

# TOTAL INNOVATION MANAGEMENT...

...turning ideas into action

Innovation matters. Directors know this. The question is how to engineer your organisation for the appropriate levels of innovation. This article explores this question of ‘how to promote innovation in your organisation?’.

The Total Innovation Management approach rests on the successful understanding and implementation of four principles which help to ensure the success of all collective enterprises, public and private:

## *1. The Focus - Other People's Worlds*

Ask what it is that your current and potential customers want? Don't assume anything. Don't assume that you know what they want. Ask them. Try concepts, products and services out for size. Become obsessed with ‘quick and dirty testing’. Achieve a Copernican revolution and put your customers at the centre of your organisation. Rotate everyone around your customers. Study, involve and compulsively listen to them. Try to provide what they want in the way they want it.

## *2. The Energy - Meaning*

Try to give people meaning in their work and they will become passionate and committed. Try to match people's jobs to their interests and energy. There is little you can do externally to ‘motivate’ people. People are motivated from inside. Humans are ‘ert’ - not inert. The problem is that what ‘erts’ them is often not what we ask them to do in their jobs. Align their work to their ‘ert’ and they become unstoppable. As Mark Twain said - “make your vocation your vacation”. People with passion can provide excellent quality and they will automatically care for their customers. You never had to send Picasso on a quality seminar.

## *3. The Intelligence - Ideas*

Establish a framework for turning ideas into action. Tap every individual's creativity and intelligence. Involve everyone in the search for doing things better and differently in pursuit of delighting customers. Ensure a constant flow of ideas into action to improve and revolutionize products, services, systems and procedures - with customers at the centre of your universe.

#### 4. The Action - Situational Empowerment

Establish freedom within a framework. People want to have control over their lives. They like varying degrees of self determination. Empower everyone within a framework. Empowerment without a framework creates chaos and anarchy. Empowerment within a framework creates synergy and a coherent organisational output.

#### **Turning Ideas into Action**

Open an umbrella. Call that umbrella 'innovation'. Not elitist 'new product development' innovation - but *total innovation*. Total Innovation can be defined as putting ideas into action for increased profitability and performance'. Total Innovation therefore can apply equally to a product, a process or a procedure.

What therefore falls under the heading of this 'Total Innovation' umbrella? - TQM, Continuous Improvement, Customer Care, Cost Management and other such quality type initiatives. These are all focused attempts at 'Total Innovation'.

Some of these initiatives, especially those that focus on quality and continuous improvement, may have their own built in 'glass ceiling'. Terms like 'continuous improvement' suggest the principle of 'doing things better' - that is evolutionary changes - and may exclude much needed revolutionary changes - that is 'doing things differently'.<sup>1</sup>

The focus for various initiatives (some might say fads) will continue to change. However the underlying need for tapping the intelligence of people throughout the organisation, and empowering them to translate that intelligence into action, will not change.

So how do you achieve 'Total Innovation'?

#### **The Process**

Here is a simple and practical way for thinking about generating ideas and putting them into action. Think of four simple stages - Goals, Ideas, Selection/Control and Action.

Minds begin to tick once they are presented with a problem goal or an opportunity goal. Many individuals, unfortunately, only begin to think once they are presented with a problem - cloudy, overcast 'grey' day. Less often people try and seek out an opportunity - 'white' thinking - like white light which is all present yet very difficult to see.

1. Kirton, M.J., 'Adaptors and Innovators' in *Innovation: A Cross-Disciplinary Perspective*. Gronhaug, H. & Kaufmann, G. (Eds.) Norwegian University Press, 1988.

Once a goal is suggested, you start to generate ideas, coded '*blue*' for 'blue sky thinking'. You then start to select amongst the various ideas. '*Red*' thinking captures this selection/stop phase - red traffic lights - time to stop, think through the implications, run your ideas against various decision criteria.

Lastly, minds and bodies act on those ideas - go - '*green*'.

So you have a *goal* - which can be 'white' or 'grey', 'blue' ideas, 'red' selection/control and 'green' - action.

## **The Individual**

Individuals may show some preference for different parts of the Ideas Into Action process. For example, an individual may be more drawn to the 'blue'/ideas phase, or the 'red'/selection or the 'green'/action phase of thinking.

A strong, divergent 'blue' thinker may see the more applied 'red' convergent thinker as a barrier. Vice versa, the 'red' thinker may see the 'blue' as unrealistic and 'pie in the sky'. 'Blues' and 'reds' in their turn may see 'greens' as impulsive and head strong. 'Greens' may feel that 'blues' and 'reds' waste interminable time in purgatorial meetings.

Once you begin to reflect on the question of which is the most important colour, you realise that they are all equally important. It is only together that these colours create the synergy for turning ideas into action. Together they can create 'Total Innovation'.

## **The Team**

Many teams fail to differentiate between information sharing meetings, on the one hand, and creative problem solving meetings on the other. In creative meetings latter, the teams can work more effectively by consciously distinguishing between and moving through the 'blue', 'red' and 'green' phases.

## The Organisation

The full process is: GISA: Goals, Ideas, Selection/Control, Action. But many organisations are stronger in one stage than in others.

Let us consider some different organisational profiles:



ISA - “all dressed up with nowhere to go.”

Here you have an organisation without vision, or at least a vision that is capable of being simply and effectively communicated.



GIA - “every idea is foolhardily actioned.”

A more dynamic profile perhaps, as there is a vision, and ideas - and all these ideas are translated straight into action. This profile may suggest a younger organisation, perhaps an entrepreneurial start-up. This type of profile may remind you of Apple Computer in its youth. John Sculley appears to have provided a ‘red’ counterbalance - and perhaps offended some of the original ideas people.



GIS - “the whole is less than some of the parts” -

This is a disempowered organisation which cannot take action.

This profile is present in many large organisations. Though there are many talented individuals, the output from the organisation is stunningly disappointing. When you probe beneath the skin of such an organisation you usually find that managers feel they are powerless to change things.

The terms ‘empowerment’ and ‘disempowerment’ are so much ‘in vogue’ that they suggest yet another fad. But the ideas have a noble pedigree. ‘Locus of Control’ is a term used by psychologists to describe the extent to which people feel they have control over events in their lives. For example, someone who has a very ‘external locus of control’ will probably believe that such external forces as luck, fate, chance control their lives. They use expressions like ‘It is not what you know, it is who you know’; ‘Getting on is a question of being in the right place at the right

time'. Believing that the 'Gods' control their lives, they remain passive and sure enough 'luck, chance and fate' do control their lives. This is a self-fulfilling prophecy.

In the corporate version of an 'external locus of control', individuals say that although they may have many good ideas they feel incapable of translating them into action because of 'the company', 'the system', 'the boss', 'marketing', 'finance', etc. In such a powerless environment, individuals point an accusing 'rigid digit' at other departments, functions or simply at the 'organisation'.

A good indication of how disempowered people feel is the way in which they describe their organisation. They describe it as though there is some monolith that actually exists. Clearly an organisation is no more than a legal figment. All that actually exists is a number of people and perhaps some technology. Sadly, the hierarchy and the culture of many organisations leave people feeling that the problem with getting 'Ideas Into Action' is 'they, them, the organisation'.

The fascinating question is: How can you change the culture so that every time an individual points that accusatorial rigid digit away from themselves - they are spontaneously reminded that there are always three fingers pointing back at them - asking the question 'what can *you* do to make things happen?'



GSA - no ideas

This is the most common profile I find in organisations. The very spark that originally gave birth to the organisation has faded. Although the organisation has a clear vision, excellent control and a high action orientation, the culture does not stimulate or reward creativity and innovation.

Imagine a new, naive, manager attending his or her first management meeting in such a 'red' culture. They may fail to realise that the organisation reinforces the safer act of 'red' critical thinking. The 'blue' individual may hold forth with some new ideas only to find that the culture is a master at '*idea assassination*'. Different organisations have their own polite or impolite ways of '*yes...butting*' ideas.

What will such a new 'blue' thinker do following such an onslaught of 'red' critical thinking? Their choices - turn 'red', leave the organisation - or move sideways into Human Resources!

## **Blue, Red, Green in Action**

So how do you organise to put ideas into action? It may be useful if I describe some real company cases - successes and failures.

### **Creative problem solving teams - without any top-down blessing**

I have had painful experiences in several organisations by encouraging individuals and teams to act in more creative and empowered ways. In these companies, as there was no top-down blessing for such an activity, I ultimately came to see such interventions as ‘counter cultural’ and largely unhelpful, both to the individuals involved (except perhaps personally) and to the organisations.

### **Generating Ideas**

A large leisure company invited me to help them do a ‘blue’ trawl. The aim was to stimulate a wealth of business-focused ideas around customer care and service. We ran a range of structured creativity sessions, some helped by a new piece of creativity software entitled ‘Brian’ that I and another client organisation had developed.

Several months passed before the complaint came back that although there was now a flood of ideas inside the organisation, managers were literally drowning in the sheer volume of ideas.

We generated too many ideas and we had also failed to find sponsors, champions and homes for them. This is a problem inherent in many suggestion schemes.

### **‘Think Tanks’**

A board may request the formation of ‘think tank’ or ‘NPD’ teams. In such cases the goal to be tackled is fairly clearly defined by the board/top team and then passed to the ‘blue/red’ team which has been appropriately skilled in a range of analytical techniques. The teams themselves may not act but they may make suggestions or recommendations. Think Tanks have been created to find innovative solutions for a wide range of products and services from submarine design/repair through to new kinds of foods.

## **Blessed Blue/Red/Green Teams**

Following the criticism by the client that we had flooded their organisation with ideas, the leisure company invited us to create and help them implement a mechanism to put the ideas into action. In their case the mechanism was focused on the quality of customer care and service. We produced the GISA model which has become the basic formula, implanted in other client organisations.

Usually the board/top team decides on the legitimate 'focus'. All natural work teams then generate their own problem and opportunity goals relevant to that focus. The teams can use a range of 'blue' creativity and 'red' *thinking tools*. They then take their ideas through to action. Usually a strong emphasis is put on empowerment. When we first experimented with this approach we had never heard of the word 'empowerment'. Undoubtedly, however, the teams not only became excited about executing ideas, they began clearly to identify much more closely with their own organisation - 'we are the company'.

'Blue, red, green' teams in various organisations have been developed for many different purposes:

- Customer care,
- Improving communications,
- Turning corporate values and vision into a way of live,
- Stimulating quality and ingenuity,
- Salvaging failing quality initiatives, and,
- New product development.

Some initiatives have been far more successful than others and there are two factors that help to explain those successes. The first of these is 'Situational Empowerment'.

## Situational Empowerment

*'The enterprise that does not innovate inevitably ages and declines. And in a period of rapid change such as the present, an entrepreneurial period, the decline will be fast.'*<sup>1</sup>

Yet:

*'... one of the collateral purposes of an organisation is to be inhospitable to a great and constant flow of ideas and creativity... The organisation exists to restrict and channel the range of individual actions and behavior into a predictable and knowable routine. Without organisation there would be chaos and decay. Organisation exists in order to create that amount and kind of inflexibility that are necessary to get the most pressingly intended job done efficiently and on time.'*<sup>2</sup>

One client has a statement of corporate values that include amongst others the following:

- Get It Right First Time
- Continuous Improvement
- Innovation.

Once you reflect on these three values you begin to wonder how they inter-relate. Surely 'Get It Right First Time' suggests no errors or mistakes. But can you have continuous improvement and innovation, unless people are allowed to make mistakes? One activity undertaken by this client company is flying thousands of people around the world. *When I am being flown into Heathrow I am delighted that the pilot operates by the principle of 'Get It Right First Time' and doesn't try a little 'Continuous Improvement' or 'Innovation' - 'what happens if I land this airbus upside down?'*

Clearly we are here discussing the commonly labelled 'tight-loose' properties of any system or organisation. Many clients, having realised that their culture has been historically too tight, too controlling, too 'red', too restraining - then decide that they want to swing 'loose' - let's involve, empower the people, encourage initiative etc'. Such organisations in my experience often come from a background where the commodity for which they are responsible does need tight control - money, dangerous substances, electricity. Such tight controls, however, have spread to other parts of the organisation where such tight controls are inappropriate. Having encouraged creativity, innovation and empowerment a year or so later, worried by some 'silly mistakes' being made and feeling somewhat out of control', the top team/directors decide to reimpose control. This in turn induces scepticism and resentment and worsens the previous levels of disempowerment.

1. Peter Drucker in *Innovation and Entrepreneurship*. Heinemann, 1985 p. 137.

2. Theodore Levitt in *Harvard Business Review*, 'Creativity is Not Enough' 1963, Vol 41, No. 3, p. 81.

'Tight-loose' was never intended as an 'either-or' concept. It was intended as a 'both' concept - a continuum.

Think of the following continua:

1. Total disempowerment/'no go areas'.
2. Mainly disempowered 'yes - then go areas'.
3. Partially empowered/'go then inform areas'.
4. Totally empowered/ 'go areas'.

Lets label these 1 through to 4. Box 1 - 'No go areas' speak for themselves. In the same way that we disempower people from driving on the wrong side of the road, there are certain rules to play by which you must either abide by or not violate. If you do violate these you appropriately - especially if this mistake is repeated- will be justifiably fired. Box 2 means that you are transgressing some basic principle or practice and therefore need clearance before you can proceed. Box 3 describes the situation where it may be appropriate to let your manager know. Finally, Box 4 are areas for total empowerment.

If ideas into action teams are going to be successful they need to understand both as teams and as individuals what parts of their jobs fall into these four boxes. They especially need to know for the Ideas Into Action process that they are responsible for - which are the ideas that they can carry through straight into action. Their zone of control must be very clearly established.

This is clearly not to say that you will not have teams that are operating outside those zones of control, as for example in the case of business process re-engineering. It is simply that with such teams they will probably be making recommendations rather than acting directly on many of their ideas.

Initiatives are much more likely to succeed if creativity and empowerment are clearly established within a framework. Without such a framework you tend to encourage chaos.

Lastly there is another factor hugely influencing the likely success or failure of various 'ideas into action' initiatives.

## Human Engineering

A very short story:

*The other day, I got into a lift in a client's office. There were several members of staff in the lift with me. There was a large piece of crumpled paper lying on the floor. The lift was otherwise smart, clean and modern. The company has just run an intensive and expensive culture change initiative around quality, customer focus, continuous improvement and empowerment - 'I am the company', 'We take responsibility' etc. None of the employees bothered to pick up the paper.*

Experienced Human Resource and personnel practitioners are not too surprised when a new corporate change initiative fails. They have seen it all before. Initiative after initiative may create a flurry of short term activity - 'we watch the videos, wear the T-shirts but two years later...'

However, in the light of the strategic importance of many of these change initiatives and the amount of investment made in the process, it should, perhaps, come as a very great surprise that such initiatives do fail - and continue to do so.<sup>1</sup>

Let's explore one brief reason for such failure and see what can be done to overcome such failure.

In many companies senior executives may be heard to bemoan the fact that following some grand change initiative (which may make huge strategic sense) fundamental patterns of behaviour and accompanying attitudes may have changed less than originally intended - right through to not at all.

It is clearly a mistake to believe that purely because people 'understand' why behaviours should change, that they will change.

Another mistake we may make is to believe that people haven't changed because they are not too bright. People are very intelligent. They will tend to do what they see sense in, enjoy doing and are reinforced for.

People, in part, do not change because all the old 'reinforcers' that collectively make up the 'implicit rule book' maintain the old patterns of behaviour more successfully than the required new patterns of behaviour.

In other words, you may rewrite and communicate the logical needs of the business - but logic does not change people. People are not primarily logical, they are psychological. It is 'psychologic' that changes behaviour - and this requires 'human engineering'.

1. The Economist Information Unit, 'Making Quality Work: Lessons from Europe's Leading Companies' - Specialist Report No: P655, 1992.

A very simple way to think about human engineering is to imagine a puppet with accompanying strings. If we pull one particular string a limb may move. If we pull another string the head may turn. So it is with reinforcers, both positive and negative, in organisations.

In order to achieve success with any change initiative we need to identify and understand all the historical strings that drive people's behaviour. Some of these strings will support the new behaviour, some will be unhelpful and some neutral.

Having understood the present reinforcers - in the light of your desired change initiative - you want to strengthen all existing positive reinforcers, add numerous new ones, whilst simultaneously cutting and expunging those reinforcers that are working against the new behaviour.

This ideal strategy, in part, explains why it is that those organisations who develop exceptionally bespoke change initiatives are more likely to have success than those organisations who simply assume that they can buy 'an off-the-peg change initiative' and expect change to happen. In such cases there is a failure to think through all reinforcers - and put these in place. There is a failure of 'human engineering strategy'.

A brief, even shorter, story:

*I called the same client whose lift I was in the other day. The switchboard answered fairly quickly. The manner was perhaps a little indifferent. I asked for the person I wanted. An extension rang. 'You've come through to the wrong extension', a voice barked. He made it sound as though I had deliberately done so. So much for 'We take responsibility'.*

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