



PRODUCE  
INNOVATIVE  
SOLUTIONS

# Encouraging Ideas in a Risk-Averse Environment



## CASE CONTEXT

A senior executive sets the context for innovation in a large-scale, legacy business. He encourages exploration, rather than perfection, to generate ideas at every level. And, by changing his own behaviors, he shifts organizational habits of over-collaboration and counters the fear of being wrong.



MALE

Level: SENIOR LEADER

Industry: TECHNOLOGY

## 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.



Eugene ran the behind-the-scenes, operational side of a high-profile global business. The group of 30,000 engineers and technicians install, maintain and repair mission-critical systems for customers large and small. Reliability, repeatability and efficiency are essential. Two years ago, Eugene decided that small changes to processes or tiny improvements in productivity would not lead to the customer experience or the cost savings that the business needed in the longer term. Innovation was needed from a group that had been taught to avoid risk.

“I’ve got engineers keeping things running. I’ve got guys who drive around in trucks and fix stuff in the field. My group is about making things happen. Traditionally, we give them tools, training and rigorous methods and procedures. We set the processes, trying to take variability out of their decisions to create a consistent experience. Everything is focused on reliability at scale. That isn’t a bad thing—until you need to innovate to transform the business.”

Eugene met with his leadership team to give the charge for innovation. As the conversation turned to the specifics of how to reward innovation (factoring innovation into bonus practices, for example), Eugene set a different tone. “I said, *I’m not sure what I’m asking for, but I am sure that I’m not looking for this team to bring me the next iPhone. That isn’t our job ...* I didn’t want to limit them, to have them think I was looking for something earth-shattering or that I had something in mind. A lot of times the best ideas are right under your nose, and we don’t bring them up. Or it wasn’t the right time a few years ago, but maybe it’s the right time now.”

Eugene wanted to counter the natural risk-aversion that had come from a long history of working at such large scale, where the costs of a mistake would be high and very visible. “Innovation is thwarted if you don’t have the right culture around it. After you’ve heard *no* so many times, you start tell yourself *no*. It can get real easy to talk yourself out of trying something. Of course, we can’t be reckless and rough. We have to take caution in some areas, but there are other areas where it’s acceptable to fail fast.”

Eugene charged his team with spreading the message through their teams, knowing that he wanted ideas to bubble up and across the network. Not long after, one of Eugene’s direct reports brought an entry-level manager to see him. “My leader said he thought this guy’s idea fit in to what I was saying about innovation. But then he warned, *I’m not sure we can get it off the ground; there are a lot of looming objections.*”

"I met with the two of them, and this manager starts talking about his idea and the objections they would get. I thought, I don't know if the idea is right. But I'm going to make this a poster child for how to think differently and do things differently. And I said, *Guys, we're gonna have to figure all that out. Because I think we're on to something.*"

Eugene's commitment was tested in the very next conversation. He shared the idea with a superior, and the objections began. If it was such a good idea, if it was doable, why hadn't the best and brightest in the company already thought of it? Eugene was not willing to shut the door on the idea quickly, asked, *Who has the brightest mind? Whose opinion would you value?*

"Turns out, the guy he suggested was retired, but I found him and said, *This is crazy but would you look at this and tell me if it works?* He thought it was a pretty good idea, noted some things to consider, and his validation was enough to get the concept out of the gate."

The concept turned into a massive savings. "Literally, one guy came up with the idea to make a fix that would cost about \$14 and would offset \$1,000 of expense any time we had the problem. This is how dramatic it really was."

The experience also signaled a mindset shift within the group and Eugene's commitment to supporting innovation through action. "We have an unbelievable amount of talent throughout the business ... My job is to encourage people to look for ways to do things that we didn't think were possible ... and then to investigate, ask questions, help work through the many systems and people who are involved."

Eugene set a tone that supported creativity and willingness to bring new ideas forward. "If I can get people to bring me things, that as a leader I may not even understand, I'm going to give it attention. And if that means taking time and talking to people and working through the pushback in the system and the network, that's what I do. I tell everybody that I'm always concerned that I get to KNOW before there is a NO."

## Network Insights

- **For the network to innovate, senior leaders must set the tone and take action.** Individuals with non-insular networks may see unique opportunities or solutions. But without clear commitment from leadership, ideas have nowhere to go—and certainly won't scale.
- **Don't ask for the next iPhone.** If everyone thinks that's what you are asking for, they won't pursue process fixes and small innovations that make a difference. Or, people will think you want an idea to be perfected before you hear about it.
- **Be curious first.** Highly risk-averse or analytical environments will tend to see what is wrong or what has been tried before and failed. Look for what is possible and follow it—get to the "know" before the "no."
- **Protect an idea and the people working on it.** Shield them from the naysayers and the people in the network who don't want to be bothered. Help them find alternative paths and solutions when they hit roadblocks.

## Fight Collaborative Overload & Free Up Space for Innovation

As Eugene pushed for innovative solutions, he understood that too many collaborative demands get in the way. Not long after moving into a new role, Eugene did two things.

1. Structurally, Eugene changed how he handled meetings. "I went on vacation and started thinking about the demands on our time ... When I came back, I sent an email to the 14,000 people in my global operation that, effective immediately, every recurring meeting I have will be cut in half ... that will cut back on the time prepping for the meeting and make our meetings crisp and to the point ... I got a lot of responses saying *Amen!* and *Thank You!* and *I will do the same with my team.*"
2. Culturally, Eugene focused heavily on reducing the belief that people needed to know all answers immediately. "People are afraid to say, *I don't know but I will find out;* they worry that someone will think they don't know their business. At the speed we operate and with the amount of information we consume, we can't know everything ... so we add more people on every call and in every meeting. The extra people and the extra preparation creates overload—it's unnecessary and disrespectful of people's time."

### 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](http://www.connectedcommons.com) or email Rob at [rlcrossjr@gmail.com](mailto:rlcrossjr@gmail.com).