



The Entrepreneurial Enterprise

HOW LI & FUNG LEVERAGED ITS
ENTREPRENEURIAL DNA TO
CREATE A CULTURE OF OPEN
INNOVATION



**3.6 BILLION
MARKET CAP**



**22,000+
WORKFORCE**



**100+ YEAR
EXISTENCE**



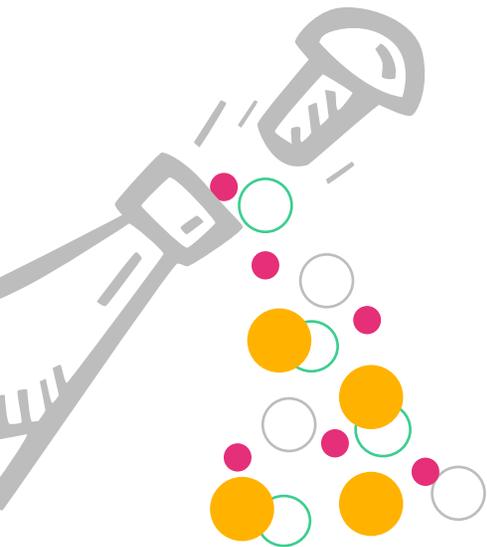
Founded in 1906 in Southern China, Li & Fung got its start as a business focused on trading porcelain, antiques, handicrafts, and fireworks from China to the West.

Today, now based in Hong Kong, Li & Fung is one of the biggest companies on the planet managing complex supply chains for brands and retailers around the world. With 100+ years of existence, a 3.6 billion market cap, 230 offices and distribution centers in over 40 markets across the globe, and a healthy 22,000+ workforce, this enterprise has withstood the test of time.

To have the same longevity and success as Li & Fung is no easy task. It takes a willingness to evolve as the world changes, to be open to new ways of thinking and challenging the status quo – in your industry and inside your organization.



Uncorking the Entrepreneurial Spirit Through Ideation



Since the early days of Li & Fung, an entrepreneurial spirit has been part of the company's ethos; it's part of their DNA. However, with great scale comes inevitable silos that can stifle collaboration and temper the spread of breakthrough ideas.

In 2016, the company ran into a collaboration problem with its Design Community where 700 designers separated into smaller teams – one or two designers typically – serve different business units.

Collaboration, which Li & Fung believed to be critical to helping its designers improve skills and amplify Li & Fung's design capabilities, wasn't easy. Initially, the methods they were using to spark collaboration – such as emailing a distribution list – proved to be inefficient. There had to be a better way.

When Yi Hoo Ong, Senior Vice President of Innovation & Experimentation, and his team connected with Spigit, managing a formal ideation process with idea management software wasn't on the company's radar. However, the team recognized right away how Spigit could help their Design Community collaborate and share ideas in a more structured way.

But the story doesn't end with just solving the Design Community's collaboration problem.

What started out as solving a problem in one specific group within the organization has blossomed into a company-wide initiative that has allowed Li & Fung to unleash the entrepreneurial energy within its entire workforce.

This has helped fundamentally transform the company's culture into an environment where open innovation is embraced and turned into a competitive advantage.

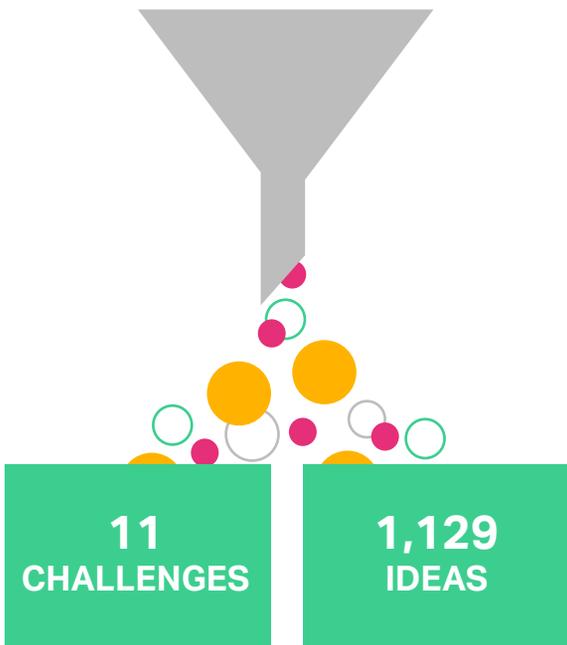


“ It’s one thing to tell people we’re entrepreneurial, it’s another to give them something to be entrepreneurial about every day. ”



Margot Brent, Manager, Innovation & Experimentation – Fung Academy

22,000+ Brains are Better Than One



From organizing events that bring together thought leaders in innovation, retail and other disciplines to company-wide ideation using Spigit, Li & Fung’s commitment to creating a culture of open innovation has empowered its employees to be creators; to think beyond their job descriptions and day-to-day tasks.

Great ideas can come from anyone, anywhere, at any time. Just ask the production manager at Li & Fung’s UK-based beauty factory who went beyond the duty of his role and area of focus. As Margot Brent, Manager of Innovation & Experimentation, explained it, “His idea had absolutely nothing to do with beauty or beauty production, which is his area of expertise. It was actually a new product idea in an entirely different category - outdoor goods.” Or ask the merchandiser in Bangladesh who participates in every single ideation challenge and is always eagerly awaiting the next one.

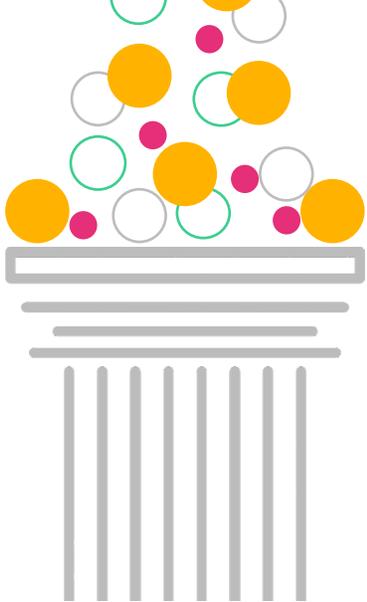


He has had multiple ideas in different business categories catch the attention of leadership and has been featured in the innovation-focused newsletter, celebrated in the innovation community on Slack and on the company's intranet.

When you give employees – no matter where they are in the world or what their job is – the freedom to share ideas, and you have a process to bring them to life at scale, you give them permission to challenge the status quo.

For the past two years, Li & Fung has used Spigit to challenge the status quo by running **11 ideation challenges** that have resulted in **1,129 ideas** from employees.

One challenge in particular, which was the company's first multi-lingual challenge, focused on optimizing the processes within the team that manages its transaction services to improve speed. The results? Six ideas are currently being implemented, two of which have already been completed resulting in a 50% savings in cost and time per process. As Brent explained, "The challenge was widely successful in engaging the team globally and specifically in mainland China where the majority of the team is based. It was our first bilingual challenge and we have plans to build on this success in Mainland China where a large portion of our colleagues are based."



There's an old saying that goes like this: two heads are better than one. Li & Fung is an example of a company that fundamentally understands the impact of making innovation everyone's responsibility; they've made it a daily habit with their open innovation team and partnership with Spigit.

With ideation, Li & Fung has made innovation a key pillar in its business, and has turned its entire 22,000 workforce into a powerhouse of ideas and possibilities.

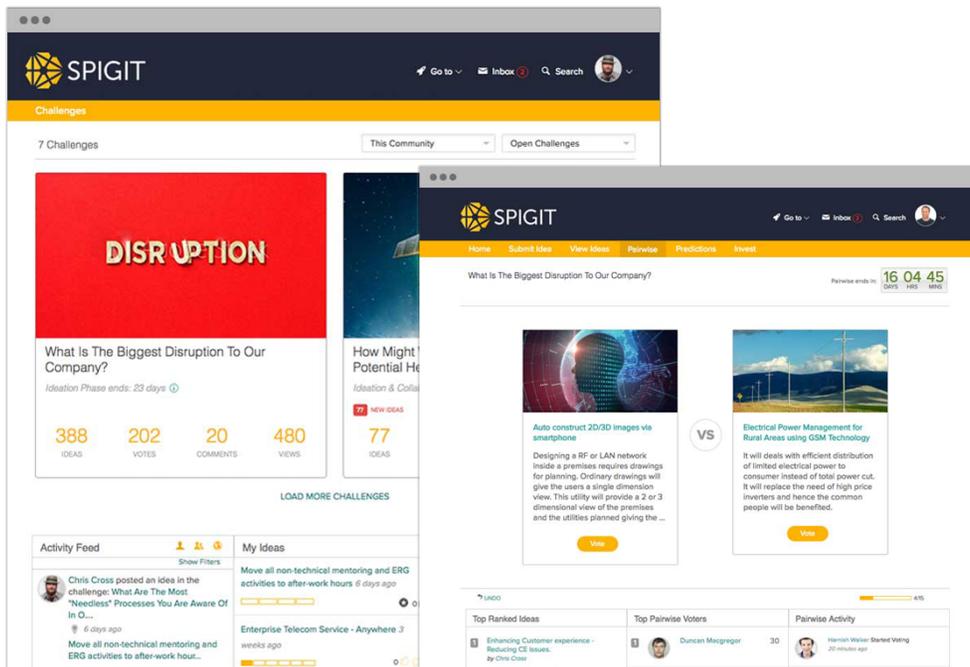




**Yi Hoo Ong, Senior Vice President, Innovation
& Experimentation – Fung Academy**

“ When we first started our journey to leverage the entrepreneurial energy and increase the collaborative nature within Li & Fung, we were new to the process of ideation. Spigit was there to guide us every step of the way. They’ve been a great partner over the years. ”

Manage the Entire Idea Lifecycle – From Idea to Impact



About Spigit

Spigit’s full lifecycle idea management software enables organizations to crowdsource breakthrough ideas from the employees, partners and customers that know their business best. With Spigit, prioritize and track all ideas in your pipeline, from original conception to implementation--in new products and services, improved processes, and enhanced customer experience.

With over 6 million users in 170+ countries Spigit is the most widely used idea management platform in the world.

Learn more at www.spigit.com