



# SEEING THE LIGHT

## Engagement, Exposure Are Key to Innovation

By **Symone C. Skrzycki**

*“What is important (in business, more so than capital and experience) is ideas. If you have ideas, you have the main asset you need, and there isn’t any limit to what you can do with your business and your life.” – Harvey Firestone*

In 1879, Thomas Edison invented the first safe and economically viable system for generating and distributing light and power (the light bulb). He was a man of many discoveries that included – among others – the telegraph and phonograph.

Inventors and entrepreneurs continue to illuminate novel products and processes. One can practically see the proverbial “light bulbs” going off in their heads as new ideas take shape.

When it comes to innovation, what makes some people, businesses and places more successful?

For this roundtable discussion, *BizVoice*<sup>®</sup> brought together the following to offer their perspectives on Indiana’s innovation business future:

- Bob Coy, CEO, 16 Tech, urban innovation district located on the near west side of Indianapolis ([www.16tech.com](http://www.16tech.com))
- Bill Kline, associate dean of innovation, Rose-Hulman Institute of Technology ([www.rose-hulman.edu](http://www.rose-hulman.edu))
- Rob Martens, futurist, Allegion, and president, Allegion Ventures ([www.allegion.com](http://www.allegion.com))

- Dave Roberts, chief innovation officer, Indiana Economic Development Corporation ([www.iedc.in.gov](http://www.iedc.in.gov))

### What’s in a name?

Decades of experience are packed into our meeting room. Martens has arguably the most curious job title: futurist.

“It’s meant to help spur questions,” he imparts with a smile. “It’s meant to engage and pull people in. It’s simple enough for people to understand that, obviously, we’re focused on future things. Tell us what those future things are. We’re focused much more on what it is that you do (versus your title). If you came into Allegion and were introduced to the room, people would talk about what they do rather than what their title is. Very functionally oriented that way. And we find that to be disarming.”

Focusing on security around the door and adjacent areas, Allegion

### Innovation on Display

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Nine perspective columns on Innovation and Indiana’s Economic Future are also featured.



"Universities have traditionally been in the research invention side of the business. We're a smaller school focused on connection with students in the classroom. Not so much focused on the invention and research but very focused on innovation. That's the hands-on practical application of what they're learning in the classroom to real-world practical problems that have value."

– Bill Kline

produces a range of solutions for homes, businesses, schools and other institutions. Its North American offices are based in Carmel.

Kline joined Rose-Hulman in 2001. When his role expanded a few years ago, he requested "innovation" be included in his title. He enjoys how it elicits conversation.

"I don't think it's an unexpected title anymore, but there is still some explanation that's required," he offers. "Are you on the product side or the business development side or the internal process side? When I got into this new position, they asked me, 'Are you sure you want innovation in the title?' And I was like, 'Yes, I want to be associate dean of innovation.' Just to put that out there and have everybody ask what that means."

### Combating silos

According to the *Indiana Vision 2025* Report Card, published by the Indiana Chamber in 2017, the state earned a No. 3 overall ranking for science and technology degrees as a percentage of all degrees conferred. However, the state ranked 42nd as a percent of the population 25 and older holding those degrees.

In short: There's not enough skilled workers to meet economic needs. Part of the problem can be attributed to silos among various entities.

Kline acknowledges the hurdles.

"As a university, we realized early on that universities have a reputation of not being easy to work with because of speed and intellectual property and all sorts of issues. We've tried to address some of those issues of making it more clear to outside entities: What are the points of contact, what are the things that you're interested in, and to be more responsive and to try to address some of the issues of intellectual property and confidentiality and all sorts of things. Universities don't get outside of themselves."

Roberts calls reluctance in information technology (IT) sharing "one of the quickest ways to throw up the walls and create silos.

"There's got to be ways you carve up your world geographically or you carve up your business segments differently. Is it better to commercialize that technology and get it out there or hold on to it and never engage in tech transfer? You need to have some openness around that."

He also stresses proactiveness in attracting and retaining young talent.

"I know there's a handful of students that are leaving our state every year and going to Stanford or MIT or Harvard. Why are we not tracking these folks and being way more intentional?"

Low cost of living and collaboration are among attractions. But Martens points to something else that is limiting: humility.

"It's really cliché, but your greatest strength is your greatest weakness. I see a lot of humility within the people that work and live here. There are times, where despite our best efforts, we don't always toot our horn about the things that are truly remarkable about what's going on. Look at (Eli) Lilly.

"There aren't very many places that have more energy or more interesting things that are occurring. I think a part of that is embedded deeply within the culture. When we have those types of successes, we can step forward with some confidence and say there is some uniqueness to who we are and what we're doing. That's just going to take time to get people comfortable."

### Manufacturing matters

Coy spent more than a decade helping to build the tech and innovation system in Cincinnati before moving to Indianapolis 18 months ago. He says innovation districts are typically found in urban areas adjacent to anchor institutions like universities and research hospitals, and they are often surrounded by walkable neighborhoods that attract millennial talent.

Coy is passionate about 16 Tech, an urban innovation district on the near northwest side of downtown Indianapolis.

"It's (16 Tech) going to be a really diverse mix of organizations in tech and life sciences. And I think that as it develops over the next 10 years, it's going to become a signature asset for Indiana and Indianapolis," Coy declares. "It will help to put us on the map just like Kendall Square puts Boston on the map or University City helps to put Philadelphia on the map. We'll have something like that too that will help us attract others."

On the topic of manufacturing, the panel is in agreement when asked this question: Innovate or wither away?

"That's accurate," Coy contends. "Always has been. Always will be."

The very nature of manufacturing poses a dilemma.

"Manufacturing companies specialize in predictability and efficiency and consistency. Innovation is disruptive to those things," Coy emphasizes.

Kline weighs in: "One of the thoughts I've had the last few years, no matter what business or organization you're in, you should go to bed at night thinking there's someone out there trying to put you out of business. They don't want just some of your market. They want your entire business. That thought should spur some sense of urgency no matter



"One of the easiest and fastest ways to play well with others is through some type of digital connectivity. There are multiple areas where something that historically has not been a smart device all of a sudden is more valuable to the people in the marketplace when it is online and it is connected."

– Rob Martens

# INNOVATION AND INDIANA'S BUSINESS FUTURE

## ENTREPRENEURSHIP

**Imagine if ...** This is the statement posited every day by the great innovators, business builders and visionary entrepreneurs of Indiana. They put innovation to work for the betterment of Hoosiers and mankind. However, innovation alone is insufficient for our state's economic growth.



**Karl LaPan**

Only through commercializing innovations do we achieve real and lasting societal benefits that ensure a vibrant and sustainable Hoosier future. A prosperous future fueled by higher per capita income, better educational attainment rates, more economic vitality and greater industry cluster diversity.

Hoosier innovations make our world better, safer and healthier by solving a plethora of social challenges. **Imagine if** Indiana innovators never invented and commercialized these products: fluoride toothpaste, the seat belt, the Breathalyzer, Philo Farnsworth's TV, the transistor radio, car headlights, life-saving medical devices and a myriad of health treatment protocols. Innovation levels the playing field for everyone, regardless of their circumstances or background. They simply need to start with a desire to make something better, faster, cheaper, smarter or simpler.

Peter Drucker, the Father of Management, called innovation "a change in dimension of performance." Today, innovation comes in all shapes and sizes: product, process, business model, brand, customer experience and channel. Catalyzing ideas, creating the right entrepreneurial climate and engaging the creative minds and collective hearts of business builders can further distinguish us as an inclusive and welcoming entrepreneurial community.

In his new book, *American Entrepreneur*, Willie Robertson opines, "America was founded, fed, financed, nurtured and sustained – in large part – by entrepreneurs." The same can be said about Indiana. Entrepreneurship is innovation in action or, simply put, dreams realized. Through our state's leadership, the entrepreneurial success pillars are more accessible today throughout Indiana.

They can be capitalized on by the pioneering spirit of the people who put everything they had – their assets, credibility and their personal confidence – at risk. They saw around the corners, connected disparate dots and had the tenacity, restlessness, resilience and stick-to-itiveness to seek out something better and in the process brought Drucker's notion of innovation to fruition.

The new year is a call to action to step on the accelerator to compete daily for relevance in a global race for the **best** ideas, the **best** people, the **best** resources to start something and the **best** places to grow businesses. Given our state's heritage, the future of Indiana is not only promising but likely transformational.

Innovation **with** higher levels of entrepreneurial energy is hard work, making it well worth the price of admission – especially when our future depends on it.

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"When you think you about innovation broadly, you need to think about how we're going to make Indiana a place that becomes a magnet. Not just for strong manufacturing and engineering talent, but the really innovative talent that's looking out into the future and developing new technologies. Otherwise, we're at risk as a state of falling behind."

– Bob Coy

what business or industry you're in. There's somebody out there trying to take all of what you're doing."

Martens insists that the concept of regrowth and rediscovery is paramount.

"For example, a company like Allegion, we've been manufacturing Von Duprin, one of our brands, for 110 years. But that gives us absolutely no right to continue to be a market leader in that space over time if we don't change. Innovate. Change the team."

### Investing, infrastructure

Geographic barriers are a chief differentiator in Indiana's future, both in the digital and physical realms.

"As a state, we need to do much, much better than we have done in the past in terms of general connectivity to rural regions of the state," Roberts asserts. "It was very encouraging to see the Governor announce a hundred million dollars to go into digital connectivity. The physical connectivity is very important. Direct flights are all important. Things that help Indiana and the Hoosiers that are here feel more connected to the urban areas and feel more connected to psychologically perceived areas of influence and relevance like Boston, Austin or the Bay."

Martens seconds that: "One of the most important things we need to ensure people in the rural areas have is connectivity. This concept of piloting is real. Robotics are real. And you may be able to do some jobs that historically – because of physical disability or proximity to a workplace or something like that – you may work in a remote, augmented reality type of system. Even within a five-year time horizon, that is very different than what you see today, and it can be hugely beneficial."

Roberts mentions that many companies are considering the digital impact coming into their traditional sectors.

"I can't give a specific example based on technology, but I think the ag world is a great example, generically, where in the last five to seven years you see the integration of big data and IT devices. Totally changed the way the smart agriculture and academic sciences is being done."

Coy references the dilemma for some organizations.

"One of the things that they're learning is that one of the greatest challenges – I'd call it an innovation challenge – facing the larger companies is getting access to data analytic talent, big data, artificial

# INNOVATION AND INDIANA'S BUSINESS FUTURE

## TECHNOLOGY

Innovation and Indiana go hand in hand. Not only have we seen the rise in great new companies and foundation of entrepreneurial hubs, we are also seeing great growth and investment in Indiana from established companies. While not ultimately selected, I do think the recent status of Indianapolis in the Top 20 for Amazon's HQ2 is evidence of the viability and attractiveness that can be found in Indiana.



**Jack Mansfield**

As a technology company, it is vital that both our organization and our employees continue to be plugged into, encouraged and excited to explore new, innovative ideas and technologies. I believe that Indiana's talent pool is becoming increasingly technology-savvy and innovation-driven.

For our organization, this means we are looking for and finding the unique talent and tech skill sets that we need right here in our backyard. More and more people entering the workforce are coming equipped with familiarity in new concepts as well as an agile and entrepreneurial thought process that helps organizations try and successfully implement new and innovative concepts. Our partner companies that are exploring and offering these cutting-edge technologies are also more often being found in Indiana as well.

Additionally, we are finding more organizations are looking for practical ways to adopt innovation. Gone are the days where companies would invest in technology just for technology's sake. Today, tangible results are required from technology and innovation; results that companies, their employees and their customers can actually feel and use.

The demands are for everything to be better, faster and cheaper. This means that business and IT must take a more strategic approach to innovation and technology. The practical and pragmatic work ethic and culture that has been a hallmark of Indiana supports these efforts and creates a results-first orientation that can be very impactful.

Part of what is contributing to this increased openness and availability surrounding innovation are the organizations that are promoting STEM and technology growth in our community. I see groups such as the Indiana HDI (Help Desk Institute), Women & Hi Tech and others doing great work in promoting technology for our youths and in our businesses.

It is particularly inspiring to see their activities in action in events such as Ignite Your Superpower and the Indiana IT Symposium. The growing community of technology providers and the business-friendly environment in Indiana is a winning combination to cultivate and grow innovation in our business community, and it gives me great optimism for the future of our state.

**AUTHOR:** Jack Mansfield is vice president of digital workplace strategy for Bell Techlogix. Learn more at [www.belltechlogix.com](http://www.belltechlogix.com)

intelligence, the ability to organize and visualize data and make sense of a lot of stuff to be used in strategic ways.

"There are companies that are locating operations outside of the state because they can't get access to the data analytics talent," he continues. "That's an issue to be addressed by our local universities – if they build up their ability to generate more people with those kinds of skills."

Martens is pleased with the availability of capital across a variety of different subject areas.

"For example, the theme for our (Allegion) fund is that we're focused on people and asset flow. It's a very broad thesis for our venture fund, but one of the core caveats of that is if all you're looking for is capital – if there's not also something incrementally that I can do for your business or for you, something that I can contribute outside of this capital – we're not a great fit. Because for us, the big benefit is really discovery on our end and connecting people who are working in this decent size, \$2.5 billion business (Allegion), to connect with someone who is in that small mid-size start-up type of zone."

### Looking ahead

No crystal ball was in sight, but *BizVoice* asked panelists to share their perspectives on Indiana's innovation future.

Coy: "16 Tech will be a vibrant innovation district that will create a halo effect for Indianapolis and Indiana as a place to attract talent and to be innovative. At the same time, the economic benefits of the district will emanate out into the surrounding neighborhoods – which tend to be more challenged neighborhoods – to create opportunities for the children of those neighborhoods to pursue better educational and career opportunities."

Kline foresees that innovation as an academic discipline will continue to emerge. In addition, he compares innovation to the field of quality.

"(Quality) went from sort of a mysterious 'some people can do it and some people can't' to 'everybody can kind of get a quality textbook and figure out how to do it.' Innovation is on the same path of moving from a mysterious hit and miss sort of thing to I think we'll understand it much better in the next two to five years."

Martens finishes with perhaps the most popular prognostication: "I believe that your average Hoosier is going to have a higher salary, a shorter workday and more time with their family. I fundamentally believe that the people who are going to benefit the absolute most are the kids because I think they're going to spend more time with their parents."



"We need to be 'chipping' the kids that leave the state and tracking them where they are, where they're going and tell them about all the great things that are here. ... I think awareness of what's going on, the cutting-edge technologies that are here is cool. It's not just a coastal thing."

– Dave Roberts