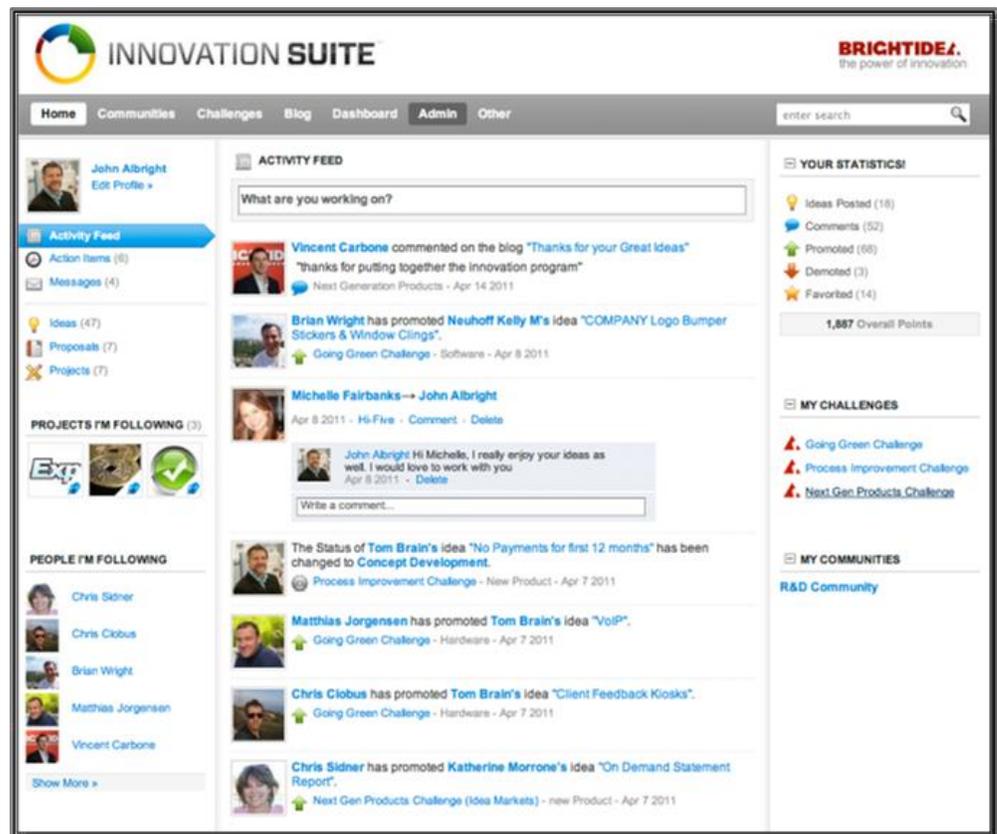
Pros and Unique Features
- Users are allowed to give reasons for voting and give more feedback to submitter.
- When appropriate, moderators assign tasks and due dates for implementation of mature ideas.
- Subject matter experts rank ideas through survey of criteria.
- There are robust project management tools and analytics for managers.

Cons
- Relatively busy interface.

Pricing
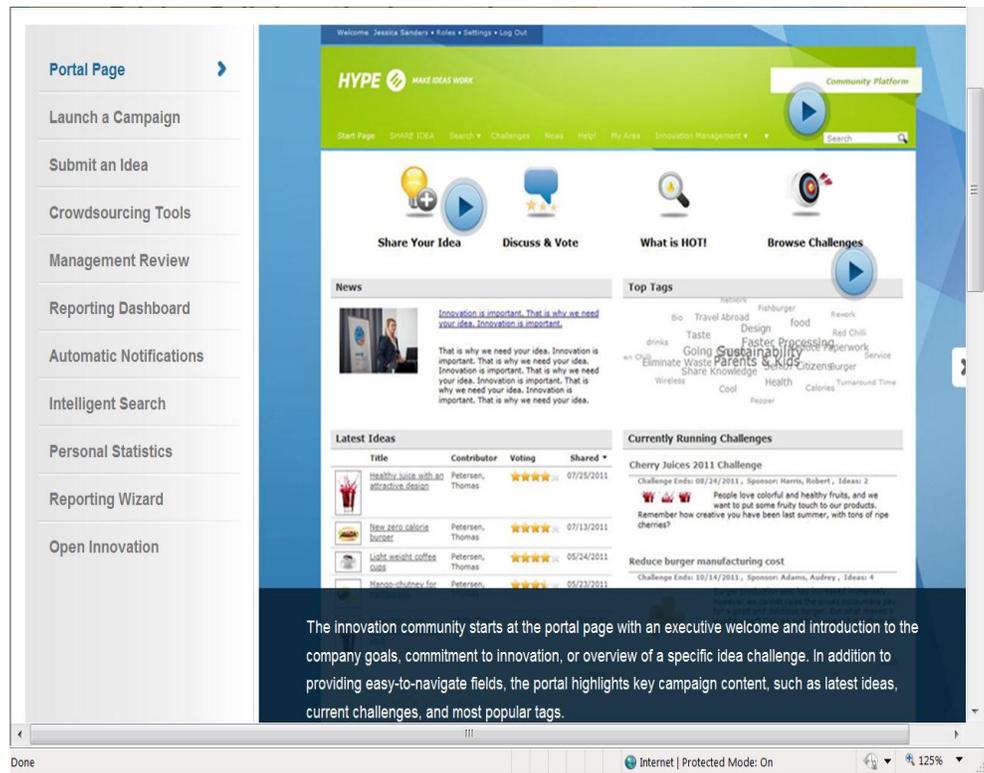- Annual licensing fee, one-time implementation support, and optional technical services.

Hype

Hype, 1 Broadway, 14th Floor, Cambridge, MA 02142
http://www.hypeinnovation.com   617-510-1804

Overview

Hype may be cloud-based, or can use SharePoint as a platform. Ideas are submitted through campaigns that are focused on specific topics. Campaigns comprise a core group of invited participants; therefore, access to a campaign is determined by expertise. Ideas are submitted by internal and external people and then goes through a workflow. End-users determine method and detail of feedback. The site clearly shows where you can share an idea or browse challenges. Ideas are progressed via crowd source voting and through subject-matter expert surveys. Reports are robust and can be customized.

Major Clients:

º *Proctor &Gamble.*

º *Adidas America Inc.*

º *General Mills Inc.*

º *Siemens AG.*

º *Deutsche Post DHL.*

The innovation community starts at the portal page with an executive welcome and introduction to the company goals, commitment to innovation, or overview of a specific idea challenge. In addition to providing easy-to-navigate fields, the portal highlights key campaign content, such as latest ideas, current challenges, and most popular tags.

Pros and Unique Features
- Subject-matter expert surveys include criteria that are weighted by importance to specific project, and the weights help to rank ideas by most important criteria.
- Internal and external ideas are all in one data-base, but system interaction is 'role-based and determined by expertise or past activity.

Cons
- Campaigns are composed of a small core-team of invited individuals who have final say on project advancement and ranking. The crowd-sourcing simply directs their attention.

Pricing
- $50,000 base price – unlimited number of users.

IdeaScale

Overview

IdeaScale software is used primarily for an internal system but can integrate external people through invitation. It is not an open registration system. The campaigns themselves are determined to be public or private. Ideas that do not fit neatly within current competitions must be moved into one before it is voted or commented on. Within competitions, the moderator can set the level of moderation for campaigns to be high or low. The software searches for similar ideas in real-time to help avoid duplication.

Major Clients:

º *The White House.*

º *U.S. Environmental Protection Agency.*

º *U.S. General Services Administration.*

º *NASA.*

º *Federal Communications Commission.*

Pros and Unique Features
▪ Can vote on comments so the best comments can rise to the top for everyone to see.
▪ Competitions may be broken into sections, in which the first week is submission only, the second week is comments only and the third week is vote only.

Cons
▪ Relatively small company.
▪ Primarily intended for internal system use only, but allows outside users through invitation only.

Pricing
▪ Charge per size of 'community:'
  o $10,000 for one.
 o $20,000 for five.
  o $30,000 for 20.

Imaginatik

Imaginatik, 207 South Street Sixth Floor Boston, MA 02111
http://www.imaginatik.com/ 866-917-2675

Overview

Imaginatik is a large company that emphasizes changing the culture of an organization to be more innovative. External users have access through simple registration, so the database is completely integrated. Each campaign has a sponsor responsible for demonstrating clear business objectives of the idea. When voting, each user has a specific number of votes per week to use. The search feature is extremely robust and uses complex analytics for specific criteria as desired. Imaginatik identifies innovation leaders and high ranking ideas by using 'people Kudos' and 'Idea Kudos'. The kudos is separate from the crowd-based voting system.

Major Clients:

 º *U.S. General Services Administration.*

 º *NASA.*

 º *The Boeing Company.*

 º *Kraft Foods Inc.*

 º *Xerox Corp.*
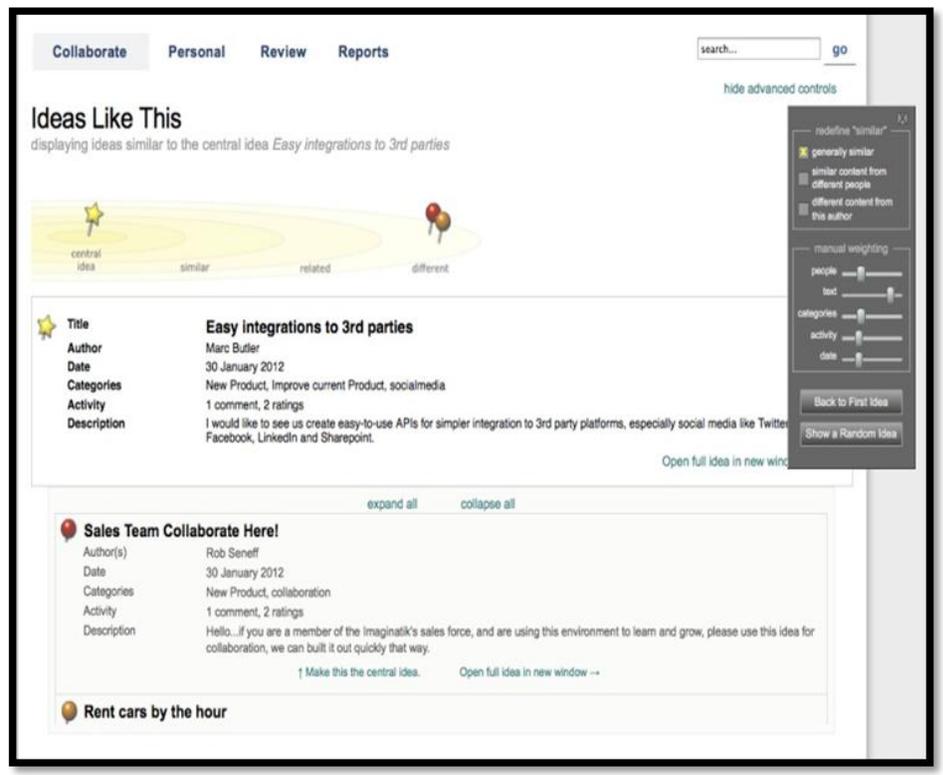
Pros and Unique Features

- The system uses 'head-to-head' competition between ideas based on predetermined criteria. Managers compare ideas directly through the system, ranking each for which is 'better,' and analytics helps rate and rank ideas.

Cons

- Lots of focus on review process by business managers, requiring more overhead attention.

Pricing

- Initial start up costs, annual fee per active user, possible enterprise license.

Kindling

Overview

Kindling has a very simple and clean user interface. It is based on crowd-sourcing with each user having a specific amount of votes per week. The system uses campaigns that may be open to all or internal only. The moderator of each campaign may invite subject matter experts to help review ideas or campaigns. Users may upload attachments with a comment, rather than just with ideas submitted. An idea may advance through life-cycle automatically based on number of votes or inactivity time. Activity leaders appear on 'leaderboard' based on comments, votes, and so forth.

Major Clients:

º *U.S. Department of Veterans Affairs.*

º *The New York Times Company.*

º *Daymon Worldwide Inc.*

º *Costco Wholesale Corp.*

º *The Seattle Public Library.*
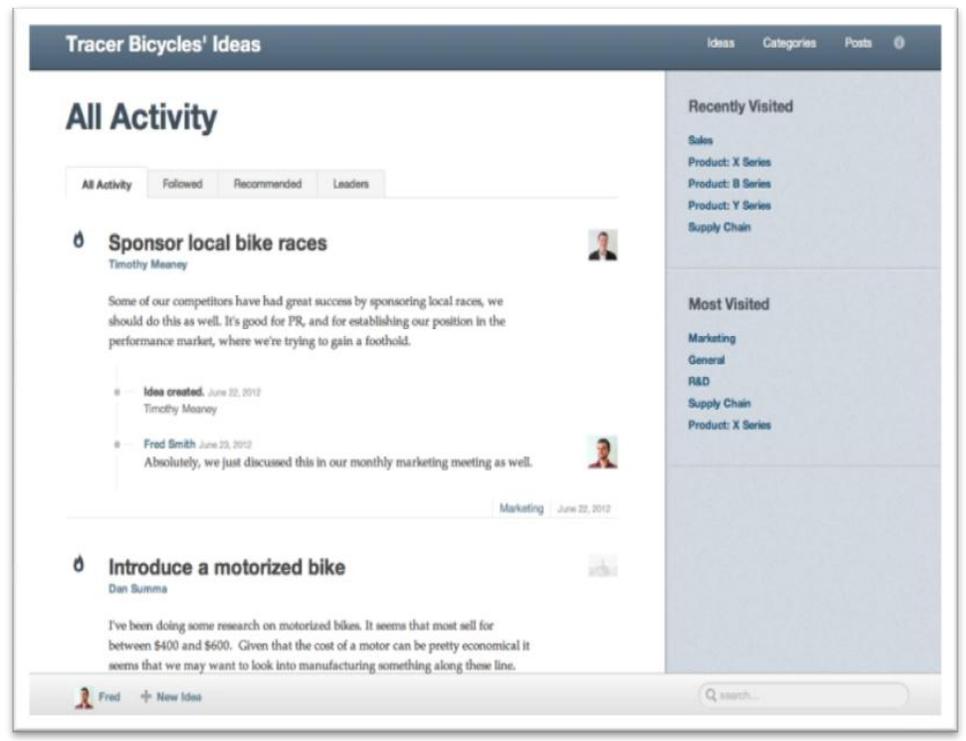
Pros and Unique Features

- Partnered with Amazon.com and therefore is on the federal cloud.

- All votes count the same, but users may vote more than once on any idea.

Cons

- Young (founded in 2010) and a relatively small company with few large clients similar to the Postal Service.

Pricing

- SaaS based annual license based on number of users, 50 percent discount for government agencies.

Spigit

Overview

Spigit is a large company with a cloud-based system. It has a very simple user-interface. It is based on campaigns, each of which may be open to all users or internal users only. With Spigit, not all votes count the same. Users earn 'capabilities' through activity within the system, which then can lead to greater responsibility in campaigns or to compensation rewards. Its emphasis is on the voting and organizing of ideas with end users rather than on reports or project management, though it can integrate with current project management tools. The reports are tailored toward business managers.

Major Clients:

ºAT&T Intellectual Property.

º Dupont.

º JP Morgan Chase & Co.

º The Coca-Cola Company.

º Wal-Mart Stores, Inc.

Pros and Unique Features

▪ Innovators are able to build their virtual currency from votes on ideas submitted, comments made, and other submissions. The innovator may go to 'store' to buy either monetary or non-monetary items.

▪ Optional 'trade' feature where individuals may invest virtual currency into ideas on the system. If ideas increase in value then currency rises, like the stock market.

Cons

▪ Young company, founded in 2007.

Pricing

▪ Annual license fee based on number of active users.

Appendix B: Detailed Analysis

Criteria	Brightidea	Hype	Imaginatik	IdeaScale	Kindling	Spigit
Crowd Sourcing/ Ranking Feature/ Evaluation of Ideas	Voting/Chips - scorecards	Ranking criteria is customized questions which receives stars based on responses	Each person has specific number of votes/Use of Kudos and Head-to-head for ranking	Can vote on ideas and comments only via campaigns	All votes are equal	Votes are not equal and based on reputation of voter
Identification of Duplicate Ideas/ Grouping/ Categorization	Real-time - auto complete	Real-time - auto complete search for similar ideas	Not real time, can search similar ideas.	Real-time duplicate search of similar ideas	Real-time search and click to see similar ideas	Real-time to search similar ideas.
Internal/External Idea Integration	Role assignment determines viewing	One database	Role-based determines what can be seen	Primarily internal but can invite external participants. A page for each campaign	Primarily internal but can invite external participants	Internal and external participants. Role assignment determines viewing ability
User Friendliness	Busy interface but customizable	Busy interface -input ideas via form after registration	Busy inteface - completion of ideas form	Simple easy to use interface- email address, log on via facebook. completion of ideas form	Very user friendly - simple and clean interface, state of idea is easily seen	Very clean - simple interface
Feedback/ Tracking Features/Routing	Auto alerts, easily customizable, status line	Set by innovator, submitter customizable, status line	Any person can see life-cyle of idea	Email communications throughout process	User defines frequency of notices	User defines frequency of notices
Solicitation / Challenges	Campaign driven - web page for each campaign	Campaign tab	Challenge driven	Campaign driven	Campaigns and unrelated ideas	Both random ideas and challenges
Manager Coordination	Moderator that controls each challenge	Small group of managers working together	Each campaign has a sponsor	No true moderator	Moderator can recommend ideas to subject matter experts	Moderator
Organization / Grouping of Ideas	Drop-down selection	Units / Drop-down Selection	Tagging	Grouping of like campaigns	Categories via drop-down	Categories
Import/Export Format Options	Attachments, Pictures, Video	Attachments, Pictures, Video	Attachments, Pictures, Videos	Attachments also available via comments	Attachments via idea submission	Attachments via idea submission
Dashboards/ Reports	Robust reporting available	Detailed reporting limited to management	Results engine dedicated to reporting	Fewer report features	Strong report features	Clear user-friendly reports built for managers
Cloud-Based	Cloud-based only	Cloud Preferred/ Optional - Amazon Server	Cloud-based - Preferred	Cloud-based only	Cloud-based only- Amazon Web Services	Cloud-based but can use other platforms, behind organization's firewall
Progresses to Project Management	Includes project management	Focus on idea elevation	Includes clustering of ideas into projects	Front end only - stops after idea is accepted	Front end - stops after idea is accepted	Front end
Public Visibility of Ideas	Per Campaign	Based on assigned role	Full access with registration	Invitation only	Full access with registration	Per Campaign

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NOTE: All of the software solutions had strengths and weaknesses; the ████████ is subjective feedback, and is not meant to indicate a preference or recommendation for one solution over another.