



## The Politics of Innovation

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## How does ‘politics’ come into it?

“The degree to which the opportunity to use power effectively is granted or withheld from individuals is one operative difference between those companies which stagnate and those which innovate”

(Rosabeth Moss Kanter, Professor, Harvard Business School).

## \* SME context

“Innovation - what does it mean to a normal (SME) business?”

– We need to get much more basic on this.”

(Patricia Callan, Director of SFA)

“Thinking that promises to change the basis of competition”

(William Coyne, Senior VP, R&D, 3M)

(also applicable to start-ups, multinationals etc.)

## Why is it important to grant individuals the opportunity to use power effectively?

- a. They must be allowed to follow through on their intuitions, perceptions and hunches; be heard and understood, and empowered to break down the resistance that their social environment offers to change.
- b. The innovation process is inherently of a very high complexity. To handle this complexity, you need to foster an environment where individuals can 'absorb' this complexity.

## Is innovation really that complex?

To manage it is - research evidence clearly shows:

- The process is not linear, predictable, or even random
- Projects do not maintain a stable identity through their development
- The original idea proliferates into a number of ideas and spin-offs
- Some of these ideas die, others get re-born
- And some ideas get discarded
- People engage and disengage in a variety of roles over time
- Parties hold dissimilar views of ideas and tests
- Some ideas get implemented
- Then re-implemented if they are not a great success
- Maybe re-invented... etc.

## In more specific terms

- Gestation
- Shock
- Plans (Resources and exposure)
- Proliferation
- Setbacks
- Criteria shift
- Fluid participation of organisational personnel
- Investors / Top Management
- Relationships with others
- Infrastructure development
- Adoption
- Termination

(These steps can vary greatly in number, duration, complexity and temporal sequence).

**To adequately handle complexity you need to foster an environment where individuals can ‘absorb’ this complexity:**

- Autonomy
- Open communication and trust
- Perspective regarding ‘the bigger picture’
- Shared and driving purpose

## Question

How have companies fared in adopting this kind of approach in tackling their problems?

01 - A software development company used this approach in progressing a number of requirements it saw as key to its *innovation edge (the most cost effective software development company on the market, incorporating best in class user interface designs, and high robustness and reliability)*.

- Increase collaborative capacity (particularly with respect to communication between Dublin and Calcutta)
- Nurture a high degree of technical excellence and work ethic among team members
- Enable rapid adoption of state of the art techniques and technologies for software development by team members

**An action research programme was deployed to consider information and communication aspects of these requirements under the following metrics:**

- Cognisance
- Significance
- Variety
- Temporal considerations
- Integrity of transmission

## Through this process, the team found out (learned through their own efforts)

- What they needed to know
- How they needed to know it
- What was preventing them from knowing it
- What they had to do to know it

## Observable (learning) outcomes included

- They decided to commit to progressing a number of new conversational themes among team members, allocating regular times and meeting places
- They decided to have ‘always on’ Skype windows on certain PCs
- They decided to subscribe to certain technical and market insight publications and the way in which they would share any valuable information gleaned

## **How was this innovation?**

They increased their innovation edge by maintaining their extremely low cost base, while drawing closer to their competitors who derive advantages from having all team members working in real close proximity.

## **How was it an opportunity for the individuals in the team to use power effectively?**

They decided what the problems were as they saw them, and they decided what they thought they should do about them

02 - A high end joinery company also tried this approach in progressing certain elements it saw as key to its *innovation edge (delivering the very highest quality joinery, fitting and finishes, incorporating design excellence and craftsman-like values, at a competitive price)*.

- Provide a working environment that cultivates craftsman-like values
- Resolve constraints that prevent problems being dealt with on the workshop floor, or site, rather than having to be referred upwards to management
- Develop better communication between sites and workshop
- Keep up to date with state of the art design ideas and projects

**Again, an action research programme was deployed to consider information and communication aspects of these requirements under the metrics previously discussed**

## Observable (learning) outcomes included:

- They decided that individual craftsmen would take responsibility on a project by project basis, with management to step back from this role
- Management agreed to reward bonuses to responsible craftsman for projects that make it into magazines and/or win awards
- They decided to deploy a touch screen PC terminal in the workshop, with centrally located drawing files that can be marked up from a laptop on site
- They decided to make time every two weeks to have a lunch and specifically discuss their craft

## **How was this innovation?**

They could increase their innovation edge by nurturing stronger craftsmanship which comes across in their products and their workmanship.

## **How was it an opportunity for the individuals in the team to use power effectively?**

Again, they decided what the problems were as they saw them, and they decided what they thought they should do about them.

## Was this ground-breaking innovation?

Not by any means - but in as far as it changed the basis of competition, it was certainly innovation.

- The software development company has taken on three new employees in the last quarter.
- The joinery company has taken on two.