PERTH LEADERSHIP INSTITUTE

WHITE PAPER

INNOVATOR FINANCIAL STYLES AND FINANCIAL PERFORMANCE

REVISED
June 28, 2007

www.perthleadership.org

PW179G

Executive Summary

Innovation is a vital task for companies and countries. The current focus for improving innovation is to find and implement better organizational processes. The current approach assumes that if the processes are correct and effective, then essentially any manager can be put into an innovation task or role. However this ignores the issue of the differences between individuals in their innovative financial styles. By taking this into account we believe we can make the innovation process more effective and more predictable.

Based on our research, this White Paper argues that there are significant differences in psychological endowments between individuals in their innovation impact. Most managers do not have such an impact. Even those who do differ significantly in their impact on financial performance and capital generation. By taking these issues into account, companies can improve their innovation programs, improve the individual contributions of innovators, better match the styles to the market goals of the organization, and make them more relevant to the psychological assets they have amongst their innovation managers.

Our research gains powerful support from other independent research on innovation, notably the annual Booz Allen studies on R&D spending by companies, which we refer to in this White Paper.

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What Is Innovation?

Innovation has become a hot topic. Every business magazine carries numerous articles on it. Companies run courses on how to achieve it. Managers want to be innovative. Academics write about how you do it. But what is it?

In our view, innovation is in the eyes of the consumer. A company or an R&D team is not capable of defining an innovation in isolation since they are not the market arbiters. Our definition of innovation is different to that adopted in most studies. These define innovation as being the outcome of intellectual creativeness. However in our approach, innovation is an activity which is perceived as having a novel, commercial impact as seen by others, preferably from outside a company rather than inside it.

Thus a person may be seen as being creative in a purely academic or purely intellectual sense. In our approach, if these creations result in no short-to-medium commercial impact or value, they would likely not be rated as being innovative on our assessments. Indeed this person may not be seen as being innovative at all.

Someone who scored highly on the Watson-Glaser test for critical thinking, for example, may or may not score as being innovative on our assessment. The difference would be if consumers, or a proxy for consumers (in the case of our assessments, how other colleagues rate him or her on behalf of consumers), saw the creation as being an innovation from their (the consumer's), perspective.

"....innovation is in the eyes of the consumer..."

Thus our view is a more tightly focused and narrower definition of innovation than is generally the case. It is specifically oriented to judging commercial outcome, rather than to a broad intellectual or human outcome.

We have developed an assessment which identifies and measures a person's innovator financial style. Several hundred managers have completed this assessment and we have used these as the basis for our research into innovation, some of which is set out in this White Paper.

As will be seen in this White Paper, this difference in approach to the definition of innovation has important implications for how companies innovate and who they use to do it.

Companies are Under Pressure to Strengthen Innovation

As companies and countries develop, they strive to increase innovation as ways to improve their competitive position. Companies usually start as either cost or innovation leaders.

The cost leaders eventually lose their cost advantage and are forced to become more innovative to survive. Innovative companies usually lose their innovation advantage and, as their competitive position weakens, strive to recover it. Developing economies usually start their economic lives as cost leaders and they too lose this advantage over time as we are starting to witness with both India and China. In this case too they start focusing on innovation to bolster their competitiveness.

Innovation is not easy. If it were, the innovation debate would not exist. There is a lot more talk about innovation than there is innovation.

Companies that focus on achieving innovation rarely achieve it, at least not in any breakthrough sense. Both companies and countries strive to rediscover innovation by identifying organizational processes and strategies which, if faithfully followed, are held to simplify the process and make its outcome more likely. Of course, these usually do not work, at least not in the way it was hoped they would.

"….There is a lot more talk about innovation than there is innovation…."

This White Paper sets out a central reason why these approaches to innovation are often not effective. It is based on research by the Perth Leadership Institute conducted over the last four years. It offers an alternative view of innovation and how to improve it within companies and countries.

Spending More is Not the Answer

Research studies consistently show that there is no relationship between R&D spending and innovation. Booz Allen's Annual Survey of R&D spending covers the top one thousand companies by R&D spending. It contains some interesting conclusions in its latest version.[1] Some of these findings are:

- The major innovators across industries consistently spend less than their competitors on R&D. They refer to these innovators as "high-leverage" innovators.
- Less than 10% of companies are these "high-leverage" innovators.
- There is no relationship between R&D spending and financial performance as measured by profitability and other conventional valuation metrics.

- Higher spending may increase patents but there is no relationship between the number and even the quality of patents and financial performance.
- The only statistical relationship between financial metrics and innovation is gross profit as a % of sales.

The study thus identifies companies that are high-leverage innovators, who are in a small minority. The study sees no common elements in this category of companies other than that they spend relatively less than their peers on R&D, and that they have mastered all elements of what they call the innovation value-chain.[2] However they do not quantify this aspect so are left with an intriguing study that shows there is no relationship between innovation and R&D spending but still cannot tell us why.

"…There is no relationship between R&D spending and financial performance…"

Current Approaches to Innovation Focus on Process, not Individual Styles

As part of the background work for this White Paper, we conducted an informal survey of the literature over the past 18 months. We took just two journals, Harvard Business Review, and the MIT Sloan Management Review. Then we counted all the articles that included innovation in their title and analyzed the content of those articles.

Here is what we found. Of the thirteen articles in the sample, 12 focused on some type of process as a way to foster innovation. Only one of the articles focused on individual creativity, and then only at the level of the company.[3]

Some of these articles are highly original and incisive in their own right, for example about how Italian furniture companies have innovated through what the author terms a collaborative "design discourse" between companies and individuals throughout their regional economy.[4] In a similar vein, another shows how a company has to match its innovation strategy to what its author calls its "innovation ecosystem"[5] something that Procter and Gamble has adopted as the core of its innovation strategy[6] and that can even mean deliberately seeking out difficult partners as a way to stimulating productive friction.[7]

Involving customers in the innovation process is a recurring theme[8] and particularly meeting their unmet needs.[9] A number of the articles try to encapsulate the innovation process as a sophisticated formula, such as one that sets out what it calls an "innovation radar"[10] or through a complete understanding of the innovation lifecycle[11] or through adopting a set of templates for use in innovation in services delivery.[12] Other approaches focus on the issue of product mix and complexity in the innovation process,[13] moving innovations out of internal incubators[14] and the use of innovation tools, especially from information technology.[15]

But only one of these articles focuses on individual creativity and how to stimulate it.[16] And even this article leaves aside the issue of the characteristics of innovative people, how they differ between each other and how to stimulate them in particular, rather than how to encourage creativity in all employees, which is their central theme.

Our survey then shows, at least in this sample, that most of the thinking on innovation revolves around how to develop, integrate and implement processes that will foster innovation rather than identifying people who are innovative and how these differ from other employees. Yet it is well-known that most innovations tend to occur with highly innovative individuals who are often at odds with their colleagues and peers and who are often resistant to process or to being harnessed in an innovation approach. Such individuals will often avoid the very companies that wish to innovate since they see their styles and psychic needs as being fundamentally incompatible with being in an environment which, in their view, restricts and limits them.

"Innovation….also needs innovative individuals…"

Innovation does need processes, which may or may not need to be sophisticated depending on the type of culture and environment in the company. But it also needs innovative individuals, something that much of the literature does not address. Without innovative individuals, innovation processes will not be effective.

This White Paper seeks to address this issue and to provide data on the innovative individuals and their financial impact. This will lead to suggestions on how innovation can be fostered and improved not just through process but through selecting, developing and managing individuals with high innovator financial styles.

There Are Distinct Innovator Financial Styles – But Most Managers Do Not Have Them

Our research has focused on the financial styles of executives and managers at all levels. This is part of what we term the Perth Leadership Outcome Model™, a formal model of financial traits that predicts financial performance and outcome of individuals based on their Financial Signature™.

We have developed online assessment instruments based on our field research. These instruments measure an individual's Financial Signature™. For the purposes of this White Paper the most important is the Financial Outcome Assessment™ (FOA) which identifies and measures the Financial Signature™ of an individual.

We have published widely on this subject[17] and so will not discuss the model here. However this model formally incorporates a model of the impact of an individual in what is termed their value-adding traits. This trait is essentially the propensity of a person to make a commercial innovation.

We have thus obtained a wealth of data on this propensity as part of our assessments of the financial traits of managers and are able to use it specifically for analyzing and discussing the impact of an individual on innovation, or what we will refer to somewhat more loosely as their innovator financial style.

Innovator financial style has little or nothing to do with formal intelligence or ability, however these are defined. It means the extent to which an individual is comfortable with focusing on innovation as part of their normal mental functioning and how much of an impact the individual has on initiating or producing innovations that have a commercial impact.

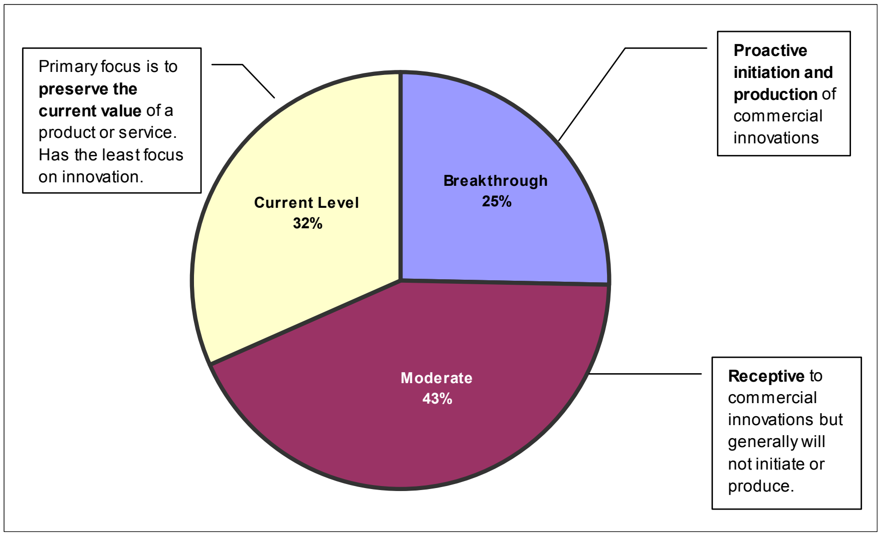
Our assessments distinguish between **three levels** of value-adding impact.

- The **first** is the current level, where individuals focus primarily on preserving the current value of a product or service and therefore have the least focus on innovation.
- The **second** is the moderate level where individuals are receptive to commercial innovations but generally will not initiate them or produce them themselves.
- The **third** level is the breakthrough level, the act of innovating, in which an individual actually initiates and produces a commercial innovation.

> **"...Innovator financial style has little or nothing to do with formal intelligence or ability...."**

In Figure 1 we show the proportions of managers we have assessed using the FOA who are in each category. Only a quarter of executives assessed using the FOA have an Innovator financial style (Figure 1).

Figure 1 **Proportion of Managers with Innovator Financial Styles**



The situation becomes even more interesting when we look at the proportions of all managers who are in the Breakthrough category, which for the purposes of this paper we will call the Innovator Financial Styles. There are three types of managers with Innovator Financial Styles.

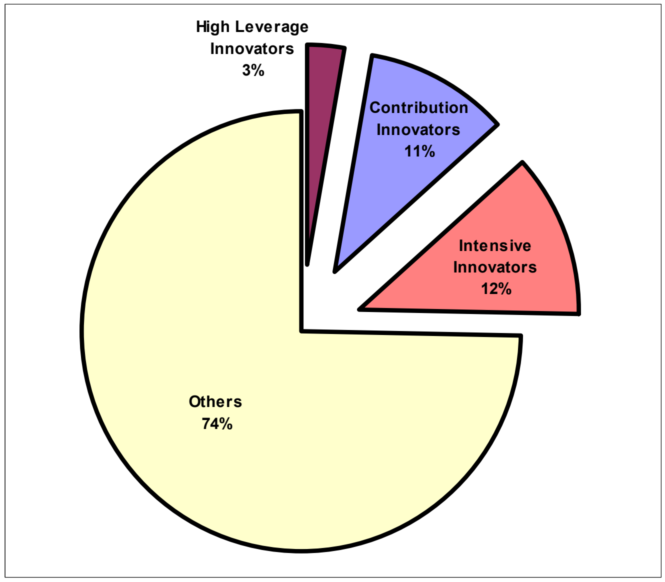
The High-Leverage Innovators – these are individuals who initiate and develop commercially innovative products, services and processes using the absolute minimum of resources – investment, expenses and people. They are what might be called frugal in their resource approach to innovation.

The Contribution Innovators – these are also at the breakthrough innovation level, but they use a moderate level of resources – investment, people and other resources – but at a level that also enables them to contribute a net operating margin to the innovation activities they manage.

The Intensive Innovators – these are equally as innovative as the two types we have already mentioned. However this category uses resources relatively intensively to achieve their innovations. This includes their use of money, investment, capital and physical as well as people resources.

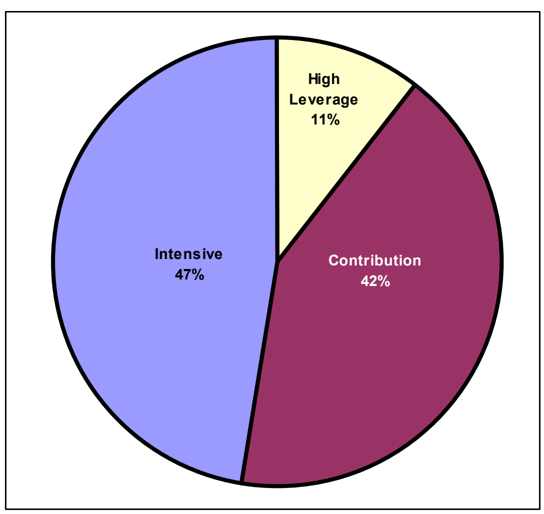
In our assessments, only 3% of all managers had High-Leverage styles, 11% had Contribution styles and 12% had Intensive styles. We show these at Figure 2.

Figure 2 **Analysis of Innovator Financial Styles Compared to Other Styles**



If we restrict our analysis only to the innovator financial styles, 11% of innovators had High-Leverage styles, 42% had Contribution styles and 47% had Intensive Innovator styles (Figure 3).

Figure 3 **Analysis of Innovator Financial Styles**



According to the Perth Leadership Outcome Model, each of the three innovator financial styles has a different propensity to generate capital. On the value-adding side, all of the three styles will generate high gross margins which match their psychological tendencies to add a high degree of value. However each differs greatly in their use of resources and this will mean that each of them will have very different financial impacts.

The **Intensive** style will have high gross margins but these will be at least compensated for by high indirect expenses, a key part of their financial traits. This means that at best, this style will result in no net financial contribution.

The **Contribution** innovator financial style also has high gross margins but will have moderate resource utilization. This means that this individual will generate some capital since the value-added represented by gross margins will more than compensate for his or her resource utilization.

The **High-Leverage** innovator will have very high capital generation since his gross margins will strongly exceed his or her resource utilization resulting in high surplus over the longer-term.

The proportions of these three types of innovator styles are worth considering further. Managers with innovator financial styles constitute, on our research, around one-quarter of all managers. Of these, Intensive innovators comprise 5 out of 10 of all managers with innovator financial styles. Managers with Contribution innovator financial styles comprise around another 4 out of 10 managers. High Leverage innovators, by contrast, comprise only 1 out of 10 managers with innovator financial styles and only 3% of all managers. The High Leverage innovators are truly a scarce resource.

Thus, based on our model, half of all managers with innovator financial styles will at best have a neutral financial impact and in fact the actual financial impact will generally be less favorable than this. A little less than half of all managers with innovator financial styles will have a positive financial impact. But only a very small proportion will have the type of highly significant financial impact that every company aims to achieve in its innovation programs.

"…High Leverage innovators, by contrast, comprise only 1 out of 10 managers with innovator financial styles…."

This is Why the High Leverage Companies Succeed

It is clear that High-Leverage innovators are a minority of all innovators. It is tempting to think that these types of innovators are those who create the high leverage innovation companies identified by the Booz Allen study. High-Leverage and Contribution innovators are the ones that get the most bang for the buck. We believe that it is these types of innovators which are most likely the dominant innovator financial styles represented amongst the high leverage innovation companies identified by the Booz Allen.

What does this mean? If High Leverage innovators were distributed randomly amongst companies, our model suggests that there would be no differences in innovation between them since they each had an equal endowment of the High Leverage innovators.

What these pieces of research suggest is that the high leverage companies are that way since they have internal systems and processes that systematically seek out, develop and promote High Leverage innovators. This leads to a concentration of this innovator financial style, in essence to a High Leverage innovation culture. We will discuss the implications of this later in this White Paper.

"...it is crucial to identify and develop the High-Leverage managers..."

We believe that our research has identified the styles that, at least in part, underpin the findings of the Booz Allen research in the high-leverage companies. In other words, we believe that high-leverage innovators are at least one reason why high-leverage companies are that way.

Moreover we believe that this evidence supports the hypothesis that in companies which spend highly on R&D without getting such a good result in terms of financial performance are those whose innovators are mainly the Intensive innovators - breakthrough styles coupled with high expense styles. Notwithstanding the relationship, as we will show, in our model it is crucial to identify and develop the High-Leverage managers in particular in order to get the full benefits of innovation.

And Why Most Other Innovation Programs Underperform or Even Fail

As the above findings reveal, only a small percentage (1 out of 30) of managers are naturally innovative. Managers who are not naturally innovative are more comfortable preserving the value of current products and services – and legitimately so since if they were not, then the organizations would be so focused on innovation that its current set of products and services would not be effectively maintained and the organization would therefore fare poorly. Even managers who have a moderate innovator financial style will not be most comfortable initiating or developing innovations.

So neither of these types of managers will be most effective for innovation tasks. And even of those that do have innovator financial styles, most of them will not have the necessary financial characteristics that you need for the various types of business circumstances.

These findings support our argument that companies that have relied on process to fuel innovation are missing a vital element, namely that innate innovator financial styles are a key part of the equation. Even with effective innovation processes, if they assign the wrong individuals to them, they cannot be effective since this is not what these individuals do best and it is not what most of them will be comfortable with. Without understanding these innovator financial styles, companies' innovation programs will, at best, perform sub optimally.

Because of this, companies make classic errors in their innovation programs. These include:

Assuming that managers and staff who are given the responsibility to innovate will actually do so.

Our research shows that most people are not naturally innovative. This has nothing to do with intelligence. All too often, companies assume that people who are highly intelligent are also innovative. This is not true, as we explain further below.

Assuming that innovative people will come up with commercially relevant products or services.

Most innovative people will produce innovations that are not commercially viable. That is because a large proportion of people who are innovative do not have a thinking style that will result in the innovation actually adding value in a commercial sense (as reflected in the gross margin, the basis for our measurement approach to creativity and value adding behavior). This is a simple consequence of our research which shows that most innovators – the Intensive styles – need heavy investment and expenses and therefore rarely generate capital. Of the other two styles, one – the Contribution style – generates reasonable capital, and one – the High-Leverage style – generates high levels of capital.

> **"…the Intensive innovators ….almost certainly form the majority of professional innovators…."**

So the largest category of innovators, the Intensive styles, will indeed commercially innovate. As the Booz Allen study suggests, they are probably highly persuasive to their managements, arguing the more money they give to them, the better they will innovate.

Just the opposite occurs, .Their innovations have a relatively lower chance of ever leading to commercial enrichment, since their indirect expenses will utilize all of the gross profit generated by the innovation. It is the Intensive innovators who almost certainly form the majority of professional innovators in most large companies.

Assuming that professional innovators will be more innovative than non-professionals.

What do we mean by professional innovators? This includes product development staff, scientists and engineers in R&D and learning and development staff.

There is plenty of evidence to show convincingly that many innovations that add commercial value, as opposed to those that do not, come from outside the discipline. That is, many innovators are amateurs (at least in the new field that they are innovating in).

Companies often assign those who have professional innovation qualifications to the innovation task because they appear to have the formal skills to do it. Yet, in fact, in many cases, the people with the most appropriate skills will frequently be amateurs from outside the discipline who are not constrained by the paradigm limitations of people inside the discipline.

Amateurs do not know what is not supposed to work so will try things that professionals think is impossible. Oftentimes the amateurs will succeed.

> **"….the High-Leverage style….results in most innovation breakthroughs that create new industries…."**

Our research also shows that many individuals who do not possess the qualifications that would normally be seen as qualifying them for innovation tasks are in many cases very innovative and that their innovator financial style is frequently the High-Leverage or the Contribution styles, which lead to medium or significant capital generation.

Assuming that innovation programs need high investment.

Our research shows that there are two main types of innovators. One – the professional, who usually possess an Intensive style - tends to rely on high expense investments such as research and process in order to conduct their investigations.

The other –a High-Leverage but sometimes a Contribution type – shuns high investment and instead relies on a frugal or moderate style which spurs inventiveness since it is driven by the assumption that resources in any magnitude will not be available and that only pure creativity can succeed. It is the High-Leverage style that results in most innovation breakthroughs that create new industries – as examples, think Bill Gates of Microsoft, Michael Dell of Dell and Pierre Omidyar of eBay. Yet most professional innovators are Intensive.

Intensive innovators are normally found in large companies. High-Leverage people are normally found in smaller entrepreneurial companies but, of course, not always so, if we believe that the Booz Allen high-leverage companies were at least partly that way because they had a disproportionate number of High-Leverage styles amongst their innovators. That is why most innovations derive from the latter and why a good path to innovation is the acquisition of High-Leverage companies by their much larger brethren.

Corporate recruitment and selection processes in larger companies are heavily biased towards using Intensive innovators for innovation. This builds in a systematic bias to heavy resource utilization and to the exclusion of low-cost but out-of-the-box solutions. This is essentially what the Booz Allen research is showing in its conclusions as to the lack of a relationship between spending on R&D and financial performance.

As we have shown, is possible to identify and measure Intensive and High-Leverage styles. Companies that wish to innovate need to distinguish between the two in whatever way they can in order to make their innovation programs more effective.

Successful Programs Need Specific Innovator Financial Styles

As companies become larger, their growth rates tend to slow down significantly and they experience lower rates of innovation. The larger they get, the more pronounced this issue.[18] Companies and industries tend to have a distinct lifecycle where the later stage survivors slow down and become less innovative. This effect becomes particularly pronounced as companies get into the Fortune 50.[19]

When companies are new and young, they have often started off with a highly innovative product or service and there is often a strong culture of innovation. That culture is usually led by a founder who is themselves an innovator. In our terms, they have a high innovator financial style. They hire individuals who are innovative – Google is a good current example – who in turn hires others like themselves. This sustains a culture which is innovative, not by innovation programs themselves but through the hiring of employees with.

"…Corporate recruitment and selection processes in most companies are heavily biased towards using Intensive innovators for innovation…."

As companies mature, their leaders are chosen for qualities other than innovation and they then choose other managers who share these qualities and styles.

Invariably these staff are less innovative and they also choose and develop staff that are also less innovative. This is necessary so that the company can function in its environment which is more mature and has less need of innovation.

This mechanism leads to the selection and development of managers who have less of a value-added focus and comfort and who are also more comfortable with higher levels of resource utilization. This then leads to the average capital-generating propensity of staff to be lower than it was when the company was younger.

We term this phenomenon "**style drift**". As companies mature, the predominant styles of managers drift to become less innovative and more intensive in terms of resource utilization.

Of course, such companies are frequently aware of this issue, even if they do not call it by this term. So they do attempt to bring in individuals with innovator financial styles. However, as companies mature, the innovators they select and recruit are usually a particular type of innovator financial style, namely Intensive, that is with an innovator financial style that has intensive resource utilization.

Those responsible for recruitment do this because Intensive individuals fit in better with corporate cultures that stress large programs of marketing and R&D. They want individuals who are comfortable with deploying large programs which need experience with high levels of expenditures and other resources.

Thus, even when maturing companies do select innovators, they tend to select a particular type of innovator, that is, those who are far less entrepreneurial and who have innovator styles that, on average, do not generate net capital. Cultural factors usually lead to High-Leverage innovators – the most entrepreneurial type – not being selected by larger and more mature companies.

"….As companies mature, the predominant styles of managers drift to become less innovative and more intensive…."

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Thus as companies become larger, they tend to undergo an evolution in terms of the types of innovator financial styles they recruit, select and develop. Smaller and more entrepreneurial companies tend to bring in High-Leverage types. Companies in the earlier stages of growth and mid-life tend to bring in Contribution styles and larger and more mature companies tend to bring in Intensive styles. The net impact is that, as companies grow and mature, they tend to bring in fewer innovators and the innovators tend to be less entrepreneurial and have less of an impact on capital generation.

The Intensive innovators in larger companies have a very different way of looking at innovation processes to the High-Leverage styles in the smaller and more entrepreneurial companies and to those also in the larger very innovative and financially successful companies. Intensive innovators tend to view innovation as being a matter of process and resources. The more of both, the better. For them, having less resources means less money and staff for R&D and therefore less innovation and new products. As professionals they tend to want the best resources and tools and they will promote their programs by arguing that unless they get these, they cannot innovate in the way the company wants them to.

High-Leverage innovators have a radically different perspective. Their view is that the more money spent on innovation, the less effective it is and the less creative people have to be. Their view is that the lower the process and the resource utilization overhead, the more innovation there will be. In their world, restricting resources actually leads to more innovation, not less.

Intensive innovators push for more investment in innovation and this leads many large companies to over-invest in innovation relative to the results they get. This explains the finding, for example, that in the pharmaceutical industry, most R&D outlays are spent on extensions to existing products rather than generating new products.

On the other hand, younger and more entrepreneurial companies and, we believe, the larger and more innovatively successful companies, often deliberately restrict capital for innovation viewing it as <u>reducing</u> creativity and innovation. Their approach is to focus much less on process and more on hiring innovators with a particular type of style – in their case High-Leverage, or Contribution, but not, unless there is a strong reason otherwise to do it, Intensive innovators.

How HR Can Contribute to Their Success

HR has a key role in improving innovation programs. They can focus on bringing innovations styles back into the innovation equation. That is not to say that there should be any less corporate attention to innovation processes. It is just very important to ensure that these programs have an appropriate balance between innovation process and styles.

The lessons are that companies who wish to improve their innovation programs need to do the following:

1. Focus less on process.
2. Focus more on recruiting and selecting individuals with innovator financial styles.

3. The innovator financial styles need to be integrated with their capital generation objectives overall which broadly speaking means High-Leverage and Contribution innovators.
4. In order to become more innovative they need to recruit and select more High-Leverage types.
5. In this case they need to be able to make the necessary organizational development adjustments to accommodate these more entrepreneurial types of innovators.
6. Restriction of capital will be a means of spurring innovation as long as the innovators are High-Leverage and Contribution.
7. Companies need to make particular changes to ensure that Intensive innovators are provided with the necessary incentives to reduce their resource utilization so as to spur the right kind of creativity and innovation.

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Final Thoughts and Recommendations

High Leverage innovators are rare. Those who truly create breakthroughs at low cost confer superior market advantage upon their companies. Companies that have programs that seek out these individuals, simultaneously foster innovation, seek contributions from a broad community, both internal and external, and possess internal mechanisms to support and inculcate these processes, are the ultimate market winners.

Innovation is not a science, and it may not even be an art. There is a good deal of serendipity in the innovation process – if we can even call it that. Too much planning is probably as damaging as too little. If anything innovation needs to be given a good deal of latitude, not too much prescription and a high degree of experimentation.

This is to say that focusing on innovator financial styles is a start, not an end. Too much focus on it also may be as much of a problem as too much focus on process. This White Paper is merely to remind managers of innovation programs of an area that may have been under-emphasized, not to state that is has discovered another magic bullet.

"....High Leverage innovators are rare...."

However too much attention to innovation processes may be pushing up costs of innovation and contributing to the problem of less innovation per dollar spent. Innovation programs need an appropriate balance between process and styles at the very least in order to help achieve the right mix.

With this in mind, some final suggestions:

- Select and prepare individuals to run and implement innovation programs based at least partly on their innovator financial style.
- Assign Intensive and High-Leverage individuals to different types of innovation programs based on the business circumstances in which they will be most effective based on their innovator financial styles.
- Do not confuse professional expertise with propensity to add value even if an individual possesses the propensity to innovate.
- Avoid the temptation to always use innovation professionals in innovation programs.
- Identify and utilize High-Leverage individuals as innovation assets.

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Footnotes

[1] See Jaruzelski, B. et. al., "Smart Spenders: The Global Innovation 1000" Strategy and Business, Winter 2006, Issue no. 45, pp. 46-61.
[2] Ibid. p. 57.
[3] See the bibliography to this paper.
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[17] See Prince, E. Ted The Three Financial Styles of Very Successful Leaders: Strategic Approaches to Identifying the Growth Drivers of Every Company, McGraw Hill, New York, August 2005. For other

publications and third-party reviews see http://www.perthleadership.org/Publications.htm and http://www.perthleadership.org/Book_Reviews.htm

[18] See Mauboussin, M., More Than You Know: Finding Financial Wisdom in Unconventional Places, Columbia University Press, 2006, pp. 201-206.

[19] Ibid, p. 203.