

How to build a culture of innovation

Modern companies claim to seek innovation. But mostly they fear it. Executives tremble at the perceived threat of a shadowy cabal of bespectacled geeks whose idols are Steve Jobs and Elon Musk.

By [Katherine Madley](#) 30 Nov 2016



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So the awful adage “disrupt or be disrupted” haunts the hallways of every modern firm. Corporate executives spend a good deal of their time listening to conference speakers who’ve not invented a thing in their lives, alone taken it to market, fulminating from the pulpit about exactly how the world should reinvent itself. Suddenly everyone’s an expert. Innovation ‘agencies’ pop up and lease out consultants at exorbitant rates who’ll school your business in starting internal programmes. Leaders take daytrips to Silicon Valley to soak up the ambience. CEOs scrutinise the latest trendy FinTech start-ups and ponder whether to build, buy or partner with them.

I completely ignored all that hype and I can’t stand the word ‘disrupt’, I prefer the word ‘improve’. I focus on one thing – uncovering the latent talent I knew was inside some of the brilliant individuals I walk the halls with everyday.

The sad truth is all the players in financial services are reading the same things, are thus arriving at the same ‘insights’, then feverishly pushing the same strategies to impact the same target markets. It’s a race again

time, and much like all the new buildings going up in Sandton, it's all a bit of a beauty contest.

Improve the future

Meanwhile, the real innovators out there are quietly inventing the future. They're not piping about it, and they don't care which way the rats are going. They're not planning to 'disrupt' the world; rather, they want to improve it, and with it, the well-being of the human race. The ideas they give birth to are developed incrementally, built, rebuilt, broken, rebuilt and then dropped like silent depth charges into the market and tested.

The market talks back to a new product, enhancements take place and the product evolves over time. One day, it reaches an inflection point, and suddenly becomes mainstream. The media goes bananas and anoints it as the latest "disruption". But the recipe is actually very simple: combine old ideas in a novel way and experiment boldly. Add good old fashioned elbow grease. Test your assumptions and iterate toward excellence. Don't play a boastful instrument or dance to other people's tunes.

When we started our innovation programme in 2013, the two of us who started it were sure of a few things

1. Our people are our brains trust. We need to provide a fear-free platform for them to share their smarts. We knew that great ideas were inside us. We just needed to excavate them. We built a programme and home grown hub, did some creative campaigning and thought we would get about 30 ideas. On our 1st campaign we received 156 proposals. When we started sifting through the outpouring of ideas, I realised they weren't all fresh, but even so, we personally replied and engaged with every single one. Our strategy was to create a safe space for ideation. Pretty soon, our habit of including people, encouraging people and building people up bore fruit. Confidence grew and so did the quality of the ideas.
2. Not everyone knows how to write a clear crisp business case, let alone how to pitch an idea to group Ex members and investors. We taught our innovative people the basics of marketing themselves and helped them creatively generate an elevator pitch, a full presentation and write a business case with clear numbers attached to the idea. We helped them win.
3. Innovation is an 'extra-mural' until you become so good at it that your job changes. We adopted a funnel approach: we sifted through hundreds of ideas, picked around 50, shaped around 10 into proper business cases and pitches and then took about five to market. The people that actually worked on the idea after its acceptance, building it out and taking it to market obtained mastery en route and changed their own world. There are no short cuts; you have to understand every layer of it and if you don't have a focussed, long-term disciplined work ethic, forget it. You need grit and steel after the giddiness of winning approval on your pitch and are gifted the money required. Those who demonstrate the determination and creative stamina leap out of their jobs and into their chosen product-build full time.
4. The long term innovators in your company stand out quickly. They floated up to us like cream on milk. We created an innovation crucible with very diverse people who are natural innovators, that is, they actually come up with original ideas impacting revenue, decreasing cost or streamlining a process. These are our engine of innovation; they think, they build and they collaborate. Our philosophy is to look after them and reward them. We believe collaboration fundamentally accelerates innovation.
5. The face of innovation must be the Group CEO and the investors the business unit heads. Our leaders at the top executive level personally rewarded the innovators and helped them with their ideas and business

cases. When our staff saw this in action, they believed in it and wanted to be part of it. This cemented the culture tremendously.

6. Attention is addictive – you might as well feed it. Reward the thinker. Have a glittering event, showcase the ideas, run an innovation den day, expose the brilliant thinkers to the top leaders – they deserve it and the growth and engagement from these rewards are well worth it.

Therefore, if you want to lead innovation and deepen the culture of innovation in your organisation, you need to be an inventor yourself. Whilst leading the programme, you need to build a new product to take to market. After all, there is no better way of leading than leading by example. Don't be a rat that follows or blow your own horn. Help others find the music inside themselves and give them the opportunity to play in the orchestra.

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