
On Leadership: Stimulating Innovation

Conroy Ross Partners is a proud community producer for the series On Leadership that is being aired by Access7, a community programming station in Southern Saskatchewan. The following is based on thought leadership of our firm, as well as our local guest leader.

Innovation is a topic that is on the mind of many leaders today. The business world is constantly looking for new approaches to old problems, they are looking to develop, test and market products and services that are brand new to the marketplace in order to create a competitive advantage. Whether it be a new technology or a new process that has changed the way you work, many companies today are looking to create “something new that has a positive impact, and changes things for the better.”ⁱ

In On Leadership this week, our guest leader was John Lee, CEO of Communities of Tomorrow (“CT”) and he spoke to his experiences with “stimulating innovation” in the Saskatchewan community. John leads CT which is a ‘P3’ (public-private-partnership) with the mission of making Saskatchewan a global leader in the field of innovative sustainable municipal infrastructure. John spoke to the role CT plays in stimulating innovation between these public-private partnerships to solve some of Saskatchewan’s infrastructure challenges. Essentially, CT is a capacity builder for innovative solutions. CT acts as the facilitator, connecting companies to capitalize on opportunities and create new and advanced ideas through collaborating with each-other’s knowledge and expertise to create innovative solutions to infrastructure challenges.

Conroy Ross also has experience in assisting organizations “stimulate innovation” to take advantage of an unmet market opportunity faced by the organization.

We believe the first step is understanding what innovation means as the term “innovation” is one of the most overused words in management literature and rhetoric today. A simplistic definition put forward by Roger Martin, the Dean of the Rotman School of Business is that innovation is customer-driven, providing a new product or process that adds value to somebody’s lifeⁱⁱ. In addition, we guide our clients to think about “stimulating innovation” as both a verb – the activities, process and discipline that drive an innovative solution; and, an adjective – the characteristics, attributes, behaviours and culture an organization possesses to be innovative.

After the leaders of an organization start to have a better understanding of what innovation means they can then begin the deliberate efforts of “stimulating innovation” for their organization. Through our firms’ prior experience, best practice research and confirmed with the points raised by John, we believe there are five common characteristics that an organization should possess in order to ‘stimulate innovation’:

1. Innovation must be part of the leadership’s team strategic agenda: Leaders must possess an innovative vision, be aligned with that vision, make it part of their strategic agenda and ‘walk the talk’ when it comes to creating an organizational culture that breeds innovation. “As a team, reach consensus on what should be started, what should be stopped, and what should be continued in order for the culture change process to begin.”ⁱⁱⁱ

- John Lee advises that to be a leader in the innovation sector, or of an innovative company, the CEO has to also be the “chief innovation officer.” He outlines that stimulating innovation starts at the top of any organization. “First and foremost, the organization or company has to have a CEO and President that is championing and embracing it for their organization”^{iv} in order to create a culture that embraces innovation.

2. Promote both right and left brain thinking: In business school and our collective experiences we are taught to rely on the left logical, analytical and objective part of our brain. Often when exploring ideas we use the words “prove it” (i.e. what is the cost-benefit) which can diminish innovation with an organization. As Roger Martin points out, we need to also allow for right brain thinking (i.e. the intuitive and creative part of our brain) and the use of abdicative logic “asking beyond what is true, but what could be true?”^v

- John suggested that organizations should hold what he calls “innovation café coffee time” where the whole purpose is to talk about new ideas. This brainstorming session can be a very heavy, process oriented meeting with your team, but it also can be very simple brainstorming such as sitting down for coffee and collaborating on unique ideas.

3. The organization must be willing to make long-term bets: Innovation is a numbers game – you will have both “winners” and “losers” as you explore new ideas. Therefore, in today’s world where business leaders are focused on managing risk and short-term performance objectives (i.e. quarterly results) innovative ideas can be put to rest before they have a chance to grow and develop.

4. “All of us are smarter than any of us”^{vi}: Innovation requires insights and solutions from an interdisciplinary team to balance the relationship between form and function. This means that to truly “stimulate innovation” an organization must rely on more than its R&D function to develop an innovative solution. A truly innovative idea will typically require the inputs of multiple people both internally and externally to an organization (e.g. the organization’s customers) to understand the nuances between the form and function of the solution.

- In On Leadership, John explained that this is essentially the purpose of his organization. He and his team are a facilitator and/or broker of bringing together key stakeholders (often initiated by a problem that requires a solution) to discover innovative solutions to Saskatchewan’s infrastructure challenges. The true value from this approach is achieved by facilitating the discussion between multiple perspectives (i.e. researchers, industry and the public) and recognizing each-other’s strengths when developing an innovative solution to an infrastructure challenge.

5. Create an environment of trust: To be innovative or to “stimulate innovation” at your organization, a leader must create an environment where employees feel comfortable exploring and expressing new ideas (and, often crazy ideas). An employee cannot be worried that if they put forth or explore a crazy idea that they will be punished or ridiculed (i.e. they trust their leaders and colleagues) because the less risky (or less innovative idea) is the more acceptable alternative. Remember, innovation is a numbers game and that “creative ideas are inherently more risky than incremental improvement ideas. Unless the firm is willing to take on this risk, its innovation investment will bring only incremental results.”^{vii}

Innovation is about change; ideally, positive change. It is important that all parties involved are willing to embrace the change, and the potential failures that may come with the learning process. John Lee, CEO of Communities of Tomorrow, a firm which exists to “stimulate innovation” encourages all of us not to be afraid, but to allow for risk-taking inside our organizations. Only through trying new methods and approaches will we be able to explore the unknown and contribute to a more innovative community.

i John Lee, CEO of Communities of Tomorrow

ii Roger Martin, Report on Business - “What is innovation, really?”

iii Cameron and Quinn, Diagnosing and Changing Organizational Culture

iv John Lee, CEO of Communities of Tomorrow

v Roger Martin and Jennifer Riel – “Innovation’s Accidental Enemies”

vi Change By Design – Tim Brown on “Smart Teams”

vii Jeffrey Baumgartner. The critical role of trust in the innovation process