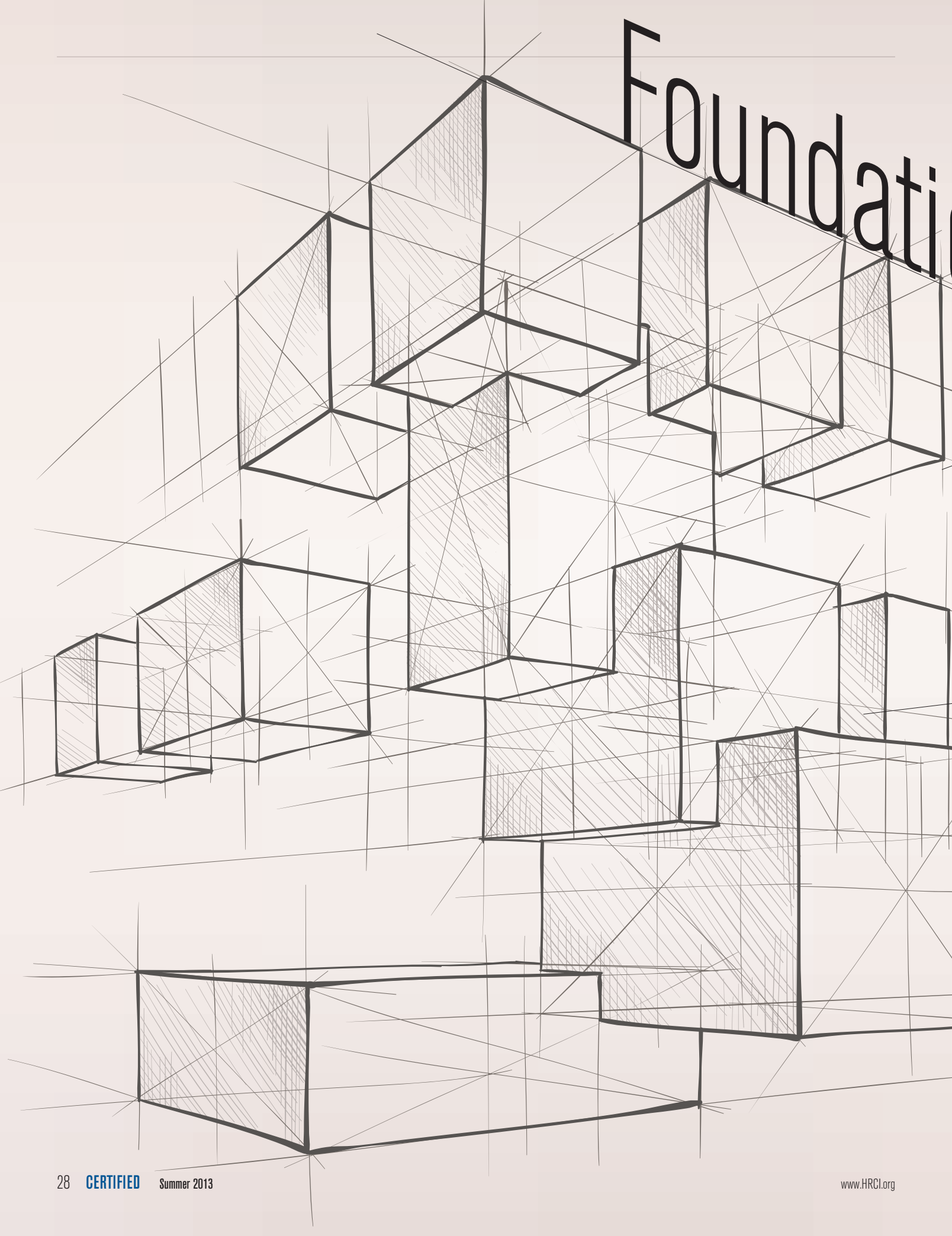


# Foundati



# On for Innovation

Managing the stresses that accompany innovation requires a firm foundation. Innovative leaders are tasked with advancing innovation in their businesses by finding, acquiring and developing the right people and the right ideas.

*By* **Seth Kahan**

Excerpted from his new book, *Getting Innovation Right: How Leaders Leverage Inflection Points to Drive Success.*

**I**F YOU WANT TO SYSTEMATICALLY deliver innovations that culminate in an inflection point, you cannot ignore your foundation. Without a proper base your highest hopes, years of work and millions of dollars can be reduced to a cloud of dirt and debris so fast you won't know what happened.

There are underpinnings you can put in place that will simultaneously keep you from disaster and put you in a position to excel. I think of these as the innovation foundation. Similar to how a good building foundation manages critical forces, you can contain and use the pressures that arise in business to put the odds in your favor.

# The Innovation Foundation

A successful building foundation can take the pressures created by three presumed forces:

1. The weight and shape of the building itself;
2. The moving mass of people and objects as they go in and out; and
3. External forces like wind, snow, and earthquakes.

To support the stresses and strains of innovation that succeeds in the market, you need to handle a similar set of stresses, likewise expected. Without a good innovation foundation to transfer the load, these three forces will jeopardize your innovation efforts:

1. The pressures of everyday operations
2. The movement and stress that comes with new ideas, products, and services
3. Market forces: sometimes rapid, always unpredictable

These stresses come with the territory of innovation. They cannot be stopped, circumvented, or avoided. Rather than fight them, you must meet and use them to your advantage. Do that well, and your organization will have the capacity required to succeed at innovation.

Now that we have seen the three primary pressures an innovation foundation must handle, I will show you how to put in place the right kind of underpinnings to transfer the stress of these inevitable forces to a strong base. This will put the odds of creating success in your favor.

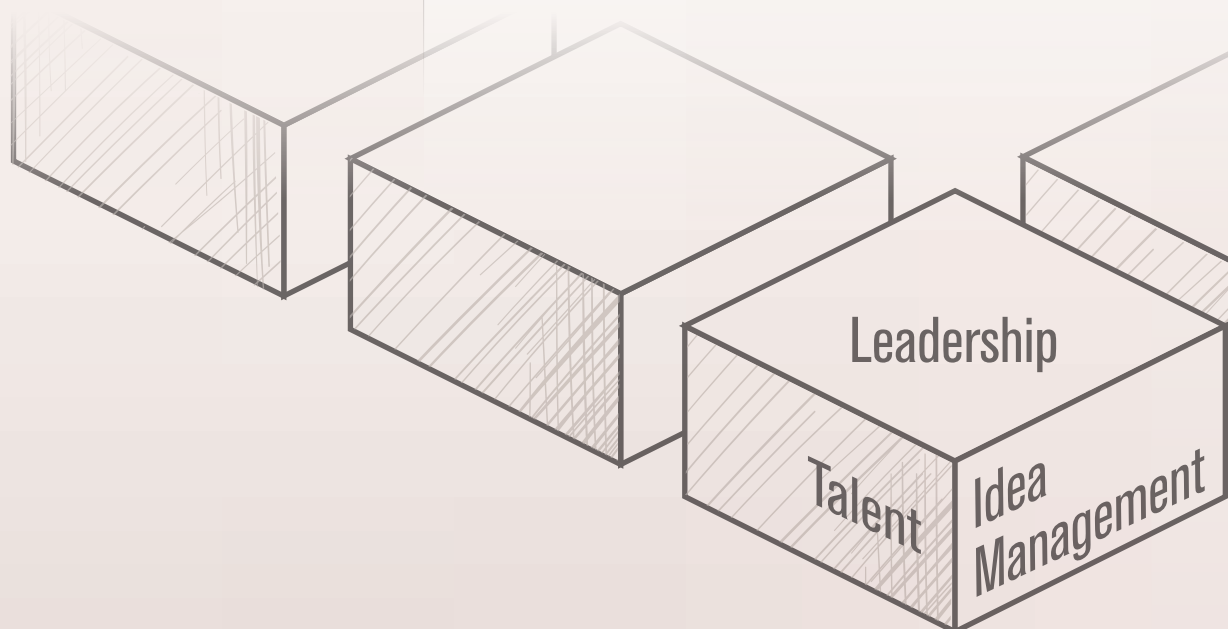
Innovation relies deeply on human infrastructure to contain and successfully channel the three forces so they support your efforts instead of tearing them down. Leadership sets the pace, overseeing all aspects of the enterprise, and continually reinforces the need for operations and innovation to coexist, managing the tension creatively. Talent brings experience and expertise to bear on market responsiveness and the midwifing of new offerings. And a robust process for the emergence, development, and maturing of ideas ensures people are continuously thinking together about how to stay ahead.

If your goal is to lead an organization where innovation is a way of life, where new ideas are regularly born that reach the light of day and go on to improve your customers' well-being while enhancing yours, then these three components deserve your continuous focus.

## 1. Leadership

When it comes to getting innovation right, the primary tasks of innovative leaders include:

- Talk to the right people
- Articulate the way forward
- Build partnerships



## Talk to the Right People

Put bluntly, your most important asset is your mind. Your understanding of what is possible, the options you see, the strategy you formulate, and your assessments of the environment all come as a result of the experience, expertise, and know-how you develop; i.e., your knowledge.

Aside from your personal experience, the most powerful source of knowledge comes from the people you talk to. Your understanding of the world and its possibilities is most impacted by the other minds you meet. Make it a habit to identify and visit the people and environments that will provide you with maximum value.

## Articulate the Way Forward

People rely on their leaders to craft a vision of the future that makes sense and can guide their everyday decisions. Most of the leaders I have met improvise this activity and many do it badly. Here are three tips that will help you when you speak and write about what you are working hard to accomplish through innovation:

1. Be explicit about your conclusions and how you came to them
2. Provide people the opportunity to ask questions
3. Customize your message to your audience

Communication is the first step toward coherent action. By taking the time to spell out what you are trying to do and why repeatedly you will build a base of informed actors that will help you realize the fruits of innovation.

## Build Partnerships

If the 21st century is typified by high-speed connectivity, business impact is typified by partnerships: two or more agencies working together to influence a network of related customers. Leadership today is largely about identifying the partnerships that will lead to broad, powerful impact and growth.

The leaders I know who are most successful at creating positive inflection points are those who are constantly meeting other leaders. Here are three tips to building partnerships that will help you get innovation right:

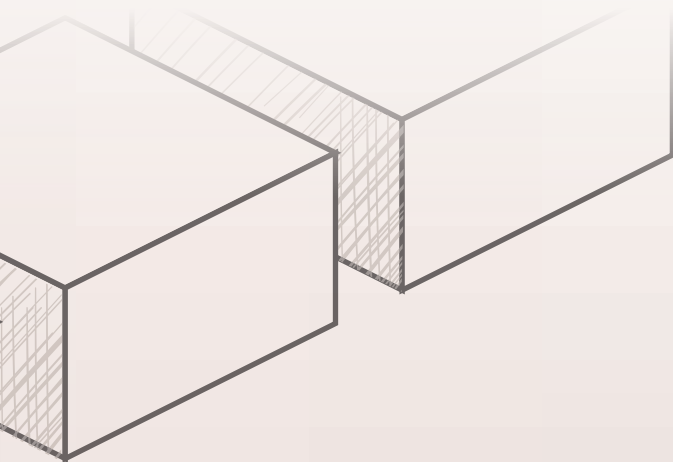
1. Be clear about what you hope to get out of the partnership
2. Share the goals of the partnership with others who have a stake in its success
3. Take accountability for coordination of partnership activities

The three primary sources required of innovative leaders — talking to the right people, articulating the way forward, and building partnerships — work together. Together they ensure your leadership is well informed, a source of unambiguous guidance, and reinforced by powerful allies.

## 2. Talent

Second only to you in impact are the people who work for you. The more influence they have, the more important their abilities are.

To scale your ability to acquire and develop talent, consider your partnership with your Chief Human Resources Officer. The CHRO is in a unique position to drive innovation capacity when he or she is fully aligned with business goals. The CHRO has the capacity to proactively recruit, bringing in tomorrow's leaders,



and identify candidates who can fulfill innovation objectives.

Securing people who understand and embrace the power of innovation is of the utmost importance. Hire for and provide professional development in these five areas:

- 1. Unafraid of Challenge:** Bring in people who are turned on by the challenges you are facing and opportunities to be harvested.
- 2. Strategic and Tactical Skills:** Pull in high performers who excel at thinking at a high level as well as capturing the next important win.
- 3. Success Drive:** Find staff members who look failure in the eye and see it as the feedback they need to achieve their goals without losing energy.
- 4. Proactive on Intelligence:** Seek professionals who know how to find the information and knowledge you need to leverage for best possible impact.
- 5. Experts at Interdependence:** Locate talent that knows how to work professional relationships and team communication, yet does not shy away from developing personal expertise and driving force.

### 3. Idea Management

Finding and developing the right ideas is a key business challenge of innovation. It's almost never the case that anyone is short on ideas — it's good ideas that are in short supply. And what makes a good idea? They almost never appear fully formed. Instead they arise immature and in need of help to grow into something that will have strategic impact.

There are three requirements for good idea management:

- 1. Leadership mandate:** A clear articulation by leadership on the innovation priorities of the organization.
- 2. Easy access:** An effortless way for any stakeholder to contribute and participate.
- 3. Robust development:** Processes that allow people to work together to winnow and grow the most valuable ideas.

Let's consider each more closely.

#### Leadership Mandate

It is leadership's responsibility to direct the actions of the organization, to ensure that all activity is aligned with strategic priorities. That is why the initial message must come from the center of command.

#### Easy Access

Effective idea management relies on people from all corners to pool their thoughts and work together to build robust solutions. There needs to be an uncomplicated, even fun, entry process that encourages everyone to participate.

#### Robust Development

Idea development is both art and science. The best have a disciplined process that allows for people to have a good time, try out a lot of half-baked notions in the company of interested experts, and work together to mature an idea.

The three critical tasks of a strong idea development protocol are:

- 1. Maturation**
- 2. Evaluation**
- 3. Trials**

##### 1. MATURATION

When ideas first become visible most are in a nascent stage. This is true even of an idea that has been developed over years of thinking if it has not been allowed to grow and develop in the presence of knowledgeable colleagues.

Solid idea development takes place via the collaborative efforts of qualified experts. Experts include not only those who hold credentials, but those with front line responsibility who will be impacted by the idea in execution.

##### 2. EVALUATION

Once an idea has been developed to the point it is clear what is intended, leaders must judge whether or not it warrants further resources.

An idea can be mature, easily understood, clear in its intended impact, and still be an inappropriate spend of resources. There must be an evaluation process that tosses aside those ideas that do not contribute to the organization's strategic thrust.

##### 3. TRIALS

After an idea has successfully passed through evaluation it still must prove itself in a test. This avoids funding innovations built on untested ideas. In theory, theory and practice are the same. In practice they are not. ■