

2010

Igniting Innovation

7 Conditions to Stimulate Growth

An innovative culture is something that many organizations seek to foster yet this cultural attribute often proves elusive. We understand that new ideas cannot be simply stamped out one after the other. So how, in fact, do we create the environment for innovation to grow in our organizations?



All too often initiatives to push innovation lose momentum. They don't pan out the way we had hoped. As hinted at in the abstract for this article we are limited to creating the conditions for innovation to grow within our organization. We can't make innovation happen by force. Innovation cannot be manufactured. Akin to romance, we can't make another love us. We can merely behave in such a fashion as to attract the other person.

For our purposes, innovation is defined as ideas and work that lead us to a new level of performance. Innovation can be found (and most often is) in smaller process improvements. This happens when "line personnel" generate a new and better way of doing something. The more publicized forms of innovation come from new products and services we see such as the iPhone or the work of Burt Rutan on Spaceship One.



The privately funded, designed and flown Spaceship One, depicted here in orbit, doesn't solve a problem. It raises expectations.

Problem solving on the other hand would be working ourselves out of a sub optimized (read: bad) situation. A perfect example of a brilliant problem solving case was the Apollo 13 mission. Engineers ingeniously utilized a "yard sale" of differing objects to solve the problem of increasing and deadly CO2 in the Apollo capsule, thus saving the lives of the astronauts.

Taking the aforementioned definition into account, what is the risk of pushing innovation when favorable conditions don't exist? Another failed initiative or worse? Employees become jaded, disengaged and resistant to new efforts to improve. In short, employees lose faith in leadership. To see innovation occur as we would hope a winning strategy and tactics must be employed. So what are the conditions required for innovation to grow within your organization? The following seven conditions (in ascending order of importance) will ignite your efforts to grow an innovative company.

#7 Employees need enough time to innovate

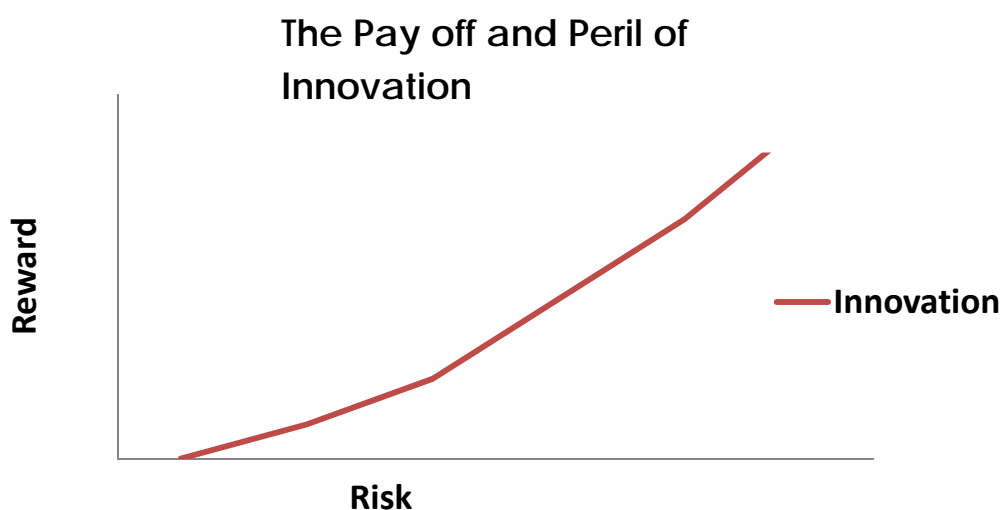
Looking at Google's website shows how this company approaches innovation. They state, among other initiatives, "We offer our engineers "20-percent time" so that they're free to work on what they're really passionate about. Google Suggest, AdSense for Content and Orkut are among the many products of this perk." I can hear the finance department in many firms screeching. The gold

standard and a constant metric have long been billable hours and utilization rates. Why do we measure input when output is really the true measure of performance? As long as leaders focus on the input side of the equation employees will do the same. "I put in my hours" is a common refrain. This might at first appear as an unrelated topic but I assert that it is not. We should be looking to create time for employees to do their work not count time as a way of gauging performance.

All that said, let's examine where "extra" time can be found. Are you meeting with a clear set of objectives to accomplish each time you hold a meeting? You're probably wasting time if you are not. Vendors frequently offer lunch and learn sessions. Would it be possible to spend some lunches once a week/month/ quarter looking into how things could be done better? People are wasting time whenever they are doing work that they are not well suited for or when they are insufficiently supported. Do you offer flex time or telecommuting? Maybe these aren't options for your organization. The culture of your firm will be the guiding light but nevertheless there is time that can be directed towards creating better ways of doing business.

#6 Employees need to be free to fail

As critical thinking people our prevailing modus operandi is to work for *THE* right answer. And necessarily so. Nobody wants to hear the airline pilot come on over the intercom on final approach and state, "Ladies and gentlemen please hold on, we're going to try something new



tonight." We want the plane to land in the same reliable fashion it normally does! Conversely, we can only discover new ways of doing things by risking being wrong. While we can see that the rewards involved in innovation go up exponentially as related to risk we still need to find ways to let people try

untested ideas, theories and approaches. We know there are times that this can be done and times that it can't, but too frequently the default position is "if it ain't broke don't fix it!" It takes insightfulness and intentionality to create channels for innovation to emerge. Pilot programs, labs and focus groups can all help. Solutions may not need to be this formal. Simply letting someone run with an idea for a short time will help determine its validity. The hurdle usually comes somewhere between the idea presenting itself and management being willing to give it a try.

#5 Innovators must share and receive credit.

Ownership of ideas needs to be shared. If we as individuals grasp too tightly to our ideas we miss out on the helpful input that others can provide. Collaborating is a concept that Henry Ford capitalized upon when he formed his "mastermind" group. More brains can more easily solve a problem (or innovate, in our case). The pitfall is that people who invest themselves in new ideas are wary of their ideas being stolen.

"You can accomplish anything if you do not care who gets the credit."
-Harry Truman

A thermodynamics professor of mine had worked in the U.S. patent office and would tell stories of inventors visiting his office that were stricken with extreme paranoia. The tortured souls would seek help and patents without being willing to show proof of concept to the very people from whom they were seeking funding. While this might seem like the paranoia of a delusional person, stories such as Robert Kearns, as portrayed in the movie Flash of Genius, only serve to heighten people's apprehensions. The Ford Motor Company stole his intermittent windshield wiper design. While many of us would not turn down 30 million dollars as Kearns did we will be much more reluctant to contribute our ideas if they get high jacked on the way up the hierarchy. People need to be recognized simply for having the idea and their efforts. Whether it is a team or an individual, innovators need to receive the credit they deserve.

#4 Conflict must not be feared

Organizational therapist Ken Utech states, "the issue is not whether conflict exists it is about how effectively and how quickly conflict gets processed." So how do we make conflict less feared and more positive? Two approaches come to the top of the list. By making the conflict about the issue not the person and by making the unsafe issues safe through getting them out on the table. We've all experienced the relief that comes from finally talking about the elephant in the room. The longer it takes to get to that conversation the more difficult it becomes to talk about the issue. Again this goes back to leadership behavior.

If we, as leaders, become defensive or take the position of a victim (I've tried everything, I've had to strap this whole project on MY back, nobody listens to me anymore) then we don't create the environment where it is safe for people to approach us with issues. We have all seen the typical passive aggressive employee.

Not addressing issues and concerns fosters this behavior only to see it later raise its ugly head and potentially burn the office down. While passive aggression may not manifest itself this dramatically it, at a minimum, acts as a "tax" on all of your interactions. Nothing gets done as quickly as it should. Nothing is as easy as it should be. These are signs that there is a culture of politeness but not truth.



Milton burned down the Initech office in the movie Office Space. He did so partly because of conflict regarding his red stapler.

A "Conspiracy of Congeniality" can be pervasive. The more "professional" the setting, the more difficult it can be to know what people are truly thinking. Counter intuitively, in organizations where conflict is more apparent, conflict is frequently processed more effectively. There is a balance to be struck and some are better at it than others. I had a boss that could tell someone to go to hell and leave them with the distinct feeling that the trip was going to be enjoyable. Truth and mercy should receive equal air time in these conversations.

#3 Innovation is a high level expectation.

Innovation will wither if management receives a directive that innovation needs to be pushed but more basic issues have not been sufficiently addressed. People need the right tools to do their jobs. Starving artists will eventually, starve!

The Gallup Organization proved that there are specific issues/questions (12 to be exact) that need to be addressed to determine employee engagement. Employees' innovating is at least a byproduct of employee engagement. One of the dynamics that Gallup found was there was an order to these issues. If management was working on question #12 (Have I had the opportunity to learn and grow this last year?) but had neglected some lower order questions such as #2 (Do I have the materials and equipment I need to do my work right?), "altitude sickness" would set in with the work force. Great managers mastered "Mountain Climbing". Working on the lower level issues until mastered only then to move onto initiatives such as reengineering and developing a learning organization.

Companies that don't have the basics down shouldn't be expected to produce new ideas. So how do you know if you're covering the basics? Ask. Solicit feedback. Walk around and talk to the "boots on the ground". The closer the employee is to the customer the better they can see how things could be improved. Just paying attention to what we are doing and asking the questions of ourselves and our colleagues can be very helpful. In many arenas this is referred to as "being mindful" or "paying attention to what we're doing."

#2 Innovation needs to benefit people directly

People work towards their own enlightened self interest. Sustained motivation comes from within. Short term motivation as a result of pep talks and laminated value/vision statements won't last. Working in one's own self interest doesn't have to be at the expense of others, it simply rings true that we work in ways that benefit us. Whether that is by collaborating with others, seeking help, or learning something new on our own, we work to improve and better ourselves.

Employees need to see and feel the benefit of their efforts. It's also important for people to feel the link between corporate and personal growth. If they sense that the innovation only helps the company and not their own career they will be de-motivated. While rewards and affirmation do not have to always be monetary, rewarding innovation with money will foster interest and effort if the reward is significant and not just a token. It is better to get a pat on the back and a mention in the company newsletter than to get a token amount of money. The token simply cheapens the effort.

#1 Company culture is a derivative of leadership behavior.

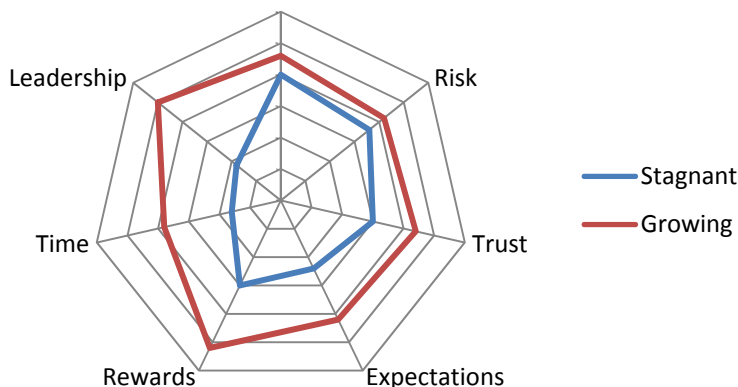
This is another way of saying that the leadership sets the tone. Sir Ken Robinson in, "Out of our Minds" Learning to be Creative!, writes "The CEO must be involved, not just "supportive". If not involved, employees see the effort as less than integral, and won't give it their best shot and energy. In essence this is the old saying about Walking the Talk." A scene that is repeated over and over is as follows; leadership goes off to a strategy retreat, conference, book reading or pep rally and then descends from on high with a new word for the masses. The new and exciting theories are dispensed with fervor and conviction. Yet it doesn't take long for the new ideas, however valid they may be, to grind into dust and blow away.

Why is this? How do strategies and initiatives that seem so promising fall on rocky soil? Frequently it's because the new "truths" don't align with what the rank and file have seen leadership exhibit. If innovation is as important as you say it is, then people need to see that put into action. What would happen if,

when you as a leader learn something new or develop an idea, you quietly begin to practice your new theory? What if you risked yourself with your superiors? You suggested new ideas? How are you supporting those around you when they offer new solutions to old problems? Are you soliciting feedback on a regular basis? And how do you respond to that feedback, in a way that encourages or discourages more? Allowing people to see the change through the lens of your actions and not just your words? What this issue frequently boils down to is the fact that it's more about who you are and how you operate as a leader than a theory you espouse or an initiative you're pushing. Once *action* begins to lead towards innovation then it is time to "Talk the Walk".

How would your company score if you were to plot its performance in these seven categories? As the below graph shows every organization is on a continuum in each one of these areas. Too little success in all of the areas though will represent a dysfunctional or stagnant culture. While not perfect a company that finds a greater measure of success in each area is much more likely to grow. Just taking the time to assess your strengths and be honest about your weaknesses will pay big dividends.

Innovation Self Assessment



Fostering an innovative company culture is both a simple and difficult challenge. Huge systems do not need to be put in place. Large capital investments don't need to be made. Yet, large commitments must be kept. Not accepting the status quo is vital. While improving a company culture can take years, depending on its size and inertia shorter term wins can be had. If yours is a large company small victories will be required to gain the momentum needed to launch a full size initiative to prove the value of innovation. Hiring practices, leadership and organizational development can all help but the real work comes in how we grow as individuals.