



PRODUCE
INNOVATIVE
SOLUTIONS

Senior Leader Creates a Context for Collaborative Innovation, Organic Growth & Talent Integration

CASE CONTEXT

A senior executive understands the essential role innovation plays in his firm's ongoing success. He establishes a culture that fosters collaboration for innovation through leadership behaviors and practices. He has seen the benefits of "collaborative control" over "command-and-control."



MALE

Level: SENIOR LEADER

Industry: PROFESSIONAL SERVICES

HIGH-PERFORMING LEADERS LEVERAGE NETWORKS TO DO 5 THINGS

Based on 20 years of research in more than 300 organizations, we know that the quality of your professional relationship play a significant role in your success. We have extended this research to describe the way high-performing leaders leverage their networks to: Innovate, Execute, Scale, Thrive and Adapt.



Art is head of a major division of a technical consulting firm. With engineering and business degrees and diverse technical,

research, consulting and management experience, he has steered the company to a position of leadership and growth within its niche. Keeping up with—and driving—technical research and innovation is crucial to the problems the firm solves for its clients and partners. Art places a premium on leadership principles that foster collaboration for innovation.

Leaders should help others define and find meaningful challenges—a sense of purpose in work. This has always been important, but Art sees it as key to getting and keeping valuable millennial talent: "They are very purpose driven." When people find meaning in what they are doing, their skills and knowledge are amplified by passion. "You can mandate, dictate and do top-down all you want, but the real energy and real insight come when you match a passion and a purpose to the work."

Leaders should rely on multi-disciplinary teams whenever possible—including crowdsourcing and collaborating with external partners and experts—for innovation and to deal with the pace of change. "We spend an equal amount of time looking at the idea and looking at the principal investigator or the team that's going to do the research." High-end knowledge workers may want to research and build from scratch, but bridging across expertise within the firm and bringing in outside experts allows teams to move more quickly.

Leaders should encourage "fail fast" strategies through actions and consistency. "We enable people to try new things. If they fail, that is actually a good thing. We learn and adjust." Art's project leaders are actively and collaboratively involved in decisions to cancel or change the pace of a project. "We are not saying, *You've failed in this so we're going to cut you off.* Instead, we say, *This approach did not work. Do you have ideas of how you want to move forward?* The decision to move forward or stop is a collaborative decision among teams and leaders ... If a team stops something that is not effective, they get applause just like everybody else."

Specific practices have been used to create and reinforce innovation and collaboration, rather than hierarchical decision making. One example is how the company sets its research agenda, relying on crowdsourcing and complete transparency to identify and select projects [see sidebar].

Quarterly project reviews and governance processes are also transparent, inclusive and turning out to be more effective than traditional mechanisms. Accountability for R&D projects, for example, is shared. The leadership team has open and transparent conversations with project leaders about progress.

As projects run ahead or behind schedule, the R&D leaders willingly shift resources—acting responsibly and with an enterprise perspective. “Somebody will say, *There’s no way for me to spend all this money, why don’t you reallocate this? Or, I don’t need the money now, but let’s reserve it in the budget for me for next quarter.*” In this new system, the company came in at 90% of its R&D budget with no one feeling short-changed. “I was pleasantly surprised by the effectiveness of *collaborative control* versus *command-and-control*. The notion of a single person controlling all of this sub-optimized so many things.”

The move to greater transparency and collaboration has also helped leadership identify key employees who would typically be overlooked or unknown as the company grew. “The process became democratic ... We were meeting talented people we would never have known before.” HR systems, too, have fostered the integration of capabilities across the business. Internships strategically connect new talent well before they are hired. A year-long on-boarding process includes a set of activities (i.e., “meet every member of the senior leadership team”) designed to connect employees across the network. Technical centers of excellence develop workshops to engage people and provide forums to network.

The downside to being well connected and highly valued is collaborative overload. “I’m constantly asking people who are in very high demand, *Who’s helping you? ... You’re not going to become super successful if you work by yourself and try to be a hero on everything.*”

Network Insights

- **Senior leaders drive innovation by matching people to purpose, using cross-boundary teams and de-stigmatizing failure or course-corrections.** Top-down, narrow decision making will limit energy, engagement and insight.
- **Crowdsourcing and transparency generate more ideas based on diverse perspectives.** Emergent ideas evolve with network input, leading to greater engagement and alignment.
- **Shared accountability and an enterprise perspective—rather than hierarchy—lead to flexible, efficient use of resources.** When trust is established, collaborative control gets better results than command-and-control.
- **Collaborative, transparent processes for innovation create visibility for hidden talent.** Introverted or isolated experts are able to contribute ideas or lead projects. Those who play crucial connecting roles may be seen and acknowledged.

Crowdsourcing Stokes Innovation & Increases a Sense of Purpose

Art’s firm is driven by technical innovation, making the research program a top priority. For years, decisions about projects and funding funneled through a traditional process of call for proposals and a selection process with the chief technology officer as the gatekeeper and arbiter of selection and funding. A couple years ago, the leadership team changed the process. Using a crowdsourcing platform, employees generated ideas for innovative research and client-driven projects. Colleagues at any level and any location and across all areas of expertise could comment on any idea, leading to natural fine-tuning of and energy around some projects more than others.

The first year, the process generated hundreds of project ideas and all received numerous comments—more than half of employees participated in the process of giving feedback. From the initial suggestions, about 80 ideas were selected for further development and a full proposal. Of those, more than two dozen research projects were approved and resourced. The new approach led to several powerful innovation, network and talent outcomes, including:

- **A shift in dynamic from adversarial (idea generator vs. senior leader or project vs. project) to collaborative.** The crowdsourcing approach began to build a culture of conversation, which carried over to ongoing project reviews and funding meetings.
- **More expansive idea generation and development.** By replacing the top-down and “inner circle” approach to the research agenda with a range of divergent perspectives early on, the company has been able to harness the collective intellect of the organization more effectively—and profitably.
- **Transparency increased engagement and alignment.** People voluntarily “killed” their projects and supported others. By involving the leadership team, reviewers and project teams in discussion and ideation early and throughout proposal development, there was clarity and strong support for the work that was resourced. A shared sense of purpose around the overall research agenda fostered trust and risk-taking. Decisions were made that supported the whole, rather than protecting turf.
- **Senior leadership and functional leads gained a new lens on talent across the business.** Many ideas and insights were brought forth by employees who were below the radar or working in remote offices. Two-thirds of the funded projects were led by newcomers to the process.

ABOUT THE RESEARCH & ROB CROSS

Building on 20 years of research with more than 300 organizations, the Network Leader Research Project seeks to understand the approach and strategies that enable certain leaders to consistently achieve peak performance. The research includes 160 in-depth interviews conducted by Rob Cross, a Professor of Management at University of Virginia’s McIntire School of Commerce. The Connected Commons is currently focusing its research on leadership effectiveness, talent optimization and organizational alignment and change—three areas where network insights can clearly drive performance. For more information visit www.connectedcommons.com or email Rob at rlcrossjr@gmail.com.