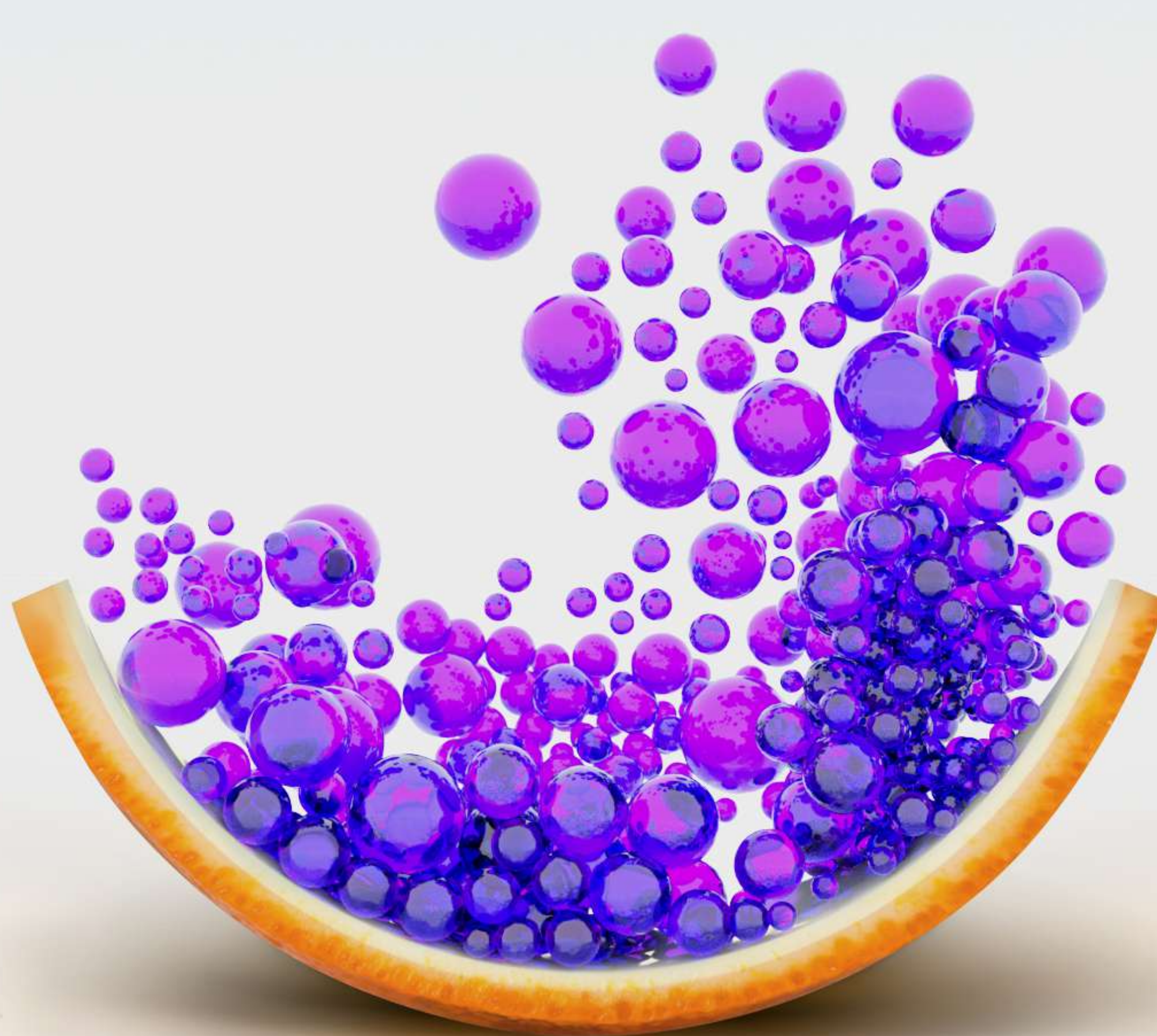




# GOVERNING INNOVATION

The recipe for portfolio growth



## Why innovation needs more governance

Recent Accenture research shows that a vast majority of companies are not governing their innovation investments with discipline.

**Our hypothesis:** the more widespread innovation becomes, the stronger governance it will need.



**12%**

We found that only 12% govern innovation extensively today; the rest govern it more haphazardly.

**2X**

Those companies that govern innovation extensively achieve twice the revenue growth of those that don't.

## Where to apply innovation

Our Portfolio Innovation model helps companies determine where to apply the right type of innovation

### Portfolio Innovation

The application of incremental and non-incremental (breakthrough and disruptive) innovation across businesses of all maturity levels (legacy, growth and emerging).

#### INNOVATION TYPE

Incremental innovation	Breakthrough innovation	Disruptive innovation	BUSINESS MATURITY LEVEL
Enables small improvements or extensions to existing offerings	Enables new product or service variations, using a new technology	Enables an entirely new offering to address an unmet need	<b>Emerging businesses</b> The most nascent ventures; new business models, yet to be scaled
			<b>Growth businesses</b> Experiences strong market demand; based on differentiated offerings
			<b>Legacy businesses</b> The oldest, most mature, businesses; provide steady cashflows

## How to turn innovation investments into growth

Will you focus on revitalizing the legacy businesses or double down on the growth and emerging businesses?



**Mature Portfolio**  
You expect to generate 50% of revenues or more from your legacy businesses in the next 5 years, and that is where strongest growth is expected.

**Innovate for Longevity**  
Focus investments on bringing non-incremental innovation into your legacy businesses.

**Governance Priorities**  
Get more disciplined in the way you experiment with and scale new ideas, especially those that rely heavily on new technologies.

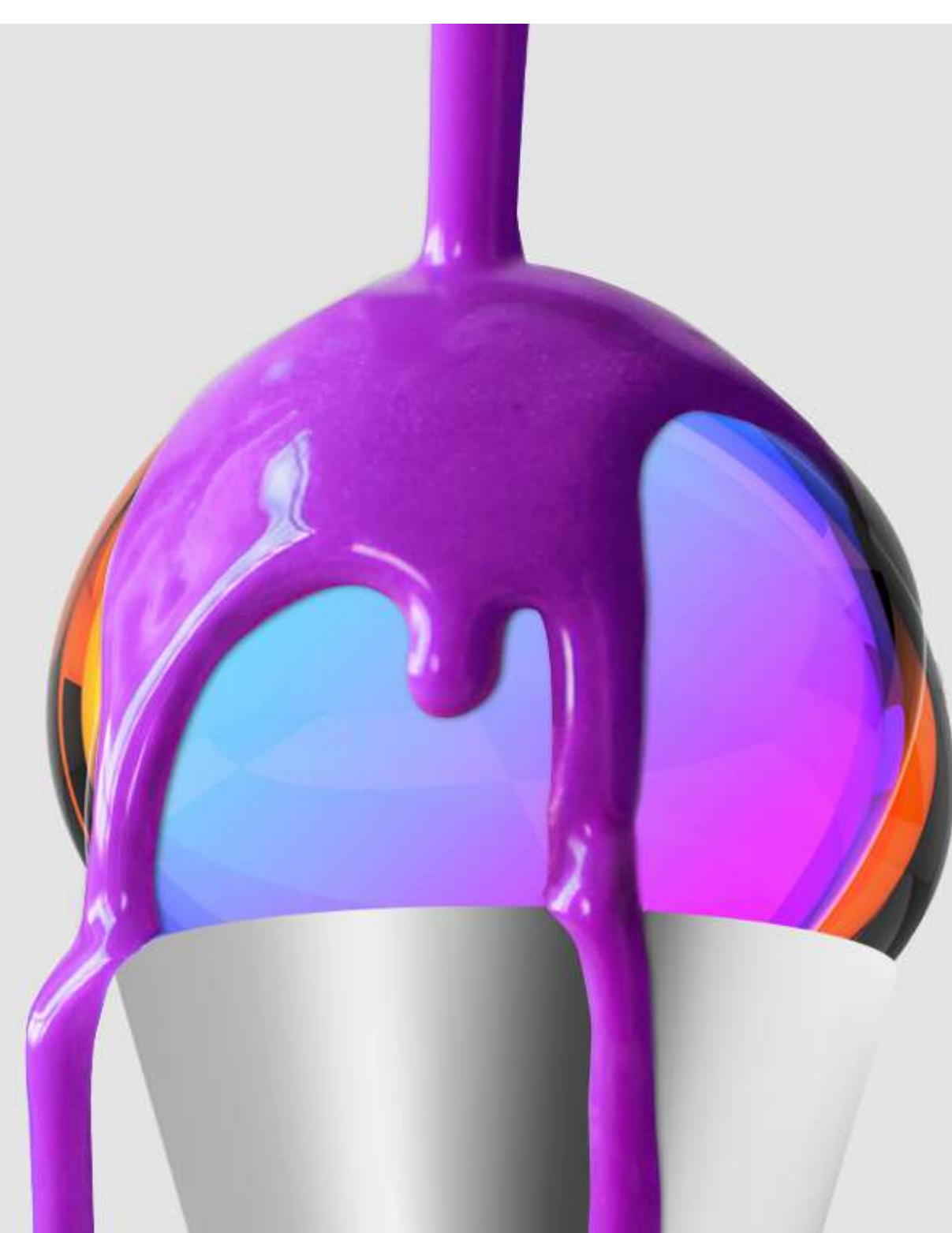
**Balanced Portfolio**  
You expect to accelerate generation of revenues from growth and emerging businesses in the next 5 years.

**Innovate for Balance**  
Focus investments on bringing incremental and non-incremental innovation into your newer businesses.

**Governance Priorities**  
Get more disciplined in the way you generate and test new ideas. Look outside your organization for disruptive ideas with the right partners.

## The secret sauce for innovation? Governance.

Many companies assume governance will stifle ingenuity. However, our research reveals that increased governance can create the right conditions for innovation to thrive in the right businesses.



## Are you ready to govern more to grow?

Read the full report to learn why innovation needs more governance

[VIEW FULL REPORT](#)