

Smarter Innovation: Creating a Culture of Innovation at Quimmco (*Abstract*)

Editor's note: Global metalworks and auto parts supplier Quimmco, invests in a variety of interactive microprocess and competencies to achieve both operational effectiveness and innovation. -- Katrina Pugh, Columbia University

In 2013 Monterrey, Mexico-based QUIMMCO set out to become a collaborative innovation company. Breaking with decades of history as a collection of independent operating units, QUIMMCO adopted collaborative knowledge-driven approach to innovation. This included:

- Changes in leadership “modeling” behavior,
- Cross-group best practice transfer,
- In-factory video-based learning,
- Knowledge collaboration tools, and
- New cultural norms favoring collaboration.

As each subsidiary transforms, QUIMMCO also breaks with industry tradition. It will become a formidable player in the metalworks and automotive industries.

In 2008, the world financial crisis affected every industry in Mexico. QUIMMCO’s corporate leadership launched initiatives to help shield subsidiaries from adverse conditions in the global economy, and in the industries and ecosystems where they operated.

At the end of 2009, QUIMMCO came out of the “red”, and crafted a 2020 Vision Statement: *QUIMMCO is a group of companies committed to operational excellence, knowledge management, and human talent development, use of high-end technologies and sustainability in its manufacturing process. Its world-class products and services, all seek customer and employee satisfaction and social welfare.*

An early investment for QUIMMCO was “innovation and knowledge management competency.” This investment focused on developing new business models, entering new markets, offering new products,

and entering new industries. QUIMMCO recognized it needed a KM strategy. It needed methodologies and tools to identify, capture, and transfer knowledge across the subsidiaries, thus spreading optimal business processes. The belief was with KM capabilities would equip each business for a more systemic cross-pollination of ideas for innovation.

Focusing on innovation means making bold moves, attentively listening to clients and engineers, and sensing into further growth and productivity opportunities. Furthermore, it entails committing to translate such opportunities into revenue and profitability quickly. That requires employees embrace new business models, learn new markets, manage new products, and engage with new competition in new industries. Thus, as part of this competency, QUIMMCO is investing in human capital (such as cross training), social capital (such as networks across levels and organizations), and structural capital (such as methodologies that employees can efficiently reuse across products and units).

Systemic innovation comes in changing the “attention boundary” between *operations* and *revenue*. QUIMMCO is creating time for both.

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