

Positioned to Receive Signals

By Lanny Vincent

An unwritten rule for assembling a working group—especially for inventive or creative problem solving—is to have no more than three levels of the organization’s hierarchy present in the same room at the same time. Sometimes you want only two. When too many levels are in the same place at the same time, asymmetries of power can inhibit dissent and constrain the free expression of divergent thinking—both essential ingredients in collaborative and generative efforts.

As there are exceptions to every rule, there are to this one as well. Exceptions include when higher-ups have collegial rapport with their direct reports or when the discernment of faint signals from complex and ambiguous external conditions outweighs the need for command and control directives. Thanks to Greg Blythe, master technology strategist at HP, for bringing our attention to the Cynefin framework’s description of complex versus chaotic conditions (see Wikipedia’s entry on Cynefin—a very useful diagnostic taxonomy for different types of external conditions). Cynefin goes even so far as to suggest that command and control oriented leadership may be appropriate for turbulent and chaotic conditions, but is inappropriate for complex and uncertain conditions.

Over the past few months I have had the privilege of facilitating several working sessions where both these exceptions were in play. Success was achieved, much to the credit of the ego-strength (i.e., humility) of the participating higher ups, and the guidance of Cynefin. Had we encountered a lack of rapport between organizational levels or had we misdiagnosed the type of external conditions, organizational power would have presented a significant hindrance to these innovating efforts. Why?



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Innovating efforts depend so heavily on reading faint signals—signals that come to and through the bottom, middle and top levels of an organization’s hierarchy. If the bottom, middle and top are not freed from the signal distortions of power, the ability of the whole organization to respond will be crippled, often leading to a response that makes matters worse.

When market conditions are sufficiently clear and external dynamics are sufficiently known, the delegation and distribution of power is relatively clear and straightforward in corporate governance and management systems. Here a command and control mindset works pretty well. Leaders lead, managers manage, employees follow and governing bodies oversee when operating conditions for corporations are relatively stable.

However, when external market conditions become more complex and volatile, leading, managing, following and governing require

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Innovating Signals

Good news, bad news. Talk about innovation is increasing in many companies. That’s good news. The bad news? The quality of dialogue can reflect as much noise as signal.

Whether your company is currently resetting its innovation program or looking for ways to improve innovation results, amplifying the signal and attenuating the noise about innovating can produce surprisingly immediate progress. Brief in-house gatherings—one for your innovators, another for your leaders—can take your culture’s talk about innovation to a more pragmatic, productive level, faster.

With insights from over 30 years of direct experience, and 15 years collaboratively examining the creative, collaborative and

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Essential Acts of Innovation Management

	Conditions		
	Questions of:	When <u>Stable</u> , reviews of:	When <u>Complex</u> , moves to:
<i>Govern</i>	<ul style="list-style-type: none"> • why? • when? 	<ul style="list-style-type: none"> • purpose • boundaries • principals • leaders 	<ul style="list-style-type: none"> • reframe purpose • cross boundaries
<i>Lead</i>	<ul style="list-style-type: none"> • where? • who? • with whom? 	<ul style="list-style-type: none"> • people • vision • strategy • values 	<ul style="list-style-type: none"> • extend networks • re-think assumptions
<i>Manage</i> (midwife)	<ul style="list-style-type: none"> • what? • how? 	<ul style="list-style-type: none"> • resources • relationships • production 	<ul style="list-style-type: none"> • freshen options • cultivate entrepreneurial pairs

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participants in governance and management systems to leave their “fixed” positions and move into the clear so as to read the faint signals, which need to be discerned. Like a basketball team with possession of the ball, players need to leave their set positions and move to free themselves to be open to receive the ball from their teammates and find an open shot.

Disruptions often turn familiar, friendly environments into unfamiliar, unfriendly ones. Whether those disruptions come from another’s innovation, the arrival of a tipping point, a gradual slippage of relevance, or the seemingly spontaneous combustion of a complex soup of factors, the disrupted will likely always outnumber the disruptors.

Disruption can be lessened by a governance, leadership and management system that is able to flex itself from a “command and control” set to a “sense and respond” movement. The heart of this latter posture—actually a “readiness” more than a posture—resides in collaborative dialogues, not in hierarchical reviews.” (See *Adaptive Enterprise: Creating and Leading Sense and Respond Organizations* by Stephan H. Haecel, and also Michael Kusnic and Daniel Owen’s piece on “*Collaborative Decision-Making in Adaptive Enterprises*” in Appendix B of Haecel's book.)

Much of the innovation literature and practice will keep senior executives and board members fixed in their reviewer roles. But when they come out of those fixed roles and find the “opening,” their individual and collective contributions to the company’s innovating system increase significantly.

A company’s innovating system requires a constant balancing and rebalancing between governing, leading and managing. Recent investigations by the *Innovation Practitioners Network* in applying systems principles to innovating practice suggest too many corporate innovating systems are over-managed and under-led, and quite possibly under-governed.

In the rebalancing, the governance, leadership and management of innovating systems should always leave plenty of room to invite the governors (i.e., innovation council or board members), leaders (i.e., sponsors) and managers (including midwives) to leave their starting positions, at least temporarily, and share with each other what each is perceiving from the complexities and turbulence of the external environment.

Without these collaborative dialogues, undistorted by rank power, knowledge will remain segmented, dots will remain unconnected, innovating will suffer, innovators will be handicapped, and the opposing team will likely find the hoop more often. □

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cultural dynamics of corporate innovating efforts, we provide you with lessons you don’t have to (re)learn the hard way, unless you want to.

Choose between two types of gatherings, one for your innovators and another for your leaders. Or select both. Each gathering includes both a morning presentation and an afternoon working session, along with before-and-after participant surveys, to leave you a clear reference point for improved innovating productivity.

The gathering for your innovator community is called *Navigate Innovating Challenges More Confidently*; while the session for leaders and managers is called *Nurture Innovating Subcultures More Purposefully*. Prior to whichever gathering you choose (or both), we conduct a conference call with you to zero in on the topics more relevant to your current situation.

The day begins at your location with an interactive presentation challenging and engaging participants. This is followed by an afternoon working session with a smaller number of key players (whom you select) who roll up their sleeves in a facilitated after-action review. Either gathering you choose is a low cost, no-risk way to spend less than a day and break through the circular arguments that can infect your company’s dialogues about innovating.

Dangerous definitions, misguided metrics, and persistent misconceptions erode the quality of the innovation talk and efforts. Less than a day and you can move well beyond the clichés, mistaken notions, and persistent myths, and engage in innovations that work®. Give us a call.

Amplify the innovating signals and dampen the noise. □

R. S. V. P.

Please send us your thoughts and opinions on this issue of *Innovating Perspectives*.

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