How Organisations Can Cultivate Innovation Catalysts



By Manuel Sosa , INSEAD Associate Professor of Technology and Operations Management

The most innovative leaders possess special skills that cannot be entirely taught. But they can be learnt.

Given the highly complex, uncertain and dynamic environments facing all firms nowadays, it is more important than ever to prepare your organisation to tackle any business challenge with an innovative mindset. That is the only way to transform existing and emerging threats into opportunities for future success. Accomplishing this requires a special type of leader – a type I call the *innovation catalyst*.

Years of research and various collaborations with some of the world's most innovative companies have given me ample opportunity to study innovation catalysts at work. I've seen that what distinguishes them is a set of three fundamental capabilities:

 The ability to uncover user-centred insights and transform them into innovation opportunities

- The ability to transcend existing problem-solving approaches and ideate novel, creative solutions to business challenges
- An aptitude for enabling agile experimentation

To break it down further, innovation catalysts are characterised by their insightfulness, creative thinking and agility.

Every organisation needs innovation catalysts at all levels of management – the larger the organisation, the more of them it needs. As things stand, there are not enough of these precious individuals to go around. That is the bad news. The good news, however, is that the three key skills outlined above can certainly be learnt. Since 2017, I have helped business leaders learn them in my yearly Innovation by Design executive education programme. Yet these skills cannot be taught – at least, not entirely. If you're puzzled or intrigued, keep on reading.

Innovation catalysts and design thinkers

In many respects, the unique skillset of innovation catalysts resembles design thinking, which has become a central concept of business learning. Like designers, innovation catalysts use unconventional cognitive strategies and disruptive creative approaches to untangle problems that are unsolvable by standard means.

However, there is more to becoming an innovation catalyst than reading books on design thinking or taking a typical course on the subject. This is true for two reasons. First, having a design skillset alone is not enough to innovate in business settings. As is well known, Steve Jobs did not design products himself; rather, he excelled at conjuring the best resources to create meaningful and transformational innovations. His ability to integrate the value of design into Apple made him one of the greatest innovation catalysts the world has ever seen.

Second, I have found in my research that a large part of design talent is nuanced and subtle – the outgrowth of instinct and intuition as much as learnt technique. While technique and process can be conveyed in a standard academic format such as a lecture or workshop, the unconscious knowledge of professional designers does not translate well in those contexts. Yet, such a design mindset can be quite useful to solve business problems in innovative ways.

Hence, innovation catalysts are those who understand the value of design and integrate it well in the organisation to solve business problems. They also recognise that understanding the value of design requires not only learning design techniques but, most importantly, internalising the design mindset.

Creative stars

If you want to learn a new language, most experts agree that full immersion is a superior method. Similarly, the best way to internalise the design mindset is to work alongside designers to solve concrete business problems.

My recently published research bears this out. Studying U.S. design patents for the years 1975-2010, my co-authors and I found that **designers who collaborated with "stars"** (i.e. those with the most-cited patents) in the field were more likely to become stars themselves. This phenomenon had less to do with self-selection than with the nature of the collaboration. We found that stars possess special creative skills – such as the ability to combine unlikely elements into novel ideas which they refine into great innovations – that rubbed off on those they worked with.

Just as collaborating with stars enables non-star talents to evolve, design novices such as business executives can absorb key innovation competencies by working with gifted designers, both star and non-star.

Management consultancies have caught on to this notion as well. Witness the recent launch of the <u>McKinsey Design</u> division, a product of the consultancy's prior acquisition of two design firms: Lunar in 2015, and Veryday in 2016. As Benedict Sheppard, a partner at McKinsey Design in London, put it: "If we can take the end pieces of strategy and operations, and now bring the actual design capabilities, then we can do something quite extraordinary." Rival professional service firms Accenture and Boston Consulting Group have also acquired design houses to enrich their advice with the same unique innovation perspective.

Innovation by Design

INSEAD's Innovation by Design (IBD) programme was created with these trends very much in mind. A three-and-a-half-day highly experiential learning experience held in Singapore (at INSEAD's exclusively designed Creative Garage), it has business practitioners team up with designers from

California's renowned **ArtCenter** to solve realistic innovation challenges.

The programme's activities focus on developing the three main attributes of innovation catalysts: insightfulness, creativity and agility. Through business cases, participants explore how innovation catalysts act in various organisational settings, including the public sector as well as firms such as Apple and McKinsey. The programme includes time for reflection so that participants can contemplate how best to apply their new skills in their organisational roles.

Obviously, innovation cannot be taught in a few days – or months, for that matter. What organisations can do, however, is create an experiential working environment involving close collaboration with designers. To ensure the organisation reaps the benefit, managers should then be given free rein to exercise their budding creative powers.

For more information on the Innovation by Design programme, watch **this video**.

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