

## Interview by Awie Vlok of Dr Bettina von Stamm in London — 4 June 2013

Dr. von Stamm, thank you for this opportunity to interview you as part of my PhD research. Your thought leadership contributions to the innovation field have been remarkable and I am looking forward to hearing your views. I have studied your publications and I am grateful for the opportunity to interact with you and tap into insights that you have gained from working with innovation leaders in Europe over 20 years.

### INNOVATION LEADERSHIP: WHAT IS IT?



**Awie:** What is leadership for you?

**Bettina:** I really like the definition of Rob Goffee who is a colleague and Professor at London Business School. He says, *Leadership is about inspiring others to higher levels of performance.*

In the context of innovation, I believe it is the role and responsibility of leaders to create the environment where people can first and foremost be themselves. If they are allowed to be themselves they will feel free to express themselves, be creative and to contribute to innovation. If people feel they can be themselves they feel accepted for who they are and don't have to try to be someone else. For people to share their ideas, especially if they are crazy, they need to feel safe. Has not Einstein said, "If at first, the idea is not absurd, then there is no hope for it?" A leader has to create an atmosphere where people feel safe and are not worried about feeling silly, being ridiculed, or undermining their professional standing through suggesting crazy solutions and ideas.

**Awie:** Goffee's definition focuses on improved performance. Such performance might be improved through ways other than innovation. If leaders have to achieve improved levels of performance through innovation, to what extent would their skills and competence be the same as or different from leaders who rely on less innovative ways of improving performance?

**Bettina:** It depends on how we define leaders. Some leaders achieve a lot of innovation that is not necessarily good or positive.

Leaders have to provide the context and some guidelines on where to go. It is also the leaders who determine what is acceptable and what is not acceptable in an organisation. If, for example, the leader thinks it is acceptable to bribe, then their followers would see nothing wrong with bribing others too. If, however, the leader makes it clear that certain behaviours are intolerable and that people displaying these behaviours will be fired, then people are much less likely to do so. So it is also the role of the leader as a role model, to model the kind of behaviour that he or she would like to see.

This is often the biggest challenge: Leaders who stand up and say we need innovation but whose behaviour does not reflect that. If someone comes up with a crazy idea, requests a little for time to explore or would like to pull a team together, just to be rejected is a sure way to kill innovation. Excuses like, "We haven't got time for that," or "We don't have the resources," just do not support innovation. Innovation leaders should not only provide direction for those whom they expect to innovate, but also create an environment and provide the resources to enable innovation to happen.

To come back to Rob Goffee's definition, when he talks about inspiring others to higher levels of performance performance here is definitely not only linked to economic improvement, but much more so to what people believe they can and cannot do, including being creative, engage in innovation, and embrace change. The willingness to take risks, for example, implies doing things that they might not consider themselves capable of otherwise. Great leaders are able to bring out the best in others in all senses—their ability, their self-worth, and what the individual can achieve in life.

**Awie:** Thank you. I think this builds on the idea that innovation is about more than traditional return on investment, perhaps it is more about achieving a return on all resources, would that make sense?

**Bettina:** Oh, absolutely. I think one of the big shifts in my own performance was when I moved away from worrying about how good I was to what contribution I might be able to make, what I may have to offer. Focusing on what you as a leader can contribute rather than what is in it for yourself is what enables you to bring out the best in people and the way in which they use resources. But getting leaders to think in terms of *contribution*, rather than *what's in it for me* is a huge shift.

**Awie:** Is that not also what Otto Scharmer from MIT means with his *Presencing* theory? In other words, new ways of observing, new ways of interpreting and new ways of doing? The part about open mind, open heart, and open will?

**Bettina:** Yes, yes, yes, absolutely. It is about moving away from *me* to what can I do to improve the performance of others.

**Awie:** I would like to hear your views about levels of leadership for innovation. Do levels matter?

**Bettina:** Yes and no. Leadership happens at all levels and it is not tied to the hierarchical levels of an organisation. However, in terms of creating an innovation-supporting environment, it is the executives who are in a position to create an environment for innovation at an organisational level. In terms of what is expected of leaders in the context of innovation, I have changed my mind on this a little bit over time. Earlier on, I thought that all leaders at all levels need to become more innovative. But changing at the individual level can be really hard. It is not so much about being innovative as an innovation leader, but rather understanding the underpinnings of what it takes to create an environment that is supportive of innovation, and making it happen.

So I do believe that innovation leadership can happen at all levels in an organisation, but if it is not understood and supported by top management, it is unlikely to happen. The ideal scenario is for innovation competencies to be embedded throughout the organisation that definitely takes serious and continuous commitment from the top, and time to establish.

We can often observe the critical influence of an organisation's top leader when someone new comes in, changing focus and culture within a short space of time.

**Awie:** You have been dealing with innovation leaders operating at the top level in organisations and I'm sure you have seen some getting it right and others not getting it right, despite their openly declared commitment to innovation. In addition to what you have already mentioned, what, in your opinion, makes the difference?

**Bettina:** I think successful innovation leaders are always open to new thinking and are looking ahead, trying to figure out what is next.

Then there are those who talk about innovation but do not really understand what is required. I think the only way to shift that is to allow them to experience what the conditions, behaviours, and challenges of innovation feel like. I think you can talk about these things until you're blue in the face. People will nod and understand it in their minds, but not in their hearts. If you buy into the argument that innovation is fundamentally about values and behaviours, and that values and behaviours in many organisations have to change in order for them to become more innovative, then understanding it with your mind is not enough; you need to understand and feel something in your heart in order to change values and behaviours. As a leader, you have to understand innovation, as well as create open doors for newness to come in. The only way to really *get it* and feel it is to experience what it feels like to innovate. This is what I'm trying to accomplish through my work.

### **IMPORTANT ASPECTS OF INNOVATION LEADERSHIP**

**Awie:** Most of the research that I could find in literature about innovation leaders came from three fields, namely psychology, engineering and marketing. I could not find evidence of any successful integration of the three to enhance the body of knowledge. What are your thoughts on the dominant disciplines, if any, for innovation leadership and integrating these to create more leaders of innovation in the future?

**Bettina:** It reminds me of what I call the *Five A's of Innovation*:

1. AWARENESS (of context, circumstances & complexities)
2. APPROPRIATENESS (of choices and approaches to the task in question)
3. ALIGNMENT (of the different aspects of the organisation to its innovation ambition)
4. APPRECIATION (of diversity and differences in preferences)

5. ATTITUDE (leading by example and being open to ideas, especially crazy ones)

I think there is a danger in putting one school of thought ahead of others, as we often seem to do. We need leaders who can hold it all together—the views of the psychologist, the engineer, and the marketer, that is. Such leaders would be able to understand all these different perspectives.

At the same time, I believe it would be a mistake to try to make everybody the same. We need those with deep levels of expertise, and we need those who can communicate *across communities*. The emphasis should not be on trying to get everybody to the same level, but rather to create a context where each can contribute according to their area of expertise, and is appreciated and respected for that. Innovation leaders need to ask, “What do we do and what can we do to make or help those with different values and mind-sets work together better? How do we enable them to come together (because it does not come naturally)?”

If the values and mind-sets of those whom we expect to collaborate are very different—for example, scientists and marketers—there is normally a struggle to work together successfully and in a way that truly brings together their different areas of expertise that results in something new and exciting, rather than something that reflects the lowest common denominator.

**Awie:** I have certainly experienced this phenomenon in working with scientists from different fields and functional specialists over the years where special effort has been required to bring about any meaningful cross fertilisation for the sake of innovation. So is it correct to say that you are placing the emphasis on two aspects here, namely innovation leaders acknowledging diversity and the role of leaders in innovation to bring it all together?

**Bettina:** Yes, basically this speaks to the nature of the challenges we are facing. It has become impossible to solve some of the problems by applying the thoughts of any one particular discipline. So it has become necessary for the necessary contribution of different perspectives to be acknowledged.

I find it amazing, though not at all surprising, that Innocentive found that solutions to innovation challenges came (in the vast majority of cases) from disciplines other than the ones that had posted the challenge. There is the German word *betriebsblindheit*, which implies that if we are too familiar with a particular context, we can no longer see potential and possibilities that go against accepted wisdom in that field. So clever innovation leaders

understand this and make sure to get people from different contexts involved to help them see what they cannot see themselves.

**Awie:** Are you suggesting that some of these issues could be addressed better during the training and development of managers and leaders?

**Bettina:** Yes, absolutely. It feels that previous models were more likely to try to bring everybody up to the same level, working on people's weaknesses rather than allowing them to focus on their strengths.

**Awie:** In my experience, some organisations tend to excel in writing up strategies and plans and then fail to have diversity feature in implementation and execution by others in the organisation. Is it possible that some people have natural talent to collaborate with others and be innovative in the way the goals are operationalised? I can think of, for instance, the Medici family who deliberately brought people from diverse disciplines together to bring about innovation.

**Bettina:** I think this thing about being able to tolerate different perspectives (or not) goes back to what we were taught in school. There seems to be the assumption that there is one right answer which implies that if we have different points of view one of us must be right and the other must be wrong. Another aspect is the focus on individual performance - collaboration is often considered to be cheating. Both these aspects of our education pose fundamental challenges for innovation as order to innovate we need to challenge the way we are currently doing things, and we have to work in teams.

Attitudes in organisations are pretty much the same: There is one right way of doing things, and people tend to be rewarded and remunerated based on their individual performance. Yet for innovation to happen we need to share and work in teams with people who have perspectives and values that are very different from ours.; Rather than trying to integrate and combine different perspectives to reach higher levels we tend to bicker about who is right and who is wrong.. This is one area where leaders can make a huge difference by creating an awareness and understanding for different approaches, and the value that this represents. Just bringing different people together will not automatically give you new thinking . Leaders have to make people experience what it is like to understand and

appreciate other ways of thinking before people will accept that there are different and perhaps better ways of thinking than the ways in which they have been thinking before.

Yet what are organisations currently doing to shift the mind-sets away from doing things the way they have always been done? And what about those leaders who say they stand for innovation, but regard those with different views as troublemakers and underperformers? Innovation leaders should think about what it takes to engage people, and then empower them to innovate.

**Awie:** In my readings, some sources suggest that there is a core cluster of leadership skills relevant for innovation leaders as much as they would be relevant for leaders in other fields.

**Bettina:** I think it's very hard to find someone who is equally good at everything from start to finish in an innovation's journey. In fact I don't think there are many people around like that.

This is an interesting insight that Unilever had on their innovation journey. They realised that it was important to involve the person who had come up with an idea in the process of further development, as it was otherwise too easy to lose the essence of it, so they made the ideator the project leader. However, they then also realised that not everyone who has a great idea is equally great as project manager! So they shifted to a more differentiated approach, looking closely and working with the ideator to see whether he or she were willing to take on project leadership as well as whether they were able to do so. If the ideator was willing and able, he or she would lead the project; if they were willing but not able, they would *skill them up* or place a *professional* project leader alongside them and, if they were not really interested, project leadership would be passed on to someone else.

**Awie:** In your published work you refer to the amazing experience of bringing different people from different disciplines together. I have experienced some of this in working with Unilever and spending time with the Center for Creative Leadership. More than once have I heard innovation professionals say that more than 80 per cent of innovation success depends on the leaders' ability to deal with people factors. Does your experience support this?

**Bettina:** Oh, yes. I also think there isn't just one style for leading innovation. Steve Jobs, for instance. He was probably not always the easiest person to work with, but people were willing to forgive him because of the inspiring vision that he had.

**Awie:** The significance of innovation appears to be increasing and increasingly thought leaders are suggesting that the innovation leadership will become more important and will differ from what we've known about management and leadership up to now. Clayton Christensen, for instance, in 2002, referred to innovation as the new science of success and predicted that organisations would start to appoint executive level leaders to drive innovation rather than traditional R & D. What are your thoughts on this? How could Kodak with all their patents on digital photography go bankrupt?

**Bettina:** First of all, innovation and R&D or patents are not the same. Kodak was very good at what they were doing—they just did not take the new developments at the fringes of their industry seriously enough.

One of the problems confronting innovation leaders is that we tend to present innovation as if it were happening in linear sequence, which, in reality, is not the case at all.

**Awie:** Perhaps this relates to Einstein's observation that the rational mind tends to be over-emphasised at the expense of the intuitive mind?

**Bettina:** Absolutely. Sometimes a small change in nuance has huge difference in meaning. For example, would we not behave very differently if we assumed that we are looking after the world for our children's children from what seems to be our current view, namely that we have inherited the world? Perhaps it would help if more leaders started thinking about and looking at the legacy that they will leave behind. The challenge is, how to get people to this place.

**Awie:** In my experience, some parts of the world and in some organisations the culture is far removed from this orientation. In your experience, how do innovation leaders communicate about or make people experience innovation?

**Bettina:** Have you thought about using pictures rather than words? I have had much success in using visual stimulation cards to explore understanding of and conditions for innovation. Individuals or teams are asked to choose the cards that best represent, for example, the conditions for innovation, their own leadership style, and their prejudices over other groups. With words we always tend to assume shared meaning, with pictures this is not the case. We can interpret any picture in a number of ways. This means that we have to share much more of our thinking, of our tacit knowledge, if we communicate with the help of pictures.

**Awie:** We have come to the end of the prepared questions. Can you think of anything that I have left out or that could be added to the list?

**Bettina:** I cannot overemphasise the importance of collaboration. The whole idea of being more open in terms of mind sets, skills, other disciplines and other people cannot be over-emphasised. So this also affects the leader's decision-making criteria, to realise when other people's contributions could be more beneficial than your own.

**Awie:** Bettina, I thank you very much. You have really succeeded in clarifying several issues for me and made me aware of things that tend to be taken for granted. Thank you once again.

## IN REFERENCE TO AWIE'S MODEL

**Awie:** In my flower picture, this would be the cluster of competences at the centre. Then there are additional innovation-specific skills or competence clusters required of innovation leaders, as portrayed in the draft questionnaire (which I would appreciate your expert views on). I suggest we work through the list and you indicate to what extent you agree or disagree with these and add competences that you believe should be added to the list for innovation leaders. In my flower picture, these would be the leaves. I will try to convey the essence of each of the identifying competence clusters and would appreciate your views on the significance of these to use as basis for my research.

### PASSION

**Bettina:** In my experience, innovation is the consequence, not the driver. If you, as an innovation leader, keep people inspired, your people will get to innovation. You do not have to tell them to innovate.

### RELATIONSHIP

**Bettina:** Trust is absolutely the key in leading people to explore novelty and to share their learning from their successes and failures. And trust and respect are absolutely essential for *across community* collaboration.

### INTELLECTUAL

**Bettina:** Yes, it is important; if things are too easy to achieve, people will simply not be inspired because it is like business as normal. If the reaction is, "No we cannot do that ... well, perhaps we can!" you are on to a winner. A good example of this would be Steve Jobs, who challenged his people to achieve exceptional innovation.

### BUILD VALUE-ADDING NETWORKS

**Bettina:** Yes, innovation leaders are highly connected and open to finding new partners with whom to innovate. By the way, I have come to differentiate between *leading for* and *leading of* innovation (refer to my notes on these).

### CHAMPION FOR INNOVATION

**Bettina:** Yes, this is important. I also think it is a step on the innovation journey. If innovation has not been embedded in an organisation, this becomes particularly important. Once innovation is embedded in the organisation, this becomes less important. If everyone understands and buys into innovation, then you don't need much of a champion any more. You don't have to be the hero running in front if everybody (on the team ) is already running in the same innovation race.

## **GATEKEEPER**

**Bettina:** I would rather call this a *Connector* rather than the *Gatekeeper*. Gatekeepers may be perceived to keep things out, while *connectors* tend to create synergistic relations in the way they put things together.

## **ENERGY**

**Bettina:** Yes, the buzz is critically important for innovation. I support Rosabeth Moss Kanter who distinguishes between positive energy spirals and negative energy spirals in organisations. Clearly innovation leaders create upward, positive energy spirals.

## **REWARDS (monetary and non-monetary).**

**Bettina:** Again, rewards are important. I would put the emphasis on the non-monetary rewards and, particularly, *recognition*. Monetary rewards become more important when you have created a multi-billion operation from your idea; you have to share in the benefits of this or else people might become very disappointed. Generally speaking for most organisations pursuing innovation, recognition is more important. There is another dimension of financial rewards that may be counterproductive in innovation if they reward individual, rather than the collective or team. Innovation requires collaboration—if individuals are rewarded, they are less likely to share and cooperate.

## **COMMITMENT AND PERSEVERANCE**

**Bettina:** This is absolutely important and often makes the difference between innovation success and failure. It may require several attempts and generating multiple answers to an innovation challenge before the winning pattern or idea emerges. Please note that there is no

linearity here. Unless you try different things, you may not be able to come up with the most successful idea, so commitment and perseverance are absolutely essential for the leader.

### **LEADING BY EXAMPLE**

**Bettina:** You see this is where I have changed my views a little bit. Because I think for someone who does not think of themselves as innovation leaders, making (positive) decisions about innovation becomes very uncomfortable at the personal level. Rather than try to embrace innovation, they should rather acknowledge their personal preferences, and either delegate or team up with someone who has a personal preference that is better aligned to the requirements of innovation. I agree with people like Einstein who stated publicly that the engagement of other people had caused his innovations to be successful. This is very important for new start-ups, also, when you have very different people successfully working together because they complement each other.

### **ADAPTIVE BEHAVIOUR**

**Bettina:** Yes, it is important for the leader to adjust their behaviour when the context changes and calls for different leadership styles. I am referring here to individual leadership styles. Person A could have one leadership style and person B another, yet they could both be successful at innovation. They would probably attract different followership. Think of the leadership styles of Google and Microsoft, which are very different.

### **IDENTIFICATION OR SENSING SKILLS**

**Bettina:** Yes, innovation leaders are active rather than passive in looking for trends and patterns. They don't wait to be told.

### **SENSE MAKING**

**Bettina:** Yes, integrative sensing is important and innovation leaders tend to view things and optimise holistically.

### **MAKING DECISIONS IN UNCERTAINTY**

**Bettina:** You have a lot of things in here. Intuition is important. I wonder about making decisions. I think it depends on the scale of decisions being made. Perhaps ultimately the decision is made, yet the leader need not do it. Other decision-making mechanisms may be

more appropriate than the leader's ability to make decisions in uncertainty. It may be more appropriate for a leader to trust and delegate to others the decision making, and run with it. They will probably then also support the decision and show the leader that they made the right decisions in taking ideas forward.

## **BUILD A COMPELLING CASE**

**Bettina:** Yes, but certainly not merely based on figures, as is often done for investment decisions and business cases. If you are really talking about innovation with a big 'I', the kind of figures generally required will not be available at the point where a decision to make some investment is required. Very often at this point there are no figures that could be trusted or any prior experience to learn from.

## **DIVERSITY**

**Bettina:** Yes, diversity is absolutely critical; it is important to be able to blend together diversities, as discussed earlier.

## **TIMING**

**Bettina:** Many complex factors play a role here. In essence, it is about doing the right thing when the timing is right. Timing is also critical in terms of when and how we approach decision makers. I firmly believe that many good ideas are lost because the innovator, in his passion and excitement, has approached decision makers at a point in time when they were unable or unwilling to listen.

## **VISION**

**Bettina:** It is important to be able to develop and articulate an inspirational vision of the future. Without it, innovation can become a sprint in the wrong direction.

## **RESOURCES**

**Bettina:** The leader may not have all the resources to allocate. I prefer thinking of leaders as people who ensure that sufficient resources are made available for innovation.

## **PLANNING PROCESSES**

**Bettina:** Stage-gate types of processes should not be brought in too early, because it is likely to prevent people from thinking radically different and the questions traditionally asked at the first gate will kill absolutely everything that is remotely innovative. In the beginning stages, it is perhaps more important to understand how ideas relate to strategy, what new opportunities (outside the existing strategy) they might open up, and how they therefore might influence the overall strategic direction.

## **IDEATION**

**Bettina:** All of this is significant as pointed out by several authors; but don't use brainstorming with the same people, the same tools, and in the same environment!

## **PIONEERING**

**Bettina:** Yes, pioneering is important with the emphasis on *piloting* as mentioned before.

## **CREATION AND PROTOTYPING**

**Bettina:** Yes, I like this and think it goes with what I said on pioneering. It should go alongside ideation to show the potential benefits of new ideas.

## **CONVERSION OF IDEAS INTO NEW THINGS**

**Bettina:** I wonder if pioneering, creation and prototyping are really separate. I think that they belong close to each other.

## **PRODUCTION**

**Bettina:** And this is when you change pipes, when it really happens ... moving into mainstream. Especially when you have something radical that does not fit in any one of the existing homes and a new home has to be found for it. I would probably think of a different word, as *production* is too product oriented, and innovation is about so much more than just products.

## **SOLUTION**

**Bettina:** It is too late now to ask if it is solving a problem for the client. This should have been asked a long ago. Of course, innovation leaders need to stay in touch with feedback

from the market place. However, they should incorporate customer perspectives to the innovation much earlier, if possible. The most powerful innovation comes from starting with a problem or a challenge in business or society. Consider the global challenges humanity is facing and establish which ones you could influence through your organisation's capabilities and through your innovation. This may require collaboration with a wide range of other organisations that are not part of your current activities. It goes back to what was said at the identification area before and, also, to vision and strategy.

All the elements identified on your list are important. In the development of your model be careful not to assume or imply a linear sequence; rather, focus on the dynamic interactions. I would also advise caution when selecting bullet-type descriptor words that may not represent the full meaning of what leaders do to support innovation. I am not sure how exactly to get around this, but your views are going in the right direction.

**Awie: Finally, do you sense a need for the kind of contribution I am aiming to make here?**

**Bettina:** I think the point that you also make and why it is tricky is that it's not about this or the other competence but rather to grasp the interconnectedness of things required for innovation. One of the challenges will be to avoid looking for *this-or-that* answers, rather than *this-AND-that* answers that would match the innovation leaders' competences. It is a combination of all these things that matter and understanding their interrelatedness for innovation. It is no longer sufficient for leaders to *pushpushpush* at the one level that they are familiar with. Try new things, follow up, and connect new ways of doing things as you move along. After long years of being acknowledged as a thought leader in this field, I continue to accommodate new thinking all the time.