

THE CRITICAL ATTRIBUTES OF Innovation Leaders



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INNOVATION leaders are senior "executive champions" who stimulate, support, steer and sustain innovation in their companies. They share six specific attributes that distinguish them from other senior corporate leaders. Such leaders combine a talent for creativity with firm process discipline. They can accept risks and failures, but also encourage their employees to learn from them. And if a project isn't going to succeed no matter the effort, these leaders have the courage to stop it – discerning when to persist versus when to pull the plug. Innovation leaders are also able to build and steer winning teams, and have a knack for attracting and retaining innovators. They are open to external technologies and ideas, and have the urge to get their workers out to broaden their horizons. Finally, innovation leaders are driven by a passion for their mission and innovation, and an ardour for sharing that passion with

their staff. The ability to balance the different demands together is the hallmark of a true innovation leader.

INNOVATION LEADERS: IS THE PERFECT BALANCE POSSIBLE?

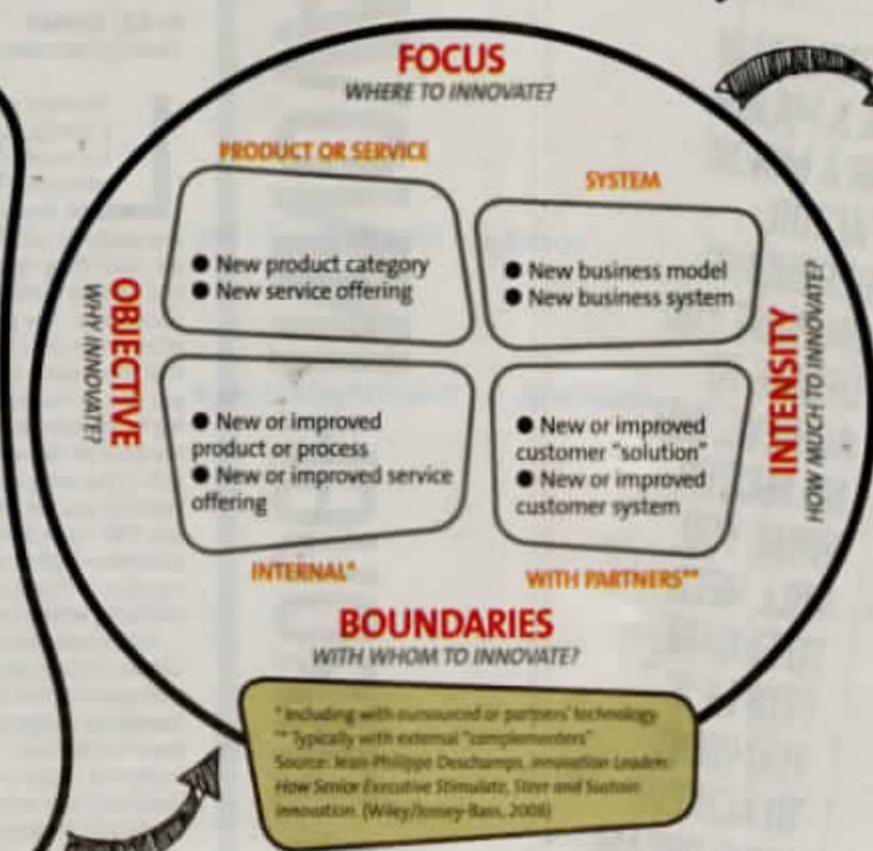
However, not all innovation leaders are equally talented at steering the "fuzzy front end" of innovation, where the emphasis is on applied creativity, and the "speedy back end," which requires sound discipline regarding implementation. Perfectly balanced innovation leaders should be able to steer innovation projects from A to Z, but there are very few of them. Most leaders have a default mode of operation. On one hand, front-end leaders tend to focus on exploration and experimentation. They encourage the search for unarticulated customer needs and promising technology ideas, and tend to authorise innovators to break rules and create a challenging environment. Back-end leaders, on the other hand, are process and execution oriented people who have the discipline, operational knowledge and the urge to

commercialise innovation.

Both front and back-end leaders share some common characteristics, notably strong personal credibility based on their innovation track record, a personal attachment to their products, services and customers and a similar level of passion, even though it may be expressed in very different ways. Innovative companies should make sure they have an adequate and balanced number of front- and back-end leaders in their top management group.

DIFFERENT TYPES OF LEADERS FOR DIFFERENT INNOVATION STRATEGIES

Characterising innovation leaders according to their generic traits and their front or back-end orientation is not sufficient, because innovation does not come in a single flavour. There are different types of innovation strategies and each requires a different type of leader. The four dimensions of an innovation strategy are shown here:



OBJECTIVE - why innovate?
To reinforce a current business or to create a new one?

FOCUS - where to innovate?
Products, services or "systems"?

INTENSITY - how much to innovate?
Radically or incrementally?

BOUNDARIES - with whom to innovate?
Internally or with partners?

Answers to these questions determine four broad thrusts of innovation, with different types of leaders and leadership styles required to implement each thrust. Let's discuss each one in turn.

NEW PRODUCT CATEGORY OR SERVICE OFFERING

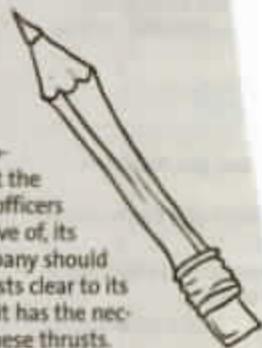
For creating new products or services, companies need "mentors", trusting but challenging leaders capable of setting up and steering venture teams and leading them to market. Their focus should be on sponsoring-providing resources and top management support to the teams, shielding these teams from the traditional encroachment by the prevailing administration that would divert them from their objective, and coaching them through the usual ups and downs of most innovation projects.

ROLE OF CORPORATE MANAGEMENT

It is the responsibility of corporate management to ensure that the leadership style of its corporate officers is compatible with, and supportive of, its innovation strategies. Each company should make its chosen innovation thrusts clear to its entire staff, and assess whether it has the necessary cadre of leaders to lead these thrusts.

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NEW BUSINESS MODEL OR BUSINESS SYSTEM

For steering totally new business models or system innovations, companies need "architects": visionary but pragmatic leaders who are able to assemble internal and external providers of system elements and make them work smoothly together. Their focus should be on visioning, because innovative new business models are generally the fruit of developing a compelling vision, master-planning to ensure all implementation steps are recognised and handled, and partnering with all external system component suppliers.

NEW OR IMPROVED CUSTOMER SOLUTION OR SYSTEM

For the conception and delivery of new or improved customer solutions, companies need "conductors", diplomatic but demanding leaders who will bring the solutions to life. Their focus should be on interpreting customer or consumer insights to address and enhance their real experience, orchestrating the interplay of different actors (who provide an element of the solution) and integrating their input to make the solution truly seamless.

NEW OR IMPROVED PRODUCT, PROCESS OR SERVICE OFFERING

To improve product development performance, companies need "sports coaches"; supportive but tough leaders who are able to motivate their teams day-in and day-out to exceed their development objectives in terms of quality, time and cost. Their focus should be on challenging their teams, forcing them to keep upgrading and speeding up their process; setting stretch goals and measuring performance against these goals.

■ Jean-Philippe Deschamps is emeritus professor of technology and innovation management at the IMD business school in Lausanne (Switzerland). His books *Product Juggernauts: How to Generate Streams of Market Leaders* (Harvard Business School Press, 1995) and *Innovation Leaders: How Senior Executives Stimulate, Steer and Sustain Innovation* (Wiley/Jossey-Bass 2008) have both been bestsellers. His new book *Innovation Governance: How the C-Suite Organises and Mobilises for Innovation* will be published by Wiley/Jossey-Bass at the end of 2013. This article was first published by AT Kearney on the occasion of their Best Innovator Club event in 2008.

