

THE ENEMY WITHIN

How Managers Kill or Foster Innovation

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Polling Question #1

How important is innovation currently in your company?

1. Not a Priority
2. Somewhat Important
3. Top Priority



Creativity

Innovation

Creativity:

Having a new thought . . . idea . . . concept

Innovation:

Executing the new thought, idea, or concept (change) into real outcomes



Innovation Myths . . .

You've probably heard that innovation:

- Requires highly creative employees
- Must teach people to think “right-brained”
- Requires a major organizational change program
- Is primarily an R&D function
- Is somewhat mysterious and mystical



Innovation Truths . . .

Research indicates that innovation:

- Can occur at any level, across the organization
- Is sustained by strong senior leadership
- Requires a “low fear” workplace
- Must be a clear expectation for all employees



Innovation Research

“The direct manager plays a major role in enabling or suppressing innovation.”

Rosabeth Moss Kanter, 2006



Leadership Barriers to Innovation:

1. Intimidating leadership. . . people are trained not to speak up (fear and futility)
2. It is not an expected part of the job
3. Mistakes punished . . . with blame properly fixed
4. Allowing an inflexible, entrenched culture
5. Failure to capture organizational learning



Problem #1

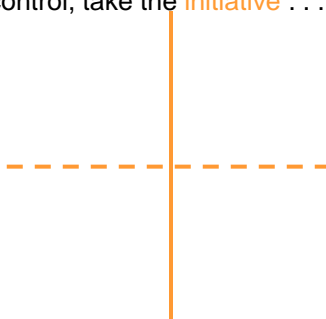
Leader behaviors that
intimidate others and keep
them from contributing



Dimensional[®] Model of Leadership

High Initiation: Take charge . . . make things happen . . .
take control, take the **initiative** . . . to **lead**

↑
Initiation



Low Initiation: Let others lead
to **avoid** . . . or **smooth over**



Dimensional[®] Model of Leadership

Low respect
& regard

High respect
& regard



Respect



The DIMENSIONAL MANAGEMENT MODEL

Leading



*Low
Respect*

*High
Respect*

Avoiding

Leadership Consequences

Q1

- “Tell & Do”
- Demanding
- “My way or the highway”

Q4

- Focus on results
- Respect & regard
- Pragmatic
- Collaborative

Q2

- “By the book”
- Unresponsive
- Careful/cautious
- Close to the vest

Q3

- Easy agreement
- Keep the peace
- Focus on good news
- Maintain harmony

Effects on:

Innovation?

Execution?

Commitment?

Results?

Q4 — critical for innovation



Leadership by Intimidation . . .

Intimidating Q1 leadership

- Suggestions seen as criticisms
- Egos invested in status quo
- Suggestions seen as “personal” . . . not business

Outcomes: compliance, fear, withdrawal, resentment, employees “trained” not to speak up



Leadership Barriers to Innovation . . .

Latent Voice Episode (LVE)

“Those moments at work when someone considers speaking up, but then . . . doesn’t.”

- Leaders send signals . . . either unsafe or futile
- Signals cause over-estimation of risk
- Suggestions for change, seen as criticism
- Labels: “trouble-maker” “complainer”

Amy Edmondson James Detert



Polling Question #2

To what extent do managers inhibit innovation in your company?

1. Small Extent
2. Somewhat
3. Great Extent



The Solution

Don't tolerate intimidating leadership:

- Foster alternative leadership behaviors:
Q4 = results and respect
- Re-focus on your corporate values
- Evaluate managers based on results and **values**



HR Professionals...

What can you focus on, specifically?

- Selection: select/place managers who value participation and inclusion
- Identify areas/departments/managers who intimidate through 360/climate surveys
- Provide appropriate training, coaching, mentoring, role models for innovation
- Include innovation in performance reviews



Problem #2

Speaking up and contributing ideas
is not expected...
nor is it a priority



Speaking Up Has to Be Expected . . .

Expectations:

The most common barrier
to effective

Execution

*“The main reason you don’t get what you expect, is
that others don’t know what you expect!”*

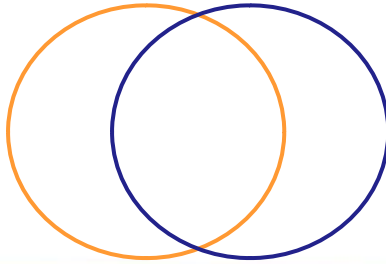


Expectations and Priorities . . .

Everyone at work has a “picture” of their job expectations:

My Picture

Your Picture



Why Aren't Expectations Clarified?

- Managers think that others *should* know expectations
- Employees think they *do* know what is expected
- Instead, have “Top-Five” discussions

Top 5

1
2
3
4
5



Polling Question #3

To what extent is contributing creative ideas an expectation across your company?

- 1.Small Extent
- 2.Somewhat
- 3.Great Extent



The Solution

“The Toyota Way”

Sharing creative ideas is
an expected part of every
employee’s job . . . from day one

Everyone **ALWAYS** has two jobs



HR Professionals...

What can you focus on, specifically?

- On-boarding: build expected sharing into new employee orientation
- Measure expectation strength with surveys
- Reinforce sharing expectations with training and performance management goals
- Measure innovation activity across departments



Problem #3

A “blame culture” where mistakes and independent thought are punished



Mistakes Are Punished . . . (Q1)

People become risk averse . . .

When explaining mistakes and problems, managers:

1. First, blame the performer (72%)
2. Decide that the performer needs training (14%)

M.O.D. Data 2002 – 2003



Polling Question #4

To what extent do you have a “blame culture” in your organization?

- 1.Small Extent
- 2.Somewhat
- 3.Great Extent



The Solution

Make mistakes “ok”

Reinforce attempts to innovate:

“Your Best Mistake”

- Role-model sharing of mistakes . . . from the top
- Make honest mistakes a fact of life
- Define the mistake you learned the most from
- Managers set the stage and the example



HR Professionals...

What can you focus on, specifically?

- Role model “my best mistake” personally
- Encourage role modeling by senior managers
- Track aversion to risk taking with surveys
- Measure innovation as part of performance management



Problem #4

Your existing culture (supported by management) is an inflexible barrier to innovation



Cultural Arrogance . . .

Assuming that our current knowledge is always right . . .

"It ain't what we don't know that hurts us . . .

It's what we know that ain't so."



Will Rogers



Leadership Barriers to Innovation . . .

An inflexible, entrenched culture (futility)

“Futility came from two sources. First, managers simply **not listening** to suggestions. Second, suggestions were sometimes heard, but then **nothing ever changed.**”

Amy Edmondson
Harvard

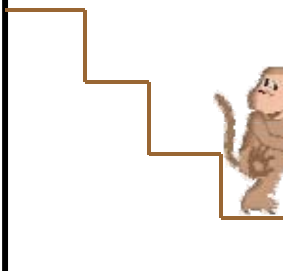
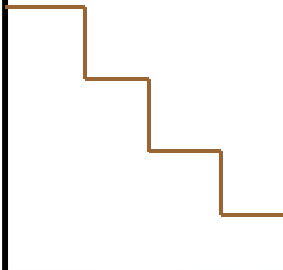
James Detert
Penn State

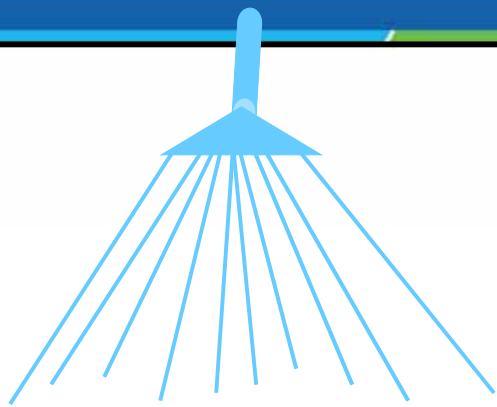


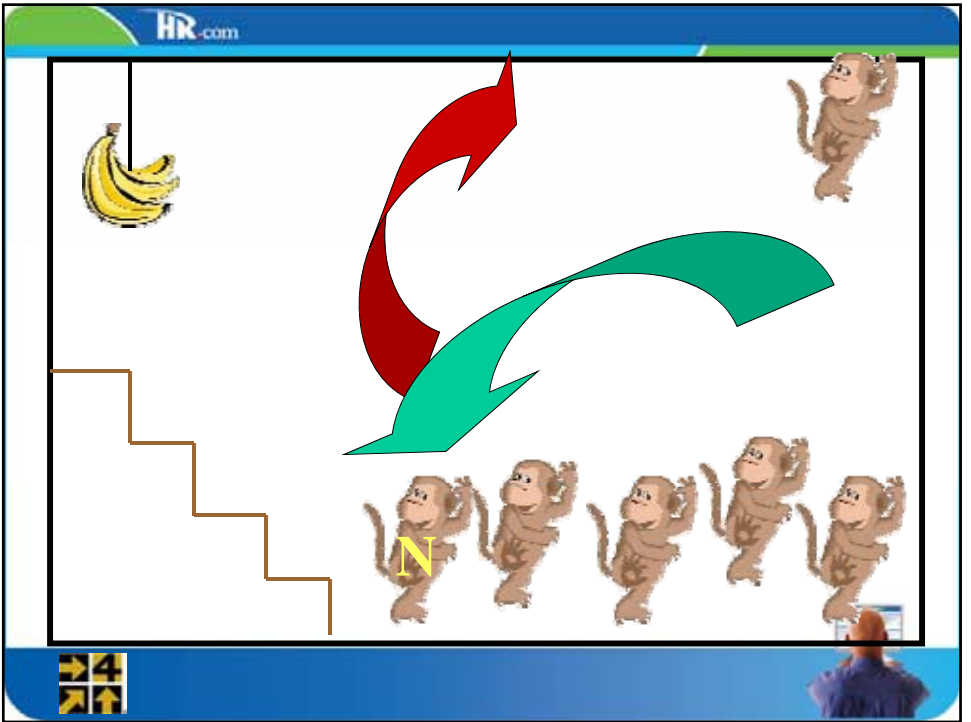
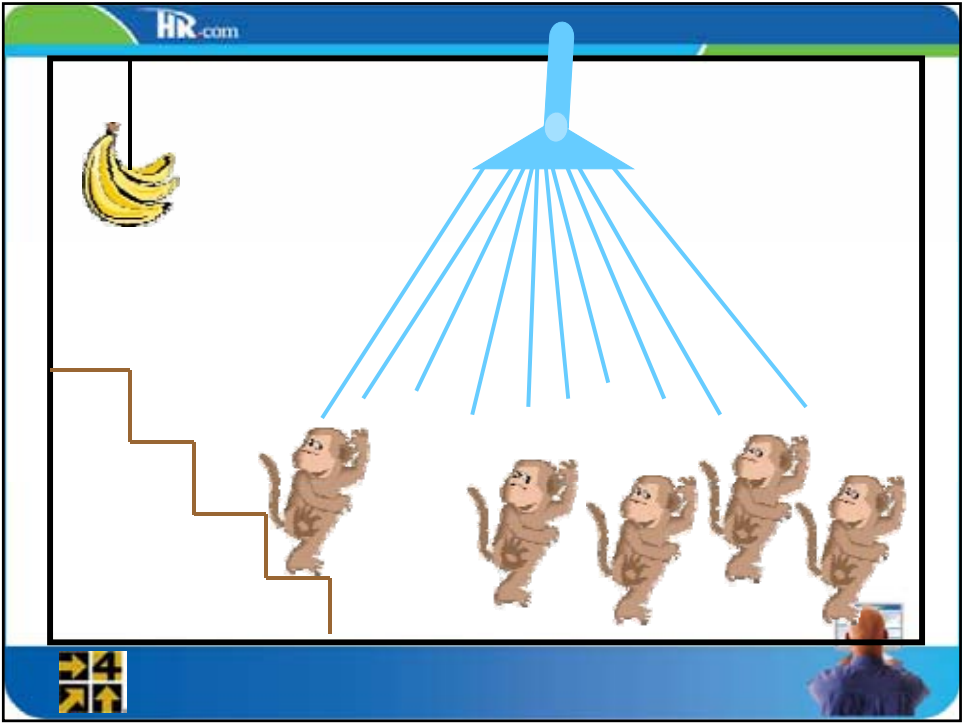
Institutionalizing Cultural Concrete

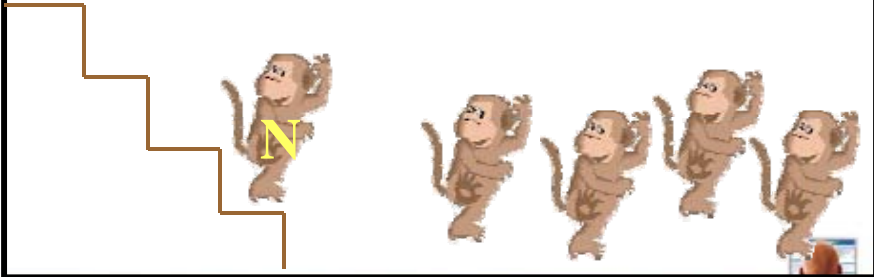
“The way we do things around here.”

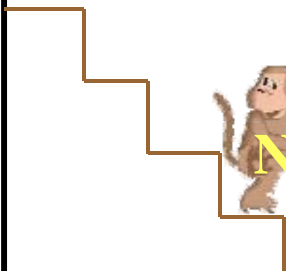
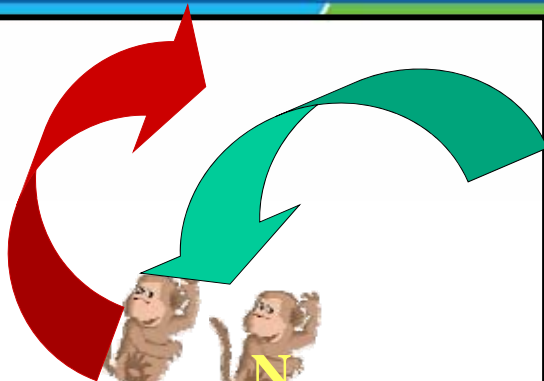
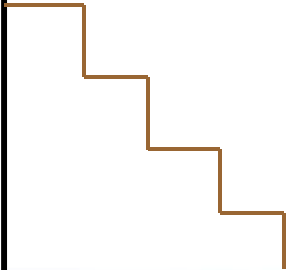


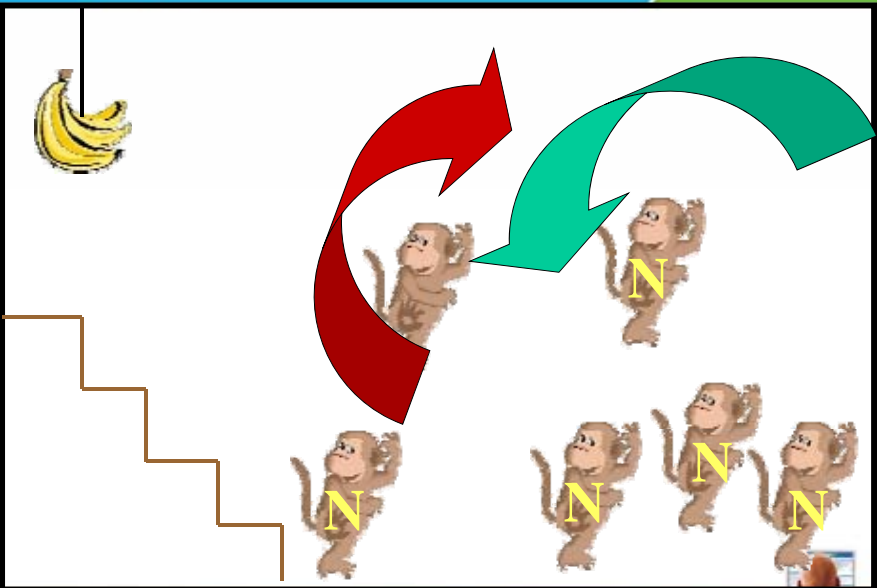
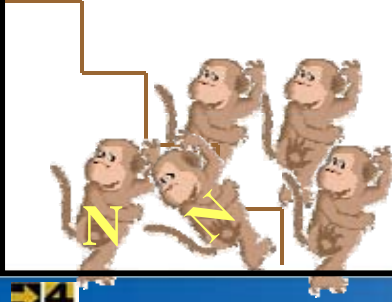






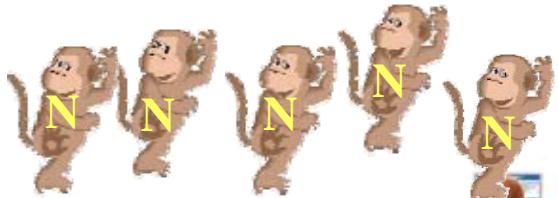
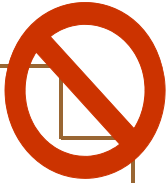








*"Because that's the way
we do it in our cage!"*



Polling Question #5

To what extent is an entrenched,
endorsed culture inhibiting
innovation in your company?

- 1.Small Extent
- 2.Somewhat
- 3.Great Extent



The Solution

- Make challenging the status quo a primary expectation
- “If it ain’t broke . . . break something!”
- Recognize and reinforce change agents
- Model flexibility from the top



HR Professionals...

What can you focus on, specifically?

- Measure resistance to innovation and change using employee surveys
- Provide training, workshops on change management and managing transitions
- Educate senior management on the cost of cultural inflexibility



Problem #5

The failure to:

Capture . . .

Distill . . .

Redeploy . . .

Organizational learning



Leadership Barriers to Innovation . . .

Failure to capture organizational learning

“In our research, each generation of managers seems to have forgotten or never learned the mistakes of the past, so we see classic traps repeated over and over again.”

Rosabeth Moss Kanter

“Lessons NOT Learned About Innovation”
2006 Harvard Working Knowledge



Capturing Organizational Learning



After Action Review (AAR)



Capture the learning after every project/initiative
First business use by Shell Oil (1994)



AAR



Purpose

- To capture: What works (best practices)
- To identify: What doesn't work (avoid or modify)
- Get input from those who are most in the action



AAR



Rules of engagement

- No stripes! Senior managers first with own mistakes, last with issues
- Check egos at the door
- Emphasize improvement . . . not recriminations
- Has a definite structure . . . not just a gripe session
- Someone (not the boss) should facilitate it
- Should happen ASAP after the event



The Solution



Institutionalize the four AAR questions

1. What did we set out to do?
2. What actually happened?
3. Why did it happen?
4. What will we do differently next time?



HR Professionals...

What can you focus on, specifically?

- Pursue knowledge management systems to capture organizational learning
- Teach managers how to use the AAR process
- Make “lessons learned” a part of every project or initiative
- Institutionalize sharing of best practices



To Lead Innovation:

- Practice inclusive, respectful (Q4) leadership
- Make speaking up expected and “ok”
- Learn from “**your best**” mistakes
- Attack entrenched cultural barriers
- Capture, distill, and redeploy valuable organizational learning



Thinking Outside The Box



*Draw one line on either side of
the equation to make this an
equality*

$$\mathbf{V = 4}$$



*Draw one line on either side of
the equation to make this an
equality*

$$\text{IV} = 4$$



*Draw one line on either side of
the equation to make this an
equality*

$$\text{IX} = \text{VI}$$



*Draw one line on either side of
the equation to make this an
equality*

SIX = VI

OR

IX6 = VI



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