

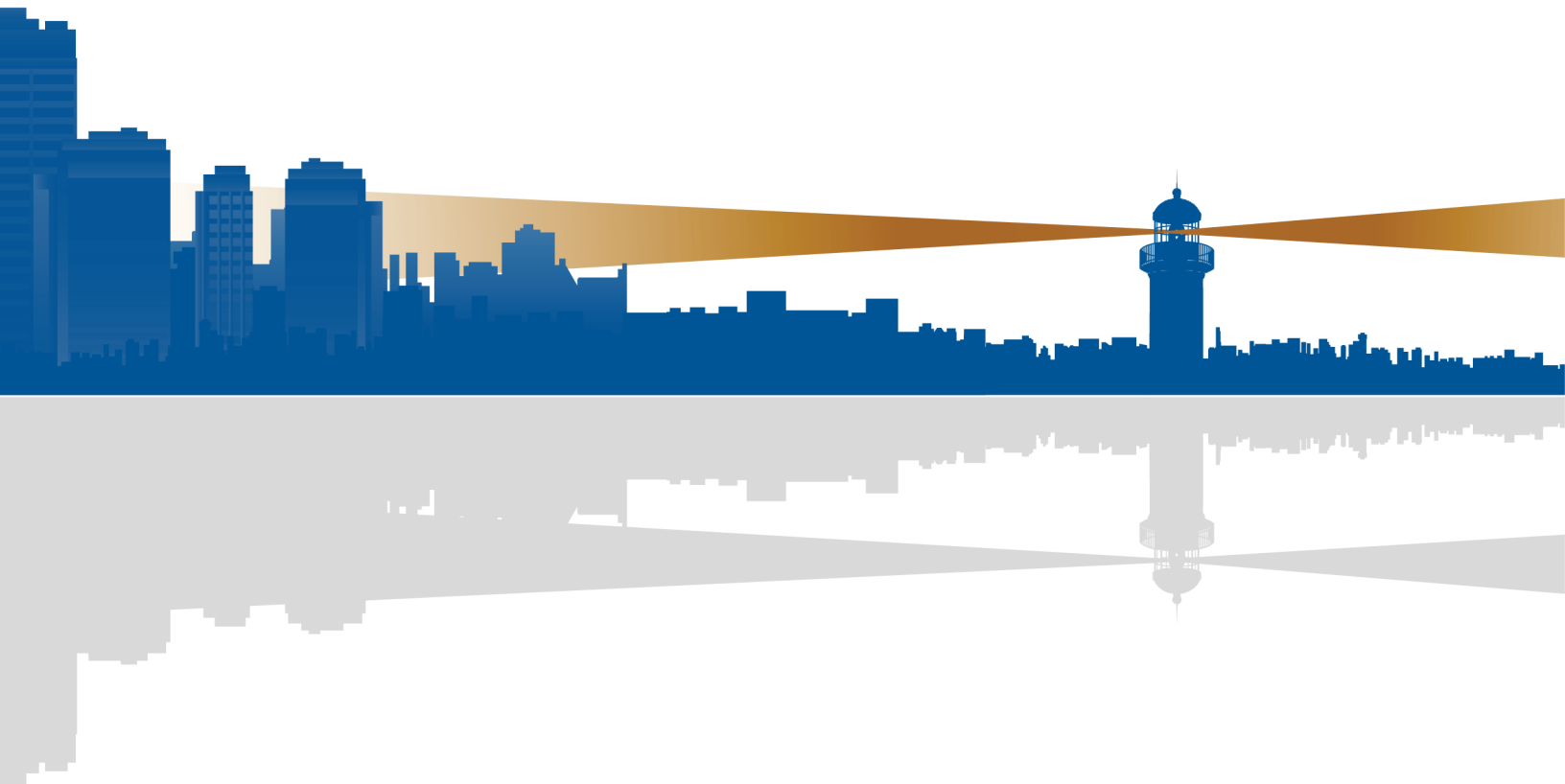


Navigate the Future TM

Innovative Intelligence – Unlocking the Value Within

Issue 7 – Volume 2

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Executive Report on Leadership & Business Strategy



In Our View ...

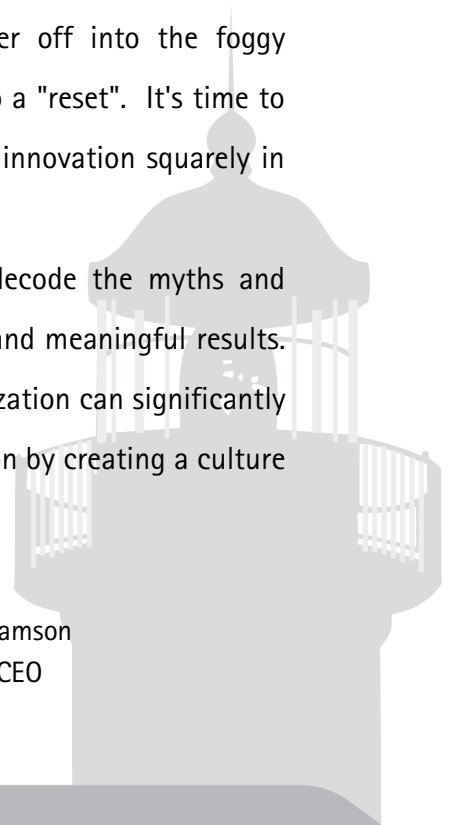
It has been said that if you put your ear to a giant conch shell on the beach, you can hear the sound of the distant ocean. In much the same way, if you put your ear to the door of most executive suites today, you will hear the sound of heated conversations on the ever illusive subject of innovation in the modern organization. Almost without exception, these are "how to" conversations, as though there is some sort of mystery behind innovation locked in a jar, protected within a reinforced steel vault.

It seems business leaders are constantly looking for the holy grail of innovation and the magic benefits of how it adds value. The trouble is, there is much more talk than action. More hand wringing than results. More misconception than understanding. More aspiration than success.


All the while, the innovation gap beneath our feet continues to widen and, as it does, the illusive benefits seem to move even further off into the foggy distance. In our view, it's time for business leaders to do a "reset". It's time to pull back the veil of mystery and look the challenge of innovation squarely in the eye.

In this edition of Navigate, we will try our best to decode the myths and misconceptions that blind us to breakthrough thinking and meaningful results. We provide a framework to re-examine how your organization can significantly reposition itself on the arc towards sustainable innovation by creating a culture of innovation from top to bottom.

Yours truly,
R. Douglas Williamson
President & CEO



The Liberation of Free Thought ...



Over the long sweep of history, whether in business, politics or any other realm, every fresh, original idea was trapped in the head of the innovator before it was released to be shared with the rest of us mere mortals. Every new idea for a product, every breakthrough process in manufacturing, every new offering for customers, was first an idea before it was a financial opportunity. Our minds are wonderful, powerful tools for meeting the challenges of the modern world, but in far too many organizations, the collective brainpower of the organization is wrapped within a rigid box of conformity and fear.

The truth is, most great ideas die of starvation!

Far too many organizations imprison free thought within the strict confines of their rigid organizational bureaucracy. To make matters worse, we all do so while telling ourselves, our employees, our shareholders and our customers that "Innovation" is a key priority and we need more of it to create new value.

The gap between rhetoric and reality is quite shocking. If we want to hold our leaders accountable, we have to find a way to make the liberation of thought less daunting for those who worry about the risks of innovation, rather than the opportunities. Innovative thinking is not the hobgoblin it is made out to be, and the answer lies in recasting the innovation conversation in ways which reveal it for what it is – the engine of economic prosperity and the soul of the relevant organization.

The Art of the Near Win ...

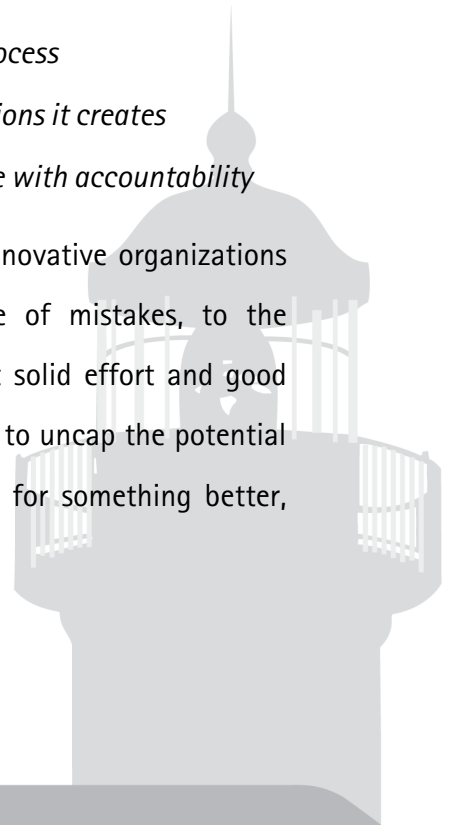
In an effort to get beyond the barriers that trap innovative thinking inside the heads of employees, managers and leaders, we need to understand the psychology which conspires to build the case for the anti-innovation "conservatives". In short, the "conservatives" are trapped in a tomb of fear. They believe control and predictability is more important than freedom and innovation. As a result, they wrap their anti-innovation arguments in the cloak of risk management as the sanitized way to somehow justify their thinking.

It has been said that if you know someone's fears you can understand their need, so we need to dig a little deeper into the psyche of the "conservative" and better understand those fears in order to address them and move forward.


It seems to us the likely list of fears would include:

- *Fear of being wrong, and - getting caught*
- *Fear of not knowing, and - looking stupid in the process*
- *Fear of ambiguity and uncertainty, and - the emotions it creates*
- *Fear of ambition and striving, and - that they come with accountability*

At the end of the day, leaders who seek to build more innovative organizations need to shift from fear of failure, and the avoidance of mistakes, to the celebration of the near win. Celebration of the fact that solid effort and good intentions are the jet fuel for an organization who wishes to uncap the potential for new ideas trapped in the minds of those who strive for something better, bigger and more innovative.



Value Creation in the "Apple World" ...



We have all come to embrace the allure of Apple with our admiration for their breakthrough, revolutionary products, the company itself, their culture and the fact they have become the poster child for innovative leadership. This larger than life reputation, however, has been used as an excuse by many senior leaders to remind their staff that they can't be an Apple, they can't do what Apple did and they can't learn that much from them because "they are different".

How wrong they are!

The lessons from Apple (and others) are in fact repeatable and extendable to other domains, because the real lessons are the lessons on how to "think" differently in order to produce and invent differently.

The lessons we can all benefit from are those which suggest we need to:

- *Be well ahead of the customer and invent the future they want before they even know they want it.*
- *Design things with elegant simplicity and a set of features that is beyond user friendly and into the realm of cool.*
- *Wrap everything you do in positive, pleasant and deep emotions, through the experience you create.*

The secret to serial innovative thinking is a willingness to be bold and to redefine the future by abandoning the past and moving beyond those things that don't work well, are not particularly pretty and don't leave us feeling "special". We live in the "Experience Economy" and, in that world, innovative thinking is the only capital that matters.

Widening the Perspective ...

We all know the problems faced by leaders today have become increasingly complex. They cannot be solved with past experience and/or "pure" knowledge alone. What is required now, more than ever, is Innovative Intelligence (InQ). InQ involves solving complex problems by discovering, combining and then arranging, fresh insights, ideas and methods in new ways. It is a process of synthesis, not analysis.

Let's look at the five InQ Competencies which together form a storyboard, or framework, for understanding the innovative thinking process.

The first is **Perspective**.

This is the Contextual Understanding stage of the innovation process.

In this stage you are constantly scanning the environment in search of "faint signals from the periphery".

You are putting your knowledge and experiences to work, in order to make sense of things and help others understand.

It involves the powers of:

- Observation – *listening, feeling, sensing*
- Connectedness – *association, salience, importance, relatedness, empathy*
- Insight – *causal relationships, critical thinking*
- Abstraction – *comfort with paradox, ambiguity, complexity*

To test your own use of Perspective, ask yourself the following questions:

- *Am I in touch, in tune, and keenly aware of the changing external context?*
- *Do I see patterns that link unrelated subjects, creating more powerful insights?*



Building Ideas through Collaboration ...

The second InQ Competency in our framework is **Collaboration**.

This is the Framing & Definition stage of the innovation process.

In this stage you are intentionally examining the situation at hand through a wide range of alternate lenses.

You are putting ideas, possibilities and options together in a variety of new and different ways.

It involves the powers of:

- Diversity of thought – *networking, assimilation, probing*
- Integrating – *melding, combining, assembling*
- Conflict resolution – *suspending judgment, finding common ground*
- Simplifying and synthesizing – *weaving elements, eliminating distraction*

To test your Collaborative competency, ask yourself the following questions:

- *Do I take the time to solicit and listen to the opinions and ideas of others?*
- *Do I debate with passion, but resolve conflicts creatively and positively?*

The Power of Discovery ...

The third InQ Competency in our framework is **Discovery**.

This is the Ideation stage of the innovation process.

In this stage you are following the multiple leads which your intuition is providing you, and ensuring you satisfy your need to explore options and alternatives.

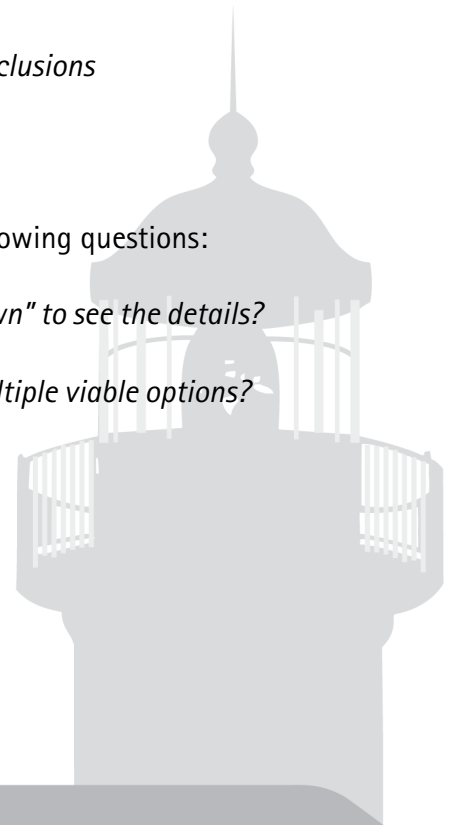
You believe there will always be more than one right answer to any question and you pursue them all.

It involves the powers of:

- Curiosity – *inquisitiveness, exploration, discovery*
- Imagination – *playfulness, intrigue, free thought*
- Questioning – *visiting the premise, assumptions, conclusions*
- Generation of ideas – *reframing, scenario thinking*

To test your own powers of Discovery, ask yourself the following questions:

- *Can I "zoom up" to see the big picture and "zoom down" to see the details?*
- *Do I accurately frame problems in order to assess multiple viable options?*



The Freedom to Experiment ...

The fourth InQ Competency in our framework is **Experimentation**.

This is the Prototyping stage of the innovation process.

In this stage you are turning your assumptions into concrete knowledge through the process of confident trial and error.

You are testing your logic and learning as you go, never pre-judging the possible outcome.

It involves the powers of:

- Persistence – *tenacity, resolve*
- Boldness – *risk, confidence, experimentation*
- Optimism – *belief, tranquility, balance*
- Adaptability – *improvisation, ingenuity*

To test your Experimentation quotient, ask yourself the following questions:

- *Am I comfortable with contrarian thinking and viewing things through a new lens?*
- *Do I push through my comfort zone to increase my overall thinking capabilities?*

The Willingness to Learn ...

The fifth and final InQ Competency in our framework is **Learning**.

This is the Re-evaluation stage of the innovation process.

In this stage you are reverse engineering, learning from what didn't work in order to discover what does.

You are examining the outcome(s) in a totally objective and genuinely dispassionate manner.

It involves the powers of:

- Humility – *to accept failure and not knowing*
- Objectivity – *to embrace the truth*
- Accepting failure – *to extend the range of possibilities*
- Resilience – *bouncing back and learning from mistakes*

To test your willingness to Learn, ask yourself the following questions:

- *Do I demonstrate discipline in reviewing outcomes to learn from experience?*
- *Am I open to the possibility of new and different interpretations and insights?*



Steps to Take :: Actions to Consider

It is no longer good enough to think of innovation in the traditional, but far too narrow, sense of process improvement and product development. Today, innovation must ooze from every pore of the organizational tissue. Innovation is a state of mind at the individual level, and a state of culture at the organizational level. It is the soul, passion, intuition and experimentation that fuel the healthy innovative body. Culture matters when it comes to value creation through innovation. In today's world, the role of the senior leader is to create a culture which overcomes the institutional barriers to discovery, experimentation and collaboration. Here are some ideas to consider as you try to shift your organization into high gear.

DEFINE THE SIZE OF THE PRIZE

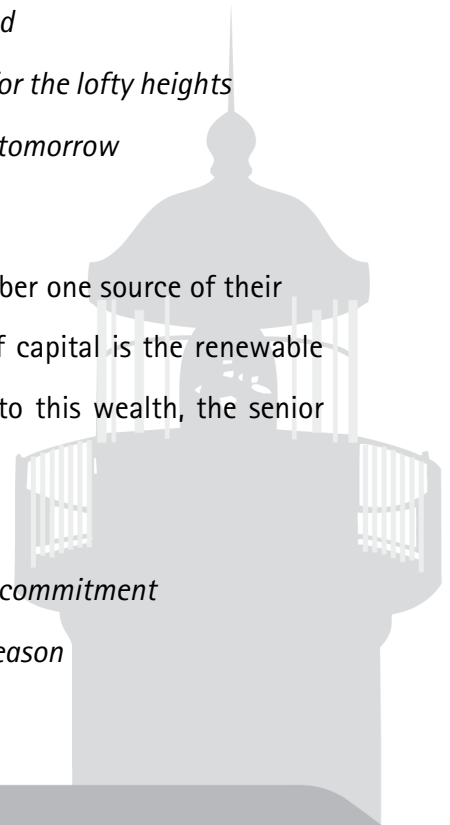
Innovative people need to be lifted by a bold sense of majesty, passion and purpose. To achieve this heightened state of innovative nirvana, the senior leaders must:

- *Be clear on the true nature of the problem to be solved*
- *Avoid shooting for the soft middle and, instead, aim for the lofty heights*
- *Create a vivid inflection point separating today from tomorrow*

FIND THE RIGHT INVESTORS

Many entrepreneurs cite a shortage of funding as the number one source of their frustration. However, the much more important source of capital is the renewable energy that comes from emotional investment. To tap into this wealth, the senior leaders must:

- *Start a crusade that draws people into the cause*
- *Find the emotional growth zone which triggers inner commitment*
- *Understand that faith and courage trump logic and reason*



BUILD NEW CAPACITY

In the folklore of an earlier time, an alchemist was someone who could create value from nothing. In today's world, senior leaders must find a way to replicate the alchemist's supernatural magic by creating innovative capacity from thin air.

The senior leaders must:

- *Turn on the light bulb and grant permission to think big thoughts*
- *Use a compass to help people orient themselves in uncharted water*
- *Develop an organizational appetite for tackling the really hard stuff*

FREE THE PEOPLE

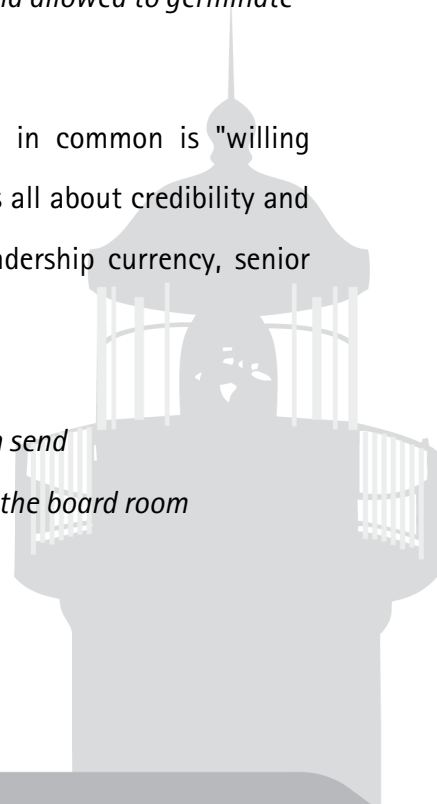
There was a time when organizations operated on the faulty assumption that wisdom flowed down from the top of the organization in a cascading waterfall of intellectual superiority. Senior leaders must reverse that premise and must:

- *Knit a quilt of vibrant diversity and dynamic tension*
- *Transmit one message, but accept many paths to success*
- *Create a safe harbour for bold ideas to be nurtured and allowed to germinate*

LEAD FROM THE FRONT

It has been said the only thing all great leaders have in common is "willing followers". It's not about charisma, or even experience. It's all about credibility and the powerful magnetic force it brings. To build their leadership currency, senior leaders must:

- *Avoid being a ghost and be seen everywhere*
- *Promote clarity as the best message an executive can send*
- *Spend more time in the engine room and less time in the board room*





The Beacon Group is ...

The Beacon Group is a Canadian-based professional services firm supporting clients throughout North America and around the world. We work with organizations in all sectors and industries in the development of their business strategies and in leveraging their investment in human capital. Our full line of service offerings ensures we are not only able to help leaders understand the strengths, weaknesses and opportunities of their organization, but also develop and deliver programs that address their key areas of concern.

MAXIMIZING ORGANIZATIONAL HEALTH & IMPROVING BUSINESS PERFORMANCE

ORGANIZATIONAL TRANSFORMATION & EFFECTIVENESS



STRATEGY

- Strategic Thinking & Planning
- Competency Design
- Group Facilitation



CULTURE

- Employee Survey
- Human Capital & Succession Planning
- Organizational DNA Assessment



TALENT

- 360° Feedback Assessment
- Early Talent Identification
- Performance Management System



LEADERSHIP

- Leadership Development
- Management Training
- Executive Coaching

Our Core Values

In all aspects of our client relationships we commit to being:

Progressive – Forward thinking | Pragmatically radical

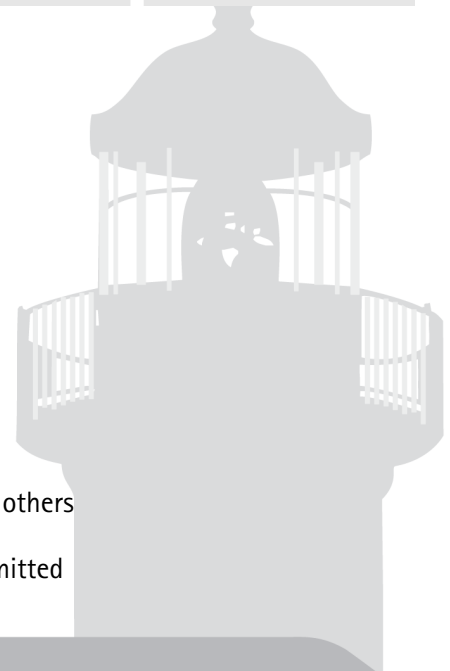
Thought Leaders – Innovative | Audacious

Responsive – Fast acting | In touch

Agile – Enthusiastic | Nimble

Passionate – Loving what we do | Creating passion in others

Customer Driven – Dedicated, involved | Totally committed



The Beacon Group is represented by a diverse group of talented individuals who come from a wide variety of professional backgrounds. This breadth of knowledge and experience is what we believe sets us apart.

Our essential goal is to assist senior leadership teams in their efforts to:

- **Optimize** — their strategic positioning and market opportunities.
- **Maximize** — long-term organizational health and effectiveness.
- **Develop** — overall leadership competency and fitness.
- **Create** — sustainable levels of superior performance.

We do this by partnering closely with our clients to ensure their strategic business objectives are fully and adequately aligned with the capacity and capability of their people.

Our ultimate aim is to ensure leaders, at all levels within an organization, are better able to understand the world in which they live, better able to make sense of the conditions they face and better equipped to deal with challenges as they arise. As a result, we ensure they are better able to influence their future and realize their potential.



Strategy | Culture | Talent | Leadership



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