The Strategic Role of Leadership in The Process of Innovation

Pallavi Banerjee*

Abstract

Innovation is one of those words that we all use, agree is a positive thing and for the most part want more of. However, the term “innovation” like “leadership” seems to defy a commonly accepted definition. There is no shared interpretation of what we mean or what we are observing when we use the terms. Moreover, we lack practices for deliberately and consistently producing “leadership” and “innovation”. This is evident in the fact that in spite of thousands of books on these subjects, reading and understanding the books have still not made us effective leaders or innovators. Innovation and leadership are closely related. Leadership always has some focus on bringing about a better future. In this sense, leaders are necessarily innovators. We would not normally consider a spectator of the status quo to be a leader. The term innovation also suggests some break with the ‘norm’ or the status quo. An ‘innovator’ and a ‘leader’ are cut from the same cloth, that these terms are distinguishing different but intersecting dimensions of the same phenomenon. This paper explores the important role of leadership in the innovation process of organizations. It argues that while culture, strategy, technology, and other management tools are important in generating effectiveness in the 21st century, creativity and innovation are what drive organizational success in many sectors. However, for creativity to take place, leaders must actively implement strategies that encourage it. Therefore, leadership is the catalyst and source of organizational creativity and innovation. In essence, for organizations to be able to achieve constant innovation, leaders must establish an environment conducive to renewal and build organizational culture that encourages creativity and innovation. Organizational creativity also depends on how leaders encourage and manage diversity in the organization, as well as develop an effective leadership structure that sustains the innovation process.

Key Words: Organization, Leadership, Technology, Innovation

* Pallavi Banerjee, Research Scholar, Rani Durgawati Vishwavidhyalaya, Jabalpur, India, email: pallavibanerji@gmail.com, M : +91(0) 9893151630.
INTRODUCTION

Innovation is defined as “invention” or “creation”, “the process of making improvements by introducing something new”. It can be the development of something new or a new way of doing something. Either way it is about “new”. Innovation requires birth. The bringing to life of an idea.

The birth of anything requires the necessary fertilization and the right environment for growth, until birth takes place. This applies to the birth of animals or mankind as well as the birth of plants. It is not any different for buildings, bridges, or any type of structure built. In every case fertilization is the starting point followed by an environment where the embryo can grow and develop.

To be precise, innovation is not a system or a process. It is not something that some people do and it is not a job. In fact we only recognize innovation when it has been achieved. So what is it that an organization needs to achieve innovation? In simple terms it needs the right people that allow productive thoughts and ideas to be generated. It needs an environment where the creative and innovative thoughts can grow and take form and where they can finally be born and come to life.

The trouble is that we have been encouraging people to conform for so many years that we have perfected the habit. We hire people that will conform, we train people to conform and we develop systems and processes that ensure everyone conforms on as consistently as possible. We also train managers to conform as well, in fact we insist that managers manage the systems and processes to ensure everything and everyone conforms. Yet we live in an age where we require innovation and see the necessity of having an innovative company.

Innovation requires leadership. Firstly, the leaders need to understand their role. Secondly, the people need to understand their role, and finally, the environment needs to be able to respond to innovation. Innovation and leadership are closely related. Leadership always has some focus on bringing about a better future. In this sense, leaders are necessarily innovators. An ‘innovator’ and a ‘leader’ are cut from
the same cloth, that these terms are distinguishing different but intersecting dimensions of the same phenomenon.

**THE MEANING OF LEADERSHIP**

Leadership is a process by which one person influences the thoughts, attitudes, and behaviors of others. Leaders set a direction for the rest of us; they help us see what lies ahead; they help us visualize what we might achieve; they encourage us and inspire us. Without leadership a group of human beings quickly degenerates into argument and conflict, because we see things in different ways and lean toward different solutions. Leadership helps to point us in the same direction and harness our efforts jointly. Leadership is the ability to get other people to do something significant that they might not otherwise do. It’s energizing people towards a goal. Without followers, however, a leader isn’t a leader, although followers may only come after a long wait. For example, during the 1930s Winston Churchill urged his fellow Englishmen to face the coming threat from Hitler’s Germany. But most Englishmen preferred to believe that Hitler could be appeased—so that a war could be avoided. They were engaged in wishful thinking about the future and denial that the future would be dangerous. They resented Churchill for insisting that they must face the danger. They rejected his leadership. He had very few followers. But finally reality intruded—Germany went too far and war began. At this point Churchill was acclaimed for his foresight, and became prime minister of the United Kingdom during the Second World War. During this period almost all Englishmen accepted his leadership willingly.

True leadership is sometimes hard to distinguish from false leadership, which is merely a form of pretending. Winston Churchill was a real and great leader. But there are also people who wish to appear to be leaders, but aren’t actually. They say that they are leading others; they posture as if they are setting direction and inspiring others. Yet often they are merely pretending. There’s an old saying that the way to become a leader is to find a parade and run to the front of it. We refer to a person “leading” a parade, but walking at the front isn’t really leadership unless the person in front is actually choosing the direction! If the person isn’t choosing the direction, then being at the front of the line is merely a way to pretend to be a leader.
Leadership can be used for good or ill. Hitler seemed to be a leader of the German people, but he set an evil direction. He had great leadership skills, but put them to terrible uses. Sometimes people in business use leadership skills to exploit others. Sometimes people in charitable organizations use leadership skills to benefit themselves rather than the people they are supposed to help. Leadership skills can be perverted to pursue bad ends.

MEANING OF INNOVATION

To many, innovation is equivalent to change. But, this is only a one-sided view as change is happening all the time whether we’re aware of it or not. A random event, insight or an accident may be novel but I do not consider it to be an innovation. What one can observe and do in the context of a novel occurrence or insight might very well lead to innovation. For example, all of us have had ‘big ideas’ from time to time and done nothing about them only to learn later that someone has succeeded in bringing about exactly what we had imagined. This is what might distinguish a leader/innovator from a dreamer. A more powerful way to think of innovation is that it means: intentionally ‘bringing into existence’ something new that can be sustained and repeated and which has some value or utility. That is, innovation is always related to some practical ‘in-the-world’ value. It is about making new tools, products or processes, bringing forth something ‘new’ which allows human beings to accomplish something they were not able to accomplish previously.

When we create a new tool we are innovating. When we are not innovating we are the tool or the ‘tool’ is an extension of us. For example, the typewriter was an innovation in writing. At some moment, the typewriter becomes transparent (to both the typist and those concerned with what is being typed) and we simply have a typist typing. The tool appears again only when there is a breakdown or it no longer serves its purpose. Whether speaking about leadership or innovation, our motive should be to accomplish some sustainable change whether large or small, continuous or breakthrough. While leaders and innovators participate in both kinds of change, leadership can be distinguished as always occurring in a context of some intention to create the latter: Breakthrough, to break with the status quo. Both leaders and innovators change the context, paradigm or frame of reference of the innovator/leader and those who have a stake in the innovation. However, another distinction between leaders and innovators comes from the observation that leaders’ actions exist within a context of ongoing relationships with other human beings.
REVIEW OF LITERATURE

There has been a great deal of research into the relationship between leadership and organizational climate; however the linkage between organizational climate and creativity and innovation has not received the same amount of attention (Kozlowski & Doherty, 1989). Scott and Bruce (1994) found that leader’s behaviour did indeed predict climate for innovation within organization through the Leader Member Exchange Theory (LMX). Their study showed that higher the level of interaction between leaders and subordinates the higher the perceived climate for innovation. Kazama et. al (2002) confirmed these findings by demonstrating that the actions of leaders implications for the climate for innovation. Reiter – Palmon and Illies (2004) found it was unlikely that creative outcomes could be achieved without a large amount of support from organizations and organizational leaders.

Leadership has also been identified by Zhu, Chew & Spangler (2005) as one of the key driving forces for improving firm performance since leaders have a key decision-making role in determining the development and deployment of organizational resources. Studies by Thamain (1990, 1996, 2003) and McDonough (1993) found that innovative performance is strongly influenced by leadership, managerial style and professional attitude.

Review of Leadership Theory

A review of the leadership literature reveals an evolving series of 'schools of thought' from “Great Man” and “Trait” theories to “Transformational” leadership (see table). Whilst early theories tend to focus upon the characteristics and behaviours of successful leaders, later theories begin to consider the role of followers and the contextual nature of leadership.

| Great Man Theories | Based on the belief that leaders are exceptional people, born with innate qualities, destined to lead. The use of the term 'man' was intentional since until the latter part of the twentieth century leadership was thought of as a concept which is primarily male, military and Western. This led to the next school of Trait Theories |

Banerjee
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<th>Theories</th>
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<td><strong>Trait Theories</strong></td>
<td>The lists of traits or qualities associated with leadership exist in abundance and continue to be produced. They draw on virtually all the adjectives in the dictionary which describe some positive or virtuous human attribute, from ambition to zest for life</td>
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<td><strong>Behaviourist Theories</strong></td>
<td>These concentrate on what leaders actually do rather than on their qualities. Different patterns of behaviour are observed and categorized as 'styles of leadership'. This area has probably attracted most attention from practicing managers</td>
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<td><strong>Situational Leadership</strong></td>
<td>This approach sees leadership as specific to the situation in which it is being exercised. For example, whilst some situations may require an autocratic style, others may need a more participative approach. It also proposes that there may be differences in required leadership styles at different levels in the same organization.</td>
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<td><strong>Contingency Theory</strong></td>
<td>This is a refinement of the situational viewpoint and focuses on identifying the situational variables which best predict the most appropriate or effective leadership style to fit the particular circumstances</td>
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<td><strong>Transactional Theory</strong></td>
<td>This approach emphasizes the importance of the relationship between leader and followers, focusing on the mutual benefits derived from a form of 'contract' through which the leader delivers such things as rewards or recognition in return for the commitment or loyalty of the followers</td>
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<tr>
<td><strong>Transformational Theory</strong></td>
<td>The central concept here is change and the role of leadership in envisioning and implementing the transformation of organizational performance</td>
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**From ‘Great Man’ to ‘Transformational’ Leadership**

Each of these theories takes a rather individualistic perspective of the leader, although a school of thought gaining increasing recognition is that of “dispersed” leadership. This approach, with its foundations in sociology, psychology and politics rather than management science, views leadership as a process that is diffuse throughout an organization rather than lying solely with the formally designated ‘leader’. The emphasis thus shifts from developing ‘leaders’ to developing ‘leaderful’ organizations with a collective responsibility for leadership.
THE IMPORTANCE OF LEADERS IN THE INNOVATION PROCESS

Scholars have shown how organizational structure, strategy, technology, culture, and other management tools help bring effectiveness and competitive advantage to organizations. They also show that in the 21st-century organizational environment, creativity and innovation are the primary sources of competitive advantage. However, these authors say little about the role of leadership in the innovative process. Creative and effective organizations do not emerge by accident. They require leaders to drive and control deliberate changes in structure, culture, and process in order to transform them into creative, effective, and productive ones. Even though many organizations look for competitive advantage in their structure, strategy, technology, and culture, leadership is the most important source of competitive advantage. Organizational leaders usually decide what happens in the organization and give the direction, vision, and momentum that bring success. Therefore, leaders are the catalyst that create and manage the environment, organizational culture, and strategies that encourage and sustain innovation, effectiveness, and success in the organization.

When the organization establishes its strategy and work processes, the leaders direct the implementation that brings it to accomplishment. Technology, right culture, and strategy are necessary and contribute to the success of the organization. However, for any of these vital aspects to bring any real benefit, the leadership must support, sustain, encourage, and inspire followers to make it work. Therefore, for the innovation process to begin in any organization, that organization must first put the right leaders and leadership structure in place. Moreover, the leaders must themselves be interested in innovation; otherwise, they can stifle creativity and innovation in the organization. The top leaders in the organization usually have the power and authority to develop strategies that lead to innovation, which means if they are unable to perceive opportunity for renewal, do not wish to exploit them, or are unable to respond to them, these leaders can impede innovation. Conversely, if the leaders’ objectives are dynamic, ambitious, and innovative, and if they demonstrate proactive attitudes as well as a capacity to respond to change, this can help bring innovation, renewal, and success to the organization.

Organizations with weak leadership tend to be less effective and are prone to constant restructuring and downsizing in order to solve their problems. On the other hand, organizations with creative and effective

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3 Journal of Strategic Leadership, Vol. 1 Iss. 1, 2008, pp. 39-45 © 2008 School of Global Leadership & Entrepreneurship, Regent University ISSN 1941-4668
leaders work to avert the need for major restructuring and downsizing. These leaders run the organization effectively and therefore prevent it from reaching the stage of having to undertake major restructuring.

Organizations need creative and effective leadership to help the management tools work. Even though organizations cannot usually reach their goals without effective leadership, many are lacking the kind of leadership that encourages creativity and produces success. Organizations need creative and effective leadership to manage the implementation of the strategy and encourage innovation in the organization.

THE TYPE OF LEADERSHIP THAT ENCOURAGES INNOVATION

The leadership structure of organizations help produce results that can encourage creativity and innovation. However, not every kind of leadership model is effective in creating this opportunity. Investments in certain kinds of leadership styles and models can produce results that generate creativity. Successful organizations have discovered that shared and collaborative leadership, rather than heroic and authoritarian management, is what unlocks the potential of organizations. Organizations that operate from the authoritarian, hierarchical, command and control model, where the top leaders control the work, information, decisions, and allocation of resources, produce employees that are less empowered, less creative, and less productive. This kind of model focuses on leadership as an extension of the top leader’s actions and will. This heroic model of leadership was popular in the 19th century but continues even today in many organizations. Organizations express the modern version of this leadership approach in followers’ perceptions of leaders as those with all of the great ideas and who achieve great successes in the organization single-handedly. In such organizations, the leaders occupy central places and the followers believe these leaders are ultimately responsible for every outcome, as well as ensuring that the organizational processes work smoothly. This heroic approach to leadership has little chance of bringing innovation and renewal because leaders do not single-handedly lead organizations to greatness. Rather, leadership involves many individuals with various tools and skills who together transform the organization. The alternative form of leadership is that it is not the ability of one person to take charge, but the ability to inspire, empower, and exert broad influence in the
organization. Contemporary leaders know that no individual has all the ideas, the skills, and time to carry out the complex tasks of contemporary leadership. They know that organizations will not survive if their leadership is limited to the top leaders because leadership opportunities exist at every level of the organization. Therefore, for an organization to become innovative and successful, it must benefit from the creativity of all its members. Organizations can achieve this by harnessing all its leadership abilities. Everyone in the organization in some way needs to be involved in its leadership.

According to Raelin, 21st-century organizations are knowledge-based and require that everyone share the experience of serving as a leader; this means sharing power, responsibility, values and aspirations, and working together to bring success to the organization. When this happens, the organization gets rid of a suffocating dependence of the followers on the top leader, which releases them to contribute their natural abilities to the organization. Many creative and successful organizations today depend on multiple sources of effective leadership at all levels rather than maintaining a command-and-control leadership structure that often stifles creativity. Therefore, the best way to build an innovative, vibrant, and effective organization is to diffuse leadership and empower everyone through training and coaching so that they become creative and effective leaders themselves.

**ROLES AND RESPONSIBILITIES OF A LEADER IN BRINGING ABOUT INNOVATION**

Success in the current global marketplace requires that senior executives provide direction and leadership for innovation as an ongoing corporate priority. Leaders must bear primary responsibility for three interconnected operations: managing the overall innovation process, developing and implementing an innovation strategy, and establishing and maintaining a culture of innovation. More specifically, these operational-level roles and responsibilities include:

### Establishing and Maintaining the Vision

Researchers Teresa Amabile and Stan Gryskiewicz have noted: "Perhaps the most important role to be played by upper management in supporting creativity involves formulating and constantly communicating a clear vision of the organization as innovative, unafraid of risk, supportive of new ideas, and offensive (rather than merely defensive) in the marketplace."
It is important to note that ‘vision’ as used above is not synonymous with ‘corporate vision.’ It is not a statement about long-term business objectives, but rather a statement of something in service to those objectives. ‘Vision’ here is a call to develop the conditions, processes, and attitudes that characterize an organization as "innovative." It is less about what an organization will produce or achieve and more about how it will operate.

**Developing Competencies for Innovation**

Leadership for innovation at the operational level does not begin when a specific initiative is planned. Rather, it requires a comprehensive, long view. Leaders must envision and invest in the competencies that will be required five, ten, or more years into the future. This will be a combination of technological investment and purposeful recruitment. With regard to the latter, one should think not only of a pipeline of innovations, but also of a "pipeline of innovators." Recruitment, hiring, and retention of those individuals who will likely provide the spark and fuel for future innovation projects should be a crucial, ongoing human resources effort.

**Establishing and Maintaining a Culture for Innovation**

"A universal characteristic of innovative companies is an open culture." Rosabeth Moss Kanter

Although more general and diffuse than some of the other operational concerns, establishing and maintaining a culture for innovation should be one of the most important goals of senior managers. Innovation is a function of behaviors, but behaviors do not occur in a vacuum. Rather they are embedded in a culture and promoted or constrained by the physical and psychological environment that is a culture. Further, research has revealed explicit characteristics of a culture conducive to creativity and innovation. A comprehensive treatment of such a culture is beyond the limits of this article, but the following is a beginning description. A culture fertile for innovation is characterized by openness, cooperation, and collaboration.

Work is stimulating, challenging, and intrinsically motivating. Individuals are treated with respect; and management is appreciative, supportive, and encouraging of individual and team efforts. Feedback is timely and constructive; informal recognition is frequent and meaningful; and reward, though not salient, is fairly and transparently distributed. Senior
management sets the strategic agenda, but teams and individuals enjoy operational freedom as to how best to pursue that agenda. Unsuccessful efforts in pursuit of innovation are expected, well tolerated, and leveraged for learning.

**Facilitating Access to Thought Leaders and Co-Creators**

Leaders have to make it easy for innovators to work together. Whether we refer to ‘communities of practice’, ‘open innovation’, or ‘technology brokering’, it is becoming increasing clear that higher-level creativity -- and, therefore, potential innovation breakthroughs -- occur across normal conceptual and organizational boundaries. High performers can, of course, be recruited for cross functional teams; but beyond those discrete experiences, leaders will want to also ensure that their innovators have easy, ongoing access to others who will extend and enhance their efforts.

**Ensuring Information Flow**

Information is crucial to creativity and new learning, which, in turn, are the building blocks of innovation. It falls to executives to ensure that internal and external information resources are readily available to high-stakes innovation initiatives. Most importantly, leadership must firmly establish cultural conditions in which information flows freely. This is crucial not only for learning and knowledge management, but also because information flow builds trust, trust contributes to collaboration, and both are conducive to innovation.

**Establishing Systematic Innovation Processes**

In the competitive marketplace, innovation should not --indeed cannot -- be a hit-or-miss or occasional phenomenon. Best-of-breed companies are systematic with regard to innovation. They conduct formal idea generation sessions, offer training in creative thinking and interpersonal relations, engage internal or external process facilitators, maintain innovation review boards, and have clear validation procedures. Submission of ideas is easy, and consideration of ideas is fair and rapid. People know the status of their ideas as leaders provide feedback promptly.

**Developing Innovation Strategies**

To maximize success, innovation must be purposeful; yet it is noteworthy that many organizations do not have explicit innovation strategies. Companies have strategies for operations, finance, marketing, and so forth, but innovation, their lifeline for future success, often goes without dedicated planning. Leadership for innovation includes making clear, critical decisions regarding the investment of innovation-oriented resources. Minimally, leaders will want to synthesize their thinking around the
concept of "desired market impact." This includes determinations as to the scope and scale of creative efforts (ranging from "me too products" to hoped-for breakthroughs), the "galaxy of innovation" (fertile target areas ranging from line extensions to "white space" far beyond current offerings), and the level of market agitation (ranging from the defensive plans of an incumbent to more entrepreneurial, disruptive efforts). It is also possible that leaders will want to develop and align strategies across a range of products, market segments, geographical regions, cultures, and so forth.

Composing the Innovation Portfolio

Once a clear strategy takes shape, leaders are responsible for investments in the innovation portfolio. In reality, innovation is an "investment strategy." In seeking the "dividends" of innovation, resources are invested with the hope of healthy (but not guaranteed) returns. The innovation portfolio, therefore, will be a function of the resources available and the risk profile of corporate leaders. Its composition may range from a few small, tightly targeted efforts to a broad, multifaceted set of short-term and long-term initiatives. In fulfilling this role, we look to leaders to make highly informed, very critical judgments shaped by prudent risk-taking.

Building Dedicated Communities

As Andrew Hargadon has pointed out, one of the most frustrating things that can go wrong even with very strong concepts is that the organization can fail to bring together the additional people and resources necessary to make development and commercialization happen.10 Once the potential of an idea has been validated, senior leaders need to ensure that a dedicated community forms around the concept to bring it to fruition and launch. This follow-through may include reorganization, new hiring, or new capital investments.

Innovation Leader Best and Worst Practices

Successful leaders who initiate innovation make use of a common set of best practices that allow them to find the way between generating creative, consumer-focused insights and making hard, analytical decisions about feasibility and strategic fit. The best Innovation Leaders know how to work with the cross-functional teams to allow the process to happen as broadly as possible, taking and them implementing ideas from outside, protecting the “wild idea,” and creating a safe environment to make mistakes and have crazy ideas. These leaders also know how to work with the innovation experts and other facilitators to spark creativity while being intensely aware of how to get things done inside the organization.
These best practices help to set project team expectations and provide a range for each stage of the product development process:

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<tr>
<th>Best Practices</th>
<th>Worst Practices</th>
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<tr>
<td>Ground idea in consumer needs</td>
<td>Take consumer input at face value</td>
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<tr>
<td>Align strategically and operationally</td>
<td>Lack of portfolio management</td>
</tr>
<tr>
<td>Use the Stage-Gate process</td>
<td>Change mind without rationale</td>
</tr>
<tr>
<td>Build strong cross-functional team</td>
<td>Keep ideas secret</td>
</tr>
<tr>
<td>Experiment and cut losses early</td>
<td>Get stuck in an idea</td>
</tr>
<tr>
<td>Work within needed timeframe and prices</td>
<td>Lack insight into timing and price</td>
</tr>
<tr>
<td>Communication and project management</td>
<td>Negativity</td>
</tr>
<tr>
<td>Plan for risks, disasters, and contingencies</td>
<td>No post-mortem to learn from mistakes</td>
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(Source: Shifting to a Strategy of Innovation: The Key Role of Leadership in Consumer Packaged Goods From Penn State Executive Programs in the Smeal College of Business, The Pennsylvania State University)

The strategic role of the Innovation Leader is equally difficult as the road ahead in the process is never clear. These leaders must keep a team motivated and moving forward despite a seemingly constant set of obstacles and failures. Certain worst practices tend to disrupt the Innovation Leader’s success as well as interrupt the project. With over 50% of ideas failing to pass through the Stage-Gate process and lead times of 18 months or more from conception to launch, the Innovation Leader must always have a strong aspiration to succeed and a willingness to experiment. These leaders must also work to challenge the operational status quo.

**Phases of Leadership Roles**

We are now considering leadership at the strategic rather than operational level, which probably represents a shift from corporate leadership to R&D, business unit, or business development leaders. The roles and functions outlined here may apply to a single leader or to a leadership team. In the case of the latter, there will be a need for strong and willing cooperation among the members of that team. Leadership responsibilities here will be listed according to the phases of the innovation process, beginning with preparation.

**Preparation**

This is the "getting ready and getting together" phase in which the people and resources for a specific initiative are assembled.
Leadership roles during this phase include:

- **Sponsor**: One or more members of the management team must accept general responsibility for the project. Sponsorship involves overall support and assistance for the operations and, hopefully, the success of a team or initiative. It falls to the sponsor(s) to negotiate and ensure the availability of team members. The sponsor convenes the team both in terms of primary action agents and any supporting or "adjunct" staff. The key concerns of the sponsor are ensuring that a promising area of investigation has been selected and the right people have been brought onto the team, but another key aspect of this role is liaison between the team and higher levels of authority.

- **Intelligence Officer**: In order to properly launch the initiative, leadership must provide a thorough operational or strategic briefing of the area of investigation, including a competitive analysis. The leader(s) should provide market or internal information to include current and forecasted future conditions and the possibilities of threat or opportunity that they offer.

- **Challenger**: The vehicle for fulfilling this function is an exciting mandate. In commissioning a team, leaders must provide a clear statement of strategic intent. To begin with, this mandate should demark the area of investigation and its purpose; that is, it should provide the rationale as to why a particular area of interest has been chosen and its potential value to the company. It should also note important administrative or logistical elements (timeline, budget, resources available, etc.). Importantly, it must outline the criteria for success (e.g., desired level[s] of creativity, anticipated annual revenues, technological considerations, time to market). Note: while this statement of direction and success criteria comes from sponsoring leaders, it is very important that the team itself be given operational freedom as to how they will conduct their work.

- **Resource Provider**: Leaders must secure and allocate sufficient resources to include people, funds, and time to sustain a specific project. But it is important to note that innovation initiatives often have a way of rippling through the corporate system, so the role of resource provider can be complicated and may involve more than naming people to a team and giving them time and a budget. It often involves reassignment of responsibilities in order to free key people from their normal obligations. Since knowledge is a key resource in innovation, leaders in this preparatory phase may also need to consider
what education or professional development (e.g., teamwork, technical knowledge or skills, business acumen) may be required for team members.

**Invention/Discovery**

As the project gets underway, the team begins its creative problem-solving. Team members focus their efforts on information processing, learning, problem analysis and idea generation. Supportive leadership roles for this phase include:

- **Connector:** Beyond the resources originally provided, this phase is likely to see the need for other resources. This especially may involve connecting team members to people and resources within or outside of the organization. In the role of Connector, the leader becomes a door opener, and, if necessary, a door banger. The leader now deals with colleagues to ensure that people, information, and technology are made available on a priority basis. If the organization already has an open and collaborative culture, there may be less of a need for connecting at a higher level; but in the absence of easily accessible resources, the leader should stand ready to do what is necessary to help the team complete its work.

- **Guide:** The leader may not know the answers to the substantive questions posed by the team as it goes about its work. This will especially be the case if the area of investigation is "out on the frontier." But in the role of Guide, the leader willingly shares experience, offers technical and procedural advice, and suggests direction when asked.

- **Counselor:** While the Guide role focuses on the substance of the challenge, the role of Counselor is one of assistance to the team members with regard to the interpersonal dimension of their work. This would especially include helping to quickly resolve destructive conflicts should they occur. But beyond such efforts, the Counselor can provide the very valuable service of advising the team as to how to gain approval or acceptance for their new ideas. It may very well be harder to persuade key decision makers to endorse an idea than it will be to conceive of the idea in the first place. An experienced and astute Counselor can be very valuable in this effort.

**Validation**

Once a strong concept (in the form of invention, discovery, or licensing/acquisition possibility) has been developed and advanced, leadership roles shift. This phase can produce a bit of schizophrenia in leaders, as they must iteratively traverse between strong advocate and hard-nosed evaluator.
• **Critic:** In this role, the leader provides an honest, constructive assessment of the concept or plan. Creative ideas are very fragile; care is required so as to not kill a promising idea. Likewise, the enthusiasm of teams at this point generally runs high, and discouragement or cynicism can set in if team efforts are summarily quashed. Yet, for a concept to make it to implementation and launch, it must pass realistic tests of viability and desirability. Leaders serve their teams well by constructively criticizing the work and offering suggestions for improvement.

• **Agent or Advocate:** Minimally, the sponsoring leader(s) must get the concept or team on the agenda of key decision makers. Sometimes this may be a matter of getting the team into formal stage-gate processes, but it could be that first efforts are directed at enrolling influential others in support of the idea. One of the chief functions served by the leader here is building support among his/her colleagues. The experienced and politically astute leader will also prepare the team for the challenges of presenting the idea publicly and to senior personnel. Informally and formally, the leader promotes the concept, works for a fair hearing and review of the suggestion, and ensures that the idea or team is not inappropriately buffeted by organizational politics.

• **Advisor:** This is an extension of the Guide role, but with a bit of a shift in emphasis. As much as experience allowed, the Guide offered advice as to how to handle the substance of the innovation. But in the validation phase, there is a shift to the business of innovation. This phase may take an extended period of time, and the Advisor aids the effort by steering the innovators through the internal organizational maze: filing invention disclosures, developing a business case, composing a budget, and so forth.

• **Expeditor:** In a world in which days, if not hours, make a competitive difference, it falls to innovation leaders to facilitate and streamline the validation process to ensure that good ideas are advanced as rapidly as prudent decision thinking permits. Bureaucracy must be pushed aside and red tape cut away in order for key decision makers to hear and make a decision as quickly as possible on ideas of high promise. The Expeditor ensures that concepts are refined, proposals are polished, and presentations to decision makers are scheduled as quickly as practicable. Additionally, the Expeditor works hard to ensure that decision bottlenecks do not occur. And beyond efforts on behalf of any particular project,
the Expeditor works for constant improvement and streamlining of the validation process in general in order to keep the company competitive.

• **Judge:** There comes a time when, as best they can, organizational leaders have to assume an attitude of objectivity. There is where the "schizophrenia" may come in, as leaders who may have been sponsoring the team’s efforts must now psychologically distance themselves from the team in order to make a critical decision about whether or not to proceed. In situations of limited resources, not all good ideas can go forward (and bad ones surely should not); fiscal responsibility must be shouldered. Leaders must decide whether or not the concept should move forward and more resources should be allocated. Additionally, leaders, as Judges, should act as the organizational conscience, standing firm with regard to standards of quality, safety, environmental impact, and so forth.

**Development and Refinement**

For those ideas that survive the validation phase, the hard work of turning the promising concept into a viable innovation begins. Additional creative thinking must be brought to bear in order to fully develop and polish the idea. Meanwhile, running in parallel (and hopefully in coordination), strong business processes must be ramped up.

• **Champion:** Often, an idea may begin to move forward, but still not have complete organizational buy-in. In the Darwinian world of innovation, the Champion keeps organizational interest alive, especially with regard to promising ideas that are not yet widely supported. The Champion negotiates for the resources needed to move the idea to fruition; and, if a good idea is temporarily put on the back shelf for some reason, the champion works to move it forward when appropriate. Experience has shown that even a very strong idea will not advance in our larger modern corporations unless it has a Champion.

• **Provider:** It is often the case that considerably more resources are required to develop an idea than were necessary for invention or discovery. Great cross-functional coordination is necessary, and strong project management is key. The Provider acquires and/or allocates the additional resources needed for this phase. Importantly, the Provider ensures that a highly qualified project manager is appointed to bring the concept to fruition and launch.
• **Optimizer:** At this point, the company has a good idea, but now it has to be a great idea. The Optimizer works with the action team to maximize benefits while minimizing costs or disadvantages of the product or service. This is a hands-on role, because here the leader can directly bring experience and expertise to bear. The Optimizer provides constructive criticism to enhance and extend the potential of the idea in order to best meet customer needs. At the same time, the Optimizer often has to fight a defensive battle to ensure that the potential of a great idea is not diluted by organizational narrow mindedness or lackluster support.

• **(Market) Strategist:** The function of a Strategist is not just one of planning. This role is crucial to producing a highly successful innovation. The Strategist uses prototypes and pilot programs to quickly involve the customer in order to further test, reshape, and refine the idea. The Strategist also scans and analyzes the area of implementation or commercialization so as to position and time the product or service for maximum impact. After doing so, the Strategist works to develop launch plans, align necessary resources, and plot implementation task and time schedules.

**Implementation or Commercialization**

This is the phase of fulfillment in which the creative idea becomes an innovation reality. The new product, service, or process is officially launched or implemented. Leadership must direct efforts to fully exploit the innovation’s current potential while simultaneously focusing on the present and the future.

• **Director:** The innovation leader coordinates and manages all implementation efforts, ensuring that all tasks are completed, timelines met, requirements fulfilled, certifications acquired, and so forth. This phase may very well require quick, intuitive decision-making as plans may suddenly go awry and competitors may take aggressive counteractions. Even with all the effort invested to this point, the success of the initiative may hinge substantially on the leadership behaviors associated with this role.

• **Ambassador:** If the Champion supports ideas that are still struggling for acceptance or implementation, the Ambassador is the representative of products or services that are in place. The leader in this role provides liaison and representation internally and externally to help tell the story of the product or service. The innovation’s Ambassador works to educate others to the (corporate) benefits and to enlist greater support and more resources in order to best exploit the innovation’s potential. The
Ambassador also and resources paves the way for the growth and extension of the innovation to include the development of line extensions and adjacent products or services.

**Association of Leadership to Circumstance and Change**

There are six different ways in which one can relate to the circumstances and the changes occurring from time to time. The way one relates to the circumstances becomes the foundation for being a leader and opens or closes possibilities and opportunities for innovating. If one considers that change is a constant process and always occurring whether we realize it or not, then one might also consider that these six ways of relating to the circumstances are also ways we relate to the world, which further serve as the contexts within which we deal with everyday life. These should not be considered as progressive steps in a process. Rather, these are different “states of being” or contexts available to every human being, at every moment, to differing degrees depending upon our commitments, concerns and competence in various domains of action.

**Coping up with the circumstances:**

Coping also implies that circumstances are objective and one must somehow adjust his/her commitments and actions to match what the circumstances allow. Coping might be viewed as a positive alternative to resistance as the coping person works within the circumstances effectively. Energy expended in resisting is now redirected to problem-solving and designing ways to overcome barriers to accomplishing one’s intention. Coping is also ‘counter-innovative’ as a relationship to change, but with one big difference: There are many innovations that are conceived as tools or strategies for more effective coping. In other words, in a circumstantially determined view of reality, coping can drive innovation, but only as a re-action to the circumstances, not as an intentional force in creating new circumstances.

Leadership in this context is often facilitative and oriented toward reasonable expectations and interpretations of what is possible and not possible. In a coping context, leaders will typically be arguing for and justifying whatever limitations seem to exist and encouraging ‘work around’ or ‘in spite of’ strategies for getting things done. While this can be positive and produce results, the leader in this case, becomes a well meaning and unwitting ‘co-conspirator’ for individual and organizational limitations.
Resistance towards a circumstance

The most common observed to react to a change is to resist it. The ways of resisting can be many: one can resist by simply disagreeing with a new policy. Resistance can be overt or covert i.e sometimes one can resist by agreeing with someone and then gossiping when the person isn’t around. Further, one can procrastinate, argue, rationalize or even sabotage a change initiative simply by ignoring it and waiting for the next change to come along.

Whatever strategies or patterns for resistance we have, whether overt or covert, conscious or unconscious, active or passive, they have three things in common: First, all forms of resistance are “counter-innovative” and they prevent an individual intentionality to create/own change. Further, resistance gives power to the status quo or cultural inertia that, by its nature, will persist. Secondly, all resistance is rooted in the past and is grounded in a negative mood/attitude and assessment of ‘the way it is’, a judgment that things ‘should be’ different than they are. Our commitments and actions are organized by what we see as feasible and that we know how to do. At best, this will lead to finding effective ways to cope and to the worst end will lead to a state of chronic suffering and eventually to resignation. Thirdly, resistance clearly depicts that there is something to resist which essentially objectifies our world including ourselves and other people, turning us into objects in an objective world. This reduces us to either being victims of whatever it is we are resisting and/or encourages a ‘spectator’ relationship with the circumstances. This means we no longer participate in creating the future, and become trapped in a worldview that destroys possibility and power. In this state, innovation is a rarity and an ideal. When innovation does happen it is usually attributed to some ‘special-ness’ of the innovator or more often explained as an anomaly that leaves us unaffected, untouched and not responsible for the change.

“Leadership” in this context is exercised through ‘opposition’ to the circumstance. Leadership is basically resisting the ‘way it is’ and in a well-meaning way is attempting to ‘fix it’. The problem is that these initiatives are rarely effective because everything being done to change something which is pushing against (resisting) what is already going on. This is how many issues persist even when there is widespread agreement that something should change. Essentially the proponents and opponents to a leadership initiative are operating in the same context.
Responding to the Circumstances

To respond means to freely choose action, in the given circumstances. Responding requires a different relationship to the circumstance in which one considers that the circumstances are subordinate to the actions of the individual. In responding, one observes that a human being has insights and makes choices in relationship to objective circumstances but they are not limited or defined by them. When one is responding, he/she is initiating to innovate to the extent he/she: a) has some intention or commitment, b) owns and is not ‘re-acting’ to circumstances, and c) is bringing something new into existence which has value/utility and can be sustained/replicated in the future.

Responding requires that we acknowledge that whoever “they” are is occurring within our interpretation of the world. Our choices and actions are never limited or determined by ‘them’ or the circumstances unless we believe that we have no power or choice in the matter. What limits us is part of our interpretation. We are never in fact, victims of our circumstances, although in many instances it can seem so and our suffering, when this is the case, can be very ‘real’. Secondly, to respond we must grant ‘them’ the freedom to choose as individuals, the legitimacy of their view even if we disagree. Otherwise we will be reacting to what we perceive they are doing and therefore have limited action and become part of a larger pattern of resistance that reinforces “their” behavior. In a posture of resistance, at best we may ‘win’ in a dispute by dominating rather than innovating. At worst we become resigned and simply ‘put up with’ the status quo. To determine whether we are responding or reacting we can ask, “for the sake of what are we responding”? If there is no intention or commitment behind our actions, then our actions are essentially automatic and thoughtless. If we are responsible for our circumstances and intentional in our responses, innovating comes naturally.

Leaders who are responsive rather than reactive are not blind to problems or to people’s concerns, but are organizing their actions based on other considerations. They are not attempting to ‘fix’ people or simply solve problems but keep their eye on the intended outcomes or purposes for which they are working.

Choosing or Accepting the Circumstances

To choose is a step beyond owning and responding freely to circumstances. The idea of choice is similar with that of acceptance where we acknowledge not only those things are the way they are, but that they should be the way they are, even when the circumstances are not what we would wish and are assessed as negative. This is a very different state of relating than rationalizing that one can’t help the way things
are. This state is to embrace the change and the circumstances. This notion is very basic to many spiritual disciplines in both the East and the West where we can experience enormous freedom when we acknowledge that ‘reality’ is happening regardless of our point of view or understanding. In fact, one can even at some point notice that by the time our brains can ‘think’ about what is happening in the moment, the moment is already past. This experience is familiar to almost anyone who has participated in sports and been in “the zone”, or to people in the performing arts who have transcended thinking about or controlling a performance and simply expressed himself or herself fully.

In this state of choosing or ‘being present’ one becomes a different observer. A person can observe all sorts of possibilities and choices that otherwise would remain buried in the circumstances. This is a state in which innovation is natural and effortless, even obvious. It is important to note however, that this is also a state in which the circumstances are still ‘out there’ and the observer is still relating to the world as something separate and distinct from the observer. This is the state where leadership comes up as an increasingly creative process. This is also where we can observe a paradox between fully accepting the way things are without any resistance whatsoever and simultaneously creating a commitment to a larger possibility. In this context it is obvious that possibilities are by definition created and leadership is about creating vision and possibility in relationship with other human beings.

**Creating the circumstances**

This way of relating to the world and to circumstances is the state that we normally associate with truly ‘creative’ people’. It is true that some people are born with this capacity ‘naturally’, it is a learnable way of relating to the world and the creative expressions that it makes available begin to approach what we earlier distinguished as breakthroughs. To ‘bring forth’ means to not only to choose a circumstance that is already occurring, but begin to relate to the world ‘as if’ we are creating the circumstances themselves.

Leaders should ‘bring forth’ besides being ‘visionary’ and ‘charismatic’ as they are gifted in their capacity to keep moving forward and creating openings for action regardless of the circumstances. In Shakespeare’s Henry V, the King gives an impassioned speech to his soldiers in the face of insurmountable odds. In doing so, he not only creates a possibility where none exists, but inspires his army to victory. For the leader who relates to the world in this way, a vision is not a big goal or picture of the future, but a powerful ground of being from which to create reality.
Creating the Context for Change

To create here means to distinguish the rare ability that a few people have demonstrated to invent entirely new fields of inquiry. Leaders create new domains, new openings, and new possibilities for others to explore and innovate. This is a very distinctive way of relating to circumstances in which the ‘creator’ is the author of the context in which the creator is relating. To create a context means to be responsible not only for what is being perceived, not only for one’s responses, not only for a generative relationship to the circumstances, but to be responsible for creating the background or space within which the circumstances appear.

Leadership in a context of creating the context for change is often very modest and may seem effortless or so natural as to seem inconsequential at the times. Mahatma Gandhi, for example, was a gentle man who used no force, and yet showed us how not resisting could be a powerful force for change. His leadership did not even seem to be leadership for most of his career and yet from the beginning he was pursing the creation of a new reality. In addition, leaders who live and work in this context are constantly inventing or creating their experience, in this sense they are always beginners, learning and creating in each moment.5

DRIVING TRANSFORMATIONAL CHANGE – AN APPROACH SUGGESTED BY DR. SAMUEL HUNTER, PETE STEINBERG AND MARIA TAYLOR

The research conducted by Dr. Samuel Hunter, Pete Steinberg and Maria Taylor explored that an organization’s ability to move from a static-control to a dynamic-innovative culture is enhanced by the combination of the following four elements:

- Innovation Leaders possess a distinctive set of leadership capabilities
- Rigorous deployment of a set of best practices
- Strategic focus and organizational support for innovation
- Organizational processes for innovation

5 Leadership and Innovation: Relating to Circumstances and Change by Jim Selman
Moreover, organizations those were successful in transforming: 1) had one or more executive champions who actively challenged the status quo and first piloted projects through successful new product launch and implementation, then 2) systemically inculcated each of the four elements. They recommend an approach that combined the latest thinking in innovation leadership with customization to the strategic context to drive change. This approach incorporates the following steps:

**Strategic Review:** Base all initiatives in the strategic direction and goals of the organization taking into consideration the competitive market environment and the business operations.

**Talent and Performance Management Review:** This step involves understanding the existing processes for performance management, talent development, and competency models.

**Innovation Leader Profile:** Create a customized Innovation Leader Profile integrating the strategic context with the Innovation Leadership Capabilities.

**Innovation Leadership Assessment:** Assess the current pool of leaders in the Innovation Leadership Dimensions of Creativity and Innovation Leadership. Identify the capability and quantify the developmental requirements to meet strategic goals.

**Creative Climate and Culture Assessment:** Assess the current climate and culture for creativity.

**Develop the Innovation Talent Management Strategy:** Develop an Integrated Talent Management Strategy for innovation. The strategy should consider the development of existing Innovation Leaders and key cross-functional team members as well as anticipating the future capacity required to meet strategic goals. Elements of the plan include group and individual development plans and a talent identification process including recruiting screens.

**Develop the Innovation Scorecard:** Finally, create a scorecard that links strategic goals to innovation goals as well as to units and individual goals. The Innovation Scorecard balances current, past, and future innovations along with the organization’s current performance review process.

This process encourages the Innovation Leadership development process to be linked and aligned with organizational goals and reinforced through performance management. Without a similar process it is possible that innovation leaders may be developed or the innovation strategy could be successful in
reaching its goals, but those leaders or the goals would not be supporting the organizations long-term strategy.\(^6\)

**Suggestions for Creating A Healthy Innovation Environment**

**No room for FEAR at workplace:** The working environment must be absolutely free from any kind of fear for the employees. Only when the fear goes away from the mind of people at workplace can they generate new and innovative thoughts which shall help in organizational growth and development. Leaders can help developing an absolutely fearless working environment by encouraging active participation from one and all.

**Leaders must be viewed as having high personal credibility:** For the process of innovation to be successful it is important that the leaders should be looked upon as personals with high level of sincerity. Infact, the leaders which their thoughts and actions must put up such examples that people respect them for what they are as a person.

**There must be a culture of account ability that is driven by pride, not fear:** Best possible efforts should be made to give equal opportunities to all within the organization. When working towards innovation, target should be to make a team member realize his/her own abilities and creditability to encourage active work participation. Fear and pressure should not be the criteria to get the work done.

**Encourage mutual trust and respect among team members:** One of the prime objective that must be prioritized by leaders in order to make innovation successful is to encourage a healthy environment where the team members develop a feeling of fellowship amongst each other. Leaders can generate mutual trust and respect among the team members that shall further develop unity in the long run.

**Free environment for expressing thoughts and discussions irrespective of the formal organizational chain:** Individuals must be comfortable conducting tough discussions with those above, below and next to them. Communication must not be restricted by the formal organizational structure, which hinders the free flow of thoughts, ideas and information.

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\(^6\) Shifting to a Strategy Innovation: The Key Role of Leadership in Consumer Packaged Goods Penn State Executive Programs © 2012 Sam Hunter, Pete Steinberg, Maria Taylor.
Focus and commitment on striving to create high performance teams: Innovation can be most successful when efforts are directed towards boosting up the efficiency and morale of the team members. There are numerous ways that be brought in use by the leaders to generate high performance teams for example; incentives, encouragement, appraisal, praise, recognition, promotion etc. The management systems and practices must actively support experimentation by reducing obstacles, simplifying decision-making and promoting enlightened trial and error.\(^7\)

Innovative formal agenda at regular leadership meetings: This approach can be observed among leading innovators. It sends an important signal to employees about the value management attaches to innovation. The employees realize the actual worth of innovation and tend to increasingly cooperate and work towards achieving the same.

Define the kind of innovation that drives growth and helps meet strategic objectives. When senior executives ask for substantial innovation in the gathering of consumer insights, the delivery of services, or the customer experience, for example, they communicate to employees the type of innovation they expect. In the absence of such direction, employees will come back with incremental and often familiar ideas.

Set performance metrics and targets for innovation. Leaders should think about two types of metrics: the financial (such as the percentage of total revenue from new products) and the behavioral. Leaders can also set metrics to change ingrained behavior, such as the “not invented here” syndrome, by requiring 25 percent of all ideas to come from external sources.\(^8\)

Conclusion

Random acts of innovation are only demonstrations that the potential is there but the births are likely to be rare and in most cases troublesome as people object to change. An innovative organization will be led from the top, have people committed to it and an environment where it happens as an inevitable consequence. It starts with leadership and can also be restricted by leadership. Therefore, it is essential to realize the real worth of leadership in the process of innovation within an organization.

understood in the correct sense, only then leadership can be used as an effective tool for making the process of innovation a success.

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