



SHARING WISDOM JOINING THE DOTS

Key insights from Innovation Ecosystem



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Podcast interviews by
Mark Bidwell



PODCAST SUMMARIES

Five world-renowned executives, entrepreneurs and thought leaders share their wisdom and insights to help you and your organisations become more innovative and entrepreneurial.

In the following podcast interviews, five world renowned leaders in their fields discuss the keys to generating, encouraging and sustaining innovation in organizations.

One of the recurring themes that emerge from the podcasts is the importance of **building relationships**. Successful innovators build networks of decision-makers and influencers who trust them.

Managing up is important, but so is managing down. Leaders must work at maintaining relationships with those who work in their teams. The best leaders are aware of the needs and desires of people at all levels of the organization. The best of the best (or “superbosses,” to use the term of one interviewee) focus intensely on **developing and managing their talent** —another recurrent theme.

One surprising outcome of this focus on talent is that relationships continue even when the employee leaves the company. The concept of **maintaining relationships with alumni** is in sharp contrast to conventional wisdom.

The interviewees also emphasized the importance of **new perspectives** through diversity and “fresh eyes” — that is, the ability to look at something from an outsider’s viewpoint.

Several interviewees spoke of carving out “**space**” for innovation. That can mean individuals taking time out from the pressures of the present to reflect on the future. It can also mean companies letting go of past activities and priorities to clear “space” for new activities.

Letting go of the past is in itself a recurring imperative, most evocatively summarized by one of the interviewees as “killing the company.”

At the same time, the interviewees noted the importance of **execution** and **productivity** (e.g., less meetings) in making innovation possible. The former builds trust, the latter frees the innovator’s time and focus.

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Lisa Bodell

Founder and CEO of innovation
research firm futurethink



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*Simplification becomes a
habit for companies that
create space to change.*

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While many consultants focus on the “sexy” additions that change entails, innovation leader and company CEO Lisa Bodell focuses first on what needs to be subtracted — or, in her terms, “simplification.” Simplification, for Bodell, is a slow, evolving process in which the organization’s culture moves away from too many meetings, too many processes, too many tasks or priorities.

In short, to make the space for change, companies have to stop doing much of what they’ve done in the past. This is the attitude at the core of her provocatively titled book, *Kill the Company*.

Killing the company requires leadership that is not afraid of letting go of the past. Unfortunately, many leaders hide behind the mandate of “managing risk” so as to, in essence, become professional skeptics who systematically reject new ideas.

The best leaders will have the self-confidence and self-awareness to question what has been done in the past. These leaders are more collaborative than hierarchical, and recognize that leadership is not about providing all the answers, but about asking the right questions.

Most importantly, the best leadership is about strategic foresight — a long-term perspective that requires, Bodell says, a lot of thinking and a lot of risk-taking.

Bodell also notes, importantly, that leading change is not necessarily the responsibility of top managers alone. Middle managers have more power than many realize to lead change efforts, notably by helping the organization simplify. Perhaps their efforts are not labeled “innovation,” perhaps they are labeled “efficiency,” but they nevertheless help create the space that successful change demands.



Steve Goldstein

Former Chairman and CEO,
American Express Bank



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People follow leaders. They look at what their leaders do, not what they say.

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The best leaders are storytellers, according to Steve Goldstein, former Chairman and CEO at American Express bank. Stories, he says, help to make the core concept of what you are saying more accessible, easier to understand. For example, the VW emissions scandal is an excellent cautionary tale that serves to illustrate the damage that can come from a culture of fear.

Another core lesson of the VW story, says Goldstein, is that leaders set the culture not by what they say but by what they *do*. A fancy value statement with noble ideas is even more infuriating to employees if they know that no leaders in the company practice those values.

At the same time, Goldstein notes that high-level leaders are under so much pressure to produce that they don't think of leadership as one of their core responsibilities.

Holding leaders accountable can make a big difference. It is no use conducting 360-degree reviews, Goldstein notes, if leaders know they will be rewarded for making the numbers, no matter how toxic an environment they might create.

Motivation is not the only problem. Many top leaders are in a cocoon, unaware of what is happening at the lower levels of the company. Goldstein tells the story of learning more about his company from an astute window-washer who overheard conversations than from his managers.

Goldstein also tells a story of a Sears store in Miami that was unable to stop headquarters from sending them *snowblowers* every winter. The store's managers gave up and got used to putting snowblowers on display every winter. For Goldstein, at that time a Sears executive in Miami for a meeting, seeing snowblowers for sale in a south Florida store was ludicrous and unacceptable. The story, he says, illustrates how an outsider with a fresh set of eyes can discern what might be less visible to insiders — in this case, how ridiculous Sears looked to customers.



Robert Wolcott

Professor, Kellogg School of Management
Founder, Kellogg Innovation Network



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*Never leave serendipity
to chance.*

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The greatest challenge for business, as well as for individuals, according to Professor Robert Wolcott of the Kellogg School of Management, is to excel in the present while preparing for the future. The future is, of course, impossible to predict. Therefore, Wolcott says, leaders have to learn how to resolve uncertainty through a rational process, such as methodically going through thoughtful hypotheses of what the future might hold.

Wolcott, who is also founder of the Kellogg Innovation Network, notes that innovation is at the heart of building the future. The first step in preparing for the future, he says, is for leaders in the company to agree on what kind of innovation they are seeking. For example, is the company innovating the culture or the business model? Leaders must also recognize that innovation for *efficiency* is not the same as innovation for *growth*.

A key success factor for innovation is the development of internal entrepreneurs, or intrapreneurs. One barrier for potential intrapreneurs is getting their ideas heard and adopted. Wolcott advises lower-level intrapreneurs to build trusting relationships with higher-level managers and executives. At the same time, they should execute exceptionally well what they are doing now; this helps build trust.

In the world of mobile millennials, instant change, and unfettered transparency, hierarchy is not as influential as in the past. Companies do not reward the patient corporate ladder-climber. Instead, they focus on giving their best and the brightest the chance to succeed — even if that means the person may leave the organization for a high-level position elsewhere.

Networking is not only for the ambitious intrapreneur. Wolcott's Kellogg Innovation Network gives top innovation leaders from around the world a chance to network and share ideas with a wide variety of innovative leaders. KIN is especially effective, notes Wolcott, because it gives leaders a chance to break out of their industry and gain new perspectives.



Sydney Finkelstein

Professor, Tuck School of Business at Dartmouth
Director of the Tuck Center for Leadership



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There's an entirely new way to think about talent and innovation.

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The best bosses — what Sydney Finkelstein of Dartmouth's Tuck School of Business calls in his latest book “Superbosses” — are those who excel at recognizing talent. Superbosses look especially for people who exhibit high intelligence (including social and emotional intelligence), are creative, and are extremely flexible. In his research, Finkelstein found Superbosses in all industries — from business (Larry Ellison) to fashion (Ralph Lauren) to Hollywood science fiction (George Lucas).

One of the more surprising results of his research was a completely new perspective on retaining talent. Bosses want to keep their best talent, but they also recognize that in today's environment, most people do not spend their entire careers at one company. Talent is going to move, and it is better, in the minds of progressive Superbosses, to give your talent the most opportunities in your company and then be supportive when they decide to move on. There may even be potential future business opportunities with former employees. Finkelstein summarizes this new attitude with his elegant phrase: “There is no expiration date on the relationship.”

Because they focus on nurturing talent and building collaborative relationships, some people may believe that Superbosses are not super-competitive. That is a mistake. They want to win — only they believe that the best way to win is by generating and marshaling the talent of others. In Finkelstein's terms, Superbosses “master the flow of talent.”

Superbosses are not only found at the highest levels of an organization. They are everywhere, Finkelstein says: at all levels of an organization, in all types of industries. You do not have to be at the top to be able to make a difference in your team, whatever the size and level of that team. Any leader can foster collaboration, develop talent and be an inspiration. Superbosses are the bosses who leave a legacy — and that can happen at any level of an organization.



Dorie Clark

Marketing strategy consultant



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*You don't need time
to have a great idea,
you need space.*

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The fundamentals of marketing never change, says marketing strategy consultant and author Dorie Clark. You still need to know your target audience and communicate with them effectively. Today, however, there are so many different ways to communicate, notably through the multiple social media channels, that you have to prioritize. Which strategy is best suited to my marketing needs?

Nor can companies rest on their laurels. Even incumbent companies with long histories must always be seeking ways to differentiate themselves, Clark says. For example, a company with an obsolete legacy business model will lose customers to an upstart competitor with a more innovative proposition. So instead of looking at the past, companies should be asking themselves: Can we do things completely differently?

Clark recommends that executives and entrepreneurs begin by looking at themselves. What makes them different from others and how can they use that to bring diversity and innovation to their companies? A good example of the power of individual diversity is Doritos' successful new guacamole chip, which did not come from marketing or sales: the idea originated, instead, from an HR group of Latino employees.

Another catalyst to innovative ideas is dedicating time specifically for reflection. When people are 100% busy, they do not have the mental "space" to allow new ideas to take root.

Successful innovators also know how to sell their ideas. Clark offers a three-step process for building a following, which entails: 1) building a network of one-to-one relationships; 2) expanding the network to an audience that might not know you personally; and 3) expanding the audience to a community that not only communicates with you but also among themselves.



Founder
Mark Bidwell



About Innovation Ecosystem

We founded Innovation Ecosystem to help you and your organisation become more innovative and entrepreneurial.

We do this by interviewing remarkable and thought-provoking guests about innovation, leadership and change in the world of business.

Whether you are an executive or an entrepreneur, our objective is to help you and your organisation create an entrepreneurial culture, become more innovative, and better respond to change. We do this by deconstructing world-class performance from the arenas of business, academia, science and sports.



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