

First published in The Business Times, 21 October 2011

INNOVATION – THE WAY HO KWON PING SEES IT

It's critical even for companies in non- high-tech industries

By Joyce Hooi

IT pays to fly business class, or at least be able to have a gander at the business class seats. Ho Kwon Ping would know. Thanks to the devilishly clever seats in Singapore Airlines' business class section, he now has a vivid illustration of the elusive concept that is innovation.

"I was quite intrigued by their very innovative business class seat – the diagonal seat. Once (before this), it came up with a completely failed business class seat which didn't really work because it was something designed by a committee where people represented different departments but were not there on their own accord," the Banyan Tree Holdings executive chairman tells BT.

"So it ended up looking like an animal designed by a committee, with an elephant's head, a leopard's tail, a giraffe's nose. It was unwieldy."

But later, SIA would come up with a completely different animal – one at the top of the food chain, where airline seats were concerned.

"(It came from) bright people who basically came from different backgrounds, were thrown together and were told, 'You do not represent your different departments. You represent only yourself, and your group has to solve the problem.' When you structure innovation, usually things done by committees don't work," he says.

In a time when people struggle to distil the amorphous quality of innovation that the late Steve Jobs is remembered for, Mr. Ho has a rather dry-eyed view of innovation.

"The basic driver of innovation is necessity. I don't particularly subscribe to innovation as the 'eureka' moment – like Archimedes sitting in the bathtub or Isaac Newton sitting under a tree. I think, often, innovation is a response to problems," he says.

He remembers how two rather glamorous-looking innovations were produced at Banyan Tree from a considerably less glamorous problem.

"The very first Banyan Tree that we did in Phuket had no beach," he remembers. Because of that, the company came up with the idea of having pool villas and spas to make up for the lack of a beach.

"They were innovations that came out of the need to do something different to attract guests," he says.

In line with his rather matter-of-fact view of innovation is his disinclination to measure its return, as though it were an investment of some sort.

"It's just like a lot of brand consultants now try to ascribe a particular value to a brand. It's a bit of a gimmick. Yes, you probably can find a way to measure it, but that shouldn't be the main reason for a company embarking on innovation. Companies should embark on innovation with recognition that it is strategic to their own future," he says.

As he dispels these popularly held notions about innovation, one that he is particularly keen to dispel when he speaks at the World Entrepreneurship Forum (being held here next month) is the idea that innovation – and the high growth that accompanies it – belongs squarely in the domain of high-technology firms.

"Particularly when one talks about high-growth companies, one generally has a stereotype that these are largely information technology companies," he explains.

"The hospitality industry is a pretty nuts-and-bolts service industry. And I am going to talk about how even in non-high-tech industries – ours is a high-touch industry rather than high-tech – innovation is critical and that high growth needs not only be in high-tech industries."

Even more damning, he believes, is confusing being technologically advanced with being innovative, even if those two concepts tend to be referred to in the same breath.

"I think you'll find that a lot of Asians in general are very savvy with technology, partly because of the education system. The savviness with innovation is considerably less. Therefore, I think it's critical for the marriage of innovation and technology to take place if we're going to be successful in what we do," he says.

"If you look at Steve Jobs, really, the success of Apple was not the technology per se. And ironically, the iPod was introduced technologically by a Singapore company that could not carry it further because it did not have the marketing savvy, did not have customer knowledge, and didn't have innovation in a nontechnical sense."

With the World Entrepreneurship Forum being held in Asia for the first time this year, there is no better place to champion the Asian niche in innovation, with an Asian market at its doorstep.

"You have a lot of Asian entrepreneurs who can actually produce the final product, tailored to a lot of Asian tastes. But they can only do that if they can innovate," Mr. Ho says.

And then he articulates what many secretly fear: "If they cannot, they will be stuck as techies, geeks, nerds."