



OE Cam

Disruptive Talent



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Contents

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Number 7 Issue 1 2014
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2 The Ecology of Innovation and Disruptive Talent

By Mark Goodridge

We all say we want more of it, but actually innovation is an uncomfortable fit with many large organisations. Organisations like structure, deadlines and rules; but the entrepreneur needs space to think and the freedom to act... In our lead article, Mark Goodridge explores how organisations need to create the right environment for innovation to flourish. And it's not just about regular entrepreneurial talent - we're talking disruptive talent; individuals who will really shake things up and spark more revolutionary change. How do organisations channel (tame!) the Maverick?

6 Hold on Tight!

By Paolo Moscuza

Paolo Moscuza shares his experience of identifying, assessing and developing Disruptive Talent; individuals who "think and act differently, who innovate, challenge conventional wisdom and practice, spot trends, see commercial opportunities and tenaciously find new and better ways to deliver business success". How to bring out the 'good' side of disruptive, manage the 'bad' and the crucial process of onboarding.

12 Opportunities for Disruptive Talent: how boundaries can set you free

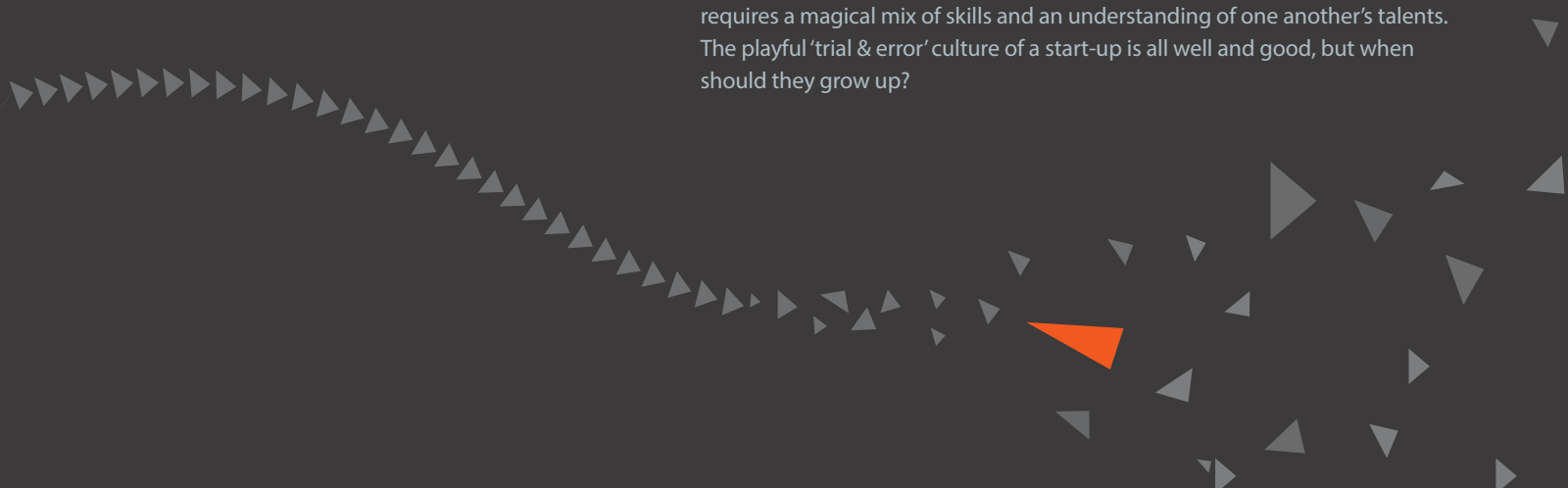
By Gary Ashton

What's your appetite for disruption? Just how much speculative investment are you willing to risk and for how long? Employer brands often entice talent with the promise of freedom to 'play', to work on innovative projects that push boundaries and explore new ideas. However, the reality is that 'business as usual' can get in the way. Gary Ashton reveals five ways in which organisations can create opportunity for disruptive talent to succeed.

16 Here's to the Crazy Ones!

By Susan Carroll

Susan Carroll reflects on her time at Apple - how the mix of passionate, talented and some 'crazy' individuals pulled together for collective success. It's not sufficient for a business to simply have ideas; to make them a commercial reality requires a magical mix of skills and an understanding of one another's talents. The playful 'trial & error' culture of a start-up is all well and good, but when should they grow up?



Disruptive Talent

For many years OE Cam has supported organisations in defining, assessing and developing talent. Typically, we are called in to help find people who possess the right competencies, behaviours and character strengths to deliver outstanding results, and at the same time underpin and align with the business culture; who will effortlessly become part of the team, and help the organisation deliver its agreed strategy.

But increasingly often, top teams recognise they need talent that thinks *differently*, individuals that make a few ripples in the pond and offer a really fresh perspective. When they see 'different' – be it in the recruitment process or within their organisation - there are sparks of excitement and a newfound energy around future potential business opportunities.

As Business Psychologists, we are able point out the 'watch outs'. Supported in the right way, this talent will deliver what the business really needs, but equally, there is a risk that they could derail and have a negative impact.

We call these individuals 'disruptive talent' and our experience suggests that many organisations now recognise that if they harness this talent in the right way, it can lead to significant competitive advantage. We define Disruptive Talent as:

"Individuals who think and act differently, who innovate, challenge conventional wisdom and practice, spot trends, see commercial opportunities and tenaciously find new and better ways to deliver business success"

Most organisations have hi-potential programmes or talent initiatives to identify and develop the next wave of leaders to move the business forwards. But you may not find disruptive talent in these programmes; people to precipitate, implement and lead new and game-changing initiatives and ventures.

In this edition of *The OE*, we explore what we mean by Disruptive Talent, why you need it, how you can assess it, develop it, and create the right organisation environment for it to deliver spectacular commercial success.

We hope you enjoy this edition of *The OE* and look forward to your feedback.

Martyn Sakol

MARTYN SAKOL
Managing Partner



The Ecology of Innovation and Disruptive Talent

by **MARK GOODRIDGE**

I once turned up to meet the Director of Engineering of a national transport company. It was a first meeting and I was late. He was not happy; “If you can’t even get here on time then I can’t see how you could ever help me” he growled. I protested that it was a failure of one of his trains that had delayed me but to no avail. That was my problem; I should have taken an earlier train! The conversation was going nowhere when I spotted on his bookshelf a copy of a book I had co-written on technological innovation. My lateness was soon forgotten as we discussed our experiences of innovation. We worked well together for many years thereafter.

The book that saved me on that day was in some ways ahead of the curve. Its focus was on fostering technological innovation within companies, stimulating R & D departments and putting innovation onto the strategic agenda. It was

based on research Brian Twiss and I had carried out amongst innovative firms in the US, Europe and Japan. We combined looking at the ‘hard talk’ of technical development and strategy alongside the ‘soft talk’ of culture and competence. In part, we drew on Gifford Pinchot’s work on Intrapreneurship, which set out a charter for innovators surviving in the big corporate environment. This includes:

- Come to work each day willing to be fired
- Circumvent any orders aimed at stopping your dream
- Work underground as long as you can; publicity triggers the corporate immune mechanism
- Never bet in a race unless you are running in it
- Remember that it is easier to ask for forgiveness than for permission
- Honour your sponsors.



Throughout our book we assumed that corporations can best innovate if they stimulate the right environment or 'ecology' through attracting and developing the right people and being prepared to modify culture away from the conformity that the culture word too often implies. We recognised that innovation is an uncomfortable fit with the large organisation that has built its success on a current portfolio of products and services with incremental advancements keeping it ahead in the marketplace. The more radical changes pose threats for existing orders. Individuals whose reputation has been built on the current may not view kindly those threatening to take their base away.

'Innovation' is always on the business agenda with almost all organisations investing time and effort into finding the next big

idea or ways to move the business forward. Indeed, steady, small, incremental changes are part of human evolution – the majority of people naturally seek out better ways of doing things. But the majority of us are also 'wired' to fit in, not take risks and maintain harmony in the tribe. Sometimes leaders recognise that a more radical change is needed – a revolution – if the business is to survive. To drive this kind of change through requires a different kind of person and the business knows that bringing them in will almost certainly be risky, disruptive and painful...

It's not an easy task. As Machiavelli is often quoted as saying:

"there is nothing more difficult to take in hand, more perilous to conduct, or more uncertain of success than to take the lead in the introduction of a new order of things, because the innovation has for enemies all those who have done well under the old conditions and lukewarm defenders in those who may do well under the new"

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“...individuals who think and act “differently”, who innovate, who challenge conventional wisdom and practice, spot trends, see commercial opportunities and tenaciously find new and better ways to deliver business success.”

OE Cam considers executives leading or triggering this change to be ‘Disruptive Talent’. These are individuals who think and act “differently”, who innovate, who challenge conventional wisdom and practice, spot trends, see commercial opportunities and tenaciously find new and better ways to deliver business success.

As well as disruption to the normal way of doing business, the individual may be seen by others as having ‘disruptive’ characteristics – being arrogant, destructive, argumentative or even psychopathic.

However, it’s not simply down to the individuals; the organisation needs to create the right conditions in which disruptive talent can flourish. Indeed, during my time as CEO of ER Consultants, I sponsored some research with Cambridge University. “*Acquisition for Innovation*” by Dr Elizabeth Garnsey looked at what happens to tech start-ups around Cambridge when they get taken over by large corporates. We found large businesses that had mostly spent their R & D investment in their own dedicated research centres, increasingly spreading their money into the sponsorship and support of promising business start ups. This often led them to acquiring the start-ups once they had some promising technology or science to exploit. This shifts the innovation risk profile toward the entrepreneur and favours those who have had the drive and independence to find early stage funding to pursue their dream.

Some of the research results were pretty depressing. The issues were less to do with the innovations themselves but more to do with how the entrepreneurs felt they had been treated once they had become part of the larger firm. The corporate blanket had been put over them, they were excessively systematised and bureaucratised, the life was being squeezed out of them and few firms had gone on to further innovate beyond the technology that had initially caught the big firm’s eye.

The talent was in the start-ups but that talent did not thrive in many large corporate cultures. Entrepreneurs entered companies with high hopes of getting the investment to really make their innovation take off and assuming their freedoms would continue. In fact they tended to find laborious investment procedures, executives in the parent firm remaining to be convinced that the acquisition was a good idea and a requirement to conform. One entrepreneur was quoted as

saying that working in newco was like “having your child beaten up in front of you every day as you tried to convince sceptical audiences of the merits of your innovation”. It had been the business development teams that had identified the acquisition but with little engagement of those in whose hands the success of the project lay - leading to hostility, bitterness and the exit of the ‘disruptive’ entrepreneur.

Where these acquisitions worked really well was when relationships were nurtured, investment forthcoming, independence sustained and successful products launched. Bridges were built between the entrepreneur and the business. Innovative units were kept separate with networking and collaboration encouraged. For some entrepreneurs the long-term career will never be in the large corporations but where they did leave, the technology had been transferred, a viable business had been created and the entrepreneur had left the acquiring company positively to go and start again.

The innovation ecology has changed and with it the balance of “big R & D” and the “venturing” models. Space travel was once the territory of the big state innovation machine (NASA) – lots of great ideas came out of NASA on how to manage innovation. But times have moved on, technologies progressed, nation states have tired of the huge investment (big R & D) with uncertain results. Out in the Mojave desert there is now a cluster of firms building the space travel vehicles of the future, competing and collaborating and sponsored by some big entrepreneurs such as Richard Branson and Steve Balmer of Microsoft.

So where does disruptive talent fit into this “ecology”?

Creativity and innovation are hard to bottle. Invention is a long way from innovation. Innovation is the creation of a new product or service and taking it to market successfully. Its success depends in part on the product but also the ability to hit the timing, the ephemeral market appeal. An iPad launched in 2014 will have a different success profile to the one Apple launched in 2011.

Many academics have sought to define exactly what it is that makes individuals innovative. It’s more than just the novel or original ideas; it’s about spotting the idea that will fly and seeing it right through to successful implementation – despite

resistance, despite conventional wisdom. Research into personality (Five Factor Model) links high innovation with high levels of openness, low agreeableness and low levels of conscientiousness. The jury was out on extraversion vs. introversion and inconclusive on levels of neuroticism !!

It's possibly the extent of 'low agreeableness' that is likely to be the differentiating factor between 'traditional' and 'disruptive' talent. Hi-potential programmes may correctly identify and develop regular talent but if your business is looking for people to lead a revolutionary change, you may need to look for those who do not fit – find the ones who are a bit less cooperative.

Disruptive talent is just that, disruptive. How we distinguish between 'disruptive' and 'delinquent' talent is vital. Innovators are disruptive; they disrupt the status quo by creating something new and different. However, all disruptives aren't innovators. I'm currently working with the Intellectual Property Office that registers UK patents - more than 90% of registered patents never see the light of day in a product or innovation. Patents are the product of creative disruptives and their success rate is low; there are many more disruptives out there who are not creative.

We need to differentiate between the maverick and the loose cannon. The maverick has a mission, focus intense and an insatiable drive to create something. The loose cannon a scatter-gun that fires mayhem in every direction.

in a number of key factors each with their own questions – what we can do is increase our probabilities by stimulating all these factors coming together to deliver a market winning result.

The individual questions are: can we identify innovative talent; can we develop it; can we channel it?

The leadership question is: how can we motivate and build the commitment of the entrepreneur whose first loyalty is to fulfilling their dream rather than the firm?

The organisational question is: is it better to try and innovate within existing organisations or set up separate new ones to drive a new product or service to market?

The culture questions are: can we manage failure; can we create a different set of performance metrics that are more reflective of the longer-term and less certain process of innovation; can we lead multiple cultures?

The economic questions are: how far should we stretch the risk: reward equation? To what extent do we need to give the entrepreneur a "share of the action" and ownership in the enterprise or will a success bonus do?

The market question is: how do we assess the market opportunity? How much do we invest in market research or like Apple are we thinking beyond what the market has current identified need of?

“ Hi-potential programmes may correctly identify and develop regular talent but if your business is looking for people to lead a revolutionary change, you may need to look for those who do not fit – find the ones who are a bit less cooperative. ”

Managing the disruptive innovator brings its own challenges – the intrapreneurship charter is not one that is easily managed. Leaders have to legitimise disruptive ideas and actions, in other words make it ok for one part of the business to act and behave differently than another whilst keeping an overall sense of business cohesion.

In the end, it strikes me that innovation is a probabilistic game with few certainties. The question is how can we cast sufficient rational, reasoned and serendipitous opportunities onto the marketplace to ensure that some are successful? The answer lies

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Hold on Tight!

by **PAOLO MOSCUZZA**

'Disruptive' and 'talent' are two words that historically have *not* been connected and in many organisations being disruptive is seen as a barrier to being talented. In this article I am going to describe the benefits to organisations of correctly using disruptive talent and explain the challenges of assessing and developing it.

Talent and the Paradigm Shift

I recall coaching a Finance Director who described to me the need to 'hold on tight' every time a certain new MD came into the room. He knew she (the MD) was what the business needed and over time this was proven to be correct. However, because she challenged so many assumptions with piercing questions that nobody else would even think of asking, he had to hold on tight to his reaction, which instinctively would have been to attack her.

In recent months my colleagues and I have carried out a number of experiments to look at disruptive talent. For example we have asked many directors to write a list of the most disruptive people in their organisations. We then asked them to write a list of the most talented people in their organisations. We have consistently found that the individuals

who appear on both lists (usually very few) are talented because they tenaciously challenge existing norms, do things differently and in doing so directly or indirectly generate clear financial value to the organisation. i.e. their success is linked to them being disruptive.

Disruptive talent refers to individuals who think and act “differently”, who innovate, who challenge conventional wisdom and practice, spot trends, see commercial opportunities and tenaciously find new and better ways to deliver business success.

However, unlike ‘conventional’ talent the individual always comes with a disruptive element. Some of the disruptive element is directly linked to their success at delivering outcomes e.g. challenging the allegedly untouchable existing norm in the pursuit of innovation. Some of the disruptive element is so annoying that it becomes a reason for others to want to derail them. E.g. not following norms. If they are disruptive without the talent to add value they are more like delinquents.

Organisations continue to try to develop formulas that line up the appetite for diversity with ensuring conformity, quirkiness with charters of behaviour and creativity with rulebooks. Disruptive talent ticks the diversity, quirkiness and creativity and disrupts conformity, desired behaviour and rulebooks.

Let me give you an example. One of my coachees (Aldo) was brought into a cautious professional services organisation to generate new business within a very difficult, but much higher margin, area of the market – one that the organisation had hardly touched. He had a strong track record in that market and quickly started focussing his energy on finding potential clients and introducers to clients. However, he turned up late for internal meetings, gave little away, was very slow to respond to internal e-mails (if at all) and when asked for his view on things he often gave contrarian views quite passionately and undiplomatically.

When Aldo applied to funding for a key project it was rejected because he had completely failed to influence internally. His reaction was that the higher margin work required much more of his time and energy to be devoted to building considerably closer relationships with potential clients and demonstrating he could deliver creative bespoke solutions; therefore he had much less energy available for internal bureaucracy. The way in which he directed his energy was so extreme that he initially failed to build trust and gain the backing of key individuals.

Aldo was the right disruptive talent needed to bring about a significant shift in sales, but the business just brought him in rather than engineering his entry as part of a disruptive talent programme. A disruptive talent programme is one where disruptive talent is identified from within an organisation or deliberately brought in to the organisation and conditions are created to maximise the chances of the talent succeeding. In contrast to traditional talent the conditions have to be right for disruptive talent to succeed because the person will not adapt and fit into the status quo.

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When Disruption is Necessary

Recognising when disruptive talent is needed is the easy part. There are three key contexts where our clients have asked us to help them find disruptive talent:

- Generating revenue in a new area where the approach required is different to the existing norms. In the example of Aldo above, the relationships he built to really understand the scope of creative solutions required were essential and completely different to the norms in the organisation
- Organic growth where creativity is required that will challenge conventional wisdom with suggestions that may be labelled as insane. Aldo also fitted in this category
- Acquisition growth where the organisation is currently unable to spot opportunities because their radar is too restricted. In these situations the ability to find reasons not to go into a new market overrides any calibration of the opportunity in the new market with personal preservation being at the core.

All three scenarios are ones in which 'conventional' talent alone will take too long. Individuals who would challenge the status quo, who could 'connect the dots' despite ambiguity and tenaciously pursue new/better ways of doing business were needed to propel the business forward.

"We will never hire someone who behaves like that again!"

However, assessing disruptive talent is somewhat more complex than assessing traditional talent. This is partly due to identifying it correctly and also because it rarely works in isolation. One or two key individuals around the disruptive talent many work as catalysts to spectacular successes or memorable failure and the mantra "we'll never hire anyone who looks, sounds, thinks or behaves like that person ever again!"

Traditional assessment approaches work as follows:

Disruptive talent are often the 'outliers' (see Diagram 1 below) individuals whose overall assessment performance does not reflect their potential impact (very positive in the right context and very negative in the wrong context). In the right context and at the right point in time they could have a disproportionately powerful impact on the organisation. At the wrong time and wrong place, with snipers around them, they may not last one year or they become institutionalised and lose what they could have brought to the organisation.

OE Cam uses a variety of techniques to assess the potential for disruptive talent and how to land the individual effectively. In our ERCONIC™ assessment we look at the whole life of the individual along with personality profiles to understand their approach in detail. We use exercises, case studies and simulations that allow traditional talent to generate the text-book approach and disruptive talent to come up with something off-centre that may just be a game changer. We pull this information together and develop a strategy for bringing out the 'good' disruptive side and managing the 'bad'. We then work with them to ensure the right team is around the individual; a team who will tolerate the right things and challenge the wrong ones.

Diagram1: Predicting Performance



Learning to Embrace Disruption

The 'On Boarding' of disruptive talent is not a nice to have, it is absolutely *critical* and very often there will be a lot of emotion along the way. Of course the most emotional part of all is when the person who brought in the disruptive talent has second thoughts and I get a call. I had this with Aldo's CEO who called me up because Aldo had upset a long serving member of staff (Leanne) and he asked me to sort things out. As I unpicked it with the CEO, it quickly became clear that Leanne had been schmoozing the board members to stir things up – Aldo was raising standards and Leanne was quite threatened and was using all her relationship power to discredit Aldo. In this case Aldo was doing exactly what he had been brought in to do – raise the bar, which he successfully achieved. Reminding the organisation of the reason why they brought Aldo in may seem obvious but his purpose was quickly lost through all the emotion.

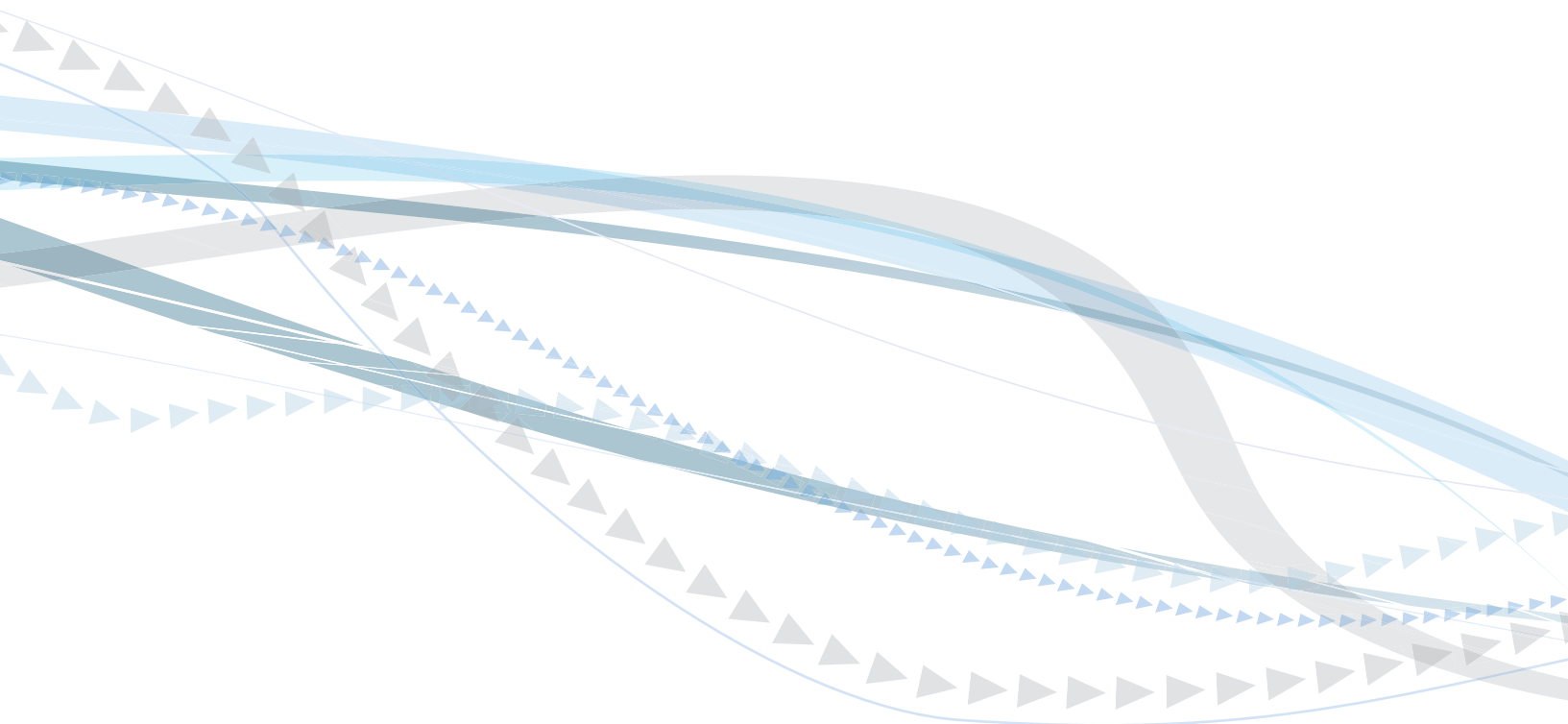
In other situations mismanaged disruptive talent can lead to diametrically opposite views of the individual. Mary was an example of Disruptive Talent that was brought in by an MD to

modernise a department but he didn't tell anyone (including her boss) that he wanted radical change. She was given mixed messages, the MD was telling her to go change things and her director was telling her to slow down and learn the ropes before trying to introduce new ideas. Then everyone polarised – the MD thought everything she did was great, her director thought she was a problem and the team started to bet on how long she would last. I worked with Mary individually and as part of the team and it quickly became clear that she had some great ideas, but the time or conditions were definitely not right for some of them. She focussed on the right ideas, got the buy in and was given space to quickly implement them. Realities are rarely as polarised as the way they are presented to me when I go into organisations.

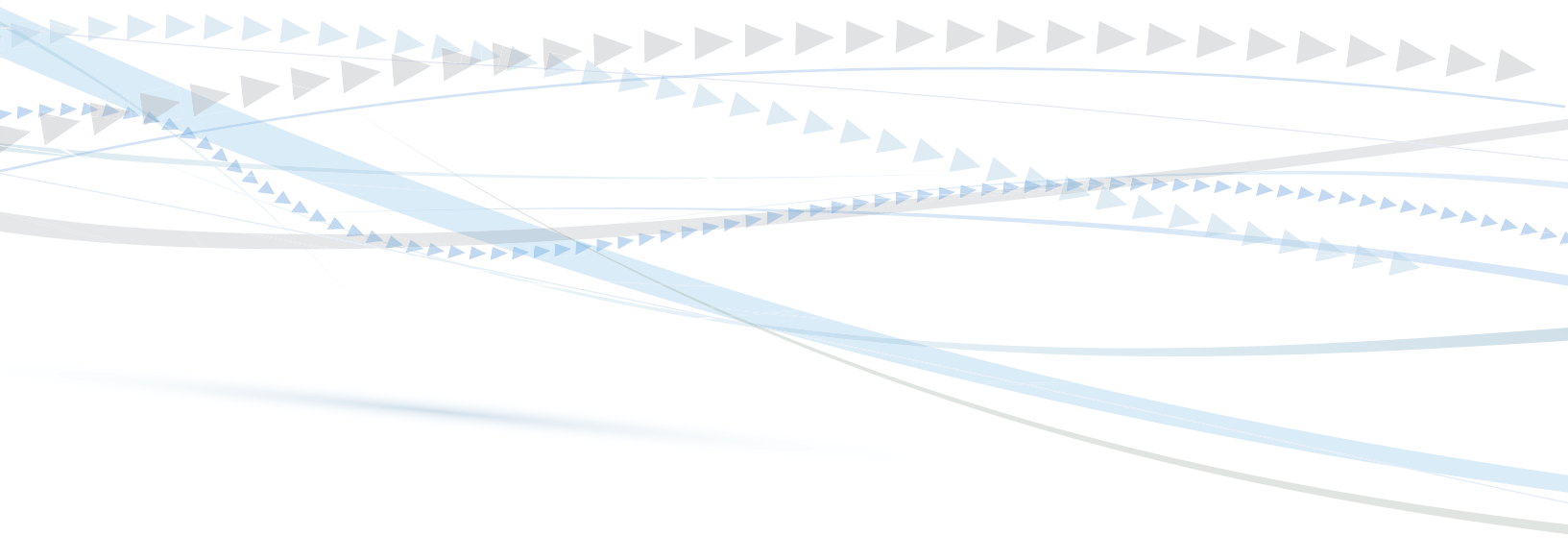
Running a Disruptive Talent programme can be a huge commercial opportunity for an organisation. However, the conditions have to be right, the ecology has to be managed, the individual needs the right people around them and they need the right support. If you would like to explore whether your organisation would benefit from a Disruptive Talent programme please contact me on 01223 269009 or email paolo.moscuzza@oecam.com

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“ In the right context and at the right point in time disruptive talent could have a disproportionately powerful impact on the organisation. At the wrong time and wrong place, with snipers around them, they may not last one year or they become institutionalised and lose what they could have brought to the organisation ”



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Opportunities for Disruptive Talent:

How Boundaries can set you free

by **GARY ASHTON**

You may have found the right disruptive talent to develop game-changing business ideas, but if you don't provide them with the right opportunity then your investment in these people may be wasted and their ideas may never be realised.

So in thinking through how you might provide the right environment for disruptive talent to act you need to consider two perspectives: what degree of protection and support are you willing to give the disruptive talent and what degree of protection are you willing to give the core business that most likely will be impacted by the disruption.

Regarding protecting the talent, this relates to a well-catalogued history of disruptive ideas emerging within businesses that the core business then consciously or subconsciously kills off. For what is termed the "tyranny of the core" can often seek to preserve itself at the expense of any alternative future.

Meanwhile, in protecting your core business, you need to be clear about the level of appetite for disruption that you want that could potentially negatively impact on your short-term profit.

So how can a business get the balance right between allowing disruption to occur without a) lethally affecting the core business, and b) the core lethally affecting your new opportunities?

How disruptive are you prepared people in your business to be? And what degree of freedom and protection are you willing to offer them?

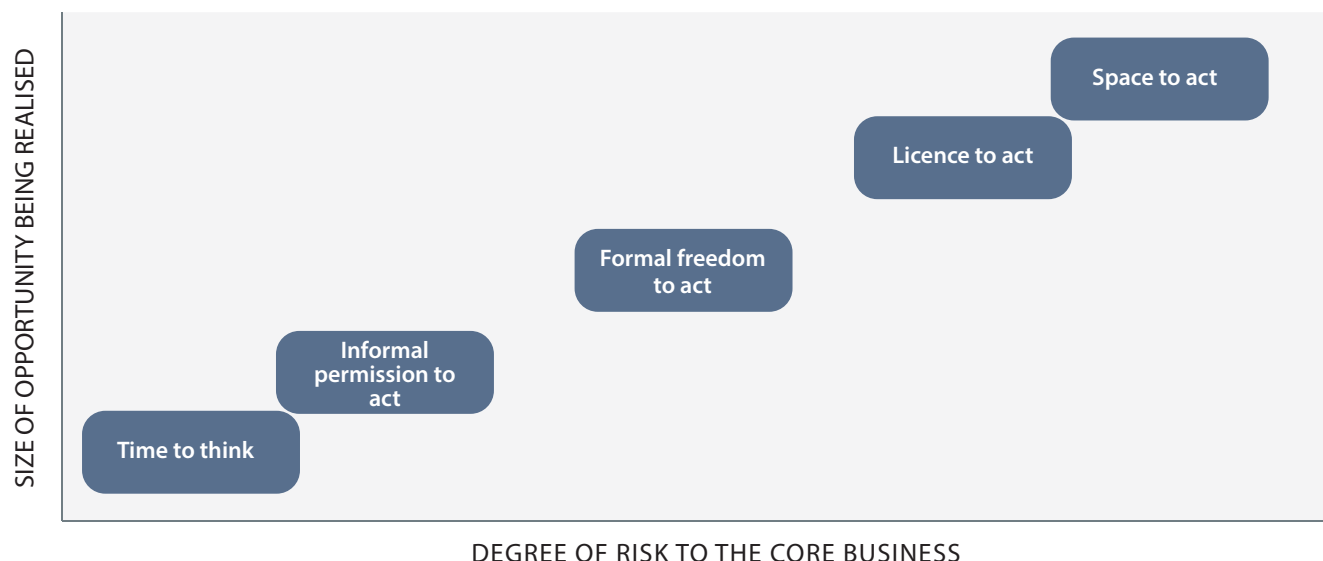
Let us consider five ways in which organisations can create this 'opportunity':

- Time to think
- Informal permission to act
- Formal freedom to act
- Licence to act
- Space to act

Time to Think

This is where you give individuals and project teams time to think through and investigate ideas that could potentially take the business beyond the status quo. Vodafone R&D used to categorize their different types of development projects, with most being specified and funded by internal customers, but with others being supported by R&D itself to explore and think differently and not expect anything specific to materialize (internally nicknamed 'whizz-bang' ideas).

Diagram1: Providing the opportunity - balancing your risks and reward



“ By investing in disruptive talent, you are in effect trading off existing actual profit for future potential profit, and betting on how best to give disruption the opportunity to succeed ”

And in the public sector, Centro – (the public body responsible for delivery of public transport in the West Midlands), has brought together a group of young professionals to envisage a future whereby the people of the West Midlands are highly mobile, through a combination of embracing the possibilities of new technologies and pursuing more sustainable travel options. These ideas are then being fed into its formal management structure and processes.

Informal Permission to Act

The firm's leadership can also create the right environment in which individuals and teams are able to break some rules in order to create something new. This is established at a more informal level by the tacit behaviours of the leadership team in what they support, condone and resist. When Stanley Kalms was CEO of Dixons Stores Group, he would personally promote the idea that every Area Manager should have 10 mini-trials or experiments underway at any one time – to try new ideas out and to quickly pass on anything that worked.

But as this approach is more informal, it can mean that the resolve of leaders is tested when the pressure to urgently deliver profit starts to override the imperative for developing future opportunities. When the pressure is on, the call is with the leadership on just how much speculative investment it is willing to risk, and for how long.

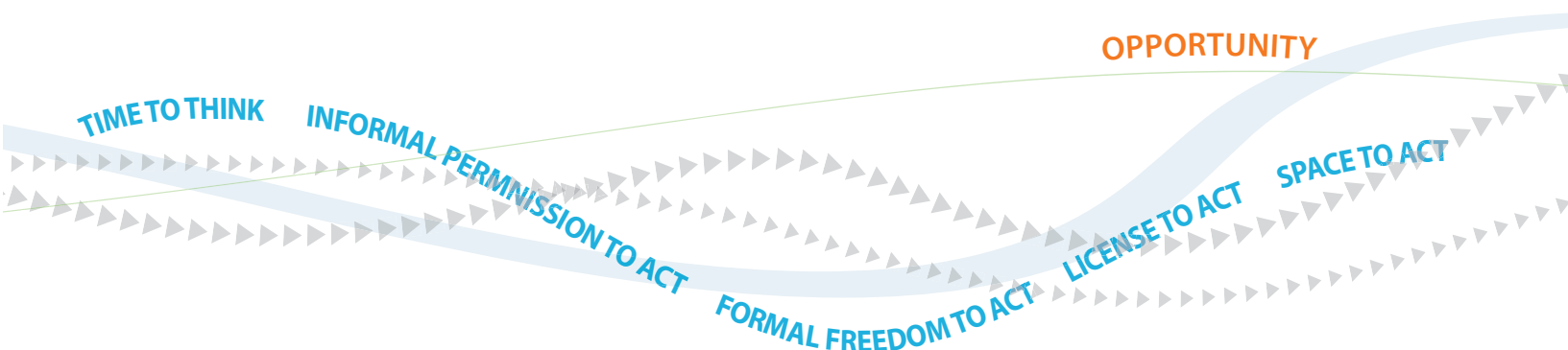
Formal Freedom to Act – Governance

To make it harder for others in the organisation to challenge and prevent the disruptive ideas from succeeding, a company can establish 'rules' within its existing structure which define set resources (human and financial), along with goals, milestones and support within which disruptive projects can thrive. This is how one client is currently working, and has created a set of strategic initiatives, populated with identified disruptive talent, for creating new additional revenue streams that will cut across its existing set of businesses.

License to Act

Once a disruptive project gains some traction, the business may then 'up a gear' and switch from supporting these disruptive endeavours as projects within a governance framework, to creating a separate organisational entity, with its own resources and separate management processes, to allow it to grow into something more substantial - before possibly grafting it onto the existing business. For Vodafone to get its 3G business up and running, it needed to create a separate business, one junction down the M4 motorway away from its core 2G business in Newbury, in order to give it the freedom needed to create what was then a future digital world.

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“ the resolve of leaders is tested when the pressure to urgently deliver profit starts to override the imperative for developing future opportunities. In this instance, the call is with the leadership on just how much speculative investment it is willing to risk, and for how long ”

Space to Act

All of the above can be seen as being more incremental in approach and giving disruption a marginally longer leash. Yet occasionally, the ideas coming forth may be seen as just too radical for the core business to risk. So a more radical approach is needed. One such way is when a company creates an internal market of resources and ideas, within which people are given the freedom to form, develop, grow, merge, reduce and kill off ideas.

Japanese entrepreneur Dr Kazuo Inamori¹ has advocated a concept of “Amoeba Management”, whereby all members of each amoeba unit makes its own plans and pool their wisdom and effort to achieve their targets. In this way, each employee takes an active role in the running of its business, and allows the units to adapt more quickly to any complex and/or changing external circumstances.

Then there are other times when a company realises that inventing everything by themselves is no longer an option, as it can be too slow and costly, and limits your access to the required technologies and talent. In this case, those making decisions on funding options can opt to create an entity outside the formal organisational boundaries. This is where Venture Capital funding, or setting up Joint Ventures can be a suitable approach. Mundipharma International for example has a network of independent, privately owned associated companies and joint ventures with a presence in 23 European countries.

And also note AstraZeneca's reasons for moving its new global R&D centre and corporate headquarters to Cambridge, to be at the heart of what is seen as an ecosystem for life sciences, providing valuable collaboration opportunities. These examples can be seen as form of Open Innovation in which a business harnesses external ideas and contributions internally and also leverages internal capacities externally by making them available to external parties.

An Appetite for Disruption

These five different approaches provide varying degrees of opportunity in which disruptive talent can flourish. Choosing the right model for your organisation is a reflection of your leadership's appetite for disruption and their assessment of how much disruption the business can cope with at any particular time.

To do this, consider the following:

- How ambitious is your leadership team to grow alternative futures for the business?
- How developed is the thinking in your business of potentially disruptive ideas?
- Are you clear about the potential risks – of not developing disruptive possibilities; and of any disruption to your core business?
- Are you clear about the amount of time, effort and financial investment you are prepared to accept, and for how long?
- Are you clear as to:
 - what type of disruptive talent you need to deliver your future opportunities?
 - what type of disruptive talent you actually have in your business?
 - What level of disruption are you prepared to take?

By investing in disruptive talent, you are in effect trading off existing actual profit for future potential profit, and betting on how best to give disruption the opportunity to succeed. So to ensure you make the right call, we can work with you to think through these questions, in order to ensure you have identified the right talent for the job, established the right boundaries around which your disruptive talent can develop business opportunities, and that you are comfortable with your company's organisational resilience to sustain the disruption, and ultimately have a top team with the right level of ambition and imagination to provide the opportunity for disruptive talent to flourish.

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Here's to the Crazy Ones:

A Team of Disruptives!

by **SUSAN CARROLL**



At the end of January, one of my former Apple colleagues emailed me a 'surprise' set of photos relating to the 30th anniversary of the Macintosh. It appeared that Apple had created 10 giant posters displayed at the entrance of its Cupertino HQ to mark the event. From a distance, the posters appear very plain and simply bear the number '30' on them. However, when seen close up, the background and number on each poster are actually formed using the names of every employee that has ever worked at Apple since the Mac was introduced in 1984.

Although I left Apple in 2000, I was rather moved by this. Not just the thoughtfulness of my friend but also the company's recognition of both present and past employees as part of its team. It reminded me of Apple's 1997 'Think Different' campaign which led with the poem 'Here's to the crazy ones' and showed images of a range of iconic ideologists and celebrities. The purpose we felt internally was a 'thank you' to both customers and employees for being crazy enough to keep believing in the company through its dark days of near bankruptcy (like Steve Jobs of course). However, it was to celebrate the courage and single mindedness of those who remained focused on realising an idea despite an often challenging process. The crazy disruptives.

Disruptive Magic

This led me to think about teams and how disruptive talent may manifest itself in a group. If a whole team of disruptives can work well together, magic can happen. If you'll forgive the reminiscing, one thing I certainly learned during my days at Apple was that although one person may come up with a great idea, it was the determination and collective strength of a team getting behind that idea that would make it a reality. And good disruptive can be true of teams in any organisation that are highly skilled in a complementary way, highly motivated and fiercely believe in changing things for the better.

Mark Goodridge's article speaks about getting the organisational environment right to attract, work with and get the best out of disruptive talent where they are needed in the business. It's important to note up front that different parts of the organisation need different skills and individuals to promote optimum performance. The disruptive 'crazy' ones are

needed when a significant change is required. An entire team of those who think differently could have the ability to shake things up in a very positive way if the mix of skills and personalities can be understood and optimised as far as possible. Discovering individual strengths, weaknesses and skills are the starting point for getting any team mix right. Once the leader believes the mix of skills is right, for a more 'disruptive' team, the environment and the way that team is managed are particularly crucial.

A Culture of Failing and Delivering: When it's Time to Grow up

In its early years, Apple took a while to grow up. Although creatives need time to think, there was perhaps an imbalance of where and how this happened within the organisation. The organisation faced leadership and business issues during the early 1990's but Apple may have also behaved as a start-up for too long. I heard the environment described once as 'a kindergarten without parental control'. It took the company some years to mature and make tougher decisions about which ideas should be backed and delivered. In addition to its leadership issues, during the 1990's there may have been too many teams exploring ideas and failing to deliver them properly. However, as a young person keen to succeed it was an exciting place to be and the company culture attracted those of a similar mindset. In the days before psychometrics were widely used, discovering team strengths, skills and weaknesses was more trial and error but part of its culture of exploration.

Despite its issues at the time, there were definitely behaviours and ways of working discovered in those days that were helpful. In addition to carrying out one's day job, the organisation actively encouraged employees to experiment and pilot an idea. This was one of the main reasons why so many people were prepared to work such long hours. The culture was such that it was OK to fail as long as you tried really hard. It was a good way of finding out what one's strengths and skills were. If you had an idea, it was expected you'd find a way to pilot it. And as Apple was a matrix organisation, it depended on connecting with, gaining buy in from and collaborating with others who would come aboard to help deliver it. It was highly common to be a member of multiple virtual teams both locally and globally in order to make this happen.

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Self-managed Teams

Once clear on the objective, individuals and teams were often 'self-managed' because each believed so strongly in the project, enjoyed coaching or mentoring with their skill set, or could see an opportunity somewhere. As it was important to gain buy in for an idea and to 'win hearts and minds' (an often used phrase at the time), each individual team member had an intrinsic motivation to realise the overall objective. Each would use a different skill set in a complementary way. The manager's role was often advisory or that of a coach/mentor rather than someone who would spell out exactly what one had to do. In fact, if someone attempted to lay the law down too firmly it could stifle creative thought and cause a rift – especially if the team were generally working well and believed in what they were doing. The leader or manager may be invited in to help solve a problem or facilitate an idea. An idea would be delivered through networking, getting oneself known within the organisation, collaborating with others outside the usual team and gaining both intellectual and financial support. Individual skills and strengths were recognised and, as there was so much passion amongst employees for the overall company and vision, it was relatively easy to find talented people equally excited to help make something a reality. Because of the matrix, boundaries were very flexible. Despite many ideas burning out after an initial pilot, some became much bigger and could be delivered as best practice ideas elsewhere.

Making a Game-Changing Idea a Reality


In 1993, one such best practice project I worked on was called 'Software Dispatch'. It was an innovative e-commerce idea from the US Evangelism team that would potentially change the way consumers purchased software. In the days prior to widespread internet use, it was a CD with various software products encrypted into it that would be shipped in the box with every Macintosh and piloted firstly in English speaking markets. Any product could be trialled first then fully 'unlocked' by calling a number and providing credit card details. In the UK, three of us were pulled in to develop, test and market the pilot. The idea was unique as it instantly enabled customers to buy a software product from their home or office 24 hours a day, 7 days a week.

Sound familiar? We were given 9 months funding to make it a success to see what happened. We discovered that, although the idea was great, the market wasn't quite ready. Most customers at that time were still more familiar with disk drives than CDs and we didn't have the critical mass of early adopters amongst consumers to make the new concept take off. As Apple had much bigger business issues at the time, the plug was pulled early and the idea shelved. However, there were those with renewed energy and enthusiasm who remained convinced the idea was sound. Several determined iterations later from more positively disruptive teams, the web now enables a much simpler way of conducting e-commerce. Downloading software is now very common-place and the original idea has evolved into iTunes.

Apple has since matured. No longer does the *entire* organisation act like a start-up although disruptive innovation still has its place. And, as the iPhone and its thousands of apps have shown, ideas can be further developed by others to turn around not just the fortunes of an organisation but the way the world works.

Not all ideas realise a success. Few organisations have the luxury of time (or indeed funding) to experiment with random idea generation and piloting. But to change thinking and habits there must be some provision for blue sky thinking and experimentation - where it matters. Some organisational capacity must allow for creativity, collaboration, testing and possible failure. If not, how will we know? The environment must support focused experimentation from those crazy enough to believe there could be a better way and not berate every failure. The risk of course is betting on the right idea. It may not work in the first team but others may be able to build on the idea (e.g. although Alexander Fleming discovered penicillin in 1929, he was unable to make it successful alone. It wasn't until the 1940's that Howard Florey and his team took the idea up again and were able to develop, trial and produce it in significant enough quantities for it to benefit human health.)

As discussed in Paolo Moscuza's article, identifying disruptive talent is a challenge. For organisations that are less risk averse than Apple (or those who have learned from the mistakes made by the early innovators), we are often asked to help put



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together the right team mix to reduce performance ramp up time. Although psychometrics can play a part in this, numbers on a profile or a wheel are not enough. We have been working with clients to put together these teams based on a myriad of information we have about each individual. We then support them through direct observation, one to one coaching and team development. These organisations are managing the risk that comes from disruptive talent and maximising the opportunities as a result.

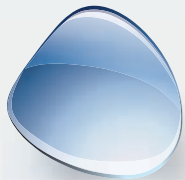
As we have the privilege of working with many organisations, we can blend a variety of insights to help our clients identify an approach that is right for them. To implement a game changing idea and to make it a reality may mean taking a risk on those who appear to be disruptive and think quite differently from others in the organisation. Managing this where it is really needed and creating an optimum environment and mix of teams enables a better focus not just on generating ideas but delivering them too. Its about balancing the mix of team skills, understanding then enabling players to become intrinsically motivated and trusted to collaborate and to deliver.

Here's to the crazy ones...

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HERE'S
TO
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CRAZY
ONES



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