

# The Blueprint For High-Performing Leaders

Self Study Course



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## Session 2: Create a Culture of Innovation

### LEARNING OBJECTIVES

By the end of Session 2, you will be able to:

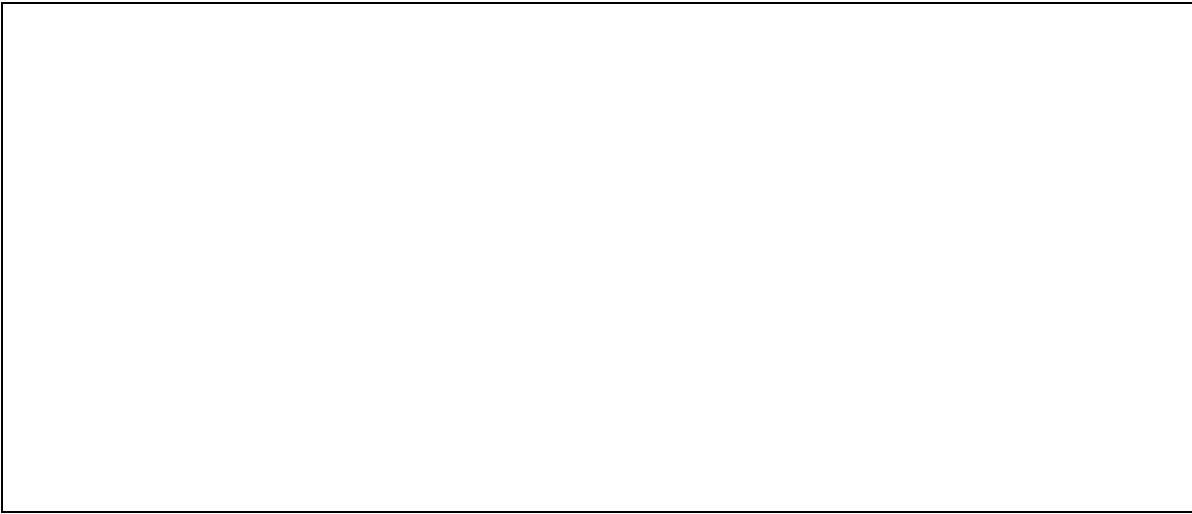
- **Trust, expand and practice** your professional creative abilities
- **Lay the groundwork** for a more creative, adaptive and resourceful culture
- **Confidently discuss creativity** and innovation with your team
- **Facilitate new ideas** and breakthrough thinking that lead to improved results

### Reality Check

1. Re-write what you want to accomplish as a leader. Use timeframes of 3, 6, 9 and 12 months. Be specific - what behaviors and results are you measuring that will confirm you and your team are making solid progress towards your goals?

A large empty rectangular box with a thin black border, intended for the user to write their response to the first reality check question.

2. What will be the evidence that tells you that you've achieved your ideal version of success? List 1- 3 things that indicate you've succeeded or are on the right path.



## Session 2 Lesson – Create a Culture of Innovation

- Watch the video

### Innovation and You

*In a recent study, IBM asked 1,500 corporate leaders in various industries to name the single most important leadership skill required in today's rapidly changing economy. The most frequent answer was "**Creativity and Innovation.**"*

Why has creativity become such an important leadership component? It's because we're living and working in a time of unprecedented and accelerating change. Overnight, a new technology, idea or competitor can fundamentally change what your company makes or sells, how you deliver it, and who you deliver it to. Rapid change brings incredible opportunities to companies that are adaptable and creative---or potential disaster to those who aren't.

An example of this is a creative little start-up called E-Prize who in less than 5 years **became a dominant leader** in the promotions industry, capturing 74 of the top 100 brands **by basically out-innovating its tradition-bound competitors.**

Or checkout Warby Parker, an eyewear startup who in its' 4th year was transforming how people buy glasses and had already received \$55 million of funding!

On the other hand, look how quickly Hostess, Circuit City, Polaroid, and dozens of other household names simply faded away because they were unable or unwilling to adapt, change and innovate.

### **If you want to win...**

"A competitive world has two possibilities for you," said MIT's preeminent leadership strategist Lester Thurow. "You can lose. Or, if you want to win, you can change." That's true for companies, but it's also true for individual leaders.

If you want to make yourself irreplaceable, consider this: regardless of what industry you're in, change is here to stay. It's going to get faster, not slower. In today's world, virtually all companies prize and handsomely reward leaders who can not only manage today's work flow, but also facilitate a steady stream of new ideas, improvements and possibilities for tomorrow.



## **“But I’m Not that Creative!”**

The truth is everyone, including you, is creative. If you don’t think so, just look at all the different ways a kid can dream up to get out of doing their homework or other chores! But even if you’ve never had an original idea in your life, don’t worry. You don’t have to be a creative wizard yourself to be a brilliant creative leader. Here’s why:

Creative leaders aren’t focused on promoting their own ideas; they are focused instead on helping their entire team come up with the best ideas. In other words, you don’t have to be a prolific idea “generator,” as long as you are willing to become a caring and collaborative idea “facilitator” for your team. The moment you embrace that role, everything changes and you’ll find that the simple creative strategies outlined in this lesson can work wonders for you and your team.

## **Setting the Stage for Innovation**

Developing a culture of creativity and innovation is not a quick fix, it’s a process. The process is implemented over time, not overnight. But you can begin immediately and accomplish a great deal in a few weeks.

Start by assessing your own attitude toward change and innovation. Remember that a river will rise no higher than its source. As the leader, you are the “source” of your team’s attitude and approach towards change, creativity and new ideas...

- If you don’t think **innovation is important**, why should they?
- If you don’t **expect people to submit new ideas** on a regular basis, why would they?
- If you can’t find time to **visualize and discuss** bold new ways of doing things, how can they?
- If you won’t **take a risk**, challenge the status quo, celebrate an informative mistake, or question a rigid rule, why would they?

Make a promise now to become the type of leader who welcomes the future and plans for it. Make time to communicate clearly - and often - in the language of the creative leader, which I will explain more about in a moment.

Have your team do some research on the **innovation economy and then discuss what they learned**. Ask them to share their thoughts on why this is good news for them, the company and your clients!

**Let’s talk about 6 must do’s to set the stage for innovation.**

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### **1. Embrace innovation, rather than resist it.**

2. See yourselves as “agents” of change, rather than “victims” of change.
3. **Affirm that everyone has a critical role** to play in innovation---that there is no such thing as an unimportant person, task, suggestion or idea on your team. (see the 5 Critical Roles People Play below)
4. **Adopting a bias for action.** Explain that creativity is having an idea, but innovation is working together to make it happen.
5. **Being resourceful.** When a new challenge or change comes your way, never ask ‘Can we do this?’ Ask instead, ‘HOW can we do this?’
6. **Keep learning and growing.** Realize that it’s your “learn-how” (rather than your “know-how”) & openness to change that will ensure your success in the new innovation economy.

### 5 Roles People Play in Innovation

- **Creators;** Generate New Ideas
- **Advancers;** Communicate new ideas & carry them forward
- **Refiners;** Analyze Ideas for Flaws or revise projects systematically
- **Executors;** Deliver concrete results and seek successful implementations
- **Flexors;** Have an equal preference for most roles and can adapt to fit the teams needs





If you're truly committed to a culture of creativity and innovation, you can find out which of the 5 roles you and your team naturally fall into, visit our website at [www.McCauleyandCo.com](http://www.McCauleyandCo.com) and get a Wiley **Team Dimensions Assessment**.

## **7 Ways to Help Your Team Become More Creative**

There are many ways to increase the number and quality of new ideas generated by your team. The trouble with too many choices, however, is that it can become a reason not to begin. So we asked an expert to narrow it down for you. Here are seven proven Creative Leadership Practices selected especially for this session by bestselling author Dan Zadra, Creative Director of Zadra Creative – and genius corporate creativity consultant to fortune 500 organizations.

Your job is to take the leap and commit to applying one or two of these practices with your team over the next few weeks.

### ***1. Make Your Meetings a Safe Place for New Ideas***

More than 70 percent of American workers are afraid to share new ideas or suggestions. “If we did speak up,” said Malcolm Baldrige official Steven Baum, “we’d release a torrent of creativity that would clean the clocks of our competitors world-wide.”

The reason we don’t speak up is because most new ideas are kind of homely, wobbly or half-baked---and we fear that our colleagues or co-workers will ridicule us if we share them. “A new idea is delicate,” reminds Charles Brower. “It can be killed by a sneer or a yawn; it can be stabbed to death by a joke or worried to death by a frown on the right person’s brow.”

#### **Assignment:**

##### **Make your meetings a safe place for new ideas:**

- Remind your team to help each other be right, not wrong.
- Urge them to look for ways new ideas will work, instead of not work.
- Instead of saying, “It will never work,” start asking, “How could it work? or How can we make this better?”
- Post the list of “Idea Killers” (below) in your conference room, kitchen area or in an all-hands e-mail and invite your team to add to the list as you move forward.
- Publicly reward people for daring to share a seemingly crazy idea, or for expanding on someone else’s idea by handing them a \$5 Starbucks card or other symbol of acknowledgement.



# LET'S GET RID OF THESE KILLER PHRASES!

Help make our meetings a safe place for new ideas and innovation!

- 1) "You must be kidding."
- 2) "Not practical."
- 3) "Don't be ridiculous."
- 4) "It's a waste of time."
- 5) "Yeah, but. . ."
- 6) "It's not in the budget."
- 7) "We've never done it before."
- 8) "We've tried that before."
- 9) "If it's not broke. . ."
- 10) "Let's wait until next year."

## 2. Question Tradition

One of the biggest threats to fresh ideas and innovation is the phrase, "We've always done it this way." Did you know that people wore shoes for hundreds of years before someone finally took a fresh look and invented left shoes and right shoes? It's that way in business, too: Once the human mind accepts the status quo, we tend to form "blind spots" to new and better options.

*Creative leaders adopt the attitude that everything should be challenged. They encourage their team to question tradition and imagine creative alternatives to the status quo. "Two out of ten hallowed operations would become more productive if done just the opposite or not at all," wrote Peter Drucker*

**Assignment:** Challenge your team to take a close look at "the way we've always done things around here." Ask them to identify at least two or three hallowed operations and discuss how productive they might become if done just the opposite. For example, if customer service has always been a cost center, how can it become a profit center? Challenge tradition in your industry, too. Ask your team, "How did our industry do things five years ago? Is everyone still doing those things the same old way today? If so, there's almost certainly an opportunity for us to change, innovate or grab a lead." Ask your team, "What do we do around here that seems outdated or non-productive?" Ask people (especially the newest ones on your team) "When you first joined us, what things stood out as nonsensical that you now take for granted as normal?"

### ***3. Something Creative Every Week***

A time-honored slogan of the fabled 3M innovation team is, “You may have to kiss a lot of frogs to find a prince.” Translation: A proven way to have a good idea is to have lots of ideas. “Treat your ideas as if they were baby fish,” advised innovation expert Dr. Linus Pauling. “Throw thousands out into the water - only a handful will survive, but that’s plenty.”

Now consider this: The average American submits only two ideas per year to his company---and most of these are limited to practical suggestions for improvement, rather than risky or breakthrough ideas. This provides an obvious opportunity for you to impact your team.

**Assignment:** Creativity is like a muscle---you either use it or lose it.

Schedule a time each week, month or quarter to **give your team’s imagination a workout** and to think and dream for yourself. You can do this during your regular meetings or you can set up a weekly innovation think tank. Ask everyone on your team to make a new habit of writing down a least one idea a week---even if it’s vague or impractical---and share it at your regularly scheduled innovation meeting. Consider the wise old leadership saying: “Don’t just think it---ink it!”

Don’t forget! Find ways to publicly acknowledge and reward people for the most ideas or the team’s favorites, i.e. let them leave early on Fridays for a month to work on expanding their ideas, or give them the premier parking spot for a week. In just a few weeks you’ll have the solid beginnings of a culture of innovation, plus more good ideas and possibilities than some of your competitors generate in a decade.

### ***4. Ideas First - Practicality Later***

Armand Hammer, the former CEO of Occidental Petroleum, used to say that it’s easy to come up with great product ideas. “Just think of something that everyone agrees would be wonderful if it were only possible,” advised Hammer. “Then set out to make it possible.”

This is the same principle that Apple CEO Steve Jobs applied to his own product development efforts. After Jobs died, his friend John Lasseter recalled that part of Steve’s genius rose from constantly and courageously asking himself, “what -if?”

“No one likes their cell phone,” Jobs once told Lasseter, “so, what if I make a phone that people love? What if you could have a thousand songs in your pocket? What if you could store a thousand photos in your phone?

What if you could easily edit your own home movies on your phone?” And that’s how the I-phone was born.

Here's the principle: The next time you're searching for a great idea or solution, just flip forward with your team and start with the ideal end in mind. Don't worry about the practicality of the idea, just imagine the most wonderful outcome or end result in your mind's eye. You can always come back later and build in the practicality.

**Assignment:** Invite your team to become "what -if" thinkers. Challenge each of them to come up with at least one or two crazy ideas that everyone in your industry would consider "wonderful" if they were only possible. Try these trigger questions: "What if we were the only company people thought about to solve \_\_\_\_\_ (fill in the blank)?" "What if we could make our product in half the time with all green materials?" "What if we could transform work to be fun?"

Forget all the reasons why your ideas can't be done, and just focus on the end result for now. Discuss the final list together. Let some of your "what-if's" become "why-nots?" (See Tip #5 "Tiger Teams" for implementation strategies.) .

## ***5. Try Tiger Teams***

Believe it or not, many companies discourage their frontline employees from submitting new ideas. Why? Because the ideas keep piling up, and company leaders can't find time to process or implement them.

Highly innovative companies such as Toyota and General Electric bypass this problem by trusting their employees to implement many of their own ideas. You can do the same. Here's the principle:

Toyota's suggestion system typically generates five times as many ideas as some of its competitors. It's a decentralized system---employees work with an immediate supervisor to swiftly implement more than 50% of their own suggestions---and morale soars.

G.E. developed a similar system called "Tiger Teams." In this system, employees are encouraged to submit as many crazy, wonderful, impractical ideas as they want. Those ideas are quickly prioritized into the most interesting and promising possibilities. From there, GE assigns small teams of 2-4 people called "Tiger Teams" to further explore the practicality of each idea.

Tiger Teams are allowed to take a few hours off from their normal jobs each week to work on their idea. The only prerequisite for being on a Tiger Team is that you must have a sincere "fire in your belly" for the particular idea you're exploring. Each team's job is to see if they can make a wonderful but impractical idea a little more practical before bringing it back to the larger team to consider further implementation.

**Assignment:** Apply the Tiger Team principle. Identify small groups of motivated people to tackle the most promising ideas that come out of creativity practices #1 through #4. The overall

goal is to encourage a higher rate of breakthrough possibilities and suggestions, while at the same time shortening and smoothing the path for your people to take action on implementing their own ideas.

## **6. Trade Minds**

It's a mistake to surround yourself with people who are just like you. Why? Because they'll usually have ideas that are just like yours. Creative leaders make a conscious effort to look outside their normal circle of contacts and cross-pollinate their ideas with insights and ideas from other people, departments, eras or industries.

Thousands of great ideas have been discovered simply because someone was adventurous enough to poke around in an outside industry or discipline. In his best-selling book, "A Whack on the Side of the Head," Roger von Oech relates that legendary football coach Knute Rockne got the idea for his "four horseman" backfield while watching a burlesque chorus routine. U.S. military designers borrowed from the cubist art of Pablo Picasso to create more effective camouflage patterns. Dan Bricklin took the "spreadsheet" concept from accounting and turned it into VisiCalc, the program that launched the microcomputer software industry.

Assignment: Throw off that tired old blanket and replace it with a crazy quilt of interesting experiences, people from different backgrounds, departments, colors, disciplines and industries. If you're in sales, take a designer to lunch; if you're in accounting, take an artist to lunch. Invite experts from other fields or disciplines to come in and talk to your staff and employees about solutions to shared problems. Arrange for your team to tour companies in various industries. Creative companies such as Ben & Jerry's, Zappos and Google open their doors for outsiders to take a peek at their renowned cultures of innovation. We've taken leadership teams to the battlefields of Gettysburg to help them gain a new perspective on what happens to the team and the plan during crisis. The more varied your sources and surroundings become, the more original your ideas will tend to be.

## **7. Relax and Have Fun**

A desk can be a boring and un-stimulating place from which to watch the world. The human imagination needs what author Brenda Ueland called "moodling"---long, inefficient, happy idling, dawdling, outdoor wandering, puttering and monkeying around.

Beethoven used to leave his studio and wander the streets or the woods to find his music. Out in the fresh air he could hear new symphonies in the studio of his mind.

Einstein visualized his Theory of Relativity, not at his desk at the patent office, but while daydreaming on a subway train.

Nolan Bushnell came up with the idea for his iconic “Breakout” computer game while playing hooky at the beach and running his fingers through the sand.

**Assignment:** Go moodling now and then. Leave your problem or challenge in the office and go have lunch in the park. Take a run along the beach or feed the ducks. Bring your team to a bowling alley or a baseball stadium in the middle of the afternoon. Relax and have fun, knowing that some of the best ideas and solutions often percolate to the surface when you simply unwind and enjoy life.

### **What’s ahead for Session 3**

Get ready to **Lead Your Team through Right Action**. We are going to show you how to build a team that can read your mind. Okay, not really. But close.....

## Exercises:

1. What would it mean to you if you were successful at leading a performance culture known for creativity and innovation? How would that impact your results as a leader? Your team's results?

2. What is the biggest challenge facing you in creating a culture that is more creative, flexible, resourceful and innovative? What can you do to make progress?

3. Which Creativity Practice(s) are you going to put into place beginning now?

4. What are you going to do to impact and sustain endless creativity and innovation in your organization? (i.e., Make it part of your teams DNA?)

5. How are you going to measure whether you've been successful in imbedding creativity and innovation into your corporate culture?



## Session 2: Create a Culture of Innovation

The three most important things I learned from Session 2 are:

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_

Here's how I plan to apply what I have learned:

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_

**Key Terms** (See Glossary)

- **5 Roles People Play**

**Extra Notes...**

