

## Middle Managers: The Forgotten Heroes of Innovation



By Ben M. Bensaou , INSEAD

### **The importance of building a support network to implement promising ideas.**

For many organisations, the biggest challenge of innovation is not coming up with good ideas, it's making sure those good ideas are noticed and acted upon. This is a particular challenge for multinationals, such as global pharmaceutical and health company Bayer, which have thousands of staff spread across numerous departments, countries and regions – all with the potential to create good ideas.

The answer for Bayer was to build a framework to integrate and nurture innovation. This structure helped middle managers facilitate a culture of innovation throughout the company.

### **A blueprint for innovation**

These observations were made during research for my book [\*Built to Innovate\*](#). The book's aim is to map out a proven system for embedding constant innovation, which I define as an innovation engine, into an organisation's DNA. At its heart, this system identifies three key processes: creation, reframing and integration.

As I've explored [in a previous article](#), creation is about giving employees the tools and motivation to generate ideas. [Reframing](#) is about challenging assumptions that may hinder innovation by encouraging team members to change their mindsets and reimagine their ways of working.

Speaking [at a webinar](#), Monika Lessl, SVP, Bayer's Head of Corporate R&D, Social Innovation and the Bayer Foundation, agreed that creation needs to take place across the company: "Innovation is often just defined as R&D. But that's not enough, we realised it's important to involve everyone in the innovation process and make it accessible across the company."

Integration is the process by which the dispersed innovating capabilities and resources within a firm are brought together into a corporate-wide innovating capability. Put another way, the integration process encompasses two main elements: "connecting the dots" between all the new ideas that are springing up from around the organisation; and selecting, channeling and testing those ideas and deciding whether they are worthy of implementation.

As Lessl put it in an interview for the book: "We've learned creation is not enough ... The idea is critical, but the translation to bring it to life and our understanding of the underlying problem is where we often fail."

### **The need for an innovation network**

This perhaps explains why Bayer, a 150-year-old company with a long and illustrious pedigree of inventing innovative products, has devoted so much time and effort to developing an environment that truly supports their employees' potential for innovation.

With three separate divisions and a presence in over 30 countries, Bayer relied on a hierarchical structure that offered clear lines of communication and strict operational procedures. While ideal for day-to-day operations, this rigid system allowed little room for innovation.

The solution they fixed upon was to develop a dual system approach, creating a separate horizontal innovation network that was more flexible and allowed for simpler lines of interaction, collaboration and communication across the company.

This approach closely illustrates my argument in *Built to Innovate*: All successful innovative companies simultaneously operate an execution engine for day-to-day operations and an innovation engine that allows employees to dedicate time to generating new ideas.

The process of developing this network started at the very top, with Bayer's whole board given responsibility for innovation. This innovation committee then selected 80 senior managers, spread across all country groups and global functions, to act as 'innovation ambassadors'. These ambassadors focus much of their time working with the company's middle managers, promoting innovation concepts and techniques that managers can share with their employees.

### **The role of middle managers**

One of the big findings as I wrote my book was this: Middle managers are a vital part of innovation. Although they are often overlooked, without middle managers innovation is lost.

Senior leaders must face the reality of an increasingly uncertain business environment, so they naturally recognise the need for continuous innovation. Meanwhile, frontline employees are interacting with customers and their issues on a daily basis, so they, too, fully grasp the need for innovation. But middle managers are typically focused on the execution engine, which means they can often be detached from the pressures to innovate, even seeing time spent on innovation as an unwelcome distraction from day-to-day objectives.

Yet middle managers form an important bridge between senior leaders and frontline employees. It is middle managers who have the power to give employees the time and motivation to innovate. And it is the middle managers who can make sure that any ideas generated are refined, filtered and, if worthwhile, brought to the attention of senior leaders. To help support this crucial role, Bayer trained more than 1000 innovation coaches between 2016 and 2020. Situated in every country where Bayer operates, these coaches help middle managers coach and motivate their teams to

innovate through a range of activities. These include co-creation sessions, lunch-and-learns and small group workshops, known as *fast sessions*.

Local innovation coordinators offer further assistance. Their role is to review the ideas generated, give prompt feedback and connect innovating teams and new ideas within the organisation. The coordinators help remove any pressure on middle managers to spot good ideas, while also shutting down bad ideas before too much time and energy has been wasted on them.

### **Making innovation accessible**

This cross-company innovation framework at Bayer is supported by WeSolve, a digital platform that allows all employees to post any challenges or problems they are facing. Issues submitted can range from a frontline worker in Spain trying to help farmers monitor pesticide levels, to a manager in India asking for brand name suggestions for a new product. The critical part is that any employee from any department, regardless of job title or training, can visit the forum and post potential solutions to any challenge.

The response has been impressive. By 2020, more than 200 problem-solving challenges were being posted every year, and over 40,000 employees had participated. Particularly interesting is the fact that two-thirds of the best ideas for solutions come from people working outside the division or functional area where the issue originated. WeSolve allows all Bayer employees to innovate by sharing and connecting their innovation challenges and new ideas.

Bayer is not the only company to understand the need to develop such an innovation engine, nor is it the only one to understand the importance of getting middle managers to champion innovation. At Kordsa, which manufactures fabric to reinforce tyres, it is the mid-level managers who create the time and space for the frontline employees to innovate. They also act as the first line when it comes to reviewing, filtering and selecting potential ideas to be transferred to the organisation's execution engine via their 'stage-gate' filtering process, which I discussed in more detail [in my previous article](#).

Financial services giant Allianz UK takes things further by incentivising middle managers to get their teams to spend time innovating through an innovation league table. Obviously, no manager wants to rank badly in the league, so the ranking system creates a new motto for middle managers:

“Give permission to innovate and make others jealous.” Allowing innovation to take place in your team gives you the chance to finish above your peers in the league.

Integrating innovation throughout a company is crucial to ensure a continuous flow of creative and actionable ideas. This requires the existence of a formal innovation network that sits alongside the execution engine and supports and incentivises the involvement of middle management. While they are the oft-forgotten foot soldiers of innovation, they play a key role in championing and channelling promising ideas to implementation.

*This article is part of a series using specific case studies from the book **Built to Innovate** to highlight the three processes - creation, integration and reframing - that will allow a firm to develop an innovation engine.*

#### Find article at

<https://knowledge.insead.edu/leadership-organisations/middle-managers-forgotten-heroes-innovation>

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#### About the research

This article is based on the book **Built to Innovate: Essential Practices to Wire Innovation into Your Company's DNA**

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