Three ways you are killing innovation in your organization

(Yes, I'm looking at you.)

by Jonathan Vehar

An internationally-known innovation/new-products consultant and I were talking over drinks late one evening at a conference. I asked, "How many of your clients ask for disruptive, transformational ideas?"

He replied, "All of them!"

I followed up with, "And how many of them actually implement them?"

He ruefully declared, "None of them." I ordered us another round.

The First Way You Are Killing Innovation: The Feasibility Trap

Organizations claim they want the same thing their customers want—creative, innovative, breakthrough new products and services. The reality? Inside most organizations managers are conditioned to focus on what is feasible instead of what *might* be possible. The difference? Feasible means something that can be accomplished easily or conveniently. What *might* be possible means there is hard work to be done with an uncertain outcome.

But how is it that you are to blame? New research by Jennifer Mueller (University of San Diego), Jeff Lowenstein (University of Illinois at Urbana-Champaign) and Jennifer Deal (Center for Creative Leadership) suggests that it's the manager's fault. And, as a manger you might be getting caught in the feasibility trap.

In this study the researchers found that when managers look at new ideas, they look for the most *feasible* ideas as their measure of desirability (2014). Yet when customers look for new ideas, their measure of

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desirability is *creativity*. They note, "People whose job it is to figure out what can be done [feasibility], are less likely to identify as creative the ideas [that customers] find to be more creative."

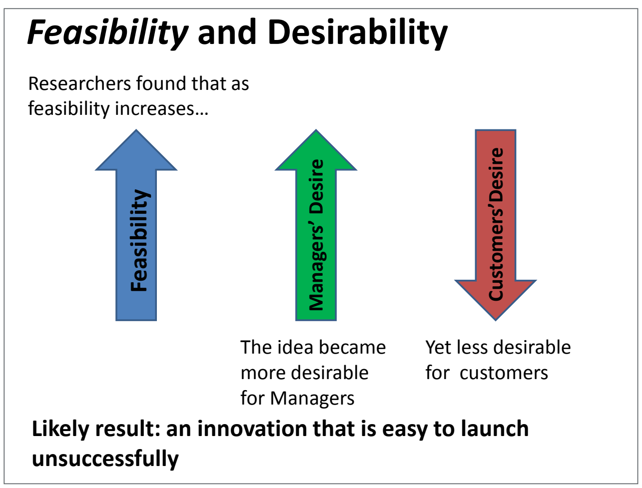
Every organization is looking for innovative ideas to increase their profits or impact. Innovation is the lifeblood of organizational relevance and growth, and organizations spend billions of dollars trying to find "the next big idea" that will captivate their customers.

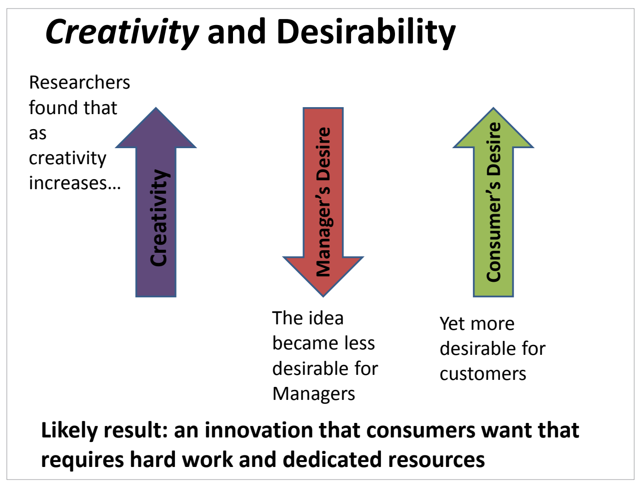
The challenge is not a scarcity of big ideas, rather it is what happens to those ideas.

Customers don't want the same thing you want

There is more bad news for managers: evidence suggests that customers wanted feasible ideas even less because they were viewed as less creative. As the researchers note, "In other words, creativity isn't being seen by customers as the icing on the cake; it is the cake."

- **Key finding:** The number one predictor of whether customers wanted a product was how creative it was.
- **Implication:** your customers want you to do something different.





- **Key Finding:** Ideas seen as "feasible" (i.e. the ones the managers liked), decreased desire by the customers.
- **Implication:** Sure, develop the easy solutions. But recognize their limited potential.

So on one hand, managers want disruptive, transformative, and creative ideas that are feasible and easy-to-implement. No problem.

On the other hand, it's a big challenge for organizations to come up with the next blockbuster, especially if it requires minimum investment. After all, the more feasible it is (i.e. easy to accomplish), the easier it is to have significant ROI.

> In an idea generation session several years ago, the director of a leading consumer products company charged the team with: "Remember, I only want ideas that will return $100 million." There was also a critical subtext that in the process of doing this, the team shouldn't do anything that required significant resources or that messed up what was working already. In other words, "I only want feasible $100 million ideas. Not only did this paralyze the team, but it shifted the focus from "what do our customers really want," to ROI, which ensures innovation that is not customer-focused.

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In other words, if your investment is small, your return is bigger. Yet since your customers are looking for truly innovative ideas, and since truly innovative ideas mean "thinking and doing different," that means that metrics for viability are difficult to come by.

For many good reasons, managers hate ambiguity and uncertainty. So they focus on what is most feasible. Ironically, the focus on feasibility triggers uncertainty. So what managers love (feasibility) creates something they hate (uncertainty).

The second way you are killing innovation: The "How" Focus

The team's research also found that when idea evaluators focus on feasibility, it becomes harder for the evaluators to recognize when ideas are creative. When subjects were primed with a "how" mind-set, which is highly related to feasibility concerns, they rated innovative ideas as less creative than those primed with a "why" mind-set. Thinking about the purpose of the innovation or "for what reason does it exist" helps to focus attention on what customers want, rather than how can the enterprise produce it. As author Simon Sinek says, "People don't buy ***what*** you do, they buy ***why*** you do it."

In other words, when comparing Solution A vs. Solution B, your customers are looking for the solution that will best benefit them. Managers, by comparison, are looking for the solution that will generate the most ROI. Focusing on the former ensures customer demand. Focusing on the latter ensures maximum profit for each individual unit, regardless of whether it's wanted or needed by the customer.

Early in my career, I worked for an ad agency which had creative talent who came up with brilliant solutions to meet client challenges. Our clients loved the solution concepts. But then we had to go to the production department. The job of the production department was to figure out how to implement these creative ideas. One production manager had a predictable response to anything new: "It's not possible! And certainly not for the client's budget!" He earned the nickname "Dr. No." Left unchecked his focus on feasibility would have squashed the innovation that the clients paid handsomely for.

As Mueller, Loewenstein and Deal note "concerns about feasibility make creative ideas harder for [managers] to stomach. But some managers excel at avoiding these concerns." They give the example of former Apple chief Steve Jobs, who had a "reality distortion field," wherein he wouldn't let reality get in the way of his ideas. When his team told him his ideas weren't feasible or even possible, he would tell them to simply make it so. The researchers concluded that, "it is likely that this orientation from the top leader [or manager] in the organization aided creativity because it made feasibility concerns less powerful."

Since the research suggests an inverse relationship between feasibility and creativity, and since for customers, creativity predicts desirability, the challenge for managers [and all decision-makers] is to look for ideas that are first creative, and then shift the focus to how to make them work. Alex Osborn, the father of brainstorming, once said, "It's easier to tame down a wild idea than it is to invigorate a weak one." This is an attitude worth embracing.

- Key finding: A practical mindset of "how" limits the innovation by shifting the focus away from the true goal of creating a solution that meets the user/consumer/customer need.
- Implication: 1) Create the wild and crazy idea first, and then 2) figure out how to make it work.

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The third way you're killing innovation: The Cue Difference (or "your cues ain't like mine")

Part of the challenge for managers is that the research clearly shows that "…a person's culture, mindset, role, and personality *all affect the very cues people use to determine what is creative.*" Mueller, Loewenstien and Deal found that people have different ideas about what makes an idea creative (and thus desirable to the consumer), which means that, without clear criteria, organizations have a problem.

To compound that, they also found evidence that workgroups have similar views about what creativity means *within their group*, but there are different views *between groups*. In other words, what's creative to you is different than what is creative to me…if we work in different groups or come from a different perspective.

From a process point of view, that means all decision-makers need to be working from a common set of evaluation criteria. Managers need to be explicit about how an idea will be evaluated, what metrics will be used, and how committed the organization is to creating core, adjacent, or transformational innovation (Nagji and Tuff, 2012).

Mueller, Loewnstein and Deal conclude by noting that:
"What we're finding now is that there's an even earlier challenge that organizations must address: How do we make sure when we're thinking about creative ideas that we're [evaluating] using the cues we want so the ideas we're choosing are the most creative in the first place, and that we're not missing the best ones because they were filtered out before we even got to them because of our mindset?"

- Key finding: everyone is judging the creativity of an idea based on different cues.
- Implication: get agreement on what will make a desirable innovative solution up front.

This demonstrates the need to work carefully across the different boundaries of the organization, and to articulate your solutions not just from your perspective of the "obvious creative value" of the solution, but to help other groups understand what the merits of the idea are, and why it is of value to the customer. Again, focusing on "why" before "what." If you listen to most people pitch their solution, you'll hear a litany of features that the solution offers, rather than the benefits to the user. In practice, that's why most pitches fail. And thanks to this research, we now understand how to avoid it. The researchers note that, "[managers] need to be aware of these differences in perception by people in the different groups. They also need to be aware that some environments may put people in mindsets which make certain cues more salient and important."

- Key finding: there isn't agreement on what makes a solution creative.
- Implication: tailor your pitch to focus on the goals/needs/desires of the audience. Depending upon whether you're speaking to engineers, marketers, sales, operations, or finance, etc. they have very different views on what's good and what works. Create your pitch accordingly so that you're addressing the cues they are looking for. Not sure what they're looking for? Ask them.

These cues are important for decision-making when selecting ideas to pursue, both by the team that is working on the original challenge as well as everyone in the organization who needs to buy into the solution. For those who would work across the organization to sell their ideas through to launch, it is key to either recognize or shape the cues that others in the organization are using. Without this, your organization is doomed to easy launches of feasible solutions that customers don't want. And that is, while correctable, the manager's fault.

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