

Pursuing True Innovation

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Episode UYL2321

Podcast Date: August 30, 2023



In my work as a business consultant and C-Suite leadership coach, I read dozens of business plans each year. Somewhere in these documents, I usually find a summary of the company's values. Certain words appear repeatedly in these lists of values. None occurs more often than "innovation."

In my actual work with companies and non-profits, however, I routinely come across examples of what is called "innovation," but which is not truly innovation at all. It's simply a superb example of inventiveness or ingenuity.

Even top-level executives can be confused on this point. Just this past week, in conversation with a CFO whom I had just met, I mentioned that one of my most popular keynotes at present is entitled "Agility, Speed, Innovation." In describing the speech, I happened to mention that what passes as innovation is often mere ingenuity. He immediately asked, "What's the difference?" It was apparent that until that very moment, he had never given consideration to possible distinctions between the two.

Over the next few minutes, we are going to get to the heart of what constitutes true innovation. In a world which puts such high value on innovation, having clarity on this issue is sure to upsize your leadership.

Recently I came across an extensive study of what American corporations identify as their core values. The researchers reviewed thousands of corporate self-descriptions as found in mission statements, business plans, and promotional materials.

The study found that 80% of these companies included innovation in their list of values. It was mentioned more frequently than any other value, including integrity and respect. They appeared in 70% of the value statements.

It's no surprise, therefore, that in my dialogue with senior executive teams, the term "innovation" pops up routinely in the conversation. Yet, when I casually ask how the group defines innovation, the response usually begins with "thinking outside of the box."

Now, I don't want to disappoint anyone. But thinking is not innovation. True, innovation always begins with a new thought process, a new perspective on how things could be done. But so long as we are only thinking about something new, we are not innovating.

I listen carefully, therefore, to what the executive team adds next to flesh out their description of innovation. And what I frequently hear underscores the fact that, while they apparently value innovation, they don't fully understand what it entails. In particular, they often confuse ingenuity with innovation. Like my friend the CFO last week, they have never thought through the issue of what constitutes genuine innovation.

Their confusion is understandable, because both ingenuity and innovation involve novel ways of doing things. We derive the word "innovation," indeed, from the Latin word *novus*, which means "new." An innovation is something inherently and altogether new. It's not part of the status quo. Not only that, it marks such sweeping change that it cannot be accommodated within existing infrastructure or the way in which we currently do things. They must be revamped.

Ingenuity, on the other hand, can merely be a clever new way to perform a familiar function or task. Even if others take up this new method, so that it becomes widely practiced, it forces no change to current infrastructure or overall methodologies.

To cite an example, when I was a youngster, almost all home phones were black and rather bulky. They had a rotary dial, centered on the front of the phone's somewhat heavy base. Then, in the late 1960s, the so-called "princess phone" appeared, lightweight and available in all sorts of colors. And the dial was no longer on the base, but on the hand piece. The princess phone was an immediate marketing sensation.

Yet, the changes which led to enthusiastic acceptance of the princess phone were examples of ingenuity much more than innovation. The phone required no retooling of telecommunications networks. It still used rotary dial technology, at least early on. It still depended on an extension cord to connect to the phone system. And it still needed an external supply of low-voltage electricity in order to function. Anyone who had ever used a traditional phone could pick up the princess phone and know immediately how to use it.

Fast forward four decades to the advent of the cell phone. Gone was the requirement for landlines. Cell towers replaced them. Cell phones operated anywhere without needing an external source of power. And for dialing, a tiny touch screen replaced the bulky rotary dials and push button array of the past. The cell phone broke with conventions right and left. It mandated wholesale change in the manufacture of telecommunications equipment, in regulations governing utilities, in the very underpinnings of phone service itself. In a word, the cell phone was disruptive. Genuine innovation always is.

Thus, the invention of dry breakfast cereals was an innovation. Replacing corn flakes with little "O's" in Cheerios was an act of ingenuity in how this new, innovative product was marketed. The development of television stations in the late 1940s was an innovation. Adding UHF stations in the 1980s was ingenuity, a way of enhancing the underlying innovation. In a related field, cable TV was an innovation. Using this innovation to offering on-demand programming was ingenuity.

Let me give you a more personal example from my own upbringing. My father never finished high school, never read above a junior high level. But he excelled at building houses. From about age 12, I worked alongside him on weekends, during holiday breaks, and in the summer. I tell people that I grew up with a hammer in one hand, a carpenter's square in the other, and a pocket full of nails instead of money.

In my years of working with Dad, I was often amazed at the clever ideas which he could generate to overcome challenging problems. And these ideas often had to do with inventive solutions to people problems.

One of the more memorable moments along these lines came while we were preparing to pour the foundation for a new house. We had dug the footings for the foundation and were putting steel reinforcement in place for the concrete pour. Rebar, as it's called. When we finished, the perimeter of the foundation was lined with steel rods as thick as your thumb, sticking up slightly above ground level.

About that time, a little girl who lived in the neighborhood showed up on the job site. She had been there before. She was about four years old, and she loved to play in the piles of dirt around the construction site. But today she decided that it would be fun to jump back and forth over the trenches which we had dug for the footings. She had done that before, too. Except now, the trenches had rebar jutting up out of them.

Now, by Dad was one tough hombre. But the one thing he could not bear was to see a child hurt. To say that it tore him up was an understatement. As a young man he had helped pull mangled bodies out of one of the deadliest school house calamities in American history. He never got over the emotional scars.

It's not surprising, therefore, that in his mind's eye he could picture this little girl losing her footing and impaling herself on one of those rebar rods. So, he shoed her off the site. Told her in no uncertain terms to go home and not come back.

Two hours later, however, she was on site again, jumping back and forth over the trenches. He ran her off a second time, this time with more extreme threats. It did no good. She was back in 30 minutes. Somehow, he needed to get her to leave for good without becoming physical with her.

At that point, he went to a toolbox in his pickup and pulled out a monstrous screwdriver. I have no idea where he had bought this thing. I've never seen another one like it. The shaft was fully a foot and a half long, maybe longer. He marched over to the young girl, screwdriver in hand, got down on one knee, and glared right into her eyes. "Little girl," he said, holding the screwdriver up between them. "If you ever come back here again, I'm going to get this screw driver and unscrew your belly button and your legs will fall off."

Her eyes got as big as saucers. She gasped and turned and ran. And we never saw her again. But I must admit that I've wondered whether for years to come, she had recurring nightmares of losing her legs because a tall, lanky man unscrewed her belly button.

So, Dad was clever. And I saw that ingenuity on display dozens of times as we built or remodeled homes. But for all of his inventiveness, he was not innovative. He never stepped outside of conventional methods in building a house. On the other hand, he seemed to enjoy working with innovations which others had developed.

Early in his career he built a home for an eccentric architect who drew plans in a totally unconventional manner. His blueprints had none of the traditional measurements to show the length of walls, the locations of doors, or the heights of ceilings.

The first page of his blueprints directed you to a survey point on the lot and instructed you to drive a 2x4 stake in the ground and to assure that it was perpendicular. The top of the stake was to be exactly 18 inches above a set grade level. Next, you were to drive a 16-penny nail in the geometric center of the top of the stake. Then, every critical corner or elevation on the blueprints was shown as being at a certain distance and angle from that nail.

You're probably not surprised to learn that the architect himself was a bit cantankerous, with an overweening sense of self-importance. He held that any contractor who was not smart enough to build from his blueprints was not sharp enough to construct one of his homes.

Other contractors took one look at the blueprints for the house and decided not to bid the job. But Dad was up to the challenge. He thought he was clever enough to wire around the architect's idiosyncrasies. And because almost no one else submitted a bid, he landed a lucrative contract.

In training sessions, I sometimes describe this architect's methodology and ask the group, "Was the architect an innovator?" Most people say that he was. Then, I offer a contrary opinion.

Now, at first glance, the architect's methodology does appear to be an innovation (although I've since learned that he was not the first to use this unorthodox approach). His drawings broke completely with prevailing conventions and (theoretically) forced builders to throw out their traditional notions of how to build a house.

I say "theoretically," because he never knew what Dad did to circumvent his baffling set of drawings. After Dad landed the contract, he sat at the dining table for several evenings, creating a more conventional set of plans which translated the architect's somewhat bizarre approach into a set of schematics which Dad's crews could easily follow. Of course, when the architect came to the job site, Dad always broke out the original plans and kept the true working plans conveniently out of sight.

But, let's return for the moment to the question of whether the architect was an innovator. At first glance, it might seem that he was. Remember that earlier I said that his methodology *appeared* to be an innovation. I would argue, however, that he fell short of true innovation.

To explain why that's the case, I should clarify how I use the words "ingenuity" and "innovation." I define "ingenuity" as "the ability to make clever and inventive enhancements to the way in which we carry out tasks or overcome notable obstacles, inconveniences, or limitations." Returning to our telephone analogy, replacing the loud, annoying ringer bell with a softer electronic tone was a clever enhancement. Later, making the electronic tone adjustable, so that it could alert us when a particular caller was on the line, was a further enhancement. Improvements such as these are examples of ingenuity.

As for "innovation, I define it as "the robust implementation of a novel idea which yields such wholesale benefit that people willingly abandon conventionality to take advantage of it." In effect, ingenuity adds benefit within the game. Innovation reconfigures the game itself.

For innovation to occur, five criteria must be satisfied.

1. The innovator must have a novel idea which steps outside of conventional thinking.
2. The idea must offer a realistic promise of a highly desirable breakthrough.
3. The idea must be translated into a robust implementation.
4. The implementation must provide some decisive value or benefit not previously available or not previously accessible.
5. This value or benefit must have such compelling appeal that it leads to broadscale acceptance which disrupts the status quo.

Now, let's test the architect's methodology against our definition of innovation. His idea was certainly novel. And it could be described as a breakthrough concept. But it had no realistic promise of robust implementation. It offered no apparent value or benefit.

For one thing, making measurements the way it called for was time-consuming and labor-intensive. No contractor could absorb this added labor cost and price houses competitively. What the architect had produced was novelty for the sake of novelty. Since building a house with his method had no prospect of broadscale adoption, it failed to meet the test of robust implementation. It therefore did not qualify as an innovation.

I would even argue that it did not meet the test of ingenuity, either. His method did not overcome notable obstacles, inconveniences, or limitations. And contractors who looked at his blueprints hardly saw them as an enhancement of the status quo. As I said, his technique was nothing more than novelty for the sake of novelty.

Yes, his method was imaginative. But it had no place in the cluster of imaginative problem-solving techniques which stretch along a continuum running from simple inventiveness to improvisation to continuous improvement to innovation.

Within this cluster, continuous improvement and innovation are processes. They unfold over an extended period of time and build around a specific set of steps and procedures. Ingenuity and improvisation, on the other hand, are short-term, quick fixes to an immediate problem – such as a four year-old girl jumping dangerously over rebar rods.

A solution which stems from ingenuity may produce a one-time solution, never to be repeated again, unlike innovation which results in long-term change. Even if the ingenious solution is taken up widely, so that it becomes a new way of doing things, it will not have the disruptive impact of innovation.

In fact, acts of ingenuity are so spontaneous and sudden that our language has never developed a verb to describe the process behind it. Innovation is the end product of innovating. Improvement is the end product of improving. And improvisation is the end product of improvising. But we have no verb whose end product is ingenuity. Ingenuity is merely a reactive response to an immediate problem.

Ingenuity has never changed the world. Innovation has. But I will mislead you if I leave the impression that all innovation must be world-changing, at least in the global sense of the word. To be justifiably called innovation, the robust implementation of a novel idea must disrupt *some* world, but not necessarily the *entire* world. The disruption may be within the world of a given company or a given industry or a given factory. And it may be spawned within that world or borrowed from some other.

Thus, companies can rightly hold themselves out as innovative, even if they typically derive innovation elsewhere. If they are dedicated enough to innovation to accommodate the disruption which comes with it, innovation indeed qualifies as one of their core values.

So, what's the takeaway today? My encouragement is this: use the word "innovation" with discretion. Not everything which is called innovation deserves the name. We English-speaking people are notorious for destroying the clout of once-powerful words by trivializing them. Look at a word like "awe." When we began describing sports cars as "awesome," we trivialized awe to the point that we no longer have a means of describing something which truly deserves the title.

Let's not do that with innovation. When every act of ingenuity can be called innovation, the concept of innovation itself loses all meaning. Not only that, being an innovator reduces to little more than being highly creative. The problems which humanity faces today are so mind-boggling that we need to foster genuine innovation on every turn. But when mere inventiveness is considered innovation, innovation itself means nothing.

Programming Note: In the next episode, I plan to continue this theme by exploring what it takes to create an innovative climate and culture within an organization. And we will examine why innovation struggles to gain a foothold in many corporate and organizational settings.

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