

10 KEYS FOR UNMET NEEDS IDENTIFICATION

Learn how to find organisational needs that require Innovation



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1. INTRODUCTION

Procuring more innovation is essential for economic growth and society's well-being

Investment and innovation are essential to meet the challenges of the post-pandemic economic recovery, the green and digital transition and the creation of a more resilient economy in the EU.

The acquisition of innovation by public and private organisations enables, among other things, better and more efficient service delivery to citizens and customers. These organisations can acquire innovation via direct procurement from the market when a solution is available. However, public and private buyers frequently have unmet needs that require innovative solutions that are not yet on the market.

EU public procurement accounts for over 14% of GDP¹, which could create a huge market for innovative products and services, and translate into industry growth, but its potential in this area remains underutilised.

Higher expenditure on innovation would translate into benefits for:

- Buyers of innovative solutions modernising their organisation, increasing the impact of procurement spending, improving the quality of services and boosting citizens' or customers' satisfaction.
- **Citizens receiving services** perceiving more added value, with more inclusive services and accessible for all.
- **Suppliers of innovative solutions** selling to a larger market and gaining first customer references.

Unmet needs should be in the driver's seat

Even if the supply side invests large budgets in innovation and new product development the impact of such spending is pointless if there is not a large customer base willing to buy those innovations (demand side).

Technology-push approaches have failed in many sectors because the developed solutions do not meet the requirements of customers. However, if innovation comes from a customer unmet need, there is a higher success rate, in terms of their application in practice and market uptake, because they have been developed side by side with the client.







¹ <u>https://single-market-economy.ec.europa.eu/single-market/public-procurement/strategic-procurement/innovation-</u>

<u>procurement en#:~:text=Innovation%20procurement%20includes%3A,not%20exist%20on%20the%20market</u>



What you will learn in this document

In this document, InnoBuyer gives procuring organisations some clues for demand-driven innovation, which starts with unmet need identification. These insights come from years of experience in the field of open innovation and innovation procurement by the InnoBuyer partners: <u>F6S</u>, <u>Ticbiomed</u> and <u>Civitta</u>.









2. 10 KEYS TO IDENTIFY ORGANISATIONAL UNMET NEEDS THAT REQUIRE INNOVATION

InnoBuyer provides you with some tips to successfully carry out the unmet need identification process. These 10 keys will help you to take your skills to the next level when identifying unmet needs within your organisation.

- Start with problems
- 2 Differentiate between need and solution
- 3 Get your intrapreneurs on board
- Understand the root cause
- 5 Align the unmet need with the innovation strategy
- Strive for impact
- Make sure it is feasible to solve the problem
- 8 Get management commitment
- 9 Learn and create an innovation-friendly culture
- Develop a plan and go for it!

2.1 START WITH PROBLEMS

Innovation is nothing more than a practical solution to a problem.

Some organisations try to be more innovative by exploring the possibilities of new technology. However, real innovation is not (only) about new technology. Real innovation is about solving problems.

Recommendation by InnoBuyer

Some of the strategies you can follow are to reflect on pain points, frustrations and loss of time. Start by asking yourself the following questions:

What causes you pain, frustration or the feeling that you are wasting your time? When was the last time you thought: there has to be a better way to do this? How would it be possible to improve / do / solve it?









2.2 DIFFERENTIATE BETWEEN NEED AND SOLUTION



It is more frequent than we think to mix up need and solution. Have you ever faced a problem and automatically got stuck thinking of a single solution to that problem? Then, realising there were other, sometimes simpler, solutions.

To illustrate this, a recurrent example is that of "hanging a painting vs. we need a drill". To hang a painting (need) you can use a drill but also a hammer and a nail; special tape; glue, among others (solutions).

Easy, isn't it? But when it comes to innovation it becomes more complex for some reason.

Recommendation by InnoBuyer

Below are a few hints that help us to differentiate concepts:

- A need can be addressed with several potential solutions. Do not focus on how to solve the problem. Put your energies into how to describe the problem so it is motivating to take action.
- The need description cannot include the technology that can solve it. Avoid sentences like "I want to develop an app for ..." and focus on key functional requirements.

2.3 GET YOUR INTRAPRENEURS ON BOARD



Intrapreneurs to help to identify the best problems.

The term "intrapreneur" is a portmanteau of the two words "internal" and "entrepreneur." Intrapreneurs are employees of an organisation who are highly motivated individuals with specific skill sets as well as leadership abilities and innovative vision, eager to try new approaches. The intrapreneur is generally given autonomy to work on a solution that may have a considerable impact on the organisation. Hence, they

are an important asset for the organisation since they are the best qualified to identify real problems, as they know best the day-to-day work.







Intrapreneurs also smooth the process of implementing a future solution. If solutions are led by a motivated person within the organisation, they are more likely to survive in the long term. The person will ensure the implementation of the solution and try to solve all the problems that may arise (and they will surely arise). He or she will try to get resources available and gain the acceptance of his or her colleagues, as well as spread the initiative within and outside of his or her job.

Recommendation by InnoBuyer

Here are some general recommendations to involve intrapreneurs:

- Provide incentives. Motivate and encourage people to participate in innovation.
 Positive reinforcement always gives very good results: public recognition of successful innovators, remuneration based on innovation results, non-monetary rewards like days off, and allowing time during working hours to develop new ideas.
- **Build creative working environments** (both physical and online) that are creativity and innovation-friendly and that enhance employees' collaboration.
- Set up organisational channels to submit unmet needs, problems or areas of improvement identified by employees. Then, select the best ones based on relevant objective criteria.

2.4 UNDERSTAND THE ROOT CAUSE

The more knowledge one has about the specific problem and its implications, the greater the chances of generating value with a new solution. Do not stay on the surface or you will end up treating the symptoms rather than the problem.

Recommendation by InnoBuyer

We suggest not moving to the solution development step until you are satisfied with your answers to the following questions:

What is the problem?
Can we break it down into sub-topics?
What is the ultimate reason for the problem?

A popular technique for getting to the root of a problem quickly is 'the 5-why rule'. The method is remarkably simple: when a problem occurs, you drill down to its root cause by asking "Why?" five times. Then, when a countermeasure becomes apparent, you follow it through to prevent the issue from recurring.











2.5 ALIGN THE UNMET NEED WITH THE INNOVATION STRATEGY

Many improvements could be made through innovation, but resources are limited. Ideally, your organisation should have an innovation strategy, describing what is understood by innovation within your context, which areas are strategic for innovation, the weighting of disruptive and incremental innovation in your portfolio of projects, the methodology to identify, prioritize and select those projects; as well as the internal process to implement innovation projects.

Recommendation by InnoBuyer

Before proceeding to search for a solution, make sure that the unmet need is aligned with the innovation strategy.

Now you might be wondering: 'what happens if my organisation does not have an innovation strategy?'. Do not worry, at InnoBuyer we are grounded and our experience working with the demand side makes us aware that organisations do not always have an innovation strategy, (or one that is properly designed). Therefore, when identifying innovation needs, we recommend at least making sure that the unmet need fits within the general strategic vision of the organisation. Therefore, management has to be involved (see recommendation #8).







2.6 STRIVE FOR IMPACT

You should select the problems that could have a greater impact if they are solved, and allocate resources accordingly.

Recommendation by InnoBuyer

- 1. Understand the different profiles involved and the benefits that each of them would expect to obtain from the new solution (e.g. employees, managers, citizens, etc.)
- 2. Determine the benefits that the organisation would obtain if it were able to respond to the challenge (e.g. cost savings, income increases, service improvements).
- 3. Think of additional benefits such as the environment (e.g. CO2 reductions, decreased energy consumption...)

Questions you should ask yourself when drafting the unmet need:

For whom is it a problem? Who is our main target audience? Are there other profiles involved? Why is it important to solve this need? What benefits can we bring to the market, to the customer, and the user?

What benefits do we as an organisation derive?

What results do we expect to obtain?

Write the answers to these questions. Then, define clear and measurable KPIs reflecting the expected impact. When seeking a solution to solve the problem, you have to ensure that it can meet all the expected impacts.

2.7 MAKE SURE IT IS FEASIBLE TO SOLVE THE PROBLEM



Be ambitious, but not naïve. You must be results-driven, looking to solve the problems with the biggest impacts. However, it is better to narrow the scope than wanting to cover too many aspects, which typically ends up in not meeting any of them. As a silly example, do not ask to solve climate change, but to lower your CO2 emissions by reducing customer visits.







Recommendation by InnoBuyer

Try to answer the following questions:

Is it feasible to develop a solution with the triple constraints of any project (scope, cost, and time)?

How many resources can be allocated to solve this problem?

Does the organisation have the necessary knowledge and capability?

Are the relevant resources available to work on solving the problem?

In terms of the availability of resources, think out of the box, you may need more resources than you think. As an example, for a problem that requires a digital solution, you will need a multidisciplinary team with people from, at least:

- the functional area of the problem,
- the IT department,
- the innovation unit,
- the legal department if the solution collects data, for data protection purpose

Another good practice is to prioritize the requirements that will be included in the scope. You could use a simple but useful technique: MoSCoW (Must Have, Should Have, Could Have, Won't Have this time).

2.8 GET MANAGEMENT COMMITMENT



Whoever has decision power on the piloting and/or the adoption of the solution has to be at least informed if not directly engaged in the proposal. If top management does not firmly believe that the unmet need is strategic, it will be difficult to exploit the co-created solution. Aim for their commitment. It takes more time, but you will get further.







Recommendation by InnoBuyer

- To make sure that you address all the relevant stakeholders, map and classify them by level of interest and power of influence. The higher the power and the higher the influence, the bigger your management efforts should be. Taking the example of the digital solution, relevant stakeholders would be the IT department, Management, Procurement or Legal.
- 2. Inform them about the unmet need early in the process
- 3. Explain the benefits it would bring to get it solved.
- 4. Understand their willingness to acquire a solution after the process, if the first piloting and tests of the solutions result successfully.
- 5. Understand in advance what Key Performance Indicators they would like to reach before deciding whether to buy the solution or not. Make sure you collect that data during the piloting process.

2.9 LEARN AND CREATE AN INNOVATION-FRIENDLY CULTURE

Innovation implies a risk in itself. We will not argue about what innovation is and whether it has to be a novelty for the world, for a given market or for the organisation itself. Whichever option it is, it will involve a certain level of risk. After all the needs identification process, it might be the case that you do not secure resources to develop a solution or the solution does not meet the desired outcomes, among many other potential problems. But that is innovation. Putting the problem on the table has value in itself: you will have learnt what does not work, which puts you one step closer to finding out what works.

Recommendation by InnoBuyer

- Give space for experimentation, learning, and failing. Culture is people. Counting on people from the beginning, pushing them to instead of punishing them for experimenting, will make the organisation more open and less resistant to change. Creating channels for innovation, visible and accessible to all, creates a foundation that drives the illusion of employees towards management priorities.
- The team involved needs to understand what innovation implies and the process beyond the need identification.









2.10 DEVELOP A PLAN AND GO FOR IT!

At this stage of the process, you should have a very well-framed problem to be solved.

Recommendation by InnoBuyer

- Look for internal and external resources, plan the implementation process carefully and simply go for it. You are one step closer to making great things happen.
- If in addition, if you get to participate in a programme like InnoBuyer, which is free of charge, provides expert advice and supports you financially, your chances of succeeding will likely increase.









3. AN UNMET NEED EXAMPLE



At InnoBuyer, we are looking forward to showcasing the unmet needs that have been submitted to the <u>Call for Challengers</u>. In the meantime, we would like to provide you with an example of what we believe is a very well-described unmet need. This need was identified during the <u>inDemand project</u> by the public regional healthcare provider in the Murcia Region (Spain).

NEED DESCRIPTION

Organisation

The public health agency responsible for health care in the Region, integrating a total of 11 hospitals, with 3,700 beds and 500 outpatient appointments of primary care, and providing healthcare to 1.47 million inhabitants.

Background

Epilepsy is a prevalent disease within neurological pathologies and affects 0.7 - 1% of the general population. At least half of the patients with epilepsy are young and active. These patients need regular follow-ups with hospital Neurology services or Epilepsy Units. The waiting list for successive appointments in the doctor's office is variable, with an average of 6-9 months. The minimum waiting time for a scheduled review is 30 days, in case of decompensation for any reason. In addition, neurologists have little time in consultation to train and inform patients and their families. Therefore, the current way of monitoring epilepsy does not fit the needs of patients or doctors.

Main Objective

The main objective is to improve the perceived quality of life of patients by facilitating more convenient communication with their doctors and empowering them to better manage their disease. As a secondary objective, Challenger also wants to learn how to easily integrate 3rd party patient-facing mobile solutions through its corporate IT systems.







IMPACT

Within the organisation:

- 9 neurology services
- Around 50 neurologists excluding residents
- Potential users estimated in 8,700 patients

Expected benefits brought by the solution and targets:

- 1. Increase in the quality of life using the QUOLIE-10 indicator. Increase of an average of 2.5 points per month of usage, during the total intervention period.
- 2. Reduction in the number of epileptic crises in patients. Equivalent part of 20% in a whole year, based on intervention duration.
- 3. Reduction in the number of physical visits of patients. A) To the doctor's office: at least 15% for the medium of the group of patients involved and B) To the emergency room: at least 20%

COMMITMENT

Solution in line with the strategic priorities of the organisation.

Commitment from the innovation unit to devote personnel to work on the solution.

Commitment from the CEO for a future purchase based if the KPIs are met.

TEAM

Multidisciplinary team:

- Healthcare professionals: 2 neurologists and 4 nurses
- 1 developer from the IT department
- 1 innovation manager to coordinate the process
- 60 patients for solution testing

INNOVATION & SCALABILITY

At a national level:

- 30-50 epilepsy-related units in public hospitals, with at least 700 neurologists working in them.
- 278,400 estimated potential users in Spain
- 2 hospitals have expressed interest to become an observer of the process







For more examples, we invite you to have a look at other unmet needs identified during the inDemand project in Murcia (Spain), Île-de-France (France) and Oulu (Finland). The <u>inDemand stories</u> summarise the unmet needs identified, the solutions co-developed and the impacts achieved. If you want to zoom in on the unmet needs identified please go to the following links and click on *'more info'*, then on *'read the challenges in .pdf*:

inDemand Challenges

Murcia (Spain)

LINK

ACRA (Avoiding Care Re-Admission)
MENUDO (Child obesity support solution for healthcare providers and families)
EPITIC (Digital patient-doctor communication channel for epilepsy management)
HEAT (HEAlthcare Training management platform

LINK

HECRO (Support for the diagnosis and treatment of chronic wounds)
DEEP DIVER (Assistance in the search for diagnoses with suspicion of Professional Illness)
DIGITAL ACTIVA (Tool to help the management and monitoring of physical exercise prescribed for health)
GRAVIDITY (Digital card for monitoring pregnancy and puerperium of the Murcia Health Service -SMS-)

Île-de-France (France)

LINK

Optimisation of continuous monitoring of strokes in Neuro-Vascular Units (OSCAR) Remote monitoring of real-life patient data to anticipate the occurrence of complications/degradations in health status (SafeFoch) e-consultations in the management of alcohol

dependency (e-Prevent)

LINK

research purpose (ANONYMOUS – GHU PARIS)
Non-opposition collection electronic system (ARNO – GHU PARIS)
Elderly people – Monitoring of multiple data during night (MATCO – GCSMS 91)
Elderly people – non-invasive and easy to do undernourishment monitoring test (A3D – GCSMS 91)
Improve the long-term monitoring of cancer patients (ONCO – FOCH Hospital)

Anonymization of patient data for

Oulu (Finland)

LINK

more efficient implementation of rooms Remote controlled mobile solution for hospital clients (case: children's asthma examination) Electronic guidance and advice pass (case: breastfeeding guidance) Electronic services before and after an outpatient clinic appointment (case: pediatric and adolescent diabetes care pathway)

A solution supporting resource planning for

LINK

Intelligent Screening – Using smart application in patient screening for MRIscans Respiratory Rate Monitor – Machine vision in respiratory rate monitoring Smart Pain Manager Orientation game for healthcare professionals and students









4. RELEVANT RESOURCES

Constable G. Rimalovski F. Blank S. G. & Fishburne T. (2014). Talking to humans: success starts with understanding your customers (First). Giff Constable. https://www.talkingtohumans.com/.

What will you find?

A practical guide to the qualitative side of customer development, an indispensable skill for vetting and improving any new startup or innovation. This book will teach you how to structure and run effective customer interviews, find candidates, and turn learnings into action. It is more oriented to the suppliers of innovative solutions, but can give you good hints to gather the input from different stakeholders for an unmet need definition.

inDemand stories. (2020). inDemand Health. https://www.indemandhealth.eu/stories/

What will you find?

21 stories from the inDemand project. Each story contains the unmet need identified in Murcia (Spain), Île-de-France (France) or Oulu (Finland) the solutions co-developed and the impacts achieved.

InnoBuyer. (2023). *InnoBuyer Webinar: How to master innovation needs identification*. YouTube. https://www.youtube.com/watch?v=Ulv5om6a634

What will you find?

A 1-hour webinar by the InnoBuyer project where Jorge González (Ticbiomed) gives some hints for unmet needs identification.

Innovation Skåne. (2023, febrero). *Procure4Health Insights. Basics of Innovation Procurement.:* What it is and why it is important. Procure4Health Community. https://community.procure4health.eu/news/basics-of-innovation-procurement.-what-is-it-and-why-is-it-important/zw2dvNpr0M

What will you find?

Procure4Health is a community of innovation procurers in the health and social care field. They share different content pills called P4H Insights. In this insight, the author reviews the concept of innovation procurement, its importance and some guiding principles.









5. ABOUT INNOBUYER

Fast Track to Innovation Procurement

InnoBuyer, funded by the European Union and with a total budget of 2 million euros, implements a demand-driven methodology that brings together Challengers (public and private organisations) and Solvers (notably European Innovation Council-supported SMEs), to jointly co-create innovative solutions, and speed-up the process leading to the procurement of such innovation.

InnoBuyer provides financial support to Challengers and Suppliers in 4 actions:

Action 1: Recruitment and aggregation of Challengers

Challengers identify unmet needs and InnoBuyer selects the most promising based on objective criteria. Other interested public and private Challengers will be aggregated to the selected challenges so they can also acquire knowledge along the project.

Action 2: Buyer-SME matching

The selected Challengers will be supported to launch an Open Market Consultation to receive feedback on their challenges, and recruit and award Solvers to answer the proposed challenges.

Action 3: Pilot co-creation

Challengers and Solvers will jointly co-create solutions to the challenges. The solutions will be tested and evaluated. Solvers will receive support towards the future commercialization of their solutions.

Action 4: Legal support to launch a tender

If the co-creation results are successful, Challenger will receive support for the creation of the terms of reference in collaboration with external experts, as the base for a future procurement for the solution by the Challengers.

Get in touch with us:

https://innobuyer.eu

https://twitter.com/InnoBuyer

in https://www.linkedin.com/company/innobuyer



