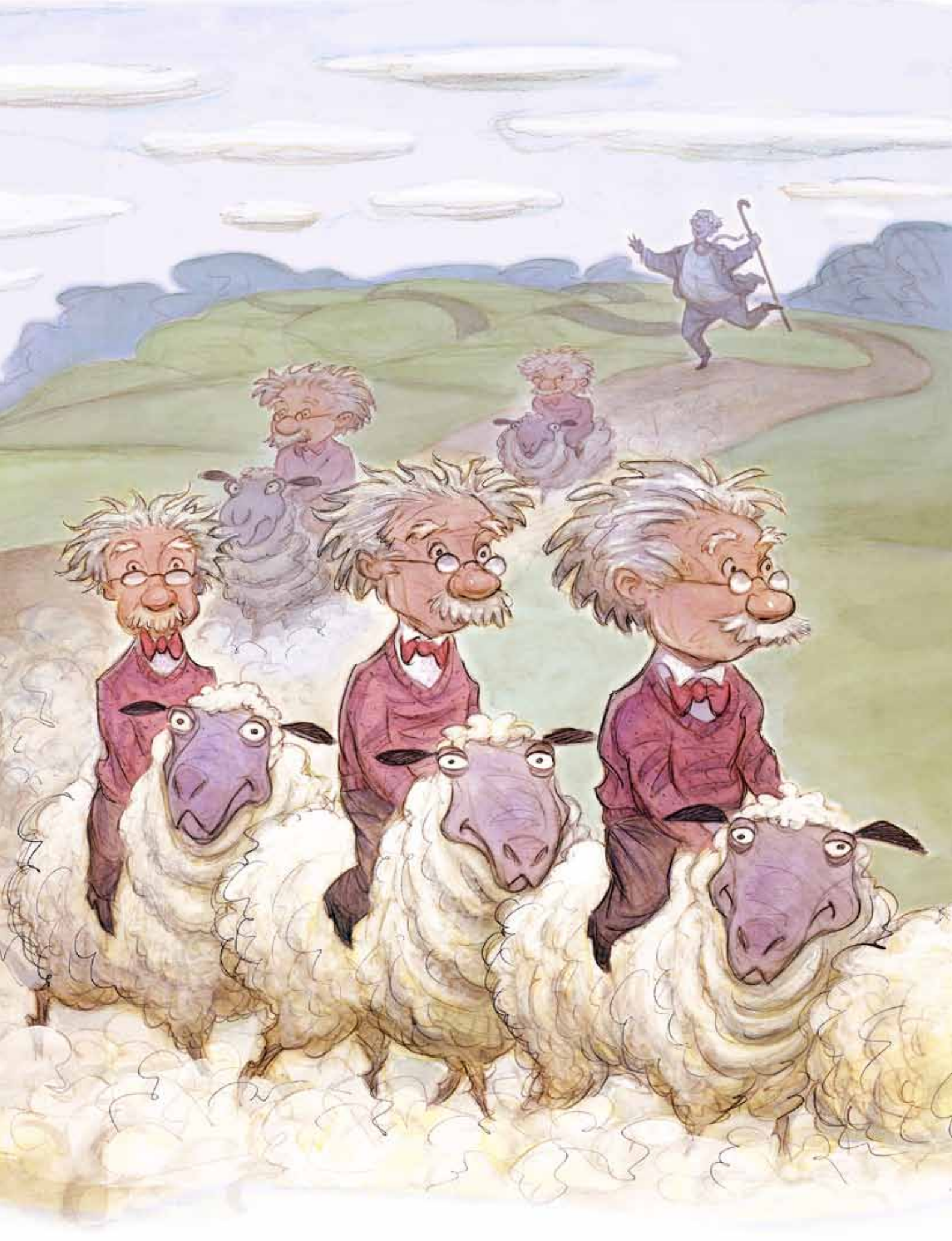# HOW TO
# Shepherd
## YOUR
# Geniuses

BY PAUL HEMP

Innovation is management's holy grail.

The more rapid the changes in the business environment, the more knowledge-intensive the economy and the more global the competition, the more crucial a company's ability to innovate becomes, argues Linda A. Hill, a professor at the Harvard Business School.

And yet this much-sought-after capability is legendarily elusive. Despite tomes of advice on how to foster innovation — whether in new products, services, business processes, organizational structures or business models — it remains a mysterious and unachievable goal for many organizations. One reason is that we have not paid enough attention to the kind of leadership needed to catalyze bold and value-creating innovation.

That is Hill's conclusion after spending the past 10 years studying the inner workings of some of the world's most innovative organizations. Her research subjects are worldwide, from Silicon Valley to India and Korea. They include teams in industries as varied as entertainment, information technology, luxury goods, legal services and Islamic banking.

ment from which it can emerge. The type of person able to create this kind of context will most likely depart — in profile and behavior — from the conventional model of the business leader.

Hill's study of the relationship between leadership and innovation builds upon her work on leadership as a teacher, researcher and consultant. In the early 1990s, she led the development of what is now Harvard's required MBA course on leadership. Her research into the challenges faced by first-time managers resulted in the book, "Becoming a Manager: How New Managers Master the Challenges of Leadership."

She is working on two new books, "Being the Boss: What It Takes to Be a Great Leader," with co-author Kent Lineback and scheduled for publication by Harvard Business Press in 2011, and another as yet untitled, with co-authors Greg Brandeau and Emily Stecker, on the collective genius research. Hill is currently the faculty chair of the High Potentials Leadership Program at Harvard Business School and of its Leadership Initiative, which aims to bridge the gap between scholarship and practice.

Although Hill's base is the academy, her research immerses her in real-world organizations. And when she dives into a company for study, she gives as well as takes, according to some of the managers who have been subjects of her research. A senior executive at one of the world's largest technology companies recounted how she helped him think about how to turn an effective innovation program into commercially successful products and services. "Because she has such a broad field of view, she was able to take insights gained in very different settings and apply them to our situation," he said.

Brandeau, chief technology officer of The Walt Disney Studios as well as a co-author with Hill, says Hill's leadership insights arise from a deep appreciation of human nature. "She has an unbelievable knack for connecting with people, finding out their life stories and being interested in them," he said. In fact, Brandeau recalled, when Hill interviewed him for a business school case study she was writing years ago, "she got inside my head and captured exactly what I was about."

In this edited conversation with Paul Hemp, a former senior editor for the *Harvard Business Review* and a contributing editor for *The Korn/Ferry Institute's Briefings on Talent & Leadership*, we try to get inside the head of Linda Hill to learn how leaders can foster innovation.

**Briefings: What is the most surprising conclusion to emerge from your research about leadership and innovation?**

HILL: That everyone in an organization — *everyone* — does indeed represent a slice of genius. Not all slices are equal of course; genius isn't evenly distributed among the population. But we see time and again the potential of a seemingly ordinary person to make an extraordinary contribution to innovation.

And this is something that too few leaders realize, or at

The focus of her research has been on the leaders — whether of an entire organization or a team within one — whose people have produced successive breakthroughs. What kind of people are these leaders? How do they think? What do they do to foster innovation?

One of Hill's central conclusions is that breakthrough innovation occurs when you integrate the slices of genius — the diverse talents — of people throughout your organization so that the whole is more than the sum of its slices. In order to leverage this collective genius, you need to create an environ-



Brian Ajhar

# UNTIL
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**rethink what innovation and leadership are all about, innovation will remain an unnatural act in many organizations.**

least act upon. Even if they intellectually appreciate that everyone has a creative spark, most leaders don't see it as their job to take advantage of that. They have been taught to believe it is *their* responsibility to come up with the big idea when, in fact, the best way to achieve breakthrough innovation is through collaborative work involving a diverse group of people and a collective process of iteration and discovery.

Our society's notion of the brilliant innovator, the solitary genius with a sudden flash of creative insight — like the notion of the charismatic leader — is hard to shake. In the media and in our minds, we assume that it's only someone like Steve Jobs who can lead an innovative organization. Nothing against Steve Jobs, who is brilliant. But when you look closely at what happens when something truly novel and useful is being created, you see it's usually a group effort, which means that the highly skilled leaders of innovation aren't just the Steve Jobses of the world.

Rather, they're people able to shape a genius-nurturing context in which others can make innovation happen. And when you create this context, you've created an organizational capability that can produce not only a single great idea but sustained innovation.

Until companies rethink what innovation and leadership are all about, innovation will remain an unnatural act in many organizations. Instead of innovative communities, we'll continue to see what Gary Hamel calls creative apartheid, an environment in which a few gifted individuals are given responsibility for innovation, while other members of the organization get on with the humdrum work of conducting business.

**Okay, so I do not have to be a genius like Steve Jobs. But what do I have to be, if I want my organization or team to generate innovative ideas?**

HILL: Let's first talk about what you're trying to achieve and what you, as a leader, need to do in order to get there.

To capitalize on the collective genius in your organization, you need to create an environment where innovation will happen. Such an environment both unleashes people's talent — their genius — and harnesses that genius in order to come up with innovative solutions to problems.

It's also an environment in which people are both willing and able to innovate. That is, it's a community that people want to be part of — a "world they want to belong to" in the words of an executive at one company we studied — and that also embodies the organizational capabilities needed for innovation.

**So how do you create an environment in which people willingly, even enthusiastically, participate in the innovation process?**

HILL: Any number of ways, but two methods are particularly powerful.

First, give people the opportunity to contribute to something larger than themselves.

Many of the companies we've studied have intensified their efforts to make sure that the corporate purpose speaks to the loftier aspirations of their people. For example, one



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business development initiative at I.B.M. we studied attracted volunteers from across the vast global organization with a goal of identifying commercially viable projects that would benefit people in developing economies.

That said, contributing to something larger than one's self isn't necessarily about saving the world. Take the purpose of another company we've studied, Pixar — to make blockbuster films that the whole family can enjoy.

Second, affirm each person's ability to contribute to the process. There has to be an environment of mutual respect and trust, in which people, no matter who they are, feel comfortable expressing their ideas and believe that those ideas can actually have an influence. But there is so much fear in many organizations that people aren't going to freely share their thoughts unless a group's leadership has made it psychologically safe for them to do so. The best way to establish this atmosphere is to convince people that the next great idea can come from anyone, anywhere.

People's willingness to enthusiastically join an innovation initiative and freely share their ideas will unleash creative energy you never imagined existed in your organization.

### This all sounds well and good, but a little idealistic or even naïve. You know, "Everyone has something to contribute to the group." Is that really the way the world works?

HILL: Remember what I said earlier: Genius isn't evenly distributed. And your company's hiring processes hopefully ensure that your organization is made up of the right people — that is, relatively big slices of genius. I mean, why have someone in your company who doesn't have something special to offer?

But all too often the question is, "How can I get the right people?" rather than, "How can I unleash the talent of the people I already have?" I stand by the original premise:

Everyone has a slice of genius that it would be foolish to squander and that, when combined with other slices, can lead to breakthrough innovations.

Rather than worrying about paying too much attention to people who are unlikely sources of breakthrough ideas, we should be concerned about a group's tendency to defer to experts. When a decision apparently falls within someone's area

of expertise, it's all too easy to follow their lead. But while experts' opinions may merit special weight, they shouldn't be viewed as the final word.

We all know how the "dumb question" from someone less experienced or unfamiliar with a topic can lead to fresh perspectives that in retrospect were blindingly obvious. This is especially true when those questions are refined and focused by someone *with* expertise — and who isn't threatened by or disdainful of such a question.

In the case of innovation, contributions from nonexpert sources have particular potential simply because a true breakthrough idea may ultimately and unexpectedly spring from a domain that has nothing to do with the apparently relevant area of expertise.

Greg Brandeau, a collaborator on this research, was the head of technology at Pixar when we first began our work. He pointed out to me that filmmaking at Pixar is a team sport, involving hundreds of people working together on a project for three or four years. The group working on a Pixar film embodies an incredibly broad array of both artistic and technological expertise — in fact, Greg came up with the phrase "slices of genius."

The process begins with the director's vision for the film, its inspiration. But along the way, individuals from throughout the company collectively help shape that vision. Someone might have a great idea for, say, the story or the animation or how to do some special effect. Anyone in the studio can offer feedback or suggestions to the director. The process is so collaborative that the credits of a Pixar film include the names of everyone in the company, as well as babies born to team members while the film was being made!

Yes, people have different areas and levels of expertise, from the director on down, but these are only a starting point. That's because what initially may look like, say, a question about the story line in fact highlights an animation challenge. Indeed, over the course of the project, a network of ideas emerges that wasn't available to the director when the vision was first articulated. For instance, an idea may involve cutting-edge technology that can be developed only in real time as the project progresses. In the truest sense, each one of Pixar's highly successful films is the result of team members' collective genius.

### So you motivate people by making sure everyone's contribution is valued, by articulating a common purpose — that's the willing part. What about the able part of the innovation-generating environment you are describing? How do you harness the creativity you have unleashed?

HILL: Well, your organization or team needs three required capabilities. One is what my Harvard colleague Dorothy Leonard calls creative abrasion — the generation of ideas through intellectual disagreement among diverse points of

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view. As I've said, I don't believe that most breakthrough ideas result from a sudden flash inside the head of a single genius. Instead, they emerge from a series of sparks generated by sometimes heated clashes among different points of view.

In order to develop this capability, you need to ensure diversity in your group and, if necessary, amplify the differences among people and their talents and views in order to generate conflict. Because this conflict can be awkward and uncomfortable, a leader needs to have created something I mentioned a minute ago — an environment where people feel safe making their views known.

You also need to foster creative agility — the organization's capability to quickly identify, test and refine ideas. The most innovative teams adopt a strategy of "try early and often" or, as the design firm IDEO has characterized it, "fail often to succeed sooner." Missteps and "failures" are considered a normal part of the process. Instead of viewing variation as an error and trying to eliminate it, innovative teams actually introduce variation into the ideas being tested and see where it leads.

Finally, you need to seek creative resolution, decision mak-

ing that integrates the best elements of various ideas and alternatives — including those that initially seem to be in opposition to one another. Replace a rigid either/or approach to the selection process with an expansive "and" approach. Keep an open mind about alternatives and possibilities for as long as is feasible.

This isn't easy, of course. The human mind longs for certainty, and uncertainty makes most people anxious — particularly leaders who define themselves by their ability to be decisive. There isn't much in the way of individual glory and heroics in this kind of integrative problem solving. Indeed, when working well, it's often hard to ascertain where an idea originated, never mind assigning credit to specific individuals.

Creating this kind of environment with these organizational capabilities is tricky because it is riddled with paradoxes that a leader must carefully manage. For example, fostering creative abrasion requires the affirmation of individuals' diverse identities and talents while promoting the collective identity and shared purpose of the group. It requires provoking potentially divisive confrontation among members of the

group while encouraging them to support one another — but not so much that they become hesitant to disrupt friendly relationships with robust debate.

Creative agility requires a leader to balance learning by team members with company performance goals. Letting a team experiment, iterate, debrief, learn and start over, if necessary, doesn't always work in favor of meeting short-term financial performance targets. The pursuit of creative resolution requires a blend of bottom-up initiatives — most innovation will bubble up from below — and top-down interventions to keep the group on track.

W. L. Gore & Associates, which makes everything from Gore-Tex fabric to surgical products, has become one of America's most innovative companies by embracing paradoxes such as these. Founded by an engineer determined to create an innovator's paradise, the company established a few simple principles — and then gave employees tremendous rein within the parameters created by those principles. For example, the principle of "waterline" refers to the expectation that an employee will consult with knowledgeable colleagues concerning any issue or decision that could potentially harm the Gore enterprise. But employees are free and encouraged to experiment at will with ideas that involve drilling holes *above* the waterline!

### So let's get back to what this all means for leadership. If this is the kind of environment I want to create as a leader, what do I do differently?

HILL: Some of the answers are implicit in what you're trying to achieve. If you want innovation that emerges from collective genius, don't make the common mistake of overlooking the slice of genius that each individual offers. When assessing people to join your team, learn to see the extraordinary where others see only the ordinary. Act as if everyone matters — because they do.

If you believe in the power of collective genius, don't see yourself as the sole source of new ideas. My co-author Greg Brandeau recounts his early days as a manager, when he followed the customary routine of a new manager; he tried to do his old job, plus tell everyone else what they should do. Then he realized that, while he might be smarter than some of the people he was managing — even smarter than a couple of them put together — he wasn't smarter than ten of his people. That's when he realized that his job as a manager was to create an environment in which those ten people, and everyone else, worked at their peak potential.

Such things as these represent important modifications to your leadership style. But the concept of collective genius actually calls into question some of our basic thinking about leadership itself.

Almost by definition, being a leader has usually meant setting a course and mobilizing people to follow you there.

When you're leading for innovation, though, that just doesn't make much sense. If you want your team to produce something truly new and original, you don't know — again, almost by definition — exactly where you're going. The traditional leadership model just doesn't work here. So the great leader of innovation, instead of setting the direction, creates the context for innovation.

### So if it does not make sense to lead from the front, where exactly do you lead from?

HILL: Well, you lead from behind.

### *That* sounds like a contradiction in terms!

HILL: I came across the phrase in an autobiography of Nelson Mandela, who was himself certainly an innovator, a social innovator, of the highest order. He recalled how a leader of his tribe talked about leadership: "A leader is like a shepherd. He stays behind the flock, letting the most nimble go out ahead, whereupon the others follow, not realizing that all along they are being directed from behind."

The image seemed a particularly apt metaphor for how innovation emerges from collective genius. We're talking about a collective and fluid activity in which different people at different times — depending on the nature of their particular slice of genius or, in this metaphor, their nimbleness — come forward to move the group in the direction it needs to go. It also hints at the agility of a group that does not have to wait for and then respond to a command from the front.

It's important to realize that leading from behind doesn't mean abrogating your leadership responsibilities. After all, the shepherd makes sure that the flock stays together. He uses his staff to nudge and prod if the flock strays too far off course or into danger.

### The image of a shepherd as someone leading from behind is a vivid one.

HILL: It's a vision of leadership that I believe goes beyond the context of innovation. Business leaders must not only catalyze the collective genius of their people but, in a rapidly changing business environment, catalyze collective *leadership* — that is, people throughout an organization making decisions and leading initiatives that can't wait for approval from the top.

Leading from behind is also a style of leadership that can motivate a new generation of employees, brought up among social networks and collaborative multiplayer computer games, used to sharing leadership responsibility.

But the relevance of leading from behind to innovation alone makes the concept worthy of consideration. With innovation increasingly the central factor in a company's competitive success, and survival, the ability to foster it will be a central leadership skill.