Is there a culture of innovation in your organization? Does your company obsessively focus on new products, as does the Boston Beer Company (brewers of the Sam Adams line of beers)? Are your people constantly being developed as a competitive advantage like General Electric’s? Is your organization reinventing the processes that allow innovation from inside and out like at Procter & Gamble? How about the environment where you work—Is your company as innovative as Google?

If you can answer “yes” to most of the questions above, then give yourself a gold star and move to the next article in the magazine. If there was a “no” to one or more above, then add yourself to a list of the 99.4% of companies that wrestle with creating the growth engine that we know as a “culture of innovation.”

You know that your organization must grow and improve. You know that you need to innovate steadily over time, but that you cannot do it alone. You need other folks to help you remove barriers to innovation in your organization, and then do all that can be done to speed up, strengthen, and sustain growth.

And although it may feel impossible, you can do it. It is possible to surround yourself with minds that feed the innovation pipeline. It is possible to nurture your own mind with the inventive thinking and original experiences of those around you.

But if you want more innovation—the launch of something new and valuable—in the culture that currently surrounds you, something will need to change. In this article, we’ll show you the most effective things on which to focus in order to drive that change.

**The Four Key Ingredients**

There are four key ingredients to consider as you prepare an organization to steadily drive its growth:

**Products:** Focusing on new offerings is important to growing the innovation capacity of an organization. The point where most organizations start, since it’s an important measure of growth, is the percentage of revenue derived from new products. Yet, this is not enough.

- **Example:** The Boston Beer Company makes more than 21 varieties of beer. They’re good at cranking out new offerings despite a very narrow niche (i.e., high-quality beer) and being a relatively small company.

**Process:** Innovation can’t be random, accidental, or ad hoc. It requires that you understand, follow, and constantly improve the innovation processes that you and your organization use to move potential solutions from rough concepts to the point of providing value to both your internal and external customers.

- **Example:** Procter & Gamble’s former CEO turned the company on its ear by demanding an open-innovation process, ensuring that 50% of their innovative ideas would come from outside the company.

**Context:** The organization doesn’t exist in a vacuum, so it’s critical to energize and sustain a work context that supports the constant learning, experimentation, and improvement that is a prerequisite of all innovation. This context consists of the physical environment, organizational climate, and culture that surrounds you.

- **Example:** Google is legendary for the creative environment they create, both in the physical campus with the “mental support systems” for employees (e.g., day care, gyms, games, etc.), and the support and encouragement they provide for new ideas.

**People:** At its most fundamental level, innovation is fueled and driven by people! It’s critical to constantly increase people’s ability to think creatively and use that creativity to collaborate and produce innovation in their area of responsibility.

- **Example:** General Electric realizes that their strength is in their people. They prefer to grow their own people from within, and invest tremendously in their training and development as a competitive advantage.

**Scaling the Recipe for the Occasion**

As you engage in activities designed to build an organization that sustains innovation, it’s also necessary to focus on three distinct levels:

**Individual:** Individuals make things happen. Sometimes they work with other individuals, but if one person doesn’t do the initiating, nothing happens. Things are relatively simple at this level, but also criti-
Big ideas can come from individuals, however…

**Group/Team:** Innovation almost always happens with a group or team driving it. Given the many skill sets that are required to go from a “brilliant idea” to a “successful launch” (e.g., R&D, packaging, transportation, marketing, sales, etc.), innovation is a team sport.

**Organization/Enterprise:** When many teams work toward similar growth goals, we see an organization or an enterprise that supports them. Kellogg’s is made up of many teams that focus on many cereal sub-brands, including waffles, Pop-Tarts, snacks, and cookies. The enterprise supports the teams and keeps an eye on the big picture (e.g., the breakfast cereal aisle) so that the teams can focus on their targets (i.e., the kids’ cereal category).

By looking at each of the four key “ingredients” listed above and looking at them at the three levels (“scaling”), a map of the terrain for organizational innovation begins to emerge, either as a grid (Fig. 1) or as a “dart board,” showing the relationship of the components (Fig. 2).

### Successful Innovation

You need creative people to fuel organic growth through innovation. It’s been well demonstrated that you can strengthen the innovation-producing creative thinking of individuals through training and coaching. To get you started, here are a few key moves:

**Individual:** As you strengthen five key qualities—humility, curiosity, courage, tenacity, and integrity—all of which can be developed, people will produce more innovation. Ask yourself: What can I do to understand and strengthen these qualities in myself, my team, and my organization? For a deeper dive in this area, read: www.newandimproved.com/newsletter/2025.php.

**Group:** Studies of the reading habits of highly innovative people find that they search for inspiration in a wide variety of places. Yes, they read their industry trade magazines (like this one!) and they go beyond the status quo to hungrily search for new connections with a steady diet of outside reading and training, both technical and general. Therefore, encourage people to network internally and externally.

**Organization:** When you have a training and development system that helps people make a unique, creative contribution to innovation, they will feel that innovative behavior as a performance expectation is fair.

### The Creative Process

In the last 50 years, a lot has been learned about how to organize our natural creative thinking into discrete steps that increase the likelihood of successful outcomes. There are many good process methods to assist you. The most useful, which we call the creative process, is nonproprietary. Below are some of our most powerful insights in this area:

**Individual:** No matter how you organize your processes for innovation, being well versed in the creative process will allow you to apply your natural creative-thinking abilities and your innovation tools and techniques to work on your toughest challenges. Having a broad process framework saves time and makes your efforts more focused and effective.

**Group:** Understand that experimentation must happen for innovation to happen. So too will failure happen. You will need to encourage experimentation anyway, and find ways to make sure that those who “fail” at well-intentioned experiments have a process to share lessons learned and that they are rewarded for both the experiment and (especially) for sharing key findings.

**Organization:** You must look at the policies, procedures, metrics, accountabilities, and organizational structures that influence all of the people in your organization and then ask: Are these helping or hindering our ability to be a sustained innovation organization? Remember, you get what you measure. How are you measuring your innovation pipeline? What is your system of accountability for managers and individual contributors with respect to innovation? Is your board holding your CEO accountable only to quick returns in the market (you’re in trouble) or do they want to see a business that grows organically over time?

Whether your focus is on a product, service, process, or concept, it can become the focus and symbol of innovation. Think...
Culture of Innovation

You’ll also need to understand the way things really get done in your organization, based on the shared beliefs, knowledge, and norms that influence your people’s behavior. The organizational culture shapes what we see, feel, and recognize as valuable. Examine whether this culture hinders or assists the quest for innovation. Some useful focal points:

Individual: How people feel about what is going on in the organization creates their reality. Two people can work side by side in an organization doing the same task with the same resources with the same physical space. One may say the organization is very innovative, and the other may say the opposite. Our own story of what is true, is true, for us. However, we can change that story. Ask yourself: Does your view of the organization support your goals? Is there a more productive way to see this organization?

Group: Research on leadership behavior tells us that 67% of the statistical variance for a climate of creativity can be attributed to the behavior of the leader—from the teamleader level all the way up to the CEO. The qualities of humility, curiosity, courage, tenacity, and integrity are an excellent way to frame a leadership development program in this regard. It is critically important for leaders to pay attention to how they treat new ideas. A non-natural, yet incredibly effective, innovation-fostering habit is to look for the value in an idea before looking for the risks. For more specific techniques to help with this, read: www.newandimproved.com/newsletter/2020.php.

Organization: There are two absolute cultural norms that must be energized to sustain a climate of innovation: 1) There must be an expectation that your people strive to improve the ability to leverage their life and learning for creativity; and 2) There must be a steady imperative that everyone improves their ability to collaborate well with people who see the world differently than they do in order to create the “friction of ideas” that sparks innovation.

Some Tasty Dessert

In the end, humans are most happy, motivated, and fulfilled when they are surrounded by people who nurture their growth, are able to do the same for others, and believe they are creating a positive difference in the world. The work of creating a sustainably innovative organization is exactly the same work you would do if you wanted to help people feel happy, motivated, and fulfilled. It is perhaps the most win-win proposition that can exist between an individual and the enterprise that employs them. In this work, we see a major positive opportunity for you, the reader, and your quality of life. But you must decide to act. We think you’ll find it’s worth it!