

## Encouraging Innovations



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## The Typical Innovation Journey

1. **Initiation Period**
  - Gestating chance events
  - Shocks trigger innovation efforts
  - Innovation team formed & funded based on plan
2. **Developmental Period**
  - Activities proliferate
  - Setbacks and mistakes occur
  - Innovation goals and criteria change
  - Innovation personnel part time and turnover
  - Leaders involved and shift roles
  - Lock-in to developmental paths & relationships
  - Building innovation infrastructure
3. **Implementation/Termination Period**
  - Linking "new" with "old" and reinvention
  - Innovations stop when implemented or money runs out

*Let's take a closer look at each period of the journey*

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## Creating an Organizational Culture that Enables Innovation

1. **Vision.** Declare the importance of innovation; make it part of the company's self-image.
2. **Foresight.** Find out where technologies & markets are going. Identify articulated & unarticulated needs of customers.
3. **Stretch goals** to make quantum improvements. (e.g., 30% of sales from products introduced in past 4 years).
4. **Empowerment.** Hire good people and trust them; delegate responsibilities, provide slack resources, & get out of the way.
5. **Communications.** Open, extensive exchanges according to ground rules in forums for sharing ideas, and where networking is each person's responsibility.
6. **Rewards and recognition.** Innovation is an intensely human activity. Emphasize recognition more than monetary rewards.

Source: William Coyne, "Building a Tradition of Innovation," March 1996.

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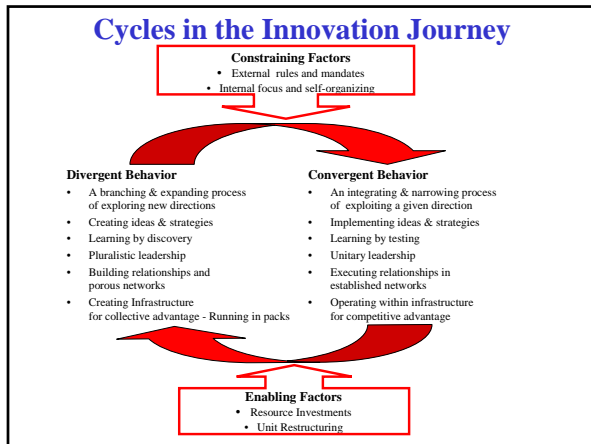
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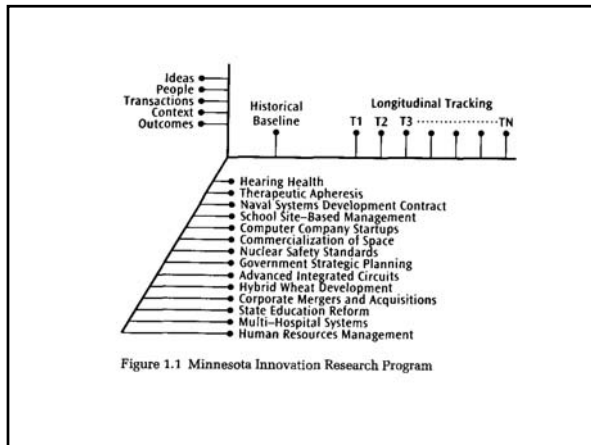
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### 1. Initiating the Innovation Journey

- **Research Finding:** Innovations are not initiated on the spur of the moment, by a single dramatic incident, or by a single entrepreneur. An extended gestation period often lasting several years, of seemingly random events occur before innovations are initiated. Many events are not intended to start an innovation. Some trigger recognition of need for change; others awareness of technical possibilities. Some of these events “shock” entrepreneurs to start innovation efforts.
- **Question:** What can organizations do to increase the chance of innovation?

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## Organizational Practices that Motivate & Enable Innovation

- Direct, personal contacts with needs/opportunities
- Cross-boundary communications & forums
- Open information & conflict resolution mechanisms
- Alternative resource pools for innovation
- Rewards: time, pay, & recognition for innovation
- Organizational culture that enables innovation

*“Normal people can and will innovate if enabling and motivation conditions are present”*

(Harold Angle, “Psychology and Organizational Innovation”)

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## 2. Obstacles During Development Period

- Over-optimism & Impression Management
  - Administrative reviews poor substitute for market test
- People often temporary, inexperienced, & turnover
  - Creates freshness, but loss of memory
- Setbacks often occur; do not trigger learning
  - Activities proliferate, goals change
  - Mixed & uncertain performance information
- Lock-in to developmental paths & relationships
  - Resistance to renegotiating contracts
- Learning opportunities avoided; Future trials denied

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## Do people learn the same ways?

### Alternative Models

Myers-Briggs based on Carl Jung's Model

extroverts - introverts  
sensors - intuitors  
thinkers - feelers  
judgers - perceivers

Kolb Learning Style Model

concrete experience - abstract conceptualization  
active experimentation - reflective observation

Herrmann Brain Dominance Instrument

limbic - cerebral  
left brain - right brain

Felder-Silverman Learning Styles

sensing - intuitive  
visual - verbal  
active - reflective  
sequential - global  
inductive - deductive



See Richard Felder, "Matters of Style" at  
<http://www2.ncsu.edu/unity/lockers/users/f/felder/public/Papers/LS-Prism.htm>

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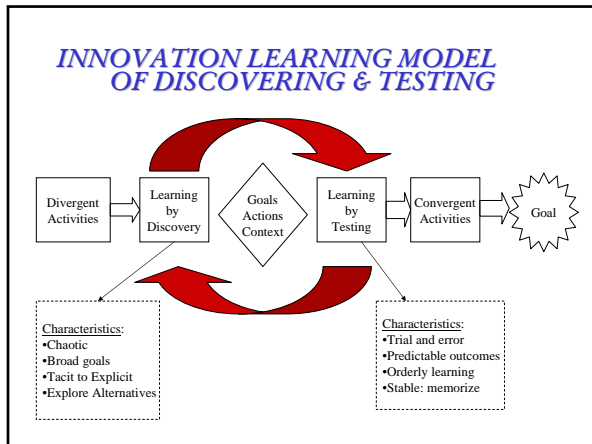
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### What are Top Managers Doing During Innovation Journey ?

- Many managers influence innovation
  - Actively involved over time
- Play different roles & shift between them:
  - Sponsor , Mentor, Critic, Institutional Leader
- Roles are dialectical; serve as checks & balances
  - Maintain balance among diverse views

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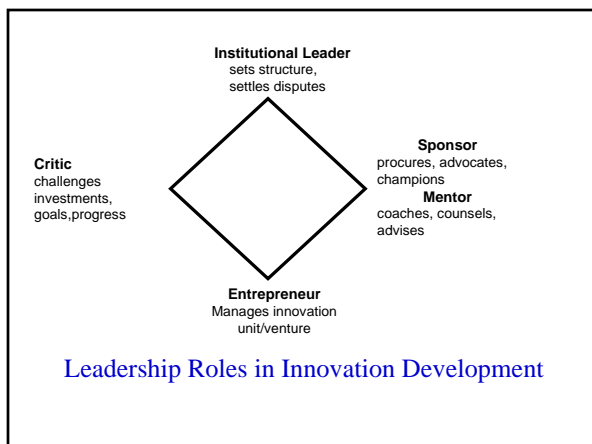
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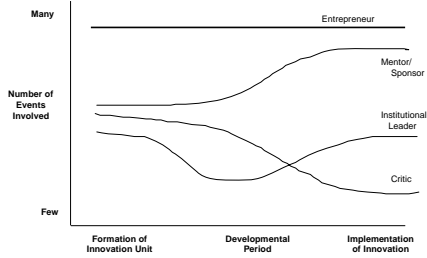
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## Proposition on Balance & Timing of Innovation Leadership Roles

Organizational learning & adaptability increase when leader roles are exercised as follows during the innovation development journey



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## A Leadership Model for Innovation Journey

- View leadership as a role, not as a person
- Balance different roles & shift between them: sponsor, mentor, critic, institutional roles
- Key leader skills: negotiation, conflict resolution & partisan mutual adjustment

**Innovation success increases when the dimensionality of leadership matches the dimensionality of the tasks undertaken.**

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## 3. Innovation Implementation Period

### Research Finding:

- Innovations are implemented by integrating the “new” with “old” and by reinventing them to fit the local situation.

### Question:

- What factors influence the implementation, adoption, and diffusion of innovations?

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## Factors Influencing Innovation Adoption

- Innovation Characteristics:
  - Relative advantage based on objective evidence,
  - Compatible with existing practices,
  - Easy to understand - not complex,
  - Observe how it works
  - Try it out to fit local needs.
- Organization Characteristics:
  - Organizational culture
- Individual Characteristics:
  - Resistance to change
  - Compliance with requests

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## Individual Factors Influencing Adoption

*People are more likely to implement their own innovations than someone else's.*

- People Resist Change when the Change:
  - is not understood => provide trial demonstrations
  - costs outweigh benefits => make evidence-based case
  - is imposed or threatening => encourage local reinvention
  - incompatible with arrangements => align structures & incentives
  - bogs down => need process facilitators & leadership support
  - process wanders => structure events, forums, deadlines to maintain attention
- Adoption processes vary when:
  - Decision unit is an individual or complex organization,
  - Change is implemented in depth or in breadth
  - Change is externally mandated or locally chosen to fit situations,

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## People are more likely to comply when:

- A reason is provided for the request
- Reciprocity exists: provide an initial gift before making request
- Small initial commitment is made, then rely on consistency
- Social proof exists that many similar others are complying
- Request comes from individual they know and like
- Request comes from legitimate authority
- The opportunity is scarce, limited, or difficult to attain

*Modern life creates cognitive overload because of technical advances, burgeoning information, expanding choices and opportunities, and exploding knowledge. People use decision shortcuts by relying on simple triggers for compliance. The most reliable triggers are commitments, opportunities for reciprocation, the compliant behavior of similar others, feelings of liking or friendship, authority directives, and scarcity information.*

Robert B. Cialdini, *Influence: Science and Practice*, Third Ed. New York: HarperCollins, 1993.

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## Overall Dynamic of Innovation Journey

**Research Finding:** The innovation journey is not sequential and orderly, nor random; instead, it is a nonlinear dynamic cycle of divergent & convergent activities that repeat over time and across levels if enabling & constraining conditions are present.

**This pattern was seen in development of:**

- Organizational culture for innovation
- Learning
- Leadership
- Relationships with other organizations
- Industrial infrastructure for innovation

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## Practical Implications for Maneuvering Innovation Journey

- Go with the flow -- You cannot control it, but you can learn to maneuver the journey.
- Pay attention to enabling & constraining factors.
- Develop ambidextrous management skills.

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*Innovation ... is anything but orderly. It is sensible, in that our efforts are all directed at reaching our goals, but the organization ... and the process ... and sometimes the people can be chaotic. We are managing in chaos, and this is the right way to manage if we want innovation.*

William Coyne, Sr. VP of R&D, 3M, (UK Lecture, March 1996)

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*Your Observations Please!*



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• *Thank You!*  
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