Acknowledgments

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Consultant
JA Worldwide expresses its gratitude to Larry Farrell, Entrepreneurship Consultant, Chairman, The Farrell Company, Staunton, VA. His expertise in business and entrepreneurship has significantly enhanced the quality of this program.
Supplemental Session C

Continuous, Rapid Innovation

Overview
Students learn about the necessity of rapid innovation and how they can recognize and apply their own innovative-thinking skills.

Objectives
Students will be able to:
- Recognize and exercise their innovative-thinking skills.
- Analyze potential pitfalls and guidelines for successful innovation.

Preparation
This session is intended as a supplement to the JA Be Entrepreneurial program. For more information about the program, refer to the complete program material or contact your local JA office. For contact information, visit http://www.ja.org/near/near.shtml.

Review the session and list of materials. Discuss with the teacher how best to organize the students into groups and arrange the room for the activity.

Become familiar with the term discussed in the session. If possible, post the Key Term in a visible place in the classroom.

Think of current or local examples of businesses that illustrate continuous, rapid innovation.

Recommended Time
This session typically takes 45 minutes to complete. Ask the teacher to help you keep track of the time.

Materials
- Junior Achievement Banner
- Table Tents (1 per student)
- Innovation Killers and Golden Rules Worksheet (1 per group)
- Innovative Thinking Challenge Idea Organizer (1 per group)
- Pen or Pencil (1 per group)
Presentation

Introduction
Greet the students. Distribute the Table Tents.

Ask the students to review what they have learned about entrepreneurship and starting a business during the JA Be Entrepreneurial program.

Explain that they now will learn the necessity of innovation in their business. Tell the students that they will need to use innovation to start a business and to keep it healthy and growing. Define innovation as indicated in the margin. Ask the students to consider the entrepreneurial process—think of a product or service that customers want or need; decide on a competitive advantage for their product; and plan for continued growth. Each step requires innovative thinking. An entrepreneur must think like the majority of people to figure out what they want and need, and then be creative enough to think differently from everyone else to find her or his niche.

Tell the students that innovation doesn’t stop with the first start-up idea. A business, like a living thing, goes through a predictable life cycle. It starts, it grows, and then at some point, it declines and ends. It differs from a living thing in that a business can stay in the growth stage and avoid decline if it continuously and rapidly innovates. Knowing whether a business is growing or declining, and intentionally planning for growth, are important aspects of business planning.

Ask the students to raise their hands if they think they are innovative. Ask for volunteers to explain why they think so. Explain that innovation is not a trait that some have and others do not. It is a way of thinking that anyone can do with practice and concentration.

Activity
Innovative Thinking Challenge

Tell the students that they are going to learn how to be even more innovative than they already are.

Organize the students into groups of four. Distribute a copy of the Innovation Killers and Golden Rules Worksheet and an Innovative Thinking Challenge: Idea Organizer to each group.

- Point out the two lists: Innovation Killers and the Golden Rules of Innovation. Assign one of the Mistakes or Rules from the lists to each group for the Challenge.
- Ask the teacher to determine the winner of the Challenge.
- Groups are given 10 minutes to prepare a 1 minute presentation that teaches and demonstrates their item to the class in an innovative way.
- It can be presented through a skit, commercial, interview, jingle, mnemonic device...
• (memorization tool), or other innovative method.
• Groups will be judged on two criteria:
  o Was the material presented completely and accurately?
  o Was the presentation done in an innovative manner?
• Tell the students to use the Innovative Thinking Challenge Idea Organizer to review the instructions and organize their ideas.

Answer any questions. Have the students prepare their presentations. Announce when 1 minute remains in the preparation time.

Ask each group to present. Have the audience offer a round of applause between group presentations. Offer local or current examples of each Mistake and Rule to illustrate each point.

Ask the teacher to announce the winner of the Challenge.

Ask volunteers to read aloud any unassigned Innovation Killers or Golden Rules of Innovation. Offer local or current examples of each Mistake and Rule to illustrate each point.

**Summary and Review**
Briefly review the Key Term introduced in the session. Tell the students that innovation is not a trait only possessed by a few; it’s a choice that can be implemented by anyone who chooses it.

Review with the students that businesses have life cycles: beginning, growing, declining, and ending. To start a business and to keep growth from turning into decline, owners must decide to keep continuous, rapid innovation as part of the business plan.

Thank the students for their participation. Collect the Table Tents and leave them with the teacher.

**Session Outline**

**Introduction**
- Greet the students, and distribute the Table Tents.
- Introduce the necessity of continuous, rapid innovation in a business.

**Activity**
- Conduct the Innovative Thinking Challenge.

**Summary and Review**
- Briefly review the Key Term introduced in the session.
- Thank the students for their participation.
Extended Learning Opportunity

Rapid Innovation
Inform the students that innovation alone is just half the battle. History is full of inventions that were being developed by multiple parties, but only one can be the first to the marketplace.

Xerox, for example, is a company of innovators, but many excellent products conceived at Xerox also were invented and then brought to market by others.

<table>
<thead>
<tr>
<th>Technology Conceived at Xerox:</th>
<th>Brought to Market By:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Computers</td>
<td>Apple/IBM</td>
</tr>
<tr>
<td>Facsimile machines (fax)</td>
<td>Canon/Panasonic</td>
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<tr>
<td>Modern chip-making technology</td>
<td>VLSI</td>
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<tr>
<td>Silicon compilers for chip design</td>
<td>Silicon Compilers</td>
</tr>
<tr>
<td>Portable computing</td>
<td>Grid Systems</td>
</tr>
<tr>
<td>Bit-mapping screen displays</td>
<td>IBM/Apple</td>
</tr>
<tr>
<td>Mouse and icon-based computing</td>
<td>Apple</td>
</tr>
<tr>
<td>Laser printers</td>
<td>Hewlett-Packard/Apple</td>
</tr>
<tr>
<td>Drawing tables</td>
<td>Koala</td>
</tr>
<tr>
<td>Ethernet office network</td>
<td>3Com</td>
</tr>
<tr>
<td>Graphics and computer animation</td>
<td>Pixar</td>
</tr>
</tbody>
</table>

The Freedom to Act
Point out that most entrepreneurs agree that to get a customer, fast action is more important than innovation itself. Better to be action-oriented and make a few mistakes, than to avoid failure and rapid innovation along with it. Consider fast-food restaurants like Taco Bell and McDonald’s. They frequently offer “limited-time-only” menu choices that may or may not become a part of the permanent menu. The only way to accomplish this type of rapid innovation is to offer employees a high level of freedom to act. It is the employees who have direct contact with the customers and may hear some of the best suggestions. However, they may not have permission to act on these ideas. Employees need a way to communicate their ideas to those who can implement potential innovations. It is up to the owner to decide how to keep the product consistent, but to still offer employees the freedom to act on fresh ideas.

Ask students to consider the principles of rapid innovation and the freedom to act in their business planning.

Have them consider how they can allow the freedom to act, without compromising product consistency.
Innovation Killers and Golden Rules Worksheet

Innovation Killers

1. **The Mistake:** We’re doing okay, so we don’t need to change anything.
   **Why it’s a mistake:** Good is the enemy of great. Once you settle for the way things are, you give up control of your place in the market.

2. **The Mistake:** I’m the boss and I don’t want to hear negative things from employees.
   **Why it’s a mistake:** Telling employees that there is only one way to do things stops them from thinking of or sharing improvements. Employees have direct contact with the product and the customer. They are the ones who hear what needs to be improved.
   Provide ways for them to share what needs changed, and also suggestions for how to make those changes.

3. **The Mistake:** Mind our own business. Who cares what the competitors or customers think?
   **Why it’s a mistake:** Competitors are always looking for a competitive advantage. If you are not keeping an eye on them, they could innovate to take your customers and profit. Customers know what they want. Find a way to get feedback from them, or they’ll get their needs met elsewhere.

4. **The Mistake:** Hire creative people to research and design and leave innovation only to them. Everybody should stick with what they’re good at.
   **Why it’s a mistake:** Isolating the creative people and leaving innovation only to them causes problems that could lead to their research going in a different direction than other departments that need to work with them. They also are separated from employees who have direct contact with the customers and products. While the creative department is working on making a better mousetrap, all the customer service hotline hears is that the current birdcage needs a better door.

5. **The Mistake:** Now that my business is underway, I’m too busy to think creatively. From now on, others will have to innovate.
   **Why it’s a mistake:** This may sound reasonable, but it is your business and if you completely disengage from the creative process, you’re taking a big gamble that others will maintain your vision and motivation.

Golden Rules of Innovation

1. **The Rule:** Innovation is a necessity, not a luxury.
   **Why it’s a rule:** Every business has a life cycle, Startup, Growth, Decline, and Survival or Extinction. The only way to keep growing and avoid decline is innovation. Because no organization is immune to this life cycle, a business is always either growing or declining. Do something—anything—better each day.

2. **The Rule:** An idea is just an idea until it is acted upon. (Allow the freedom to act on an idea to those who can bring about innovation. Be sure fast-moving experimentation has a continuous place in the process.)
   **Why it’s a rule:** Successful companies demonstrate a fast-paced, action-oriented style, which can lead to making a mistake or two along the way. Often, the best ideas come from the people with the least power to make decisions in the company. It’s the sales clerk who heard the same complaint again and again, or the factory worker who stares at equipment all day and envisions a more efficient way. If their voices are heard and acted upon, innovation will happen.

3. **The Rule:** Change the world with a good idea.
   **Why it’s a rule:** The best innovations are those that benefit multiple parties. For example, if there is a way to be faster and also to meet a social need, everyone wins.
Innovative Thinking Challenge: Idea Organizer

Instructions:

- Prepare a 1 minute presentation to the class that teaches and demonstrates your Innovation Killer or Golden Rule.
- Present the assigned concept to the class in an innovative way. Possible presentation methods include a skit, commercial, interview, jingle, mnemonic device (memorization tool), or other innovative method.
- Presentations will be judged using two criteria:
  - Was the material presented completely and accurately?
  - Was the presentation done in an innovative manner?

1. Record the assigned Innovation Killer or Golden Rule:

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2. Record the group’s ideas:

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