Executive Summary - Leading Innovative Organizations - Bob Eckert

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Executive Roundtable for Materials Growth

Hosted by: Growth Arc Advisors LLC

Contact: Kendall Justiniano or Bob Eckert for follow-up consultations for your organization.

Summary

Bob is a dedicated practitioner who is passionate about helping people solve problems. Throughout his career, he has worked in multiple fields, including serving as a director of drug abuse services, a trainer in narcotic and drug research, and running youth empowerment programs. His journey into innovation and creativity science began when researchers contacted him early in his career to study his work in youth empowerment as a form of problem-solving and creativity. Over time, Bob's focus has shifted from correcting individual problems, such as drug rehabilitation, to preventing problems at the organizational level. This is where his work with organizational leaders has had the most impact. Instead of merely fixing a lackluster product pipeline, for example, Bob helps leaders take action to prevent future pipeline issues. This holistic approach to prevention creates a sustainable competitive advantage for companies.

Bob's key insight on innovation leadership is that leaders must lead by example and actively participate in the innovation process. They need to model the behaviors they want to see in their organizations. Unfortunately, many organizations make the mistake of prioritizing systems, processes, and training when it comes to innovation management. While these are important, they often overlook the importance of establishing the necessary behaviors and culture within the organization. By focusing on their own behaviors and company culture, leaders can significantly increase the chances of success and momentum in innovation initiatives.

Innovation and the Leader's Mandate

Bob explains innovation as the progression from a unique connection to producing innovative output. These connections are made in individual minds, and creativity is the process of expressing these connections in tangible forms such as writing or prototypes. Finally, innovation involves collaborating with others to create value. Organizations can either hinder or foster this process.

In this context, a leader must fulfill two roles. First, they need to design and implement systems and structures that encourage innovative behavior. Second, they must model this behavior themselves by actively participating in these systems. Only by accomplishing both of these tasks can a leader build an organization that achieves lasting performance and competitive advantage, even after they have moved on.

The leader's behavior is crucial for several reasons. Research indicates that leaders have a significant impact on their team's behavior, with 60-80% of an organization's culture being influenced by the leader. In order to hold others accountable for certain behaviors, leaders must demonstrate that they also hold themselves accountable. Additionally, negative behaviors that obstruct organizational innovation can contaminate the innovation systems, particularly in areas where leaders have oversight, such as gate reviews. It is not uncommon for leaders to neglect fostering innovation in their own decision-making processes due to expediency or a bias for action. This sends conflicting messages to the organization, which observes these behaviors.

Mandate 1 - Leader Behavior

Behaviors that promote organizational innovation are abundant and occur regularly within an organization. One way to conceptualize and communicate these behaviors is by framing them as a set of guiding values, similar to how operational safety cultures operate. Bob has contributed to the field by outlining a value set that frames innovative behaviors for both organizations and leaders.

- Passion: Helping others and oneself to clearly understand and connect with what we love to do.
- Humility: Recognizing that we do not have all the answers and being open to the potential in new ideas that are presented.
- Curiosity: Showing interest in what we do not know and making continuous learning a habit.
- Courage: Willingness to move forward with an idea, despite the common tendency to reject new things.
- Tenacity: Persisting in the face of repeated setbacks.

• Integrity: Committed to living by our values and accepting coaching when we slip up.

These values align well with behaviors that foster innovation and creative problem solving. It is worth noting the importance of integrity, as it requires consistent effort to uphold. Leaders play a crucial role in promoting this value by publicly committing to the value set and inviting feedback on their own behavior from the organization.

Similar to safety or quality behaviors, leaders must demonstrate unwavering commitment to these behaviors for them to become ingrained in the organization's culture.

Why is Leader Behavior so Difficult?

Bob explained that all organizations exhibit a tendency towards complacency and reverting back to old behaviors if they do not have clear value systems in place. There are several reasons for this phenomenon.

Firstly, durable innovation systems take time to establish and provide long-term competitive advantages. In certain situations, leaders may be tempted to prioritize short-term gains, which can lead them to contradict innovation behaviors. Although making decisions via leader mandate or directive may speed up the decision-making process, it can compromise the group's ability to come up with innovative solutions in the long run.

Secondly, leaders are often chosen for their confidence and competence, which can conflict with desired behaviors such as humility and curiosity. For example, leaders who think they recognize familiar patterns in new situations may direct groups to bypass learning activities that ultimately help them better understand the new situation.

Additionally, there can be a perceived discrepancy between the values of innovators and those explicitly stated in the corporate culture. For example, performance-based corporate cultures often prioritize a "Bias for Action," which can seem contradictory to the mindset of learning fostered by humility and curiosity.

When leaders become stuck at a certain level of maturity, these tendencies can create a conflict between innovation behaviors and the overall expectations of leaders. Resolving this paradox requires leaders to understand that the apparent contradiction between these value sets is not actually a contradiction. A deeper understanding of the behaviors involved is necessary. For instance, seeing that shortcutting decisions might actually result in *longer* decision times if the learning behavior that was bypassed reveals crucial information for the right course of action.

While this deeper understanding is crucial, it often requires a high level of self-awareness among leaders, and sometimes even epiphany experiences, to fully commit to it.

Mandate 2 - Designing Systems & Structures

Bob conceptualizes innovation systems and structures within the framework of four key areas crucial for creating impact within an organization. These areas include climate, policy, people, and process.

In terms of climate, Bob focuses on establishing norms and areas of emphasis for experimentation. In the area of policy, he emphasizes the importance of organizational strategy and oversight mechanisms. When it comes to people, Bob emphasizes the role of skills, behaviors, and leadership mechanisms. Lastly, in terms of process, Bob emphasizes the significance of the systems and technology used by the organization to drive innovation.

Organizations that possess strong innovation systems have elements that foster creative activity in all these areas. It is important to note that having weaknesses across all areas or only having strength in one area while neglecting others does not result in organizations with a strong innovation system. Bob's book, "Demystifying Innovation Culture Efforts," provides detailed information about the factors and characteristics within each area.

To improve an organization's innovation effectiveness, it is ideal to invest in targeted areas based on a maturity assessment. New & Improved has developed a simple self-assessment tool that can be used internally to gain a preliminary understanding of how well an organization supports creativity.

During our discussion, Bob and I talked about the scope and implementation of any innovation initiative. He made it clear that better problem-solving capabilities can benefit any function within an organization. Additionally, given the importance of innovation for gaining a competitive advantage, any strategic initiative should be viewed as a long-term program lasting 3-5 years. It is important to approach such initiatives with a holistic view of innovation culture rather than solely focusing on one-off programs like skills training.

About Bob Eckert

Bob Eckert is CEO at New & Improved. He focuses on helping organizations harness and develop the innovative brain power of their people to deliver new and improved results.

Fast Company calls him an "Innovation thought leader" and he has been quoted in publications such as Forbes and Inc.com. He has written extensively about innovation leadership. The author of numerous articles and books, his two most popular are Demystifying Innovation Culture Efforts and Demystifying Innovation Culture Efforts and More Lightning, Less Thunder: How to Energize Innovation Teams.

Organizations that have benefited from his organizational and leadership development work include: General Electric, Intel, Johnson & Johnson, Mercedes-Benz, TE Connectivity, Kimberly Clark, and many others.

About Growth Arc Advisors LLC

After a 30 year career as an executive in the chemical industry, founder Kendall Justiniano started Growth Arc Advisors to help chemical business leaders implement the new thinking required for changing fundamentals. We're experienced industry operators who know the old playbooks, their gaps, and the new pages required.

The firm delivers customized engagements for Materials Executives in 3 key areas:

Commercial Effectiveness: increasing growth revenue through proven next-level commercial practices, including digital sales & marketing.

Strategy: helping clients navigate threats generated by sustainability, digital, and global demand shifts.

Innovation: accelerating return on innovation through focused investment.

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