

# Part I

# Making Your Mark as an Innovator

The 5<sup>th</sup> Wave

By Rich Tennant



"I think Dick Foster should head up that new project. He's got the vision, the drive, and let's face it, that big white hat doesn't hurt either."

## *W* *In this part . . .*

hat will people remember you for if you leave your current job next month? Will you leave a legacy behind? Will you leave something that people will name after you or hold up as an inspiration for those who follow? I hope so! It's important to make your mark wherever you go by contributing not only your effort, but also your good ideas. This part helps you engage your work in creative, proactive ways by being a source of innovations of all sorts.

Whether it's a marketing challenge, such as redesigning a brand's logo and look, or a strategic challenge, such as deciding how to achieve greater success next year than last, your career is made up of your contributions as an innovator. Step up to a leadership role in innovations of all kinds. It's rewarding to be part of the solutions to problems and one of the architects of the future!

## Chapter 1

# Taking an Innovative Approach to Work

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### *In This Chapter*

- ▶ Engaging your most powerful personal asset
  - ▶ Providing yourself a place to imagine
  - ▶ Introducing daily creative practices
  - ▶ Broadening your experience
  - ▶ Benefiting from creative mentors
  - ▶ Leading and succeeding through your innovative initiative
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**C**reativity is often thought to be the exclusive province of artists. This misconception gets a lot of people in trouble. Unless you spend a portion of every working day being creative and opening yourself to the possibility of innovation, you and your employer or business are going to be stuck in the past instead of creating the future!

As you open this book, you also need to open yourself to fresh ideas and curious questions. Innovation taps into the creative and intuitive side of your mind — the so-called right-brain activities that are essential to the arts and invention. But innovation in a business environment (and in government and nonprofit workplaces, too) needs more than creative thinking. It also requires you to enlist the enthusiastic support of others and to push ahead with plans that turn your ideas into reality.

Being creative in your work means bringing a special spark to it and recognizing that things are going to change — so why not be the one who dreams up and then spearheads innovations?

You can bring positive change to anything and everything, from products and work processes to customer complaints or resource shortages. Conflicts and disagreements are wonderful opportunities for innovation because they reveal the various limitations and tensions that are holding people back in

your workplace. Also, any special project — whether it's a major presentation, a new planning cycle, or a move to a new location — is a great opportunity to innovate. Whenever you face a new responsibility or problem, put on your innovation hat. This chapter shows you how.

## *Tapping Into Your Own Creative Force*

I define *creative force* as the power to create that flows through all of us. This definition is important because it takes a stand on a pair of perennially controversial issues:

- ✓ Some people say that creativity is a rare skill, but in my experience, we all can (and should!) be creative in our approach to our working lives. Creativity may come a little more naturally to some than others, but trust me on this: You will benefit substantially from nurturing your creative force and adopting creative practices.
- ✓ Creativity isn't really about play or games. You need to approach it with respect because it's a powerful thing — perhaps *the* most powerful thing. Life is a powerful creative force; each birth brings a unique new being to life. The world is inherently creative, and so are you. You can and should tap into the power of this creative force.

You can see the power of creativity each time a successful innovation changes lives and the world. Creativity is an extremely powerful asset. When you use your natural creative power to innovate in your own life or to bring innovations to the lives and work of others, you're quite capable of changing your world.

The fact, however (and it's a somewhat sad one), is that most people never fully realize their creative potential. Most of us don't tap into the strength and power of our own creative capacity — let alone the additional capacity of those around us. Here are several proactive practices that can help you engage your creative force more fully than most people do.

### *Generating more ideas*

Make a habit of thinking about possibilities. A simple way is to start with your own needs.

#### *Imagining innovations to meet your daily needs*

We think about needs constantly. I need coffee to get going in the morning, for example. Someone had a similar need and invented a coffee maker with a built-in timer. In thinking of the next breakthrough in coffee making, I start by considering my needs. I don't mind my home-brewed coffee, but really, I

prefer to have someone at a good cafe make me a cappuccino or latte from Italian espresso beans. This leads me to the idea of a coffee cart that would drive around my neighborhood and provide me a fresh-brewed gourmet coffee as I get into my car on the way to work — or maybe as I get out of my car in the parking lot before going into work. Aha! I haven't even had my coffee yet, and I've had an innovative idea! It's going to be a creative day.

### ***Recognizing great ideas***

Another good way to boost your creativity is to simply take note of creativity around you. People are surrounded by creativity and innovation but usually pass by it without taking special note. Recognize that you need the stimulation of other people's creative thinking. I collect good examples, rather the way an art collector gathers fine paintings. When I see a clever new product, I admire the insight of its inventor.

I also keep an eye out for creative advertising. Ad agencies have so-called creative departments full of wacky people whose job is to dream up something clever. Sometimes they actually do, and their example can inspire you to try new approaches to your own daily challenges.

Why start yet another memo or staff e-mail with a boring subject line when a catchy headline might make your point more creatively? Maybe you'll send out an e-mail to your staff with a subject line like "Breaking news: There *is* such a thing as a free lunch!" as a way to entice everyone to come to a lunchtime training session in your department. If you use that headline, of course, you'll have to actually deliver lunch for free, which may not be in your budget. But maybe you could get creative and ask the newest restaurant in your area if it would like to take advantage of an opportunity to provide samples of its fare to a group of local professionals. That way, you won't have to find cash in your budget for that free lunch. There's always a creative option, if not two or three.

### ***Holding out for more options***

Perhaps the simplest but most powerful creative practice is to insist (to yourself and to others) that there must be more choices. Creativity expands your options — but only if you realize that more options are better.

Imagine that you're being held captive in a locked basement, and your captor gives you a gruesome choice: You may either shoot yourself and die quickly (a loaded gun is provided for this purpose), or you may wait while the basement is flooded and then die slowly by drowning. Which option do you choose? If you say "Neither," you've taken the creative approach to this problem, but you were given only two choices, so it's up to you to create more options. Have any ideas? I know that it's hard to think under pressure, but please hurry up; your captor has snaked a hose down into the basement and is about to turn the water on. . . .

What did you come up with? Here are a few options I thought of:

- ✔ Find the toolbox (there's always one in a basement, right?), and use a screwdriver to remove the hinges from the basement door.
- ✔ Shoot the gun at the main electrical line (there's one coming into a breaker box in most basements) to start a fire, setting off the fire alarm, which is required in most building codes and, if you're lucky, is linked to a central dispatcher.
- ✔ Get your captor talking at the basement door (before he turns the water on), and shoot him through the door.
- ✔ Shoot the hose with the aim of breaking it and pushing the end out of the basement.
- ✔ Try to trick your captor into coming into the basement (perhaps by saying that you choose to shoot yourself, but the gun is jammed, and can he show you how to fix it?); then escape while the door's open.
- ✔ Find the master valve that controls the water to the building, and turn it off. (There's usually one in the basement.)

This mental exercise may seem to be far removed from your workplace challenges, but it's really not. Most of the time when there's a budget crunch, for example, senior management fails to ask for ideas before resorting to the axe. Suppose that someone says, "We've got to cut the budget, so decide which of your five staffers to lay off." You ought to stop and look for alternatives before you pull the trigger on anyone's job. There's always another way.

How about retaining all five employees but shifting them to four days a week, or looking for ways to conserve energy and materials instead of cutting staff? A brainstorming session with your staff might produce many practical ways to cut the budget without laying anyone off. It's worth a try. A little creative thinking can make a bad situation much better than it looks at first glance.



See Part II of this book for lots of techniques and tricks that can help you generate more options.

## *Identifying your biggest barriers to creativity*

We all have the potential to generate imaginative insights and ideas, but most of the time, we don't. Why not? The biggest reason is that we're hemmed in by numerous barriers to creativity, especially at work.

### ***Knowing your creative enemy***

Studies show that the following are major barriers to creativity in the workplace:

- ✓ Lack of time and opportunity
- ✓ Criticism by others
- ✓ Strict, stern, or critical supervision
- ✓ Rigid policies, rules, procedures, or practices
- ✓ Exhaustion or lack of regular sleep
- ✓ Pessimism and negative thinking
- ✓ Lack of diverse experiences and inputs
- ✓ Either-or thinking that keeps people from exploring multiple options
- ✓ Lack of support for new ideas and approaches from your boss or colleagues
- ✓ Not knowing how to apply your creativity to your work
- ✓ Self-censorship due to lack of confidence, uncertainty, self-doubt, shyness, or other reasons

When you recognize your own barriers, you can take steps to reduce their power over you. If peers are negative thinkers who dismiss ideas out of hand, for example, do your creative thinking out of range of their negative comments. If you're under too much time pressure to think creatively about problems and needs, give yourself a creativity break: Get away from your desk, and spend a lunch hour walking and thinking without the pressure of constant interruptions.

Also, don't let self-censorship get in your way: Allow yourself to generate many ideas without concern for quality. Every barrier can be countered with a simple strategy that reduces its influence, at least long enough to allow you to generate some insight. For more help identifying your barriers, try taking the Personal Creativity Assessment created by yours truly (published by HRD Press and available on the Web site that supports this book, [www.supportforinnovation.com](http://www.supportforinnovation.com)).

### ***Being alert to your stylistic strengths and weaknesses***

Your *creative style* — the way you approach challenges requiring innovation — can also be a barrier to creativity because some people naturally prefer a structured, planned approach to a looser or more intuitive approach. Structure and planning are excellent for developing and refining a concept after you've come up with it, but they get in the way of initial insights. If you like to do things in order, value neatness, and feel most comfortable working from a specific plan, you'll find it difficult to switch to a freestyle, imaginative approach.

To switch your style and come up with fresh new ideas, think of creativity as a form of play. When you play, you let go of normal inhibitions and open yourself to possibilities, proving that you're capable of making creative leaps of the imagination, even if your normal professional style is stiff and structured.

Turn to Chapter 15 for more help on dealing with the limits (and corresponding strengths) of your specific creative style. If you aren't sure what your creative role is, visit [www.supportforinnovation.com](http://www.supportforinnovation.com) to test yourself and find out which stages of the *innovation cycle* (the process of generating, developing, and applying or commercializing an insight) are your strongest and weakest.

### ***Bringing your creativity to practical, routine tasks***

It may seem that innovation has to be about those major, once-in-a-lifetime ideas. Not so! There are a thousand small breakthroughs for every big one, and you'll never come up with a big idea unless you build your creative muscles by coming up with a thousand small ones first. Do things in new ways, and look for better approaches every day. (For specific tips on how to apply creativity in daily challenges, read Chapters 11, 12, and 13.) Also check out the sections "Constructing Your Creative Place" and "Introducing Creative Practices to Your Daily Routine," later in this chapter.

## ***Taking advantage of your biggest enablers of creativity***

A *creativity enabler* is anything that stimulates your creativity. Common enablers include a good night's rest, a change of scene, a good example of imaginative thinking, a cup of coffee, exercise, and a walk on the beach (or anywhere that's relaxing, open, and natural). Also, anything that makes you laugh enables creative thought. You may have other more personal enablers too, such as a creative mentor you can talk to, a favorite place, or a hobby that helps you relax and get "in the zone."

Visual images enable creative thinking because creative insights are often visual in nature. Too often, people approach work from verbal or quantitative perspectives. In fact, many challenges posed by employers and bosses are barriers to creativity, rather than enablers, because of the way they're presented. If you reframe the question around some visual exercise, however, you can convert it to a powerful enabler of innovative ideas.

A great way to stimulate your own creative thinking is to collect a few simple visual images; clip them from magazines or pull them out of the library of symbols in any handy word processing or design program. Then challenge yourself to use each image to come up with an idea by analogy.










Figure 1-1 shows how you might set up a visual challenge for your imagination if you want to come up with a new line of clothing that could boost sales for a clothing manufacturer or designer. Try your hand at it right now (because practice helps boost creativity). Can you come up with any fun ideas for new clothing brands? Do any of the symbols suggest possible brand names and concepts?








When you've tried this exercise yourself, look at Figure 1-2, where I've exercised my own imagination with this challenge. Are all my ideas likely to become million-dollar successes? I doubt it, but maybe one of them will.



It's important to avoid self-critical thinking when you exercise your imagination (see "Identifying your biggest barriers to creativity," earlier in this chapter).

Symbol	Brand name	Tag Line, Positioning
		
		
		
		
		
		
		

**Figure 1-1:** Use this form to come up with ideas for new lines of clothing (or substitute a product category of your own choosing).

Symbol	Brand name	Tag Line, Positioning
	<b>Heavy Duty</b>	Clothes that work for you (Traditional work clothes)
	<b>Refrain</b>	Helping you hit your high note (Attractive, professional business casual)
	<b>Take One</b>	Getting it right the first time (Stunning outfits for first dates)
	<b>Back to Bed</b>	Comfortable garments for a busy world (Casual, relaxing; the closest you can get to pajamas without actually wearing them)
	<b>Continuing Ed</b>	Clothing for the student in all of us (Adult version of popular "tween" styles)
	<b>Family Planning</b>	Watch out or you might start something (Sexy night-out clothing)
	<b>Diner Designer</b>	Making Americana Chic (Contemporary versions of styles from the 1930s and '40s)

**Figure 1-2:**  
Examples of ideas for lines of clothing, suggested by visual images.

## Constructing Your Creative Place

Does your workplace encourage creative thinking? Probably not. I visit a lot of workplaces at big and small businesses, nonprofit organizations, and all sorts of government agencies, and in my experience, fewer than 1 percent of them are naturally creative spaces. This is a problem, because people need innovation at work, but the spaces they work in make it hard to create.

A creative space needs to do the following:

- ✓ Make it easy to focus on an important challenge or task without interruption.
- ✓ Offer control of the physical environment, including configuration of desk and chair, lighting, layout, decorative elements, and sounds.

- ✔ Offer varied and interesting inputs, including visual, verbal, and other sensory inputs.
- ✔ Make people feel very comfortable, focused, and able to come up with good ideas.

To stimulate creativity, your workspace should *not* feel cluttered or crowded, or make you feel frantic and stressed by constant interruptions and emergencies. Unfortunately, this is just what most workplaces are like! It's up to you to fight back by defending a place and/or time in your day where you can be creative and open to possibilities. Some people can't achieve a calm, creative state of mind in their workplaces and have to resort to taking walks or retreating to a favorite coffee shop or park during their lunch break, but ideally, you can build a creative environment at work. Here are some ideas you can try:

- ✔ Post a sign asking not to be disturbed during certain times so that you can focus and think.
- ✔ Use a desktop lamp, shade, hanging cloth, or hinged freestanding screen to give yourself some control of your lighting.
- ✔ Clear the decks! Keep the cluttered pile of paperwork out of sight in a drawer or cabinet so that you're truly able to focus on one important problem at a time and not always be reminded of other tasks.
- ✔ Introduce something playful to your workspace. Rotate tactile puzzles and windup toys through the space to give you a different kind of stimulation than you usually get from work, or post humorous cartoons to inspire your imagination.
- ✔ If possible, introduce low-volume mood music of your choice (but of course, you'll have to keep it quiet enough not to disturb anyone else's concentration).
- ✔ Introduce something living, such as a potted plant or a vase filled with gravel, water, and spring bulbs.
- ✔ Display pictures of people who encourage you and believe that you are creative and brilliant. If this doesn't sound like your spouse or children, put their pictures out of sight when you try to come up with breakthrough ideas, and select a mentor instead. If you don't have a creative mentor, elect someone famous to fill the role. A picture of Albert Einstein really does make you smarter. Try it if you don't believe me!
- ✔ Keep a scrapbook or screensaver file of beautiful art, nature photos, travel photos, or other images that help you feel removed from work and your usual routine. Open the folder and scan the images when you want to take a creative turn.

## Building your personal studio, shop, or laboratory

If you want or need to step up the innovation level with long periods of creative work, you may need to go beyond making small adjustments to a conventional workspace. You may need to configure a real studio, lab, or workshop for yourself, where the entire space is set up and equipped to support the creative work you have in mind. Consider these possibilities:

✓ An inventor working with electronics needs a place to do electronic engineering (requiring a computer running specialized design software), plus perhaps a place to mock up circuit boards and another place to mock up the actual equipment that the circuit boards go into. Depending on what you're working on, this workspace could be a fairly simple refit of a two-car garage or a

very expensive high-tech laboratory requiring the help of a venture-capital investor or an employer with a large research-and-development budget.

✓ A marketer working on ad campaigns and Web sites needs a very different sort of space — a studio with a flip chart for brainstorming, a computer with graphic design software and large display screen, and perhaps a round table for laying out examples of competitors' materials or holding group brainstorming sessions.

What kind of creative space do you need? Ask yourself this question and then do as much as you can (given your current resources) to create your own creative space.

It's important to find simple ways to protect your creative focus, whether by designating a space or a time to work on innovations, or both. Every workplace I've ever visited has had an official policy of being innovative, but because this goal is rarely translated into a work environment that's good for innovative thinking, it usually comes to nought.



A perfect workspace or place is very helpful, but in truth, much of what goes on when you innovate takes place deep inside your head. It's possible to stimulate breakthrough thinking by using your computer as a resource. Look up other people's work, and seek inspiration on the Web. Create a computer desktop with resources that you find helpful in your creative thinking, such as helpful computer programs, templates, and (especially) file folders of examples. I like to gather visual images that inspire me. They could be clever inventions, inspiring landscapes, or any other images that catch my eye and stimulate my imagination.

Also consider creating a playlist of music that you've selected because it helps you think clearly and creatively. (My creative playlist includes all the Bach cello concertos, which for some reason are amazingly good for stimulating creative thought.) You may also want to organize a bookmark folder of interesting Web sites for doing research to support your creative thinking or stimulate new ideas. Plugging into the facts, ideas, and designs of hundreds of other people is a great way to power up your imagination. (You can find a selection of inspiring images and examples at [www.supportforinnovation.com](http://www.supportforinnovation.com).)

## *Introducing Creative Practices to Your Daily Routine*

When I get called in to help an organization become more innovative, it's usually because something has gone wrong and the organization needs a big breakthrough idea in a hurry. Generally, I find that it has no creative routine, meaning that I have to get it from 0 to 60 creative miles an hour in a hurry — a task that's barely possible and usually quite a challenge. If you want to get in good cardiovascular shape by running, you don't enter a marathon as the first step. You start jogging every morning and work up gradually to long distances. It's really the same with creativity. Daily practice makes it easy to come up with the ideas you need, both big and small, when you need them most. If more people introduced creativity into their daily routines, they wouldn't need me to rush in and run creative retreats. They'd simply have the ideas they needed when they needed them! This section covers simple ways to develop a positive habit of creativity.

### *Balancing tight and loose activities*

A *tight activity* is one that has strict parameters or rules and little room for variation or creativity. Business values tight activities because they produce consistent performance. McDonald's makes every burger exactly the same way, for example; that's part of its success formula. Also, it's important to enter accounting records accurately, using the same accounting system all year long.

Most of what people do in workplaces consists of tight activities. But tight activities put the right brain to sleep and reduce creative thinking. They need to be balanced with some loose activities.

A *loose activity* has little or no structure and no obvious right answer. It invites — in fact, requires — you to make things up as you go. Drawing a connect-the-dots picture is a tight activity; drawing a freehand picture of your own is a loose activity. Riding your bike, walking, or jogging a set route is a tight activity; exploring a new route is a loose activity. Learning a choreographed dance routine is a tight activity; choreographing or improvising your own dance is a loose activity.

What loose activities do you like to do? Make a list. Try to do at least one a day.

## *Freeing yourself to daydream*

Mixing some loose activities into your normal routine of tightly controlled tasks is helpful (see the preceding section), but it doesn't guarantee breakthrough ideas because it still keeps you highly active. If your day is programmed with so many responsibilities that you can barely catch your breath, you have no time for creative thoughts to percolate.



I have an acquaintance who's an inventor. His output is largely creative. Every now and then, he patents some brilliant new invention that he's spent months thinking through. The rest of the time, he does a lot of thinking. His favorite places to work are hammocks and couches. He likes to close his eyes and lie back, letting a problem float around in his imagination until something clicks into place in a new way. It may look like he's napping. The only way you know that he's not is that every now and then, he writes another brilliant idea.

I'll bet that daydreaming on a couch is a very different approach to work from yours. If you're too busy for your imagination to get a thought in edgewise, you're going to have to take a timeout in your daily routine. Even ten minutes of gazing at the sky or walking through a flower garden may be enough to free your mind and allow creative thoughts to form. Your right and left brains compete for dominance, so to let your creative right lobe do its thing, you have to shut the logical, organized left lobe down at least once or twice each day.



Please note that this daydreaming has to take place before you get too tired for either side of your brain to do good work. If you work hard all day and then collapse on a couch in front of the TV, you won't do any creative thinking, because you'll already have used all your energy for thought. Build some daydreaming time into the early part of your day, when you're still fresh enough to do good creative work.

## *Pursuing interesting questions instead of letting them pass by*

When you make a point of mixing some loose activities (see "Balancing tight and loose activities," earlier in this chapter) into your daily routine, and also find time to relax and let your mind wander or daydream now and then, you'll find that your naturally inquisitive nature starts to express itself. You'll be increasingly curious, and you'll be able to tackle interesting questions, both practical and impractical (and either type is fine for stimulating innovative thinking).

It's terrible to be too busy to take an interest in questions such as these:

- ✔ Why do we always do it that way? Isn't there any better alternative?
- ✔ Do you think someone's already solved this problem, and we just have to find out what they did?
- ✔ Why do we divide the work the way we do? Could it be divided up differently?

These questions are traditionally called “dumb questions” because they set aside our knowledge and experience; they get us to examine our assumptions and start all over with an open mind. Make a habit of asking dumb questions and exploring possibilities. Every innovation starts with a simple question. Ask enough questions, and you'll find that you've seeded a lot of exciting innovation.

## *Cross-training the body to strengthen the mind*

The mind and body are inextricably linked. You can't do good creative work when you're tense, irritable, sad, or depressed, and you can't sustain creative effort if you're ill, weak, or tired. The body needs to be in reasonably good shape and feeling fairly well for you to come up with good ideas. Therefore, you need to tend to your physical needs and adopt healthy practices to achieve your full creative potential. Exercise and healthy living are important to innovation.

In addition to keeping you healthy, exercise can broaden your thinking and strengthen your creativity if you seek out new experiences through your exercise regime instead of always doing the same thing day after day. Try to pick up a new sport, join a class you've never taken before, or work out with a new group of people to build training and ongoing learning into your workouts.

Trying a new sport or acquiring a new skill is very much like trying to invent something. You can expect lots of early failures and a feeling of naïveté or even ignorance, followed (if you persist) by the growth of competence and a growing feeling of mastery. This experience helps you feel good about being naïve and ignorant — something that you need to practice to avoid self-censorship and fear of failure when you try to be creative at work.

## *Seeking Broader Experience*

Wide experience helps you innovate because, as I explain in Chapter 11, creative concepts often come from the combination of knowledge about apparently unconnected things. It's important to get out of your world and explore other people's worlds so that you can draw on a breadth of knowledge and experience too.

### *Finding ways to challenge yourself*

When people ask me what they can do to become leading innovators in their field, I always suggest that they study or work in some other field for a while. If you work in the insurance industry, go take an evening course on geology, art history, or microbiology; anything that you're completely ignorant of will do the trick. Within a few weeks, you'll be seeing your own field or work quite differently, I promise.

Studying another culture and its language is a great way to stimulate your thinking. Taking up a new hobby can also do the trick. I've met a lot of entrepreneurs who built their hobbies into successful businesses. But there's no one best way to ensure that you have a rich and varied range of knowledge and experience. Follow your nose, and let your curiosity be your guide. Being open to new challenges that interest you is a really great way to build your creative power. It gives you more inputs from which to create innovations, and it makes you flexible and hardy enough to be a champion of your innovation as well.

### *Taking personal risks*

Innovators don't mind failure, but they aren't gamblers. They take calculated risks that have a reasonably high chance of success. To increase your rate of creativity and produce more innovations, you need to avoid making wild or irresponsible gambles, but at the same time, you need to avoid playing it safe, worrying about what people will think or what will happen if you fail. These sorts of thoughts can sabotage your efforts at creativity.

A lot of interesting research shows that successful innovators, entrepreneurs, artists, scientists, and other highly creative people tend to be very open to new experiences and ideas, and have a strong feeling of *self-determination*. Self-determination's psychological meaning (similar to its political meaning) is the feeling that you can individually decide your own fate. People who are self-determined



- ✔ Have a sense of being in control of their lives.
- ✔ Tend to listen to their own ideas and instincts instead of always doing what others tell them or what convention says.

How do you gain the strength of will and self-reliance that highly self-determined people instinctively have? You can strengthen these qualities by not worrying about the risks of being wrong or embarrassing yourself if you offer a suggestion that doesn't work; tell yourself that you can come up with better approaches if you keep trying. Regulating your self-talk is a useful technique, especially when you combine it with a daily habit of open, creative practice. See Chapter 9 for specific ideas you can use to adopt a more optimistic, creative personality or strengthen the creative personality you already have.

It feels risky to stick your neck out with an opinion, option, or design of your own, but that's just what business needs and what *you* need to do to have a successful career today. Practice self-determined, creative behavior until you begin to feel comfortable with the risks of being wrong and having your ideas shot down. I never worry that one of my suggestions will be shot down because I have confidence that I can always come up with more.



The nice thing about tapping into your creative force is that the more you use it, the stronger it gets. You may run the risk of being wrong now and then, but there's one risk that you never need worry about: You'll *never* run out of ideas! If one is shot down, just launch another, and another, and another. . . .

## *Spending more time with people who aren't at all like you*

Diversity is the fertilizer of innovation. Diverse experiences and acquaintances give you a diverse range of inputs and ideas to work with. Many successful innovations actually arise from pairs or teams of people whose cultural and intellectual backgrounds are very different. Opposites react. Take advantage of the learning and ideas you get from talking with people whose experiences are very different from your own.

On the flip side of the diversity coin, people who share your background and experiences are easy to be with, but they tend to shut down your creativity. Comfortable social situations are actually barriers to innovation. When all of a company's managers are from the same background (or are the same gender or race), the company tends to stop innovating and eventually runs into trouble.



## Mixing it up for sustained success

My dad was a really good investment analyst and had a great eye for strong management teams. I once asked him why he pulled all his clients out of the stock of a particular company when others were still rating it as a buy. In response, he pointed to a photo of the board of directors and said, "Notice that they all look alike? There's no diversity in their management team. I'm concerned that they're riding on their

laurels and don't have new ideas." He was right, and some years later, the company went into bankruptcy. That company was called Stone & Webster, and it was founded by my dad's grandfather, Edwin S. Webster, along with his roommate from the Massachusetts Institute of Technology, Charles Stone. Therefore, it was hard for my dad to sell off the stock, but he knew that a lack of diversity was bad for business.

## Seeking the company of innovators

If you don't spend time with creative people, you'll have a hard time being creative yourself. The problem is that most of us work with people who aren't creative (or who *seem* not to be creative).

Fewer than 10 percent of people are naturally highly creative, so your odds of bumping into someone who is naturally very creative are fewer than one in ten. Actually, the odds are worse than that in most workplaces, because hiring tends to emphasize qualifications and experience, not creativity. Even worse, of these few rare highly creative people, more than half hide their creative light under a bushel because of pressures to conform to a less creative, more conservative stereotype of what an ideal employee ought to be.



I once met a successful corporate chief executive officer who presented himself as a very cautious, conservative, dark-suited man at work, but on the weekends, he hybridized new varieties of day lilies. His secret creative passion helped nurture his natural innovativeness, and I think it kept him open to new ideas and strategies for his company. I thought it was a shame that his employees never saw this side of him, however, and I urged him to become more of a creative mentor by sharing information about what he did outside the corner office.



If you find yourself surrounded by people who don't seem to be creative, seek out the company of some new friends, role models, or mentors. Most cities have inventors' and entrepreneurs' clubs, and I recommend attending a meeting now and then to pick up some of the positive energy these groups always have. Creative energy flows across any and all boundaries, however, so you can get just as much energy from attending a fiction-writing workshop as you would from attending a more business-oriented event. Be broad-minded about

your search for creative peers. Why not volunteer to help design and build sets for an amateur theatrical production? Anything creative and fun will do the trick; it doesn't have to be directly related to your profession.

## ***Getting out of your personal and career silos***

Experts on organization design use the term *silo* (from the tall grain silos of traditional farms) to describe workplaces where people are isolated into groups based on their functions. It seems efficient to have all the salespeople in one place doing sales and all the accountants in another place doing accounting. Why should they ever intermingle? If accountants are concerned about an increase in the discounts given out by salespeople, however, what can they do about it except perhaps complain to headquarters? If the two functions had some overlap, accountants and salespeople might naturally chat about such a trend and come up with an insight of value to the company.

Organizations do best when they don't have tall silos in which groups, teams, divisions, subsidiaries, or functions are isolated from one another. You also benefit from getting out of your silo, and you should try to get out as often as you can, even if your employer doesn't make it easy to do so. Try one or more of these ideas:

- ✓ Take a rotational assignment in another location and/or function.
- ✓ Wander into unfamiliar parts of your workplace to find out what the people there do.
- ✓ Take a class or workshop in a field you know nothing about.
- ✓ Read another profession's magazines or blogs instead of your own.

Any of these activities will help you mingle with people who work in different silos, exposing you to fresh thinking and ideally building your cross-silo network of professional acquaintances, too.

## ***Supporting inquisitive behavior***

An advantage of finding and spending time with creative people is that you can encourage one another's creativity. I use the term *inquisitive behavior* to describe the general approach of asking questions and stimulating creative thought. Inquisitive behavior is the same in every field. It gets you thinking about creative possibilities by asking *open-ended questions* (questions that don't have any clear right answer).

When someone from your creative peer group or your workplace asks an inquisitive question, encourage creativity by taking the question seriously and helping that person come up with possible answers. Also try asking inquisitive questions yourself — the more the better, especially in traditionally noncreative settings like staff meetings.

Here's an example of inquisitive questions you might ask in a meeting addressing the practice of offering customers discounts to close the sale:

- ✓ **Inquisitive question:** Why is it called *discounting*? What are the origins of that term?
- ✓ **Insightful answer:** Roman merchants would place extra product to the side of a pile being counted and offer to throw in the extra if the buyer purchased the counted pile at the asking price.
- ✓ **Possible creative response:** Stop discounting the price, and return to the practice of offering extra free merchandise instead. That way, customers continue to pay the list price, and they hold more inventory of your product, delaying the time when the competition will have an opportunity to try to take the customer away.

Inquisitive questions can lead to new solutions, as this example illustrates. Without an inquisitive question or a few, a staff meeting on the topic of discounting would simply focus on how big a discount to give. With inquisitive thinking, that same meeting can explore alternatives to straight discounting.



That said, think about the normal staff meeting and what would happen if someone asked, “Hey, what do you think the origins of the word *discount* are? Where’d it come from?” Most likely, the boss or someone else in the room would quickly say, “Would you please stay on topic? We aren’t historians; we’re salespeople.” Oops — so much for inquisitive thinking. Be careful not to shut it down, and if someone else tries to, shut him or her down by saying something like this: “Hold on. Let’s give the question a chance. Sometimes, the strangest questions produce the most useful answers.”

## *Learning from innovation mentors*

To find a good *innovation mentor* (someone who can help you learn how to innovate and create), look for a person whom you find to be personally inspiring and who thinks you have a lot of untapped potential.



It’s best to find a mentor who doesn’t supervise you or have any other formal relationship with you, whether professional or personal, so that your mentoring relationship is the only way you relate. That way, you can focus 100 percent on discussing your career path, your current projects and challenges, and your ideas and how to move them ahead.

Also try to find people who have implemented an innovation by heading a team that brought about a major change or by starting a company or launching a new invention. Anyone who has brought about something new will have lots of helpful insights into the challenges of building momentum and implementing a new idea.

Mentoring is growing more common, but in most organizations it doesn't focus on innovation. Work to find a mentor who's been a successful innovator in the past and can share insights on invention, creative branding, novel business strategies, implementation, or other important innovation topics. Also try to make yourself available to *mentees* — people with less experience than you who would benefit from having access to your ideas and pointers. What goes around comes around, as they say, so by mentoring others, you may be more likely to be mentored yourself! (For more on how to set up and run productive meetings with your mentor or mentee, check out Chapter 3, and see my notes on the topic at [www.supportforinnovation.com](http://www.supportforinnovation.com).)

## *Becoming a Leading Innovator*

Tapping into your personal creativity allows you to become a successful innovator, because creativity is the fuel of innovation. You need to make a practice of imaginative thinking so as to have the creative power you need to fuel your own innovative career, as well as to fuel the innovations you bring to your work and workplace. That's why business innovation begins with a sustained effort to live a more creative life. An innovative approach benefits you in many ways:

- ✓ Helping you adapt to changing circumstances as you build a successful career
- ✓ Making you stand out from others, even if they have more formal qualifications or experience than you do
- ✓ Enriching your work by making each day a fresh, engaging experience rather than a boring routine
- ✓ Enriching your life by keeping your mind and body vital, flexible, and healthy

I've read a great many studies showing that people with an open, creative approach to life tend to live longer, rate themselves as happier than others, and have better luck avoiding major illnesses. They also tend to have more successful and profitable, as well as personally fulfilling, careers. There are a lot of reasons why you want to try to stand out as an innovator!

## *Making your creativity and drive visible to higher-ups*

Many people are hesitant to offer suggestions or take initiative in their jobs, especially if they're relatively young or inexperienced, or don't hold a position of power and authority. It's a mistake to self-censor and hold your ideas back. How else are you going to stand out? How else are you going to get to do interesting new things? I hope that over the coming year, you'll develop a reputation for being an exceptionally innovative and interesting person who stands out from your peers because of your creative ideas and willingness to tackle new challenges.

Many people fear that their competence will be questioned if they appear to be too creative or bring up too many suggestions (some of which inevitably will be ruled out as impractical or — dare I say it? — dumb). Competence and creativity are two separate things, and you can show your competence by doing careful work and following through on commitments. If you're also bubbling over with ideas and enthusiasm, that's a bonus that doesn't detract from your competence; it adds another dimension to your workplace personality.

Another concern many people have is that they don't want to be viewed as criticizing their boss or their employer as a whole. Okay, I agree — you don't want to get stereotyped as a malcontent. But that has more to do with *how* you present your ideas than with *whether* you present them. If you frequently make disparaging or negative comments (“It's stupid how we keep doing X and never come up with a better way,” for example), you'll certainly earn a negative reputation. Instead of voicing criticisms, offer suggestions. Say “What if we replaced X with Y?” instead of “X doesn't work well.”

Everyone (especially senior managers) likes innovators for their useful stream of positive suggestions. There's a world of difference between innovators and complainers. If something bothers you, take your complaint to your creative space (time, place, or virtual place; see “Constructing Your Creative Place,” earlier in this chapter), and turn that complaint into several alternatives. Then voice your positive suggestions instead of the negative-sounding complaint.

## *Stepping up to development teams and roles*

A great way to gain innovation expertise and show that you have lots of creative energy and initiative is to volunteer to help implement a positive new change. Most workplaces have at least a few committees, teams, or work groups that are tasked with solving a problem or handling a difficult

transition. Because these assignments are temporary, they draw on volunteers who do double duty, helping the team as well as covering their normal duties. Many people think that you'd have to be insane to take on an extra task voluntarily, but I think you're insane if you don't. It's the perfect opportunity to test your innovation skills and demonstrate your resourcefulness and drive. Make something new happen in your workplace at least once this year — preferably before you finish reading this book.

If you have any trouble with people who resist the new and blame you for their problems, check out Chapters 9 and 13, where problem-solving and conflict-resolution strategies can help you deal with those naysayers in your workplace who don't like innovation. Chapter 3 has resources for leading a project team, should you be lucky enough to be put in charge. And Chapter 18 covers how to take an idea and run with it on your own as an entrepreneur, should you decide that it's time to go out on your own and build your own business.





## Chapter 2

# Creating an Innovative Career Path

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### *In This Chapter*

- ▶ Breaking out of the mold: Pursuing an adventurous career path
  - ▶ Making diverse work experiences add up to an impressive résumé
  - ▶ Exploring ways to grow your career
  - ▶ Creating your own job opportunities
- 

**H**elen Keller famously wrote, “Life is either a daring adventure, or nothing.” If given the choice, I’d opt for an adventure, but in truth, most people wobble down the middle, somewhere between nothing to write home about and a real adventure. This chapter will make sure that dull fate doesn’t happen to you!

Aside from avoiding boredom (or should it be spelled *bore-dumb?*), the pursuit of career adventures ensures that you achieve your full potential by enriching your skills, experiences, network, and knowledge base. And these days, if you hadn’t noticed, there aren’t any stable, guaranteed career ladders to climb, so if you want a great career, you have to invent it for yourself.

I coauthored a bestseller called *Adventure Careers* back in the 1990s. At the time, I wanted to help people discover meaningful work and avoid dull, cookie-cutter career paths, and from the hundreds of e-mails we got, our readers seemed very excited to find that they had creative options beyond the standard want ads. In retrospect, however, there turned out to be another benefit to their quest for unique, exciting work adventures: Now they’re all grown up and hold positions of leadership in business, nonprofit, entrepreneurship, and government sectors. Their early adventures made them successful by teaching them to be more flexible and innovative than their less adventurous peers. What I learned is this: *Varied, exciting work experiences create the innovators and leaders of the future.*

This chapter will help you chart an innovator’s course from where you are right now toward a more dynamic and enriching career that engages your imagination and drive to the fullest. There are practical things you can do to make your career more dynamic and find more opportunities to innovate. Start with a different view of your career; then follow through by seeking opportunities that fit your existing vision of what you’d like to do.

## Seeing Your Career as an Adventure



A good rule of thumb for innovators — or anyone, really, who wants to live an interesting and fulfilling life — is to always be doing something that makes a good story. What does that mean? It means that if you have to answer a question like “What have you been up to?”, or you find yourself writing that proverbial letter home (or maybe today it’s a blog), you instantly know what you want to say because it’s a fun story that people will find engaging.

For example, as a sideline I’ve been working on a series of young-adult fantasy-adventure novels for a few years. When asked why I’m doing this, I simply tell the truth of the matter, which is that my eldest daughter, when she first went off to a sleep-away summer camp, wanted me to write her every day. I couldn’t think of what to say, so I started writing her a story, and by the end of the summer she had a large pile of cards and a desire to see what would happen next. So did I, so I turned them into a book (see [www.thestoryofdrift.com](http://www.thestoryofdrift.com) for details, if you’re interested). That’s what’s called a *back story* in fiction writing — background information that helps bring a character (or in this case, a book) to life. You need to accumulate interesting back stories too, so that you, as a character in a résumé, come to life and so that your résumé develops three-dimensionality that other résumés lack.

The way to develop an interesting character in fiction is to put the character in a challenging situation and see what he or she does. How will your character get out of trouble this time? It’s really that simple to write exciting stories, and it’s that simple to develop a rich, varied, and innovative career, too. Just put yourself in a new and challenging situation, preferably one you’ve never been in before and don’t feel qualified to handle, and then see how you do. I guarantee that despite a few tense moments, you’ll come through just fine in the end. The hero of the story always does!

### *Breaking through the barriers to career change*

If you go from school to an entry-level job in a field and then work your way up, perhaps getting some additional training along the way, you soon find that you have greatly narrowed your options. Giving up on your field and starting all over again in another would mean giving up the salary level you’ve achieved, as well as having to compete against younger entry-level employees. Many people feel that they’re trapped by their own career success and can’t change direction. The main barriers you run into if you try to do something creative or different are

- ✔ Practical financial barriers associated with taking a cut in pay or benefits
- ✔ A credibility problem when you try to talk a new employer into hiring you to do something you don't have much experience doing
- ✔ A lack of self-confidence arising from your lack of traditional qualifications and experience
- ✔ Possible age or other forms of discrimination if you don't fit the mold of the typical applicant

Of these four barriers to doing something new and different, three are largely external, and one is internal: your own confidence issues and concerns. Tackle that one first because it's more fully in your control and also because it has considerable influence on the other three barriers.



In my experience, you can often overcome the initial resistance of potential employers by exhibiting a really positive, can-do attitude. Wise employers know that they can teach skills, but they can't develop good attitudes in people; they have to hire for that quality.

Have faith that if you believe you can and should do something new to broaden your experience, you will eventually find an employer who agrees and likes your positive attitude and enthusiasm. This person may be a rare employer, but keep searching until you find her. She's not only your next boss, but also a potential mentor for your innovative career, because she understands the value of diverse experiences and values a creative approach.

If you're locked into an expensive lifestyle you can barely afford, finances are something you need to work on right away. They can be improved only incrementally, so get started immediately, and work on them for the next six months to a year. Here's what to do:

- ✔ **Reduce your carrying costs.** These costs are the regular (monthly or quarterly) expenses you have to cover to pay your bills. Get rid of expensive vehicles, appliances, memberships, and leases. Most households can cut their routine bills by about 20 percent without any major changes in lifestyle.
- ✔ **Chip away at credit-card bills, and stop using all credit cards at once!** If you can't afford it on a debit card, don't buy it, period. (That goes for automobiles too. If you can't afford to buy a car with cash, don't buy it. Your career is much more valuable in the long run than your ride.)
- ✔ **Move to a less expensive home.** Most people's largest expense is housing. Keep in mind that transportation is often the second- or third-largest household expense, so try to move somewhere in or near a major metropolitan area offering lots of work, study, and volunteering options, plus public transportation if possible.

Also consider sharing an apartment or duplex. Often, this approach can cut your living costs by 30 percent to 50 percent.

✔ **Take care of yourself.** Good health is a money saver, whereas illness is financially debilitating. Exercise, healthy eating, avoidance of alcohol and drugs, and early bedtimes add up to real savings in the household budget and free you to focus on developing an interesting, innovative career. (In fact, healthy habits are a bigger financial factor than health insurance, because an illness prevented saves, on average, a lot more than a year's worth of health insurance premiums.)



Make do with a smaller place and a less expensive lifestyle, and keep yourself healthy and fit. The goal is to see how small a percentage of your income you have to spend each month to cover the bills. If you can begin to get ahead of your costs and run a substantial surplus, you can reinvest that personal profit in an innovative career. In other words, invest the extra cash in yourself!

## *Making opportunistic moves*

When you work on your financial and emotional health, and no longer feel trapped in your current position (see the preceding section for tips on how to do this), you're ready to answer the door when opportunity knocks.



Speaking of opportunity knocking, you can get more information on the topic of finding an exciting dream job at the Opportunity Knocks Web sites: [www.knocks.com](http://www.knocks.com), where you can reach President Wendy Terlwelp for personal branding and career coaching, and [www.opportunityknocks.org](http://www.opportunityknocks.org), where hundreds of interesting job openings in nonprofits and charitable organizations are posted.

You can find lots of similar services on the Web by searching for interesting job openings and career boards where openings are posted. Type “finding a better job” into your favorite search engine. Also check out Monster ([www.monster.com](http://www.monster.com)), Employment Spot ([www.employmentspot.com](http://www.employmentspot.com)), and CareerBuilder ([www.careerbuilder.com](http://www.careerbuilder.com)).

## *Moving toward growth with your current employer*

The most obvious opportunities are the ones closest at hand. If your current employer has any interesting new opportunities, consider making a move, even if it's a *lateral move* (at the same pay level) or a *downward move* (at a lower pay level). The level is less important than the momentum of a position. Momentum means growth and future potential, and you should always be looking for and moving toward where the momentum is. If your employer is cutting back in most areas (as many are), chances are that there's still one area in which hiring is going on because of an urgent need to increase staff. Try to shift to a position — any position — in that growth area. Whatever it entails, it will expose you to some cross-training and teach you some skills that are of growing economic value.

### *Working your networks for opportunities*

Your personal and professional networks are great sources of opportunity. If you hear that someone is looking for somebody to do something that interests you, get in touch with that person, and find out more about the opportunity. Take a “why not?” approach to such opportunities, and see whether you find them interesting.

### *Taking on short-term and volunteer projects*

A great many short-term, part-time projects are available. Some pay well; others, such as internships and volunteer work, not so well. I think it’s good to be doing one such short-term project at all times, even if you’re holding down a full-time job. The breadth of experience you gain and the rich professional network you build add up to a lot of benefits from those side assignments.

I’ve worked with hundreds of successful entrepreneurs, and more than 95 percent of them had extraordinarily adventurous early careers characterized by many, diverse projects and positions. The richness of experience you gain from varied work adds up to a better ability to innovate in the future, whether you do it as an employee, a freelancer, or a business-building entrepreneur.

## ***Counting Up Your Transferable Skills and Experiences***

When your aim is to climb a fixed career ladder, you need to accumulate a series of ever-higher positions within a specific field. A traditional résumé tells the story of such a career climb by listing job titles and responsibilities by year. First, you may have been an assistant; next, a junior manager; then a department manager . . . and so on. Your career is unlikely to consist of a straightforward climb up a fixed ladder, but your résumé probably still looks like that’s what you’re trying to do. This format is the traditional approach to résumés and the one that most people follow.

A better approach is to create a list of the competencies you’ve gained through your varied work experiences, and make note of how each experience contributed to specific competencies. (I might note that I gained leadership skills through my work on the boards of directors of numerous nonprofits and my coaching of youth soccer teams, as well as any management positions I held in my formal, paying work.) Where have you picked up leadership skills and experiences? Making a list may help you prove that you’re qualified for an exciting new paid opening or volunteer opportunity.



## Drawing on experience to design a retro speedboat

Ross Hartman took a few engineering courses in college but has no formal training or experience in *naval architecture* — the engineering and design of boats. That hasn't stopped him from parlaying his practical experience as a builder and his rusty knowledge of engineering into an exciting startup business that makes speedboats styled after classic cars of the 1950s and '60s, such as the Ford Mustang. His business, Dana Levi Boats

([www.danalevi.net](http://www.danalevi.net)), employs a naval architecture firm to produce construction blueprints and retains a boatyard in Florida to create the molded fiberglass hulls, but the design concepts all flow from the founder's imagination and pen. Like many inventors, he had no formal training in the industry but had enough imagination, and enough general skills, to shake up the industry with something fresh and new.

After you document your experiences and how they add up to skills and qualifications, you're ready to write a modified résumé. You can (if you think it necessary) keep the format looking traditional, but make a point of noting the specific transferable skills you gained under each job listing. Also add part-time and volunteer jobs, as well as any major projects you worked on for full-time employers. Listing such experiences separately helps you tell your story better.



If you're dealing with an open-minded or nontraditional interviewer, consider reformatting your résumé as a table. Down the left side, list jobs and projects (as in a traditional résumé). Across the top, label the columns with specific skills (such as Communications, Leadership, Design and Invention, or Software Programming; see Figure 2-1). Then fill in cells appropriately to show how and where you gained experiences in each of the columns. This tabular format makes clear sense of a diverse set of job experiences, helping potential employers see how you've been working steadily on core skills, even though you've done it across numerous jobs and projects.

As Figure 2-1 shows, you can organize seemingly disconnected experiences into a coherent description of your core competencies. (To prevent confusion, limit the number of competencies to five.) At the top of this résumé, you can state a work goal or desired position that relates to the competencies. At the bottom, you can summarize the competencies that your various experiences demonstrate. The summary of your competencies should align with the requirements for the job you're seeking. Check job descriptions from employers to make sure that you're using this competency résumé to tell your story in a way that makes it obvious to potential employers that you have the needed experience and competencies, even if you haven't done the specific job you want to apply for.

## Competency Resume

## Onawa French

Goal: A leadership role in marketing or communications

<i>Jobs and Projects:</i>	<i>Experiences by Category:</i>			
	<b>Leadership</b>	<b>Communications</b>	<b>Marketing</b>	<b>Design</b>
Sales Representative, FBM, 2010	Team leader for annual sales conference planning and management.	Sales and service for 40+ core accounts.	Helped select new products and suppliers.	Redesigned sales materials, created interactive Web site.
Girl Scout leader 2009–10	Mentor and supervision for teens, weekend trip planner and chaperone.	Organized regional conference.	Prepared outreach program in three counties.	Created regional Web site.
Team leader, branding project, Mayfair Stores, 2008	Formed team, ran team meetings, managed subcontractors.	Presented plans and results to executive committee meetings.	Prepared project budgets and projections for marketing plan.	Naming, logo design, advertising programs, Web site design.
Assistant Store Manager, Mayfair Stores, 2006–7	Supervised floor staff, trained and put in charge of conflict resolution.	Prepared weekly store reports to HQs, represented store at neighborhood development meetings.	Volunteered to draft annual marketing plan for 2007.	Prepared window displays for holiday season, designed circulars for newspapers.
Intern, French Catering, 2005	Mentored under Cincinnati Entrepreneur of the Year.	Coordinated bookings by phone and e-mail, scheduled staff.	Wrote a press release picked up by local papers and TV.	Redesigned menu and brochure, updated Web site.
<i>Summary</i>	<i>Team leadership, staff supervision, supplier management</i>	<i>Selling, customer service, public speaking, reports, plans, conferences</i>	<i>Product selection, outreach, PR, planning</i>	<i>Web, print, window, and logo design</i>

**Figure 2-1:**  
A competency résumé in tabular format.

## Seeking Opportunities to Innovate

As you search for interesting opportunities (including projects at your regular workplace, volunteer jobs, and short-term or part-time jobs), favor those that encourage some form of creative expression. It takes creativity to

- ✓ Organize a fund-raiser for a nonprofit organization.
- ✓ Develop a solution to a challenging problem in your workplace.
- ✓ Redesign a workplace process to save money or improve quality.

Anything that isn't "by the book" may be a good opportunity to express yourself. Tackle extra assignments or new jobs with an innovative spirit, and make an effort to do something new and innovative in each job and project you undertake. The big-picture idea is to treat everything you do as an opportunity to make your mark as an innovator. Of course, this goal is easier to achieve if you select jobs and projects for their creative potential and avoid ones in which you'd be expected to follow a set of instructions to the letter.



If you type "creative work" in a search engine, you'll come up with lists of so-called creative jobs, such as ad design, software design, and painting (not house painting, but painting for gallery sales). These careers can be creative, of course, but the lists miss the key point: Creativity and innovation are important in a great many careers and jobs, not just those in the arts. Engineering is creative. Managerial leadership is creative. Business strategy is highly creative, which is why I tend to run a strategic planning retreat in much the same way that I run a creative branding retreat, with lots of idea-generation activities to open the mind to possibilities. If your current job doesn't permit you to innovate, start searching for another job today. There are lots of them. What makes a job creative and innovative is a desire on the part of management to be creative. If the members of the senior management team understand that they need fresh ideas to grow and prosper, they'll probably value your initiative and ideas.

## *Moving Toward Growth*

As you pursue your innovative career, make a point of pursuing growth. Growth takes several main forms:

- ✓ Your own development of knowledge, skills, credentials, and relationships with a wide range of interesting and accomplished people
- ✓ Growth areas (such as a growing department) within an organization where you work
- ✓ Economic growth in specific regions and sectors

## *Encouraging your own personal growth*



Your personal growth is the most important dimension of growth to keep in mind as you navigate your career options. Make a point of learning and developing at a high rate to keep yourself sharp and up-to-date as an innovator.



If you use the competency-based, tabular résumé format illustrated in Figure 2-1, it's easy to see where your holes are and where you could use more experience. Create a large, for-your-eyes-only, and very detailed version of a competency résumé to help you decide which opportunities or experiences to pursue next.

## ***Targeting growth areas in your current organization***

Keep in mind that in organizations, there are generally stagnant areas you want to avoid and exciting areas where growth is taking place. Go where the growth is, even if the jobs aren't as stable and well-paying as more traditional ones. In the end, growth wins out over stability every time.

A biological analogy is helpful: Visualize an established business as though it were a giant plant. Somewhere down at its historical base is a solid old trunk of dead wood, while up in the leafy branches is fresh green growth. Some people are naturally suited to positions in the trunk. That's fine for them, but their careers are going to be dull and stagnant because they favor stability over growth. Keep in mind that new skills are developing and the seeds of new enterprises are growing at the flexible ends of young, leafy branches, not down at the base of the old tree. The branches are where new ideas and new technologies are being tested, and where new market opportunities are being pursued.

To take advantage of the growth areas of your employer, join task forces working on new ideas or implementing new technologies. Also see whether you can help with the sourcing or development of new products. And if your employer opens a new office or expands into a new market, be the first to volunteer for the challenging (and perhaps risky) assignments out there on the frontier of your business's growth. That's where you get the opportunities to innovate and problem-solve, and it's where you gain the skills that will make you an appealingly innovative candidate when you next apply for a desirable job.

## ***Taking advantage of fast-growing cities***

Give some thought to geographic and demographic growth trends. In the United States, Los Angeles, Miami, and New York are adding people faster than other large cities, making them good areas to work. For the absolutely fastest rates of growth, however, several small cities top the list, including Round Rock, Texas; Cary, North Carolina; and Gilbert, Arizona. If you work in any of these cities, odds are that your career will grow faster than elsewhere in the country, and more opportunities will open up to you. If you're stuck in a low-growth or shrinking area, bite the bullet and move to a fast-growth area right away. It's really, really hard to have a successful career outside a growth area.

If you look at social statistics for the United States, you'll see that Hispanics (a diverse set including people of various Latin American national origins) are a large and fast-growing category. Businesses and services of interest to Hispanics are going to have a leg up because of this population growth. Similarly, the smaller but even faster-growing category of people who identify themselves as multiracial or biracial is reported to be the fastest-growing group in the United States, perhaps presenting interesting opportunities to innovators who can think of ways to serve this group's needs. Ideas, anyone?

## *Serving the fastest-growing age groups*

If you slice the population by age, you'll find that one particular age bracket is growing faster than the others. Which one? It varies by country. In slower-growing, highly industrialized countries like the United States, Canada, Great Britain, and Japan, it's the elderly. People over 85 are the hottest growth sector of these mature economies, believe it or not. In less-developed countries with faster population growth, teens or young adults often make up the fastest-growing group. Clearly, economic opportunities for innovators differ, depending on whether population growth is centered in the elderly or the young of a country. In one case, innovations in education are greatly needed; in the other, healthcare and elder care are hot areas.

## *Tapping into international growth*

Study your country's growth patterns, and make sure that your work is of importance to some growing group, whether defined geographically or by social or population statistics. Also be open-minded about international opportunities. Right now, enterprising young adults in the United States are mindful of the fast economic growth in China and India and are looking for opportunities to tap into these hot international economies.

My son Paul, who graduated from college last year, entered the U.S. job market during the trough of a deep recession. His solution? He got a job teaching English at a Chinese university and headed off for a year abroad. He'd studied Chinese in college, fortunately, so his job search wasn't confined to the United States.

## *Inventing Your Next Job*

Most people search for work. That approach reflects a noncreative view of work in which you assume that someone else has to create your opportunities for you, and all you do is apply and hope to be selected. In an innovative career, you turn that assumption over and think of your next job as something *you* will create.

## *Proposing a new position for yourself*

Take a good look at your own organization or any other that you know something about and have access to. What does it need? Where are its biggest problems and opportunities? If you were in charge, what new position would you want to create and fill with an eager innovator like yourself? When you have an idea in mind, write it up (use the same format for job descriptions that the organization does) and then send a cover letter and your new job description to an appropriate contact. There's a chance that your proposal will be picked up and you'll be hired to do the job you so thoughtfully crafted. It's certainly worth a try.

If you think imagining a new position, writing the job description, sending it in, and getting hired to fill it seems unlikely, think about what consultants do to make a living. I've done a fair amount of consulting, often because I've talked some executive into listening to my proposal telling her what I think I can do to help her company out. In other words, to get hired as a consultant, I had to persuade someone that there was a need for me. It's commonplace for consultants to do this, but nobody else in the job market ever does. Take it from an old consultant: The best jobs are always the ones you invent for yourself.

## *Generating freelance and consultative work*

If your proposal to create a new job opening for yourself (refer to the preceding section) doesn't get accepted, think about freelance consulting instead. For every permanent new position, there are dozens of short-term, project-oriented opportunities. I've learned more from my consulting experiences than from any full-time job I've ever had. Consulting is fun. Well, not fun like a vacation in Cancun, but fun in the way that exciting, high-pressure performances are fun. Tackling a tough project on a deadline is always a challenge, and challenges bring out your innovative best, right?

To find freelance and consultative work, keep in mind that 90 percent of consultants are hired by someone who already knows them. You need to work your professional network to find out what's needed and who to talk to.



Join professional organizations in your area, whether that area is defined by geography, a professional field, or (preferably) both. Attend meetings, especially if a sit-down meal is in the offing. I'm not saying this because I like free food (although I do!) but because the best networking happens when you get a chance to sit and share a meal with a group of people who share a professional interest. Meals last long enough and are relaxing enough that you can strike up real conversations and make new friends.

After you zero in on some opportunities for freelancing, present yourself promptly and professionally. The early bird gets the worm, so don't delay, wondering whether you're the right person. Pick up the phone or get on e-mail and make contact right away, preferably early in the workday. Then dress yourself, and your résumé, according to professional custom in the business or industry in question, and set up a face-to-face meeting as soon as you can. Beyond that, there isn't much of a formula.

It's probably best to avoid fancy sales pitches. Just be yourself. Ask questions; offer suggestions; smile; and say that you think you can solve the problem, whatever it is. See whether the potential client will offer you a contract, and if it does, agree to start right away. Eagerness wins the most contracts in the consulting game. Inflexibility and a demanding, arrogant approach lose the most contracts.

## *Developing entrepreneurial career options*

Most of the really creative people I know have started at least a few new businesses, theater groups, dance companies, charities, or other organizations. The interesting thing is that the majority of these people don't call themselves entrepreneurs and have no intention of starting the next big business. They just have good ideas that seem to need an organization, so they start calling people up, and soon, they've gotten another organization off the ground. They may do this work entirely in their spare time outside a 9-to-5 job, but still, it's probably the most meaningful and exciting thing they do all year.

I recommend this approach. Start something small in your spare time, and get others to help you grow it into an established entity with a life of its own. Who knows? Maybe it will grow large enough to take the place of your regular job, but even if it doesn't, it will give you lots of great opportunities to strengthen your creative skills.

## Chapter 3

# Leading with Creative Vision

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### *In This Chapter*

- ▶ Defining an innovative goal to motivate your team
  - ▶ Exploring your leadership orientation and style
  - ▶ Building leadership experience
  - ▶ Setting the right tone for hopeful creativity
- 

**T**he world needs innovative leaders. Okay, sure, sometimes, in some places, what's wanted is stewards who protect tradition and prevent change. The emperors of ancient China decided to close their kingdom off from the outside world and stop things from changing, and they succeeded for a while — but innovation continued beyond their borders, leaving them so weakened that they lost control and were overthrown. In the end, it's always better to be on the side of innovation.

Fast-forward to today, when the need for innovative leadership is urgent. When leaders forget that they're supposed to be creating helpful new ways of doing things, the economy slides toward ruin. Innovative leadership is the fuel of healthy economies and societies.

You need to be an innovative leader. It's the one universal trait in any and every successful career, whether in or out of the business world. I train a lot of leaders with a wide range of competencies. A U.S. Coast Guard officer obviously knows things that a bank manager doesn't, and vice versa. But every leader needs to know how to support and direct the work of others — and, periodically, to spearhead innovative changes.

This chapter bumps up your innovative leadership skills a few levels by addressing the ways you challenge your team and how you adjust your leadership style to help your team innovate effectively.

## *Visualizing the Possibilities for Innovative Leadership*

It's natural to focus on making sure that everybody's at their desks or workstations, has something to do, and is doing it at least moderately well. But supervising the details of your team's work is only one small part of your leadership responsibilities. You want to get everyone oriented and working on the right tasks before you run out of energy so *you* can look up and think about the future while they work. *Leadership* means, most simply, creating positive momentum toward a good goal or objective for the future and making sure that everyone is moving in that direction.

You can think of your leadership job as having two main parts that you can visualize as a house with a triangular roof. The house represents the current activities that need to be coordinated, and the triangular roof turns the house into a directional arrow pointing upward. The roof is created by the sense of purpose and direction of the leader's vision. When you visualize positive change, you provide an overarching structure that gives meaning and energy to the daily grind. And when you make your goals ambitious and encourage innovative pursuit of them, you get everybody fired up about working for you.

### *Setting ambitious goals*

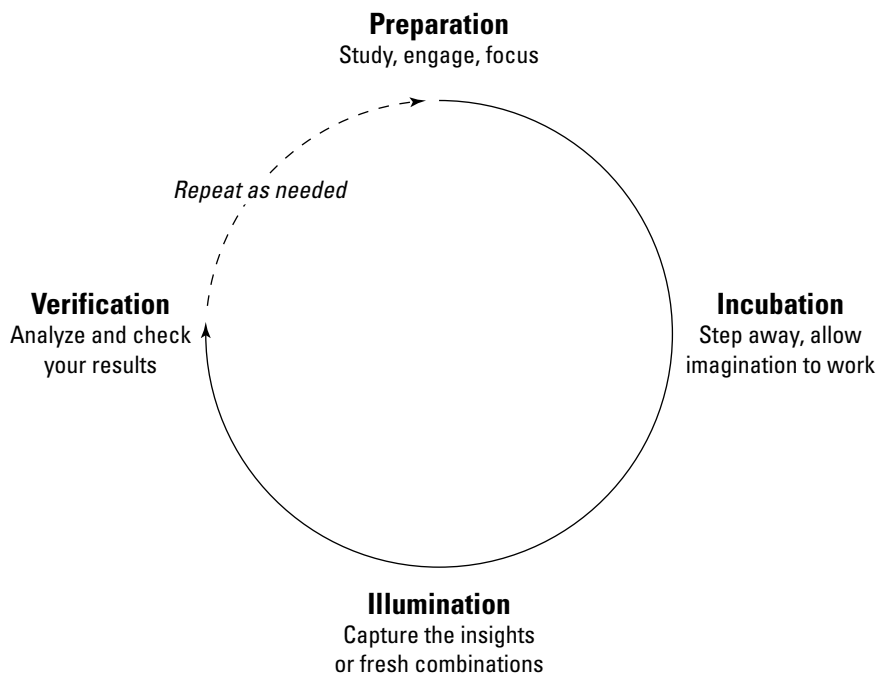
Your vision needs to be ambitious. Don't settle for just keeping things going or making do. That's boring, and it doesn't contribute much to the group you're leading. What use is a vision that lacks vision? Here are some examples of good goals for innovative leadership:

- ✓ Double sales over the next two years.
- ✓ Upgrade to cutting-edge equipment and modernize the entire organization.
- ✓ Cut costs by 25 percent.
- ✓ Prevent accidents and achieve 100 percent safety.
- ✓ Find or develop a best-selling product to grow the business.
- ✓ Find a solution to a major problem so that the group can move on.
- ✓ Launch a major ad campaign that boosts sales and builds brand image substantially.

The main point to keep in mind is that leadership vision has to have a creative element to it. You *imagine* a better future; then you help your group make that vision real. How do you go about imagining a better future? You might try starting with the simplest but perhaps the most powerful technique for innovative thinking: the creative thinking process illustrated in Figure 3-1. Often termed the *Wallas model* after Graham Wallas, who formalized it in his book *The Art of Thought* in 1926, it was first described in 1921 by Henri Poincaré, one of the most creative and important mathematicians of the 19th century.

Following is Poincaré’s journal entry describing one of his most important contributions to mathematics. What’s interesting is the creative process and how it works:

*“For fifteen days I . . . sat down at my work table . . . I tried a great number of combinations and arrived at no result. One evening, contrary to custom, I took black coffee; I could not go to sleep; ideas swarmed up in clouds; I sensed them clashing until, to put it so, a pair would hook together to form a stable combination. By morning I had established a class of Fuchsian functions. I had only to write up the results which took me a few hours.”*



**Figure 3-1:**  
Poincaré’s  
creative  
thinking  
process.

As Figure 3-1 illustrates, Poincaré's process is comprised of four steps:

- ✔ **Preparation:** The essential first step for Poincaré (and anyone wanting to achieve a breakthrough idea) is to become deeply engrossed in your challenge. Hard, unrelenting effort, often without immediate results, is essential. Notice that Poincaré put a lot of focused effort into his invention. You need to focus hard on the question of what your leadership vision should be. Give yourself time to study your situation, and clarify your priorities before announcing what your goal is.
- ✔ **Incubation:** As arduous as preparation can be, it's unlikely to produce an "aha" breakthrough unless you then introduce a period of incubation, in which you let the problem sit in your subconscious while you rest; do something else; or think about it in an unstructured, casual manner.
- ✔ **Illumination:** Make sure that you feel a real sense of excitement about the idea. That way, your idea will excite others too. A creative insight usually falls into place quite suddenly, instead of bit by bit, the way a logical step-by-step solution to a problem will.
- ✔ **Verification:** Check your idea or theory by testing it in the real world, such as by making a prototype. Testing your design or theory sometimes produces unexpected results, allowing you to return to the drawing board and refine your thinking.



By the way, Poincaré's creative thinking process can be applied to many types of problems and design challenges, so it's worth practicing until it comes naturally to you.

## *Encouraging others to envision change too*

When you lead, you need to demonstrate your commitment to innovation by being creative yourself and by having a vision of a positive future. In addition, you need to ask your team members to suggest ideas of their own. Your overarching vision of future improvements creates a gap between the present and the vision, and everyone can and should put creative energy into trying to fill that gap. The innovative leader doesn't keep tight control of the creative thinking; she shares the responsibility and fun of innovating with the entire team.

Researchers have compared the behaviors of leaders who create innovations with the behaviors of those who don't. The findings are clear and helpful: You need to lead in ways that encourage your entire group to be thoughtful and outspoken in the pursuit of improvements and new ideas.

Table 3-1 is a checklist you can use to make sure that you're acting in ways that stimulate innovation and produce breakthroughs. (For details on the research behind this checklist, see the article "How Leaders Influence



Employees' Innovative Behaviour," by Jeroen P.J. de Jong and Deanne N. Den Hartog, in *European Journal of Innovation Management*, Volume 10, Number 1, 2007, or visit [www.creativeforce.org](http://www.creativeforce.org) for a more detailed checklist.)

<i>Do You Use This Leadership Behavior?</i>	<i>Leadership Behavior</i>	<i>Explanation</i>
	Role-modeling innovative behavior	Acting creatively to stimulate creative behavior in others; exploring opportunities, generating ideas, and championing their development.
	Providing intellectual stimulation	Increasing employees' awareness of problems; stimulating them to rethink old ways of doing things; challenging them to think of ideas.
	Stimulating knowledge diffusion	Organizing information sessions; encouraging learning, informal communication, and sharing of knowledge.
	Providing vision	Providing a sense of direction, overarching goals, and general guidelines.
	Consulting with employees	Asking employees their opinion before making decisions; checking with people before making changes that affect them; incorporating some of their suggestions.
	Delegating	Granting employees enough freedom and autonomy to encourage ownership of their work.
	Supporting	Showing enthusiasm for new ideas and providing tangible support for their development; not penalizing new ideas.
	Providing feedback	Offering direct feedback and/or arranging for others to give feedback to provide employees responses to their ideas. (Feedback should be positive and aimed at helping improve an idea, not shoot it down.)
	Providing recognition	Paying attention to new ideas and the people who offer them; offering praise or awards for innovative behavior.

(continued)

**Table 3-1 (continued)**

<i>Do You Use This Leadership Behavior?</i>	<i>Leadership Behavior</i>	<i>Explanation</i>
	Providing rewards	Offering financial rewards for successful ideas and applications. (The pressure of being paid for ideas, however, can make employees less creative and more cautious, so be careful not to rely too heavily on financial incentives.)
	Providing resources	Making the necessary time and money available to employees to develop and implement their ideas.
	Monitoring	Avoiding monitoring employee time and activity too tightly, but generally keeping track of how things are going, especially with the development and implementation of new ideas.
	Assigning interesting tasks	Matching employees with work they like and find motivating; offering complex, interesting tasks; rotating task assignments.

None of the activities in Table 3-1 is hard to do. The trick is to realize that they're important. The checklist can be your toolbox of innovative leadership actions. Dip into it by using at least one of these actions a day, and you'll have an innovative group, company, or team that will pursue your vision with enthusiasm.



The basic concept behind all the activities in Table 3-1 is job enrichment, in which the supervisor makes sure that each person is working on interesting challenges that engage a range of his or her abilities. Everyone has the ability to innovate, but few managers build innovation into the work their employees are doing. When you find ways to challenge people to generate and apply new ideas, you find — ta-da! — that they're amazingly innovative after all.

## *Knowing when innovation is required*

Innovating is a lifestyle. You need to make it a part of the regular routines of your workplace, so really, innovation should be on the agenda every day. Sometimes, however, innovation is truly essential and has to be the number-one priority. When should you, as a leader, drop everything and make creativity and innovation your priority all day long?

The trick is to know which *strategic phase* you ought to be in. Should your organization focus on efficient production or creative searching? Consider the following:

- ✓ **Efficient production** is what you do right after you've implemented one or more innovations and want to profit from them. You scale up by getting everybody to do his part accurately and quickly — which adds up to cheaply when it's done consistently. Efficient production is repetitive in nature and rewards consistency. It's the order of the day until you sense that you're beginning to lose the creative edge and it's time to change over to something new.
- ✓ **Creative searching** is what you do when you know that you'll need to make major changes soon, and you want to come up with or find the right set of innovations for the future. This book should be your business bible during the creative searching phase. Let things run themselves by routine as you focus your leadership time and energy on innovating.



Some organizations (especially the ones with big budgets) try to be in both phases at the same time. It's important, however, to emphasize one over the other. You can't really balance efficient production and creative searching. They each have their own, quite opposite, demands. Both strategies are important at all times, but one should be dominant.

Usually, it works well to use a *punctuated equilibrium* approach, in which you have a routine of efficient production for some months or years, punctuated (or interrupted) by an intense phase of creative searching, followed (when you find the right innovation) by scale-up to another phase of efficient production. You, as the innovative leader, are responsible for deciding which phase is appropriate and leading accordingly. (See Chapter 5 for more help with your strategies and plans.)

## Getting to Know Yourself as a Leader

Many leaders assume that the most important things to focus on are the group they'll be leading and how to manage it. Leadership courses start at the opposite end of the spectrum, however, by challenging leaders to study *themselves* instead. Good leadership requires good self-leadership, because unless you know yourself pretty well, you won't be able to self-manage to the high degree needed to be effective.

The most important thing to know about yourself as a leader is what your approach looks and feels like to the people you lead. For starters, does your team think you're an active, involved leader or a distant, uncaring one? This question gets at *leadership volume*, or the amount of leadership presence you provide.

Often, you may think that you're providing enough leadership when actually, you're so busy with your own work that you aren't present for your team, and they think you're remote and unavailable. Be careful to keep the leadership volume turned up loud enough that your entire team can hear you. Don't be so distant that team members aren't sure whether they really *have* a leader!



The kinds of activities listed in Table 3-1 need to make up a large part of most of your days. Otherwise, your leadership won't really be visible to the people you're supposed to lead. I think the following expression is a great reminder: Leadership is *action*, not position.

## *Identifying your leadership orientation*

It would be nice if all you had to do was get the volume (or amount of leadership) right, but of course, it's not that simple. You also need to know which of two fundamental orientations to use at any given time (and by the way, because they're fundamental orientations, you need to be consistent in your use of one for some time instead of jumping erratically between them). To identify your basic leadership orientation, ask yourself the following questions:

- 1. Do I focus on doing things consistently and carefully?**
- 2. Do I find routines boring and dull?**
- 3. Do I take pride in perfecting my skills?**
- 4. Do I get the most enjoyment out of trying new things?**
- 5. Do I insist that employees and team members do things correctly?**
- 6. Do I insist that employees and team members try new approaches?**

The following sections explain what your answers to these questions indicate about your leadership orientation.

### *Maintenance orientation*

If you answered yes to questions 1, 3, and 5, your default orientation is toward maintenance, and you'll find yourself a natural for the strategic phase of efficient production. You're probably particularly good at keeping a successful business or operation going smoothly and well. This maintenance orientation will tend to reduce the amount of creative thinking and experimentation you do, however, and will make it more difficult for you to lead innovation and change. You'll need to make a conscious effort to change your orientation to allow innovation to happen.

***Innovation orientation***

If you answered yes to questions 2, 4, and 6, you probably didn't answer yes to the others, because people usually favor one or the other orientation. Your orientation is creative, and your tendency is to look for new ideas and approaches. You ought to find it fairly easy and natural to adopt innovative leadership techniques and to inspire others to become more creative. Your weakness may be in persisting long enough with one idea to bring it fully through development and refine it into a profitable routine.

***Can you master both orientations?***

As I expect that you've already figured out, you need to be able to shift your orientation and not be stuck with just one approach. Knowing your basic orientation helps you understand not only your strengths, but also your weaknesses.

A maintenance-oriented leader is great at keeping things running smoothly and doesn't get bored with the pursuit of efficiencies during scale-up, but he may tend to forget about creativity and fail to lead the way to the next big thing. Maintenance makes sense only as long as what you're maintaining is worth it. At some point, you need to trade it in for a new model.

The innovation-oriented leader is a natural when it comes to finding the next great idea and working on it, but she begins to lose focus and get bored just when the innovation's kinks are finally ironed out and it's time to profit by using it efficiently.

Which is your strength: innovating or maintaining? Whichever it is, know your strongest and weakest qualities, and make a point of hiring people who can help you with both. I'm a natural innovator myself, but my business partner, Stephanie, has a maintenance orientation. She's really good at making things hum along efficiently, and she keeps a close eye on plans and budgets, which means I can spend most of my time imagining. Sometimes, when her orientation fits the strategic phase we're in, she takes the lead. At other times, I step forward (with a new product I've designed, for example) and take the lead as we change our product lineup or try a new business model. If it works, I turn the reins over to her to fine-tune it and make it run profitably.

I've found that I'm so strongly oriented toward innovation that it's hard for me to change my own approach and be a good maintainer, so I rely on someone else to help me cover the other orientation. Most people are less extreme in their orientation, however, and can teach themselves to switch from one orientation to the other more easily than I can. It's up to you to decide whether you can cover both basic leadership orientations yourself or you need a partner to help you.

## *Zeroing in on your leadership style*

Your *leadership style* is the approach you take toward the people and tasks involved in achieving your leadership goals. Everyone has a leadership style, but (just as with basic leadership orientation, discussed in the preceding section) most people aren't very aware of what their style is.

What leadership style do you seem to have in the eyes of your team members? Do you delegate often — perhaps too often, because you're too busy to help them figure out how to do their work? Do you tend to talk and think about the work itself, but ignore the humans who do it and their often all-too-human problems and concerns? Or are you very empathetic and aware of people problems, but not very good at planning and structuring the work?

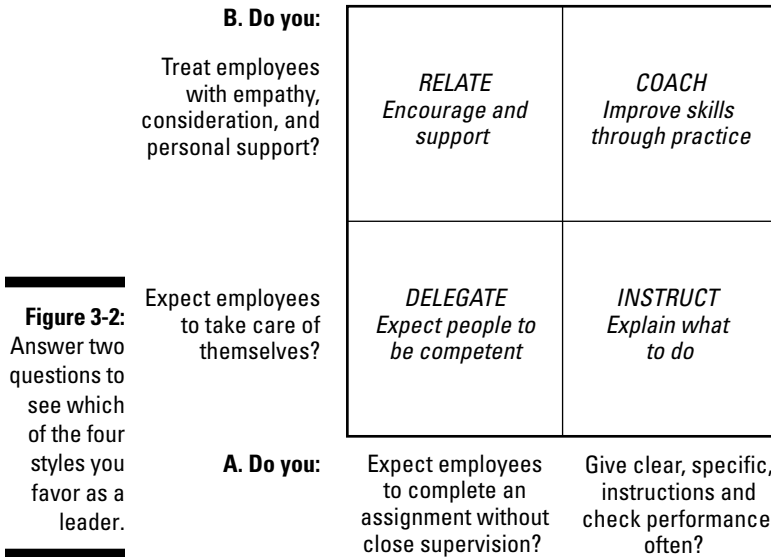
To find out what your leadership style is, consult Figure 3-2. It asks you two questions outside the four-box grid. These questions are called *forced-choice* questions because you have to pick one of the two possible answers. When you've chosen your two answers, go to the cell where they intersect on the grid, and read about the style that corresponds to your choices. There are four main leadership styles, and one of them probably is your default (the one you turn to most often):

- ✔ **Instruct:** You give an employee clear information about what to do and where, how, and why to do it. Then you make sure that you are available (or someone else who understands the work is available) to correct and answer questions.
- ✔ **Coach:** You assign projects or assignments that build on and develop employees' skills while you provide both instruction and support to help the employees rise to the challenges you've set.
- ✔ **Relate:** You listen and use your empathy to understand what employees are concerned about and help them feel better about their work.
- ✔ **Delegate:** You recognize that an employee or team is ready to take on more responsibility, and you reduce your level of supervision and challenge that person or team to do larger projects independently.

## *Adjusting your style to fit the situation*

The leadership grid in Figure 3-2 is the gold standard of leadership training because most experts agree that it's important to learn to adjust your style to meet your team's needs. Often, one person may need one style of leadership, while another has a different need. When I run leadership workshops and retreats, I spend a good amount of time helping leaders practice adjusting their style to different people and situations. You can work on this skill on your own by always remembering to ask what you think people's task-structure

and human-support needs are and then picking the style that matches those needs, per the grid in Figure 3-2. In the next section, Table 3-2 provides more details about how to use each of the styles well.



Your leadership style is a really important factor to get a handle on, because you need to know what your default style is — the style you exhibit when you’re not really paying attention to leadership style. You also need to know how to use alternative styles and when it’s in the best interest of an employee or the entire team for you to switch to a different style.

Effective leadership often comes down to knowing which style to use when. After surveying the styles outlined in the preceding section, you may find that you’re instructive by nature. This default style enables you to explain an assignment clearly or to give clear, prompt performance feedback so people know how well they’re doing. But you need to recognize that people don’t always need instruction. Leadership is more than that. Sometimes, you need to switch styles and lend a considerate, empathetic ear; that’s what the Relate style is all about. At other times, the issue may be that someone is more than ready to be trusted with a more challenging assignment, so you need to switch to the Delegate style.

Coaching is a mix of instructing and relating. It’s both informational and supportive. When you coach, you put effort into helping the person feel good and try hard. You also put effort into designing the right tasks with a good level of challenge and supervising employees as they learn to master new challenges.

Coaching is a great way to develop your team's capabilities, but it's a lot of work. You have to turn your leadership volume up higher than with the other three styles. So don't feel like you have to coach all the time.



The reward for coaching well is that you eventually develop your team's capabilities to such a high level that you can delegate to the team and turn your leadership volume down even more — but not off, because you still have to stay in regular touch. A good reminder is to tell yourself, “Delegate, but don't abdicate.”

Delegating is the ultimate goal of your developmental leadership, but whenever you introduce an innovation and need to get your team members up to speed on it, switch back to coaching until they've gotten the hang of it and you can delegate again.



It's important to get good at the day-to-day leadership of people and their work, because that gives you and your team an edge when it comes to innovating. People work better, and have more energy and enthusiasm for creativity and change, when they have competent leadership. Without it, they worry and feel defensive about their work, and they aren't open to change or willing to innovate. (If you want to take a leadership-style assessment and get more help with being an effective leader, visit [www.tspectrum.com](http://www.tspectrum.com) and purchase a copy of StratLead Self-Assessment, an inexpensive way to evaluate your leadership style.)

## *Adapting the classic styles for faster innovation*

The classic leadership styles defined in Figure 3-2 — Instruct, Coach, Relate, and Delegate — are based on a model that came out of studies of well-established organizations, such as large factories, where change was gradual and most people weren't actively engaged in innovation. As a result, the standard ways of thinking about leadership style tend to ignore creative and innovative leadership behaviors.

Table 3-2 shows how each of the four classic managerial leadership styles can be expressed as two different sets of leadership behaviors, depending on the orientation you need: conservative and maintenance-oriented or creative and innovation-oriented.

Try this metaphor on for size: Think of the basic leadership styles as ways of gardening. A focus on maintenance is like weeding, watering, and harvesting the garden, whereas a focus on innovation is like planting and developing new plant varieties.



**Table 3-2 Leadership Styles for Maintenance and Innovation Phases**

<i>Basic Leadership Styles</i>	<i>Maintenance Focus</i>	<i>Innovation Focus</i>
Instructive/ Directive	Document standard operating procedures. Establish rules and norms. Impose schedules, quality standards, and other measures of efficient performance.	Set challenging goals. Communicate needs and constraints. Provide processes and criteria for improvement. Teach creative thinking and innovation techniques.
Coaching/ Developmental	Mentor and coach to raise competence levels. Offer cross-training opportunities and other chances for professional development. Pair new with experienced people for on-the-job development and training.	Facilitate brainstorming and problem-solving sessions. Create participative suggestion systems. Protect innovators with incubator or skunkworks structures (covered in Chapter 15).
Relational/ Concerned	Support good workers when they're having temporary problems. Listen to concerns, and show that you care. Make a point of getting to know all team members or employees so that you can count on having good communication with them.	Avoid being critical of suggestions, ideas, and questions. Answer questions with questions to stimulate thinking. Encourage creativity by role-modeling right-brain activity and conversation. Seek unique perspectives, and invite each person to share his unique thoughts and diverse experiences, because these are good sources of fresh insight.
Delegational/ Trusting	Review performance less frequently as people learn to be better self-managers. Give employees opportunities to take on new responsibilities and work toward promotions.	Share the responsibility for coming up with new ideas and approaches. Allow people to run with their ideas and see whether they can make them work. Empower project teams to test and develop worthy new ideas.

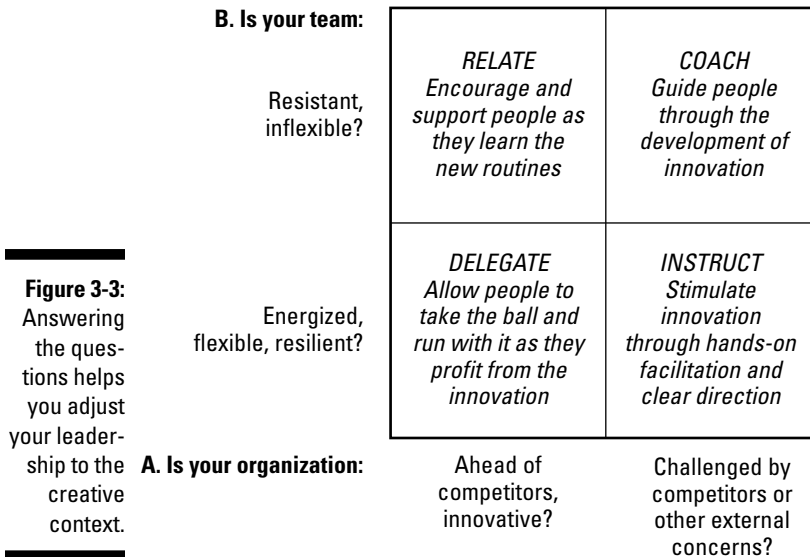


The most important thing to know about your leadership in terms of its impact is whether you're maintenance- or innovation-oriented. Whether to orient yourself toward running the existing business efficiently (maintenance) or innovating effectively to change it (innovation) is the most fundamental decision you need to make whenever you find yourself in a leadership role.

## Putting orientation and style together

As an innovative leader, you'll often be asking your team to come up with or implement creative new ideas, solutions, or designs. Whatever each person's specific duties are, everyone has one assignment in common: Contribute to the effort to innovate! Figure 3-3 is a diagnostic grid that you can use to figure out which style to use and how to use it to keep your team members innovating productively. Answer the two questions outside the four-box grid and then go to the cell where your answers intersect.

Figure 3-3 helps you get both your orientation and your leadership style correct, at least on the macro level (you may need to adjust style for specific people, however). As Figure 3-3 shows, you should delegate as a general style only when your entire team is flexible and eager to take on responsibility or when you're ahead in the innovation game and can be efficiency-oriented for a while. Otherwise, you need to use one of the other three styles and turn up your leadership volume by putting more effort into communicating with and guiding your team.



## *Developing Your Leadership Skills*

Innovation is, by its very nature, taking a leadership role. You can't innovate from the back of the pack. You have to be out in front in your thinking — and your *doing* — to make exciting new things happen. So the pursuit of leadership skills and resources should always be on your personal agenda.

### *Seeking feedback*

The most fundamental difference between great leaders and bad ones is that great leaders seek and welcome feedback. They ask questions like “How am I doing?” and “Is there anything else you need from me to do this project well?” Then they listen to the answer with an open mind and a smile, ask clarifying questions, thank the contributor for her feedback, and *act on it right away*. If you let them, your team members will help you become a better leader.

### *Working with a mentor*

A *mentor* is someone with the experience, skills, and supportive attitude needed to help you figure out how to succeed. When someone offers to mentor you, it should feel like an honor. If nobody asks, you might try asking someone whether he'd be willing to mentor you. What's involved? Meeting every now and then so your mentor can ask you how things are going, offer advice, and ask probing questions to help you figure out what to do next.

Mentors who have invented or implemented major innovations themselves are the best, because they already know the ropes and can give you advice born of real experience. If you aren't familiar with how to work with a mentor or your mentor isn't sure what's involved, you might want to consult an inexpensive booklet and assessment tool I wrote called *Mentoring for Success* (published by Trainer's Spectrum; see [www.tspectrum.com/mentoring\\_success.htm](http://www.tspectrum.com/mentoring_success.htm)). I highly recommend finding a mentor who has innovation experience and can help you by giving you sage advice and encouragement throughout your career as an innovative leader.

### *Seeking varied leadership experiences*

Mentors are very important to success as an innovator, because they contribute the benefit of their experience. As the old saying goes, however, there's no real substitute for your own experience. If you want to be a successful innovator and an effective leader, make a point of trying a wide range of roles and assignments. Don't typecast yourself.

Even if your technical or professional knowledge is fairly narrow, go ahead and try your hand at leading a professional team or volunteer project outside your specialty. The experience will definitely enhance your innovation and leadership skills. In fact, the experiences that take you far from your comfort zones are always the most meaningful in hindsight. Don't be afraid to try new things! After all, this is exactly the kind of courage you'll need to give your team when you lead the way toward innovation, so you'd better have plenty of creative courage of your own.

## *Managing the risks of innovation*

Innovation entails risk. After all, the majority of new ideas fail to come to fruition. As you push ahead, full of enthusiasm, you may discover that an idea isn't as practical as you first thought, or perhaps someone else is developing a competing approach or design that will prove even better than yours.

So is innovation worth the risk of failure? Actually, yes. If you don't innovate at all, you're bound to fail. Your failure may be gradual, but you can be sure that you'll become increasingly out-of-date, and being out-of-date is what dooms businesses to bankruptcy and people to unemployment.



You run a risk of failure when you do nothing at all. The goal of innovation is to improve over that baseline risk. Without innovation, you'll gradually fall out of style or out-of-date. With innovation, you have an improved chance of staying up-to-date and also a chance of getting ahead of the pack!

As a leader with an innovative vision, you need to be alert to a wide range of risks, and ready to duck and weave to avoid them should they come up in your firm:



- ✓ **Technological changes can blindside you, so keep an eye on technology.** Assign several people (or more, if you can) the duty of staying up-to-date on major advances in your own industry or field and in any others that might share underlying technologies.
- ✓ **Financial investments can turn into risky gambles if a development project proves to be costly.** Many good inventions drive their founder out of business before some bigger company with deeper pockets picks them up and makes a success of them. Ouch! Be careful to scale your investments appropriately. It's a mistake to risk so much on a new product that failure could drive you out of business. If you can, scale the initial launch down to a level of risk you can manage; if not, find a bigger partner to help.

- ✔ **Protect your ideas as much as is practical.** The longer you can keep others from imitating your invention, the more profitable it will prove to be. (See Chapter 17 for how-to advice.)
- ✔ **Manage your business tightly and well.** Your ability to weather the risks of the innovation phase of your business strategy is determined in large part by the strength of the last efficiency phase, where you had the chance to profit from a stable business for a while. During this profitable period, you need to save up reserves for when you'll need them in the next major innovation effort.

Knowing that you'll need to reinvent your business formula gives you the foresight to build your own war chest of useful assets — including financial savings, valuable assets such as buildings that can be resold, expensive equipment needed in R&D (that's business-speak for *research and development*), savvy staff trained in new technologies, and helpful business relationships with other leading innovators — to get you through a major change.

## *Projecting a Positive Attitude*

If you started at the beginning of this chapter and are feeling a little intimidated by all the talk of leadership skills and actions, take heart. There's one thing you can do that I guarantee will make up for a lot of errors or missteps in every other aspect of your leadership. Leaders who maintain a strongly optimistic and positive frame of mind are able to build and maintain innovative momentum, even when things go wrong. It turns out that a realistic optimist is far better at stimulating creative behavior or at leading a team through a tough implementation than any other kind of leader!

There's a lot of research supporting the importance of optimism at work. It's actually one of the few things that most experts agree on. Optimists are more creative and innovative, more motivated, and more satisfied with their work. They also live longer, healthier, happier, and more successful lives. Entrepreneurs need to be reasonably optimistic to succeed.

Keep in mind, however, that optimism can be taken too far. At its extreme, optimism can produce overconfidence and a lack of realism. Your goal should be to be realistically optimistic, with a positive, can-do attitude but also willingness to admit that a strategy isn't working and to change directions if need be!

## *Expressing both hopefulness and optimism*

Before I get into the specifics of how to add optimism to your leadership approach, I need to mention that researchers sometimes distinguish between hopefulness and optimism. Why? Well, *hopefulness* is indicated by a generally positive attitude about the future. If you believe that you'll somehow come up with creative solutions to any major problems that get in your way, that's termed hopefulness. It's good — just as good as optimism, which has a more specific definition.

*Optimism* is defined as taking personal ownership of good events (“My leadership helped the team find a new way to market our products,” for example). It goes along with the opposite approach to bad events. Instead of taking the blame for them, optimists tend to say things like “Our first two attempts to bring our products into new markets failed because luck just wasn't with us and our timing was off.”

Probably the literal truth is somewhere in the middle: You deserve some of the credit for a good event and some of the blame for a bad event. But if you emphasize blaming yourself for bad things and avoid taking any credit for good things, you'll be debilitated by the belief that you aren't likely to succeed. You can improve your self-talk by focusing on evidence from past experiences that encourages you to try again. When you make a habit of talking in positive ways about the past, you not only convince yourself that you can make good things happen in the future, but also convince your team members that they can be successful innovators.

## *Being pragmatically creative*

It's important to aim for a positive attitude that supports innovation, so you may want to think about what that means for you. A pragmatic approach to optimism may be your best bet. Don't just say, “Oh, it's okay; we don't have to do anything; things will get better on their own.” That's an unrealistically optimistic view and goes along with feelings of personal lack or responsibility and even helplessness. A pragmatic optimist says, “Things don't look so good right now, but I'll bet we can figure out a good way to deal with this problem and even find some hidden opportunities in it.”

## *Going for that positive ripple effect*

When you're in a positive (optimistic and hopeful) frame of mind, you tend to spread that positive attitude to others. It spreads quite naturally, both through what you say and through the way you act. Positive statements indicate that you're

- ✔ Hopeful about finding solutions to problems
- ✔ Enthusiastic about the possibility of discovering, creating, or inventing something new
- ✔ Open to ideas and options and interested in learning something new

Positive people express their optimism through their body language. They have

- ✔ A buoyant stride and energetic movements
- ✔ An open, relaxed posture
- ✔ An interested facial expression when others are making suggestions

If you find it hard to sound and act like an irrepressible optimist, you may need to revitalize your own attitude before you go around sharing it with others. It's a happy fact of leadership that you have an obligation to be in a positive, energetic frame of mind.

Take the time to figure out what rituals and lifestyle changes you need to make to come to work each day full of optimism and energy so that you can naturally role-model and spark that kind of energy for your whole team. Adopt an exercise regime during lunch hour, for example, if it gives you positive energy.

On days when optimism just isn't there, and you feel down, stay away from your team if at all possible. Go out and recharge yourself before you interact with your team members so as not to contaminate their attitudes. The leader's attitude spreads more powerfully and rapidly than anyone else's, so take advantage of the leverage your attitude has over other people — and please don't make the all-too-common mistake of amplifying your bad mood by sharing it at work!

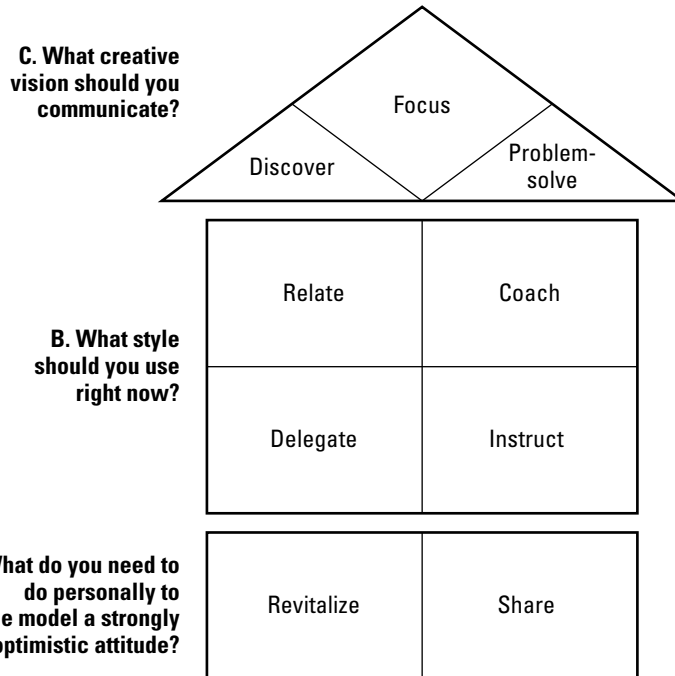
## *Putting All Your Leadership Skills Together*

Figure 3-4 uses the metaphor of a house to show what it looks like when you put your leadership house in order. It begins with the foundation, which is your attitude — the positive, hopeful feelings that you spread to give your team the energy and enthusiasm it needs to persist in the pursuit of a successful innovation (see question A in Figure 3-4).

The interior of the house, where you and your team dwell every workday, is defined by the support and structure you provide as a leader who understands the effective use of the Instruct, Coach, Relate, and Delegate styles (see question B in Figure 3-4).

The roof, which provides an overarching purpose and direction to your team's work, is sustained by the vision of the future you articulate as an innovative leader (see question C in Figure 3-4). Notice that I've divided the roof into three possibilities to reflect three main options for your leadership vision. You may choose to

- ✔ **Discover** the next big innovation (appropriate to the innovation phase of your business's strategic cycle).
- ✔ **Focus** on implementing it efficiently (appropriate to the efficiency phase of your business's cycle).
- ✔ **Problem-solve** if something comes up to interrupt one of the preceding (appropriate when a major new threat arises and you have to change direction to cope with it).



**Figure 3-4:** Inhabit your leadership house.



That's pretty much it. Innovative leadership can be summed up with this simple diagram. It means that you need to integrate three levels of leadership. On the fundamental, emotional level, you need to keep your team energized with a positive, optimistic attitude. On the practical level of daily work, you need to provide clear instructions, along with the right level of support to keep people feeling challenged and interested in their work. Finally, on the highest level, you need to periodically remind everyone of why you're all working so hard — because of the excitement of trying to grow larger, do better, or overcome some major obstacle and achieve your vision of a better future.



## Chapter 4

# Innovating in Sales and Marketing

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### *In This Chapter*

- ▶ Gaining competitive advantage by breaking unwritten rules
  - ▶ Taking steps to ensure creativity throughout the marketing process
  - ▶ Finding creative advantage in all five main marketing areas
- 

**C**reativity in marketing means wild or crazy advertising to most people. That's not really what I have in mind in this chapter, although sometimes a creative ad, Web page, or sales presentation is just what you need to grab attention and close a tough sale. But really, there are many more fundamental and important places where you need to innovate as a salesperson or marketer. Creativity often matters most and makes the most impact in ways that are subtle or even invisible to the average customer.

This chapter helps you find ways to innovate in sales and marketing so as to gain share and make history in your market. You start your break from the pack by finding creative ways to violate the norms of your industry and market. The chapter also helps you develop a creative approach to sales and marketing by working on a creative brief and identifying your creative advantage.

## *Making an Inconspicuous but Powerful Impact*

Creative marketing is virtually impossible to spot unless you're a real expert, but it has more impact than any other kind of marketing does. A creative strategy might be as simple as deciding to focus on a different type of product from your more traditional competitors.

Your marketing strategy can get creative in the way that it talks about benefits — the things that the product does for or gives to the user. If most of your competitors design products and write ads with one benefit in mind, you can try to redefine the market by focusing on another benefit. Quality may trump style, for example. Or maybe you'll choose to emphasize reliability over speed or cost over service.



Consider the example of Under Armour, now a successful marketer of athletic apparel, but just a few years ago, the company was seeking U.S. Small Business Association funding and struggling to launch a new business. Its concept was to make a tight-fitting, moisture-wicking T-shirt for high-performance sports. The product strategy was innovative because leading sports-apparel companies focused on the outerwear, not the underwear.

Under Armour sells mostly on the basis of performance. Its clothing really does wick sweat away and helps you stay cool, thereby helping you perform better. Major sports-apparel brands like Nike, Adidas, and Puma compete as much on the basis of fashion as performance. In fact, 90 percent of sports apparel is sold to people who don't wear it for its intended use and therefore are buying it for fashion reasons. So Under Armour's approach is radical in the sense that it goes back to the roots of its industry by selling clothing to people who are looking to perform better, not just to look fashionable.

Because it had a performance edge, Under Armour was able to price relatively high and avoid deep discounting. As competitors rushed to offer similar products, Under Armour faced more price competition, but it responded by continuing to innovate. Right now, the company is marketing a new line of mouth guards that prevent jaw clenching and therefore save energy for athletic performance. Offering something that customers can slip into their mouths that will actually make them stronger is a creative idea. Under Armour is an upstart, but so far, its continuing innovation has helped it gain share from giant rivals. It will be interesting to see whether it can continue to be a market innovator — and continue to outsmart the Goliaths that compete against it.

## *Assessing (And Violating) the Norms*

Many innovations take place in, or need to be communicated through, the sales and marketing functions. In fact, marketing is driven by innovation. You have to refresh your advertising, Web strategy, and product offerings continually, or you'll soon be left behind by more innovative competitors. This chapter shows you how to *effectively* innovate your approach to sales and marketing to boost visibility and impact for your campaign.

## *Finding abnormal ways to accomplish your goals*

Marketing arose, in point of fact, as a creative way to avoid having to make personal sales calls to sell something. It costs less to sell something by mail or on the Web than in person. You may be able to continue this trend by finding new ways to cut the costs of sales and marketing activities without hurting the results! Are sales calls the norm now in your industry? If so, can you find a way to eliminate them? You might decide to combine a richly informative Web site with excellent tech support via e-mail and phone, plus a library of short streaming videos on your site or on YouTube ([www.youtube.com](http://www.youtube.com)) to take the place of traditional face-to-face sales and support.

Alternatively, if there's no personal selling in your industry right now, you could be the first to reach out and shake your prospects' and customers' hands. The point is to do something different. Innovators attract attention in marketing. Copycats don't.

## *Communicating in a different way*

A great way to violate the norms is to advertise in a medium that none of your competitors uses. Radio has been abandoned by many marketers, so maybe you could do a fun retro radio ad with old-fashioned sound effects and a campy voice-over. Or how about being the first in your industry to pull out of the traditional (and probably expensive) trade shows and sell business to business (B2B) exclusively over the Web? Maybe you can do something simpler, like making a how-to video that you give away for free on YouTube. The point is, if you communicate in a novel way, your message is more likely to stand out from all the rest.

## *Violating social norms on purpose*

Sometimes, the norms you face aren't business norms (like how to distribute or advertise); rather, they're more fundamental norms. Social norms are the rules within a society about how to conduct yourself. They dictate, among other things, these rules for display of emotions:

- ✓ Which emotions are considered good and bad
- ✓ How you're supposed to feel in a particular situation
- ✓ How you should act when you experience a certain emotion

Think about the power of those unwritten emotional rules. If you display anger in a public setting in Japan, you'll be frowned upon and probably won't close your deal. If you don't get angry when your sports team loses in the United States, people will think you don't care. Different emotional rules apply in different cultural settings. Now, what happens when you intentionally build a violation of an emotional rule into, say, a TV ad or a *Candid Camera*-style YouTube video?



Whenever you violate an unwritten rule about appropriate emotional expressions, you attract a lot of attention. A whole lot. Somebody having a meltdown in the middle of the mall will be noticed by every single person in that mall. So if you want to create an attention-grabbing ad, consider a script or story line involving someone who violates an emotional rule — someone who's too angry, happy, or even depressed. Drug companies have learned that if they run TV ads showing people who look really, really sad, they get a lot of viewers and strong recall of the ads, which works great for depression medications. But if you want to sell something to happy people, show someone over-the-top happy — irrationally, inappropriately happy. Violating the social norm guarantees memorability.

## *Avoiding the cost of a sales call*

If you rely at least partially on a sales force or sales representatives, you're giving away between 10 percent and 20 percent of each sale to pay for people to wear out shoe leather on your behalf. Salespeople are key to making complex sales when their expertise is used to select the right items or design the right service program. In many cases, however, you can create a Web site that explains the options and presents the choices to customers more clearly than all but the best of your salespeople can do. It's hard on salespeople but easy on your budget to reduce the use of sales calls and substitute an expert-system Web site instead.

In addition to providing information and advice, salespeople remind customers to place orders. Showing up with samples and order forms is a good way to get the attention of a store buyer or a purchasing agent at a company. But you can often substitute a mix of e-mail links to new Web catalogs, traditional mailings of catalogs and sales fliers, telephone calls, and other arm's-length communications.



A good rule of thumb is to substitute three or more arm's-length communications for one sales call to have equal impact. If sales aren't sufficient, add two or three more arm's-length contacts. A regular B2B customer may need to be reached by e-mail, mail, or phone once every week or two throughout the year.

## Committing to a Creative Approach

It's easy to keep doing pretty much what you've done in the past. Even when you print a new catalog or run a new ad campaign, it may in truth be very similar to the last one. Are you truly innovating?



Researchers find that successful innovators do one thing more than other people do: *They decide to be creative.* The decision to seek a creative approach is the first and most vital step in innovation. So please repeat after me: “We *will* be innovative in our approach to marketing.” Good! Now start looking for your next creative breakthrough.

To inspire you, Figure 4-1 is an interesting example of a creative sales and marketing approach. You can see what appears at first glance to be a large billboard or maybe a mural. Actually, it's a reverse mural, made by cleaning the grime off the cement wall of an underpass. The unusual ad was created with the product it advertises: Green Works, a natural but (obviously) powerful cleaner made by The Clorox Co.



**Figure 4-1:**  
A mural  
made with  
the cleaner  
it advertises.

A creative ad campaign is just one of the ways you can innovate in sales and marketing. Many of the most successful innovations involve the product itself.



What do you do with your patio furniture when you're not using it? The furniture company JANUS et Cie created the Obelisk, a modernist sculptural thingy that sits elegantly in a corner, looking like an alien might hatch out of it. Rather than an alien, it hatches fancy outdoor armchairs and a table. The design is a combination of sculpture and furniture. (Chapter 11 explores the power of creative combinations; check it out to come up with clever designs of your own!)

You probably haven't seen the Obelisk on a friend's deck or patio because it's quite expensive, but if the concept is good, other furniture makers will probably create knockoffs by using less expensive materials and variations on the original form. (See Chapter 10 for details on how to safely modify innovative concepts and introduce them in versions of your own.)

## *Writing your creative brief*

A *creative brief* is a written description of the target customer and the desired behavior you want to stimulate in that customer, as well as any background information and concepts or ideas that might help the creative department of an ad agency come up with something that will do the trick.

The creative brief was developed to help give informational support, creative insight, and strategic context to the writers of ad copy, but it can be applied more broadly than that. You can also use it to help focus the creative design efforts of product developers, packagers, and other members of the marketing team or to help your sales representatives design a winning trade-show booth. It's also very helpful as a starting point for Web-page design, product-demo videos, and really almost anything else you may do in marketing.

The creative brief helps give focus and momentum to the creative process. Keep it brief enough to review easily during writing or design (three to ten pages). Here are the components of a good general format that you can use when writing one:

- 1. The strategic playing field:** Describe your current position in the market, major competitors, trends, and opportunities. Use a *SWOT* analysis (that's *strengths*, *weaknesses*, *opportunities*, and *threats* in the market), and show a *perceptual map* (a graph laying competitors out on two major dimensions of customer attitude, such as economical versus expensive or rugged versus stylish). Then summarize the strategic situation. You might say, "Upscale homeowners are looking for innovations in patio and deck furnishings, but the market is surprisingly traditional, which gives us an opportunity to innovate."
- 2. Your target customer's profile:** Describe the users of your product as specifically as possible, including not only who they are, but also how they think and feel about the product when buying and using it. Include a profile of a target customer and even a photo, if you can find an appropriate one. You might show a well-dressed, successful-looking middle-aged couple standing on a large deck behind a gorgeous suburban house.
- 3. Your goal:** Describe what you want your creative work to accomplish in customer behavior (such as what they will buy, when, and how). Your goal might be "Convince condo owners with small decks that they need compact sculptural stacks of deck furniture."



4. **Your message:** Very simply, in a single sentence, state what you want to communicate to target customers (see Step 2) to get them to buy (see Step 3). Your message might be “Clean, handy, and elegantly stored in plain sight — all the furniture needed to stage a deck party or watch the sunset with your special someone.”
5. **Creative input:** This includes any interesting tidbits of information or suggestions that might help the creative process, such as quotes from prospective customers or fun facts, and several starting ideas that might lead to even better ones with some work. You might include pictures of NASA-designed compact seats and engineering specifications on the durability of high-tensile molded plastic furniture in outdoor settings.
6. **Schedule and constraints:** What’s needed, and when do you need it? Here’s where you summarize the business side of the project and identify specific outputs (such as a brochure for retailers to use, a point-of-purchase display, an educational video, or a Web-page design). Also identify any constraints, such as budget limitations, that need to be considered when evaluating creative ideas. You might mention that market research established a limit to what your target customer is willing to pay for porch and patio furniture.

Your creative brief helps stimulate creative thinking and also channels it toward a specific business goal. In other words, it ensures productive innovation in marketing. (For help deciding who should work on the project and how to get your team to generate good ideas, see Chapter 6.)

## *Coming up with the first round of creative ideas*

It’s never too soon to use your imagination! As you work on a creative brief (refer to the preceding section) or just generally think about how to innovate in marketing, try to generate some ideas. Good or bad, they’re all helpful because one idea always leads to another.

Consult the chapters in Part II for help in coming up with creative ideas, or just start jotting down your ideas now. Remember that when you violate a marketing or general social norm (on purpose), you often come up with something that has impact and stimulates interest.

Following is a warm-up exercise that involves generating a creative starting point for a new ad campaign. It will get your imagination working so that you can turn to your own business next.

In the United States, most automobile advertising is done by two very different types of businesses: major international auto manufacturers and local auto dealerships. Creative — and expensive — brand-building ads come from the manufacturers. Campy, unprofessional ads lacking creativity come from the dealerships, which always focus on getting warm bodies into their showrooms. Switch things up by trying to generate creative and fun (but not overly expensive) ads for local dealerships. By changing the style, you may be able to attract attention to the local dealership and break it out of the pack.

If you come up empty-handed at first (that is, you have no creative ideas for local-auto-dealership advertising), try working from a visual stimulus. Sometimes, that's a big help. Take a look at the fanciful photographic composition in Figure 4-2, and see whether you can write an appropriate caption for it. (The caption can be humorous, if you like.)



**Figure 4-2:**  
Write a caption to make this image into an ad for a car dealership.



Using a visual image to stimulate your imagination is a good general technique for marketing and advertising, and you can easily adapt it to any creative campaign. Just select several interesting images that initially don't seem to be directly relevant to your product or purpose; then force yourself to write explanations or captions that make the images relevant. Your imagination will bridge the gap, and in the process, you may get a good creative idea that you can develop more fully later.

What did you come up with for Figure 4-2? Did you write a good caption to relate the image to a local auto dealership so that it could be used in the dealership's advertising? Good work! Here are a few ideas I came up with:

- ✔ Landing soon at a dealership near you . . .
- ✔ NASA reports the arrival of indisputable proof that there is advanced intelligence on other planets . . .
- ✔ The car of your dreams . . .

Each idea could be combined with the image in Figure 4-2 to create a print ad in a local newspaper. Or you could take one idea as a starting point for a creative process and build a full campaign around it. You could design a “Car of Your Dreams” campaign in which television spot ads, radio ads, and a longer YouTube video explore variations on the theme of how customers dream about their new cars — and, of course, how the local dealership makes those dreams come to life! To reinforce the message, the dealership could give out luxurious down pillows along with the new cars.

The overall title of the campaign could be “Coming soon to a dream near you!” Of course, dreams aren't “near” you the way that movie theaters (the originators of that phrase) are; they're *in* you. But in bending the old saying by substituting dreams for movies, you remind people that a local event is happening — the car of their dreams is appearing — and that they can come into the showroom to see it. The creative concept for this ad campaign fits the goals of an auto dealership's advertising, and it's also clever and different enough to attract curiosity and attention.

## *Narrowing Your Focus to Find Sources of Creative Advantage*

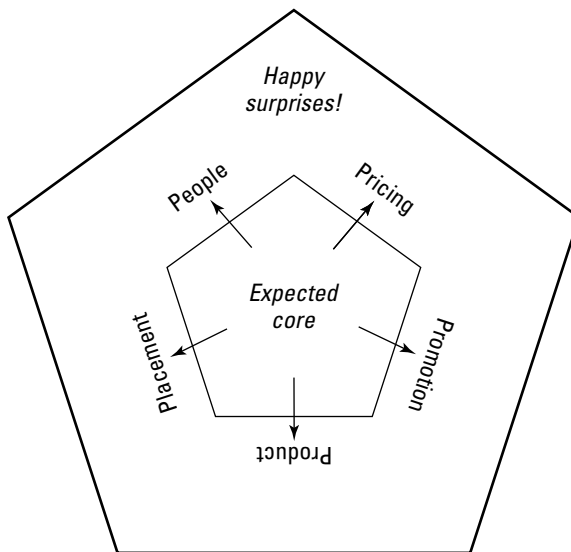
It's a lot easier to generate useful, creative ideas when you have a narrow, specific focus. In marketing, a great way to drill down to specific areas is to work within the *Five Ps* framework:

- ✔ **Product:** Innovate to offer a better product through design, technology, packaging, or other product-related innovations. If you can't afford to invent the next hot product, be on the lookout for it, and become a reseller or licensor as soon as it appears — or, even better, try to think of new applications for your existing product that customers might find appealing.
- ✔ **Pricing:** Find ways to drive your costs down and offer a lower price, or explore creative ways to take some of the sting out of buying, such as by offering loyalty programs, layaway, innovative warranties, or other price-based incentives.

- ✔ **Placement:** Distribute your product in helpful new ways (via the Internet, for example), and make it easier for people to get what they want when they want it. Consider placing your product in stores or catalogs where it hasn't traditionally been sold. Distribution is the easiest way to score a creative home run.
- ✔ **Promotion:** Find clever, attention-grabbing ways to communicate with potential buyers and build the luster of your brand. Use unusual media or message formats. If everyone else is running serious ads, hire a comedian as your spokesperson, but if competitors try to entertain, switch it up with hard-hitting factual ads or exposés showing what's wrong with their products.
- ✔ **People:** Engage free help through social networking by getting people talking about your brand, or create a fresh sales and service model to make your company stand out. You may even decide to buck the trend and be the only company in your market that offers easily accessible sales and service people to help customers.

By making the rounds of the Five Ps, you make sure that you've considered a wide range of options for creative marketing. Don't let your marketing program stand still! You need forward momentum to make a business or brand a success, and creativity provides the energy for building that vital momentum.

Figure 4-3 shows the way that creativity works to surprise and please customers with unexpected benefits.



**Figure 4-3:**  
The creative  
marketing  
pentagon.

Your core offering is (I hope!) roughly on par with all your competitors' offerings and is what's expected of you. You have a good product that you distribute, promote, price, and support in much the way that others do. You're in the game. Good! But that's not good enough; doing what's expected may keep you in the game but will never win it. To gain share and boost profits, you have to do something new, something that's a happy surprise for your customers — or maybe for your *competitors'* customers, who will defect and come over to your side!



## Chapter 5

# Being an Innovative Strategist

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### *In This Chapter*

- ▶ Imagining bold new strategies for your business
  - ▶ Alternating between focusing on efficiency and innovation
  - ▶ Selecting and investing in a portfolio of winning products
  - ▶ Building strategic partnerships to expand the scope of your success
  - ▶ Guiding people through the changes innovation requires
- 

**A** strategist is someone who thinks strategically, and in business, that usually means doing some strategic planning. A *strategic plan* (yes, I do need to get my terms clear) is an intelligent, high-level description of how you intend for your business to do better in the future.

Typically, strategic plans set the stage with broad-brush approaches that reach out several years into the future. Then *business plans* clarify exactly how this year's operations will be budgeted and run so as to move in the intended strategic direction. That said, I can simplify what it means to be a strategist by saying that a strategist looks ahead and thinks about how to win big in the future. Usually, seeing a big win in the future requires some strategic vision, which arises from a combination of your knowledge and your creativity.

Winning strategies don't just fall in your lap. They require thoughtful analysis of the current situation, including your strengths and weaknesses and an analysis of your competitors, industry, technologies, and trends in your marketplace. As a strategist, you start by getting to know the playing field really well.

Next, you cast about for big-picture ideas that can lead to success in the future. Where do those ideas for future success come from? Sometimes, purely from your imagination; at other times, from observing a successful strategy in another industry and adapting it to yours. Sometimes, success comes from forming a partnership (or *strategic alliance*) with the right company so as to be able to do something exciting and new that neither company could do before.

There are lots of ways to make a splash as an innovative strategist. This chapter shows you how to leverage your strategic thinking into future success.

## *Thinking Big by Planning to Re-create Your Business*

Some strategists don't take an innovative approach. They tend to project the future from what happened in the past. That's boring unless you happen to be the undisputed leader in a monopolistic, protected market. I don't think you can make that claim, so in this chapter, I assume that you need to innovate to achieve a significant jump in performance and success.

The basic strategic question you should ask, whether you own the business or just work in it, is "What's the best way to transform this business into something new, exciting, and better?" Think about how you can re-create the business, not just run it or work in it. The change in perspective that this question creates is powerful and often leads to helpful strategic insights.

### *Shifting from more of the same to creative planning*

Do you do budgeting and planning? Most organizations do. However, the plans are usually based on last year, with minor modifications made to reflect obvious changes. That's not the way to come up with a breakthrough. Before you plan, stop to imagine ways to innovate in your basic approach, such as these:

- ✓ Expanding into new geographic areas
- ✓ Pursuing new types of customers
- ✓ Improving or adding to your product line
- ✓ Introducing a new technology or invention
- ✓ Partnering with one or more other organizations to do something you can't do by yourself
- ✓ Dramatically reducing your costs or turnaround times by innovating how you source or produce your products or services
- ✓ Distributing in new ways to save money, increase market coverage, or provide greater ease and availability of purchase
- ✓ Updating or replacing your brand name with something more dynamic



Without strategies such as these, your organization won't grow significantly, and it probably will start to atrophy as things degenerate into a lifeless routine and the business slowly becomes out-of-date.

## *Including a mix of traditional and creative elements in your planning*

Most organizations write a budget every year, and many of them also write up a business plan specifying who's going to work on what. Major lines of business get their own sections, with a situation analysis (including strengths, weaknesses, threats, and opportunities) and plans about what to do next.

People who do a lot of planning do so because they like to work from plans. They're logical, careful people, and their plans make them feel more confident and provide the reassurance of a logical, well-organized approach. But keep in mind that the world isn't all that predictable, and successful innovations certainly aren't. So planning needs to include some creative elements along with the traditional organized and logical parts.



Include some brainstorming about possible future strategies and ideas. Take time to look at what the newest upstarts are doing, not only in your own industry, but also in other industries. Scan the advances in technology to see whether new materials, equipment, or processes may be coming into your industry soon.

When should you do your creative research and thinking? Early in your planning process. As early as possible. Otherwise, you'll get caught in the details of updating last year's budget and won't consider big-picture possibilities and fresh new ideas.



I recommend bringing a diverse group of between 7 and 14 people together for a half day or more of brainstorming about your business and its future strategy. Call it *blue-sky brainstorming*, or better yet, *blue-water*. Blue-water strategy is based on the idea that most businesses and brands compete head-to-head in crowded strategic waters that are red from the blood of their struggles against one another. However, research shows that the most successful businesses avoid direct competition and pick an unusual strategy that moves them out into a relatively competition-free area of so-called blue water. They innovate rather than imitate. Their success is determined by their degree of uniqueness. (A 2005 article in *Harvard Business Review* by W. Kim and R. Mauborgne explored this concept, using the term *blue ocean strategy* to describe it, and I recommend it as good background reading.)

The proven advantage of blue-water strategies is the reason you need to include plenty of creative thinking in your planning. If you don't, you're guaranteed to continue doing the predictable, and you'll face growing competition as the pack does the same. I'd much rather be the first company to have introduced a good memory-foam mattress, for example, than one of the remaining companies fighting to sell traditional mattresses. Wouldn't you?

## Ensuring a Healthy Strategic Cycle

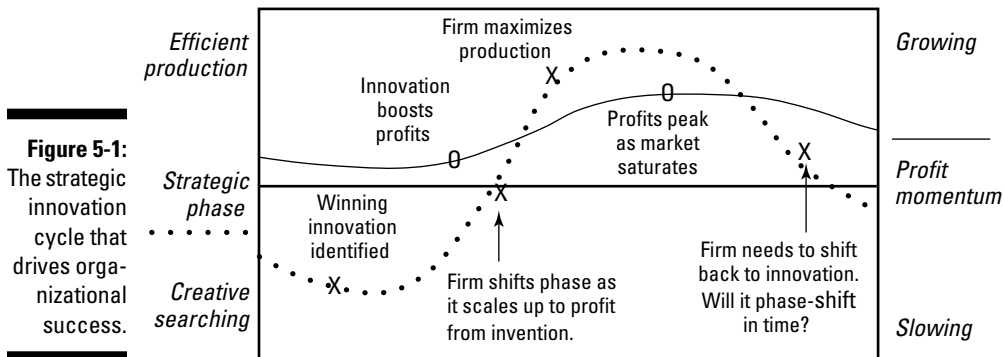
Businesses, and in fact all organizations, ought to cycle between two distinct strategic phases:

- ✓ **Efficient production phase:** You scale up and get good at doing the same thing consistently.
- ✓ **Creative searching phase:** You experiment and search for the next big thing to scale up.

Figure 5-1 shows how this innovation cycle works and is helpful in understanding where success comes from. Assuming that you're in a for-profit business, your main measure of success is profits. That's the solid line that curves across the top part of the figure. What drives profits? The most important determinant of profits in the long run is having something fresh and appealing to sell to your customers. That requires innovation. This is why the strategic phase has to shift from efficient product to creative searching *before* you max out the old innovations and start losing money. The dotted line in Figure 5-1 shows how you need to shift your attention (as an executive or planner and also throughout the organization).



At any one point in time, most of the organization should be doing just one of three things: producing efficiently, searching for the next big innovation, or transitioning quickly between these two phases.



## *Phase-shifting in strategic time*

There's a big difference between efficient production and creative searching. Behaviors and attitudes are just about opposites. That's why the transitions between these phases are important. You need to recognize when the time has come to start seeking the next big strategic move and get creative. That's a strategic decision. It involves recognizing that you need to innovate and then committing time, energy, and perhaps people and money to the quest.

How do you shift from efficient production to creativity? You have to look up and around for fresh ideas and opportunities, and you have to look within for imaginative ideas. If you run a small business, much of the responsibility for expanding your imaginative horizons falls on your shoulders. If you have a larger group, responsibility can be shared more easily. Here are three good ways to get an entire group or organization to shift between strategic phases:

- ✔ **Use a strategic planning session to signal the beginning of a creative searching phase and take a needed break from nose-to-the-grindstone production.** Invite as many people into your planning discussions as you can. Run brainstorming sessions (see Chapter 6), which are open-minded and free in their form and style compared with normal staff meetings.
- ✔ **Use a suggestion box or e-mail a request for ideas.** Solicit ideas about anything and everything. Open the conversation with your staff by posing big-picture questions like “What do we want to be when we grow up?” to get people thinking creatively about the future.
- ✔ **Use yourself as an example, if you're the leader, to show people what's expected of them: efficient production or creative searching for new strategies.** Be clear on which one should be the priority so you can role-model the appropriate behavior. When necessary, transition as promptly and decisively as you can so it's obvious to all watching you that the phase has shifted again.

## *Influencing strategy from the bottom up*

What if you're not in charge of the organization? Can you still help make sure that you're in the right strategic phase? Maybe. Start by talking with your managers about strategic phases and the need for periodic new directions. Ask whether your leadership is open to the idea and wants help coming up with new strategies. If so, ask for some time and permission to brainstorm freely with a small group about what new directions the organization could take.



If you volunteer to do some good strategic imagining and then report your findings to management, you may find that your initiative and vision end up driving future strategy. You don't have to be in charge to lead. You just have to have creative vision!

## *Investing in a Family of Innovations*

A *portfolio* is a carefully selected group of assets you hold on to because you hope that they (or at least some of them) will benefit you in the future. You can have a portfolio of stocks and bonds in your investment account. With wise selection and appropriate diversity, the portfolio will grow in value and enrich you in the future. You can and should have a portfolio of products you sell (see the section “Managing Your Product Portfolio,” later in the chapter, for details). But first of all, you need a portfolio of innovative ideas and projects, from which will spring tomorrow’s winning products, processes, strategies, and so forth.

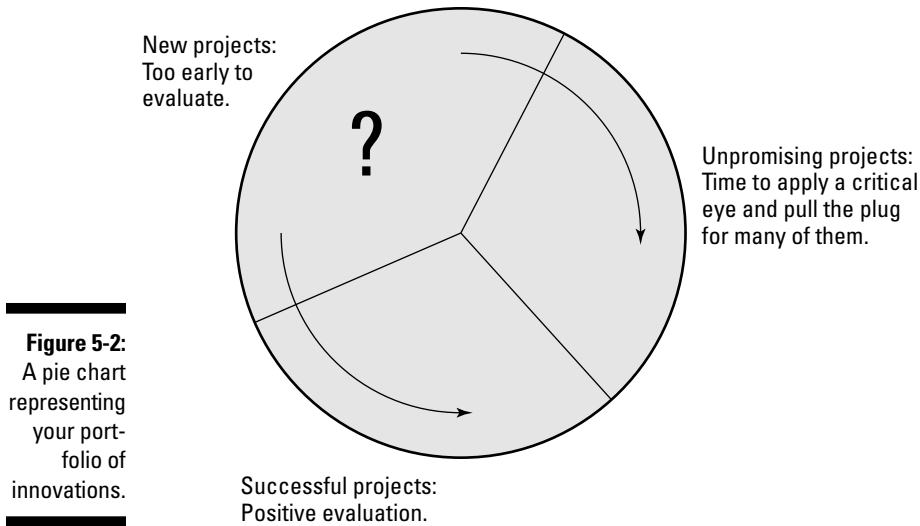
Your business needs a portfolio of innovations to enrich it in the future. Why? Sadly, you can’t be certain of the future success of any idea or invention. Innovations have a risk of failure and a chance of success. They also have a life span. What was new and hot (and profitable) a few years ago is not today. A portfolio of innovations ensures a regular flow of new ones, some of which are going to be successful.

Figure 5-2 shows how the proportions of new products, projects, or other innovations usually fall out, assuming that you’re right about the success of any innovation only half the time (it’s like flipping a coin). At any one time, you’ve got a batch of new ideas and projects you’re developing, shown in the figure as the first third of the pie.

If you assume that half of all innovations succeed, a third of the pie chart in Figure 5-2 represents your new crop of innovations, and a third represents the successful and profitable ones from your last crop. The final third is made up of the unsuccessful ones from previous rounds of innovation. It’s not always obvious that they’re failures, so they tend to linger in the budget and in your lineup for a while, parasitically slurping up a third of your resources. Keep reading to find out how to avoid this mistake.

### *Being tough on underperforming projects and products*

One of the key insights of strategists is that resources are limited and should be shifted promptly to where a winning strategy is emerging. When you’re first working on a new project (a new product, brand, market, or whatever), you need to be open-minded and give it a chance to succeed. But when it begins to look like the project won’t cut it . . . cut it! Eliminate unpromising projects and products to make room for fresh ones with more promise.



If you doubt your ability to imagine new options and invent or acquire new products, you may feel overly committed to the old ones. It's a sad truth of corporate strategy that management teams almost always hold on to underperforming business units, products, or projects for too long. They don't want to admit defeat, so they keep trying to turn the failure around. To avoid the trap of overcommitment to an unsuccessful project, strategy, or product, keep in mind that *it's easier to achieve success by starting fresh than by staying on board a sinking ship*. Or maybe a sports analogy is more useful. Imagine that your business strategy is like a season, and each project is just one game in that season. If you lose a game, you move on and try to win the next game. Don't insist on staying out there on the playing field long after the sun has already set, trying to win that one game you've already lost. Move on!

## *Making your next strategic move*



It's important to pursue some exciting strategy that holds the promise of a rosy future. You can't rest on your laurels. That's another fundamental rule of strategic planning, but one that most people forget as soon as they achieve some success.

Companies don't stay on top forever. Dozens of supposedly top companies have fallen from grace over the past few years. What matters is not your reputation or current size, but your recent strategic moves. If your last big move was, for example, to make short-term profits by selling overly risky home mortgages, you're heading for disaster, as many lenders have learned in the past few years. But if you made a good strategic move, you're headed for success.

Banks that decided to grow rapidly by signing poor-quality, risky home mortgages, for example, didn't have a good strategy, but those that focused on lending to qualified borrowers proved to have more lasting success. A strategy based on a greedy appetite for easy sales that seem too good to be true is not going to be successful in the long run. Strategies based on real points of difference that give you some kind of advantage in the eyes of good customers are more likely to succeed.

What makes for a successful strategic move? For starters, it has to be big enough to make a difference in your overall performance. A little idea may not be enough; you have to think fairly big.

Also, a strategic move has to be creative to be successful. You need to do something that shifts the market. The term I like to use for innovative strategies is *reframing*, which means changing the way people think about and see something. A strong strategic move reframes the way customers, competitors, and industry expert commentators think and talk about your industry. The right strategic move has to be innovative enough to make your top competitors seem out-of-date. This needs to be your goal when you initiate a strategic planning process. Otherwise, there's really no point.

The third quality a strategic move needs is to be embraced by customers, who see it as offering them something substantially helpful or valuable. Otherwise, it won't be a lasting strategy. Lots of companies have used the strategy of reducing the contents of a package as a way to save money. A big package holds a small candy bar, for example. This strategy fools people for a little while, but eventually, you lose out to competitors who are less stingy than you. (See "Including customer value in your strategy," coming up in this chapter, for details.)

## *Deciding how big a strategy to pursue*

A corporate strategy says what business you want to be in. A business strategy says how you want to run a particular business. A marketing strategy says how you will build the strength of a brand and boost its sales. The strategy of a project team within the marketing area might focus on developing a new, more compact version of the best-selling product. These strategies are nested, like a set of traditional Russian dolls. The more specific, narrow strategies fit into the broader corporate strategy.

Which level should you focus on right now? It depends on how well things are going. If you're getting great results down at the operating level and have one or more best-selling products that clearly have good momentum, focus on refining your already-winning lower-level strategies. But if things aren't as rosy as you'd like, move up from specific to more general, sweeping strategic questions until you find a way to turn your performance around. The worst-case scenario is that you have to go all the way to the biggest question of

all — what business should we be in? — and change your fundamental strategic focus before you can capture the success you want. When that happens, you need a lengthy stay in the creative search phase of the strategic cycle (refer to Figure 5-1).

## *Including customer value in your strategy*

It's not easy to guarantee what strategies will work for you, but it's pretty easy to tell you which ones won't. Basically, any and all ideas that don't add value from the customer's perspective are going to fail — at least in the long term. Find a way to make your customers' lives easier, save them money, amaze or entertain them, and so forth. Do something they like, something they tell other customers about because it's so great.



### **Mattress wars give sleepers what they want**

A dozen or so years ago, investment bankers bought up the two leading mattress manufacturers in the United States: Simmons and Sealy. Being finance guys, the new owners set to work looking for innovations that would improve their profits. The big breakthrough came with the introduction of one-sided mattresses; the top is finished with soft quilted material for sleeping on, but the underside is bare. Traditionally, mattresses had two finished sides so that you could turn them periodically, ensuring the mattress a decades-long life. A single-sided mattress can't be flipped and tends to wear out much more quickly, but still, the strategists at Simmons and Sealy thought they were on to something. It costs so much less to make a one-sided mattress that they were able to lower their prices by a modest amount and still make a much bigger profit per sale.

The problem was that consumers weren't as impressed by the one-sided mattress as the accountants were. Simmons and Sealy began to lose market share to rivals. Furthermore, the excessively financial focus at these companies kept them from doing any real innovation in the product category. Upstarts like Tempur-Pedic

pioneered memory foam as a mattress material, while Sealy and Simmons slowly sank. In recent surveys of the owners of various brands, about 60 percent of Simmons and Sealy owners rated their mattresses as comfortable. Compare this figure with 80 percent-plus ratings for top memory-foam brands like Tempur-Pedic and Spa Sensations, and the top rating of all, 87 percent, for another innovation: the airbed by Comfortaire (survey stats from Sleep Like the Dead, [www.sleeplikethedead.com](http://www.sleeplikethedead.com)).

Memory-foam, latex-foam, and even some air mattresses can be more comfortable than inner-spring mattresses such as those that Sealy and Simmons traditionally made. Why didn't these two market leaders invent these new, more comfortable options? They were overconfident and too focused on making a quick buck by reducing the cost — and value — of what they sold instead of trying to make their products better. So I come to the most fundamental rule of creative strategy: Try to make things better for your customers! That's what Tempur-Pedic was thinking about — and why it became an industry leader in a few exciting and highly profitable years.

## *Managing Your Product Portfolio*

Most businesses succeed or fail on the strength of their products. To select and maintain a winning group of products, you need to recognize that all products have lives, rather like animals do. I guess you could think of them as your pets — except they ought to be hardworking pets, not pampered pets that cost you too much money!

### *Riding a best-selling product to the top*

As you think about which products to sell, keep in mind that business success comes from having a best seller. Well, having two or three best sellers is even better, but you definitely need at least one, and that means a product that is popular and has growing sales. With a product like that, you get flooded with orders and have the happy problem of having to scale up to meet the demand. If you don't have a best seller now, promise me that you'll keep working on it. Invent, license, or buy at wholesale some new alternatives, and try them out.

Keep experimenting until you find at least one product whose sales create strong momentum for your business. Then brand it carefully with a clear, recognizable, consistent identity made up of a unique name and logo presented in a strong graphic style. The product's success builds the strength of your brand (which could be your company name or a unique name you give the product itself). It's good to have a recognized, trusted brand name. You can use it to introduce related products and create a *product line*, or selection of related products, based on your initial best seller.

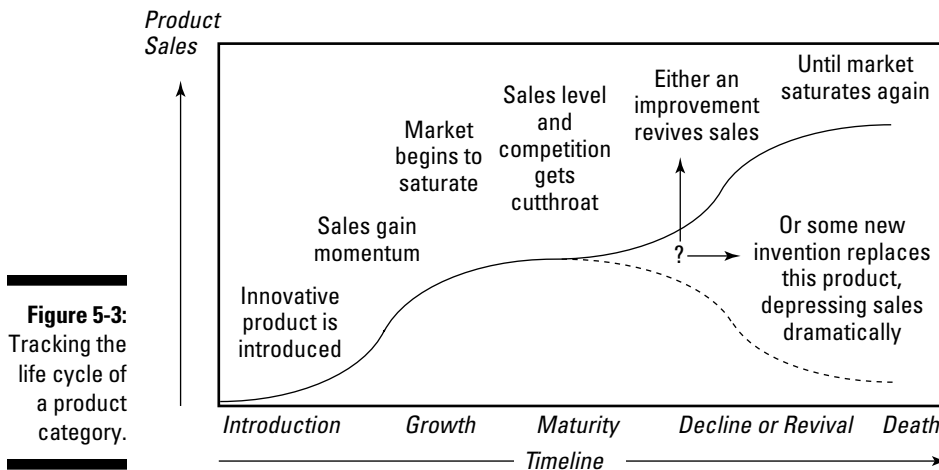
That, in essence, is the product-based approach to strategic success. It's a good strategy, but it does have one limitation: Eventually, the product category will become outdated because someone will invent something to replace it. If that someone isn't you, you're probably in big trouble.

### *Understanding the life cycle of each product category*

Even if you have a best seller, eventually its category will become outdated, and you'll need to upgrade or replace your offering. If you have a best-selling vacuum cleaner, and someone invents a new and better electric motor, you'll need to either redesign your product using the new motor or face declining sales and eventually have to withdraw the product from the market.

The product category — the general form or type of products that your product competes against — goes through a life cycle, as shown in Figure 5-3.





If the product category is fairly new — the result of a recent innovation — most of the potential consumers haven't tried it yet. This is called the *introduction stage*, and in it, there's lots of opportunity to grow your sales by educating the market about the new product and its benefits.

As word spreads, sales accelerate into the *growth stage*. In the growth stage, sales grow faster than the economy as a whole, and the companies that promote their brands strongly are able to gain leadership positions and ride their best sellers to profitable success. You've seen this happen in your lifetime over and over: CDs replaced tapes, and now digital forms of music are replacing CDs, for example. Make sure that you have one or more products that are in the growth stage, because being there is fun and profitable. (Promise me that if you don't have a product in a fast-growing stage right now, you won't rest until you've found one, okay?)

The growth stage is great, but it doesn't last forever. First, you begin to run into the ceiling imposed by market saturation, which is when almost everyone who might use a product like yours already has one. Then you have to compete to sell consumers their next replacement, which is slower going and marks the *maturity stage*. You can expect competitive advertising and lots of pressure on your pricing, so your profits may go down. Then something even worse happens: The product starts becoming outdated, and people stop using it in favor of something hot and new. This is the *decline stage*.

Even if you don't, *someone* will innovate, outdating your product category in the process. You might find yourself a leader in making and selling typewriters, for example. Not much profit in that, is there?

Figure 5-3 shows this life cycle and what happens as it nears its end. Either you (or a competitor) revive the product by updating it, or some outsider comes up with a completely new replacement and drives you and your

conventional competitors out of business. By then, however, I hope you've got some new best seller in a more lively product category!



Keep in mind that every one of your products lives within a product category — and that its category has a life cycle. Growth-stage products are the most profitable, and you need to make sure that you have some at all times.

## Mapping your product portfolio

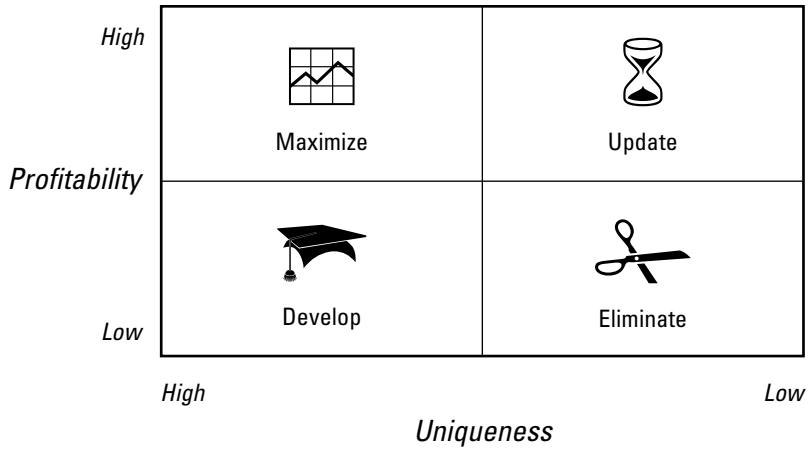
A strategic approach to products helps ensure that you have a good new crop coming along, as well as a good selection of mature products that produce strong profits. In other words, you need a healthy portfolio of products. What does that look like? See Figure 5-4 for the way I like to look at any firm's selection of products to gain strategic insight into them.

As Figure 5-4 shows, it's very helpful to rate each of your products on two dimensions: *profitability* and *uniqueness*.

- ✔ **Profitability** can be measured by the product's *profit margin*, or the percentage of its sales price that you get to keep after paying all expenses related to producing and selling it. Profitability tends to be higher when there's less competition and when you have a larger share of the market than your competitors. In mature markets, profits are thin unless you have a dominant share of sales. Innovation may help you achieve stronger sales, allowing you to have better profits for longer.
- ✔ **Uniqueness** can be measured by comparing each product with its closest competitors. If it's similar to them, it gets a low uniqueness score. If it stands out as being unusual or different, it gets a high uniqueness score. If I do this analysis for a big company, I ask customers to provide the ratings of uniqueness, but that means budgeting for surveys or focus groups, which can be quite expensive. You may simply want to make your best guess and do the ratings yourself. Often, you can guess what your customers would say with pretty good accuracy.

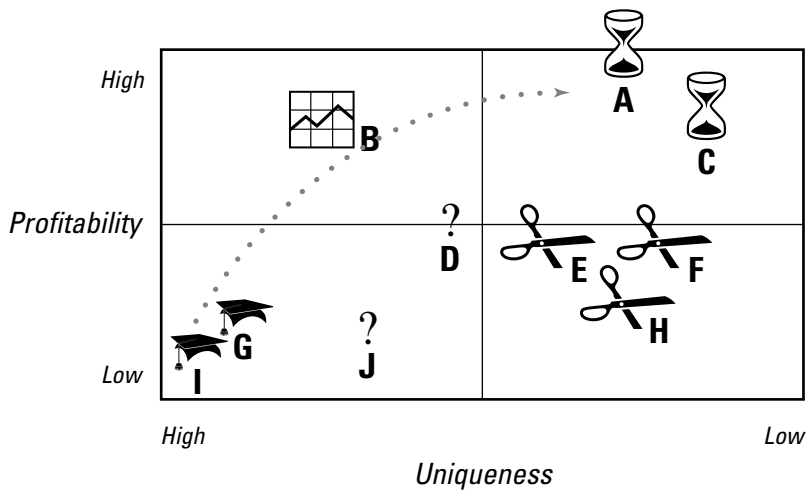
As Figure 5-4 shows, innovative products are high on uniqueness, but if they're new and untested in the market, they're not likely to be all that profitable. They're represented in the figure by a graduation cap, and the goal is to develop them with the hope that they will graduate to market success and begin to produce profits. If so, your goal is to work on maximizing their profits and growing their market share.

After a while, the innovative products get old, and lots of competitors spring up. Then you know that time is limited (which is why they're represented in Figure 5-4 by an hourglass). Update them by giving them more unique qualities, or they'll fall into the bottom-right quadrant of the figure, where both uniqueness and profitability are low. These products need to be cut from your catalog at once to allow you to put your resources behind the products on the left side of the grid.



**Figure 5-4:**  
The innovator's portfolio of products.

A great exercise is to draw a big product portfolio grid on a large sheet of paper and plot each of your products on it, as shown in Figure 5-5. The portfolio shown in the figure has ten products in it. Three of them (E, F, and H) are old, and their profitability and uniqueness are low. They should be phased out. Two (I and G) are new and promising, and merit investment. They may develop into successful products that produce high profits. The dotted line shows the trajectory for products over their life cycles. They start in the bottom-left quadrant of the figure and ideally rise to high profitability before gradually becoming ordinary and ultimately outdated. (Refer to Figure 5-4 for explanations of the four quadrants of the strategic grid used in Figure 5-5.)



**Figure 5-5:**  
Plotting your portfolio of products.

## *Planting enough seeds to make sure something grows*

How many successful products do you need? A few would be great, but really, even one blockbuster would be just fine, right? So the question is this: What are the odds of a best seller? The answer depends on your particular business and industry, and on how you go about adding products to your line:

- ✔ **If you're a reseller:** You can go to trade shows, examine hundreds of products, and try to select some hot new products that you think will be popular in the coming year. You have the advantage of seeing finished products and picking the most promising, so you may be able to guess with reasonable accuracy. Perhaps one of every five or ten new products you sell will prove to be best sellers.
- ✔ **If you design and produce your own products:** You have to look farther ahead and exercise more imagination and guesswork. Perhaps only 1 in 20 or 50 of your initial ideas and designs will turn into a best seller.

Although I can't tell you exactly what your odds of having a best seller are, I *can* tell you that you won't guess right every time. You need to plant at least a handful of seeds to harvest even one best-selling product, so make sure that you look at plenty of options and test a few new ones every year.

## *Seeking Strategic Partnerships*

*Complementary* strategies reinforce each other. Sometimes rather than an either-or choice, you actually have a complementary pair of options that are best chosen together. The make-versus-buy decision is a great example of complementarity. In innovation, *make* means inventing things yourself, whereas *buy* means adopting others' inventions (by purchasing and reselling or by licensing the rights to make them, for example). Exciting new research shows that high-tech firms with both active invention and licensing (make and buy) strategies do better than those that do mostly one or the other. I find that the same rule applies in other firms too.



I spent a week working with a team of lawyers and scientists at S.C. Johnson and Sons, helping them develop negotiating skills for when they go out and shop for inventions. A surprising number of the company's successful consumer products aren't invented in S.C. Johnson's own labs but actually are licensed from other inventors elsewhere. What I saw in that company applies to yours too: The expertise, imagination, and momentum of invention flows back and forth between your company and outside inventors, enriching your options.



If you need a basic essential for your business, either buy it or make it, depending on what's most economical. But when it comes to innovation strategies, try to both make and buy. Always put some effort into working on your own inventions, but also keep an eye open outside your walls for good ideas you could bring in.

In many cases, it's simplest to join forces with another company that has the capabilities or technologies you want. These long-term partnerships, called *strategic alliances*, are defined as cooperative agreements between two or more organizations that share complementary expertise or other resources to accomplish something they can't do on their own. Strategic alliances can include

- ✓ Working together to bring a product to market by taking advantage of each other's products, distribution, and sales
- ✓ Cooperating to develop or produce an innovative product
- ✓ Licensing a technology or invention to apply it in a specific industry
- ✓ Combining technical expertise to develop or produce an innovative product
- ✓ Cooperating to bring one firm's invention or product to market in the other firm's country or region

These are the most common forms of strategic alliances, but the possibilities are limited only by your imagination. A firm with strong retail distribution might cooperate with an industrial-chemicals company to sell consumer versions of its industrial cleaning products. The alliance combines consumer-products expertise with industrial chemistry — a promising combination that might lead to powerful household cleaning products.

Is there some business you could form an alliance with? Definitely! But you may not have identified it yet, so look around for a partner. Think of creative combinations of your strengths and other firms' strengths. (In strategic planning, strengths are often called *core competencies*, so if you hear that term, that's what it means.)

A good way to look for potential strategic alliance partners is to make a list of your major strengths and weaknesses; then look around for other businesses whose strengths and weaknesses mirror yours. If your company is great at sales but not so good at manufacturing, look for a manufacturer that usually works under contract and lacks a direct sales force of its own. Combined, your two sets of strengths make new strategies possible. When you identify a potential partner, see whether its executives will sit down with you and brainstorm ways of cashing in on your combined strengths.

## *Mastering the Art of Change Management*

Change management is the artful leadership of a transition in your business. Innovation requires transitions. If you develop or switch to a new product, you have to update all your marketing materials, liquidate old inventory, and make sure that everyone knows how to sell and support the new product. If you expand to a new area, you may have to open new facilities, train new staff, and find out how to operate according to new customs. If you adopt a new technology, you have to master it yourself and make sure that everyone else gets up to speed on it too. While adjusting to the new technology, you may encounter unexpected problems that irritate people and make them resist the change.

### *Enlisting the eager believers and excluding the hopeless cases*

Some people love change, but the majority resist it, at least at first. People who are naturally very creative and open to new experiences get bored when things don't change, so they welcome transitions and the challenges they bring. Such people are your allies when you're trying to bring about a change, and you should get them involved right away. Try to get them in leadership positions if at all possible.

The majority of people resist change at first and see it as an inconvenience. They may also feel nervous or concerned about possible negative effects. Help this nervous majority by explaining as clearly as possible what will happen to them during the change. Tell them early on about any effects that they'll experience personally. Then they'll be clearer about what's going to happen, enabling them to stop worrying and start focusing on their assigned roles.

Another group of people — fortunately, a minority — resists change very strongly, and you can't bring these people around simply by explaining how the change will affect them. They may be nervous and excitable or very rigid about wanting to have everything done a certain way. For them, change is threatening, and they'll probably refuse to help out. Only at the very end, when it becomes clear that the change is permanent, will they adjust their own behavior.

Protect your innovations from these strong resisters by

- ✓ Never allowing a change-resister to play a leadership role during a transition

- ✓ Keeping them out of planning sessions and away from the work of making the change as much as possible
- ✓ Avoiding hiring people like them, who are threatened by even a small change in the routine



Make being flexible and innovative a part of every job description when you hire in the future. It's important to keep people who hate change away from your workplace if you possibly can. Change management is much easier when you avoid the most difficult, highly resistant types of people in the first place.

When you know and work with people, it's obvious who's open to new experiences and changes and who's highly resistant to them. But what about people you don't know? One way to predict who'll be an ally during change is to ask people to voluntarily complete a Big Five personality assessment. Those who score high on openness (one of the five main dimensions of personality) are allies in change; those who score low on openness and low on calmness are resistant and shouldn't be part of the core team during a transition. You can obtain Big Five self-assessment forms inexpensively at [www.tspectrum.com](http://www.tspectrum.com), or go to [www.supportforinnovation.com](http://www.supportforinnovation.com) for more information about assessing personality and selecting those who are natural innovators.

## *Making the destination visible to all*

It's natural to want to talk about the plans and steps involved in any change, but people really need to hear about two other things first: the effect on them and the ultimate destination (where the journey is going to end). Painting a clear, attractive picture of the destination is particularly important.

Start with a real sales presentation of the goal and why you're so excited to be pursuing it; then keep reminding everyone of the goal and benefits. Each time you talk about what people need to do — the specific plan of action — remember to evoke that appealing image of the ultimate destination.



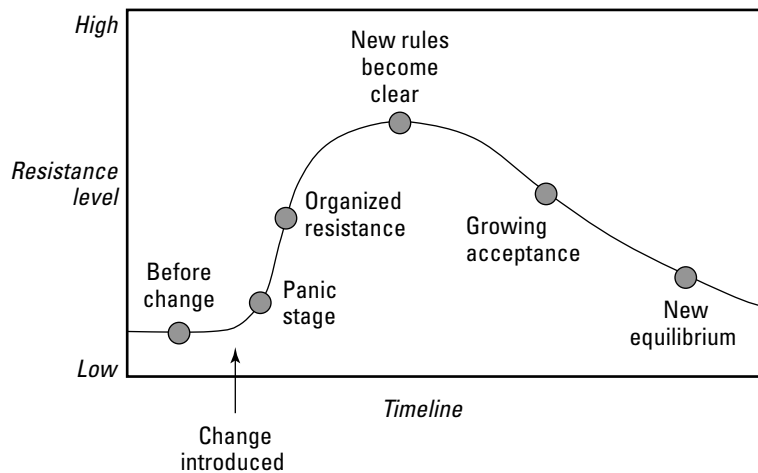
Branding your goal with a catchy or memorable name and image, just as though you were selling a product, is often helpful. Make your change tangible and appealing so that everyone keeps the goal in sight as they work.

Keep in mind as you "sell" the destination that there's no need to overpromise. Explain honestly and accurately what you expect the future to be. Don't exaggerate the benefits, because if you overpromise, you'll pay for it in terms of lost credibility and disloyalty later on.

## *Managing resistance during the change process*

If you could wave a magic wand and bring about all the changes of your new strategy immediately, you'd encounter very little resistance. People might be shocked at first, but if everything were neatly in place in some new configuration, they'd adapt quickly. That's why speed is a good goal during the change process. Don't let people's anxieties and objections slow you down. Keep a fast pace, and push through the initial skepticism and resistance as firmly and promptly as you possibly can.

Figure 5-6 shows how the emotional state in a workplace is affected by a major change such as a new strategy or the adoption of a major innovation. People enter the panic stage shortly after the news of a change hits. Panic is especially high if people fear that they will be personally injured; they may worry about layoffs or increases in their workloads, for example.



**Figure 5-6:**  
The  
transition  
process.

As Figure 5-6 shows, people initially fear most changes, and their resistance climbs quite quickly as they hear and amplify negative rumors about what's going to happen. People resist uncertainty more than anything else, so focus your efforts on countering this effect with lots of clear, detailed communication about the change. Also push to implement the change as quickly as possible. As soon as the new rules of the game become clear, anxiety and resistance will start to fall.





Eventually, resistance will drop, and a new equilibrium will be reached in which most people accept the change and settle into their new routine.

### *Watching out for snap-back*

Acceptance of change can be deceptive. Residual memory of the old way remains, and given half a chance, people will snap back into old patterns and ways of doing things. Therefore, you need to police the new stability and jump on any reversion to old patterns quickly and firmly. Don't let anyone get away with snap-back behavior, or soon you'll find that others are following suit and retreating to their old habits again.

