

To Innovate Don't Mistake Symbols for Reality (And the 5 Rules for Getting It Right)

The masters of innovation—Netflix, Salesforce.com, Google, Tesla Motors—aren't trying to innovate. They are trying to *dominate*. These winners keep winning because they know which rocks to break and which targets to shoot for. They're focused on real results, **big outcomes** that will propel them far past their competition. Sometimes they use innovation tools to help, but those tools are hardly the point.



Too many organizations try to imitate great innovators by copying the innovators' tools – while forgetting that great innovators focus first on big outcomes. Thus, the explosion of “chief innovation officers,” “innovation labs,” and general innovation rah-rah that provide *symbols* of innovation, but aim nowhere in particular. One manager complained, “We went to Google, saw that they had beanbag chairs. Now we have them too!”

SYMBOLS, BY THEMSELVES, LEAD NOWHERE

This all reminds us of the cargo cults created by some South Pacific islanders after World War II. During the war, the islanders had their first experience with the huge variety of manufactured goods used by the Allied and Japanese fighting forces. When the war ended and the soldiers left, so did the goodies and the airplanes that delivered them. Hoping to restore the flow of goods, the islanders built airplanes, airports, and control towers out of sticks and thatch. And waited.

Thatched airports didn't get the islanders what they wanted any more than beanbag chairs will get our manager friend what his organization wants. Fully functional airports would not have helped the islanders either. That technology is helpful, certainly, but it is not why people bring goods to the islands any more than comfortable seating is why people come up with the ideas that help their companies dominate markets. Famed physicist Richard Feynman summed up the cargo cult problem: “They follow all the apparent precepts and forms...but they're missing something essential.”



RECOGNIZING THE INNOVATION CARGO CULT

The innovation cargo cult usually takes this form: **put a bunch of people in a room with an “innovation trainer” and then “do innovation.”** An only *minor* concern in these events is whether they are tackling something significant—aka a “big rock.” Sometimes these festivities do define an outcome goal worth striving for, but frequently they don’t. That’s because *techniques* take center stage, and the *targets* of innovation play only bit roles.

How does the “do-innovation” crowd measure success? The only way possible: by measuring *effort* or *inputs*. For example, you’ll know there’s a problem when trainers define success relative to how many people have been trained, or how many have been certified to train, or how many “innovation sessions” have been held. And, while tech tools can be powerful, watch out for declarations of victory based on how many employees used the slick new web-based, crowd-sourced, something-or-other. In other words, beware of success that’s—as our Navy clients like to say—a “self-licking ice cream cone.”

We must admit, though, that **all this innovation imitation can have political advantages.** In an echo of earlier movements – “change,” “quality” and “re-engineering,” for example— we’ve seen some leaders of “innovation programs” get credit for **being progressive without actually progressing** (real progress takes work and carries the risk of genuine change). It’s like wearing a padded suit: people think you’re muscular, for a while.

JUST ANOTHER REMAKE

Everything old is new again. In his 1967 classic book, *The Effective Executive*, Peter Drucker criticized companies that are afraid of killing off old products or programs and developing new ones. He observed that those lackluster companies “send their executives to seminars on creativity and then...complain about the absence of new products.” Successful companies, he said, do none of that. (Back in Drucker’s day, people were trying to be “creative”; now they’re trying to be “innovative.”)

Since then, we’ve seen this movie lots of times – with Six Sigma, Lean Six Sigma, Total Quality Management, Business Process Re-engineering, and many more. **All of which, we might add, offer great tools! But tools without goals are symbols without reality.** They eventually, inevitably, breed cynicism instead of results. But who can blame the cynics when they are told, in effect, “*do carpentry*,” instead of “*build a house*”?



KEEP THE CARGO, DUMP THE CULT: *Five Rules for Driving Innovation*

Innovation is what happens *on the way* to quantum results. Doing the impossible—putting a man on the moon (NASA) or Mars (SpaceX), reinventing retail selling (Amazon), delivering packages absolutely, positively overnight (FedEx), getting your customers to finance your operation (Dell)—requires much more than business as usual.

Such spectacular success takes innovation; but innovation takes leaders who reach for the stars (sometimes literally) and who keep the grand goal front and center at all times, pushing people to create innovative solutions to every problem and celebrating every leap forward.

What they don't do is get everybody jazzed over shiny new innovation tools. They're certainly happy to use any and all available tools, but the tools aren't the point. Tools are never the point. As consultant Robert Schaffer put it in a classic *Harvard Business Review* [article](#), "Success... start[s] with targeting results."

Our clients and other quantum achievers follow **five rules** that lead to big results – outcomes which will be called “innovative” after the fact.

1. Go Big or Go Home

First, target something big: something you want fixed or invented that will raise a few pulses and will require a complete re-think. Get the idea right first, before you tackle how to do it or how to measure it.

Remember, you're not just identifying a problem, so don't assume that clever problem definition is enough. Careful problem analysis can help, but the muscle is in your aspirations. What do you want to *achieve* and how will the world be different if you succeed?

Although successful efforts usually start with modest experiments, they then ramp up to the originally-intended big results. The *idea* of the big result is the starting place.

General David Goldfein, the military head of the US Air Force recently summarized this timeless truth succinctly: **“Think big, start small, and scale fast!”**



2. Embrace Constraints, Restrictions and Contradictions

Innovation, said brilliant Soviet engineer Genrich Altshuller, is *always* a resolution of apparent contradictions: a manufacturer wants a product to be heavy-duty but also lightweight, or a biotechnology researcher wants a medicine that kills cancer cells, but leaves others alone. Where no such contradiction exists, no innovation is required!

In the organizational realm, C.K. Prahalad [tells us](#), the apparent contradiction between a precise, lofty goal and severe constraints and restrictions energizes our most innovative thinking, **as long as we are willing to scrutinize—and change—our assumptions about what’s possible**. Constraints are externally-imposed boundaries such as policies or budgets. Restrictions are self-imposed boundaries that ensure no unintended, negative side effects occur. Consideration of both will ensure the most innovative and responsible results.

This business of targeting bounded outcomes—*whole goals*—is a hobby horse of ours, which we have covered elsewhere, repeatedly, as in this [journal article](#) and this [blog post](#).

One client, who led a multi-million-dollar entity for the United States Federal government, set an audacious goal in a major budget category, which he judged to be bloated: “decrease spending by 25% while maintaining current service levels.”

“How’d you pick that 25%?” we asked. “It’s pretty steep.”

He told us: “If I had picked something like 10%, then everybody would just tinker in the margins and continue to do everything the same way they always have. Reaching a specific number isn’t the goal, I want them to figure out how to make real systemic change.”

His team rose to the challenge and achieved a respectable 18% reduction in spending—staying within the imposed restriction, and doing things *differently* to achieve the goal. Innovation was the consequence of a challenging contradiction.

3. Nail Down How You’ll Prove Success (or Failure)

Say how you’ll know you’ve achieved your grand result. Or haven’t. This means leaders can’t get off the hook with “capture more efficiencies,” or “leapfrog the competition.” Defining your litmus test for success tremendously clarifies your



path to it. And your litmus test for success will always seem easy and obvious, after hours of thinking about it. That's not all bad, but consider using our popular "[bar bet](#)" shortcut to trim a few hours off your effort. For example, if a friendly skeptic were to bet you \$100—if only rhetorically—that you *couldn't* "leapfrog the competition," then it would force you to turn bravado into a definable, knowable win. (After this exercise, one client from a global software company declared, "I'm gonna buy our nearest competitor for cash in two years." He did it in 18 months.)

Knowing whether you've succeeded or failed is critical. (We've discussed failure before: "When Failure Leads to Innovation, and When it Doesn't" [Part 1](#) and [Part 2](#)). Too many leaders launch lousy efforts that are failure-proof only because they define success *after* the effort. They cherry-pick the good news and report only that. But that's bass-ackwards. It's like asking Babe Ruth to point to where the ball already went, not where he intends to smack it.

Another pitfall is to define what you'll measure *before* you've targeted your grand result and clarified constraints and restrictions. Why is that a problem? Because there's a tendency to shrink ambitions down to something that's easily measured. So, never ask, "What are the metrics?" until you've first answered, "What shall we accomplish?"

4. Put a Talented Leader in Charge

Put one person in charge of orchestrating a **solution or course of action** that will produce the big result you need. Give that leader authority, and the resources to match. Give them permission to take calculated risks. Then ensure accountability for achieving results.

Depending on the goal, this person may *also* oversee actually producing the result you want. Or implementation may require a separate effort. It is one thing to develop an innovative solution, and quite another to scale it up and integrate it into your organization, or to build a new organization around it.

Pick someone who's proven they can *produce results through teams*—someone capable of leadership that includes collaboration. *Pick your top talent, not your most available talent*. If you are using talent internal to your organization, then picking a proven leader means you may have to suffer through their temporary absence or distraction from their usual duties. But, somebody whose absence won't be noticed is probably not the right person to lead your effort.



5. *Get Odd* – Put Diverse Talent Together

It's well known that odd couples—partnerships between *very* different people—have innovated throughout history. For example: Lennon & McCartney, Watson & Crick, Jefferson & Madison, Kahneman & Tversky, Apple's two Steves—and, uh, your two authors, who can be bizarrely but productively different at times; anyway, the list is endless.

The same is true with *groups* of problem-solvers. Diverse perspectives and expertise—if brought together skillfully—really do produce impressive results.

The research on scientific innovation suggests that *the more diverse the team, the bigger the breakthrough will be . . . and the harder it will be to achieve.*

Bright individuals who have mastered different disciplines have *much* to offer each other in pursuit of a common goal, but they will need ways to secure enough common footing to have productive conversation. The good news is that there are two ways to increase that likelihood:

- a) Extensive face-to-face contact, especially informal, including accidental contact (hallway, restroom) and social contact. Smart architecture and interior design can help promote these things, such as has been done at Apple's new Apple Park (aka their “spaceship” campus).
- b) Choreographed, task-oriented events, expertly *designed* to encourage profitable *intellectual arbitrage*: the transference of an idea, concept or practice that is common and cheap in one specialty but to another specialty it is uncommon and precious. Such focused cross-pollination could last a few hours or a week or occur repeatedly over a longer period of time. And, it will include constructive disagreement on occasion.

This is where innovation-enabling tools and techniques come in! And there are plenty to choose from depending on the nature and complexity of your goal, the players involved, and the speed with which your innovation must move to acceptance and integration.

As we've discussed, it takes more than comfy chairs and hallway space to turn great intentions into quantum results. **Start by proving to your troops that you're a zealot for *break-through results*, not just another innovation cultie who wants everything better, but nothing different.**

