Leading Innovation & Change

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“Leadership cannot really be taught. It can only be learned.”
— Harold Geneen

The desire for safety stands against every great and noble enterprise.
— Tacitus

What Is Innovation?

Mind Your 4 P’s and Know What Kind of Innovation You Are Leading

“Today, innovation is not simply— or even mainly— about designing products. More often, it’s about a new way of creating or delivering something customers don’t even know that they want.”
— Amy Cortese

“We treat innovation as if it were magical, not subject to guidance or nurturing, much less planning. If we study history, however, we know that’s simply not true.”
— S.J. Palmisano
Innovation

- “Optimizing the potential benefits embedded in an idea that is new to you.” Barnes and Conti Associates, Inc. and Francis, D. (2007)
- Innovation Targets: The 4 P’s
  - Paradigm: Changing the predominant view of the business model of how customers are served and companies execute their business.
  - Process: How things are done.
  - Positioning: Who are the customers and how are they communicated to.
  - Products & services: What is offered.
- Do Better vs. Do Different

"Management is efficiency in climbing the ladder of success; leadership determines whether the ladder is leaning against the right wall."
— Stephen R. Covey

What Is Leadership?

Depends on who you pay attention to. Many competing and conflicting ideas.

"You don't lead by pointing and telling people some place to go. You lead by going to that place and making a case."
— Ken Kesey
Leadership Context

Core Business/Established
- Drive out variance
- See old things in old ways
- Replicate the past

Future Business/Startup
- Enhance variance
- See old things in new ways
- Break from the past

Bridging the Chasm
- Encourage appropriate variation
- Recognize old and new thinking
- Respect the past while embracing the future

The Need For and Difficulty With Leading Change

Why Change Leaders Need to Understand Human Psychology

"What lies behind us and what lies before us are tiny matters compared to what lies within us."
- Ralph Waldo Emerson

"I cannot say whether things will get better if we change; what I can say is they must change if they are to get better."
- Georg Christoph Lichtenberg
Why Is Leading Change Hard?

- People like stability & status quo
- Innovators & early adopters comprise only 16% of population
- Sunk cost effects are powerful
- Cognitive biases favor status quo & stability:
  - Egocentrism
  - Confirmation bias
  - Information bias
  - Loss aversion

Why Lead Change Then?

- “The only difference between a rut and a grave is their dimensions” -- Ellen Glasgow
- The world doesn’t care that we don’t want to change.
- There is always a better way.
My Experiences With Change

- Many – some small, some large, some successful, some wonderful learning 😊
- No significant change ever accomplished solo!
- Most recent have been larger and longer, final results remain to be tabulated.
- Today’s story: Agile Software Development at Medtronic.

Agile @ Medtronic
(Breaking our addiction to Waterfall)

- Pre-contemplation: Pre-2000
  - “What problem?”
- Contemplation: 2000 - 2001
  - “Maybe we need change, but that won’t work for us, will it?”
- Preparation: 2001 - 2003
  - “How come other people have gotten it to work for them?”
- Action: 2003 – 2005
  - “How hard can this really be?”
- Maintenance: 2005 - present
  - “Wow, that was hard, but we learned so much about learning!”
- Relapse: 2003-present
  - “Any good addiction is really, really hard to break!”
Expand our sphere of influence and propagate a culture of innovation

References

- Robert E. Quinn.
  - “Deep Change” (1996)
  - “Change the World” (2000)
  - “Build the Bridge as You Walk on It” (2004)