



Innovation Pioneers

THIS BRIEFING PAPER INCLUDES KEY TAKEAWAYS FROM TANK MEETING NR 57, HOSTED BY RISE ON “HOW TO STAY RELEVANT IN A COMPLEX WORLD”.

The Tank Meeting took place on October 27th, 2021 at RISE, Drottning Kristinas väg 61 in Stockholm.

PARTICIPATING COMPANIES & ORGANIZATIONS + GUESTS

Arbetsförmedlingen, Alfa-Laval, Apple, AstraZeneca, Googol, Growth Journeys, Ingka, KTH, Lantmännen, Lindab, Rhubarbs, RISE, Skateovation, Stora Enso, Swedish Match, The()Space by First to Know, UBI Global, Uppsala Innovation, Vasakronan and Vinnova

PURPOSE

The second physical Tank Meeting of 2021 was focused on the topic of how to foster an innovative climate in a complex world of change. How do we balance innovation, personal, organizational and planetary matters whilst navigating a world that is in the midst of a transformation? How do we thrive in change? How can we equip ourselves to meet an unknown future? How can we learn to influence an organization to embrace new ideas? These were some of the topics that were addressed during the day - a day filled with group discussions and insights around the latest research.

ABOUT THE HOST – RISE RESEARCH INSTITUTES OF SWEDEN

RISE is Sweden's research institute and innovation partner. Through their international collaboration programmes with industry, academia and the public sector, they ensure the competitiveness of the Swedish business community on an international level and contribute to a sustainable society. Their 2,800 employees engage in and support all types of innovation processes. RISE is an independent, State-owned research institute, which offers unique expertise and over 100 testbeds and demonstration environments for future-proof technologies, products and services.

RISE also invited Albert Bengtson, Enterprise Business Development Manager at Apple, who is co-authoring the book “The Art of Intrapreneurship” as a guest lecturer.

REFLECTIONS ON THE FUTURE BASED ON PANDEMIC EXPERIENCES

The day kicked off with a Mentimeter word cloud exercise where the participants shared their reflections on the future based on their experiences from the pandemic.



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- Go to www.menti.com and use the code 45 15 01
- # Reflections on Future based on Pandemic experience
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- The word cloud contains the following terms:
- functional based decision
 - the perfect storm
 - discipline for death march
 - irreversible
 - less travelling
 - digital
 - ctrl alt reset
 - platoberende
 - digitized
 - moving patterns
 - possibilities
 - up-side-down
 - process
 - non borders
 - hybrid solution
 - domestic vs non domestic
 - creativity goes digital
 - communication skills
 - formögan digi relation
 - what's the new stress
 - selective
 - relationship to time
 - socio gaps
 - health
 - adaptive
 - humility
 - inseparable
 - zoom
 - office space
 - worklife change
 - die-urbanization
 - anti-fragility
 - ahead kapacitet
 - flexible
 - awareness
 - hybrid meetings
 - home office
 - local
 - trust
 - gasa
 - mental shifts
 - green field opportunity
- Skriv här för att söka
- Windows taskbar icons: File Explorer, Microsoft Edge, Google Chrome, PowerPoint, Settings, OneDrive, Word, Excel, Outlook, Weather (8°C).

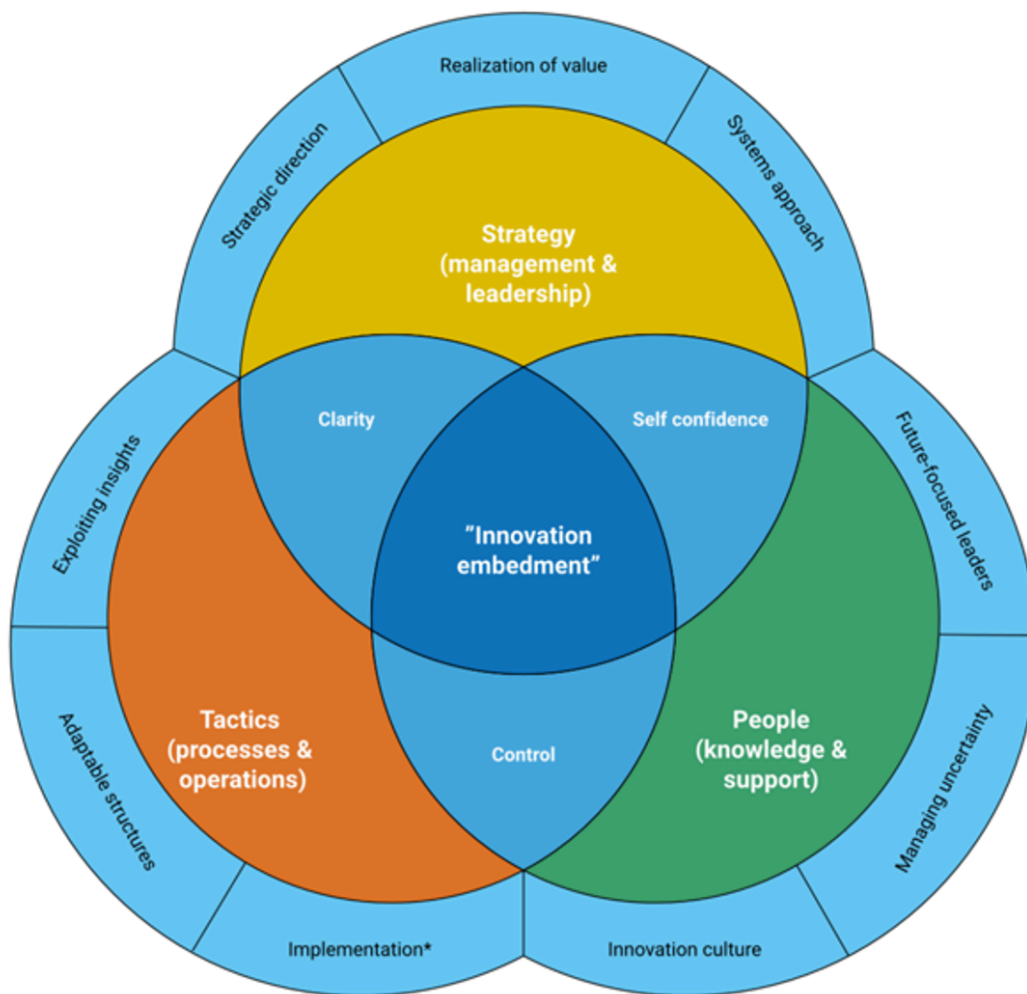
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A global network & learning platform for innovation leaders and learners



Working towards integrating the UN 17 Sustainability Development Goals is on the forefront of most organizations agenda. This complexity puts a big challenge on the organization and its employees. At the deep core, people need to know WHY they are doing things, otherwise, organizations will struggle to get the necessary engagement from their employees to implement new ideas or processes.

How do you increase the innovation capacity within an organization? In order to seek an answer to this question RISE surveyed 18 companies within the process industry and investigated their ability to innovate. In total 3000 survey answers and 2 workshops per organization, combined with Human Interaction Dynamics (HID), boiled down to a model called "The Model of Innovation Embedment".



Take-aways from the model:

- To achieve high innovation embedment within an organization:
 1. The innovation goals need to be clear (**clarity**)
 2. The employees need to have a high level of talent or competence (**self-confidence**)
 3. With clarity and competence organizations can achieve a sense of internal **control**. Clarifying how one's own work contributes to the UN goals is key to achieve both a sense of control as well as self-confidence.
- Typically organizations need to become better at **implementing** innovations

- In order to create a good innovation climate within an organization, a few areas could typically be improved:

Risk-taking: encourage employees to take risks and dare to fail

Trust: create the necessary **psychological safety** for employees to bring forward new ideas and dare to innovate

Challenge: how do we provide employees with the right challenge climate?

Freedom: how do we create necessary autonomy for employees to innovate?

- In order to work with innovation more systematically, innovation would need to be prioritized on the agenda, the same way as sustainability is on the corporate agenda

DISCUSSIONS: HOW TO UNLOCK INNOVATION POTENTIAL IN ORGANIZATIONS

The participants were divided into groups to reflect and discuss the following questions:

1. How is your innovation competence level utilized in your organization?
2. What would you need to unlock the hidden innovation potential in your organization?

Key take-aways from the discussions:

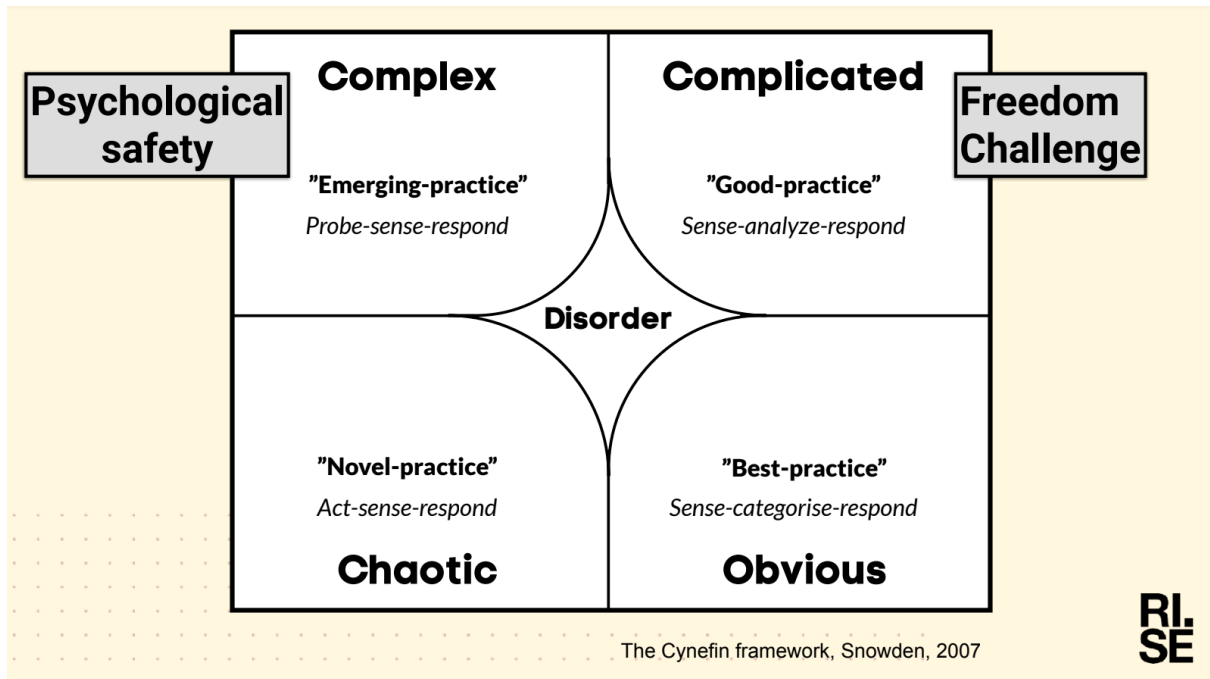
- What is considered innovation and what is product development? Should the brightest people work on innovation or on developing the existing product or service?
- There was a discussion on the fact that not everyone in the organization is ready for innovation work, should you dedicate a team to pre-development or integrate the innovators within the organization?
- One member shared challenges from working at a highly regulated governmental organization, where their key focus was instead to provide employees with the tools to be more innovative in their own work. How do you influence people to become more innovative? In order to do this, communication is key.
- How do you work in an organization when the goals are focused on volume instead of quality (typical for governmental organizations)? Do you challenge the goals or find your own ways forward?
- Reformulating KPIs and goals was a hot topic of the day. Should we focus innovation goals based on *learnings instead of results*?
- The importance of allowing people to bring forward strange ideas is key to fostering an innovation-friendly climate (psychological safety)
- Time is often used as an excuse not to innovate, however, the time excuse is often a symptom of something else, such as a feeling of not having control of the situation or not having the competence needed to address the matter
- Often innovation is restricted by too narrow questions demanding a quick answer or quick return. How can we learn to ask better questions when we innovate?
- Implementing and taking an idea to market was typically the most challenging part of the innovation process, especially if the project lacks a budget
- In order to get innovation prioritized within the company, it is important that innovation is on the management agenda and supported all the way up to the board. There also needs to be ownership of innovation within an organization.
- One way to unlock innovation potentially could be to find quicker ways to test ideas
- What do we need to let go off? Sometimes brand perception is used as an excuse not to implement ideas. How do we move from risk avoidance to intrapreneurship? In order to boost courage and decision-making ability in the organization, it needs to be ok to fail. Using innovation ability as a career path could also be a boosting factor.

BOOSTING DECISION-MAKING ABILITIES IN A COMPLEX WORLD

What is required of us in order to make decisions in different types of situations? Different types of situations require different ways of navigation and we cannot make decisions the same way in every situation. In order to help managerial teams speak the same language



and to aid decision-making, Dave Snowden developed the Cynefin framework in 1999. The model helps management teams to identify what type of situation they are facing and align on a common language on how to tackle the situation.



Take-aways from the Cynefin framework:

- On the left side of the model, in chaotic or complex situations, managers need to make decisions without having the answers. Instead, strategies need to grow and mature over time.
- In order to make decisions in chaos and complex situations, psychological safety is key. Governmental organizations typically over analyze situations due to unwillingness to make decisions in chaotic or complex situations.
- If a company is typically facing “obvious situations” there is a high risk they try to make “best-practise” decisions in chaotic and complex situations
- The model can help highlight the need to stop and reflect so that the management team can learn more about the situation
- We are often trained to face “obvious situations” with a “best-practise” answer as kids in school, where the teacher knows the one correct answer. The model can highlight that this is not always the case.

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DISCUSSIONS: HOW TO UNLOCK INNOVATION POTENTIAL USING LEADERSHIP, TEAM AND ORGANIZATIONAL SUPPORT?

The participants were once again divided into groups and got a chance to discuss how innovation potential can be unlocked with support from:

1. Leadership
2. Team
3. Organization

Take-aways from the discussions:

How to unlock innovation using LEADERSHIP:

- The management team need to set the foundation for innovation within the organization by putting innovation on the agenda, clarifying *why* it is important, include the innovation leader in the management team, building the right corporate culture, clarifying mandates and setting the *right* KPIs for long-term success
- Leadership needs to dare to “kill the fat cat”
- Bridge the gap between the implementation team and the team that takes on the cost
- Set the right incentives and help employees move from prestige to focus on learning
- Shift towards softer managerial style empowering employees to focus on their own learning and development

How to unlock innovation using TEAM:

- Educate team in agile principles to work more flexibly in projects
- Make sure the team understand their own respective roles, ownership and mandates
- Ensure diversity in the organization as well as in the management team
- Don't underestimate senior employees, they tend to often be underused
- “Make it difficult for managers to say no”. There was one example of a company where managers were not allowed to say no to an idea unless they wrote three A4 pages explaining why they said no to the idea.

How to unlock innovation using ORGANIZATIONAL SUPPORT:

- How do we adapt to the organization? Just like we need activity-based offices, perhaps we also need activity-based organizations?
- How can we create organizational safety? “High demands require high level of caring”
- Highlight and communicate the role of HR!
- Help leaders to work on the softer sides of management and provide freedom for the employee
- Accelerate competence by adding new competence to the team mix
- Educate employees and companies within innovation and focus on removing organizational innovation blockers
- Help leaders to focus on innovation by measuring leaders on the right things. Sometimes the fear of getting their core KPIs affected will keep managers from trying new innovative ideas, therefore it is important to include the right managerial evaluation metrics

The first part of the day was focused mainly on the People and Strategy part of “The Model of Innovation Embedment”. The second part of the day focused primarily on Tactics.

PART 2: ANTIFRAGILITY THROUGH THE ART OF INTRAPRENEURSHIP

Antifragility as a concept was presented by the author Nassim Nicholas Taleb which focused on the art of thriving in chaos. In nature, we thrive in distress. Our muscles and immune systems grow stronger when exposed to distress. As we cannot predict the future, especially not the unlikely events such as a pandemic (the Black Swans), then how can we build organizations that adapt and grow stronger in chaos? Meaning, how can we create antifragile organizations and intrapreneurship? How come incumbents seem to have an immune system against innovation? The world is changing faster and faster, and the millennial workforce demand more of their employers. If incumbents don't learn to adapt to the new world they will be outrun by competition.

How do you then create antifragility within an organization? Albert Bengtson presented three

factors, applying the antifragility framework to intrapreneurship, that can increase antifragility in an organization:

1. Increase collaboration and networking between teams to decrease transmission conflicts
2. Build organizational support for intrapreneurship
3. Recruit and build leadership that can lead in both stable and changing system

Three factors to increase antifragility...



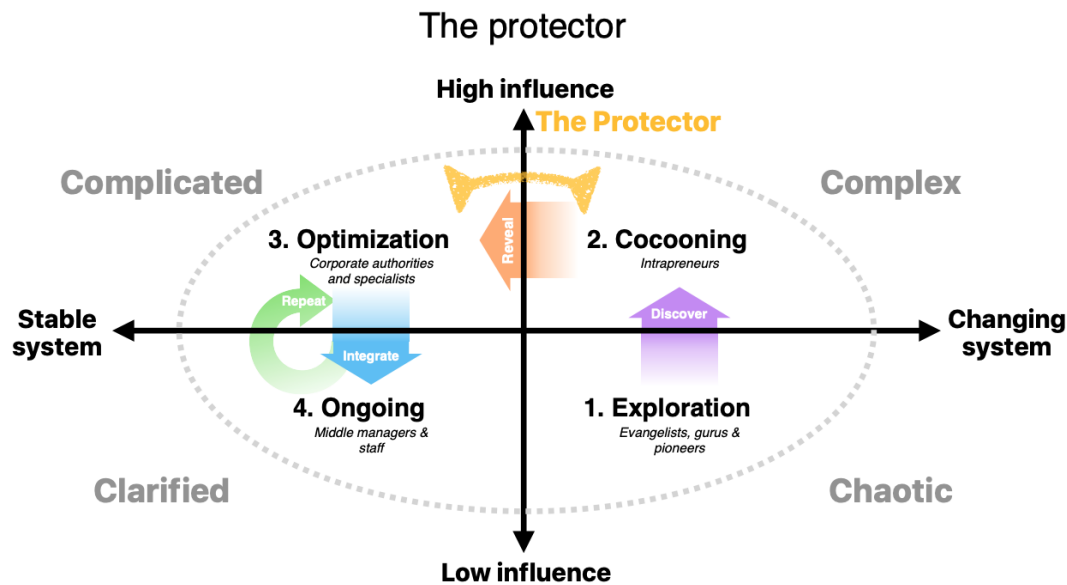
Three factors to increase antifragility...
through the **Art of Intrapreneurship**



Albert Bengtson stressed the importance of making sure all employees know where they are going - the compass - as nobody knows how to get there (nobody has the map). Also we need someone who acknowledges that new innovations do exist. We also need to learn how to balance short-term investments with long-term investments, even though long-term projects are more difficult to forecast financially.

NAVIGATING PROJECTS BASED ON CONTEXT AND INFLUENCE

Albert Bengtson presented a model to help team members understand what type of situation they are facing based on project context (x-axis) and their own level of influence from a company perspective (y-axis).



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On the **right side**, you find entrepreneurs (bottom right corner) who influence the organization externally and intrapreneurs (top right corner) who make a difference within the company. These are divergent personalities who thrive in complex and chaotic situations, who listen, explore and navigate the situation on an ongoing basis. In a chaotic situation there is no right or wrong, as “right” today could be wrong tomorrow.

On the **left side**, you find senior management (top left corner) and employees with clear roles who implement based on direction from senior management (bottom left corner). These are convergent personalities who thrive in clear situations where they can focus on optimization. Senior management builds the map forward and employees often report back problems to senior management instead of fixing the problem themselves.

As the two personality types thrive in different situations this often creates friction when these two personality types meet. The model can help understand these dynamics and help teams to speak a common language.

From idea to implementation - three phases using the model

1. From Exploration to Cocooning

During this phase, the external entrepreneur and an intrapreneur meet and the intrapreneur gets inspired to try one of the entrepreneurial ideas internally. This is a discovery phase and the entrepreneur and the intrapreneur get along well. The role of the intrapreneur is to find a way to implement an idea that fits within the organization.

2. From Cocooning to Optimization

This is the phase when the intrapreneur reveals the idea to management. There is a big risk of a clash as the intrapreneur is excited about the idea and senior management might respond with skepticism. Important to understand in this zone is that two personality types who get energy from different things meet where one person's energy zone is another one's drain zone. If you understand this you can adapt the message to better fit the recipients. During this phase it is also important that the intrapreneur has a “protector”, perhaps

someone in the leadership team or the board who can help protect the intrapreneur from negative reactions.

3. From Optimization to Ongoing

If the idea finally passes through the senior management team, and often the idea has had to be pitched multiple times before reaching this stage, the idea can be realized and put into practise. It is senior management who has the holistic overview of resources who can make the judgement call of how to prioritize the resources. If the idea reaches this stage, this is where the real value will be created.

REFLECTIONS ON ANTIFRAGILITY AND INTRAPRENEURSHIP

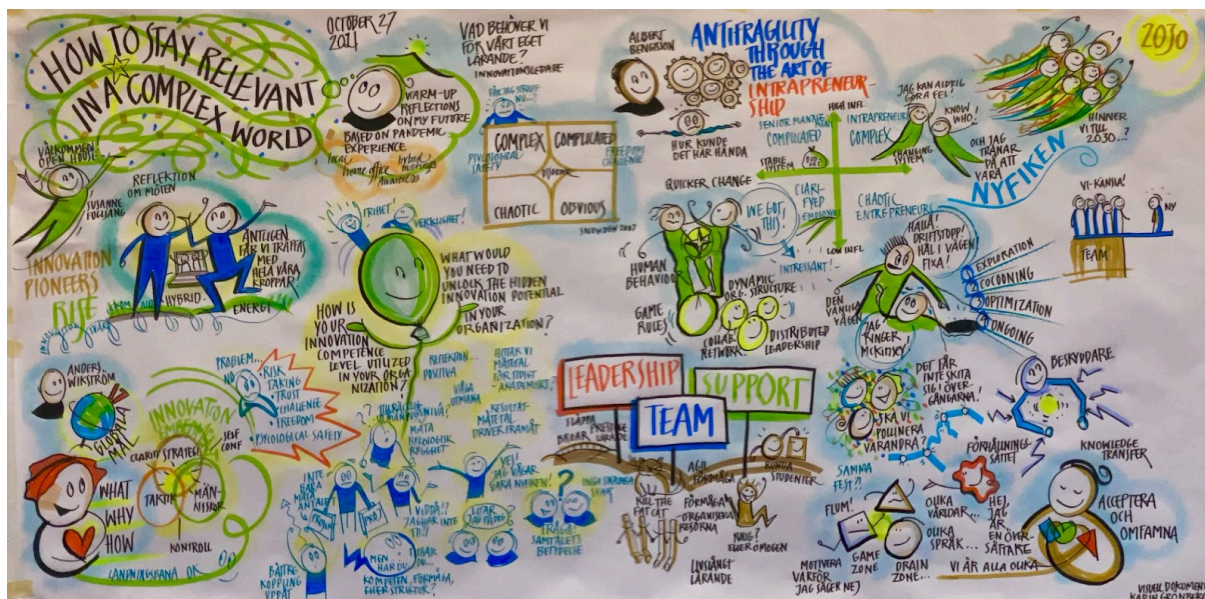
- Often you can be quite vulnerable on the right side, feeling like an “outsider who comes with weird ideas”. Therefore the protector plays a very important role.
- Steve Jobs was an entrepreneur who naturally ended up in the Optimization zone as the CEO of the company, however that led him to be brought down in the Ongoing zone. He then resigned as a CEO to focus on Cocooning, however that led him to being pushed out of his own company until his comeback.
- The model showcases the importance of mastering the art of communication and explaining to the left side the value of what you are doing in a language they can understand (“money talks”).
- The intrapreneur also needs to befriend people in the Optimization and Ongoing zone, otherwise it will be tricky to get ideas realized.
- One member mentioned that she had moved roles within a company as a way to realize her own ideas.
- There are also different types of intrapreneurs, some are good at contribution with ideas and some are good at figuring out how to realize them
- As we are all different, there was a discussion on acceptance. If we can accept and embrace different personality types, it will become easier to work together.
- How do we create support and incentives for learning in an organization? We often don't have incentives to share knowledge within an organization, perhaps we should? Perhaps we need education on how to ask the right questions?

CLOSING THOUGHTS

It was clear that the topic of this Tankmeeting was something that engaged all participants which could be noticed in active conversations and sharing around the obvious challenge to stay relevant in a complex world.

We are so happy to see that all members gradually are coming back to our physical meetings, but we are also aware that meeting habits has changed dramatically post corona. So we are working on new formats for 2022, stay tuned for more information soon.

What better way to celebrate being back in the physical world than to document the insights and co-learnings on a physical painting by Karin Grönberg.



Thank you to our longtime Initiator member RISE Research Institutes of Sweden for hosting us this time. A special thanks to Pia Wågberg and Anders Wikström with colleagues from RISE for taking care of the preparation, facilitation and sharing the research and to Albert Bengtsson for the inspirational talk about “Antifragility through the art of intrapreneurship”.

SHARED DOCUMENTATION

Presentation from Anders Wikström - RISE and Albert Bengtsson is available for download on Member's Area at our website:

<https://www.innovationpioneers.net/members-area>

If you are a member and have forgotten your password, contact Susanne Fuglsang.

UPCOMING DATE

10th of November 2021

De-Urbanization Lab Roundtable – co-hosted with KTH and Vasakronan -LIMITED SPOTS

CONTACT

For questions, comments or suggestions, please contact Susanne Fuglsang at susanne.fuglsang@innovationpioneers.net.