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# **Keep Your Organization's Culture from Eating Your Innovation Strategy**



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"Culture eats strategy for breakfast," wrote Dr. Peter Drucker, the father of modern management. A culture is the beliefs, norms, and values that influence behavior. And, to paraphrase a popular dog food advertising adage, "No matter how beneficial the strategy or how attractive the plan, if employees won't eat it, the strategy won't sell." So, what is an innovation strategy?

An innovation strategy is a planned approach designed to differentiate an organization based on something "new" (the root word of "innovate"). That "newness" could be a product or product enhancement (think Apple or Tesla), a

service (think Amazon Prime or Netflix), a solution (think Moderna or Medtronic), or a disruptive discovery (think Airbnb and Uber). Why is it important?

Research on customers' aspirations reveals their affinity for innovative organizations--the clear and present evidence a company is serving the marketplace in boldly ingenious ways. Obvious innovation signals adaptability, a feature customers intuitively associate with survival of the fittest. Innovation provides concrete evidence to customers (and employees) that the organization will more likely be around in the future and thus worthy of their emotional (and financial) investment. The essence of brand is the promise or assurance of value. Today's customers bet their hard-earned dollars on a relationship ROI, not just a purchase return.

Organizations that add innovation to their quiver of marketplace distinctions require an army of bright, creative people who can ideate new offerings converted into marketable products, services, solutions, or breakthroughs. In too many organizations employees' ingenuity is caged or marginalized by operating in a context with a focus on managing a structure (reporting relationships, communication channels, procedures, and systems) with limited attention to the organization's culture.

Innovation-driven organizations view structure and discipline as tools to achieve a cultural objective, not the other way around. Their view is that great work results from human spirit focused on a mission, bolstered by an optimistic emotional environment, and supported by structure and systems. What might you find if you dissected an innovation culture? While all cultures are unique, the four norms of an innovation culture include:

## **Make All Interactions Transparent**



"I think the currency of leadership is transparency," says Starbucks founder and long-time CEO, Howard Schultz. "You've got to be truthful. There are moments when you must share your soul and conscience with people..." Innovation cultures value trust and openness, the byproducts of transparency. Such cultures place a high premium on kindness, critique without rancor, affirmation, and

acceptance. Removing judgment and fear enables associates to operate without need of an emotional shield.

<u>Note to Leaders</u>: Put a moratorium on secrets, myths, and gossip. Corporate speak and sanitized legalese communication, by definition, cloud the truth. Make authenticity the norm. Affirm those who demonstrate vulnerability. Champion candor with maturity. Transparency is the foundation of trust, which fuels the engine of innovation.

#### Be a Guardian of Freedom

Freedom does not mean unlimited license. It means members of an innovation culture are not bound by inane rules, bureaucratic restrictions, and fences on the appropriate expression of their talents. They feel unbridled, like mustangs in the wild. There is a focus on psychological freedom, not just empowerment in form. Supervision is performed for direction and support, not for power and



permission. Motivation is driven by mission, vision, and values, not by tangible incentives and emotional bribes.

Note to Leaders: Never add any more leadership than is needed. Encourage a "Kill a Stupid Rule" effort to identify and eliminate barriers to innovation. Listen to learn. Become known as a world-class encourager. Leadership is not about what you do with a role but rather who you are in a role. In the words of John Lennon, "Tame birds sing of freedom. Wild birds fly."

# **Foster Non-Stop Curiosity**



"Curiosity is the very basis of education," wrote British author, Arnold Edinborough. "And if you tell me that curiosity killed the cat, I say only the cat died nobly." His sentiment is a leading orientation of innovation cultures. In a survey of more than 3,000 employees and reported in *Harvard Business Review*, 92% credited curious people with bringing new ideas into teams and organizations and viewed curiosity as a catalyst for

job satisfaction, motivation, innovation, and high performance.

<u>Note to Leaders</u>: Make the best part of meetings the "what if" part when assumptions are challenged. Encourage public ideation, like brainstorming, and make "whiteboarding" a culture philosophy. Invite stimulation in all forms—people doing

interesting things in other industries, artists, and great thinkers. Be a fan of pilots, testing, and tinkering. Curiosity is an optimistic treasure hunt—a gallant search that occurs without proof or guarantee.

### **Champion Know-How Over Credential**

A highly successful R&D company in the aerospace industry described how so many of their associates worked for free after retirement, driven solely by their zeal to learn. One example offered was an associate who lived in a camper in the corporate parking lot so he could get to work quicker and stay later. "The pursuit of discovery drives him," said a previous manager. It was a commentary on a culture that values competence.



Mentors are a natural part of an associate's work life. They are not only challenged to constantly learn, but they are given time and resources to do so.

<u>Note to leaders</u>: Ensure every meeting has a learning goal. Encourage associates to help their colleagues learn. Make certain competence is shared, never hoarded as job security. When mistakes happen, focus on learning, not on blame. Ingenuity is the byproduct of boldness bolstered by competence.

I grew up on a heavily wooded farm. Periodically, lightning would start a fire that would burn acres of trees. Within a few years, newer, stronger, more resilient growth would emerge from the scorched land. My dad would remind me of Darwin's principle of adaptation and survival of the fittest. Then, he would add, "We're on top of this because we keep fire breaks that manage the forest's renewal." Leaders of Innovation cultures know that disruption and change can bring the opportunity for adaption and renewal. Like firebreaks, they channel the blaze of ingenuity and adaption into products, services, solutions, and breakthroughs that can thrive and grow in an increasingly competitive business landscape.

# **About Chip Bell**



Chip R. Bell is a renowned keynote speaker and the author of several award-winning, best-selling books. Global Gurus in 2025 ranked him for the eleventh year in a row in the top dozen keynote speakers in the world on customer experience. He is also an alliance partner with On3.ai that specializes in mobile based, AI-driven field learning programs with high level transfer of learning and retention. as well as an instructor with MyFuel.io. He can be reached at www.chipbell.com.