

# INNOVATION INSIGHTS

**What the 2008 Recession  
can Teach Us About How  
to Restart Your  
Business or Non-  
Profit After  
Covid-19.**

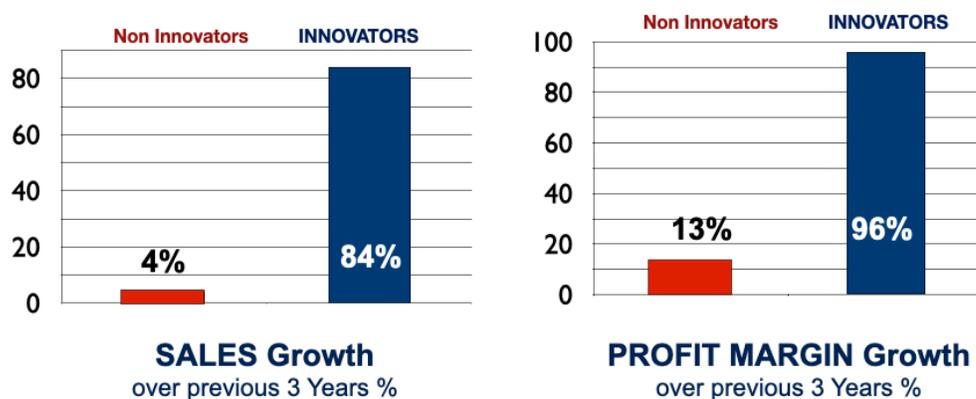


# While nothing can compare to COVID-19 - there are some lessons from the 2008 recession that can provide leaders with some principles for success.

Research by the Eureka! Ranch on behalf of the US Department of Commerce - 3 years following the 2008 recession found that those companies that were proactive in using the recession to reinvent and innovate grew sales by 2011 by 84% versus 4% for the non innovators. Even more importantly the innovators grew their profit margin 96% versus just 13% for the non innovators.

## The Innovation Gap CONSEQUENCES

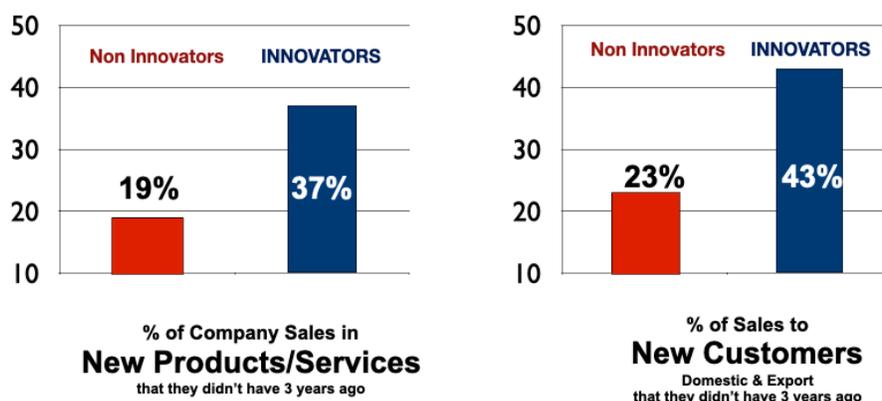
3 Years (2008-2011)



The innovators accomplished this massive growth in sales and profits by investing in new products and by serving new customers. Three years following the 2008 recession 37% of sales were in new products versus just 19% for the non innovators. And, 43% of sales were to new customers versus just 23% for the non innovators.

## The Consequence of an INNOVATION GAP

3 Years (2008-2011)



Maggie Nichols, Eureka! Ranch CEO, defined three practical and proactive things that leaders can do right now to prepare for the end of Covid-19:

**Proactive Leadership #1 - SET THE FUTURE STATE** - Use this time to stop and think about where you want your company to be in the future. What new products, services or customer segments do you want to be positioned to win with in the future. Then - what can you do during this downtime to start to build momentum towards the future state you've defined.

**Proactive Leadership #2 - ENABLE INNOVATION MINDSET** - A vision of the future cannot happen without the support of your team. Now is the time to teach them and enroll them in the idea that the new world will be a new reality - not a repeat of the old world. To help you in this journey Maggie is making available a free on-line starter class for employees by clicking [here](#).

**Proactive Leadership #3 - ENABLE EXPONENTIALLY** - Likely the biggest tangible transformation coming from this crises will be the acceleration of all companies to a digital world. Importantly - successful internet systems involve more than simply "porting over" analog systems. Great digital systems take advantage of the artificial intelligence the digital world enables.

The Eureka! Ranch has pivoted all of its courses on University Campuses and with companies to a 100% Digital platform. Most impressive of all - the team is leveraging the digital world to teach classes on-line that are actually MORE EFFECTIVE than live classes.

Eureka! Ranch sister company Brain Brew Custom Bourbon has created an artificial intelligence app that allows bourbon lovers to create their own custom bourbon by answering 15 questions instead of needing to do the live blending experience.

# PEDIGREE

1986

The Eureka! Ranch, originator of Jump Start Your Brain, was founded more than 35 years ago by Doug

Doug was at P&G and got a record number of innovations shipped in a short period of time with a tiny staff and budget. (9 products in 12 months with a team of 3). He did this by using a systems approach because of his knowledge of the work of Dr. W. Edwards Deming, the inspiration for Lean, Total Quality and Six Sigma.

Doug left and founded the Eureka! Ranch and started helping large companies create big, disruptive ideas, which it continues to do today.

2006

By the early 2000s, it became clear that some companies did not have the systems in place to commercialize the disruptive ideas the Eureka! Ranch created. They would either compromise the ideas (to pass Stage-Gate milestones) or even kill them due to fear of change.

That experience inspired a sabbatical at the University of Maine and the creation of a new field of study, *Innovation Engineering*. It includes 48 skills or competencies for creating, communicating, and commercializing meaningfully unique ideas and system driven leadership skills that help innovation leaders implement the system company-wide. Basically, we're teaching people to create disruptive ideas like we do (not guru, it's a system), but we're going beyond that. We're teaching them what to do next - all the way to market/implementation.

We found that the preacher teacher approach (lecture then test) did not work, and results varied professor to professor. That's when we developed the patent-pending *Cycles to Mastery*® teaching method. There are 2 to 3 sub-skills for each skill with micro-lessons for each - a video and quiz. This replaces lecture. The next cycle is a Lab exercise on a case study. In our certification programs, these are submitted to a human grader who provides feedback. Students adjust and submit till approved. Then they apply the skill to a real world challenge. Again submit, grade, approve. Then they reflect on what they learn. This is done for each skill, and the student can't be certified until all their work is approved 100%. No test needed. That's what we mean by Cycles to Mastery.



2020



The way we take this to companies as professional development is *Jump Start Your Brain* (JSYB). We're making it easier for everyone across the company from the front lines to CEO to learn and apply innovation skills. We have 100s of micro-lessons, tools, badge courses, and certifications that can be customized and plugged into your LMS, or you can link to our platform.

The name comes from Doug's *Jump Start Your Business Brain* book, which was named to the list of the 100 best business books of all time. Doug's new book, *Driving Eureka!*, covers the 48 skills of Innovation Engineering and how to lead a culture of innovation.